

PPR

An adventure of enterprise

Investor presentation

New York / Boston

March 9 -11, 2009

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Introduction

PPR in 2008 – Resolute reaction in a year of contrasts

- Robust performances in the first half...
- ... and a second half impacted by a sharp decline in consumption
- Effective adaptation initiatives implemented as soon as first signs of slowdown emerged

2008 action programs: three focus areas

- **Gross margin**
 - * No price war
 - * Renegotiation of purchasing terms
 - * Optimization of discounts

- **Cost savings**
 - * Lower breakeven points
 - * Productivity gains
 - * Adjustment of all expense categories

- **Free cash flow**
 - * Optimized working capital management
 - * Focus on priority investment projects

Satisfactory operating & financial performances

- Growth in revenues, up **6%**
- Recurring operating income up **5%**
 - * Up 4% on a pro-forma & comparable exchange rate basis
- **2%** increase in Net income per share from continuing operations, Group share, excluding non-current items
- Free cash flow from operations at **€1 billion**
- Robust financial structure

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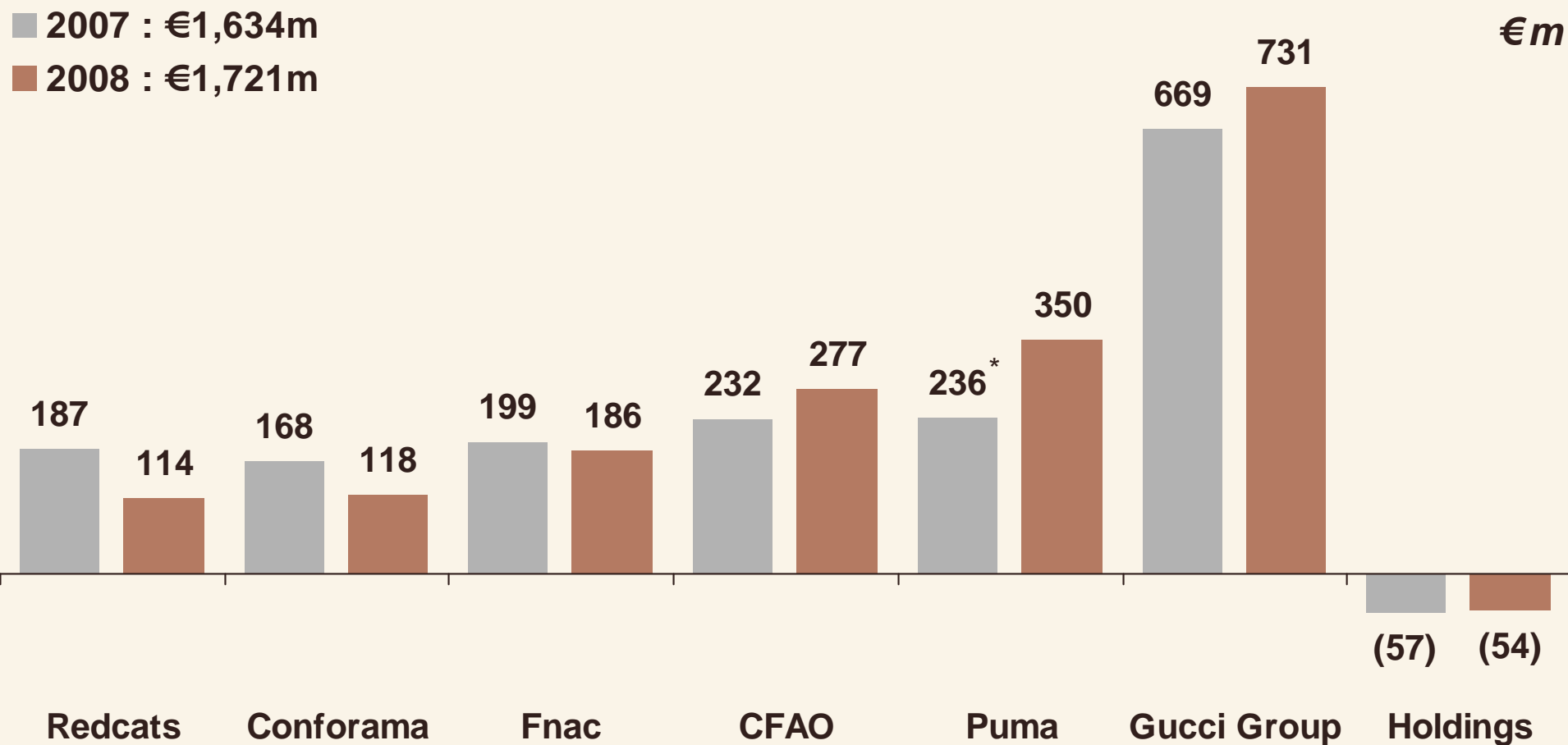
Analysis of 2008 results

Operating performance

€m

CONTINUING OPERATIONS	2008	2007	Change
Revenues	20,201	19,098	+ 5.8%
Gross profit	8,815	8,305	+ 6.1%
<i>Gross profit margin</i>	<i>43.6%</i>	<i>43.5%</i>	<i>+ 0.1 pt</i>
Recurring operating income	1,721	1,634	+ 5.4%
<i>Recurring operating income margin</i>	<i>8.5%</i>	<i>8.6%</i>	<i>- 0.1 pt</i>
EBITDA	2,141	2,006	+ 6.7%
<i>EBITDA margin</i>	<i>10.6%</i>	<i>10.5%</i>	<i>+ 0.1 pt</i>

