



PRESS RELEASE

Paris, January 24, 2008



**2007 REVENUES SHARPLY HIGHER  
UP 16% ON A REPORTED BASIS, UP 7% ON A COMPARABLE BASIS**

- **Excellent activity level in Q4 2007**
- **PPR confident in its 2008 performances**

PPR posted revenues from continuing operations of €19.761 billion in 2007, up 16% on a reported basis and up 7% on a comparable basis over the 2006 level. Revenues generated outside of France represented 59% of the Group's total sales in 2007. PPR confirmed its leadership in e-commerce, with Group companies posting a combined 21% increase in total online sales to €1.772 billion. Group sales in the fourth quarter totaled €5.875 billion, up 15% on a reported basis and up 6% on a comparable basis.

François-Henri Pinault, PPR's Chairman and CEO, said: "PPR's excellent figures speak for themselves: they illustrate the strength of the Group's strategic business model and its capacity to resist economic vagaries. Thanks to our complementary products and brands, the geographical breadth of our networks and our constant push to strengthen our positions in the markets that enjoy the highest growth potential, PPR boosts its performance consistently quarter after quarter. With solid fundamentals and disciplined management, we will deliver higher results for full year 2007. We are confident in the Group's ability to further strengthen our performances in 2008."

(in € million)	2007	Change Actual	Change Comparable <sup>(1)</sup>	Q4 2007	Change Actual	Change Comparable <sup>(1)</sup>
Fnac	4,584	+ 7.4%	+ 7.4%	1,634	+ 8.0%	+ 7.9%
Redcats Group	3,765	+ 1.2%	- 2.2%	1,054	- 0.2%	- 2.9%
Conforama	3,313	+ 1.8%	+ 0.8%	919	- 2.0%	- 2.3%
CFAO	2,535	+ 14.2%	+ 20.2%	678	+ 21.7%	+ 18.3%
Puma	1,718		+ 3.6%	504		+ 10.3%
Gucci Group	3,867	+ 8.4%	+ 14.9%	1,092	+ 5.2%	+ 14.2%
Inter-company sales and other	-21	ns	ns	-6	ns	ns
<b>PPR - Continuing operations</b>	<b>19,761</b>	<b>+ 16.1%</b>	<b>+ 6.7%</b>	<b>5,875</b>	<b>+ 15.1%</b>	<b>+ 6.4%</b>
Discontinued operations <sup>(2)</sup>	775			225		

<sup>(1)</sup> On a comparable basis in terms of Group scope and exchange rates - Luxury Goods over 52 weeks.

<sup>(2)</sup> In 2007, mainly Redcats Missy for €286 M, Empire Stores for €217 M, Surcouf for €247 M and Conforama Poland for €24 M – In Q4 2007, mainly Redcats Missy for €73 M, Empire Stores for €74 M, Surcouf for €70 M and Conforama Poland for €8 M.

### **Fnac, solidly outperforming its markets**

Fnac revenues rose by 7.4% in 2007 and by a strong 8% in the fourth quarter. The company opened 14 new stores in 2007, including six in the fourth quarter. Online sales were up 30% in Q4. In France, where the company gained market share in all segments, sales growth accelerated sharply towards year end (up 6% in Q4), driven by technical products (up 11%). Fnac continued its progression outside of France, posting high growth in every country in which it operates and achieving a 15% growth in total international sales in Q4.

### **Redcats Group, focusing on key brands**

Redcats Group posted a 0.2% drop in reported revenues and a 2.9% decrease in comparable revenues in the fourth quarter of 2007. The group's leading brands (La Redoute, Sportsman's Guide and the plus-size division in the US) posted solid sales performances. The Children and Family division again recorded satisfactory sales. Online sales were up 19%, accounting for 46% of Redcats Group's fourth-quarter revenues. Pursuing its strategy of focusing on its leading brands, Redcats Group is streamlining its portfolio. During the fourth quarter, the company decided to discontinue the activities of its Empire Stores business in the UK and its Missy division in the US. The integration of United Retail was completed, enabling the Group to strengthen its presence on the high-growth plus-size market in the US.

