



be happy

Bossini International Holdings Limited
堡獅龍國際集團有限公司

2008/09 Annual Results Announcement
Corporate Presentation

22 October 2009

Disclaimer



- 😊 The information contained in this presentation is intended solely for your personal reference. Such information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning Bossini International Holdings Limited (the “Company”). The Company makes no representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.
- 😊 In addition, the information contains projections and forward-looking statements that may reflect the Company’s current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the Company’s assumptions are correct. It is not the intention to provide, and you may not rely on this presentation as providing, a complete or comprehensive analysis of the Company's financial or trading position or prospects.
- 😊 This presentation does not constitute an offer or invitation to purchase or subscribe for any securities or financial instruments or to provide any investment service or investment advice, and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto.

Agenda

- 😊 Financial Review
- 😊 Review of Operations
- 😊 Future Plans and Strategies
- 😊 Open Forum

be happy!





Financial Review

be happy!

Results Highlights



- 😊 Swift and decisive measures taken to combat aftermath of global financial crisis
- 😊 Remained profitable despite weakening consumer sentiment

<i>For the year ended 30 Jun</i>	2009 <i>(HK\$ mn)</i>	2008 <i>(HK\$ mn)</i>	Change
Revenue	2,254	2,317	-3%
Gross profit	1,113	1,170	-5%
EBITDA	135	163	-17%
Operating profit	60	90	-33%
Profit attributable to equity holders	50	64	-21%
Basic EPS (HK cents)	3.16	4.01	-21%
DPS (HK cent)			
- interim	1.0	-	n/a
- final	1.0	1.0	-

Operational Indicators



 Enriched product offering appealed to a wide group of customers

<i>For the year ended 30 Jun</i>	2009	2008	Change
Gross profit margin (%)	49	50	-1% pt
EBITDA margin (%)	6	7	-1% pt
Operating margin (%)	3	4	-1% pt
Net profit margin (%)	2	3	-1% pt
	At 30 Jun 2009	At 30 Jun 2008	Change
Inventory turnover # (days)	45	36	+9

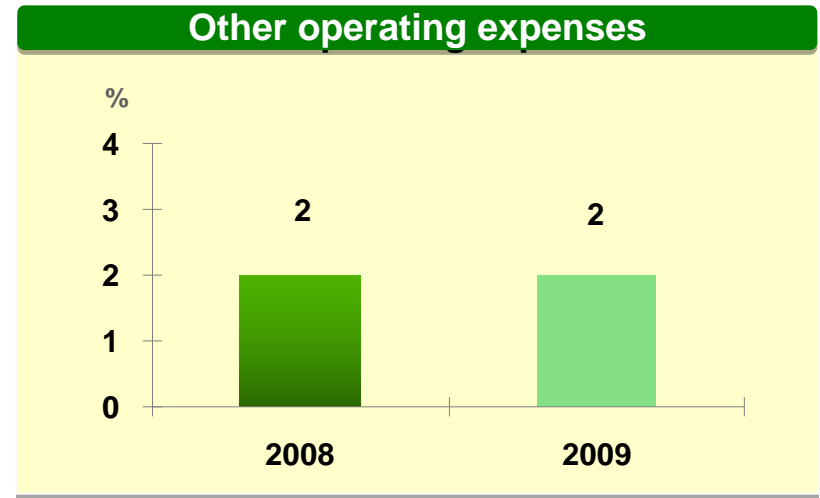
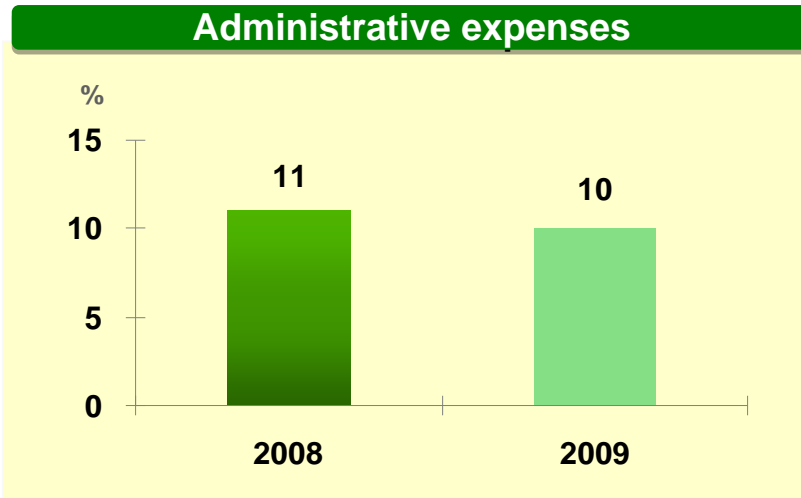
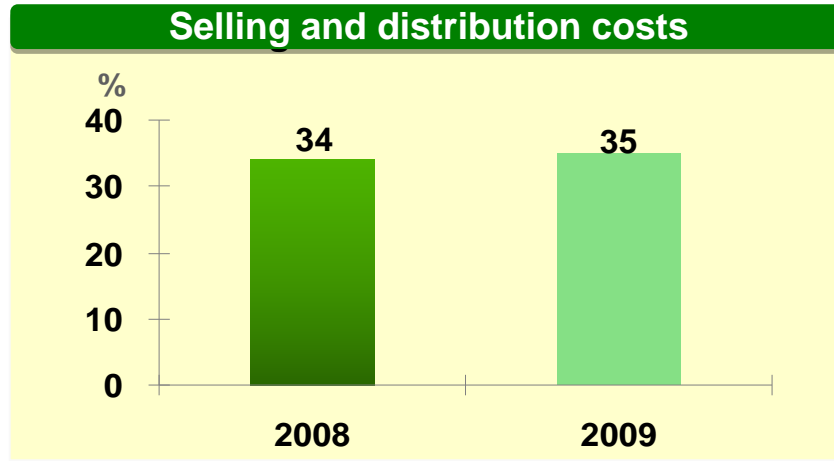
Inventory held at year end divided by annualised revenue times 365 days