Recurring operating income

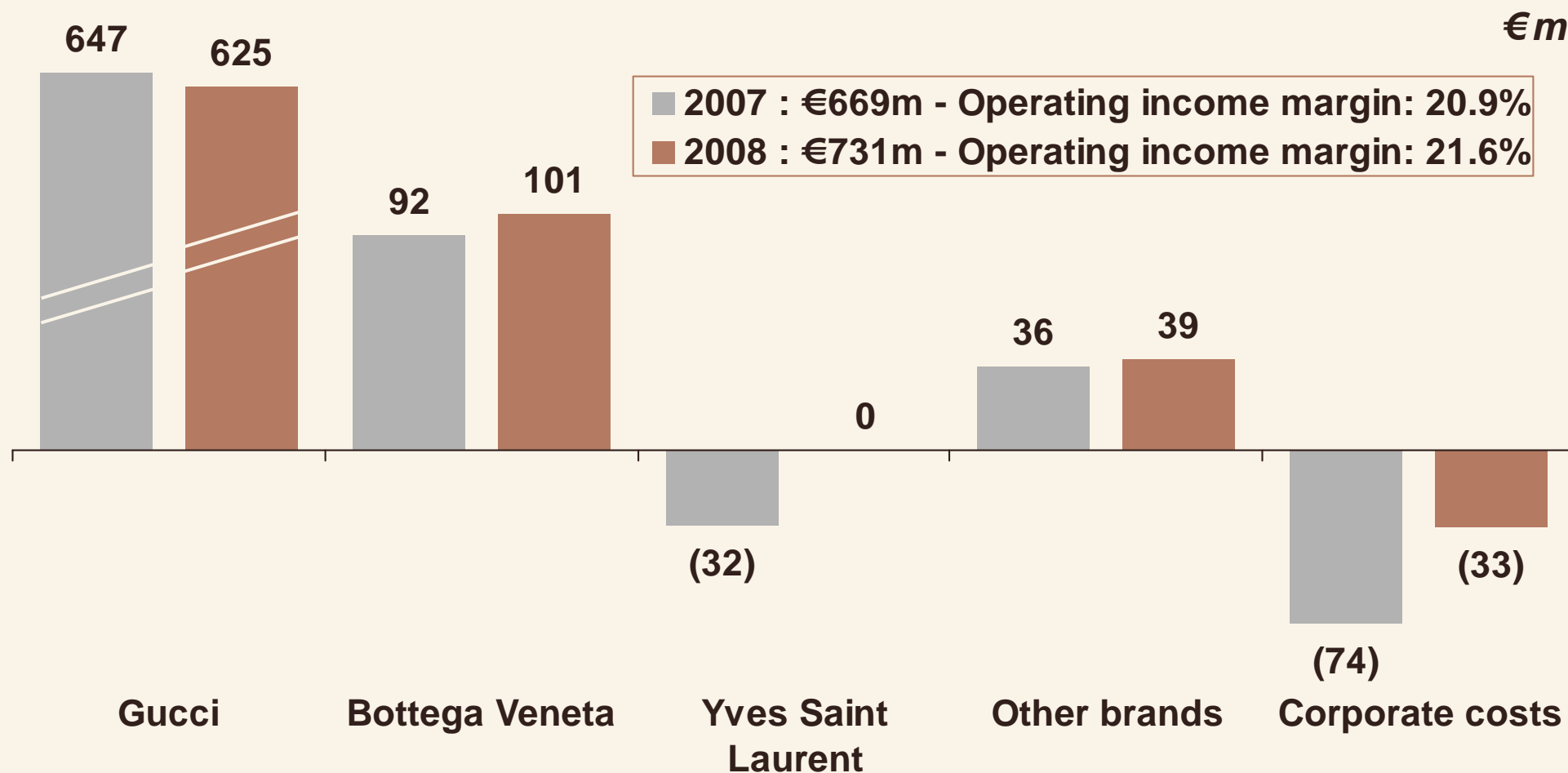


Up 3.7% on a pro-forma & comparable exchange rate basis

* From April 1 through December 31, 2007

Luxury Goods

Recurring operating income



26% growth at comparable exchange rates

Financial performance

€m

	2008	2007	Change
Recurring operating income	1,721	1,634	+5.4%
Other non-recurring operating income and expenses	(361)	103	
Financial charges	(373)	(310)	
Corporate income tax	(334)	(338)	
Income from equity affiliates	1	1	
Net income from continuing operations	654	1,090	-39.9%
Net income, Group share	924	922	+0.2%
Net income from continuing operations, Group share	537	971	-44.7%
Net income from discontinued operations, Group share	387	(49)	
Net income, Group share, from continuing operations excluding non-current items	875	875	+0.1%
Net income per share from continuing operations, Group share, excluding non-current items	€6.95	€6.82	+1.9%

Financial charges

Income tax

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€m

	2008	2007
Cost of net indebtedness	(363)	(280)
Other financial charges	(10)	(30)
Financial charges	(373)	(310)
	2008	2007
Current tax (expense)/income	(352)	(330)
Tax on non-current items	18	(8)
Total tax	(334)	(338)
Effective tax rate	33.9%	23.7%
Current tax rate	26.1%	25.0%

Recurring net income, Group share, from continuing operations

€m

	2008	2007	Change
Recurring operating income	1,721	1,634	+5.4%
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Free cash flow from operations

€m

	2008	2007
Cash flow before taxes, dividends and interest	2,078	1,954
Change in working capital requirement (before taxes)	(224)	222
Corporate income tax paid	(323)	(304)
Net cash flow from operating activities	1,531	1,872
Acquisition of fixed operating assets	(593)	(573)
Sale of fixed operating assets	66	46
Free cash flow from operations	1,004	1,345

