

The logo consists of the letters 'PPR' in a white, serif font, centered within a solid red square.

# Q3 2005 Sales Conference Call

October 27, 2005

# PPR Group consolidated sales Q3 & 9 months 2005



<i>(in EUR million)</i> <i>According to IFRS</i>	<b>Q3 2005</b>	<b>05/04 change <sup>(1)</sup></b>	<b>9 months 2005</b>	<b>05/04 change <sup>(1)</sup></b>
■ Retail	3,428.2	+5.8%	10,183.7	+3.2%
■ Luxury Goods	784.7	+15.3%	2,135.5	+15.7%
<i>Inter-company sales</i>	-6.0	<i>ns</i>	-17.9	<i>ns</i>
<b>PPR</b>	<b>4,206.9</b>	<b>+7.5%</b>	<b>12,301.3</b>	<b>+5.2%</b>

- ➡ **Sharp rebound in Retail, responding well to our actions**
- ➡ **Continued strong momentum in Luxury Goods across all regions**

# Retail – Q3 highlights



## ■ Highly encouraging turnaround in France

- 6.9% growth in Q3, vs. -2.7% in Q2 and +3.5% in Q1
- Conforama: sharp increase in number of customers and transactions
- Fnac: fully benefiting from “back-to-work” purchases in audio-video and IT
- Redcats: all brands up with strong growth in Children/Family catalogs

## ■ International – further progress

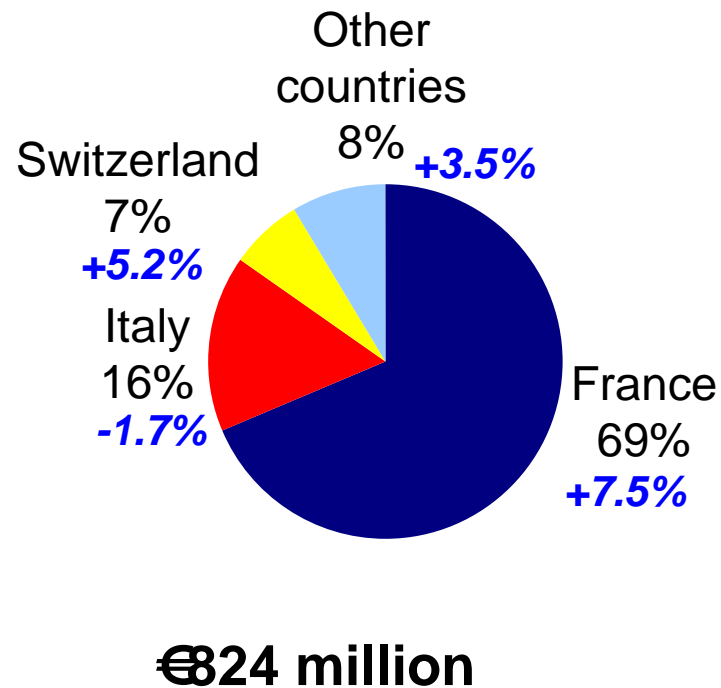
- 4.4% growth in Q3, vs. +3.9% in Q2 and +3.6% in Q1
- Strong performance in Spain (Fnac/Conforama) and Portugal (Fnac)
- Redcats resilience in the US, tough UK conditions

