FOR IMMEDIATE RELEASE

Esprit FY08/09 Interim Results

- **Group turnover of HK$19.1 billion**
- **Retail turnover grew 10.3%, with comp store sales growth of 6.3%**
- **Gross margin holding up at 53.2%**
- **Net cash position amounted to HK$3.8 billion**
- **Retail and controlled wholesale space grew 11% and 7% respectively**
- **Maintain interim dividend payout ratio at 35%**

HONG KONG, February 4, 2009 – Esprit Holdings Limited (SEHK: 00330) today announced interim results for the six months ended December 31, 2008.

The Group recorded turnover growth of 2.9% while maintaining stable gross profit margin at 53.2%. Operating profit margin was 17.9% and net income amounted to HK$2,853 million.

During the reporting period, the Group paid record dividends of HK$4,042 million, repurchased shares with a total value of HK$204 million, and incurred capital expenditure of HK$1,167 million. After returning more cash to shareholder and invested more funds for future growth, the Group still maintained a net cash balance of HK$3,848 million as of December 31, 2008.

"The impact of the financial turmoil in year 2008 reached far and wide globally into each and every economy and industry. While we brace ourselves against stronger-than-ever headwind, we believe this storm, together with its rippling effects, will eventually subside. Our goal is to weather the storm and to emerge as a company that is even stronger than before," remarked Mr. Heinz Krogner, Chairman and Group CEO.

"During the reporting period, we are particularly encouraged by the 6.3% retail comparable store sales growth, and the encouraging growth achieved in high potential markets, such as China, Middle East and Russia, which recorded turnover growth rates of 34.5%, 33.4% and 32.6% respectively," said Mr. Thomas Grote, President of Esprit brand.

In the first half of the financial year, the Group had net opening of 77 directly managed retail stores, of which 9 are mega and flagship stores, including one on the prestigious Avenue des Champs-Élysées in Paris and one in Causeway Bay in Hong Kong. The Group had added 560 (net) new controlled space wholesale point-of-sales to a total of 15,150 controlled space wholesale point-of-sales globally. The Group was engaged in ongoing efforts to strengthen the brand through participation in various events, one of which being the sponsorship of the MTV Music Awards in Europe and Asia.

"In the second half of the financial year, we will seek opportunities to leverage on the current financial turmoil to gain market share while continuing to expand with a cautious view on capital spending," continued Mr. Grote.

Planned net openings in the second half of the financial year include over 25 directly managed retail stores and over 500 controlled space wholesale point-of-sales. Approximately HK$600 million will be invested in opening new directly managed retail stores and refurbishing existing stores. New directly managed retail stores are planned to be opened mainly in core markets.

"With our quality market-right products, fundamentally sound operating model, strong international brand and robust balance sheet, we remain optimistic about the Group's prospect in the long run," concluded Mr. Krogner.

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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 and edc brands, and of cosmetic and body care products under its Red Earth brand. The Group operates over 770 directly managed retail stores worldwide and distribute through 15,150 controlled space wholesale point-of-sales internationally, occupying total selling space of over 1,100,000m^2 in more than 40 countries.

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