

DEBENHAMS GROUP

News Release | 1 December 2020

Debenhams confirms that its administrators, FRP Advisory, have concluded the initial sale process that was part of their assessment of options for the UK business in administration. Those options included a sale of all or part of the UK business; a further restructure of Debenhams' operations to go forward on a standalone basis; or the orderly wind-down of the Debenhams business. The sale process has not resulted in a deliverable proposal. Given the current trading environment and the likely prolonged effects of the COVID-19 pandemic, the outlook for a restructured operation is highly uncertain. The administrators have therefore regretfully concluded that they should commence a wind-down of Debenhams UK, whilst continuing to seek offers for all or parts of the business.

Debenhams will continue to trade through its 124 UK stores and online to clear its current and contracted stocks. On conclusion of this process, if no alternative offers have been received, the UK operations will close. This does not impact Magasin du Nord in Denmark, which continues to operate independently.

Geoff Rowley of FRP Advisory, joint administrator to Debenhams and Partner at FRP, said:

"All reasonable steps were taken to complete a transaction that would secure the future of Debenhams. However, the economic landscape is extremely challenging and, coupled with the uncertainty facing the UK retail industry, a viable deal could not be reached. The decision to move forward with a closure programme has been carefully assessed and, while we remain hopeful that alternative proposals for the business may yet be received, we deeply regret that circumstances force us to commence this course of action.

"We are very grateful for the efforts of the management team and staff who have worked so hard throughout the most difficult of circumstances to keep the business trading. We would also like to thank the landlords, suppliers and partners who have continued to work with Debenhams through this turbulent period and can reassure them that all contractual obligations entered into in the administration period will be met in full."

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