Net financial indebtedness

€m

Net indebtedness at December 31, 2007	6,121
Free cash flow from operations	(1,004)
Net interest paid and dividend received	343
Free cash flow	(661)
Net investments in financial assets (excluding Puma)	(1,015)
Acquisition of Puma shares	261
Impact of PPR treasury stock transactions	132
Dividends paid	493
Impact of foreign exchange fluctuations on net indebtedness	170
Other	9
Net indebtedness at December 31, 2008	5,510

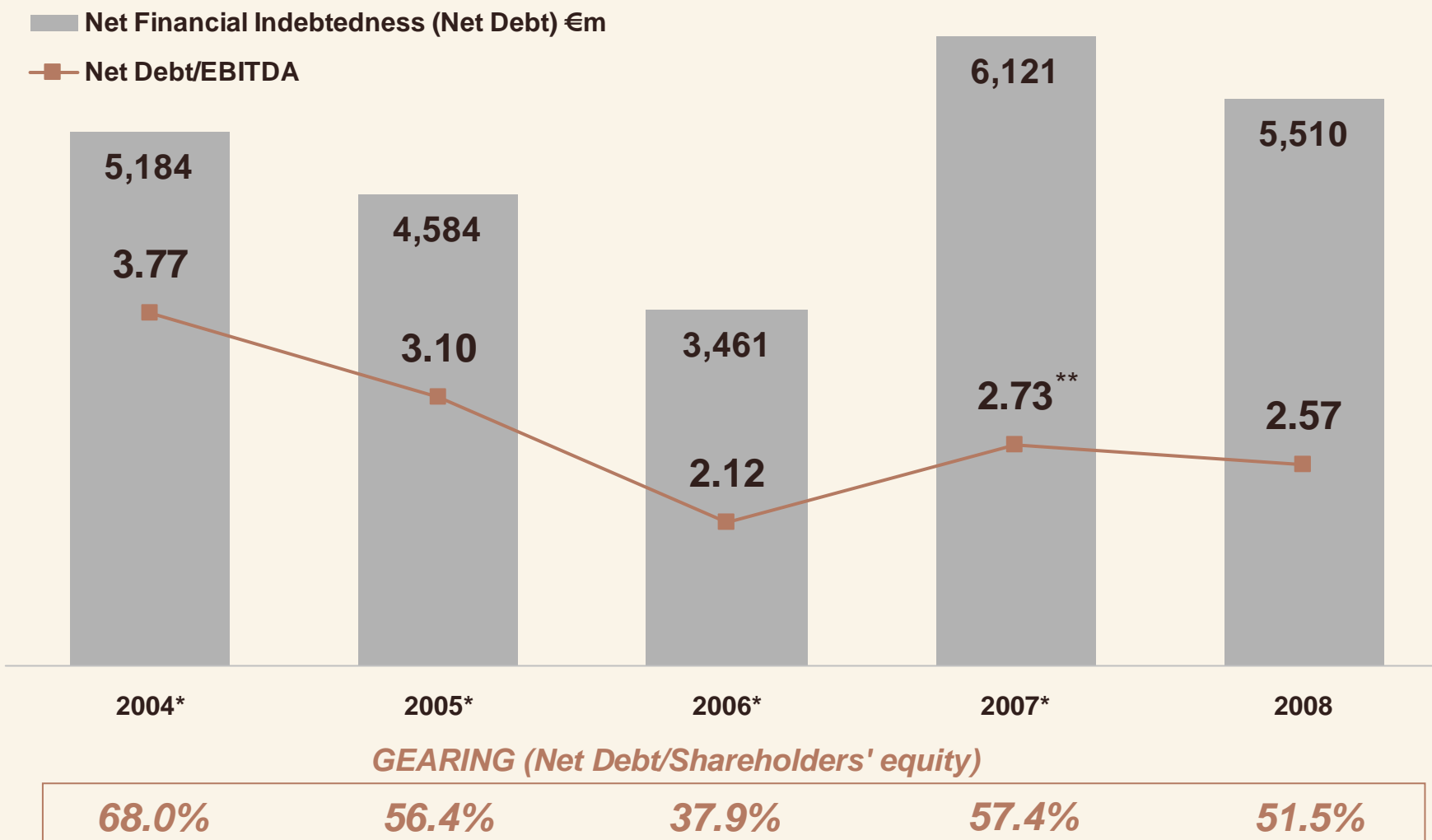
Condensed consolidated balance sheet

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€m

	2008	2007	Change
Goodwill & intangible assets	16,351	16,789	(438)
Other net non-current assets	409	292	117
Net current assets	64	155	(91)
Provisions	(613)	(508)	(105)
CAPITAL EMPLOYED	16,211	16,728	(517)
Net asset held for sale	(10)	55	(65)
SHAREHOLDERS' EQUITY	10,691	10,662	29
NET INDEBTEDNESS	5,510	6,121	(611)

