

MATALAN

20 January 2020

Matalan results for the 13 weeks ended 30 November 2019

Matalan, a leading omni-channel fashion and homeware retailer of family value, announces its results for the 13 weeks ended 30 November 2019.

Financial highlights ¹

- Total revenue of £311.7m (2018: £308.3m)
- Total revenue for the same 13 week period last year was £315.6m²
- EBITDA post adoption of IFRS16 of £59.0m³
- Restated EBITDA under IAS 17 of £33.7m (2018: £40.0m)
- Closing cash of £73.1m (2018: £91.2m)

¹ Statutory Comparatives are for the 13 week period ended 24 November 2018.

² Trading Comparatives restated to cover the 13 week period ended 1 December 2018.

³ This is the first financial year to reflect the adoption of IFRS 16-Leases, replacing the previous accounting standard IAS 17-Leases.

Peak Trading for the 5 weeks to the 4th of January 2020 ⁴

- Total revenue £134.3m (2019: £133.5m)
- Online sales growth of 25%
- Boxing Day Sale entry volume in line with last year

⁴ Peak Trading Comparatives are for the 5 week period ended 5 January 2019.

Performance overview & Outlook

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

“The challenges faced by ourselves and the wider market have been well documented and our results released today continue to reflect that backdrop. Consumer confidence and spending remained depressed in the midst of unprecedented levels of political uncertainty throughout the autumn/winter season. Following an extremely poor market in September, described by the BRC as the worst on record, the actions taken to further strengthen our proposition are starting to positively impact. The scale of margin investment required to manage stocks and trade effectively is reducing and I am confident this progress will continue as there will not be any material stock hangover.

In the ever changing landscape retailers are now faced with, it's more important than ever to evolve and to be agile, efficient and deeply connected to our customers. So whilst adapting to the immediate market and responding to this years challenges, we have also progressed our strategy. This will continue in the year ahead. We are giving customers a better all round experience, providing additional product choice, fantastic new and refurbished store space, and a further improved online journey. Our online business is growing at a rate of 25%. Alongside this we will continue to benefit from our investments in driving operational efficiency and improving our stock management capabilities. Therefore, despite remaining cautious in a tough market, I'm confident that with the support of our colleagues we will have a stronger 2020.”

Ends

Enquiries:**FTI Consulting** **020 3727 1000**

Jonathon Brill
Georgina Goodhew
Eleanor Purdon
Fern Duncan

About Matalan

Matalan, a leading out of town fashion and homeware retailer, serves its customers through 232 stores in the UK, an e-commerce platform and 35 overseas franchise stores. The ultimate parent company of Matalan is Missouri Topco Limited, with the group being ultimately controlled by the Hargreaves family.