

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 CNC has issued a press release on July 15, 2004 regarding the Amended Luxottica Agreement involving, inter alia, an increased merger price per share to be offered by Luxottica.

The Company will consider what actions it will take in response to the Amended Luxottica Agreement and will make such further announcements on the status of any discussions or negotiations with CNC as and when appropriate and comply with applicable disclosure and approval requirements under the Listing Rules in the event any such discussions or negotiations materialize into a transaction. **As the Offer 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 announcements of Moulin International Holdings Limited (the “Company”) on April 20, 2004 (the “April Announcement”), May 13, 2004 and July 13, 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. Unless otherwise defined herein, terms defined in the April Announcement shall have the same meanings when used herein.

Pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), the board of directors of the Company announces that CNC has issued a press release (the “CNC Press Release”) at 2:00 a.m. (U.S. Eastern Standard Time) on July 15, 2004 regarding amendments to the merger agreement (the “Amended Luxottica Agreement”) between CNC and the Luxottica group involving, inter alia, an increased merger price per share to be offered by Luxottica. A portion of the CNC Press Release is extracted below:

“Cole National Corporation (NYSE: CNJ), today announced that it has entered into an amendment to its merger agreement with Luxottica Group S.p.A. (NYSE: LUX) with the unanimous approval of their Boards of Directors. Under the amendment, the original \$22.50 per share cash merger consideration to be paid by Luxottica has been increased to a minimum of \$26.00 per share. In addition, if Cole National stockholders approve the Luxottica merger at the annual meeting, which will be adjourned to July 22, 2004, the merger price will be further increased to \$27.50 per share in cash, plus an additional amount equal to 4% per annum from the date of stockholder approval through the closing date of the merger. If Cole National does not receive votes from a majority of the outstanding shares to approve the Luxottica merger by July 22, 2004, the higher price would still be payable so long as stockholder approval is obtained at a further adjourned meeting that is held not later than July 29, 2004.

Based upon the \$27.50 price, the total purchase price of the outstanding Cole National shares and related equity rights is approximately \$495 million, plus 4% per annum from the date of stockholder approval through the date of closing. Luxottica Group has advised Cole National that it will fund the payment of the purchase price and transaction costs from Luxottica's cash flow from operations and existing credit facilities.

The amendment to the merger agreement also strengthens Luxottica Group's commitment to use its best efforts to avoid or eliminate impediments under any antitrust laws asserted by any governmental entity with respect to the merger. Under the original merger agreement, Luxottica's commitment was qualified such that it was not required to divest businesses or assets accounting for more than \$110 million in consolidated net revenue of Cole National alone or of Cole National and Luxottica combined or more than \$55 million in consolidated net revenue of Luxottica alone. The amendment to the merger agreement eliminates that qualification. In addition, the amendment to the merger agreement strengthens Cole National's commitment to the Luxottica merger, by narrowing the circumstances under which Cole National could terminate the Luxottica merger agreement in order to accept a competing offer, including that Cole National will no longer have such right after stockholder approval of the Luxottica merger agreement. The amendment does not preclude Cole National from considering a superior proposal prior to stockholder approval of the amended Luxottica merger agreement.

To provide Cole National stockholders additional time to consider the recent developments and their impact on the proposed merger with Luxottica Group, Cole National intends to hold the election of directors at the previously scheduled annual meeting on July 20, 2004, and then, prior to the consideration of the Luxottica merger, adjourn the meeting to 4 p.m. local time, on Thursday, July 22, 2004, at The Charles Hotel, One Bennett St., Cambridge, Massachusetts 02138.

Cole National stated that its Board of Directors has unanimously confirmed its recommendation that Cole National stockholders approve the Luxottica merger agreement, as amended, at the reconvened meeting on July 22. Stockholders of record of Cole National as of May 21, 2004 will be entitled to vote on the Luxottica merger at the reconvened meeting on July 22, or any adjournment thereof. The Luxottica merger agreement, as amended, is subject to approval by Cole National stockholders, receipt of regulatory approvals and other customary conditions. As Luxottica Group publicly announced earlier this week, Luxottica Group and Cole National expect to complete their required submissions to the Federal Trade Commission (FTC) in connection with its antitrust review by the end of this week. In addition, as previously announced, the parties have committed to the FTC not to close the transaction before September 30, 2004, without its consent.

In connection with its approval of the amendment to the Luxottica merger agreement, the Cole National Board of Directors considered, among other things, the price, financing arrangements, timing and uncertainties associated with the previously announced proposal from Moulin International Holdings Limited submitted on July 12, 2004 to acquire Cole National at a price of \$25.00 per share in cash.

Additional information relating to Moulin's most recent proposal and the factors considered by the Cole National Board of Directors in its approval of the amendment to the Luxottica merger agreement are set forth in the supplement to Cole National's proxy statement that will be filed later today with the Securities and Exchange Commission and mailed to all Cole National stockholders of record on May 21, 2004."

The Company will consider what actions it will take in response to the Amended Luxottica Agreement and will make such further announcements on the status of any discussions or negotiations with CNC as and when appropriate and comply with applicable disclosure and approval requirements under the Listing Rules in the event any such discussions or negotiations materialize into a transaction. **As the Offer 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 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, Mr. Tong Ka Wai Dicky and Mr. Joseph A. Barrett 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, July 15, 2004

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