

# 管理層之論述及分析

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 本集團經營業績

#### 營業額

本集團於二零零五年取得總營業額港幣四十四億一千三百萬元(二零零四年：港幣四十億零三百萬元)，對比去年上升百分之十點二；倘不計入匯兌之收益，則上升百分之九點七。於二零零五年，本集團有一個強勁良好之開端，營業額較去年同期上升百分之十五點八；惟因二零零五年第四季度在大中華地區的異常和暖天氣對銷售情況不利，以致上半年度強勁增長所帶來之佳績頓然失色。同時，本集團東南亞市場亦面對因息率、燃油價格及交通費用上升所導致消費意欲下降之挑戰。

成衣貿易及製造部門之營業額在抵銷分部間銷售前達港幣十億四千三百萬元(二零零四年：港幣八億二千四百萬元)，較去年上升百分之二十六點六。在抵銷分部間銷售後，成衣貿易及製造部門之銷售額上升百分之五十五點七至港幣四億一千一百萬元(二零零四年：港幣二億六千四百萬元)。

零售及分銷部門之銷售額上升至港幣四十億零二百萬元(二零零四年：港幣三十七億三千九百萬元)，對比去年增長百分之七。可比較門市之銷售額輕微下降百分之零點五，而可比較門市之毛利則上升百分之零點九。零售及分銷部門之營業額佔本集團總營業額，由二零零四年之百分之九十三點四下降至百分之九十點七。

#### 毛利

儘管下半年之營商環境比較困難，由於有效之採購及成本管理，二零零五年整體毛利率得以保持平穩，維持於百分之五十點八。毛利則上升百分之十點二至港幣二十二億四千三百萬元(二零零四年：港幣二十億三千五百萬元)。

### RESULTS OF GROUP OPERATIONS

#### Turnover

The Group achieved a total turnover for the year of HK\$4,413 million (2004: HK\$4,003 million), an increase of 10.2 percent year-on-year; or a 9.7 percent increase if foreign exchange gains were excluded. We had a strong start in 2005, delivering a 15.8 percent year-on-year turnover growth in the first half. This solid growth was overshadowed in the second half of 2005 by the adverse impact on sales of the unusually warm weather in the fourth quarter in Greater China. Meanwhile, our Southeast Asian markets were challenged by lowered consumer sentiments and spending due to higher interest rates, fuel and transportation costs.

The Garment Trading & Manufacturing Division recorded a 26.6 percent year-on-year turnover growth to HK\$1,043 million (2004: HK\$824 million) before the elimination of inter-segment transactions. After the elimination of inter-segment transactions, sales of the Garment Trading & Manufacturing Division grew by 55.7 percent to HK\$411 million (2004: HK\$264 million).

Sales of the Retail & Distribution Division grew by 7.0 percent year-on-year to HK\$4,002 million (2004: HK\$3,739 million). While comparable store sales declined slightly by 0.5 percent, comparable store gross profit grew by 0.9 percent. The Retail & Distribution Division accounted for 90.7 percent of the Group's total turnover, down from 93.4 percent in 2004.

#### Gross Profit

Despite a more difficult second half, overall gross margin for 2005 stayed steady at 50.8 percent due to efficient sourcing and cost management. Gross profit grew by 10.2 percent to HK\$2,243 million (2004: HK\$2,035 million).

### 經營費用

由於銷售額增長放緩，加上集團迅速和果斷的控制費用措施，下半年之經營開支增長減慢。二零零五年全年之經營費用上升百分之十一點七至港幣十八億二千五百萬元(二零零四年：港幣十六億三千四百萬元)。分銷開支上升百分之十三至港幣十三億四千九百萬元(二零零四年：港幣十一億九千四百萬元)，主要是由於租金增加百分之十四點四和員工成本增加百分之十二點二所致。行政費用下降百分之二點九至港幣一億六千七百萬元(二零零四年：港幣一億七千二百萬元)。其他經營費用上升百分之十五點三至港幣三億零九百萬元(二零零四年：港幣二億六千八百萬元)。此增幅主要是由於廣告及宣傳開支增加百分之三十五點一所致。

### 經營溢利及未計利息、稅項、折舊及攤銷費用之盈利(EBITDA)

本集團二零零五年之經營溢利為港幣五億一千八百萬元，較二零零四年錄得之港幣四億九千一百萬元增長百分之五點五。經營溢利率為百分之十一點七，較二零零四年下降零點六個百分點。

成衣貿易及製造部門之經營溢利上升至港幣五千八百萬元，較去年增加百分之十三點七。同時，零售及分銷部門之經營溢利合共為港幣四億六千萬元(二零零四年：港幣四億三千七百萬元)，佔本集團之經營溢利百分之八十八點八(二零零四年：百分之八十九)。零售及分銷部門於二零零五年之經營溢利率下跌零點二個百分點至百分之十一點五。

本集團二零零五年之EBITDA為港幣六億七千二百萬元(二零零四年：港幣六億三千六百萬元)，對比去年上升百分之五點七。EBITDA之利潤率則下降零點七個百分點至百分之十五點二(二零零四年：百分之十五點九)。

### Operating Expenses

Growth in operating expenses slowed in the second half, partly because of the slowdown in sales growth, but also because of the swift and decisive action that the Group took to control expenses. Operating expenses for 2005 as a whole grew by 11.7% to HK\$1,825 million (2004: HK\$1,634 million). Distribution expense rose by 13.0 percent, to HK\$1,349 million (2004: HK\$1,194 million), attributed mainly to a 14.4 percent increase in operating lease rental and a 12.2 percent increase in staff cost. Administrative expense declined 2.9 percent to HK\$167 million (2004: HK\$172 million). Other operating expense increased by 15.3 percent to HK\$309 million (2004: HK\$268 million). The increase was mainly attributable to a 35.1 percent increase in advertising and promotion expenses.

