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JD Sports Fashion Plc
15 April 2014

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JD SPORTS FASHION PLC
PRELIMINARY RESULTS
FOR THE 52 WEEKS ENDED 1 FEBRUARY 2014

JD Sports Fashion Plc (the "Group"), the leading retailer and distributor of branded sportswear, fashionwear and outdoor clothing and equipment today announces its Preliminary Results for the 52 weeks ended 1 February 2014 (2013: 53 weeks ended 2 February 2013).

	2014 £000	2013 £000	% Change
Revenue (a)	**1,330,578**	1,258,892	+5.7%
Gross profit %	**48.5%**	48.7%	
Operating profit	**59,052**	55,975	+5.5%
Operating profit (before exceptional items)	**78,201**	61,323	+27.5%
Profit before tax and exceptional items	**76,999**	60,465	+27.3%
Profit before tax	**57,850**	55,117	+5.0%
Basic earnings per ordinary share	**82.52p**	79.71p	+3.5%
Adjusted basic earnings per ordinary share (see note 3)	**117.12p**	88.51p	+32.3%
Total dividend payable per ordinary share	**27.10p**	26.30p	+3.0%
Net cash at end of period (b)	**45,276**	45,636	

a) Revenue in the period to 2 February 2013 included £33.5 million in relation to the Canterbury business which was disposed in the year

b) Net cash consists of cash and cash equivalents together with interest-bearing loans and borrowings

Group Highlights

- Strong sales performance in Sport with gross margins maintained and operating profit (before exceptional items) increased by 20% to £93.4 million (2013: £77.9 million).
- Like for like sales for the 52 week period in the UK and Ireland combined core retail fascias increased by 6.7%.
- Further development of JD's international offering from additional stores in France and Spain and acquisitions of stores in the Netherlands and Germany.
- Turnaround of Outdoor business now progressing with combined Blacks and Millets fascias delivering a breakeven result (before exceptional items) in the second half compared to a loss of £4.9 million in the second half of the previous year and acquisition of Tiso building market presence.
- Difficult year in Fashion with operating losses (before exceptional items) increasing to £6.4 million (2013: loss of £1.7 million). A new Managing Director was appointed in Bank to drive the turnaround.
- Consistent with the presentation of information to the Board, a revised segmental structure has been adopted with small businesses formerly included as a separate Distribution segment allocated to the retail segments they are most associated with. Sales, gross margin and operating profit before exceptional items of these three business segments are tabulated below:

Period to 1 February 2014	Sport £000	Fashion £000	Outdoor £000	Total £000
Gross revenue	1,056,423	172,297	104,027	1,332,747
Intersegment revenue	(1,077)	(1,092)	-	(2,169)
Revenue	1,055,346	171,205	104,027	1,330,578
Gross margin %	49.1%	46.4%	45.3%	48.5%
Operating profit / (loss) before exceptional items	93,421	(6,425)	(8,795)	78,201

Period to 2 February 2013 (restated)	Sport £000	Fashion £000	Outdoor £000	Total £000
Gross revenue	977,082	163,613	121,006	1,261,701
Intersegment revenue	(1,590)	(1,219)	-	(2,809)
Revenue	975,492	162,394	121,006	1,258,892
Gross margin %	49.1%	47.7%	47.3%	48.7%
Operating profit / (loss) before exceptional items	77,912	(1,683)	(14,906)	61,323

- Final dividend payable increased by 3.0% to 22.65p (2013: 22.00p) bringing the total dividends payable for the year to 27.10p (2013: 26.30p) per ordinary share, an increase of 3.0%. The total dividend payable has increased in excess of 125% since 2009.

Peter Cowgill, Executive Chairman, said:

"I am delighted to report that our core Sports fascias (JD and Size?) delivered another year of substantial progress. It is particularly pleasing that they have produced a record result in our core markets in the UK and Ireland. These businesses continue to provide the foundation for profit and expansion in the Group. We have also seen very positive developments for our Sport fascias in Europe.

"I am encouraged that the Blacks and Millets business achieved a significant improvement in the second half of the year and we expect continued progress in the new financial year.

"The Group continues to be well positioned with its retail proposition, increased financial resources and extensive management experience to take advantage of opportunities both in the UK and internationally."

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Executive Chairman's Statement

Introduction

I am delighted to report that our core Sports fascias (JD and Size?) delivered another year of substantial progress. It is particularly pleasing that they have produced a record result in our core markets in the UK and Ireland. These businesses continue to provide the foundation for profit and expansion in the Group.

We have also seen very positive developments for our Sport fascias in Europe, with an improved result in both France and Spain (where Sprinter has again performed very robustly), and the opening of stores in the Netherlands and Germany which are new territories for the Group. The JD fascia is continuing to develop into a world class retail fascia with sports fashion market-leading standards in product merchandising and retail theatre. We are increasingly confident about its international potential and we believe our key strategic suppliers recognise this too.

We made substantial operational changes during the year in our Blacks and Millets Outdoor business with the staged closure of the legacy offices and warehouse in Northampton and the relocation to the Group's main facilities. Whilst there was inevitably disruption from this process, the resulting integration into Group functions, easier access to senior management and the removal of the unsustainable property costs connected with the Northampton site have given the Blacks and Millets business a significantly better platform on which to develop. Inevitably, improvements in financial performance lag operational changes but I am encouraged that the Blacks and Millets business achieved a significant improvement in the second half of the year and we expect continued progress in the new financial year. The property portfolio for Outdoor continues to be developed. The recent acquisition of Tiso in Scotland (which also includes George Fisher in Keswick) has improved geographical coverage and increased our market share and brand access although it will not, as a business unit, enhance short term earnings. We believe over time these actions will again bring greater support to the Group from key suppliers.

Our Fashion businesses, and notably Bank, have had a more difficult year. The wider Youth Fashion sector continues to undergo significant structural change with a significant market shift in favour of own brand and online Fast Fashion retailers who have tapped into a price competitive environment and a disposable fashion culture. However, Bank still had over 30 million visitors to its stores and over 11 million unique visitors to its website in the year and we strongly believe that, with the right proposition, Bank is capable of once again generating positive returns. We appointed a new Managing Director to the business during the year with her initial focus being to strengthen the proposition by offering faster own brand fashion, better ranging and new brands.

Elsewhere in the Group, we continue to make substantial investments in improving our operational infrastructure. Work continues on the project to change our legacy IT systems to Oracle with the first businesses going live on the new system in 2015. We have also recently started a project to increase the capacity and flexibility at our Kingsway central warehouse following the absorption of Blacks and Millets and the ecommerce fulfillment function during 2013.

