

A man and a woman are standing side-by-side against a solid red background. The woman on the left has long, wavy blonde hair and is wearing a black long-sleeved button-down shirt and dark blue jeans. The man on the right has short brown hair and is wearing a black long-sleeved button-down shirt with thin vertical stripes and dark blue jeans. Both are looking directly at the camera with neutral expressions. The text 'JPMorgan 11th Annual Asia Pacific Conference' and 'September 2006' is overlaid in red on the lower part of the image.

JPMorgan 11th Annual Asia Pacific Conference
September 2006

ESPRIT HOLDINGS LIMITED

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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 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.

Another record year

Double digit % growth with margin expansion

	HK \$mn	yoy growth*
FY05I06		
	~5% drop in Euro vs HK\$ translation rate included	
turnover	23,349	▲ 13.2%
operating profit	4,765	▲ 16.9%
net profit	3,737	▲ 16.4%
basic EPS (HK\$)	3.09	▲ 15.3%
EBIT margin	20.4%	▲ 0.6% pt
net profit margin	16.0%	▲ 0.4% pt

18.2% in
local
currency

* yoy comparison based on restated figures for FY04I05

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total full-year payout: 75% of EPS

Solid financial strength

	HK\$ mn	yoy change
Net Assets	9,107	▲ 29.4%
Free Cash Flow	2,591	▲ 74.9%
Net Cash	2,469	▲ 42.8%
ROE	46.3%	▼ 5.3% pts

Proposed dividend

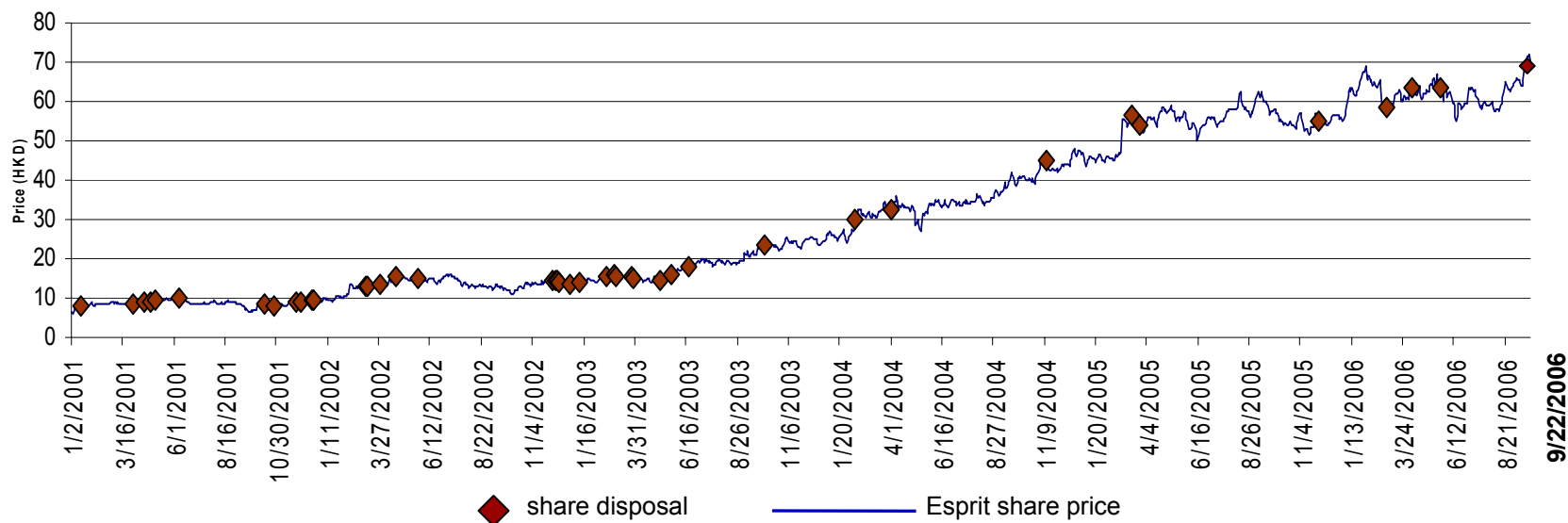
	HK\$/share	% of EPS
Regular		
Interim - paid	0.50	} 40%
Final	0.73	
Special	1.08	35%
	1.81	75%

payable on or about 8 Dec 06

Placement of 85mn shares to institutional investors globally

- Mr. Ying's shareholding reduced to 8.7%
- increase public free float to approx. 85%
- further improve liquidity and widen shareholder base

