



PRESS RELEASE

Paris, October 20, 2009



2009 Third Quarter Sales

**A quarter impacted by a challenging environment**

PPR achieved sales of EUR 13.8 billion in the nine months to September 30, 2009, down 6.6% on a comparable scope and currency basis and down 5.0% in reported terms compared to the first nine months of 2008.

In the third quarter of 2009, PPR had sales of EUR 4.6 billion, down 8.0% on a comparable basis and 7.6% in reported terms compared to the third quarter of 2008.

François-Henri Pinault, Chairman and Chief Executive Officer of PPR, declared:

“PPR faced the convergence in the third quarter of 2009 of several unfavorable factors – a lackluster macroeconomic environment, a high base of comparison in most of our businesses and, in luxury goods, a drop in tourism flows and a low point in wholesale activity. Our consumer activities proved resistant, notably Fnac, which delivered a very good performance. In luxury, the resilience of our network of directly operated stores underscores the strength of our brands, notably in emerging countries, where we are focusing our growth. We are pursuing our plans to adjust our organizations and energize our marketing initiatives. These plans will be further intensified across all Group brands and store networks in order to reinforce, this year once again, our competitive edge and positioning in all our activities.”

(€ million)	Nine months to September 30, 2009	Reported change	Comparable change <sup>(1)</sup>	Q3 2009	Reported change	Comparable change <sup>(1)</sup>
Fnac	2,880.9	-3.2%	-3.0%	976.8	+0.4%	+0.5%
Redcats Group	2,482.4	-7.9%	-9.5%	752.5	-10.3%	-10.2%
Conforama	2,079.2	-10.4%	-10.8%	747.8	-9.5%	-9.9%
CFAO	1,936.7	-9.3%	-4.7%	598.1	-16.9%	-10.9%
Puma	1,971.1	+0.4%	-5.9%	673.4	-5.5%	-9.8%
Gucci Group	2,461.1	+0.5%	-5.9%	819.0	-6.4%	-10.0%
Elimination & other	-12.9	-	-	-4.4	-	-
<b>PPR – Continued activities</b>	<b>13,798.5</b>	<b>-5.0%</b>	<b>-6.6%</b>	<b>4,563.2</b>	<b>-7.6%</b>	<b>-8.0%</b>
Discontinued activities <sup>(2)</sup>	79.3					

<sup>(1)</sup>On a comparable scope and currency basis

<sup>(2)</sup>At the end of September 2009, Surcouf for €79 million

### **Fnac**

In the first nine months of 2009, Fnac sales were down 3.0% on a comparable basis. This trend improved significantly in the third quarter of 2009, in a difficult environment, as Fnac achieved an outstanding increase in sales (up 0.5% on a comparable basis) over the third quarter of 2008. In France, sales rose 1%, energized by new marketing initiatives (launch of Fnac marketplace, introduction of selective stationery and second-hand video game departments), a sharp increase in demand for services, and resistance of both editorial and technical products. Online sales had another quarter of rapid growth (up 17%). Outside of France, Fnac posted better trends in the third quarter: +7.4% in Belgium, +3.4% in Italy, +2.5% in Brazil and +1.9% in Portugal. In Spain, the drop in sales is slowing down, while lower revenues in Switzerland partly reflect the closure of the Basel store.

### **Redcats**

In the first nine months of 2009, sales of Redcats Group were down 9.5% on a comparable basis. In the third quarter of 2009, sales declined by 10.2% on a comparable basis from the third quarter of 2008. In a particularly depressed apparel market, La Redoute France had another difficult quarter (-19%). Outside of France, Redcats delivered robust performances, notably in the US, where sales of Sports & Leisure items were up an impressive 14% and the Large Size segment was up 0.2%. Sales in Scandinavia posted another satisfactory performance (+1.5%). La Redoute's international activities are improving, fueled by development into new markets (Russia, Greece, Italy...). In the third quarter of 2009, Redcats online sales continued to increase (+1.8%) and accounted for 47% of total Redcats sales.

### **Conforama**

In the first nine months of 2009, sales of Conforama declined 10.8 % on a comparable basis. In the third quarter of 2009, comparable sales were down 9.9% from the third quarter 2008 level. In France, Conforama revenues were resilient. While sales of home furnishings were down in line with the overall market, the ongoing modernization of product assortment yielded promising results. Sales of electronic goods, particularly audio-video, and household appliances were resistant. Sales of decoration items were roughly unchanged, while online sales posted double-digit growth. Outside of France, Conforama sales were down 13%. Trends are improving in Italy (excluding store closure), Spain and Portugal, while sales were up in Switzerland.

