

Debenhams PLC

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Debenhams prepares to enter a "light touch" administration

Debenhams PLC has announced it is preparing to enter a "light touch" administration, where the existing management will continue to work under the supervision of administrators.

The department store operator filed a notice of intent to appoint an administrator in the UK.

The retailer said this move will protect it from legal action from its creditors, which "could have the effect of pushing the business into liquidation".

All 142 stores are currently closed to prevent the spread of the coronavirus pandemic, with the majority of employees receiving a salary under the government's furlough scheme.

Suppliers who continue to provide goods and services during the administration will continue to be paid, the firm added.

"We are working with a group of highly supportive owners and lenders and anticipate that additional funding will be made available to bridge us through the current crisis period," said chief executive Stefaan Vansteenkiste.

Share Information

Code: DEB

Listing: LSE

Sector: Retail

Website: www.debenhams.com

Company Synopsis:

Debenhams is a United Kingdom department store group with a mix of own brands and third-party brands. As of August 29, 2009, the Company had 154 stores.

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