



OVERVIEW

Maintaining effective investor relations (IR) has always been a top priority for the Group. The management philosophy of Li Ning Company is predicated on providing consistent and transparent disclosure of information to all stakeholders, including Shareholders, investors and media. The Company strongly believes that helping the investment community fully understand its current position and future direction is vital to its long-term success. The IR Department is, therefore, committed to producing and disseminating a constant flow of timely information regarding long-term development strategies, competitive landscape and financial performance, and maintaining an open, two-way dialogue with the Group's stakeholders.

The Group experienced an unusual year in 2010, the LI-NING brand was taken to the next level via the brand revitalisation, yet the speed at which the market developed and changed was faster than expected; thus, the Group experienced many difficulties and faced various challenges. For this reason, the IR Department had also experienced unusual challenges during the year. As the market was calling for more stringent needs for communication, the Group intensified its communications with investors by organising a variety of IR activities and other initiatives in order to quickly respond to market needs.

The Company proactively arranged many communication programmes to ensure that all parties received the greatest value from available data and learned experiences through the sharing of information as well as the collection and dissemination of valuable feedback from stakeholders. This has given the Company the added benefit of incorporating the comments and suggestions into its future business strategies and directions to ensure it is well prepared as the Company enters a new period of business growth that builds on past successes.

These efforts have reaped many awards for the Company throughout the years, and 2010 was no exception. The Company takes great pride in having received the following honours:

- Titanium Award for "Corporate Governance, Social Responsibility and Investor Relations" by The Asset Corporate Awards 2010
- Wall Street Journal Asia 200
- "SILVER Award" in the category/classification Interior Design: Sports Equipment & Goods for the Company's 2009 Annual Report by ARC Awards, the highest honour in this category

- “Honors Award” in the Design: Interim Report category for the Company’s 2010 Interim Report by MERCURY Awards 2010-2011.

These awards were all presented by widely-acclaimed international organisations. Companies are being judged based on their overall business performance, management strategies, corporate governance and transparency as well as quality of investor relations work. The Company relishes these honours as they reflect its sound planning and implementation of the highest standards in IR principles and practices.

Comprehensive IR Program

The Company strictly adheres to non-selective disclosure guidelines to ensure that communications with Shareholders, investors and the media are open and fair. No material, non-public information is made available to any individual on a selective basis.

Given the unique circumstances of 2010, the Company increased the frequency and intensity of its external communications to keep the financial community updated of its activities. The Company utilised a wide range of communication channels to interact with investors and generate greater awareness in its latest developments, on the top of the regular annual and interim results presentations.

– International roadshows and investment forums:

During 2010, the Company’s management actively engaged the investor community through participation in a number of international roadshows and investment forums hosted by leading financial institutions in Asia, the United States and Europe. These events allowed the Company’s management to have direct dialogues with investors and to present its latest developments to them personally.

– Ongoing communication with the investment community

The Company employs a dedicated team of IR professionals to keep investors up to date of its latest developments and business operations via a wide range of investor

communication events. Communication materials in the form of press releases or announcements were distributed to investors and to the media in relation to business updates. Telephone conferences were also hosted to engage investors in a more interactive manner. In addition, in January 2011 the Group hosted a management presentation with investors to facilitate their understanding of its future outlook and strategies.

– Reverse roadshows and store visits

In June 2010, the Group invited a group of investors to attend its brand revitalisation kick-off presentation. There, management provided details of the brand revitalisation project’s current status and future plans. In addition, a tour of the Group’s sixth generation stores, which incorporate the corporate identity of the Group’s new brand positioning, was also organised. In November 2010, the Group invited a group of investors to take part in Q2 2011 trade fair for the LI-NING brand, during which the management also shared with them the Group’s latest developments and business updates.

– Investor opinion survey

Since its listing on the Hong Kong Stock Exchange in 2004, the Company has conducted investor opinion survey annually to gauge from them valuable insights and guidance to help improve its business strategies. From this year’s survey, an impressive amount of practical feedback was received from investors regarding the Group’s strategy and future developments. They also offered many invaluable suggestions and comments, all of which have been relayed to the management and will serve an instrumental role in the Group’s future strategic decisions.

– Media Relations

Good media relations constitutes an integral part of the Company’s IR efforts. The IR Department has made full use of various media channels, including news releases, press conferences and media interviews, to disseminate information to the public. In addition, the Group invited a group of reporters to participate in the brand revitalisation kick-off event in June 2010.



SUMMARY

During the year under review, management has conducted many IR activities, such as road shows and investor group on-site conferences to enhance investor relations and communications. Details of these activities are as follows:

Event type	2010	2009
Result presentations for investors and media	2 times	2 times
Roadshows (including reverse roadshows)	14 times (total 215 meetings)	12 times (total 124 meetings)
Investment forums	10 times (total 95 meetings)	8 times (total 59 meetings)
Investors group on-site conference	9 times	5 times
Media interviews	4 times	3 times
Media on-site visit	1 time	0 time
Regular face-to-face meetings with investors	68 times	92 times
Conference calls with investors	52 times	32 times
Visits to the Company's stores	22 times	32 times
Sell-side analysts conference-calls	4 times	2 times
Investor opinion survey	1 time	1 time

CORPORATE WEBSITES

The corporate websites, www.lining.com, www.irasia.com/listco/hk/lining and www.li-ning.com, facilitate the dissemination of the Company's latest information. Extensive presence on the internet offers stakeholders a major source to readily retrieve information on the Group's activities, corporate governance, management, operating and financial performance, latest business developments, as well as share price performance. The websites are also being used as a platform to regularly dispatch the latest Company announcements, interim and annual reports, in addition to other corporate information.

FUTURE OUTLOOK

The Company understands that the future will be full of challenges, but it will continue its dedication to providing high value IR services. The Group's long-standing efforts devoted to strengthening communications with the investment community will continue unrelentingly. Through its work, the IR Department hopes more and more investors will discover Li Ning, listen to Li Ning, understand Li Ning, care about Li Ning, and ultimately grow with the Company.