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GIORDANO

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Giordano International Limited
(Stock code: 709)

Group Operations Highlights

Continuing operations ¹

Three Months Ended Sep 30, 2009

YOY Change

| | |
|--|----------------|
| Group turnover | - 9.6% |
| Retail & Distribution turnover | - 6.9% |
| Retail & Distribution same store sales ² | Flat |
| Mainland China turnover | - 5.0% |
| Mainland China same store sales ² | - 10.0% |
| Hong Kong turnover | - 7.7% |
| Hong Kong same store sales ² | + 4.8% |
| Group gross margin (3Q08: 50.4%) | 52.1% |

¹ Excluding the results of Placita, the Group's main garment manufacturing subsidiary, which was divested in 2H08.

² In local currency for self-operated outlets which were open for the full three months in each of the two fiscal years under comparison.

Group Operations Highlights

Continuing operations ¹

Nine Months Ended Sep 30, 2009

YOY Change

| | |
|--|--------------------------|
| Group turnover | - 12.9% |
| Group gross margin (2008: 51.3%) | 49.4% / - 190 bps |
| Retail & Distribution turnover | - 11.2% |
| Retail & Distribution same store sales ² | - 6.3% |
| Mainland China turnover | - 3.9% |
| Mainland China same store sales ² | - 9.4% |
| Net cash & bank balances (in HK\$ millions) | 621 |
| Inventory turnover on sales (2008: 30 days) | 32 days |

¹ Excluding the results of Placita, the Group's main garment manufacturing subsidiary, which was divested in 2H08.

² In local currency for self-operated outlets which were open for the full nine months in each of the two fiscal years under comparison.

Group Operations Highlights

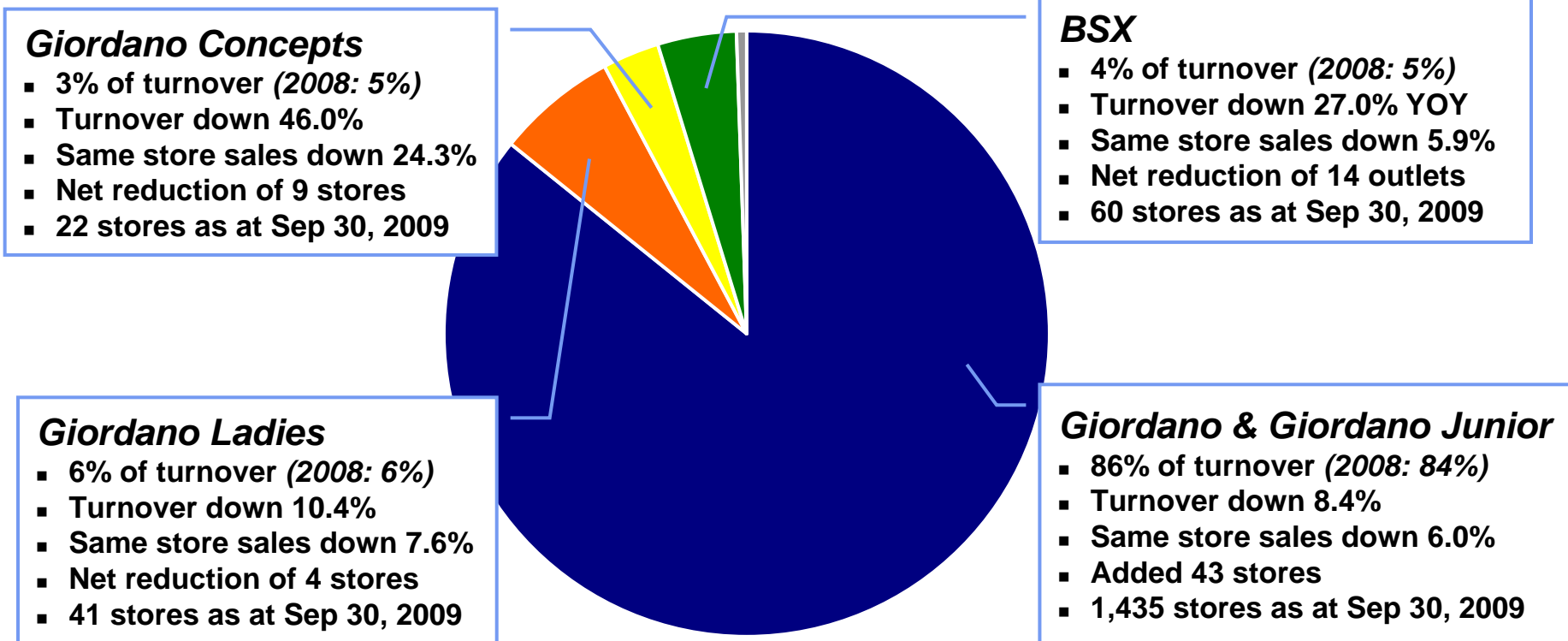
| | YOY Change | | |
|--|--------------------------------|--------------------------------|--------------------------------|
| | 3 months ended Sep 30, 2009 | 9 months ended Sep 30, 2009 | 6 months ended Jun 30, 2009 |
| Group turnover ¹ | - 9.6% | - 12.9% | - 14.5% |
| Retail & Distribution turnover | - 6.9% | - 11.2% | - 13.0% |
| Retail & Distribution same store sales ² | Flat | - 6.3% | - 9.2% |
| Group gross profit ¹ | - 6.4% | - 16.0% | - 20.2% |
| Group gross margin ¹ | 52.1% | 49.4% | 48.2% |

