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**Xtep International Holdings Limited**  
**特步國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1368)**

**SALES FAIR RESULTS FOR THE FOURTH QUARTER OF 2014**  
**AND**  
**OPERATIONAL PERFORMANCE ON BUSINESS IN CHINA**

This announcement is made by the board of directors (the “**Board**”) of Xtep International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

**SALES FAIR RESULTS FOR THE FOURTH QUARTER OF 2014**

As a leading PRC fashion sportswear brand enterprise, the Group continues its effective measures and branding strategies to improve the overall operational efficiency and profitability of its distribution channels. The Group held its sales fair for the fourth quarter of 2014 in late March 2014 and recorded a sustained improvement in the Group’s trade fair orders for the fifth consecutive quarter. Adopting a flexible ordering policy and consistently managed orders placed by distributors and authorized retailers at the sales fair, the Group’s sales fair order value (at wholesale value) for the fourth quarter of 2014 was further improved and remained flat when compared to the same period of 2013.

**OPERATIONAL PERFORMANCE FOR THE FIRST QUARTER OF 2014**

In addition to the improving sales fair performance, the Group also saw a positive average same store sales performance (at retail value) for the first quarter of 2014 with a low single digit increase when compared to the same period of 2013. Meanwhile, through the extensive coverage of its distribution resource planning system, the Group was able to ensure real-time monitoring of the operational performance of its distribution channels. The inventory level of its distribution channels gradually returned to a healthier position at approximately 4.5 to 5 months inventory to sales ratio.

**The Company's shareholders and potential investors should note that the above announcement is made based on unaudited operational data of the Group and this data has not been audited or reviewed by the Company's auditors.**

**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 of  
**Xtep International Holdings Limited**  
**Ding Shui Po**  
*Chairman*

Hong Kong, 2 May 2014

*As at the date of this announcement, the executive directors of the Company are Mr. Ding Shui Po, Ms. Ding Mei Qing, Mr. Lin Zhang Li, Mr. Ding Ming Zhong, Mr. Ye Qi and Mr. Ho Yui Pok, Eleutherius; the non-executive director is Mr. Tan Wee Seng and the independent non-executive directors are Mr. Sin Ka Man, Mr. Xu Peng Xiang, Dr. Gao Xian Feng and Dr. Bao Ming Xiao.*