

This document is important and requires your immediate attention. If you are in any doubt as to the action that you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, accountant or other independent financial adviser.

If you have sold or transferred all of your ordinary shares in JJB Sports plc (“JJB Sports” or the “Company”), please pass this document and the enclosed Form of Proxy at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A Form of Proxy for the General Meeting is enclosed and should be completed and returned as soon as possible. To be valid it must reach the Company’s Registrar, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. on 19 September 2011. Further details regarding the appointment of a proxy are set out in the Notes to the Notice of General Meeting and in the Form of Proxy. The appointment of a proxy will not stop you from attending the meeting and voting in person should you so wish.

Numis Securities Ltd is acting as nominated adviser to the Company in connection with this transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis Securities Ltd nor for providing advice in relation to this transaction.



JJB Sports plc
Martland Park, Challenge Way
Wigan, Lancashire WN5 0LD
Registered in England and Wales No. 01024895

5 September 2011

Letter from the Chairman of the Remuneration Committee

On business to be transacted at the General Meeting at 11.00 a.m. on 21 September 2011 and Notice of General Meeting

Dear Shareholder

General Meeting – approval of the JJB Sports Equity Incentive Plan

Following the review of the business strategy of the Company earlier this year, the Remuneration Committee has reviewed the remuneration of the Company’s management team tasked with delivering the Company’s key turnaround plan. As part of this review, the Remuneration Committee has consulted with the Company’s major shareholders.

In order to achieve full alignment between the management team and shareholders, the Remuneration Committee is proposing the introduction of the JJB Sports Equity Incentive Plan (the “EIP”), an incentive plan that focuses the management team on achieving a target market capitalisation of £193 million within five years of the date of completion of the Company’s restructuring and its admission to AIM and allows management to share in value created for shareholders in excess of the equity investment of £96.5 million provided principally by the Company’s major shareholders as part of its restructuring earlier this year.

The EIP has the full support of the Remuneration Committee and the Board as a whole. Our view is that with a new leadership in place and following the business strategy review we should introduce these arrangements as quickly as possible to align the remuneration arrangements with that new business strategy.

Accordingly, we are writing to seek your approval for the proposed introduction of the EIP at a General Meeting to be held at the Company’s registered office, Martland Park, Challenge Way, Wigan, Lancashire WN5 0LD at 11.00 a.m. on 21 September 2011. A summary of the rules of the EIP is set out in the Appendix to this letter. The Notice of the General Meeting is set out in full at the end of this letter.

Background to and key terms of the EIP

Over the recent months, a strategy has been put in place to return the Company to strength, following a difficult period in which sales were disappointing, margins weakened and a number of changes were made at senior management level. Operations have now been reviewed and priorities for the next five years have been agreed within the business.

With the new management team appointed, the voluntary arrangements between the Company and its unsecured creditors having been approved and the transfer of the Company's listing to AIM completed, there is a new focus on performance in the business.

In light of the changes in leadership and strategy, the Remuneration Committee has carried out a review of remuneration for the management team in conjunction with its advisers, MM&K. Following consultation with the Company's major shareholders, the Remuneration Committee proposes changes to ensure that the team will be motivated, retained and rewarded to deliver the new strategy. The Remuneration Committee wishes to ensure that the new leaders of our business are truly aligned with shareholders by allowing them to share in the value they create.

The EIP is designed to create the incentive by enabling participants to receive new JJB shares worth in aggregate 20 per cent. of the growth in value of the Company in excess of a market capitalisation of £96.5 million (representing the total equity investment led by the Company's major shareholders as part of its restructuring) increasing by 5 per cent. per annum until vesting.

No new JJB shares will vest with management unless the Company's market capitalisation exceeds the hurdle, but the plan design encourages participants to exceed the hurdle and furthermore to exceed a target market capitalisation of £193 million.

Notwithstanding this incentive, participants' gains will be capped so that they cannot in aggregate receive new JJB shares representing more than 15 per cent. of the Company's current issued ordinary share capital. This cap would only be achieved if the market capitalisation of the Company reached £490 million. At the target market capitalisation for the Company of £193 million under the EIP, participants' gains would mean that would receive new JJB shares representing approximately 7.2 per cent. of the Company's current issued ordinary share capital.

A summary of the rules of the EIP is set out in the Appendix to this letter.

Participants in the EIP

The level of, and those members of the Board and management team to be selected for, participation in the EIP has been discussed with the Company's major shareholders. It is intended that all awards under the EIP will be made by 31 December 2012, and although the Company will use its best endeavours to ensure that key individuals are in position and have, as a result, received their anticipated EIP awards by this time, the Remuneration Committee will have the discretion to make awards in exceptional circumstances after 31 December 2012, for example, where the need arises to recruit an individual into a key position identified by the Board in consultation with the Company's major shareholders. Participation will be extended to the Company's executive directors and members of the operating board.