### **Conforama: A challenging December**

Conforama ended 2007 with annual revenue growth of 1%. Sales were down 2% in the fourth quarter. Stores in France rose slightly in the quarter, with brown goods (up 6%) and decorative items (up 7%) posting the highest increases in the fourth quarter. Bedding, sofas and kitchens also had very satisfying performances. Conforama's business was disrupted in December, due to strikes on the first two weekends of the month at certain company stores and one-off availability difficulties on some product categories. Conforama sales outside of France were contrasted. Italy limited its sales drop to 9%.

### **CFAO: A truly outstanding year**

CFAO posted record annual revenue growth of 20%, with an outstanding fourth quarter up 21.7% on a reported basis and 18.3% on a comparable basis. Benefiting from highly favorable environment, CFAO successfully pursued its expansion in Mediterranean regions and Sub-Saharan Africa. In the fourth quarter, the Automotive (which represents 60% of CFAO sales) posted remarkable performances with growth of 28% while the Pharma (24% of sales) continued its progression with a 7% rise.

### **Puma: very strong year-end Performance**

In the fourth-quarter, Puma's sales increased by 10.3% on a comparable basis, driven by an outstanding growth in retail. All product categories posted solid growth, with footwear up 7%, apparel up 14.8% and accessories up 14%. The EMEA region posted the strongest growth (up 20%), followed by Asia-Pacific (up 14%), which was driven by the buoyant Japanese and Chinese markets. The Americas region recorded a limited decline in the fourth quarter (-3%) but remains affected by the drop in traffic at US mall-based business.

### **Gucci Group: excellent quarter to top excellent year**

In a challenging currency environment, Gucci Group continued to outperform its sector in a healthy global luxury goods environment. Gucci Group achieved a 15% jump in comparable revenues in the full year and posted an increase of over 14% in the fourth quarter on top of challenging comparable in 2006. Gucci Group opened 40 new stores in 2007, bringing its network to 494 directly-operated stores at year end. The fourth quarter was marked by sharp growth in sales of Fashion and Leather Goods (up 19%) and accelerated growth in Asia-Pacific outside of Japan (+38%): in this region, Gucci Group generated 18% of its revenues. Sales were up 18% in North America, 9% in Europe and 2% in Japan.

### **Gucci: Momentous year-end performance**

Gucci's growth momentum continued in the fourth quarter with a 13% increase in revenues, closing the year with an 11% comparable increase. Nearly all product categories posted double-digit growth in the quarter. The brand pursued its international expansion, notably in emerging markets where Gucci revenues jumped by 39% in the quarter to account for 26% of the total. The brand's remarkable growth in the fourth quarter in China (up 130%) and Hong Kong (up 40%) as well as Korea (up 26%) should also be pointed out. Gucci's network included 233 stores at the end of 2007, four of which were opened in the fourth quarter.

### **Bottega Veneta: stellar performance continues**

With annual revenues up 49% in 2007 on top of 69% growth in the prior year, Bottega Veneta's performance was excellent. Revenues increased 45% in the fourth quarter, driven by considerable success in all product categories. Very strong performances were recorded across all regions, with Europe up 55%, Japan up 37%, Asia-Pacific (excluding Japan) up 43% and North America up 42%. Bottega Veneta opened three stores in the fourth quarter, bringing its network to 111, including two in China.

### **Yves Saint Laurent: sustained momentum**

Yves Saint Laurent confirmed the positive trend of prior quarters, with revenues up 20% in Q4, driven by sharp sales growth in directly-operated stores and large multi-brand department stores. All product categories posted satisfactory performances and contributed to the solid growth recorded this quarter.

### **YSL Beauté: growth fueled by successful launches**

YSL Beauté posted a revenue increase of 3% in the fourth quarter. Excluding terminated license agreements (Van Cleef & Arpels, Fendi), revenues grew by 7%. Sales growth was fueled by Yves Saint Laurent-branded perfumes, accounting for 48% of sale, which posted growth of 18% due to the success of the new women's fragrance, "*elle*", as well as by the satisfactory performance of the cosmetics range and of Roger & Gallet products.

### **"Other brands": successful multi-brand portfolio**

"Other brands" posted sales growth of 18% in the fourth quarter, up 24% for the year as a whole. All the brands contributed to this remarkable performance, notably Balenciaga driven by its successful Fall-Winter 2007 collection and the good start of its Spring-Summer 2008 precollection, Boucheron driven by its new jewelry collections, Alexander McQueen and Stella McCartney which posted double-digit growth and Sergio Rossi driven by the commercial success of its handbag lines.