Sport

Sport now consists of the Sports retail businesses of JD, Size?, Chausport, Sprinter, Champion Sports and ActivInstinct together with Topgrade, Kooga, Kukri, Focus and Source Lab. The latter were formerly included within our Distribution segment but in our streamlined segmental structure are now classified within Sport as the product which they deal in is predominantly either active sport or sports fashion related.

Sport has had an excellent year. Operating profit (before exceptional items) of the Sport businesses increased significantly by £15.5 million to £93.4 million (2013: £77.9 million including £1.9 million in relation to Canterbury). This is an exceptional performance but one that reflects the continual investment we make in our retail and product propositions. The growth in profitability within Sport principally came from a strong performance in our core UK and Ireland retail fascias. JD is developing into a world class retail fascia and our ultimate objective is to ensure that the high standards in our core UK and Ireland markets are transferred to our new territories as JD becomes increasingly international.

We are satisfied with the performance of our businesses in France. By year end we had 17 JD stores in the country (excluding the Size? store in Paris), after seven new store openings in the year. Subject to property availability, we anticipate continuing our store development in this territory.

Our businesses in Spain have had an encouraging year again, which is pleasing given the well publicised economic difficulties which the country has faced. We have an excellent management team in Spain who understand the geography and the local consumers very well and they have very successfully adapted the Sprinter product proposition to reflect customer demands at this time. The economic situation has meant that, to date, we have been more cautious in our programme for JD in Spain. During the year, we opened three new stores and so have eight stores in the country now. We have worked hard with the Sprinter management team to make the JD product proposition more relevant for the country.

During the year, we acquired a package of stores in the Netherlands from a local fashion retailer which was looking to close one of its fascias. Acquiring the stores in this way gave us immediate critical mass in the country although the majority of the stores are in smaller regional towns and cities. We also acquired the assets of the Isico partnership in Germany which, on acquisition, had 10 small stores primarily in the Berlin area. These stores will be converted to the JD fascia later in 2014 and have already been integrated into the Group's core IT systems. We continue to look for further opportunities in international markets around the world where we can grow with the support of our key brands.

Fashion

Fashion now consists of the established Fashion retail businesses of Bank, Scotts and Tessuti, together with Cloggs and Ark, which were both acquired during the year, and Nicholas Deakins which was formerly included within our Distribution segment but in our streamlined segmental structure is now classified within Fashion.

Losses in Fashion (before exceptional items) increased significantly in the year to £6.4 million (2013: £1.7 million), principally as a result of increased losses at Bank. Losses of this scale are disappointing and we have made management changes to address the issue. Most importantly, in July a new Managing Director, Gwynn Milligan, who has considerable experience of the Youth Fashion sector, came into the Bank business. Her turnaround plan involves both re-establishing Bank's reputation in branded fashion whilst relying on a flexible supply chain to produce faster fashion and more striking value in the price architecture. On the back of this we believe that expanding Bank's multichannel proposition represents a major opportunity. We have taken some internal actions to reduce the central overhead base but we also need to address property costs which are excessive in some legacy leases. We believe that, with the right blend of desirable third party brands supported by credible own brand ranges, Bank can re-engage with its core customers and that ultimately we can deliver an improved financial performance. We have recognised a charge of £11.8 million within exceptional items for the impairment of goodwill which arose on the original acquisition of the business.

The Scotts business has performed well in the year by focussing on its core customers and then delivering a multichannel branded fashion authority and experience to them.

Whilst we continue to experience losses in our Premium Fashion offering (Tessuti and Originals), they have been reduced compared to the prior year. As we have reported previously, we have a number of legacy issues, particularly property, to deal with which are impacting on the financial performance at this time. However, we have made a number of operational improvements to the business during the year with all stores now on the Group's core ERP systems and all stocks now replenished from the Group's Kingsway warehouse. Accordingly, we believe that we are putting the right framework in place to deliver an improved financial performance.

During the year we acquired the Cloggs and Ark businesses from administration. Cloggs is an established online retailer of premium branded fashion footwear whilst Ark is a complementary business to Bank in terms of its customer demographic and product proposition. Both of these businesses have had a difficult year as they recovered from the administration processes and rebuilt their supply chains and supplier relationships. It is too early to comment on the longer term potential of these businesses.

Outdoor

Our pre-existing Blacks and Millets Outdoor fascias have had a mixed year. We started the year with an excess of heavy winter jackets and a lack of Spring / Summer product, particularly in camping and Peter Storm own brand. We had to trade our way out of this position with the significant margin sacrifice required to clear the Winter and earlier season stocks leading to a poor first half trading result. However, the second half of the year, which we acknowledge is traditionally the stronger part of the year, has been much more promising and, ultimately, a breakeven position was achieved in this six month period compared to a loss of £4.9 million in the same period of the previous year.

Operationally, we have made a number of significant operational changes which mean that these businesses are now better controlled and so we have started the new financial year with a substantially improved framework on which to develop. These changes can essentially be categorised into two main areas:

- Whilst there is some commonality of product ranges and brands we believe that Blacks and Millets attract different consumers. Accordingly, we have run Blacks and Millets as two separate fascias since the middle of the year with separate and significantly changed commercial teams. We believe that this decision has had positive effects in testing and developing the Outdoor proposition both instore and online. We are now working to ensure that all of our customers have easy access to our full Outdoor offer.

- We also integrated Blacks into the Group's operational infrastructure by relocating the warehousing and central functions from the previous facility at Northampton and installing the Group ERP systems. Whilst the warehousing move and the installation of the Group core systems were completed by the end of Q1, the final relocation and establishment of the Bury based new commercial teams did not complete until July. Clearly, this had a disrupting effect in the early part of the year but completion of the reorganisation together with the elimination of the unsustainable property costs associated with the Northampton facility have had positive effects on the business in the second half.

Later in the year we acquired 60% of the loss-making Tiso business which, on acquisition, had 17 premium branded Outdoor stores. These stores are primarily located in Scotland, although Tiso also owned the highly regarded and profitable George Fisher store in Keswick. Tiso is an iconic business in the Scottish Outdoor world and this acquisition has given us increased buying power, additional management expertise and brand access, as we continue to establish JD Sports Fashion's leading position in the Outdoor market.

Overall losses (before exceptional items) in Outdoor have reduced significantly to £8.8 million (2013: £14.9 million). We anticipate further significant progress in Blacks and Millets in the new financial year tempered by some initial operating losses from the newly acquired Tiso business.

Financials Summary

Revenue

Total revenue increased by 5.7% in the year to £1,330.6 million (2013: £1,258.9 million including £33.5 million in relation to the Canterbury business which was disposed in the year). Like for like sales for the 52 week period in the UK and Ireland combined core retail fascias increased by 6.7% which was an excellent performance.

