



**FOR IMMEDIATE RELEASE**  
**Tuesday, February 21, 2006**

**FOR FURTHER INFORMATION:**

At the Company:  
Terry Babilla, President or  
Bob Mitchell, CFO  
972-484-9484

## **Sport Supply Group Announces**

- **Change in Tax and Fiscal Year-End To June 30**
- **Appointment of Independent Auditors**
- **Appointment of New Independent Directors**
- **Significantly Improved Operating Results For the Three and Six Months Ended December 31, 2005**

**Dallas, Texas Tuesday, February 21, 2006** - Sport Supply Group, Inc. (Pink Sheets: SSPY.PK), a leading institutional sporting goods distributor, today announced that it (1) changed its tax and fiscal year-end to June 30, (2) appointed independent auditors for the 2006 fiscal year, and (3) appointed 2 new independent directors. In addition, the Company announced significantly improved results of operations for the three and six month periods ended December 31, 2005.

Terry Babilla, the Company's President and Chief Operating Officer, stated that previously the Company had an October 31 tax year-end and a March 31 fiscal year-end and changing year-ends to the same date would streamline the accounting and tax return process resulting in enhanced efficiencies at the Company. Mr. Babilla further explained that because the Company is a consolidated subsidiary of Collegiate Pacific, Inc. (AMEX: BOO), having the same June 30 fiscal year-end as Collegiate Pacific eliminates additional financial reporting resulting from two different year-ends.

Mr. Babilla then stated that the Company retained as its independent auditors Grant Thornton LLP, who are also Collegiate Pacific's independent auditors. Previously, the Company retained BDO Seidman, LLP as its independent auditors. BDO Seidman, LLP did not resign or decline to stand for re-appointment. The Company believes changing auditors will enhance efficiencies, save audit expenses and will be a more efficient use of management and staff resources.

Mr. Babilla also announced that Robert W. Philip and Dr. Thomas P. Treichler have been appointed to Sport Supply Group's Board of Directors. Mr. Philip brings a successful career record of 30 years with Arthur Andersen & Co. as well as a director of various public and private companies (including as a member of Sport Supply Group's Board of Directors from 1991 to December 1996). Dr. Treichler brings more than 30 years of investment banking experience and has also served as a director of various public and private companies (including as a member of Sport Supply Group's Board of Directors from March 1997 to June 2005). Neither Mr. Philip nor Dr. Treichler are employed by or have any material relationship with either the Company or Collegiate Pacific.

Commenting on the appointment of Messrs. Philip and Treichler to the Company's Board of Directors, Mr. Babilla said, "I am very pleased to welcome Mr. Philip and Dr. Treichler as independent directors of Sport Supply Group. Their global business experience and financial knowledge, as well as their familiarity with Sport Supply Group as a result of their prior tenure with the Company, will be very helpful to us in continuing our improved operating results."

Some highlights of the Company's improved operating results for the three and six months ended December 31, 2005 as compared to the three and six months ended December 31, 2004 are as follows:

**Highlights for the three months ended December 31, 2005**

- Revenue growth of 7% (\$15.4 million vs. \$14.4 million)
- Improvement in Gross Profit as a Percentage of Revenues (33.7% vs. 29.3%)
- Improvement in Gross Profit Dollars of 24% (\$5.2 million vs. \$4.2 million)
- Reduction in Operating Losses of \$1.2 million (\$545,000 loss vs. \$1.7 million loss)
- Reduction in Net Loss of \$1.2 million (\$632,000 loss vs. \$1.8 million loss)

**Highlights for the six months ended December 31, 2005**

- Revenue growth of 7.4% (\$40.4 million vs. \$37.6 million)
- Improvement in Gross Profit as a Percentage of Revenues (33.1% vs. 30.0%)
- Improvement in Gross Profit Dollars of 18.6% (\$13.4 million vs. \$11.3 million)
- Reported Operating Income of \$491,000 vs. a loss of \$676,000
- Reported Net Income of \$349,000 vs. a loss of \$786,000

Terry Babilla commented, "We achieved significant improvement from the prior year in virtually all measures of financial performance for the three and six month periods ended December 31, 2005. Our results reflect organic revenue growth, significant margin improvement, and a significant improvement in operating income as compared to a loss last year. Operating income for the six months ended December 31, 2005 was \$491,000, which translates into a \$1.2 million improvement from the six months ended December 31, 2004." Mr. Babilla concluded by stating that "the significant improvement in Sport Supply Group's results of operations was accomplished as a direct result of the determination and leadership of the Company's managers and diligent team effort exhibited by the Sport Supply Group employees."

