



PRESS RELEASE

Paris, April 21, 2009



First quarter 2009 sales

**Resilient activity in challenging markets**

In the first quarter of 2009, PPR had consolidated sales of EUR 4.8 billion, down 2.6% from the first quarter of 2008 in reported terms and down 4.9% on a comparable scope and exchange rate basis.

The contribution of the Group's activities outside of France continued to increase, representing 63.6% of total sales in the first quarter of 2009, vs. 62.4% on a comparable basis in the first quarter of 2008.

PPR also boosted sales generated through the strategic e-commerce channel, with revenues up 7.0% on a comparable basis in the first quarter of 2009.

François-Henri Pinault, CEO of PPR, noted:

“Our Group's sales performance in the early months of the year underscores PPR's capacity to withstand the deterioration and volatility of its operating environment. I wish to express my gratitude for the dedication of all our teams who are working hard to adapt to this evolving situation and enable all Group entities to pull through this crisis stronger than before. We intend to pursue the action plans aimed at meeting the objectives we have set ourselves for 2009: to sharpen our competitive edge and reinforce our positions in all our businesses.”

| <i>(in € million)</i>                | <b>Q1<br/>2009</b> | <b>Reported<br/>change</b> | <b>Comparable<br/>change <sup>(1)</sup></b> |
|--------------------------------------|--------------------|----------------------------|---|
| Fnac                                 | 980                | - 4.5%                     | - 4.2%                                      |
| Redcats Group                        | 867                | - 5.4%                     | - 7.4%                                      |
| Conforama                            | 710                | - 10.0%                    | - 10.5%                                     |
| CFAO                                 | 674                | - 2.6%                     | + 0.3%                                      |
| Puma                                 | 697                | + 3.6%                     | - 3.3%                                      |
| Gucci Group                          | 855                | + 5.0%                     | - 3.4%                                      |
| <i>Inter-company sales and other</i> | <i>(6)</i>         | <i>ns</i>                  | <i>ns</i>                                   |
| <b>PPR - Continuing operations</b>   | <b>4,777</b>       | <b>- 2.6%</b>              | <b>- 4.9%</b>                               |

<sup>(1)</sup> On a comparable Group scope and exchange rate basis.

### **Fnac**

In the first quarter of 2009, Fnac sales dropped 4.2% on a comparable basis and 4.5% on a reported basis compared to the first quarter of 2008. In France, Fnac sales were down 4.5% despite a sharp rise in online sales (+10%) and strong demand for its new service offering. Sales performance outside of France was mixed, with robust growth in Belgium and Brazil, resilience in Portugal, Italy and Switzerland, and a sharp drop in Spain where market conditions were particularly challenging in the quarter.

### **Redcats**

Redcats sales in the first quarter of 2009 were down 7.4% on a comparable basis and 5.4% on a reported basis vs. the first quarter of 2008. La Redoute recorded another difficult quarter both in France (-14%) and internationally (-6%). Sales of the Senior brands were also lower, while Scandinavian activities retained their momentum. In the US, sales of the Large Size division were down by only 1.7%, driven by a good performance from home shopping brands. The sports & leisure division achieved another strong increase, with revenues up 17%. Solid growth continued in online sales (+6%), which accounted for 45% of total Redcats sales in the first quarter of 2009.

### **Conforama**

First quarter 2009 sales of Conforama declined by 10.5% on a comparable basis and by 10.0% in reported terms compared to the first quarter of 2008. In France, sales were down 10%, with a sharp decline in store traffic during the month of March. Online sales performance through conforama.fr was satisfactory. Outside of France, sales of Conforama were down 12% in the quarter. In Italy, revenues were down 20%, impacted by the closure of four stores. Activity was also depressed in Spain and Portugal, but was resilient in Switzerland this quarter.

### **CFAO**

Against a backdrop of overall economic slowdown in its markets, CFAO comparable sales rose by 0.3% (-2.6% in reported terms), on top of a particularly high comparison base in the first quarter of 2008. Automotive activities posted a slight decline in the quarter (-2.5%), against equally high comps, but remained robust in sub-Saharan Africa. Pharmaceutical sales continued to grow at a strong pace (+3.9%) despite difficult conditions in French overseas territories. Other activities continued to grow, with revenues in the Industry & Trading and Technology divisions up by 5.6% and 6.7%, respectively.

