



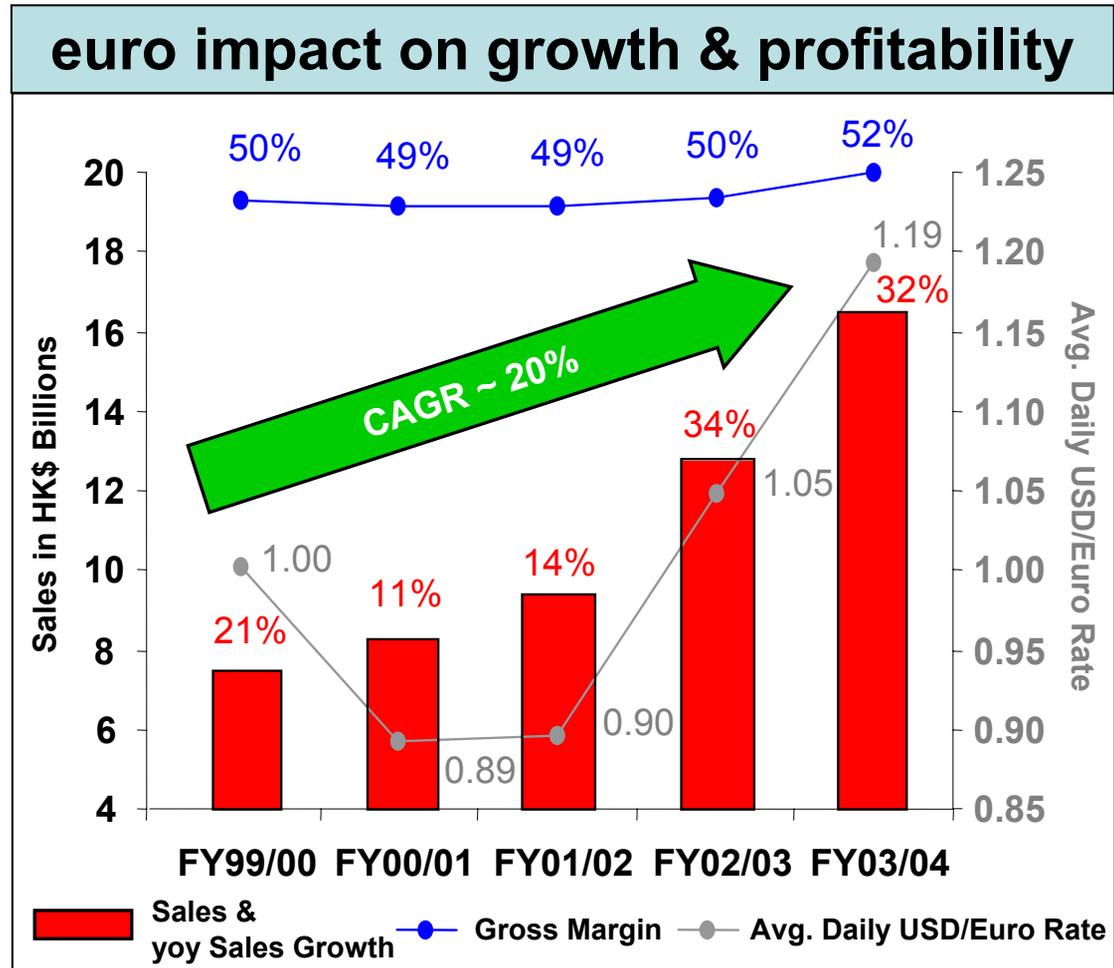
**ESPRIT HOLDINGS LIMITED**  
**Nomura Asia Equity Forum**  
**July 14, 2005**  
**Singapore**

