



Q2 2005 Sales Conference Call

July 28, 2005

PPR Group consolidated sales Q2 & H1 2005



<i>(in EUR million)</i> According to IFRS	Q2 2005	05/04 change ⁽¹⁾	H1 2005	05/04 change ⁽¹⁾
■ Retail	3,353.9	+0.2%	6,755.5	+1.9%
■ Luxury Goods	639.3	+17.6%	1,350.8	+15.9%
<i>Inter-company sales</i>	-6.3	<i>ns</i>	-11.9	<i>ns</i>
PPR	3,986.9	+2.7%	8,094.4	+4.0%

- ➔ **Resilient Retail sales in a tough economic environment, particularly in France**
- ➔ **Strong retail calendar impact in Q2: sales up 2.5% on reported basis**
- ➔ **Double-digit Luxury Goods sales growth across all regions**

Retail – Q2 highlights



■ Continued international momentum

- Retail sales outside of France up 3.9%
- 4 new store openings outside of France (France: 1 store opened)
- Access to new countries (La Redoute in Greece & Norway)

■ Strengthened PPR leadership in e-commerce (+34.4%)

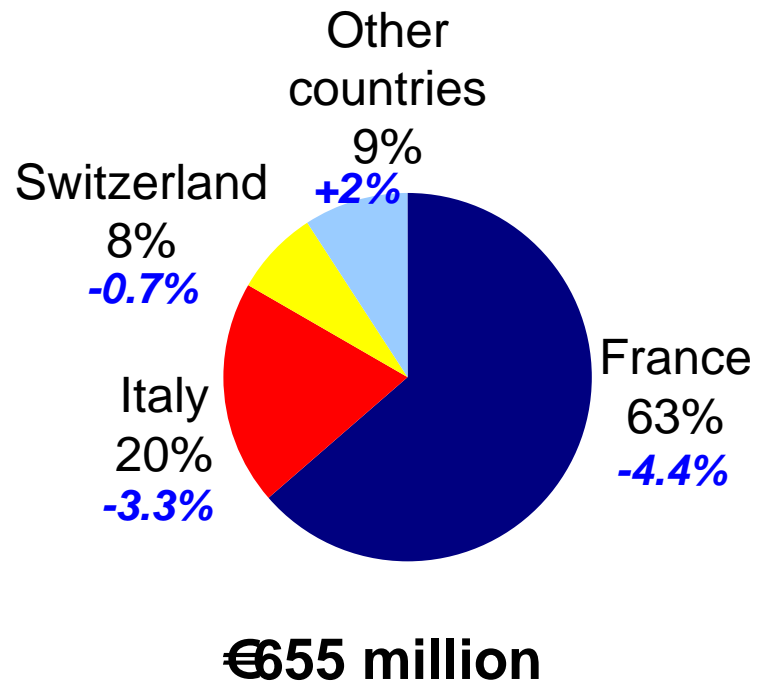
■ Further focus on core retail brand positioning

- Conforama: strengthening return to discount roots, multi-style assortment, product availability
- Fnac: technology offering, extended product assortment
- Printemps: focus on fashion, beauty, fashion accessories
- Redcats: expansion of La Redoute brand, focus on children, families, seniors

Conforama – transition



■ Conforama (Q2 -3.3%, H1 -0.2%)

