



## ***NEWS RELEASE***

TSX symbol: GBV

### **GROUPE BIKINI VILLAGE INC. DELIVERS STEADY SALES AND INCREASED ITS PROFITABILITY BY 30 % IN ITS 2009 FOURTH QUARTER DESPITE TRAVEL INDUSTRY SLOWDOWN**

**SAINTE-JULIE, April 23, 2010** – Groupe Bikini Village inc. (TSX: GBV) (“Groupe Bikini Village” or the “Company”) today released its financial results for both the fourth quarter and full fiscal 2009, both of which ended January 30, 2010 and reflected the positive impacts of the Company’s flexible operating strategies adapted to match market realities.

While the Canadian travel industry generally reported reduced volumes in the fourth quarter of 2009, Groupe Bikini Village’s results for the quarter reflect stable sales volumes. They also show an overall increase in gross margins, tight control on direct and indirect expenses, and a disciplined approach to inventory management. Together, these factors led to an increased profitability, a material reduction in the Company’s inventory levels and an improved cash situation by the end of the quarter.

“Clearly, our increased focus on expense control and inventory management – the key element of our strategy in 2009, as we adapted to match market realities – served us well,” said President and CEO, Yves Simard. “As a result of this, in addition to our renewed and expanded retail network, modern merchant systems and efficient distribution centre, we now stand in an excellent position to capitalize on rebounding consumer markets down the line.”

#### ***Fourth quarter 2009 results***

Net sales for the fourth quarter of 2009 were \$13 million, unchanged from the \$13 million posted in the fourth quarter of 2008. Comparable sales decreased by 1.9% over the same period.

Groupe Bikini Village delivered EBITDA<sup>1</sup> of \$1.8 million, or 13.7%, in the fourth quarter of 2009, compared to EBITDA<sup>1</sup> of \$1.4 million, or 11%, for the fourth quarter of 2008. This \$0.4 million increase in operating income resulted primarily from the positive impact of its strategy to tightly manage inventories, focus on full-price selling, and control costs – which, together, led to stronger overall gross margins and improved store contribution.

For the quarter ended January 30, 2010, the Company’s net earnings were \$796,000 (nil per basic and diluted share), as compared to net earnings of \$615,000 (nil per basic and diluted share) for the same quarter in the previous year.

### **2009 Year end results**

Net sales for the Company's fiscal year ended January 30, 2010, at \$41 million, increased by 0.4%, as compared to \$40.8 million in fiscal 2008. Comparable sales decreased by 4% year-over-year.

"While our improved performance in the last six months of fiscal 2009 was encouraging and enabled us to regain some ground," said Mr. Simard, "it was unable to fully make up for the challenges we faced in the first half of the year. Consequently, EBITDA<sup>1</sup> for the year ended January 30, 2010 totalled \$487,000 or 1.2%, compared to \$1.3 million, or 3.1%, in the previous year."

For fiscal 2009, Groupe Bikini Village's net loss totalled \$1.5 million ((\$0.01) per share, basic and diluted), as compared to a net loss of \$440,000 (nil per share, basic and diluted) in fiscal 2008.

### **Outlook <sup>2)</sup>**

There are a number of factors suggesting an improvement in Groupe Bikini Village's prospects for fiscal 2010: among them, recent improvements in market conditions, increasing consumer confidence, and the success of the Company's strategy to fine-tune its operations in a changing market. However, Mr. Simard points out in the Company's annual report, Groupe Bikini Village is disciplined, and remains prepared for a continued challenging retail environment in the near future. "While our improved performance in the last six months was certainly encouraging, we recognize that the market rebound is ahead of us yet," he said.

"Given the continuing difficult conditions, we remain committed to our strategy to adapt our operations to suit market realities: we strongly believe this strategy will best position us for success as economic conditions improve. In particular, we will focus on managing working capital, inventories, supply risk, capital expenditures and debt level, as well as direct and indirect costs."

Despite challenging markets over the last two years, Groupe Bikini Village has continued to push forward with significant enhancements to its retail network, which it believes will improve its performance as economic conditions recover. The Company has:

- undertaken renovations in stores that are likely to deliver improved results
- closed stores that haven't performed as management had hoped
- exited expiring leases where it has identified opportunities to achieve sales objectives more efficiently, in smaller locations in higher-traffic areas of malls
- upgraded its systems and supply chain, to make its operations more effective and efficient.

"In 2010, we will continue to execute on these smart strategies, and sharpen our focus on store-level execution and performance, as a means of unlocking our full business potential," said Mr. Simard.