## ■ Continued leadership in e-commerce (+38.5%)

# Conforama – clear signs of rebound



## ■ Conforama (Q3 +5.4%, 9mos. +1.9%)

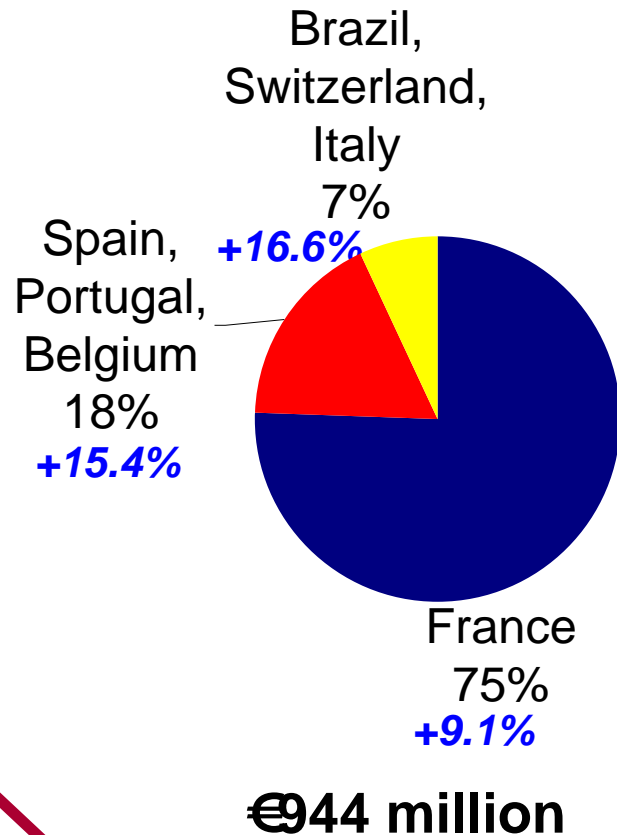


- French consumers returning to our stores, attracted by multi-style offering and competitive prices
  - ✓ Lower unit prices and average transaction more than offset by growth in customer numbers
  - ✓ Brown/White/Grey goods up 14%, vs. +2% in H1
  - ✓ Furniture up 2%, vs. -1% in H1
- International stores excluding Italy up 4%
  - ✓ Spain and Switzerland boosted by recently opened stores
  - ✓ Slower drop in Italy, helped by growth in furniture

# Fnac – outperforming our markets



## ■ Fnac (Q3 +10.7%, 9mos. +6.3%)



## ● France: reversing Q2 trends

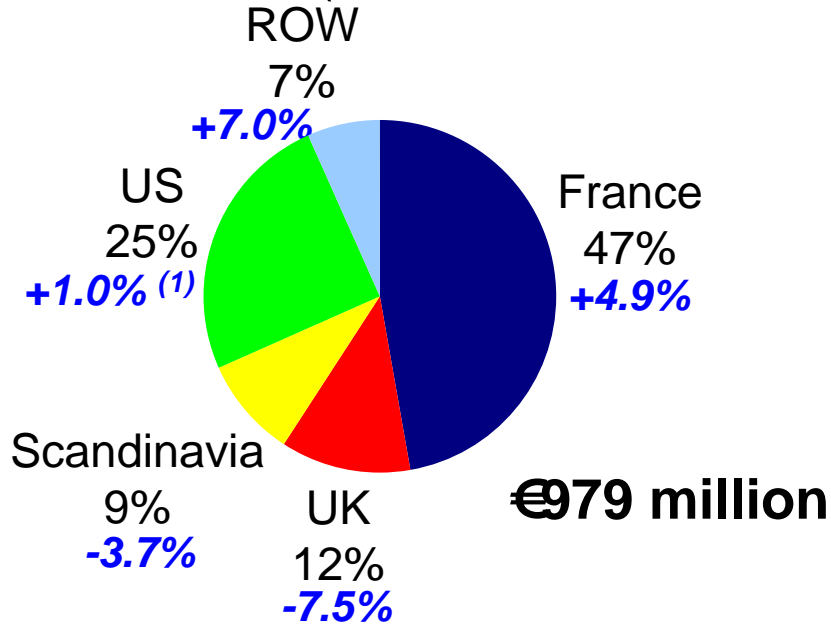
- ✓ Outstanding growth in technical products (audio/video/IT), boosted by greater emphasis on entry models
- ✓ Stabilised situation in editorial products (books/CDs/DVDs) ahead of important Q4 novelty launch programmes

## ● Good performances across all markets despite heightened competition

# Redcats – strong France Printemps – a good quarter



## ■ Redcats (Q3: +1.6%, 9mos. +1.4%) <sup>(1)</sup>



- French sales up sharply on market share gains at La Redoute, excellent performance in Children/Family catalogs
- US up on large sizes, despite impact of September hurricanes
- Continued weakness in UK, Scandinavia

