

MATALAN

4 June 2018

Matalan results for the 52 weeks ended 24 February 2018

Matalan, a leading out of town fashion and homeware retailer of family value, announces its results for the 52 weeks ended 24 February 2018.

Financial highlights

- Total revenue of £1,063.0m (2017: £1,037.3m)
- Full price sales increase of 11.7%
- EBITDA of £104.5m (2017: £77.0m)
- Closing cash position post FY18 refinancing of £62.2m (2017: £81.1m)

Performance overview & Outlook

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

“The business has delivered a strong year, in which it outperformed the market and successfully refinanced in January. Our customer focussed strategy has succeeded in growing sales with operational efficiencies allowing us to improve margins.

In what remained a volatile and challenging market, customers were savvy in seeking out true value. Our offer is well positioned, providing great design, quality and value across our ranges. We have also invested in improving the customer experience, starting a chain-wide store refurbishment programme and launching a new website, which delivered sales growth in stores and online growth of over 30%.

We introduced more newness in our core and seasonal ranges which performed well and also successfully extended our offer into several new categories. This strengthened our appeal and reinforced our position as a retailer of choice for family value in our stores and online.

Going forwards, we expect general market conditions to remain challenging and consumer confidence to be fragile for the foreseeable future. The business also continues to manage inflationary pressures and the impact of the post Brexit weakness in sterling. We therefore remain cautious and have planned diligently for the year ahead, which has already seen high levels of market volatility in the Spring. However, we remain confident in our strategy and the growth levers we have in place. With the commitment and hard work of our great colleagues, I am confident we will continue to grow the business and outperform the market.”

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 30 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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