The Company's Chairman, Mike McTighe, and I have also been invited to participate in the plan in recognition of our contribution to the Company's recent restructuring and our key role in the Company's turnaround plan going forwards. As a participant in the EIP, I feel it appropriate that I should hand my role as Chairman of the Remuneration Committee to Lawrence Christensen when he joins the Board on 1 November 2011. Furthermore, it may, in due course, also be appropriate for me to relinquish my role as Senior Independent Non-Executive Director.

New shareholding requirement for EIP participants

The Remuneration Committee believes that, ultimately, the most powerful incentive for the actions of the management team to be aligned with shareholders' interests is for those individuals to build up and retain a

personally significant investment in the Company's share capital. As a result, the Remuneration Committee proposes the adoption of a shareholding policy for those directors who are participants in the EIP.

The Remuneration Committee expects each director participating in the EIP to maintain a beneficial shareholding (excluding unexercised share incentives) equal in value to 100 per cent. of his or her base salary or fees. These share ownership requirements will need to be achieved within a period of four years from the date of grant of awards under the EIP to participants.

In this way, shareholder value becomes a paramount principle underlying all Board decisions, since real personal wealth will be at stake.

Documents available for inspection

A copy of the rules of the JJB Sports Equity Incentive Plan will be available for inspection from the date of this Notice of General Meeting until the close of the General Meeting at the Company's registered address and at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London EC2A 2HS.

Action to be taken

Whether or not you plan to attend the General Meeting, please complete and return the Form of Proxy in accordance with the instructions printed on it, so as to be received by no later than 11.00 a.m. on 19 September 2011. Completion and return of the Form of Proxy will not prevent you from attending the General Meeting and voting in person should you wish to do so.

Further details on the appointment of proxies can be found in the Notes to the Notice of General Meeting and on the Form of Proxy.

Recommendation

Your directors believe that the resolution to be considered at the General Meeting is in the best interests of the Company and its shareholders as a whole and recommend shareholders to vote in favour of the resolution as they intend to do so in respect of their own beneficial holdings.

Furthermore, Sir Matthew Pinsent and Richard Bernstein, being the two directors of the Company who are not related parties (as defined in the AIM Rules for Companies) for the purposes of the EIP, consider, having consulted with Numis Securities Ltd in its role as nominated adviser to the Company, that the terms of the EIP are fair and reasonable insofar as it concerns the shareholders of the Company.

Yours sincerely,

David Adams

Chairman of the Remuneration Committee

JJB Sports plc

Appendix – Summary of the JJB Sports Equity Incentive Plan (“EIP”)

1. Eligibility

Participation in the EIP is at the discretion of the Remuneration Committee. Following consultation which has taken place with the Company’s major shareholders, the Remuneration Committee intends to initially invite the Chairman, the CEO, the CFO, the Senior Independent Non-Executive Director and selected senior executives comprising members of the operating board to participate in the EIP. Eligibility is limited to current employees and directors of the Company.

Participation in the EIP would exclude participants from holding or receiving awards under any of the other long-term incentive plans currently operated by the Company and requires participants to release all options and awards in respect of JJB Sports shares previously granted.

2. Grant of Awards

It is intended that all awards will be granted by 31 December 2012, although the Remuneration Committee retains the discretion to make awards at a later date if there are exceptional circumstances, for example the need to recruit into a key position.

3. Form of awards

Awards take the form of rights to receive new ordinary shares in the Company. No consideration is required to be paid for the grant or satisfaction of an award, save that the participant will be required to pay the nominal value of each share acquired.

The number of new ordinary shares a participant may receive will be determined by the extent to which the Company’s market capitalisation has exceeded £96.5 million, increasing by 5 per cent. per annum until vesting. Participants will not receive any new ordinary shares unless this hurdle is exceeded. Above this hurdle, participants will be able to receive shares worth, in aggregate, 20 per cent. of the growth in value of the Company. Of this 20 per cent., it is proposed that 5 per cent. will relate to awards granted to each of the Chairman and the CEO, 3 per cent. will relate to the award granted to the CFO, and 0.5 per cent. will relate to the award granted to the Senior Independent Non-Executive Director.

4. Vesting conditions

Awards will only vest and become exercisable on the fifth anniversary of the date on which the Company’s shares were admitted to trading on AIM or earlier if the market capitalisation of the Company has been not less than £193 million over a period of 60 consecutive dealing days.

Once vested, the awards may be exercised between the first anniversary of the vesting date and the seventh anniversary of the date on which the Company’s shares were admitted to trading on AIM.