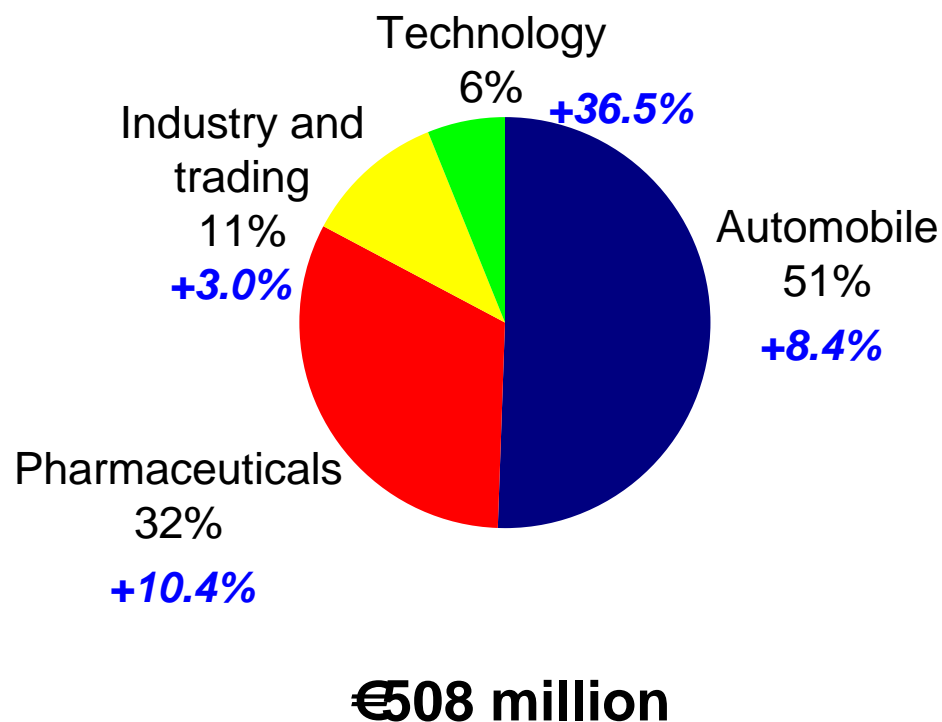
## ■ Printemps (Q3: €158m, +1.3%, 9mos. -2.9%)

- Paris flagship and department store chain up across all key categories – continued market share gain in women's fashion
- Improvement in Sports division despite lack of major events

# CFAO – sales up sharply



■ CFAO (Q3: +9.8%, 9mos. +7.2%)



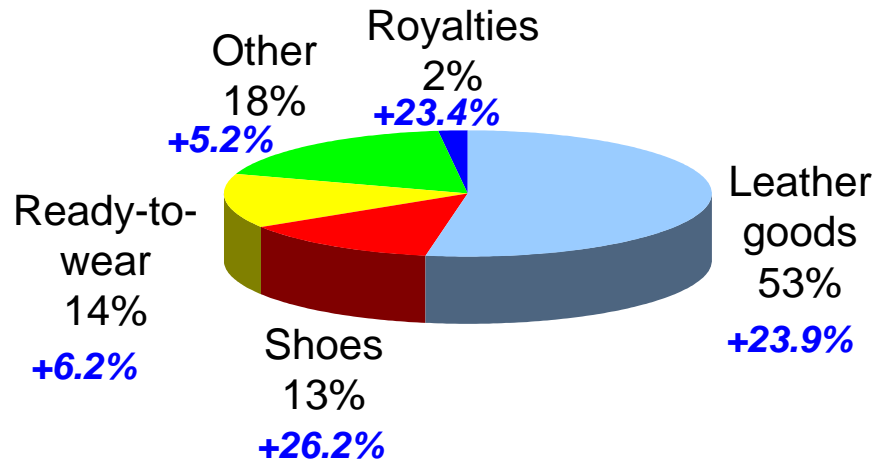
- Growth in all divisions
- Good overall performance in all regions despite sharp slowdown in Ivory Coast and Cameroon
- Sales in Mediterranean Africa up 31.5% in Q3

