MARKS AND SPENCER GROUP PLC

INTERIM RESULTS FOR THE 26 WEEKS ENDED 26 SEPTEMBER 2026
ISSUED: 4 NOVEMBER 2026

"REINVESTING FOR GROWTH"

"We hit the ground running in the first half of the year, accelerating the pace of change and delivering market share growth in both businesses. Our hard work over the last few years to create a strong balance sheet has built a firm financial footing from which to invest and we are confident in the opportunities ahead. Despite the onslaught of cost headwinds, we have remained focused on our ambitions, and we are clear on our plan.

Our Food business is ahead, delivering double-digit volume growth in a flat market and we have momentum as the UK's fastest growing grocer. One and a half million more customers are shopping with us and our continued focus on quality, innovation and value is appealing to more families, as we become more of a shopping list retailer. Investment in new stores, technology and a modern supply chain are getting us ahead for future growth, and our plan to double the size of the Food business is on track.

In Fashion, Home & Beauty we bounced back from last year, gaining share in a declining market, remaining the UK's leading fashion retailer and number one for style, quality and value. Availability and stock flow are now improving, we are broadening our appeal and the brand is in good health, but the results fell short of their potential and show there is a lot more to do. We are resetting the backbone of the business from sourcing to supply chain, merchandise planning, stores and online. Although we have much improved product, the end-to-end transformation is in the foothills.

Our International business is growing, expanding through strategic franchise and marketplace partnerships. Ocado Retail is now profitable, supported by strong growth in M&S Food sales. There is work to do, but we see significant opportunities ahead for both.

We enter the second half in a strong position, with a solid performance in October under our belts. We are ready to deliver an unforgettable Christmas for our customers, with the best food and fashion ranges we've ever had. I want to thank our colleagues for the energy and commitment they bring to M&S every day, particularly as we enter our busiest time of year, and a special thank you to our customers, who have been unwavering in their support.

Four years ago, we set out a very clear strategy to protect the magic of M&S while modernising the rest and we are making good progress. As we look forward to Christmas, we are laser-focused on delivering both our trading and transformation plans."



Stuart Machin
M&S Chief Executive

Sales and profit return to growth in the first half, reflecting recovery from cyber incident

- M&S Group adjusted profit before tax[1] £403.2m, versus £184.1m last year
- Statutory profit before tax £355.1m, versus £3.4m last year
- Food sales[2] up 13.9%; adjusted operating profit of £288.6m, margin of 5.6%
- Fashion, Home & Beauty sales up 17.5%; adjusted operating profit of £150.5m, margin of 7.5%
- International sales up 22.1%; adjusted operating profit of £15.3m, margin of 4.9%
- Ocado Retail[3] sales up 20.6%; adjusted operating profit of £25.6m, margin of 1.4%
- Adjusting items of £51.7m, versus £167.8m last year
- £750m capital investment programme on track across stores, supply chain and technology
- Strong balance sheet, further improvement in net funds excl. lease liabilities of £374.7m and cash and short-term investments of £1,072.1m
- Interim dividend increased by 16.7% to 1.4p

Growing Food and rebuilding market share in Fashion, Home & Beauty

- Food volume growth of 11.9% driven by consistent reinvestment in value and quality
- Fashion gained market share[a] in a declining market[b], despite availability constraints
- International growth driven by expansion of franchise and new partnerships, offsetting Middle East disruption
- M&S Food sales on Ocado Retail up 22.8%, now comprising 30.9% of average basket
- Cost growth weighted to first half; over £120m of structural savings expected in full year
- 18 store investments with 13 new or extended stores, 5 renewals including Oxford Street flagship
- Lichfield and Daventry supply chain investments on track, supporting growth and efficiency
- Technology investment increased across FH&B planning tools and digital capabilities

Group Results (26 weeks ended)	26 Sep 2026	27 Sep 2025	Change (£m)	Change (%)
Sales	£9,255.0m	£7,965.2m	£1,289.8m	16.2%
Operating profit before adjusting items	£486.5m	£251.4m	£235.1m	93.5%
M&S Group adjusted profit before tax[1]	£403.2m	£184.1m	£219.1m	n/a
Adjusting items	(£51.7m)	(£167.8m)	£116.1m	(69.2%)
Adjusted basic earnings per share	14.8p	6.6p	8.2p	n/a
Dividend per share	1.4p	1.2p	0.2p	16.7%
Adjusted return on capital employed	15.3%	12.4%	2.9%	23.4%
Free cash flow from operations	£102.2m	(£193.0m)	£295.2m	n/a
Net debt	(£2,466.7m)	(£2,528.3m)	£61.6m	(2.4%)
Net funds ex. lease liabilities	£374.7m	£176.1m	£198.6m	n/a

Statutory Results (26 weeks ended)	26 Sep 2026	27 Sep 2025	Change (£m)	Change (%)
Revenue	£9,168.6m	£7,942.3m	£1,226.3m	15.4%
Operating profit	£438.1m	£91.0m	£347.1m	n/a
Statutory profit before tax	£355.1m	£3.4m	£351.7m	n/a
Attributable profit after tax	£265.8m	£6.2m	£259.6m	n/a
Basic earnings per share	12.9p	0.3p	12.6p	n/a

[1] M&S Group adjusted profit before tax excludes the profit or loss attributable to shares we do not own in subsidiary companies and adjusting items. This measure was introduced from 2025/26 following the consolidation of Ocado Retail Limited. See page 12 for a bridge between this measure and statutory profit.
[2] References to 'sales' throughout this announcement are statutory revenue plus the gross value of consignment sales ex. VAT plus food franchise rebate payable.
[3] The change of consolidation of the results of ORL from Ocado Group to M&S, was effective from 6 April 2025. Results for 2025/26 therefore relate to the 25-weeks ending 28 September 2025.
Worldpanel sourcing throughout this document is listed on page 10.

Non-GAAP measures and alternative performance measures (APMs) are discussed within this release. A glossary and reconciliation to statutory measures is provided at the end of this document. Adjusted results are consistent with how business performance is measured internally and presented to aid comparison. Refer to Notes 1 and 3 of the financial information for further details.

Reinvesting for growth

The last four years were focused on reshaping M&S. With a stronger balance sheet and higher cash generation, M&S is now reinvesting for growth through a mix of product quality, value, innovation and style, new stores, relocations and renewals, lower-cost supply chain capacity, improved stock flow and modernised technology.

The first half of this year marked the start of the next phase of the strategy. M&S completed investments including 18 new, extended or renewed stores, acquired and constructed additional distribution capacity and relaunched Sparks. Investment will increase in the second half, focused on supply chain modernisation, digital capabilities to support sales growth and improve operational efficiency and to create a more productive store estate.

Against this backdrop, M&S Group adjusted profit before tax was £403.2m compared with £184.1m in the prior year, reflecting recovery from last year's incident. The result compared with £413.1m in 2024/25, reflecting the higher phasing of cost growth in the first half of the year and lower Fashion, Home & Beauty profitability.

Food delivered strong volume-led growth, market share gains[c] versus 2024/25 and margin expansion. The business continued to attract new customers, which increased by 1.5 million[d] over the past two years.

Fashion, Home & Beauty also gained market share[e], but sales and profit remained below 2024/25, despite growth in online sales. This was due to availability disruption reflecting the long-tail impact of the incident and lower store sales during the prolonged summer heat. The clothing market declined by 5.5% versus 2024/25[f].

International and Ocado Retail both increased profit contribution, supported by growth, operational leverage and continued execution of strategic initiatives.

The business has absorbed significant external cost headwinds versus two years ago including approximately £35m of packaging taxes arising from the Extended Producer Responsibility (EPR) scheme, increased pay and National Insurance costs and costs related to disruption in the Middle East, partially offset by our ability to mitigate costs.

M&S closed the first half with a strong, investment-grade balance sheet providing the capacity to reinvest for growth, with net funds excluding lease liabilities of £374.7m and cash and short-term investments of £1,072.1m. The interim dividend has increased by 16.7% versus last year to 1.4 pence, consistent with the policy of paying one-third of the prior full year dividend at the half year. Given continued cash generation and the Group's cash position, the Board remains confident in the ability to deliver growing dividends over time.

Outlook

M&S enters the second half focused on executing its growth strategy. Over the medium-term, M&S's ambition is to generate mid-to-high single-digit revenue growth and higher growth in profit and earnings per share.

Food continues to outperform the market[g], driven by ongoing investment in value, quality and innovation.

In Fashion, Home & Beauty, market conditions remain challenging. However, performance is expected to improve in the second half compared with the first, as availability has recovered,

creating a better balance between core and seasonal stock, and as the FH&B transformation gathers pace.

M&S continues to build its structural cost reduction programme across technology, logistics and stores. Cost growth including marketing was weighted towards the first half while structural cost savings are planned to build through the second half.

For the full year, Food margins are expected to be ahead of 2024/25. In Fashion, Home & Beauty, the actions underway are expected to support a progressive improvement in profitability.

M&S therefore expects Group adjusted profit before tax for the full year to be in line with current market expectations.

FOOD WINNING MORE CUSTOMERS

Our overall ambition for Food set out in 2022, is to grow market share by 1% by 2027/28 and to deliver an operating margin consistently over 4%. Given our low overall market share[h] there remains significant opportunity to increase customer numbers and basket size, driving long-term growth.

Sales increased 13.9% versus last year, with like-for-like sales growth of 11.7%. Adjusted operating profit increased to £288.6m and operating margin improved to 5.6%, reflecting strong volume growth alongside the benefits of structural cost reduction, operational leverage across the supply base and improved buying.

26 weeks ended	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 %	28 Sep 24 £m
Sales	5,162.9	4,531.9	13.9%	4,204.5
Operating profit before adjusting items	288.6	89.1	n/a	216.4
Adjusted operating margin	*5.6%*	*2.0%*	*3.6% pts*	*5.1%*

The Food business has delivered consistent growth and market share gains for the past four years[i], as it executes its strategy to become a shopping-list retailer. It is increasing its share of main basket spend[j] and broadening family appeal through investment in trusted value, quality and innovation, supported by the continued expansion of larger stores.

Investment in value, quality and innovation

Like-for-like growth was broad-based, with core categories performing well. Food continued to invest in trusted value, with over £50m annualised investment in the period, helping drive volume growth and market share gains across key family categories including frozen, grocery and bakery[k].

Fresh food performance benefited from prolonged summer weather and the World Cup, which supported demand across seasonal categories.

Growth through larger Food stores and renewals

The sales contribution from new and expanded stores is increasing. Over the past five years, the average trading space of new Food stores has doubled, supporting a broader customer mission.

During the first half, Food space was opened, renewed or extended in 17 stores, with a particularly strong performance in new, larger locations converted from former Homebase units.

Supply chain capacity and productivity supporting future growth

The Food supply chain transformation programme remains on track, with the new distribution centre at Avonmouth expected to be supporting volumes through the peak Christmas period. Together with development of the Daventry DC, these investments are expected to provide more than 30% additional capacity while reducing cost per case. Prior to their opening, temporary space has been leased to support continued volume growth.

Together, these new distribution centres will strengthen the network, improve productivity and support the continued growth of the Food business into the 2030s.

FASHION, HOME & BEAUTY REBUILDING PROFITABILITY

Fashion, Home & Beauty's ambition, set out in 2022, is to grow market share by at least 1% by 2027/28 and deliver an on-going operating margin over 10%. Given our large online customer base, significant opportunities remain to increase sales and profitability and to drive long-term growth through improvements to fulfilment, sourcing, buying and stock flow.

Sales increased 17.5% to £2.0bn, with like-for-like sales growth of 17.3%. Adjusted operating profit increased to £150.5m and operating margin to 7.5%, reflecting recovery from the disruption experienced in the prior year. Profit growth was partially offset by the weighting of marketing costs to the first half, and the planned phasing of structural cost reduction into the second half.

26 weeks ended	**26 Sep 26 £m**	**27 Sep 25 £m**	**Change vs 2025/26 %**	**28 Sep 24 £m**
Sales	1,995.4	1,697.6	17.5%	2,030.5
Operating profit before adjusting items	150.5	46.1	n/a	243.4
Adjusted operating margin	*7.5%*	*2.7%*	*4.8% pts*	*12.0%*

Despite strong brand health indicators for quality, value and style and further market share growth[l], sales and profit remained below two years ago as the business did not maximise conversion of demand to sales. Availability was constrained due to the longer than expected impact of manual ordering processes following the incident, while profitability was diluted by an increased mix of online sales which have higher fulfilment costs.

Improved customer engagement, with sales impacted by availability

Menswear continued to perform strongly, driven by improvements in product. In womenswear, sales conversion was affected by availability in selected core lines and sizes, due to the impact of the incident. The balance of the range also moved too far towards trend-led newness in some categories.

Ahead of Autumn/Winter, Fashion, Home & Beauty has improved core product availability, through improvements in stock flow and inventory management, while maintaining seasonal newness.

In September, M&S announced a new partnership with Sephora, creating a new beauty destination in selected stores and online from Spring 2027, which is expected to broaden customer appeal, strengthen the Beauty proposition and create opportunities for growth.

Performance reinforces the benefits of store rotation

The store rotation programme aims to create a more focused, productive estate of Full Line stores in growth locations, with increased choice and a better customer experience.

Larger, modern stores continue to outperform. Nonetheless in the first half, overall store sales declined by 5.2% versus 2024/25 as demand continued to shift online during the prolonged summer heat, which was most evident in high street store performance. Online sales increased by 11.2% versus 2024/25, adjusted for the exit from bulky furniture, with online sales participation increasing to 35% from 33% in 2024/25.

The recently renewed Pantheon, Oxford Street flagship store is an example of the potential for larger, modern stores in growing locations and provides a test bed for future Fashion, Home & Beauty

investment. Since reopening, sales on the Fashion, Home & Beauty floors have increased 27% versus 2024/25.

Improving availability and reducing cost to serve

The purpose of the end-to-end supply chain strategic programme is to drive better availability, improved fulfilment and lower costs.

M&S is improving planning, buying and merchandising systems and processes to strengthen inventory management, stock flow and product availability. Sourcing initiatives are aimed at increasing the buying margin of core ranges while reducing lead times across seasonal and fast-moving categories.

As online sales have grown, the mix of demand has shifted towards categories with higher customer returns rates. As a result, both fulfilment and returns volumes have increased faster than sales, increasing operating costs and operational complexity, and reducing FH&B operating margin.

This is being addressed with investment in the acquired Lichfield distribution centre and a new, dedicated returns warehouse in Sheffield, which will significantly reduce the handling time and costs involved in returns. Alongside this, capacity improvements at Castle Donington will increase operational efficiency.

Availability and stock flow performance is improving. The actions underway are expected to deliver stronger sales, generate cost savings and drive more profitable growth over time.

INTERNATIONAL INCREASING SOURCES OF GROWTH

M&S's long-term ambition is to grow the M&S brand globally through franchise partners, online marketplaces and selective wholesale opportunities, leveraging local expertise and infrastructure.

International sales increased by 22.1% versus last year despite disruption from conflict in the Middle East. Operating profit before adjusting items increased to £15.3m from £13.3m, as a result of growth across franchise, marketplace and wholesale channels.

Compared with 2024/25 franchise sales increased by 8.3%, supported by growth in Food and higher Fashion orders as the business continues to reset commercial terms. Online and marketplace sales were up 63.8%, reflecting strong demand in Europe, while the transition to Zeos from M&S fulfilment is beginning to reduce delivery times and costs. Wholesale partnerships with retailers such as Target delivered strong growth from a small base.

OCADO RETAIL GROWTH AND SCALE DRIVING PROFITABILITY

Ocado Retail (ORL) provides access to M&S Food online supported by Ocado Group's automated fulfilment. The M&S objective is for ORL to be a sustainable, self-funded business, enabled by improved commercial performance.

ORL delivered a strong performance in the period, with revenue increasing by 16.0% versus the comparable 26-week period in the prior year, driven by active customer growth of 14.3% through increased new customer acquisition and improved retention. Order volumes and M&S share of Ocado baskets increased, reflecting the strength in M&S product sales. Customer engagement remained high with increased shopping frequency.

