



TSE SUI LUEN JEWELLERY (INTERNATIONAL) LIMITED
Announces 2011/12 Annual Results

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Turnover surged 33.4% to HK\$3,359 million
 Profit attributable to owners of the Company excluding the write back of
 over-provision grew 25.3% to HK\$162 million

Financial Highlights

(HK\$ Mil)	For the year ended 29 Feb 2012	For the year ended 28 Feb 2011	Change
Turnover	3,359	2,518	+33.4%
Gross profit	1,609	1,293	+24.5%
Profit attributable to owners of the Company	162.3	176.1	-7.8%
<ul style="list-style-type: none"> • Excluding the write back of over-provision of HK\$46.6 million in 2010/11 	162.3	129.5	+25.3%
Basic earnings per share (HK cents)	77.2	83.7	-7.8%
Total dividend per share (HK cents)	15.2	14.7	+3.4%
- Interim dividend per share (HK cents)	2.7	2.7	--
- Final dividend per share (HK cents)	12.5	12	+4.2%

(30 May 2012 – Hong Kong) – Tse Sui Luen Jewellery (International) Limited (“TSL Jewellery” or the “Group”, HKSE stock code: 417), one of the largest scale jewellery chains in Asia, today announces its annual results for the year ended 29 February 2012.

During the year under review, the Group’s turnover increased by approximately 33.4% from HK\$2,518 million to HK\$3,359 million. Excluding the write back of overprovision for the settled tax dispute last year, profit attributable to owners of the Company increased by approximately 25.3% to HK\$162.3 million. Earnings per share amounted to HK77.2 cents. The improvement in the Group’s results was mainly attributable to the strong demand from the Mainland China and the inbound visitors which sustained the Group’s sales momentum. The Board of Directors proposed to declare HK12.5 cents as the final dividend, together with the interim dividend of HK2.7 cents per share, total dividend per share will be HK15.2 cents for the year under review.

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Commenting on the full year results of the financial year 2011/12, Mrs. Annie Yau Tse, Chairman and Chief Executive Officer of the Group, said, "Driven by the buoyant consumer demand from the Mainland China and the inbound visitors, the Group was able to sustain its sales momentum during the year under review. We continued to invest resources in brand-building and launched a series of brand and publicity initiatives to strengthen our unique positioning with the new "Trend-setting Craftsmanship" campaign."

Benefiting from the strong demand from Mainland China and the inbound visitors, sales in Hong Kong and Macau posted strong growth of 49.1% as compared with the financial year ended 28 February 2011. Sales in the Mainland China market grew by 14.4% from last year.

The Group's expansion plan progressed well on track. During the financial year, the Group opened two new stores, one in Sino Centre in Mong Kok and the another one in Park Lane Shopper's Boulevard in Tsimshatsui respectively, bringing the total number of stores in Hong Kong and Macau to 25 as at 29 February 2012. The two new stores well complement the Group's existing store portfolio to better serve both the local customers and Mainland China tourists.

Despite the keen competition in the Mainland China market which has resulted not only in higher staff turnover but also an increased pressure on cost and profitability, the Group has continued to strengthen its business development. The Group completed in restructuring and strengthening the management team in China, and opened a total of 26 stores during the year, including a street store in Nanjing Xi Lu, a premier shopping area in Shanghai. Along with the investments in enhanced product assortment and sound marketing efforts, the Group is well-poised for future growth in the market.

As an advocate for excellent service culture in the jewellery industry, the Group has received wide recognition in the industry. During the year, the Group was awarded with "Customer Service Excellence Award of FAPRA AWARDS 2011" by The Federation of Asia-Pacific Retailers Associations (FAPRA). The Group will continue to strive to provide customers with a pleasant and memorable TSL shopping experience.

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Mrs. Annie Yau Tse concluded, "The sovereign debt crisis in Europe and the slowdown of economic growth in Mainland China have caused uncertainties in the economic outlook and affected the consumption atmosphere since the end of 2011. However, we remain positive towards the luxury retail market in China in the mid to long term.

"It was my great pleasure to welcome Mr. Tse Sui Luen and Mr. Tommy Tse back to the Group during the year. Mr. Tse Sui Luen is a highly regarded jewellery master in the industry, who possesses a wealth of knowledge in production skills and technical know-how that has further reinforced the leading-edge craftsmanship of our products, while Mr. Tommy Tse, a devoted jewellery art director, has a strong passion and unique vision for jewellery designs and manufacturing. Both Mr. Tse Sui Luen and Mr. Tommy Tse definitely help fulfilling TSL's commitment of delivering trend-setting craftsmanship to our customers.

"Looking ahead, the Group remains cautiously optimistic as we continue to improve on the efficiency and productivity to stay ahead of the competition. Moreover, the recent introduction of our strategic investor, CDH Investments, provided us with a strengthened capital base to invest in human resources, refine product assortment and build an innovative marketing platform. We will also invest prudently on our inventory mix, store network and the brand to capitalize on our premier brand positioning and growth potential across our markets, so as to weather the unfavourable market conditions and deliver sustainable returns to our shareholders."

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