# Luxury Goods – Q3 highlights

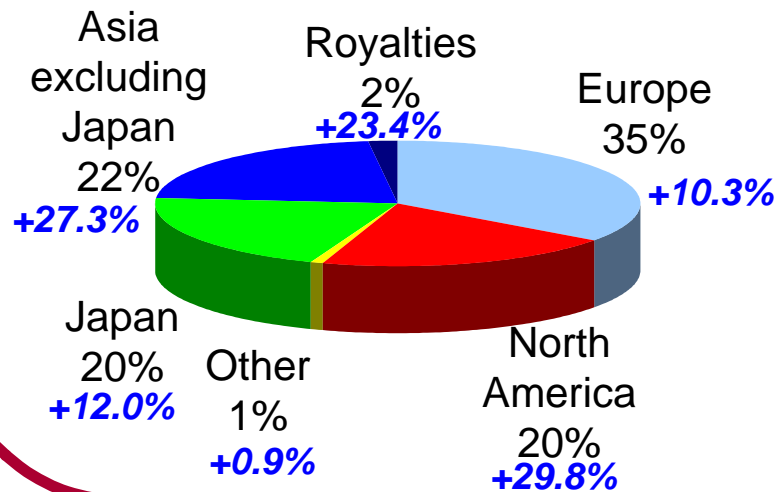


- Continuing product momentum
  - Leather goods up 29.1%
  - Shoes up 19.0%
  
- Strong growth in all regions
  - Asia-Pacific excluding Japan up 28.1%
  - North America up 21.2%
  
- Expansion of store network
  - 10 new stores in Q3 for a total of 421 DOS

# Gucci Division – further growth in all segments and regions



- Gucci sales: €459m, up 17.7%
  - Sales through DOS up 21.5% (67% of revenues)
  - Continued success in leather goods and shoes



- Leveraging edgy fashion, product innovation and quality

# Bottega Veneta – maintaining rapid growth pace

## Yves Saint Laurent – transition



### ■ Bottega Veneta: €45m, up 72.1%

- Strong sales growth well balanced across all regions
- Fast-growing demand for limited-edition items
- Expanded store network
  - ✓ 81 stores at end September

### ■ Yves Saint Laurent: €46m, down 2.9%

- Women's ready-to-wear performance not reflecting new collection
  - ✓ Well received fashion show in September
- Handbags: new products
  - ✓ New accessory designer on board
- Men's ready-to-wear and women's shoes bucking the trend

# YSL Beauté – strong make-up/skincare - fragrance timing issue

## Other brands – continued strong performances

### ■ YSL Beauté: €150m, down 1%

- Yves Saint Laurent branded products up 3% on 30% growth in make-up/skincare
- Slow fragrance performance due to *Cinema* basis of comparison
- Asia-Pacific sales up 15%, Japan up 9%
- Strong performance in cosmetics, up 29.6%

### ■ Other brands: €84m, up 28.5%

- Boucheron: strong double-digit growth driven by high jewellery (new collection)
- Designer brands up 50%
  - ✓ Reinforced merchandising and structure of collections



# Conclusion

- Rebound in Retail
- Continued momentum in Luxury Goods



Confidence ahead of important Q4

PPR

# Appendix

# Agenda

- **January 26, 2006**                      2005 fourth-quarter sales
- **March 9, 2006**                        2005 annual results
- **April 27, 2006**                        2006 first-quarter sales

