

PRESS RELEASE - EU YAN SANG'S 3QFY2012 REVENUE UP 10% Y-O-Y TO S\$89.8 MILLION ON INCREASED SALES IN ALL THREE CORE MARKETS AND REVENUE FROM NEWLY ACQUIRED BUSINESS IN AUSTRALIA *
FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

Like

0

0


0

* Asterisks denote mandatory information

Name of Announcer *	EU YAN SANG INTERNATIONAL LTD
Company Registration No.	199302179H
Announcement submitted on behalf of	EU YAN SANG INTERNATIONAL LTD
Announcement is submitted with respect to *	EU YAN SANG INTERNATIONAL LTD
Announcement is submitted by *	Ng Pei Shan
Designation *	Company Secretary
Date & Time of Broadcast	15-May-2012 18:14:13
Announcement No.	00129

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

For the Financial Period Ended *	31-03-2012
Description	Please see attached.
Attachments	 EYS_3Q12_PressRelease.pdf Total size = 170K (2048K size limit recommended)



EU YAN SANG INTERNATIONAL LTD
269A South Bridge Road, Singapore 058818

Tel: (65) 6225 3211 Fax: (65) 6225 8276

For Immediate Release

Eu Yan Sang's 3QFY2012 revenue up 10% y-o-y to S\$89.8 million on increased sales in all three core markets and revenue from newly acquired business in Australia

- **3QFY2012 net profit decreased 51% y-o-y to S\$5.5 million mainly due to higher expenses and operating loss for business in Australia**
- **New business in Australia brought in 94 retail outlets and Group added six more in China bringing total number to 303**
- **Notwithstanding short-term adverse impact, Group believes business in Australia and retail outlet expansion in China will bring results in the long-term**

Singapore, 15 May 2012 – SGX mainboard-listed Eu Yan Sang International Ltd (“EYS”, “the Group” or “余仁生国际企业”), a trusted global integrative healthcare and wellness company with a strong foundation in Traditional Chinese Medicine (TCM), reported a 10% year-on-year (y-o-y) increase in its revenue to S\$89.8 million for the three months ended 31 March 2012 (3QFY2012). The higher revenue came from overall improvement in sales from the Group’s three core markets, Hong Kong, Singapore and Malaysia, as well as the additional sales contributed by the stores in Australia.



EU YAN SANG INTERNATIONAL LTD
269A South Bridge Road, Singapore 058818

Tel: (65) 6225 3211 Fax: (65) 6225 8276

Table 1: Financial Highlights

Financial Highlights (S\$ 'million)	3QFY2012 ended 31 Mar 12	3QFY2011 ended 31 Mar 11	% Change	9MFY2012 ended 31 Mar 12	9MFY2011 ended 31 Mar 11	% Change
Revenue	89.8	81.7	10%	220.3	203.3	8%
Gross Profit	43.6	39.1	12%	111.6	102.4	9%
<i>Gross Profit Margin</i>	<i>48.6%</i>	<i>47.9%</i>	-	<i>50.7%</i>	<i>50.4%</i>	-
Operating Profit	7.8	13.0	(40%)	21.8	26.1	(16%)
Profit for the period	5.5	11.2	(51%)	7.3	19.4	(62%)

The financial results of the Healthy Life Group Pty Ltd (Australia) were accreted to the Group's results for the first time. Excluding the revenue from Australia, the Group's revenue would have increased by 6%, instead of 10%.

Operating expenses, however, increased in 3QFY2012 and impacted the Group's operating profit. Distribution and selling expenses and administrative expenses grew by S\$6.1 million (28%) and S\$3.6 million (79%) y-o-y respectively. These increases in operating expenses were mainly due to expenses from Australian business and the Group's retail expansion in China. As a result of the higher expenses and an operating loss for the new business in Australia, the Group's 3QFY2012 net profit decreased 51% y-o-y to S\$5.5 million.

3QFY2012 Retail revenue increased 5% to S\$73.6 million on new retail revenue from Australia, excluding which, retail revenue growth would be 2%, revealing a softening retail market. Wholesale revenue surged 56% to S\$11.2 million primarily due to improved wholesale activities in Hong Kong and China and new contribution from Australia. Clinic-TCM revenue grew 12% to S\$4.3 million.