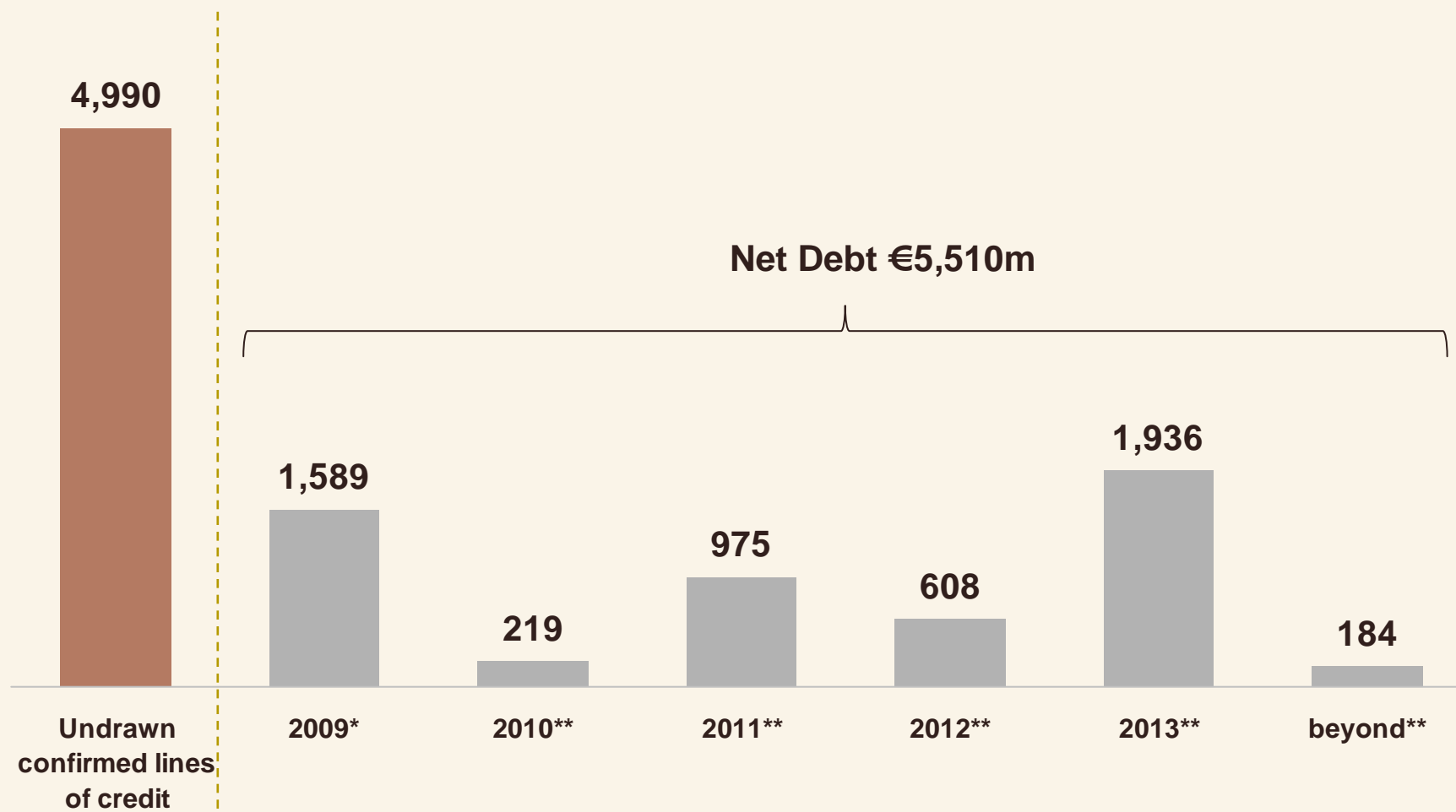
Debt ratios



* Not adjusted for application of IFRS 5

** Pro-forma

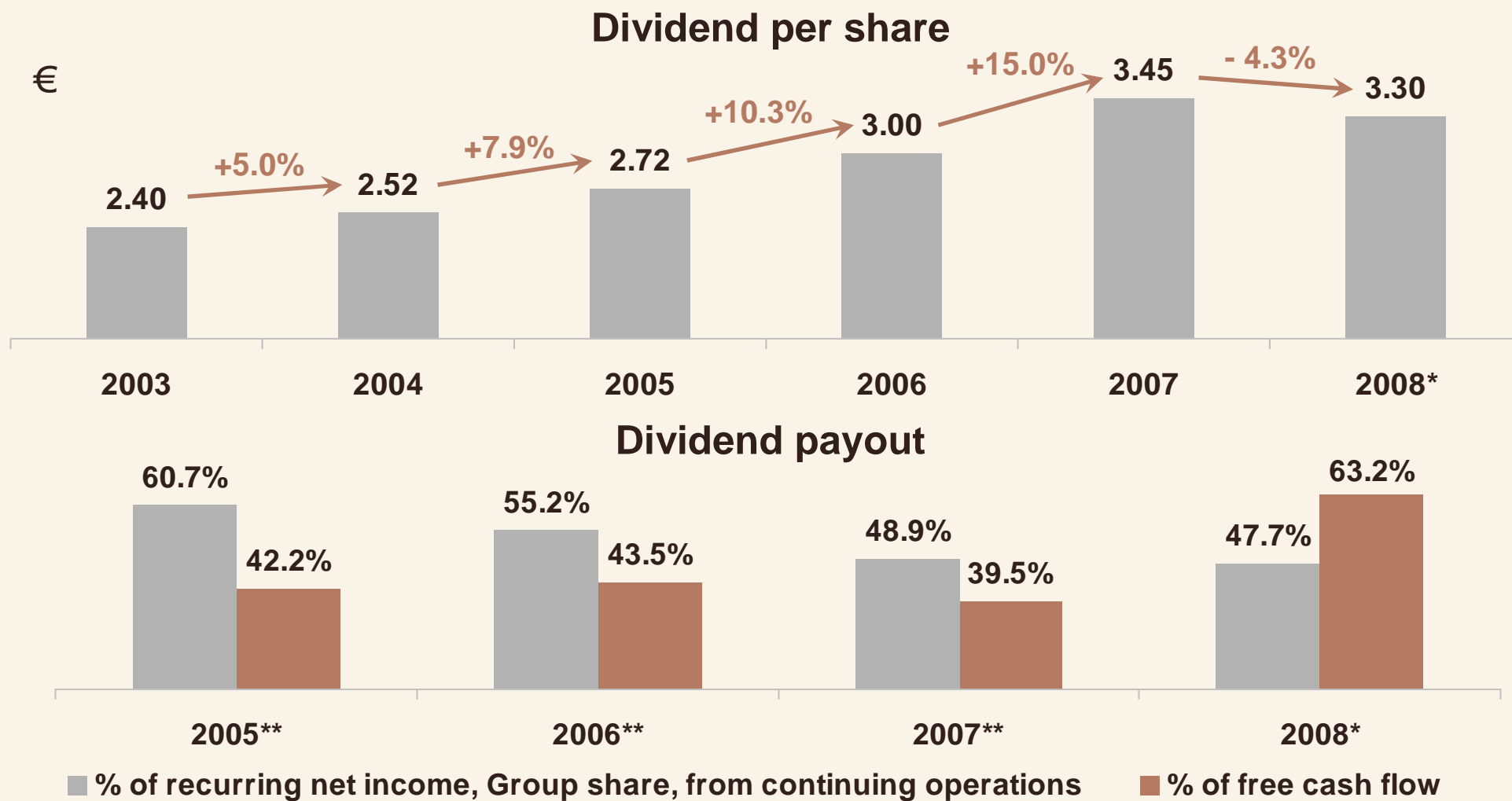
Liquidity



* Gross debt minus Cash & cash equivalents and Financing of customer loans

** Gross debt

Dividend



* Subject to May 7, 2009 AGM approval

** Not adjusted for application of IFRS 5

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Outlook

Outlook

- 2009 budgets based on cautious assumptions
- Action programs targeting three major objectives:
 - ✦ Client impact
 - In-store traffic optimization and higher consumer purchasing decisions
 - Reinforced selling expertise
 - ✦ Cost-cutting
 - Disposal / discontinuation of underperforming activities
 - Organizational reconfiguration
 - Mining of all potential efficiencies and savings
 - ✦ Cash flow generation
 - Alignment of working capital
 - Lower capex

Outlook

Strategic direction maintained

In 2009, PPR will sharpen its competitive edge and strengthen its positions across all its activities

