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ESPRIT
ESPRIT HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)
STOCK CODE: 330

PLACING OF EXISTING SHARES

PLACING OF EXISTING SHARES

The Company has been informed by Mr. Ying that the Placing Agreement has been concluded pursuant to which the Placing Agent will place, subject to the terms and conditions of the Placing Agreement, between 78,282,000 Shares to 79,738,000 Shares to independent investors at an ex-dividend placing price within the range of HK\$53.80 to HK\$54.80 per Placing Share which in any event shall not be less than HK\$53.80 per Placing Share, on the basis that the total placing proceeds will not be less than HK\$4,289,890,000.

The Placing Shares represent approximately 6.53% to 6.65% of the existing issued share capital of the Company. Upon completion of the placing and assuming the maximum number of 79,738,000 Shares are placed, Mr. Ying's interests in the Company will be reduced from 270,658,352 Shares or approximately 22.57% to 190,920,352 Shares or approximately 15.92% of the existing issued share capital of the Company.

Upon completion of the placing, Mr. Ying will remain as the Chairman of the Company and (based on the information currently available to the Company) the single largest shareholder of the Company.

PLACING OF EXISTING SHARES

The Company has been informed by Mr. Ying that the Placing Agreement has been concluded on the terms summarised below.

Parties:

The parties to the Placing Agreement are:

- (1) Great View, a company wholly-owned by Mr. Ying; and
- (2) the Placing Agent, Citigroup Global Markets Hong Kong Futures and Securities Limited (which is not a connected person to the Company under the Listing Rules).

Mr. Ying is the Chairman and substantial shareholder of the Company and holds, through Great View, 270,658,352 Shares representing approximately 22.57% of the existing issued share capital of the Company.

Upon completion of the placing and assuming the maximum number of 79,738,000 Shares are placed, Mr. Ying's interest in the Company will be reduced to 190,920,352 Shares (representing approximately 15.92% of the issued share capital of the Company). Mr. Ying will also remain as the Chairman of the Company and (based on information currently available to the Company) the single largest shareholder of the Company.

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:

Between 78,282,000 Shares to 79,738,000 Shares, representing approximately 6.53% to 6.65% of the existing issued share capital of the Company.

Placing Price:

The placing price shall be computed on an ex-dividend basis within the range of HK\$53.80 to HK\$54.80 per Placing Share, representing a discount of approximately 4.01% to 2.23% to the effective ex-dividend closing price of HK\$56.05 per Share (i.e. the closing price of HK\$56.50 per Share as quoted on the Stock Exchange on Tuesday, March 22, 2005 less the interim dividend of HK\$0.45 per Share). The Placing Agent has agreed that total placing proceeds will not be less than HK\$4,289,890,000.

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 Great View.

Completion of the Placing:

Completion of the Placing is currently expected to take place on Tuesday, March 29, 2005.

DEFINITIONS

“Board”	the board of directors of the Company
“Company”	Esprit Holdings Limited, a limited liability company incorporated under the laws of Bermuda, the Shares of which are listed with a primary listing on the Stock Exchange and a secondary listing on the London Stock Exchange
“Great View”	Great View International Limited, a company incorporated under the laws of the British Virgin Islands and wholly-owned by Mr. Ying
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Mr. Ying”	Mr. Michael Ying Lee Yuen, the Chairman of the Board
“Placing Agent”	Citigroup Global Markets Hong Kong Futures and Securities Limited
“Placing Agreement”	the placing and underwriting agreement dated March 22, 2005 between Great View and the Placing Agent
“Placing Shares”	Between 78,282,000 Shares to 79,738,000 Shares legally and beneficially owned by Great View
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

As at the date of this announcement, Michael Ying Lee Yuen, Heinz Jürgen Krogner-Kornalik, John Poon Cho Ming, Thomas Johannes Grote and Jerome Squire Griffith are executive directors of the Company, Jürgen Alfred Rudolf Friedrich and Simon Lai Sau Cheong are non-executive directors of the Company, and Paul Cheng Ming Fun, Alexander Reid Hamilton and Raymond Or Ching Fai are independent non-executive directors of the Company.

By Order of the Board
John Poon Cho Ming
Deputy Chairman

Hong Kong, March 22, 2005

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