

主席報告書

CHAIRMAN'S STATEMENT

致列位股東：

佐丹奴在二零零五年雖然面對休閒服裝市場的激烈競爭以及經濟和天氣影響的挑戰，本集團仍向投資者呈交一個穩健的業績。

本集團滿意平穩增長的毛利率及有效的成本控制使本年度盈利續有增長。儘管我們在休閒服裝市場是一成熟的品牌，佐丹奴仍在營業額方面取得雙位數字的增幅。佐丹奴會致力尋找創新的路向，以維持增長的動力。我們的經驗以及品牌的優勢可使我們能維持盈利的穩定增長，以提升股東的回報。

一個穩定的路向並不代表沒有挑戰，當中包括外在環境的因素以及內部團隊為改善業務而面臨的衝擊。就此本集團於二零零六年將採取若干策略，其中一項是根據於去年就集團門市網絡進行全面性檢討後所制訂的一個更完善和更以目標為本的商品銷售策略。

於顧客服務方面，本集團於過去兩年致力開發顧客關係管理平台，使其與本集團之全球資訊科技系統全面融合。該系統將成為「沒有陌生人的世界」之顧客關係管理項目之骨幹，讓本集團能利用現時各個地區市場上之優惠卡計劃作為基礎，建立一個強大之全球性顧客關係及優惠項目。本集團預期，上述的項目將可協助集團鞏固顧客對品牌的忠誠度，並進一步提升銷售增長。

於過往數年，本集團一直積極開拓如澳洲及日本等新市場。於二零零六年，本集團將進軍印度市場。在致力提升本集團於該等市場之知名度和地位的同時，本集團亦會在策略上擴大於現有市場（如中國大陸、香港、台灣、新加坡及南韓）之佔有率。此雙軌政策為本集團之核心業務增長計劃。與此同時，有鑑於零售業全球化之趨勢不容忽視，本集團將繼續物色具潛力之策略性合作夥伴並與彼等發展業務。

Dear Shareholders:

During 2005, a year characterized by intense competition in the leisure wear market as well as economic and climatic challenges, Giordano continued to deliver solid and respectable results.

We are pleased with our steadily improving gross margins and excellent cost controls to be able to deliver another profitable year. Despite being a mature participant in the leisure wear market, Giordano still posted double-digit growth in turnover. We continue to seek innovative ways to maintain the momentum of our growth. Our experience and the strength of our brand assure us a steady path of continued growth and profitability to enhance shareholder value.

A steady path is not a path devoid of challenges – challenges posed by both the external environment as well as from within our own internal ranks to improve the way we do business. Therefore, I am excited about a few initiatives the Group is embarking on in 2006. One is the result of a complete review undertaken in 2005 of our store network to set up a more refined and much more targeted merchandizing strategy.

In the customer care area, we have spent the last two years developing a customer relationship management (CRM) platform that is seamlessly integrated into our global IT system. This system will form the backbone of our “World Without Strangers” CRM program and will enable us to transform our existing local privilege card systems into a global program of customer relationships and benefits. We expect these initiatives to help us further solidify brand loyalty and drive higher comparable store sales growth.

In the past few years, the Group has pioneered new markets such as Australia and Japan. Our latest addition, India, will come on stream in 2006. While working on expanding our presence in these markets, the Group will also strategically grow its market shares in established markets such as Mainland China, Hong Kong, Taiwan, Singapore and South Korea. This two-pronged approach forms our core growth plan. The Group acknowledges both the opportunities and the challenges posed by the globalization of retailing. Therefore, we continue to seek out and develop strategic partnerships worldwide.

為進一步落實本集團之增長計劃，本集團在東南亞地區及中國大陸之營運隊伍在高層人員方面作出了變動，並同時提升人力資源方面之支援。重組後之新管理團隊具有活力、進取精神和才能，使我確信佐丹奴不但可以繼續保持盈利，同時作好準備迎接全球之挑戰。

董事會建議派發末期股息每股港幣五仙（二零零四年：每股港幣四點五仙）。本著本集團把多於所需之現金歸還股東之原則，董事會進一步建議宣派特別末期股息每股港幣一角五仙（二零零四年：每股港幣一角三仙），連同中期股息每股港幣四點五仙及特別中期股息每股港幣二仙，全年股息總額達每股港幣二角六仙半（二零零四年：每股港幣二角三仙），派息率佔年度溢利百分之九十六點四。

本人藉此感謝我們的股東、供應商、合作夥伴和員工在過去一年裡對本公司和品牌的支持和信心。沒有您們的支持，佐丹奴難以繼續成長。

劉國權
主席

二零零六年三月二十一日

To execute our growth plans, the Group has implemented several changes to its senior management in its Southeast Asia and Mainland China operations. We have also bolstered the Group's human resources function. The new team is energetic, ambitious, extremely talented and I am convinced that Giordano will not only continue to deliver profitable results, but our brand will emerge stronger, fitter and better positioned to compete globally.

The Board has recommended a final dividend of 5.0 HK cents per share (2004: 4.5 HK cents per share). In line with our aim to return surplus cash to our shareholders, the Board has further recommended declaring a special final dividend of 15.0 HK cents per share (2004: 13.0 HK cents per share). Total dividend, including the 4.5 HK cents regular interim dividend, and 2.0 HK cents special interim dividend, amounts to 26.5 HK cents per share (2004: 23.0 HK cents per share), representing a 96.4 percent payout of our annual profit.

I would like to thank our shareholders, suppliers and business partners, our employees for their confidence and commitment to the Company and our brand this past year. Without you, there would not be a Giordano.

LAU Kwok Kuen, Peter
Chairman

March 21, 2006