### **Puma**

In the first quarter of 2009, against difficult market conditions, Puma sales were down 3.3% on a comparable basis and 3.6% higher in reported terms vs. the first quarter of 2008. Sales in the Americas jumped by 11.2%, fueled by good performances in US footwear. Sales in Asia-Pacific were down slightly while activity was lower in the EMEA region from particularly high levels in the first quarter of 2008, a year of major sporting events. By product category, Footwear and Accessories showed good resistance, while Apparel sales were down, particularly in the EMEA region.

### **Gucci Group**

In a market that has become more challenging, particularly in hard luxury (watches and jewelry), Gucci Group sales slipped by just 3.4% on a comparable basis in the first quarter of 2009 and rose by 5.0% in reported terms. Comparable sales of Leather Goods were up 2%. With sales up 21% in emerging markets, which accounted for 32% of its total sales in the quarter, Gucci Group gained further momentum in these key countries. Revenues jumped 25% in Asia-Pacific excluding Japan, driven by strong growth in Greater China (+13%). The overall environment in mature markets worsened significantly in the quarter. Gucci Group operated a total of 571 stores, including 31 in China at the end of March 2009.

### **Gucci**

First quarter 2009 sales of the Gucci brand were up 1.0% on a comparable basis (+2% excluding Timepieces) and up 10.6% in reported terms, compared to the first quarter of 2008. Fashion and Leather Goods sales were up 4%, highlighting the brand's appeal. Sales in directly operated stores were up sharply, while wholesales (excluding Timepieces) posted a slight increase. The Spring/Summer 2009 collections were highly successful, notably in Leather Goods. The Gucci brand continued its expansion in emerging markets, where sales rose by 21%, with a remarkable 16% growth in Greater China which accounted for 17% of the brand's sales in the first quarter of 2009 (vs. 15% in the comparable period last year). In mature markets, Gucci had mixed performances with sales in Western Europe softening by only 1.5%. The Gucci store network comprised 264 units, including 25 in China, at the end of March 2009.

### **Bottega Veneta**

In the first quarter of 2009, sales of Bottega Veneta decreased by 13.4% on a comparable basis and by 2.3% in reported terms, against impressive comparable figures for the same period of 2008. Sales continued to grow at a rapid pace (+32%) in Asia-Pacific excluding Japan, a region that accounts for 29% of the brand's total revenues. First quarter activity in mature markets was impacted by a significant drop in Japan (-28%), a country that represents 30% of Bottega Veneta sales. At the end of March there were 125 Bottega Veneta directly operated stores around the world.

### **Yves Saint Laurent**

Yves Saint Laurent sales were down 10.2% on a comparable basis and 5.4% in reported terms in the first three months of 2009, in a difficult global environment. Fashion and Leather Goods activities, as well as royalties, decreased in the quarter. Sales in directly operated stores were impacted by lower traffic in all regions, while wholesale sales reflected lower activity levels in the US. Performances were mixed across regions, with Asia-Pacific excluding Japan posting a 5% sales increase.

### **"Other brands"**

Sales from the Gucci Group's "Other brands" decreased by 9.5% on a comparable basis and 5.8% in reported terms in the first quarter of 2009. Balenciaga had another good quarter, notably in its DOS, driven by its Spring/Summer 2009 collection. Boucheron's activity in the period was affected by the difficult situation facing the hard luxury segment. At Sergio Rossi, DOS sales were affected by the closure of the brand's stores in the US. Alexander McQueen recorded a slight increase in its activity, while Stella McCartney had a mixed performance. In total, the "Other brands" operated a network of 117 stores at the end of March 2009.

## **Developments since January 1, 2009**

On January 1, 2009, Puma acquired a majority interest in the Dutch company Dobotex International BV, a long-standing partner that holds the license for Puma socks and undergarments, outside of the US.

