



Investor presentation

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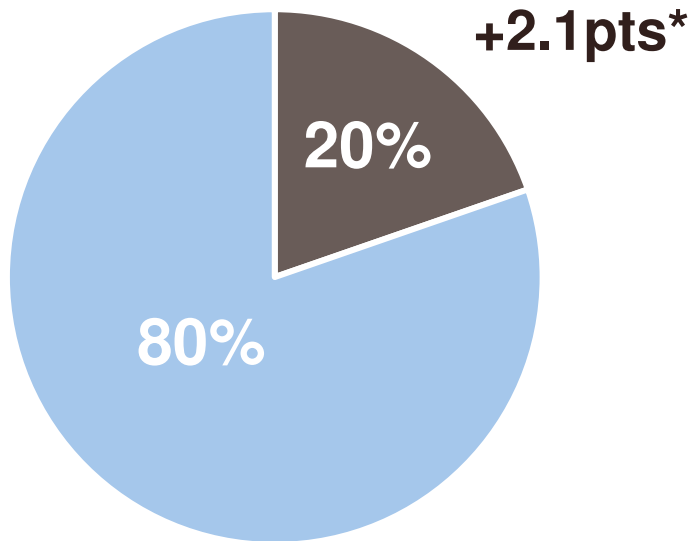
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Organic growth and operating efficiency

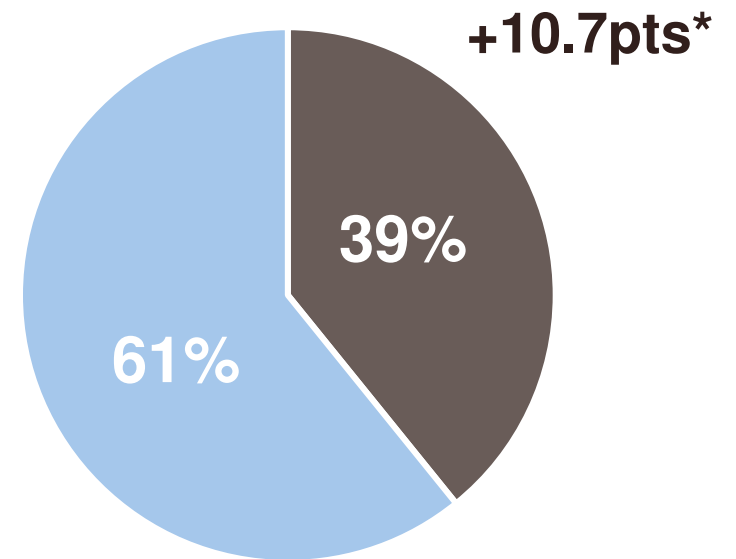
- Unique positioning
- Organic growth strategy
- Higher growth profile than market averages
- Constantly enhancing offer and focusing on key activities

Growing contribution of Luxury Goods

Sales



Recurring operating income



H1'06

Luxury Goods 
Retail 

Very solid operating performances in H1'06

- Sustained growth in sales, up 6.6%
 - Solid performance in Retail (up 3.6%), especially outside France
 - Exceptional growth in Luxury Goods, up 20.3%
- Recurring operating income up 27%
 - Retail holding up well, up 5.1%
 - Outstanding growth in Luxury Goods, up 69.6%
- Free cash flow from operations: continued healthy momentum

Implementation of strategic decisions

- Focus on priority activities
 - Sale of Orcanta
 - Closure of Fnac Service
 - Restructuring of YSL Beauté (sale of Bernay industrial site)
- Strengthened positions through bolt-on acquisitions
 - Sodice Expansion by Conforama
 - The Sportsman's Guide by Redcats
- Major transaction in line with our strategy
 - Sale of Printemps

Retail in the first half of 2006



■ Sustained growth in contrasted markets

- Comparable revenue up 3.6% driven by Fnac and CFAO
- Growth in improving markets boosted by World Cup
- Sharp growth in online sales up 26.8%
 - fnac.com sales up 31%