Gross margin

Total Gross Margin fell from 48.7% to 48.5% reflecting the impact of the considerable margin sacrifice in the Blacks and Millets fascias, principally in the first half, as we cleared excess winter stocks and additional markdown activity in our Fashion retail businesses. We are, however, greatly encouraged by the robust performance in our Sports businesses where margins were maintained at prior year levels.

Operating profits

Operating profit (before exceptional items) increased substantially by £16.9 million to £78.2 million (2013: £61.3 million) with an exceptional performance in Sport and a reduction in the losses in Outdoor. We expect further significant progress in Outdoor in the new financial year.

Exceptional items increased significantly in the year to £19.1 million (2013: £5.3 million) principally due to a non-cash charge of £11.8m to write off goodwill relating to the Bank business. After allowing for exceptional items, Group operating profit increased by £3.1 million to £59.1 million (2013: £56.0 million). The exceptional items comprised:

	2014 £m	2013 £m
Loss on disposal of fixed assets	1.0	0.2
Impairment of fixed assets in loss making stores	1.9	0.9
Onerous lease provisions	1.1	1.3
Total property related exceptional costs	**4.0**	**2.4**
Completion of new Kingsway warehouse move (1)	0.6	0.2
Business restructurings (2)	2.7	1.1
Total reorganisation and restructuring costs	**3.3**	**1.3**
Impairment of intangible assets (3)	11.8	2.3
Profit on disposal of Canterbury (4)	-	(0.7)
Total other exceptional charges	**11.8**	**1.6**

Total exceptional charge	**19.1**	**5.3**

(1) Reorganisation of the warehouse operations consisting of provisions for onerous property leases, redundancy costs and dilapidations at the vacant premises.
(2) Relates to the restructuring of the head office and warehouse operations of the Blacks, Champion and Kooga businesses. The prior period also includes costs relating to the closure of the Canterbury North America LLC and Canterbury European Fashionwear operations following the decision to wind down the separate businesses.
(3) Relates to the impairment in both periods of the goodwill arising on the acquisition of Bank.
(4) Profit on the disposal of the Canterbury group of businesses to Pentland Group plc in September 2012 (see note 5).

Working capital, financing and amended bank facilities

Ongoing acquisition activity and further substantial investments in both the retail fascias and operational infrastructure offset the strong cash generation from trading in the year with net cash at the year end almost unchanged at £45.3 million (2013: £45.6 million).

On 10 July 2013, the Group amended and extended its syndicated committed £75,000,000 bank facility which previously expired on 11 October 2015. The facility has been amended by increasing the syndicated committed facility by £80,000,000 to £155,000,000. The expiry date has also been extended by two years and so the amended facility now expires on 11 October 2017. This enhanced facility enables us to continue to make acquisitions when opportunities occur whilst maintaining current levels of investment in the retail property portfolio.

Gross capital expenditure (excluding disposal costs) increased by £4.7 million to £48.2 million (2013: £43.5 million). Our commitment to delivering the best possible experience to our customers means that investment in our retail fascias, both in terms of taking new stores where appropriate and refurbishing existing space, remains substantial. A total of £27.9 million was invested in our retail fascias during the year (2013: £27.2 million). Elsewhere, our continuing investment in the Oracle project increased to £5.1 million in the year (2013: £2.7 million). Gross capital expenditure included £4.6 million (2013: £nil) in relation to bespoke software development which is classified within Intangible Assets.

Ongoing confidence in the potential for JD internationally combined with ongoing investment in our other fascias, investment in the new core Oracle ERP system and further works to increase our capabilities at Kingsway means that overall capital expenditure is likely to increase further this year.

Working capital remains well controlled with suppliers continuing to be paid to agreed terms and settlement discounts taken whenever due.

Store Portfolio

During the period, store numbers (excluding trading websites) have moved as follows:

Sports Fascias

(No. Stores)	JD UK & ROI (1)	JD France (2)	JD Spain	JD Netherlands	JD Germany	Size (3)	Chausport	Sprinter	**Total**
Start of period	349	10	5	-	-	24	75	53	**516**
New stores	15	7	3	1	-	1	1	13	**41**
Acquired	-	-	-	14	10	-	-	-	**24**
Closures	(16)	-	-	-	-	-	(1)	(1)	**(18)**
End of period	348	17	8	15	10	25	75	65	**563**
(000 Sq Ft)									
Start of period	1,255	24	14	-	-	31	84	643	**2,051**
New stores	60	18	7	3	-	3	1	116	**208**
Acquired	-			18	8	-	-	-	**26**
Closures	(41)	-	-	-	-	-	(1)	(14)	**(56)**
End of period	1,274	42	21	21	8	34	84	745	**2,229**

1. *Includes Champion stores which are now serviced and managed by the UK team but excludes Size store in Dublin*
2. *Excludes the Size store in Les Halles, Paris*
3. *Being all stores in all territories which are managed by one team*

Fashion Fascias

(No. Stores)	Bank	Scotts	Premium	Ark	Cloggs	**Total**
Start of period	85	31	16	-	-	**132**
New stores	8	6	3	-	1	**18**
Acquired	-	-	-	9	-	**9**
Closures	(4)	(4)	(2)	-	-	**(10)**
End of period	89	33	17	9	1	**149**

(000 Sq Ft)

Start of period	252	65	42	-	-	**359**
New stores	28	9	9	-	1	**47**
Acquired	-	-	-	25	-	**25**
Closures	(11)	(9)	(5)	-	-	**(25)**
End of period	269	65	46	25	1	**406**

Outdoor Fascias

(No. Stores)	Blacks	Millets	Tiso	**Total**
Start of period	85	89	-	**174**
New stores	4	7	-	**11**
Acquired	-	-	17	**17**
Closures	(13)	(16)	-	**(29)**
End of period	76	80	17	**173**

(000 Sq Ft)				
Start of period	324	160	-	**484**
New stores	13	14	-	**27**
Acquired	-	-	101	**101**
Closures	(50)	(31)	-	**(81)**
End of period	287	143	101	**531**

Dividends and Earnings per Share

The Board proposes paying a final dividend of 22.65p (2013: 22.00p) bringing the total dividend payable for the year to 27.10p (2013: 26.30p) per ordinary share. The proposed final dividend will be paid on 4 August 2014 to all shareholders on the register at 9 May 2014. The total dividends payable for the year have therefore increased by a further 3% with a cumulative growth since 2009 in excess of 125%. Future dividend growth will be limited with cash retained as we look to drive the continuing overseas growth of the Sports fascias.

The adjusted earnings per ordinary share before exceptional items were 117.12p (2013: 88.51p).

The basic earnings per ordinary share were 82.52p (2013: 79.71p).

Board Effectiveness

As Executive Chairman, I am responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Board is then responsible for the Group's strategic development, review of performance against the business objectives, overseeing risk and maintaining effective corporate governance including health and safety, environmental, social and ethical matters.