Profit contribution increased substantially, with operating profit of £25.6m compared with a loss of £3.1m in the reported period last year. The improvement reflected strong revenue growth, scale and operating leverage from increased customer fulfilment centre (CFC) throughput, alongside efficiency improvements in service delivery and fulfilment costs. Ocado Retail recorded a positive profit before tax position in the period.

DISCIPLINED CAPITAL ALLOCATION AND INVESTMENT

M&S has the capacity to deliver attractive growth in earnings per share and free cash flow. Capital allocation is focused on driving long-term growth, improving operational efficiency and maintaining a strong balance sheet, while delivering sustainable returns to shareholders.

Capital expenditure, net of disposals, is expected to be approximately £750m in the current year, in line with previous guidance. Investment will continue to prioritise new stores and store rotation, supply chain modernisation and technology, including online. Around two-thirds is directed to Food, and the balance to Fashion, Home & Beauty.

These investments are expected to be funded through operating cash flows. The resulting benefits will deliver increased free cash flow over time, while providing scope to further increase investment.

A strong balance sheet and an investment-grade credit rating are priorities, providing resilience and flexibility to invest, while increasing shareholder returns.

The Board is committed to growing ordinary dividends over time, with the interim dividend increasing 16.7% to 1.4p, equivalent to one third of the prior year total.

Worldpanel references:

a. Fashion, Total Category, Value Share, 12 w/e 13 September 2026 and vs last year
b. Fashion, Total Category, Value and Volume, 12 w/e 13 September 2026 vs last year and two years ago
c. FMCG, 12 week ending 4 October 2026. M&S vs 2-year spend share
d. FMCG, 12 week ending 4 October 2026. M&S vs 2-year buyers
e. Fashion, Total Category, Value Share, 12 w/e 13 September 2026 and vs two years ago
f. Fashion, Total Category, Value, 12 w/e 13 September 2026 vs two years ago
g. FMCG, 12 week ending 4 October 2026. M&S Yr/Yr spend growth difference to total market
h. FMCG, 12 week ending 4 October 2026. M&S spend share
i. FMCG, 52 week ending 4 October 2026 and previous years. M&S Yr/Yr Spend growth and spend share
j. FMCG, 12 week ending 4 October 2026 and previous years. Main Shop mission. M&S Spend share
k. FMCG, 12 week ending 4 October 2026. M&S category Yr/Yr pack growth and pack share
l. Fashion, Total Category, Value Share, 12 w/e 13 September 2026, vs last year and two years ago
m. Fashion, Total Category, Value Share and Age, 12 w/e 13 September 2026 vs last year and two years ago

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Investor & Analyst presentation and Q&A:
A pre-recorded investor and analyst presentation will be available on the Marks and Spencer Group plc website here from 7:30am on 4 November 2026.

Stuart Machin and Alison Dolan will host a Q&A session at 9:30am on 4 November 2026.

For the quickest joining experience, please register prior to attending the call here. After registering, you will be given unique dial in details to join the call.

Alternatively, you can use the below details to join the call but please join 5-10 minutes before the start time in order to register your details with the operator.

Dial in: +44 (0) 33 0551 0200
Passcode: Quote M&S HY Analyst when prompted by the operator
Replay: A recording will be available after the call here

Important Notice: The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the UK version of the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Statements made in this announcement that look forward in time or that express management's beliefs, expectations or estimates regarding future occurrences and prospects are "forward-looking statements" within the meaning of the United States federal securities laws. These forward-looking statements reflect Marks & Spencer's current expectations concerning future events and actual results may differ materially from current expectations or historical results. Any forward-looking statements are subject to various risks and uncertainties, including, but not limited to, failure by Marks & Spencer to predict accurately customer preferences; decline in the demand for products offered by Marks & Spencer; competitive influences; changes in levels of store traffic or consumer spending habits; effectiveness of Marks & Spencer's brand awareness and marketing programmes; general economic conditions including, but not limited to, a downturn in the retail or financial services industries; acts of war or terrorism worldwide; work stoppages, slowdowns or strikes; and changes in financial and equity markets. For further information regarding risks to Marks & Spencer's business, please consult the risk management section of the 2026 Annual Report (pages 41-47).

The forward-looking statements contained in this document speak only as of the date of this announcement, and Marks & Spencer does not undertake to update any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

2026/27 HALF YEAR FINANCIAL REVIEW

Financial Summary

	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 %	28 Sep 24 £m
Group statutory revenue	**9,168.6**	**7,942.3**	**15.4%**	**6,481.0**
Group sales	**9,255.0**	**7,965.2**	**16.2%**	**6,524.3**
Food	5,162.9	4,531.9	13.9%	4,204.5
Fashion, Home & Beauty	1,995.4	1,697.6	17.5%	2,030.5
International	312.2	255.8	22.1%	289.3
Ocado Retail[1]	1,784.5	1,479.9	20.6%	-
Operating profit before adjusting items	**486.5**	**251.4**	**93.5%**	**462.7**
Food	288.6	89.1	n/a	216.4
Fashion, Home & Beauty	150.5	46.1	n/a	243.4
International	15.3	13.3	15.0%	10.7
Ocado Retail[1]	25.6	(3.1)	n/a	-
Share of result in associate[1]	-	-	n/a	(16.0)
M&S Financial Services	6.5	6.0	8.3%	8.2
Insurance income	-	100.0	n/a	-
Net interest payable on lease liabilities	(73.0)	(71.4)	2.2%	(54.4)
Net financial interest and other finance costs	(6.7)	(8.8)	(23.9%)	(0.5)
Profit before tax and adjusting items	406.8	171.2	n/a	407.8
Adjusted non-controlling interests before tax	(3.6)	12.9	n/a	5.3
M&S Group adjusted profit before tax[2]	**403.2**	**184.1**	**n/a**	**413.1**
Profit before tax and adjusting items	406.8	171.2	n/a	407.8
Adjusting items	(51.7)	(167.8)	(69.2%)	(15.9)
Statutory profit before tax	**355.1**	**3.4**	**n/a**	**391.9**
Taxation	(90.0)	(15.2)	n/a	(113.3)
Statutory profit after tax, attributed to:	**265.1**	**(11.8)**	**n/a**	**278.6**
- Owners of the parent	265.8	6.2	n/a	282.1
- Non-controlling interests	(0.7)	(18.0)	(96.1%)	(3.5)
Adjusted basic EPS	**14.8p**	**6.6p**	**n/a**	**14.7p**
Basic EPS	12.9p	0.3p	n/a	14.0p
Dividend per share	**1.4p**	**1.2p**	**16.7%**	**1.0p**
Net debt	(2,466.7)	(2,528.3)	(2.4%)	(2,164.1)
Net funds excluding lease liabilities	**374.7**	**176.1**	**n/a**	**22.4**
Capital expenditure in cash flow	(501.0)	(172.2)	n/a	(215.4)
Free cash flow from operations	102.2	(193.0)	n/a	21.1
Adjusted return on capital employed (12-month rolling)	15.3%	12.4%	2.9%pts	15.0%

[1]Since 2025/26 Ocado Retail has been consolidated within M&S reporting. Prior to 2025/26 results were recognised within the share of results from associates. The change of consolidation was effective from 6 April 2025. Results for 2025/26 therefore relate to the 25-weeks ended 28 September 2025.
[2]M&S Group adjusted profit before tax excludes the profit or loss attributable to shares that we do not own in subsidiary companies and adjusting items.

There are a number of non-GAAP measures and alternative profit measures ("APMs") discussed within this announcement, and a glossary and reconciliation to statutory measures is provided at the end of this report. Adjusted results are consistent with how business performance is measured internally and presented to aid comparability of performance. Refer to the adjusting items table below for further details

Group results

Group sales were £9,255.0m. This was an increase of 16.2% versus 2025/26, with all main businesses growing versus last year. Statutory revenue in the period was £9,168.6m, an increase of 15.4% versus 2025/26.

M&S Group adjusted profit before tax was £403.2m compared with £184.1m in the prior year. M&S Group adjusted profit before tax includes only the Group's share of the profits before tax and adjusting items of companies in which the Group has a controlling interest. Adjusting items were a net charge of £51.7m, compared with £167.8m in the prior year. Details are broken down in notes 1 and 3 in the financial information.

As a result, the Group generated a statutory profit before tax of £355.1m, compared with £3.4m in the prior year.

Adjusted basic EPS was 14.8p, up from 6.6p in 2025/26, primarily reflecting recovery from the incident in the prior year and a lower tax rate on profit before adjusting items.

Basic EPS was 12.9p, up from 0.3p in 2025/26 reflecting recovery from the incident and a lower effective tax rate.

An interim dividend of 1.4p per share has been declared, payable on 8 January 2027.

Note, 2026/27 will be a 53-week year. M&S anticipates reporting 52-week results alongside the statutory outturn for the 53 weeks to 3 April 2027.

For full details of the Group's related policy and adjusting items, read more in notes 1 and 3 to the financial information.

Food

Food sales increased 13.9%, with like-for-like sales up 11.7%. UK volume grew 11.9%, driven by strength in core categories and larger baskets. Sales growth was supported by the increasing benefit of new store openings.

Change vs 25/26 %	Q1	Q2	H1
Total sales	15.1	12.7	13.9
Like-for-like sales	13.1	10.4	11.7
Food statutory revenue (£m)	*2,555.7*	*2,578.6*	*5,134.3*

26 weeks ended	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 %	28 Sep 24 £m
Sales	5,162.9	4,531.9	13.9%	4,204.5
Operating profit before adjusting items	288.6	89.1	n/a	216.4
Adjusted operating margin	*5.6%*	*2.0%*	*3.6% pts*	*5.1%*

Operating profit before adjusting items was £288.6m compared with £89.1m in 2025/26, with an adjusted operating margin of 5.6% versus 2.0% last year. This reflects sales growth and the recovery from the impact of the incident in the prior year, which resulted in elevated waste and markdown.

To provide greater insight into the underlying performance of the business, the margin analysis below compares H1 2026/27 (5.6%) with H1 2024/25 (5.1%).

Gross margin was broadly flat, with the introduction of Extended Producer Responsibility (EPR) charges and investments in value, largely offset by benefits of the lowering cost programme.

Operating costs increased 19.9% versus H1 2024/25, which was less than sales growth of 22.8%. Cost growth was driven by inflation, investments and volume growth, partially offset by structural cost savings.

Operating costs in the period were driven by:

- Retail and Logistics costs, from investment in colleague pay, National Insurance (NI) costs, volume growth, new store openings and temporary supply chain capacity. This was partly offset by cost savings.
- Digital & Technology costs, largely related to increased investment in Group infrastructure and cost inflation.
- Central costs, largely from increased marketing investment, the Sparks re-launch and colleague pay.

Operating profit margin before adjusting items	%
H1 2024/25	**5.1**
Gross margin	(0.1)
Retail costs	0.1
Logistics costs	0.1
Digital & Technology costs	0.0
Central costs	0.4
H1 2026/27	**5.6**

Fashion, Home & Beauty

Fashion, Home & Beauty sales increased 17.5%, reflecting recovery from the disruption experienced in the prior year, partly offset by availability constraints in some categories and a weak clothing market.

Change vs 25/26 %	Q1	Q2	H1
Total sales	26.8	9.8	17.5
Like-for-like sales	27.1	9.2	17.3
Fashion, Home & Beauty statutory revenue (£m)	*951.9*	*985.7*	*1,937.6*

Online Sales increased by 84.6% to £705.7m, driven by annualisation of the disruption to online ordering in the prior year and continued underlying growth. Store Sales declined by 2.0% to £1,289.7m, as demand continued to shift online.

26 weeks ended	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 %	28 Sep 24 £m
Sales	1,995.4	1,697.6	17.5%	2,030.5
Operating profit before adjusting items	150.5	46.1	n/a	243.4
Adjusted operating margin	*7.5%*	*2.7%*	*4.8% pts*	*12.0%*

Operating profit before adjusting items was £150.5m compared with £46.1m in 2025/26, with an adjusted operating margin of 7.5% versus 2.7% last year. This reflects the recovery from the impact of the incident in the prior year, which resulted in increased stock management and fulfilment costs. The increase in profit was partially offset by the planned weighting of cost growth to the first half.

To provide greater insight into the underlying performance of the business the margin analysis below, compares H1 2026/27 with H1 2024/25.

Gross margin decreased by 0.4% pts, largely driven by increased stock management costs.

Operating costs increased 7.0%, compared with a sales decline of 1.7%. Cost growth was driven by inflation, increased fulfilment and returns activity and investments, partially offset by structural cost savings.

Operating costs in the period were driven by:

- Retail and Logistics costs, from investment in colleague pay, National Insurance (NI) costs, and increased fulfilment and returns activity driven by the greater online sales mix. This was partly offset by cost savings, including the exit of bulky furniture.
- Digital & Technology costs, related to increased run costs, investment in Group infrastructure and the Fashion, Home & Beauty planning platform implementation, partly offset by cost savings.
- Central costs, largely from increased marketing spend and the Sparks re-launch.

Operating profit margin before adjusting items	%
H1 2024/25	**12.0**
Gross margin	(0.4)
Retail costs	(0.8)
Logistics costs	(0.9)
Digital & Technology costs	(0.8)
Central costs	(1.6)
H1 2026/27	**7.5**

Within these results, store margin was 8.4% and online margin was 6.0%.

International

International sales increased 22.1% (24.6% at constant currency). This was driven by recovery from the disruption to online trading, strong underlying growth from Zalando and Amazon marketplaces, and higher shipments to franchise partners, despite Middle East disruption.

Operating profit before adjusting items was £15.3m compared with £13.3m in 2025/26, driven by performance in Fashion, Home & Beauty franchise and online. Adjusted operating margin declined 0.3% pts driven by channel mix.

26 weeks ended	**26 Sep 26 £m**	**27 Sep 25 £m**	**Change vs 2025/26 %**	**28 Sep 24 £m**
Sales, split:	312.2	255.8	22.1%	289.3
Franchise[1]	*147.3*	*124.2*	18.6%	*136.0*
Owned[1]	*107.5*	*109.0*	*(1.4%)*	*120.0*
Online & Marketplaces	*37.5*	*9.9*	*n/a*	*22.9*
Wholesale	*19.9*	*12.7*	*56.7%*	*10.4*
Operating profit before adjusting items	15.3	13.3	*15.0%*	10.7
Adjusted operating margin	*4.9%*	*5.2%*	*(0.3% pts)*	*3.7%*

[1] Online sales for franchise and owned business are included within their respective channels

Ocado Retail

Ocado Retail is a joint venture, 50% owned by M&S and 50% by Ocado Group. The change of consolidation of the results of ORL from Ocado Group to M&S, was effective from 6 April 2025. Results for 2025/26 therefore related to the 25-weeks ended 28 September 2025. To aid understanding, operational metrics and results for 2025/26 are therefore also presented for the 26-week comparable period below.

Sales for the 26-weeks increased 16.0%, driven by 15.1% growth in average orders per week. This was driven by customer acquisition and retention, and increased frequency of shop. Average selling price increased by 1.4% as the business remained focused on value for customers.

Key performance indicators

Ocado.com[1] (26 weeks ended)	**27 Sep 26**	**28 Sep 25**	**Change vs 2025/26 %**
Active customer base (000s)	1,377	1,205	14.3
Average orders per week (000s)	573	498	15.1
Average basket value (£)	124.78	123.30	1.2
Average selling price (£)	2.85	2.81	1.4
Average basket size (eaches)	43.80	43.93	(0.3)

[1]Ocado.com represents the Ocado.com business unit and excludes Ocado Zoom figures

£m	**26 weeks ended 27 Sep 26**	**26 weeks ended 28 Sep 25**	**Change vs 2025/26 £m**	**25 weeks ended 28 Sep 25**
Sales[2]	1,784.5	1,538.8	16.0%	1,479.9
Operating profit before adjusting items	25.6	(3.6)	n/a	(3.1)
Adjusted operating margin	*1.4%*	*(0.2%)*	*1.6% pts*	*(0.2%)*

[1]Ocado Retail's trading week runs Monday to Sunday (versus M&S trading week Sunday to Saturday)
[2]Sales represent Ocado Retail's reported Revenue

Operating profit before adjusting items was £25.6m compared with a loss of £3.6m in 2025/26.