■ Stable recurring operating income

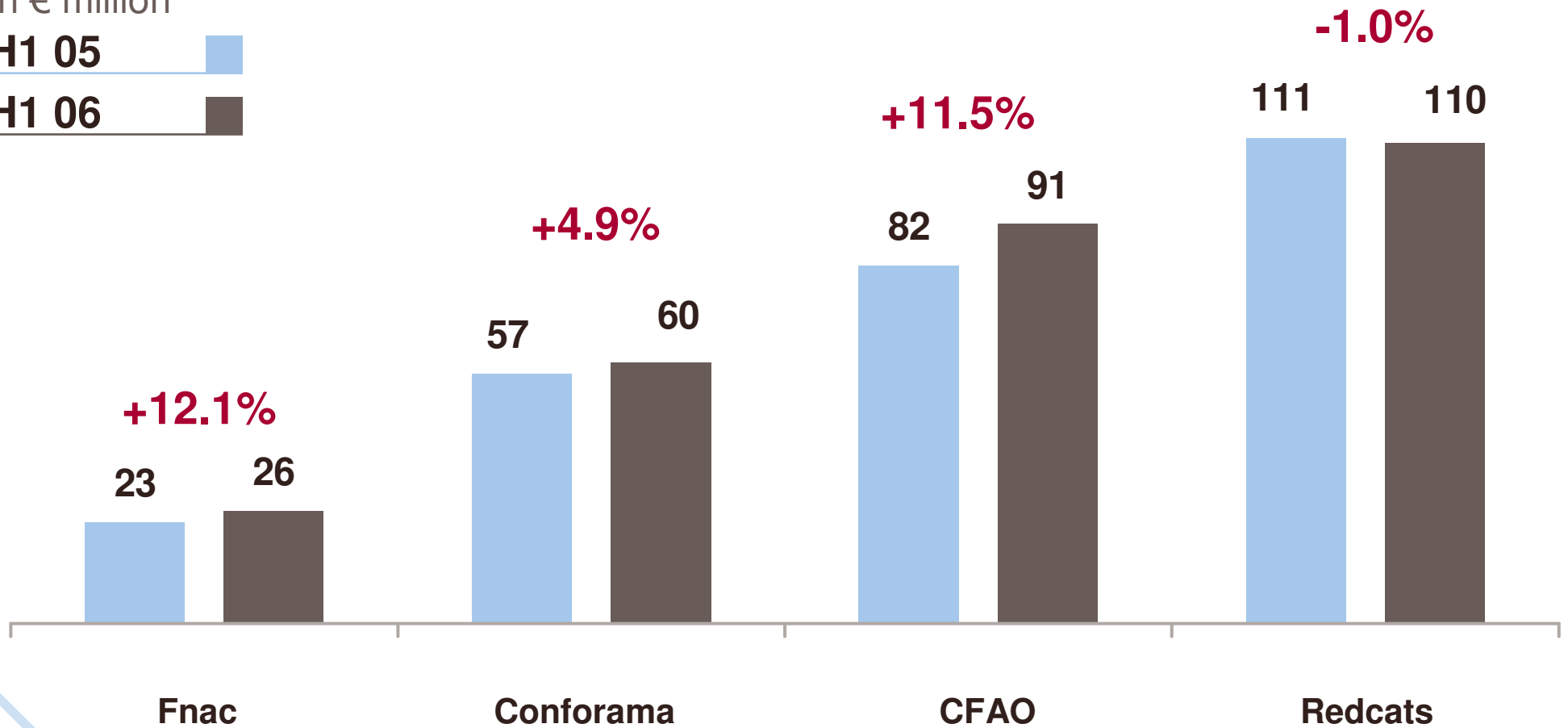
- Higher productivity, notably at CFAO and Fnac
- Stringent control of operating expenses reduced by 0.7pt