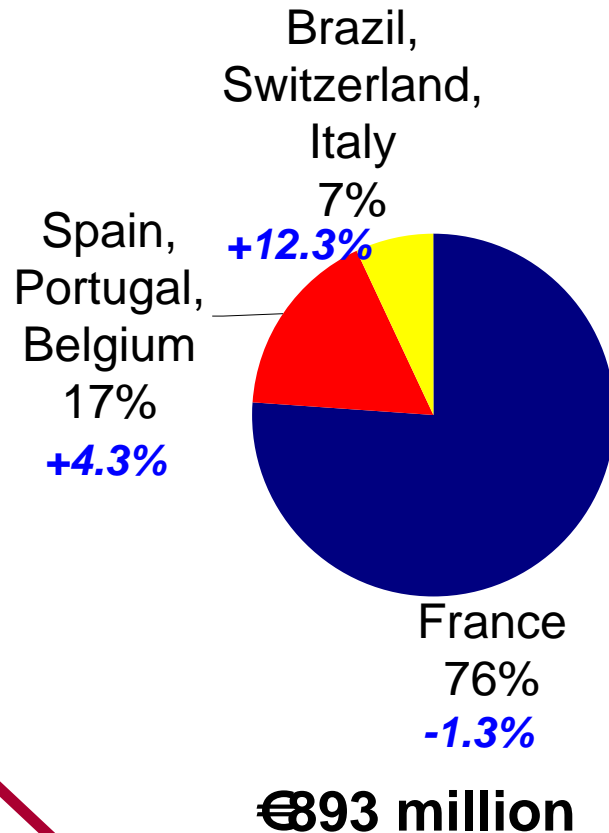


- French sales impacted by consumer spending, unit price drop in brown & grey goods
- International:
 - ✓ good performance in Spain & Portugal, resilient Switzerland
 - ✓ milder decline in Italy
- Continued investment in future: store formats and openings, logistics platform, international sourcing...

Fnac – international growth



■ Fnac (Q2 +0.4%, H1 +4.2%)



● France:

- ✓ Lower book, music and video sales, largely due to lower novelty offer in Q2, expected to be reversed in H2
- ✓ Sharp volume increase in technical products (MP3, audio-video) driven by lower unit prices

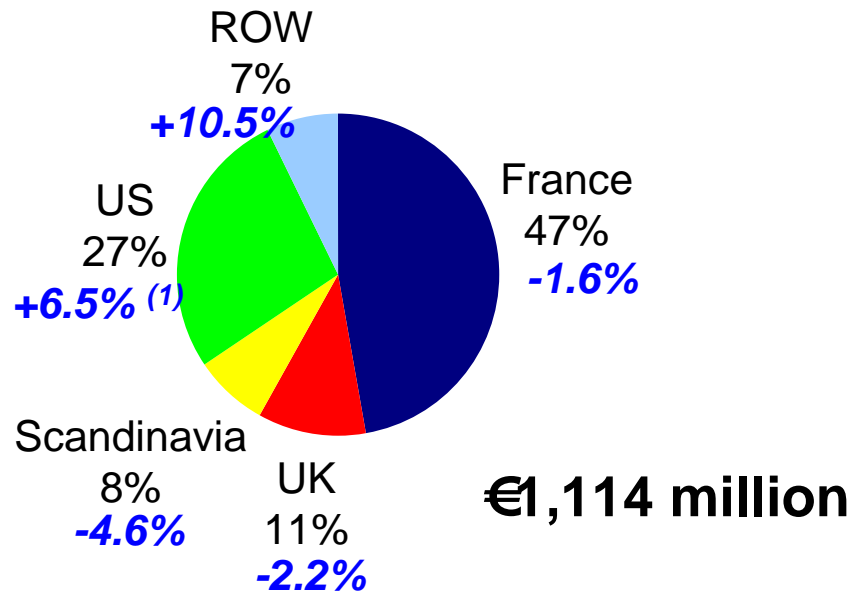
● International:

- ✓ Strong growth in Spain, Portugal, Switzerland

Redcats – Good performance Printemps – New business model



■ Redcats (Q2: +1%, H1 +1.2%) ⁽¹⁾



- Good performance and international expansion of Redoute brand
- Confirmed Redcats US turnaround
- Strong increase in e-commerce: up 37%, one-fourth of total

■ Printemps (Q2: €176m, -7.8% and H1 -4.6%)

- Resilient concessions up 1.6%
- Good sales of women's fashion
- Sports subsidiaries down, in line with market

