.
RNS Number:5434V
John David Group (The) PLC
26 April 2007

26 April 2007

THE JOHN DAVID GROUP PLC
PRELIMINARY RESULTS
FOR THE 52 WEEKS ENDED 27 JANUARY 2007

The John David Group Plc (the "Group"), the specialist retailer of sports and fashion footwear and apparel, today announces its Preliminary Results for the 52 weeks ended 27 January 2007.

	2007 £000	2006 £000	% Change
Revenue	530,581	490,288	+8%
Gross profit %	47.5%	46.2%	
Operating profit (before net financing costs and exceptional items)	27,301	20,121	+36%
Profit before tax and exceptional items	25,066	16,633	+51%
Exceptional items	(7,799)	(12,983)	
Profit before tax	17,267	3,650	+373%
Basic earnings per ordinary share	21.52p	4.92p	+337%
Adjusted basic earnings per ordinary share (see note 3)	36.41p	25.32p	+44%
Total dividend payable per ordinary share	7.20p	6.90p	+4%
Net cash / (debt) at end of period (1)	10,932	(13,247)	

(1) Net cash / (debt) consists of cash and cash equivalents together with interest bearing loans and borrowings, loan notes and finance lease and hire purchase contracts.

Highlights

- Total revenue increased by 8.2% in the year and by 4.7% on a like for like basis.
- Gross margin improved from 46.2% to 47.5%.
- Group profit before tax and exceptional items up 51% to £25.1 million (2006: £16.6 million).
- Group has now eliminated its year end net debt and has year end net cash balances of £10.9 million - a three year improvement of £61.9 million after acquisitions at a cost of £24.1 million in the same three year period.
- Exceptional items of £7.8m mainly as a result of impairment of goodwill (£4.0 million) and continuing store portfolio rationalisation.

Peter Cowgill, Executive Chairman, said:

"I am pleased with the progress of the Group during the year and, specifically, the improvement in profit before tax and exceptional items from £16.6 million to £25.1 million accompanied by the continuing level of cash generation.

"Trading since the year end has been encouraging with like for like sales for the Group for the 12 weeks ended 21 April 2007 being up 7.5%. Overall the Board expects a further improvement in the Group's results for the first half of the current year but remains aware of the more challenging environment which is likely to prevail in the balance of the year."

Enquiries:

The John David Group Plc Tel: 0870 873 0333
Peter Cowgill, Executive Chairman
Barry Bown, Chief Executive
Brian Small, Finance Director

Hogarth Partnership Limited Tel: 020 7357 9477
Andrew Jaques
Barnaby Fry
Charlie Field

EXECUTIVE CHAIRMAN'S STATEMENT

INTRODUCTION

The 52 weeks ended 27 January 2007 represented another year of delivery of our plan to enhance operating margins and eliminate underperforming stores. We have improved our profit before tax and exceptional items by 51% in the year to £25.1 million (2006: £16.6 million).

Group profit before tax was £17.3 million (2006: £3.6 million) and Group profit after tax was £10.4 million (2006: £2.3 million).

Group operating profit before exceptional items and net financing costs for the year of £27.3 million (2006: £20.1 million) comprises a Sports Fascias profit of £29.7 million (2006: £22.6 million) and a Fashion Fascias loss of £2.4 million (2006: loss of £2.5 million).

SPORTS FASCIAS

The Sports Fascias' turnover increased to £492.8 million (2006: £448.9 million). Like for like sales for the year in the Sports Fascias excluding the Allsports and Hargreaves Airport stores portfolios were up 4.8%. Gross margin rose to 47.6% (2006: 46.3%).

The 73 ex-Allsports stores retained in the Sports Fascias as JD branches were fully integrated relatively early in the year and are performing satisfactorily. The 14 Hargreaves Airport stores, acquired from Hargreaves (Sports) Limited on 23 June 2006, were not great contributors to profit during the year and were adversely affected by new security measures operational at all airports since last August. We still believe that once these stores have been refurbished and refascia'd as necessary, with the right product offer and brand support, they will trade successfully and help us broaden our offer and appeal.

FASHION FASCIAS

The Fashion Fascias have been engaged in a further year of transition with underperforming stores gradually being eliminated and the remaining ATH- and AV stores being converted to the Scotts Fascia. Currently, there are only 6 ATH- and AV stores remaining.

