

A woman with dark hair, wearing a vibrant green, draped, short-sleeved dress and white high-heeled sandals with multiple straps, is sitting on a large, weathered rock. She is holding a yellow pencil in her right hand. The background shows a calm sea under a light blue sky with a few birds flying. The overall scene is serene and artistic.

千百度国际控股有限公司
C. banner International Holdings Ltd.

C.banner International Holdings Ltd.
(HKEx Stock Code: 1028)

2011 Annual Results Announcement

March 2012

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Company Overview

C.banner: A leading multi-brand retailer of mid-to-premium women's footwear in China

The second largest retailer of mid-to-premium women's formal and casual footwear in China

Brand Portfolio

Self-developed brands

C.banner 千百度 EBLAN 伊伴
FABIOLA sundance MIO

Licensed brand

naturalizer

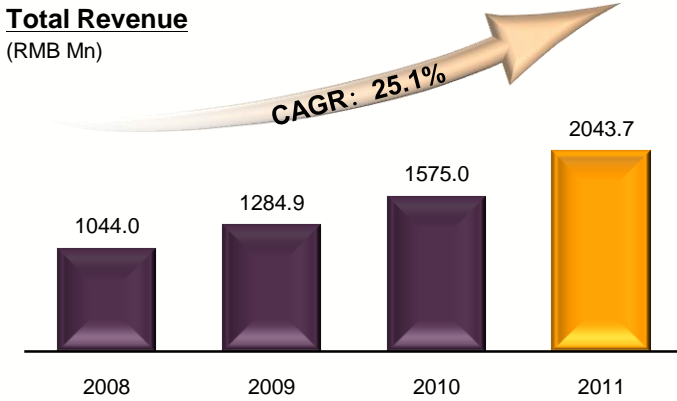
Distribution Network

1,311 proprietary outlets and 437 third-party outlets in China

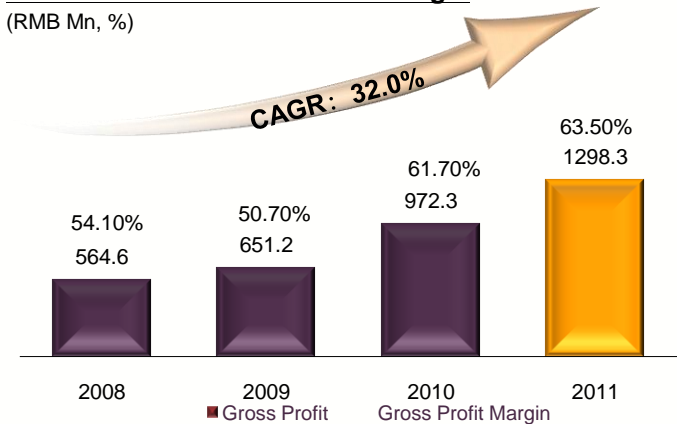


Financial Highlights

Total Revenue
(RMB Mn)



Gross Profit and Gross Profit Margin
(RMB Mn, %)



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1. **Financial Highlights**
2. **Business Review**
3. **Future Strategies**
4. **Appendix**



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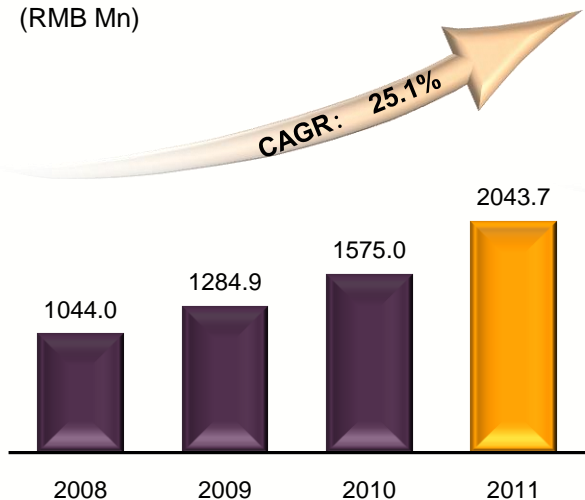
1. Financial Highlights

Outstanding Profitability

Revenue

(RMB Mn)

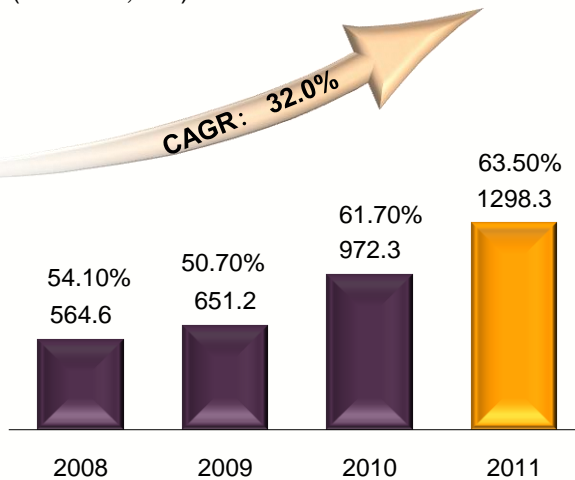
CAGR: 25.1%



Gross Profit and Gross Profit Margin

(RMB Mn, %)

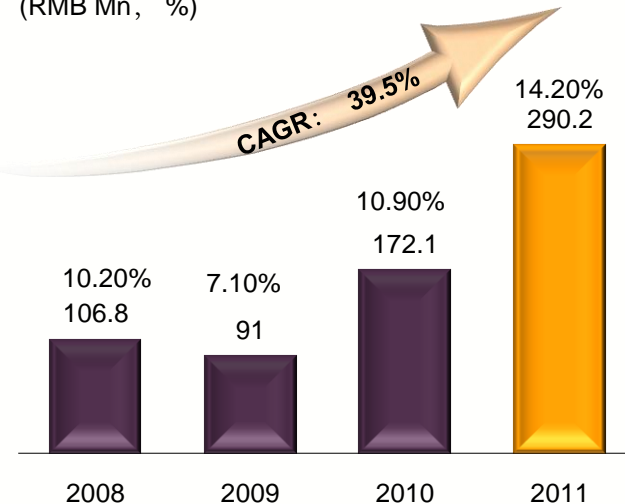
CAGR: 32.0%



Net Profit and Net Profit Margin

(RMB Mn, %)

CAGR: 39.5%



■ Gross Profit
■ Gross Profit Margin

■ Net Profit
■ Net Profit Margin

Same-store sales
growth rate

2009

2010

2011

17.7%

12.3%

14.6%

The Board of directors has declared a final dividend of RMB 0.043 per share for the year ended 31 December 2011, which is subject to the approval of the coming AGM.