People

The exceptional performance in Sport is a testament to the skills, energy, experience and professionalism of everyone involved in these businesses. JD, in particular, is a world class retail fascia and continues to set higher standards that we challenge our other businesses to match.

Colin Archer retired as a non-executive director during the year after 12 years of loyal service to the Group. The Board would like to thank him for his great contribution to the Board in this period. His role as senior non-executive director and Chairman of the Audit Committee has been taken over by Martin Davies.

Current Trading and Outlook

Given the significant change in the timing of Easter relative to last year, we believe that our Interim Management Statement, scheduled for release on 17 June 2014, is a more appropriate and meaningful time at which to give our first update on trading for this year. We are, however, encouraged by the underlying trends to date across the principal parts of the business.

Ultimately, the Group continues to be well positioned with its retail proposition, increased financial resources and extensive management experience to take advantage of opportunities both in the UK and internationally.

Peter Cowgill
Executive Chairman
15 April 2014

Consolidated Income Statement
For the 52 weeks ended 1 February 2014

	Note	52 weeks to 1 February 2014 £000	53 weeks to 2 February 2013 £000
Revenue		**1,330,578**	1,258,892
Cost of sales		**(685,448)**	(645,404)
Gross profit		**645,130**	613,488
Selling and distribution expenses - normal		**(512,092)**	(494,619)
Selling and distribution expenses - exceptional		**(7,310)**	(3,724)
Administrative expenses - normal		**(56,430)**	(59,973)
Administrative expenses - exceptional		**(11,839)**	(1,624)
Other operating income		**1,593**	2,427
Operating profit		**59,052**	55,975
Before exceptional items		**78,201**	61,323
Exceptional items	2	**(19,149)**	(5,348)
Operating profit		**59,052**	55,975
Financial income		**582**	645
Financial expenses		**(1,784)**	(1,503)
Profit before tax		**57,850**	55,117
Income tax expense		**(16,364)**	(13,875)
Profit for the period		**41,486**	41,242
Attributable to equity holders of the parent		**40,158**	38,786
Attributable to non-controlling interest		**1,328**	2,456
Basic earnings per ordinary share	3	**82.52p**	79.71p
Diluted earnings per ordinary share	3	**82.52p**	79.71p

Consolidated Statement of Comprehensive Income
For the 52 weeks ended 1 February 2014

	52 weeks to 1 February 2014 £000	53 weeks to 2 February 2013 £000
Profit for the period	**41,486**	41,242
Other comprehensive income:		
Items that may be classified subsequently to the Consolidated Income Statement:		
Exchange differences on translation of foreign operations	**(2,728)**	(2,921)
Recycling of foreign currency translation reserve on disposal of foreign operations	**-**	(910)
Total other comprehensive income for the period	**(2,728)**	(3,831)
Total comprehensive income and expense for the period (net of income tax)	**38,758**	37,411
Attributable to equity holders of the parent	**37,425**	34,767
Attributable to non-controlling interest	**1,333**	2,644

Consolidated Statement of Financial Position
As at 1 February 2014

	As at 1 February 2014 £000	As at 2 February 2013 £000
Assets		
Intangible assets	**104,330**	96,024
Property, plant and equipment	**141,574**	129,101

Other assets	**23,802**	20,568
Total non-current assets	**269,706**	245,693
Inventories	**186,116**	146,569
Trade and other receivables	**66,966**	56,761
Cash and cash equivalents	**76,797**	53,484
Total current assets	**329,879**	256,814
Total assets	**599,585**	502,507
Liabilities		
Interest-bearing loans and borrowings	**(30,970)**	(7,157)
Trade and other payables	**(240,544)**	(194,061)
Provisions	**(2,541)**	(2,714)
Income tax liabilities	**(11,596)**	(8,817)
Total current liabilities	**(285,651)**	(212,749)
Interest-bearing loans and borrowings	**(551)**	(691)
Other payables	**(34,487)**	(30,085)
Provisions	**(1,773)**	(3,373)
Deferred tax liabilities	**(4,283)**	(3,852)
Total non-current liabilities	**(41,094)**	(38,001)
Total liabilities	**(326,745)**	(250,750)
Total assets less total liabilities	**272,840**	251,757
Capital and reserves		
Issued ordinary share capital	**2,433**	2,433
Share premium	**11,659**	11,659
Retained earnings	**257,744**	230,572
Other reserves	**(12,070)**	(6,841)
Total equity attributable to equity holders of the parent	**259,766**	237,823
Non-controlling interest	**13,074**	13,934
Total equity	**272,840**	251,757

Consolidated Statement of Changes in Equity
For the 52 weeks ended 1 February 2014

	Ordinary Share Capital £000	**Share Premium £000**	**Retained Earnings £000**	**Other Equity £000**	**Foreign Currency Translation Reserve £000**	**Total Equity Attributable to Equity Holders of The Parent £000**
Balance at 28 January 2012	2,433	11,659	207,503	(4,094)	(2,245)	215,256
Profit for the period	-	-	38,786	-	-	38,786
<u>Other comprehensive income:</u>						
Exchange differences on translation of foreign operations	-	-	-	-	(3,109)	(3,109)
Recycling of foreign currency translation reserve on disposal of foreign operations	-	-	-	-	(910)	(910)
Total other comprehensive income	-	-	-	-	(4,019)	(4,019)
Total comprehensive income for the period	-	-	38,786	-	(4,019)	34,767
Dividends to equity holders	-	-	(12,408)	-	-	(12,408)
Put options held by non-controlling interests	-	-	-	(1,744)	-	(1,744)
Revaluation of the Canterbury put options prior to disposal	-	-	-	2,570	-	2,570
On disposal of Canterbury			(2,691)	2,691	-	-
Non-controlling interest arising on acquisition	-	-	(618)	-	-	(618)

Balance at 2 February 2013	2,433	11,659	230,572	(577)	(6,264)	237,823
Profit for the period	-	-	40,158	-	-	40,158
Other comprehensive income:						
Exchange differences on translation of foreign operations	-	-	-	-	(2,733)	(2,733)
Total other comprehensive income	-	-	-	-	(2,733)	(2,733)
Total comprehensive income for the period	-	-	40,158	-	(2,733)	37,425
Dividends to equity holders	-	-	(12,871)	-	-	(12,871)
Put options held by non-controlling interests	-	-	-	(2,496)	-	(2,496)
Acquisition of non-controlling interest	-	-	(115)	-	-	(115)
Non-controlling interest arising on acquisition	-	-	-	-	-	-
Balance at 1 February 2014	**2,433**	**11,659**	**257,744**	**(3,073)**	**(8,997)**	**259,766**

Consolidated Statement of Changes in Equity (continued)
For the 52 weeks ended 1 February 2014

