

Dwai's
cross one's fingers

*F*rom the chairman...

I gave my name to Iwai's because, like me, the Group strives for individuality and excellence. And like me, the Group works hard to be different from others in the boutique fashion market.

Iwai's

cross one's fingers

In the highly competitive boutique fashion industry, success is a combination of unique market positioning, sensitivity to consumer trends, sophisticated promotional techniques, and sheer creative flair. Our track record - the rapid growth of our chain of boutiques in the most prestigious shopping venues in Hong Kong - speaks for itself.

Looking towards the future, our region is changing faster than anywhere else in the world. The new markets and consumer affluence that follow rapid economic growth provide great opportunities for all of us in the fashion industry. Iwai's intends to grasp those opportunities with both hands. No fingers crossed!

Masaru Iwai

Chairman and Managing Director

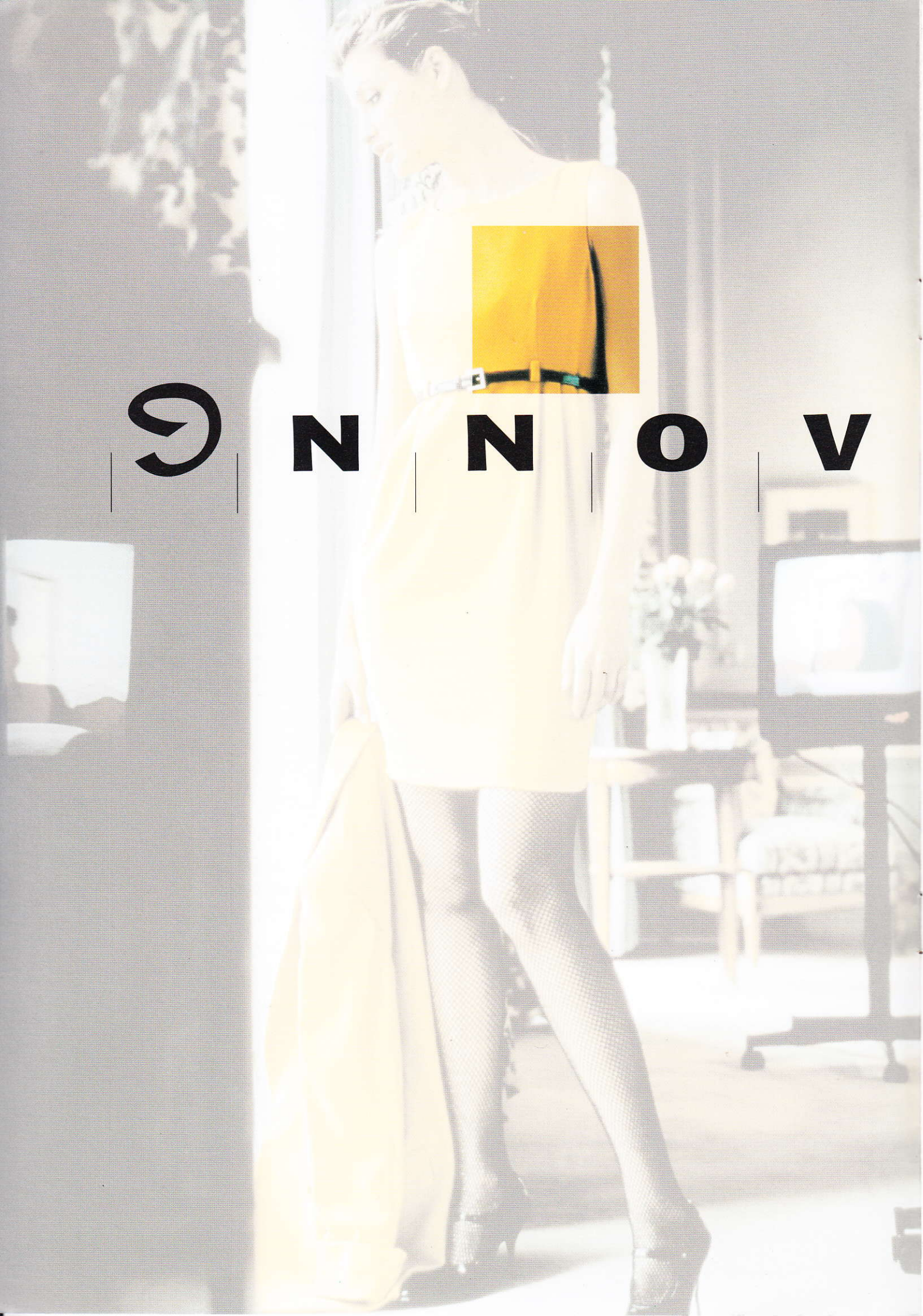
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ur founding vision ...

