



PHU NHUAN JEWELRY JOINT STOCK COMPANY
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SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

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PRESS RELEASE

PNJ OUTPERFORMED THE WHOLE YEAR PROFIT TARGET WITHIN 10 MONTHS

Thanks to the smart steps in the company's restructure deployed since the last 2 years and the sound target orientation made by the Management as well as the fulfillment of business plan with the employees' great effort, the past 10 months witnessed the extremely impressive result of PNJ's operating income, marking the PNJ's most powerful transition than ever before, including:

- 10 months unconsolidated profit after-tax increased by 82% compared to the same period and exceeded 7% against the 2014 plan.
- 10 months retail jewelry sales increased 39% over the same period, fulfilling 94% of annual target, same store sales grew 21% over the same period.
- Coupled with promoting core business as directed in the policy of the Board of Directors, PNJ continues to divest from financial investments as scheduled. Specifically in the 3rd quarter, PNJ divested from the SFC and gained the corresponding profit of VND 36 billion, making the pre-tax profits rise 72% over the same period. It also earned nearly VND 200 billion in cash to supplement the working capital in the 4th quarter. Thus, if excluding extraordinary gains from the SFC-based divestment, 10 months profit after-tax of core business reached 147% compared to 2013.

Such growth rate has clearly reflected the restructure outcome and the application of advanced management methods in the past years. Besides good turnover and profit, all the expenses ranging from the production costs to operating costs are controlled more effectively. With these impressive figures and growth rate, that the 2014 profit is forecasted to increase 38% over the same period and fulfill 119% of the 2014 plan.

In the first 10 months of 2014, PNJ exceeded 25% annual target of retail network expansion by opening 15 new stores in Buon Ma Thuot - Dak Lak, Hoi An - Da Nang, Khanh Hoa - Nha Trang, Long An, Binh Duong, Binh Dinh, Quang Ngai, etc. In the rest 2 months of 2014, the PNJ Jewelry Centre in Vinh, Hai Phong, Dong Thap, Gia Lai, Dong Nai, etc shall be developed. Investment in network development not only increases sales but also provides a solid platform for PNJ to gradually dominate the domestic market.

In parallel with system development strategy, the product diversification to best serve the customer's demand is also focused by PNJ. In the year, PNJ has constantly introduced to the market a series of new jewelry collection in gold and diversified gemstone with pioneering breakthrough design, contributing to honor the beauty, elegance and class of Vietnamese consumers. Embedding the message "Seeing the quality in you", PNJ has

specially raised the value of each jewelry, not only to embellish appearance beauty but also to honor the value of the soul and the nature of each women.

In 2014, PNJ's marketing activities have been continuously speed up branding and expanding the trademark by outstanding activities in term of creating reputation and strong footprint with customers when PNJ has been a sponsor of major fashion exhibitions as Charming Vietnam, Marry Wedding Day, Vietnam International Jewelry Fair. Moreover, PNJ also pays a role as an official crown sponsor for many beauty contests such as Miss Ocean (crown worth of VND 1.6 billion), Belle Female Students, Charming Vietnam (crown worth of VND 800 million). In particular, at the beginning of November 2014, PNJ continues to be recognized as the 2014 National Brands by the Vietnamese Government, this is the 4th consecutive time PNJ has been awarded since 2008.

In addition to production and business, nurturing and development of the corporate culture is one of the objectives received the PNJ's special concern. PNJ has regularly organized seminars on leadership capacity building, perception change, creating an inspiration environment, professional training and care for the spiritual life of employees such as organization of family's festival, PNJ sports, vacation for employees, and culture, arts, sport contests to create a friendly environment so that all members in the PNJ family have the opportunity to exchange, learn and tighten solidarity and attachment.

Furthermore, PNJ has paid much attention to the social charity work and community activities. With the total amount for charity in 10 months worth VND 3 billion, PNJ has regularly organized activities such as blood donation, TET festival gifts to the poor, sponsoring long-term scholarship program for students, pupils, annual PNJ scholarships to poor studious students in Phu Nhuan District, relief for the poor provinces, difficult people, giving gifts and medical examination and medicine supply for more than 500 Khmer people in Soc Trang (in coordination with Universities of Medicine and Pharmacy). Such charity programs have been launched with the great participation of PNJ's officers and employees and become a cultural tradition, showing the PNJ's spirit of solidarity and help for community.

Recipients:

- The State Securities Commission of Vietnam;
- Ho Chi Minh Stock Exchange
- Archives

THE GENERAL DIRECTOR
(Signed and sealed)

CAO THI NGOC DUNG