### Operating Profit and Earnings before Interest, Taxation, Depreciation and Amortization Expense (EBITDA)

The Group's 2005 operating profit was HK\$518 million, up 5.5 percent from the HK\$491 million recorded in 2004. Operating margin was 11.7 percent, down 0.6 percentage point compared to 2004.

The Garment Trading & Manufacturing Division saw its operating profit increasing to HK\$58 million, up 13.7 percent year-on-year. Meanwhile, operating profit from the Retail & Distribution Division totaled HK\$460 million (2004: HK\$437 million), representing 88.8 percent (2004: 89.0 percent) of the Group's operating profit. Operating margin for the Retail & Distribution Division in 2005 declined by 0.2 percentage point to 11.5 percent.

The Group's 2005 EBITDA amounted to HK\$672 million (2004: HK\$636 million), up 5.7 percent year-on-year. EBITDA margin declined by 0.7 percentage point to 15.2 percent (2004: 15.9 percent).

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#### 股東應佔溢利

股東應佔溢利合共港幣四億零六百萬元（二零零四年：港幣三億八千七百萬元），對比去年上升百分之四點九。應佔共同控制公司及一聯營公司之除稅後溢利則下跌百分之六點一至港幣三千一百萬元（二零零四年：港幣三千三百萬元）；下跌原因是由於南韓業務的溢利貢獻減少所致。

於二零零五年，本集團之實際稅率由於不同市場之溢利貢獻組合改變而增加一個百分點。

#### 現金流量

經營業務之現金流入上升至港幣四億八千九百萬元（二零零四年：港幣三億二千七百萬元），主要由於二零零五年之存貨輕微增加港幣三千八百萬元（二零零四年：港幣一億零九百萬元）。再者，應付賬款和其他應付款繼二零零四年下跌後，於二零零五年有所增加，為現金流量帶來淨增加港幣五千六百萬元。

投資業務之現金流出額為港幣八千九百萬元，較二零零四年所錄得之港幣一億一千八百萬元為低。該跌幅很大程度歸因於資本性開支下降了港幣二千三百萬元。

儘管股息支出增加港幣三千九百萬元，但因管理層行使購股權以致本公司現金增加港幣九千萬元，使融資活動之現金流出額達港幣二億五千四百萬元，較二零零四年錄得之港幣三億一千七百萬元減少港幣六千三百萬元。

#### Profit Attributable to Shareholders

Profit attributable to shareholders, totaling HK\$406 million (2004: HK\$387 million), represented a 4.9 percent increase year-on-year. Share of after tax profits of jointly controlled companies and an associate decreased by 6.1 percent to HK\$31 million (2004: HK\$33 million) due to a reduction in the profits contributed by our South Korean operation.

The Group's effective tax rate increased by 1 percentage point in 2005 due to the change in composition of profits contribution from the Group's various markets.

#### Cash Flow

Cash inflow from operating activities increased to HK\$489 million (2004: HK\$327 million), due mainly to a much smaller growth in inventories in 2005 of HK\$38 million (2004: HK\$109 million). In addition, after showing a decrease in 2004, there was an increase in trade and other payables in 2005 and this had a net effect of increasing cash flow by HK\$56 million.

Cash outflow from investing activities, amounting to HK\$89 million, was lower than the HK\$118 million recorded in 2004. This is largely due to a HK\$23 million decrease in capital expenditure.

At HK\$254 million, cash outflow from financing activities was HK\$63 million below the level of HK\$317 million as recorded in 2004, despite an increase in dividend payment by HK\$39 million which was offset by a HK\$90 million increase in cash proceeds received from the exercise of share options by management staff.

### 本集團之財務狀況

於二零零五年十二月三十一日，本集團之現金及銀行存款為港幣九億零三百萬元（二零零四年：港幣七億五千二百萬元）。上升的其中原因為管理層於二零零五年行使購股權而令公司現金收入有所增加。

本集團之營運資金由二零零四年底之港幣八億六千一百萬元增加至二零零五年十二月三十一日之港幣十億二千九百萬元。流動比率為二點六倍，較二零零四年底之二點四倍輕微上升。

於年底，本集團之存貨由二零零四年錄得之港幣三億三千一百萬元增加至港幣三億六千九百萬元。於二零零五年，存貨對銷售流轉比率為三十一日（二零零四年：三十日），處於本集團介乎二十八日至三十二日之目標範圍內。

於二零零五年十二月三十一日，本集團之總負債由二零零四年底之港幣六億八千四百萬元上升百分之十點四至港幣七億五千五百萬元。股東權益較二零零四年底之港幣十九億五千四百萬元上升百分之八點六達至港幣二十一億二千二百萬元。以股東權益計算之集團資本負債率為百分之三點六（二零零四年：百分之三點二）。

年內之資本性開支為港幣一億二千萬元（二零零四年：港幣一億四千三百萬元），佔經營業務現金流入淨額百分之二十四點五（二零零四年：百分之四十三點七）。管理層預期二零零六年之資本性開支將增加至約港幣一億五千萬元。

於年底，本集團之融資信貸合共港幣三億八千九百萬元（二零零四年：港幣三億八千九百萬元），當中港幣七千六百萬元之循環貸款經已提用而尚未償還。於二零零五年十二月三十一日，本集團之或然負債為港幣九百萬元（二零零四年：港幣九百萬元），該等款項乃於正常業務運作中產生。

### GROUP FINANCIAL POSITION

At December 31, 2005, the Group had cash and bank deposits of HK\$903 million (2004: HK\$752 million). The increase is partly explained by cash receipts related to the exercise of management options in 2005.

At December 31, 2005, the Group's working capital was HK\$1,029 million, up from HK\$861 million at the end of 2004. Current ratio was 2.6 times, a slight increase from the 2.4 times at the end of 2004.

