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RNS Number:4914E
John David Group (The) PLC
26 September 2007

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THE JOHN DAVID GROUP PLC
INTERIM RESULTS
FOR THE TWENTY SIX WEEKS TO 28 JULY 2007

The John David Group Plc (the "Group"), the leading retailer of sport and athletic inspired fashion apparel and footwear, today announces its Interim Results for the 26 weeks ended 28 July 2007 (comparative figures are shown for the 26 week period ended 29 July 2006):

HIGHLIGHTS

	H1 2007 £000	H1 2006 £000	% Change
Revenue	250,495	235,932	+6.2%
Gross profit %	48.0%	47.4%	+0.6%
Operating profit (before net financing costs and exceptional items)	8,459	4,378	+93.2%
Profit before tax and exceptional items	8,074	3,130	+158.0%
Exceptional items	(2,746)	99	
Operating profit	5,713	4,477	+27.6%
Profit before tax	5,328	3,229	+65.0%
Basic earnings per ordinary share	7.29p	4.45p	+63.8%
Adjusted basic earnings per ordinary share (see note 6)	8.63p	6.21p	+39.0%
Interim dividend payable per ordinary share	2.50p	2.40p	+4.2%
Net cash/(debt) at end of period (see note 7)	7,122	(24,866)	

- Total Group revenue increased by 6.2% in the period and by 9.4% on a like for like basis.

- Gross margin improved from 47.4% to 48.0%, reflecting the continuing benefits of better stock management and efforts to improve bought in margin as well as increasing own brand share.

- Group profit before tax and exceptional items increased to £8.1 million (2006: £3.1 million).

- Total Group like for like sales cumulatively to 22 September 2007 now up 11.8% (12.3% Sports Fascias; 3.3% Fashion Fascias).

Peter Cowgill, Executive Chairman, said:

"Trading since the period end has been highly satisfactory with year to date like for like sales to 22 September 2007 in the Sports Fascias now up by 12.3% cumulatively. The Fashion Fascias like for like sales for the same period are now up by 3.3%. Overall the Board expects the results to continue to be satisfactory with trading for the year to date running moderately ahead of current market expectations. As always, the final result remains heavily dependent upon sales performance during the key Christmas trading period."

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EXECUTIVE CHAIRMAN'S STATEMENT

INTRODUCTION

The 26 week period to 28 July 2007 has been one of sustained like for like sales improvement in our core Sports Fascias which has continued in the ensuing period to date in spite of our expectation of tightening in the economy. This has driven a substantial enhancement in Group performance and continued very positive cashflow trends. This has enabled us to embark on an accelerated store refurbishment programme as well as continuing to tackle the disposal of the remaining underperforming stores. The results of the Fashion Fascias are stronger, aided by improvements in the store portfolio, although it may take until 2009 for profitability to be achieved.

Our continued progress has resulted in an improved profit before tax and exceptional items of £8.1 million (2006: £3.1 million).

Profit before tax in the period was £5.3 million (2006: £3.2 million) after a net exceptional charge of £2.8 million (2006: exceptional credit £0.1 million). The charge relates to property portfolio rationalisation costs, which remains a major priority for the balance of this year. Further such action will result in an exceptional charge in the second half of the current year. However, the programme is now nearing completion.

Profit for the period after taxation was £3.5 million (2006: £2.1 million).

SPORTS FASCIAS

The Sports Fascias have continued to trade very positively. This performance is the result of continuous fine tuning of our major brand and own brand product offer to maintain levels of exclusivity and fashionability combined with our strategy of improving our store portfolio. We are now seeing the benefits of rationalising the acquired store portfolios and have also embarked on an accelerated programme of store refurbishments after trialling a number of new storefit types. Last year most store refurbishment activity was concentrated on the Allsports stores, which we acquired in October 2005, although this year we anticipate refurbishing 28 stores from the rest of the portfolio. This programme will continue next year. We also expect to open at least 10 new stores in the current year. Consequently, gross capital investment will exceed the depreciation charge in the current year.

