



BAUHAUS ANNOUNCES 2007/08 ANNUAL RESULTS

* * *

TURNOVER AND NET PROFIT RECORD DOUBLE-DIGIT GROWTH

Financial Highlights

- Turnover increased by 21.3% to HK\$617.6 million
- Gross profit margin up by 3.1 percentage point to 66.9%
- Net profit increased by 17.1% to HK\$67.0 million
- Earnings per share were HK18.65 cents
- The Directors proposed payment of a final dividend of HK5 cents per share and a special dividend of HK6 cents per share
- Healthy financial position with cash and cash equivalents of about HK\$155.0 million

(Hong Kong, 15 July 2008) – **Bauhaus International (Holdings) Limited** (“Bauhaus” or “the Group”) (stock code: 483) today announced its annual results for the year ended 31 March 2008.

Financial Review

During the year under review, the Group recorded turnover of approximately HK\$617.6 million and net profit attributable to shareholders of approximately HK\$67.0 million, an increase of 21.3% and 17.1% respectively against last year. Basic earnings per share were HK18.65 cents (FY2006/07: HK16.26 cents).

The Board of Directors proposed payment of a final dividend of HK5 cents and a special dividend of HK6 cents per share. Including the interim dividend of HK2.5 cents already paid during the year, total dividend for the year is HK13.5 cents per share, representing a dividend payout ratio of approximately 72.4% of the Group’s net profit, which is in line with the Group’s long term dividend policy of distributing not less than 30% of its net profit.

Mr. George Wong, Chairman of Bauhaus, said, “To sustain fast development of our business at managed risk, we adopted a three-dimensional growth strategies (the “3D Growth Strategies”) during the year under review. The “3D” stands for market diversification, product diversification and geographical diversification, with the ultimate goal of fostering long-term growth of the Group’s business. Guided by our 3D Growth Strategies, we achieved double-digit growth in turnover the fifth year in a row. We also recorded encouraging net profit during the year despite surging rental expenses and staff costs.”

Business Review

Retail Operation

The Group's retail operation remained strong during the year ended 31 March 2008, with turnover up by about 24.0% to about HK\$532.2 million. As at 31 March 2008, the Group had 52 retail outlets in Hong Kong under the tradenames of "BAUHAUS", "TOUGH", "SALAD", "80/20", "ELITE" and "ATTACHMENT", 23 retail outlets in Taiwan under the tradenames of "TOUGH", "SALAD" and "80/20", and 6 self-managed "TOUGH", "SALAD" and "BAUHAUS" retail stores in Shanghai.

Retail operation in Hong Kong reported steady growth in sales at about 12.8% to HK\$432.6 million, accounting for about 70.0% of the Group's turnover during the year. In June and November 2007, the Group launched a new fashion accessory specialty shop "ATTACHMENT" and a new premium shop "ELITE" respectively, which have both performed satisfactorily since they were opened. In Macau, the Group established three flagship shops in prime areas. The new shops reported very encouraging sales, amounting to about HK\$23.6 million during the year.

In Taiwan, at enhanced management effort and improved sales staff training, the Group outperformed the industry in retail sales, reporting an impressive 43.9% jump to HK\$61.6 million in turnover against last year. To deepen penetration of the retail market in Mainland China, the Group set up 4 more self-managed shops in Shanghai.

Wholesale Operation

As a result of a volatile demand in Japan market, turnover of the Group's wholesale operation declined by 9.7% to HK\$46.5 million. However, sales to other overseas market grew robustly by 24.2%. To minimise the impact of fluctuating demand on its wholesale business in certain regions, the Group has been diversifying its customer base aiming for a better spread among different regions. As at 31 March 2008, the Group's wholesale business covered over 20 countries in Southeast Asia, the Middle East, Europe and North America.

Franchised Outlets

Franchise business in Mainland China and Macau continued to be a key growth driver of the Group. Bolstered by continued strong demand in the two markets, the Group's turnover from franchise business grew notably by about 35.5% to about HK\$38.9 million for the year ended 31 March 2008. The Group's franchise network in Mainland China has expanded quickly in recent years and covered now a number of major first-tier and second-tier cities. The success of "TOUGH" prompted the Group to commence the next phase of development focusing on enhancing penetration of the brand in different cities and introducing "SALAD" shops into the franchise network.

Future Plans

Looking ahead, Bauhaus will continue to gradually extend the scope of its customer base and in turn seize bigger market share. In the future, Hong Kong will remain as the Group's core market other than serving as its base for developing overall branding and positioning strategies. It will also be the cradle for nurturing new own brands the like of "TOUGH" and "SALAD", which have become very successful.