Cost Breakdown

(As a percentage of revenue)



😊 Total operating expenses accounted for 47% of revenue (2008: 47%)



For the year ended 30 Jun

Solid Financial Position



😊 At 30 Jun 2009, cash and bank balances stood at HK\$342 mn with net cash of HK\$265 mn, and further increased to HK\$318 mn at 30 Sep 2009

	At 30 Sep 2009	At 30 Jun 2009	At 30 Jun 2008
Net cash* (HK\$ mn)	318	265	310

* Time deposits, cash and bank balances less bank loans

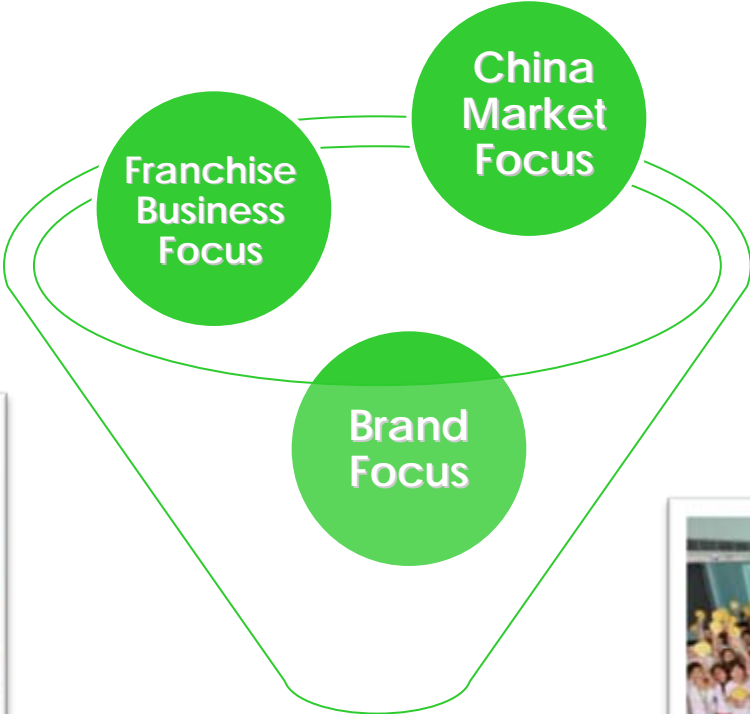
	At 30 Jun 2009	At 30 Jun 2008
Current ratio (times)	2.27	2.61
Cash and bank balances (HK\$ mn)	342	310
Total liabilities to equity ratio (%)	50	39
Return on equity (%)	8	10



