

For immediate release



波司登國際控股有限公司

Bosideng International Holdings Limited

**Net Profit surged 44.2% to RMB 1.08 billion
Improved Gross Profit Margin to 50.3%**

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The Board recommended the payment of a final dividend of RMB8.8 cents per ordinary share to offer a higher reward to shareholders

Financial Highlights

<i>RMB '000</i>	For the year ended March 31		Change
	2010	2009	
Revenue	5,738,121	4,275,144	+34.2%
Gross profit	2,886,637	1,944,971	+48.4%
Gross profit margin (%)	50.3%	45.5%	+4.8pts
Profit attributable to equity holders	1,078,550	748,120	+44.2%
Basic and diluted EPS (RMB cents)	13.88	9.51	+46.0%
Final dividend per share (RMB cents)	8.8	8.0	+10.0%

(July 7, 2010 – Hong Kong) – Bosideng International Holdings Limited

("Bosideng", or the "Company", stock code: 3998, or together with its subsidiaries collectively referred to as the "Group"), the largest down apparel company in the PRC, announces its annual results for the year ended March 31, 2010.

For the year ended March 31, 2010, the Group recorded revenue of approximately RMB5,738.1 million (2009: approximately RMB4,275.1 million), representing an increase of 34.2% as compared with the corresponding period last year. This was mainly due to the strong demand of down apparel in long winter, the Group's strategy of products differentiation and the revenue of approximately RMB402.4 million contributed by the menswear apparel business since May 2009.

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Cost of sales for the year amounted to approximately RMB2,851.5 million, as a percentage of revenue, it decreased from 54.5% in last year to 49.7%. Gross profit margin increased by 4.8 percentage points to 50.3%. This was mainly attributable to stringent cost control measures and the Group's strategy of maintaining profitability. Net profit attributable to equity holders of the Company increased by 44.2% to RMB1,078.6 million. To offer a higher reward to the shareholders, the Board has recommended the payment of a final dividend of RMB8.8 cents per ordinary share for the year ended March 31, 2010. Taking into account the interim dividend, the annual dividend amounted to RMB12.6 cents per share, equivalent to a dividend payout ratio of 90.8%.

Mr. Gao Dekang, Chairman and CEO of Bosideng, said, "After the economic woes resulted from the global financial crisis and cyclical downturn of the domestic economy, the general economic condition of the PRC has been recovering recently and various economic indicators have bottomed out with steady growth. The overall performance of the PRC apparel industry has shown signs of improvement. The winter of 2009 set in earlier than usual, the cold weather boosted the overall sales performance of the down apparel industry. In addition, unit prices and quality of products keeps improving and the product designs are more fashionable and diversified. Emerging and old brands of the down apparel coexist in the market with more detailed segmentation. However, famous brands remain as the leaders in industrial development, which fully reflect consumers' trust and recognition to brand value."

During the year, the Group's brands recorded satisfactory growth. "Bosideng" remained as the key income source for the Group, with revenue grew by 26.1% from last year to approximately RMB 2,900.3 million, accounting for about 61.9% of total sales of the Group's branded down apparel. "Snow Flying", "Bingjie" and "Kangbo" also recorded revenue growth of 3.7%, 81.2% and 11.2% respectively. During the year, "Bosideng Menswear" accounted for approximately 7.0% of the Group's total revenue.

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To facilitate business development, the Group continued to optimize the retail network of down apparel business. While eliminating and replacing substandard distributors and retail shops with unsatisfactory performance, the Group was committed to formulating a reasonable overall planning and optimizing each retail shops; whereas "Bosideng Menswear" focuses on market expansion. As at March 31, 2010, the Group has 5,620 retail outlets for down apparel in more than 65 cities across the nation, comprising 995 outlets operated by the Group and 4,625 outlets operated/ supervised by third party distributors. As for "Bosideng Menswear", the Group has 4,625 retail outlets, comprising 73 outlets operated by the Group and 686 outlets operated according to franchise agreement/ by third party distributors. During the period, the Group opened a number of flagship stores in the central business districts of major cities in China and provided customers with a more comfortable shopping environment, which enhanced the brand image of the Group.