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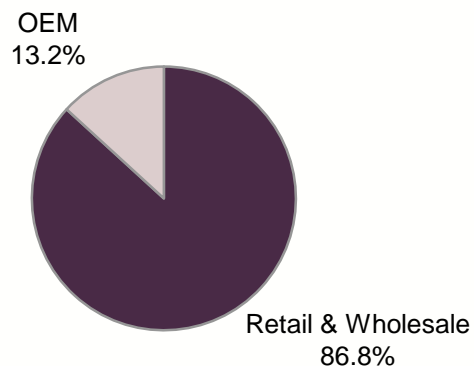
Revenue Breakdown by Business and Retail Revenue



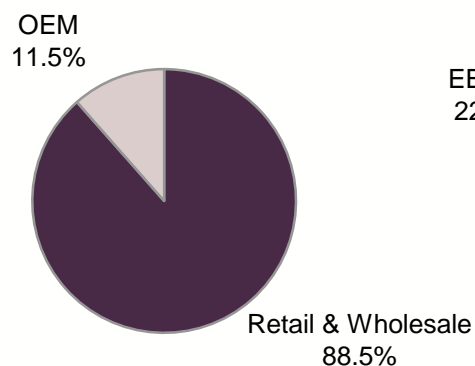
Revenue Mix

Retail Revenue Breakdown

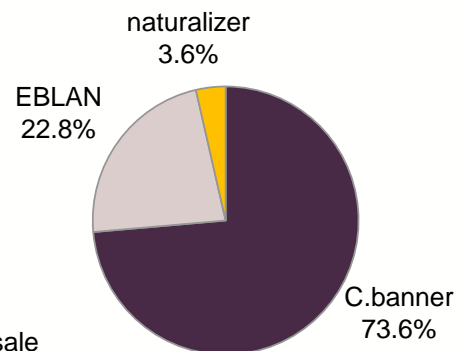
2010



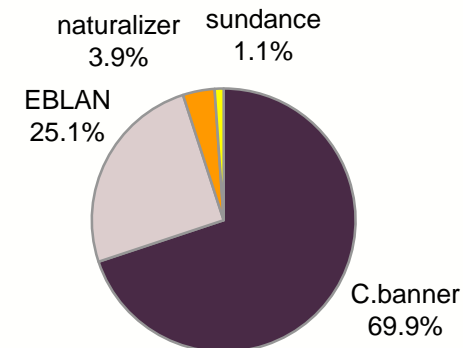
2011



2010



2011



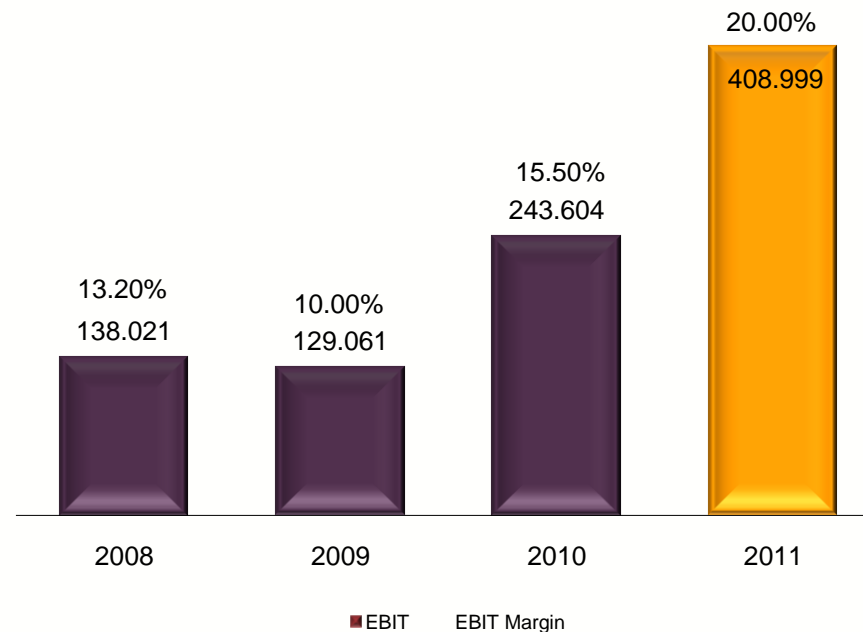
The rising proportion of the retail business with higher profit margin and the launching of “FABIOLA”, “sundance” and “MIO” brands will help consolidate the retail and wholesale business

Strong and Rising Profitability

Breakdown of Costs

RMB Mn	2008	2009	2010	2011
Cost of Sales	479.4	633.7	602.7	745.4
As % of Sales	45.9%	49.3%	38.3%	36.9%
Distribution and Selling Expenses	378.8	468.0	653.0	817.8
As % of Sales	36.3%	36.4%	41.5%	40.0%
Administrative and General Expenses	55.6	64.9	84.8	74.4
As % of Sales	5.3%	5.1%	5.4%	3.6%
Other Income and Gains	7.8	10.8	9.1	2.9
As % of Sales	0.7%	0.8%	0.6%	0.1%