CFAO – sales up sharply



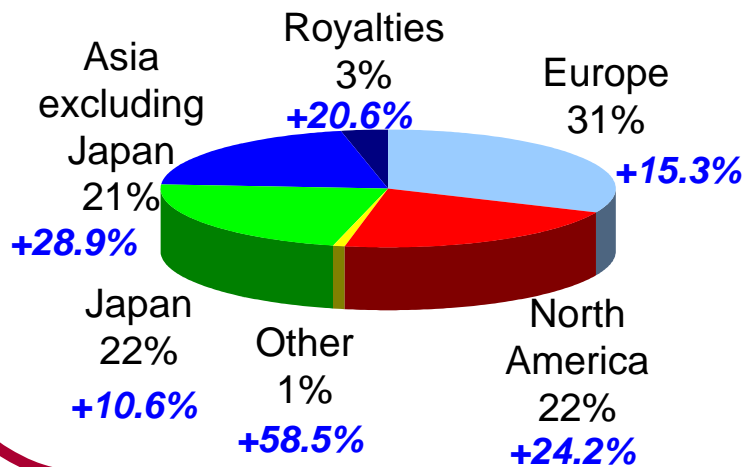
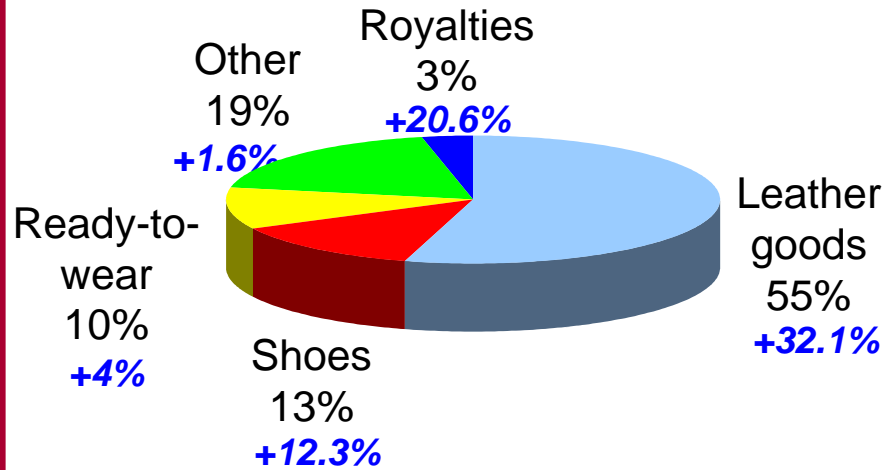
- Q2 sales: **€499 million**
- Growth in all divisions
 - ✓ Automotive up 7.5%
 - ✓ Pharma up 10.8%
 - ✓ Technology up 9.3%
- Good overall performance in all regions despite sharp slowdown in Ivory Coast and Cameroon
- 75% of Q2 sales growth from Mediterranean Africa

Luxury Goods – Q2 highlights



- Tremendous product momentum
 - Leather goods up 33.6%
- Double-digit growth in all regions
 - Asia-Pacific up 30.9%
 - Japan up 12.6%
 - North America up 22.1%
- Expansion of store network
 - 8 new stores in Q2 for a total of 411 DOS
- Leveraging product innovation and creativity
- Intensification of advertising & communication activities

Gucci Division forges ahead



- Gucci sales: €379m, up 19%
 - Sales through DOS up 21%
- Renewed emphasis on the brand's strong heritage / perfect balance between tradition and innovation
- Opportunities in fast-growing markets: China, Russia ...

Bottega Veneta – continued spectacular growth

Yves Saint Laurent – new team in place



- Bottega Veneta: €33m, up 55.8%
 - Strong performance from DOS network
 - Success of recent collections
 - Harmonious performances across all regions

- Yves Saint Laurent: €33m, down 2.9%
 - Disappointing Leather Goods performance
 - ✓ New creative team on board
 - Positive trend in Women's and men's RTW, up over 5%

YSL Beauté – make-up driving growth

Other brands – strong performances

- YSL Beauté: €130m, up 3.3%
 - Yves Saint Laurent-branded products 69% of total sales leading growth in all regions
 - US sales up 12%
 - Recently launched products doing well (new Summer make-up line, new lipstick Rouge Pure shine)...
- Other brands: €65m, up 45.8%
 - Boucheron: turnaround solidly on track
 - Designer brands: new selective partnerships



PPR – H1 highlights

- Transformation of the Company's two-board structure into a single Board of Directors headed by a chairman and chief executive officer, François-Henri Pinault
 - Ross McInnes named PPR Executive Vice President, Finance
 - Creation of a Board Strategy and Development Committee
- Stronger balance sheet
 - Sale of MobilePlanet for USD 3.75 million
 - Sale of the remaining 10% stake in Facet (Conforama's card business) for EUR 90 million
 - Sale of treasury shares (EUR 220 million) and purchase of 3 million PPR call options: net proceeds EUR 185 million
 - Issuance of a EUR 300 million bond maturing June 29, 2013

Conclusion

- Retail: international strength more than offsetting difficult French environment
- Luxury Goods: on track to meet strategic plan targets
 - ➔ **Focus on cash flow and investment for the future**

PPR

Appendix

Agenda

- **September 8, 2005** First-half 2005 results
- **October 27, 2005** Third-quarter sales
- **January 26, 2006** Fourth-quarter sales