Another major initiative during the current year is the development of a more sophisticated approach to merchandising involving new systems, the first part of which will go live in the second half of this year. This has necessitated a considerable investment in people and training. It is expected that this will allow us to sustain the improvement in the freshness of retail stock achieved in the recent past and to ensure that localised stock service is much enhanced, therefore also reducing the need for very high levels of internal stock movements.

FASHION FASCIAS

We have consistently stated that the Fashion Fascias would only provide profit to the business if some of the larger rented and over rented stores could be disposed. Good progress has been made in this portfolio rationalisation with the disposal of five further underperforming stores including Glasgow Open in September. Nevertheless it could still take until 2009 to completely eliminate underperforming stores and losses in these Fascias. Of the original JD Fashion stores, only two have not now been converted to Scotts.

Stocks and overheads have been well controlled and operating margins have been improved, principally as a result of the continuing move to a more efficiently structured property portfolio.

Whilst progress has been made in the Fashion Fascias, which represented less than 6% of turnover in the first half, these stores will still make a substantial though reduced loss in the current year. Nevertheless, the outlook for these Fascias is improving slowly.

GROUP PERFORMANCE

Revenue, gross margin and overheads

Total Group revenue increased by 6.2% in the period to £250.5 million (2006: £235.9 million) and by 9.4% on a like for like basis.

Revenue increased by 9.9% on a like for like basis in the Sports Fascias. The Fashion Fascias like for like sales performance was up 2.1% cumulatively in the half year period.

Group gross margin increased in the period from 47.4% to 48.0% reflecting the benefits of better stock management, continuing efforts to improve bought in margin and increased own brand sales in the Sports Fascias.

Overheads (excluding exceptional items) net of other operating income, which include some Allsports integration costs, improved to 44.7% of sales (2006: 45.5%), as a result of increased turnover and improving property cost ratios. There have been planned increases in marketing and merchandising overheads in excess of sales growth to achieve the improvement in results.

Operating profits and results

Group operating profit (before net financing costs and exceptional items) increased to £8.5 million (2006: £4.4 million). The Group operating profit margin (before net financing costs and exceptional items) for the first half of the year has therefore increased from 1.9% to 3.4%.

As a result of an exceptional charge of £2.8 million (2006: credit of £0.1 million), operating profit after exceptional items but before net financing costs was £5.7 million (2006: £4.5 million). The exceptional items comprise:

	£m
Impairment of store fixed assets	0.9
Lease variation costs	1.0
Net release of onerous lease provisions	(1.0)
Loss on disposal of non-current assets	1.9
Total	2.8

The net release of onerous lease costs comprises a £2.7 million release related almost entirely to one trading store after a lease variation gave us the option to dispose of it, offset by a net charge to the provision for vacant stores. This charge is principally as a result of the relocation of three stores in Middlesborough, Wigan and Warrington and a failed ex First Sport store assignment in Maidstone.

Profit before tax in the period was £5.3 million (2006: £3.2 million).

Debt reduction and working capital

Net debt was eliminated at 28 July 2007 and replaced by net cash of £7.1 million (2006: net debt £24.9 million). The Group continues to draw on its working capital facilities at the seasonal peaks for its working capital requirements.

Inventories have reduced to £56.2 million at 28 July 2007 from £62.2 million at 29 July 2006. Trade creditors continue to be paid to terms to maximise settlement discounts.

STORE PORTFOLIO

Group store numbers reduced in the period from 406 to 392 and the total retail square footage decreased from 1,215,000 sq ft to 1,199,000 sq ft. The split between the Sport and Fashion Fascias is as follows:

Sport

	No. of stores	Retail ('000 sq ft)
At 28 January 2007	362	1,098
New stores	4	16
Disposals	(14)	(26)
At 28 July 2007	352	1,088

Fashion

	No. of stores	Retail ('000 sq ft)
At 28 January 2007	44	117
Disposals	(4)	(6)
At 28 July 2007	40	111

DIVIDENDS AND EARNINGS PER ORDINARY SHARE

The Board has, in the light of the improved first half trading performance, decided to propose an increased interim dividend of 2.50p per ordinary share (2006: 2.40p). The dividend will be paid on 11 January 2008 to shareholders on the register as at close of business on 7 December 2007. The Board wishes to retain funding flexibility in the business to allow it to make strategic acquisitions if such opportunities arise and to continue the store investment programme.

