

esprit holdings ltd.

ESPRIT

For Immediate Release

ESPRIT CONTINUES EXPANSION IN CHINA

Global lifestyle brand launches second megastore in Shanghai

Hong Kong, 25 June 2001 – Esprit Holdings Limited (SEHK: 330; LSE: EPT_LI) announced the opening of its second megastore in Shanghai, China. The megastore serves as a one-stop shop comprising a full range of lifestyle products and services from Esprit, edc, Red Earth and the first ever Salon Esprit in China.

Partnered with China Resources (Holdings) Company Limited, the new Esprit store occupies 3 floors of Citic Square with a total floor area of over 22,000 square feet. The first two floors offer lifestyle products from women's wear, men's wear, kids' wear to footwear, accessories and home products, while the third floor is Salon Esprit managed by Hong Kong leading stylist Kim Robinson.

Formed in 1998, the joint venture CRE Esprit has proven to be a tremendous success. It has already opened nearly 250 shops in China and recorded 50% growth over the past three years.

“Without doubt, China is the core market for our development. Our goal is to continue expanding in terms of distribution network and product lines. In three years, we plan to open more than 1000 shops for Esprit and Red Earth in China,” said Michael Ying, Chairman and Chief Executive Officer of Esprit Holdings Limited.

The megastore concept has achieved impressive results in various parts of the world. In China, CRE Esprit has established two megastores of over 10,000 square feet, offering a comprehensive Esprit lifestyle ranges.

“We believe that the opening of mega stores will further benefit us due to our superior brand recognition. While customers are able to browse through our numerous product lines and licensed goods under one roof, these outlets showcase Esprit’s quality, style and taste. It also acts as a meeting place where we can extend our concept of quality to complement customer services, such as hair salons, ” Mr. Ying added.

Esprit has been aggressively expanding its business worldwide under its global strategy. In May, the company reentered the UK market by opening a megastore on Regent Street. The second megastore in Bluewater Mall, Kent will be opened in September this year. In addition, the largest Esprit store in the world will be fully operational by the end of this year at Lee Theatre, Hong Kong.

Esprit Holdings Limited is a constituent stock of the MSCI Hong Kong Index, and its subsidiaries are engaged in the retail and wholesale distribution of quality lifestyle fashion products under the globally recognized ESPRIT brand. It operates close to 500 directly managed retail outlets and has over 8,000 wholesale customers, and its products are sold in more than 40 countries worldwide. In addition, the Group controls the Red Earth brand and distributes its cosmetics, skin and body care products in the Asia Pacific.

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