EBIT and Margin (RMB mn, %)



Our impressive margin uplift in 2010 and 2011 is largely due to our effective control of raw material costs

Working Capital Analysis

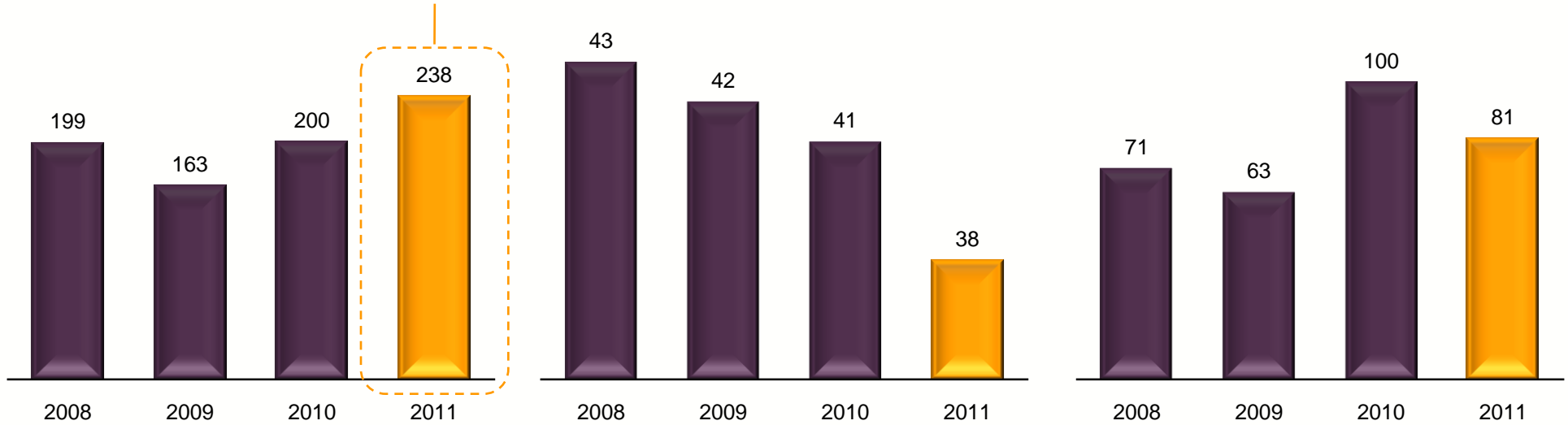


Inventory Days

Trade Receivable Days

Trade Payable Days

■ Increase in Inventory Days caused by establishing new proprietary outlets and launching new brands



The company displays effective working capital management with stable / improving working capital