At the end of the year, the Group's inventories totaled HK\$369 million, up from the HK\$331 million recorded in 2004. In 2005, inventory turnover on sales was 31 days (2004: 30 days), within the Group's target range of 28 to 32 days.

At December 31, 2005, total liabilities were HK\$755 million, up 10.4 percent from the HK\$684 million at the end of 2004. Shareholders' equity was HK\$2,122 million, a 8.6 percent increase over the HK\$1,954 million at the end of 2004. The Group's gearing was 3.6 percent (2004: 3.2 percent) based on shareholders' equity.

Capital expenditure during the year was HK\$120 million (2004: HK\$143 million), representing 24.5 percent (2004: 43.7 percent) of net cash inflow from operating activities. Management foresees 2006 capital expenditure to increase to about HK\$150 million.

The Group had financing facilities totaling HK\$389 million at the end of the year (2004: HK\$389 million), of which HK\$76 million revolving loan facilities had been drawn and were outstanding. As at December 31, 2005, the Group had contingent liabilities of HK\$9 million (2004: HK\$9 million) incurred in the normal course of business.

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### 部門業務概況

#### 成衣貿易及製造部門

成衣貿易及製造部門之營業額(包括分部間銷售)為港幣十億四千三百萬元(二零零四年:港幣八億二千四百萬元),較去年增長百分之二十六點六。為減少對本集團其他部門之依賴,該部門繼續致力擴展客戶基礎。於二零零五年,分部間銷售佔該部門營業額百分之六十點六(二零零四年:百分之六十八)。該部門亦進一步把業務拓展至其他地區,以減少其對日本市場之依賴。於二零零五年,非日本之外來客戶之業務佔營業額約百分之二十七,相比於日本業務所佔之百分之十二,高出兩倍有餘。

因此,該部門之經營溢利上升百分之十三點七至港幣五千八百萬元(二零零四年:港幣五千一百萬元)。然而,由於價格競爭愈趨激烈,經營溢利率下降零點六個百分點至百分之五點六(二零零四年:百分之六點二)。管理層相信,解決上述挑戰之最佳方法為取替過往之原設備製造(OEM)模式並提升價值鏈而轉往採用原設計製造(ODM)模式。藉著提供覆蓋設計、產品開發、全球採購、生產及供應鏈管理之一站式解決方案,管理層相信此舉有助本集團與更多外界客戶建立長遠夥伴關係,並能重新整固邊際利潤。

下表列示本集團成衣貿易及製造部門營業額之分項數字:

### DIVISIONAL OPERATIONS HIGHLIGHTS

#### Garment Trading & Manufacturing Division

The Garment Trading & Manufacturing Division's turnover, including inter-segment sales, amounted to HK\$1,043 million (2004: HK\$824 million), a 26.6 percent increase over the previous year. The Division's continued activities in broadening its client base further reduced its reliance on the rest of the Group, with inter-segment sales in 2005 amounting to 60.6 percent of the Division's turnover (2004: 68.0 percent). The Division also achieved further geographic diversification to reduce its reliance on the Japanese market. In 2005, business with non-Japanese third parties accounted for about 27 percent of turnover, more than double that of Japan's 12 percent share.

As a result, the Division's operating profit increased by 13.7 percent to HK\$58 million (2004: HK\$51 million) though operating margins declined by 0.6 percentage point to 5.6 percent (2004: 6.2 percent) due to increased price competition. Management believes that the best way to address this challenge is to replace the OEM (Original Equipment Manufacturer) model of the past and move up the value chain to adopt an ODM (Original Design Manufacturer) model. By offering a one-stop solution covering design, product development, global sourcing, production and supply chain management, Management believes that it will help build long-term partnerships with more external clients and enable us to re-build margins.

The following table shows a breakdown of our Garment Trading & Manufacturing Division's turnover:

		2005	2004	2003	2002	2001
營業額(港幣百萬元)	Turnover (HK\$ millions)	1,043	824	685	759	727
佔營業額之百分比:	Percentage of turnover to:					
本集團	Group	61	68	76	72	70
第三者	Third Parties					
日本	Japan	12	17	17	23	25
香港	Hong Kong	11	3	4	3	3
中國大陸	Mainland China	2	1	-	-	-
南韓	South Korea	-	-	-	-	1
其他	Others	14	11	3	2	1

## 零售及分銷部門

零售及分銷部門之營業額合共為港幣四十億零二百萬元(二零零四年：港幣三十七億三千九百萬元)，較二零零四年增長百分之七。於二零零五年，本集團於全球增設一百零九間新店。

於年度內，可比較門市之銷售額對比去年減少百分之零點五，而可比較門市之毛利對比去年則增加百分之零點九。

*Giordano*主系列之零售營業額較去年增長百分之六點八。於二零零五年，環顧所有市場，以日本之銷售增長最高，緊隨的是澳洲及印尼。同時，年內之零售毛利率改善了一點一個百分點，其中以中國的毛利率之改善為最佳。本集團於二零零五年增設八十七間*Giordano*主系列新店，使全球之店舖數目增至一千五百二十七間。

與二零零四年相比，*Giordano Ladies*之營業額增長百分之十三點一，而毛利率則上升一個百分點。年內，除台灣外之所有市場之銷售額及毛利均錄得強勁增長。在台灣市場方面，大幅度之人事變動對上半年度之銷售額造成影響，但由於迅速採取行動解決有關問題，情況已穩定下來而銷售情況也見好轉。於二零零五年，本集團增設三間*Giordano Ladies*門市，並計劃於二零零六年在上海、香港及新加坡三地各增設一間新店。

*Bluestar Exchange*之營業額對比去年增長百分之五點八，而毛利率則增長一點九個百分點。本集團在澳洲開設的第一間*Bluestar Exchange*門市，表現亦如理想。年內，本集團增設了十九間*Bluestar Exchange*門市，使二零零五年年底之店舖數目達一百四十間。

## Retail & Distribution Division

Turnover from the Retail & Distribution Division totaled HK\$4,002 million (2004: HK\$3,739 million), 7.0 percent higher than that of 2004. The Group added 109 outlets world-wide in 2005.

