

To: Business Editor
[For Immediate Release]



A strategic partnership leads to new growth opportunities for Bulgari watches in the Chinese market

***Bulgari watches will be distributed in over 50 new multibrand stores
for high-end watches located in the main cities of mainland China***

[24 November 2010, Hong Kong] Bulgari signed a strategic partnership with Hengdeli Holdings Limited, the largest retail company of high-end watches through multibrand watch stores located in mainland China.

In light of this agreement, Hengdeli will be the sole distributor of Bulgari watches through multibrand watch stores located in mainland China.

The agreement, to last for five years, aims at further increasing the visibility of Bulgari watches in the Chinese market through a presence in over 50 multibrand stores, located in the main cities of mainland China, which will be gradually opened in the next five years.

Cheung Yuping, Chairman of Hengdeli Holdings Limited, commented: "One of our important goals is to cooperate with top international brands to develop China luxury market. Bulgari is a distinguished brand name in the international luxury market and produces wonderful watches. We believe, with this agreement, that both companies can further develop their business and consumer recognition".

Francesco Trapani, Chief Executive Officer of the Bulgari Group, commented: "The agreement with Hengdeli is very important for Bulgari: on one hand, it will allow us to even more effectively cover the watch market, in an area with a huge potential such as mainland China where we already have 20 monobrand stores; on the other hand, this agreement, signed with one of the most important companies in the world for the distribution of international high-end watch brands, proves that our strategy for the watch business is correct and extremely competitive".

Bulgari is one of the global players on the luxury market. In 2009 the Group posted a turnover of 926.6 million Euro. Bulgari relies on a stores network in the most exclusive shopping areas in the world and on selected distributors. As of 30.09.2010 the number of the Bulgari stores in the world was 286 of which 171 as directly owned stores. Bulgari has a product portfolio that ranges from jewels and watches to accessories and perfumes. The Group is controlled by the Bulgari family, holding about 51% of the share capital. The remaining 49% is floating on the Milan Stock Exchange.

About Hengdeli Holdings Limited

Hengdeli Holdings Limited is the world's largest retailer of renowned international watch brands. The Group's strategic shareholders include the world's largest watch manufacturer and distributor – the Swatch Group and global luxury giant – the LVMH Group.

The Group owns an extensive retail network that includes Elegant (for luxury watches), Prime Time (for middle- to high-end watches), TEMPTATION (for high-end fashion watches) and various other brand boutiques. As of 30 June 2010, Hengdeli had an extensive sales network of 302 retail outlets in mainland China, Hong Kong and Taiwan, from which it distributes over 50 deluxe international watch brands. Across its entire wholesale operations, Hengdeli serves approximately 300 customers in over 50 cities in the PRC.

As an integral part of its retail business, the Group offers world-class customer care, including professional after-sales services to customers in China, Hong Kong and Taiwan. The Group's ancillary production company also provides strong support for its principal business operations.

The Group maintains close relationships with numerous internationally renowned branded watch suppliers, including the SWATCH Group, the LVMH Group, the RICHEMONT Group and the ROLEX Group. Hengdeli also distributes many internationally elite watch brands, mostly on an exclusive basis.

Hengdeli has been listed on the Main Board of the Stock Exchange of Hong Kong Limited since September 2005 under stock code 3389. The stock name is Hengdeli for short.

Issued by Porda International (Finance) PR Group for and on behalf of **Hengdeli Holdings Limited**.
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