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2. Business Review

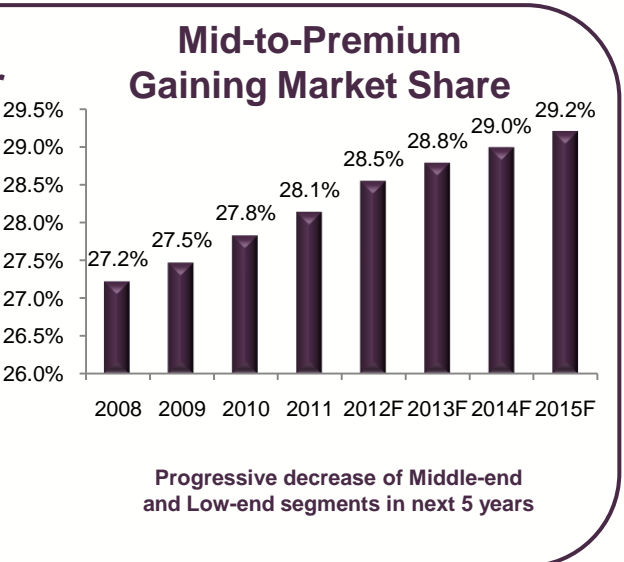
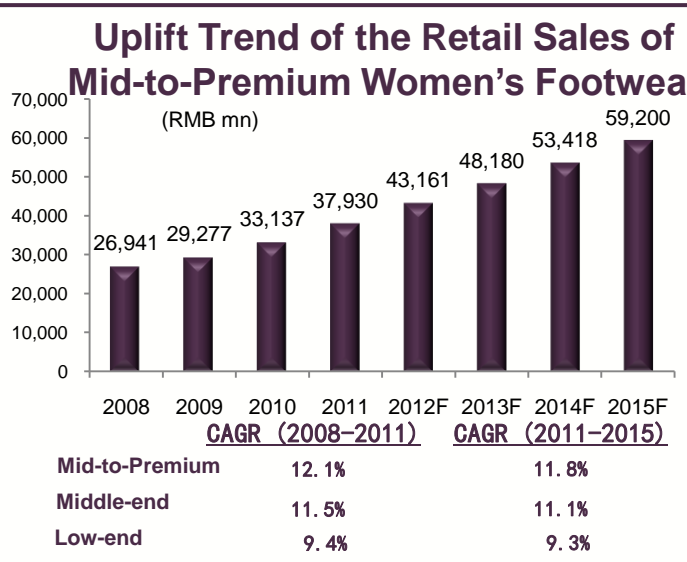
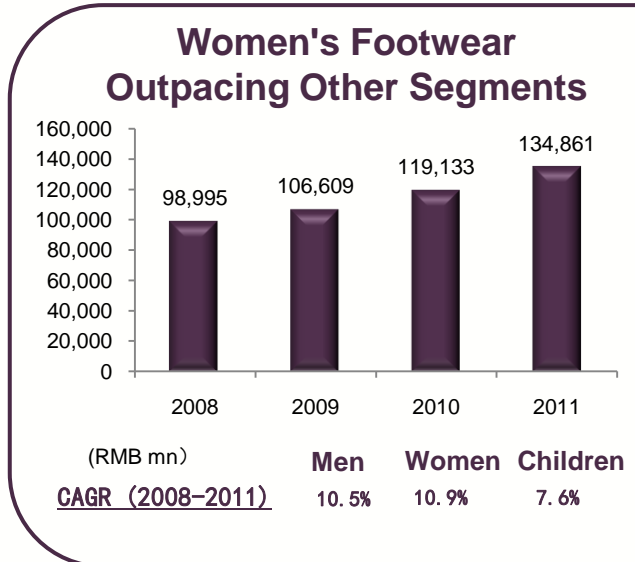
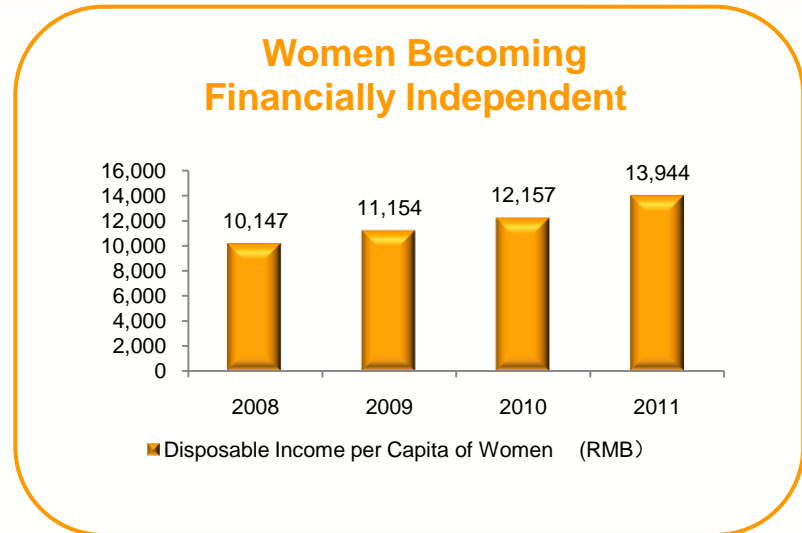
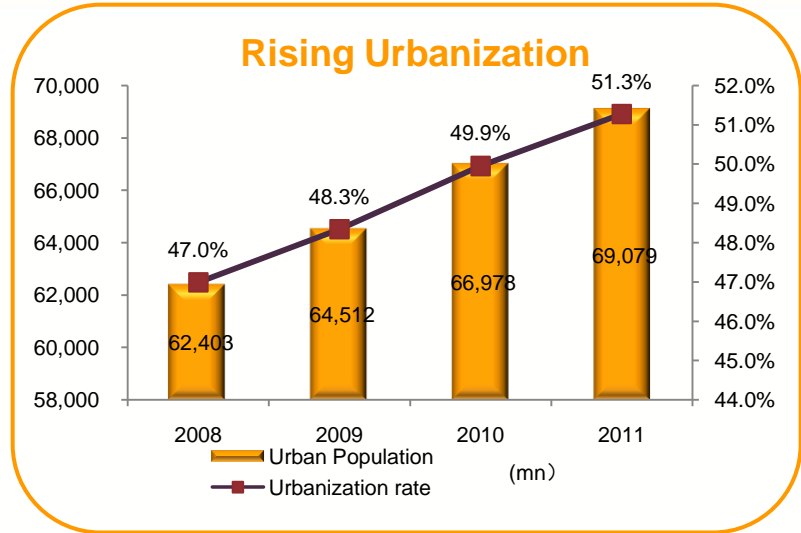


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-  1. **Strong Fundamentals - High Growth in Women's Footwear Market**
-  2. **Leader in Most Attractive Segment**
-  3. **Multi-brand Portfolio with Broad Customer Base**
-  4. **Expanding Nationwide Distribution Network**
-  5. **Steady Growth in Outlets**
-  6. **Vertically Integrated Model and Responsive Supply Chain**
-  7. **Effective Marketing Strategies**
-  8. **Customer-oriented Research and Development**



1. High Growth of Women's Footwear Market in China



Information in this presentation on the women's footwear market in the PRC is from independent market research carried out by Euromonitor International Ltd. but should not be relied upon in making, or refraining from making, any investment decision.

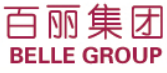









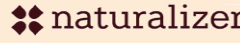


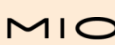










2. Leader in Most Attractive Segment



2nd Largest Retailer in the Mid-to-Premium Women's Formal and Casual Footwear Market

Top Five Retailers of Mid-to-Premium Women's Formal and Casual Footwear in China

Company	Market Share ⁽¹⁾	Major Brands
 百丽集团 BELLE GROUP	50.5%	 Belle  teemix  Joy & Peace  STACCATO  Tata  MIRABELL
 千百度国际控股有限公司 C. banner International Holdings Ltd.	7.4%	 C.banner  EBLAN  naturalizer  sundance  FABIOLA  MIO
 天创鞋业 TOP SCORE	4.8%	 KISSCAT
 ST&SAT	4.0%	 ST&SAT  FONDBERYL®
 le saunda	3.8%	 le saunda  ce

✓ Increasing market share, from 4.7% in 2008 to 7.4% in 2011 ⁽¹⁾

✓ Multi-brand strategy to meet market demand

✓ Focused on department stores, the primary retail channel for mid-to-premium women's footwear in China

✓ Supported by strong marketing campaigns

(1): according to Euromonitor, as measured by its 2011 retail revenue.






















