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Part 2 : For preceding part double-click [nRn1V4264Z]

total comprehensive income for the period	-	-	6,984	(598)	4,824	11,210
Dividends to shareholders	-	-	(4,331)	-	-	(4,331)
Balance at 1 August 2009	2,433	11,659	91,031	(594)	4,824	109,353

(continued)	Total equity attributable to equity holders of the Parent £000	Minority interest £000	Total equity £000
Balance at 31 January 2009	102,474	1,295	103,769
profit for the period	6,984	(97)	6,887
Other comprehensive income:			
Exchange differences on translation of foreign operations	(598)	-	(598)
Revaluation of available for sale investments	4,824	-	4,824
total comprehensive income for the period	11,210	(97)	11,113
Dividends to shareholders	(4,331)	-	(4,331)
Balance at 1 August 2009	109,353	1,198	110,551

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

for the 26 weeks ended 1 August 2009

	Note	26 weeks to 1 August 2009 £000	26 weeks to 2 August 2008 £000	52 weeks to 31 January 2009 £000
cash flows from operating activities				
Profit for the period		6,887	6,108	24,510
Share of results of joint venture		800	245	(748)
Income tax expense	4	3,241	3,008	13,707
Financial expenses		318	619	1,210
Financial income		(114)	(227)	(529)
Depreciation and amortisation of non-current assets		7,436	6,441	14,332
Impairment of intangible assets		-	-	2,045
Impairment of non-current assets		105	2,045	2,225
Impairment of available for sale investment		-	-	6,077
Loss on disposal of non-current assets	3	1,286	1,242	2,976
Exchange differences on translation		220	-	(399)
(Increase)/decrease in inventories		(8,464)	(8,764)	(57)
(Increase)/decrease in trade and other receivables		(5,409)	(2,717)	(3,832)
Increase in trade and other payables and provisions		4,614	7,637	9,513
Interest paid		(318)	(619)	(1,210)
Income taxes paid		(7,902)	(8,088)	(15,572)
net cash from operating activities		2,700	6,930	54,248
cash flows from investing activities				
Interest received		114	144	529
Proceeds from sale of non-current assets		313	5	23
Disposal costs of non-current assets		(248)	(636)	(1,271)
Acquisition of property, plant and equipment		(9,331)	(13,257)	(28,019)
Acquisition of non- current other receivables		-	(194)	(810)
Cash consideration of acquisitions net of cash acquired		(7,298)	(1,289)	(1,310)
Acquisition of available for sale investment		-	-	(8,130)
net cash used in investing activities		(16,450)	(15,227)	(38,988)
cash flows from financing activities				
Repayment of interest-bearing loans and borrowings		(1,956)	-	(99)
Payment of finance lease and similar hire purchase contracts		-	(32)	(56)
Dividends paid		-	-	(3,536)
net cash used in financing activities		(1,956)	(32)	(3,691)
net (decrease)/increase in cash and cash equivalents		(15,706)	(8,329)	11,569

1. BASIS OF PREPARATION

JD Sports Fashion Plc (the 'Company') is a company incorporated and domiciled in the United Kingdom. The half-year financial report for the period ended 1 August 2009 represents that of the Company and its subsidiaries (together referred to as the 'Group').

This half-year financial report is an interim management report as required by DTR 4.2.3 of the Disclosure and Transparency Rules of the UK's Financial Services Authority and was authorised for issue by the Board of Directors on 22 September 2009.

The half-year financial report is prepared in accordance with the EU endorsed standard IAS 34 'Interim Financial Reporting'. The comparative figures for the 52 week period to 31 January 2009 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 to 1 August 2009 and 2 August 2008 is unaudited.

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 same accounting policies and presentation that were applied in the preparation of the Company's published consolidated financial statements for the 52 week period to 31 January 2009, except for the policies stated below:

CHANGES IN ACCOUNTING POLICY

The Group applies IAS 1 "Presentation of Financial Statements" (2007) which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. This presentation has been applied in these consolidated interim financial statements as of and for the 26 week period to 1 August 2009. Comparative information has also been restated and there has been no significant impact on the presentation of the financial statements.

