

MATALAN

3 June 2019

Matalan results for the 52 weeks ended 23 February 2019

Matalan, a leading omni-channel fashion and homeware retailer of family value, announces its results for the 52 weeks ended 23 February 2019.

Financial highlights

52 weeks to 23 February 2019

- Total revenue increase of 3.8% (£1,103.9m vs. 2018 : £1063.0m)
- Full price sales increase of 3.2%
- EBITDA of £102.4m (2018: £104.5m)
- PBT of £30.1m (2018: £20.0m)
- Closing cash of £72.5m (2018: £62.2m)

13 weeks to 23 February 2019

- Total revenue increase of 4.5% (£267.3m vs. 2018: £255.9m)
- Full price sales increase of 0.2%
- EBITDA of £14.8m (2018: £14.6m)

Performance overview & Outlook

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

“The business has performed very well this year, outperforming the market in what remains a tough retail climate. In uncertain times, we are well positioned in offering the great design, quality and value that appeals to savvy customers.

A very strong underlying sales, margin, and cost management performance has enabled us to absorb a £39m currency headwind. This has delivered stability of EBITDA and an increase in Profits Before Tax.

Our strategy has added more choice to a strong core product offer while improving the shopping experience via refurbished store space and an enhanced online journey. We also continue to invest in infrastructure that helps us operate more efficiently. Well managed execution has enabled growth to accelerate this year in both complementary store and online channels, online growing by over 30%. We have achieved this while managing the promotional mix sensibly in what has been a distressed market.

We exited the year with good momentum, delivering a strong final quarter of growth in sales and EBITDA as the currency headwind, whilst still adverse, began to reduce in scale. We expect market conditions to continue to be very challenging, and so remain cautious for the year ahead. However, we continue to be focussed on the execution of a strategy that is clearly working.

I would like to thank all of our great colleagues for their hard work and commitment and am confident that with their support we will continue to grow the business and outperform the wider market.”

Ends

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About Matalan Retail Limited

Matalan, a leading out of town fashion and homeware retailer, operates through 231 stores in the UK, an e-commerce platform and 32 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.