

Robust trading performance in a challenging market

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JD Sports Fashion PLC

14 January 2025

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JD SPORTS FASHION PLC

TRADING UPDATE

Robust trading performance in a challenging market

JD Sports Fashion Plc (the 'Group'), the leading global retailer of sports, fashion and outdoor brands, today announces a pre-close trading update, covering the nine weeks (the 'period') to 4 January 2025.

Régis Schultz, CEO of JD Sports Fashion Plc, said:

"Considering the current headwinds in the market, we performed well, delivering organic revenue growth of 3.4% across the period, and a strong Christmas resulted in LFL revenue growth in December. I would like to thank all our colleagues for the hard work and commitment they showed throughout this key part of the year."

"In line with our proven long-term approach, we chose not to participate in what was a more promotional environment in the period than we anticipated, fully maintaining our trading discipline to deliver gross margins ahead of last year, clean inventory and strong cash management."

"While I am pleased overall with our performance, market headwinds were higher than we anticipated and therefore our full year profit forecast is slightly below our previous guidance. With these trading conditions expected to continue, we are taking a cautious view of the new financial year."

Like-for-like (LFL) revenue across November and December was (1.5)%, in a challenging and volatile market that saw increased promotional activity. We delivered a strong Christmas with December LFL revenue up 1.5%. Footwear sales grew and outperformed apparel, and our stores outperformed our online channel. We saw a strong LFL revenue performance through the period from our Sporting Goods and Outdoor segment, and LFL revenue growth in Europe and Asia Pacific partially offset weaker LFL trading across the UK and North America. In terms of our recent acquisitions, Hibbett traded slightly ahead of the wider North America business and Courir traded well across the weeks following acquisition.

Year-to-date, LFL revenue is flat and we expect full year LFL revenue to be at a similar level to this. Organic revenue growth in the period was 3.4% and we expect full year organic revenue growth to be around 5%.

Gross margins remain robust on the back of our continued price and promotional discipline, across both stores and online. Gross margins in the period are ahead of last year with the full year gross margin expected to be around 48%, in line with last year.

Taking the above into account, we now expect the full year Profit before tax and adjusting items to be between £915m and £935m*. We have managed our inventory position well through the period and, due to our strong cash management during the year, we expect to end the year with a small net debt position on a pre-IFRS 16 basis.

We will provide a post-close update in March, covering both a Q4 trading update and guidance for FY26.

*Within our updated Profit before tax and adjusting items guidance, as well as the impact from the trading environment as explained above, the following changes have occurred on specific items, since our Q3 trading update on 21 November 2024: an additional acquisition accounting-related cost for Hibbett of £6m from IFRS 16; a £2m higher impact from FX from £15m to £17m; and a Profit before tax contribution of £7m from the acquisition of Group Courir SAS ("Courir"), which closed on 27 November 2024.

Enquiries:

JD Sports Fashion Plc	Tel: 0161 767 1000
Régis Schultz, Chief Executive Officer	
Dominic Platt, Chief Financial Officer	
Mark Blythman, Director of Investor Relations	
Advisors	
Bank of America - Antonia Rowan	Tel: 0207 628 1000
Peel Hunt LLP - Dan Webster	Tel: 0207 418 8869
FGS Global - Rollo Head, Jenny Davey, James Thompson	Tel: 0207 251 3801

Cautionary note regarding forward-looking statements

This announcement contains certain forward-looking statements relating to expected or anticipated results, performance or events. Such statements are subject to normal risks associated with the uncertainties in our business, supply chain and consumer demand along with risks associated with macro-economic, political and social factors in the markets in which we operate. Whilst we believe that the expectations reflected herein are reasonable based on the information we have as at the date of this announcement, actual outcomes may vary significantly owing to factors outside the control of the Group, such as cost of materials or demand for our products, or within our control such as our investment decisions, allocation of resources or changes to our plans or strategy. The Group expressly disclaims any obligation to revise forward-looking statements made in this or other announcements to reflect changes in our expectations or circumstances. No reliance may be placed on the forward-looking statements contained within this announcement.

Analyst and investor Q&A

A call with analysts and investors will take place at 0900 GMT on 14 January 2025. To register for the live audio cast (listen only), please use the following link:

<https://events.q4inc.com/attendee/466028987>.

To register for the live conference call (option to ask questions), please use the following link:

<https://registrations.events/direct/Q4I6221797392>.

2025 financial calendar

Q425: March (includes FY26 guidance)

FY25 results/Q126: May

Q226: August

H126: September

Q326: November

About JD Sports Fashion Plc

Founded in 1981, the JD Group ('JD') is a leading global omnichannel retailer of Sports Fashion brands. JD provides customers with the latest sports fashion through working with established and new brands to deliver products that our customers most want, across both footwear and apparel. The vision of JD is to inspire the emerging generation of consumers through a connection to the universal culture of sport, music and fashion. JD

focuses on four strategic pillars: JD Brand First, first priority, first in the world; leveraging Complementary Concepts to support JD Group global expansion; moving Beyond Physical Retail by building the right infrastructure and creating a lifestyle ecosystem of relevant products and services; and doing the best for its People, Partners and Communities. JD is a constituent of the FTSE 100 index and had 4,558 stores worldwide at 30 November 2024.

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