During the year, comparable store sales declined by 0.5 percent while comparable store gross profit increased by 0.9 percent year-on-year.

Turnover of *Giordano core-line* was 6.8 percent higher than that of the previous year. Among our markets, Japan saw the best sales growth in 2005, followed by Australia and Indonesia. Meanwhile, gross margins improved by 1.1 percentage points, with China seeing the best gross margin improvement during the year. The Group added 87 *Giordano core-line* outlets in 2005, bringing the total store count to 1,527 worldwide.

Turnover of *Giordano Ladies* increased 13.1 percent while gross margin rose by 1.0 percentage point when compared to that of 2004. All markets except Taiwan posted good sales and gross profit growth during the year. In Taiwan's case, high sales staff turnover affected sales in the first half but due to swift action to address the issues the situation has stabilized and sales are back on a growth track. The Group added three *Giordano Ladies* stores in 2005 and has plans to add one store each in Shanghai, Hong Kong and Singapore in 2006.

*Bluestar Exchange's* turnover increased by 5.8 percent year-on-year and gross margin widened by 1.9 percentage points. The Group opened its first *Bluestar Exchange* in Australia and the store has performed to expectations. Overall, we added 19 *Bluestar Exchange* outlets to bring the total store count to 140 by the end of 2005.

## 管理層之論述及分析 MANAGEMENT'S DISCUSSION AND ANALYSIS

本集團與華特迪士尼(亞太區)有限公司(「華特迪士尼」)訂立地區性產品特許協議。根據協議，華特迪士尼授予本集團特許權設計、生產及推銷印上迪士尼人物之成人及童裝T恤及衛衣。該特許權包括全線迪士尼人物，並適用於整個亞太區。有關產品以「*Disney Collection by Giordano*」之標籤推廣，於二零零五年七月在香港推出，在數個月後推廣至其他亞太區市場。

### 零售及分銷部門 – 地區業務概況

本集團主要市場於上半年度之零售及分銷之銷售額均遠勝去年同期，整體銷售額較去年同期上升百分之十二點三。然而，由於大中華區第四季(即銷售業務的旺季)之天氣異常和暖，對銷售情況造成不利影響，使上半年度令人振奮之業績驟然失色。下半年度之增長速度放緩，僅較去年同期上升百分之二點五，而全年之增長為百分之七。

### 中國大陸

The Group entered a region-wide product license agreement with The Walt Disney Company (Asia Pacific) Limited ("Walt Disney"). Pursuant to the agreement, Walt Disney granted Giordano the license to design, manufacture and market adult and children's T-shirts and sweatshirts featuring Disney characters. The license includes the full range of Disney characters and covers the entire Asia Pacific region. The products, marketed under the label "*Disney Collection by Giordano*", were launched in Hong Kong in July 2005 and in our other Asia Pacific markets in the following months.

### RETAIL & DISTRIBUTION DIVISION – GEOGRAPHIC HIGHLIGHTS

Retail & Distribution sales in the Group's key markets posted strong year-on-year turnover increases during the first half, with overall sales growth of 12.3 percent year-on-year. However, this favorable showing was overshadowed in the second half of 2005 by the adverse impact on sales caused by unusually warm weather in Greater China during the fourth quarter, the region's peak selling period. Second half growth slowed to 2.5 percent year-on-year and full year growth came in at 7.0 percent.

### Mainland China

		2005	2004	2003	2002	2001
銷售額 (港幣百萬元)*	Sales (HK\$ millions)*	987	952	815	856	808
每平方呎銷售額 (港元)**	Sales per sq. ft. (HK\$)**	2,400	2,400	3,000	4,000	4,700
可比較門市之銷售額 增加/(減少)***	Comparable store sales increase/(decrease)***	6%	7%	(13%)	-	-
零售面積 (平方呎)****	Retail floor area (sq. ft.)****	585,600	557,800	484,300	434,800	382,600
門市數目****	Number of outlets ****	706	671	581	532	461

\* 包括售予特許專賣商之銷售淨額

\*\* 按加權平均基準計算之直接管理之門市

\*\*\* 指於兩個作比較之財政年度內經營滿十二個月之直接管理門市

\*\*\*\* 於十二月三十一日直接管理及特許專賣商門市總數

\* Including net sales to authorized dealers

\*\* On weighted average basis for directly managed outlets

\*\*\* For directly managed outlets which were operated for the full 12 months in each of the two fiscal years under comparison

\*\*\*\* Total directly managed and authorized dealer outlets as at December 31

## 管理層之論述及分析 MANAGEMENT'S DISCUSSION AND ANALYSIS

中國市場於上半年度之營業額較去年同期上升百分之十點六，但由於下半年天氣轉冷較往年遲，使銷售額受到影響，以致本集團需提前於十二月進行減價活動。上升走勢於下半年度反覆向下，對比去年同期減少百分之一點七。因此，全年營業額僅上升百分之三點七至港幣九億八千七百萬元（二零零四年：港幣九億五千二百萬元）。

年內，淨增設三十五間新店，當中二十九間為 *Giordano* 主系列門市、兩間 *Giordano Ladies* 門市、三間 *Bluestar Exchange* 門市及一間 *Giordano Junior* 門市。每平方呎之零售銷售額保持穩定，維持於港幣二千四百元之水平，而可比較門市之銷售額則上升百分之六。管理層繼續致力達至盈利持續增長之目標，就此，彼等在物色新店舖地點及重續租約時，將以長期盈利潛力為考慮重點。本集團計劃於二零零六年開設約三十間 *Giordano* 主系列門市及十間 *Bluestar Exchange* 門市。

Turnover in China grew by 10.6 percent year-on-year in the first half, but the trend reversed itself in the second half when turnover declined by 1.7 percent year-on-year due to the late arrival of cold weather which adversely affected sales and caused us to take earlier markdowns in December. As a result, turnover for the full year grew by 3.7 percent to HK\$987 million (2004: HK\$952 million).