As the first step of the transformation of the "Bosideng" brand from offering seasonal apparel products to non-seasonal apparel products, the Group expanded into the menswear business by acquiring Jiangsu Bosideng Garment Development Co., Ltd. (previously known as Jiangsu Kangbo Clothing Co., Ltd.) (the "Menswear Company") for a maximum aggregate cash consideration of up to MB650,000,000 in May 2009. The Menswear Company has made satisfactory progress in the development and design, sales and marketing and brand promotion of the brand "Bosideng Menswear". "Bosideng Menswear" was named as the "Best Brand with Highest Growth" in 2009 and honoured with the "Best Innovation Award 2009" in the joint election campaign of China Business Association and China National Commercial Information Center, showing that the "Bosideng Menswear" brand was widely recognized by the market. The strong performance of the "Bosideng Menswear" brand was consistent with the expectation of our management since the acquisition.

During the period, the Group continued the preparation work of "Rocawear" brand as scheduled with satisfactory progress. In addition, the Group launched the new metropolitan fashion brand "BOSIDENG VOGUE" in March 2010. The "BOSIDENG VOGUE" franchised store in Changshu has been opened recently.

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Going forward, Mr. Gao said: "The Group holds a cautiously positive outlook. Year 2010/11 will be a crucial year for the PRC apparel industry. The Group will leverage on the competitive edges of "Bosideng" brand to integrate the style positioning, design, research and development as well as sales channels of its brands comprehensively with a global perspective to ensure the product styles are different yet harmonious and to satisfy different demands from consumers. In the next three to five years, the Group will complete its transformation from product-oriented operation to brand-oriented operation. It will also continue to increase the proportion of the non-down apparel business in overall sales and transform "Bosideng" into an international well-known integrated apparel brand operator."

He continued: "The Group will continue to implement and facilitate the strategy of developing non-seasonal products. Among which, the number of retail stores of "Bosideng Menswear" is expected to reach approximately 1,100 in 2011; "Rocawear" brand business is planned to open more than 300 "Rocawear" freestanding stores and shop-in-shop concepts in the Greater China Region by 2013; and "BOSIDENG VOGUE" will increase retail stores based on its specific business development progress and market demands. The Group will also enhance its brand and product mix by actively identifying non-down apparel brands with growth potential and good reputation for acquisitions, mergers or cooperation, in order to expedite the development of non-down apparel business."

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About Bosideng International Holdings Limited:

Bosideng International Holdings Limited is the largest down apparel company in the PRC. Its retail distribution network comprises 5,620 retail outlets covering more than 65 cities across the nation, selling down apparel under its six core brands including "Bosideng", "Snow Flying", "Kangbo", "Bingjie", "Shuangyu" and "Shangyu". Through these brands, the Group offers a wide range of down apparel products targeting various consumer segments, strengthening and expanding its leading position in the PRC down apparel industry. According to China Industrial Information Issuing Centre ("CIIC"), in terms of sales in 2009, "Bosideng", "Snow Flying", "Kangbo" and "Bingjie" down apparel products achieved combined market share# of 38.0% in the PRC.

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“Bosideng” was the leading down apparel brand in the PRC for 14 consecutive years from 1995 to 2008, according to the CIIIC and the National Bureau of Statistics of China. To further optimize its product mix and increase profitability, the Group has gradually begun to implement a “non-seasonal product” development strategy. In May 2009, the Group acquired a menswear company and made its entry into the menswear business. In the same month, the Group formed a joint venture company to engage in the sales, promotion and development of an international brand “Rocawear” in the Greater China Region. In March 2010, the Group launched the new metropolitan fashion brand “BOSIDENG VOGUE”.

Among the 30 largest down apparel brands

For further information, please contact:

iPR Ogilvy Ltd.

Beatrice Wong/ Karen Tse/ Charis Yau/ Callis Lau

Tel: (852) 2136 6176/ 2136 6950/ 2136 6183/ 2136 6952

Fax: (852) 3170 6606

Email: beatrice.wong@iprogilvy.com/ karen.tse@iprogilvy.com/
charis.yau@iprogilvy.com/ callis.lau@iprogilvy.com