

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Incorporated in Bermuda with limited liability)
(Stock Code: 999)

**ANNOUNCEMENT
 UNAUDITED FY12/13 FIRST QUARTER TRADING UPDATE
 FOR THE THREE MONTHS ENDED 31 MAY 2012**

This announcement is made by I.T Limited (the “Company”) on the business operations and selected unaudited financial information of the Company and its subsidiaries (the “Group”) for the three months ended 31 May 2012 (the “First Quarter”).

The Board of Directors (the “Board”) of the Company considers the publication of quarterly update on key operational data between Interim and Annual Results Announcements as a corporate disclosure best practise which serves to increase corporate transparency and to ensure that the shareholders of the Company and potential investors receive equal access to the same information at the same time. The Company intends to release quarterly trading update on a recurring basis.

First Quarter Key Operational Data

Comparable store sales growth – key operating markets:

	3 months ended 31 May 2012	YOY change
Hong Kong		+10.1%
Mainland China		+14.4%
Japan		+14.5%

Gross profit margin – key operating markets:

	3 months ended 31 May 2012	YOY change
Hong Kong	62.2%	-0.7%pt
Mainland China	60.8%	-5.3%pt
Japan	66.8%	+5.1%pt
Group	62.6%	-1.5% pt

Macro-economic environment in both Hong Kong and Mainland China have stayed sluggish in the First Quarter FY12/13 of the Company ended 31 May 2012. Despite the challenges, double-digit comparable store sales growth has been achieved in these two key operating markets (HK: +10.1%; Mainland China: +14.4%) in the First Quarter contributed by dedicated initiatives to boost customer traffic and spending in the period. Nevertheless, the additional promotional activities with attractive discount offers launched has led to a decline in gross profit margin versus same period last year (HK: -0.7%pt; Mainland China: -5.3%pt).

With lower-than-expected sales growth, both stock turn efficiency, operating cost efficiency as well as cash position in the First Quarter were trending behind the levels achieved last year.

To counteract the current volatile retail trading environment, the management will continue to explore opportunities to further strengthen our point of differentiation and competitiveness in pricing, product offer and service as well as driving continuous enhancement in operating efficiency.

Caution Statement:

The Board wishes to remind investors that the above trading update is compiled base on the Company's internal records and management accounts for the three months ended 31 May 2012 which have not been reviewed or audited by auditor of the Company. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

Sham Kar Wai

Chairman

Hong Kong, 7 August 2012

As at the date of this announcement, the Board comprises Mr. SHAM Kar Wai and Mr. SHAM Kin Wai as Executive Directors and Mr. Francis GOUTENMACHER, Dr. WONG Tin Yau, Kelvin and Mr. MAK Wing Sum, Alvin as Independent Non-executive Directors.