	Total Equity Attributable to Equity Holders of The Parent £000	**Non-Controlling Interest £000**	**Total Equity £000**
Balance at 28 January 2012	215,256	13,832	**229,088**
Profit for the period	38,786	2,456	**41,242**
Other comprehensive income:			
Exchange differences on translation of foreign operations	(3,109)	188	**(2,921)**
Recycling of foreign currency translation reserve on disposal of foreign operations	(910)	-	**(910)**
Total other comprehensive income	(4,019)	188	**(3,831)**
Total comprehensive income for the period	34,767	2,644	**37,411**
Dividends to equity holders	(12,408)	(338)	**(12,746)**
Put options held by non-controlling interests	(1,744)	-	**(1,744)**
Revaluation of the Canterbury put options prior to disposal	2,570	-	**2,570**
On disposal of Canterbury	-	(2,570)	**(2,570)**
Non-controlling interest arising on acquisition	(618)	366	**(252)**
Balance at 2 February 2013	237,823	13,934	**251,757**
Profit for the period	40,158	1,328	**41,486**
Other comprehensive income:			
Exchange differences on translation of foreign operations	(2,733)	5	**(2,728)**
Total other comprehensive income	(2,733)	5	**(2,728)**
Total comprehensive income for the period	37,425	1,333	**38,758**
Dividends to equity holders	(12,871)	(45)	**(12,916)**
Put options held by non-controlling interests	(2,496)	-	**(2,496)**
Acquisition of non-controlling interest	(115)	115	**-**
Non-controlling interest arising			

on acquisition	-	(2,263)	**(2,263)**
Balance at 1 February 2014	**259,766**	**13,074**	**272,840**

Consolidated Statement of Cash Flows
For the 52 weeks ended 1 February 2014

		52 weeks to 1 February 2014 £000	53 weeks to 2 February 2013 £000
Cash flows from operating activities			
Profit for the period		**41,486**	41,242
Income tax expense		**16,364**	13,875
Financial expenses		**1,784**	1,503
Financial income		**(582)**	(645)
Depreciation and amortisation of non-current assets		**34,353**	30,328
Exchange differences on translation		**(2,709)**	401
Revaluation of forward contracts		**6,254**	(411)
Profit on disposal of Canterbury		**-**	(691)
Loss on disposal of non-current assets		**1,017**	212
Other exceptional items	2	**14,225**	4,495
Increase in inventories		**(29,372)**	(23,551)
Increase in trade and other receivables		**(8,702)**	(12,393)
Increase / (decrease) in trade and other payables		**19,671**	(5,902)
Interest paid		**(1,784)**	(1,503)
Income taxes paid		**(14,810)**	(12,232)
Net cash from operating activities		**77,195**	34,728
Cash flows from investing activities			
Interest received		**582**	645
Proceeds from sale of non-current assets		**557**	977
Disposal costs of non-current assets		**(7)**	(143)
Acquisition of intangible assets		**-**	(5,540)
Investment in bespoke software development		**(4,609)**	-
Acquisition of property, plant and equipment		**(40,351)**	(38,178)
Acquisition of non-current other assets		**(3,224)**	(5,350)
Cash consideration of acquisitions		**(14,889)**	(5,875)
Cash acquired with acquisitions		**1,313**	1,208
Overdrafts acquired with acquisitions		**(3,637)**	(175)
Receipt of Canterbury intercompany debt		**-**	22,699
Cash in Canterbury on disposal		**-**	(5,888)
Net cash used in investing activities		**(64,265)**	(35,620)
Cash flows from financing activities			
Repayment of interest-bearing loans and borrowings		**(129)**	(245)
Repayment of finance lease liabilities		**(60)**	(593)
Draw down of syndicated bank facility		**26,000**	-
Acquisition of non-controlling interest		**-**	(40)
Equity dividends paid		**(12,871)**	(12,408)
Dividends paid to non-controlling interest in subsidiaries		**(45)**	(338)
Net cash provided by / (used) in financing activities		**12,895**	(13,624)
Net increase / (decrease) in cash and cash equivalents		**25,825**	(14,516)
Cash and cash equivalents at the beginning of the period		**46,228**	61,611
Foreign exchange gains in cash and cash equivalents		**(10)**	(867)
Cash and cash equivalents at the end of the period		**72,043**	46,228

Analysis of Net Cash
As at 1 February 2014

	At 2 February 2013 £000	On acquisition of subsidiaries £000	Cash flow £000	Non-cash movements £000	**At 1 February 2014 £000**
Cash at bank and in hand	53,484	1,313	22,010	(10)	**76,797**
Overdrafts	(7,256)	(3,637)	5,851	288	**(4,754)**
Cash and cash equivalents	**46,228**	**(2,324)**	**27,861**	**278**	**72,043**

Interest-bearing loans and borrowings:

Bank loans	(68)	-	68	(288)	**(288)**
Syndicated loan facility	-	-	(26,000)	-	**(26,000)**
Finance lease liabilities	(56)	(18)	60	(58)	**(72)**
Other loans	(468)	-	61	-	**(407)**
	45,636	**(2,342)**	**2,050**	**(68)**	**45,276**

1. Segmental analysis

IFRS 8 'Operating Segments' requires the Group's segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker to allocate resources to the segments and to assess their performance. The Chief Operating Decision Maker is considered to be the Executive Chairman of JD Sports Fashion Plc.

Information reported to the Chief Operating Decision Maker is focused on the nature of the businesses within the Group. In the current period the reportable segments have been adjusted to reflect the streamlining of the Group's businesses into three main operating divisions. This has resulted in those businesses that were previously allocated to the distribution segment now being allocated to the Sport and Fashion segments based on the nature of the products they supply. The Group's revised reportable segments under IFRS 8 are therefore as follows:

- Sport - includes the results of JD Sports Fashion Plc, John David Sports Fashion (Ireland) Limited, Spodis SA, Champion Sports Ireland, JD Sprinter Holdings 2010 SL (including subsidiary companies), JD Sports Fashion BV, JD Sports Fashion Germany GmbH, ActivInstinct Limited, Duffer of St George Limited, Topgrade Sportswear Limited, Kooga Rugby Limited, Focus Brands Limited (including subsidiary companies), Kukri Sports Limited (including global subsidiary companies) and Source Lab Limited. Canterbury Limited (including global subsidiary companies) was also included in the prior period until the point of disposal (see note 5)
- Fashion - includes the results of Bank Fashion Limited, R.D. Scott Limited, Premium Fashion Limited, Tessuti Group Limited (including subsidiary companies), Cloggs Online Limited, Ark Fashion Limited and Nicholas Deakins Limited
- Outdoor - includes the results of Blacks Outdoor Retail Limited and Tiso Group Limited (including subsidiary companies)

The Chief Operating Decision Maker receives and reviews segmental operating profit. Certain central administrative costs including Group Directors' salaries are included within the Group's core 'Sport' result. This is consistent with the results as reported to the Chief Operating Decision Maker.

