

MATALAN

11 January 2016

Matalan results for the 13 weeks ended 28 November 2015

Matalan, the UK's leading out of town fashion and homeware retailer, announces its results for the 13 weeks ended 28 November 2015.

Financial highlights

- Total revenue of £302.5m (2014: £298.0m)
- EBITDA of £32.2m (2014: £39.6m)
- Closing cash position of £60.5m

Peak trading for the 5 weeks to 2 January 2016

- Store revenue of £133.8m (2014: £142.9m).
- Online revenue of £2.7m (2014: £5.5m)
- Full priced sales mix +2.6%pts. Sale launch volume in line with last year

Overview & Outlook

Commenting on performance Jason Hargreaves, Managing Director of Matalan, said:

"The results for the third quarter reflect a significant improvement on the first half of the year and were achieved in a particularly challenging market. Importantly, our supply chain responded well, demonstrating the progress made by the Liverpool warehouse in delivering better in-store availability for customers. Work is now underway to repeat this improvement online.

Difficult trading conditions continued into December as extremely mild weather inhibited footfall and drove increased discounting across the market. Positively, against this backdrop we improved our full priced sales mix, maintained our margin levels, and held our Boxing Day Sale launch volume at last year's levels. This represents a major improvement on the equivalent summer exit phase. Despite this, suppressed demand in the winter market has resulted in a revision of our full year EBITDA guidance to £54m - 56m and closing cash guidance to £72 - 74m.

Whilst the year has undoubtedly presented major challenges, having faced into the issues, we enter 2016 clear on the next steps to move the business forward. I'd like to thank all of our colleagues for their work throughout the year"

Ends

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About Matalan Retail Limited

Matalan is the UK's leading out of town fashion and homeware retailer and operates through 224 stores in the UK, an e-commerce platform and 21 overseas franchise stores. Matalan Retail Limited was taken private in December 2006 by the acquisition of its parent company, Matalan Plc (now delisted and known as Matalan Limited), by Missouri Bidco Limited, subsequently renamed Matalan Finance Limited. Matalan Finance Limited has subsequently become a public limited company and is ultimately controlled by the Hargreaves family.

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