

[For Immediate Release]



## Bossini International Holdings Limited

### Bossini Announces 2014/15 Interim Results

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**Profit for the Period Attributable to Owners Increased 17% to HK\$87 Million  
Hong Kong and Macau Retail Operation Attained Record-high Sales  
Mainland China Saw Operating Profit Turnaround**

#### **Results Highlights**

<i>For the 6 months ended 31 December</i>	<b>2014</b>	2013	<b>Change</b>	
Revenue	<b>HK\$1,319 mn</b>	HK\$1,273 mn	<b>+ HK\$46 mn</b>	<b>+4%</b>
Gross profit	<b>HK\$665 mn</b>	HK\$628 mn	<b>+ HK\$37 mn</b>	<b>+6%</b>
Gross margin	<b>50%</b>	49%	<b>+1% pt</b>	
Profit for the period attributable to owners	<b>HK\$87 mn</b>	HK\$75 mn	<b>+ HK\$12 mn</b>	<b>+17%</b>
EBITDA	<b>HK\$128 mn</b>	HK\$117 mn	<b>+ HK\$11 mn</b>	<b>+9%</b>
Basic EPS attributable to ordinary equity holders	<b>HK5.37 cents</b>	HK4.60 cents	<b>+ HK0.77 cent</b>	<b>+17%</b>
Interim dividend per share	<b>HK2.70 cents</b>	HK2.30 cents	<b>+ HK0.40 cent</b>	<b>+17%</b>

	<b>At 31 December 2014</b>	At 31 December 2013	<b>Change</b>	
Cash and bank balances	<b>HK\$446 mn</b>	HK\$352 mn	<b>+ HK\$94 mn</b>	<b>+27%</b>
Net cash*	<b>HK\$446 mn</b>	HK\$352 mn	<b>+ HK\$94 mn</b>	<b>+27%</b>

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

(Hong Kong, 25 February 2015) **Bossini International Holdings Limited** ("Bossini" or the "Group"; HKSE stock code: 592) announces today its interim results for the six months ended 31 December 2014.

Revenue for the Group for the six months ended 31 December 2014 increased by 4% year-on-year to HK\$1,319 million (2013: HK\$1,273 million). Gross profit for the period under review was HK\$665 million (2013: HK\$628 million), with a slightly improved gross margin, up by 1% point to 50% (2013: 49%). Profit for the period attributable to owners was HK\$87 million (2013: HK\$75 million), while basic earnings per share was HK5.37 cents (2013: HK4.60 cents).

The Board of Directors declared the payment of an interim dividend of HK2.70 cents (2013: HK2.30 cents) per share for the six months ended 31 December 2014.

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The Group's financial position remained healthy, with cash and bank balances of HK\$446 million (2013: HK\$352 million) and a net cash balance of HK\$446 million (2013: HK\$352 million) as of 31 December 2014, representing a year-on-year increase of 27%. Meanwhile, the Group had a significantly reduced inventory turnover days of 92 days (2013: 99 days).

Despite challenging economic and political factors, both sales and same-store sales of the Group recorded growth of 4% during the period under review. Record-high sales were registered in the Hong Kong and Macau retail operation, an achievement with 22 consecutive quarters of positive same-store sales growth. A milestone was achieved for mainland China operations as our efforts to increase shop productivity and adopt stringent cost control measures in the preceding financial year helped us to achieve a turnaround in operating profit and achieve 7 consecutive quarters of positive same-store gross profit growth. Taiwan also recorded an improved performance, helped again by ongoing efforts to enhance shop productivity and implement cost-control measures, which let us experience 5 consecutive quarters of positive same-store sales growth.

During the six months under review, the Group maintained a cautious approach to expansion in the face of ongoing global uncertainty. The Group had presence in 35 countries and regions worldwide as of 31 December 2014. The overall store count decreased by 13 against the previous year to 949 (30 June 2014: 962), of which 268 (30 June 2014: 267) were directly managed and 681 (30 June 2014: 695) were franchised.

Building on the success of previous collaborations, once again the Group partnered with two popular and iconic companies to develop lively promotions and enhance brand awareness. During the period under review, the Group worked with Disney again to release the exuberant *bossini x Disney Classic Collection* for kids and youth, featuring many of the corporation's most famous animated characters on clothing and a range of accessories. We also launched a brightly-coloured *bossini x Snoopy* range of exclusive clothing, accessories and premiums featuring the much-loved cartoon figure. Both initiatives enjoyed an enthusiastic response from media and consumers.

Mr. Edmund Mak, Chief Executive Officer and Executive Director of Bossini, said, "Although US economy is expected to be on a stable growth trajectory in the coming year, growth in mainland China is expected to slow further. The apparel retailing sector remains highly competitive throughout the region. Nevertheless, the Group is confident in pursuing the appropriate strategies to mitigate external risks. We will focus on continuing to streamline productivity in our existing stores, enhancing both efficiency and our overall services in order to provide memorable and vital shopping experiences which reinforce our dynamic and energetic brand image. In mainland China, Taiwan and Singapore, meanwhile, we will continue to implement best practice solutions which have proven successful in our Hong Kong operation. We will also continue to expand our footprint in export markets which show good potential for growth and to partner with well-known brands to launch co-branded and licensed clothing and merchandise that extends and enhances our brand visibility and stature."

Mr. Mak concluded, "Going forward, the Group will continue to create appealing, competitive and quality everyday wear that drives sustainable growth, profitability and customer satisfaction. With a firm focus on our "be happy" core brand value, we will continue to strengthen our competitive edge and endeavour to enhance the value we offer to our shareholders."

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

	At 31 December 2014		At 30 June 2014	
	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores
Hong Kong and Macau	41	--	41	--
Mainland China	127	87	124	96
Taiwan	70	--	72	--
Singapore	30	--	30	--
Other countries and regions	--	594	--	599
<b>Total</b>	<b>268</b>	<b>681</b>	<b>267</b>	<b>695</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 949 stores covering about 35 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 men's, ladies', youth and kids' wear, which are designed to fit customer needs.

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