Marks and Spencer Group plc
Capital Markets Day

Marks and Spencer Group plc (the "Company") today hosts a Capital Markets Day, at which it will provide an update on progress against its Reinvesting for Growth transformation agenda and set out its ambitions for the next phase of growth.

Building on the stronger foundations established over recent years, M&S's ambition is to achieve mid-to-high single-digit sales growth over the medium-term, with profit growth ahead of sales.

The Company's medium-term ambitions for its three accountable businesses include:

- Food: doubling sales over time, having grown annual sales by more than 50% since FY22; continuing to gain market share; and delivering an operating margin of around 5%;
- Fashion, Home & Beauty: increasing online participation towards 50% with 180 highly productive stores; continuing to gain market share; and delivering operating margins of more than 10% in both channels; and
- International: building a more global M&S brand presence through capital-light channels.

Delivering these ambitions will require continued investment in the M&S proposition and the transformation of the Company's end-to-end operating model, with the aim of driving productivity and operating leverage as the business grows. The Group will maintain a disciplined focus on delivering target operating margins supported by accelerated cost reduction. M&S is on track to achieve its structural cost reduction objective of £600m by FY28 and its investments will help develop the next phase of savings.

Over the past four years, M&S has restored its balance sheet to investment-grade, moving to a net funds position with strong liquidity. With free cash flow expected in each of the next three years, M&S has the resilience and flexibility to invest for growth while increasing returns to shareholders. Maintaining a strong balance sheet and investment-grade credit rating remain priorities.

Within this context, the full year 2026/27 dividend will double to 8.4p from 4.2p. Thereafter, it is intended that dividends will grow at least in line with earnings over time.

Further details of these ambitions and the plans to deliver them will be available online following the day's presentations.

For further information, please contact:

Investor Relations

Fraser Ramzan: +44 (0) 7554 227 758

Helen Lee: +44 (0) 7880 294 990

Media Enquiries:

Corporate Press Office: +44 (0) 20 8718 1919