Gross margin was slightly down, driven by a historical VAT refund in the prior year.

Operating costs increased 9.3%, which was less than sales growth of 16.0%. Operating costs in the period were driven by:

- Fulfilment and delivery costs, from volume growth, partly offset by increased delivery productivity and improved CFC efficiency.
- Marketing, from investment in customer acquisition, partly offset by rephasing of spend into the second half.
- Support costs, from investment in technology infrastructure and growth of the colleague base.
- Fees payable to Ocado Group and depreciation, which reduced as a percentage of sales.

Operating profit margin before adjusting items	**%**
H1 2025/26	**(0.2)**
Gross margin	(0.3)
Fulfilment & Delivery	0.9
Marketing	0.2
Support	0.1
Fees	0.4
Depreciation	0.3
H1 2026/27	**1.4**

M&S Financial Services

M&S Financial Services generated a profit before adjusting items of £6.5m, compared with £6.0m in the prior year. This reflects the recovery from disruption to online services in the prior year, partially offset by reduced demand for travel money due to conflict in the Middle East, and changes to M&S Bank incentive fee arrangements.

Details of the Financial Services transformation and insurance mis-selling provisions can be found in adjusting items.

Net finance cost

26 weeks ended	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 £m
Interest payable	(16.3)	(18.7)	2.4
Bank and other interest receivable	20.3	19.8	0.5
Net interest receivable	**4.0**	**1.1**	**2.9**
Unwind of discount on provisions	(4.8)	(4.5)	(0.3)
Ineffectiveness of financial instruments	(0.2)	-	(0.2)
Net financial interest	**(1.0)**	**(3.4)**	**2.4**
Net interest payable on lease liabilities	**(73.0)**	**(71.4)**	**(1.6)**
Other finance costs	**(5.7)**	**(5.4)**	**(0.3)**
Net finance cost before adjusting items	**(79.7)**	**(80.2)**	**0.5**
Net finance costs in adjusting items	(3.3)	(7.4)	4.1
Net finance costs	**(83.0)**	**(87.6)**	**4.6**

Net finance cost before adjusting items decreased from £80.2m to £79.7m. This was driven by reduced interest payable on Medium-Term Notes, largely offset by increased interest payable on lease liabilities.

Adjusting items within net finance costs decreased, following the settlement of Gist Limited deferred and contingent consideration.

M&S Group adjusted profit before tax

M&S Group adjusted profit before tax was £403.2m, compared with £184.1m in the prior year. The profit increase was primarily due to recovery from the trading impact of the incident.

Profit before tax

Profit before tax was £355.1m (2025/26: £3.4m). This includes a net charge for adjusting items of £51.7m (2025/26: £167.8m).

Adjusting items

The Group makes certain adjustments to statutory profit measures to derive alternative performance measures (APMs) that provide stakeholders with additional helpful information and aid comparability of the performance of the business. For further detail on these (charges)/gains and the Group's policy for adjusting items, please see notes 1 and 3 to the financial information. These (charges)/gains are reported as adjusting items on the basis that they are significant in quantum in current or future years and aid comparability from one period to the next.

26 weeks ended	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 £m
Costs associated with the cyber incident	(0.3)	(101.6)	101.3
Strategic Programmes			
Store estate	(34.0)	(16.5)	(17.5)
Organisation	5.9	-	5.9
Fashion, Home & Beauty transformation	(4.8)	-	(4.8)
Digital and technology transformation	(0.8)	(0.9)	0.1
International reset	-	10.9	(10.9)
Other			
M&S Bank transformation and insurance mis-selling provisions	(6.5)	(25.3)	18.8
Amortisation and fair value adjustments relating to Ocado Retail Limited	(3.4)	(21.4)	18.0
Included in operating profit	**(43.9)**	**(154.8)**	**110.9**
Net pension finance costs	(1.7)	(2.5)	0.8
Net finance costs incurred in relation to Gist Limited deferred and contingent consideration	-	(3.8)	3.8
Net finance costs relating to amortisation and fair value adjustments of Ocado Retail Limited	(1.1)	(0.9)	(0.2)
Net finance costs relating to M&S Bank transformation and insurance mis-selling provisions	(0.5)	(0.2)	(0.3)
Included in net finance costs	**(3.3)**	**(7.4)**	**4.1**
M&S Group Adjusting Items	**(47.2)**	**(162.2)**	**115.0**
Non-Controlling Interest adjusting items[1]	(4.5)	(5.6)	1.1
Adjustments to profit before tax	**(51.7)**	**(167.8)**	**116.1**

[1] Relates to 50% non-controlling interest share of amortisation following the consolidation of Ocado Retail Limited (£4.5m).

Adjusting items include costs relating to several strategic programmes and other items. There was a net charge of £51.7m, down from £167.8m in the prior year, which included direct incident related costs. This includes:

A charge of £34.0m in relation to store estate rotation plans. The charge primarily reflects the latest view of store closure plans and latest assumptions for estimated store closure costs, as well as charges relating to the impairment of buildings and fixtures and fittings, and depreciation as a result of shortening the useful economic life of stores based on the most recently approved exit routes.

A credit of £5.9m in relation to the reversal of a previous impairment recognised as part of the reorganisation of the Group's London Head Office functions into one building.

A charge of £4.8m in relation to the Fashion, Home & Beauty transformation programme, primarily comprising restructuring and professional fees.

Charges of £7.0m in relation to M&S Financial Services transformation and insurance mis-selling provisions and associated net finance costs. This primarily relates to the continued settlement of the accumulated deficit.

Charges of £4.5m in relation to the amortisation of fair value adjustments on acquired intangibles and assets, and associated net finance costs, with the portion relating to the non-controlling interest recognised separately[1].

For further details on adjusting items see note 3 to the financial information.

Taxation

Taxes on income in the interim period are accrued using the tax rate that would be applicable to expected total annual earnings, adjusted for actual tax on adjusting items.

The taxation charge in the income statement for the half year is based on the forecast full year effective tax rate in respect of the M&S Group adjusted profit of 24.3% (last half year: 28.5%; last full year: 27.5%). This is slightly lower than the UK statutory rate, primarily due to tax deductions associated with the Group's pension funding arrangements.

The effective tax rate on profit before taxation is 25.3% (last half year: 447.1%; last full year: 35.2%).

Total taxation charge for the period was £90.0m.

Prior year deferred tax liabilities have been restated owing to IFRS16 leases, consistent with 2025/26 results (increase of £119.5m). There is no impact on the cash flows, reported pre or post tax profits or tax paid in any of the previous years.

Earnings per share

Basic earnings per share was 12.9p (2025/26: 0.3p), due to higher profits in the period and a lower effective tax rate. Adjusted basic earnings per share was 14.8p (2025/26: 6.6p), due to higher adjusted profit and a reduced tax rate on profit before adjusting items.

The weighted average number of ordinary shares in issue during the period was 2,061.5m (2025/26: 2,032.6m), with the weighted average number of diluted ordinary shares 2,110.2m (2025/26: 2,113.4m).

Cash flow

	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 £m
Operating profit	**438.1**	**91.0**	**347.1**
Adjusting items within operating profit	48.4	160.4	(112.0)
Operating profit before adjusting items	**486.5**	**251.4**	**235.1**
Depreciation, amortisation, impairments and disposals	339.9	318.9	21.0
Cash lease payments	(186.9)	(180.1)	(6.8)
Change in working capital	70.5	(334.2)	404.7
Defined benefit scheme pension	(42.2)	(42.1)	(0.1)
Capex and disposals	(501.0)	(172.2)	(328.8)
Financial interest	(1.6)	(9.7)	8.1
Taxation	(49.2)	(3.5)	(45.7)
Employee-related share transactions	8.0	19.0	(11.0)
Share of results in other joint ventures	(0.5)	(1.3)	0.8
Adjusting items in cash flow	(21.3)	(39.2)	17.9
Free cash flow from operations	**102.2**	**(193.0)**	**295.2**
Surrender payments	(2.0)	-	(2.0)
Acquisitions, investments, and divestments	(2.3)	(2.9)	0.6
Free cash flow	**97.9**	**(195.9)**	**293.8**
Dividends paid	(61.5)	(52.4)	(9.1)
Free cash flow after shareholder returns	**36.4**	**(248.3)**	**284.7**
Opening net funds excluding lease liabilities	**338.2**	**447.6**	**(109.4)**
Free cash flow after shareholder returns	36.4	(248.3)	284.7
Net debt relating to consolidation of Ocado Retail	-	(21.8)	21.8
Exchange and other non-cash movements excl. leases	0.1	(1.4)	1.5
Closing net funds excluding lease liabilities	**374.7**	**176.1**	**198.6**
Opening net debt including lease commitments	**(2,411.8)**	**(1,779.8)**	**(632.0)**
Free cash flow after shareholder returns	36.4	(248.3)	284.7
Decrease in lease obligations	130.9	119.4	11.5
New lease commitments and remeasurements	(226.0)	(253.5)	27.5
Lease commitments and net debt relating to consolidation of Ocado Retail	-	(355.6)	355.6
Exchange and other non-cash movements	3.8	(10.5)	14.3
Closing net debt including lease commitments	**(2,466.7)**	**(2,528.3)**	**61.6**

Free cash from operations was an inflow of £102.2m, which was £295.2m favourable to last year. This reflected trading performance and favourable working capital movements, partially offset by increased capital expenditure and taxation.

Working capital generated a cash inflow of £70.5m since the start of the year, due to increased build of payables relative to stock ahead of peak trading. This reflects normalising continuity stock levels in Fashion, Home & Beauty and the increased mix of ambient products in Food.

The increased capital expenditure reflects increased supply chain investment, the resumption of planned digital & technology investment following disruption from the prior-year incident, and the settlement of capital expenditure accrued at year end.

Taxation paid in the period was £49.2m as profit increased year on year.

Following the payment of the final dividend from 2025/26, the group had closing net funds excluding lease liabilities of £374.7m at the end of the period. There was an increase in lease liabilities, driven by additional office and warehouse obligations. Group net debt therefore increased during the period to £2,466.7m.

Capital expenditure

26 weeks ended	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 £m
Total Maintenance	**40.6**	**36.2**	**4.4**
Property	117.3	148.2	(30.9)
Supply chain	145.7	41.7	104.0
Digital & Technology	71.8	11.8	60.0
Other	2.0	0.5	1.5
Total Growth & Cost Out	**336.8**	**202.2**	**134.6**
M&S capital expenditure before disposals	**377.4**	**238.4**	**139.0**
Property disposals	-	(10.1)	10.1
M&S Capital expenditure	**377.4**	**228.3**	**149.1**
Ocado Retail	6.3	6.2	0.1
Movement in accruals and other items	117.3	(62.3)	179.6
Capex and disposals as per cash flow	**501.0**	**172.2**	**328.8**

M&S capital expenditure before disposals increased from £238.4m to £377.4m, reflecting investment in supply chain and digital and technology following the incident, partially offset by reduced spend on property.

Property investment was largely focused on Food and includes £82.9m of investment in new stores and extensions, as well as investment in renewals.

Supply chain investment was balanced between Food and Fashion, Home & Beauty. In Food, expenditure largely related to the Daventry National Distribution Centre, the Avonmouth Regional Distribution Centre, and new store investments. In Fashion, Home & Beauty, expenditure reflected the acquisition of Lichfield distribution centre.

Digital and Technology investment primarily reflected investment in in-store technology, network infrastructure, online capabilities and the Fashion, Home & Beauty planning platform. There was further development of the Sparks loyalty platform, to integrate M&S financial services rewards.

Ocado Retail investment was focused on further development of delivery spokes with Gateshead opening in the period.

Net debt

Group net debt reduced £61.6m since last year, primarily driven by an increase in cash and cash equivalents, and current financial assets due to cash generation, partially offset by the increase in lease liabilities, as a result of additional office and warehouse obligations.

26 weeks ended	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 £m
Cash and cash equivalents[1]	870.6	768.7	101.9
Current financial assets and other[1]	201.5	118.1	83.4
Ocado Retail borrowings	(90.0)	(100.0)	10.0
Medium-Term Notes – net of foreign exchange revaluation	(614.7)	(619.1)	4.4
Interest payable included within Medium-Term Notes	7.3	8.4	(1.1)
Net funds excluding lease liabilities	**374.7**	**176.1**	**198.6**
Lease liabilities	(2,841.4)	(2,704.4)	(137.0)
Group net debt	**(2,466.7)**	**(2,528.3)**	**61.6**

[1] Cash and cash equivalents represent cash held on deposit for under 90 days. Other financial assets include funds on deposit for longer than 90 days.

Medium-Term Notes include three bonds, with maturities out to 2037, and the associated accrued interest. This includes a USD $300m 2037 bond is valued by reference to the embedded exchange rate in the associated cross currency swaps.

Lease Liabilities	26 Sep 26 £m	27 Sep 25 £m	Change vs 2025/26 £m	Average lease length to break[1]
Full Line stores	(837.3)	(836.8)	(0.5)	c. 13 yrs
Food stores	(754.9)	(722.9)	(32.0)	c. 10 yrs
Offices, warehouses, ROI and other	(601.1)	(502.6)	(98.5)	
International	(132.7)	(155.6)	22.9	
Ocado Retail	(515.4)	(486.5)	(28.9)	
Total lease liability	**(2,841.4)**	**(2,704.4)**	**(137.0)**	

[1] Liability-weighted average lease length to break, adjusted to exclude nine long leases

Full Line store lease liabilities include £90.3m relating to stores identified as part of the store estate strategic programme.

Food store lease liabilities include £43.8m relating to stores identified as part of the store estate strategic programme.

Pension

At 26 September 2026, the IAS 19 net retirement benefit deficit was £79.0m (28 March 2026: £79.2m deficit).

The UK pension scheme deficit remains broadly unchanged since year end. The £45.0m of employer contributions made by the Marks and Spencer Scottish Limited Partnership (SLP) were broadly offset by the impact of a small reduction in credit spreads.

For further information on the Marks and Spencer Scottish Limited Partnership arrangements see note 9 to the financial information.

Liquidity

At 26 September 2026 M&S had liquidity of £1.7bn (2025/26: £1.6bn), comprising cash and cash equivalents of £870.6m (2025/26: £768.7m), an undrawn committed syndicated bank revolving credit facility of £850.0m (set to mature in December 2030), and undrawn uncommitted facilities amounting to £25.0m.

Dividend

An interim dividend of 1.4p per share has been declared. This will be paid on 8 January 2027 to shareholders on the register of members as at close of business on 27 November 2026.

Statement of financial position

Net assets were £3,408.2m at the period end (HY26: restated £2,851.4m, FY26: £3,222.9m), an increase of 5.7% since the start of the year. The increase primarily reflected retained profit in the period, with higher property, plant and equipment, inventory and other financial assets partly offset by increased payables.

Principal risks and uncertainties

The Principal Risks and Uncertainties which could impact the Group's long-term performance and additional information on the overarching impact from the external environment across the Group's risk profile are set out on pages 43-47 of our 2026 Annual Report and Financial Statements, along with mitigating activities relevant to each risk.

The Board of Directors have considered the Principal Risks and Uncertainties disclosed in the 2026 Annual Report and Financial Statements and confirm that they remain relevant for the remainder of the financial year.

The Principal Risks covered are:

- An uncertain environment
- Business transformation
- Business resilience
- Information security
- Joint ventures, including Ocado Retail, and franchise
- Culture, talent and capability
- Health and product safety & integrity
- Corporate compliance
- Climate change and the environment.