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3. Multi-brand Portfolio with Broad Customer Base



Multiple Brands Targeting A Broad Customer Base in the Mid-to-Premium Formal and Casual Segment

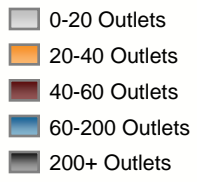
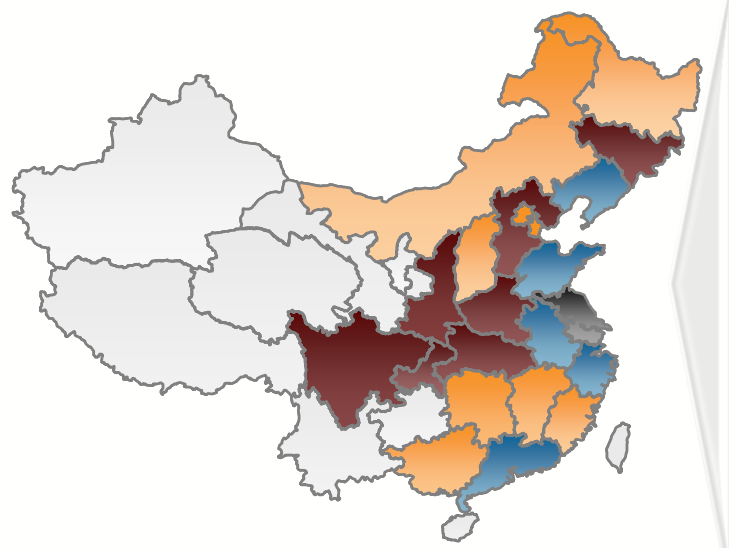
	Launched	Customer Base (Age)	Price Range (RMB)	Positioning	Highlight	
 C.banner 千百度	1996	20-40	500-2,500	 Fashion/Business /Business Casual	 4th largest brand in the mid-to-premium formal and casual segment (1)	
 EBLAN 伊伴	2004	20-35	500-2,500	 Fashion/Business /Business Casual	 45.4% CAGR of retail revenue from 2008 to 2011	
 naturalizer	2H 2007	25-44	650-3,000	 Casual/ Comfortable	 A leading women's footwear brand in the US	
 FABIOLA	1H 2011	25-39	1,000-3,000	 Premium Fashion/ Business/Business Casual	New	
 sundance	August 2011	18-35	400-2,200	 Casual	Over 100 retail stores at the end of 2011	
 MIO	January 2012	22-28	800-3,000	 Premium Fashion/ Business/Business Casual	New	

(1): according to Euromonitor, based on 2011 retail revenue.



4. Expanding Nationwide Distribution Network

1,311 proprietary outlets and 437 third-party outlets across China



Note: all data as of December 31, 2011

Proprietary Outlets

- Primarily located in first-to-third-tier cities
 - To target at the customers with stronger spending power
- Focus on department stores
 - 1,302 department store outlets and 9 independent store outlets

735	C.banner 千百度
412	EBLAN 伊伴
67	naturalizer
97	sundance
1,311	Total

Third-party Outlets

- Primarily located in other cities
 - To expand in a cost-effective manner
- Established by authorized distributors
 - 210 authorized distributors

311
122
-
4
437



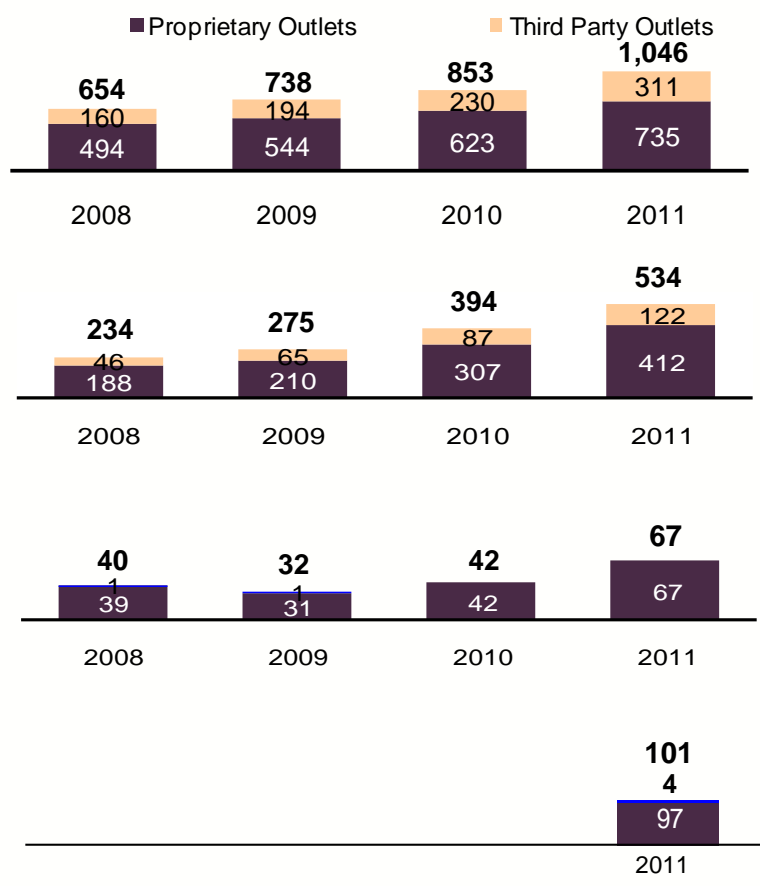
5. Steady Growth in Outlets



Launched Brands



Number of Outlets



Robust sales growth is driven by extensive sales network of both self-developed brands and licensed brand



6. Vertically Integrated Model and Responsive Supply Chain



We Operate on a Vertically Integrated Model and Control All Key Supply Chain Functions

Customer Service

- ✂ Direct customer access
- ✂ By December 31 2011, our VIP customer base has grown to:
 - “C.banner”: Over 280,000 VIPs
 - “EBLAN”: Over 57,000 VIPs
- ✂ Very high customer interaction



Design

- ✂ Developed to capture the latest fashion trends and customer preferences
- ✂ Separate design teams for each brand to promote product uniqueness

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Marketing

- ✂ Extensive distribution network
- ✂ Strategic locations
- ✂ Strong marketing campaigns
- ✂ Full control over brand positioning and pricing



