



China Sports International Limited
 Dingxing Industrial Zone,
 Yangdai, Jinjiang City, Fujian Province,
 The People's Republic of China 362218

NEWS RELEASE

CHINA SPORTS 1H08 NET PROFIT JUMPS 42.8% TO RMB105.1 MILLION ON STRONG ORDERS FOR YELI FOOTWEAR AND APPAREL

Financial Highlights	3 months ended 30 June			6 months ended 30 June		
	2Q08	2Q07	Change	1H08	1H07	Change
RMB (million)						
Revenue	465.9	310.6	50.0%	868.7	521.8	66.5%
Gross Profit	105.2	69.9	50.5%	194.0	111.1	74.6%
Net Profit	58.7	47.0	24.9%	105.1	73.6	42.8%
Selling & Distribution expenses (S&D)	19.7	5.2	281.5%	39.2	9.1	330.8%
S&D as % of Revenue	4.2%	1.7%	+2.5ppt	4.5%	1.7%	+2.8ppt

- ✔ YELI footwear sales jumped 82.2% in 1H08 to RMB555.6 million**
- ✔ YELI apparel sales surged 88.1% in 1H08 to RMB153.7 million**
- ✔ Gross profit margin improved due to strong sales growth for YELI apparel and YELI footwear ASP rose by 21.1% in 1H08**
- ✔ Optimistic of performance in 2008 as sports fashion market has been growing faster than the overall sportswear market**
- ✔ Introducing higher margin YELI accessories products in 2H08**
- ✔ Tax savings to positively impact net profit in 2H08 and 2009**
- ✔ 1H08 EPS increased to RMB 15.6 cents per share**

SINGAPORE, 14 August, 2008 – Mainboard-listed China Sports International Limited (中国体育国际有限公司) (“China Sports” and together with its subsidiaries, the “Group”), a branded sports fashion footwear and apparel company based in the PRC, reported a sterling set of results for the first six months ended 30 June 2008 (“1H08”).

Group revenue rose by 66.5% to RMB868.7 million in 1H08 as compared to RMB521.8 million in the same period last year ("1H07"). Gross profit surged by 74.6% to RMB194.0 million from RMB111.1 million while net profit jumped 42.8% to RMB105.1 million from RMB73.6 million.

Mr Lin Shaoxiong (林少雄), Chief Executive Officer of China Sports said, "We are pleased to report another positive set of results. Our strategy to reduce exposure to the OEM market by focusing more on our own branded and higher margin sports fashion market is paying off. The strong order growth for both YELI footwear and apparel reflects the growing acceptance and recognition of YELI sports fashion wear. The improving product mix has also helped to raise our Group's gross profit margin."

The increase in revenue was mainly attributable to the expansion of the Group's distribution network and strong sales growth for both YELI footwear and YELI apparel. Sales for YELI footwear jumped 82.2% in 1H08 to RMB555.6 million from RMB304.9 million in 1H07. Sales for YELI apparel also surged by 88.1% to RMB153.7 million in 1H08 from RMB81.7 million in 1H07.

As a result of strong order growth, contribution to Group revenue by YELI products rose to 82.0% in 1H08 from 74.0% in 1H07. Contribution from OEM footwear to Group revenue decreased to 18% in 1H08 from 26% in 1H07.

The Group's gross profit margin rose to 22.3% in 1H08 from 21.3% in 1H07. This improvement was attributed to the strong sales growth for the higher margin YELI apparel and increase in the ASP of YELI footwear. YELI footwear ASP rose by approximately 21.1% to RMB73.9 in 1H08 from RMB61.0 in 1H07, reflecting stronger pricing power as YELI brand value grows through intensified advertising and promotional ("A&P") activities.

Selling and distribution costs increased by 330.8% to RMB39.2 million in 1H08 from RMB9.1 million in 1H07. The increase was in line with the Group's strategy to build the YELI brand value through intensified A&P activities. Selling and distribution costs accounted for approximately 4.5% of the Group's revenue in 1H08, up from 1.7% in 1H07.

