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JD Sports Fashion Plc
17 April 2013

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JD SPORTS FASHION PLC
PRELIMINARY RESULTS
FOR THE 53 WEEKS ENDED 2 FEBRUARY 2013

JD Sports Fashion Plc (the "Group"), the leading retailer and distributor of branded sportswear, fashionwear and outdoor clothing and equipment today announces its Preliminary Results for the 53 weeks ended 2 February 2013.

	2013 £000	2012 £000	% Change
Revenue	**1,258,892**	1,059,523	+18.8%
Gross profit %	**48.7%**	49.2%	
Operating profit (before exceptional items)	**61,323**	76,461	-19.8%
Profit before tax and exceptional items	**60,465**	75,957	-20.4%
Profit before tax	**55,117**	67,442	-18.3%
Basic earnings per ordinary share	**79.71p**	96.27p	-17.2%
Adjusted basic earnings per ordinary share (see note 4)	**88.51p**	105.89p	-16.4%
Total dividend payable per ordinary share	**26.30p**	25.30p	+4.0%
Net cash at end of period (a)	**45,636**	60,295	

a) Net cash consists of cash and cash equivalents together with interest-bearing loans and borrowings.

Group Highlights

- Ongoing robust performance in core Sports fascias which continue to provide investment platform for future profitability in JD in Europe. In the UK and Ireland, these fascias contributed an additional £4.7m of operating profits in the year (before exceptional items) and we are building an appropriate store base in Europe for future success there.
- The good performance in the Sports fascias has continued in the current financial year with like for like sales growth in the UK and Ireland stores (excl Champion) of 1.9% in the 9 weeks to 6 April 2013.
- £14.9 million of operating losses (before exceptional items) incurred in Outdoor fascias but performance improving now that new management team has been installed with stocks being better managed, store investment commenced and ongoing cost reduction programme to deliver benefits in the current financial year. Like for like sales in Outdoor in the current financial year have benefitted significantly both from the recent sustained cold weather and a sustained clearance programme from January through to March.
- Sales, gross margin and operating profit before exceptional items of the four business segments are tabulated below:

Period to 2 February 2013	Sport Retail £000	Fashion Retail £000	Outdoor Retail £000	Distribution £000	Total £000
Gross revenue	854,282	160,442	121,006	130,342	1,266,072
Intersegment revenue	(287)	-	-	(6,893)	(7,180)
Revenue	853,995	160,442	121,006	123,449	1,258,892

Gross margin %	50.6%	47.4%	47.3%	36.8%	48.7%
Operating profit before exceptional items	77,791	(2,004)	(14,906)	442	61,323

Period to 28 January 2012	Sport Retail £000	Fashion Retail £000	Outdoor Retail £000	Distribution £000	Total £000
Gross revenue	774,991	151,642	5,876	135,117	1,067,626
Intersegment revenue	(380)	-	-	(7,723)	(8,103)
Revenue	774,611	151,642	5,876	127,394	1,059,523
Gross margin %	50.8%	48.5%	46.2%	37.7%	49.2%
Operating profit before exceptional items	74,301	3,303	(2,199)	1,056	76,461

- Like for like sales for the 53 week period in the UK and Ireland combined core retail fascias increased by 1.2%:

Sport UK & Ireland (excl Champion)	Fashion (excl Premium)	Combined Core UK & Ireland
+2.5%	-4.1%	+1.2%

- Final dividend payable increased by 3.8% to 22.00p (2012: 21.20p) bringing the total dividends payable for the year to 26.30p (2012: 25.30p) per ordinary share, an increase of 4.0%.

Peter Cowgill, Executive Chairman, said:

"The core Sports fascias in the UK continue to produce excellent results and provide the Group with a very solid foundation for ongoing profitability and cash generation.

"We are pleased overall with the start that we have made to the new year. A very considerable amount of reorganisation in both Outdoor Retail and our warehousing and distribution operations is now behind us and this should benefit trading in the balance of the year.

"The Group is exceptionally well positioned with its retail proposition, financial resources and extended management experience to take advantage of opportunities both in the UK and internationally. Whilst the Board recognises that recent acquisition activity has impacted on short term returns, it remains confident that the Group is well positioned to deliver earnings growth and increased shareholder returns over the longer term."

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Executive Chairman's Statement

Introduction

The year to January 2013 was one of substantial change for the Group and it is worth reflecting on the key changes:

- We entered the Outdoor market in January 2012 with the purchase of the Blacks and Millets store portfolios from the administrators of Blacks Leisure Group Plc. Although initial results have been more disappointing than originally anticipated we now have a firm foothold in a different and growing lifestyle market in the UK. With our capacity for creating efficient and appealing environments already evidenced through the stores which we have refurbished, along with our capable support systems, we remain optimistic that these Outdoor fascias will prove to be a successful core retail operation.
- We consolidated our warehousing into the new central distribution facility in Rochdale, eliminating the capacity constraints we previously had and reducing double handling of stock. The new warehouse has subsequently absorbed both the Christmas period and the transfer in the current year of the Outdoor business from its facility in Northampton although there are still improvements in efficiency to be achieved.

- We have continued our expansion of the Sports Fascias in France and Spain and are expecting to continue to add stores in existing and new territories in 2013. Our product offer in Southern Europe can be improved but we now have a greater understanding of the key ingredients for success in Europe. We expect to move into other territories in Europe this year.
- We have strengthened the Group's executive team in the last six months with the appointment of Dave Williams as Group Commercial Director and Pat Lee as Group Supply Chain and Change Director. We have also invested significantly in our Multichannel team.
- We have committed to changing our legacy IT systems to Oracle. We have already successfully implemented Oracle Financials with the main retail system following through 2014 and 2015.

Although we have a number of short term challenges we believe we are developing our infrastructure appropriately to support the future anticipated growth of our businesses in all channels. This investment in infrastructure also ensures that we protect the core Sports fascias in the UK which continue to produce excellent results and provide the Group with a very solid foundation for ongoing profitability and future cash generation.

Strategic Developments

Retail remains the core focus for the Group and the strategic developments and acquisitions which we have made in the period reflect this focus.

We have continued the international development of our JD fascia through further expansion in France and the opening of our first stores in Spain. By 2 February 2013 we had 11 JD and Size? stores in France with one further store opening to date in the new financial period. We now feel that we are beginning to generate some momentum in France. We will maintain this momentum with further openings through 2013.

During the year we opened five JD stores in Spain including the conversion of a pre-existing Sprinter store. One further store has opened to date in the new financial year. Spain has proved a more difficult market than France for JD to date and improvements need to be made to both our product offer and price architecture there.

We made our initial entry into the Premium Fashion sector in 2011 through the acquisition of eight Cecil Gee stores. We have subsequently complemented this in the current year by making two further small acquisitions (Tessuti Group and Originals) in this sector. These acquisitions have given us additional critical mass together with management knowledge, both of which were needed to create a business in this sector which is capable of delivering future profitability, supported by the Group's resource. The combined business is now run by the management of Tessuti.

In recent years, the Group has steadily increased its stable of owned and licensed sporting and fashion inspired brands. This strategy has continued and in the year to January 2013 we acquired rights to the Henleys, Fly 53 and Gio Goi brands at a cost of £2.6 million, £0.4 million and £2.4 million respectively.

In Distribution, we have been pleased with the performance to date of the Source Lab business in which we acquired an 85% holding in May 2012 at a cost of £2.6 million. Source Lab's management have proven experience of developing ranges of sport related product and we believe we can use this experience to enhance the return from the Group's stable of brands and other Sports inspired businesses.

After the year end, we also acquired the intellectual property and other assets associated with the Cloggs online footwear business from its administrators for a cash consideration of £0.6m. Cloggs is an online niche retailer of premium branded footwear and so whilst its product offering is very complementary it also gives us opportunities to extend our customer base and the width of our offer.

We have also made significant investments in the year in two projects which will not only support our current retail businesses in future years but which will also have the capacity to deal with growth both organically and by acquisition whether that be in the UK or overseas. The first of these projects is our new centralised warehouse in Kingsway, Rochdale which became fully operational in Summer 2012 with substantially all stock for the UK and Ireland retail fascias now channelled through this facility. The second major project concerns the development of replacement of our legacy bespoke commercial systems with Oracle Retail. This project is in its early stages and we currently plan to bring the first of the Group's businesses on to this system in 2014. Thereafter, the retail businesses will be transferred in stages with all current retail businesses anticipated to be working on the new system by Autumn 2015.