## CONFERENCE CALL

PPR will hold a conference call for analysts and investors: at 3:00pm (Continental Europe); 2:00pm (UK); 9:00am (East Coast time, USA), on Thursday January 24, 2008.

France: +33 (0)1 72 26 01 65

Replay: +33 (0)1 72 28 01 49

Germany: +49 (0)69 2222 2217

Replay: +49 (0)307 261 67360

UK: +44 (0)161 601 8920

Replay: +44 (0)207 075 3214

USA: +1 866 793 4277

Replay: +1 866 828 2261

Replay access code: 212863# (through February 15, 2008)

PODCAST of the conference call available at: [www.ppr.com](http://www.ppr.com)

## 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. The Group is present in 75 countries with approximately 78,000 employees. Through its retail businesses Redcats Group, Fnac, Conforama and CFAO, and the Luxury brands of Gucci Group (Gucci, Bottega Veneta, Yves Saint Laurent, YSL Beauté, Balenciaga, Boucheron, Sergio Rossi, Alexander McQueen and Stella McCartney), PPR generated sales of EUR 17.9 billion in 2006. In 2007, PPR acquired a majority interest in Puma. PPR shares are listed on Euronext Paris (# 121485, PRTP.PA, PPFPA). For more information: [www.ppr.com](http://www.ppr.com)*



## Contacts

Press: Charlotte Judet +33 (0)1 45 64 65 06 [cjudet@ppr.com](mailto:cjudet@ppr.com)

Analysts/Investors: Alexandre de Brettes +33 (01) 45 64 61 49 [adebrettes@ppr.com](mailto:adebrettes@ppr.com)

Emmanuelle Marque +33 (01) 45 64 63 28 [emarque@ppr.com](mailto:emarque@ppr.com)

Website: [www.ppr.com](http://www.ppr.com)

## Appendix 1: Sales in Q4 and in 2007

<i>(in € million)</i>			Change	Change	Q4	Q4	Change	Change
	2007	2006	Actual	Comparable <sup>(1)</sup>	2007	2006	Actual	Comparable <sup>(1)</sup>
<b>Fnac</b>	<b>4,583.5</b>	<b>4,266.9</b>	+ 7.4%	+ 7.4%	<b>1,634.1</b>	<b>1,512.9</b>	+ 8.0%	+ 7.9%
<b>Redcats Group</b>	<b>3,764.5</b>	<b>3,719.3</b>	+ 1.2%	- 2.2%	<b>1,054.2</b>	<b>1,055.9</b>	- 0.2%	- 2.9%
<b>Conforama</b>	<b>3,313.0</b>	<b>3,253.6</b>	+ 1.8%	+ 0.8%	<b>919.0</b>	<b>938.1</b>	- 2.0%	- 2.3%
<b>CFAO</b>	<b>2,534.7</b>	<b>2,219.4</b>	+ 14.2%	+ 20.2%	<b>678.2</b>	<b>557.4</b>	+ 21.7%	+ 18.3%
<b>Puma <sup>(2)</sup></b>	<b>1,717.6</b>			+ 3.6%	<b>504.4</b>			+ 10.3%
<b>Gucci Group</b>	<b>3,867.3</b>	<b>3,568.2</b>	+ 8.4%	+ 14.9%	<b>1,091.9</b>	<b>1,038.3</b>	+ 5.2%	+ 14.2%
Gucci	2,175.4	2,100.9	+ 3.5%	+ 11.0%	618.8	606.7	+ 2.0%	+ 12.7%
Bottega Veneta	366.1	266.9	+ 37.2%	+ 48.7%	104.6	80.9	+ 29.4%	+ 44.6%
Yves Saint Laurent	221.3	193.6	+ 14.3%	+ 22.0%	59.2	56.0	+ 5.9%	+ 20.4%
YSL Beauté	649.2	626.3	+ 3.7%	+ 6.5%	195.3	194.2	+ 0.6%	+ 3.2%
Other brands	455.3	380.5	+ 19.7%	+ 23.5%	114.0	100.5	+ 13.4%	+ 18.1%
<i>Inter-company sales and other</i>	<i>-19.7</i>	<i>-1.8</i>	<i>ns</i>	<i>ns</i>	<i>-7.1</i>	<i>-0.3</i>	<i>ns</i>	<i>ns</i>
<b>PPR - Continuing operations</b>	<b>19,760.9</b>	<b>17,025.6</b>	+ <b>16.1%</b>	+ <b>6.7%</b>	<b>5,874.7</b>	<b>5,102.3</b>	+ <b>15.1%</b>	+ <b>6.4%</b>
Discontinued operations <sup>(3)</sup>	775.3	1,458.9			225.1	274.6		

