forward-looking statements

This presentation and subsequent discussion may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Esprit. These forward-looking statements represent Esprit’s expectations or beliefs concerning future events and involving known and unknown risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied in such statements.
<table>
<thead>
<tr>
<th></th>
<th>FY04/05</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>turnover</td>
<td>20,632</td>
<td>+ 26%</td>
</tr>
<tr>
<td>operating profit</td>
<td>4,202</td>
<td>+ 46%</td>
</tr>
<tr>
<td>net profit</td>
<td>3,338</td>
<td>+ 67%</td>
</tr>
<tr>
<td>basic EPS (HK$)</td>
<td>2.79</td>
<td>+ 66%</td>
</tr>
<tr>
<td>shareholders’ funds</td>
<td>7,039</td>
<td>+ 30%</td>
</tr>
<tr>
<td>ROE</td>
<td>53.6%</td>
<td>+ 11.9% pts</td>
</tr>
</tbody>
</table>

*(in HK$ million, except per share data)*
record high full year margins

EBIT margin

20.4%

▲ 2.8% pts

higher productivity & operating leverage

- wholesale EBIT margin 27.4% ▲ 3.1% pts
- retail EBIT margin 10.7% ▲ 2.9% pts

net profit margin

16.2%

▲ 4.0% pts

top among global peers
turnover exceeded HK$20 billion ▲ 26%
gradual diversification ex-Germany

*adjusted to exclude last year’s Germany wholesale sales to Switzerland
double digit growth across key product divisions

**turnover**
HK$20.6 bn

- **women’s wear**: ▲ 31%
  - casual: 38% ▲ 26%
  - EDC: 14% ▲ 37%
  - collection: 8% ▲ 47%
  - sports: 3% ▲ 42%

- **men’s wear**: ▲ 31%

- **kids & edc youth**: ▲ 17%

- **accessories**: ▲ 25%

- **shoes**: ▲ 14%

- **others**: ▲ 1%
HK$11.9 bn wholesale turnover ▲ 24%
segment EBIT^ ▲ 40% to HK$3.3 bn

Wholesale turnover breakdown & yoy growth

<table>
<thead>
<tr>
<th>Region</th>
<th>yoy growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>▲ 16%*</td>
</tr>
<tr>
<td>Rest of Europe</td>
<td>▲ 35%</td>
</tr>
<tr>
<td>Benelux</td>
<td>▲ 18%</td>
</tr>
<tr>
<td>France</td>
<td>▲ 49%</td>
</tr>
<tr>
<td>Scandinavia</td>
<td>▲ 41%</td>
</tr>
<tr>
<td>Other Europe</td>
<td>▲ 57%</td>
</tr>
</tbody>
</table>

- net controlled selling space ▲106,000m²+ (▲31%) to 443,000m²+
- ex-Germany wholesale profitability enhanced with economies of scale

*adjusted to exclude last year’s Germany wholesale sales to Switzerland
^segment EBIT excluding inter-segment licensing expense
HK$8.5 bn retail turnover ▲ 31%
segment EBIT^ ▲ 79% to HK$917 mn

Retail turnover breakdown & yoy growth

<table>
<thead>
<tr>
<th>Region</th>
<th>Yoy Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>▲ 28%</td>
</tr>
<tr>
<td>North America</td>
<td>▲ 50%</td>
</tr>
<tr>
<td>Australasia</td>
<td>▲ 2%</td>
</tr>
<tr>
<td>Asia</td>
<td>▲ 21%</td>
</tr>
<tr>
<td>Rest of Europe</td>
<td>▲ 53%</td>
</tr>
<tr>
<td>Benelux</td>
<td>▲ 27%</td>
</tr>
<tr>
<td>France</td>
<td>▲ 45%</td>
</tr>
<tr>
<td>Austria</td>
<td>▲ 60%</td>
</tr>
<tr>
<td>Other Europe</td>
<td>▲ 147%</td>
</tr>
</tbody>
</table>

- net selling space ▲ 23,000m²+ (▲ 14%) to 193,000m²+
- group comp-store growth: 8.5%* ▲ 3.2% pts (FY03/04: 5.3%*)
- Hong Kong market returned to profitability

*in local currency terms
^segment EBIT excluding inter-segment licensing expense
strong cash flow from operations

HK$ bn

net cash as of June 30, 2005 ~1.7

after accounting for:

- total capex ~1.2
- dividends paid ~1.7
  (FY03/04 final & special, FY04/05 interim)

proposed total dividend ~HK$1.8 billion,
  (final: ~HK$0.66/share, special: ~HK$0.84/share)

payout ratio for the year ~70%
FY05/06 targets

- sales growth (local currency) ~20%
- net margin ~15%
- focus on improving retail profitability
1,400+ new wholesale POS

- new wholesale POS primarily in Germany, Benelux, France & Scandinavia
  - over 200 PSS, 500 SIS, 700 ID corners
- newer European markets:
  - U.K., Italy & Spain
- Asia initiatives:
  - India
  - duty free – Thailand, Philippines, Vietnam
- order booking to Dec. 2005 shows high teens % growth
~17% net increase in retail selling space

- HK$900+ million capex for new store openings and renovations
- 110+ new stores planned totaling 40,000m²+
  
<table>
<thead>
<tr>
<th></th>
<th>stores</th>
<th>m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe:</td>
<td>~ 40</td>
<td>~ 25,000</td>
</tr>
<tr>
<td>Asia:</td>
<td>~ 50</td>
<td>~ 4,000</td>
</tr>
<tr>
<td>N. America:</td>
<td>~ 10</td>
<td>~ 6,000</td>
</tr>
<tr>
<td>Australasia</td>
<td>~ 10</td>
<td>~ 3,000</td>
</tr>
</tbody>
</table>
- 5%+ comp-store growth
current U.S. profile

~30 POS with Nordstrom & 11 retail stores
- Soho
- Time Warner
- Flat Iron
- Bridgewater Commons
- Danbury
- Palisades Center
- Staten Island
- Menlo Park
- Freehold Raceway
- Leesburg
- Woodbury Common

~5 more stores planned for the remaining FY05/06
- Tysons Corner
- Westfield
- Roosevelt Field
- 2 outlets

maintains US$20 million annual investment target for the North America region
Q & A
U.S. strategy – focus on brand building

product
women’s casual, edc & accessories

distribution
retail ➔ “AAA” locations
wholesale ➔ “A” customers

location
northeast corridor from Boston to DC

building brand relevance - “affordable luxury” in casual clothing segment
ESPRIT is an international youthful lifestyle brand offering smart, affordable, luxury and bringing newness + style to Life.