Disposal of Canterbury

During the year we completed the disposal of the Canterbury business to Pentland Group Plc for a total consideration of £22.7 million which represented a full repayment of the net cash investment made by the Group into Canterbury since our acquisition of the initial interest in August 2009.

Sports Fascias

The Sports Fascias are JD, Size?, Chausport, Sprinter and Champion Sports.

The Sports Fascias' total revenue (after elimination of inter-group sales) increased by 10.2% during the period to £854.0 million (2012: £774.6 million) with like for like sales growth of 2.5% (2012: +0.3%) in the core UK and Ireland sports fascia stores (excl Champion). This represents a significant improvement on the +1.2% that we announced in the results for the first half of the year and is a very robust performance in the current economic climate. It is clear that our largely unique product offering combined with a well-executed retail environment is attractive to the consumer. Our challenge is to ensure that these basic principles are repeated in all of our retail fascias.

Gross margin achieved in the Sports Fascias decreased only marginally to 50.6% (2012: 50.8%) which includes a full year of the lower margin Sprinter and Champion businesses for the first time.

Operating profit (before exceptional items) of the Sports Fascias increased by £3.5 million to £77.8million (2012: £74.3 million). Most pleasing was the increase of £4.7m in the operating profit (before exceptional items) of the core JD businesses in the UK and Ireland (including Size?) to £72.9 million (2012: £68.2 million).

The contribution from Chausport decreased to £0.6 million (2012: £1.5 million). Although there was growth in like for like sales of 0.7% (2012: 2.2%), this growth did not generate sufficient margin to cover an increased investment in resource both in stores and centrally.

The loss in the JD France business (including the Size store in Paris which was opened in the year) increased marginally to £0.5 million (2012: loss of £0.2 million) as this business scales up. The performance of our recently opened stores makes us increasingly confident about the prospects for JD in France though and we would hope to at least reach a break even position in the current financial year although we are fully aware that we need to improve our overall apparel offer, particularly in the South of the country.

The Sprinter business, which we acquired in June 2011, had a good year with profits maintained at £4.7 million (2012: £4.7 million for the 7 months post acquisition). This is an excellent performance overall given the seasonally loss making five month non like for like period at the start of the year and the increase in the rate of VAT from 18% to 21% which came into effect on 1 September 2012. We remain pleased with this acquisition and believe that the management team that we have in Spain are well equipped to steer the business through the very difficult economic period that the country is currently facing.

We opened our first JD stores in Spain in the year with our limited openings to date already providing us with considerable additional market knowledge which we are using to refine our offer. However, we do not yet have any critical mass and given the ongoing economic difficulties and increased fiscal take then we will remain cautious in the short term in our approach to opening new stores in Spain.

Champion made a minimal contribution to Operating Profit in the year (2012: £0.1 million). However, given that this includes the absorption of £0.8m of losses in the non like for like period at the start of the year then the business performed well. Whilst there are some short term operational changes which we can make which will benefit the financial performance in the shorter term we do not expect a more substantial improvement until the wider economy in the Republic of Ireland picks up more strongly.

Fashion Fascias

The established Fashion Fascias of Bank and Scotts are now complemented by a Premium Fashion business comprising Cecil Gee, Originals and Tessuti.

The Fashion Fascias' total revenue (after elimination of inter-group sales) increased by 5.8% during the period to £160.4 million (2012: £151.6 million). Like for like sales in the two core fascias declined by 4.1% (2012: +2.2%) being Bank -4.9% (2012: +3.9%) and Scotts -0.5% (2012: -2.9%).

Gross margin achieved in the Fashion Fascias declined from 48.5% to 47.4%. This decline was caused by clearance activity in the Cecil Gee business which was required to clear excess Spring / Summer product. These stores, along with the Originals stores which were acquired in the year, are now managed by the Tessuti management team.

The Bank fascia sells largely branded fashion to both males and females, predominantly for the teenage to mid-twenties sector. In the year the store portfolio grew from 80 stores to 85 stores, still based predominantly in the North and the Midlands. Whilst the business made an operating loss (before exceptional items) in the year of £0.5 million (2012: profit of £3.1 million) we are encouraged by a number of factors with footfall maintained, a good performance in Menswear and a slight enhancement of margins. With the right product, we believe that Bank is capable of making a contribution to Group operating profits again.

Our turnaround plan for Bank involves increased focus on the female offer which is reflected in our recent recruitment of an experienced Head of Women's although we will not see the benefits of her product decision making until later in the current financial year. We will also look to utilise our stable of owned and licensed brands and improve our footwear offering. There will also be some rationalisation of the central overhead base.

The Scotts fascia stores continue to offer branded fashion authority to more affluent young males, largely in the North and Midlands. Three stores were closed in the period with no new openings resulting in 32 stores at the year end (2012: 35 stores). Operating profit (before exceptional items) reduced by £0.7 million to £0.1 million (2012: £0.8 million) principally from a reduction in gross margin. The fascia continues to serve a useful purpose to the Group as an introducer of brands and provides revenue for a legacy store portfolio.

Our combined Premium Fashion offering made an operating loss of £1.5 million (2012: loss of £0.6 million) principally from losses in the Cecil Gee stores which we understood to be loss making when we made our initial entry into the Premium Fashion market in June 2011. However, following our acquisition of the Tessuti business in the year we believe that we have a management team that has sector specific experience and is capable of delivering a successful Premium Fashion proposition with a consistency of retail standards and a geographically appropriate brand offering. Dealing with the legacy issues in the business, particularly property, will mean that we are unlikely to deliver any meaningful profit from this activity in the short term.

Outdoor

Outdoor had an exceptionally difficult year resulting in it delivering an operating loss (before exceptional items) of £14.9 million (2012: loss of £2.2 million for the short period post acquisition).

On our acquisition of the business from administration in January 2012 we inherited a very limited and unbalanced stock position, with a particularly severe lack of stocks in many core high performing lines combined with an excessively large and overrented store portfolio and a disproportionate central cost base. Our first priorities in turning around the business were to deal with these issues. Agreeing and receiving a resumption of supply from key suppliers was a difficult and time consuming process. Consequently, it was three months before we started to receive any substantial deliveries of new stocks. During this period, the business made very substantial losses.

At acquisition we backed the incumbent management team, who only came together in Autumn 2011, and gave them the opportunity to turn the business round. However, it became clear through the year that they did not have sufficient experience or knowledge of the Outdoor market to take the business forward. This was reflected in the proposition which they bought into for the key Autumn and Winter seasons which required significant margin sacrifice to clear through. We now have a new management team which includes both external recruits and long serving members of the Group's team. We will not see its full impact until later in the year but we believe that we now have the right team and strategy to take the business forward.

The initial strategy on retail fascia and property locations was that we should retain only the Blacks fascia long term with a portfolio of approximately 130 stores. However, during the year we have increasingly realised that there is a place for Millets as it has considerable support and goodwill amongst its customers and it is a good outlet for our own brands (Peter Storm and Eurohike). This two fascia strategy, with differentiated management, will enable us to segment the product more appropriately and so we now believe that we will retain approximately 140 stores in the longer term of which approximately 80 will be fascia'ed as Blacks and 60 will be fascia'ed as Millets. The Blacks stores will primarily stock more technical products from the premium brands at higher price points with Millets catering for a more casual outdoor customer.

During the year we closed 122 stores and opened one store to give a store portfolio of 174 stores (2012: 295 stores). A further five stores have closed since the year end. The negotiations with the landlords on either new leases or temporary licences have also been protracted as we have needed to negotiate rents which were sustainable in the longer term. This assessment has been made difficult because of the need for a major proposition overhaul. However, this task is now well progressed. We have also refurbished seven stores to date. This has provided us with valuable additional knowledge which we will apply in future refurbishments. We are encouraged by the performance of these stores in the period since they reopened.

Keeping the smaller scale Blacks and Millets business in their pre-existing office and warehouse facility at Northampton was not economically viable. We have now closed the warehouse and moved the distribution function in to the Group's new facility at Kingsway. An exceptional charge of £0.9 million has been recognised in the year for this restructuring of the distribution operations. We have also integrated several back office functions into existing Group teams. The migration of the remaining activity from Northampton to Bury is proposed to take place through Summer 2013 and so we would anticipate a further charge for restructuring in the new financial year.