¹ Excluding the results of Placita, the Group's main garment manufacturing subsidiary, which was divested in 2H08.

² In local currency for self-operated outlets which were open for the full three, six and nine months in each of the two fiscal years under comparison.

Retail & Distribution Turnover by Brand

Nine Months Ended Sep 30, 2009



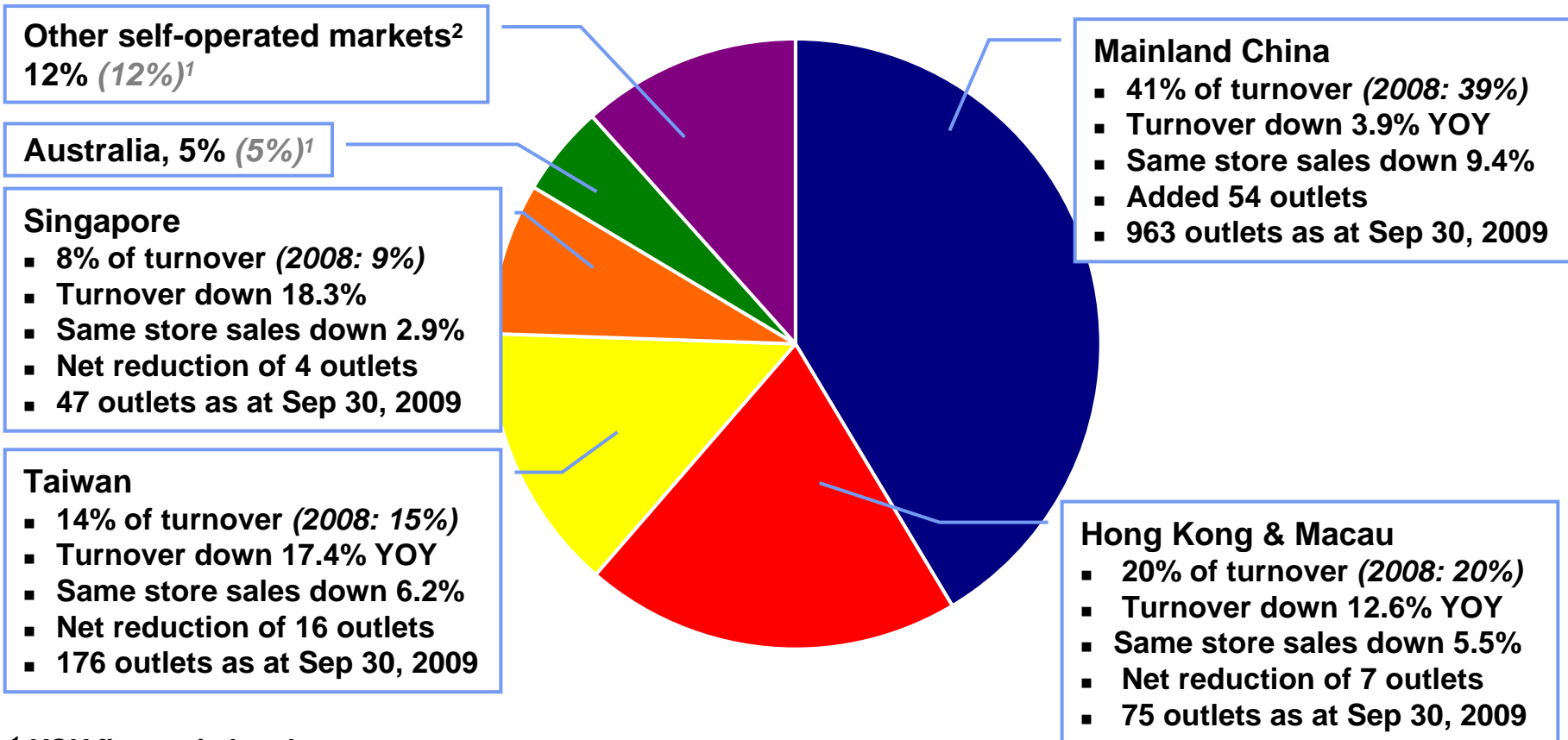
Review by Brand

| | YOY Change | | |
|---------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 3 months ended Sep 30, 2009 | 9 months ended Sep 30, 2009 | 6 months ended Jun 30, 2009 |
| Turnover | | | |
| <i>Giordano & Giordano Junior</i> | - 3.0% | - 8.4% | - 10.6% |
| <i>Giordano Ladies</i> | - 8.6% | - 10.4% | - 10.9% |
| <i>Giordano Concepts</i> | - 58.5% | - 46.0% | - 40.7% |
| <i>BSX</i> | - 17.8% | - 27.0% | - 31.5% |
| Retail & Distribution Total | - 6.9% | - 11.2% | - 13.0% |
| Same Store Sales ¹ | | | |
| <i>Giordano & Giordano Junior</i> | + 0.1% | - 6.0% | - 8.4% |
| <i>Giordano Ladies</i> | - 2.7% | - 7.6% | - 10.0% |
| <i>Giordano Concepts</i> | - 17.6% | - 24.3% | - 27.0% |
| <i>BSX</i> | + 8.4% | - 5.9% | - 10.3% |
| Retail & Distribution Total | Flat | - 6.3% | - 9.2% |

¹ In local currency for self-operated outlets which were open for the full three, six and nine months in each of the two fiscal years under comparison.

Retail & Distribution Turnover by Market

Nine Months Ended Sep 30, 2009



¹ YOY figures in brackets

² Includes Malaysia, Thailand, Indonesia and Japan

Performance Review by Market

| Turnover | YOY Change | | |