Recurring operating income Retail

In € million

H1 05

H1 06



Luxury Goods in the first half of 2006



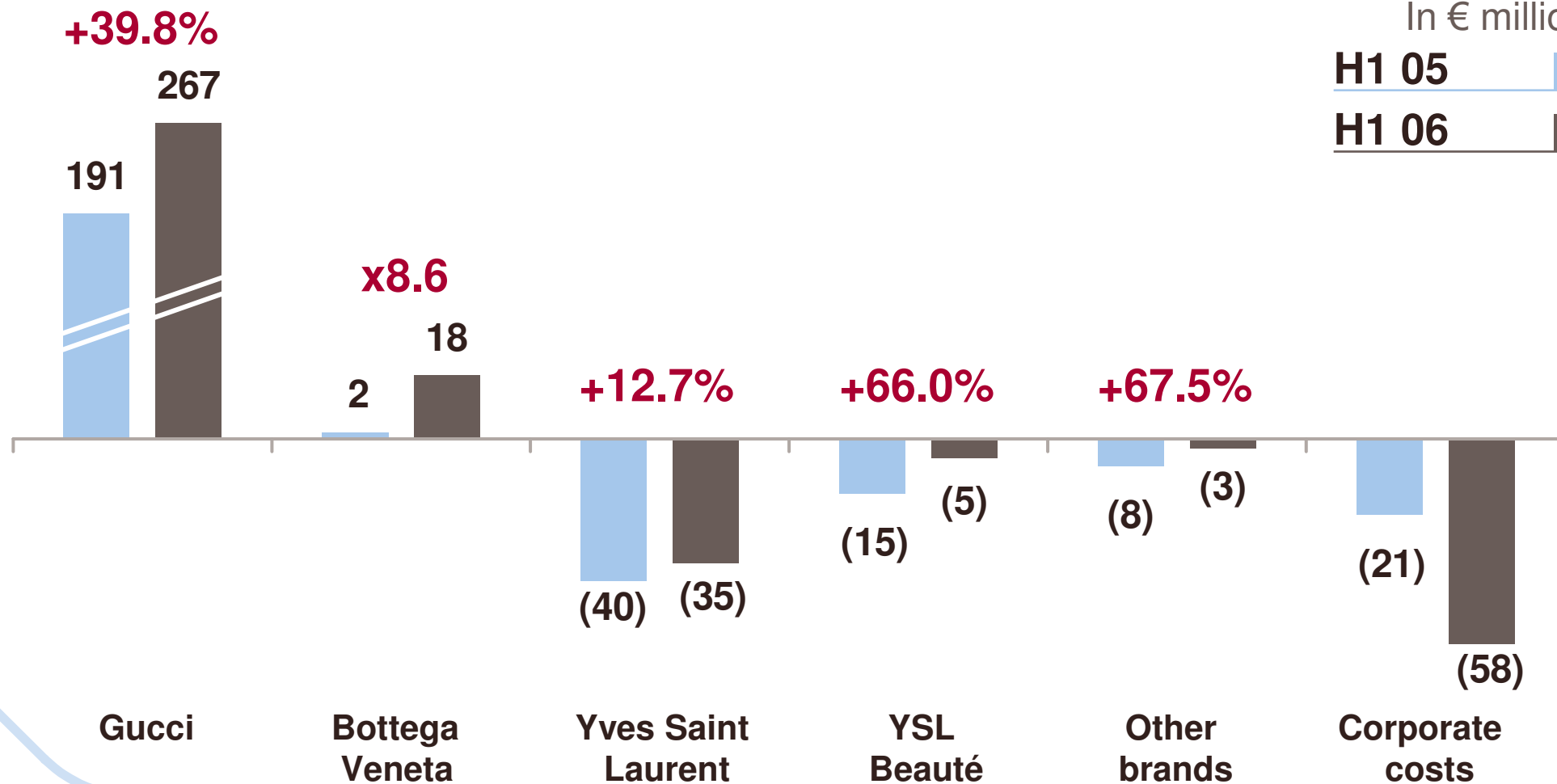
- Sustained growth momentum
 - Strong sales growth, up 20.3%
 - Double-digit growth in all regions
- Recurring operating income: +69.6% (+72.9% at comparable exchange rates)
 - Significant improvement in Gucci operating margin: +3.6pts
 - Bottega Veneta double-digit operating margin
 - Improved results at Yves Saint Laurent Couture, YSL Beauté, Balenciaga and Boucheron
- Ongoing investments
 - 11 new stores
 - Intensification of communications effort

Recurring operating income Luxury Goods

In € million

H1 05

H1 06



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Conclusion

Organic growth strategy focusing on international activities

■ Luxury Goods

- Outperform in a booming market

■ Retail

- Benefit from excellent positioning in fast-growing markets: Fnac and CFAO
- Improve positioning in high-potential markets: Redcats and Conforama

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Notes

Income statement

In € million

	H1 2006	H1 2005	Change
CONTINUING OPERATIONS			
Revenues	8,294	7,701	+7.7%
Gross profit	3,651	3,400	+7.4%
<i>Gross profit margin</i>	<i>44.0%</i>	<i>44.1%</i>	<i>-0.1 pt</i>
Commercial & marketing expenses	(743)	(727)	+2.2%
Selling expenses	(1,502)	(1,428)	+5.2%
Other	(956)	(890)	+7.4%
Recurring operating income	450	355	+27.0%
<i>Recurring operating income margin</i>	<i>5.4%</i>	<i>4.6%</i>	<i>+0.8 pt</i>
EBITDA	620	524	+18.3%
<i>EBITDA margin</i>	<i>7.5%</i>	<i>6.8%</i>	<i>+0.7 pt</i>

Income statement

In € million

	H1 06	H1 05	CHANGE
CONTINUING OPERATIONS			
Recurring operating income	450	355	+27.0%
Other operating income and expenses	(0)	40	
Financial charges (net)	(153)	(150)	
Corporate income tax	(87)	(64)	
Income from equity affiliates	1	3	
Net income from continuing operations	211	184	+14.4%
o/w Group share	189	169	
Group share of net income from discontinued operations	(55)	(16)	
Net income, Group share	134	153	
Group share of net income from continuing operations excluding non-current items	196	138	+42.1%

Financial structure

Group balance sheet

In € million

	June 30, 06	June 30, 05	Change	Dec 31, 05
Goodwill and intangible assets	11,949	12,158	(209)	12,151
Other net non-current assets	927	1,475	(548)	1,388
Other net current assets	343	221	122	(314)
Provisions	(485)	(515)	30	(507)
Capital employed	12,734	13,339	(605)	12,718
Net assets held for sale	664		664	
Shareholders' equity ⁽¹⁾	7,869	7,762	107	8,134
Net indebtedness	5,529	5,577	(48)	4,584
(1) o/w Group share	7,723	7,598	125	7,985