We believe that the various issues which Blacks has faced in the year were a legacy of the administration process and the result of previous mismanagement and we would anticipate a significant reduction in the operating loss in the current financial year. We will, of course, now be looking for the support of suppliers in return for our efforts in elevating the desirability of their brands in premium retail locations. With this support, we believe that the decisive action we have taken to date and the strategy which we have adopted will give us the foundation of a business which is capable of delivering sustained operating profits in the medium term.

Distribution

Our Distribution businesses contributed a small operating profit of £0.4 million (2012: £1.1 million). This includes a profit of £1.9 million from Canterbury in the seven months prior to its disposal (2012: £0.4 million profit for the full year) with the second half of the year traditionally loss making. A number of our remaining Distribution businesses have had a difficult year reflecting the downstream effect of ongoing challenging circumstances in the Retail sector generally. We continue to review the benefit of holding each of these investments which must be capable of either delivering a significant profit in its own right or give us some other tangible strategic benefit.

The Getthelabel.com online and catalogue business within Topgrade has now been trading for over three years. Overall we are pleased with the development of this business with sales increasing in the year by 43% and losses more than halved to £0.7 million (2012: £1.5 million). We anticipate further growth this year with a further reduction in the losses. Operating profits within the wholesale operation of Topgrade decreased slightly by £0.2 million to £0.6 million (2012: £0.8 million). The performance of this element of the business is naturally volatile as it is very dependent on the timing and general availability of clearance packages from the major brands.

Focus has had a difficult year with an operating loss of £1.0 million (2012: profit £1.4 million) which is primarily from losses which have arisen after the acquisition of the trade and assets of the Fly 53 brand including 14 concessions in House of Fraser stores. As with other businesses which we have acquired in similar distressed circumstances the business was in a fractured state on acquisition with a poor mix of stocks and an inappropriate cost structure. We believe we have now resolved the majority of these acquisition issues and would anticipate at least a substantial reduction in these operating losses in the new financial year.

Although revenues in Kukri have grown by £4.4 million to £20.5 million (2012: £16.1 million) the business made an operating loss of £0.1 million (2012: profit £0.5 million). In the period after acquisition, Kukri has needed to make substantial investment in new IT systems and other infrastructure to have the potential to grow and ultimately deliver a meaningful return on our investment. We believe that Kukri's current underperformance is short term and that the brand is strong and can be leveraged in the future.

Elsewhere in the distribution division, Deakins has maintained its profitability and we are very pleased with the initial performance of Source Lab. However, the disappointing performance in Kooga has continued with losses increased to £1.0 million (2012: £0.8 million).

Financials Summary

Revenue

Total revenue increased by 18.8% (almost £200 million) in the year to £1,258.9 million (2012: £1,059.5 million) of which £121.0 million of sales were generated from the full year of the Blacks business (2012: £5.9 million for the three week period). A further £54.8 million of revenue was generated either in businesses acquired in the year or the annualisation of the other businesses acquired in the year to January 2012. £20.6 million of revenue was lost from the disposal of Canterbury.

Gross margin

Total Gross Margin fell from 49.2% to 48.7% reflecting the impact of the margin sacrifice in the second half of the year in the Outdoor business. The achieved margin in the Fashion Fascias also fell by 1.1% to 47.4% (2012: 48.5%) with ongoing clearance activity in the Premium Fashion businesses. We are, however, greatly encouraged by the fact the margins in the Sports fascias were largely maintained at prior year levels.

Operating profits

Operating profit (before exceptional items) decreased by £15.2 million to £61.3 million (2012: £76.5 million) principally due to the full year loss in the Blacks business of £14.9 million (2012: loss of £2.2 million for the three week period). We expect these losses to be substantially reduced in the new financial year.

After exceptional items of £5.3 million (2012: £9.7 million), Group operating profit decreased from £66.8 million to £56.0 million. These exceptional items comprised:

	2013 £m	2012 £m
Loss on disposal of fixed assets	0.2	1.2
Impairment of fixed assets in loss making stores	0.9	1.5

Onerous store lease provision	1.3	(0.2)
Total property related exceptional costs	**2.4**	**2.5**
Reorganisation of warehouse operations (1)	0.2	3.0
Canterbury restructuring (2)	0.2	1.6
Blacks restructuring (3)	0.9	3.5
Total reorganisation and restructuring costs	**1.3**	**8.1**
Impairment of intangible assets (4)	2.3	2.7
Profit on disposal of Canterbury (5)	(0.7)	-
Gain following acquisition of Focus Brands (6)	-	(3.6)
Total other exceptional charges / (credits)	**1.6**	**(0.9)**
Total exceptional charge	**5.3**	**9.7**

(1) Reorganisation of the warehouse operations consisting of provisions for onerous property leases and redundancy costs.
(2) Redundancies and other one off costs incurred in the closure of Canterbury European Fashionwear Limited and Canterbury North America LLC.
(3) Restructuring of the Blacks business following acquisition for relocation of warehouse operations.
(4) Current year charge relates to a partial impairment of the goodwill arising on the acquisition of Bank Fashion. The charge in the prior year relates to the impairment of intangible assets on Kooga goodwill and brand name (£1.9 million) and Cecil Gee fascia name (£0.8 million).
(5) Profit on the disposal of the Canterbury group of businesses to Pentland Group plc in September 2012 (see note 6).
(6) The gain on the disposal of the Focus joint venture arose in the prior year from the remeasurement to fair value of the Group's previously held investment in Focus Brands Limited.

Working capital and financing

A combination of funding for the Blacks business, ongoing acquisition activity (including the acquisition of the Gio Goi brand in the final week before the period end) and capital expenditure incurred means that year end net cash decreased by £14.7 million to £45.6 million (2012: £60.3 million). The revolving credit facility has been used through most of the year and, consequently, the net financing charge increased by £0.5 million to £0.9 million (2012: £0.4 million).

The Group has a £75 million committed syndicated bank facility secured until 12 October 2015. This facility consists of a £60 million revolving credit facility with a current margin of 1.40% over LIBOR together with a £15 million working capital facility. It is likely that we will increase these facilities in the current year to enable us to continue to make acquisitions when opportunities occur.

Gross capital expenditure (excluding disposal costs) decreased slightly by £2.2 million to £43.5 million (2012: £45.7 million). The majority of the expenditure on the Kingsway facility was incurred in the prior year although a further £1.4 million was spent in the year (2012: £19.4 million). However, this reduction was offset by increased investment in our overseas businesses with total investment in the year of £9.5 million in France (2012: £4.7 million) and £6.8 million in Spain (2012: £2.1 million). Elsewhere, we also spent £3.4 million on the Blacks property portfolio and we have acquired a new combined warehouse and head office building for Kukri at a cost of £0.7 million.

Increased confidence in the potential for JD internationally combined with ongoing investment in refurbishing the Blacks portfolio and investment in the new core Oracle ERP system means that capital expenditure will remain high this year.

Working capital remains well controlled with suppliers continuing to be paid to agreed terms and settlement discounts taken whenever due.

Store Portfolio

During the period, store numbers (excluding trading websites) have moved as follows:

Sports Fascias

(No. Stores)	JD UK & Ireland	JD France *(a)*	JD Spain	Size UK & Ireland *(b)*	Chausport	Champion	Sprinter	**Total**
Start of period	332	5	-	23	74	20	49	**503**
New stores	17	6	4	2	5	-	5	**39**
Transfers	4	-	1	-	-	(3)	(1)	**1**
Closures	(21)	-	-	(2)	(4)	-	-	**(27)**
End of period	332	11	5	23	75	17	53	**516**
(000 Sq Ft)								
Start of period	1,150	9	-	33	82	92	603	**1,969**
New stores	58	17	12	1	6	-	42	**136**
Transfers	19	-	2	-	-	(17)	(2)	**2**
Closures	(47)	-	-	(5)	(4)	-	-	**(56)**
End of period	1,180	26	14	29	84	75	643	**2,051**

(a) Includes the Size store in Les Halles, Paris
(b) Includes the Foot Patrol store in Berwick Street, London

Fashion Fascias

(No. Stores)	Bank	Scotts	Originals	Cecil Gee	Tessuti	**Total**
Start of period	80	35	-	6	-	**121**
New stores	7	-	-	-	2	**9**
Acquisitions	-	-	7	-	4	**11**
Transfers	(1)	-	-	-	-	**(1)**
Closures	(1)	(3)	(2)	(2)	-	**(8)**
End of period	85	32	5	4	6	**132**
(000 Sq Ft)						
Start of period	238	72	-	16	-	**326**
New stores	18	-	-	-	6	**24**
Acquisitions	-	-	13	-	11	**24**
Transfers	(2)	-	-	-	-	**(2)**
Closures	(2)	(6)	(3)	(2)	-	**(13)**
End of period	252	66	10	14	17	**359**

Outdoor Fascias

	No. Stores	000 Sq Ft
Start of period	295	763
New stores	1	2
Closures	(122)	(281)
End of period	174	484

Dividends and Earnings per Share

The Board proposes paying a final dividend of 22.00p (2012: 21.20p) bringing the total dividend payable for the year to 26.30p (2012: 25.30p) per ordinary share. The proposed final dividend will be paid on 5 August 2013 to all shareholders on the register at 10 May 2013. The total dividends payable for the year have therefore increased by a further 4% with a cumulative growth over the last five years of 209%.