|--|--------------------------------|--------------------------------|--------------------------------|
| | 3 months ended Sep 30, 2009 | 9 months ended Sep 30, 2009 | 6 months ended Jun 30, 2009 |
| Mainland China | - 5.0% | - 3.9% | - 3.5% |
| Hong Kong & Macau | - 7.7% | - 12.6% | - 15.1% |
| Taiwan | - 11.9% | - 17.4% | - 19.5% |
| Singapore | - 8.4% | - 18.3% | - 22.2% |
| Retail & Distribution Total ¹ | - 6.9% | - 11.2% | - 13.0% |
| South Korea ¹ | + 15.3% | - 10.7% | - 21.5% |
| Middle East ¹ | - 15.2% | - 11.3% | - 8.9% |

¹ South Korea and Middle East sales are not consolidated into Group sales. On Sep 30, 2009, the Group held 48.5% in Giordano South Korea and 20.0% in Giordano Middle East.

Performance Review by Market

| Same Store Sales ¹ | YOY Change | | |
|--|--------------------------------|--------------------------------|--------------------------------|
| | 3 months ended Sep 30, 2009 | 9 months ended Sep 30, 2009 | 6 months ended Jun 30, 2009 |
| Mainland China | - 10.0% | - 9.4% | - 9.2% |
| Hong Kong & Macau | + 4.8% | - 5.5% | - 10.8% |
| Taiwan | + 2.6% | - 6.2% | - 9.5% |
| Singapore | + 1.5% | - 2.9% | - 4.9% |
| Retail & Distribution Total ² | Flat | - 6.3% | - 9.2% |
| South Korea ² | + 22.3% | + 6.0% | + 0.1% |
| Middle East ² | - 16.4% | - 14.6% | - 13.6% |

¹ In local currency for self-operated outlets which were open for the full three, six and nine months in each of the two fiscal years under comparison.

² South Korea and Middle East sales are not consolidated into Group sales. On Sep 30, 2009, the Group held 48.5% in Giordano South Korea and 20.0% in Giordano Middle East.