<sup>(1)</sup> On a comparable basis in terms of Group scope and exchange rates - Luxury Goods over 52 weeks.

<sup>(2)</sup> Puma fully consolidated from April 1, 2007.

<sup>(3)</sup> In 2007, mainly Redcats Missy for €286 M, Empire Stores for €217 M, Surcouf for €247 M and Conforama Poland for €24 M.  
In Q4 2007, mainly Redcats Missy for €73 M, Empire Stores for €74 M, Surcouf for €70 M and Conforama Poland for €8 M.

## Appendix 2: Sales by region

### Fnac

<i>(in € million)</i>	2007	2006	Change Actual	Change Comparable <sup>(1)</sup>	Q4 2007	Q4 2006	Change Actual	Change Comparable <sup>(1)</sup>
<b>France</b>	<b>3,275.1</b>	<b>3,122.5</b>	<b>+ 4.9%</b>	<b>+ 4.8%</b>	<b>1,182.4</b>	<b>1,119.8</b>	<b>+ 5.6%</b>	<b>+ 5.5%</b>
Spain, Portugal, Belgium	912.0	815.0	+ 11.9%	+ 11.9%	313.6	279.8	+ 12.1%	+ 12.1%
Brazil, Switzerland, Italy	396.4	329.4	+ 20.3%	+ 21.0%	138.2	113.3	+ 22.0%	+ 21.5%
<b>International</b>	<b>1,308.4</b>	<b>1,144.4</b>	<b>+ 14.3%</b>	<b>+ 14.5%</b>	<b>451.8</b>	<b>393.1</b>	<b>+ 14.9%</b>	<b>+ 14.8%</b>
<b>TOTAL</b>	<b>4,583.5</b>	<b>4,266.9</b>	<b>+ 7.4%</b>	<b>+ 7.4%</b>	<b>1,634.2</b>	<b>1,512.9</b>	<b>+ 8.0%</b>	<b>+ 7.9%</b>

### Redcats Group

<i>(in € million)</i>	2007	2006	Change Actual	Change Comparable <sup>(1)</sup>	Q4 2007	Q4 2006	Change Actual	Change Comparable <sup>(1)</sup>
<b>France</b>	<b>1,939.0</b>	<b>2,009.2</b>	<b>- 3.5%</b>	<b>- 3.5%</b>	<b>526.0</b>	<b>547.0</b>	<b>- 3.8%</b>	<b>- 3.8%</b>
United Kingdom	219.6	245.4	- 10.5%	- 10.1%	61.7	69.3	- 10.9%	- 6.7%
Scandinavia	340.1	349.9	- 2.8%	- 2.9%	84.4	89.5	- 5.7%	- 5.8%
United States	938.5	817.3	+ 14.8%	- 1.4%	294.0	273.8	+ 7.4%	- 4.2%
Other countries	327.3	297.5	+ 10.0%	+ 11.0%	88.1	76.2	+ 15.6%	+ 16.4%
<b>International</b>	<b>1,825.5</b>	<b>1,710.1</b>	<b>+ 6.7%</b>	<b>- 0.8%</b>	<b>528.2</b>	<b>508.8</b>	<b>+ 3.8%</b>	<b>- 1.8%</b>
<b>TOTAL</b>	<b>3,764.5</b>	<b>3,719.3</b>	<b>+ 1.2%</b>	<b>- 2.2%</b>	<b>1,054.2</b>	<b>1,055.8</b>	<b>- 0.2%</b>	<b>- 2.8%</b>