During the year, there was a net increase of 35 outlets, of which 29 were *Giordano core-line*, two were *Giordano Ladies*, three *Bluestar Exchange* and one *Giordano Junior*. Retail sales per square foot held steady at HK\$2,400 and comparable store sales increased by 6.0 percent. Management remains committed to achieving sustainable and profitable growth and in this respect will focus on long-term profit potential when committing to new locations and renewing old leases. Plans are to add about 30 *Giordano core-line* and 10 *Bluestar Exchange* outlets in 2006.

### 香港

### Hong Kong

		2005	2004	2003	2002	2001
銷售額 (港幣百萬元)	Sales (HK\$ millions)	867	810	697	776	760
每平方呎銷售額 (港元)*	Sales per sq. ft. (HK\$)*	7,400	7,100	6,200	6,800	6,400
可比較門市之銷售額 增加/(減少)**	Comparable store sales increase/(decrease)**	4%	11%	(15%)	3%	(8%)
零售面積 (平方呎)***	Retail floor area (sq. ft.)***	119,500	113,700	112,100	116,400	114,200
門市數目***	Number of outlets***	101	92	75	73	72

\* 按加權平均基準計算

\*\* 指於兩個作比較之財政年度內經營滿十二個月之門市

\*\*\* 於十二月三十一日

\* On weighted average basis

\*\* For outlets which were operated for the full 12 months in each of the two fiscal years under comparison

\*\*\* As at December 31



## 管理層之論述及分析 MANAGEMENT'S DISCUSSION AND ANALYSIS

隨著股市及物業市道復蘇，香港之消費信心持續改善。因此，本集團於二零零五年大部分時間均錄得穩定之按年增長，升勢於第四季度因天氣影響放緩。香港迪士尼樂園之開幕亦未能如預期般帶來大量旅客。儘管如此，二零零五年之營業額仍上升百分之七至港幣八億六千七百萬元（二零零四年：港幣八億一千萬元）；其中以 *Giordano Ladies* 之增長最為強勁。全年之每平方呎銷售額及可比較門市之銷售額均增加百分之四。

於年度內，本集團增設九間新店，當中有兩間 *Giordano* 主系列門市及七間 *Bluestar Exchange* 門市，致使二零零五年底店舖總數達一百零一間。零售店舖租金因憧憬香港迪士尼樂園開幕而急升，幸而本集團兩間旗艦店均訂有長期租約，因而減輕了租金急升對本集團之影響。

Consumer confidence in Hong Kong continued to improve in line with gains in the stock and property markets. As a result, we saw steady year-on-year growth through most of 2005 until the unfavorable weather in the fourth quarter slowed down the pace. Disneyland Hong Kong also delivered a much smaller boost to tourist arrivals than originally anticipated. Nevertheless, in 2005 turnover grew 7.0 percent to HK\$867 million (2004: HK\$810 million), with *Giordano Ladies* achieving the best growth. Full year per-square-foot sales and comparable store sales both increased by about 4.0 percent.

We added nine outlets during the year, of which two were *Giordano core-line* and seven were *Bluestar Exchange*, bringing the total number of outlets to 101 at the end of 2005. We saw a rapid escalation of rentals in the run-up to Disneyland Hong Kong's opening but fortunately the effect on the group has been mitigated by the fact that our two flagship stores are secured by long-term leases.

### 台灣

### Taiwan

		2005	2004	2003	2002	2001
銷售額 (港幣百萬元)	Sales (HK\$ millions)	<b>732</b>	707	604	677	746
每平方呎銷售額 (港元)*	Sales per sq. ft. (HK\$)*	<b>3,000</b>	2,900	2,600	2,900	3,600
可比較門市之銷售額 (減少)/增加**	Comparable store sales (decrease)/increase**	<b>(6%)</b>	1%	(13%)	(15%)	(14%)
零售面積 (平方呎)***	Retail floor area (sq. ft.)***	<b>243,900</b>	245,800	241,500	232,900	232,400
門市數目***	Number of outlets ***	<b>237</b>	236	195	182	181

\* 按加權平均基準計算

\* On weighted average basis

\*\* 指於兩個作比較之財政年度內經營滿十二個月之門市

\*\* For outlets which were operated for the full 12 months in each of the two fiscal years under comparison

\*\*\* 於十二月三十一日

\*\*\* As at December 31

## 管理層之論述及分析 MANAGEMENT'S DISCUSSION AND ANALYSIS

儘管上半年度營業額較去年同期大幅上升百分之十四點六，但隨著台灣消費信心急跌，下半年度之銷售額較去年同期下降百分之六點八，致使全年度之營業額僅上升百分之三點五至港幣七億三千二百萬元（二零零四年：港幣七億零七百萬元）。每平方呎銷售額輕微上升，而可比較門市之銷售額則減少百分之六。儘管經營環境滿佈挑戰，本集團仍繼續審慎地管理折扣及減價政策，使本年度毛利率實質上升兩個百分點。年內，本集團結束了兩間 *Giordano* 門市，同時新增了三間 *Bluestar Exchange* 門市。

Despite a strong start, with sales growth of 14.6 percent year-on-year in the first half, sharply weakening consumer confidence in Taiwan resulted in second half sales declining by 6.8 percent year-on-year, so that turnover for the year grew by 3.5 percent only to HK\$732 million (2004: HK\$707 million). Sales per square foot managed a marginal increase while comparable store sales declined by 6.0 percent. Despite the challenging trading environment, we continued to focus on prudently managing our discount and markdowns so that gross margins actually widened by 2.0 percentage points during the year. We closed two *Giordano* and added three *Bluestar Exchange* outlets during the year.