Statement of directors' responsibilities

The directors confirm that, to the best of their knowledge, this condensed consolidated interim financial information has been prepared in accordance with UK-adopted IAS 34 and that the interim management report includes a fair review of the information required by DTR 4.2.4R, DTR 4.2.7R and DTR 4.2.8R, namely:

- the condensed set of financial statements gives a true and fair view of the assets, liabilities, financial position, cash flows and profit or loss of the issuer, or undertakings included in the consolidation;
- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last annual report.

The directors of Marks and Spencer Group plc are listed in the Group's 2026 Annual Report and Financial Statements, with the exception of the following change in the period: Ms C. Potter resigned on 7 July 2026. A list of current directors is maintained on the Group's website: corporate.marksandspencer.com.

By order of the Board

Stuart Machin
Chief Executive

Condensed consolidated income statement

	Notes	26 weeks ended 26 Sep 2026 (Unaudited) Total £m	26 weeks ended 27 Sep 2025 (Unaudited) Total £m	52 weeks ended 28 Mar 2026 (Audited) Total £m
Revenue	2	**9,168.6**	7,942.3	17,273.6
Operating profit	2, 3	**438.1**	91.0	536.7
Finance income	4	**23.2**	22.7	45.0
Finance costs	4	**(106.2)**	(110.3)	(217.1)
Profit before tax	2, 3	**355.1**	3.4	364.6
Income tax expense	5	**(90.0)**	(15.2)	(128.4)
Profit / (Loss) for the period		**265.1**	(11.8)	236.2
Profit attributable to:				
Owners of the parent		**265.8**	6.2	259.4
Non-controlling interests[1]		**(0.7)**	(18.0)	(23.2)
		265.1	(11.8)	236.2
Earnings per share				
Basic	6	**12.9p**	0.3p	12.7p
Diluted	6	**12.6p**	0.3p	12.3p
Reconciliation of M&S Group Adjusted Profit before tax[2] – non-GAAP measure				
Profit before tax		**355.1**	3.4	364.6
Adjusting items	3	**51.7**	167.8	292.1
Adjusted Non-Controlling Interests		**(3.6)**	12.9	14.7
M&S Group Adjusted Profit before tax		**403.2**	184.1	671.4
Adjusted earnings per share – non-GAAP measure				
Basic	6	**14.8p**	6.6p	23.8p
Diluted	6	**14.5p**	6.4p	23.0p

[1] Non-controlling interest includes the minority share of results in Ocado Retail Limited and other joint ventures in India and the UK.

[2] Refer to the glossary for a complete definition of M&S Group Adjusted Profit before tax.

Condensed consolidated statement of comprehensive income

	Notes	26 weeks ended 26 Sep 2026 (Unaudited) £m	26 weeks ended 27 Sep 2025 (Unaudited) £m	52 weeks ended 28 Mar 2026 (Audited) £m
Profit/ (Loss) for the period		**265.1**	**(11.8)**	**236.2**
Other comprehensive expense:				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of retirement benefit schemes	8	(40.2)	(135.9)	9.0
Tax credit on retirement benefit schemes		10.1	34.0	(1.9)
		(30.1)	(101.9)	7.1
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences				
- movement recognised in other comprehensive income		(0.3)	1.5	(6.6)
Cash flow hedges				
- fair value movements in other comprehensive income		(5.3)	(57.2)	(42.1)
- reclassified and reported in profit or loss		(1.8)	7.8	5.8
Tax credit on cash flow hedges		2.6	11.8	9.1
		(4.8)	(36.1)	(33.8)
Other comprehensive expense for the period, net of tax		(34.9)	(138.0)	(26.7)
Total comprehensive income/(expense) for the period		**230.2**	**(149.8)**	**209.5**
Attributable to:				
Owners of the parent		230.9	(131.8)	232.7
Non-controlling interests		(0.7)	(18.0)	(23.2)
		230.2	**(149.8)**	**209.5**

Condensed consolidated statement of financial position

	Notes	As at 26 Sep 2026 (Unaudited) £m	As at 27 Sep 2025 (Unaudited) (Restated)[1] £m	As at 28 Mar 2026 (Audited) £m
Assets				
Non-current assets				
Intangible assets		771.0	772.2	754.1
Property, plant and equipment		6,624.0	6,131.7	6,409.3
Investment property		11.2	11.1	11.0
Investment in joint ventures and associates		11.4	11.8	10.9
Other financial assets	17	44.5	52.8	42.2
Trade and other receivables		277.6	288.5	279.0
Derivative financial instruments	10	5.0	2.2	3.5
Deferred tax assets		13.3	13.9	13.3
		7,758.0	**7,284.2**	**7,523.3**
Current assets				
Inventories		1,095.2	1,192.3	981.4
Other financial assets	17	174.1	79.9	12.9
Trade and other receivables		630.6	664.0	526.7
Derivative financial instruments	10	24.4	7.3	14.8
Current tax assets		42.3	70.7	58.5
Cash and cash equivalents		870.6	768.7	997.2
		2,837.2	**2,782.9**	**2,591.5**
Total assets		**10,595.2**	**10,067.1**	**10,114.8**
Liabilities				
Current liabilities				
Trade and other payables		2,821.6	2,918.7	2,636.0
Borrowings and other financial liabilities		381.6	404.0	298.7
Derivative financial instruments	10	6.5	56.5	19.1
Provisions		57.9	56.2	42.1
Current tax liabilities		1.2	1.2	1.2
		3,268.8	**3,436.6**	**2,997.1**
Non-current liabilities				
Retirement benefit deficit	8	79.0	219.0	79.2
Trade and other payables		32.7	33.5	30.6
Borrowings and other financial liabilities		3,123.9	2,990.5	3,120.7
Derivative financial instruments	10	37.4	19.5	24.1
Provisions		158.9	166.1	167.7
Deferred tax liabilities		486.3	350.5	472.5
		3,918.2	**3,779.1**	**3,894.8**
Total liabilities		**7,187.0**	**7,215.7**	**6,891.9**
Net assets		**3,408.2**	**2,851.4**	**3,222.9**
Equity				
Issued share capital		20.7	20.6	20.7
Share premium account		997.3	986.1	994.6
Capital redemption reserve		2,680.4	2,680.4	2,680.4
Hedging reserve		13.5	(19.0)	16.0
Cost of hedging reserve		6.4	6.2	(0.2)
Other reserve		(6,542.2)	(6,542.2)	(6,542.2)
Foreign exchange reserve		(96.3)	(87.9)	(96.0)
Retained earnings		6,162.3	5,636.6	5,982.8
Equity attributable to owners of the parent		**3,242.1**	**2,680.8**	**3,056.1**
Non-controlling interests		166.1	170.6	166.8
Total equity		**3,408.2**	**2,851.4**	**3,222.9**

[1]Deferred tax and retained earnings have been restated in the comparative information. See note 1 for further details

The notes on pages 32 to 52 form an integral part of the condensed consolidated interim financial information.

Condensed consolidated statement of changes in equity

26 weeks ended 26 September 2026 (Unaudited)	Ordinary share capital	Share premium account	Capital redemption reserve	Hedging reserve	Cost of hedging reserve	Other reserve[1]	Foreign exchange reserve	Retained earnings	Total	Non-controlling interest	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
As at 29 March 2026	**20.7**	**994.6**	**2,680.4**	**16.0**	**(0.2)**	**(6,542.2)**	**(96.0)**	**5,982.8**	**3,056.1**	**166.8**	**3,222.9**
Profit/(loss) for the period	-	-	-	-	-	-	-	265.8	265.8	(0.7)	265.1
Other comprehensive income/(expense):											
Foreign currency translation											
- movement recognised in other comprehensive income	-	-	-	-	-	-	(0.3)	-	(0.3)	-	(0.3)
Remeasurements of retirement benefit schemes	-	-	-	-	-	-	-	(40.2)	(40.2)	-	(40.2)
Tax credit on retirement benefit schemes	-	-	-	-	-	-	-	10.1	10.1	-	10.1
Cash flow hedges											
- fair value movements in other comprehensive income	-	-	-	(14.2)	8.9	-	-	-	(5.3)	-	(5.3)
- reclassified and reported in profit or loss	-	-	-	(1.5)	(0.3)	-	-	-	(1.8)	-	(1.8)
Tax credit on cash flow hedges	-	-	-	4.6	(2.0)	-	-	-	2.6	-	2.6
Other comprehensive income/(expense)	**-**	**-**	**-**	**(11.1)**	**6.6**	**-**	**(0.3)**	**(30.1)**	**(34.9)**	**-**	**(34.9)**
Total comprehensive income/(expense)	**-**	**-**	**-**	**(11.1)**	**6.6**	**-**	**(0.3)**	**235.7**	**230.9**	**(0.7)**	**230.2**
Cash flow hedges recognised in inventories	-	-	-	11.5	-	-	-	-	11.5	-	11.5
Tax on cash flow hedges recognised in inventories	-	-	-	(2.9)	-	-	-	-	(2.9)	-	(2.9)
Transactions with owners:											
Dividends	-	-	-	-	-	-	-	(61.5)	(61.5)	-	(61.5)
Shares issued in respect of employee share options	-	2.7	-	-	-	-	-	-	2.7	-	2.7
Purchase of shares held by employee trusts	-	-	-	-	-	-	-	(14.3)	(14.3)	-	(14.3)
Credit for share-based payments	-	-	-	-	-	-	-	19.6	19.6	-	19.6
As at 26 September 2026	**20.7**	**997.3**	**2,680.4**	**13.5**	**6.4**	**(6,542.2)**	**(96.3)**	**6,162.3**	**3,242.1**	**166.1**	**3,408.2**

26 weeks ended 27 September 2025 (Unaudited)	Ordinary share capital	Share premium account	Capital redemption reserve	Hedging reserve	Cost of hedging reserve	Other reserve[1]	Foreign exchange reserve	Retained earnings	Total	Non-controlling interest	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
As at 30 March 2025	**20.6**	**982.7**	**2,680.4**	**(7.5)**	**7.0**	**(6,542.2)**	**(89.4)**	**5,888.5**	**2,940.1**	**11.3**	**2,951.49**
Prior year restatement[2]	-	-	-	-	-	-	-	(119.5)	(119.5)	-	(119.5)
As at 30 March 2025 (restated)	**20.6**	**982.7**	**2,680.4**	**(7.5)**	**7.0**	**(6,542.2)**	**(89.4)**	**5,769.0**	**2,820.6**	**11.3**	**2,831.9**
Profit/(loss) for the period	-	-	-	-	-	-	-	6.2	6.2	(18.0)	(11.8)
Other comprehensive (expense)/income:											
Foreign currency translation											
- movement recognised in other comprehensive income	-	-	-	-	-	-	1.5	-	1.5	-	1.5
Remeasurements of retirement benefit schemes	-	-	-	-	-	-	-	(135.9)	(135.9)	-	(135.9)
Tax credit on retirement benefit schemes	-	-	-	-	-	-	-	34.0	34.0	-	34.0
Cash flow hedges	-	-	-	-	-	-	-	-	-	-	
- fair value movements in other comprehensive income	-	-	-	(56.1)	(1.1)	-	-	-	(57.2)	-	(57.2)
- reclassified and reported in profit or loss	-	-	-	7.8	-	-	-	-	7.8	-	7.8
Tax credit on cash flow hedges	-	-	-	11.5	0.3	-	-	-	11.8	-	11.8
Other comprehensive income/(expense)	**-**	**-**	**-**	**(36.8)**	**(0.8)**	**-**	**1.5**	**(101.9)**	**(138.0)**	**-**	**(138.0)**
Total comprehensive income/(expense)	**-**	**-**	**-**	**(36.8)**	**(0.8)**	**-**	**1.5**	**(95.7)**	**(131.8)**	**(18.0)**	**(149.8)**
Cash flow hedges recognised in inventories	-	-	-	33.7	-	-	-	-	33.7	-	33.7
Tax on cash flow hedges recognised in inventories	-	-	-	(8.4)	-	-	-	-	(8.4)	-	(8.4)
Transactions with owners:											
Dividends	-	-	-	-	-	-	-	(52.4)	(52.4)	-	(52.4)
Transactions with non-controlling shareholders			-	-	-	-	-	-	-	177.3	177.3
Shares issued in respect of employee share options	-	3.4	-	-	-	-	-	-	3.4	-	3.4
Credit for share-based payments	-	-	-	-	-	-	-	15.7	15.7	-	15.7
As at 27 September 2025	**20.6**	**986.1**	**2,680.4**	**(19.0)**	**6.2**	**(6,542.2)**	**(87.9)**	**5,636.6**	**2,680.8**	**170.6**	**2,851.4**

52 weeks ended 28 March 2026 (Audited)	Ordinary share capital	Share premium account	Capital redemption reserve	Hedging reserve	Cost of hedging reserve	Other reserve[1]	Foreign exchange reserve	Retained earnings	Total	Non-controlling interest	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
As at 30 March 2025	**20.6**	**982.7**	**2,680.4**	**(7.5)**	**7.0**	**(6,542.2)**	**(89.4)**	**5,769.0**	**2,820.6**	**11.3**	**2,831.9**
Profit/(loss) for the year	-	-	-	-	-	-	-	259.4	259.4	(23.2)	236.2
Other comprehensive income/(expense):											
Foreign currency translation											
- movement recognised in other comprehensive income	-	-	-	-	-	-	(6.6)	-	(6.6)	-	(6.6)
Remeasurements of retirement benefit schemes	-	-	-	-	-	-	-	9.0	9.0	-	9.0
Tax credit on retirement benefit schemes	-	-	-	-	-	-	-	(1.9)	(1.9)	-	(1.9)
Cash flow hedges											
- fair value movements in other comprehensive income	-	-	-	(33.0)	(9.1)	-	-	-	(42.1)	-	(42.1)
- reclassified and reported in profit or loss	-	-	-	6.3	(0.5)	-	-	-	5.8	-	5.8
Tax credit on cash flow hedges	-	-	-	6.7	2.4	-	-	-	9.1	-	9.1
Other comprehensive income/(expense)	**-**	**-**	**-**	**(20.0)**	**(7.2)**	**-**	**(6.6)**	**7.1**	**(26.7)**	**-**	**(26.7)**
Total comprehensive income/(expense)	**-**	**-**	**-**	**(20.0)**	**(7.2)**	**-**	**(6.6)**	**266.5**	**232.7**	**(23.2)**	**209.5**
Cash flow hedges recognised in inventories	-	-	-	58.0	-	-	-	-	58.0	-	58.0
Tax on cash flow hedges recognised in inventories	-	-	-	(14.5)	-	-	-	-	(14.5)	-	(14.5)
Transactions with owners:											
Dividends	-	-	-	-	-	-	-	(77.0)	(77.0)	-	(77.0)
Transactions with non-controlling shareholders	-	-	-	-	-	-	-	(1.4)	(1.4)	178.7	177.3
Shares issued in respect of employee share options	0.1	11.9	-	-	-	-	-	-	12.0	-	12.0
Purchase of shares held by employee trusts	-	-	-	-	-	-	-	(21.1)	(21.1)	-	(21.1)
Credit for share-based payments	-	-	-	-	-	-	-	37.5	37.5	-	37.5
Tax on share schemes	-	-	-	-	-	-	-	9.3	9.3	-	9.3
As at 28 March 2026	**20.7**	**994.6**	**2,680.4**	**16.0**	**(0.2)**	**(6,542.2)**	**(96.0)**	**5,982.8**	**3,056.1**	**166.8**	**3,222.9**

[1] 'Other reserve' was originally created as part of the capital restructuring that took place in 2002. It represents the difference between the nominal value of the shares issued prior to the capital reduction by the Company (being the carrying value of the investment in Marks and Spencer plc) and the share capital, share premium and capital redemption reserve of Marks and Spencer plc at the date of the transaction.

[2] See Note 1 for details of restatement.

