



(incorporated in Bermuda with limited liability)

(Stock code: 999)

## Unaudited FY2008/09 First Quarter Operations Update

### Highlights of the unaudited operations update for the 3 months ended 31 May 2008 as compared to the 3 months ended 31 May 2007:

Hong Kong market:

- Total retail sales\* increased by approximately 19%.
- Comparable store retail sales\* increased by approximately 7%.

Mainland China market:

- Total retail sales\* increased by approximately 21%.
- Comparable store retail sales\*\* increased by approximately 15%.

\* excluding sales deriving from French Connection stores which are operated by a 50:50 joint venture

\*\* RMB appreciation is not effected in same store growth calculation

The board of directors (the "Board") of I.T Limited (the "Company") would like to update the shareholders and the market of the Company's operation for the first quarter of the financial year ending 28 February 2009 as follows:

### A. Hong Kong market

The following table sets out the unaudited approximate growth rate of the total retail sales and comparable store retail sales in Hong Kong over the 3 months ended 31 May 2008:

YoY growth rate	3 months ended 31 May 2008
Total retail sales*	19%
Comparable store retail sales*	7%

The 19% increase in total retail sales was attributable to 7% increase in comparable store retail sales as well as increase in the sales footage. As at 31

May 2008, the Company managed 170 stores\* with a total sales area of 337,091 sq. ft. (as compared to 151 stores\* with a total sales area of 286,229 sq. ft. as at 31 May 2007).

*\* excluding French Connection stores which are operated by a 50:50 joint venture*

## **B. Mainland China market**

The following table sets out the unaudited approximate growth rate of the total retail sales and comparable store retail sales in the Mainland China over the 3 months ended 31 May 2008:

YoY growth rate	3 months ended 31 May 2008
Total retail sales*	21%
Comparable store retail sales**	15%

Most of the increase in total retail sales came from improvement in comparable store retail sales. Although the number of self-managed stores\* stayed the same at 104 as at 31 May 2008 as compared to 31 May 2007, as bigger stores were opened while some of the smaller stores were closed, total sales area of self-managed stores\* increased from 187,822 sq. ft. as at 31 May 2007 to 204,383 sq. ft. as at 31 May 2008.

*\* excluding French Connection stores which are operated by a 50:50 joint venture*

*\*\* RMB appreciation is not effected in same store growth calculation*

## **Review**

Spring/Summer pre-sale this year in Hong Kong started on 31 May which is 5 days later than last year. This would have negative impact on the retail sales performance in May when compared to the same month last year; however this shows the Company's commitment to continue strengthening its corporate identity and product brand equity.

In spite of the shortening of Golden Week to two Golden Days, Mainland China was still able to record about 21% increase in total retail sales in the first quarter. Although the Company does not have self-managed stores in the Sichuan Province, the unfortunate earthquake events and the stock market correction since the beginning of the year may weaken overall consumer

sentiment and dampen the buying mood in the following months. The Company would be cautious and watch closely the latest development in the market.

### **Caution Statement**

**Shareholders and potential investors should note that the above figures are unaudited and may be subject to changes in final audit and so should be cautious when dealing in the shares of the Company.**

By Order of the Board  
**Lo Wing Yan, William**  
*Vice Chairman*

Hong Kong, 27 June 2008

*As at the date of this announcement, the Board comprises Mr. Sham Kar Wai, Dr. Lo Wing Yan, William, J.P. and Mr. Sham Kin Wai as Executive Directors and Mr. Wong Wai Ming, Mr. Francis Goutenmacher and Dr. Wong Tin Yau, Kelvin as Independent Non-executive Directors.*