The adjusted basic earnings per ordinary share before exceptional items are 8.63p (2006: 6.21p).

The basic earnings per ordinary share are 7.29p (2006: 4.45p).

CURRENT TRADING AND OUTLOOK

Trading since the period end has been highly satisfactory with year to date like for like sales to 22 September 2007 in the Sports Fascias now up by 12.3% cumulatively. The Fashion Fascias like for like sales for the same period are now up by 3.3%. Overall the Board expects the results to continue to be satisfactory with trading for the year to date running moderately ahead of current market expectations. As always, the final result remains heavily dependent upon sales performance during the key Christmas trading period.

EMPLOYEES

This year has so far seen considerable progress in performance again and we believe that this is down to the contribution of all our employees, assisted by increasing investment in training and communications. Nevertheless, this progress would not have happened without the considerable commitment of all our staff and management. The Board extends its thanks to all involved.

Peter Cowgill
Executive Chairman
26 September 2007

CONSOLIDATED INCOME STATEMENT
FOR THE 26 WEEKS ENDED 28 JULY 2007

	Note	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
REVENUE	2	250,495	235,932	530,581
Cost of sales		(130,179)	(124,057)	(278,331)
GROSS PROFIT		120,316	111,875	252,250
Selling and distribution expenses - normal		(103,551)	(101,035)	(209,270)
Selling and distribution expenses - exceptional	3	(2,746)	99	(3,799)
Selling and distribution expenses		(106,297)	(100,936)	(213,069)
Administrative expenses - normal		(8,784)	(7,362)	(17,409)
Administrative expenses - exceptional	3	-	-	(4,000)
Administrative expenses		(8,784)	(7,362)	(21,409)
Other operating income		478	900	1,730
OPERATING PROFIT		5,713	4,477	19,502
Before exceptional items		8,459	4,378	27,301
Exceptional items	3	(2,746)	99	(7,799)
OPERATING PROFIT		5,713	4,477	19,502
Financial income		118	70	177
Financial expenses		(503)	(1,318)	(2,412)
PROFIT BEFORE TAX		5,328	3,229	17,267
Income tax expense	4	(1,812)	(1,083)	(6,879)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		3,516	2,146	10,388
Basic and diluted earnings per ordinary share	6	7.29p	4.45p	21.52p

GROUP STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE 26 WEEKS ENDED 28 JULY 2007

The Group has no material recognised gains or losses during the current or previous period other than the results reported above.

CONSOLIDATED BALANCE SHEET
AS AT 28 JULY 2007

	Note	Unaudited As at 28 July 2007 £000	Unaudited As at 29 July 2006 £000	As at 27 January 2007 £000
ASSETS				
Intangible assets		20,562	25,316	20,562
Property, plant and equipment		43,294	47,548	41,919
Other receivables		2,710	2,747	2,753
TOTAL NON-CURRENT ASSETS		66,566	75,611	65,234