# PPR revenues – Q3 05

<i>(in EUR million)</i>	Q3 2005	Q3 2004 <sup>(1)</sup>	Change	
			Actual	Comparable <sup>(2)</sup>
<i>According to IFRS</i>				
Conforama	824.0	785.5	+ 4.9%	+ 5.4%
Fnac	943.7	860.7	+ 9.6%	+ 10.7%
Printemps	158.1	158.4	- 0.2%	+ 1.3%
Redcats	978.8	976.9	+ 0.2%	+ 0.6%
CFAO	508.1	461.2	+ 10.2%	+ 9.8%
Other activities	15.5	19.1	- 18.8%	+ 2.6%
<b>Retail</b>	<b>3,428.2</b>	<b>3,261.8</b>	<b>+ 5.1%</b>	<b>+ 5.8%</b>
Gucci Division	459.3	405.2	+ 13.4%	+ 17.7%
Bottega Veneta	45.3	27.3	+ 65.5%	+ 72.1%
Yves Saint Laurent	45.6	48.0	- 5.1%	- 2.9%
YSL Beauté	150.2	155.7	- 3.6%	- 1.0%
Other brands	84.3	66.8	+ 26.2%	+ 28.5%
<b>Luxury Goods</b>	<b>784.7</b>	<b>703.0</b>	<b>+ 11.6%</b>	<b>+ 15.3%</b>
<i>(Inter-company sales)</i>	-6.0	-7.5	<i>ns</i>	<i>ns</i>
<b>PPR - Continuing operations</b>	<b>4,206.9</b>	<b>3,957.3</b>	<b>+ 6.3%</b>	<b>+ 7.5%</b>

(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 – 9 months 05

<i>(in EUR million)</i>	9 months	9 months	Change	
<i>According to IFRS</i>	2005	2004 <sup>(1)</sup>	Actual	Comparable <sup>(2)</sup>
Conforama	2,194.4	2,156.9	+ 1.7%	+ 1.9%
Fnac	2,799.1	2,630.2	+ 6.4%	+ 6.3%
Printemps	513.6	529.3	- 3.0%	- 2.9%
Redcats	3,150.4	3,153.8	- 0.1%	+ 0.7%
CFAO	1,475.1	1,381.1	+ 6.8%	+ 7.2%
Other activities	51.1	59.4	- 14.0%	- 2.5%
<b>Retail</b>	<b>10,183.7</b>	<b>9,910.7</b>	<b>+ 2.8%</b>	<b>+ 3.2%</b>
Gucci Division	1,267.8	1,116.9	+ 13.5%	+ 18.6%
Bottega Veneta	110.5	71.5	+ 54.4%	+ 61.6%
Yves Saint Laurent	117.7	123.8	- 4.9%	- 1.5%
YSL Beauté	420.9	430.7	- 2.3%	+ 1.0%
Other brands	218.6	175.3	+ 24.7%	+ 26.7%
<b>Luxury Goods</b>	<b>2,135.5</b>	<b>1,918.2</b>	<b>+ 11.3%</b>	<b>+ 15.7%</b>
<i>(Inter-company sales)</i>	-17.9	-20.8	<i>ns</i>	<i>ns</i>
<b>PPR - Continuing operations</b>	<b>12,301.3</b>	<b>11,808.1</b>	<b>+ 4.2%</b>	<b>+ 5.2%</b>

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# Retail - Revenues by region

## ■ Conforama

<i>(in EUR million)</i> <i>According to IFRS</i>	Q3 2005	Q3 2004	Change	
			Actual	Comparable <sup>(1)</sup>
France	566.1	528.9	+ 7.0%	+ 7.5%
Italy	131.0	133.7	- 2.0%	- 1.7%
Switzerland	57.0	55.7	+ 2.5%	+ 5.2%
Other countries	69.9	67.2	+ 4.0%	+ 3.5%
International	257.9	256.6	+ 0.5%	+ 1.1%
<b>TOTAL</b>	<b>824.0</b>	<b>785.5</b>	<b>+ 4.9%</b>	<b>+ 5.4%</b>

## ■ Fnac

<i>(in EUR million)</i> <i>According to IFRS</i>	Q3 2005	Q3 2004	Change	
			Actual	Comparable <sup>(1)</sup>
France	711.8	656.7	+ 8.4%	+ 9.1%
Spain, Portugal, Belgium	167.5	150.3	+ 11.4%	+ 15.4%
Brazil, Switzerland, Italy	64.4	53.7	+ 19.9%	+ 16.6%
International	231.9	204.0	+ 13.7%	+ 15.7%
<b>TOTAL</b>	<b>943.7</b>	<b>860.7</b>	<b>+ 9.6%</b>	<b>+ 10.7%</b>