The adjusted earnings per ordinary share before exceptional items were 88.51p (2012: 105.89p).

The basic earnings per ordinary share were 79.71p (2012: 96.27p).

Employees

The Board are extremely grateful for the contribution that all our employees make through skills, energy and dedication. In difficult trading conditions and with radical turnaround plans in place in certain of our businesses then we realise that we are very reliant on this contribution. Equally, the Board recognises that the ongoing success of the core JD business comes from the execution excellence delivered by the whole team.

Current Trading and Outlook

We are pleased overall with the start that we have made to the new year. A very considerable amount of reorganisation in both Outdoor Retail and our warehousing and distribution operations is now behind us and this should benefit trading in the balance of the year. The like for like sales performance for the nine weeks to 6 April 2013 continues to be encouraging in the Sports Fascias. This performance has been as follows:

Sport UK & Ireland (excl Champion)	Fashion (excl Premium)	Combined Core UK & Ireland
+1.9%	-6.2%	+0.5%

The Group is exceptionally well positioned with its retail proposition, financial resources and extensive management experience to take advantage of opportunities both in the UK and internationally. Whilst the Board recognises that recent acquisition activity has impacted on short term returns, it remains confident that the Group is well positioned to deliver earnings growth and increased shareholder returns over the longer term.

A further update will be made in our Interim Management Statement on 19 June 2013.

Peter Cowgill
Executive Chairman
17 April 2013

Consolidated Income Statement
For the 53 weeks ended 2 February 2013

	Note	**53 weeks to 2 February 2013 £000**	52 weeks to 28 January 2012 £000
Revenue		**1,258,892**	1,059,523
Cost of sales		**(645,404)**	(538,676)
Gross profit		**613,488**	520,847
Selling and distribution expenses - normal		**(494,619)**	(403,923)
Selling and distribution expenses - exceptional		**(3,724)**	(10,532)
Administrative expenses - normal		**(59,973)**	(43,193)
Administrative expenses - exceptional		**(1,624)**	847
Other operating income		**2,427**	2,730
Operating profit		**55,975**	66,776
Before exceptional items		**61,323**	76,461
Exceptional items	3	**(5,348)**	(9,685)
Operating profit		**55,975**	66,776
Share of results of joint venture before exceptional items (net of income tax)		**-**	(102)
Share of exceptional items (net of income tax)		**-**	1,170
Share of results of joint venture		**-**	1,068
Financial income		**645**	646
Financial expenses		**(1,503)**	(1,048)
Profit before tax		**55,117**	67,442
Income tax expense		**(13,875)**	(18,093)
Profit for the period		**41,242**	49,349
Attributable to equity holders of the parent		**38,786**	46,847
Attributable to non-controlling interest		**2,456**	2,502
Basic earnings per ordinary share	4	**79.71p**	96.27p
Diluted earnings per ordinary share	4	**79.71p**	96.27p

Consolidated Statement of Comprehensive Income
For the 53 weeks ended 2 February 2013

	53 weeks to 2 February 2013 £000	52 weeks to 28 January 2012 £000
Profit for the period	**41,242**	49,349

Other comprehensive income:		
Exchange differences on translation of foreign operations	**(2,921)**	(2,096)
Recycling of foreign currency translation reserve on disposal of foreign operations	**(910)**	-
Total other comprehensive income for the period	**(3,831)**	(2,096)
Total comprehensive income and expense for the period (net of income tax)	**37,411**	47,253
Attributable to equity holders of the parent	**34,767**	44,751
Attributable to non-controlling interest	**2,644**	2,502

Consolidated Statement of Financial Position
As at 2 February 2013

	As at 2 February 2013 £000	As at 28 January 2012 (restated - see note 1) £000
Assets		
Intangible assets	**96,024**	97,290
Property, plant and equipment	**129,101**	118,909
Investment property	**-**	-
Other assets	**20,568**	16,975
Deferred tax assets	**-**	-
Total non-current assets	**245,693**	233,174
Inventories	**146,569**	133,243
Trade and other receivables	**56,761**	54,147
Cash and cash equivalents	**53,484**	67,024
Total current assets	**256,814**	254,414
Total assets	**502,507**	487,588
Liabilities		
Interest-bearing loans and borrowings	**(7,157)**	(5,547)
Trade and other payables	**(194,061)**	(196,256)
Provisions	**(2,714)**	(3,375)
Income tax liabilities	**(8,817)**	(8,861)
Total current liabilities	**(212,749)**	(214,039)
Interest-bearing loans and borrowings	**(691)**	(1,182)
Other payables	**(30,085)**	(36,149)
Provisions	**(3,373)**	(6,407)
Deferred tax liabilities	**(3,852)**	(723)
Total non-current liabilities	**(38,001)**	(44,461)
Total liabilities	**(250,750)**	(258,500)
Total assets less total liabilities	**251,757**	229,088
Capital and reserves		
Issued ordinary share capital	**2,433**	2,433
Share premium	**11,659**	11,659
Retained earnings	**230,572**	207,503
Other reserves	**(6,841)**	(6,339)
Total equity attributable to equity holders of the parent	**237,823**	215,256
Non-controlling interest	**13,934**	13,832
Total equity	**251,757**	229,088

Consolidated Statement of Changes in Equity
For the 53 weeks ended 2 February 2013

	Ordinary Share Capital £000	Share Premium £000	Retained Earnings £000	Other Equity £000	Foreign Currency Translation Reserve £000	Total Equity Attributable to Equity Holders of The Parent £000
Balance at 29 January 2011	2,433	11,659	171,916	(1,769)	(149)	184,090
Profit for the period	-	-	46,847	-	-	46,847
Other comprehensive income:						
Exchange differences on translation of foreign operations	-	-	-	-	(2,096)	(2,096)
Total other comprehensive income	-	-	-	-	(2,096)	(2,096)
Total comprehensive income for the period	-	-	46,847	-	(2,096)	44,751
Dividends to equity holders	-	-	(11,338)	-	-	(11,338)
Put options held by non-controlling interests	-	-	-	(2,325)	-	(2,325)
Non-controlling interest arising on acquisition	-	-	-	-	-	-
Disposal of non-controlling interest	-	-	78	-	-	78
Balance at 28 January 2012	2,433	11,659	207,503	(4,094)	(2,245)	215,256
Profit for the period	-	-	38,786	-	-	38,786
Other comprehensive income:						
Exchange differences on translation of foreign operations	-	-	-	-	(3,109)	(3,109)
Recycling of foreign currency translation reserve on disposal of foreign operations	-	-	-	-	(910)	(910)
Total other comprehensive income	-	-	-	-	(4,019)	(4,019)
Total comprehensive income for the period	-	-	38,786	-	(4,019)	34,767
Dividends to equity holders	-	-	(12,408)	-	-	(12,408)
Put options held by non-controlling interests	-	-	-	(1,744)	-	(1,744)
Revaluation of the Canterbury put options prior to disposal				2,570		2,570
On disposal of Canterbury			(2,691)	2,691	-	-
Non-controlling interest arising on acquisition	-	-	(618)	-	-	(618)
Balance at 2 February 2013	**2,433**	**11,659**	**230,572**	**(577)**	**(6,264)**	**237,823**

Consolidated Statement of Changes in Equity (continued)
For the 53 weeks ended 2 February 2013

	Total Equity Attributable to Equity Holders of The Parent £000	Non-Controlling Interest £000	Total Equity £000
Balance at 29 January 2011	184,090	1,085	**185,175**
Profit for the period	46,847	2,502	**49,349**
Other comprehensive income:			
Exchange differences on translation of foreign operations	(2,096)	-	**(2,096)**
Total other comprehensive income	(2,096)	-	**(2,096)**
Total comprehensive income for the period	44,751	2,502	**47,253**

