

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Proposed Major Transaction in relation to a Proposed Spin-Off and Separate Listing of Esprit Europe AG (formerly known as Esprit Wholesale AG) on the Frankfurt Stock Exchange

Postponement of the Proposed Transactions. Further announcements will be made once a revised timetable is established within the time frame approved by the shareholders of the Company at its special general meeting held on June 9, 2000.

Trading in the shares of the Company was suspended from 10:00 a.m. on June 28, 2000 at the request of the Company pending release of this announcement and application has been made to the Stock Exchange for the resumption of trading in the shares of the Company from 10:00 a.m. on June 29, 2000.

The Directors refer to the announcement made by the Company dated June 16, 2000 ("**Announcement**") in respect of the Proposed Transactions. All terms used in this announcement shall bear the same meaning as defined in the Announcement unless otherwise defined herein.

It has been decided that the Proposed Transactions would be postponed. The Directors have been advised by the global co-ordinator and bookrunner to the Global Offering, Goldman, Sachs & Co. oHG ("**Goldman Sachs**"), that investors' response to Esprit Europe AG, its management and strategy was positive during the roadshow. Goldman Sachs has further advised that, despite having generated over-subscription for the Global Offering, it is more appropriate to bring Esprit Europe AG to the stock market when conditions in the apparel sector become more stable, which in turn would enhance the value of the offering. There is no definite timetable for resuming the Proposed Transactions and further announcements will be made once a revised timetable is established within the time frame approved by the shareholders of the Company at its special general meeting held on June 9, 2000.

SHAREHOLDERS SHOULD THEREFORE EXERCISE CAUTION IN DEALING IN THE SHARES OF THE COMPANY.

Trading in the shares of the Company was suspended from 10:00 a.m. on June 28, 2000 at the request of the Company pending release of this announcement and application has been made to The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") for the resumption of trading in the shares of the Company from 10:00 a.m. on June 29, 2000.

By Order of the Board
John Poon Cho Ming
Executive Director

Hong Kong, June 28, 2000

This announcement may be viewed on the internet at www.esprit-intl.com/company/financial/ and www.irasia.com/listco/hk/esprit