	Note			
Inventories		56,169	62,180	51,469
Income tax receivable		-	899	-
Trade and other receivables		13,986	12,672	13,012
Cash and cash equivalents	7	7,374	4,450	11,230
TOTAL CURRENT ASSETS		77,529	80,201	75,711
TOTAL ASSETS		144,095	155,812	140,945
LIABILITIES				
Interest-bearing loans and borrowings		(85)	(29,029)	(106)
Trade and other payables		(63,871)	(54,254)	(58,849)
Provisions		(1,590)	(2,439)	(2,130)
Income tax liabilities		(1,884)	-	(3,477)
TOTAL CURRENT LIABILITIES		(67,430)	(85,722)	(64,562)
Interest-bearing loans and borrowings		(167)	(287)	(192)
Other payables		(8,454)	(8,207)	(8,189)
Provisions		(3,487)	(5,427)	(4,829)
Deferred tax liabilities		(1,756)	(1,651)	(1,571)
TOTAL NON-CURRENT LIABILITIES		(13,864)	(15,572)	(14,781)
TOTAL LIABILITIES		(81,294)	(101,294)	(79,343)
TOTAL ASSETS LESS TOTAL LIABILITIES		62,801	54,518	61,602
CAPITAL AND RESERVES				
Issued ordinary share capital	8	2,413	2,413	2,413
Share premium	8	10,823	10,823	10,823
Retained earnings	8	49,565	41,282	48,366
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		62,801	54,518	61,602

CONSOLIDATED CASH FLOW STATEMENT
FOR THE 26 WEEKS ENDED 28 JULY 2007

	Note	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the period		3,516	2,146	10,388
Income tax expense	4	1,812	1,083	6,879
Financial expenses		503	1,318	2,412
Financial income		(118)	(70)	(177)
Depreciation and amortisation of non-current assets		5,348	5,395	11,888
Impairment of non-current assets		908	-	5,482
Loss/(profit) on disposal of non-current assets	3	1,892	(1,315)	(1,491)
(Increase)/decrease in inventories		(4,700)	(5,412)	5,299
Increase in trade and other receivables		(974)	(633)	(475)
Increase/(decrease) in trade and other payables and provisions		1,141	(4,363)	1,488
Interest paid		(503)	(1,318)	(2,412)
Income taxes paid		(3,220)	(258)	(1,712)

NET CASH FROM/(USED IN) OPERATING ACTIVITIES		5,605	(3,427)	37,569
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received		118	70	177
Proceeds from sale of non-current assets		1,231	3,972	11,099
Disposal costs of non-current assets		(1,695)	(340)	(2,188)
Acquisition of non-current assets		(9,069)	(6,896)	(14,099)
Cash consideration of acquisitions		-	(4,998)	(5,000)
NET CASH USED IN INVESTING ACTIVITIES		(9,415)	(8,192)	(10,011)
CASH FLOWS FROM FINANCING ACTIVITIES				
(Repayment)/drawdown of interest-bearing loans and borrowings		(37)	7,000	(22,000)
Payment of finance lease and similar hire purchase contracts		(9)	(267)	(285)
Dividends paid		-	-	(3,379)
NET CASH (USED IN)/FROM FINANCING ACTIVITIE		(46)	6,733	(25,664)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	7	(3,856)	(4,886)	1,894

1. BASIS OF PREPARATION

The John David Group plc (the 'Company') is a company incorporated and domiciled in the United Kingdom. The consolidated half-year financial report for the period ended 28 July 2007 represents that of the Company and its subsidiaries (together referred to as the 'Group').

The half-year financial report was authorised for issue by the Board of Directors on 26 September 2007.

As required by the Disclosure and Transparency Rules of the UK's Financial Services Authority, the half-year financial report has been prepared by applying the accounting policies and presentation that were applied in the preparation of the Company's published consolidated financial statements for the financial year ended 27 January 2007, which were prepared in accordance with International Financial Reporting Standards as adopted by the EU.

In the current financial year, the Group will adopt IFRS 7 'Financial Instruments: Disclosures'. As this is a disclosure standard, there is no impact on the half-year financial report.

The half-year financial report is prepared in accordance with the EU endorsed standard IAS 34 'Interim Financial Reporting'. The comparative figures for the financial year ended 27 January 2007 are not the Group's statutory accounts for that financial year. Those accounts have been reported on by the Group's Auditor and delivered to the Registrar of Companies. The Report of the Auditor was (i) unqualified, (ii) did not include a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

The information contained in the half-year financial report for the 26-week period ended 28 July 2007 and 29 July 2006 is unaudited.

2. SEGMENTAL ANALYSIS

The Group manages its business activities through two divisions - Sport and Fashion. Revenue and costs are readily identifiable for each segment.

