

Esprit announced further details of the proposed spin-off and separate listing of Esprit Europe AG.

HONG KONG, June 19, 2000 – Esprit Holdings Limited (SEHK: 330; LSE: EPT LI) today announced further details of the proposed spin-off and separate listing of its wholly-owned subsidiary, Esprit Europe AG, on the official market of the Frankfurt Stock Exchange.

The global offering of Esprit Europe's shares will initially comprise 13 million shares, representing 26% of the enlarged share capital of the company. Esprit Europe will also grant to the underwriters an over-allotment option to acquire up to an additional 1.95 million shares. The offering price range has been fixed at between Euro 14 (approximately HK\$104) per share and Euro 17 (approximately HK\$126) per share.

The estimated net proceeds from the global offering will be between Euro 171 million (approximately HK\$1,265 million) and Euro 208 million (approximately HK\$1,539 million), based respectively on the minimum and maximum prices of the price range. If the over-allotment option is exercised in full, the estimated net proceeds will be increased by Euro 26 million (approximately HK\$192 million) and Euro 32 million (approximately HK\$237 million), based on the respective minimum and maximum prices of the price range.

“We are pleased with the initial market response to the global offering, and are confident that the IPO will be well received by the global institutional and German investors at the current price range. After the IPO, Esprit Holdings will continue to hold at least 71% of Esprit Europe and enjoy the benefit of the impressive growth being achieved by Esprit Europe. We will also have strengthened our balance sheet significantly by the end of the current financial year,” remarked John Poon, Executive Director and Group Chief Financial Officer of Esprit Holdings Limited.

Based on the current timetable, roadshow and bookbuilding in respect of the global offering of Esprit Europe's shares will commence on June 19. The final offering price will be agreed on or about June 27. Trading in Esprit Europe's shares is expected to commence on June 28.

Esprit Holdings Limited, 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 recognised ESPRIT brand. The group has controlled retail space of approximately 2 million square feet in more than 40 countries worldwide. It operates more than 450 directly managed retail outlets and has over 7,500 wholesale customers. In addition, the group controls the RED EARTH brand and distributes its cosmetics, skin and body care products primarily in Asia Pacific.

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Note to editors: Please visit our website at <http://www.esprit-intl.com>

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