Condensed consolidated statement of cash flows

	Notes	26 weeks ended 26 Sep 2026 (Unaudited) £m	26 weeks ended 27 Sep 2025 (Unaudited) £m	52 weeks ended 28 Mar 2026 (Audited) £m
Cash flows from operating activities				
Cash generated from operations	12	852.5	169.2	1,183.1
Income tax paid		(49.2)	(3.5)	(7.1)
Net cash inflow from operating activities		**803.3**	**165.7**	**1,176.0**
Cash flows from investing activities				
Proceeds on property disposals		-	10.1	33.1
Purchase of property, plant and equipment		(442.8)	(165.8)	(574.8)
Purchase of intangible assets		(58.2)	(16.5)	(52.3)
(Purchase)/ sale of current financial assets		(161.2)	209.6	276.6
Purchase of non-current financial assets		(3.6)	(31.3)	(21.1)
Payment of deferred consideration for subsidiary		-	-	(110.9)
Consolidation of subsidiary, net of cash acquired[1]		-	68.2	68.2
Interest received		19.4	24.1	44.5
Net cash used in investing activities		**(646.4)**	**98.4**	**(336.7)**
Cash flows from financing activities				
Interest paid[2]		(79.0)	(94.5)	(192.3)
Redemption of Medium Term Notes[3]		-	(105.5)	(108.0)
Repayment of lease liabilities		(130.9)	(119.4)	(317.5)
Cash inflow from borrowings		-	10.0	-
Equity dividends paid	7	(61.5)	(52.4)	(77.0)
Shares issued on exercise of employee share options		2.7	3.4	12.0
Transactions with non-controlling interest		-	-	(0.2)
Purchase of own shares by employee trust		(14.3)	(0.1)	(21.1)
Net cash used in financing activities		**(283.0)**	**(358.5)**	**(704.1)**
Net cash outflow from activities		**(126.1)**	**(94.4)**	**135.2**
Effects of exchange rate changes		(0.5)	(1.4)	(2.5)
Opening net cash		997.2	864.5	864.5
Closing net cash		**870.6**	**768.7**	**997.2**

[1] Includes £nil (last full year and last half year: £68.2m) relating to cash acquired on the consolidation of Ocado Retail Limited.

[2] Includes interest paid on lease liabilities of £58.0m (last half year: £60.7m; last full year: £136.0m).

[3] Includes £nil (last half year: £105.5m; last full year: £105.5m) in relation to the maturity of Medium-Term Notes

1 General information and basis of preparation

General information

This condensed consolidated interim information for the period does not constitute statutory financial statements within the meaning of s434 of the Companies Act 2006.

The summary of results for the year ended 28 March 2026 is an extract from the published Annual Report and Financial Statements which were approved by the Board of Directors on 20 May 2026, have been reported on by the Group's auditors and delivered to the Registrar of Companies. The audit report on the Annual Report and Financial Statements was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under s498 (2) or (3) of the Companies Act 2006.

Basis of preparation

The financial information has been prepared in accordance with the UK-adopted International Accounting Standard 34 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Prior year restatement

In the 2026 Annual Report, an error was identified within the Group's deferred tax calculations in relation to historical changes for IFRS 16: Leases. In line with IAS 8, the Group has restated balances as at 29 March 2025 and 27 September 2025. Specifically, the tax impact on the financial results as at 29 March 2025 and 27 September 2025 was a £119.5m increase in deferred tax liabilities recognised in relation to IFRS 16: Leases. There is no impact on cash flows (or cash flow statements), reported pre or post tax profits or tax paid in any of the previous years.

The financial impact of the error identified is as follows:

	As at 27 September 2025			As at 29 March 2025		
	Reported	Adjusted	Restated	Reported	Adjusted	Restated
	£m	£m	£m	£m	£m	£m
Deferred tax liability	231.0	119.5	350.5	199.4	119.5	318.9
Retained earnings	5,756.1	(119.5)	5,636.6	5,888.5	(119.5)	5,769.0

Going concern basis

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the directors have considered the business activities as set out on pages 1 to 9 and the principal risks and uncertainties as set out on page 25.

At 26 September 2026, the Group's access to available liquidity remained strong at over £1.7bn, comprising cash and cash equivalents of £870.6m, an undrawn committed syndicated bank revolving credit facility of £850.0m (set to mature in December 2030), and undrawn uncommitted facilities amounting to £25.0m.

The forecast cashflows for the 12-month period to November 2027, used to support the assessment of going concern, incorporate a latest estimate of the ongoing impact of current market conditions on the Group (including the impact of the current Middle East conflict) and include a number of assumptions, including sales growth and customer behaviour. In forming their outlook on the future financial performance, the directors considered a variety of downsides that the Group might experience, such as a sustained economic recession and an inability for the Group to execute the transformation plan. The downside scenario also assumes that a delay in transformation benefits results in a decline in the incremental sales expected from these activities.

Based on the forecast cashflows, throughout the next 12-month period to November 2027, the Group does not anticipate needing to draw on its available facilities and has adequate headroom to meet the covenant requirements.

As a result, the directors believe that the Group is well placed to manage its financing and other principal risks satisfactorily and that the Group will be able to operate within the level of its facilities for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. For this reason, the directors consider it appropriate for the Group to adopt the going concern basis in preparing its interim financial statements.

Accounting policies

The results for the first half of the financial year have been reviewed, not audited and are prepared on the basis of the accounting policies set out in the Group's 2026 Annual Report and Financial Statements.

Several amendments apply for the first time during the period but have not led to any changes to the Group's accounting policies or have any other material impact on the financial position or performance of the Group.

Alternative performance measures

In reporting financial information, the Group presents alternative performance measures ("APMs") which are not defined or specified under the requirements of IFRS.

The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information on the performance of the business. The APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board and Executive Committee. Some of these measures are also used for the purpose of setting remuneration targets.

The key APMs that the Group uses include: sales; like-for-like sales growth; adjusted operating profit; adjusted operating margin; adjusted basic earnings per share; net debt; net debt excluding lease liabilities; free cash flow; free cash flow from operations; capital expenditure; M&S Group adjusted profit before tax and adjusted non-controlling interest. Each of these APMs, and others used by the Group, are set out in the Glossary, including explanations of how they are calculated and how they can be reconciled to a statutory measure where relevant.

The Group reports some financial measures, primarily International sales, on both a reported and constant currency basis. The constant currency basis, which is an APM, retranslates the previous year revenues at the average actual periodic exchange rates used in the current financial year. This measure is presented as a means of eliminating the effects of exchange rate fluctuations on the year-on-year reported results.

The Group makes certain adjustments to the statutory profit measures in order to derive many of these APMs. The Group's policy is to exclude items that are considered significant in nature and/or quantum over the total expected life of the programme or are consistent with items that were treated as adjusting in prior periods. The Group's definition of adjusting items is consistent with prior periods. Adjusted results are consistent with how business performance is measured internally and presented to aid comparability of performance. On this basis, the following items were included within adjusting items for the 26-week period ended 26 September 2026 or comparative periods:

- Net charges associated with the strategic programme in relation to the review of the store estate.
- Significant restructuring costs and other associated costs arising from strategy or operational changes that are not considered by the Group to be part of the normal operating costs of the business.
- Impairment charges and provisions that are considered to be significant in nature and/or value to the trading performance of the business.
- Charges and reversals of previous impairments arising from the write-off of assets and other property charges that are significant in nature and/or value. Impairment charges are recognised in Group adjusted operating profit where they relate to stores not previously impaired or do not otherwise meet the Group's adjusting items policy.
- Adjustments to income from M&S Bank due to a provision recognised by M&S Bank for the cost of providing redress to customers in respect of possible mis-selling of M&S Bank financial products.
- Amortisation of the identified intangible assets arising as part of the consolidation of Ocado Retail Limited.
- Net pension finance costs in relation to the closed scheme not considered part of ongoing operating activities of the Group.
- Significant charges relating to the renegotiation of the Group's Relationship Agreement with M&S Bank.
- Significant costs in response to the recent cyber incident.

Refer to note 3 for a summary of the adjusting items.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements requires the Group to make estimates and judgements that affect the application of policies and reported amounts. The critical accounting judgements and key sources of estimation uncertainty remain consistent with those presented in note 1 of the Group's 2026 Annual Report and Financial Statements.

2 Segmental Information

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reporting on components of the Group that are regularly reviewed by the chief operating decision-maker to allocate resources to the segments and to assess their performance.

The chief operating decision-maker has been identified as the Executive Committee. The Executive Committee reviews the Group's internal reporting in order to assess performance and allocate resources across each operating segment.

The Group's reportable operating segments have therefore been identified as follows:

- Fashion, Home & Beauty – comprises the retailing of womenswear, menswear, lingerie, kidswear, beauty and home products through UK, ROI and Channel Islands retail stores and online.
- Food – includes the results of the UK, ROI and Channel Islands retail food business, UK Food franchise operations and UK supply chain services, with the following main categories: Meat, Fish, Poultry & Eggs, Deli and Dairy; Produce & Floral; Meals, Frozen and 'food on the move'; Core Basket; Bakery, Impulse & Events; Beers, wines, spirits & drinks and Hospitality.
- International – consists of Marks and Spencer owned businesses in Europe (excluding Ireland and the Channel Islands) and Asia and the international and wholesale franchise operations.
- Ocado – includes the results of the Ocado Retail Limited business.

Other business activities and operating segments, including M&S Bank, are combined and presented in "All other segments". Finance income and costs and other operating income are not allocated to segments as each is managed on a centralised basis.

The Executive Committee assesses the performance of the operating segments based on a measure of Group adjusted operating profit before adjusting items. This measurement basis excludes the effects of adjusting items from the operating segments.

The following is an analysis of the Group's revenue and results by reportable segment:

		26 weeks ended 26 September 2026 (Unaudited)					
	Note	Fashion Home & Beauty	Food	International	Ocado	All other segments	Group
		£m	£m	£m	£m	£m	£m
Sales[1]		1,995.4	5,162.9	312.2	1,784.5	-	**9,255.0**
Revenue		1,937.6	5,134.3	312.2	1,784.5	-	**9,168.6**
Group adjusted operating profit[2]		**150.5**	**288.6**	**15.3**	**25.6**	**6.5**	**486.5**
Finance income before adjusting items	4	-	-	-	-	-	**23.2**
Finance costs before adjusting items	4	-	-	-	-	-	**(102.9)**
Less: Adjusted non-controlling interests		-	-	-	-	-	**(3.6)**
M&S Group Adjusted Profit before tax		**150.5**	**288.6**	**15.3**	**25.6**	**6.5**	**403.2**
Adjusting items	3	-	-	-	-	-	**(51.7)**
Adjusted non-controlling interests		-	-	-	-	-	**3.6**
Profit before tax		**150.5**	**288.6**	**15.3**	**25.6**	**6.5**	**355.1**

		26 weeks ended 27 September 2025 (Unaudited)					
	Note	Fashion Home & Beauty	Food	International	Ocado	All other segments	Group
		£m	£m	£m	£m	£m	£m
Sales[1]		1,697.6	4,531.9	255.8	1,479.9	-	**7,965.2**
Revenue		1,674.7	4,531.9	255.8	1,479.9	-	**7,942.3**
Insurance income[3]		-	-	-	-	-	**100.0**
Group adjusted operating profit[2]		**46.1**	**89.1**	**13.3**	**(3.1)**	**6.0**	**251.4**
Finance income before adjusting items	4	-	-	-	-	-	**22.7**
Finance costs before adjusting items	4	-	-	-	-	-	**(102.9)**
Less: Adjusted non-controlling interests		-	-	-	-	-	**12.9**
M&S Group Adjusted Profit before tax		**46.1**	**89.1**	**13.3**	**(3.1)**	**6.0**	**184.1**
Adjusting items	3	-	-	-	-	-	**(167.8)**
Adjusted non-controlling interests		-	-	-	-	-	**(12.9)**
Profit before tax		**46.1**	**89.1**	**13.3**	**(3.1)**	**6.0**	**3.4**

	Note	52 weeks ended 28 March 2026 (Audited)					
		Fashion Home & Beauty	Food	International	Ocado	All other segments	Group
Sales[1]		3,915.5	9,719.3	543.3	3,193.4	-	**17,371.5**
Revenue		3,826.1	9,710.8	543.3	3,193.4	-	**17,273.6**
Insurance income[3]		-	-	-	-	-	**100.0**
Group adjusted operating profit[2]		**213.4**	**444.5**	**39.1**	**15.2**	**6.2**	**818.4**
Finance income before adjusting items	4	-	-	-	-	-	**45.0**
Finance costs before adjusting items	4	-	-	-	-	-	**(206.7)**
Less: Adjusted non-controlling interests		-	-	-	-	-	**14.7**
M&S Group Adjusted Profit before tax		**213.4**	**444.5**	**39.1**	**15.2**	**6.2**	**671.4**
Adjusting items	3	-	-	-	-	-	**(292.1)**
Adjusted non-controlling interests		-	-	-	-	-	**(14.7)**
Profit before tax		**213.4**	**444.5**	**39.1**	**15.2**	**6.2**	**364.6**

[1] Sales revenue stated prior to adjustments for Fashion, Home & Beauty of £57.8m (last half year: £22.9m, last full year: £89.4m), Food consignment sales of £11.8m (last half year: £nil, last full year; £8.5m) and Food franchise rebates of £16.8m (last half year: £nil, last full year £nil). These adjustments reflect differences between the measures reported to the Executive Committee for assessing segment performance and the amounts recognised as revenue in the consolidated income statement.
[2] Group adjusted operating profit/ (loss) is stated as gross profit less operating costs prior to adjusting items and non-controlling interest. At a reportable segment level costs are directly allocated where directly attributable or based on an appropriate cost driver for the cost.
[3] Insurance income in respect of the cyber incident is recognised within other operating income and is not allocated to segments as it is managed on a centralised basis.

Segment assets and liabilities, including investments in associate and joint ventures, are not disclosed as they are not reported to or reviewed by the Executive Committee.

	26 weeks ended 26 September 2026 (Unaudited) £m	26 weeks ended 27 September 2025 (Unaudited)[1] £m	52 weeks ended 28 March 2026 (Audited)[1] £m
Write-down of inventories to net realisable value	**220.2**	**339.5**	**590.0**

[1] A sub-set of operating costs had not previously been included in the disclosure of write-down of inventories to net realisable value. As a result, the prior year disclosed amounts for last half-year and last full year have been updated to be consistent with HY2026/27, increasing the value by £0.5m and £73.7m respectively. This amendment does not impact the primary financial statements.

3 Adjusting items

The total adjusting items reported for the 26-week period ended 26 September 2026 is a net charge of £51.7m. The adjustments made to reported profit before tax to arrive at adjusted profit are:

	26 weeks ended		52 weeks ended
	26 Sep 2026 (Unaudited) £m	27 Sep 2025 (Unaudited) £m	28 March 2026 (Audited) £m
Included in operating profit			
Strategic programmes - Store estate	(34.0)	(16.5)	(84.1)
Strategic programmes - FH&B transformation	(4.8)	-	-
Strategic programmes - Organisation	5.9	-	-
Strategic programmes - International reset	-	10.9	10.6
Strategic programmes - Digital and Technology transformation	(0.8)	(0.9)	(4.1)
Costs associated with the cyber incident	(0.3)	(101.6)	(131.3)
Amortisation and fair value adjustments relating to Ocado Retail Limited	(3.4)	(21.4)	(26.0)
Ocado Retail Limited – UK network capacity review	-	-	(2.8)
M&S Bank transformation and insurance mis-selling provisions	(6.5)	(25.3)	(32.4)
	(43.9)	**(154.8)**	**(270.1)**
Included in net finance costs			
Net pension finance charge	(1.7)	(2.5)	(5.0)
Net finance costs incurred in relation to Gist Limited deferred and contingent consideration	-	(3.8)	(3.8)
Net finance costs relating to amortisation and fair value adjustments of Ocado Retail Limited	(1.1)	(0.9)	(0.9)
Net finance costs relating to M&S Bank transformation and insurance mis-selling provisions	(0.5)	(0.2)	(0.7)
	(3.3)	**(7.4)**	**(10.4)**
M&S Group Adjusting items	**(47.2)**	**(162.2)**	**(280.5)**
Adjusting items attributable to non-controlling interests[1]	**(4.5)**	**(5.6)**	**(11.6)**
Adjustment to profit before tax	**(51.7)**	**(167.8)**	**(292.1)**

[1]Relates to 50% non-controlling interest share of amortisation following the consolidation of Ocado Retail Limited (£4.5m).