The divisional results for the 26 weeks to 28 July 2007 are as follows:

	Unaudited Sport £000	Unaudited Fashion £000	Unaudited Total £000
Revenue	236,172	14,323	250,495
Operating profit/(loss) before financing and exceptional items	10,638	(2,179)	8,459
Exceptional items	(3,512)	766	(2,746)
Operating profit/(loss)	7,126	(1,413)	5,713
Financial income			118
Financial expenses			(503)
Profit before tax			5,328
Income tax expense			(1,812)
Profit for the period			3,516

The Board consider that net funding costs and income tax are cross divisional in nature and cannot be allocated between the divisions on a meaningful basis.

The comparative divisional results for the 26 weeks to 29 July 2006 are as follows:

	Unaudited Sport £000	Unaudited Fashion £000	Unaudited Total £000
Revenue	219,556	16,376	235,932
Operating profit/(loss) before financing and exceptional items	7,390	(3,012)	4,378
Exceptional items	(1,728)	1,827	99
Operating profit/(loss)	5,662	(1,185)	4,477
Financial income			70
Financial expenses			(1,318)
Profit before tax			3,229
Income tax expense			(1,083)
Profit for the period			2,146

The Board consider that net funding costs and income tax are cross divisional in nature and cannot be allocated between the divisions on a meaningful basis.

3. EXCEPTIONAL ITEMS

	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
Loss/(profit) on disposal of non-current assets	1,892	(1,315)	(1,491)
Provision for rentals on onerous property leases	(1,092)	1,216	1,558
Impairment of property, plant and equipment	832	-	1,482
Impairment of non-current other receivables	76	-	-
Lease variation costs (i)	1,038	-	2,250
Selling and distribution expenses - exceptional	2,746	(99)	3,799

Impairments of intangible assets	-	-	4,000
Administrative expenses - exceptional	-	-	4,000
Exceptional expense/(credit)	2,746	(99)	7,799

(i) Lease variation costs represent the cost of varying an onerous lease to create a break option.

4. INCOME TAX EXPENSE

	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
Current tax			
UK corporation tax at 30% (2006: 30%)	1,627	1,096	6,637
Adjustment relating to prior periods	-	-	288
Total current tax charge	1,627	1,096	6,925
Deferred tax			
Deferred tax (origination and reversal of temporary differences)	185	(13)	641
Adjustments relating to prior periods	-	-	(687)
Total deferred tax charge/(credit)	185	(13)	(46)
Income tax expense	1,812	1,083	6,879

5. DIVIDENDS

After the balance sheet date the following dividends were proposed by the Directors. The dividends were not provided for at the balance sheet date.

	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
2.50p per ordinary share (29 July 2006: 2.40p, 27 January 2007: 4.80p)	1,207	1,158	2,317

DIVIDENDS ON ISSUED ORDINARY SHARE CAPITAL

	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
Final dividend of 4.80p (2006: 4.60p) per qualifying ordinary share approved in respect of prior period, but not recognised as a liability in that period	2,317	2,221	2,221
Interim dividend of 2.40p per qualifying ordinary share paid in respect of 52 week period ended 27 January 2007	-	-	1,158
	2,317	2,221	3,379

6. EARNINGS PER ORDINARY SHARE

BASIC AND DILUTED EARNINGS PER ORDINARY SHARE

The calculation of basic and diluted earnings per ordinary share at 28 July 2007 is based on the profit for the period attributable to equity holders of the parent of £3,516,000 (29 July 2006: £2,146,000, 27 January 2007: £10,388,000) and a weighted average number of ordinary shares outstanding during the 26 weeks ended 28 July 2007 of 48,263,434 (29 July 2006 and 27 January 2007: 48,263,434), calculated as follows:

	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
Issued ordinary shares at beginning of period	48,263,434	48,263,434	48,263,434
Effect of shares issued during the period	-	-	-
Weighted average number of ordinary shares during the period - basic and diluted	48,263,434	48,263,434	48,263,434

ADJUSTED BASIC EARNINGS PER ORDINARY SHARE

Adjusted basic earnings per ordinary share has 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.