Manufacturing

- ✂ 3 production facilities located in Nanjing, Dongguan and Suining
 - Total annual production capacity of 6.3million pairs
- ✂ Efficient and cost-effective manufacturing



Significant operational **flexibility**



Quick response to changing market trends and customer tastes with **suitable** products

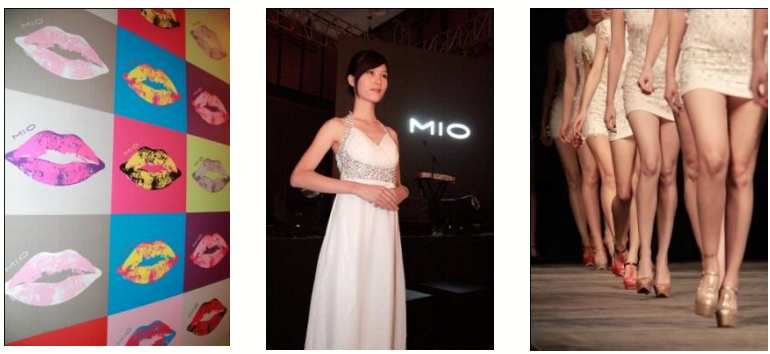


Enhanced **operational efficiency** and **competitiveness**

7. Effective Marketing Strategies

Diversified marketing campaigns focusing on the mid-to-premium women's footwear in China. Emphasis on the interaction with customers and enhance brand recognition.

Brand Events



Thematic Photos





8. Customer-oriented Research and Development



Strategically Located R&D Center with Strong Design Capacity



✓ Located at Foshan, next to Guangzhou, the hub of China's footwear industry

✓ Total GFA of approx. 15,000 m²

✓ Designs 2,000-2,400 SKUs per year for each of our self-developed brands

✓ Design managers for our self-developed brands, on average, have 8 years of experience in footwear design

Systematic Research, Design and Development Capabilities

Market Research

- Regularly attend trade exhibitions and conduct field studies in Hong Kong and Europe; and collect market information from professional websites and publications
- Customer focused designs targeting at a broad customer base with differentiated products

Product Design

- Decide on seasonal themes including styles, colors, materials and other features; Create sample shoes to be tried on by models to test for proper fitting and wearing comfort
- Our creative and R&D director collaborate together to launch a series of shoe designs closely tracking international fashion trends

Product Development

- Determine the manufacturing process and cost
- Further discussions to rectify any problems discovered in the manufacturing process
- Determine quantities of subsequent batches based on consumer response and weekly sales records



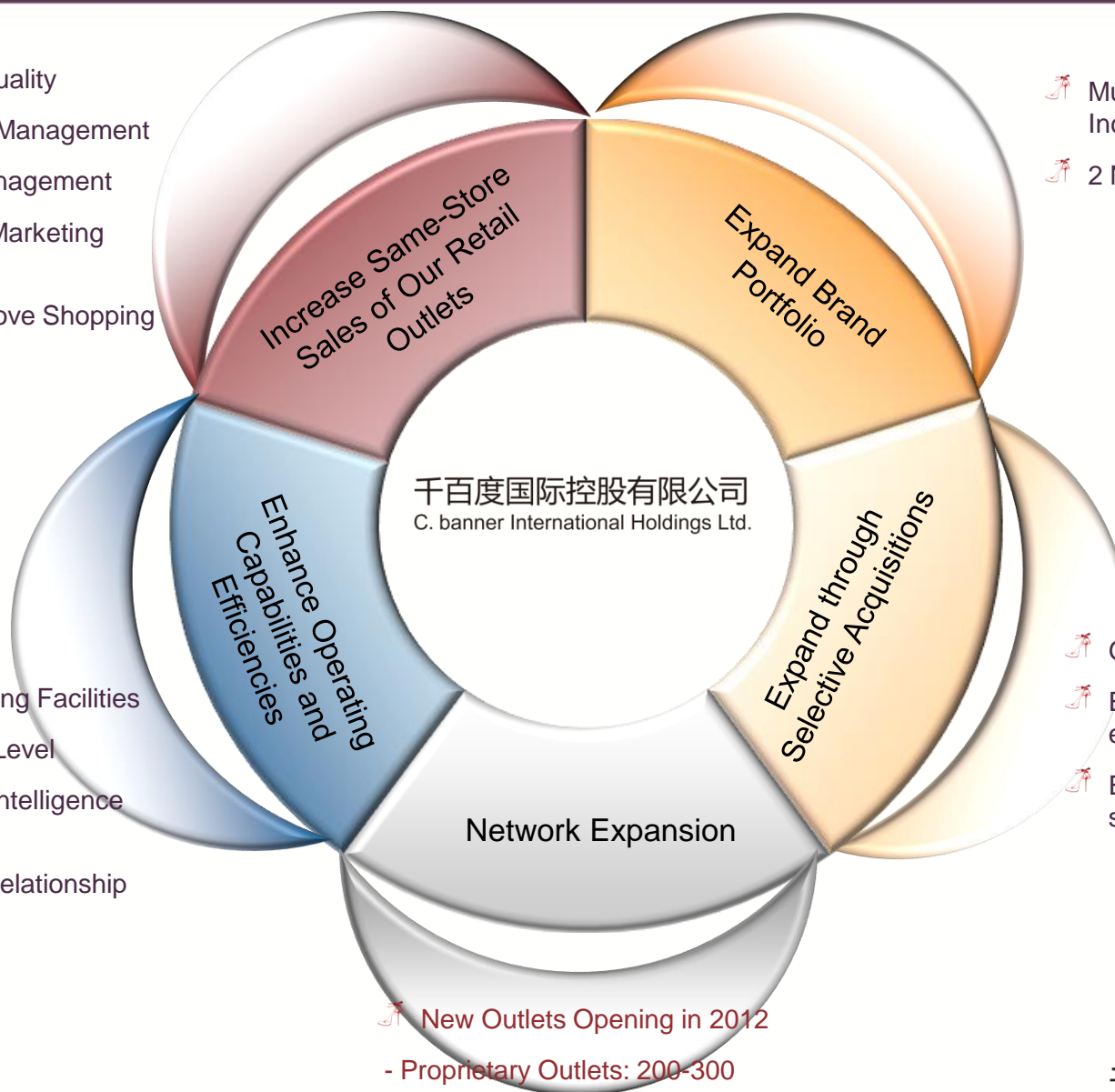
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C. banner International Holdings Ltd.

