

# MATALAN

6 March 2012

## Matalan FY12 Unaudited Trading Update

Matalan, the UK's leading out of town fashion and homeware retailer, announces an unaudited trading update for the 52 weeks ended 25 February 2012. The Full Year Audited Results, followed by an Investor call, will be released following the completion of our Audit towards the end of May 2012.

### Financial highlights (unaudited)

- Total revenue of £1,117.5m (2011: £1,096.5m)
- EBITDA of £91.1m (2011: £153.6m) – in line with previous guidance
- Closing stock of £131.8m (2011: £120.0m)
- Strong closing cash position of £96.2m (2011: £83.1m)
- Outlook remains cautious

### Performance overview

Total sales for the year are 1.9% up on last year (LFL sales down 0.4%). Trading in Q4 was largely as guided at the last results announcement.

EBITDA for the year at £91.1m was within the range guided at the last results announcement. There have been no material changes in the external environment or our outlook. Consequently, we expect LTM EBITDA to stabilise in the range of £85m - £95m through the first half of the new financial year.

We enter the new financial year with a clean stock package with total units held and the cost of old stock below last year. The growth in stock balances is directly related to higher input cost prices impacting the current season's stock package.

We closed the year with a strong cash position of £96.2m, £13.1m higher than last year. This reflects Management's ongoing focus on maximising cash balances. Matalan continues to be a highly cash generative business and we maintain a positive outlook for our cash balances.

**Prior to the year end we successfully agreed and executed a covenant reset on our revolving credit facility.** We were unable to reach agreement with one of our banks. We took the decision to cancel the £20m of our RCF facility held by this bank. We are confident that we have sufficient levels of liquidity in our business from cash balances, the £30m RCF facility that remains and the ongoing support of our Shareholders.

There will be no Investor call for this trading update. We will announce our Audited results for the 12 months ending 25 February 2012 and give a further trading update towards the end of May 2012 which will be followed by our usual Investor call.

**-Ends-**

**Enquiries:****FTI Consulting****020 7831 3113**

Jonathon Brill

Caroline Stewart

**About Matalan Retail Limited**

Matalan is the UK's leading out of town fashion and homeware retailer and operates through 213 stores in the UK, an e-commerce platform and 7 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.

*This press release may include projections and other “forward-looking” statements within the meaning of applicable securities laws. Any such projections or statements reflect the current views of Missouri TopCo Limited or its subsidiaries about further events and financial performance. No assurances can be given that such events or performance will occur as projected and actual results may differ materially from these projections.*