Dividends to equity holders	(11,338)	(140)	**(11,478)**
Put options held by non-controlling interests	(2,325)	-	**(2,325)**
Non-controlling interest arising on acquisition	-	10,462	**10,462**
Disposal of non-controlling interest	78	(77)	**1**
Balance at 28 January 2012	215,256	13,832	**229,088**
Profit for the period	38,786	2,456	**41,242**
Other comprehensive income:			
Exchange differences on translation of foreign operations	(3,109)	188	**(2,921)**
Recycling of foreign currency translation reserve on disposal of foreign operations	(910)	-	**(910)**
Total other comprehensive income	(4,019)	188	**(3,831)**
Total comprehensive income for the period	34,767	2,644	**37,411**
Dividends to equity holders	(12,408)	(338)	**(12,746)**
Put options held by non-controlling interests	(1,744)	-	**(1,744)**
Revaluation of the Canterbury put options prior to disposal	2,570	-	**2,570**
On disposal of Canterbury	-	(2,570)	**(2,570)**
Non-controlling interest arising on acquisition	(618)	366	**(252)**
Balance at 2 February 2013	**237,823**	**13,934**	**251,757**

Put options at 2 February 2013 are held by the 40% non-controlling interest in Tessuti Group Limited and 15% non-controlling interest in Source Lab Limited. At 28 January 2012 the put options were held by the 49% non-controlling interest in Canterbury of New Zealand Limited and 25% non-controlling interest in Canterbury International (Australia) Pty Limited.

Consolidated Statement of Cash Flows
For the 53 weeks ended 2 February 2013

		53 weeks to 2 February 2013 £000	52 weeks to 28 January 2012 £000
Cash flows from operating activities			
Profit for the period		**41,242**	49,349
Share of results of joint venture		**-**	(1,068)
Income tax expense		**13,875**	18,093
Financial expenses		**1,503**	1,048
Financial income		**(645)**	(646)
Depreciation and amortisation of non-current assets		**30,328**	24,353
Exchange differences on translation		**(10)**	(764)
Profit on disposal of Canterbury		**(691)**	-
Loss on disposal of non-current assets		**212**	1,148
Other exceptional items	3	**4,495**	8,751
Increase in inventories		**(23,551)**	(14,397)
Increase in trade and other receivables		**(12,393)**	(2,780)
(Decrease) / increase in trade and other payables		**(5,902)**	11,952
Interest paid		**(1,503)**	(1,048)
Income taxes paid		**(12,232)**	(25,084)
Net cash from operating activities		**34,728**	68,907
Cash flows from investing activities			
Interest received		**645**	646
Proceeds from sale of non-current assets		**977**	171
Disposal costs of non-current assets		**(143)**	(312)
Acquisition of intangible assets		**(5,540)**	(1,711)
Acquisition of property, plant and equipment		**(38,178)**	(43,846)
Acquisition of non-current other assets		**(5,350)**	(1,903)
Cash consideration of acquisitions		**(5,875)**	(26,106)
Cash acquired with acquisitions		**1,208**	4,019
Overdrafts acquired with acquisitions		**(175)**	(3,326)
Receipt of Canterbury intercompany debt		**22,699**	-
Cash in Canterbury on disposal		**(5,888)**	-

Dividend received from joint venture	**-**	7,217
Net cash used in investing activities	**(35,620)**	(65,151)
Cash flows from financing activities		
Repayment of interest-bearing loans and borrowings	**(245)**	(16,755)
Repayment of finance lease liabilities	**(593)**	(1,459)
Acquisition of non-controlling interest	**(40)**	-
Sale of subsidiary shares to non-controlling interest	**-**	2
Equity dividends paid	**(12,408)**	(11,338)
Dividends paid to non-controlling interest in subsidiaries	**(338)**	(140)
Net cash used in financing activities	**(13,624)**	(29,690)
Net decrease in cash and cash equivalents	**(14,516)**	(25,934)
Cash and cash equivalents at the beginning of the period	**61,611**	87,545
Foreign exchange gains in cash and cash equivalents	**(867)**	-
Cash and cash equivalents at the end of the period	**46,228**	61,611

Analysis of Net Cash
As at 2 February 2013

	At 28 January 2012 £000	On acquisition of subsidiaries £000	On disposal of subsidiaries £000	Cash flow £000	Non-cash movements £000	**At 2 February 2013 £000**
Cash at bank and in hand	67,024	1,208	(5,888)	(7,827)	(1,033)	**53,484**
Overdrafts	(5,413)	(175)	-	(1,834)	166	**(7,256)**
Cash and cash equivalents	**61,611**	1,033	**(5,888)**	**(9,661)**	**(867)**	46,228
Interest-bearing loans and borrowings:						
Bank loans	(289)	-	-	205	16	**(68)**
Finance lease liabilities	(660)	-	-	593	11	**(56)**
Other loans	(367)	(508)	367	40	-	**(468)**
	60,295	525	**(5,521)**	**(8,823)**	**(840)**	**45,636**

1. Prior period restatement

The comparative Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity as at 28 January 2012 has been restated to reflect the completion in the period to 2 February 2012 of the initial accounting in respect of the acquisition of JD Sprinter Holdings 2010 acquired in the period to 28 July 2012 and to reflect the completion of the initial accounting in respect of Blacks Outdoor Retail Limited acquired in the period to 28 January 2012. Adjustments made to the provisional calculation of the fair value of assets and liabilities acquired, as reported at 28 January 2012, in the period to 2 February 2013 have resulted in the following changes:

For the acquisition of JD Sprinter Holdings 2010 SL the measurement adjustments made to the fair values of the net assets reduced total assets by £449,000, reduced total liabilities by £289,000 and the resulting change on total equity was £160,000. This adjustment has also decreased non-controlling interest by £160,000.

For the acquisition of Blacks Outdoor Retail Limited the measurement adjustments made to the fair values of the net assets increased total assets by £204,000, increased total liabilities by £204,000 and the resulting change on total equity was £nil.

The impact of these adjustments on the net assets is shown in note 5.

2. Segmental analysis

IFRS 8 'Operating Segments' requires the Group's segments to be identified on the basis of internal reports about 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 is considered to be the Executive Chairman of JD Sports Fashion Plc.

Information reported to the Chief Operating Decision Maker is focused on the nature of the businesses within the Group. A new reportable segment was created in the prior year on acquisition of the Blacks business which signalled an entry into the outdoor retail segment for the Group. The Group's reportable segments under IFRS 8 are therefore as follows:

- Sport retail - includes the results of the sport retail trading companies JD Sports Fashion Plc, John David Sports Fashion (Ireland) Limited, Spodis SA, Champion Sports Ireland, JD Sprinter Holdings 2010 SL and Duffer of St George Limited
- Fashion retail - includes the results of the fashion retail trading companies Bank Fashion Limited, R.D. Scott Limited, Premium Fashion Limited and Tessuti Group Limited (including subsidiary companies)
- Outdoor retail - includes the results of Blacks Outdoor Retail Limited

- Distribution businesses - includes the results of the distribution companies Topgrade Sportswear Limited, Nicholas Deakins Limited, Kooga Rugby Limited, Nanny State Limited, Focus Brands Limited, Kukri Sports Limited (including global subsidiary companies) and Source Lab Limited. Canterbury Limited (including global subsidiary companies) was also included until the point of disposal

The Chief Operating Decision Maker receives and reviews segmental operating profit. Certain central administrative costs including Group Directors' salaries are included within the Group's core 'Sport retail' result. This is consistent with the results as reported to the Chief Operating Decision Maker.

IFRS 8 requires disclosure of information regarding revenue from major products and customers. The majority of the Group's revenue is derived from the retail of a wide range of apparel, footwear and accessories to the general public. As such, the disclosure of revenues from major products and customers is not appropriate. Disclosure of revenue from major product groups is not provided at this time due to the cost involved to develop a reliable product split on a same category basis across all companies in the Group.

Intersegment transactions are undertaken in the ordinary course of business on arms length terms.