Price Trend & Directors' Disposals



Bloomberg data as of September 22, 2006

Prospect – organic growth intact

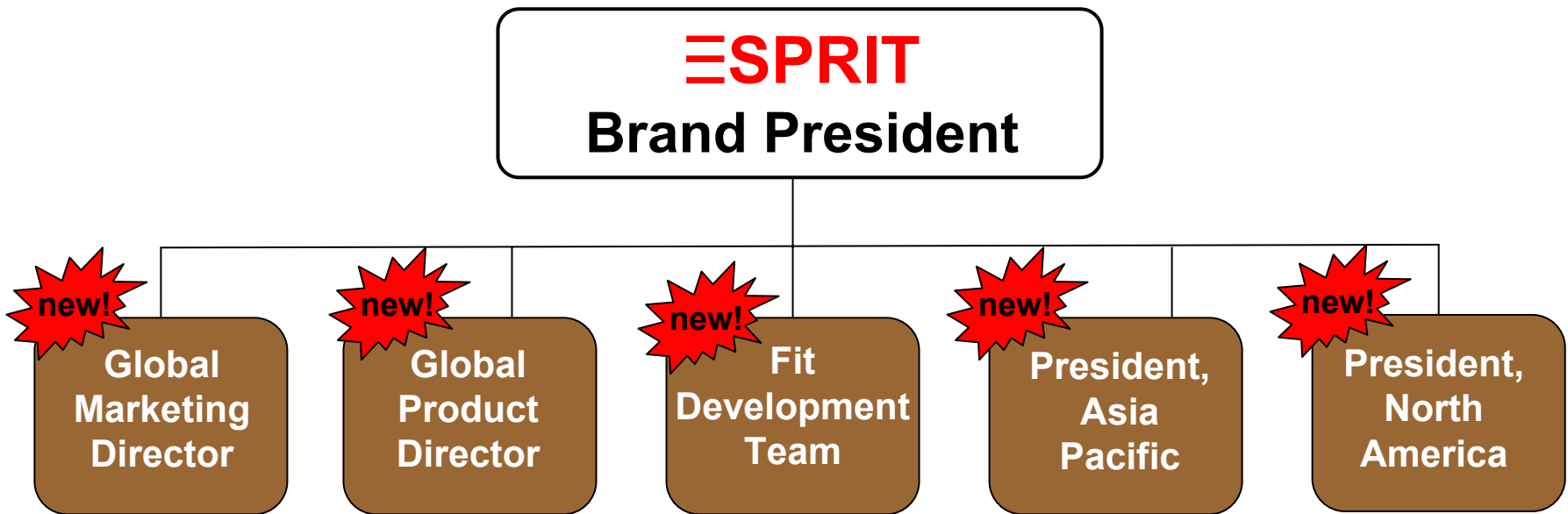
FY06I07 Targets

sales growth (local currency)	~20%
EBIT margin	~20%
net profit margin	~15%

Over HK\$1 bn CAPEX for growth

- **Further expand distribution network globally**
- **Upgrade IT systems to cope with long-term growth**

Strengthened management team



Enhanced internal control and better risks management

FY06|07 Focus

retail

- better product offering & customer service globally
- 80+ new stores totalling over 31,000 sqm primarily in:

Germany	over 14,000 sqm
Benelux	over 3,000 sqm
France	over 2,000 sqm
- more than 10% comp-store growth YTD Aug 2006

wholesale

- expansion focus: Spain, Italy, Canada, UK
- adding 1,500+ POS in Europe primarily in:

Germany	over 940
France	over 190
- 50+ new stores opening in India within 24 months
- low teens % yoy growth in pre-order to Dec 2006

Gaining traction in North America

FY05I06

- Wholesale sales ▲ 24.4%
- Retail sales ▲ 45.4%
- Comp-store sales ▲ 7.0%
- More full price sales
- Higher economies of scale
- Better operating margin

FY06I07 Goals

- Further sales & margin improvement
- Adding over 10 retail stores, over 15% increase in retail space
- Restructuring merchandise management

▲ yoy HK\$ growth

Current U.S. profile

Currently 14 retail stores

- Roosevelt Field
- Tyson's Corner
- Time Warner
- West Field
- Freehold Raceway
- Bridgewater Commons
- Woodbury Common
- Danbury
- Flat Iron
- Menlo Park
- Staten Island
- Palisades Center
- Leesburg
- Soho

3 more openings this FY

wholesale

- Partnership with Nordstrom
 - currently in ~30 doors
 - adding 50+ doors this year
- Pursuing business opportunities with potential partners nationwide

maintains US\$20 million annual investment target for the North American region

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live the purity

your invitation into a brand new world. a world filled with clarity, simplicity, understatement and personality. enjoy latest fashion items and go for a new look.

join a culture as inspiring as your individuality.