

[For immediate release]



Stella Announces Joint Venture with Deckers for the UGG Australia® Brand in China

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To Seize Opportunity on Lucrative Footwear Retailing Business in China

Hong Kong, July 11, 2008 – **Stella International Holdings Limited** (“Stella” or the “Group”; SEHK: 1836), a leading developer and manufacturer of quality footwear products, today announced that it has entered into a joint venture agreement with Deckers Asia Pacific Limited, a wholly-owned subsidiary of **Deckers Outdoor Corporation** (“Deckers”; NASDAQGS: DECK) for the establishment of joint venture in China for the opening of retail stores and wholesale distribution of footwear under the UGG Australia® brand in China. Initial plans call for the opening of one to two stores in 2008.

The joint venture will be owned 51% by Deckers and 49% by the Group. The initial investment in the joint venture is US\$1 million to be contributed by each party in proportion to their respective ownership in the joint venture. The estimated total investment amount for the joint venture is approximately US\$5 million.

Mr. Angel Martinez, President and Chief Executive Officer of Deckers, commented: “We are very excited about this initiative. China has quickly become a dynamic market for U.S. consumer branded footwear and apparel and we are confident that UGG Australia’s lifestyle message and product line will resonate very well in this new market. We have a long term relationship with Stella having worked with them for over 12 years and look forward to continuing to work closely with them in order to maximize the potential of this extremely compelling opportunity for our company.”

Mr. Jack Chiang, Chairman of Stella said, “We believe the UGG Australia brand is the ideal vehicle to launch our first joint venture since our public listing late last year. With our extensive experience in footwear manufacturing and operation of over 100 high-end *Stella Luna* and *What For* retail stores we are confident in our ability to quickly penetrate the market. In addition, this strategic alliance with Deckers will enable us to enhance our strong foothold

in the consumer sector throughout Greater China.”

Deckers strives to be a premier lifestyle marketer that builds niche brands into global market leaders by designing and marketing innovative, functional and fashion-oriented footwear developed for both high performance outdoor activities and everyday casual lifestyle use. UGG Australia® is one of the registered trademarks of Deckers.

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