



FOR IMMEDIATE RELEASE

**ESPRIT HOLDINGS LIMITED ANNOUNCES FURTHER U.S. DEVELOPMENTS**

HONG KONG, June 21, 2002 – Esprit Holdings Limited (SEHK: 330; LSE: EPT LI) is pleased to announce that it has, through its wholly owned subsidiaries, (1) entered into a letter of intent for a product licensing arrangement with Adjmi Apparel Group (“Adjmi”) for kids’ wear; and (2) received initial wholesale orders from Macy’s of the Federated Department Stores.

Adjmi, a designer and marketer of branded and private label apparel whose products are distributed through all tiers of U.S. retailers, will manufacture and exclusively distribute Esprit kids’ apparel through approved channels in the U.S. and Puerto Rico. The licensing agreement will be for an initial term of about 4 years with a renewal option to extend for an additional term should certain conditions be met. The line of kids’ wear is expected to be launched later this year with delivery beginning Spring 2003.

Macy’s has placed orders for Esprit’s core lines: ESPRIT Casual, ESPRIT Collection, ESPRIT Sports and EDC. These lines are targeted to cover a wide range of customers and will be offered initially at over 30 prominent locations in the West Coast of the U.S. this fall.

Heinz Krogner, Executive Director of Esprit Holdings Limited commented, “We are very excited about these new developments. We have received strong licensing interest from the U.S. for a multitude of categories. Nonetheless, products sold under the ESPRIT name must exemplify the unique Esprit attitude and lifestyle. Adjmi’s creative vision and quality of its products make them the ideal licensing partner for Esprit kids in the U.S..”

Mark Adjmi, President of Adjmi stated “The ESPRIT brand, with its roots in the U.S., is one of the most successful international brands. The U.S. retail market is in need of a brand that is fresh, clean and with trend-right products that are of excellent value and quality. Esprit does that internationally and we look forward to bringing that expertise here.”

John Poon, Executive Director and Group CFO of Esprit Holdings Limited added, “The orders from Macy’s are without margin guarantees, and the merchandise will maintain Esprit’s presence in the U.S. market after the former U.S. trademarks owner cleared its spring and summer lines. The commitment from the new licensees together with the orders from Macy’s reflect the trade’s endorsement of Esprit’s potential in the U.S.. We are continuing our discussions with other potential distribution partners.”

Esprit Holdings Limited ([www.espritholdings.com](http://www.espritholdings.com)) is a constituent stock of the MSCI Hong Kong Index, and its subsidiaries are engaged in the retail and wholesale distribution of quality lifestyle products under its globally recognized ESPRIT brand and of cosmetic products under its RED EARTH brand. The Group controls retail space of over 3 million square feet in more than 40 countries and ESPRIT products are sold in more than 80 countries worldwide. It operates approximately 500 directly managed retail outlets and has over 2,000 franchised shops.

Adjmi Apparel Group is a designer and marketer of branded and private label apparel. Its products are distributed through all tiers of U.S. retailers such as Federated, Mervyn's, Kohl's, JC Penney, Target, and Wal-Mart. The company's branded products include nationally recognized brands, such as Reebok, Champion and Starter in athletic apparel; Disney, Union Bay, and Mary-Kate and Ashley in fashion apparel. With over 25 years of history, the company has built a reputation for offering customers the trend-right merchandise at excellent quality and value.

Federated Department Stores ([www.fds.com](http://www.fds.com)), with corporate offices in Cincinnati and New York, is one of U.S.'s leading department store retailers, with annual sales from continuing operations of more than US\$15.6 billion. Federated currently operates more than 460 stores in 34 states, Guam and Puerto Rico, under the names of Macy's, Bloomingdale's, The Bon Marche, Burdines, Goldsmith's, Lazarus and Rich's, as well as [macys.com](http://macys.com) and Bloomingdale's By Mail.

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