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Appendices

Revenues

(before inter-company eliminations)

€m	2008	2007	Change	
			in €m	as %
Fnac	4,587.4	4,583.5	3.9	+0.1%
Redcats	3,698.7	3,764.5	(65.8)	-1.7%
Conforama	3,167.8	3,313.0	(145.2)	-4.4%
CFAO	2,864.0	2,534.7	329.3	+13.0%
Puma	2,524.2	1,717.6	806.6	+47.0%
Gucci Group	3,379.9	3,204.6	175.3	+5.5%
<i>Gucci Division</i>	2,206.4	2,175.4	31.0	+1.4%
<i>Bottega Veneta</i>	402.1	366.1	36.0	+9.8%
<i>Yves Saint Laurent</i>	262.8	221.3	41.5	+18.8%
<i>Other brands</i>	508.6	441.8	66.8	+15.1%
Eliminations and other	(20.8)	(19.7)	(1.1)	n/s
PPR	20,201.2	19,098.2	1,103.0	+5.8%

Revenues

(after inter-company eliminations)

€m	2008	2007	Change	
			in €m	as %
Fnac	4,587.4	4,583.5	3.9	+0.1%
Redcats	3,694.6	3,760.6	(66.0)	-1.8%
Conforama	3,166.0	3,310.4	(144.4)	-4.4%
CFAO	2,864.0	2,534.7	329.3	+13.0%
Puma	2,509.8	1,704.7	805.1	+47.2%
Gucci Group	3,379.4	3,204.3	175.1	+5.5%
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PPR	20,201.2	19,098.2	1,103.0	+5.8%

