

FOR IMMEDIATE RELEASE

ESPRIT ANNOUNCES NEW HEAD OFFICE PREMISES IN HONG KONG

HONG KONG, July 23, 2004 – Esprit Holdings Limited (SEHK: 330; LSE: EPT LI) announced that wholly-owned subsidiaries of the Company have today signed legally binding agreements with a subsidiary of Kerry Property Limited, an independent property developer, to acquire the top four floors of a new building known as Enterprise Square Three located in Kowloon Bay consisting of approximately 57,000 sq.ft. of office space with parking facilities for a total consideration of around HK\$200 million. The premises will become the new Head Office of Esprit and will also house the Group's regional and Hong Kong operations. The investment reinforces Esprit's presence in and commitment to Hong Kong.

"To cope with the continuous growth of the Company, it is clearly the right time to move into a modern building which is better equipped to support our current and future needs," said Mr. Michael Ying, Chairman of the Board.

"We have been evaluating different alternatives, and consider the location, quality and price of the premises as a whole to be of good value to the Company in the long run." Mr. John Poon, Deputy Chairman stated, "Expansion of the Group's retail stores will continue to be pursued primarily on lease terms," Mr. Poon added.

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Esprit Holdings Limited (www.espritholdings.com) is a constituent stock of the Hang Seng Index, MSCI Hong Kong Index, FTSE All-World Index for Hong Kong, S&P/HKEx LargeCap

Index and S&P Asia 50 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 and body care products under its RED EARTH brand. The Group operates around 570 directly managed retail stores and distribute through over 6,000 wholesale points-of-sales internationally, occupying over 400,000 square meters of retail space in more than 40 countries.

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