In spite of a positive like for like sales performance of 3.7% for the year, turnover declined to £37.7 million (2006: £41.4 million) as a result of the store disposal programme. Eight underperforming stores were closed in the year and a further two have already been closed since the year end. Substantial losses were borne on some of these stores before they were disposed of, meaning that the results suffered from the early year losses, and did not benefit from the normal anticipated Christmas trading period profit in the year. Gross margin improved to 46.3% (2006: 45.5%).

The young branded fashion sector remains competitive and we continue to believe the Fashion Fascias will only deliver profit to the Group when its major property issues are resolved. The disposals of Liverpool Open in July 2006 and Bluewater Scotts in January 2007 have both been significant steps towards this goal. We are increasingly focussed on making the right property and buying and merchandising decisions to deliver shareholder value from these Fascias.

GROUP PERFORMANCE

Revenue

Total revenue increased by 8.2% in the year (2007: £530.6 million; 2006: £490.3 million) as a result of the Group's positive like for like sales performance of 4.7% (excluding ex Allsports and ex Hargreaves Airport stores), combined with increased turnover from the ex Allsports stores in their first full year (not all of which have been retained) and from the ex Hargreaves Airport stores. Turnover growth continues to be held back in both sets of Fascias by the store rationalisation programme but enhancement of profitability will continue to be our fundamental goal rather than absolute turnover growth. Like for like sales growth is, however, essential to the achievement of our long term goals.

Gross margin

We are pleased with the progress made in enhancing Group gross margin from 46.2% to 47.5% which we had expected to take two years to achieve. However, there remains downward pressure on selling prices and we expect economic conditions to be less favourable in the second half as recent and anticipated interest rate increases take effect. The best prospects for margin growth come from own and licensed brands if we can continue to increase their share of sales in the Sports Fascias.

Overheads

Overheads generally remain tightly controlled wherever possible though rents, rates and minimum wage rates are outside our control and represent a significant part of our cost base. We have substantially increased our marketing spend to continue developing the profile of JD and its brand offer, including support for own brands such as Carbrini and Brookhaven. We have also begun to invest more heavily in other support functions such as IT, merchandising and own brand design.

Operating profits and results

Operating profit before net financing costs and exceptional items increased by £7.2 million to £27.3 million (2006: £20.1 million) which represents a 36% increase on last year. Our Group operating margin (before net financing costs and exceptional items) has therefore increased to 5.1% (2006: 4.1%).

As a result of reduced exceptional items of £7.8 million (2006: £13.0 million), operating profit after exceptional items but before net financing costs rose sharply from £7.1 million to £19.5 million.

The exceptional items comprise:

	£m
Impairment of RD Scott goodwill	2.0
Impairment of ex Hargreaves Airport stores goodwill	2.0
Lease variation costs	2.3
Onerous lease costs	1.5
Impairment of fixed assets in underperforming stores	1.5
Profit on disposal of fixed assets	(1.5)
Total Exceptional Charge	7.8

RD Scott Limited was acquired through a share purchase in December 2004. Whilst this acquisition has assisted us by providing increased focus on the separate operations of our two sets of Fascias, the results of the acquired Scotts stores and of the Fashion Fascias have been disappointing since the acquisition. Although progress is being made, it has been necessary to impair the goodwill carried forward from this acquisition by £2.0 million, reducing it from £4.6 million to £2.6 million.

The ex Hargreaves Airports stores were acquired in the current year and the £4.0 million initial goodwill arising from this trade and asset purchase has been impaired by £2.0 million to £2.0 million reflecting disappointing trading since acquisition. For the purposes of assessing goodwill fair values, current expectations are that concession agreements will not be extended. This assumption has been made based on the experience at Stansted Airport where BAA would not renew the concession agreement on the landside store as the space was required for additional security measures.

The lease variation costs are incurred in negotiating break options in onerous leases for stores in Oxford Street and Bluewater. The onerous lease costs provision net charge of £1.5 million comprises a charge of £1.8 million on four overrented trading stores and a credit of £0.3 million on vacant stores. The impairment charge is on a further four Sports stores and two Fashion stores which are earmarked for disposal if suitable deals can be negotiated.

