

[For Immediate Release]



Bossini International Holdings Limited

Bossini Announces 2010/11 Interim Results

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**Operations and Profitability Grew Steadily
Profit for the Period Increased 45% to HK\$73 million**

Results Highlights

For the 6 months ended 31 December	2010	2009	Change
Revenue	HK\$1,315 mn	HK\$1,171 mn	+12%
Gross profit	HK\$663 mn	HK\$600 mn	+11%
Gross profit margin	50%	51%	-1% pt
Operating profit	HK\$92 mn	HK\$64 mn	+44%
Profit for the period attributable to owners	HK\$73 mn	HK\$50 mn	+45%
Basic EPS attributable to ordinary equity holders	HK4.52 cents	HK3.14 cents	+44%
Interim dividend per share	HK2.2 cents	HK1.1 cents	+100%

	At 31 January 2011	At 31 December 2010	At 30 June 2010
Cash and bank balances	HK\$550 mn	HK\$435 mn	HK\$463 mn
Net cash*	HK\$388 mn	HK\$262 mn	HK\$402 mn

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

(Hong Kong, 22 February 2011) – **Bossini International Holdings Limited** (“Bossini” or the “Group”; HKSE stock code: 592) announces today its interim results for the six months ended 31 December 2010. Revenue for the period under review recorded a modest growth of 12% to HK\$1,315 million (2009: HK\$1,171 million). Gross profit margin showed a slight decline of 1 percentage point to 50% (2009: 51%), operating profit substantially increased 44% to HK\$92 million (2009: HK\$64 million) and profit for the period attributable to owners increased considerably to HK\$73 million (2009: HK\$50 million), while basic earnings per share also greatly increased 44% to HK4.52 cents (2009: HK3.14 cents).

The Board declared payment of an interim dividend of HK2.2 cents (2009: HK1.1 cents) per ordinary share for the six months ended 31 December 2010.

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Bossini maintained a healthy financial position. Cash and bank balances as at 31 December 2010 reached HK\$435 million and further increased to HK\$550 million as at 31 January 2011. Net cash balance amounted to HK\$262 million as at 31 December 2010 and further rose to HK\$388 million as at 31 January 2011.

Mr. Edmund Mak, Executive Director and Chief Executive Officer of Bossini, said, "During the period under review, the global economy has fundamentally moved on from the aftermath of the economic recession. Economies in various Asian and emerging markets grew steadily with flourishing economic atmospheres, resulting in a rebound of consumer confidence and further recovery. As at 31 December 2010, we had 1,462 stores covering about 33 countries and regions worldwide. As a result of a strong brand strategy coupled with continual improvements in overall operational efficiencies, the Group's operations and profitability grew steadily as well. Satisfactory operational performance and growth of profitability in our major markets were spurred on by the growth of consumer demand, with some regions recording outstanding results. Meanwhile, the Group has been continuing to take initiatives in strengthening our "be happy" brand value and uplifting the brand image."

Overall retail same-store sales growth reached 8% (2009: 2% growth) during the period under review. With its roots in Hong Kong, Bossini benefitted from the economic recovery and achieved robust retail performance while enjoying a strong rebound in export sales. As of 31 December 2010, same-store sales in Hong Kong achieved a respectable growth of 9% (2009: 8% growth). Revenues generated from the Hong Kong market, comprising retail sales and export franchising, increased 8% to HK\$696 million (2009: HK\$642 million). It remained the major revenue contributor to the Group, accounting for 52% (2009: 55%) of the consolidated revenue.

The mainland China market is still a focus of the Group's business development as it offers promising potential among many emerging markets, however, the market competition there remains fierce. The Group continues to expand its sales network in the mainland China to strengthen its market position there. During the period under review, same-store sales in the mainland China posted an 8% increase (2009: 5% decline). As of 31 December 2010, the number of directly managed stores and franchised stores reached 460 (30 June 2010: 436) and 325 (30 June 2010: 297) respectively. Revenue generated from the mainland China increased 23% to HK\$337 million (2009: HK\$274 million).

For the Taiwan, Singapore and Malaysia markets, the same-store sales recorded increases of 5%, 14% and 10% (2009: 1%, 2% and 24% decline) respectively.

The Group continuously deepened and broadened the "be happy" brand value. The regional branding campaign "be happy me" was launched to further uplift the brand image. The co-branded licensing programme continued to be one of the Bossini's prominent brand-building initiatives. To further complement our brand value of "be happy", *bossini x Barney* and *bossini x M&M's* were launched during the period under review, both series were well received by the market.

Mr. Mak added, "Looking into the second half of the year, we believe the overall economy will maintain a stable growth trajectory, we shall nonetheless continue to maintain a pragmatic and proactive business development strategy particularly for the mainland China market. To this end, we shall take full advantage of market opportunities in the near future and follow our roadmap to continuously improve our business performance."

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The mainland China is still considered as an emerging market with business potentials and is experiencing a steady rise in spending power. The Group will fully leverage its well-known brand image and extensive sales network to enhance its brand value, supply chain management capabilities and the “bossini kids” line. These will be complemented with further efforts to expand the mainland China market.

Mr. Mak concluded, “We will continue to maintain the “be happy” corporate culture and make full use of our comparative advantages to expand our sales network and strengthen overall competitiveness to deliver better products with greater innovation, rewarding our customers for their brand loyalty and striving to provide shareholders with positive results.”

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

	At 31 December 2010		At 30 June 2010		At 31 December 2009	
	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores
Hong Kong	41	--	41	--	41	--
Mainland China	460	325	436	297	417	310
Taiwan	93	--	86	--	84	--
Singapore	26	--	26	--	29	--
Malaysia	20	--	22	--	21	--
Other countries and regions	--	497	--	453	--	433
Total	640	822	611	750	592	743

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 1,462 stores covering about 33 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, kids' and babies' wear, which are designed to fit customer needs.

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