



DICKSON CONCEPTS (INTERNATIONAL) LIMITED  
迪生創建(國際)有限公司  
(incorporated in Bermuda with limited liability)

## **PRESS RELEASE**

- \* The year ended 31st March, 2010 saw profits increase 5.9 times compared with last year. This was achieved through a combination of improved operating profits and the payment received from the Polo Ralph Lauren Corporation. Although the global economy is showing signs of improvement, the Group expects volatile trading conditions to persist in the current financial year, and will therefore continue to adopt a prudent approach to all aspects of its business activities.

### **FINANCIAL RESULTS, FINAL DIVIDEND AND SPECIAL DIVIDEND**

- \* Turnover for the year was HK\$3,633.6 million, a decrease of 5.3 per cent. compared with last year. This was mainly due to the cessation of the sale of Polo Ralph Lauren products during the last quarter of the year.
- \* Profit for the year was HK\$303.7 million, an increase of HK\$251.9 million over last year.
- \* In view of these results, the Board is recommending the payment of a final dividend of 18.0 cents per ordinary share.
- \* To celebrate the Group's 30th Anniversary and thank shareholders for their support, the Board has also decided to recommend the payment of a special dividend of 18.0 cents per ordinary share.
- \* The final dividend and special dividend together with the interim dividend of 13.0 cents per ordinary share amounts to a total dividend of 49.0 cents per ordinary share, an increase of 69.0 per cent. compared with 29.0 cents per ordinary share paid out last year.



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## REVIEW OF OPERATIONS

- \* As the global economy began to show signs of growth, the Group continued to maintain healthy inventory levels, implement strict buying budgets and seek new investment opportunities with its very strong net cash position of over HK\$990 million.
- \* The Group's retail network at 31st March, 2010 totalled 381 shops. This comprised 49 in Hong Kong, 239 in China, 3 in Macau, 72 in Taiwan, 12 in Singapore and 6 in Malaysia.
- \* In addition to opening new shops for core brands such as Brooks Brothers, Tommy Hilfiger and S.T. Dupont, the Group also opened shops for new brands which it has secured exclusive distribution rights for various markets such as Roger Vivier, Versus and Artē.
- \* Geographically, 56 per cent. of sales was generated in Hong Kong, 22 per cent. in China, 16 per cent. in Taiwan and 6 per cent. in the rest of South East Asia.
- \* The Group announced in March 2010 that its license for the sale of products under the name of "Tommy Hilfiger" in the territories of Hong Kong, Macau, Taiwan, Singapore and Malaysia would be extended to 31st March, 2019. The Group also agreed to terminate the territory of China on 28th February, 2011 or such other date as may be agreed. Tommy Hilfiger Licensing LLC would pay the Group US\$21 million upon such expiration.
- \* The resilient performance achieved by all of the Group's operations during the year and the significant increase in its net cash position demonstrate the successful implementation of its business strategies and the popularity of its brand portfolio.



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## **FUTURE PROSPECTS**

- \* Although it appears that global economic conditions have begun to show signs of improvement, the continued volatility of international markets warrants the continuation of a very cautious approach to business development and expansion. Whilst the discontinuation of the Polo Ralph Lauren license has resulted in a loss of sales and profits from one of its historical revenue streams, the payment received together with the Group's strong net cash position will ensure that the Group has the financial resources to pursue any investment opportunities.
- \* Earlier this month, the Group announced that it had entered into an exclusive franchise agreement with American Eagle Outfitters, Inc. to open stores in Hong Kong and China. American Eagle Outfitters is one of the most popular American brands with annual sales of nearly US\$3 billion, and operates more than 1,000 stores worldwide offering high-quality, on-trend clothing, accessories and personal care products at affordable prices.
- \* A series of stores will be opened over the next several years with the first three planned for 2011 in Hong Kong, Beijing and Shanghai. Each store will be at least 6,000 sq. ft. in size. The Group expects that its initial investment in the development of American Eagle Outfitters will total HK\$120 million, and is confident that given the brand's proven popularity and success in North America, American Eagle Outfitters will be similarly well received in Asia.
- \* In addition, the Group has opened 31 new shops so far this year for brands such as Rado, Brooks Brothers, Tommy Hilfiger, S.T. Dupont and Artē, with plans to open a further 40 shops before the end of the current financial year.
- \* The Group is confident that its comprehensive retail network throughout China and the region, together with its net cash position of over HK\$990 million and strong balance sheet, will enable the Group to exploit any economic recovery and take advantage of any investment opportunities of exceptional value.

Hong Kong, 23rd June, 2010