Incorporated in 1975, Iwai's operates a rapidly growing chain of 41 fashion boutiques in Hong Kong's major department stores devoted to the importing and retailing of a wide range of popular and fashionable apparel and accessories.

Iwai's boutiques are located in some of the most prestigious shopping arcades and fashion venues for Hong Kong's young, affluent and fashion-conscious

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families: Matsuzakaya, Seibu, Seiyu, SOGO, Tokyu, UNY and Wing On.

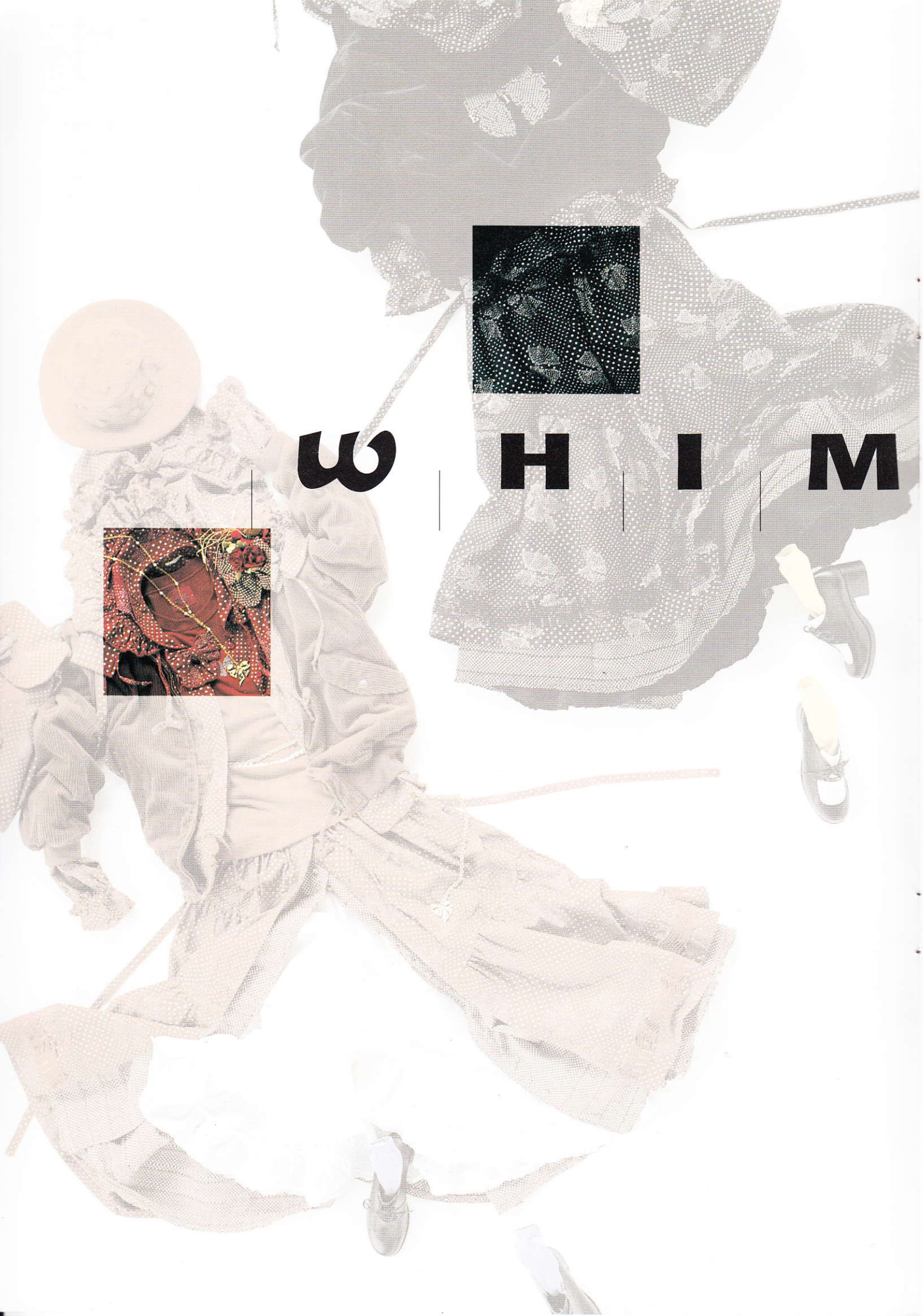
secrets of success

Most of the outlets carry only one brand name which is adopted as the name of the boutique, highlighting the uniqueness of each fashion line.

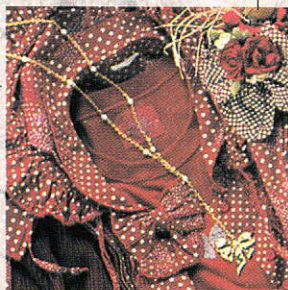
Iwai's is founded on 4 key strategies for success:

- Iwai's stands out among its competitors for the quality of its customer service;
- Iwai's is committed to maintaining a high-quality product range that is affordable and attractive;
- Iwai's enjoys long-standing relationships with prime outlets in Hong Kong, particularly with major Japanese-owned department stores; and
- Iwai's, with its extensive experience, has built enduring links with owners of prestigious French and Japanese brand names.

The success of these strategies is reflected in the Group's rapid expansion of both its chain boutiques and its portfolio of licensed brand names in recent years.



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he names say it all...

Iwai's boutiques are specialist retailers of both high-quality garments for ladies, men and children, and also a wide variety of fashion accessories, such as leather goods, shoes, sun-glasses and bags.