Strategic programmes - Store estate (£34.0m)

In November 2016, the Group announced a strategic programme to transform and rotate the Store estate with the overall objective to improve our store estate to better meet our customers' needs. The Group incurred charges of £1,131.1m in the ten years up to March 2026 under this programme primarily relating to closure costs associated with stores identified as part of the strategic transformation plans.

The Group has recognised a further charge of £34.0m in the period in relation to those stores identified as part of the rotation plans. The charge primarily reflects the latest view of store closure plans as disclosed in the 2025/26 financial statements and latest assumptions for estimated store closure costs, as well as charges relating to the impairment of buildings and fixtures and fittings, and depreciation as a result of shortening the useful economic life of stores based on the most recently approved exit routes.

Further charges relating to the closure and rotation of the Store estate are anticipated over the next four and a half years as the programme progresses, the quantum of which is subject to change throughout the programme period as we get greater certainty of circumstances that need to be in place to make closure financially viable. Future charges will not include Foodhall closures at lease event where there is opportunity for a better location, as this is not in the scope of the programme.

The cash flows used within the impairment models for the Store estate programme are based on assumptions which are sources of estimation uncertainty, and small movements in these assumptions could lead to further impairments. Management has performed sensitivity analysis on the key assumptions across the Store estate programme.

A 5% reduction in planned sales in years 2 and 3 (where relevant) would result in an increase in the impairment charge of £2.1m. Neither a 250 basis point increase in the discount rate, a 25 basis point reduction in management gross margin during the period of trading, nor a 2% increase in the costs associated with exiting a store would result in a significant increase to the impairment charge, individually or in combination with the other reasonably possible scenarios considered.

As at 26 September 2026, the total closure programme now consists of 234 stores, 156 of which have already closed. Further charges of c.£135m are estimated within the next four and a half financial years, bringing anticipated total programme costs since 2016 to c.£1.3bn. In addition, where store exit routes in the next four and a half years lead to the recognition of gains on exit, particularly those relating to asset management, these credits will also be recognised within adjusting items as part of the programme. The anticipated total programme costs to date do not include any

costs that may arise in relation to a further c.13 stores currently under consideration for closure within the next four and a half years. At this stage these c.13 stores remain commercially supportable and in the event of a decision to close the store the exit routes are not yet certain.

These costs are reported as adjusting items on the basis that they are significant in quantum, relate to a strategic initiative focused on reviewing our store estate and to aid comparability from one period to the next. The programme requires all stores to be closed by 2030/31. The charges to date, and future charges, do not include Foodhall closures at a lease event where there is opportunity to secure a better location

Strategic programmes – FH&B transformation (£4.8m)

During 2026/27, management commenced a multi-year transformation programme within the Fashion, Home & Beauty business.

The programme represents the next phase of the Group's strategic programmes and is focused on creating a Fashion, Home & Beauty business fit for the future. The programme includes fundamentally redesigning the Beauty proposition and related key operating processes, modernising supply chain capabilities, simplifying ways of working and improving end-to-end operational effectiveness, with related costs spanning organisational design, stock and asset write off, and site exit and closure.

As part of this transformation programme the Group has incurred £4.8m of charges during the period that are not considered to be day-to-day operational costs of the business. These costs mainly relate to redundancy and professional advisor fees.

These costs are adjusting items as they relate to a significant restructuring and change to the operation of the UK Fashion Home & Beauty segment and the business would not have incurred these costs but for the transformation programme. Further costs of c.£13m are expected in the second half of the year and at least £37m of future costs to come over the next five years based on latest estimates.

Strategic programmes – Digital and Technology transformation (£0.8m)

During 2024/25, to reduce costs and transform our business, the Group confirmed our desire to build the Digital and Technology team we need for the future, investing in our core foundations and business platforms. In 2026/27, we have continued to develop our transformation plans whilst targeting similar ambitions. The reset of our operating model is underway as we bring more capabilities in house, changing how we are structured and how we operate in service of the business. In total we continue to target delivery of c.£100m of structural cost savings over the next four and a half years, with an element of these savings coming from the new operating model as well as the simplification and modernisation of our technology estate.

During the period a charge of £0.8m has been recognised primarily for change management costs. Further charges of c.£7m are expected in relation to this programme to 2028/29.

These costs are considered to be adjusting items as the costs are part of the strategic programme, are significant in value and would distort the year-on-year profitability of the business.

Strategic programmes - Organisation (£5.9m Credit)

In 2016/17, the Group announced a strategic programme to centralise the London Head Office functions, which included people and property exit costs. Total costs of centralising our London Head Office functions into one building incurred to 2023/24 were c.£101m. At that time it was noted, any future charges/reversals relating to the updating of assumptions and market fluctuations over the life of the sub-let lease to September 2040, would be recognised in adjusting items.

During 2026/27, the Group recognised an impairment reversal of £5.9m in relation to a previous impairment of the centralisation of its London Head Office functions into one building. This credit is considered to be an adjusting item as it reverses a previous impairment charge for a programme whereby the initial cost was significant in value and related to a significant strategic transformation programme of the Group.

Costs associated with the cyber incident (£0.3m)

As announced in April 2025, the Group was the subject of a sophisticated cyber incident. During the period the Group incurred a further £0.3m of incident-related legal and advisory costs as a direct result of the incident. Further charges of c.£2.0m are expected in the second half of the financial year, taking total costs to c.£134m.

These costs are considered to be adjusting items as they relate to incident response and recovery activities that would not have been incurred without the cyber incident.

Amortisation and fair value adjustments relating to Ocado Retail Limited (£4.5m)

In April 2025, following the change in accounting control and the consolidation of Ocado Retail Limited, the Group recognised intangible assets of £292.0m representing the Ocado brand and acquired customer relationships. Other fair value adjustments for property, plant and equipment of £54.4m were also recognised. These assets and fair value adjustments are being amortised and depreciated over their remaining useful economic lives of 10 – 40 years with the Group’s share (50%) of the charge (£4.5m) recognised in the period.

The charges are considered to be adjusting items as they are based on judgements about their value and economic life and are not related to the Group's underlying trading performance. These charges are reported as adjusting items on the basis that they are significant in quantum and to aid comparability from one period to the next.

M&S Bank transformation and insurance mis-selling provisions (£7.0m)

On 9 April 2024, the Group and HSBC UK agreed a new seven-year deal focused on enhancing M&S' credit offering and payment solutions through M&S Bank and bringing together digital payments and loyalty for M&S customers.

In June 2026, Marks and Spencer Financial Services plc (trading as M&S Bank) transferred to HSBC UK Bank plc (HSBC UK). There has been no change to the M&S Bank trading name and HSBC UK continues to operate in partnership with M&S to provide financial services. The Group continues to hold an economic interest in the M&S Bank branded financial services partnership by way of a Relationship Agreement with HSBC UK that entitles the Group to a share of profits after appropriate deductions.

As previously disclosed, a deficit had accumulated since September 2012, primarily relating to liabilities recognised by M&S Bank for redress to customers in respect of possible mis-selling of financial products. Under the terms of the renegotiated Relationship Agreement, the Group has agreed to settle the deficit by the end of the new contract. Other one-off fees are also payable to M&S Bank under the renegotiated Relationship Agreement which will be recognised as a reduction to income over the term of the contract.

Costs of £7.0m have been recognised in the period, predominantly relating to the continued settlement of the deficit. Total programme costs to date are £60.6m with future net charges of £71.5m expected over the remainder of the contract to December 2031.

All of these costs are considered to be adjusting items as they are significant in quantum and have crystallised as a result of major business change linked to M&S Bank. Recognition of these costs within adjusting items is consistent with the disclosure of costs relating to the deficit previously recognised within adjusting items. Furthermore, these costs are significant in value to the results of both the Group and to the 'all other' segments' segment.

Net pension finance charge (£1.7m)

In the period a net finance cost of £1.7m was recognised. The net pension finance expense can fluctuate significantly each year due to changes in external market factors that are outside management's control. Furthermore, as the scheme is now closed, it is not considered to be part of the ongoing operating activities of the Group. Therefore, consistent with how management assess the performance of the business, the net pension finance income or expense is considered to be an adjusting item.

4 Finance income/(costs)

		26 weeks ended		52 weeks ended
		26 Sep 2026 (Unaudited)	27 Sep 2025 (Unaudited)	28 Mar 2026 (Audited)
	Note	£m	£m	£m
Bank and other interest receivable		20.3	19.8	39.3
Interest income on subleases		2.9	2.9	5.7
Finance income before adjusting items		23.2	22.7	45.0
Finance income		**23.2**	**22.7**	**45.0**
Other finance costs		(5.7)	(5.4)	(12.2)
Interest payable on syndicated bank facility		(1.6)	(1.8)	(3.9)
Interest payable on Medium Term Notes		(14.7)	(16.9)	(30.6)
Interest payable on lease liabilities		(75.9)	(74.3)	(150.8)
Ineffectiveness on financial instruments		(0.2)	-	-
Unwind of discount on provisions		(4.8)	(4.5)	(9.2)
Finance costs before adjusting items		(102.9)	(102.9)	(206.7)
Finance costs in adjusting items	3	(3.3)	(7.4)	(10.4)
Finance costs		**(106.2)**	**(110.3)**	**(217.1)**
Net finance costs		**(83.0)**	**(87.6)**	**(172.1)**

5 Taxation

Taxes on income in the interim period are accrued using the tax rate that would be applicable to expected total annual earnings, adjusted for actual tax on adjusting items.

The taxation charge in the income statement for the half year is based on the forecast full year effective tax rate in respect of the M&S Group adjusted profit of 24.3% (last half year: 28.5%; last full year: 27.5%). This is slightly lower than the UK statutory rate, primarily due to tax deductions associated with the Group's pension funding arrangements.

The effective tax rate on profit before taxation is 25.3% (last half year: 447.1%; last full year: 35.2%).

6 Earnings per share

The calculation of earnings per ordinary share is based on earnings after tax and the weighted average number of ordinary shares in issue during the period.

The adjusted earnings per share figures have also been calculated based on earnings before adjusting items that are significant in nature and/or quantum and are considered to be distortive to underlying results (see note 3). These have been presented to provide shareholders with an additional measure of the Group's year-on-year performance.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has four types of dilutive potential ordinary shares being: those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the period; unvested shares granted under the Deferred Share Bonus Plan; unvested shares granted under the Restricted Share Plan; and unvested shares within the Performance Share Plan that have met the relevant performance conditions at the end of the reporting period.

Details of the adjusted earnings per share are set out below:

	26 weeks ended		52 weeks ended
	26 Sep 2026	27 Sep 2025	28 Mar 2026
	(Unaudited)	(Unaudited)	(Audited)
	£m	£m	£m
Profit attributable to equity shareholders of the Company	**265.8**	**6.2**	**259.4**
Add/(less):			
Adjusting items (see note 3)	47.2	162.2	280.5
Tax on adjusting items	(7.9)	(33.6)	(53.2)
Profit before adjusting items attributable to equity shareholders of the Company	**305.1**	**134.8**	**486.7**
	Million	Million	Million
Weighted average number of ordinary shares in issue	2,061.5	2,032.6	2,041.4
Potentially dilutive share options under Group's share option schemes	48.7	80.8	73.9
Weighted average number of diluted ordinary shares	**2,110.2**	**2,113.4**	**2,115.3**
	Pence	Pence	Pence
Basic earnings per share	12.9	0.3	12.7
Diluted earnings per share	12.6	0.3	12.3
Adjusted basic earnings per share	14.8	6.6	23.8
Adjusted diluted earnings per share	14.5	6.4	23.0

7 Dividends

	26 weeks ended		52 weeks ended
	26 Sep 2026 (Unaudited) £m	27 Sep 2025 (Unaudited) £m	28 Mar 2026 (Audited) £m
Final dividend of 3.0p per share (last year 2.6p per share)	61.5	52.4	52.4
Prior period interim dividend of 1.2p per share	-	-	24.6
	61.5	**52.4**	**77.0**

The directors have approved an interim dividend of 1.4p per share (last half year 1.2p per share) which, in line with the requirements of IAS10 – Events after the Reporting Period, has not been recognised within these results. The interim dividend of c.£29.1m (last half year £24.6m) will be paid on 8 January 2027 to shareholders whose names are on the Register of Members at the close of business on 27 November 2026. The ordinary shares will be quoted ex dividend on 26 November 2026.

A dividend reinvestment plan (DRIP) is available to shareholders who would prefer to invest their dividends in the shares of the Company. For those shareholders electing to receive the DRIP, the last date for receipt of a new election is 15 December 2026.

8 Retirement benefits

	26 weeks ended		52 weeks ended
	26 Sep 2026 (Unaudited) £m	27 Sep 2025 (Unaudited) £m	28 Mar 2026 (Audited) £m
Opening net retirement benefit deficit	**(79.2)**	(122.7)	(122.7)
Current service cost	(0.1)	(0.1)	(0.1)
Administration cost	(3.0)	(2.9)	(5.7)
Net interest cost	(1.8)	(2.8)	(5.1)
Employer contributions	45.2	45.3	45.3
Remeasurements	(40.2)	(135.9)	9.0
Exchange movement	0.1	0.1	0.1
Closing net retirement benefit deficit	**(79.0)**	**(219.0)**	**(79.2)**
Total market value of assets	4,988.5	5,187.0	5,099.5
Present value of scheme liabilities	(5,064.2)	(5,402.3)	(5,175.3)
Net funded pension plan liability	(75.7)	(215.3)	(75.8)
Unfunded retirement benefits	(1.7)	(2.1)	(1.8)
Post-retirement healthcare	(1.6)	(1.6)	(1.6)
Net retirement benefit deficit	**(79.0)**	**(219.0)**	**(79.2)**
Analysed in the Statement of Financial Position as:			
Retirement benefit deficit	(79.0)	(219.0)	(79.2)
Net retirement benefit deficit	**(79.0)**	**(219.0)**	**(79.2)**

Financial Assumptions

The main financial assumptions for the UK scheme and the most recent actuarial valuations of the other post-retirement schemes have been updated by independent qualified actuaries to take account of the requirements of IAS 19 Employee Benefits in order to assess the liabilities of the schemes.

The most significant of these are the discount rate and the inflation rate which are 6.5% (last half year: 5.8%; last full year: 6.25%) and 3.2% (last half year: 2.95%; last full year: 3.25%) respectively. The inflation rate of 3.2% reflects the Retail Price Index (RPI) rate. Certain benefits have been calculated with reference to the Consumer Price Index (CPI) as the inflationary measure and in these instances a rate of 2.65% (last half year: 2.4%) has been used.

The amount of the surplus or deficit varies if the main financial assumptions change. If the discount rate decreased by 0.25%, the deficit would increase by £25m (last half year: increase in deficit of £25m; last full year: increase in deficit of £25m). If the discount rate increased by 0.25%, the deficit would decrease by £25m (last half year: decrease in deficit by £20m; last full year: decrease in deficit by £20m). If the discount rate decreased by 1.0%, the deficit would increase by £110m (last half year: increase in deficit by £95m; last full year: increase in deficit by £90m). If the discount rate increased by 1%, the deficit would decrease by £100m (last half year: decrease in deficit by £85m; last full year: decrease in deficit by £85m). The pension scheme is materially hedged against movements in gilt yields.

If the inflation rate decreased by 0.25%, the deficit would increase by £5m (last half year: increase in deficit by £10m; last full year: increase in deficit by £15m). If the inflation rate decreased by 0.50%, the deficit would increase by £15m (last half year: increase in deficit by £20m; last full year: increase in deficit by £30m). A one year decrease in life expectancy would decrease the scheme's deficit by £100m (last half year: decrease in deficit by £110m; last full year: decrease in deficit by £110m).

