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I.T LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 999)

PROFIT ALERT

This announcement is made by I.T Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of the Company would like to give an update to the shareholders of the Company and potential investors that the Board had reviewed the draft consolidated financial statements of the Group for the year ended 28 February 2014 (the “Draft Financial Statements”).

Based on the Draft Financial Statements available to the Board, average sales growth rate became lower in the year ended 28 February 2014, due to the prevailing challenging macro-economic conditions and the difficult business environment in the retail industry. Average price discounting across the Group’s key operating regions for the year ended 28 February 2014 was generally less than that in the year ended 28 February 2013, especially improvement was shown in the fourth quarter period ended 28 February 2014. As a result, gross profit margin in the second half of the year ended 28 February 2014 was uplifted. Despite the improvement in gross profit margin, the business environment in the second half of the year ended 28 February 2014 was still difficult.

Even though the profit of the Group for the year ended 28 February 2014 is expected to outweigh the market consensus, it is expected to record a decline in profit as compared to the year ended 28 February 2013. Slower sales growth resulting from a slowdown in the apparel retailing markets across the Group’s key operating regions alongside the downward pressure on profitability driven by surging operating costs are still the key factors to the expected decline in the Group’s business performance for the year ended 28 February 2014.

The Board would like to remind potential investors and shareholders of the Company that the information contained in this announcement is based on the assessment by the Board with reference to information currently available and the Draft Financial Statements. Further details of the Group's performance will be disclosed in the final results announcement of the Company for the year ended 28 February 2014. A Board meeting has been scheduled to approve the consolidated financial statements of the Group for the year ended 28 February 2014 on 22 May 2014 and a results announcement is expected to be published on the same date.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Sham Kar Wai
Chairman

Hong Kong, 15 May 2014

As at the date of this announcement, the Board comprises Mr. SHAM Kar Wai and Mr. SHAM Kin Wai as Executive Directors and Mr. Francis GOUTENMACHER, Dr. WONG Tin Yau, Kelvin, JP and Mr. MAK Wing Sum, Alvin as Independent Non-executive Directors.