for ladies

Iwai's carries an extraordinary range of exclusive brand names, among them: Alain Manoukian, Attribis, Because, Diapositive, Emoi, Ernest Le Gamin, Et Vous, Gaston Jaunet, Garde Corps, Ketty, Ketty Delice, Lautréamont,

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Lautréamont Femme Sport, Lautréamont Grace, Lautréamont Selection, Lipstar, Lueiz, Moon's Garret, Pão De Lo, Renouveau, Queens Court, Queens Court Ceremony, Viaggio Blu and Vicky.

Suitable for casual wear, social occasions and the workplace, fashionwear for ladies includes a full range of clothing from high fashion items to jeans and swimwear. Thirty-four of the Group's boutiques carry 24 exclusive brand names of ladies' fashion apparel and accessories.

for men

Et Vous, Lautréamont Men, 2nd Booth and Renouveau are brand names carried exclusively for men in ten of the boutiques in the Group's chain. Men's accessories available to customers in the same outlets include shoes, belts, ties, socks, sun-glasses and handkerchiefs.

for children

BeBe & bébé, Diapo-Enfant and Ernest Le Gamin are well-known children's wear brand names sold exclusively in eight of the Group's boutiques. Designer children's wear is a growing market worldwide.



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hat makes us unique...

antiques - our flagship line

Iwai's operates an antique shop in Matsuzakaya, one of Hong Kong's major department stores, selling antique and collector's items imported from France. This unique shop specialises in classical paintings, watches, coins, books, oil lamps, photographs, furniture and sculptures.