In local currency terms, core markets Singapore and Malaysia both recorded 8% growth in revenue. Core market Hong Kong sales grew 5%.



EU YAN SANG INTERNATIONAL LTD
269A South Bridge Road, Singapore 058818

Tel: (65) 6225 3211

Fax: (65) 6225 8276

The acquisition of the business in Australia added 25 company-owned and 69 franchised Healthy Life outlets. Mr Richard Eu (余义明), Group CEO, remarked, “Our new business in Australia brought in 94 retail stores. We opened six more retail outlets in China. Our retail network has grown from 179 to 303 outlets in 12 months, expanding our retail outreach from China to Australia.”

Notwithstanding the adverse impact from the loss in the Group’s new Australia business and the higher expenses from an expanded network, the Group believes the Australia acquisition and the retail outlet expansion in China will lay the foundation for the Group to grow its results in the long term. Mr Eu added, “We see a lot of potential in both Australia and China and aim to grow them to become our core markets.”

- The End -

CORPORATE PROFILE

About Eu Yan Sang International Ltd (SGX: EYSI)

Listed on the Singapore Exchange, Eu Yan Sang International Ltd (Eu Yan Sang) is a trusted, global leading integrative healthcare and wellness company with a strong foundation in Traditional Chinese Medicine (TCM). Eu Yan Sang is an industry leader, and one of the largest TCM groups in South East Asia. It is at the forefront of adopting a modern and scientific approach in the production and retailing of both TCM and wellness products.

The Group has come a long way from its humble beginnings offering TCM remedies to tin mine coolies in Gopeng, Perak, Malaysia 132 years ago. Today, Eu Yan Sang is a household name in Asia with an unrivalled reputation as the leader in the TCM industry.

Eu Yan Sang’s ability to control the total supply chain – from the sourcing of its raw materials to the production and distribution of its products and the provision of treatments gives the Group an excellent competitive edge in the industry.

To give an added assurance to consumers, the Group developed the world’s first certification standard for TCM herbs, called the “Eu Yan Sang Good Agronomic Practices for Herbs (EYSGAP-Herbs) Certification”. This certification ensures world-leading standards are maintained at all stages of growing, processing and retailing of TCM herbs.

Eu Yan Sang is also developing a world first integrated online portal to keep track of TCM herbs throughout the whole value chain, known as “integrated Good Agronomic Practices for Traditional Chinese Medicine Electronic System” (iGATES).



EU YAN SANG INTERNATIONAL LTD
269A South Bridge Road, Singapore 058818

Tel: (65) 6225 3211 Fax: (65) 6225 8276

Apart from retailing fine quality Chinese herbs and Chinese Proprietary Medicines, Eu Yan Sang also retails health foods and supplements. Currently, the Group offers more than 300 products under the Eu Yan Sang brand name and over 1,000 different types of Chinese herbs and other medicinal products. Manufacturing activities are carried out in two of its GMP-certified (Good Manufacturing Practices) factories located in Hong Kong and Malaysia.

Eu Yan Sang's wholly-owned Australian subsidiary, Healthy Life Group Pty Ltd, operates a chain of more than 90 Healthy Life stores and a distribution business which is one of the largest health food distributors in Australia. This business has over 25 years' experience in Australia, supplying in excess of 5 million products from 170 suppliers to more than 5,000 retailers in the health food, pharmacy and grocery retail segments.

As of 31 March 2012, Eu Yan Sang has an extensive distribution network comprising 303 retail outlets in China, Hong Kong, Macau, Malaysia, Singapore and Australia. Its products are available in drugstores, pharmacies, medical halls, supermarkets, convenience stores, hospitals, health clubs and spas worldwide. The Group also operates a chain of 24 TCM Clinics in Singapore and Malaysia, and 2 Integrative Medical Centres in Hong Kong.

Contact Information:	
Financial PR Pte Ltd Mr El Lee/Ms Kathy Zhang Investor Relations Consultants Tel: 65-6438 2990 / Fax: 65-6438 0064 Email: staff@financialpr.com.sg	Eu Yan Sang International Ltd Ms Joanna Wong General Manager Brand Management & Corporate Communications Eu Yan Sang International Ltd DID: 65-64213213 Fax: 65-6221 1861 Email: joanna.wong@euyansang.com