

## Giordano reduces interest in garment manufacturing joint venture

**June 5<sup>th</sup>, 2008, Hong Kong**

Giordano International Limited (“Giordano” or the “Company”) announced that on June 2, 2008 it has completed the partial disposal of its interest in Speedy Garment Manufacturing (Hong Kong) Company Limited (“Speedy Garment”), the Company’s unlisted jointly controlled garment manufacturing company with operations located in Dongguan, Guangdong. The transaction reduced the Company’s interest in Speedy from 49.0% to 9.9%, and underscores Giordano’s commitment to focus on growing its retail business in Mainland China. The transaction is not expected to have a material impact on the Company and does not constitute a discloseable transaction under Chapter 14 of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited.

“Giordano has long considered its competitive advantage to rest with the design, merchandising and marketing rather than the production of apparel. As such, our long term strategy is to focus on growing our retailing business, especially in Mainland China, and to de-emphasize our manufacturing operations. Indeed, we have steadily increased the proportion of garments that we outsource from 74% in 2006 to 84% last year. Although the proceeds and resulting gain on disposal are not material, nevertheless this transaction further underscores Giordano’s commitment to focus on retailing,” remarked Dr. Lau Kwok Kuen, Peter, Chairman and Chief Executive of Giordano International Limited.

Dr. Lau continued, “Although Giordano’s long term strategy is to de-emphasize our manufacturing operations and increase out-sourcing, we also seek to strengthen our relationship with selected key vendors to ensure long term competitiveness. Since Speedy Garment is one of Giordano’s key vendors, we consider it advantageous to retain a small yet visible 9.9% shareholding in Speedy Garment in order to highlight our commitment to maintain a long term strategic partnership with Speedy Garment.”

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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 1,900 stores and counters in Greater China, Japan, Korea, Southeast Asia, Australia, India and the Middle East.

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