

JJB Sports plc (“JJB”)

Trading Statement

JJB Sports plc the UK’s largest sports retailer, announces details of its trading performance for the 23 weeks ended 4 January 2004 which includes the important Christmas and New Year period.

Turnover and gross margins for the 23 weeks ended 4 January 2004 were as follows: -

Total turnover	1.2 per cent lower than last year
Like-for-like turnover	3.5 per cent lower than last year
Gross margin	300 basis points higher than last year

These figures are in respect of the core JJB business including stores and health clubs and do not include any part of the results of the TJ Hughes business which was sold on 14 November 2003.

At the time of the announcement of its interim results for the 26 weeks ended 27 July 2003, on 8 October, JJB referred to the recovery of the gross margin within its core business as a result of improvements made to its buying and merchandising functions. The gross margin had suffered from high levels of mark down during 2002/3, in particular, during the second half of that year to 31 January 2003. The results for the 23 weeks ended 4 January 2004 reflect the improving control within the buying and merchandising functions giving higher gross margins to help offset the slightly lower levels of turnover.

JJB’s turnover in footwear, replica products and equipment/accessories for the 23 weeks to 4 January 2004, were higher than in the comparative period last year but competition within the retail clothing sector, in particular in “value-for-money” ranges, impacted adversely upon levels of turnover in its clothing category. The level of turnover within JJB’s health clubs continues to be buoyant.

In common with many retailers, JJB experienced a sluggish start to the Christmas period and it was not until the week before Christmas that turnover began to exceed the levels of last year; this improved relative performance continued until 4 January. JJB’s post-Christmas sale has been successful, in terms of turnover and gross margin, both of which exceeded the figures achieved in the corresponding period last year.

JJB has continued its policy of opening superstores and closing smaller high street stores. During the second half of the year, JJB opened 18 stores and closed 16 smaller high street stores bringing the total openings for the 49 weeks of the current year (including combined health club/superstores and “**icon**” stores) to 31 stores and total closures to 25 stores. These closures include the three large stores in Oxford Street London, Amsterdam and Rotterdam, which were loss-making; the closure of these stores has impacted upon the decrease in turnover during the second half of the current year.

At 4 January 2004, JJB operated from 449 stores representing approximately 4.2 million square feet of selling space and includes 191 out of town superstores, 93 high street superstores and 165 smaller high street stores including those under the “**icon**” fascia. This compares to 447 stores in operation at 27 July 2003, representing approximately 4.1 million square feet of selling space.

Further growth in superstores will be achieved during 2004 with contracts already exchanged for 15 sites, including 6 that will also contain health clubs.