### **CFAO**

Impacted by the current economic environment and, in particular, by the sharp downturn of the automobile industry, CFAO sales in the first nine months of 2009 were down 4.7% on a comparable basis. In the third quarter of 2009, sales of CFAO were down 10.9% from the third quarter 2008 level on a comparable basis. Against a particularly high base in the third quarter of 2008 (+19% over the third quarter of 2007), sales of the Automotive division were down 21% in the third quarter of 2009 (on comparable basis), with only French overseas territories bucking the trend. CFAO Automotive gained market share in most countries this quarter. Comparable sales of the Pharmaceutical division were up 5% over the third quarter of 2008, with satisfactory increases across all markets apart from Algeria. Sales of the Industries division were up 4% on a comparable basis.

### **Puma**

Sales of Puma dropped 5.9% on a comparable basis in the first nine months of 2009. Sales were down 9.8% on a comparable basis in the third quarter of 2009. The Americas region declined by 11.5% in the quarter in a difficult economic environment. In particular, the performance in Latin America was suffering under regional impacts like lower tourist business as well as higher trade barriers. Sales in Asia-Pacific were down 8.3% despite strong performances in China and India. Activity in the Eastern Europe/Middle East/Africa regions continued along positive trend, while Western Europe had a challenging quarter in a highly competitive and promotional environment.

### **Gucci Group**

Sales of the Group's Luxury Goods activities were down 5.9% on a comparable basis in the first nine months of the year. In the third quarter of 2009, sales of Gucci Group dropped by 10.0% on a comparable basis against a particularly high comparison basis (+9% in the third quarter of 2008). Sales in directly operated stores posted robust performances, reflecting the power and appeal of the brands, while wholesale activities were penalized by the economic difficulties facing third-party distributors (department stores and franchisees). Sales of Fashion and Leather Goods were down 9% in the quarter. Sales performances were mixed across regions: sales in emerging countries, which account for 32% of Gucci Group sales in the quarter, posted another period of strong growth (+10%). In particular, Gucci Group made further progress in Asia-Pacific excluding Japan (+25%), driven by outstanding growth in Greater China (+37%). On mature markets, sales were down 17%, affected in particular by a drop in the number of Eastern European and Middle Eastern tourists. The Gucci Group network of directly operated stores comprised 596 units at the end of September 2009, including 38 in China.

### **Gucci**

Gucci sales dropped by 2.8% on a comparable basis in the first nine months of 2009. In the third quarter of the year, sales declined by 7% on a comparable basis (-6% excluding Timepieces) versus the third quarter of 2008. Gucci sales in directly operated stores posted good performances. Wholesale activities were more exposed to the economic environment. Gucci achieved further sales growth in emerging markets (+11%) where the brand generated 37% of sales this quarter. Greater China, where sales jumped 22%, accounted for 19% of the total. Gucci's activity remains challenging in historical markets. Gucci owned 278 directly operated stores at September 30, 2009, including 29 in China.

### **Bottega Veneta**

Bottega Veneta sales were down 9.3% on a comparable basis in the first nine months of 2009. In the third quarter, sales declined 11.6% on a comparable basis, against a particularly high base of comparison in the third quarter of 2008. Activity improved in directly operated stores, but the wholesale business continued to be slow in North America and Europe. Bottega Veneta posted strong growth in Asia-Pacific outside of Japan (+50%), where it generated 28% of its sales this quarter. Sales in Greater China jumped by an impressive 33%. As of the end of September 2009, the Bottega Veneta network comprised 131 directly operated stores, including 7 in China.

### **Yves Saint Laurent**

In the first nine months of 2009, sales of Yves Saint Laurent declined by 14.3% on a comparable basis. Yves Saint Laurent sales decreased by 20% on a comparable basis in the third quarter of 2009, against a highly demanding base of comparison in the third quarter of 2008 (+27%). In particular, Yves Saint Laurent was penalized by the slowdown of its traditional markets, which still account for 75% of the brand's sales. In Asia-Pacific, where 14% of total sales are generated, sales posted outstanding growth of nearly 22%. Sales of leather goods and shoes remained buoyant, fueled by strong reception for its new products. Yves Saint Laurent continued to strategically readjust its store network, focusing on the highest-growth markets. At September 30, 2009, the network comprised 66 directly operated stores.

### **Other brands**

Sales of Gucci Group's "Other brands" were down 11.7% on a comparable basis in the first nine months of 2009. In the third quarter, sales were down 15.3% on a comparable basis. At Balenciaga, growth continued at an outstanding pace, notably in directly operated stores. Wholesale revenues were down at Alexander McQueen and Stella McCartney, but partly offset by good performances in directly operated stores and from royalties. Boucheron achieved resilient trading in a market segment that remains difficult. A high base of comparison and the drop in tourism from Eastern Europe and the Middle East, finally, affected Sergio Rossi sales.

