

[For Immediate Release]



**I.T Limited Announces Interim Results 2010/11
Net Profit Rose by 141% to HKD107.9 Million**

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Financial Highlights

(HK\$' million)	For the six months ended 31 August		Change (%)
	2010	2009	
Turnover	1,499.8	1,241.6	+20.8
Gross profit	937.3	729.9	+28.4
Net profit	107.9	44.8	+141.0
Basic EPS (HK cents)	9.3	3.9	+138.5
Interim dividend per share (HK cents)	4.2	--	NA

(28 October 2010 - Hong Kong) I.T Limited ("I.T" or the "Group"; stock code: 999), a well-established trendsetter in fashion retail market in the Greater China, is pleased to announce the unaudited consolidated interim results of the Group for the six months ended 31 August 2010.

During the period under review, the total turnover of the Group increased by an impressive 20.8% to HK\$1,499.8 million (1H FY2010: HK\$1,241.6 million). With the recovering economic environment and positive consumption sentiment, the Group adopted proactive marketing strategies to drive sales. Gross profit increased by 28.4% to HK\$937.3 million (1H FY2010: HK\$729.9 million), and the overall gross profit margin was lifted by 3.7 percentage points from 58.8% in 1H FY2010 to 62.5% in 1H FY2011. The board has resolved to declare an interim dividend of HK4.2 cents per share (1H FY2010: Nil).

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Despite an increase in the total operating expenses of 15.8% to HK\$801.0 million (1H FY2010: HK\$691.8 million), the operating expenses as a percentage of total revenue decreased by about 2.3 percentage points to about 53.4% for the six months ended 31 August 2010. Such decrease was mainly attributable to the positive leverage of revenue on operating costs and the Group's effective cost control measures. Total staff cost (excluding share option expenses) as a percentage of total turnover remained stable at about 17.7% for the six months ended 31 August 2010. As there were more brand building activities during the first half as compared with that of last year's corresponding period, advertising and promotion expenses increased by 51.1% to HK\$21.3 million (1H FY2010: HK\$14.1 million), but was still maintained at a stable level of about 1.4% of the total revenue (1H FY2010: 1.1%). Net profit surged 141.0% to HK\$107.9million (1H FY2010: HK\$44.8 million).

Commenting on the Group's interim results, I.T's Chairman and CEO Mr. Sham Kar Wai said, "Fuelled by the gradual recovery of the global economy, the retail market in the Greater China region has maintained its growth momentum in the first half of this financial year. By extending and enriching our product lines and implementing effective marketing strategies, we successfully increased our net profit by a significant amount."

The sales from Hong Kong retail operation increased by 20.2% to HK\$1,044.9 million (1H FY2010: HK\$869.3 million) at an overall comparable store sales growth rate of 13.4%. We believe such strong growth was mainly driven by the improved market condition. The sales from Mainland China retail operation increased by 21.3% to HK\$361.3 million (1H FY2010: HK\$297.7 million) at an overall comparable store sales growth rate of 8.0%. The lower comparable store sales growth rate was mainly due to the relatively high base of the corresponding period last year, as a result of deep discounts offered to boost sales amidst the financial crisis.

The total net sales from Taiwan retail operation increased significantly by 36.1% at an overall comparable store sales growth rate of 8.8% (1H FY2010: -2.4%). With such encouraging results, the Group launched its in-house brand, 5cm, into Taiwan and opened 4 stores in Taipei in September 2010. The Macau operation reported a remarkable comparable store sales growth of 30.3%, which was mainly attributable to the influx of tourists from Mainland China and the relatively low base of the previous financial year. Due to the promising prospect of the market, the Group opened one more store for its in-house brand, <http://www.izzue.com> in July to further strengthen its foothold in Macau.

Mr. Sham concluded, "The economic environment continued to improve in the first half of the financial year. Given these favourable conditions, our expansion plan is well on track, with 39,000 square feet of new sales floor area added in Mainland China at the end of August 2010, and a further 30,000 square feet added in September 2010. Similarly in Hong Kong, we added 23,000 square feet of new sales floor area at the end of August 2010 and 30,000 square feet in September 2010. Coupled with our intensified marketing and promotional efforts continued from the first half, the Group is poised to capture this growing market momentum and to achieve our retail network expansion plan.

"After the end of August, Hong Kong and Mainland China markets continue to be strong, we remain cautiously optimistic to the retail sales growth in these regions in the second half, particularly due to the high base of the last financial year. We will continue to optimize our existing brand mix and retail infrastructure via brand acquisition as opportunities arise. With stable and consistent business growth, we are confident to further strengthen our brand awareness in Mainland China while creating better returns for shareholders and investors."

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About I.T Limited

I.T Limited is a well-established trend setter in the fashion retail market in the Greater China. Through its "multi-brand, multi-layer" business model, I.T offers a range of apparel and accessory products from hundreds of international brands, as well as in-house brands and licensed brands at varying price ranges, targeting different customer segments.

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