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(於百慕達註冊成立之有限公司)
(Incorporated in Bermuda with Limited Liability)
Stock Code 股份代號 : 0590

**SALES PERFORMANCE OF RETAIL BUSINESS
FOR THE SECOND QUARTER OF FINANCIAL YEAR
ENDING 31 MARCH 2017**

Luk Fook Holdings (International) Limited (the “Company”), together with its subsidiaries (the “Group”), announces the sales performance of retail business of the Group’s self-operated shops for the second quarter (“2Q”) of financial year ending 31 March 2017 (“FY2017”) covering the period from 1 July 2016 to 30 September 2016.

SAME STORE SALES GROWTH (“SSSG”)* FOR 2Q OF FY2017

	2Q FY2017 vs 2Q FY2016	1Q FY2017 vs 1Q FY2016
Overall	-37%	-24%
Gold	-47%	-26%
Gold (by weight)	-55%	-30%
Gem-set jewellery	-14%	-19%
Mainland China	-23%	-24%
Gold	-30%	-29%
Gold (by weight)	-43%	-37%
Gem-set jewellery	-3%	-8%
Hong Kong & Macau	-39%	-24%
Gold	-49%	-25%
Gold (by weight)	-57%	-29%
Gem-set jewellery	-14%	-20%

Remarks:

* Same store sales growth of the period represented a comparison of sales of the same self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops and Mainland China’s e-commerce business.

With the continuing overall sluggish retail sentiment, together with a relatively high base due to the small scale gold rush in the same quarter last year and the relatively high gold price in this quarter, the SSSG of the Group's retail business for 2Q FY2017 recorded a drop of 37%, which was an extended decline against the 24% drop in the previous quarter. Nevertheless, the SSSG of gem-set jewellery products in Mainland China ("Mainland"), Hong Kong and Macau markets all experienced a narrowing decline.

NUMBER OF SHOPS

The Group opened a net total of 7 Lukfook self-operated shops during 2Q which included 5 in Mainland, 1 in Macau casino district and 1 in New York, the United States. There were 20 new licensed shops opened in Mainland as well. As at 30 September 2016, the Group had a total of 185 Lukfook self-operated shops which included 120 in Mainland, 47 in Hong Kong, 11 in Macau and 7 overseas. Together with 1,269 licensed shops in Mainland and 1 licensed shop in Korea, there were a total of 1,455 Lukfook shops worldwide, of which 1,389 shops were located in Mainland, as at the same date, and are summarised as follows:-

	30 September 2016	Changes in 2Q FY2017
Self-operated shops		
Hong Kong	47	0
Macau	11	+1
Mainland	120	+5
Other Locations	7	+1
Sub-total	185	+7
Licensed shops		
Mainland	1,269	+20
Korea	1	0
Sub-total	1,270	+20
Total Lukfook shops	1,455	+27

CAUTION STATEMENT

The board of directors of the Company wishes to remind investors that the above operational data is based on the Company's internal records which have not been audited by auditors. **Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board

Luk Fook Holdings (International) Limited

WONG Wai Sheung

Chairman & Chief Executive

Hong Kong, 19 October 2016

As at the date of this announcement, the Company's Executive Directors are Mr. WONG Wai Sheung (Chairman and Chief Executive), Mr. TSE Moon Chuen (Deputy Chairman), Ms. WONG Hau Yeung, Ms. WONG Lan Sze, Nancy, Ms. CHUNG Vai Ping and Dr. CHAN So Kuen; the Non-executive Directors are Mr. WONG Ho Lung, Danny (Deputy Chairman), Ms. YEUNG Po Ling, Pauline, Mr. HUI Chiu Chung, JP and Mr. LI Hon Hung, MH, JP; the Independent Non-executive Directors are Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, GBS, JP, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina, JP and Mr. HUI King Wai.