

(For Immediate Release)



LI NING COMPANY LIMITED

(李寧有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2331)

Li Ning Announces Results for its Second Quarter Trade Fair for FY2012

(22 November 2011 – Hong Kong) – **Li Ning Company Limited** (“Li Ning” or the “Group”; HKSE stock code: 2331), one of the leading sports brand enterprises in China, announces the conclusion of LI-NING Brand Products Trade Fair (“Trade Fair”) for the second quarter of the financial year 2012. The order value growth was flat on a year-on-year basis. As for apparel products, both the average retail selling price and order volume posted low-single digit percentage declines; whereas for footwear products, the average retail selling price grew mid-single digit percentage and order volume recorded high-single digit percentage increases. Looking at the consolidated figures, future order value of the first half 2012 grew at low-single digit percentage year on year.

Mr. Zhang Zhi Yong, CEO of the Group, commented, “Although the order value of this Trade Fair did not sustain the growth momentum seen in the Trade Fair of the first quarter, we believe that these results are within our expectations as we are still in the middle of repositioning our products. Also, during the last month, we did not see significant improvements at the retail level compared with the third quarter. We envisage the competitive landscape of the sporting goods industry to remain challenging next year, and the pressure to lower inventory levels continues to be high. As such, the Group maintains its prudent attitude. During this Trade Fair, the Group proactively enacted measures to manage expectations of the distributors, and guide their way to adjust their order mixes. ”

“In the past two to three years, apparel products had grown faster than other product categories within the LI-NING brand product mix. However, we consider it necessary to change this situation as footwear products more strongly resonate the essence of sports and instill greater resilience to stabilizing business growth for the Group. We have been adding momentum to our footwear business through innovative product designs, proficient application of the our technology platform, and promotion of ‘product family’ concepts. During the past two Trade Fairs, footwear products exhibited a recovery in growth as a result of our efforts, with both prices and order volumes returning to reasonable levels. We are pleased with these outcomes. We plan to continue to boost the percentage of sales contributed by the footwear products category in the future.” Mr. Zhang continued.

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About Li Ning Company Limited

Li Ning Company Limited is one of the leading sports brand enterprises in China, possessing brand marketing, research and development, design, manufacturing, distribution and retail capabilities. The Group's products mainly include footwear, apparel, equipment and accessories for sports and leisure uses under its own LI-NING brand. The Group has established an extensive supply chain management system, and a retail distribution network in China primarily through outsourcing of manufacturing operations and distribution via franchised agents. The Group also directly manages retail stores for the LI-NING brand.

The Group adopts a multi-brand business development strategy. In addition to its core LI-NING brand, the Group (i) distributes sports products under its Z-DO brand via hypermarket channels; (ii) manufactures, markets, distributes and sells outdoor sports products under the French brand AIGLE in China, the exclusive rights of which were granted to a joint venture established with Aigle International S.A.; (iii) engages in the manufacture, research and development, marketing and sale of table tennis and other sports equipment under the Double Happiness brand through a subsidiary in which the Group has a 57.5% interest; (iv) develops, manufactures, markets, distributes and sells licensed products under the Italian sports fashion brand Lotto in China under an exclusive license granted by a company owned by Lotto Sport Italia S.p.A.; and (v) engages in the research and development, manufacture and sale of professional badminton equipment under the Kason brand.

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