



10th
listing anniversary
ESPRIT

ESPRIT HOLDINGS LIMITED

**Morgan Stanley Asia Pacific Summit
November 5, 2003**

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.

double-digit
top and bottom line
growth target for FY03/04

1Q FY03/04 snap shot

wholesale

- wholesale turnover grew over 20% YoY
- order bookings through Jan 04 show double-digit YoY growth for Europe
- ahead of schedule on opening shop-in-stores in Europe

retail

- double-digit comparable store sales growth in Europe & N. America
- on target to halve losses in Asia
- net sales area increased by over 2,700 m² (▲2%) primarily in Europe

licensing

- added new licenses -- edc socks and stationery for Europe and duvet for Asia

Europe – extending our key markets

- **Germany and Benelux** achieved double-digit sales growth through increases in comp-store sales and selling space
- **France** delivered over 30% YoY sales growth
 - alliance with Galeries Lafayette heightened brand visibility, translating into further turnover increase
 - planned to open over 10 partnership stores and around 3 directly-managed stores in FY03/04
- **UK** wholesale and retail development on track
 - started wholesaling with John Lewis department store
 - discussing partnership arrangements with other wholesalers
 - finalizing lease agreement on next retail store in central London area

U.S. – accelerating retail expansion

- relying on U.S. wholesale channels alone will not suffice for our brand
- set up flagship stores to anchor our brand's presence in the **ESPRIT** way
- learn about the market with first-hand experience and broaden customer base
- finalizing details on first retail location in New York -- on schedule to open around 5 retail stores in the east coast of U.S. by the end of 2004

loss reduction well underway in Hong Kong, Taiwan, U.K. and Canada retail

Hong Kong & Taiwan

- trimmed loss-making sales and improved profitability
- better product offerings through successful execution of the central buying strategy

U.K.

- closed Blue Water store
- refurbished Regent Street location with an in-store Starbuck's café

Canada

- promising retail performance with double-digit comp store sales growth recorded in 1Q
- first delivery of wholesale order in early 2004

differentiation and diversification of products

- better differentiate edc, casual and collection to cater to 3 distinct target groups
 - strengthen multi-dimensional communication between product divisions and other strategic global functions
 - enhance co-ordination between image & visual merchandising to more accurately portrait the different product positioning
- extended successful 12-collection strategy to women's collection
- product diversification through introduction of men's edc
- adding new edc youth line for teenagers to bridge the gap between esprit kids and edc