Renouveau - our own brand name

Iwai's designs its own brandname of fashion apparel

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and accessories. Renouveau's in-house design team works closely with the Group's senior management, managers of selected boutiques and merchandising staff in developing and finalising product designs. Manufacturing of the Renouveau line is contracted out to independent agents in Hong Kong and the PRC.

The Renouveau line comprises mainly knitwear with a French style and 'look' and is exclusively retailed in four of the Group's chain of boutiques. In addition to selling in Hong Kong boutiques, the Group also exports the Renouveau line to Japan and Taiwan.

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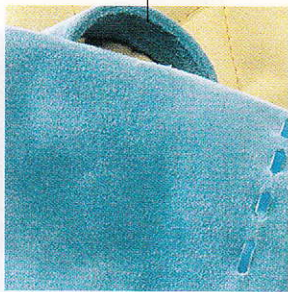
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he competitive edge...

Iwai's rate of growth has accelerated in the last three years, growing from 36 boutiques in 1992 to 41 outlets to date in 1995. Several key factors lie behind this remarkable performance.

dynamic management

Founder, Chairman and Managing Director Mr. Masaru Iwai is a law graduate of Japan's Waseda University with over 20 years experience in the fashion industry. He is responsible for building the Group's dynamic

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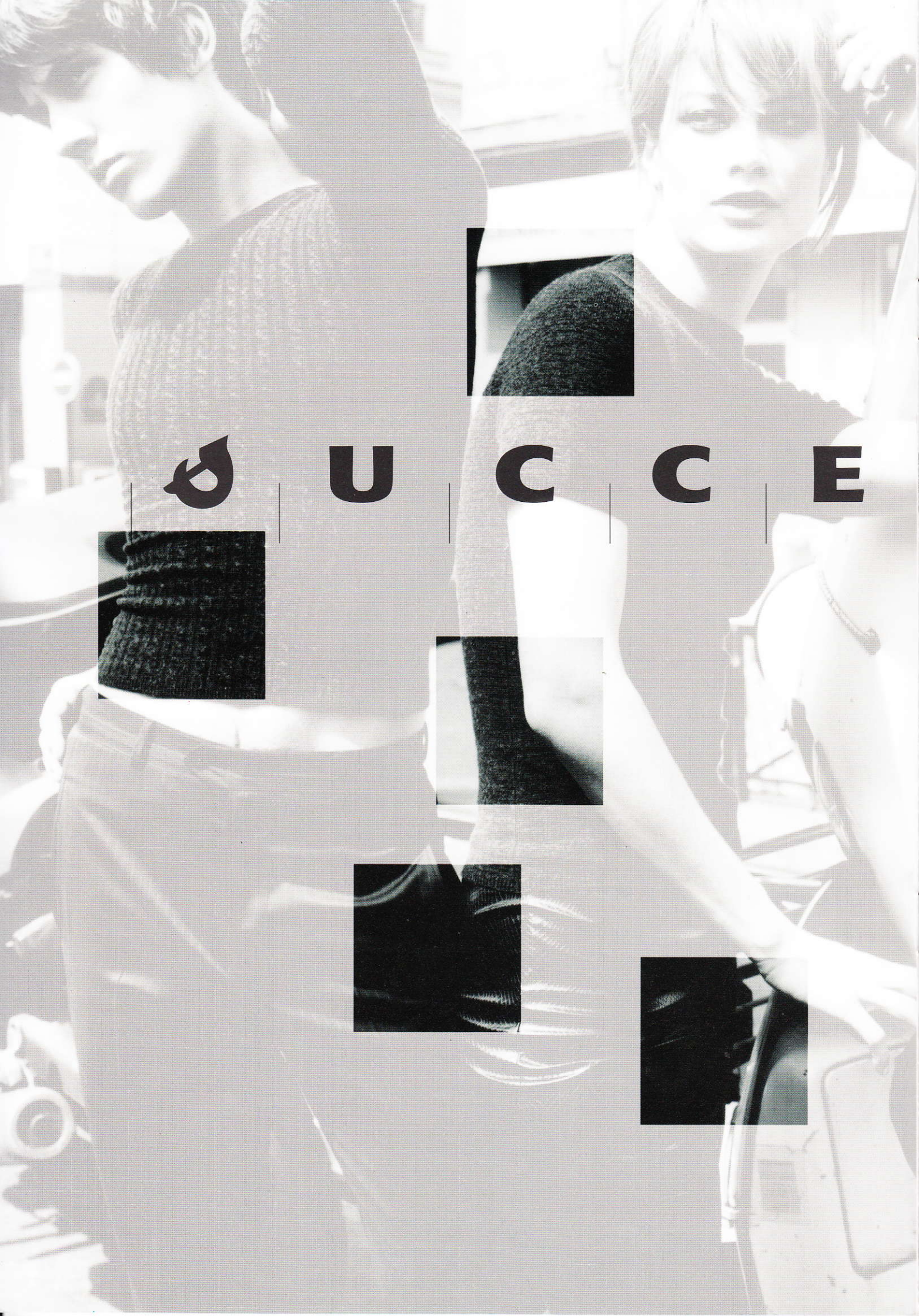
management team, developing the overall corporate strategy and liaising with major suppliers.

