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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 THIRD 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 third quarter (“3Q”) of financial year ending 31 March 2017 (“FY2017”) covering the period from 1 October 2016 to 31 December 2016.

SAME STORE SALES GROWTH (“SSSG”)* FOR 3Q OF FY2017

	3Q FY2017 vs 3Q FY2016	2Q FY2017 vs 2Q FY2016
Overall	-10%	-37%
Gold	-11%	-47%
Gold (by weight)	-19%	-55%
Gem-set jewellery	-4%	-14%
Mainland China	+5%	-23%
Gold	+2%	-30%
Gold (by weight)	-13%	-43%
Gem-set jewellery	+20%	-3%
Hong Kong & Macau	-11%	-39%
Gold	-12%	-49%
Gold (by weight)	-20%	-57%
Gem-set jewellery	-5%	-14%

Remarks:

* Same store sales growth of the period represented a comparison of sales of the same Lukfook 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 a relatively low base, the SSSG of the Group’s retail business for 3Q FY2017 recorded a substantially narrowing decline of 10% from 37% in the second quarter. Since September 2016, the same store sales of gem-set jewellery products in Mainland China (“Mainland”) has achieved a double-digit growth for four consecutive months. Its same store sales for the 3Q turned into a positive growth of 20% from a decline in the last two quarters. Together with the 2% growth of same store sales in gold products, the 3Q same store sales of Mainland market started to see a positive 5% growth for the first time in the current fiscal year.

NUMBER OF SHOPS

The Group opened a net total of 10 Lukfook self-operated shops during 3Q which included an addition of 9 in Mainland and 2 in Kuala Lumpur, Malaysia, with 1 reduction in Macau. There was a net increase of 28 licensed shops in Mainland as well. As at 31 December 2016, the Group had a total of 195 Lukfook self-operated shops which included 129 in Mainland, 47 in Hong Kong, 10 in Macau and 9 overseas. Together with 1,297 licensed shops in Mainland and 1 licensed shop in Korea, there were a total of 1,493 Lukfook shops worldwide, of which 1,426 shops were located in Mainland, as at the same date, and are summarised as follows:-

	31 December 2016	Changes in 3Q FY2017
Self-operated shops		
Hong Kong	47	-
Macau	10	-1
Mainland	129	+9
Other Locations	9	+2
Sub-total	195	+10
Licensed shops		
Mainland	1,297	+28
Korea	1	-
Sub-total	1,298	+28
Total Lukfook shops	1,493	+38

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, 18 January 2017

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.