

# Renaissance Jewellery buys US-based wholesaler JBR Inc

Mumbai, February 14

RENAISSANCE JEWELLERY Ltd has bought New York-based jewellery wholesaler JBR Inc in a \$40-million deal, scaling up its business with jewellery retail chains in the US, a top official said on Thursday.

"As we see consolidation, it's important to have direct access to larger retailers," Managing Director Sumit Shah said.

The company, which derives a third of its revenues from supply to retailers and the rest from wholesalers, sees this mix changing after the acquisition.

"Going forward, we expect 50-55 per cent of revenues would be from retail," he said.

The US wholesaler's clients include JC Penney Co Inc, Sears Holdings Corp, Kohl's and Zale Corp, Shah said. JBR had revenues of \$70 million in 2007.

## EYEING RETAIL

■ JBR's clients include JC Penney Co Inc, Sears Holdings Corp, Kohl's and Zale

■ The acquisition includes an office in New York, design studios in Hong Kong as well as JBR's trademarks and copyright

■ Renaissance drew over 95 per cent of this financial year's revenues from the US

The acquisition, made through the Indian jeweller's US unit, Renaissance Jewellery New York, Inc, includes an office in New York, design studios in Hong Kong as well as JBR's trademarks and copyright.

Renaissance drew over 95 per cent of this financial year's revenues from the US. In the year to March 2007, it posted a net profit of Rs 20.43 crore on a total income of Rs 300.9 crore.

While it expects 80-85 per cent of its financial year 2008 revenues to come from the US, Shah said this dependence would reduce as it expands into markets such as Europe and the Far East.

Renaissance, which listed on the exchanges in December 2007, raised about Rs 79.9 crore through its initial public offer.

Shares in Renaissance ended 9.6 per cent higher at 97 rupees in the Mumbai market.

Reuters