

**LUK FOOK ANNOUNCES ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2008
NET PROFIT INCREASED 59% TO HK\$313,989,000
DECLARES FINAL DIVIDEND OF HK15.5 CENTS PER SHARE**

(Hong Kong, 24 July 2008) --- **Luk Fook Holdings (International) Limited** ("Luk Fook" / "The Group") (SEHK Code: 590) today announces its annual results for the year ended 31 March 2008. For the year under review, the Group's total turnover was approximately HK\$3,367,182,000, representing a 18.3% growth as compared to HK\$2,845,147,000 in the previous year. Profit attributable to shareholders rose 58.5% to approximately HK\$313,989,000 from HK\$198,059,000 of last year. Basic earnings per share were HK 63.8 cents (2007: HK 40.3 cents). The Group's turnover in retail business jumped 35% to HK\$2,501,322,000 while wholesale business dropped 13% to HK\$861,599,000. However, turnover in wholesale business excluding trade-in transaction rose 27% to HK\$232,090,000.

The Directors proposed a final dividend of HK 15.5 cents per share (2007: HK 11.0 cents per share) for the year ended 31st March 2008. The payout ratio was 24.3%. In addition to the interim dividend of HK 10.0 cents per share already paid, the dividend for the full year amounted to HK 25.5 cents per share (2007: HK 18.0 cents per share).

Mr. Wong Wai Sheung, Chief Executive of the Group, said, "The overall performance in the financial year 2007/08 was encouraging. Thanks to the robust local financial market and the fast growing PRC economy, as well as the appreciation of Renminbi, our total turnover maintained a satisfactory double-digit growth. Driven by strong retail sales of jewellery and an improvement in overall operational efficiency, we achieved a significant profitability growth last year."

The Hong Kong market remained the key market of the Group. The Hong Kong operation accounted for approximately 87% of the total turnover. Contributed by the huge spending of the PRC tourists and local consumers, turnover in the Group's retail business in Hong Kong grew by 35% from last year. During the year under review, the Group opened four new shops in Mong Kok, Causeway Bay and Central.

During the year, the Group accelerated its expansion in the PRC. Seven new shops were established in six cities including Beijing, Shanghai, Hangzhou, Ningbo, Lanzhou and Jinan, bringing the number of self-operated shops in the PRC to a total of 11. Meanwhile, the Group continued to extend its licensee shop network. As at 31st March 2008, the Group had over 340 licensee shops in the PRC.

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"To take the advantages of the domestic retail industry brought by the Beijing Olympics and the booming PRC economy, we accelerated our expansion in the PRC, especially self-operated shops. We are very delighted to see a surge in turnover from our PRC retail operation, which demonstrated that our business strategies in the PRC market were successful and effective." **Mr. Wong** continued.

As for the Macau market, the Group opened the third self-operated shop in the Grand Canal Shoppes at the Venetian Resort in December 2007. The Group's sales in other two shops in Macau also benefited from the growing tourists arrivals and rising tourist consumption.

Besides, the Group continued to explore potential overseas markets to realize its globalization strategy. Apart from the retail outlets in Canada and the US, the Group opened another new shop under the brand name of "Luk Fook" in New York in December 2007. As at 31st March 2008, the Group had 44 wholly owned retail outlets under the brand name of "Luk Fook" in the PRC, Hong Kong, Macau, the United States and Canada.

During the year, the Group obtained a number of awards in recognition of its outstanding brand building and management and jewellery design, such as the "PRC Consumers' Most Favorable Hong Kong Brands" and "The Most Favorable Brands of the Nation" in the "PRC Consumers' Most Favorable Hong Kong Brands" Competition, "The Best Brand Enterprises Award", "The 9th Hong Kong Jewellery Design Competition" and "The Tahitian Pearl Trophy Asia 5th Edition", etc.

"Looking ahead, as our Hong Kong operation remains steady, we believe the PRC operation will become our key growth driver in the future. Riding on our strong brand effect in the PRC, we will endeavor to further widen Luk Fook's retail network there. Meanwhile, we will actively explore the possibility of tapping into other new cities such as Las Vegas, Dubai and the Southeast Asia region." **Mr. Wong** concluded.

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About Luk Fook Holdings (International) Ltd. (Stock Code: 0590)

Luk Fook principally engages in the sourcing, designing, wholesaling and retailing of a variety of gold jewellery, gold ornaments, gem-set jewellery, gemstones and other accessory items. Luk Fook Group currently has a total of over 410 retail outlets in Hong Kong, the PRC, Macau, Canada and the United States.