	Unaudited 26 weeks to 28 July 2007 £000	Unaudited 26 weeks to 29 July 2006 £000	52 weeks to 27 January 2007 £000
Profit for the period attributable to equity holders of the parent	3,516	2,146	10,388
Exceptional items excluding profit on disposal of non-current assets	854	1,216	9,290
Tax relating to relevant exceptional items	(207)	(365)	(2,107)
Profit for the period attributable to equity holders of the parent excluding exceptional items	4,163	2,997	17,571
Adjusted basic earnings per ordinary share	8.63p	6.21p	36.41p

7. ANALYSIS OF NET DEBT

	At 27 January 2007 £000	Unaudited Cashflow £000	Unaudited At 28 July 2007 £000
Bank balances and cash floats	11,230	(3,856)	7,374
Cash and cash equivalents	11,230	(3,856)	7,374
Interest-bearing loans and borrowings:			
Loan notes	(287)	37	(250)
Finance leases and similar hire purchase contracts	(11)	9	(2)
	10,932	(3,810)	7,122

8. CAPITAL AND RESERVES

RECONCILIATION OF MOVEMENT IN CAPITAL AND RESERVES

UNAUDITED	Ordinary Share Capital £000	Share Premium £000	Retained Earnings £000	Total Equity £000
Balance at 27 January 2007	2,413	10,823	48,366	61,602
Total recognised income and expense	-	-	3,516	3,516
Dividends to shareholders (see note 5)	-	-	(2,317)	(2,317)
Balance at 28 July 2007	2,413	10,823	49,565	62,801

UNAUDITED	Ordinary Share Capital £000	Share Premium £000	Retained Earnings £000	Total Equity £000
Balance at 28 January 2006	2,413	10,823	41,357	54,593
Total recognised income and expense	-	-	2,146	2,146
Dividends to shareholders (see note 5)	-	-	(2,221)	(2,221)
Balance at 29 July 2006	2,413	10,823	41,282	54,518

9. RELATED PARTY TRANSACTIONS AND BALANCES

RELATED PARTY - PENTLAND GROUP PLC

Pentland Group Plc owns 57% of the issued ordinary share capital of The John David Group Plc.

	Unaudited Value of transactions 26 weeks to 28 July 2007 £000	Unaudited Payable at 28 July 2007 £000	Unaudited Value of transactions 26 weeks to 29 July 2006 £000	Unaudited Payable at 29 July 2006 £000
Concession fee income	(147)	-	(271)	-
Purchase of inventory for retail	(13,005)	(2,857)	(13,447)	(3,015)
Other income	44	-	22	-
Payments (gross including VAT)	(14,400)	-	(14,598)	-
Receipts (gross including VAT)	52	-	26	-

10. HALF-YEAR REPORT

The half-year report will be posted to all shareholders in mid October. Additional copies are available on application to the Company Secretary, The John David Group Plc, Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR, or can be downloaded from our website: www.thejohndavidgroup.com.

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU;
- The interim management report includes a fair review of the information required by:
  a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events during the first six months of the

financial year and their impact on the condensed set of financial statements; and a description of principal risks and uncertainties for the remaining six months of the year; and

b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Brian Small
Secretary

INDEPENDENT REVIEW REPORT TO THE JOHN DAVID GROUP PLC

INTRODUCTION

We have been engaged by the Company to review the condensed set of financial statements in the half-year financial report for the 26 week period ended 28 July 2007 which comprises the Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related explanatory notes. We have read the other information contained in the half-year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ('the DTR') of the UK's Financial Services Authority ('the UK FSA'). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

DIRECTORS' RESPONSIBILITIES

The half-year financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-year financial report in accordance with the DTR of the UK FSA.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-year financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU.

OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-year financial report based on our review.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-year financial report for the 26-week period ended 28 July 2007 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FSA.

KPMG Audit Plc
Chartered Accountants
Preston
26 September 2007