niche marketing

Iwai's positions itself in the marketplace through a variety of strategies, in particular the unique practice of naming boutiques after the brand names they carry. In addition to advertising through newspapers, magazines, store displays and billboard media, the Group also utilises special promotional tools such as the Iwai's Privilege Card. The Privilege Card offers discounts and other special privileges to enhance customer loyalty.

strong business links

As one of the first boutiques to set up in the SOGO department store when it opened in Hong Kong, Iwai's immediately established close and enduring relationships with the city's most prestigious and heavily-patronised shopping venues. The Group's long-standing relationships with owners of high-profile and popular Japanese and French fashion brand names is also a major source of strength.

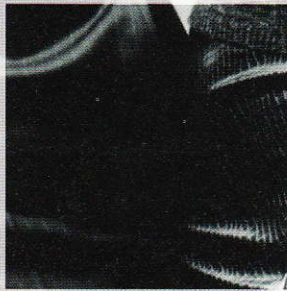
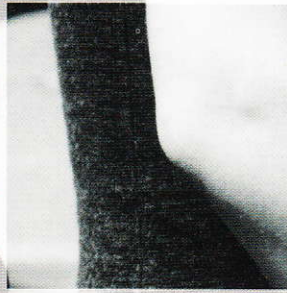
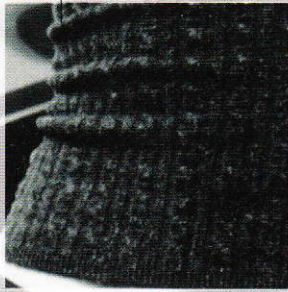


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ew links in the chain...

With over 20 years in the fashion industry, Iwai's has built strong foundations for the future with proven strategies for corporate growth.

Hong Kong

Iwai's plans to locate a number of the Group's boutiques within department stores. Targeting different market segments, the boutiques will complement each other and enjoy the advantage of a more extensive, uniquely designed and decorated retail space. The Group

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also plans the acquisition of more famous French brand names in the near future, together with the expansion of its retail network into busy shopping arcades elsewhere in the territory.

China

Iwai's is exploring manufacturing opportunities and possible retail locations in the PRC for its own Renouveau brand name.

Japan and Taiwan

Iwai's is also actively exploring the marketing potential of extending its label and chain of Renouveau boutiques into major department stores in Japan and Taiwan.

*T*he last word in fashion...

Iwai's is a sophisticated fashion concept and rapidly expanding corporate success story. I am proud of our achievements over the past two decades, and pledge our commitment to even stronger growth in the future.

Iwai's
cross one's fingers

People often ask me what our logo 'cross one's fingers' stands for. Perhaps the best way to find out is to visit an Iwai's boutique . . .

Masaru Iwai

Chairman and Managing Director