Forward-looking Statement

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 involve 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>6 months ended Dec 31, 06</th>
<th>yoy growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>14,590</td>
<td>▲ 23.4%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>3,061</td>
<td>▲ 27.1%</td>
</tr>
<tr>
<td>Net profit</td>
<td>2,400</td>
<td>▲ 28.1%</td>
</tr>
</tbody>
</table>

▲ yoy HK$ change
Enhanced Profit Margins

- EBIT margin: 21.0% \(\uparrow 0.6\% \text{ pt}\)
- Net profit margin: 16.4% \(\uparrow 0.6\% \text{ pt}\)
Balance Sheet~ HK$10 bn Net Assets

Net cash          HK$3,590 mn ▲ 45.4% vs Jun 30, 2006

Interim dividend  HK$0.70/share ▲ 40.0% yoy

  Ex-dividend date          March 22, 2007
  Payment date              April 11, 2007

▲ yoy HK$ change
Gaining Momentum in Key Product Divisions

Women’s Casual ▲ 22.0%

edc ▲ 41.8%
edc-Men 2% ▲ 89.7%
edc-Women 17% ▲ 37.5%

Other divisions ▲ 17.7%

Men’s Casual & Collection 14% ▲ 25.4%
Women’s Collection 6% ▲ 14.0%
Kids & edc youth 6% ▲ 11.8%
Shoes 5% ▲ 27.5%
Accessories 5% ▲ 21.6%
Others* 8% ▲ 6.9%

HK$14.6 bn Turnover

▲ yoy HK$ change  |  ▲ % of 1H06/07 turnover

* incl. mainly Sports, Bodywear & Red Earth
HK$2.76 bn Turnover Growth

- Rest of Europe: 15.4% ▲ 27.8%
- Germany: 47.2% ▲ 23.5%
- Benelux: 15.3% ▲ 22.6%
- France: 7.9% ▲ 37.1%
- North America: 2.6% ▲ 9.7%
- Asia Pacific: 11.6% ▲ 13.8%
- U.K.: 1.8% ▲ 28.5%
- Hong Kong: 3.1% ▲ 13.4%
Double-digit % Growth from Both Channels

Retail

- 32.8%
- ~ 640 POS over 227,000 sqm

Wholesale

- 17.1%
- ~ 12,000 POS over 590,000 sqm controlled-space

HK$14.6 bn Turnover

- 44%
- Licensing & others 1% ▼7.9%
- 55%
New Strategic Dimension

**RETAIL**
EBIT margin ~18%
20%+ comp-store growth
- Europe 26%
- Asia Pacific 1%
- N. America 8%

**WHOLESALE**
EBIT margin ~26%
Maintain healthy profit margin to drive long-term growth

Group EBIT margin 21%
Second Half Outlook

**Retail**
- ~HK$400 mn capex in 2H06/07 for the opening of 30+ stores totalling over 14,000 sq. m
- Improve store image & visual display
- Right product assortment for every store

**Wholesale**
- Wholesale order book shows low teens % LCY* growth for Jan – May 2007
- Expansion focus on partnership store format

* LCY - in local currency
Strategic Initiatives

- **Products**: Give edc a unique identity in the market
  - NEW ESPRIT denim division

- **Retail Expansion**: Planning to open over 400 stores globally in the next 3 years

- **Wholesale Expansion**: Targeting to add over 1,000 partnership stores in the next 3 years
Q & A