Review & Outlook

■ Business continued to improve in 4Q09

| | YOY Change | | |
|---|--------------------------------|--------------------------------|--------------------------------|
| | 3 months ended Dec 31, 2009 | 3 months ended Sep 30, 2009 | 6 months ended Jun 30, 2009 |
| Group turnover ¹ | Down low single digit | - 9.6% | - 14.5% |
| Retail & Distribution turnover | Down mid single digit | - 6.9% | - 13.0% |
| Turnover by market | | | |
| Mainland China | Down low single digit | - 5.0% | - 3.5% |
| Hong Kong & Macau | Up low single digit | - 7.7% | - 15.1% |
| Taiwan | Down mid single digit | - 11.9% | - 19.5% |
| Singapore | Down mid teens | - 8.4% | - 22.2% |
| Group gross profit ¹ | Up mid teens | - 6.4% | - 20.2% |
| Group gross margin ¹ | Not disclosed | 52.1% | 48.2% |

¹ Excluding the results of Placita, the Group's main garment manufacturing subsidiary, which was divested in 2H08.

Review & Outlook

- **Business continued to improve in 4Q09**
 - Turnover decline narrowed compared to 3Q09 and 1H09

- **Reduce discounts and focus on high volume / high margin products**
 - Mainland China, Hong Kong, Taiwan and Singapore gross margin up YOY in both 3Q09 and 4Q09
 - Group gross margin up 170 basis points YOY to 52.1% in 3Q09 and continued to improve in 4Q09
 - 4Q09 group gross profit up by mid teens YOY

- **Resume expansion in Mainland China**
 - Over 100 outlets added in 2H09
 - Over 1,000 outlets nationwide at the end of 2009
 - Target to add 150 outlets in 2010, focusing on 2nd and 3rd tier cities

Review & Outlook

■ **Group finances remain healthy**

- Inventory turnover on sales for 9 months ended Sep 2009 was 32 days (9 months ended Sep 2008: 30 days)
- Net cash of HK\$621M as at Sep 30, 2009 (June 30, 2009: HK\$585M)

■ **Gross margin continued to improve in Jan 2010**

- Mainland China, Hong Kong, Taiwan and Singapore all achieved YOY gross margin gains
- Jan 2010 MTD sales down YOY due to high base because of more aggressive discounting and earlier Chinese New Year in Jan 2009

| Number of outlets | As at Sep 30, 2009 | | | | | | Total | As at Dec 31, 2008 | YTD Change |
|----------------------------------|------------------------------|------------------------|--------------------------|------------|---------------|--------------|--------------|--------------------|------------|
| | <i>Giordano & Junior</i> | <i>Giordano Ladies</i> | <i>Giordano Concepts</i> | <i>BSX</i> | <i>Others</i> | | | | |
| Mainland China | 917 | 15 | 15 | 16 | - | 963 | 909 | + 54 | |
| Hong Kong & Macau | 42 | 9 | 5 | 19 | - | 75 | 82 | - 7 | |
| Taiwan | 142 | 11 | - | 23 | - | 176 | 192 | - 16 | |
| Singapore | 45 | 2 | - | - | - | 47 | 51 | - 4 | |
| Australia | 46 | - | - | - | - | 46 | 56 | - 10 | |
| Malaysia | 63 | 2 | 1 | - | - | 66 | 67 | - 1 | |
| Indonesia | 86 | 2 | 1 | 2 | 8 | 99 | 97 | + 2 | |
| Thailand | 89 | - | - | - | - | 89 | 87 | + 2 | |
| Japan | 5 | - | - | - | - | 5 | 7 | - 2 | |
| <i>Retail & Distribution</i> | <i>1,435</i> | <i>41</i> | <i>22</i> | <i>60</i> | <i>8</i> | <i>1,566</i> | <i>1,548</i> | <i>+ 18</i> | |
| South Korea | 148 | - | - | 35 | - | 183 | 167 | + 16 | |
| Middle East & India | 165 | - | 1 | 3 | - | 169 | 169 | - | |
| Philippines | 44 | 1 | 1 | 4 | - | 50 | 50 | - | |
| Others | 77 | - | - | - | - | 77 | 72 | + 5 | |
| <i>Export & Licensing</i> | <i>434</i> | <i>1</i> | <i>2</i> | <i>42</i> | <i>-</i> | <i>479</i> | <i>458</i> | <i>+ 21</i> | |
| TOTAL | 1,869 | 42 | 24 | 102 | 8 | 2,045 | 2,006 | + 39 | |