The sensitivity analysis above is based on a change in one assumption while holding all others constant. Therefore interdependencies between the assumptions have not been taken into account within the analysis.

The most recent actuarial valuation of the Marks & Spencer UK Pension Scheme was carried out as at 31 March 2024 and showed a funding surplus of £288m. This is a reduction on the previous position at 31 March 2021 (funding surplus of £687m), primarily due to net investment experience. The Company and Trustees have confirmed, in line with the current funding arrangement, that no further contributions will be required to fund past service as a result of this valuation (other than those already contractually committed under the existing Marks and Spencer Scottish Limited Partnership arrangements – see note 9).

With the pensioner buy-in policies purchased in September 2020, April 2019 and March 2018, the Scheme has now, in total, insured around 67% of the pensioner cash flow liabilities for pensions in payment. The buy-in policies cover specific pensioner liabilities and pass all risks to an insurer in exchange for a fixed premium payment, thus reducing the Group's exposure to changes in longevity, interest rates, inflation and other factors.

The Group is aware of a UK High Court legal ruling in June 2023 between Virgin Media Limited and NTL Pension Trustees II Limited, upheld by the Court of Appeal in July 2024, which decided that certain historical rule amendments were invalid if they were not accompanied by the actuarial certifications. The Group is also aware the UK Government has recently passed legislation within the Pensions Schemes Bill, to allow pension schemes to obtain actuarial confirmations that will render such rule amendments retrospectively valid, where appropriate. The Group has made no adjustments to the Group financial statements as at 26 September 2026 in relation to the UK High Court ruling because it is unclear how to reliably measure them if they do. The Group continues to work with the Trustee and advisers to review historical amendments and monitor legislative developments, to decide whether further action is required.

9 Marks and Spencer Scottish Limited Partnership

Marks and Spencer plc is a general partner and the Marks & Spencer UK Pension Scheme is a limited partner of the Marks and Spencer Scottish Limited Partnership (the "Partnership"). Under the Partnership agreement, the limited partners have no involvement in the management of the business and shall not take any part in the control of the Partnership. The general partner is responsible for the management and control of the Partnership and, as such, the Partnership is consolidated into the results of the Group.

The Partnership holds £1.1bn (last half year: £1.3bn and last full year: £1.2bn) of properties at book value which have been leased back to Marks and Spencer plc. The Group retains control over these properties, including the flexibility to substitute alternative properties into the Partnership.

In February 2025 the Group and the Pension Scheme Trustees agreed a change to the Partners' entitlements to distributions from the Partnership. The first limited Partnership interest and second limited Partnership interest were replaced by a third limited Partnership interest.

The Pension Scheme received £45.0m in June 2025 and June 2026 in respect of the third Partnership interest and is entitled to receive £55.0m in June 2027 and June 2028. From June 2029 to June 2035 the Pension Scheme is entitled to receive either £55.0m or £nil, depending on the funding level of the Pension Scheme as at the latest reporting date. Under certain circumstances these amounts may be retained in the Partnership, with the distribution determined by the future funding position of the pension scheme.

The third Partnership interest is not a transferable financial instrument as the Scheme Trustee does not have the right to transfer it to any party other than a successor Trustee. It is therefore not included as a plan asset within the UK DB Pension Scheme surplus reported in accordance with IAS 19. Similarly, the associated liability is not included on the Group's statement of financial position, rather the annual distribution is recognised as a contribution to the scheme each year.

10 Financial Instruments

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities.
- Level 2: not traded in an active market but the fair values are based on quoted market prices or alternative pricing sources with reasonable levels of price transparency. The Group's level 2 financial instruments include interest rate and foreign exchange derivatives. Fair value is calculated using discounted cash flow methodology, future cash flows are estimated based on forward exchange rates and interest rates (from observable market curves) and contract rates, discounted at a rate that reflects the credit risk of the various counterparties for those with a long maturity.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are unobservable inputs.

At the end of the reporting period, the Group held the following financial instruments at fair value:

	(Unaudited) As at 26 Sep 2026				(Audited) As at 28 Mar 2026			
	Level 1 £m	Level 2 £m	Level 3 £m	**Total £m**	Level 1 £m	Level 2 £m	Level 3 £m	**Total £m**
Assets measured at fair value								
Financial assets at fair value through profit or loss ("FVTPL")								
- derivatives held at FVTPL	-	1.6	-	**1.6**	-	0.7	-	**0.7**
- other investments[1]	161.5	40.0	17.1	**218.6**	-	39.0	16.1	**55.1**
Derivatives used for hedging	-	27.8	-	**27.8**	-	17.6	-	**17.6**
Liabilities measured at fair value								
Financial liabilities at fair value through profit and loss ("FVTPL")								
- derivatives held at FVTPL	-	-	-	**-**	-	(0.1)	-	**(0.1)**
Derivatives used for hedging	-	(43.9)	-	**(43.9)**	-	(43.1)	-	**(43.1)**

There were no transfers between the levels of the fair value hierarchy during the period. There were also no changes made to any of the valuation techniques during the period.

[1] Level 1 includes £161.5m (last half year: £67.8m; last full year: £nil) of money market deposits with an initial maturity of more than three months. Level 2 includes the Eurochange RCF at £27.4m (last half year: £38.2m; last full year: £26.1m), cash in escrow of £6.8m (last half year: £6.6m; last full year: £5.9m) and short term investments held in Guernsey £5.8m (last half year: £5.5m; last full year: £7.0m). Within Level 3 other investments, the Group holds £17.1m of venture capital investments, managed by True Capital Limited, measured at FVTPL (last half year: £14.6m; last full year: £16.1m) which are Level 3 instruments. The fair value of these investments has been determined in accordance with the International Private Equity and Venture Capital ("IPEV") Valuation Guidelines. Where investments are either recently acquired or there have been recent funding rounds with third parties, the primary input when determining the valuation is the latest transaction price.

Fair value of financial instruments

With the exception of the Group's fixed rate bond debt, there were no material differences between the carrying value of non-derivative financial assets and financial liabilities and their fair values as at the balance sheet date.

The carrying value of the Group's fixed rate bond debt (level 1 equivalent) was £566.8m (last half year: £581.7m; last full year: £579.4m); the fair value of this debt was £584.3m (last half year: £609.4m; last full year: £598.6m) which has been calculated using quoted market prices and includes accrued interest.

Lease liabilities

The Group holds certain leases that contain break clause options to provide operational flexibility. In accordance with IFRS 16, the Group has calculated the full lease term, beyond break, to represent the reasonably certain lease term (except for those stores identified as part of the Store estate programme) within the total £2,841.4m of lease liabilities held on the balance sheet.

Total undiscounted lease payments of £746.3m (last half year: £675.6m; last full year: £733.2m) relating to the period post break clause, and the earliest contractual lease exit point, are included in lease liabilities. These undiscounted lease payments should be excluded when determining the Group's contractual indebtedness under these leases, where there is a contractual right to break.

Cash flow hedge accounting

The Group hedges its exposure to foreign currency risk using forward foreign exchange contracts and its exposure to Diesel price risk using commodity swaps. Hedge accounting is applied when the requirements of IFRS 9 are met, including that forecast transactions are “highly probable”. The Group has continued to apply judgment in assessing whether forecast purchases remain “highly probable”. In making this assessment, the Group has considered the most recent budgets and plans. As a result of the Group's "layered" hedging strategy, a reduction in forecast purchases does not immediately lead to over-hedging and the disqualification of "highly probable". If the forecast transactions were no longer expected to occur, any accumulated gain or loss on the hedging instruments would be immediately reclassified to profit or loss.

Fair value hedges

The Group also holds a number of interest rate swaps to designate its GBP fixed debt to floating. These are reported as fair value hedges. Fair value hedge accounting is applied when the requirements of IFRS 9 are met. Changes in the fair value of a derivative instrument designated in a fair value hedge are recognised in the income statement. The hedged item is adjusted for changes in fair value attributable to the risk being hedged with the corresponding entry also recognised in the income statement.

Trade receivables

Included within trade and other receivables is £10.3m (last half year: £21.1m; last full year: £nil) which, due to non-recourse factoring arrangements in place, is held within a ‘hold to collect and sell’ business model and measured at fair value through other comprehensive income (“FVOCI”).

11 Contingencies and commitments

Capital expenditure

Additions to the cost of property, plant and equipment and intangible assets (excluding goodwill and right of use assets) are £389.4m (last half year: £252.7m, last full year: £703.5m). Disposals in net book value of property, plant and equipment, investment property and intangible assets, excluding right of use assets are £11.2m (last half year: £24.7m, last full year: £44.1m).

Capital commitments	As at 26 Sep 2026 (Unaudited) £m	As at 27 Sep 2025 (Unaudited) £m	As at 28 Mar 2026 (Audited) £m
Commitments in respect of properties in the course of construction	598.9	400.4	495.7
IT capital commitments	35.1	4.4	17.5
	634.0	**404.8**	**513.2**

During 2021/22, the Group committed to invest up to £25.0m, over a three-year period to 2024/25, in an innovation and consumer growth fund managed by True Capital Limited and this period was extended to 2026/2027 during the year 2023/24. The fund can drawdown amounts at any time over the five-year period to make specific investments. As at 26 September 2026, the Group had invested £20.0m (last half year: £15.8m; last full year: £17.7m) of this commitment, which is held as a non-current other investment and measured at fair value through profit or loss (see note 10).

12 Analysis of cash flows given in the statement of cash flows

	26 weeks ended		52 weeks ended
	26 Sep 2026	27 Sep 2025	28 Mar 2026
	(Unaudited)	(Unaudited)	(Audited)
	£m	£m	£m
Profit/ (Loss) for the period	265.1	(11.8)	236.2
Income tax expense	90.0	15.2	128.4
Finance costs	106.2	110.3	217.1
Finance income	(23.2)	(22.7)	(45.0)
Operating profit	**438.1**	**91.0**	**536.7**
Share of results in joint ventures	(0.5)	(1.3)	(0.4)
Increase in inventories	(97.3)	(261.7)	(79.3)
(Increase)/ decrease in receivables	(94.0)	(130.0)	39.0
Increase/ (decrease) in payables	261.8	57.5	(113.6)
Depreciation, amortisation and disposals	339.9	318.9	650.7
Non-cash share-based payment expense	19.6	15.7	38.8
Non-cash pension expense	3.0	3.0	5.5
Defined benefit pension funding	(45.2)	(45.1)	(45.3)
Adjusting items net cash outflows[1,2]	(21.3)	(39.2)	(130.7)
Adjusting operating profit items	48.4	160.4	281.7
Cash generated from operations	**852.5**	**169.2**	**1,183.1**

[1] Adjusting items net cash outflows relate to costs associated with the cyber incident, strategic programme costs associated with the Store estate, FH&B transformation and Digital and Technology transformation.

[2] Excludes £2.0m (last half year: £nil, last full year: £23.5m) of surrender payments included within repayment of lease liabilities in the consolidated statement of cash flows relating to leases within the store estate programme.

13 Analysis of net debt

Reconciliation of net cash flow to movement in net debt

	26 weeks ended		52 weeks ended
	26 Sep 2026	27 Sep 2025	28 Mar 2026
	(Unaudited)	(Unaudited)	(Audited)
	£m	£m	£m
Opening net debt	**(2,411.8)**	**(1,779.8)**	**(1,779.8)**
Net cash outflow from activities	(126.1)	(94.4)	135.2
Increase/(decrease) in financial assets	162.5	(181.2)	(276.6)
Decrease in debt financing	130.9	214.9	425.5
New lease commitments	(226.0)	(253.5)	(489.3)
Net debt acquired on consolidation of subsidiary	-	(423.8)	(423.8)
Exchange and other non-cash movements	3.8	(10.5)	(3.0)
Movement in net debt	**(54.9)**	**(748.5)**	**(632.0)**
Closing net debt	**(2,466.7)**	**(2,528.3)**	**(2,411.8)**

Reconciliation of net debt to statement of financial position

	As at	As at	As at
	26 Sep 2026	27 Sep 2025	28 Mar 2026
	(Unaudited)	(Unaudited)	(Audited)
	£m	£m	£m
Statement of financial position and related notes			
Cash and cash equivalents	870.6	768.7	997.2
Other financial assets[1]	201.5	118.1	39.0
Bank loans and overdrafts	(90.0)	(100.0)	(90.0)
Medium Term Notes - net of foreign exchange revaluation	(614.7)	(619.1)	(616.2)
Lease liabilities	(2,841.4)	(2,704.4)	(2,750.0)
	(2,474.0)	**(2,536.7)**	**(2,420.0)**
Interest payable included within related borrowing and the partnership liability	7.3	8.4	8.2
Total net debt	**(2,466.7)**	**(2,528.3)**	**(2,411.8)**

[1]Consists of other financial assets that contractually mature within 12 months

14 Business combination

No business combinations occurred during the half year ended 26 September 2026.

On 6 April 2025, the Group obtained control of Ocado Retail Limited and accounted for the transaction as a business combination in accordance with IFRS 3 Business Combinations. The acquisition resulted in the recognition of goodwill of £284.5m, and the consolidation of Ocado Retail Limited from that date in accordance with IFRS 3 Business Combinations. The acquisition accounting, including the fair value of assets acquired and liabilities assumed, was completed in FY2025/26. See note 29 of the 2026 Annual Report and Financial statements.

All pre-existing relationships were effectively settled at the consolidation date and were accounted for separately from the business combination under IFRS 3. Any pre-existing balances were eliminated on consolidation, with the balances derecognised from the Group's balance sheet and excluded from the fair value of Ocado Retail Limited's net assets acquired.

Measurement period concluded in April 2026 with no material adjustments to the purchase price allocation or subsequent events identified that would require revision of the acquisition accounting.

15 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Company and its subsidiaries are made on an arm's length basis.

Joint Ventures and Associates

Ocado Group

The following transactions were carried out with Ocado Group on behalf of Ocado Retail Limited, a subsidiary of the Group:

Loan from Ocado Group to Ocado Retail Limited

	26 weeks ended		52 weeks ended
	26 Sep 2026	27 Sep 2025	28 Mar 2026
	(Unaudited)	(Unaudited)	(Audited)
	£m	£m	£m
Opening balance	**108.5**	**-**	**-**
Loans acquired on acquisition of Ocado Retail Limited	-	100.9	100.9
Interest charged	3.7	3.8	7.6
Closing balance	**112.2**	**104.7**	**108.5**

The loan matures during 2039/40 and accrues interest at Sterling Overnight Index Average ("SONIA") plus an applicable margin.

Management fees

	26 weeks ended		52 weeks ended
	26 Sep 2026	27 Sep 2025	28 Mar 2026
	(Unaudited)	(Unaudited)	(Audited)
	£m	£m	£m
Management fees	110.8	97.5	203.3

Included within trade and other receivables is a balance of £15.0m (last half year: £13.8m; last full year: £14.0m) owed by Ocado Group. Included within trade and other payables is a balance of £80.8m (last half year: £53.4m; last full year: £65.0m) owed to Ocado Group.

Nobody's Child Limited

The following transactions were carried out with Nobody's Child Limited, an associate of the Group:

In the half year ended 26 September 2026, the Group made purchases of goods amounting to £4.4m (last half year: £4.6m; last full year: £8.9m).

At 26 September 2026, included within trade and other payables is a balance of £nil owed to Nobody's Child Limited (last half year: £0.6m; last full year: £nil).

Key management compensation

Transactions between the Group and key management personnel in the period relate only to remuneration consistent with the policy set out in the Directors' Remuneration Report within the Group's 2026 Annual Report.

There have been no other material changes to the arrangements between the Group and key management personnel in the period.

16 Contingent liabilities

The Group is, from time to time, subject to various claims, legal proceedings or fines. We would not, ordinarily, expect any such matter to have a material adverse effect on the Group's financial position or performance and, accordingly, no provision has been made in the half-year.

