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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 ORDER RESULTS FOR THE THIRD QUARTER OF 2016
AND
OPERATIONAL UPDATE 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 ORDER RESULTS FOR THE THIRD QUARTER OF 2016

Continuing on the success of increased sales of functional sportswear, especially running wear, driving up both sales volume and blended average selling price, the Group reported growth again in the order value from the sales order for the third quarter of 2016, which was held in January 2016. The sales order value (at wholesale value) for the third quarter of 2016 achieved a percentage of high single digit increase when compared to the same period of 2015. Such order value growth represented the 12th consecutive quarterly improvement since the fourth quarter of 2013.

The Group presented the launch of new XTEP soccer products and smart running footwear during the third quarter 2016 sales order. These products will be sold in stores starting in the third quarter of 2016. Football products will aid in the future growth of the Group as we have cultivated numerous soccer consumers through title sponsorship of Xtep China College Futsal League and Xtep China University Football League during the past five consecutive years since 2011. Smart running footwear extend the running product line, emphasizing on XTEP products being highly functional and technologically advanced.

OPERATIONAL PERFORMANCE FOR THE FOURTH QUARTER OF 2015

The Group has continuously improved its product mix and portfolio, increasing the sales of both functional footwear and apparel. During the fourth quarter of 2015, the average same store sales performance (at retail value) recorded a mid-single-digit growth. The retail discount remained similar levels to the first three quarters of 2015. The inventory level of the Group's retail distribution channels continues to be healthy at approximately 4-5 months.

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, 15 March 2016

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; and the independent non-executive Directors are Mr. Sin Ka Man, Mr. Tan Wee Seng, Dr. Gao Xian Feng and Dr. Bao Ming Xiao.