



FOR IMMEDIATE RELEASE

## **Esprit announces impressive results & dividend payout in its 10<sup>th</sup> listing anniversary**

- **Group turnover rose 34% to HK\$12.38 billion**
- **Net profit grew 28% to HK\$1.19 billion**
- **Net Cash increased over HK\$1 billion to HK\$1.32 billion**
- **Earnings per share rose 25% to HK\$1**
- **Proposed Final Dividend: HK32.5 cents per share**
- **Proposed Special Dividend: HK30 cents per share**

**HONG KONG, September 18, 2003 – Esprit Holdings Limited** (SEHK: 330; LSE: EPT LI) announced final results for the fiscal year ended June 30, 2003. Turnover grew by 34%, reaching HK\$12.38 billion for the year. Operating profit amounted to HK\$1.72 billion, registering a 31% year-on-year increase. Net profit grew to HK\$1.19 billion, reflecting an impressive growth of 28%.

Earnings per share rose 25% to HK\$1, and the Board of Directors recommended a final dividend of HK32.5 cents per share and a special dividend of HK30 cents per share in celebration of the Company's 10<sup>th</sup> anniversary of listing. Together with the interim dividend of HK7.5 cents, total dividend for the year increased 2.5 times to HK70 cents per share.

At a press conference in Hong Kong today, Michael Ying, Esprit's Chairman said, "2003 marks the 35<sup>th</sup> anniversary of the ESPRIT brand and the Company's tenth year as a listed entity on the Stock Exchange of Hong Kong." Mr. Ying added, "Having been through the ups and downs with Esprit for over three decades, I am very proud to see that the company has completed a decade of growth with outstanding results for this financial year."

Heinz Krogner, Deputy Chairman and Group CEO said, "This year, we made significant stride towards building a stronger global company. We integrated the strategies, system and thinking of different regions into one global structure. Esprit is now a global brand "at home" in Europe, North America and Asia."

Mr. Krogner added, “Our focus remains in two areas – offering high-quality products at a fair price and expanding our global distribution network.”

John Poon, Executive Director and Group Chief Financial Officer, stated, “All lines of business reported double-digit turnover growth and were profitable. We ended the year with over HK\$1.3 billion in net cash after having spent over HK\$300 million in capital expenditures. In view of our strong cash flow and balance sheet, the Board proposed to increase the dividend pay-out ratio from around 33% to 40%, and distribute a special dividend of HK30 cents per share in celebration of our 10<sup>th</sup> anniversary of listing.”

Mr. Poon continued, “To fuel our growth, we are allocating over HK\$600 million this financial year for capital expenditures.”

“With a solid foundation for continuous growth, we are confident that the years ahead will be even brighter as Esprit becomes more than a brand, but a lifestyle of quality, value, and style.” concluded Mr. Ying.

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Esprit Holdings Limited ([www.espritholdings.com](http://www.espritholdings.com)) is a constituent stock of the Hang Seng Index, MSCI Hong Kong Index, FTSE All-World Index for Hong Kong and S&P/HKEx LargeCap Index. Its subsidiaries are engaged in the retail and wholesale distribution of quality lifestyle products designed under its globally recognized ESPRIT brand and of cosmetic products under its RED EARTH brand. The Group operates around 570 directly managed retail stores and has over 6,000 wholesale outlets internationally, occupying over 400,000 square meters of retail space in more than 40 countries.

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