Net financing costs

Net financing costs are down from £3.5 million to £2.3 million as a result of continuing debt reduction.

Debt reduction and working capital

Year end net debt of £13.2 million in the previous year was eliminated and replaced by net cash balances of £10.9 million, an improvement of £24.1 million after acquisitions and dividends. Free cash flow generated in the last three years has been in excess of £92 million.

Stocks were reduced in the year by a further £4.7 million and the other net working capital movements were small. Suppliers continue to be paid to agreed terms and settlement discounts are taken.

STORE PORTFOLIO

Since March 2004, we have been working hard to rationalise our store portfolio and it is pleasing to be reporting further substantial progress this year and at a net cost below our expectations. We have closed a further 34 underperforming stores during the period and a further nine stores have already been closed since the year end. At this time last year, we indicated that this process would take at least a further year and it has not been made any easier by the number of retailers who are either ceasing trading or having to rationalise their portfolios nor by the number of new retail developments opening or in the pipeline. Therefore, we believe that it will take another year to see us through the major rationalisation programme though a fast moving environment, higher interest rates and the danger of assignments failing means that this continues to be a challenge and one for which the cost is difficult to estimate.

During the year store numbers moved as follows:

Sports Fascias

	Units	'000 sq ft
Start of year	370	1,133
New stores	7	14
Additional Allsports assignment	1	5
Hargreaves Airport stores	14	15
Conversions to Fashion (incl. three ex Allsports)	(4)	(5)
Closures	(26)	(64)
Close of year	362	1,098

Fashion Fascias

	Units	'000 sq ft
Start of year	46	144
New stores	2	7
Conversions to Fashion (incl. three ex Allsports)	4	5
Closures	(8)	(39)
Close of year	44	117

DIVIDENDS AND EARNINGS PER ORDINARY SHARE

The Board proposes paying a final dividend of 4.80p (2006: 4.60p) bringing the total dividend payable for the year to 7.20p (2006: 6.90p) per ordinary share. The proposed final dividend will be paid on 30 July 2007 to all shareholders on the register at 11 May 2007.

The adjusted earnings per ordinary share before exceptional items is 36.41p (2006: 25.32p).

The basic earnings per ordinary share was 21.52p (2006: 4.92p).

CURRENT TRADING AND OUTLOOK

Trading since the year end has been encouraging with like for like sales for the Sports Fascias excluding the ex Hargreaves Airport stores for the 12 weeks ended 21 April 2007 being up 8.1%. The Fashion Fascias had a particularly difficult period in February 2007 and its like for like sales for the same 12 week period were down 2.1%. The Group like for like sales for this 12 week period are therefore up 7.5%.

It is the Board's view that the recent good weather and the store rationalisation programme have considerably enhanced these figures and that these benefits are unlikely to continue to the same degree in the remainder of the year. In addition, we will shortly be coming up against World Cup comparatives and interest rate increases are expected to have more impact later in the year.

Overall, the Board expects a further improvement in the Group's results for the first half of the current year but remains aware of the more challenging environment which is likely to prevail in the balance of the year.

EMPLOYEES

The Group continues to enjoy the support of a dedicated and large workforce without whom our continued improvement in performance could not be delivered. The retail environment is a tough one to work in and the Board appreciates the hard work and commitment which has led to these results in all our shops, offices and warehouses. Thank you to everybody concerned.

Peter Cowgill
Executive Chairman
26 April 2007

CONSOLIDATED INCOME STATEMENT
for the 52 weeks ended 27 January 2007

	Note	52 weeks to 27 January 2007 Continuing Operations £000	52 weeks to 28 January 2006 Continuing Operations £000
REVENUE		530,581	490,288
Cost of sales		(278,331)	(263,608)
GROSS PROFIT		252,250	226,680
Selling and distribution expenses - normal		(209,270)	(192,730)
Selling and distribution expenses - exceptional		(3,799)	(11,206)
Administrative expenses - normal		(17,409)	(15,438)
Administrative expenses - exceptional		(4,000)	(1,777)
Other operating income		1,730	1,609
OPERATING PROFIT BEFORE FINANCING		19,502	7,138
Before exceptional items		27,301	20,121
Exceptional items	2	(7,799)	(12,983)
OPERATING PROFIT BEFORE FINANCING		19,502	7,138
Financial income		177	230
Financial expenses		(2,412)	(3,718)
PROFIT BEFORE TAX		17,267	3,650
Income tax expense		(6,879)	(1,302)
PROFIT FOR THE PERIOD		10,388	2,348
Basic earnings per ordinary share	3	21.52p	4.92p
Diluted earnings per ordinary share	3	21.52p	4.92p

The Group has no recognised gains or losses other than the results reported above.