The Group added approximately 150 new point of sales in 2Q08 with total point of sales reaching approximately 2,250 as at the end of June 2008. Majority of the point of sales added in 2Q08 were new generation specialty stores located at the street level with larger display area. The larger new generation specialty stores will help to increase YELI brand visibility and provide a good platform to introduce the expanding product range of YELI footwear and apparel. The Group also plans to introduce the high margin YELI accessories products in the second half of 2008.

OUTLOOK

The Group believes that major sporting events such as the 2008 Beijing Olympic Games, the 2010 Guangzhou Asian Games and 2011 Shenzhen World University Games will increase awareness and participation in sports in the PRC. At the same time, the sustained growth of the PRC economy which resulted in higher purchasing power will continue to underpin demand for sporting goods in the PRC.

Mr. Lin added, "The prospects for the Group's key market in the PRC, sports fashion market remains bright. Recent market trend suggests that the sports fashion market in the PRC has been growing faster than the overall sporting goods market as consumers increasingly use sportswear as casual wear. This trend is likely to continue in the next few years as sports fashion wear is able to meet the demand for comfort use as everyday wear and for functional use during sporting activities. China Sports is well positioned to benefit from this growing trend."

To capitalize on potential growth opportunities, the Group will continue to focus on network expansion, product development and enhancement as well as strengthening brand value through A&P activities.

Since expanding the in-house product development team in 2007, it has enhanced the Group's ability to introduce new and broader range of footwear and apparel with trendy and fashionable designs, which appeal to its target consumers. During the trade-fairs held in 2Q08, the Group introduced more than 100 new footwear designs and approximately 200 new apparel designs and have received encouraging orders from its distributors.

In 2008, China Sports intends to increase its A&P expenses to strengthen YELI brand value. The Group will continue to leverage on various forms of advertising avenues and promotional activities, including TV commercials, internet advertising, out-door advertising and sponsorships to grow YELI brand value and market share.

The Group has established co-operation with two of the leading websites in the PRC www.sohu.com and www.sports.cn to promote YELI brand awareness. In addition to Hunan TV, China Sports has started to advertise through the PRC national TV channel CCTV. This will provide additional platform to increase YELI brand visibility and attract new distributors from other provinces in the PRC which the Group currently has no exposure.

The Group is pleased to inform that its wholly owned subsidiary, Yeli (China) Co., Ltd ("Yeli China") qualifies as a wholly-owned foreign entity and will be entitled to tax exemption from the second half of 2008 until December 2009. The Group's own YELI brand related business will be progressively transferred to Yeli China.

Since YELI related business accounts for a significant part of the Group's sales and net profit, the tax savings are expected to positively impact the net profit of the Group during the second half of 2008 and during the financial year 2009.

Barring unforeseen circumstances, we are optimistic about our performance for the remaining period of the financial year.

###

About China Sports International Limited

China Sports International Limited is principally engaged in the design, manufacture and sale of sports fashion footwear and design and sale of sports fashion apparel under its own 野力 ("YELI") brand. The Group's products are designed for a broad range of activities catering to the lifestyles of its targeted consumer group age between 12 to 30 years old. The products are sold through distributors who have a retail network of more than 2,250 point of sales throughout the PRC and also exported to countries in Europe, the Middle East, South America, Asia and South Africa.

Note:

This release may contain predictions, estimates or other information that may be considered forward-looking statements. Actual results may differ materially from those currently expected because of a number of factors. These factors include (without limitation) changes in general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, changes in operating expenses, including employee wages and raw material prices, governmental and public policy changes, social and political turmoil and major health concerns. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.

For further information please contact:

Mr. Parry Ng
VP, Corporate Communications & Investor Relations
China Sports International Limited
Tel: +65-96647316
Email: parry@chinasportsintl.com