2. Segmental analysis (continued)

The Board consider that certain items are cross divisional in nature and cannot be allocated between the segments on a meaningful basis. The share of results of joint venture was presented as unallocated in the following tables, as this entity had trading relationships with companies in all of the Group's segments. In the prior year, the exceptional credits pertaining to the dividend received from joint venture (£2,691,000) and gain on disposal of joint venture (£871,000) was included within the unallocated segment. Net funding costs and taxation are treated as unallocated reflecting the nature of the Group's syndicated borrowing facilities and its tax
group. A deferred tax liability of £3,852,000 (2012: restated liability of £723,000) and an income tax liability of £8,817,000 (2012: £8,861,000) are included within the unallocated segment.

Each segment is shown net of intercompany transactions and balances within that segment. The eliminations remove intercompany transactions and balances between different segments which primarily relate to the net down of long term loans and short term working capital funding provided by JD Sports Fashion Plc (within Sport retail) to other companies in the Group, and intercompany trading between companies in different segments.

Business Segments

Information regarding the Group's reportable operating segments for the 53 weeks to 2 February 2013 is shown below:

Income statement

	Sport Retail £000	Fashion Retail £000	Outdoor Retail £000	Distribution £000	Unallocated £000	Total £000
Gross revenue	854,282	160,442	121,006	130,342	-	1,266,072
Intersegment revenue	(287)	-	-	(6,893)	-	(7,180)
Revenue	853,995	160,442	121,006	123,449	-	1,258,892
Operating profit / (loss) before exceptional items	77,791	(2,004)	(14,906)	442	-	61,323
Exceptional items	(1,662)	(3,314)	(608)	236	-	(5,348)
Operating profit / (loss)	76,129	(5,318)	(15,514)	678	-	55,975
Financial income						645
Financial expenses						(1,503)
Profit before tax						55,117
Income tax expense						(13,875)
Profit for the period						41,242

Total assets and liabilities

	Sport Retail £000	Fashion Retail £000	Outdoor Retail £000	Distribution £000	Unallocated £000	Eliminations £000	Total £000
Total assets	432,190	70,725	50,112	48,947	-	(99,467)	502,507
Total liabilities	(161,092)	(67,769)	(64,157)	(44,530)	(12,669)	99,467	(250,750)

2. Segmental analysis (continued)

Other segment information

	Sport Retail	Fashion Retail	Outdoor Retail	Distribution	Total

	£000	£000	£000	£000	£000
Capital expenditure:					
Brand names purchased	5,540	-	-	-	5,540
Property, plant and equipment	30,692	3,015	3,440	1,031	38,178
Non-current other assets	5,350	-	-	-	5,350
Depreciation, amortisation and impairments:					
Depreciation and amortisation of non-current assets	23,850	4,018	1,183	1,277	30,328
Impairment of intangible assets	-	2,315	-	-	2,315
Impairment of non-current assets	803	62	-	40	905

The comparative segmental results for the 52 weeks to 28 January 2012 are as follows:

Income statement

	Sport Retail £000	Fashion Retail £000	Outdoor Retail £000	Distribution £000	Unallocated £000	Total £000
Gross revenue	774,991	151,642	5,876	135,117	-	1,067,626
Intersegment revenue	(380)	-	-	(7,723)	-	(8,103)
Revenue	774,611	151,642	5,876	127,394	-	1,059,523
Operating profit / (loss) before exceptional items	74,301	3,303	(2,199)	1,056	-	76,461
Exceptional items	(4,654)	(1,538)	(3,500)	(3,555)	3,562	(9,685)
Operating profit / (loss)	69,647	1,765	(5,699)	(2,499)	3,562	66,776
Share of results of joint venture						1,068
Financial income						646
Financial expenses						(1,048)
Profit before tax						67,442
Income tax expense						(18,093)
Profit for the period						49,349

Total assets and liabilities (restated - see note 1)

	Sport Retail £000	Fashion Retail £000	Outdoor Retail £000	Distribution £000	Unallocated £000	Eliminations £000	Total £000
Total assets	407,807	60,587	38,713	68,485	-	(88,004)	487,588
Total liabilities	(169,320)	(53,852)	(42,526)	(71,222)	(9,584)	88,004	(258,500)

2. Segmental analysis (continued)

Other segment information

	Sport Retail £000	Fashion Retail £000	Outdoor Retail £000	Distribution £000	Total £000
Capital expenditure:					
Brand names purchased	1,500	-	-	211	1,711
Property, plant and equipment	37,656	4,090	-	2,100	43,846
Non-current other assets	1,903	-	-	-	1,903
Depreciation, amortisation and impairments:					
Depreciation and amortisation of non-current assets	18,990	3,618	-	1,745	24,353
Impairment of intangible assets	-	838	-	1,877	2,715
Impairment of non-current assets	202	1,282	-	102	1,586

Geographical Information

The Group's operations are located in the UK, Republic of Ireland, France, Spain, Australia, New Zealand, Canada, Dubai, Singapore and Hong Kong.

The following table provides analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

	53 weeks to 2 January 2013 £000	52 weeks to 28 January 2012 £000
UK	**1,029,801**	863,771
Europe	**197,596**	157,668
Rest of world	**31,495**	38,084
	1,258,892	1,059,523

The revenue from any individual country, with the exception of the UK, is not more than 10% of the Group's total revenue.

The following is an analysis of the carrying amount of segmental non-current assets, excluding the deferred tax assets of £nil (2012: £nil), by the geographical area in which the assets are located:

	2013 £000	2012 (restated - see note 1) £000
UK	**190,590**	173,973
Europe	**54,961**	58,641
Rest of world	**142**	560
	245,693	233,174

3. Exceptional items

	53 weeks to 2 February 2013 £000	52 weeks to 28 January 2012 £000
Loss on disposal of non-current assets (1)	**212**	1,148
Impairment of non-current assets (2)	**905**	1,586
Onerous lease provision (3)	**1,332**	(214)
Reorganisation of warehouse operations (4)	**133**	3,000
Canterbury restructuring (5)	**219**	1,512
Blacks restructuring (6)	**923**	3,500
Selling and distribution expenses - exceptional	**3,724**	10,532
Profit on disposal of Canterbury (7)	**(691)**	-
Gain on acquisition (8)	**-**	(871)
Dividend received from joint venture (9)	**-**	(2,691)
Impairment of goodwill, brand names and fascia names (10)	**2,315**	2,715
Administrative expenses - exceptional	**1,624**	(847)
	5,348	9,685

(1) Relates to the excess of net book value of property, plant and equipment and non-current other assets disposed over proceeds received
(2) Relates to property, plant and equipment and non-current other assets in cash-generating units which are loss making, where it is considered that this position cannot be recovered
(3) Relates to the net movement in the provision for onerous property leases on trading and non-trading stores
(4) Relates to the reorganisation of the warehouse operations consisting of the provision of onerous property leases, redundancy costs and dilapidations at the vacated premises
(5) Relates to the restructuring and closure of the Canterbury North America LLC and Canterbury European Fashionwear operations following the decision to wind down the separate business
(6) Relates to the restructuring of the Blacks business following acquisition for relocation of warehouse operations
(7) Profit on the disposal of Canterbury Limited and its subsidiaries (see note 6)
(8) Relates to the remeasurement in fair value of the Group's previously held investment in Focus Brands Limited
(9) The dividend of £7,217,000 was received from Focus Brands Limited on 15 February 2011 prior to the Group's acquisition of a further 31% of the issued share capital of Focus Brands Limited. The dividend received was eliminated against the carrying value of the Group's equity accounted investment with the excess of £2,691,000 recognised in the Consolidated Income Statement as an exceptional credit
(10) Relates to the impairment in the period to 2 February 2013 of the goodwill arising on the acquisition of Pink Soda Limited (formerly Bank Stores

Holding Limited) and the impairment in the period to 28 January 2012 of the goodwill and brand name arising on the acquisition of Kooga Rugby Limited and the fascia name arising on the acquisition of Premium Fashion Limited.

These selling and distribution expenses and administrative expenses are exceptional items as they are, in aggregate, material in size and/or unusual or infrequent in nature.

4. Earnings per ordinary share

Basic and diluted earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share at 2 February 2013 is based on the profit for the period attributable to equity holders of the parent of £38,786,000 (2012: £46,847,000) and a weighted average number of ordinary shares outstanding during the 53 weeks to 2 February 2013 of 48,661,658 (52 weeks to 28 January 2012: 48,661,658).

	53 weeks to 2 February 2013	52 weeks to 28 January 2012
Issued ordinary shares at beginning and end of period	**48,661,658**	48,661,658

Adjusted basic and diluted earnings per ordinary share

Adjusted basic and diluted earnings per ordinary share have been based on the profit for the period attributable to equity holders of the parent for each financial period but excluding the post-tax effect of certain exceptional items. The Directors consider that this gives a more meaningful measure of the underlying performance of the Group.