Recurring operating income

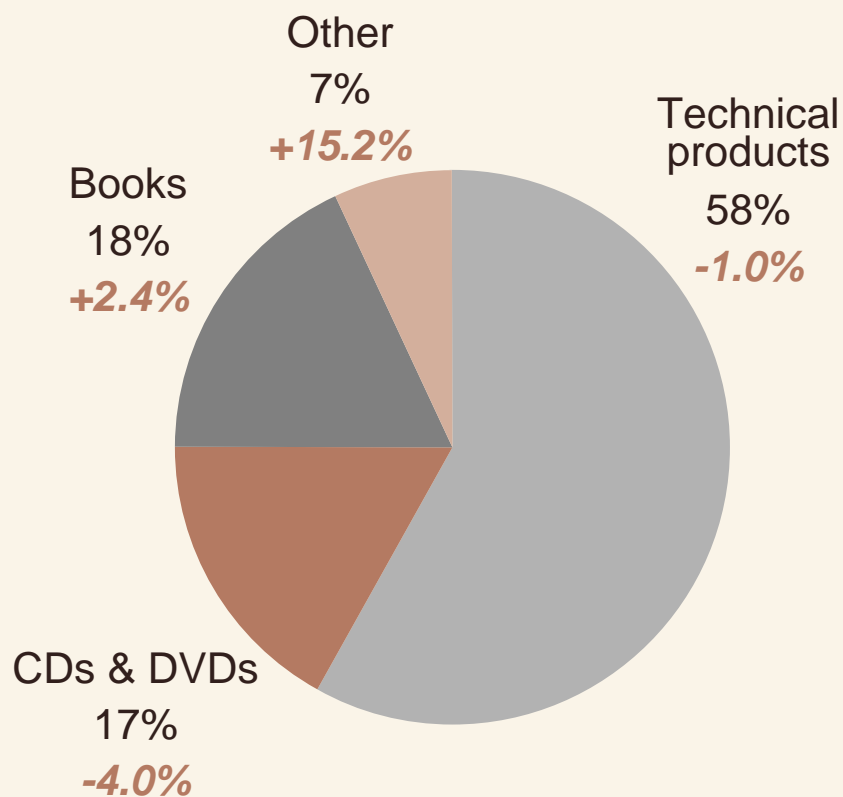
€m	2008	2007	Change	
			in €m	as %
Fnac	185.8	199.0	(13.2)	-6.6%
Redcats	114.1	186.6	(72.5)	-38.9%
Conforama	118.2	167.5	(49.3)	-29.4%
CFAO	276.7	232.3	44.4	+19.1%
Puma	349.7	236.0	113.7	+48.2%
Gucci Group	731.0	668.8	62.2	+9.3%
<i>Gucci Division</i>	624.8	646.9	(22.1)	-3.4%
<i>Bottega Veneta</i>	100.7	92.2	8.5	+9.2%
<i>Yves Saint Laurent</i>	0.3	(31.9)	32.2	+100.9%
<i>Other brands</i>	38.6	35.7	2.9	+8.1%
<i>Corporate costs</i>	(33.4)	(74.1)	40.7	+54.9%
Holdings & Others	(54.3)	(56.5)	2.2	+3.9%
PPR	1,721.2	1,633.7	87.5	+5.4%

EBITDA

€m	2008	2007	Change	
			in €m	as %
Fnac	265.1	273.6	(8.5)	-3.1%
Redcats	165.9	233.0	(67.1)	-28.8%
Conforama	183.2	230.0	(46.8)	-20.3%
CFAO	313.9	262.9	51.0	+19.4%
Puma	406.3	272.5	133.8	+49.1%
Gucci Group	858.9	788.3	70.6	+9.0%
<i>Gucci Division</i>	704.6	722.2	(17.6)	-2.4%
<i>Bottega Veneta</i>	111.9	102.0	9.9	+9.7%
<i>Yves Saint Laurent</i>	11.9	(19.4)	31.3	+161.3%
<i>Other brands</i>	56.4	50.9	5.5	+10.8%
<i>Corporate costs</i>	(25.9)	(67.4)	41.5	+61.6%
Holdings & Others	(52.7)	(54.8)	2.1	+3.8%
PPR	2,140.6	2,005.5	135.1	+6.7%

Fnac

2008 revenues: €4,587 M
 +0.0% comparable; +0.1% actual



- Resilient revenues in France (-1.2%)
 - * Market share gains across all product categories
 - * Fnac.com up 21%
- International activities: revenues up 3%
 - * Double-digit increases in Italy & Brazil
 - * Solid growth in Switzerland & Portugal
 - * Deterioration in Spain

X%: % of 2008 revenues

X%: Comparable change over 2007

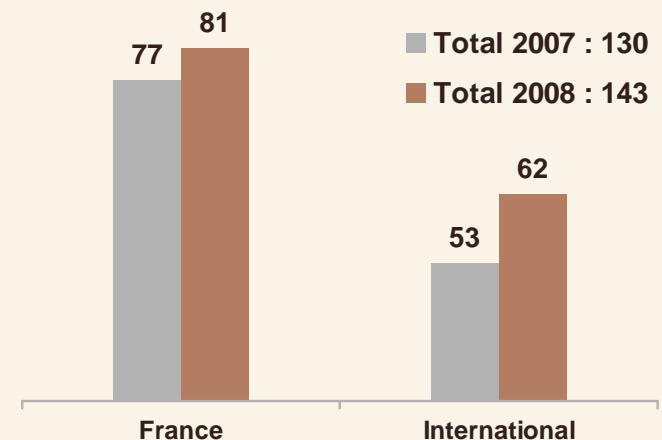
Fnac

- Higher gross margin driven by efficient adjustment of selling price points & better purchasing
- Solid profitability despite tough market conditions in Spain/Portugal & significant expansion programs
- Optimization of store remodeling programs & continuing expansion of store network

Key figures (€m)	2008	2007
Revenues*	4,587	4,584
Recurring operating income	186	199
<i>Recurring operating income margin</i>	4.1%	4.3%
EBITDA	265	274
<i>EBITDA margin</i>	5.8%	6.0%
Gross capex	87	101
Average headcount	15,362	15,320