Review of Operations

be happy

Stay Focused



Co-branded and Licensed Products



bossini x Mr. Men & Little Miss

bossini x Hanadeka Club



Co-branded and Licensed Products (cont')



bossini x Sesame Street

bossini x SmileyWorld



Awards and Recognitions



The Best For Home Award 2008 – 2009

Hong Kong Economic Times – Take Me Home



100 Most Wanted Brands 2008
- Most Wanted By Female Mainland Visitors

OSSIMA Publishing Group Limited



TVB Weekly The Most Popular Brand Award 2008
- The Most Popular Apparel Brand 2008

TVB Weekly




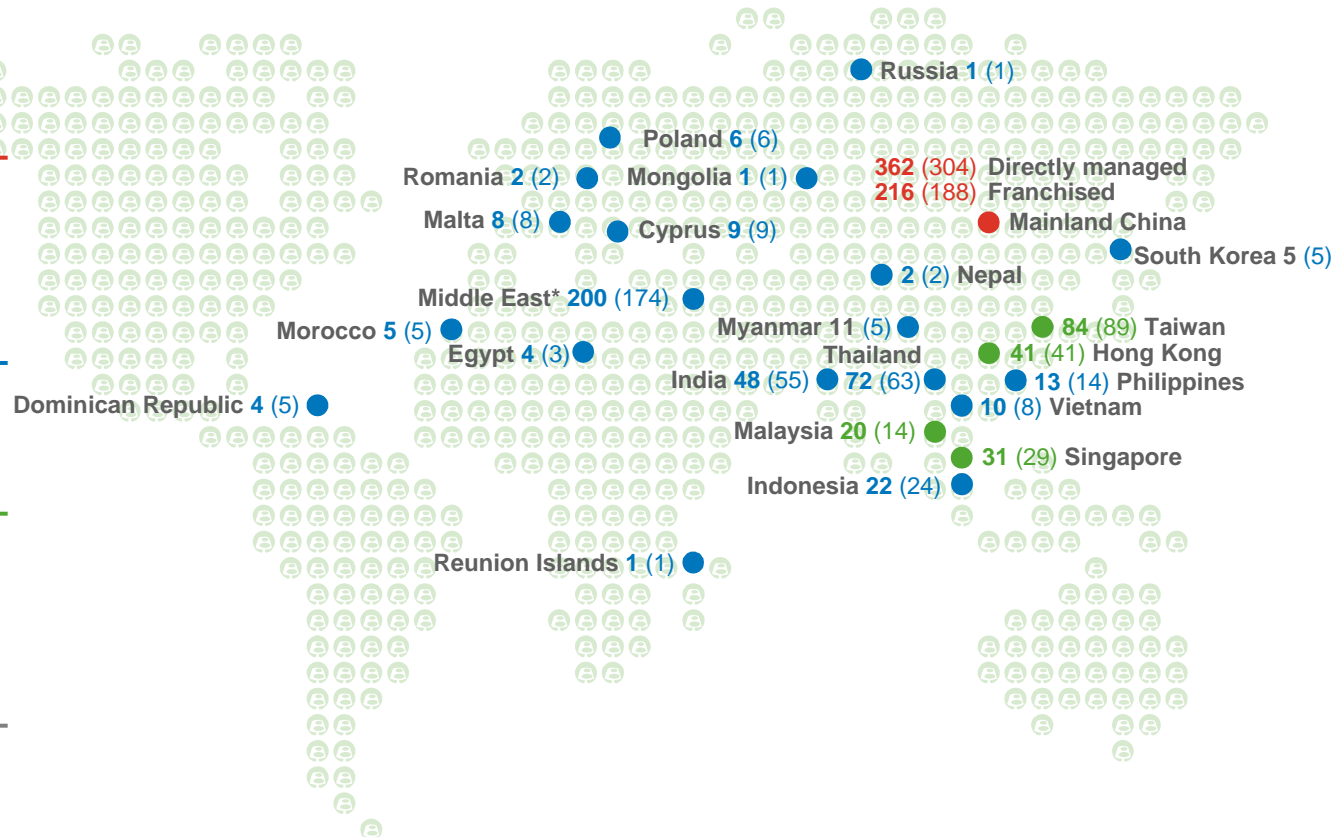
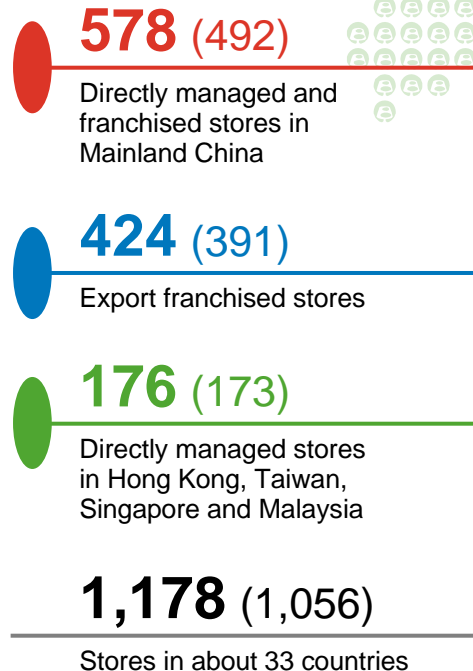
HK Corporate Brand Award 2008 – Marketing Award

