

17 June 2026



Full year results for 53 weeks ended 28 February 2026

Transformation gaining momentum as Matalan delivers better style, quality and value for customers

24% year-on-year increase in EBITDA as Matalan continues to drive profitable growth

Financial summary (£m)

	FY 2025	FY 2026	YOY change
Total statutory revenue	985	987	0.2%
Gross margin	510	538	6%
Adjusted EBITDA*	56	69	24%
Leverage	4.8x	4.3x	0.5x
Capex	17	46	171%
Loss before tax	(67)	(55)	18%

Financial highlights:

- Continued progress against long-term transformation plans while delivering profitable growth in challenging market conditions
- EBITDA up 24% year-on-year to £69m, driven by higher sales volumes and improved margin rates despite a highly promotional UK retail environment
- Full-year sales of £987m were up 0.2% versus the prior year, with online sales growing by 10% as the business continues investing in its omnichannel proposition
- Continued gross margin improvement driven by stronger product margins and reduced shipping costs, despite the highly promotional nature of UK retail during the year
- Strong growth in EBITDA drove a reduction in net leverage to 4.3x versus 4.8x at the end of FY25
- Investment in growth significantly increased, with capex of £46m, an increase of 171% year-on-year, including across store refresh programme, supply chain upgrades and technology projects
- Loss before tax improved significantly to £55m, reflecting continued cost management and gross margin improvements

Operational highlights:

- Strong customer response to improvements in product, particularly in core womenswear ranges, driving YoY volume market share gains of 0.3pts in the second half of the year**
- Improved style and quality while maintaining the strong value proposition customers expect from Matalan, with over 90% of AW25 and SS26 ranges priced at £30 or below
- Ongoing investment in stores continues to deliver, with refreshed stores outperforming the wider estate by +12% in the year post-refresh and delivering a LFL sales increase of +10% post re-fit
- Continued investment in digital, with a new app launching later this year as part of Matalan's broader omnichannel growth strategy

* Adjusted EBITDA is presented on a pre-IFRS 16 basis

** Source: 24 weeks to 1 March 2026, Numerator Worldpanel Total Clothing, Footwear and Accessories Market

- Henrik Nordvall joined as CEO on 2 February 2026, further strengthening Matalan's executive team

Outlook:

The positive momentum built during FY26 has continued into FY27, as we remain focused on delivering against our strategic priorities.

In Q1 2027, we achieved revenue growth of 2% year on year, market share gains in both volume and value, and increased adjusted EBITDA by 45% to £14.9m compared to the prior year.

Henrik Nordvall, CEO, Matalan, said:

"My first few months as CEO have reinforced exactly why I chose to join Matalan. This is a business with a much-loved brand, loyal customers and significant potential, and I have been encouraged by the progress already underway. I have also been struck by the passion our colleagues have for the Matalan brand and the belief they have in its future.

"We delivered strong EBITDA growth and improved gross margin in the period, despite a challenging and highly competitive retail environment, all while continuing to invest in the areas that are driving growth. A major driver of that progress has been our continued focus on delivering everyday style, quality and value for customers, and it is encouraging to see the positive response to improvements in our product offer, the strong performance of our refreshed stores and continued momentum online.

"While we remain mindful of the wider environment, we have started FY27 strongly, with positive sales growth and continued market share gains – particularly in womenswear. What gives us confidence is the scale of opportunity still ahead of us. With a large and loyal customer base, significant untapped omnichannel opportunity and clear evidence that our strategy is working, we believe the long-term growth opportunity for Matalan remains substantial."

ENDS

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About Matalan:

Matalan is a leading UK and international fashion and homeware retailer that aims to make style and quality affordable every day. With a large store network of over 250 UK and international stores and integrated e-commerce platform, Matalan is a trusted brand which puts its customer at the heart of its business and delivers unrivalled product choice and exceptional style and quality to over 11 million loyal shoppers every year.

www.matalan.co.uk

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