Savers narrows full-year losses

Value health and beauty retailer Savers has reported an operating loss before exceptionals, interest and tax of £7.8m in the year to December 25 but said the loss was expected as part of its turnaround plan.

The performance is an improvement on the previous year, when Savers made an £11.2m loss. However, sales dipped slightly to £171.1m from £171.5m the previous year.

In its accounts filed at Companies House, Savers – sister retailer to Superdrug – said it will continue its turnaround plan in 2011 with the focus on core product categories such as household, hair and health.

Savers said like-for-likes grew in the second half after an investment in new technology to improve product availability. It said margins have also improved through cost savings.

Savers, part of the AS Watson group, will also focus on customer service and seek to refresh its stores.

It said the total UK health and beauty market has been “relatively resilient” through the economic downturn with customers focusing on basics, but it said higher value treat items came under pressure.