Ming Pao Newspapers Limited

International Footprint



 A total of 1,178 stores (2008: 1,056), with presence in about 33 countries and regions



At 30 Jun 2009 (comparative figures at 30 Jun 2008 are shown in brackets)

* The Middle East includes UAE, Qatar, Lebanon, Bahrain, Kuwait, Iran, Jordan, Syria, Saudi Arabia and Oman

No. of Stores by Region



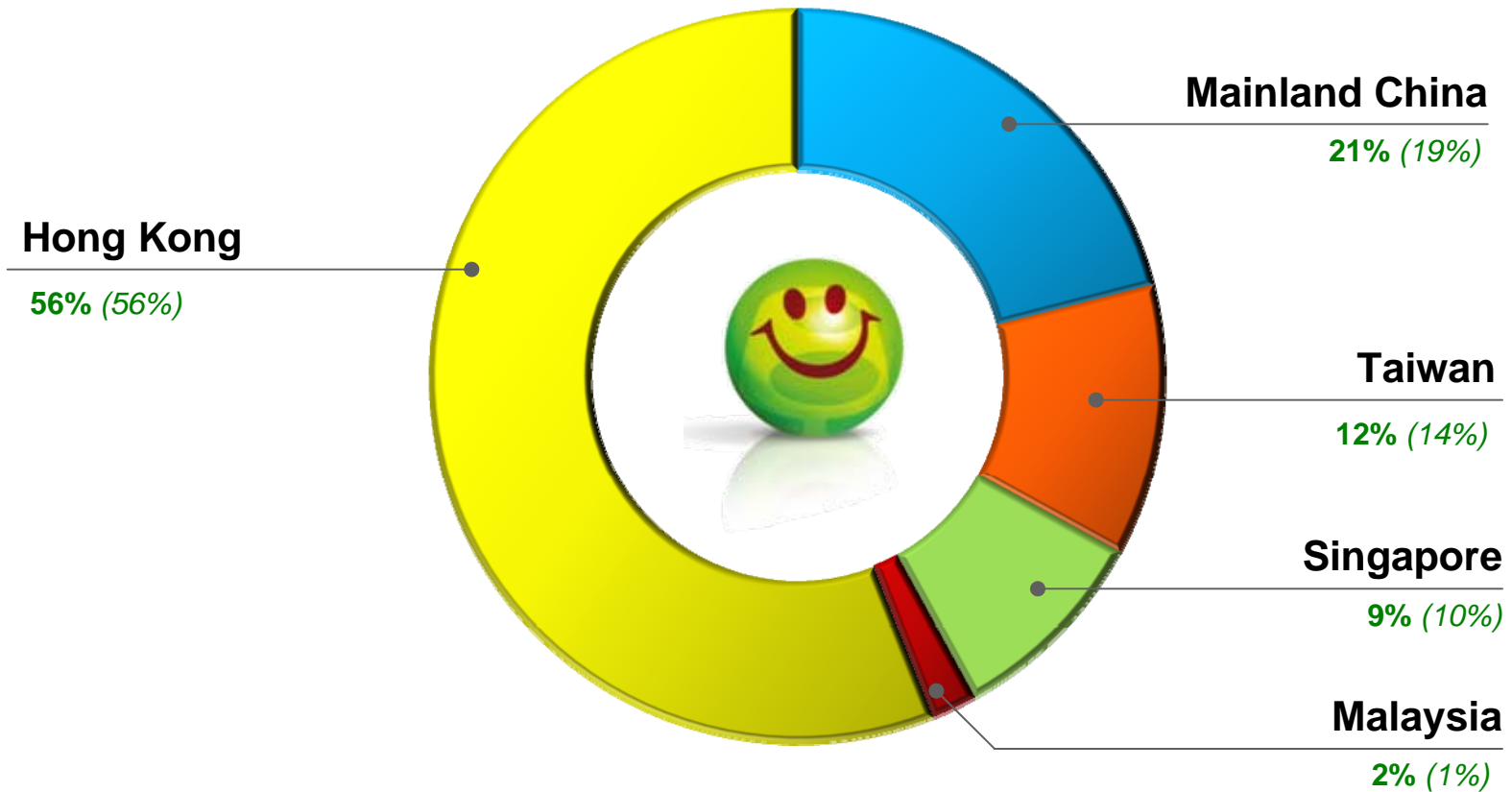
- 😊 Challenging environment, pragmatic expansion
- 😊 Weakening consumer demand and volatile market conditions led to modest international network expansion

