



Preliminary Results JD Sports Fashion PLC

April 2018



Peter Cowgill

Key Highlights

Summary of Results

	Jan 18 £m	Jan 17 £m	
Revenue	3,161.4	2,378.7	+33%
<u>EBITDA Split:</u>			
Sports Fashion	362.2	301.6	
Outdoor	23.0	7.0	
	385.2	308.6	+25%
<u>Operating Profit Split:</u>			
Sports Fashion	300.0	245.0	
Outdoor	8.8	1.2	
	308.8	246.2	+25%
Profit Before Tax & Exceptional Items	307.4	244.8	+26%
Net Cash	309.7	213.6	

Four Year History

		Year to Jan 2018	Year to Jan 2017	Year to Jan 2016	Year to Jan 2015
Revenue (£m)	UK & Ireland	2,229.6	1,791.4	1,516.1	1,288.4
	International	931.8	587.3	305.6	233.9
		<u>3,161.4</u>	<u>2,378.7</u>	<u>1,821.7</u>	<u>1,522.3</u>
Profit Before Tax & Exceptional Items (£m)		307.4	244.8	157.1	100.0
Net Cash (£m)		309.7	213.6	209.4	84.2
LFL Store Sales (%)		+3%	+11%	+13%	+12%
LFL Total Sales (%)		+7%	+14%	+16%	+16%
Sports Fashion Stores	Start Of Period	1,050	736	660	623
	End Of Period	1,237	1,050	736	660



**Brian Small
Financials**

Sports Fashion Summary

	JD & Size?			Other International Fascias			
	UK & ROI	Europe (1)	Asia Pacific	Europe	Asia Pacific	Other Businesses (2)	Sports Fashion
Revenue to Jan 2017 (£m)	1,391.4	234.4	7.0	310.7	35.2	201.9	2,180.6
Revenue to Jan 2018 (£m)	1,558.0	421.3	44.0	378.4	88.1	255.2	2,745.0
Operating Profit / (Loss) to Jan 2017 (£m)	217.3	14.1	1.5	5.3	(0.5)	7.3	245.0
Operating Profit / (Loss) to Jan 2018 (£m)	255.6	30.9	4.3	8.5	(5.5)	6.2	300.0
LFL Store Sales (%)	+2%	+10%		+1%			+3%
LFL Total Sales (%)	+6%	+19%		+2%			+8%
Stores Start Of Period	397	166	3	358	52	74	1,050
Stores End Of Period	414	222	12	445	67	77	1,237

(1) Includes nine Size? stores (unchanged in the year)

(2) Includes Fashion fascias, Gyms and non-retail businesses

(3) LFL sales growth stated at constant currency in international businesses

Encouraging Progress in Outdoor

	Year to Jan 2018	Year to Jan 2017
	£m	£m
EBITDA (*)	23.0	7.0
Trading Depreciation	(9.7)	(5.8)
Amortisation of Fascia Names & Brand Names	(4.5)	-
Operating Profit	8.8	1.2

(*) EBITDA analysed as:

Blacks / Millets	7.6	4.9
Tiso	1.0	0.7
Go Outdoors	14.4	1.4
LFL Store Sales (%)	+3%	+4%
LFL Total Sales (%)	+7%	+8%

Balance Sheet

	January 2018 £m	January 2017 £m
Goodwill & Fascia Names	193.2	176.4
Brand Licences & Owned Brands	14.0	12.4
Tangible Fixed Assets	396.6	250.4
Key Money & Store Deposits	50.6	25.6
Stocks	478.0	348.0
Debtors / Prepayments	146.3	118.6
Net Cash	309.7	213.6
Liabilities / Provisions	(692.2)	(510.9)
Deferred Income On Lease Incentives	(61.9)	(55.3)
	<u>834.3</u>	<u>578.8</u>

Cash Flow

	Year to Jan 2018 £m	Year to Jan 2017 £m
Operating Profit (Pre Exceptional Items)	308.8	246.2
Depreciation	76.4	62.4
Increase In Stocks	(79.0)	(21.2)
Other Working Capital Movements	99.2	39.4
Net Cash Inflow From Operating Activities	405.4	326.8
Net Taxation	(57.8)	(40.1)
Net Interest	(1.4)	(1.4)
Capital Expenditure (Incl Bespoke Software Development)	(186.6)	(88.0)
Net Proceeds From Disposals	6.7	2.4
Free Cash Flow	166.3	199.7
Net Acquisition & Investments (Incl Debt Acquired) (1)	(37.6)	(162.2)
Purchase of Own Shares from Minority in Sprinter Business	-	(14.8)
Group Dividends	(15.2)	(14.5)
Dividends To Non-Controlling Interests In Subsidiaries	(8.8)	(0.7)
Net Repayment Of Loans & Finance Leases	(8.6)	(3.3)
Net Cash Generation	96.1	4.2

(1) Principal acquisitions in year to January 2018 were JD Sports Fashion Korea and Sport Zone

Stocks by Segment

	Jan 2017	Acquisition (1)	Cashflow	Jan 2018
	£m	£m	£m	£m
JD & Size? (All Territories)	151.7	-	50.4	202.1
Other Sports Fashion	115.5	51.0	19.9	186.4
Sports Fashion	267.2	51.0	70.3	388.5
Blacks & Millets	36.1	-	(0.1)	36.0
Tiso	5.5	-	(0.2)	5.3
Go Outdoors	39.2	-	9.0	48.2
Outdoor	80.8	-	8.7	89.5
TOTAL STOCKS	348.0	51.0	79.0	478.0

(1) £51.0m acquisitions being:

£8.8m re JD Sports Fashion Korea Inc (Hot-T Korea)

£41.0m re SDSR - Sports Division SR, S.A. (Sport Zone)

£1.2m re Dantra Limited (Kids Cavern)

Additional Investment in Retail Property and Warehouse Infrastructure

		Guidance to Jan 2019 (4)	Year to Jan 2018	Year to Jan 2017	Year to Jan 2016
		£m	£m	£m	£m
Retail Property	Sports Fashion – UK & Ireland (1)	35 – 50	42.5	29.5	25.4
	Sports Fashion – International	60 – 75	38.6	35.7	26.0
	Outdoor (2)	10 – 15	10.8	4.2	3.2
		105 – 140	91.9	69.4	54.6
Lease Premia, Key Money & Deposits		5 – 8	10.9	6.0	3.4
Warehouse Projects	Kingsway	25 – 30	24.5	3.7	14.4
	Alicante	3 – 4	16.6	-	-
	Other	1 - 2	3.0	0.4	1.6
Land & Buildings	Bury Head Office Campus	1 - 2	12.6	-	-
	Alicante Office & Warehouse (3)	1 - 2	15.0	-	-
Other		9 – 12	12.1	8.5	9.5
		150 – 200	186.6	88.0	83.5

(1) Including £12.2m (2017: £5.4m, 2016: £2.9m) re Gyms

(2) Includes £7.7m (2017: £0.7m) re Go Outdoors

(3) Building acquired at a cost of €15.5m with €3.1m incurred to date on subsequent internal works

(4) Current Group only excluding potential impact of The Finish Line in US



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