

LI & FUNG LIMITED

(Incorporated in Bermuda with limited liability)

PRESS RELEASE

Li & Fung Announces 2012 First Half Results

Continues to make inroads in capturing growing Asian markets

Hong Kong, 9 August, 2012 – Hong Kong-based Li & Fung Limited (“Li & Fung”, or “the Group”, SEHK: 494), the multinational consumer goods export and logistics group, today announced that turnover achieved in the first six-month period ending 30 June 2012 was US\$9,128 million, an increase of 4% from US\$8,798 million in the first half of 2011.

Compared to the same period last year, turnover growth from Trading Network, Logistics Network and Distribution Network was 4%, 5%, and 6% respectively.

Profit attributable to shareholders was US\$312 million, an increase of 33% over the same period in 2011. Basic earnings per share was 3.80 US cents, representing an increase of 30% compared to 2.92 US cents during the same period in 2011. Core operating profit was US\$221 million, representing a decrease of 22% compared to same period in 2011.

The Board of Directors has proposed an interim dividend of 15 HK cents per share (2011 interim: 19 HK cents).

Mr. Bruce Rockowitz, Group President and CEO of Li & Fung Limited, said, “While core operating profit is relatively weak in the first half of 2012, we are very focused on taking the necessary steps to improve the second half results and set the stage for 2013, the last year of our current Three-Year Plan.”

“We have continued to expand our business in Asia through LF Asia, and have concluded a number of new licensing agreements with major brands and retailers. It is also encouraging to see the cross-selling business among our three Networks progressing so well.”

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He added, "Over the years, as customers increasingly seek complete supply chain management partners to improve efficiency, our comprehensive menu of services, coupled with flexible global networks, has made Li & Fung the prime contender for major opportunities. The partnership we have just signed with Target Australia is an example of how Li and Fung can apply its global sourcing and supply chain capabilities to reduce product cost and increase efficiencies."

Mr. William K Fung, Group Chairman of Li & Fung Limited, said, "There is no doubt that more acquisition deals are available at attractive prices in a time of global economic uncertainty. Going forward, Li & Fung's growth strategy will continue to have a dual focus: both organic growth and strategic acquisitions. This has proven to be a very effective business model for Li & Fung over the years. In addition, dividend payout will be tied to core operating profit and a higher level of cash will be retained to provide funding for future acquisition opportunities."

Looking ahead, Mr. Fung said, the Group remains optimistic. "The goals of our current Three-Year Plan are ambitious as usual. The economic environment may have worsened since the goals were set two years ago but we are making necessary adjustment to our operations and taking advantage of acquisition opportunities. We remain committed to striving for our target of US\$1.5 billion in core operating profit by 2013," he concluded.

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About Li & Fung Limited

Li & Fung Limited (SEHK:494), the Hong Kong-headquartered multinational group, is recognized as the world's leader in consumer goods design, development, sourcing and distribution. It manages the supply chain for retailers and brands worldwide with over 300 offices and distribution centers in more than 40 economies spanning across the Americas, Europe, Africa and Asia. Through its three interconnected Business Networks – Trading, Logistics and Distribution – the Group offers a spectrum of services that covers the entire supply chain end-to-end. Corporate website: www.lifung.com

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