"In fiscal 2010, we will persist in our work to build shareholder value, by continuing to push for operational improvements, by ensuring our actions remain appropriate for the times, by capitalizing on opportunities that may present themselves, by addressing our capital requirements and capital structure in order to create our own opportunities, including pursuing strategic alternatives, wherever we can," he said.

Groupe Bikini Village inc.'s full 2009 Annual Report, as well as previous shareholder reports and other information of interest to investors, is available on SEDAR at [www.sedar.com](http://www.sedar.com), and on the Company's website at [www.bikinivillage.com](http://www.bikinivillage.com).

## **About Groupe Bikini Village**

Groupe Bikini Village inc., serving Canadians for almost a quarter-century, is a leading swimwear retailer with a network of new and renovated boutiques across Eastern Canada. In its bright and inviting stores with comfortable change rooms and knowledgeable staff, Groupe Bikini Village helps its customers choose from among Canada's widest selection of swimsuits, beach accessories, and cruisewear, in the most popular brands the industry has to offer and in styles to suit every figure. The newest addition to its retail network, Lanaï, offers the most popular clothing brands for young girls in Brossard, Quebec. Headquartered in Sainte-Julie, Quebec, Groupe Bikini Village inc. operates 64 stores and employs approximately 500 people; its securities trade on the Toronto Stock Exchange under the stock symbol GBV. For more information about Groupe Bikini Village inc., please visit our website at [www.bikinivillage.com](http://www.bikinivillage.com).

### Notes

<sup>1</sup> The term EBITDA (earnings before interest, taxes, depreciation, amortization and reorganization fees and unusual items) does not have any standardized meaning prescribed by Canadian Generally Accepted Accounting Principles ("GAAP") and may not be comparable to similar measures presented by other companies. Please refer to the section of Groupe Bikini Village inc.'s MD&A for the year ended January 30, 2010, dated April 22, 2010, entitled "Non-GAAP Financial Measures". It is available on SEDAR at [www.sedar.com](http://www.sedar.com).

<sup>2</sup> To be read in conjunction with "Forward-looking Statements" below.

### **Forward-looking statements**

This news release contains certain forward-looking statements concerning Groupe Bikini Village inc.'s future operations, economic performance, financial conditions and financing plans. These statements are based on certain assumptions and analyses made by management in light of their experience and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate under the circumstances. However, whether actual results and developments will conform to management's expectations and predictions is subject to a number of risks, uncertainties and assumptions. Consequently, all of the forward-looking statements made in this news release are qualified by these cautionary statements, and there can be no assurance that the results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected consequences or effects on the Company. Management undertakes no obligation and does not intend to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable law.

- 30 -

### ***For more information, please contact:***

Yves Simard  
President and Chief Executive Officer  
(450) 449-1310 ext 4797  
[ysimard@bikinivillage.com](mailto:ysimard@bikinivillage.com)

**GROUPE BIKINI VILLAGE INC.**  
**STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)**  
(in thousands of dollars except per share amounts)

	Three months ended		Year ended	
	January 30, 2010 (unaudited)	January 31, 2009 (unaudited) Restated <sup>3</sup>	January 30, 2010 (audited)	January 31, 2009 (audited) Restated <sup>3</sup>
Operating revenue	\$ 13,042	\$ 12,988	\$ 41,022	\$ 40,844
Cost of goods sold, operating and administrative expenses	11,251	11,565	40,535	39,559
Operating earnings - EBITDA <sup>1</sup>	1,791	1,423	487	1,285
Interest	184	178	766	446
Amortization	413	344	1,590	1,385
Earnings (loss) before income taxes	1,194	901	(1,869)	(546)
Income taxes (recovery)	398	286	(392)	(106)
<b>NET EARNINGS (LOSS) AND COMPREHENSIVE INCOME (LOSS)</b>	<b>\$ 796</b>	<b>\$ 615</b>	<b>\$ (1,477)</b>	<b>\$ (440)</b>
<b>EARNINGS (LOSS) PER SHARE, basic and diluted</b>	<b>-</b>	<b>-</b>	<b>(0.01)</b>	<b>-</b>
Weighted average number of shares outstanding, basic and diluted	167,678,115	170,128,064	167,678,115	171,996,196

(3) Certain figures for the quarter and year ended January 31, 2009 were restated as a result of the Company's adoption of CICA Section 3064 - Goodwill and Intangible Assets effective February 1, 2009.