* After inter-company eliminations

Number of Fnac* stores

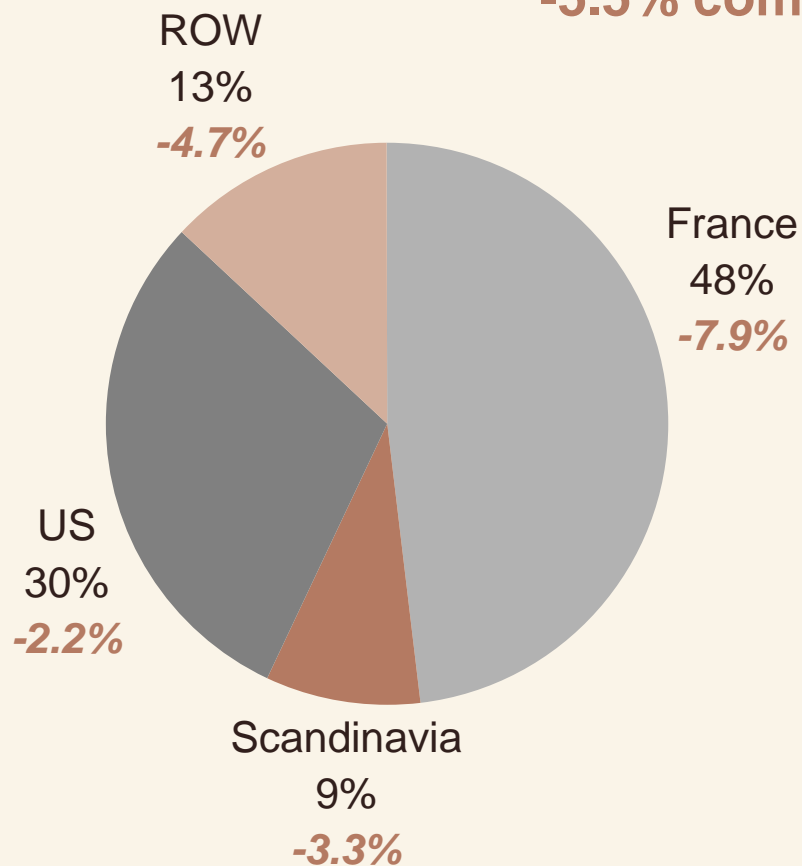


* Excluding Fnac Eveil & Jeux

Redcats

2008 revenues: €3,699 M

-5.5% comparable; -1.7% actual



- La Redoute sales down 9% in a tough environment, notably in Q4
- Improving trends in Scandinavia in Q4
- US: sales of Large Sizes down 3% despite solid Q4
- Further growth in sales of Sports & Leisure, up 11%
- Sustained growth of online sales, up 8% to €1,531 M, or 42% of total sales

X%: % of 2008 revenues

X%: Comparable change over 2007

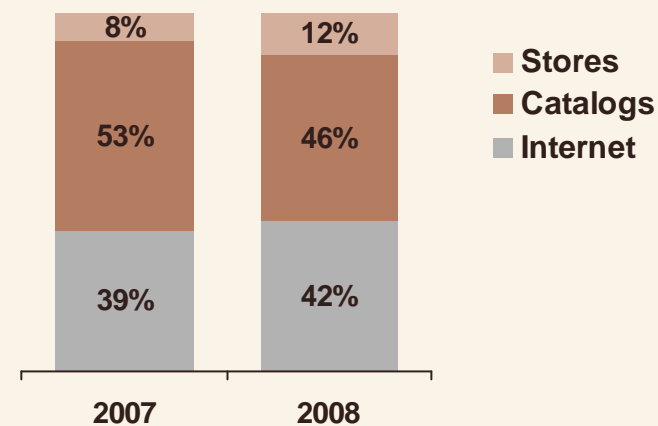
Redcats

- Lower operating income at La Redoute despite stable gross margin & limited marketing investments
- Improving profitability of Senior Division – Tight cost control in Scandinavia, affected by lower revenues – Contrasted performances of Children & Family brands
- Slight drop in operating income of US Large Size Division – Sportsman's Guide up significantly at comparable exchange rates
- On a pro forma basis, Gross Capex down 9%

Key figures (€m)	2008	2007
Revenues*	3,695	3,761
Recurring operating income	114	187
<i>Recurring operating income margin</i>	3.1%	5.0%
EBITDA	166	233
<i>EBITDA margin</i>	4.5%	6.2%
Gross capex	56	53
Average headcount	17,805	15,529