Sport Supply Group is a leading direct marketer and B2B e-commerce supplier of sporting goods 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 the Company's products.

For more information about Sport Supply Group or to sign up as an associate for your organizations own on-line sporting goods store, please visit [www.sportssupplygroup.com](http://www.sportssupplygroup.com).

Sport Supply Group, Inc and Subsidiaries Financial Data Table

**SPORT SUPPLY GROUP, INC. AND SUBSIDIARIES**  
**CONSOLIDATED SUMMARY STATEMENTS OF OPERATIONS**

(Unaudited - amounts in \$000's)

|  | Three Months Ended December |            | Six Months Ended December |           |
|--|-----------------------------|------------|---------------------------|-----------|
|  | 2005                        | 2004       | 2005                      | 2004      |
| Net revenues                               | \$ 15,385                   | \$ 14,369  | \$ 40,362                 | \$ 37,631 |
| Cost of sales                              | 10,193                      | 10,158     | 27,008                    | 26,355    |
| Gross profit                               | 5,192                       | 4,211      | 13,354                    | 11,276    |
| Selling, general & administrative expenses | 5,737                       | 5,948      | 12,863                    | 11,952    |
| Operating profit (loss)                    | (545)                       | (1,737)    | 491                       | (676)     |
| Interest & other expense                   | 87                          | 58         | 142                       | 110       |
| Income (loss) before taxes                 | (632)                       | (1,795)    | 349                       | (786)     |
| Provision for income taxes                 | --                          | --         | --                        | --        |
| Net income (loss)                          | \$ (632)                    | \$ (1,795) | \$ 349                    | \$ (786)  |
| Earnings (loss) per share:                 |                             |            |                           |           |
| Basic                                      | \$ (0.07)                   | \$ (0.20)  | \$ 0.04                   | \$ (0.09) |
| Diluted                                    | \$ (0.07)                   | \$ (0.20)  | \$ 0.04                   | \$ (0.09) |
| Weighted shares outstanding:               |                             |            |                           |           |
| Basic                                      | 8,960,866                   | 8,917,211  | 8,943,101                 | 8,917,211 |
| Diluted                                    | 9,238,210                   | 8,917,509  | 9,230,218                 | 8,719,509 |

**SPORT SUPPLY GROUP, INC. AND SUBSIDIARIES**  
**CONSOLIDATED SUMMARY BALANCE SHEETS**

(Unaudited - amounts in \$000's)

|                                | December 31, 2005 |           | June 30, 2005 |           |
|--------------------------------|-------------------|-----------|---------------|-----------|
| Cash and cash equivalents      | \$ 633            | \$ 864    | \$ 864        | \$ 864    |
| Accounts receivable            | 8,277             | 10,827    | 10,827        | 10,827    |
| Inventory                      | 20,467            | 16,299    | 16,299        | 16,299    |
| Current deferred taxes         | 1,266             | 1,257     | 1,257         | 1,257     |
| Deferred catalog expenses      | 2,113             | 879       | 879           | 879       |
| Other current assets           | 356               | 350       | 350           | 350       |
| Total current assets           | 33,112            | 30,476    | 30,476        | 30,476    |
| Plant, property and equipment  | 5,065             | 5,518     | 5,518         | 5,518     |
| Noncurrent deferred tax assets | 2,130             | 2,130     | 2,130         | 2,130     |
| Trademarks                     | 2,645             | 2,694     | 2,694         | 2,694     |
| Other assets                   | 319               | 311       | 311           | 311       |
| Total assets                   | \$ 43,271         | \$ 41,129 | \$ 41,129     | \$ 41,129 |
| Current liabilities            | \$ 8,185          | \$ 9,224  | \$ 9,224      | \$ 9,224  |
| Long term debt                 | 5,639             | 2,867     | 2,867         | 2,867     |
| Stockholder's equity           | 29,447            | 29,038    | 29,038        | 29,038    |
| Total liabilities and equity   | \$ 43,271         | \$ 41,129 | \$ 41,129     | \$ 41,129 |