3. Future Strategies

Future Strategies

- 🔧 Increase Channel Quality
- 🔧 Strengthen Product Management
- 🔧 Strengthen Staff Management
- 🔧 Improve Sales and Marketing Capability
- 🔧 VIP Program – Improve Shopping Experience

- 🔧 Expand Manufacturing Facilities
- 🔧 Optimize Inventory Level
- 🔧 Upgrade Business Intelligence System
- 🔧 Develop Strategic Relationship with Suppliers



- 🔧 Multi-brand Portfolio to Increase Market Share
- 🔧 2 New Brands in 2012

- 🔧 Generate Synergies
- 🔧 Expand business in a time efficient manner
- 🔧 Enhance competitiveness and strengthen market position

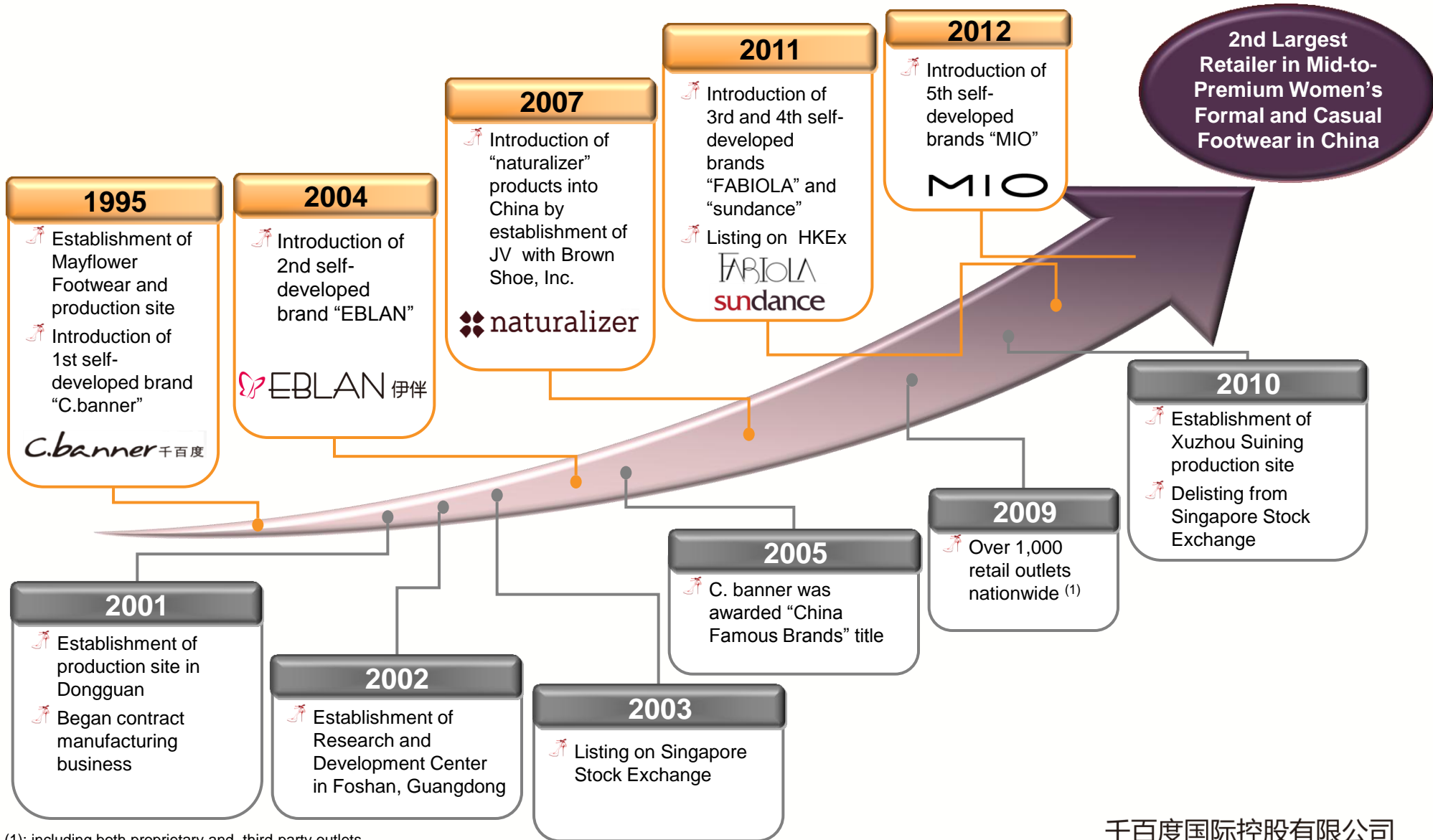
- 🔧 New Outlets Opening in 2012
 - Proprietary Outlets: 200-300
 - Third Party Outlets: around 100