## CONFERENCE CALL

PPR will hold a **conference call** for analysts and investors at **6:00pm** (Continental Europe); 5:00pm (UK); 12:00am (East Coast, USA), on **Tuesday, October 20, 2009**.

### Conference call dial-in:

From France +33 (0) 1 70 99 42 78  
From the UK +44 (0) 20 7138 0824  
From the US +1 212 444 0481

Access code: 2729804

### Replay dial-in:

From France +33 (0)1 74 20 28 00  
From the UK +44 (0)20 7111 1244  
From the US +1 347 366 9565

Access code for the replay: 2729804# (available until November 1, 2009)

## PRESENTATION

The slides (PDF format) will be available ahead of the conference call at [www.ppr.com](http://www.ppr.com)



### About PPR

PPR develops a portfolio of high-growth global brands. Through its Consumer and Luxury brands, PPR generated sales of €20.2 billion in 2008. The Group is present in 94 countries and territories with approximately 88,000 employees. PPR shares are listed on Euronext Paris (FR 0000121485, PRTP.PA, PP FP).

To explore the universe of PPR brands go to [www.ppr.com](http://www.ppr.com): Fnac, Redcats Group (La Redoute, Vertbaudet, Somewhere, Cyrillus, Daxon, Ellos, The Sportsman's Guide, The Golf Warehouse and brands of the plus-size division), Conforama, CFAO, Puma and the Luxury brands of Gucci Group (Gucci, Bottega Veneta, Yves Saint Laurent, Balenciaga, Boucheron, Sergio Rossi, Alexander McQueen and Stella McCartney).



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## Appendix 1: Sales in Q3 & in the first 9 months 2009

<i>(€million)</i>	Nine months to September 30, 2009	Nine months to September 30, 2008	Reported change	Comparable change <sup>(1)</sup>	Q3 2009	Q3 2008	Reported change	Comparable change <sup>(1)</sup>
<b>Fnac</b>	<b>2,880.9</b>	<b>2,977.2</b>	<b>-3.2%</b>	<b>-3.0%</b>	<b>976.8</b>	<b>972.8</b>	<b>+0.4%</b>	<b>+0.5%</b>
<b>Redcats Group</b>	<b>2,482.4</b>	<b>2,695.1</b>	<b>-7.9%</b>	<b>-9.5%</b>	<b>752.5</b>	<b>838.7</b>	<b>-10.3%</b>	<b>-10.2%</b>
<b>Conforama</b>	<b>2,079.2</b>	<b>2,320.3</b>	<b>-10.4%</b>	<b>-10.8%</b>	<b>747.8</b>	<b>826.5</b>	<b>-9.5%</b>	<b>-9.9%</b>
<b>CFAO</b>	<b>1,936.7</b>	<b>2,136.4</b>	<b>-9.3%</b>	<b>-4.7%</b>	<b>598.1</b>	<b>719.8</b>	<b>-16.9%</b>	<b>-10.9%</b>
<b>Puma</b>	<b>1,971.1</b>	<b>1,962.9</b>	<b>+0.4%</b>	<b>-5.9%</b>	<b>673.4</b>	<b>712.8</b>	<b>-5.5%</b>	<b>-9.8%</b>
<b>Gucci Group</b>	<b>2,461.1</b>	<b>2,448.2</b>	<b>+0.5%</b>	<b>-5.9%</b>	<b>819.0</b>	<b>874.9</b>	<b>-6.4%</b>	<b>-10.0%</b>
Gucci	1,633.1	1,566.3	+4.3%	-2.8%	531.2	548.6	-3.2%	-7.0%
Bottega Veneta	299.2	299.9	-0.2%	-9.3%	96.4	102.5	-5.9%	-11.6%
Yves Saint Laurent	174.9	195.6	-10.6%	-14.3%	61.9	75.4	-17.9%	-20.0%
Other brands	353.9	386.4	-8.4%	-11.7%	129.5	148.4	-12.7%	-15.3%
<i>Elimination and other</i>	<i>-12.9</i>	<i>-16.6</i>	<i>ns</i>	<i>ns</i>	<i>-4.4</i>	<i>-6.1</i>	<i>ns</i>	<i>ns</i>
<b>PPR - Continued activities</b>	<b>13,798.5</b>	<b>14,523.5</b>	<b>-5.0%</b>	<b>-6.6%</b>	<b>4,563.2</b>	<b>4,939.4</b>	<b>-7.6%</b>	<b>-8.0%</b>
Discontinued activities <sup>(2)</sup>	79.3	682.0				80.5		