Furthermore, the first "BAUHAUS" specialty shops opened in Taiwan in May 2008 to facilitate continuous penetration of the Taiwan market. The Group plans to open at least another 10 outlets in the market by the end of 31 March 2009. The Group also intends to open at least 4 more outlets in Macau in the coming financial year.

Apart from focusing on growing the markets in Greater China, the Group will also strive to expand its wholesale network in the Asia-Pacific region. Bauhaus' products are currently sold to wholesalers in over 20 cities around the world, with Southeast Asian countries such as Thailand, Singapore and the Philippines being the major growth engines. The management is confident about the region's growth potential and will continue to explore cooperative opportunities with quality wholesalers.

Ms. Winnie Tong, Vice Chairman of Bauhaus, said, "Bauhaus will dedicate more efforts to strengthen its presence in the booming Mainland China market. At least 20 franchised outlets will be added in the region and at least 10 self-managed retail shops will commence business in Shanghai and Beijing in financial year 2008/09. Riding on its understanding of the taste and buying behaviours of the Chinese people and international fashion trends, Bauhaus is well positioned to capture opportunities presented by the flourishing economy."

- end -



Photo Caption (From Left to Right)

Mr. Eric Chung, Financial Controller of Bauhaus

Mr. George Wong, Chairman of Bauhaus

Ms. Winnie Tong, Vice Chairman of Bauhaus

ABOUT BAUHAUS INTERNATIONAL (HOLDINGS) LIMITED

Bauhaus is principally engaged in the design, manufacture, wholesale and retail sales of apparel, bags and accessories with over 15 in-house brands. It also sells apparel of third-party fashion brands. The Group runs self-operated retail stores in Hong Kong, Macau, Taiwan, Shanghai and Beijing, franchise outlets in the PRC and Macau and exports "TOUGH" brand products to over 20 countries around the world. Riding on its extensive sales network in the region and the vast potential of quality trendy wear in the market, Bauhaus aims to boost the status of its own brands in the international market. The Group was awarded Forbes Asia's 200 "Best Under a Billion within Asia Pacific Region in 2007".

For press enquiries:

Strategic Financial Relations Limited

Vicky Lee (852)2864 4834 vicky.lee@sprg.com.hk
Cindy Lung (852)2864 4867 cindy.lung@sprg.com.hk
Cornia Chui (852)2864 4853 cornia.chui@sprg.com.hk
Fax: 2804 2789 / 2527 1196



包浩斯公布二零零七/零八年度全年業績

* * *

營業額及盈利均錄得雙位數字增長

財務摘要

- 營業額錄得 **617,600,000 港元**，較去年上升 **21.3%**
- 毛利率上升 **3.1 百分點**至 **66.9%**
- 純利上升 **17.1%**至 **67,000,000 港元**
- 每股盈利為 **18.65 港仙**
- 董事會建議派發末期股息每股 **5 港仙**及特別股息每股 **6 港仙**
- 財政狀況穩健，擁有現金及現金等值物共約 **155,000,000 港元**

(二零零八年七月十五日，香港訊)—包浩斯國際(控股)有限公司(「包浩斯」或「集團」)(股份編號:483)今日公布其截至二零零八年三月三十一日止年度的全年業績。

財務回顧

於回顧年內，集團錄得營業額約 **617,600,000 港元**，股東應佔純利約 **67,000,000 港元**，分別較去年增加 **21.3%**及 **17.1%**。每股基本盈利為 **18.65 港仙**(二零零六/零七年財政年度: **16.26 港仙**)。

董事會建議派發末期股息每股 **5 港仙**及特別股息每股 **6 港仙**，連同於年內已派發的中期股息每股 **2.5 港仙**，年內總股息為每股 **13.5 港仙**。派息率約佔純利 **72.4%**，此乃貫徹集團的長期派息政策，派息比率不少於純利 **30%**。

包浩斯主席黃銳林先生表示:「為使業務繼續快速增長同時控制風險，我們於回顧年內採取三向發展策略(「Three-dimensional growth strategies」; 「3D」)。「3D」代表市場多元化、產品多元化及地區多元化，最終目標是促進集團業務達致長期增長。在實施這項策略的回顧年度，我們的營業額連續第五年錄得雙位數字增長。此外，儘管租金及員工成本持續上漲，但集團純利仍錄得理想升幅。」