As of 1 February 2009 the Group determines and presents operating segments based on the information that internally is provided to the Executive Chairman, who is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of IFRS 8 "Operating Segments". The adoption of IFRS 8 has made no significant impact on the presentation of the financial statements.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the 52 week period to 31 January 2009.

1. BASIS OF PREPARATION (continued)

GOING CONCERN

The Board has considered the risks and uncertainties for the remaining 26 week period to 30 January 2010 and determined that the risks presented in the Annual Report and Accounts 2009, noted below, remain relevant:

* Damage to reputation and brands;
* Property factors;
* Seasonality;
* Economic factors; and
* Personnel.

A major variable, and therefore risk, to the Group's financial performance for the balance of the financial period is the sales and margin performance in the retail fascias, particularly in December and January. Further comment on this and other risks and uncertainties faced by the Group is provided in the Executive Chairman's statement included within this half-year report.

As at 1 August 2009, the Group has net cash balances (cash net of debt) of £5,938,000 and undrawn committed borrowing facilities of £61,000,000. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

PRIOR PERIOD RESTATEMENT

The comparative Condensed Statement of Financial Position as at 2 August 2009 has been restated to reflect the completion in the period to 31 January 2009 of initial accounting in respect of the acquisitions of Bank Fashion Limited and Topgrade Sportswear Limited made in the period to 2 February 2008. Adjustments made to the provisional calculation of the fair value of assets and liabilities acquired have resulted in an increase to goodwill of £863,000 and an increase in minority interests of £107,000. The fair value of assets and liabilities acquired remain unchanged from those disclosed in the Annual Report and Accounts 2009.

2. SEGMENTAL ANALYSIS

The Group has adopted IFRS 8 Operating Segments for the current period. IFRS 8 requires operating 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.

In prior years, segment information reported externally was analysed on the basis of categories of product sold by the Group (Sport or Fashion). However, information reported to the chief operating decision maker is focused more on the nature of the businesses within the Group. The Group's reportable segments under IFRS 8 are as follows:

* Sports retail
* Fashion retail
* Wholesale businesses

Segmental operating profit represents the profit earned by each segment before financial expenses, financial income, the share of results of joint venture and taxation. Certain central administrative costs including Director's salaries are included within the Group's core 'Sports retail' result. This is consistent with the results as reported to the Group's 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.

Information regarding the Group's operating segments for the 26 weeks to 1 August 2009 is reported below.

INCOME STATEMENT	Sports retail £000	Fashion retail £000	Wholesale £000	Eliminations £000	Total £000
revenue	270,042	44,768	10,043	(860)	323,993
Operating profit/(loss) before financing and exceptional items	17,244	(2,763)	(466)	345	14,360
Exceptional items	(2,509)	(730)	11	-	(3,228)
operating profit/(loss)	14,735	(3,493)	(455)	345	

	11,132
Share of results of joint venture	(800)
Financial income	114
Financial expenses	(318)
profit before tax	10,128
Income tax expense	(3,241)
Profit for the period	6,887

Eliminations include the reversal of inter-segment trade and other consolidation entries.

2. SEGMENTAL ANALYSIS (continued)

The comparative segmental results for the 26 weeks to 1 August 2008 is shown below. Comparative information has been restated to conform to the requirements of IFRS 8.