CONSOLIDATED BALANCE SHEET
as at 27 January 2007

	As at 27 January 2007 £000	As at 28 January 2006 £000 Restated (1)
ASSETS		
Intangible assets	20,562	20,517
Property, plant and equipment	41,919	49,040
Other receivables	2,753	2,515
TOTAL NON-CURRENT ASSETS	65,234	72,072
Inventories	51,469	56,168
Income tax receivable	-	1,736
Trade and other receivables	13,012	12,539
Cash and cash equivalents	11,230	9,336
TOTAL CURRENT ASSETS	75,711	79,779
TOTAL ASSETS	140,945	151,851
LIABILITIES		
Interest bearing loans and borrowings	(106)	(12,178)
Trade and other payables	(58,849)	(56,202)
Provisions	(2,130)	(2,569)
Income tax liabilities	(3,477)	-
TOTAL CURRENT LIABILITIES	(64,562)	(70,949)
Interest bearing loans and borrowings	(192)	(10,405)
Other payables	(8,189)	(9,299)
Provisions	(4,829)	(4,988)
Deferred tax liabilities	(1,571)	(1,617)
TOTAL NON-CURRENT LIABILITIES	(14,781)	(26,309)
TOTAL LIABILITIES	(79,343)	(97,258)
TOTAL ASSETS LESS TOTAL LIABILITIES	61,602	54,593
CAPITAL AND RESERVES		
Issued ordinary share capital	2,413	2,413
Share premium	10,823	10,823
Retained earnings	48,366	41,357
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	61,602	54,593

(1) The Consolidated Balance Sheet at 28 January 2006 has been restated in accordance with IFRS3 "Business Combinations" to reflect fair value adjustments made on the acquisition of Allsports during the hindsight period.

RECONCILIATION OF MOVEMENT IN CAPITAL AND RESERVES
as at 27 January 2007

	Issued Ordinary Share Capital £000	Share Premium £000	Retained Earnings £000	Total Equity £000
Balance at 29 January 2005	2,364	9,042	42,194	53,600
Issue of ordinary share capital	37	1,160	-	1,197

Total recognised income and expense	-	-	2,348	2,348
Dividends	-	-	(3,185)	(3,185)
Irrevocable dividend waiver	12	621	-	633
Balance at 28 January 2006	2,413	10,823	41,357	54,593
Total recognised income and expense	-	-	10,388	10,388
Dividends	-	-	(3,379)	(3,379)
Balance at 27 January 2007	2,413	10,823	48,366	61,602

CONSOLIDATED STATEMENT OF CASH FLOWS
for the 52 weeks ended 27 January 2007

	52 weeks to 27 January 2007 £000	52 weeks to 28 January 2006 £000 Restated (1)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	10,388	2,348
Income tax expense	6,879	1,302
Financial expenses	2,412	3,718
Financial income	(177)	(230)
Depreciation of property, plant and equipment	11,451	10,236
Impairment of property, plant and equipment	1,482	3,172
Amortisation of non-current other receivables	437	396
Impairment of non-current other receivables	-	34
Impairment of intangible assets	4,000	-
Profit on disposal of non-current assets	(1,491)	(676)
Decrease in inventories	5,299	10,585
(Increase) / Decrease in trade and other receivables	(475)	669
Increase in trade and other payables and provisions	1,488	13,895
Interest paid	(2,412)	(3,718)
Income taxes paid	(1,712)	(2,841)
NET CASH FROM OPERATING ACTIVITIES	37,569	38,890
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	177	230
Proceeds from sale of non-current assets	11,099	1,782
Disposal costs of non-current assets	(2,188)	(683)
Acquisition of property, plant and equipment	(13,665)	(6,566)
Acquisition of non-current other receivables	(434)	(261)
Cash consideration of acquisitions	(5,000)	(14,520)
Net cash balances acquired on acquisitions	-	3
NET CASH USED IN INVESTING ACTIVITIES	(10,011)	(20,015)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of ordinary share capital	-	1,197
Repayment of interest bearing loans and borrowings	(22,000)	(12,500)
Payment of finance lease and hire purchase contracts	(285)	(415)
Dividends paid	(3,379)	(2,552)
NET CASH USED IN FINANCING ACTIVITIES	(25,664)	(14,270)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,894	4,605

