

【 For immediate release 】

## Luk Fook Announces Annual Results For the Year Ended 31 March 2011

\* \* \* \* \*

**Revenue Amounted to HK\$8,091,121,000**  
**Profit Attributable to Shareholders Grew by 63% to HK\$866,216,000**  
**Proposed Final Dividend of HK 42 cents per Share**

### Financial Highlights

	HKD	For the year ended 31 March		
		2011	2010	Changes (%)
Revenue		8,091,121,000	5,386,432,000	+50%
Gross Profit		1,917,244,000	1,293,537,000	+48%
Profit Attributable to Shareholders		866,216,000	531,484,000	+63%
Basic Earnings per Share		1.71	1.08	+58%
Final Dividend per Share (HK cents)		42.0	28.0	+50%

(Hong Kong, 29 June 2011) — **Luk Fook Holdings (International) Limited** (“Luk Fook” / “the Group”) (Stock Code: 00590.HK) today announces its annual results for the year ended 31 March 2011 (the “Review Period”). During the Review Period, the Group recorded a total revenue of approximately HK\$8,091,121,000, up 50% from HK\$5,386,432,000 in the previous year. Profit Attributable to Shareholders grew by 63% to HK\$866,216,000 from HK\$531,484,000 over last year. Basic earnings per share were HK\$1.71 (2010: HK\$1.08).

The Board has proposed a final dividend of HK 42 cents per share (2010: HK 28 cents per share) for the year ended 31 March 2011. In addition to the interim dividend of HK 26 cents per share already paid, the dividend for the full year amounted to HK 68 cents per share (2010: HK 43 cents per share).

Commenting on the Group’s annual results, **Mr. Wong Wai Sheung, Chief Executive of the Group**, said, “Year 2010/11 was another flourishing year for the Group. I am delighted that we have obtained such excellent results. Thanks to the robust economic growth in the PRC and the strengthening of Renminbi against Hong Kong dollar, the revenue increase was mainly driven by the huge spending of our PRC customers in Hong Kong. With the expanded scope of Individual Visit Scheme for non-Guangdong residents in Shenzhen, we believe the firm support from the PRC tourists will continue to be a strong growth momentum for the Group’s retail sales.”

As at 31 March 2011, the Group operated a network of 700 retail stores (2010: 557) across various regions: 33 in Hong Kong (2010: 31), 657 in the PRC (2010: 519), 5 in Macau (2010: 4), 1 in Singapore (2010: Nil), 2 in the United States (2010: 1) and 2 in Canada (2010: 2). For the year ended 31 March 2011, the Group’s revenue from retail business, which accounted for 79.6% of total revenue, amounted to HK\$6,440,107,000 (2010: HK\$4,090,804,000), up 57.4% from last year. The Group’s revenue from wholesale business also increased by 22.6% to HK\$1,375,456,000 from last year (2010: HK\$1,122,098,000).

~Page 1~

Revenue from the Hong Kong market rose by 47.0% to HK\$5,886,770,000 (2010: HK\$4,003,289,000) and it remained the key contributor in terms of revenue. In April 2010, the Group's two-storey flagship store with its first OMEGA Watch Counter at Haiphong Mansion, Tsim Sha Tsui was opened and has achieved satisfactory performance. To facilitate further growth, the Group expanded its business scope by collaborating with different prestigious watch brands. As at 31 March 2011, 7 brands of watches were sold in the Group's watch counter, including LONGINE, TISSOT, Philip Stein, MIDO, HAMILTON, BALL and OMEGA.

With the Group's further expansion in the PRC, revenue from the PRC market recorded a growth of 63.9% to HK\$1,401,780,000 (2010: HK\$855,496,000). During the Review Period, the Group established 135 new licensee shops. While adopting a strategy of rapid expansion in our licensee shop network, the Group also set up 3 new self-operated shops in the PRC, bringing the total to 39 as at 31 March 2011.

Regarding the Macau market, the Group opened its fifth outlet at Rua de S. Domingos in April 2010. Favored by a 20% growth of PRC tourist arrivals in Macau in 2010, revenue from Macau operations recorded a remarkable growth rate of 50.7%, amounting to HK\$760,864,000 (2010: HK\$504,957,000). With a positive outlook on Macau's tourism, the Group is optimistic to sustain the growing momentum.

Further to the success of the first shop in New York of United States, the Group opened its second self-operated shop in San Francisco in December 2010. In view of the buoyant Asian economic environment, the Group tapped the Singapore market as a pioneer and established its first shop in Singapore, which is also the first Luk Fook retail store that has entered the Southeast Asia market. The Group will also expand its retail network in other potential markets in order to increase market penetration and grasp market growth opportunities.

**Mr. Wong Wai Sheung, Chief Executive of the Group, continued,** "Looking ahead, the Group will continue to develop the vast PRC market and maintain steady revenue growth in the core Hong Kong and Macau markets. Given the vibrant PRC economy and the huge purchasing power of PRC customers, we are optimistic towards the sales growth and further network expansion in the PRC. Our next step is to extend our geographical reach to the third and fourth tier cities on top of the well-penetrated first and second tier cities. The Group will also seize great opportunities in time to enlarge its network to more overseas markets, deepening Luk Fook's brand awareness all over the world."

~End~

Reference:

<http://www.hkexnews.hk/listedco/listconews/sehk/20110629/LTN20110629047.pdf>

#### **About Luk Fook Holdings (International) Ltd. (Stock Code: 00590.HK)**

Luk Fook Group is principally engaged in sourcing, designing, retailing and wholesaling of a variety of platinum and gold jewellery, gold ornaments, gem-set jewellery, natural jadeite, gemstones and other accessory items. Luk Fook Group currently has a total of over 720 retail outlets spreading across the PRC, Hong Kong, Macau, Singapore, the United States and Canada. The Group continues to look for new business opportunities in the international market, echoing its corporate development of "Brand of Hong Kong, Sparkling the World".