# forward-looking statements

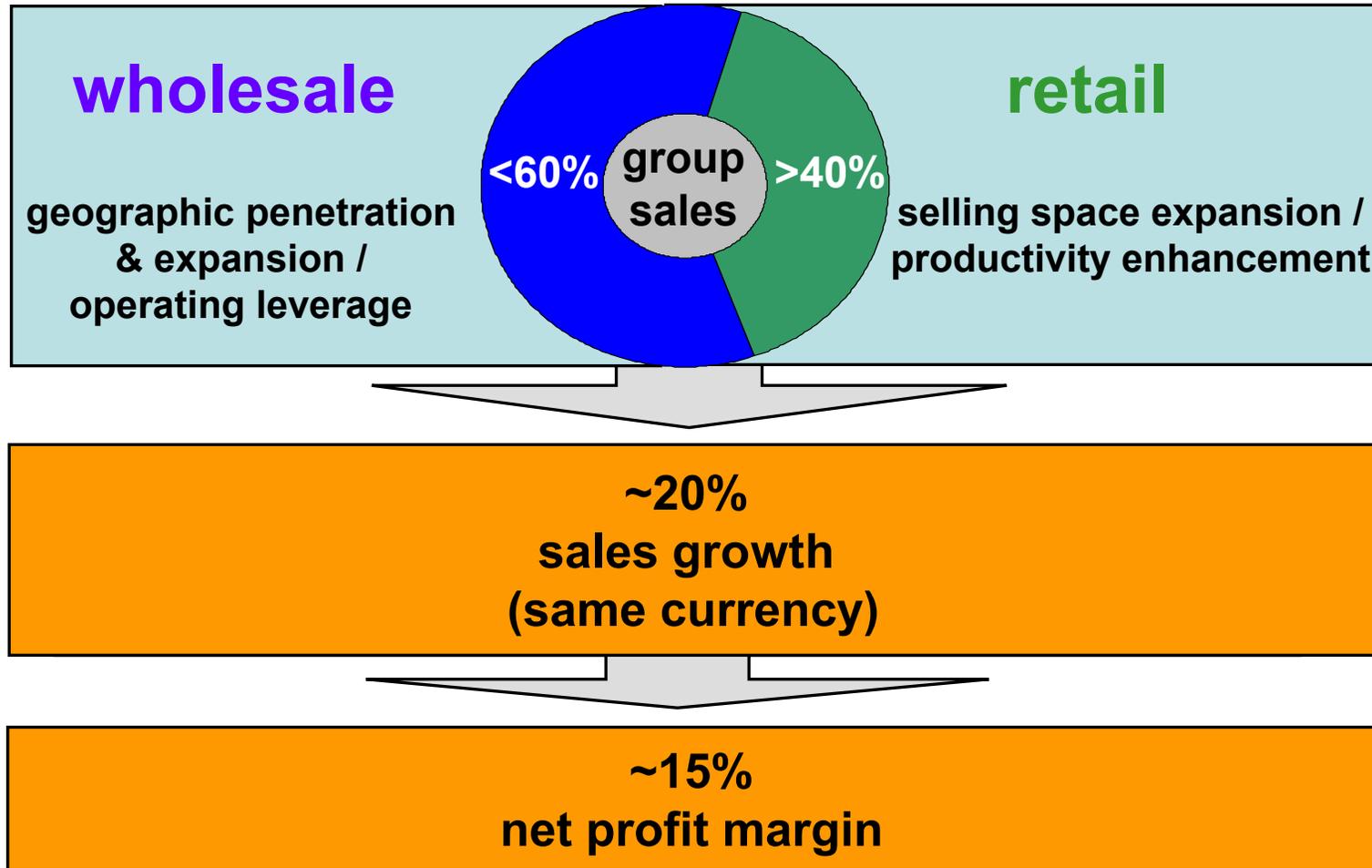
This presentation and subsequent discussion may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Esprit. These forward-looking statements represent Esprit's expectations or beliefs concerning future events and involving known and unknown risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

# our track record in the past 5 years...

- gross margin intact at ~50% level
- double-digit sales growth with CAGR maintained at ~20%



# FY05/06 growth & margin targets on track



# solid business fundamentals

## continue wholesale penetration into existing and new markets

- wholesale orders to Sept. '05 in high teens %
- 1,000+ new point of sales planned for Europe in FY05/06, primarily in Germany, Benelux, France & Scandinavia
- development in Spain & Italy continues
  - ◆ Spain – 40 shop-in-stores with El Corte Ingles
  - ◆ Italy – 10 shop-in-stores with La Rinacente
- newer Asian market:
  - ◆ India – 3 partnership stores to open in 1H-FY05/06

## enhance retail productivity while adding 15%+ net selling space

- HK\$900+ million capex planned for new openings & upgrading to be funded from strong cashflow
- 30,000m<sup>2</sup>+ net selling space (80+ net stores) planned for FY05/06
  - ◆ primarily in Europe
- group comp-store growth target to exceed 5%

