

[For Immediate Release]



I.T Limited Announces 2007/08 Interim Results

Total Revenue and Net Profit Surged by 20.0% and 41.4% respectively

*** * ***

Aggressive Expansion Plan for China Market

Financial Highlights

Six months ended 31 August (HK\$'000)	2007	2006	Change (%)
Turnover	807,970	673,304	+20.0
Gross profit	467,137	384,396	+21.5
Net profit	44,113	31,203	+41.4
EPS (HK cents)	4.2	3.0	+40.0
Interim dividend (HK cents)	2.1	-	N.A.

(29 October 2007 - Hong Kong) I.T Limited ("I.T" or the "Group"; stock code: 999), a well-established trendsetter in fashion retail market in Greater China, announced its interim results for the six months ended 31 August 2007.

During the period under review, the Group's total revenue increased by 20.0% to HK\$808.0 million (six months ended 31 August 2006: HK\$673.3 million). Sales from retail operations increased by 20.5% to HK\$755.3 million (six months ended 31 August 2006: HK\$626.9 million). Gross profit increased by 21.5% to HK\$467.1 million and gross profit margin on retail sales improved to 60.8%. With strong growth in revenue, continuous improvement in gross profit margin and a much improved financial performance from jointly owned companies, net profit surged by 41.4% to HK\$44.1 million (six months ended 31 August 2006: HK\$31.2 million).

Commenting on the Group's encouraging interim results, I.T's Vice Chairman and Managing Director, Dr. William Lo said, "We made an impressive start in the first half of 2007. Thanks to the continuously buoyant consumer market in Hong Kong and China, together with our strong brand recognition, successful marketing and merchandising strategies, and continuous efforts in improving

efficiencies, we are able to achieve remarkable double-digit growth in revenue, gross profit and net profit. Moreover, our overall comparable store sales recorded an impressive growth of 16.7% in the very competitive Hong Kong market. FCUK IT Company, our 50% JV with French Connection Limited, has improved significantly, recording a revenue growth of 42.9% and a comparable store sales growth of 24.4%.”

In the first half of 2007, sales from international brands increased by 4.8% to HK\$360.3 million, accounting for 44.6% of total revenue. As the Group has launched two new in-house brands, :Chocoolate and Venilla suite, coupled with the impressive performance of b+ab and 5cm, sales of in-house brands increased significantly by 50.9% to HK\$320.9 million, accounting for 39.7% of total revenue. Sales of licensed brands increased by 3.5% to HK\$73.2 million, accounting for 9.1% of total revenue. The faster increase in sales of in-house brands is also a major factor of the improved gross margin of the Group.

For the business in Greater China (excluding Hong Kong), G.S-i.t Limited (“GSIT”), our 50% JV with Glorious Sun Enterprises Limited, reported an increase of 55.3% in revenue, recording HK\$194.7 million and an increase of 36.8% in comparable stores sales for the six months ended 31 August 2007.

Looking ahead, the China market will become the Group’s key growth driver, while the Hong Kong market will continue to maintain a healthy and stable growth. The Group will strive to keep the growth momentum through revamping the images of the existing stores and introducing new international brands to Hong Kong. Its forthcoming strategy would be opening bigger stores to replace the existing smaller ones. Through a new and refreshing store format, the Group aims to leverage on the expanded scale to improve its sales per square feet, as well as provide a more spacious and comfortable shopping environment to customers. At the same time, the Group will introduce the two new in-house brands, :Chocoolate and Venilla suite, to overseas markets such as the Middle-East and Thailand over the next 12 months.

On 2 October 2007, the Group announced that it has entered into an agreement with Glorious Sun Enterprises Limited to buy back the remaining 50% interest in GSIT, and the deal is expected to be completed by end of November 2007. As a very important strategic move that will bring I.T to a new phase of development, the Group has set a series of strategies and goals to consolidate

its China business and accelerate its aggressive expansion plans.

Dr. Lo concluded, "We are in a good position to expand in both scale and profitability over the next few years. In particular for the China market, we will expand aggressively outside the existing core cities of Shanghai and Beijing, and extend our reach to the affluent second tier cities like Nanjing, Hangzhou and Guangzhou. We target to triple our retail footage in China over the next three years. We believe that the China market will contribute significantly to our revenue and profit by the end of the three-year plan.

On operations, the priority is to focus on improving our design cycle lead time, and the sourcing process to further explore other cost benefits opportunities. The Group is dedicated to maintain a strong growth and create greater value to our shareholders and stakeholders."

- 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 products from hundreds of international brands, as well as in-house brands and licensed brands at varying price ranges, targeting different customer segments.

For further information, please contact:

iPR Ogilvy Ltd.

Juliana Li/ Natonie Chan/ Antonia Au

Tel: (852) 2169 0467/ 2136 8072/ 2136 6176

Fax: (852) 2136 6068 / 2136 6951

E-mail: juliana.li@iprogilvy.com/ natonie.chan@iprogilvy.com/
antoniam.au@iprogilvy.com