<sup>(1)</sup> On a comparable scope and currency basis

<sup>(2)</sup> At the end of September 2009. Surcouf for €79 million

## Appendix 2: Sales in Q1. in Q2 and in H1 2009

(€million)	H1 09	H1 08	Reported change	Comparable change <sup>(1)</sup>	Q2 09	Q2 08	Reported change	Comparable change <sup>(1)</sup>	Q1 09	Q1 08	Reported change	Comparable change <sup>(1)</sup>
<b>Fnac</b>	<b>1,904.1</b>	<b>2,004.4</b>	<b>-5.0%</b>	<b>-4.8%</b>	<b>924.2</b>	<b>978.1</b>	<b>-5.5%</b>	<b>-5.4%</b>	<b>979.9</b>	<b>1,026.3</b>	<b>-4.5%</b>	<b>-4.2%</b>
<b>Redcats Group</b>	<b>1,729.9</b>	<b>1,856.4</b>	<b>-6.8%</b>	<b>-9.3%</b>	<b>863.3</b>	<b>940.5</b>	<b>-8.2%</b>	<b>-11.0%</b>	<b>866.6</b>	<b>915.9</b>	<b>-5.4%</b>	<b>-7.4%</b>
<b>Conforama</b>	<b>1,331.4</b>	<b>1,493.8</b>	<b>-10.9%</b>	<b>-11.3%</b>	<b>621.6</b>	<b>705.1</b>	<b>-11.8%</b>	<b>-12.3%</b>	<b>709.8</b>	<b>788.7</b>	<b>-10.0%</b>	<b>-10.5%</b>
<b>CFAO</b>	<b>1,338.6</b>	<b>1,416.6</b>	<b>-5.5%</b>	<b>-1.6%</b>	<b>664.7</b>	<b>724.5</b>	<b>-8.3%</b>	<b>-3.5%</b>	<b>673.9</b>	<b>692.1</b>	<b>-2.6%</b>	<b>+0.3%</b>
<b>Puma</b>	<b>1,297.7</b>	<b>1,250.1</b>	<b>+3.8%</b>	<b>-3.8%</b>	<b>600.3</b>	<b>576.8</b>	<b>+4.1%</b>	<b>-4.3%</b>	<b>697.4</b>	<b>673.3</b>	<b>+3.6%</b>	<b>-3.3%</b>
<b>Gucci Group</b>	<b>1,642.1</b>	<b>1,573.3</b>	<b>+4.4%</b>	<b>-3.7%</b>	<b>787.3</b>	<b>759.1</b>	<b>+3.7%</b>	<b>-3.9%</b>	<b>854.8</b>	<b>814.2</b>	<b>+5.0%</b>	<b>-3.4%</b>
Gucci	1,101.9	1,017.7	+8.3%	-0.6%	534.8	504.7	+5.9%	-2.3%	567.1	513.0	+10.6%	+1.0%
Bottega Veneta	202.8	197.4	+2.7%	-8.1%	99.1	91.2	+8.6%	-1.9%	103.7	106.2	-2.3%	-13.4%
Yves Saint Laurent	113.0	120.2	-6.0%	-10.8%	53.3	57.1	-6.6%	-11.5%	59.7	63.1	-5.4%	-10.2%
Other brands	224.4	238.0	-5.7%	-9.4%	100.1	106.1	-5.7%	-9.4%	124.3	131.9	-5.8%	-9.5%
<i>Elimination and other</i>	<i>-8.5</i>	<i>-10.5</i>	<i>ns</i>	<i>ns</i>	<i>-3.1</i>	<i>-4.5</i>	<i>ns</i>	<i>ns</i>	<i>-5.4</i>	<i>-6.0</i>	<i>ns</i>	<i>ns</i>
<b>PPR - Continued activities</b>	<b>9,235.3</b>	<b>9,584.1</b>	<b>-3.6%</b>	<b>-5.9%</b>	<b>4,458.3</b>	<b>4,679.6</b>	<b>-4.7%</b>	<b>-6.9%</b>	<b>4,777.0</b>	<b>4,904.5</b>	<b>-2.6%</b>	<b>-4.9%</b>
Discontinued activities <sup>(2)</sup>	79.3	601.5			28.1	281.4			51.2	320.1		

<sup>(1)</sup> On a comparable scope and currency basis

<sup>(2)</sup> At the end of September 2009. Surcouf for €79 million