

MATALAN

9 October 2017

Matalan results for the 13 weeks ended 26 August 2017

Matalan, a leading multi-channel fashion and homeware value retailer, announces its results for the 13 weeks ended 26 August 2017.

Financial highlights

- Full price sales increase of 19.6%
- Total revenue of £259.9m (2017: £245.5m)
- EBITDA of £22.7m (2017: £15.4m)
- Closing cash position of £103.6m (2017: £83.1m)

Performance overview & Outlook

Commenting on performance Jason Hargreaves, Chief Executive Officer of Matalan, said:

“The strong second quarter results round off a spring/summer season where the business has delivered well for customers. We have inspired and engaged with an offer that performs well at full price, providing great design and quality, always at outstanding value. In uncertain economic times, this has really resonated with customers. The full priced sales mix has increased significantly and we are buying and trading at stronger margins. Our operational execution and efficiency has been disciplined. As a result, we have significantly shifted our operating margins and driven a strong performing core business.

During the season we completed the refresh of 24 stores, with a better use of space enabling extended ranges and greater choice. With a modernised shopping environment, this gives an improved customer experience. These stores are performing very well and we will continue to rollout across the estate.

Our online growth has accelerated as we continued to improve the customer journey following the successful implementation of the new web platform. Online is now a key customer acquisition route and with the convenience of click and collect in store proving to be extremely popular, this complements our core store business. We will continue to develop functionality and the customer experience through the autumn/winter season.

As we enter the second half of the year we are pleased with how the business is progressing and have seen a good early reaction to the autumn ranges as well as launching our new lighting offer. Our focus remains on delivering outstanding product and value whilst improving the journey for customers. We believe this will position us well in what continues to be a challenging retail environment.”

Ends

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About Matalan Retail Limited

Matalan, a leading out of town fashion and homeware retailer, operates through 227 stores in the UK, an e-commerce platform and 25 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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