	At 30 Jun 2009	At 30 Jun 2008	Change
Mainland China	578	492	+86
Directly managed stores			
- <i>bossini</i>	225	187	+38
- <i>sparkle</i>	-	13	-13
- <i>bossinistyle</i>	137	104	+33
Franchised stores			
- <i>bossini</i>	184	145	+39
- <i>sparkle</i>	-	6	-6
- <i>bossinistyle</i>	32	37	-5
Export franchise (other countries)	424	391	+33
Hong Kong	41	41	-
Taiwan	84	89	-5
Singapore	31	29	+2
Malaysia	20	14	+6
Total	1,178	1,056	+122

Revenue Analysis



Revenue by geographical market



For the year ended 30 Jun 2009
Comparative figures for the year ended 30 Jun 2008 in brackets

Retail Performance by Region



For the year ended 30 Jun	Same-store sales growth		Net sales per sq. ft.		
	2009 (%)	2008 (%)	2009 (HK\$)	2008 (HK\$)	Change (%)
Hong Kong	-2%	6%	5,500	5,700	-4%
Mainland China	5%	0%	1,100	1,200	-8%
Taiwan	-12%	5%	2,200	2,500	-12%
Singapore	-8%	4%	5,800	6,200	-6%
Malaysia	1%	11%	1,500	1,800	-17%
Total	-3%	5%	2,500	2,800	-11%



Capex



(HK\$ mn)

For the year ended
30 Jun 2009

Shop and office renovation

65

I.T. investment

16

Others

7

Total

88



Future Plans and Strategy

be happy!

Strategies in 2009/10



Continue to capture opportunities in Mainland China mainly thru franchise



Top-of-mind brand leader offering consumers with

- Good Value for Money products
- Easy to Mix and match products
- Outstanding Customer Services



Further enhance brand image and brand value

Further expand export franchising network



Optimise internal operations

Brand Image Enhancement



Celebrities

bossini x Campbell Soup
(Newly launched in Sep 2009)



Growth Drivers



- 😊 Rapid network expansion in Mainland China, mainly thru franchising
- 😊 Continual expansion in overseas markets via export franchising



Network Development Plan		For the year ending 30 Jun 2010
Mainland China		
- Directly managed store		+100
- Franchised stores		+150
Other countries (export franchise)		+20
Other countries (directly managed)		+4
Total		+274



Open Forum

be happy!