

## Ming Pao Daily News report of October 13<sup>th</sup>, 2009

### Hong Kong – October 16<sup>th</sup>, 2009

The Ming Pao Daily News (“Ming Pao”) published an article on Wednesday, October 13<sup>th</sup>, 2009 about the Chinese government stepping up its enquiries into transfer pricing practices of Hong Kong companies. The article erroneously reported that in July 2008 the Guangzhou Municipal Office of the State Administration of Taxation of the People’s Republic of China (the “SAT Guangzhou Office”) assessed RMB90 million (approximately HK\$100 million) in additional taxes in relation to the Giordano Group’s transfer pricing practices. Giordano wishes to clarify that there was no such event.

The Group further clarifies that the SAT Guangzhou Office did conduct a review of the Group’s transfer pricing policy which resulted in a reassessment of additional Foreign Enterprise Income Tax but the review was conducted in 2006 and the additional tax assessed was approximately HK\$66 million. This has previously been disclosed in an announcement made on February 9<sup>th</sup>, 2007 and in Giordano’s 2006 Annual Report.

Ming Pao has published a correction and clarification notice in today’s edition.

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### About Giordano:

Giordano is a leading international retailer of men’s, women’s and children’s apparel under the brand names *Giordano*, *Giordano Concepts*, *Giordano Ladies*, *Giordano Junior* and *BSX*. Established in 1981, Giordano now operates over 1,900 stores and counters in Greater China, Japan, Korea, Southeast Asia, Australia, India and the Middle East. Giordano is listed on the Hong Kong Stock Exchange under the stock code 709.

### For further information, please contact:

William Yue

Telephone: +852.2746.4727

E-mail: [williamyue@giordanogroup.com](mailto:williamyue@giordanogroup.com)

Rosa Li

Telephone: +852.2746.4774

E-mail: [rosali@giordanogroup.com](mailto:rosali@giordanogroup.com)