5. Non-transferability

Awards are non-transferable (other than to a participant’s personal representatives).

6. Upper limit on awards

There is an upper limit on the number of shares that may be issued or transferred to satisfy awards under the EIP of 15 per cent. of the Company’s current issued ordinary share capital.

As a result of this potential dilution, unless there is headroom within this limit after the grant of awards under the EIP, no new shares are likely to be available for any other share plans, including the Company’s SAYE scheme. Awards previously granted under the Company’s other share plans will not count towards this limit. To the extent that awards lapse, this may also create headroom for grants under other share-based incentive plans which may be adopted by the Remuneration Committee.

The Remuneration Committee will retain discretion to adjust awards downwards by up to 50 per cent. in certain circumstances, for example, in the event that the Company was required to announce to the market that it was going to breach or had breached its banking covenants.

7. Satisfaction of Awards

The Company may satisfy awards using newly issued ordinary shares, treasury shares or existing ordinary shares delivered by the trustee of an employee benefit trust. Awards granted to participants who are not employees will be satisfied using only newly issued ordinary shares.

In the event of death of a participant, or the early vesting of an award in limited circumstances on cessation of employment, the Company may decide to pay the equivalent value in cash.

8. Cessation of employment

In normal circumstances, awards will only vest while the participant remains an employee or director of the Company.

Where an employee or director is a “good leaver” (i.e. ill-health, injury or disability, or for any other reason at the absolute discretion of the Remuneration Committee), a proportion of the awards may be exercised for a period of three months with value based on the market capitalisation of the Company at the time of leaving.

In the event of death, a proportion of the awards may be exercised for a period of one year with value based on the market capitalisation of the Company at the date of death.

In any other case (a “bad leaver” scenario such as dismissal or resignation), awards will lapse unless the awards have already vested, in which case they may be exercised during a three month period following the later of the date of leaving and the first anniversary of the vesting date (but not after the seventh anniversary of the date on which the Company’s shares were admitted to trading on AIM).

9. Change of control

Awards may be exercised in the event of a change of control of the Company by way of general offer, pursuant to a Court-sanctioned compromise or arrangement or in the event of a voluntary winding up of the Company, with value based on the consideration received by shareholders at that time.

An internal reorganisation to create a new holding company will not result in the accelerated vesting of awards; they will be replaced with awards over shares in the new holding company where it is considered appropriate for such replacement to be effected.

10. Variation of capital

The number of new ordinary shares in respect of which an award has been granted, the Option Price, the vesting hurdle, the upper limit on awards and/or the value taken into account for the recovery of employer social security contributions, as set out below, shall be adjusted, in such manner as the Remuneration Committee may determine, following any capitalisation issue, rights issue, sub-division, consolidation, reduction of share capital or any other variation of share capital of the Company, in the event of a demerger of a substantial part of the business of the Company (or a subsidiary of the Company), the payment of a dividend by the Company or a similar event affecting the value of the ordinary shares subject to an award to a material extent or where the market capitalisation of the Company is increased by virtue of an issue of ordinary shares for consideration, with the intent that the underlying value of the award remains unchanged.

As the warrants held by investors and the potential payments under the Company’s voluntary arrangement with its unsecured creditors have been fully disclosed and are reflected in the Company’s current share value, it is not currently envisaged that payments, and/or the issue of new ordinary shares, under these arrangements should result in any adjustment to the terms of the awards.

11. Taxation and social security

Upon the exercise of an award, the participant will be subject to a charge to income tax and employees' national insurance contributions on the value of the ordinary shares received (less the subscription price paid). There will also be an employer's national insurance liability on this amount. If the Company's market capitalisation on the exercise date is less than or equal to the target of £193 million, the Company will pay the employer's national insurance charge. To the extent that the Company's market capitalisation exceeds that figure, the employer's national insurance liability will be shared equally between the Company and the participant.

12. Alterations

The Remuneration Committee may at any time alter or add to all or any of the provisions of the EIP in any respect, but any change to the advantage of present or future participants relating to eligibility, plan limits, the basis of individual entitlement or the provisions for the adjustment of awards in the event of a variation of the Company's share capital must be approved in advance by the Company's shareholders in general meeting.

Any alteration or addition which is necessary or desirable in order to comply with or take account of the provisions of any proposed or existing legislation, law or other regulatory requirements or to take advantage of any changes in legislation, law or other regulatory requirements, or to obtain or maintain favourable taxation, exchange control or regulatory treatment of the Company, any subsidiary or any participant or to make minor amendments to benefit the administration of the EIP do not need prior approval of shareholders.

