

[For Immediate Release]



## Bossini International Holdings Limited

### Bossini Announces 2010/11 Annual Results

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**Revenue Surged by 15% to a Record High of HK\$2,642 million  
Profit Attributable to Owners Increased 44% to HK\$130 million**

**Healthy Financial Position with Cash and Bank Balances of HK\$460 million**

#### Results Highlights

<i>For the year ended 30 June</i>	2011	2010	Change
Revenue	<b>HK\$2,642 mn</b>	HK\$2,306 mn	<b>+15%</b>
Gross profit	<b>HK\$1,354 mn</b>	HK\$1,190 mn	<b>+14%</b>
Gross margin	<b>51.3%</b>	51.6%	<b>-0.3% pt</b>
Profit attributable to owners	<b>HK\$130 mn</b>	HK\$90 mn	<b>+44%</b>
Basic EPS attributable to ordinary equity holders	<b>HK8.07 cents</b>	HK5.66 cents	<b>+43%</b>
Dividend per share			
- interim	<b>HK2.20 cents</b>	HK1.10 cents	<b>+100%</b>
- final	<b>HK3.03 cents</b>	HK2.30 cents	<b>+32%</b>
- special	<b>HK1.20 cents</b>	HK0.30 cent	<b>+300%</b>

	At 31 August 2011	At 30 June 2011	At 30 June 2010
Cash and bank balances	<b>HK\$470 mn</b>	<b>HK\$460 mn</b>	HK\$463 mn
Net cash*	<b>HK\$382 mn</b>	<b>HK\$332 mn</b>	HK\$402 mn

\*Time deposits, cash and bank balances less bank loans

(Hong Kong, 21 September 2011) – **Bossini International Holdings Limited** (“Bossini” or the “Group”; HKSE stock code: 592) announced today its annual results for the year ended 30 June 2011.

The financial year 2010/11 was another rewarding year with encouraging results for Bossini. Revenue for the year ended 30 June 2011 recorded encouraging growth of 15% to HK\$2,642 million (2010: HK\$2,306 million). Gross profit increased 14% to HK\$1,354 million (2010: HK\$1,190 million), while the gross margin was 51.3% (2010: 51.6%). Profit attributable to owners increased considerably to HK\$130 million (2010: HK\$90 million). Basic earnings per share was HK8.07 cents (2010: HK5.66 cents). The Board of Directors recommended the payment of a final dividend of HK3.03 cents per share and a special dividend of HK1.20 cents per share for the year ended 30 June 2011; together with the interim dividend of HK2.20 cents per share; the total dividends for the year amounted to HK6.43 cents per share. Total dividend payout ratio for the year was 80%.

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As of 30 June 2011, the Group maintained a healthy financial position with cash and bank balances of HK\$460 million (2010: HK\$463 million). Net cash balance amounted to HK\$332 million (2010: HK\$402 million) as of 30 June 2011 and further rose to HK\$382 million as of 31 August 2011.

Mr. Edmund Mak, Executive Director and Chief Executive Officer of Bossini, said, "During the year under review, the Group continued to effectively implement its business strategies under macroeconomic uncertainties, namely, enhancement of its core brand value "be happy"; optimisation of internal operational efficiencies, particularly in supply chain management; and pragmatic network expansion to markets with promising growth potential. We are pleased that these strategies continued to render positive results during the year under review. The Group's revenue increased by double digits and achieved record high, while the bottom line also delivered respectable growth against the previous year."

During the year under review, having recovered from the global recession in 2009, Hong Kong retail market experienced an upturn and continued to be an important driving force for the Group. Same-store sales in Hong Kong achieved an encouraging double-digit growth for two consecutive years, reaching 11% (2010: 11%) in the year under review. The Hong Kong market, which included the export franchising business, delivered record highs in both top line and bottom line. Revenues generated from the Hong Kong market increased by 10% to a record high of HK\$1,410 million (2010: HK\$1,281 million).

Meanwhile, economies in Asian markets saw stable growth with improving consumer sentiment. Revenue generated from the mainland China markets posted a record high of HK\$656 million (2010: HK\$528 million). Singapore market experienced a turnaround in operating profit. Operating loss in Malaysia market significantly reduced during the year under review.

Same-store sales growth was positive across the board. For the mainland China, Taiwan, Singapore and Malaysia markets, the same-store sales recorded increases of 11%, 3%, 14% and 8% (2010: 1% decline, 4% decline, 1% decline and 12% decline), respectively.

During the year under review, the Group achieved robust expansion in its regional network. The Group has presence in 36 countries and regions. As consumer sentiment improved during the fiscal year 2010/11 in the Group's export franchising markets, the Group seized opportunities for network expansion by adding 68 stores to its existing network, bringing the total number of export franchised stores to 521 (2010: 453) at 30 June 2011. As of 30 June 2011, the Group had a total of 1,475 (2010: 1,361) stores, an increase of 114 stores compared to 30 June 2010. Of this total, 639 (2010: 611) were directly managed stores and 836 (2010: 750) were franchised stores.

Considering the enormous growth potential in mainland China, the Group will step up its efforts in network expansion to strengthen its foothold and increase market share in mainland China. In the coming fiscal year 2011/12, the Group plans to open an additional 294 new stores, of which 225 stores will be located in the mainland China market, which will bring the total number of stores to about 1,000 by the next fiscal year. Another 6 stores will be added in Hong Kong. For the export franchising markets, the Group believes it is in its best interest to grow continuously at a pragmatic pace. A total of 46 new stores will be added in the coming fiscal year.

"The global economy is facing a number of challenges. On the other hand, some of the emerging countries in which we have footprints, are less exposed to the financial crisis. Considering both the challenges and opportunities ahead, the Group will maintain a pragmatic and prudent approach towards achieving our business objectives. Moreover, the year 2011/12 marks the 25<sup>th</sup> anniversary of Bossini's establishment, which is an important milestone for the Group in its business development. To commemorate our silver anniversary, we will launch a major branding campaign in 2012. Comprehensive and all-rounded marketing strategies will be put in place to further amplify our "be happy" brand value and strengthen our brand equity." Mr. Mak said.

Mr. Mak concluded, "Our management team remains confident and optimistic about the promising outlook of our business, which will enable us to excel in the industry in the coming fiscal year. We will continue to develop "bossini" into a top-of-mind preferred brand leader. We are dedicated to achieving higher profitability in the years ahead and maintaining a dividend payout ratio at over 50% to reward our shareholders with fruitful long-term returns."

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

	At 30 June 2011		At 30 June 2010	
	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores
Hong Kong	39	--	41	--
Mainland China	456	315	436	297
Taiwan	94	--	86	--
Singapore	29	--	26	--
Malaysia	21	--	22	--
Other countries and regions	--	521	--	453
<b>Total</b>	<b>639</b>	<b>836</b>	<b>611</b>	<b>750</b>

**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 1,475 stores covering about 36 countries and regions worldwide.

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

For further information, please contact:

Porda Havas International Finance Communications Group

Sharis Siu / Christine Gu / Johnson Zhao

Tel: (852) 3150 6771 / (852) 3150 6792 / (852) 3150 6750

Fax: (852) 3150 6728

Email: sharis.siu@pordahavas.com / christine.gu@pordahavas.com / johnson.zhao@pordahavas.com