

**【 For Immediate Release 】**

**Lukfook (00590.HK) Announces  
 Interim Results for the Six Months Ended 30th September 2012  
 Revenue Achieved Record-High for HK\$5,920,801,000  
 Profit Attributable to Shareholders Amounted to HK\$558,165,000  
 Declared Interim Dividend of 38HK Cents per Share**

**Financial Highlights**

	HK\$	For the period ended 30th September		
		2012	2011	Changes
<b>Revenue</b>		<b>5,920,801,000</b>	5,511,437,000	<b>+7.4%</b>
<b>Gross Profit</b>		<b>1,276,566,000</b>	1,352,591,000	<b>-5.6%</b>
<b>Profit Attributable to Shareholders</b>		<b>558,165,000</b>	719,630,000	<b>-22.4%</b>
<b>Basic Earnings per Share</b>		<b>0.95</b>	1.33	<b>-28.6%</b>
<b>Interim Dividend per Share (HK cents)</b>		<b>38.0</b>	53.0	<b>-28.3%</b>

(Hong Kong, 29 November 2012) — **Luk Fook Holdings (International) Limited** (“Lukfook”/ “the Group”) (Stock Code: 00590.HK) today announces its interim results for the six months ended 30th September 2012. The Group’s revenue for the six months ended 30th September 2012 recorded a growth of 7.4% from HK\$5,511,437,000 last year to approximately HK\$5,920,801,000. Gross profit decreased by 5.6% to HK\$1,276,566,000 (2011: HK\$1,352,591,000). The profit attributable to shareholders amounted to approximately HK\$558,165,000 (2011: HK\$719,630,000), representing a 22.4% drop. Basic earnings per share were HK\$0.95 (2011: HK\$1.33).

The Board has declared an interim dividend of HK\$0.38 per share (2011: HK\$0.53) for the period ended 30th September 2012 and the Interim dividend will be paid on 24th December 2012.

The benefit of revenue growth was offset by the decrease in gross margin by 2.9% to 21.6% (2011: 24.5%) mainly due to the normalization in gross margin of gem-set jewellery to similar level of same period in 2010. In the same period of last year, gem-set jewellery reported unusually high gross margin because of appreciation in value. Operating profit further reduced by 18.8% to HK\$685,656,000 (2011: HK\$844,046,000) mainly due to disproportionate increase in rental expenses arising from surging rental increment in Hong Kong and Macau, increase in rental, staff costs and depreciation with the opening of additional self-operated shops and regional offices as well as renovation for enhancement of brand image. Operating margin was 11.6% (2011:15.3%).

**Mr. Wong Wai Sheung, Chairman and Chief Executive of Lukfook Group** said, “The Group still successfully captured the growth opportunity and the half year revenue reached a record high despite the high base effect and volatile market sentiment during the period under review.”

During the period under review, the Group's retail business remained the Group's mainstream revenue, which accounted for 80.3% (2011: 81.1%) of total revenue, amounted to HK\$4,754,710,000 (2011 : HK\$4,468,459,000), representing an increase of 6.4% from the same period last year. Meanwhile, revenue from wholesale business accounted for 16.0% (2011:15.3%) of total revenue, reached HK\$948,696,000 (2011 : HK\$844,898,000), representing a growth of 12.3% from the same period last year. The remaining 3.7% (2011: 3.6%) was contributed by the licensing business.

Revenue from the Hong Kong and Macau market for the period ended 30th September 2012 was HK\$4,605,787,000 (2011: HK\$4,549,988,000), representing a 1.2% increase from the same period last year. The slight increase was mainly due to the high base of last year's revenue resulting from exceptionally high influx of visitors to both areas because of the earthquake in Japan in first quarter of 2011.

The Hong Kong and Macau market accounted for 77.8% (2011: 82.6%) of the Group's revenue and 71.3% (2011: 69.9%) of total segment results during the review period. For the period under review, the same store sales growth (SSSG) in the Hong Kong and Macau was flat (2011: 41.2%) as a result of high base effect in prior period. When compared to the same period in 2010, the SSSG posted a growth of 65.8% with compound annual growth of 29%. For the period under review, the SSSG of self-operated shop in the PRC market was 12.6% (2011: 25.3%).

In the PRC market, the Group's revenue accounted for 21.4% (2011:16.6%) of the Group's total revenue, increased 38.7% to HK\$1,266,220,000 (2011: HK\$912,838,000). The increase was mainly due to the opening new self-operated and licensed shops across the country. Segmental profit contribution accounted for 28.2% (2011: 29.5%), indicating a higher profitability in the PRC business as compared to the other markets.

During the period under review, a net number of 115 retail outlets were opened in the PRC with 4 and 2 retail outlets opened in Hong Kong and Macau, respectively. As at 30th September 2012, the Group had a total of 983 retail outlets globally with 934 in the PRC (77 self-operated and 857 licensed shops), 36 in Hong Kong, 8 in Macau, 1 in Singapore, 2 in the United States and 2 in Canada (1 self-operated and 1 licensed shop).

**Mr. Wong Wai Sheung** said, "The Group adopts a positive but cautious attitude towards its business growth and outlook in the second half of this financial year. The Group believes that retail sales will continue to benefit from celebration-related sales, as the year of Dragon is a good year to get married and give birth. Looking ahead, riding on our core competencies on stringent quality control, appealing designs and product offering, intensive marketing and branding strategies as well as strong financial strengths, the Group will endeavor to strengthen its leadership in the industry and make a lasting commitment to upholding excellent services to our esteemed customers around the world."

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#### **About Luk Fook Holdings (International) Limited (Stock Code: 00590)**

Lukfook Group is principally engaged in sourcing, designing, wholesaling, trademark licensing and retailing of a variety of platinum and gold jewellery, gold ornaments, gem-set jewellery, natural jadeite, gemstones and other accessory items. Lukfook Group currently has a total of over 1000 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" .