

**JJB Sports plc (“JJB”)**

**Trading Statement**

JJB Sports plc the UK’s largest sports retailer, is today providing an update on its trading since the Interim report, dated 13 October 2004, which gave its results for the 26 weeks ended 25 July 2004.

As a result of continuing challenges within the competitive retail environment, trading conditions since 25 July 2004 have remained difficult. Total turnover of stores and health clubs for the 23 weeks ended 2 January 2005 was 1.6 per cent lower than for the equivalent period last year, which included a like-for-like decrease in turnover of units that had been trading for over 52 weeks of 1.1 per cent.

The equivalent figures for the Christmas and New Year period (for the 6 weeks ended 2 January 2005) were a decrease in total turnover of 2.0 per cent and a like-for-like decrease of 1.4 per cent. This 2.0 per cent is distorted by the fact that the New Years Day Bank Holiday in 2004 would have fallen within the equivalent 6 week period. We expect that the 7 week period to 9 January 2005, which includes the New Year Bank Holiday, will result in a decrease in total turnover of 0.6 per cent.

The combined gross margin for the stores and health clubs for the 23 weeks ended 2 January 2005 was 160 basis points lower than for the equivalent period last year.

We currently expect pre-tax and amortisation profits for the 52 weeks ending 30 January 2005, to be in the range of £61 million to £64 million.

Throughout the second half of the year, JJB has continued to sell off its surplus spring/summer clothing ranges through an aggressive promotional policy. JJB is now more comfortable with its inventory position, its current stock level being approximately 15 per cent lower than at the same date last year. The Board believes that the changes made within its buying and merchandising functions will help to meet the continuing competition within the retail clothing market.

Turnover in the weeks prior to Christmas was proving to be sluggish and therefore the planned date for the start of the New Year sale was brought forward to 13 December. This had a beneficial impact on the level of turnover but at the cost of some lost gross margin. Turnover in footwear, replica kit products and equipment/accessories for the 6 weeks ended 2 January 2005 were higher than in the comparative period last year, but competition within the retail clothing sector, in particular in “value-for-money” ranges, had an adverse impact upon the level of sales in this category. The total number of items sold during this 6 week period was almost 5 per cent higher than those sold in the equivalent period.

The level of turnover within JJB’s health clubs continues to be buoyant. JJB’s unique concept of a combined health club and retail superstore format continues to prove successful and delivers a strong value for money offer to its members and customers. During the 23 weeks ended 2 January 2005, JJB opened a further 3 combined health club/superstores, taking the total number of these units in operation at that date to 21 which comprises 83,400 members. JJB will continue to build upon the success of its Leisure Division by accelerating its opening policy; it is intended that a further 18 units will be opened during the year ending 29 January 2006.

JJB continues its policy of affecting a measured migration to both high street superstores and out-of-town superstores from small high street stores; the new units provide JJB’s customers with a more complete product range than can be displayed in small high street stores. During the second half of the current year, JJB opened 8 stores and closed 9, mainly smaller high street stores bringing the total

