

**Embargoed until 7.00 a.m.**

**11 July 2003**

**JJB Sports Plc (“JJB”)**

**AGM Trading Statement**

JJB is holding its Annual General Meeting today and as usual, it is taking this opportunity to provide an update on current trading.

Total turnover for the 23 weeks ended 6 July 2003 within the core JJB business (the Group excluding TJ Hughes) was 1.3% higher than in the equivalent period last year but included a like-for-like decrease in turnover of 3.4% from stores which had been open for over 52 weeks. The gross margin earned during this period was approximately 50 basis points lower than that achieved during the same period last year resulting mainly from a half price sale to clear out the previous season’s autumn / winter ranges.

The competitive environment continues to be challenging, particularly in children’s clothing and comparisons with May and June 2002 have been impacted by the high level of replica football kits sold during the FIFA World Cup last year.

Operating costs are 5.6% higher than those for the same period last year which mainly reflects the occupancy and labour costs of superstores and health clubs opened during the last 12 months. JJB’s Leisure Division continues to perform very strongly with membership now standing at over 55,000 for the 13 clubs, 3 of which have been opened during the current year.

JJB continues its policy of opening superstores to replace smaller high street stores. Since 1 February 2003, 6 superstores have been opened and 6 previously closed smaller stores have been re-opened under the ‘icon’ fascia; 6 smaller stores have been closed. Net retail selling space has increased by 76,000 square feet to 4.13 million square feet at 6 July 2003. JJB is currently trading from 449 stores which includes 275 superstores.

Further growth in selling space will be achieved during the remainder of the year with 19 superstore sites having been identified for openings of which 5 will include health clubs.

**TJ Hughes**

In the 23 weeks to 6 July 2003, total turnover at TJ Hughes was 4.4% higher than in the same period last year, including a decrease in like-for-like turnover of 1.0%. During the early part of the current year, TJ Hughes trialled a reduction in its promotional activity which ultimately had an adverse effect upon levels of turnover. In the 15 weeks since 24 March 2003, when promotional activity returned to more typical levels, total turnover was 6.9% higher than the same period last year which included a like-for-like increase in turnover of 1.8%.

The margin enhancement program continues to make excellent progress and the gross margin achieved at TJ Hughes during the 23 weeks to 6 July 2003 was 100 basis points higher than the same period last year. The margin enhancement programme has specifically targeted improvements in buying policies and information systems together with improved control over stock losses and the Board is pleased with the progress made since the acquisition of TJ Hughes by JJB.

TJ Hughes currently operates from 39 stores comprising 1.34 million square feet of selling space. There are no plans to open further stores during the current year as priority is being