### 新加坡

### Singapore

		2005	2004	2003	2002	2001
銷售額 (港幣百萬元)	Sales (HK\$ millions)	403	391	348	372	330
每平方呎銷售額 (港元)*	Sales per sq. ft. (HK\$)*	8,300	8,700	7,700	9,000	9,700
可比較門市之銷售額 (減少)/增加**	Comparable store sales (decrease)/increase**	(1%)	13%	(14%)	(7%)	(13%)
零售面積 (平方呎)***	Retail floor area (sq. ft.)***	50,500	48,600	43,600	46,000	37,800
門市數目***	Number of outlets ***	48	47	43	49	44

\* 按加權平均基準計算

\* On weighted average basis

\*\* 指於兩個作比較之財政年度內經營滿十二個月之門市

\*\* For outlets which were operated for the full 12 months in each of the two fiscal years under comparison

\*\*\* 於十二月三十一日

\*\*\* As at December 31

營業額增長百分之三點一至港幣四億零三百萬元（二零零四年：港幣三億九千一百萬元）。可比較門市之銷售額及每平方呎銷售額分別下降百分之一點二及百分之四點六，而毛利率則無重大變化。年內，本集團增加了一間 *Giordano* 主系列的門市。

Turnover increased 3.1 percent to HK\$403 million (2004: HK\$391 million). Comparable store sales and per-square-foot sales declined by 1.2 percent and 4.6 percent respectively. Gross margin remained essentially unchanged. We added one *Giordano core-line* outlet in 2005.

## 管理層之論述及分析 MANAGEMENT'S DISCUSSION AND ANALYSIS

### 其他市場

於本年度內，本集團其他市場之銷售額對比去年均錄得強勁增長。此等市場合共佔本集團二零零五年總零售及分銷營業額百分之十六，二零零四年則為百分之十五點二。

### Other Markets

During the year, the Group's other markets all achieved strong year-on-year sales. Taken together, this group accounted for 16.0 percent of the Group's total 2005 retail and distribution turnover, compared to 15.2 percent in 2004.

(以港幣百萬元為單位)	(In HK\$ millions)	澳洲 Australia	馬來西亞 Malaysia	印尼 Indonesia	泰國 Thailand	日本 Japan	合計 Total
二零零五年	2005	222	126	139	91	63	641
二零零四年	2004	188	126	119	84	53	570
對比去年上升	Year-on-year increase	18%	-	17%	8%	19%	12%

### 澳洲

澳洲繼二零零四年錄得強勁業績增長後，持續取得理想成績。於二零零五年，銷售額增加百分之十八點一至港幣二億二千二百萬元（二零零四年：港幣一億八千八百萬元）。倘不計入匯兌之收益，銷售額仍較去年增加百分之十四點六。隨著本集團持續將業務自新南威爾斯省及維多利亞省拓展至東海岸其他城市，本公司於二零零五年增設了九間 *Giordano* 主系列店。集團亦於二零零五年開設當地首間 *Bluestar Exchange* 門市，而該門市迄今業績亦符合預期。綜合計算，於二零零五年底店舖總數增至五十二間。

### Australia

Australia continued to deliver good growth after a strong 2004. In 2005, sales advanced 18.1 percent to HK\$222 million (2004: HK\$188 million). If foreign exchange gains were excluded, sales would still have grown by 14.6 percent over the previous year. Nine *Giordano core-line* stores were added in 2005 as we continued with our expansion out of New South Wales and Victoria into the rest of the eastern seaboard. We opened our first *Bluestar Exchange* store in 2005 and thus far it has performed to our expectations. Together, the total store count has increased to 52 at the end of 2005.

### 馬來西亞、泰國及印尼

利率攀升和燃料漲價導致消費信心下滑，對此三個市場之增長表現造成打擊。因此，本年度馬來西亞之營業額相比去年並無增長，而印尼及泰國之營業額則分別增長百分之十六點八及百分之八點三，增幅主要來自新開設之店舖。本集團在馬來西亞、泰國及印尼分別增設四間、十一間及十七間店舖；在年終時，此三個市場之店舖總數分別達五十三、五十七及六十二間。

### Malaysia, Thailand and Indonesia

Growth in all three markets were negatively impacted by interest rate increases and fuel price hikes which took their toll on consumer confidence. As a result, Malaysia ended the year with flat turnover growth while Indonesia and Thailand saw turnover increasing by 16.8 percent and 8.3 percent respectively, mainly due to new store openings. We added four stores in Malaysia, eleven in Thailand and seventeen in Indonesia so that at the end of 2005 the total store counts in these three markets stand at 53, 57 and 62 respectively.

