



LI NING COMPANY LIMITED

(李 寧 有 限 公 司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2331)

MARKETING AND ADVERTISING AGREEMENT WITH NBA PROPERTIES

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that Beijing Li Ning, a subsidiary of the Company, has entered into a Marketing and Advertising Agreement with NBA Properties to promote the LI-NING brand. The Agreement has a term of approximately 3 years.

The board of directors (the “Board”) of Li Ning Company Limited (the “Company”) is pleased to announce that on 15 January 2005, Beijing Li Ning Sporting Goods Co., Ltd. (“Beijing Li Ning”) has entered into a Marketing and Advertising Agreement (the “Agreement”) with NBA Properties, Inc. (“NBA Properties”) in Beijing, the People’s Republic of China (“PRC”).

KEY TERMS OF THE AGREEMENT

Date : 15 January 2005

Parties: (1) NBA Properties

(2) Beijing Li Ning

Scope : *In respect of Beijing Li Ning*

NBA Properties will grant to Beijing Li Ning the right to use, amongst other things, the logos and names owned by NBA Properties and the designation as “Official Sponsor of the NBA” for promotion of the LI-NING trademarks and logos registered in the name of members of the Group (collectively the “LI-NING brand”) in PRC

NBA Properties will provide Beijing Li Ning with certain commercial timeslot in certain regular season game telecasts by China Central Television of PRC

In respect of NBA Properties

Beijing Li Ning will purchase from NBA Properties an agreed amount of advertising inventory on NBA.com and/or NBA.com/china and commercial inventory sold by NBA Properties

Beijing Li Ning will sign selected contract players of the National Basketball Association (the “NBA”) and to sponsor the NBA related events/programs to promote the LI-NING brand

Term : 15 January 2005 to 30 September 2007

REASON FOR ENTERING INTO THE AGREEMENT

The NBA is a recognized global leader in basketball and sports marketing. NBA Properties is the marketing and licensing arm of the NBA. Under the Agreement, the Company will utilize the NBA's extensive marketing and media assets in PRC market to promote the LI-NING brand. The Company will benefit from the NBA's popularity and world-class brand image in PRC.

GENERAL INFORMATION

The Group (the Company and its subsidiaries) is one of the leading sports brand enterprises in PRC. The Group has its own branding, product design, research, supply chain management, marketing, distribution and retail capabilities.

As far as the directors of the Company are aware of, NBA Properties and its ultimate shareholder(s) are independent third parties not connected with the Company, the directors or any substantial shareholders of the Company and its subsidiaries and their respective associates as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The transactions under the Agreement do not constitute a notifiable transaction under Chapter 14 of the Listing Rules. This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

As at the date hereof, the Executive Directors of the Company are Mr. LI Ning, Mr. ZHANG Zhi Yong, Mr. TAN Wee Seng and Mr. CHEN Yi Hong. The Non-executive Directors are Mr. LIM Meng Ann, Mr. Stuart SCHONBERGER and Mr. FONG Ching, Eddy. The Independent Non-executive Directors are Mr. KOO Fook Sun, Louis, Ms. WANG Ya Fei and Mr. CHAN Chung Bun, Bunny.

By Order of the Board
Li Ning Company Limited
Li Ning
Executive Director & Chairman of the Board

Beijing, PRC
18 January 2005

Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.