[For Immediate Release]

I.T Limited Announces Interim Results 2012/13

*   *   *

Turnover achieves 23.3% growth amidst challenging operating environment
Positive comparable store sales growth in all key operating regions

Financial Highlights

	For the six months ended 31 August		
(HK$' million)	**2012**	2011	**Change (%)**
Turnover	**2,965.3**	2,404.6	**+23.3**
Gross profit	**1,766.8**	1,497.8	**+18.0**
Net profit	**121.1**	151.8	**-20.2**
Basic EPS (HK cents)	**9.8**	12.6	**-22.2**

(30 October 2012 - Hong Kong) I.T Limited ("I.T" or the "Group"; stock code: 999), a well-established trend-setter in the Greater China retail fashion market, announced its interim results for the six months ended 31 August 2012.

During the period under review, total turnover increased by 23.3% to HK$2,965.3 million (1H FY2011/12: HK$2,404.6 million) attributable to the sales growth in all operating markets. Gross profit grew by 18.0% to HK$1,766.8 million (1H FY2011/12: HK$1,497.8 million). The Group's gross profit margin was trimmed down to 59.6% (1H FY2011/12: 62.3%). Net profit decreased 20.2% to HK$121.1 million (1H FY2011/12: HK$151.8 million). In view of the likelihood of the continued difficult business environment, the Board does not declare the payment of an interim dividend so as to retain cash and working capital (1H FY2011/12: HK2.5 cents).

- Cont'd -

Despite escalating cost pressure and a challenging trading environment, the Group managed to keep the total operating cost ratio stable at 54.3% (1H FY2011/12: 54.4%). Total rental expenses (including rental charges, management fee, rates and government rent) as a percentage of total turnover increased from 22.6% to 24.1%, but was offset by the enhancement of other operating expenses efficiencies. Total staff costs (excluding share option expenses) as a percentage of total turnover remained stable at 16.3% (1H FY2011/12: 16.2%).

Commenting on the Group's interim results, I.T's Chairman and CEO Mr. Sham Kar Wai said, "During the period under review, the global retail markets continued to be clouded by the macroeconomic uncertainties, which contributed to the slower customer traffic and weaker consumption sentiment in the Hong Kong and Mainland China markets. No clear sign of a rebound in spending momentum was in sight during the period, while staff costs and rental hikes put extra weight onto the trading environment. Nevertheless, we have achieved solid sales growth and positive comparable-store-sales growth in all our key operating regions, and recorded a profit turnaround in Japan."

The Group maintained its strength and market leadership in Hong Kong, where retail sales posted a growth of 17.0% to HK$1,691.5 million (1H FY2011/12: HK$1,455.9 million), with an overall comparable store sales growth rate of 8.0% (1H FY2011/12: 17.5%) despite the slower customer traffic and weaker spending pattern during the period. The Group remained committed to the Mainland China market and made consistent marketing efforts alongside tailor-made and focused brand building activities, to further enhance the Group's trend-setter image. As a result, sales of the Mainland China's retail operation increased by 44.1% to HK$813.2 million (1H FY2011/12: HK$564.5 million), with an overall comparable store sales growth rate of 12.9% (1H FY2011/12: 17.6%).

Thanks to the strong brand management, the Nowhere Group business in Japan continued to perform well, and the operating efficiency program started to generate a return. Turnover in Japan for the period reached HK$266.1 million (1H FY2011/12: HK$247.4 million), and profit turnaround was achieved with an operating profit of HK$18.8 million (1H FY2011/12: operating loss of HK$3.2 million).

- Cont'd -

For the Group as a whole, in-house and international brands accounted for 56.6% and 40.0% of total retail sales respectively. Hong Kong remained the key revenue contributor, accounting for 57.4% of total turnover (1H FY2011/12: 60.5%) while Mainland China increased in significance, accounting for 29.6% of total turnover (1H FY2011/12: 25.5%). Japan accounted for 9.0% of Group turnover as the third largest market.

The Group maintained a solid balance sheet, with cash and bank balances amounting to HK$914.8 million as at 31 August 2012.

Mr. Sham concluded, "The current market situation faced in the Asian consumer sector can be expected to continue into the second half of the financial year. Although we expect challenges to linger in the short-term in the form of volatile customer traffic, conscious consumption sentiment and increasing operating costs, we remain cautiously optimistic and anticipate sales in our key operating regions to maintain steady growth.

"Looking ahead, we will continue to stimulate volume growth through different promotional campaigns, and stay focused on enhancing store efficiency and staff productivity. In addition, we aim to increase our stock turnover efficiencies by adjusting stock ordering patterns to best match prevailing market conditions. In Mainland China, despite our aggressive expansion strategy has yet to reap our initially anticipated benefits due to the sluggish business environment, our commitment to the region remains firm. We will continue to refine our strategy and store formats to ensure new shopping excitement for our customers. In Hong Kong, we will strive to strengthen market dominance and leverage the use of promotional and marketing campaigns to further enhance our brand awareness. Riding on the proven success of our multi-brand and multi-layer business model, we will strive to stay on the forefront as a fashion trend-setter and focus on achieving objectives and initiatives set forth for the year."

- End -

About I.T Limited

I.T Limited is a well-established trend-setter in the fashion retail market in 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 and licensed brands at varying price ranges, targeting different customer segments.

For further information, please contact:
iPR Ogilvy Ltd.

Andrea Leung/ Janis Lai/ Juliana Li/ Callis Lau
Tel: (852) 3920 7684/ 3170 7646 / 2169 0467/ 2136 6952
Fax: (852) 3170 6606
E-mail: andrea.leung@iprogilvy.com/ janis.lai@iprogilvy.com / juliana.li@iprogilvy.com/ callis.lau@iprogilvy.com