業務回顧

零售營運

截至二零零八年三月三十一日止年度，集團的零售業務表現維持強勁，營業額上升 **24.0%**至約 **532,200,000 港元**。截至二零零八年三月三十一日，集團在香港直接管理「BAUHAUS」、「TOUGH」、「SALAD」、「80/20」、「ELITE」及「ATTACHMENT」共 **52 間**零售店、以及在台灣的 **23 間**「TOUGH」、「SALAD」及「80/20」零售店及位於上海的 **6 間**「TOUGH」、「SALAD」及「BAUHAUS」零售店。

於回顧年間，香港零售業務的營業額增加約 **12.8%**至 **432,600,000 港元**，佔集團營業額的 **70.0%**。集團分別於於二零零七年六月及十一月，開設新時裝飾物專賣店「ATTACHMENT」及新高級時裝專賣店「ELITE」。新店開幕後銷售額令人滿意。至於澳門市場，集團於回顧年內在購物旺區開設 **3 間**旗艦店，新店在開業後錄得令人鼓舞的銷售額，於回顧年內達到 **23,600,000 港元**。

在台灣，全賴集團加強管理及員工培訓，令集團在該地的營業額超越同儕，錄得 43.9% 的升幅，至約 61,600,000 港元。為積極提高中國零售市場的滲透率，集團於上海增設了 4 間自行經營的零售店。

批發營運

由於日本市場的零售需求波動，集團的批發業務之營業額下跌約 9.7% 至 46,500,000 港元。然而，其他海外市場的銷售額卻飆升 24.2%。為盡量減低若干地區需求波動對批發業務的影響，集團致力擴大客戶基礎，務求在不同地區市場之間取得平衡。截至二零零八年三月三十一日，集團的批發業務覆蓋東南亞、中東、歐洲及北美超過 20 個國家。

特許經營業務

中國及澳門的特許經營業務繼續成為集團其中一項主要增長動力。由於兩地市場需求有增無減，截至二零零八年三月三十一日止年度特許經營業務的營業額顯著上升約 35.5% 至約 38,900,000 港元。集團於中國的特許經營網絡在近年快速拓展，現已覆蓋大部份主要一、二線城市。在成功引進「TOUGH」後，集團已進入另一個發展階段，集中提高品牌在個別城市的滲透率，以及將「SALAD」專門店引入特許經營網絡。

未來發展

展望將來，集團將繼續擴大顧客基礎，繼而逐步提高市場佔有率。在未來，香港將繼續成為集團的核心市場和發展整體品牌和定位策略的基地。集團將會繼續於本地市場培育新品牌，就如成功孕育的「TOUGH」及「SALAD」品牌一樣。

此外，首間台灣「BAUHAUS」專門店已於二零零八年五月開幕營業，有助集團更深入發展該市場。此外，集團亦將於二零零九年三月三十一日前於台灣市場增設至少 10 間店舖。另集團亦計劃於下一個財政年度在澳門增設至少 4 間店舖。

集團除致力發展大中華地區市場外，同時亦積極拓展亞太地區的批發網絡。目前，包浩斯產品行銷全球超過 20 個城市，包括東南亞國家如泰國、新加坡及菲律賓等，這些國家均是集團批發業務的主要增長動力。管理層對區內的增長潛力充滿信心，並將會繼續物色與優質批發商合作的機會。

包浩斯副主席唐書文女士表示：「包浩斯將會繼續努力，在蓬勃發展的中國市場建立市場地位。於二零零八／零九財政年度，集團將於中國開設至少 20 間特許經營店，以及於上海和北京開設至少 10 間自行經營零售店。憑藉管理層對中國人的品味和購物習慣以及國際時裝趨勢的了解，包浩斯已準備就緒，把握中國經濟興旺帶來的商機。」



圖片說明 (由左至右)

鍾志強先生 包浩斯集團財務總監

黃銳林先生 包浩斯集團主席

唐書文小姐 包浩斯集團副主席

有關包浩斯國際(控股)有限公司

包浩斯主要從事超過 15 個自家品牌之服裝、手提包及配飾之設計、製造、批發及零售業務，及與第三方品牌服裝之零售營運。集團於香港、澳門、台灣及上海設有自行經營零售店，以及於中國及澳門經營特許經營店。其 TOUGH 品牌產品出口至全球超過 20 個國家。憑藉於區內廣闊的銷售網絡及優質趨時休閒服市場的龐大潛力，包浩斯銳意提升其自家品牌於國際市場上的地位。

新聞垂詢：

縱橫財經公關顧問有限公司

李惠兒 電話：(852) 2864 4834

龍肇怡 電話：(852) 2864 4867

徐佩芝 電話：(852) 2864 4853

傳真：(852) 2804 2789 / 2527 1196

電郵：vicky.lee@sprg.com.hk

電郵：cindy.lung@sprg.com.hk

電郵：cornia.chui@sprg.com.hk