

# **Peter Cowgill**

## **Executive Chairman**

## **Key Highlights**

## Record Result For The First Half

	H1 Jul 16 £m	H1 Jul 15 £m	
Revenue	970.6	809.9	+20%
<b><u>Operating Profit Split:</u></b>			
Sports Fashion	79.9	52.1	
Outdoor	(2.3)	(4.5)	
	<b>77.6</b>	<b>47.6</b>	
Profit Before Tax & Exceptional Items	77.4	46.6	+66%
Net Cash	231.8	100.3	
Interim Dividend Per Share	1.25p	1.20p	

**Brian Small**

**Chief Financial Officer Financials**

# Segmental Bridge Summary

	Sports Fashion	Outdoor	Group
	£m	£m	£m
Revenue To Jul 15	741.6	68.3	809.9
<i>Organic Businesses</i>	<i>124.6</i>	<i>4.8</i>	<i>129.4</i>
<i>Acquisitions, Annualisations and Closures</i>	<i>31.3</i>	<i>-</i>	<i>31.3</i>
<b>Revenue To Jul 16</b>	<b>897.5</b>	<b>73.1</b>	<b>970.6</b>
Gross Profit % To Jul 15	47.7%	43.9%	47.4%
<b>Gross Profit % To Jul 16</b>	<b>48.4%</b>	<b>44.2%</b>	<b>48.1%</b>
Operating Profit / (Loss) To Jul 15	52.1	(4.5)	47.6
<i>Organic Businesses</i>	<i>30.7</i>	<i>2.2</i>	<i>32.9</i>
<i>Acquisitions, Annualisations and Closures</i>	<i>(2.9)</i>	<i>-</i>	<i>(2.9)</i>
<b>Operating Profit / (Loss) To Jul 16</b>	<b>79.9</b>	<b>(2.3)</b>	<b>77.6</b>

## Progression In Mainland Europe

	H1 July 16			H1 July 15		
	JD & Size?	Other Fascias (*)	Total Europe	JD & Size?	Other Fascias (*)	Total Europe
Revenue (£m)	87.7	86.7	174.4	58.8	80.9	139.7
Gross Profit %	49.3%	45.5%	47.4%	44.0%	44.7%	44.4%
Operating Profit (£m)	6.7	3.3	10.0	0.5	1.8	2.3
Stores Start Of Period	111	176	287	70	153	223
Stores End Of Period	126	181	307	84	166	250

(\*) Being Chausport and Sprinter only ie excludes the acquisitions in the period of:

- i. The Perry Sport and Aktiesport stores in Sports Unlimited Retail BV which were acquired in March 2016
- ii. The 12 stores in Portugal currently trading as 'The Athlete's Foot' which were acquired in July 2016 and will be converted to JD in the second half

## Online Penetration - % Of Total Fascia Sales

	H1 Jul 16 %	H1 Jul 15 %
JD (UK & Ireland)	11.0%	9.1%
JD (Europe)	2.8%	2.0%
Size?	37.5%	36.1%
Chausport	13.6%	11.9%
Sprinter	0.9%	0.8%
Scotts	18.5%	16.5%
Blacks & Millets	20.9%	16.6%

## Balance Sheet

	July 2016 £m	July 2015 £m
<b>Intangible Assets (*)</b>	<b>72.9</b>	<b>101.1</b>
<b>Property, Plant &amp; Equipment</b>	<b>173.8</b>	<b>170.8</b>
<b>Other Long Term Assets (**)</b>	<b>35.2</b>	<b>33.7</b>
<b>Stocks</b>	<b>296.0</b>	<b>250.6</b>
<b>Debtors / Prepayments</b>	<b>95.3</b>	<b>51.4</b>
<b>Net Cash</b>	<b>231.8</b>	<b>100.3</b>
<b>Liabilities / Provisions</b>	<b>(404.0)</b>	<b>(336.7)</b>
<b>Deferred Income On Lease Incentives</b>	<b>(40.9)</b>	<b>(41.8)</b>
<b>Net Assets</b>	<b>460.1</b>	<b>329.4</b>

(\*) *Being goodwill, fascia names; other capitalised brand names and bespoke software developments*

(\*\*) *Being key money, lease premia and store deposits*

**Continuing Strong Cash Generation Funds Investments**

	2016 £m	2015 £m
<b>Operating Profit Before Financing (Incl Exceptionals)</b>	<b>77.6</b>	<b>45.7</b>
<b>Depreciation / Impairments</b>	<b>30.3</b>	<b>22.8</b>
<b>Increase In Stocks</b>	<b>(27.9)</b>	<b>(25.7)</b>
<b>Other Working Capital Movements</b>	<b>9.2</b>	<b>33.0</b>
<b>Net Cash Inflow From Operating Activities</b>	<b>89.2</b>	<b>75.8</b>
<b>Net Interest</b>	<b>(0.2)</b>	<b>(1.0)</b>
<b>Net Taxation</b>	<b>(15.0)</b>	<b>(11.0)</b>
<b>Capital Expenditure (Incl Bespoke Software Development)</b>	<b>(27.4)</b>	<b>(47.7)</b>
<b>Net Proceeds From Disposals</b>	<b>1.5</b>	<b>0.1</b>
<b>FREE CASH FLOW</b>	<b>48.1</b>	<b>16.2</b>
<b>Net Acquisition &amp; Investments (*)</b>	<b>(25.6)</b>	<b>-</b>
<b>Repayment Of Loans &amp; Finance Leases</b>	<b>(0.1)</b>	<b>(0.1)</b>
<b>NET CASH GENERATION</b>	<b>22.4</b>	<b>16.1</b>

(\*) *Being:*

- £18.9m re Aktiesport and Perry Sport (Netherlands)
- £3.4m re Sports Empire, Revolution and The Marathon Shop (Malaysia)
- £2.3m re The Athlete's Foot (Portugal)
- £1.0m re acquisition of non-controlling interest in existing subsidiary



## Stocks By Segment

	Jan 2016	Acquisition (*)	Cashflow	Jul 2016	Jul 2015
	£m		£m	£m	£m
<b>JD &amp; Size? (All Territories)</b>	<b>128.9</b>	<b>-</b>	<b>33.7</b>	<b>162.6</b>	<b>126.1</b>
<b>Other Sports Fashion</b>	<b>70.4</b>	<b>29.8</b>	<b>(7.0)</b>	<b>93.2</b>	<b>75.8</b>
<b>Sports Fashion</b>	<b>199.3</b>	<b>29.8</b>	<b>26.7</b>	<b>255.8</b>	<b>201.9</b>
<b>Blacks &amp; Millets</b>	<b>33.6</b>	<b>-</b>	<b>1.5</b>	<b>35.1</b>	<b>43.6</b>
<b>Tiso</b>	<b>5.4</b>	<b>-</b>	<b>(0.3)</b>	<b>5.1</b>	<b>5.1</b>
<b>Outdoor</b>	<b>39.0</b>	<b>-</b>	<b>1.2</b>	<b>40.2</b>	<b>48.7</b>
<b>Total Stocks</b>	<b>238.3</b>	<b>29.8</b>	<b>27.9</b>	<b>296.0</b>	<b>250.6</b>

(\*) *Being:*

- £25.0m re Aktiesport and Perry Sport (The Netherlands)
- £2.0m re Sports Empire, Revolution and The Marathon Shop (Malaysia)
- £2.8m re The Athlete's Foot (Portugal)