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JD Sports Fashion Plc
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Acquisition of stakes in Australian and New Zealand distribution companies for Canterbury products

JD Sports Fashion Plc ('JD' or 'Group'), the leading retailer and distributor of sport and athletic inspired fashion apparel and footwear, announces that it has taken further steps to control the global distribution of the Canterbury brand through the acquisition on 23 December 2009 by its wholly owned subsidiary Canterbury Limited ('Canterbury') of 100% of the issued share capital of Canterbury International Australia Pty Limited in Australia ('CIA') and 51% of the issued share capital of Canterbury of New Zealand Limited in New Zealand ('CNZ'). The total cash consideration paid for these investments is P1.6m including fees of which P1.4m is being used to satisfy existing debt.

CIA and CNZ were both previously subsidiaries of Herald Island Limited, a company based in New Zealand and controlled by Ross Munro. Herald Island and CCC Nominees Limited, which is also based in New Zealand and controlled by Ross Munro, will hold the remaining 49% of the issued share capital in CNZ with Ross Munro agreeing to become the Chief Executive Officer of CNZ.

Canterbury and the vendors have agreed a put and call option whereby Canterbury may acquire the remaining 49% of the issued share capital of CNZ. This option is exercisable by either party on the third anniversary of the completion of this initial transaction and on each anniversary thereafter.

For the year ended 30 June 2008, the audited profit before tax of CNZ was P1.8m and at 30 June 2008 the gross assets were P12.9m (including P8.1m due from CIA) and net assets were P3.1m. For the year ended 30 June 2007, the audited loss before tax of CIA was P0.3m and at 30 June 2007 the gross assets were P8.8m and net liabilities were P0.5m.

The directors do not expect these investments to be materially earnings enhancing in the short term but they will add to the Group's control of the Canterbury brand and its global marketing properties.

Peter Cowgill, Executive Chairman of JD, said:
"We are delighted with these strategic investments as they further enhance our ability to control the global development of the iconic Canterbury brand."

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