On January 12, 2009, Puma announced the acquisition of the Swedish company Brandon AB, specializing in brand merchandising and promotion.

On February 11, 2009, PPR announced the appointment of Jean-Michel Noir as Chairman and CEO of Redcats Group and member of the PPR Executive Committee. Jean-Michel Noir joined Redcats in early April 2009.

On February 18, 2009, Fnac announced a plan aimed at boosting its activity in France and internationally, as well as savings measures amounting to €35 million.

In addition, on the same day, Conforama announced a plan to reduce costs by €50 million on a full-year basis, aimed at restoring its competitiveness.

On February 25, 2009, Gucci Group announced that it had signed a definitive agreement for the sale of Bedat & Co to Luxury Concepts Watches Jewellery Sdn Bhd, a Malaysia-based company.

On March 26, 2009, PPR launched a €600 million, five-year fixed-rate bond issue with an 8.625% coupon.

On April 1, 2009, PPR announced that it had entered exclusive negotiations for the sale of Surcouf to Mr. Hugues Mulliez, founder of Youg's, an IT product and service retailer.

## 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, April 21, 2009**.

### Conference call dial-in:

From France +33 (0) 1 70 99 42 71  
From UK +44 (0) 20 7138 0826  
From US +1 212 444 0481

Access code: 7403514

### Replay dial-in:

From France +33 (0)1 71 23 02 48  
From UK +44 (0)20 7806 1970  
From US +1 718 354 1112

Access code for the replay: 7403514# (available until May 5, 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, PPF.P).

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).

On June 5th we all have a date with the Planet!

PPR is proud to support the movie HOME



## Contacts

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## Appendix: Sales in Q1 2009

| <i>(in € million)</i>                  | <b>Q1<br/>2009</b> | <b>Q1<br/>2008 <sup>(3)</sup></b> | <b>Change<br/>Reported</b> | <b>Change<br/>Comparable <sup>(1)</sup></b> |
|--|--------------------|-----------------------------------|----------------------------|---|
| <b>Fnac</b>                            | <b>979.9</b>       | <b>1,026.3</b>                    | <b>- 4.5%</b>              | <b>- 4.2%</b>                               |
| <b>Redcats Group</b>                   | <b>866.6</b>       | <b>915.9</b>                      | <b>- 5.4%</b>              | <b>- 7.4%</b>                               |
| <b>Conforama</b>                       | <b>709.8</b>       | <b>788.7</b>                      | <b>- 10.0%</b>             | <b>- 10.5%</b>                              |
| <b>CFAO</b>                            | <b>673.9</b>       | <b>692.1</b>                      | <b>- 2.6%</b>              | <b>+ 0.3%</b>                               |
| <b>Puma</b>                            | <b>697.4</b>       | <b>673.3</b>                      | <b>+ 3.6%</b>              | <b>- 3.3%</b>                               |
| <b>Gucci Group</b>                     | <b>854.8</b>       | <b>814.2</b>                      | <b>+ 5.0%</b>              | <b>- 3.4%</b>                               |
| Gucci                                  | 567.1              | 513.0                             | + 10.6%                    | + 1.0%                                      |
| Bottega Veneta                         | 103.7              | 106.2                             | - 2.3%                     | - 13.4%                                     |
| Yves Saint Laurent                     | 59.7               | 63.1                              | - 5.4%                     | - 10.2%                                     |
| Other brands                           | 124.3              | 131.9                             | - 5.8%                     | - 9.5%                                      |
| <i>Inter-company sales and other</i>   | <i>-5.4</i>        | <i>-6.0</i>                       | <i>ns</i>                  | <i>ns</i>                                   |
| <b>PPR - Continuing operations</b>     | <b>4,777.0</b>     | <b>4,904.5</b>                    | <b>- 2.6%</b>              | <b>- 4.9%</b>                               |
| Discontinued operations <sup>(2)</sup> | 51.2               | 320.1                             |                            |   |

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

<sup>(2)</sup> In Q1 2009, Surcouf for €51M.

<sup>(3)</sup> After adjustment for the impact of IFRIC 13-Customer loyalty programs and improvement of IAS16-Property, Plant and equipment.