	Note	**53 weeks to 2 February 2013 £000**	52 weeks to 28 January 2012 £000
Profit for the period attributable to equity holders of the parent		**38,786**	46,847
Exceptional items excluding loss on disposal of non-current assets	3	**5,136**	8,537
Tax relating to exceptional items		**(850)**	(2,689)
Share of exceptional items of joint venture (net of income tax)		**-**	(1,170)
Profit for the period attributable to equity holders of the parent excluding exceptional items		**43,072**	51,525
Adjusted basic and diluted earnings per ordinary share		**88.51p**	105.89p

5. Acquisitions

Current period acquisitions

Originals
On 14 March 2012, the Group acquired, via its subsidiary R.D. Scott Limited, the trade and assets of seven stores trading as Originals and the head office along with the Originals name and inventory from the Administrators of Retailchic Limited for a total cash consideration of £100,000. Subsequent to the period end, the trade and assets of the Originals stores have been transferred to Tessuti Limited, another subsidiary of the Group.

Included in the 53 week period to 2 February 2013 is revenue of £1,793,000 and a loss before tax of £302,000 in respect of Originals.

Acquisition of Source Lab Limited
On 9 May 2012, the Group acquired 85% of the issued share capital of Source Lab Limited for a cash consideration of £2,550,000. Source Lab Limited, which was established in 2005, design, source and distribute football related apparel under license from some of the biggest clubs in Europe including Manchester United, Chelsea, Arsenal and Barcelona.

The provisional goodwill calculation is summarised below:

	Book value £000	Measurement adjustments £000	Provisional fair value at 2 February 2013 £000
Acquiree's net assets at the acquisition date:			
Property, plant & equipment	9	-	9
Inventories	23	229	252
Trade and other receivables	1,370	(68)	1,302
Cash and cash equivalents	162	-	162
Trade and other payables	(839)	(222)	(1,061)
Interest-bearing loans and borrowings	(170)	-	(170)
Deferred tax liabilities	-	(1)	(1)

Net identifiable assets	555	(62)	493
Non-controlling interest (15%)	(83)	9	(74)
Goodwill on acquisition			2,131
Consideration paid - satisfied in cash			2,550

The fair value of trade and other receivables is £1,302,000 and includes trade receivables with a fair value of £1,274,000. The gross contractual amount for trade receivables is £1,274,000, of which £nil is expected to be uncollectable.

The Board believes that the excess of consideration paid over net identifiable assets is best considered as goodwill on acquisition representing employee expertise and anticipated future operating synergies.

The goodwill calculation is provisional at 2 February 2013 to allow further measurement adjustments to be made if necessary, during the remaining measurement period to reflect any new information obtained about facts and circumstances that existed at the acquisition date that would have affected the measurement of the amounts recognised as of that date. The goodwill arises on consolidation and is therefore not tax deductible.

Included in the 53 week period to 2 February 2013 is revenue of £5,161,000 and a profit before tax of £480,000 in respect of Source Lab Limited. Included within revenue is £229,000 of revenue to other Group companies which has therefore been eliminated on consolidation.

5. Acquisitions (continued)

Acquisition of Tessuti Group Limited
On 18 May 2012, the Group, via its new 60% owned subsidiary Tessuti Group Limited, acquired the trading businesses that make up the Tessuti group for a total consideration of £4,819,000. On acquisition, Tessuti group operated four premium fashion retail stores in the North West of England, along with two trading websites.

The provisional goodwill calculation is summarised below:

	Book value £000	Measurement adjustments £000	Provisional fair value at 2 February 2013 £000
Acquiree's net assets at the acquisition date:			
Intangible assets	-	852	852
Property, plant & equipment	1,898	-	1,898
Inventories	660	-	660
Trade and other receivables	303	-	303
Cash and cash equivalents	1,044	-	1,044
Trade and other payables	(736)	-	(736)
Interest-bearing loans and borrowings	(508)	-	(508)
Deferred tax liabilities	(100)	(213)	(313)
Net identifiable assets	2,561	639	3,200
Non-controlling interest	783	(256)	527
Goodwill on acquisition			1,092
Consideration paid - satisfied in cash			3,225
Deferred consideration - loan notes issued			1,570
Shares issued to non-controlling interest			24
Total consideration			4,819

The Group's non-controlling interest arising on acquisition of £527,000 includes indirect ownership within the Tessuti Group of companies.

The fair value of trade and other receivables is £303,000 and includes trade receivables with a fair value of £26,000. The gross contractual amount for trade receivables is £26,000, of which £nil is expected to be uncollectable.

The intangible asset acquired represents the fair value of the 'Tessuti' fascia name. It is the intention of the Group to trade under the Tessuti fascia for the foreseeable future. The Board believes that the excess of consideration paid over net identifiable assets is best considered as goodwill on acquisition, representing employee expertise and anticipated future operating synergies.

The goodwill calculation is provisional at 2 February 2013 to allow further measurement adjustments to be made if necessary, during the remaining measurement period to reflect any new information obtained about facts and circumstances that existed at the acquisition date that would have affected the measurement of the amounts recognised as of that date. The goodwill arises on consolidation and is therefore not tax deductible.

Included in the 53 week period to 2 February 2013 is revenue of £4,821,000 and a profit before tax of £163,000 in respect of Tessuti Group Limited.

Full year impact of acquisitions
Had the acquisitions of Originals, Source Lab Limited and Tessuti Group Limited been effected at 29 January 2012, the revenue and profit before tax of the Group for the 53 week period to 2 February 2013 would have been £1,262,598,000 and £55,093,000 respectively.

5. Acquisitions (continued)

Acquisition costs

Acquisition-related costs amounting to £155,000 (Originals: £13,000; Source Lab Limited: £66,000; and Tessuti Group Limited: £76,000) have been excluded from the consideration transferred and have been recognised as an expense in the year, within administrative expenses in the Consolidated Income Statement.

Prior period acquisitions

Acquisition of Kukri Sports Limited
On 7 February 2011, the Group acquired 80% of the issued share capital of Kukri Sports Limited for a cash consideration of £1. Kukri Sports Limited has a number of subsidiaries around the world, which source and provide bespoke sports teamwear to schools, universities and sports clubs. In addition, Kukri Sports Limited is sole kit supplier to a number of professional sports teams and international associations.

No measurement adjustments have been made to the fair values in the 53 week period to 2 February 2013.

Acquisition of additional shares in Focus Brands Limited
On 16 February 2011, the Group acquired a further 31% of the issued share capital of Focus Brands Limited for a cash consideration of £1,000,000, with potential further deferred consideration of £250,000 depending on performance. The Group's original share of 49% was acquired on 3 December 2007. Focus Brands Limited was originally incorporated in order to acquire Focus Group Holdings Limited and its subsidiary companies and was an entity jointly controlled by the Group and the former shareholders of Focus Group Holdings Limited. The additional shares purchased take the Group's holding in Focus Brands Limited to 80%, thereby giving the Group control. Focus Brands Limited is now a subsidiary of the Group rather than a jointly-controlled entity. The increase in Group ownership has resulted in a gain of £871,000 being recognised as an exceptional credit in the Consolidated Income Statement upon remeasurement of the Group's previously held equity interest to fair value.

No measurement adjustments have been made to the fair values in the 53 week period to 2 February 2013.

Acquisition of Champion Sports (Holdings)
On 4 April 2011, the Group (via its subsidiaries The John David Group Limited and JD Sports Limited) acquired 100% of the issued share capital of Champion Sports (Holdings) for a cash consideration of £6 (€7) and have also advanced £15,066,000 (€17,100,000) to allow it to settle all of its indebtedness save for a potential maximum £2,203,000 (€2,500,000) of leasing finance.

Champion was founded in 1992 and is one of the leading retailers of sports apparel and footwear in the Republic of Ireland. On acquisition, Champion had 22 stores in premium locations in the Republic of Ireland and one store in Northern Ireland. In the period since acquisition two stores in the Republic of Ireland and the store in Northern Ireland have been closed with a further 3 stores in the Republic of Ireland transferred to John David Sports Fashion (Ireland) Limited.

No measurement adjustments have been made to the fair values in the 53 week period to 2 February 2013.