IFRS 8 requires disclosure of information regarding revenue from major products and customers. The majority of the Group's revenue is derived from the retail of a wide range of apparel, footwear and accessories to the general public. As such, the disclosure of revenues from major customers is not appropriate. Disclosure of revenue from major product groups is not provided at this time due to the cost involved to develop a reliable product split on a same category basis across all companies in the Group.

Intersegment transactions are undertaken in the ordinary course of business on arm's length terms.

The Board consider that certain items are cross divisional in nature and cannot be allocated between the segments on a meaningful basis. Net funding costs and taxation are treated as unallocated reflecting the nature of the Group's syndicated borrowing facilities and its tax group. Drawdowns from the Group's syndicated borrowing facility of £26,000,000 (2013: £nil), a deferred tax liability of £4,283,000 (2013: liability of £3,852,000) and an income tax liability of £11,596,000 (2013: £8,817,000) are included within the unallocated segment.

Each segment is shown net of intercompany transactions and balances within that segment. The eliminations remove intercompany transactions and balances between different segments which primarily relate to the net down of long term loans and short term working capital funding provided by JD Sports Fashion Plc (within Sport) to other companies in the Group, and intercompany trading between companies in different segments.

Business Segments

Information regarding the Group's reportable operating segments for the 52 weeks to 1 February 2014 is shown below:

Income statement

	Sport £000	Fashion £000	Outdoor £000	Total £000
Gross revenue	1,056,423	172,297	104,027	1,332,747
Intersegment revenue	(1,077)	(1,092)	-	(2,169)
Revenue	1,055,346	171,205	104,027	1,330,578
Operating profit / (loss) before exceptional items	93,421	(6,425)	(8,795)	78,201
Exceptional items	(4,013)	(13,323)	(1,813)	(19,149)
Operating profit / (loss)	89,408	(19,748)	(10,608)	59,052
Financial income				582
Financial expenses				(1,784)
Profit before tax				57,850
Income tax expense				(16,364)
Profit for the period				41,486

Sport	Fashion	Outdoor	Unallocated	Eliminations	Total

	£000	£000	£000	£000	£000	£000
Total assets	573,640	58,663	75,952	-	(108,670)	599,585
Total liabilities	(225,184)	(71,896)	(96,456)	(41,879)	108,670	(326,745)

Other segment information

	Sport £000	Fashion £000	Outdoor £000	Total £000
Capital expenditure:				
Software development	4,609	-	-	4,609
Property, plant and equipment	31,961	4,505	3,885	40,351
Non-current other assets	3,183	41	-	3,224
Depreciation, amortisation and impairments:				
Depreciation and amortisation of non-current assets	26,815	4,366	3,172	34,353
Impairment of intangible assets	-	11,839	-	11,839
Impairment of non-current assets	529	1,413	-	1,942

The comparative segmental results (restated) for the 53 weeks to 2 February 2013 are as follows:

Income statement

	Sport £000	Fashion £000	Outdoor £000	Total £000
Gross revenue	977,082	163,613	121,006	1,261,701
Intersegment revenue	(1,590)	(1,219)	-	(2,809)
Revenue	975,492	162,394	121,006	1,258,892
Operating profit / (loss) before exceptional items	77,912	(1,683)	(14,906)	61,323
Exceptional items	(1,426)	(3,314)	(608)	(5,348)
Operating profit / (loss)	76,486	(4,997)	(15,514)	55,975
Financial income				645
Financial expenses				(1,503)
Profit before tax				55,117
Income tax expense				(13,875)
Profit for the period				41,242

	Sport £000	Fashion £000	Outdoor £000	Unallocated £000	Eliminations £000	Total £000
Total assets	451,718	73,187	50,112	-	(72,510)	502,507
Total liabilities	(178,296)	(68,138)	(64,157)	(12,669)	72,510	(250,750)

Other segment information

	Sport £000	Fashion £000	Outdoor £000	Total £000
Capital expenditure:				
Brand names purchased	5,540	-	-	5,540
Property, plant and equipment	31,707	3,031	3,440	38,178
Non-current other assets	5,350	-	-	5,350
Depreciation, amortisation and impairments:				
Depreciation and amortisation of non-current assets	25,108	4,037	1,183	30,328
Impairment of intangible assets	-	2,315	-	2,315
Impairment of non-current assets	843	62	-	905

Geographical Information

The Group's operations are located in the UK, Republic of Ireland, France, Spain, Germany, the Netherlands, Australia, New Zealand, Canada, Dubai, Singapore and Hong Kong.

The following table provides analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

	52 weeks to 1 February 2014 £000	53 weeks to 2 February 2013 £000
UK	**1,086,335**	1,029,801
Europe	**229,971**	197,596
Rest of world	**14,272**	31,495
	1,330,578	1,258,892

The revenue from any individual country, with the exception of the UK, is not more than 10% of the Group's total revenue.

The following is an analysis of the carrying amount of segmental non-current assets, excluding the deferred tax assets of £nil (2013: £nil), by the geographical area in which the assets are located:

	2014 £000	2013 £000
UK	**205,591**	190,590
Europe	**63,985**	54,961
Rest of world	**130**	142
	269,706	245,693

2. Exceptional items

	52 weeks to 1 February 2014 £000	53 weeks to 2 February 2013 £000
Loss on disposal of non-current assets (1)	**1,017**	212
Impairment of non-current assets (2)	**1,942**	905
Onerous lease provision (3)	**1,087**	1,332
Reorganisation of warehouse operations (4)	**589**	133
Business restructuring (5)	**2,675**	1,142
Selling and distribution expenses - exceptional	**7,310**	3,724
Profit on disposal of Canterbury (6)	**-**	(691)
Impairment of goodwill, brand names and fascia names (7)	**11,839**	2,315
Administrative expenses - exceptional	**11,839**	1,624
	19,149	5,348

(1) Relates to the excess of net book value of property, plant and equipment and non-current other assets disposed over proceeds received
(2) Relates to property, plant and equipment and non-current other assets in cash-generating units which are generating a negative cash contribution, where it is considered that this position cannot be recovered
(3) Relates to the net movement in the provision for onerous property leases on trading and non-trading stores
(4) Relates to the reorganisation of the warehouse operations consisting of the provision of onerous property leases, redundancy costs and dilapidations at the vacated premises
(5) Relates to the restructuring of the Blacks and Champion businesses following acquisition for relocation of the warehouse and head office operations, as well as the restructuring of the Kooga business following a decision to relocate the current head office and warehouse. In the prior period the exceptional items relate to the restructuring of the Blacks business for relocation of the warehouse operations and closure of the Canterbury North America LLC and Canterbury European Fashionwear operations following the decision to wind down the separate businesses
(6) Profit on the disposal of Canterbury Limited and its subsidiaries (see note 5)
(7) Relates to the impairment in both periods of the goodwill arising on the acquisition of Pink Soda Limited (formerly Bank Stores Holding Limited) in which the trading subsidiary Bank Fashion Limited, is held

These selling and distribution expenses and administrative expenses are exceptional items as they are, in aggregate, material in size and/or unusual or infrequent in nature.