INCOME STATEMENT	Sports retail £000	Fashion retail £000	Wholesale £000	Eliminations £000	Total £000
revenue	252,262	40,333	6,862	(505)	298,952
Operating profit/(loss) before financing and exceptional items	16,180	(3,319)	209	(30)	13,040
Exceptional items	(2,993)	(294)	-	-	(3,287)
operating profit/(loss)	13,187	(3,613)	209	(30)	9,753
Share of results of joint venture					(245)
Financial income					227
Financial expenses					(619)
profit before tax					9,116
Income tax expense					(3,008)
Profit for the period					6,108

The following is an analysis of the Group's assets by operating segment:

TOTAL ASSETS	As at 1 August 2009 £000	As at 31 January 2009 £000
Sports retail	166,036	148,704
Fashion retail	48,026	48,119
Wholesale	13,483	6,727
Total segment assets	227,545	203,550
Unallocated	16,208	17,008
Total assets	243,753	220,558

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of investments in joint ventures, tax assets and elements of goodwill.

3. EXCEPTIONAL ITEMS

	26 weeks to 1 August 2009 £000	26 weeks to 2 August 2008 £000	52 weeks to 31 January 2009 £000
Loss on disposal of non-current assets	1,286	1,242	2,976
Onerous lease provision	1,837	-	3,000
Impairment of non-current assets	105	-	2,225
Selling and distribution expenses - exceptional	3,228	1,242	8,201
Impairment of intangible assets	-	2,045	2,045
Impairment of available for sale investment	-	-	6,077
Administrative expenses - exceptional	-	2,045	8,122
	3,228	3,287	16,323

4. INCOME TAX EXPENSE

	26 weeks to 1 August 2009 £000	26 weeks to 2 August 2008 £000	52 weeks to 31 January 2009 £000
Current tax			
UK corporation tax at 28.0% (2008: 28.3%)	3,030	3,388	14,167
Adjustment relating to prior periods	12	-	25
Total current tax charge	3,042	3,388	14,192
Deferred tax			
Deferred tax (origination and reversal of temporary differences)	199	(380)	87
Adjustments relating to prior periods	-	-	(572)
Total deferred tax charge/(credit)	199	(380)	(485)
Income tax expense	3,241	3,008	13,707

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.

	26 weeks to 1 August	26 weeks to 2 August	52 weeks to 31 January

	2009 £000	2008 £000	2009 £000
3.30p per ordinary share (2 August 2008: 3.10p, 31 January 2009: 8.90p)	1,606	1,496	4,331

DIVIDENDS ON ISSUED ORDINARY SHARE CAPITAL

	26 weeks to 1 August 2009 £000	26 weeks to 2 August 2008 £000	52 weeks to 31 January 2009 £000
Final dividend of8.90p (2008: 6.00p) per qualifying ordinary share approved in respect of prior period, but not recognised as a liability in that period	4,331	2,896	2,896
Interim dividend of 3.10p per qualifying ordinary share paid in respect of 52 week period ended 31 January 2009	-	-	1,496
	4,331	2,896	4,392

6. EARNINGS PER ORDINARY SHARE

BASIC AND DILUTED EARNINGS PER ORDINARY SHARE

The calculation of basic and diluted earnings per ordinary share for the 26 weeks to 1 August 2009 is based on the profit for the period attributable to equity holders of the parent of £6,984,000 (26 weeks to 2 August 2008: £6,010,000; 52 weeks to 31 January 2009: £24,379,000) and a weighted average number of ordinary shares outstanding during the 26 weeks ended 1 August 2009 of 48,661,658 (26 weeks to 2 August 2008: 48,263,434; 52 weeks to 31 January 2009: 48,287,502) calculated as follows:

	26 weeks to 1 August 2009	26 weeks to 2 August 2008	53 weeks to 31 January 2009
Issued ordinary shares at beginning of period	48,661,658	48,263,434	48,263,434
Issued ordinary shares at end of period	48,661,658	48,263,434	48,661,658
Weighted average number of ordinary shares during the period - basic and diluted	48,661,658	48,263,434	48,287,502

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.