PPR revenues - Q2 05

<i>(in EUR million)</i> <i>According to IFRS</i>	Q2 2005	Q2 2004 ⁽¹⁾	Change	
			Actual	Comparable ⁽²⁾
Conforama	655.2	653.8	+ 0.2%	- 3.3%
Fnac	892.6	848.1	+ 5.2%	+ 0.4%
Printemps	175.6	183.1	- 4.1%	- 7.8%
Redcats	1,114.4	1,102.1	+ 1.1%	+ 0.3%
CFAO	499.4	464.6	+ 7.5%	+ 8.1%
Other activities	16.7	19.8	- 15.7%	- 3.5%
Retail	3,353.9	3,271.5	+ 2.5%	+ 0.2%
Gucci Division	378.6	335.2	+ 12.9%	+ 19.0%
Bottega Veneta	32.6	22.0	+ 48.4%	+ 55.8%
Yves Saint Laurent	33.1	35.3	- 6.2%	- 2.9%
YSL Beauté	130.1	130.4	- 0.2%	+ 3.3%
Other brands	64.9	45.3	+ 43.3%	+ 45.8%
Luxury Goods	639.3	568.2	+ 12.5%	+ 17.6%
<i>(Inter-company sales)</i>	-6.3	-7.7	<i>ns</i>	<i>ns</i>
PPR - Continuing operations	3,986.9	3,832.0	+ 4.0%	+ 2.7%

(1) After adjustment for the impact of change in closing date of Gucci Group's financial year and transition to IFRS.

(2) On a comparable basis in terms of Group scope, exchange rates and number of days.

PPR revenues - H1 05

<i>(in EUR million)</i>	H1 2005	H1 2004 ⁽¹⁾	Change	
			Actual	Comparable ⁽²⁾
<i>According to IFRS</i>				
Conforama	1,370.4	1,371.4	- 0.1%	- 0.2%
Fnac	1,855.4	1,769.5	+ 4.9%	+ 4.2%
Printemps	355.5	370.9	- 4.2%	- 4.6%
Redcats	2,171.6	2,176.9	- 0.2%	+ 0.8%
CFAO	967.0	919.9	+ 5.1%	+ 5.8%
Other activities	35.6	40.3	- 11.7%	- 4.6%
Retail	6,755.5	6,648.9	+ 1.6%	+ 1.9%
Gucci Division	808.5	711.7	+ 13.6%	+ 19.2%
Bottega Veneta	65.2	44.2	+ 47.6%	+ 55.0%
Yves Saint Laurent	72.1	75.8	- 4.8%	- 0.6%
YSL Beauté	270.7	275.0	- 1.5%	+ 2.0%
Other brands	134.3	108.5	+ 23.8%	+ 25.5%
Luxury Goods	1,350.8	1,215.2	+ 11.2%	+ 15.9%
<i>(Inter-company sales)</i>	<i>-11.9</i>	<i>-13.3</i>	<i>ns</i>	<i>ns</i>
PPR - Continuing operations	8,094.4	7,850.8	+ 3.1%	+ 4.0%

(1) After adjustment for the impact of change in closing date of Gucci Group's financial year and transition to IFRS.

(2) On a comparable basis in terms of Group scope, exchange rates and number of days.

Retail - Revenues by region

■ Conforama

<i>(in EUR million)</i> <i>According to IFRS</i>	Q2 2005	Q2 2004	Change	
			Actual	Comparable ⁽¹⁾
France	416.9	418.8	- 0.5%	- 4.4%
Italy	128.7	130.6	- 1.5%	- 3.3%
Switzerland	49.6	48.4	+ 2.4%	- 0.7%
Other countries	60.0	56.0	+ 7.1%	+ 2.0%
International	238.3	235.0	+ 1.4%	- 1.5%
TOTAL	655.2	653.8	+ 0.2%	- 3.3%

■ Fnac

<i>(in EUR million)</i> <i>According to IFRS</i>	Q2 2005	Q2 2004	Change	
			Actual	Comparable ⁽¹⁾
France	679.2	658.4	+ 3.1%	- 1.3%
Spain, Portugal, Belgium	151.2	138.3	+ 9.3%	+ 4.3%
Brazil, Switzerland, Italy	62.2	51.4	+ 21.0%	+ 12.3%
International	213.4	189.7	+ 12.5%	+ 6.5%
TOTAL	892.6	848.1	+ 5.2%	+ 0.4%

