

Newsletter

Jul-Sep 2012

千百度國際控股有限公司

C.banner International Holdings Limited

C.banner International Holdings Limited (“C.banner” or the “Group”, Stock Code: 1028) is pleased to distribute to investors a newsletter summarizing the Group’s updates, corporate development and industry news. To show your support, please feel free to let us know the issues that interest you or give us any comments or suggestions via email.

Results Announcement

C.BANNER Announces 2012 Interim Results

Revenue Increases 21.8% to RMB1,130.4 Million

Profit Attributable to Owners of the Company Surges 7.2% to RMB140.0 Million

On August 23, C.banner announced its interim results for the six months ended 30 June 2012. The Group’s revenue rose 21.8% to RMB1,130.4 million. Gross profit rose 22.1% to RMB705.8 million. Profit attributable to owners of the company surged 7.2% to RMB140.0 million. Gross profit margin and net profit margin were 62.4% and 12.4% respectively. Basic earnings per share amounted to RMB7.00 cents.

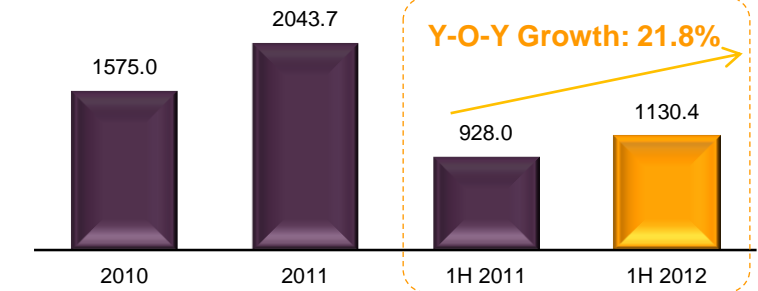
The Group continued to open more proprietary outlets in department stores and expand its wholesale network in order to increase revenue. As of 30 June 2012, the Group operated a total of 1,964 stores, including 1,449 proprietary outlets and 515 third-party outlets. During the period under review, the Group added a net total of 138 proprietary outlets and 78 third-party outlets.

In the second half of 2012, the Group plans to open around 100 proprietary outlets and around 50 third-party retail outlets, while continuing to work with third-party providers to create an online platform to sell its products. On the manufacturing side, the Group will continue to scale back its OEM business during the second half of the year in order to allocate more capacity for its proprietary products. It also aims to increase the number of production lines to 16, growing the Group’s total manufacturing capacity to 7.2 million pairs of shoes by the end of 2012. The Group will also proactively consider selective acquisitions or other forms of co-operation in order to further expand its brand portfolio and market share.



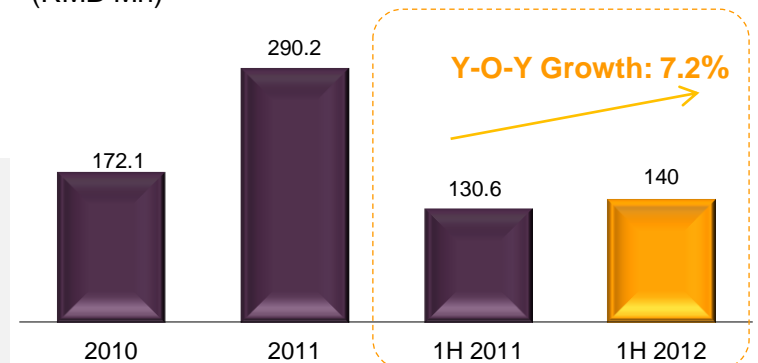
Revenue

(RMB Mn)



Net Profit

(RMB Mn)



Corporate News

Mr. Li Wei, CEO, President and Executive Director of C.banner Enters Forbes List of 25 Influential Chinese in Global Fashion

Mr. Li Wei, CEO, President and Executive Director of C.banner, entered Forbes List of 25 Influential Chinese in Global Fashion for his remarkable achievements in the fashion industry and his internationally wide influence.

Forbes first introduced the list of 25 Influential Chinese in Global Fashion in 2010, with an aim to record the Chinese entrepreneurs, designers and investors in the fashion industry with remarkable achievements and massive reach in the international arena every year. The list was compiled through the exchange of ideas from opinion leaders in the industry and the summary of judgments of the list compliers. The research was focused on designers and entrepreneurs who created and owned their brands.

Mr. Li Wei, CEO, President and Executive Director of C.banner, said, "I am honored to be selected by Forbes amongst the 25 Influential Chinese in Global Fashion. The award recognizes the efforts of the Group and me in the fashion industry throughout the years. As Chinese economy develops, the luxury and fashionable product markets are expanding continuously. The influence of Chinese designers, entrepreneurs and Chinese brands has been further increased in the global fashion industry. We will continue our efforts to further boost our brand awareness and bring better results for our shareholders."



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