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(Incorporated in Bermuda with limited liability)
(Stock Code: 999)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF APPROXIMATELY 90.27%
INTEREST IN NOWHERE CO., LTD.**

The Board is pleased to announce that on 31 January 2011, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendors entered into the Sale and Purchase Agreements, pursuant to which the Purchaser agreed to acquire and the Vendors agreed to sell a total of 668 Shares, representing approximately 90.27% of the entire issued share capital of Nowhere at an aggregate consideration of JPY230,000,000.

Nowhere Group operates a menswear, ladies' wear, kids' wear fashion and related accessories retail and wholesale business under various brand names, including "A Bathing Ape", "Bape", "baby milo", "BAPE STA", "URSUS BAPE", "Mr. BATHING APE" in various countries and owns the relevant trademarks.

As the relevant percentage ratios for the transactions contemplated under the Sale and Purchase Agreements calculated pursuant to the Listing Rules are more than 5% but less than 25%, the transactions contemplated under each of the Sale and Purchase Agreements constitute a discloseable transaction for the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

THE SALE AND PURCHASE AGREEMENT 1

Date : 31 January 2011

Vendor : Mr. Tomoaki Nagao

Purchaser : I.T Nowhere Holdings (HK) Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Mr. Nagao is an Independent Third Party and not a connected person of the Company.

Interests to be acquired

Sale Shares 1 : 468 Shares in the capital of Nowhere, representing approximately 63.24% of the issued share capital of Nowhere

Consideration and Completion

The consideration payable by the Purchaser to Mr. Nagao under Sale and Purchase Agreement 1 is JPY120,000,000 which was deemed to be settled in full by the Prepayment at Completion which took place immediately after the signing of the Sale and Purchase Agreement 1. Completion of the Sale and Purchase Agreement 1 was conditional upon and took place simultaneously with the Completion of the Sale and Purchase Agreement 2. The consideration was arrived at after arm's length negotiations between the Purchaser and Mr. Nagao having regard to the assets and liabilities, cashflow and business and future prospects of Nowhere Group.

THE SALE AND PURCHASE AGREEMENT 2

Date : 31 January 2011

Vendor : Springlane Global Investment Ltd

Purchaser : I.T Nowhere Holdings (HK) Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Springlane is an investment holding company and Springlane and the ultimate beneficial owner of Springlane are Independent Third Parties and not connected persons of the Company.

Interests to be acquired

Sale Shares 2 : 200 Shares in the capital of Nowhere, representing approximately 27.03% of the issued share capital of Nowhere

Consideration and Completion

The consideration payable by the Purchaser to Springlane under Sale and Purchase Agreement 2 is JPY110,000,000 which is payable in full in cash on Completion. Completion of the Sale and Purchase Agreement 2 was conditional upon and took place simultaneously with the Completion of the Sale and Purchase Agreement 1. The consideration was arrived at after arm's length negotiations between the Purchaser and Springlane having regard to the future prospects of Nowhere Group and the Purchaser's majority control of Nowhere after Completion.

INFORMATION ON NOWHERE

Nowhere is a limited liability company incorporated in Japan on 25 January 1995. The principal business of Nowhere is menswear, ladies' wear, kids' wear fashion and related accessories retail and wholesale business under various brand names, including, "A Bathing Ape", "Bape", "baby milo", "BAPE STA", "URSUS BAPE", "Mr. BATHING APE" in various countries and the ownership of the relevant trademarks.

Based on the unaudited consolidated financial statements of Nowhere Group prepared in accordance with accounting principles generally accepted in Japan as stipulated in Article 435(2) of the Company Law of Japan and Article 59(1) of the Corporate Accounting Regulations of Japan:

- (a) the financial information of Nowhere Group for the two financial years ended 31 August 2009 and 2010 was:

	Year ended 31 August	
	2010	2009
	JPY'000	JPY'000
Profit before taxation and extraordinary items	14,611	(97,047)
Extraordinary profit	29,290	931
Extraordinary loss	(145,042)	(172,859)
Income taxes	(17,909)	1,546
Loss for the year	(119,050)	(267,430)

- (b) the net liabilities of Nowhere Group as at 31 August 2010 was approximately JPY1,025,026,000.

REASONS FOR AND THE BENEFITS OF ACQUISITION

The Group is principally engaged in the retailing and trading of fashion wears and accessories. The Group has an extensive self managed retail network extending to over 350 stores across Greater China with staff around 4,200.

