

[For Immediate Release]



Bossini International Holdings Limited

**Bossini Posts Encouraging 2007/08 Final Results
Net Profit Grew 6 Times to HK\$64 million**

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**Gross Margin Widened to 50%
Net Cash Reached HK\$310 million**

Results Highlights

	For the 12 months ended 30 June 2008	For the 15 months ended 30 June 2007
Revenue	HK\$2,317 mn	HK\$2,568 mn
Gross profit margin	50%	49%
Profit attributable to equity holders	HK\$64 mn	HK\$9 mn
Basic EPS attributable to ordinary equity holders	HK4.01 cents	HK0.59 cent
Final dividend per share	HK1.0 cent	-

	At 30 Sept 2008	At 30 June 2008	At 30 June 2007
Net Cash*	HK\$352 mn	HK\$310 mn	HK\$132 mn

(Hong Kong, 22 October 2008) – **Bossini International Holdings Limited** (“**Bossini**” or the “**Group**”; HKSE stock code: 592) announced today its final results for the 12 months ended 30 June 2008. Revenue for the year under review reached HK\$2,317 million (2007: HK\$2,568 million). Gross profit margin and operating profit margin widened by 1 percentage point and 3 percentage points respectively, to 50% and 4% (2007: 49% and 1%). Net profit attributable to equity holders surged to HK\$64 million (2007: HK\$9 million) while basic earnings per share rose to HK4.01 cents (2007: HK0.59 cent). Net cash on hand increased to HK\$310 million (2007: HK\$132 million). The Board of Directors proposed payment of final dividend of HK1.0 cent per share.

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

The financial year end date of the Company was changed from 31 March to 30 June since the financial period 2006/07, it should be noted that the 2007/08 financial data presented herein are being compared with that for financial period which covered the 15 months from 1 April 2006 to 30 June 2007. The difference in duration of the two financial periods should be considered when making year-on-year comparisons.

On an operational level, the Group's overall same-store sales recorded positive growth of 5% (2007: 8% decline) during the year under review. The average product selling price recorded a double-digit increase, a clear reflection of the strengthened product collection with trendier designs and enhanced merchandise. In the retail business, net sales per sq. ft. also saw a strong 20% growth to HK\$3,000 (2007: HK\$2,500).

In addition, the Group expended a great deal of resources on shortening its inventory turnover cycle, by increasing the frequency of new collection launch with reduced quantities for each model to accelerate the time-to-market. Inventory turnover, therefore, was shortened considerably by 18 days, dropping from 54 days to 36 days.

Commenting on the final results, Ms. Kathy Chan, Chief Executive Officer of **Bossini**, said, "The Group achieved remarkable improvements in profitability. These involved a series of new business initiatives that stressed sharpening the "bossini" brand's core competitive edge in meeting family needs, optimising operational efficiencies, enriching product lines with extended choices, strengthening product design and merchandise, implementing innovative sales and marketing campaigns that leverage licensed cross-over products, and improved financial and management systems."

As for international expansion, the Group entered 8 new markets, including South Korea, Egypt, Russia, Romania, Mongolia, Morocco, Syria and Poland in the year under review. As at 30 June 2008, the Group operated 1,056 stores (2007: 1,051) globally.

The Group has been one of the pioneers in leveraging co-branded and licensed products to promote "bossini" through cooperation with international brands that share similar brand values. As a sustaining initiative to reinforce the new brand image, "bossini" has introduced a number of licensed products during the year under review, including the M&M's series, the Super Mario series, The Simpsons series and Kung Fu Panda series. Of these, the "bossini X M&M's" crossover series was honoured the "Best Licensee Award" by the Hong Kong Trade Development Council in July 2008.

Looking forward, with the strengthening of the "bossini" brand and the implementation of new initiatives for the "bossinistyle" brand, the Group is confident of the outlook in the Mainland China market and expects to see continual improvements with a plan to add a total of 109 stores in Mainland China in the coming fiscal year. The export franchise business has also delivered encouraging results over the past few years, and the trend is expected to continue. The Group plans to continue adding footprints in new countries annually to its export franchising business and to seek organic expansion in countries where it has already entered in order to further bolster its market presence worldwide.

Ms. Chan added, "The year ahead of us is expected to be a year of uncertainty and volatility. With HK\$352 million net cash on hand as at the end of September 2008, we are confident of overcoming the challenges and market turbulence brought forth by the global credit crisis and will continue to maintain growth in profitability."

Ms. Chan concluded, "Integrating strong brand equity, competitive products, network quality, and operational efficiency, the Group aims to reinforce its position as a leading casual apparel brand in Asia and further extend its geographical coverage to become a leader in the international apparel arena. We will seize market opportunities in a proactive yet pragmatic manner to reward shareholders with solid results."

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

	At 30 June 2008		At 30 June 2007	
	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores
Hong Kong	41	--	41	--
Mainland China	304	188	346	205
Taiwan	89	--	93	--
Singapore	29	--	33	--
Malaysia	14	--	11	--
Other countries and regions	--	391	--	322
Total	477	579	524	527

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 1,056 stores covering about 33 countries and regions worldwide.

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

For further information, please contact:

Porda International (Finance) PR Group

Harriet Lau / Kelly Fung / Sharis Siu / Phoebe Sou

Tel: (852) 3150 6761 / (852) 3150 6763 / (852) 3150 6771 / (852) 3150 6736

Fax: (852) 3150 6728

Email: harriet@pordafinance.com.hk / kelly@pordafinance.com.hk /
 sharis@pordafinance.com.hk / phoebe@pordafinance.com.hk