Retail - Revenues by region

■ Redcats

<i>(in EUR million)</i> <i>According to IFRS</i>	Q2 2005	Q2 2004	Change	
			Actual	Comparable ⁽¹⁾
France	527.4	519.5	+ 1.5%	- 1.6%
United Kingdom ⁽²⁾	119.7	122.5	- 2.3%	- 2.2%
Scandinavia ⁽²⁾	84.1	81.0	+ 3.8%	- 4.6%
United States	303.3	307.7	- 1.4%	+ 3.5%
Other countries	79.9	71.4	+ 11.9%	+ 10.5%
International	587.0	582.6	+ 0.8%	+ 1.9%
TOTAL	1,114.4	1,102.1	+ 1.1%	+ 0.3%

(1) On a comparable basis in terms of Group scope, exchange rates and number of days.

(2) Including dedicated financial activity.

Luxury Goods revenues

Breakdown by product category

<i>(in EUR million)</i> According to IFRS	Q2 2005	Q2 2004 ⁽¹⁾	Change	
			Actual	Comparable ⁽²⁾
Leather Goods	251.8	198.5	+ 26.9%	+ 33.6%
Shoes	67.6	65.7	+ 2.9%	+ 7.8%
Women's ready-to-wear	42.4	39.9	+ 6.4%	+ 11.7%
Men's ready-to-wear	21.7	21.8	- 0.8%	+ 4.5%
Perfumes	85.9	87.0	- 1.2%	+ 2.6%
Cosmetics	44.4	42.6	+ 4.2%	+ 7.3%
Other products	95.3	90.6	+ 5.2%	+ 9.8%
Royalties and others	30.2	22.1	+ 36.5%	+ 37.9%
TOTAL	639.3	568.2	+ 12.5%	+ 17.6%

Breakdown by region

<i>(in EUR million)</i> According to IFRS	Q2 2005	Q2 2004 ⁽¹⁾	Change	
			Actual	Comparable ⁽²⁾
Europe	258.8	233.4	+ 10.9%	+ 11.4%
North America	123.8	114.6	+ 8.1%	+ 22.1%
Japan	116.9	109.6	+ 6.7%	+ 12.6%
Asia-Pacific excl. Japan	98.9	78.5	+ 26.0%	+ 30.9%
Other countries	10.7	10.0	+ 7.2%	+ 20.9%
Royalties and others	30.2	22.1	+ 36.5%	+ 37.9%
TOTAL	639.3	568.2	+ 12.5%	+ 17.6%

(1) After adjustment for the impact of change in closing date of Gucci Group's financial year and transition to IFRS.

(2) On a comparable basis in terms of Group scope, exchange rates and number of days.

Gucci Division revenues

Breakdown by product category

<i>(in EUR million)</i> <i>According to IFRS</i>	Q2 2005	Q2 2004 ⁽¹⁾	Change	
			Actual	Comparable ⁽²⁾
Leather Goods	206.4	164.8	+ 25.2%	+ 32.1%
Shoes	49.5	46.7	+ 6.1%	+ 12.3%
Women's ready-to-wear	23.3	22.9	+ 1.7%	+ 7.2%
Men's ready-to-wear	16.5	17.5	- 5.9%	- 0.2%
Other products	70.6	72.9	- 3.2%	+ 1.6%
Royalties	12.3	10.4	+ 18.4%	+ 20.6%
TOTAL	378.6	335.2	+ 12.9%	+ 19.0%

Breakdown by region

<i>(in EUR million)</i> <i>According to IFRS</i>	Q2 2005	Q2 2004 ⁽¹⁾	Change	
			Actual	Comparable ⁽²⁾
Europe	119.7	103.5	+ 15.5%	+ 15.3%
North America	81.4	75.2	+ 8.2%	+ 24.2%
Japan	84.7	81.2	+ 4.3%	+ 10.6%
Asia-Pacific excl. Japan	78.0	63.0	+ 23.9%	+ 28.9%
Other countries	2.5	1.9	+ 35.3%	+ 58.5%
Royalties	12.3	10.4	+ 18.4%	+ 20.6%
TOTAL	378.6	335.2	+ 12.9%	+ 19.0%

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(2) On a comparable basis in terms of Group scope, exchange rates and number of days.