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MOULIN INTERNATIONAL HOLDINGS LIMITED

泰興光學集團有限公司

(Stock Code: 389)

(incorporated in Bermuda with limited liability)

UPDATE ON PROPOSED BID TO ACQUIRE COLE NATIONAL CORPORATION IN A MERGER

In accordance with Rule 13.09 of the Listing Rules, the board of directors of the Company announces that it has informed CNC on May 12, 2004 that one of the Company's financing sources was not prepared to provide senior debt financing on the terms originally proposed which were contemplated in the Acquisition Proposal. The Company advised CNC that HAL and the Company's mezzanine financing source are willing to proceed with the transaction on the basis of the terms originally proposed, and the Company is continuing to evaluate alternatives which could allow the Acquisition Proposal to proceed. There can be no assurance as to whether the Company will obtain financing for the Acquisition Proposal, whether any agreement with CNC will result, or the terms and conditions thereof.

As the Acquisition Proposal may or may not proceed, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made further to the announcement of Moulin International Holdings Limited (the "**Company**") on April 20, 2004, in relation to the Company's unsolicited non-binding offer to acquire Cole National Corporation, a New York Stock Exchange-listed company, trading under the ticker symbol "CNJ" ("**CNC**"), in a merger (the "**Acquisition Proposal**").

Pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the board of directors of the Company announces that it has informed CNC on May 12, 2004 that one of the Company's financing sources was not prepared to provide senior debt financing on the terms originally proposed which were contemplated in the Acquisition Proposal. The Company advised CNC that HAL Holding, N.V. ("**HAL**"), which owns approximately 19.2% of CNC's outstanding shares, and the Company's mezzanine financing source are willing to proceed with the transaction on the basis of the terms originally proposed, and the Company is continuing to evaluate alternatives which could allow the Acquisition Proposal to proceed. There can be no assurance as to whether the Company will obtain financing for the Acquisition Proposal, whether any agreement with CNC will result, or the terms and conditions thereof. **As the Acquisition Proposal may or may not proceed, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

As previously announced, in January 2004 CNC entered into a merger agreement with Luxottica Group S.p.A. (“**Luxottica**”) pursuant to which Luxottica would acquire CNC in a merger at a price of \$22.50 per share in cash. On April 15, 2004, the Company submitted an unsolicited, non-binding offer to acquire CNC in a merger at a price of \$25.00 per share in cash, several days before CNC’s scheduled special meeting of stockholders to consider the merger with Luxottica. CNC stated that its board of directors has not withdrawn, modified or changed its recommendation of the Luxottica merger, and the merger agreement with Luxottica remains in effect. The Luxottica merger agreement is subject to approval by CNC stockholders, receipt of regulatory approvals and other customary conditions.

This announcement is not intended to be distributed in the United States and is not intended to be a “solicitation of proxies” within the meaning of the United States laws and regulations relating to proxies.

As at the date of this announcement, the board of directors of the Company comprises (1) Mr. Ma Bo Kee, Mr. Ma Bo Fung, Mr. Ma Bo Lung, Mr. Ma Lit Kin, Cary, Mr. Ma Hon Kin, Dennis and Mr. Tong Ka Wai, Dicky as executive directors; (2) Ms. Lee Sin Mei, Olivia as non-executive director; and (3) Mr. Ng Tai Chiu, David and Mr. Chan Wing Wah, Ivan as independent non-executive directors.

By Order of the Board
Moulin International Holdings Limited
Ma Bo Kee
Chairman

Hong Kong, May 13, 2004

Please also refer to the published version of this announcement in The Standard.