



CHINA ERATAT SPORTS FASHION LIMITED

(Company Registration No: 200705552D)

SUCCESSFULLY REPOSITIONED AS A CASUAL FASHION WEAR COMPANY

Since 2008, we have made strategic changes to reposition ourselves as a casual fashion wear company and away from the sportswear segment. This was a response to our observation that the age group of our target consumers has been widening, ranging from 18 to 48 years old, and increasingly, they prefer casual fashion wear over sportswear.

We are proud to say that we have successfully repositioned ourselves as a casual fashion wear company as our casual wear had increased to account for 68% of our total ERATAT Brand revenue in FY101H, from 46% and 36% in FY2009 and FY2008 respectively, as illustrated in the tables below.

(Eratat Brand Total Revenue)

ERATAT Brand (RMB 'M)	FY08		FY09		FY101H	
Sports	269.9	64%	389.3	54%	155.2	32%
Casual	150.3	36%	332.1	46%	322.3	68%
	420.2	100%	721.5	100%	477.4	100%

ERATAT Brand Footwear (RMB 'M)	FY08		FY09		FY101H	
Sports	182.3	69%	275.6	60%	139.2	48%
Casual	82.0	31%	187.5	40%	150.4	52%
	264.2	100%	463.1	100%	289.6	100%

ERATAT Brand Apparel (RMB 'M)	FY08		FY09		FY101H	
Sports	87.7	56%	113.7	44%	16.0	9%
Casual	68.4	44%	144.7	56%	171.9	91%
	156.0	100%	258.4	100%	187.8	100%

To better reflect our business strategy and results, we will be seeking our shareholders' approval to change our company name to "**China Eratat Fashion Limited**" in an Extraordinary General Meeting that will be held on the same day as the upcoming Annual General Meeting currently scheduled to be held in July 2010.

By Order of The Board

Lin Jiancheng (林建程)

Executive Chairman and CEO

13 January 2010

The initial public offering of the Company's shares was sponsored by Kim Eng Capital Pte. Ltd. who assumes no responsibility of the content of this announcement.