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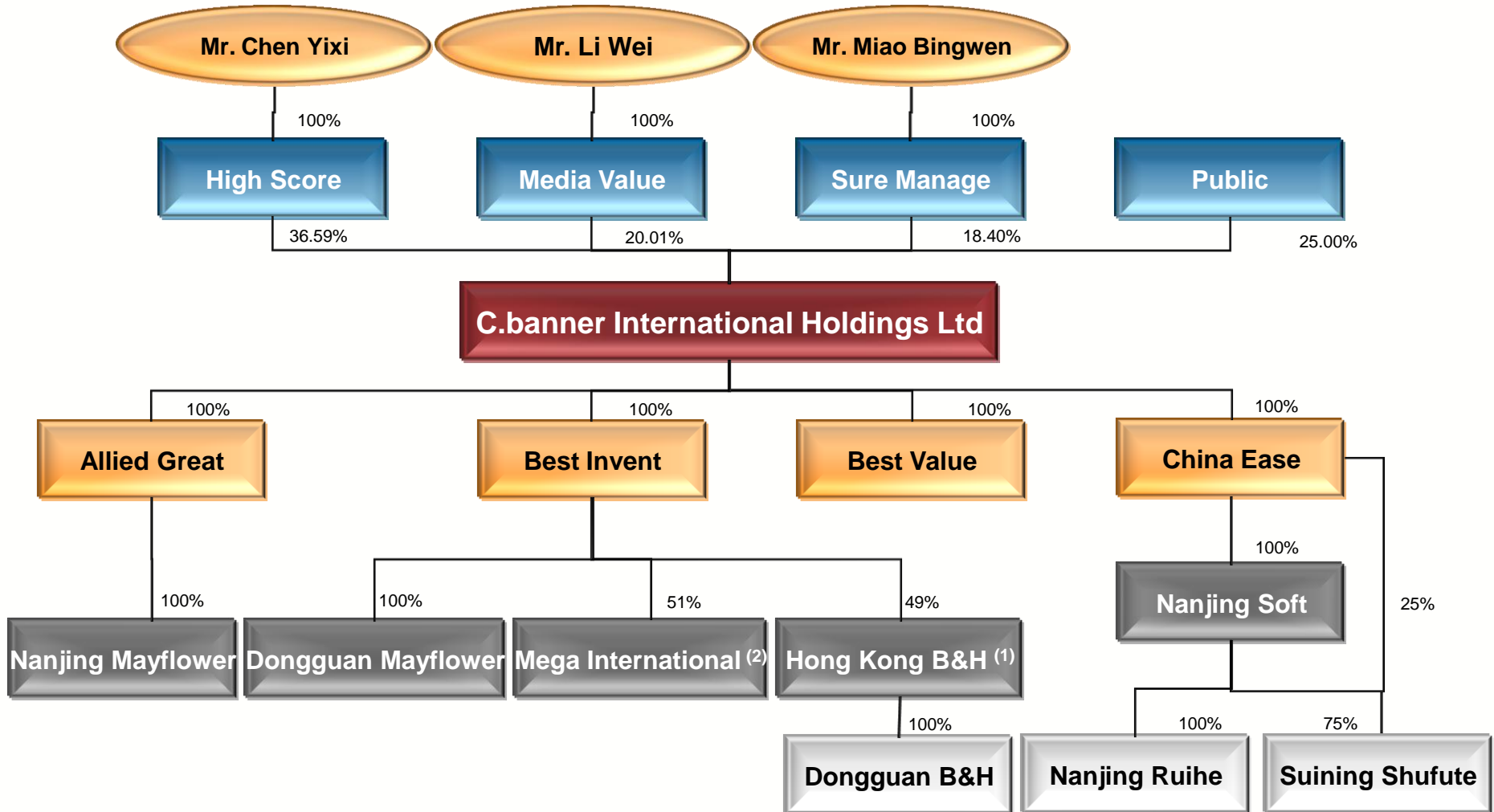
4. Appendix

Company History



(1): including both proprietary and third-party outlets.

Corporate Structure



Notes:

(1) Hong Kong B&H is a joint venture company owned as to 49% by Best Invent and 51% by Brown Shoe Asia.

(2) Mega International is a joint venture company owned as to 51%, established in January 2012

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C. banner International Holdings Ltd.

Experienced and Dedicated Management Team

Name	Title	Industry Experience	Experiences
Executive Directors			
CHEN Yixi	Chairman and Co-founder	> 15 yrs	<ul style="list-style-type: none"> ■ Outstanding Entrepreneur of Non-State-owned Companies ■ Vice Chairman of Nanjing Federation of Industry and Commerce ■ Vice President of Nanjing Enterprise Directors Association ■ B.A. in News Propagation, Nanjing Normal university ■ MBA from Cheung Kong Graduate School of Business
LI Wei	CEO, President and Co-founder	> 15 yrs	<ul style="list-style-type: none"> ■ B.S. in Chemistry, Nanjing University ■ MBA from China Europe International Business School
ZHAO Wei	VP	> 15 yrs	<ul style="list-style-type: none"> ■ Major in Fishery Science, Jilin Agricultural University ■ MBA from Nanyang Technological University
HUO Li	VP	> 10 yrs	<ul style="list-style-type: none"> ■ Over 13 years of extensive experience in banking ■ B.A. in Economics, Fudan University
XU Tingyu	CFO	> 10 yrs	<ul style="list-style-type: none"> ■ Over 12 years of extensive experience in banking ■ Non-practicing member of the PRC Certified Public Accountants Association ■ M.S. in Accountancy, Nanjing University



Over 65 years of combined industry experience



One of the leaders in the women's footwear industry



Inspirational leadership with clear vision and strategy



Extensive industry and operating experience and knowledge



Proven capability in operation and business development

Experienced and Dedicated Management Team (Cont'd)

Executive Directors

Mr. HUO Li

VP

- Responsible for opportunities' evaluation, and mergers and acquisitions planning as well as international cooperation



Mr. CHEN Yixi
Chairman &
Co-founder

- Responsible for charting our business strategy



Mr. LI Wei

CEO, President &
Co-founder

- Responsible for overseeing our operations, finance and human resource management

Mr. ZHAO Wei

VP

- Responsible for our expansion strategies and wholesale business

Mr. XU Tingyu

CFO

- Responsible for financial management