

MATALAN

9 July 2018

Matalan results for the 13 weeks ended 26 May 2018

Matalan, a leading omni-channel fashion and homeware retailer of family value, announces its results for the 13 weeks ended 26 May 2018.

Financial highlights

- Total revenue of £265.9m (2018: £253.4m)
- Total revenue growth of 4.9%
- EBITDA of £24.8m (2018: £22.3m)
- Closing cash post FY18 refinancing of £60.5m (2018: £72.0m)

Performance overview & Outlook

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

“Our first quarter represents a strong set of results. Good stock management, flexibility in our operating model and agility in our customer contact strategy helped us outperform a volatile market. Thanks to the hard work of our colleagues we continue to deliver consistently for customers and can be pleased with our performance.

As our store refurbishment programme continued we delivered growth from both the store estate and also the online channel, which grew by 39%. Our stores and online channels work in a complementary manner giving customers the convenience and flexibility they are looking for. Greater product choice, an improved in-store shopping experience and further enhancements to the website have all been really well received.

Our Kids ranges have been a highlight this season although we have seen strong performance across the board. We have improved the offer in delivering the combination of design, quality and value that customers love from Matalan and seen some great reactions. We are very proud of what the team has achieved and it cements our position as a retailer of choice for the whole family, in stores and online.

We don't expect the retail climate to improve in the short term and market conditions will remain difficult. Currency pressures on operating margins are ongoing. We are therefore cautious in our outlook but confident that our strategy is delivering for customers which positions us well.”

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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