

[For Immediate Release]



Lifestyle International Announces 2013 Unaudited Interim Results

***A consistent performer in Hong Kong with its
Mainland operations returned to healthy growth***

HK\$'000	For the six months ended 30 June		
	2013	2012	Change
Total sales proceeds	6,626,607	6,137,157	+8.0%
Turnover	2,851,144	2,646,040	+7.8%
EBIT	1,192,426	1,053,298	+13.2%
Profit attributable to owners	1,096,932	909,885	+20.6%
Earnings per share – basic	HK66.0 cents	HK54.6 cents	+20.9%
Interim dividend per share	HK26.4 cents	HK21.8 cents	+21.1%

(29 July 2013 – Hong Kong) Lifestyle International Holdings Limited (“Lifestyle International” or the “Company”, together with its subsidiaries, collectively as the “Group”; stock code: 1212), is pleased to announce its unaudited interim results for the six months ended 30 June 2013.

Despite looming adversities in the global economy, the Group delivered a solid set of results, recording 7.8% increase in turnover to HK\$2,851 million. Total sales proceeds increased 8.0% from HK\$6,137 million to HK\$6,627 million. Profit attributable to owners reached HK\$1,097 million, up 20.6% compared to the same period in 2012. Earnings per share grew 20.9% to HK66 cents. The Board of Directors declared an interim dividend of HK26.4 cents per share, maintaining approximately 40% dividend payout.

Commenting on the results, Mr. Thomas Lau, Chief Executive Officer and Managing Director of Lifestyle International, said, “The general economic environment in the first half of 2013 showed signs of improvement, but risks for world economic growth still loomed large. Despite this, Lifestyle International has set itself apart as an operator with a consistent track record of outstanding performance and successful investment supported by a robust business foundation. We continued to focus on executing our well-planned business strategies, and managed to achieve satisfactory performances in both our markets.”

Buoyed by the leading position of Sogo stores as popular shopping destinations of Hong Kong, the Group’s two SOGO stores in Hong Kong delivered healthy growth during the first half of the year, with each logging high single-digit increase in sales revenue. Sales revenue of Hong Kong operations grew 7.1% and accounted for 72.7% of the Group’s total revenue. SOGO CWB remained the biggest revenue contributor, with sales revenue increasing 7.3% year-on-year. The semi-annual “Thankful Week” event in May achieved yet another breakthrough, registering record-breaking sales of HK\$95 million on the first day.

In Mainland China, the Group’s operations returned to healthy growth as consumer sentiment steadily improved on government policies to boost domestic consumption. The results underscored Lifestyle International’s inner strength and ability to ride on economic progress. The Group’s relentless marketing and promotion efforts, as well as its long-standing policy to optimising daily operational performance year-round have brought Shanghai and Dalian Jiuguang to positive growth during the period, after experiencing small negative year-on-year growth in 2012. Suzhou Jiuguang continued to gain in popularity and showed remarkable growth momentum with sales revenue increasing 22.6% over same period last year.

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The Group's strategic investment in the Beiren Group has once again demonstrated its leadership potential and registered double-digit sales growth of 14.9% year-on-year, outperforming industry peers in the province.

In July this year, the Group launched its first standalone food and confectionary "Freshmart" store in the L'Avenue Shanghai, representing an effort to branch out to a new market segment and build a more comprehensive image to broaden brand presence. On the other hand, the Group's self-built Shenyang Jiuguang department store is set to open in the fourth quarter this year and it is expected that around 80% of the area would be taken up at the time of opening.

The Group's plan to seek a separate listing for its property investment and development business on the Hong Kong Stock Exchange is still in progress and the aim of the proposed spin-off is to streamline the operation and asset base of the Group so as to focus on its core department store business.

Looking ahead, the Group takes an optimistic yet cautious view on the retail sector in Hong Kong and Mainland China.

Mr. Lau concluded, "We move forward with confidence as we build on our core strengths and focus on maximising our performance through solidifying customer loyalty and broadening clientele. With our financial strengths and successful business models, in addition to working on the Zhabei project in the next few years, we shall remain open to new strategic investment opportunities."

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About Lifestyle International

Lifestyle International Holdings Limited is a successful department store operator which owns and operates two SOGO department stores in Hong Kong, three Jiuguang department stores respectively in Shanghai, Suzhou and Dalian.

The Group has been working on a number of new stores to be launched in different PRC cities which will further strengthen the Group's market presence in the PRC.

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