Acquisition of JD Sprinter Holdings 2010 SL
On 17 June 2011, the Group, via its new 50.1% owned subsidiary JD Sprinter Holdings 2010 SL ('JD Sprinter'), acquired 100% of the trading businesses that make up the Sprinter group of companies in Spain. The remaining 49.9% of the shares in JD Sprinter are owned equally between the Segarra family, who founded Sprinter, and the Bernad family, who have been investors in Sprinter for 15 years. JD have made an investment of £17,536,000 (€20,000,000) into JD Sprinter by way of subscription for its new shares and the Segarra and Bernad families have put the Sprinter companies into JD Sprinter as consideration for their new shares.

Sprinter was founded in 1981 and is one of the leading sports retailers in Spain selling footwear, apparel, accessories and equipment for a wide range of sports as well as some lifestyle casual wear including childrenswear. This offer includes both international sports brands and successful own brands. Sprinter is based in Elche in South East Spain and on acquisition had 47 stores primarily based in Andalucia and Levante.

During the 12 month period since acquisition, certain measurement adjustments have been made to the fair values of the net assets of JD Sprinter Holdings 2010 SL as at the acquisition date in accordance with IFRS 3 'Business Combinations'.

5. Acquisitions (continued)

The goodwill calculation is summarised below:

	Provisional fair value at 28 January 2012 £000	Measurement adjustments £000	Fair value at 2 February 2013 £000
Acquiree's net assets at the acquisition date:			
Intangible assets	5,058	-	5,058
Property, plant & equipment	9,053	(609)	8,444
Non-current other assets	1,035	-	1,035
Inventories	15,426	-	15,426
Trade and other receivables	383	-	383
Cash and cash equivalents	1,832	-	1,832
Interest-bearing loans and borrowings	(3,326)	-	(3,326)
Trade and other payables	(19,957)	-	(19,957)
Provisions	(355)	-	(355)
Deferred tax asset / (liabilities)	(1,329)	289	(1,040)
Net identifiable assets	7,820	(320)	7,500
Non-controlling interest (49.9%)	(3,902)	160	(3,742)
Goodwill on acquisition	6,590	160	6,750
Consideration paid - satisfied in cash	3,508	-	3,508
Consideration paid - share of cash invested in JD Sprinter	7,000	-	7,000
Total consideration	10,508	-	10,508

The non-controlling interest arising on the acquisition of JD Sprinter comprises:

Non-controlling interest in net identifiable assets of Sprinter trading companies	3,902	(160)	3,742
Non-controlling interest in net identifiable assets of JD Sprinter company	7,000	-	7,000
Total non-controlling interest	10,902	(160)	10,742

5. Acquisitions (continued)

Blacks Outdoor Retail Limited

On 9 January 2012, the Group acquired, via its subsidiary Blacks Outdoor Retail Limited, the trade and assets of Blacks Leisure Group Plc and certain of its subsidiaries from its Administrators for a total cash consideration of £20,000,000.

Blacks is a long established retailer of specialist outdoor footwear, apparel and equipment with two fascias (Blacks and Millets) and was trading from 296 stores at the point of its administration. Since acquisition, 123 loss making stores have been closed. In addition to selling third party brands such as The North Face and Berghaus, Blacks has two strong own brands in Eurohike and Peter Storm.

During the 12 month period since acquisition, certain measurement adjustments have been made to the fair values of the net assets of Blacks Outdoor Retail Limited as at the acquisition date in accordance with IFRS 3 'Business Combinations'.

The goodwill calculation is summarised below:

	Provisional fair value at 28 January 2012 £000	Measurement adjustments £000	Fair value at 2 February 2013 £000
Acquiree's net assets at the acquisition date:			
Intangible assets	11,500	-	11,500
Non-current other assets	1,650	-	1,650
Property, plant & equipment	3,000	-	3,000
Inventories	6,692	2,888	9,580
Cash and cash equivalents	60	-	60
Trade and other receivables	5,349	-	5,349
Trade and other payables	(13,022)	(204)	(13,226)
Deferred tax liabilities	(413)	-	(413)
Net identifiable assets	14,816	2,684	17,500
Goodwill on acquisition	5,184	(2,684)	2,500
Consideration paid - satisfied in cash	20,000	-	20,000

6. Disposals

Current year disposals

Disposal of Canterbury Limited

On 13 September 2012 the Group disposed of its 100% shareholding in Canterbury Limited to Pentland Group Plc for a total cash payment of £22,698,521 and acquired the ONETrueSaxon Brand. The total cash payment received comprised £1 for the entire share capital of Canterbury Limited and £22,698,520 which repaid the total intercompany receivable balance owing to the Company from the Canterbury Group at the date of disposal.

The assets and liabilities related to Canterbury Limited (and its subsidiary undertakings) form a disposal group. However, Canterbury has not been treated as a discontinued operation at 2 February 2013, as its teamwear and leisurewear offering did not represent a major line of business.

Financial information related to the disposal is set out below:

	£000
Consideration received	22,699
Less carrying value of net assets disposed of	(19,748)
Plus share of translation reserve recycled	910
Less non-controlling interest disposed of	(2,570)
Less transaction costs	(600)
Profit on disposal	691
Net cashflow on disposal:	
Consideration received	22,699
Less cash and cash equivalents disposed of	(5,888)
Net cash inflow from disposal	16,811

Put and call options

The Group (via its subsidiary Canterbury Limited) was party to a put and call option agreement between Canterbury Limited and the vendors of Canterbury of New Zealand, whereby Canterbury Limited may acquire or be required to acquire the non-controlling interest of 49% of the issued share capital of Canterbury of New Zealand Limited.

In addition, the Group (via its subsidiary Canterbury Limited) was party to a put and call option between Canterbury Limited and the non-controlling interest in Canterbury International (Australia) Pty Limited, whereby Canterbury Limited may acquire or be required to acquire 25% of the issued ordinary share capital of Canterbury International (Australia) Pty Limited.

At the date of disposal of Canterbury Limited, a gross liability of £5,261,000 recognised for the put options on Canterbury of New Zealand and Canterbury International (Australia) Pty Limited measured in accordance with IAS 32 has been replaced with the fair value under IAS 39 of that derivative liability. This liability is included in the net assets disposed of.

Subsequent to the disposal an amount of £2,691,000 which represents the cumulative amounts previously recognised on the re-measurement under IAS 32 of the put options was transferred from other equity to retained earnings.

6. Disposals (continued)

Prior year disposals

Disposal of 15% of issued ordinary share capital of Premium Fashion Limited
On 18 June 2011, the Group acquired, via its subsidiary Premium Fashion Limited, the trade and assets of 8 stores trading as Cecil Gee along with the Cecil Gee name and inventory from Moss Bros Group Plc for a cash consideration of £1,598,000.

On 2 December 2011, 15% of the issued share capital was disposed of to Benba Investments Limited, Chape Investments Limited and Ginda Investments Limited by issuing 1,500 new shares (500 to each new shareholder) in exchange for a cash consideration of £1,500.

On 25 July 2012 the Group reacquired the 15% share capital for cash consideration of £40,000. As the Group already had control of Premium Fashion Limited, the increase in Group ownership has been accounted for as an equity transaction.

7. Subsequent events

Acquisition of Cloggs Online Limited

On 13 February 2013 the Group acquired, via its new 88% owned subsidiary Cloggs Online Limited, the trade and assets of Cloggs (UK) Limited from its Administrators for a total cash consideration of £600,000.

The provisional goodwill calculation is summarised below:

	Book value £000	Measurement adjustments £000	Provisional fair value at 2 February 2013 £000
Acquiree's net assets at the acquisition date:			
Intangible assets	105	495	600
Property, plant & equipment	60	20	80
Inventories	347	253	600
Trade and other receivables	88	(48)	40
Trade and other payables	-	(720)	(720)
Net identifiable assets	600	-	600
Non-controlling interest (12%)			(72)
Goodwill on acquisition			72
Consideration paid - satisfied in cash			600

8. Accounts

The financial information set out above does not constitute the Group's statutory accounts for the 53 weeks ended 2 February 2013 or 52 weeks ended 28 January 2012 but is derived from those accounts. Statutory accounts for the 52 weeks ended 28 January 2012 have been delivered to the Registrar of Companies, and those for the 53 weeks to 2 February 2013 will be delivered in due course. The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Copies of full accounts will be sent to shareholders in due course. Additional copies will be available from JD Sports Fashion Plc, Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR or online at www.jdplc.com.

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