### 日本

銷售額對比去年增長百分之十八點九；倘不計入匯兌帶來之負面影響，銷售額則有百分之二十一點七之增長。年內，集團已完全撤出東京地區，因而導致門市淨減少三間；於二零零五年十二月三十一日之店舖總數為二十一間。每平方呎之銷售額上升百分之九點一。日本業務之虧損於二零零五年進一步收窄，管理層將致力於二零零六年使其達至收支平衡。

### 合營公司

#### 南韓

由於南韓圓升值，本集團於南韓之共同控制公司的營業額較去年上升百分之十一點二至港幣九億九千五百萬元（二零零四年：港幣八億九千五百萬元）。按當地幣值計算，銷售較去年下跌百分之零點九，部分原因為二零零五年淨減少了四間門市，使年終之店舖總數減至一百六十八間。與二零零四年及二零零三年按當地幣值計算之營業額分別下跌百分之十三點四及百分之二十七點四相比，顯示營業額已大幅改善。同時，在採購成本下降及繼續奉行嚴謹定價及減價控制下，毛利率持續有所改善。二零零五年除稅後溢利為港幣三千八百萬元，較二零零四年錄得之港幣四千六百萬元為低，主要是由於該年度有一次性的有利稅項調整。在二零零五年十二月三十一日，本集團持有南韓之共同控制公司百分之四十九點五之股權。

#### 中東

消費信心在油價上漲刺激下繼續向好，集團亦把握時機於區內增設十八間店舖，令二零零五年十二月三十一日之店舖總數達一百零七間，使本集團之中東聯營公司於二零零五年之營業額上升百分之十五點三至港幣三億三千二百萬元（二零零四年：港幣二億八千八百萬元）；除稅後溢利增長百分之十二點二至港幣五千五百萬元（二零零四年：港幣四千九百萬元）。然而，由於該地區吸引了愈來愈多新的品牌，導致市場競爭加劇。本集團計劃於二零零六年在該地區增加十二間門市。在二零零五年十二月三十一日，本集團持有該中東聯營公司百分之二十之股權。

### Japan

Sales grew 18.9 percent year-on-year, or 21.7 percent when negative foreign exchange impact was excluded. During the year, we completed our exit from the Tokyo region thereby resulting in a net reduction of three outlets, taking total store count to 21 as at December 31, 2005. Sales per square foot rose by 9.1 percent. Japan further narrowed its loss in 2005 and Management aims to achieve breakeven in 2006.

### Joint Ventures

#### South Korea

Turnover of our South Korean jointly controlled company increased by 11.2 percent year-on-year to HK\$995 million (2004: HK\$895 million) due to the appreciation of the South Korean Won. In local currency terms, sales declined by 0.9 percent year-on-year, due in part to the fact that there has been a net reduction of four locations in 2005 which brought the total store count down to 168. This represents a significant improvement over the 13.4 percent and 27.4 percent local currency turnover declines that we suffered in 2004 and 2003 respectively. Gross margin continued to improve owing to lower sourcing costs and continued discipline on pricing and discounts. After tax profit in 2005 was lower at HK\$38 million compared to the HK\$46 million recorded in 2004, due mainly to the fact that there was a favorable one-off tax adjustment that year. At December 31, 2005, the Group held 49.5 percent in its South Korean jointly controlled company.

#### Middle East

Buoyed by rising oil prices, consumer confidence continued to improve and we capitalized on the trend by adding 18 new locations in the region, bringing the total store count in the region to 107 as at December 31, 2005. As a result, turnover of our associate company in the Middle East grew by 15.3 percent to HK\$332 million (2004: HK\$288 million), and after tax profit grew by 12.2 percent to HK\$55 million (2004: HK\$49 million). However, competition has heated up significantly as more brands are attracted to the region. We plan to add about 12 outlets in the region in 2006. At December 31, 2005, we held 20.0 percent in our Middle East associate.

## 管理層之論述及分析

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### 人力資源

於二零零五年十二月三十一日，本集團約有一萬一千名僱員。本集團向若干高級管理人員提供優厚之花紅計劃，作為獎勵及挽留優秀幹練管理層人才之方法。此外，本集團亦向各級員工提供優厚薪酬，更發放按目標為本計算之花紅。

#### 展望

由於油價高企、利率上揚及可能爆發禽流感之憂慮，二零零六年全球經濟前景依然未明朗。與此同時，各地市場之競爭不斷加劇。反常天氣加上以上因素，使本年至今業績低於管理層之期望。二零零六年首兩個月之銷售錄得高單位數字之跌幅，三月份至今表現有所好轉而存貨亦維持於一個合理水平。

於二零零六年，本集團對去年表現作出深入檢討，並把重點投放在商品營銷及顧客服務事宜。於商品營銷方面，本集團已開始對門市網絡作出全盤之檢討，以求更深入了解每間門市之顧客特性。此舉有助本集團制訂更能迎合當地顧客需求之營銷策略，從而締造更佳之可比較門市增長。本集團亦將積極在全球推行「沒有陌生人的世界」之顧客關係管理系統。此系統已發展達兩年之久，並與本集團全球資訊科技系統全面融合，讓集團能以現時各個地區市場之優惠卡計劃作為基礎，從而建立起強大之全球顧客關係管理項目。管理層預期，上述兩個項目將可助集團鞏固顧客對品牌之忠誠度，並進一步提升銷售增長。

同時，本集團亦計劃在二零零六年於其全球網絡中增設約七十間新店。當中部分新店將於現有市場中開設，而部分則會於本集團本年度新開拓之市場中（如印度）開設。綜觀上述各項，雖然二零零六年首季面對挑戰，本集團對前景仍抱審慎樂觀之態度，並冀望能取得穩定之增長。

#### HUMAN RESOURCES

On December 31, 2005, the Group had approximately 11,000 employees. The Group offers incentive bonus schemes to certain senior managers as a means to reward and retain a high caliber management team. Competitive remuneration packages and goal-oriented bonuses are also paid to different levels of staff.

#### OUTLOOK

The general economic outlook for 2006 is clouded by continuing concerns about high oil prices, rising interest rates and the possible outbreak of avian flu. At the same time, competition continues to intensify in markets everywhere. Erratic weather has further compounded these factors so that performance to date did not meet Management's expectations, with the Group posting a high single digit year-on-year turnover decline for the first two months of 2006. Performance has improved in March and inventory levels remain healthy.