	26 weeks to 1 August 2009 £000	26 weeks to 2 August 2008 £000	52 weeks to 31 January 2009 £000
Profit for the period attributable to equity holders of the parent	6,984	6,010	24,379
Exceptional items excluding loss on disposal of non -current assets	1,942	2,045	13,347
Tax relating to relevant exceptional items	(543)	(573)	(1,885)
Share of exceptional items of joint venture (net of tax)	847	-	(914)
Profit for the period attributable to equity holders of the parent excluding exceptional items	9,230	7,482	34,927
Adjusted basic and diluted earnings per ordinary share	18.97p	15.50p	72.33p

7. ACQUISTIONS

ACQUISITION OF CHAUSPORT SA

On 19 May 2009, the Group acquired 100% of the entire issued share capital of Chausport SA for a cash consideration of £7,211,000 (E8.0 million) together with associated fees of £696,000. Chausport SA is a French retailer with 78 stores in premium locations in town centres and shopping centres across France.

The provisional goodwill calculation is summarised below:

	Book value £000	Fair value adjustments £000	Provisional Fair value £000
Acquiree's net assets at the acquisition date:			
Property, plant & equipment	1,637	(79)	1,558
Non-current other receivables	6,581	2,697	9,278
Inventories	6,282	(512)	5,770
Trade and other receivables	1,350	-	1,350
Cash and cash equivalents	639	-	639
Interest bearing loans and borrowings	(2,318)	-	(2,318)
Trade and other payables	(8,335)	-	(8,335)
Income tax liabilities	(35)	-	(35)
Net identifiable assets	5,801	2,106	7,907
Goodwill on acquisition			-
Consideration paid - satisfied in cash			7,907

Non-current other receivables comprise landlord deposits and leasehold interests in stores which were held at historic cost.

Included in the result for the 26 week period to 1 August 2009 is revenue of £9,275,000 and a profit before tax of £9,000 in respect of Chausport SA.

7. ACQUISITIONS (continued)

ACQUISITION OF KOOGA RUGBY LIMITED

On 3 July 2009, the Group acquired 100% of the entire issued share capital of Kooga Rugby Limited for a consideration of £1 together with associated fees of £30,000. Kooga Rugby Limited is involved in the design, sourcing and wholesale of rugby apparel, footwear and accessories and is sole kit supplier to a number of professional rugby union and rugby league clubs.

The provisional goodwill calculation is summarised below:

	Book value £000	Fair value adjustments £000	Provisional Fair value £000
Acquiree's net liabilities at the acquisition date:			
Intangible assets	262	191	453

Property, plant & equipment	347	(211)	136
Inventories	1,450	(178)	1,272
Trade and other receivables	1,956	(758)	1,198
Cash and cash equivalents	-	-	-
Interest bearing loans and borrowings	(4,824)	3,375	(1,449)
Trade and other payables	(1,937)	(25)	(1,962)
Net identifiable liabilities	(2,746)	2,394	(352)
Goodwill on acquisition			382
Consideration paid - satisfied in cash			30

Fair value adjustments include a reduction of £3,375,000 in interest bearing loans and borrowings following an agreement with the lender.

Included in the result for the 26 week period to 1 August 2009 is revenue of £200,000 and a loss before tax of £182,000 in respect of Kooga Rugby Limited.

Had the acquisitions of Chausport SA and Kooga Rugby Limited been effected at 1 February 2009, the revenue and profit before tax of the Group for the 26 week period to 1 August 2009 would have been £331,411,000 and £8,405,000 respectively.

8. ANALYSIS OF NET DEBT

	At 31 January 2009 £000	On acquisition of subsidiary £000	Cashflow £000	At 1 August 2009 £000
Bank balances and cash floats	23,538	639	(16,345)	7,832
Cash and cash equivalents	23,538	639	(16,345)	7,832
Interest-bearing loans and borrowings:				
Bank loans and overdrafts	-	(3,142)	1,331	(1,811)
Other loans	-	(625)	625	-
Loan notes	(83)	-	-	(83)
	23,455	(3,128)	(14,389)	5,938

9.

More to follow, for following part double-click [nRn3V4264Z]