"A Bathing Ape", "Bape", "baby milo", "BAPE STA", "URSUS BAPE", "Mr. BATHING APE" and certain other brands owned by Nowhere are amongst the tops/popular and well known street wear fashion brand names in Hong Kong, Japan and in various countries. The Board considers that the acquisition of Nowhere would broaden the brand portfolio of the Company and increase its market share in the street wear fashion in Greater China.

The Group will strengthen Nowhere's global retail network to capture a larger market share. The Group will also promptly rationalise Nowhere Group's capital structure to restore a healthy balance sheet and positive cashflow. It is anticipated that measures

to be taken will include implementation of stringent cost controls, re-engineering workflows, reviewing the design and production cycles for the improvement of margin and production lead time.

Mr. Nagao is a well known designer and has been the icon behind the respective brands. He has agreed to serve as Creative Director of Nowhere for an initial period of two years in order to ensure a smooth transition and integration after the acquisition. He will focus on product design, brand direction and image development.

The Board is of the view that the terms of the Sale and Purchase Agreements are fair and reasonable, have been arrived at an arm's length basis and are in the interests of the Company and the Shareholders as a whole.

GENERAL

Upon Completion, (i) Nowhere will become a subsidiary of the Company and the results of Nowhere Group will be consolidated into the accounts of the Company; and (ii) all guarantee obligations of Mr. Nagao given to secure loans, banking facilities, shop leases and operational related utilities of Nowhere will be released and the Group will assume the guarantee obligations in an aggregate amount of approximately JPY4,310,644,000 (out of which approximately JPY2,573,936,000 relates to loans and banking facilities and approximately JPY1,709,000,000 relates to rental of the shop leases till lease expiry).

The total consideration paid to the Vendors was funded by the Group's internal cash. Upon Completion, the Company intends to fund Nowhere's operation from its internal resources and/or bank borrowings.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratios for the transactions contemplated under the Sale and Purchase Agreements calculated pursuant to the Listing Rules are more than 5% but less than 25%, the transactions contemplated under each of the Sale and Purchase Agreements constitute a discloseable transaction for the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

- “Board” board of Directors;
- “Company” I.T Limited, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange;

“Completion”	the completion of the Sale and Purchase Agreements;
“connected person”	has the meaning ascribed thereto under the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	party or parties that is or are independent of the Company and its connected persons;
“JPY”	Japanese yen, the lawful currency in Japan;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mr. Nagao”	Mr. Tomoaki Nagao;
“Nowhere”	Nowhere Co., Ltd., a company incorporated in Japan with limited liability;
“Nowhere Group”	Nowhere and US APE;
“Prepayment”	the refundable prepayment in the amount of JPY120,000,000 made by the Group to Mr. Nagao pursuant to the terms of a non-legally binding memorandum of understanding dated 9 July 2010 between i.t apparels Limited and Mr. Nagao;
“Purchaser”	I.T Nowhere Holdings (HK) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Sale and Purchase Agreements”	Sale and Purchase Agreement 1 and Sale and Purchase Agreement 2;
“Sale and Purchase Agreement 1”	the sale and purchase agreement dated 31 January 2011 entered into between the Company, the Purchaser and Mr. Nagao in relation to the sale and purchase of Sale Shares 1;

“Sale and Purchase Agreement 2”	the sale and purchase agreement dated 31 January 2011 entered into between the Purchaser and Springlane in relation to the sale and purchase of Sale Shares 2;
“Sale Shares 1”	the 468 Shares in Nowhere held by Mr. Nagao, representing approximately 63.24% of the entire issued share capital of Nowhere;
“Sale Shares 2”	the 200 Shares in Nowhere held by Springlane, representing approximately 27.03% of the entire issued share capital of Nowhere;
“Shareholders”	registered holder(s) of the shares in the Company;
“Shares”	share(s) in the issued share capital of Nowhere;
“Springlane”	Springlane Global Investment Ltd, a company incorporated in the British Virgin Islands with limited liability;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“US APE”	US APE LLC, a company established under the laws of the State of Delaware of the United States, a wholly owned subsidiary of Nowhere upon Completion; and
“Vendors”	Mr. Nagao and Springlane.

By Order of the Board
Sham Kar Wai
Chairman

Hong Kong, 31 January 2011

As at the date of this announcement, the Board comprises Mr. SHAM Kar Wai and Mr. SHAM Kin Wai as Executive Directors and Mr. WONG Wai Ming, Mr. Francis GOUTENMACHER and Dr. WONG Tin Yau, Kelvin as Independent Non-executive Directors.