In 2006, we will focus our attention on addressing the merchandizing and customer care issues that we have identified following a thorough review of our 2005 performance. On the merchandizing side, we have embarked on a bottom-up review of our network of outlets to gain a more detailed understanding of each one's customer profile. This would allow us to better target our merchandize offering to meet local customer needs, thus driving better comparable store growth. We will also push ahead with the global launch of the "World Without Strangers" customer relationship management (CRM) program. The system, developed over the last two years, is seamlessly integrated into our global IT system and will allow us to leverage on our existing local privilege card programs to build a strong global CRM program. We expect these two initiatives to help us cement brand loyalty and enhance sales growth.

We also plan to add approximately 70 stores to our global network in 2006. These will include additions in our existing markets as well as new markets like India that we are launching this year. Overall, despite a challenging first quarter, we remain cautiously optimistic about 2006 prospects and target to achieve steady growth for the Group.

### 1. 中國大陸

中國大陸將繼續成為本集團主要增長動力來源。本年度重點計劃之一為重新啟動批發業務動力。為達至此目標，集團已重整採購流程及系統，務求使產品之定位較佳，以迎合當地顧客之需要。管理層預計此計劃不僅有助改善批發銷售，亦幫助集團之零售門市提升生產力。增長可望透過實施平衡及穩妥之店舖拓展計劃，務求於愈見複雜及競爭更為激烈之市場中繼續擴展及保持盈利能力。本集團計劃於二零零六年在中國增設四十間門市。

### 2. 香港

儘管消費信心在物業及股票市場上升刺激下得到支持，但樂觀前景因利率上升和禽流感帶來之憂慮而添上不明朗因素。管理層相信香港之租金水平已見頂，並將於下半年逐步回落。由於香港屬本集團最為成熟及飽和之市場之一，故管理層沒有計劃於此市場大幅增設新店。相反，管理層有意藉此機會調整店舖組合，並透過更精確的商品營銷來提升銷售額及溢利增長。

### 3. 台灣

受到家庭入息負增長及消費信貸緊縮嚴重拖累，台灣消費信心於二零零五年跌至新低。再者，海峽兩岸關係愈趨緊張，二零零六年之台灣實為最具挑戰性之市場。本集團將致力改善貨品營銷以提升可比較門市之銷售額增長，以及加緊對存貨及成本的控制。

### 1. Mainland China

Mainland China will continue to be an important source of growth for the Group. One of the main initiatives this year is to recapture wholesale sales momentum. To this end, we have revamped our merchandizing processes and systems to better position our product offerings to match local customer needs. We expect this initiative to help not only with improving wholesale sales but also in raising productivity of our own retail outlets. Growth will be augmented by a balanced and managed store roll-out program that targets sustained profitability in an expanding but increasingly complex and competitive market. We plan to add 40 outlets in China in 2006.

### 2. Hong Kong

Although consumer confidence continues to be buoyed by gains in the property and stock markets, the optimistic outlook is clouded by concerns about rising interest rates and avian flu. Management believes that rentals have peaked in Hong Kong and should begin to abate in the second half. However, seeing that Hong Kong is one of the Group's most mature and saturated markets, Management is not planning significant additions to its network. Instead, Management plans to take advantage of this opportunity to adjust its portfolio of stores and to enhance sales and profits growth through more targeted merchandizing.

### 3. Taiwan

With negative household income growth and a gathering consumer credit crunch, Taiwanese consumer confidence experienced new lows in 2005. Furthermore, the increased strain in cross-strait ties makes Taiwan's outlook for 2006 the most challenging among all our markets. Our focus will be on improved merchandizing to drive comparable store sales growth as well as tighter inventory and cost controls.

# 管理層之論述及分析

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 4. 新加坡

一如香港，新加坡亦為 *Giordano* 最飽和及成熟之市場之一，故此管理層透過更有效實行採購、成本和存貨控制、店內陳列及員工發展等措施，注重推動可比較門市之銷售額增長。繼首間 *Giordano Ladies* 門市表現反應理想，集團將於二零零六年下半年在萊佛士城開設第二間分店。

### 5. 南韓

南韓服裝零售市場之復蘇前景仍不明朗，而且市場競爭依然十分熾烈，尤以向來屬本集團強項之年青人市場為甚。於二零零六年，管理層將側重於利用集團在改良產品開發、採購、存貨管理及定價政策方面所取得之成效，促進銷售持續增長及盈利率之改善。預期一部分增長會來自可比較門市銷售額之改善及一部分來自新增店舖。管理層計劃於二零零六年增設十間店舖。

### 6. 日本

管理層將於日本保持原有之發展方向，並在關西地區已建立之基礎上繼續發展，以求本年度日本業務能取得收支平衡。

### 7. 新市場

本集團將於二零零六年第二季在印度清奈開設當地首間 *Giordano* 門市，並已物色更多店址，預期於二零零六年開設兩至三間新店，及於二零零七年開設數量相若之店舖。

### 4. Singapore

Like Hong Kong, Singapore is another highly saturated and mature market for *Giordano* so the focus for Management is to drive comparable store sales growth through better execution in areas such as merchandizing, cost and inventory controls, in-store visual display and staff development. Following on the success of our first *Giordano Ladies* store, we will be opening a second store in Raffles City in the second half of 2006.

### 5. South Korea

Prospects for a recovery in the South Korean apparel retail sector are still uncertain and the sector remains highly competitive, especially in the youth market which has traditionally been our strength. In 2006, Management will focus on leveraging the gains we have made in improved product development, sourcing, inventory management and pricing discipline to drive sustained sales growth and margin improvement. The growth is expected to come partly from comparable store sales improvements, and partly from new store openings. To that end, we plan to add ten locations in South Korea in 2006.

### 6. Japan

Management will stay the course in Japan and continue building on the base we have established in Kansai, with a view to achieving breakeven in Japan this year.

### 7. New Markets

We will open our first *Giordano* store in India in Chennai in the second quarter of 2006. More store sites have been identified and we expect to open two or three stores in 2006 and a similar number in 2007.