(1) The Consolidated Statement of Cashflows for the 52 weeks to 28 January 2006 has been restated in accordance with IFRS3 "Business Combinations" to reflect fair value adjustments made on the acquisition of Allsports during the hindsight period.

ANALYSIS OF NET DEBT
for the 52 weeks ended 27 January 2007

	At 28		Other non	At 27

	January 2006 £000	Cashflow £000	cash changes £000	January 2007 £000
Cash at bank and in hand	9,336	2,098	-	11,434
Overdraft	-	(204)	-	(204)
Cash and cash equivalents	9,336	1,894	-	11,230
Interest bearing loans and borrowings				
Current	(12,000)	12,000	-	-
Non-current	(10,000)	10,000	-	-
Loan notes	(287)	-	-	(287)
Finance lease and hire purchase contracts	(296)	285	-	(11)
	(13,247)	24,179	-	10,932

1. SEGMENTAL ANALYSIS

The Group manages its business activities through two Divisions - Sport and Fashion. Each Division has its own executive board responsible for managing day to day operations through its trading outlets. Revenue and costs are readily identifiable for each segment, for the 52 weeks ended 27 January 2007.

The Divisional results for the 52 weeks to 27 January 2007 are as follows:

INCOME STATEMENT	Sport £000	Fashion £000	Unallocated £000	Total £000
Revenue	492,833	37,748	-	530,581
Operating profit/(loss) before financing and exceptional items	29,658	(2,357)	-	27,301
Exceptional items	(4,786)	(3,013)	-	(7,799)
Financial income	-	-	177	177
Financial expenses	-	-	(2,412)	(2,412)
Profit/(loss) before tax	24,872	(5,370)	(2,235)	17,267

The Board consider that net funding costs are cross-divisional in nature and cannot be allocated between the Divisions in a meaningful way.

BALANCE SHEET	Sport £000	Fashion £000	Unallocated £000	Total £000
Total assets	110,792	14,253	15,900	140,945
Total liabilities	(54,650)	(19,645)	(5,048)	(79,343)

Unallocated assets and liabilities relate to items which are cross-divisional including tax, elements of goodwill and bank debt.

OTHER SEGMENT INFORMATION	Sport £000	Fashion £000	Unallocated £000	Total £000
Capital expenditure:				
Property, plant and equipment	11,045	2,620	-	13,665
Non-current other receivables	339	95	-	434
Goodwill on acquisition	4,045	-	-	4,045
Depreciation, amortisation and impairments:				
Depreciation	10,211	1,238	-	11,449
Amortisation of non-current other receivables	412	25	-	437
Impairments of intangible assets	2,000	2,000	-	4,000
Impairments of property, plant and equipment	840	642	-	1,482

The restated comparative Divisional results for the 52 weeks to 28 January 2006 are as follows:

INCOME STATEMENT	Sport £000	Fashion £000	Unallocated £000	Total £000
Revenue	448,884	41,404	-	490,288
Operating profit/(loss) before financing and exceptional items	22,659	(2,538)	-	20,121
Exceptional items	(8,716)	(4,267)	-	(12,983)
Financial income	-	-	230	230
Financial expenses	-	-	(3,718)	(3,718)
Profit/(loss) before tax	13,943	(6,805)	(3,488)	3,650

The Board consider that net funding costs are cross-divisional in nature and cannot be allocated between the Divisions in a meaningful way.

BALANCE SHEET (Restated)	Sport £000	Fashion £000	Unallocated £000	Total £000
Total assets	114,262	15,336	22,253	151,851
Total liabilities	(54,103)	(19,490)	(23,665)	(97,258)

Unallocated assets and liabilities relate to items which are cross-divisional including tax, goodwill and net debt.

