361 Degrees International Limited
361度國際有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1361)

POSITIVE PROFIT ALERT

This announcement is made by 361 Degrees International Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that, based on its preliminary review of the unaudited consolidated management accounts of the Group for the ten months ended 31 October 2014 and information currently available to the Board, the Group expects to record a consolidated net operating profit for the year ending 31 December 2014 ("**current financial year**") which will be substantially higher than that recorded for the year ended 31 December 2013 ("**previous financial year**").

The substantial growth in operating profit is primarily because of a general improvement in the control over accounts receivables in the current financial year which resulted in no further impairment charge, whereas in the previous financial year, an impairment charge of RMB152.0 million was recorded in accordance with the established accounting policy of the Group.

There has also been a gradual improvement in consumer sentiment in the sportswear industry which has enabled both the operating revenues and margins of the Group for the ten months to 31 October 2014 to be generally maintained whilst costs have been strictly controlled.

Reference is also made to the announcements of the Company dated 30 January 2014, 18 February 2014, 25 March 2014, 23 April 2014, 30 September 2014, 15 October 2014, 17 October 2014 and 3 November 2014 regarding the US$150,000,000 convertible bonds of the Company due 2017 ("**Convertible Bonds**").

As disclosed in the announcement of the Company dated 3 November 2014, the Company expects the redemption of the outstanding Convertible Bonds to be completed on 4 December 2014. In accordance with the current accounting policy of the Company, there will be adjustments to the fair values of the derivatives embedded in the Convertible Bonds which have to be reflected in the financial statements of the Company for the year ending 31 December 2014. These adjustments are non-operating in nature and will not affect the consolidated operating profit of the Group.

The information contained in this announcement is a preliminary review by the management of the Company based on information currently available to the Board, and is not based on any figures or information which have been audited or reviewed by the auditors of the Company.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company

By order of the Board
361 Degrees International Limited
Ding Hui Huang
Chairman

Hong Kong, 17 November 2014

As at the date of this announcement, the Directors of the Company are:

Executive Directors: Mr. Ding Wuhao, Mr. Ding Huihuang (Chairman), Mr. Ding Huirong and Mr. Wang Jiabi

Independent Non-Executive Directors: Mr. Yan Man Sing, Frankie, Mr. Tsui Yung Kwok and Dr. Liao Jianwen