### Conforama

<i>(in € million)</i>	2007	2006	Change Actual	Change Comparable <sup>(1)</sup>	Q4 2007	Q4 2006	Change Actual	Change Comparable <sup>(1)</sup>
<b>France</b>	<b>2,384.1</b>	<b>2,270.8</b>	<b>+ 5.0%</b>	<b>+ 3.0%</b>	<b>658.8</b>	<b>660.5</b>	<b>- 0.3%</b>	<b>- 1.1%</b>
Italy	434.7	488.7	- 11.1%	- 11.1%	125.3	137.4	- 8.8%	- 8.8%
Switzerland	245.2	238.0	+ 3.0%	+ 7.6%	66.8	69.6	- 4.0%	+ 0.0%
Other countries	249.0	256.1	- 2.8%	- 2.7%	68.0	70.5	- 3.5%	- 3.6%
<b>International</b>	<b>928.9</b>	<b>982.8</b>	<b>- 5.5%</b>	<b>- 4.5%</b>	<b>260.1</b>	<b>277.5</b>	<b>- 6.2%</b>	<b>- 5.3%</b>
<b>TOTAL</b>	<b>3,313.0</b>	<b>3,253.6</b>	<b>+ 1.8%</b>	<b>+ 0.8%</b>	<b>918.9</b>	<b>938.0</b>	<b>- 2.0%</b>	<b>- 2.3%</b>

<sup>(1)</sup> On a comparable basis in terms of Group scope and exchange rates.

## Appendix 3: Sales - Gucci Group

### Gucci Group

#### Breakdown by region

<i>(in € million)</i>			<b>Change</b>	<b>Change</b>	<b>Q4</b>	<b>Q4</b>	<b>Change</b>	<b>Change</b>
	<b>2007</b>	<b>2006</b>	<b>Actual</b>	<b>Comparable <sup>(1)</sup></b>	<b>2007</b>	<b>2006</b>	<b>Actual</b>	<b>Comparable <sup>(1)</sup></b>
Europe	1,821.1	1,618.3	+ 12.5%	+ 14.0%	496.5	469.8	+ 5.7%	+ 9.4%
North America	739.0	712.4	+ 3.7%	+ 14.7%	218.6	216.3	+ 1.0%	+ 17.9%
Japan	552.6	582.7	- 5.2%	+ 6.5%	164.2	174.4	- 5.8%	+ 2.2%
Asia-Pacific excl. Japan	704.3	607.0	+ 16.0%	+ 25.6%	200.8	165.8	+ 21.1%	+ 38.1%
Other countries	50.3	47.8	+ 5.3%	+ 12.8%	11.8	12.0	- 1.3%	+ 7.2%
<b>TOTAL</b>	<b>3,867.3</b>	<b>3,568.2</b>	<b>+ 8.4%</b>	<b>+ 14.9%</b>	<b>1,091.9</b>	<b>1,038.3</b>	<b>+ 5.2%</b>	<b>+ 14.2%</b>

### Gucci Brand

#### Breakdown by product category

<i>(in € million)</i>			<b>Change</b>	<b>Change</b>	<b>Q4</b>	<b>Q4</b>	<b>Change</b>	<b>Change</b>
	<b>2007</b>	<b>2006</b>	<b>Actual</b>	<b>Comparable <sup>(1)</sup></b>	<b>2007</b>	<b>2006</b>	<b>Actual</b>	<b>Comparable <sup>(1)</sup></b>
Leather Goods	1,181.9	1,166.7	+ 1.3%	+ 9.3%	338.0	335.1	+ 0.9%	+ 12.5%
Shoes	316.0	280.8	+ 12.5%	+ 19.7%	77.3	74.3	+ 4.0%	+ 16.4%
Ready-to-wear	298.1	262.5	+ 13.5%	+ 20.7%	81.4	76.3	+ 6.7%	+ 17.6%
Royalties and other products	379.4	390.9	- 2.9%	+ 2.9%	122.1	121.0	+ 0.9%	+ 8.1%
<b>TOTAL</b>	<b>2,175.4</b>	<b>2,100.9</b>	<b>+ 3.5%</b>	<b>+ 11.0%</b>	<b>618.8</b>	<b>606.7</b>	<b>+ 2.0%</b>	<b>+ 12.7%</b>

<sup>(1)</sup> On a comparable basis in terms of Group scope and exchange rates. Luxury Goods over 52 weeks