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ESPRIT

ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

EXCEPTIONAL PRICE MOVEMENT AND PLACING OF EXISTING SHARES

The directors of the Company have noted the increase in the price of the Shares today and wish to state that they are not aware of any reasons for such increase that has not been disclosed by the Company.

The Company has been informed today by the Vendor, a non-executive director and shareholder of the Company that the Placing Agreement has been concluded pursuant to which the Placing Agent will place, subject to conditions, 20,000,000 Shares to independent investors at the Placing Price of HK\$28.80 per Placing Share. The Placing Shares represent approximately 1.68% of the existing issued share capital of the Company.

The directors of the Company have noted the increase in the price of the Shares today and wish to state that they are not aware of any reasons for such increase.

The Company has been informed by the Vendor, a non-executive director and shareholder of the Company, that the Placing Agreement has been concluded on the terms summarised below.

Parties:

The parties to the Placing Agreement are:

- (1) the Vendor; and
- (2) the Placing Agent. J.P. Morgan Chase & Co. (which is not a connected person to the Company under the Listing Rules) and its associates are entitled to exercise voting rights in respect of 53,720,949 Shares, representing about 4.5% of the existing issued share capital of the Company.

The Vendor is a non-executive director of the Company. Based on the register kept by the Company pursuant to Part XV of the Securities and Futures Ordinance, the Vendor has an interest in 101,302,077 Shares, representing approximately 8.49% of the existing issued share capital of the Company. Upon completion of the placing, the Vendor's interest in the Company will be reduced to approximately 6.82%.

Placees:

The placees of the placing will be independent investors who are not connected persons of the Company as defined in the Listing Rules.

Number of Placing Shares:

20,000,000 Shares, representing approximately 1.68% of the existing issued share capital of the Company.

Placing Price:

HK\$28.80 per Placing Share, representing a discount of approximately 3.68% to the closing price of HK\$29.90 per Share as quoted on The Stock Exchange of Hong Kong Limited on Thursday, February 12, 2004.

Conditions of the Placing:

The Placing is conditional upon, inter alia, there having been, prior to completion of the Placing, no breach of the representations, warranties and undertakings given by the Vendor.

Completion of the Placing:

Completion of the Placing is currently expected to take place on February 17, 2004.

The directors of the Company also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Made by the order of the Board the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

Definitions

"Company"	Esprit Holdings Limited, a limited liability company incorporated under the laws of Bermuda, the Shares of which are listed on the Stock Exchange
"Board"	the board of directors of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Placing Agent"	J.P. Morgan Securities (Asia Pacific) Limited
"Placing Agreement"	the placing and underwriting agreement dated February 12, 2004 between the Vendor and the Placing Agent
"Placing Shares"	20,000,000 Shares beneficially owned by the Vendor
"Shares"	ordinary shares of HK\$0.10 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendor"	Jurgen Friedrich, a non-executive director of the Company

By Order of the Board
John Poon Cho Ming
Executive Director

Hong Kong, February 12, 2004

This announcement can also be accessed through our internet site at www.espritholdings.com