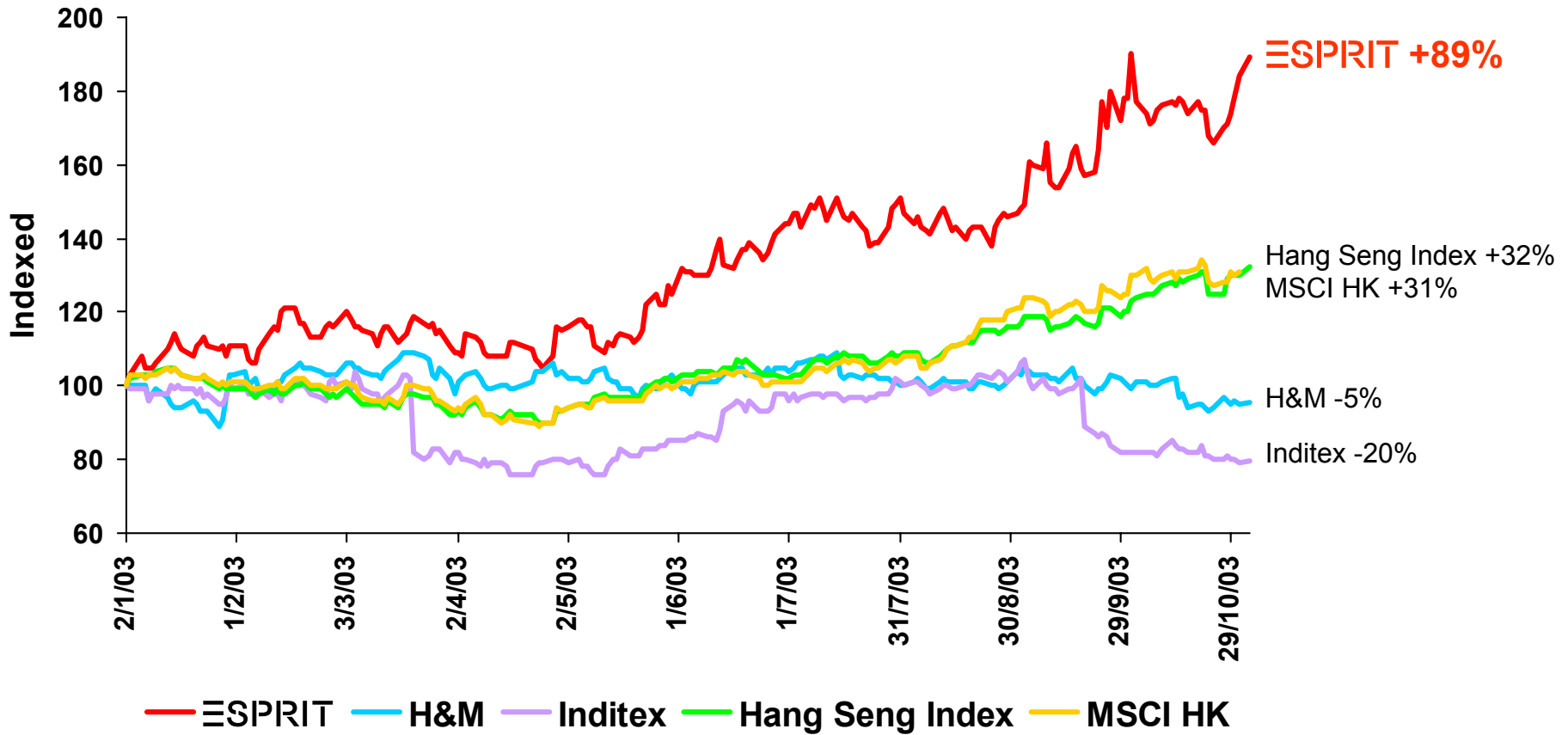
free-float and liquidity further improved

- placement of 50 mn shares to independent investors by the Chairman Mr. Michael Ying in October 2003
 - remains largest shareholder with 33.8% interest in the company
 - personal investment decision
 - unlikely to have further placement before FY03/04 interim results in February 2004
- did not impact the Group's business
- increased public free float to approx. 58%
- more diversified investor base

share option schemes

- 1 million option shares under old share option scheme expiring in mid-November 2003
- vesting of approx. 6 million options in late November 2003 under the new share option scheme
- support the concept of expensing share options but will await uniform standards for Hong Kong listed companies before implementation
- orderly disposal of option shares will continue

outperformed global peers and indices since Jan 2003



Bloomberg data as of November 3, 2003 17:00HKT

valuation and growth compares favorably with global peers



ESPRIT

H&M

Inditex

	ESPRIT	H&M	Inditex
est. PEG*	0.78	1.18	1.12
LT Growth (%)#	26.18	17.97	18.42
ROE*	31.86	32.95	26.99
dividend payout ratio (%)^	39.80	37.85	19.91

* Bloomberg data as of November 3, 2003 17:00HKT

IBES estimates as of November 3, 2003 (these forecasts generally refer to a period of between 3 to 5 years into the future)

^ excluded special dividend, calculation based on Bloomberg data as of November 3, 2003

FY02/03 Final Dividend

HK 32.5 cents

FY02/03 Special Dividend

HK 30 cents

Ex-Dividend Date

November 19, 2003

Dividend Payable

~ December 9, 2003



www.espritholdings.com