OTHER SEGMENT INFORMATION	Sport £000	Fashion £000	Unallocated £000	Total £000
Capital expenditure:				
Property, plant and equipment	4,786	1,780	-	6,566
Non-current other receivables	192	69	-	261
Goodwill on acquisition (Restated)	-	-	924	924
Depreciation, amortisation and impairments:				
Depreciation	9,121	1,115	-	10,236
Amortisation of non-current other receivables	363	33	-	396
Impairments of property, plant and equipment	1,605	1,567	-	3,172
Impairments of non-current other receivables	23	11	-	34

The Segmental Analysis for the 52 weeks to 28 January 2006 has been restated in accordance with IFRS3 "Business Combinations" to reflect fair value adjustments made on the acquisition of Allsports during the hindsight period.

The financial operation and assets of the Group are principally located in the United Kingdom. Accordingly, no geographical analysis is presented.

2. EXCEPTIONAL ITEMS

	52 weeks to 27 January 2007 £000	52 weeks to 28 January 2006 £000
Profit on disposal of non-current assets	(1,491)	(676)
Provision for rentals on onerous property leases	1,558	6,954
Impairment of intangible assets	4,000	-
Impairment of property, plant and equipment	1,482	3,172
Impairment of non-current other receivables	-	34
Lease variation costs	2,250	1,722
Allsports restructuring costs	-	1,777
	7,799	12,983

Non-current other receivables comprises legal fees and other costs associated with the acquisition of leasehold interests.

3. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 27 January 2007 is based on the profit attributable to ordinary shareholders of £10,388,000 (2006: £2,348,000) and a weighted average number of ordinary shares outstanding during the 52 weeks ended 27 January 2007 of 48,263,434 (2006: 47,721,276), calculated as follows:

	52 weeks to 27 January 2007	52 weeks to 28 January 2006
Issued ordinary shares at beginning of period	48,263,434	47,276,628
Effect of shares issued during the period	-	444,648
Weighted average number of ordinary shares during the period	48,263,434	47,721,276

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 27 January 2007 is based on the profit attributable to ordinary shareholders of £10,388,000 (2006: £2,348,000) and a weighted average number of ordinary shares outstanding during the 52 weeks ended 27 January 2007 of 48,263,434 (2006: 47,721,276), calculated as follows:

	52 weeks to 27 January 2007	52 weeks to 28 January 2006
Weighted average number of ordinary shares during the period	48,263,434	47,721,276
Dilutive effect of outstanding share options	-	-
Weighted average number of ordinary shares (diluted) during the period	48,263,434	47,721,276

Adjusted basic earnings per ordinary share

Adjusted basic earnings per ordinary share has been based on the profit attributable to ordinary shareholders 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	52 weeks to 27 January 2007 £000	52 weeks to 28 January 2006 £000
Profit attributable to ordinary shareholders		10,388	2,348
Exceptional items excluding profit on disposal of non-current assets	2	9,290	13,659
Tax relating to exceptional items		(2,107)	(3,925)
Profit attributable to ordinary shareholders excluding exceptional items		17,571	12,082
Adjusted basic earnings per ordinary share		36.41p	25.32p

4. ACCOUNTS

These figures are abridged versions of the Group's full accounts for the 52 weeks ended 27 January 2007 and do not constitute the Group's statutory accounts within the meaning of Section 240 of the Companies Act 1985. The Group's auditors have audited the statutory accounts for the Group and have issued an unqualified audit opinion thereon within the meaning of Section 235 of the Companies Act 1985 and have not made any statement under Section 237(2) or (3) of the Companies Act 1985 for the 52 weeks ended 27 January 2007.

The comparative figures for the 52 weeks ended 28 January 2006 do not constitute the Group's consolidated financial statements for that financial period. Those accounts have been reported on by the Group's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain statements under Section 237(2) or (3) of the Companies Act 1985. These accounts were delivered to the Registrar of Companies following the Annual General Meeting.

Copies of full accounts will be sent to shareholders in due course. Additional copies will be available from The John David Group Plc, Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR or online at www.thejohndavidgroup.com.