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LI NING COMPANY LIMITED

李寧有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2331)

LATEST TRADE FAIR ORDERS AND OPERATIONAL UPDATE

This announcement is made on a voluntary basis by the board of directors (the “**Board**”) of Li Ning Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide the following operational update on the Group’s business.

TRADE FAIR RESULTS

Trade fair orders, in terms of tag price, for LI-NING brand products from franchised distributors registered year-on-year growth for ten consecutive quarters. The orders from the latest trade fair, which are for the fourth quarter of 2016, held in March this year registered a high-single-digit growth on a year-on-year basis. This growth is driven by low-single-digit increase in footwear as well as low-teens increase in apparel.

SAME-STORE-SALES GROWTH

For the quarter ended 31 March 2016, in respect of LI-NING brand Point-of-Sales (POS) which have been in operation since the beginning of the same quarter last year, the same-store-sales growth of LI-NING brand products for the overall platform (including e-commerce) increased by low-single-digit on a year-on-year basis. In terms of channels, growth rates of both retail (direct operation) and wholesale (franchised distributors) maintained almost flat on a year-on-year basis, while the e-commerce virtual store business registered a low-sixties growth on a year-on-year basis.

POS NUMBERS

As at 31 March 2016, the total number of LI-NING brand POS in China amounted to 6,106, representing a net decrease of 27 POS from the end of previous quarter/beginning of this year. Out of the 27 POS, direct retail and wholesale account for a net decrease of 30 and a net increase of 3 POS, respectively.

Taking the economic efficiency in consideration, the Company in general chose to close POS with low profitability at the beginning of a year, and gradually expanded the sales network after the Chinese New Year holiday. The number of POS usually registered a net decrease during the first quarter over the years if using historical trends as reference. Meanwhile, the Company maintains its POS expansion target (net increase of 300 to 500) for 2016.

The Company's shareholders and potential investors should note that this announcement is based on unaudited operational data of the Group and this data has not been audited or reviewed by Group's auditors. The data does not constitute, represent or indicate the full picture of the Group's total revenue or financial performance and the information contained in this announcement may be subject to change and adjustment.

The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Li Ning Company Limited
Li Ning
Executive Chairman
and Interim Chief Executive Officer

Hong Kong, 15 April 2016

As at the date of this announcement, the executive director of the Company is Mr. Li Ning. The non-executive directors of the Company are Mr. Chen Yue, Scott and Mr. Wu, Jesse Jen-Wei. The independent non-executive directors of the Company are Mr. Koo Fook Sun, Louis, Ms. Wang Ya Fei, Dr. Chan Chung Bun, Bunny and Mr. Su Jing Shyh, Samuel.