On 22 April 2025, M&S announced it had been managing a cyber incident. The Group engaged external cyber security experts and the relevant authorities, including reporting to the National Cyber Security Centre and the UK's Information Commissioner's Office. As at 3 November 2026 M&S continues to cooperate with the investigations of the ICO and other relevant regulators.

17 Other financial assets

	26 weeks ended		52 weeks ended
	26 Sep 2026 (Unaudited) £m	27 Sep 2025 (Unaudited) £m	28 Mar 2026 (Audited) £m
Non-current			
Other investments[1]	44.5	52.8	42.2
	44.5	**52.8**	**42.2**
Current			
Other investments[2,3]	174.1	79.9	12.9
	174.1	**79.9**	**12.9**

[1] Includes £17.1m (last half year: £14.6m; last full year: £16.1m) of venture capital investments managed by True Capital Limited and £27.4m (last half year: £38.2m; last year: £26.1m) of Eurochange RCF figure.

[2] Includes £6.8m (last half year: £6.6m; last full year: £5.9m) of money market deposits held by Marks and Spencer plc in an escrow account.

[3] Includes £161.5m (last half year: £67.8m; last full year: £nil) of money market funds due to mature in >90 days.

18 Subsequent events

Subsequent to the balance sheet date, the Group has monitored trade performance, internal actions, as well as other relevant external factors. No material changes in key estimates and judgements have been identified as adjusting post balance sheet events. There have been no material non-adjusting events since 26 September 2026.

Glossary and Alternative Performance Measures

<table>
<tr><th>Alternative performance measure (“APM”)</th><th>Closest equivalent statutory measure</th><th>Reconciling items to statutory measure</th><th>Definition and purpose</th></tr>
<tr><td colspan="4">Income Statement Measures</td></tr>
<tr><td>Sales</td><td>Revenue</td><td>Consignment sales</td><td>Sales include the gross value of consignment sales (excluding VAT). Where third-party branded goods are sold on a consignment basis, only the commission receivable is included in statutory revenue. Sales also include the gross value of food franchise sales, before the deduction of franchise rebates. Sales is consistent with how business performance is reported to and assessed by the Board and the Executive Committee.</td></tr>
<tr><td>Fashion, Home & Beauty store / Fashion, Home & Beauty online sales</td><td>None</td><td>Not applicable</td><td>The growth in revenues on a year-on-year basis is a good indicator of the performance of the stores and online channels.
<table>
<tr><th></th><th>HY 26/27 £m</th><th>HY 25/26 £m</th><th>%</th></tr>
<tr><td>Fashion, Home & Beauty</td><td></td><td></td><td></td></tr>
<tr><td>Store sales[1]</td><td>1,289.7</td><td>1,315.4</td><td>(2.0%)</td></tr>
<tr><td>Consignment sales</td><td>(10.1)</td><td>(4.8)</td><td></td></tr>
<tr><td>Store revenue</td><td>1,279.6</td><td>1,310.6</td><td>(2.4%)</td></tr>
<tr><td>Online sales[1]</td><td>705.7</td><td>382.3</td><td>84.6%</td></tr>
<tr><td>Consignment sales</td><td>(47.7)</td><td>(18.1)</td><td></td></tr>
<tr><td>Online revenue</td><td>658.0</td><td>364.2</td><td>80.7%</td></tr>
<tr><td>Fashion, Home & Beauty sales</td><td>1,995.4</td><td>1,697.6</td><td>17.5%</td></tr>
<tr><td>Consignment sales</td><td>(57.8)</td><td>(22.9)</td><td></td></tr>
<tr><td>Total Fashion, Home & Beauty revenue</td><td>1,937.6</td><td>1,674.7</td><td>15.7%</td></tr>
</table>
[1]Fashion Home & Beauty store sales excludes revenue from ‘shop your way’ and Click and Collect, which are included in Fashion, Home & Beauty online sales.
There is no material difference between sales and revenue for International.</td></tr>
<tr><td>Food sales</td><td>None</td><td>Not applicable</td><td>The growth in revenues on a year-on-year basis is a good indicator of the performance of the segment. From FY2026/27, Food sales are adjusted for consignment sales and franchise rebates to calculate food revenue.

This changes the reconciliation only and does not change food sales.

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<table>
<tr><th></th><th>HY 26/27 £m</th><th>HY 25/26 £m</th><th>%</th></tr>
<tr><td>Food</td><td></td><td></td><td></td></tr>
<tr><td>Sales</td><td>5,162.9</td><td>4,531.9</td><td>13.9</td></tr>
<tr><td>Consignment sales</td><td>(11.8)</td><td>-</td><td></td></tr>
<tr><td>Franchise rebates</td><td>(16.8)</td><td>-</td><td></td></tr>
<tr><td>Total Food revenue</td><td>5,134.3</td><td>4,531.9</td><td>13.3</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Alternative performance measure (“APM”)</th><th>Closest equivalent statutory measure</th><th>Reconciling items to statutory measure</th><th>Definition and purpose</th></tr>
<tr><td>Like-for-like sales growth</td><td>Movement in revenue per the income statement

Revenue from non-retail businesses</td><td>Revenue from non-like for like stores

Consignment Sales</td><td>The period-on-period change in sales (excluding VAT) from stores which have been trading and where there has been no significant change (greater than 10%) in footage for at least 52 weeks and online sales. The measure is used widely in the retail industry as an indicator of sales performance. It excludes the impact of new stores, closed stores, stores with significant footage change and non-retail businesses such as supply chain services.

<table>
<tr><th></th><th>HY 26/27 £m</th><th>HY 25/26 £m</th><th>%</th></tr>
<tr><td>Food</td><td></td><td></td><td></td></tr>
<tr><td>Like-for-like</td><td>4,848.0</td><td>4,338.9</td><td>11.7</td></tr>
<tr><td>Net new space[1]</td><td>314.9</td><td>193.0</td><td></td></tr>
<tr><td>Total Food Sales</td><td>5,162.9</td><td>4,531.9</td><td>13.9</td></tr>
</table>

<table>
<tr><th></th><th>HY 26/27 £m</th><th>HY 25/26 £m</th><th>%</th></tr>
<tr><td>Fashion, Home & Beauty</td><td></td><td></td><td></td></tr>
<tr><td>Like-for-like</td><td>1,930.9</td><td>1,645.8</td><td>17.3</td></tr>
<tr><td>Net new space[1]</td><td>64.5</td><td>51.8</td><td></td></tr>
<tr><td>Total Fashion, Home & Beauty Sales</td><td>1,995.4</td><td>1,697.6</td><td>17.5</td></tr>
</table>
[1]Food net new space includes Gist third party revenue.</td></tr>
<tr><td>M&S.com sales / Online sales</td><td>None</td><td>Not applicable</td><td>Total sales through the Group’s online platforms. These sales are reported within the relevant Fashion, Home & Beauty, Food and International segment results. The growth in sales on a year-on-year basis is a good indicator of the performance of the online channel and is used within the Group’s incentive plans. Refer to the Renumeration report within the FY2025/26 Annual Report for an explanation of why this measure is used within incentive plans.</td></tr>
<tr><td>Fashion, Home & Beauty Online sales excluding furniture</td><td>None</td><td>Not applicable</td><td>Total online sales for Fashion, Home & Beauty excluding the furniture categories’ sales. This measure has been introduced to enable a comparable indicator of the performance of the online channel as it excludes the impact of furniture sales following the Group’s withdrawal from its two-person furniture delivery operation. This measure is relevant only for HY2024/25 and FY2024/25 (LY-1) in the financial review.</td></tr>
<tr><td>Sales growth at constant currency</td><td>None</td><td>Not applicable</td><td>The period-on-period change in sales retranslating the previous year sales at the average actual periodic exchange rates used in the current financial year. This measure is presented as a means of eliminating the effects of exchange rate fluctuations on the period-on-period reported results.

<table>
<tr><th></th><th>HY 26/27 £m</th><th>HY 25/26 £m</th><th>%</th></tr>
<tr><td>International sales</td><td></td><td></td><td></td></tr>
<tr><td>At constant currency</td><td>312.2</td><td>250.7</td><td>24.6</td></tr>
<tr><td>Impact of FX retranslation</td><td>-</td><td>5.1</td><td></td></tr>
<tr><td>At reported currency</td><td>312.2</td><td>255.8</td><td>22.1</td></tr>
</table>
</td></tr>
</table>

Alternative performance measure ("APM")	Closest equivalent statutory measure	Reconciling items to statutory measure	Definition and purpose
Adjusting items	None	Not applicable	Those items which the Group excludes from its adjusted profit metrics in order to present a further measure of the Group's performance. Each of these items, costs or incomes, is considered to be significant in nature and/or quantum or are consistent with items treated as adjusting in prior periods. Excluding these items from profit metrics provides readers with helpful additional information on the performance of the business across periods because it is consistent with how the business performance is planned by, and reported to, the Board and the Executive Committee (note 3).
M&S Group Adjusted Profit before Tax	Profit before Tax	Adjusting Items (see Note 3) Adjusted Non-Controlling Interest	M&S Group adjusted profit before tax includes only the Group's share of the profits before tax and adjusting items of companies in which the Group has a controlling interest. This measure was introduced following the consolidation of Ocado Retail Limited and replaces the previous 'Profit before tax and adjusting items' measure. This excludes non-controlling interests in Ocado Retail Limited, and India (this included The Sports Edit in the prior period). The Group considers this to be an important measure of Group performance and is consistent with how the business performance is reported and assessed by the Board and the Executive Committee.
Adjusted non-controlling interest before tax	Profit attributable to non-controlling interests (see note 3) Tax charge attributable to non-controlling interests		Adjusted non-controlling interest is calculated as the profit before tax and adjusting items attributable to non-controlling interests. This enables the Group to calculate M&S Group adjusted profit before tax.

	HY 26/27 £m	HY 25/26 £m
Total NCI	**(0.7)**	(18.0)
NCI Adjusting Items	**4.5**	5.6
Tax credit	**(0.2)**	(0.5)
Adjusted non-controlling interest before tax	**3.6**	(12.9)

Adjusted operating profit Operating profit before adjusting items	Operating profit	Adjusting items (See note 3)	Operating profit before the impact of adjusting items. The Group considers this to be an important measure of Group performance and is consistent with how the business performance is reported and assessed by the Board and the Executive Committee.
Adjusted operating margin Operating margin before adjusting items	None	Not applicable	Adjusted operating profit as a percentage of sales.
Finance income before adjusting items	Finance income	Adjusting items (See note 3)	Finance income before the impact of adjusting items. The Group considers this to be an important measure of Group performance and is consistent with how the business performance is reported and assessed by the Board and the Executive Committee.
Finance costs before adjusting items	Finance costs	Adjusting items (See note 3)	Finance costs before the impact of adjusting items. The Group considers this to be an important measure of Group performance and is consistent with how the business performance is reported and assessed by the Board and the Executive Committee.

Alternative performance measure ("APM")	Closest equivalent statutory measure	Reconciling items to statutory measure	Definition and purpose
Net interest payable on leases	Finance income/costs	Finance income/costs (See note 4)	The net of interest income on subleases and interest payable on lease liabilities. This measure has been introduced as it allows the Board and Executive Committee to assess the impact of IFRS 16 Leases.
Net financial interest	Finance income/costs	Finance income/costs (See note 4)	Calculated as net finance costs, excluding interest on leases and adjusting items. The Group considers this to be an important measure of Group performance and is consistent with how the business performance is reported and assessed by the Board and the Executive Committee.
EBIT before adjusting items	EBIT[1]	Adjusting items (See note 3)	Calculated as profit before the impact of adjusting items, net finance costs and tax as disclosed on the face of the consolidated income statement. This measure is used in calculating the return on capital employed for the Group.
Adjusted basic earnings per share	Earnings per share	Adjusting items (See note 3)	Profit after tax attributable to owners of the parent and before the impact of adjusting items, divided by the weighted average number of ordinary shares in issue during the financial year. This is a measure used within the Group's incentive plans. Refer to the Remuneration Report for an explanation of why this measure is used.
Adjusted diluted earnings per share	Diluted earnings per share	Adjusting items (See note 3)	Profit after tax attributable to owners of the parent and before the impact of adjusting items, divided by the weighted average number of ordinary shares in issue during the financial year adjusted for the effects of any potentially dilutive options.
Effective tax rate before adjusting items	Effective tax rate	Adjusting items and their tax impact (See note 3 and note 5)	Total income tax charge for the Group excluding the tax impact of adjusting items divided by the profit before tax and adjusting items. This measure is an indicator of the ongoing tax rate for the Group.
Balance Sheet Measures			
Net debt	None	Reconciliation of net debt (see note 13)	Net debt comprises total borrowings (bank and bonds net of accrued interest and lease liabilities), the spot foreign exchange component of net derivative financial instruments that hedge the debt less cash, cash equivalents and other financial assets that contractually mature in less than 12 months. Net debt does not include contingent consideration as it is conditional upon future events which are not yet certain at the balance sheet date. This measure is a good indication of the strength of the Group's balance sheet position and is widely used by credit rating agencies.
Net funds/(debt) excluding lease liabilities	None	Reconciliation of net debt (see note 13)	Calculated as net debt less lease liabilities. This measure is a good indication of the strength of the Group's balance sheet position and is widely used by credit rating agencies.

Cash Flow Measures			
Free cash flow from operations	Operating profit	See Financial Review	Calculated as operating profit less adjusting items within operating profit, depreciation and amortisation before adjusting items, cash lease payments excluding lease surrenders, working capital, defined benefit scheme pension funding, capex and disposals, financial interest, taxation, employee-related share transactions, share of (profit)/loss from associate, adjusting items in cashflow and loans to associates.
Free cash flow	Operating profit	See Financial Review	Calculated as free cash flow from operations less acquisitions, investments and divestments. This measure shows the cash generated by the Group during the year that is available for returning to shareholders and is used within the Group's incentive plans.
Free cash flow after shareholder returns	Operating profit	See Financial Review	Calculated as free cash flow less dividends paid. This measure shows the cash retained by the Group in the year.
Other Measures			
Capital expenditure	None	Not applicable	Calculated as the purchase of property, plant and equipment, investment property and intangible assets during the year, less proceeds from asset disposals excluding any assets acquired or disposed of as part of a business combination or through an investment in an associate.
Adjusted return on capital employed (ROCE)	None	Not applicable	Calculated as being adjusted operating profit (rolling 12 months) divided by the average of opening and closing capital employed. The measures used in the calculation are set out below:

	HY 26/27 £m	HY 25/26 £m
Adjusted operating profit for the prior full year (see note 2)	**818.4**	984.5
Adjusting operating profit for the prior half year (see note 2)	**(251.4)**	(462.7)
Adjusted operating profit for the current half year (see note 2)	**486.5**	251.4
Adjusted Operating Profit (12 months rolling)	**1,053.5**	773.2
Net assets	**3,408.2**	2,851.4
Add back:		
Deferred tax liabilities	**486.3**	350.5
Non-current borrowings and other financial liabilities	**3,123.9**	2,990.5
Retirement benefit deficit	**79.0**	219.0
Current tax liabilities	**1.2**	1.2
Derivative financial instruments	**14.5**	66.5
Less:		
Investment Property	**(11.2)**	(11.1)
Retirement benefit assets	**-**	-
Current tax assets	**(42.3)**	(70.7)
Deferred tax assets	**(13.3)**	(13.9)
Net operating assets	**7,046.3**	**6,383.4**
Add back: Provisions related to adjusting items	**162.0**	**145.3**
Capital employed	**7,208.3**	**6,528.7**
Average capital employed	**6,868.5**	**6,241.1**
ROCE %	**15.3%**	**12.4%**

[1] EBIT is not defined within IFRS but is a widely accepted profit measure being earnings before interest and tax.

INDEPENDENT REVIEW REPORT TO MARKS AND SPENCER GROUP PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the 26-week period ended 26 September 2026 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and related notes 1 to 18.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the 26 week period ended 26 September 2026 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
03 November 2026