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

# Retail - Revenues by region

## ■ Redcats

<i>(in EUR million)</i> <i>According to IFRS</i>	Q3 2005	Q3 2004	Change	
			Actual	Comparable <sup>(1)</sup>
France	462.5	449.0	+ 3.0%	+ 4.9%
United Kingdom <sup>(2)</sup>	115.3	126.8	- 9.1%	- 7.5%
Scandinavia <sup>(2)</sup>	91.5	88.8	+ 3.0%	- 3.7%
United States	244.2	249.4	- 2.1%	- 2.7%
Other countries	65.3	62.9	+ 3.8%	+ 7.0%
International	516.3	527.9	- 2.2%	- 2.9%
<b>TOTAL</b>	<b>978.8</b>	<b>976.9</b>	<b>+ 0.2%</b>	<b>+ 0.6%</b>

(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> <i>According to IFRS</i>	Q3 2005	Q3 2004 <sup>(1)</sup>	Change	
			Actual	Comparable <sup>(2)</sup>
Leather Goods	305.0	245.3	+ 24.3%	+ 29.1%
Shoes	97.7	84.4	+ 15.8%	+ 19.0%
Women's ready-to-wear	72.8	71.4	+ 1.9%	+ 5.4%
Men's ready-to-wear	32.6	31.9	+ 2.3%	+ 5.6%
Fragrances	98.7	115.8	- 14.8%	- 12.2%
Cosmetics	51.2	40.2	+ 27.3%	+ 29.6%
Other products	105.0	97.1	+ 8.1%	+ 12.3%
Royalties and other	21.7	16.9	+ 28.6%	+ 29.1%
<b>TOTAL</b>	<b>784.7</b>	<b>703.0</b>	<b>+ 11.6%</b>	<b>+ 15.3%</b>

## Breakdown by region

<i>(in EUR million)</i> <i>According to IFRS</i>	Q3 2005	Q3 2004 <sup>(1)</sup>	Change	
			Actual	Comparable <sup>(2)</sup>
Europe	334.3	308.8	+ 8.3%	+ 8.6%
North America	156.2	142.4	+ 9.7%	+ 21.2%
Japan	131.8	118.9	+ 10.9%	+ 15.8%
Asia-Pacific excl. Japan	128.2	101.7	+ 26.0%	+ 28.1%
Other countries	12.5	14.3	- 12.6%	- 4.9%
Royalties and other	21.7	16.9	+ 28.6%	+ 29.1%
<b>TOTAL</b>	<b>784.7</b>	<b>703.0</b>	<b>+ 11.6%</b>	<b>+ 15.3%</b>

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# Gucci Division revenues

## Breakdown by product category

<i>(in EUR million)</i> <i>According to IFRS</i>	Q3 2005	Q3 2004 <sup>(1)</sup>	Change	
			Actual	Comparable <sup>(2)</sup>
Leather Goods	242.5	203.5	+ 19.2%	+ 23.9%
Shoes	61.8	50.8	+ 21.6%	+ 26.2%
Women's ready-to-wear	39.5	37.9	+ 4.0%	+ 7.9%
Men's ready-to-wear	24.2	24.3	- 0.4%	+ 3.5%
Other products	82.0	81.2	+ 1.0%	+ 5.2%
Royalties	9.3	7.5	+ 23.4%	+ 23.4%
<b>TOTAL</b>	<b>459.3</b>	<b>405.2</b>	<b>+ 13.4%</b>	<b>+ 17.7%</b>

## Breakdown by region

<i>(in EUR million)</i> <i>According to IFRS</i>	Q3 2005	Q3 2004 <sup>(1)</sup>	Change	
			Actual	Comparable <sup>(2)</sup>
Europe	160.7	146.0	+ 10.1%	+ 10.3%
North America	91.3	79.1	+ 15.4%	+ 29.8%
Japan	94.2	88.1	+ 7.0%	+ 12.0%
Asia-Pacific excl. Japan	99.6	80.0	+ 24.5%	+ 27.3%
Other countries	4.2	4.5	- 6.5%	+ 0.9%
Royalties	9.3	7.5	+ 23.4%	+ 23.4%
<b>TOTAL</b>	<b>459.3</b>	<b>405.2</b>	<b>+ 13.4%</b>	<b>+ 17.7%</b>

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