

[For Immediate Release]



Bossini International Holdings Limited

Bossini Announces 2014/15 Annual Results

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**Profit for the Year Attributable to Owners Amounted to HK\$115 Million
Challenging Retail Conditions in Hong Kong and Macau
Improved Segment Results for Mainland China, Taiwan and Singapore**

Results Highlights

<i>For the year ended 30 June</i>	2015	2014	Change	
Revenue	HK\$2,523 mn	HK\$2,548 mn	- HK\$25 mn	- 1%
Gross profit	HK\$1,264 mn	HK\$1,301 mn	- HK\$37 mn	- 3%
Gross margin	50%	51%	- 1% pt	
Profit for the year attributable to owners	HK\$115 mn	HK\$127 mn	- HK\$12 mn	- 9%
EBITDA	HK\$177 mn	HK\$213 mn	- HK\$36 mn	- 17%
Basic EPS attributable to ordinary equity holders	HK7.08 cents	HK7.83 cents	- HK0.75 cent	- 10%
Dividend per share				
- Interim	HK2.70 cents	HK2.30 cents	+ HK0.40 cent	+ 17%
- Final	HK4.38 cents	HK3.17 cents	+ HK1.21 cents	+ 38%
- Special final	Nil	HK1.56 cents	- HK1.56 cents	- 100%

	At 30 June 2015	At 30 June 2014	Change	
Cash and bank balances	HK\$476 mn	HK\$454 mn	+ HK\$22 mn	+ 5%
Net cash*	HK\$476 mn	HK\$454 mn	+ HK\$22 mn	+ 5%

*Time deposits, cash and bank balances less bank borrowings

(Hong Kong, 16 September 2015) **Bossini International Holdings Limited** ("Bossini" or the "Group"; HKSE stock code: 592) today announces its annual results for the year ended 30 June 2015.

During the year under review, the Group's revenue decreased slightly by 1% to HK\$2,523 million (2014: HK\$2,548 million) year-on-year. Gross profit fell 3% to HK\$1,264 million (2014: HK\$1,301 million), while gross margin dropped by 1% point to 50% (2014: 51%). Profit for the year attributable to owners decreased by 9% to HK\$115 million (2014: HK\$127 million), yielding basic earnings per share of HK7.08 cents (2014: HK7.83 cents). The board recommended a final dividend of HK4.38 cents (2014: a final dividend of HK3.17 cents and a special final dividend of HK1.56 cents) per share. Together with the interim dividend, the total dividends for the year under review amounted to HK7.08 cents (2014: HK7.03 cents) per share, equivalent to total dividend payout ratio of 100% (2014: 90%).

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The Group has further enhanced its financial position in the fiscal year 2014/15. Notably, the Group continued to register a remarkable net cash position. As of 30 June 2015, the Group's net cash balance saw an increase of 5% to HK\$476 million (2014: HK\$454 million). Meanwhile, the Group slightly improved the inventory turnover days to 83 days (2014: 84 days) as compared with last year.

During the fiscal year 2014/15, despite facing challenging retail conditions in Hong Kong and Macau, its segmental business, which includes the export franchising operations, registered record-high sales with flat same-store sales growth for the directly managed stores. The operations in mainland China, Taiwan and Singapore all experienced improvements in segment results, resulting from the continuously improving shop productivity and stringent cost control measures. Mainland China segment achieved 6% same-store sales growth and also recorded 9 consecutive quarters of positive same-store gross profit growth. Taiwan segment saw a same-store sales growth of 7%, representing 7 consecutive quarters of positive same-store sales growth.

As of 30 June 2015, the Group had presence in 35 countries and regions worldwide with the overall store count of 938 (2014: 962). Among these, 257 (2014: 267) were directly managed stores and 681 (2014: 695) were franchised stores.

The Group continued its engaging branding initiatives, building recognition in the marketplace and consolidating its reputation to provide quality and appealing everyday wear. During the year under review, 3 licensing programmes were in operation, namely the colourful and energetic *bossini x Disney Classic Collection* for kids and youth, the cheerful *bossini x Find the Snoopy* featuring the iconic cartoon figure as well as the adorable *bossini x DORAEMON • Better Together* starring the popular time-travelling Japanese manga character DORAEMON. All these licensing programmes enjoyed enthusiastic responses from the public, helping to enhance the Group's brand equity.

Mr. Edmund Mak, Chief Executive Officer and Executive Director of Bossini, said, "The Group will benefit from lower production cost if United States dollar remains strong versus Renminbi. Besides, it is estimated that rents will fall in certain areas in Hong Kong as retailers are generally suffering from sales downturn, which could help partially offset the Group's ongoing difficulties. The Group will be proactive in taking stringent measures to control costs, including rental costs, and continue to improve shop productivity. The Group aims to remain flexible and responsive to changing market conditions."

Mr. Mak said, "We see grounds for considerable optimism in our operations in overseas markets. Therefore, we will focus more on expanding operations outside Hong Kong and Macau, in order to achieve a more balanced portfolio. Furthermore, we will continue to expand kids' line, particularly in mainland China, while launch co-branded and licensing programmes of clothing and accessories via partnerships that reinforce the core brand value 'be happy', striving to build "bossini"'s reputation as a vibrant, valued and competitive go-to brand."

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Appendix - Store composition by type and geographical location is detailed as below:

	At 30 June 2015		At 30 June 2014	
	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores
Hong Kong and Macau	40	--	41	--
Mainland China	120	81	124	96
Taiwan	69	--	72	--
Singapore	28	--	30	--
Other countries and regions	--	600	--	599
Total	257	681	267	695

About Bossini International Holdings Limited

Bossini is a leading apparel brand owner, retailer and franchiser in the region. Headquartered in Hong Kong, Bossini launched its first retail store in 1987. Over the past two decades, the Group has rapidly established an extensive international operating platform and distribution network that extends to 938 stores covering about 35 countries and regions worldwide.

Renowned for its comfortable, easy to mix-and-match, colourful and energetic style, Bossini offers good value for money, casual wear apparel products including men's, ladies', youth and kids' wear, which are designed to fit a wide range of customer needs.

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