3. Earnings per ordinary share

Basic and diluted earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share at 1 February 2014 is based on the profit for the period attributable to equity holders of the parent of £40,158,000 (2013: £38,786,000) and a weighted average number of ordinary shares outstanding during the 52 weeks to 1 February 2014 of 48,661,658 (53 weeks to 2 February 2013: 48,661,658).

	52 weeks to 1 February 2014	53 weeks to 2 February 2013
Issued ordinary shares at beginning and end of period	**48,661,658**	48,661,658

Adjusted basic and diluted earnings per ordinary share

Adjusted basic and diluted earnings per ordinary share have been based on the profit for the period attributable to equity holders of the parent for each financial period but excluding the post-tax effect of certain exceptional items. The Directors consider that this gives a more meaningful measure of the underlying performance of the Group.

	Note	**52 weeks to 1 February 2014 £000**	53 weeks to 2 February 2013 £000
Profit for the period attributable to equity holders of the parent		**40,158**	38,786
Exceptional items excluding loss on disposal of non-current assets	2	**18,132**	5,136
Tax relating to exceptional items		**(1,296)**	(850)
Profit for the period attributable to equity holders of the parent excluding exceptional items		**56,994**	43,072
Adjusted basic and diluted earnings per ordinary share		**117.12p**	88.51p

4. Acquisitions

Current period acquisitions

Cloggs Online Limited
On 13 February 2013, the Group acquired, via its new 88% owned subsidiary Cloggs Online Limited, the trade and assets of Cloggs (UK) Limited ('Cloggs') from its Administrators for a total cash consideration of £579,000. Cloggs is an online niche retailer of premium branded footwear. In December 2014, Cloggs opened its first retail store.

The Board believes that the excess of consideration paid over net identifiable assets on acquisition of £700,000 represents the fair value of the 'Cloggs' online fascia name.

Included in the 52 week period to 1 February 2014 is revenue of £4,701,000 and a loss before tax of £617,000 in respect of Cloggs Online Limited.

Setpoint RE BV
On 1 May 2013, the Group acquired Setpoint RE BV for a cash consideration of £1,280,000 (€1,600,000). Setpoint RE BV was established on 26 April 2013 with its only asset being the leases of 15 stores in the Netherlands which were transferred into it on 27 April 2013 from Setpoint BV who were looking to close down their retail operations. Following a refit, 14 of these stores now trade under the JD fascia with one store handed back to the landlord.

The only asset acquired is the right to the leases, with a fair value of £1,280,000 (€1,600,000). As the acquisition does not constitute a business combination under IFRS 3, the Group has not applied acquisition accounting.

Ark Fashion Limited
On 28 June 2013, the Group acquired, via its new 70% owned subsidiary Ark Fashion Limited, the trade and assets of Rett Retail Limited from its Administrators for a total cash consideration of £1,138,000. On acquisition, there were nine stores trading as Ark in the North of England and the Midlands with a separate trading website. One of the loss making stores has been closed subsequent to the period end.

The Board believes that the excess of consideration paid over net identifiable assets on acquisition of £469,000 represents the fair value of the 'Ark' fascia name.

Included in the 52 week period to 1 February 2014 is revenue of £6,008,000 and a loss before tax of £803,000 in respect of Ark Fashion Limited.

Isico U.S.A. Sports Eric Isichei & Soehne oHG
On 1 July 2013, the Group acquired, via its new 85% subsidiary JD Sports Fashion Germany GmbH, the trade and assets of Isico U.S.A. Sports Eric Isichei & Soehne oHG ('Isico') for a cash consideration of £800,000 (€1,000,000). On acquisition, Isico had 10 small stores primarily in Berlin but with a presence also in Hamburg, Hannover and Frankfurt. It is intended that these stores will be rebranded to JD through 2014.

The Board believes that the excess of consideration paid over the provisional fair value of the net identifiable assets of £982,000 is best considered as goodwill on acquisition representing employee expertise.

The goodwill calculation is provisional at 1 February 2014 to allow further measurement adjustments to be made if necessary, during the remaining measurement period to reflect any new information obtained about facts and circumstances that existed at the acquisition date that would have affected the measurement of the amounts recognised as of that date.

Included in the 52 week period to 1 February 2014 is revenue of £3,687,000 and a profit before tax of £329,000 in respect of JD Sports Fashion Germany GmbH.

ActivInstinct Limited
On 25 October 2013, the Group, via its new 81.2% subsidiary ActivInstinct Holdings Limited acquired the issued share capital of ActivInstinct Limited for an initial cash consideration of £9,093,000 with a maximum further payment of £4,136,000 payable after 31 August 2014 depending on performance. ActivInstinct is an online multi-sport retailer of premium, technical sporting equipment.

The provisional goodwill calculation is summarised below:

	Book value £000	Measurement adjustments £000	Provisional fair value at 1 February 2014 £000
Acquiree's net assets at the acquisition date:			
Intangible assets	-	3,524	3,524
Property, plant & equipment	164	-	164
Inventories	3,035	-	3,035
Cash and cash equivalents	1,110	-	1,110
Trade and other receivables	808	-	808
Trade and other payables	(2,407)	-	(2,407)
Income tax liabilities	(452)	-	(452)
Interest-bearing loans and borrowings	(18)	-	(18)
Deferred tax asset/ (liabilities)	20	(705)	(685)
Net identifiable assets	2,260	2,819	5,079
Non-controlling interest	(425)	(530)	(955)
Goodwill on acquisition			6,617
Consideration paid - satisfied in cash			9,093
Non-controlling interest share of loan made from JD Sports Fashion Plc to ActivInstinct Holdings Limited			(2,488)
Deferred consideration			4,136
Consideration paid			10,741

ActivInstinct is on course to meet the performance criteria for the maximum deferred consideration to be payable and therefore the full amount has been included in the acquisition accounting.

The fair value of trade and other receivables is £808,000 and includes trade receivables with a fair value of £523,000. The gross contractual amount for trade receivables is £523,000, of which £nil is expected to be uncollectable.

