



**FOR IMMEDIATE RELEASE**  
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**FOR FURTHER INFORMATION:**  
At the Company:  
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## **Sport Supply Group Announces Significantly Improved Results for the Three Months and Year Ended March 31, 2005**

**Dallas, Texas – Wednesday, May 11, 2005-** Sport Supply Group, Inc. (Pink Sheets: "SSPY"), a leading manufacturer and distributor of sporting goods and physical education products to the institutional market, reported its fourth consecutive quarter of significantly improved operating results. Some highlights of the Company's improved operating results for the quarter and year-ended March 31, 2005 as compared to the quarter and year-ended March 26, 2004 are as follows:

### **Highlights for the Quarter**

- Revenue growth of 12.8% (\$27.3M vs. \$24.2M)
- Improvement in Gross Profit dollars of 29.2% (\$7.8M vs. \$6.1M)
- Reduction of Operating Expenses by 18.7% (\$5.9M vs. \$7.2M)
- Improved Operating Income by \$3.2M (\$1.5M vs. loss of \$1.7M)
- Improved Net Income by \$3.6M (\$1.5M vs. loss of \$2.1M)

### **Highlights for the Year**

- Revenue growth of 7.3% (\$90M vs. \$83.9M)
- Improvement in Gross Profit dollars of 17.3% (\$26.0M vs. \$22.1M)
- Reduction in Operating Expenses of 8.5% (\$22.0M vs. \$24.0M)
- Improved Operating Income by \$6.1M for the year (\$2.2M vs. loss of \$3.9M)
- Improved Net Income by \$3.8M for the year (\$2.1M vs. loss of \$1.7M)

The Company's balance sheet as of March 31, 2005 also reflects significant improvements as compared to March 26, 2004, including a \$4 million reduction in long term debt and a \$2 million increase in Stockholders' Equity.

Geoffrey P. Jurick, Chairman of the Board and Chief Executive Officer, commented, "We achieved significant improvements from the prior year in virtually all measures of financial performance for the quarter and year-ended March 31, 2005. Our fiscal 2005 results reflect organic revenue growth, margin improvement, operating cost reductions and a significant improvement in operating income as compared to a net loss last year. Operating income for the year-ended March 31, 2005 was \$2.2 million, which translates into a \$6.1 million operating income improvement from our last fiscal year. Our \$2.1 million net income in the current year represents a \$3.8 million improvement from the \$1.7 million net loss last year. It is important to note that the March 26, 2004 net loss included a \$2.7 million gain that was recorded as a result of the sale of the Company's subsidiary Athletic Training Equipment Company. Excluding this one-time gain, net income for the year ended March 31, 2005 improved by \$6.5 million. No income tax provision is reflected in our income statement because we have net operating loss carryforwards of approximately \$20 million.

“We continued to strengthen our balance sheet by managing cash flow, accounts receivable and inventory to reduce total debt by approximately \$4 million since March 2004. We are very pleased that our turnaround efforts continued to produce such substantial improvements in all targeted areas.”

Sport Supply Group is a leading direct marketer and B2B e-commerce supplier of sporting goods and physical education equipment to the institutional and youth sports market place. Athletes, coaches and instructors in schools, colleges, universities, governmental agencies, camps and youth organizations across the country use our products. Emerson Radio Corp. (AMEX: MSN) owns approximately 53% of Sport Supply Group’s issued and outstanding common stock.

For more information about Sport Supply Group and for complete financial statements, please visit [www.sportsupplygroup.com](http://www.sportsupplygroup.com).

This press release, other than the historical information, consists of “forward-looking statements” (as defined in the Private Securities Litigation Reform Act of 1995) which are identified by the use of words such as “believes”, “expects”, “projects”, and similar expressions. While these statements reflect the Company’s current beliefs and are based on assumptions that the Company believes are reasonable, they are subject to uncertainties and risks that could cause actual results to differ materially from anticipated results.

(Financial Data Tables Follow)

**SPORT SUPPLY GROUP, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands except earnings per share)

	Three Months Ended March		Twelve Months Ended March	
	2005	2004	2005	2004
Net revenues	\$ 27,252	\$ 24,162	\$ 89,988	\$ 83,867
Cost of sales	19,428	18,107	64,027	61,725
Gross profit	7,824	6,055	25,961	22,142
Selling, general and administrative expenses	5,892	7,246	22,015	24,046
Depreciation and amortization	387	465	1,721	1,986
Operating profit (loss)	1,545	(1,656)	2,225	(3,890)
Interest & other expense	46	51	216	459
Income (loss) before taxes	1,499	(1,707)	2,009	(4,349)
Provision for income taxes	0	0	0	0
Net income (loss) before discontinued operations	1,499	(1,707)	2,009	(4,349)
Discontinued operations income (loss)	50	(387)	50	2,661
Net income (loss)	\$ 1,549	\$ (2,094)	\$ 2,059	\$ (1,688)
Earnings per share:				
Basic	\$ 0.174	\$ (0.235)	\$ 0.231	\$ (0.189)
Diluted	\$ 0.169	\$ (0.235)	\$ 0.227	\$ (0.189)
Weighted average shares outstanding:				
Basic	8,917,244	8,917,244	8,917,244	8,917,244
Diluted	9,157,892	8,924,101	9,054,855	8,925,208

**SPORT SUPPLY GROUP, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands)

	March 31, 2005	March 26, 2004
Cash and cash equivalents	\$ 1,137	\$ 1,156
Accounts receivable	13,792	13,140
Inventory	15,361	16,953
Current deferred tax assets	1,257	1,343
Other current assets	447	405
Total current assets	31,994	32,997
Plant, property and equipment	5,769	6,710
Deferred catalog expenses	1,598	1,695
Noncurrent deferred tax assets	2,130	2,044
Trademarks	2,715	2,821
Other assets	351	425
Total assets	\$ 44,557	\$ 46,692
Current liabilities	\$ 13,130	\$ 13,336
Long term debt	3,010	6,998
Stockholder's equity	28,417	26,358
Total liabilities and equity	\$ 44,557	\$ 46,692