13. Rights attaching to shares

As soon as practicable after the exercise of an award, the appropriate number of ordinary shares will be issued or transferred to a participant and the Company will apply to the London Stock Exchange for such shares to be admitted to trading. Any new ordinary shares allotted will rank equally with all other issued ordinary shares save that they will not be entitled to rights attaching to ordinary shares by reference to a record date before the ordinary shares are allotted or transferred.

14. Dividend and voting rights

Participants do not have any dividend or voting rights until their award has been exercised and the participant has received ordinary shares.

15. Benefits are non-pensionable

Benefits under the EIP are non-pensionable.

Notice of General Meeting

Notice of General Meeting of JJB Sports plc

*(Incorporated and registered in England and Wales under the Companies Acts 1985 to 1989
with registered number 01024895)*

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at 11.00 a.m. on Wednesday 21 September 2011 at Martland Park, Challenge Way, Wigan, Lancashire WN5 0LD, to consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

THAT:

- (a) the rules of the JJB Sports Equity Incentive Plan (“EIP”), in the form produced at the meeting and initialled by the Chairman for the purposes of identification, be and are hereby approved; and
- (b) the directors of the Company be and are hereby authorised to do all acts and things which they may consider necessary or expedient for the purposes of implementing and giving effect to the EIP including making any changes to the rules of the EIP necessary or desirable provided that such changes do not conflict with the summary in this Notice of General Meeting to any material extent.

BY ORDER OF THE BOARD

Registered address:
Martland Park
Challenge Way
Wigan
Lancashire
WN5 0LD

David Williams, *Company Secretary*

Registered in England and Wales No. 01024895

5 September 2011

Notes

1. A member entitled to attend and vote at the General Meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the General Meeting. A member can appoint more than one proxy in relation to the General Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Your proxy could be the Chairman, another director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the General Meeting for your vote to be counted. Appointing a proxy does not preclude you from attending the General Meeting and voting in person.
3. A Form of Proxy which may be used to make this appointment and give proxy instructions accompanies this Notice of General Meeting. Details of how to appoint a proxy are set out in the notes to the Form of Proxy. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. As an alternative to completing a hard copy Form of Proxy, proxies may be appointed electronically in accordance with Note 4 below.
4. In order to be valid an appointment of proxy must be returned (together with any authority under which it is executed or a copy of the authority certified) by one of the following methods:
 - in hard copy form by post, by courier or by hand to the office of the Company’s Registrar, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU;
 - by completing it online at www.capitaregistrars.com/shareholders by following the on screen instructions to submit it – you will need to identify yourself with your personal investor code; or
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 8 below.

and in each case must be received by the Registrar by 11.00 a.m. on 19 September 2011. In determining the time for delivery of the Form of Proxy pursuant to Article 77 of the Company’s Articles of Association, the directors of the Company have not taken account of any day that is not a working day.

5. To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please

contact Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.

6. A copy of this Notice of General Meeting has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "Nominated Person"). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the General Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
7. To be entitled to attend and vote at the General Meeting, members must be registered in the register of members of the Company at 6.00 p.m. on 19 September 2011 (or, if the meeting is adjourned, at 6.00 p.m. on the date which is two days prior to the date of the adjourned meeting). Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote (and the number of votes they may cast) at the meeting or adjourned meeting.
8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website (www.euroclear.com/CREST). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number RA10) by the latest time(s) for receipt of proxy appointments specified in the Notice of General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommend that the shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic proxy form, that is found to contain any virus will not be accepted.
11. Voting on all Resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as member votes are to be counted according to the number of shares held. As soon as practicable following the General Meeting, the results of the voting at the General Meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the Resolutions will be announced via a Regulatory Information Service and also placed on the Company's corporate website: www.jjbcorporate.co.uk.
12. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the General Meeting. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
13. The Company must cause to be answered at the General Meeting any question relating to the business being dealt with at the General Meeting which is put by a member attending the General Meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information.
14. As at 2 September 2011 (being the last Business Day prior to the publication of this Notice of General Meeting), the Company's issued share capital consisted of 293,312,703 ordinary shares of 1 pence each with voting rights and 65,083,186 deferred shares of 49 pence each with no voting rights. Therefore, the number of total voting rights in the Company is 293,312,703.
15. The contents of this Notice of General Meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the General Meeting, the total voting rights that members are entitled to exercise at the General Meeting, details of the totals of the voting rights that members are entitled to exercise at the General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice of General Meeting will be available on the Company's corporate website: www.jjbcorporate.co.uk.
16. You may not use any electronic address provided in this Notice of General Meeting to communicate with the Company for any purposes other than those expressly stated.
17. A copy of the rules of the JJB Sports Equity Incentive Plan will be available for inspection from the date of this Notice of General Meeting until the close of the General Meeting at the Company's registered address and at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London EC2A 2HS.