The intangible asset acquired represents the fair value of the 'ActivInstinct' fascia name. The Board believes that the excess of consideration paid over the provisional fair value of the net identifiable assets of £6,617,000 is best considered as goodwill on acquisition representing employee expertise.

The goodwill calculation is provisional at 1 February 2014 to allow further measurement adjustments to be made if necessary, during the remaining measurement period to reflect any new information obtained about facts and circumstances that existed at the acquisition date that would have affected the measurement of the amounts recognised as of that date. The goodwill arises on consolidation and is therefore not tax deductible.

Included in the 52 week period to 1 February 2014 is revenue of £7,653,000 and a profit before tax of £836,000 in respect of ActivInstinct Limited.

Tiso Group Limited
On 11 November 2013, the Group acquired 60% of the issued share capital of Tiso Group Limited for a cash contribution of £2,000,000 and have also advanced £5,340,000 to allow it to settle an element of its indebtedness.

Tiso is a highly regarded retailer of Outdoor clothing, footwear and equipment and has four fascias (Tiso, Alpine Bikes, Blues ski and George Fisher). On acquisition, the Group was trading from 17 stores (all in Scotland except for the George Fisher store) including 5 'Outdoor Experience' stores which are multi-fasciaed in larger retailer units, along with two trading websites.

The provisional goodwill calculation is summarised below:

	Book value £000	Measurement adjustments £000	Provisional fair value at 1 February 2014 £000
Acquiree's net assets at the acquisition date:			
Intangible assets	-	2,700	2,700

Property, plant & equipment	6,327	(1,000)	5,327
Inventories	5,404	-	5,404
Trade and other receivables	673	-	673
Cash and cash equivalents	103	-	103
Interest-bearing loans and borrowings	(3,637)	-	(3,637)
Trade and other payables	(12,161)	-	(12,161)
Deferred tax liabilities	(2)	(540)	(542)
Net identifiable (liabilities)/ assets	(3,293)	1,160	(2,133)
Non-controlling interest (40%)	1,317	(464)	853
Goodwill on acquisition			3,280
Consideration paid - satisfied in cash			2,000

The fair value of trade and other receivables is £673,000 and includes trade receivables with a fair value of £58,000. The gross contractual amount for trade receivables is £65,000, of which £7,000 is expected to be uncollectable.

The intangible asset acquired represents the fair value of the 'Tiso', 'Alpine Bikes' and 'George Fisher' fascia names. The Board believes that the excess of consideration paid over the provisional fair value of the net identifiable assets of £3,280,000 is best considered as goodwill on acquisition representing employee expertise.

The goodwill calculation is provisional at 1 February 2014 to allow further measurement adjustments to be made if necessary, during the remaining measurement period to reflect any new information obtained about facts and circumstances that existed at the acquisition date that would have affected the measurement of the amounts recognised as of that date. The goodwill arises on consolidation and is therefore not tax deductible.

Included in the 52 week period to 1 February 2014 is revenue of £4,809,000 and a profit before tax of £19,000 in respect of Tiso Group.

Full year impact of acquisitions
Had the acquisitions of Cloggs Online Limited, Ark Fashion Limited, Isico U.S.A. Sports Eric Isichei & Soehne oHG, ActivInstinct Limited and Tiso Group been effected at 3 February 2013, the revenue and profit before tax of the Group for the 52 week period to 1 February 2014 would have been £1,369,378,000 and £57,020,000 respectively.

Acquisition costs
Acquisition-related costs amounting to £430,000 (Cloggs Online Limited: £70,000; Ark Fashion Limited: £30,000; Isico U.S.A. Sports Eric Isichei & Soehne oHG: £65,000; ActivInstinct £200,000 and Tiso Group: £65,000) have been excluded from the consideration transferred and have been recognised as an expense in the year, within administrative expenses in the Consolidated Income Statement.

Prior period acquisitions

Originals
On 14 March 2012, the Group acquired, via its subsidiary R.D. Scott Limited, the trade and assets of seven stores trading as Originals and the head office along with the Originals name and inventory from the Administrators of Retailchic Limited for a total cash consideration of £100,000. On 3 February 2013, the trade and assets of the Originals stores were transferred to Tessuti Limited, another subsidiary of the Group.

The measurement period concluded in the 52 week period to 1 February 2014, with no measurement adjustments being made to the fair values in this period.

Source Lab Limited
On 9 May 2012, the Group acquired 85% of the issued share capital of Source Lab Limited for a cash consideration of £2,550,000. Source Lab Limited, which was established in 2005, design, source and distribute football related apparel under license from some of the biggest clubs in Europe including Manchester United, Chelsea, Arsenal and Barcelona.

The measurement period concluded in the 52 week period to 1 February 2014, with no measurement adjustments being made to the fair values in this period.

Tessuti Group
On 18 May 2012, the Group, via its new 60% owned subsidiary Tessuti Group Limited, acquired the trading businesses that make up the Tessuti group for a total consideration of £4,819,000. On acquisition, the Tessuti group operated four premium fashion retail stores in the North West of England, along with two trading websites.

The measurement period concluded in the 52 week period to 1 February 2014, with no measurement adjustments being made to the fair values in this period.

5. Disposals

Prior year disposals

Disposal of 100% of the issued ordinary share capital of Canterbury Limited (and its subsidiary undertakings)

On 13 September 2012 the Group disposed of its 100% shareholding in Canterbury Limited to Pentland Group Plc for a total cash payment of £22,698,521 and acquired the ONETrueSaxon Brand. The total cash payment received comprised £1 for the entire share capital of Canterbury Limited and £22,698,520 which repaid the total intercompany receivable balance owing to the Company from the Canterbury Group at the date of disposal.

The assets and liabilities related to Canterbury Limited (and its subsidiary undertakings) formed a disposal group. However, Canterbury was not treated as a discontinued operation at 2 February 2013, as its teamwear and leisurewear offering did not represent a major line of business.

Financial information related to the disposal is set out below:

	£000
Consideration received	22,699
Less carrying value of net assets disposed of	(19,748)
Plus share of translation reserve recycled	910
Less non-controlling interest disposed of	(2,570)
Less transaction costs	(600)
Profit on disposal	691
Net cashflow on disposal:	
Consideration received	22,699
Less cash and cash equivalents disposed of	(5,888)
Net cash inflow from disposal	16,811

6. Accounts

The financial information set out above does not constitute the Group's statutory accounts for the 52 weeks ended 1 February 2014 or 53 weeks ended 2 February 2013 but is derived from those accounts. Statutory accounts for the 53 weeks ended 2 February 2013 have been delivered to the Registrar of Companies, and those for the 52 weeks to 1 February 2014 will be delivered in due course. The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Copies of full accounts will be sent to shareholders in due course. Additional copies will be available from JD Sports Fashion Plc, Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR or online at www.jdplc.com.

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