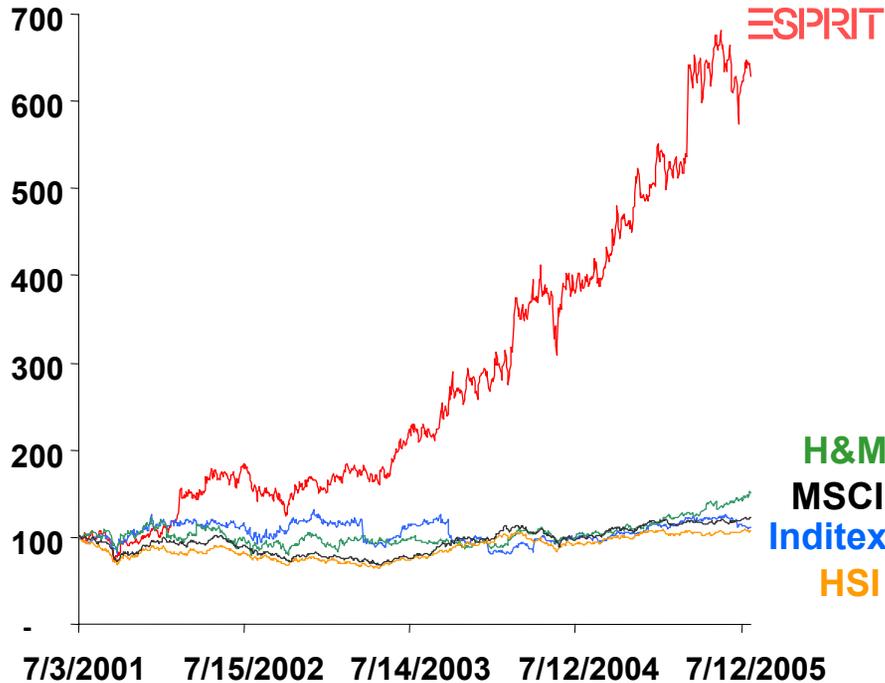
# euro volatility

- **prospective earnings are not hedged and are translated by using average daily closing rate**
  - **FY04/05 USD/EUR average daily closing rate ~1.27**
- **euro movements affect primarily the COGS sourced in China for Europe ~ 40% of the Group's merchandize**
- **effect is well contained in COGS level**
  - **most suppliers quote in euro & bear the currency risk**
  - **volume increase year after year enhances our bargaining power**
  - **flexibility to source in other low cost countries (Vietnam, Indonesia, India)**
  - **can shift more sourcing back to the euro zone (Turkey, Portugal, Romania)**

# enhancing shareholders return

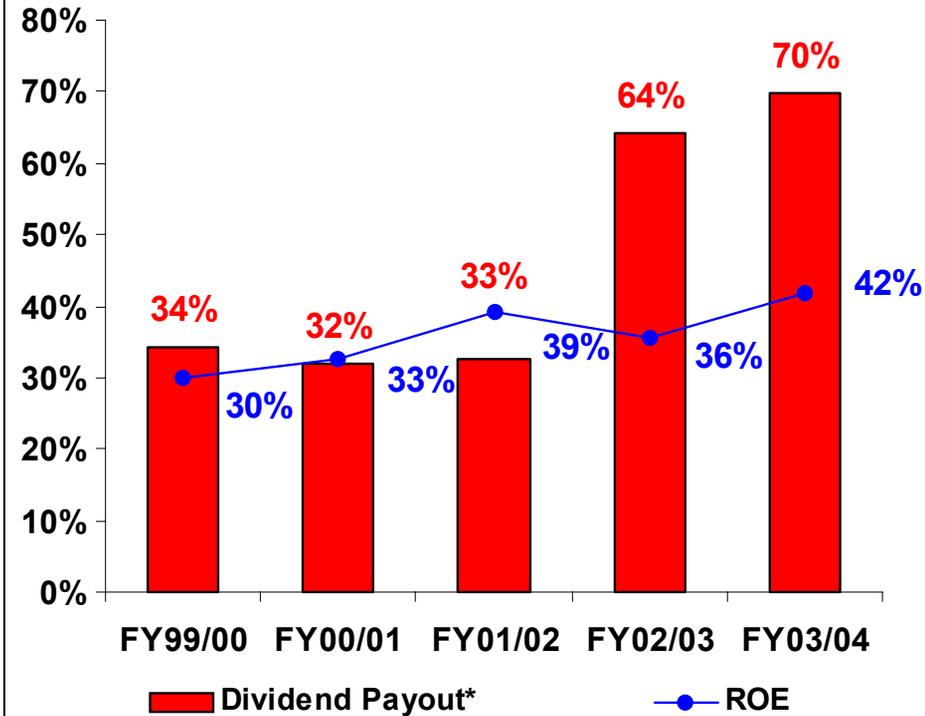
## share price performance

Indexed Price



source: Bloomberg

## dividend payout & ROE



source: Company data

\*includes special dividends

# Q & A

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