

# LTH

## COURT DISMISSES CLAIMS IN LAWSUIT AGAINST LINK THEORY AND ITS OFFICERS

Tokyo, Japan (June 25, 2007) - Link Theory Holdings Co., Ltd. ("LTH" or the "Company") said today that a New York State Court, in a ruling issued on June 18, dismissed most of the claims brought against it and certain of its officers and subsidiaries by Elie Tahari, whose complaint sought damages in excess of \$180 million.

In the ruling, the Court dismissed, with prejudice, six of the seven causes of action alleged in the complaint, including breach of fiduciary duty, fraud and unjust enrichment claims. Those claims dealt with the Company's acquisition of Theory LLC and certain affiliated entities in September 2003.

"We're pleased that the court agreed that these claims were baseless and totally without merit," said Chikara (Ricky) Sasaki, President and Chief Executive Officer of the Company and the Chairman and Co-Chief Executive Officer of Link Theory Holdings (US) Inc. ("LTHUS"). "We will continue to focus on the quality and integrity of our product, and the evolution of the Company as a whole."

The complaint had asserted claims of breach of fiduciary duty, fraud, unjust enrichment and breach of contract against the Company, as well as against Link International Co., Ltd., a wholly-owned subsidiary of the Company in Japan; LTHUS; Chikara Sasaki; Andrew Rosen, the President and Co-Chief Executive Officer of LTHUS; and others.

The only claim that the Court permitted to go forward and proceed to discovery was the breach of contract claim against the Company and LTHUS, in which Mr. Tahari alleges that the Company and LTHUS owe approximately \$2 million for unpaid royalties that accrued prior to his sale of Theory LLC to the Company. The Company continues to believe that this breach of contract claim is totally without merit, and the Company and LTHUS will vigorously defend against that claim and will assert all available defenses.

### **About Link Theory Holdings Co., Ltd.**

LTH lies at the forefront of the contemporary market. Its core brand, Theory, continues to innovate this marketplace in its approach to the modern, intelligent consumer. Its philosophy emphasizes the growth potential of this segment worldwide. LTH acquired the Helmut Lang trademark in March 2006 and continues to seek to strengthen its brand portfolio, including the newly established "Premise" brand. LTH is based in Tokyo, Japan and its shares are listed on the Mothers section of the Tokyo Stock Exchange (Code:3373).

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