* After inter-company eliminations

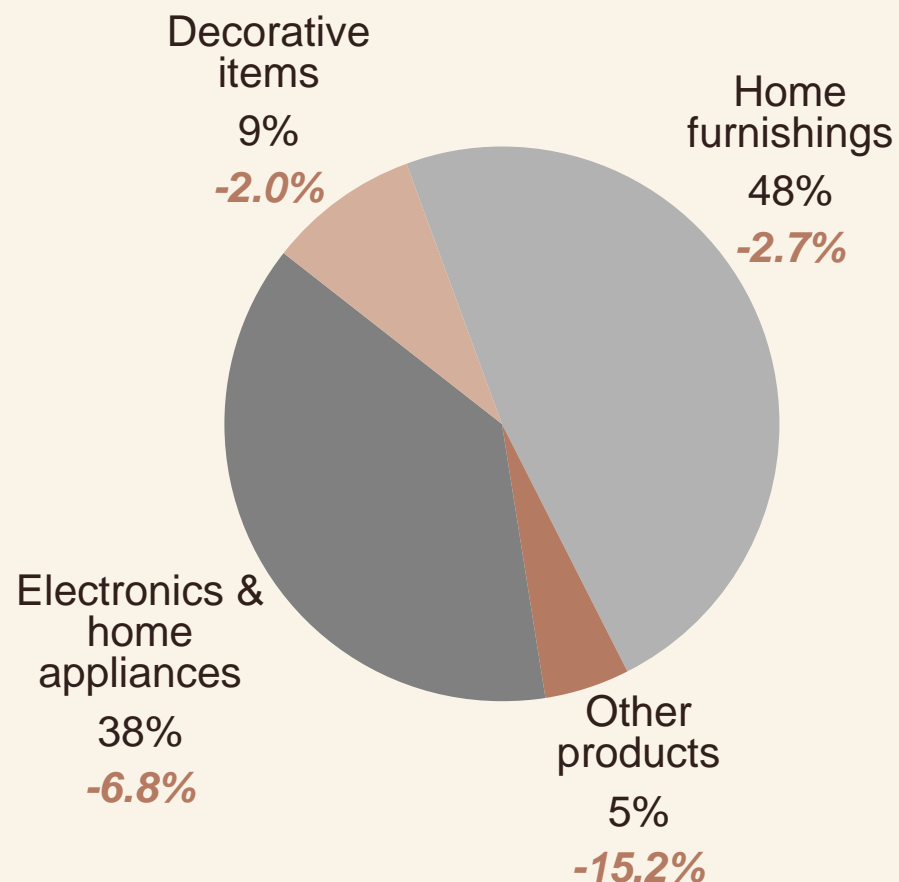
Revenues by sales format



Conforama

2008 revenues: €3,168 M

-4.7% comparable; -4.4% actual



X%: % of 2008 revenues

X%: Comparable change over 2007

■ Sales in France down 4%

- * Deteriorating environment at year-end
- * Furniture: performance in line with market
- * Consumer electronics & appliances: mixed performances
- * Satisfactory sales in decorative items

■ International sales down 6%

- * Italy down 10%
- * Spain/Portugal down 7% impacted by deteriorating environment
- * Robust performance in Switzerland

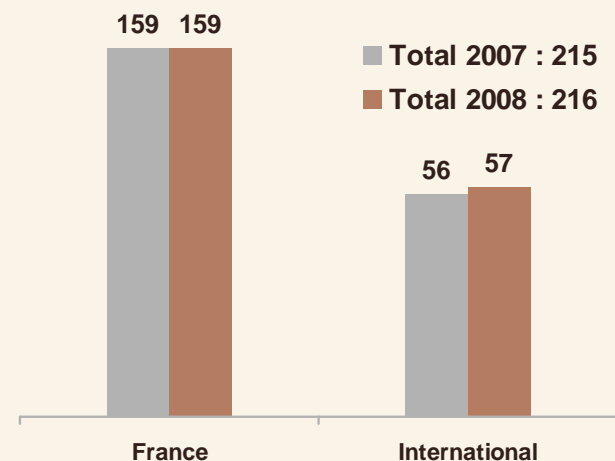
Conforama

- Increase in gross margin driven by favorable product-mix & improving purchasing conditions
- Improved profitability in France in H2 – Further productivity gains & efficient control of logistics costs
- Operating income down in Italy, Spain & Portugal – Good profitability in Switzerland

Key figures (€m)	2008	2007
Revenues*	3,166	3,310
Recurring operating income	118	168
<i>Recurring operating income margin</i>	<i>3.7%</i>	<i>5.1%</i>
EBITDA	183	230
<i>EBITDA margin</i>	<i>5.8%</i>	<i>6.9%</i>
Gross capex	65	66
Average headcount	12,852	13,407

* After inter-company eliminations

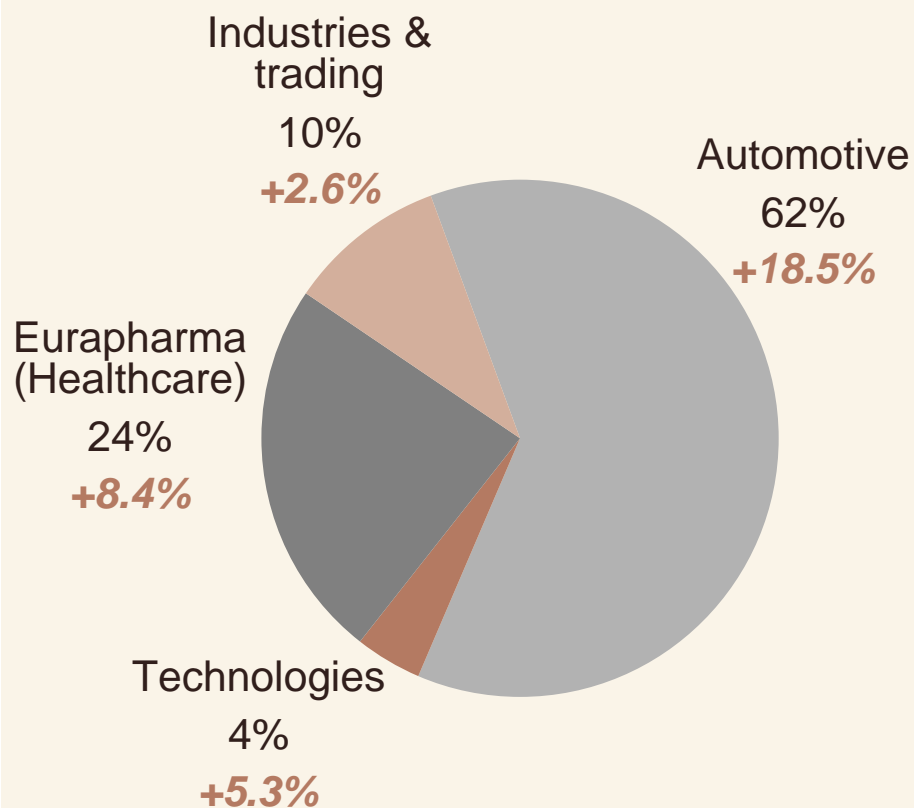
Number of Conforama stores*



* Excluding affiliates

CFAO

2008 revenues: €2,864 M
 +13.6% comparable; +13.0% actual



- Sharp rise in automotive sales driven by Sub-Saharan Africa & Mediterranean regions
- Solid growth in pharmaceutical sales on recent expansion
- Sustained momentum in Sub-Saharan Africa & Mediterranean regions
- Marked slowdown in French overseas territories toward year-end

X%: % of 2008 revenues

X%: Comparable change over 2007

CFAO

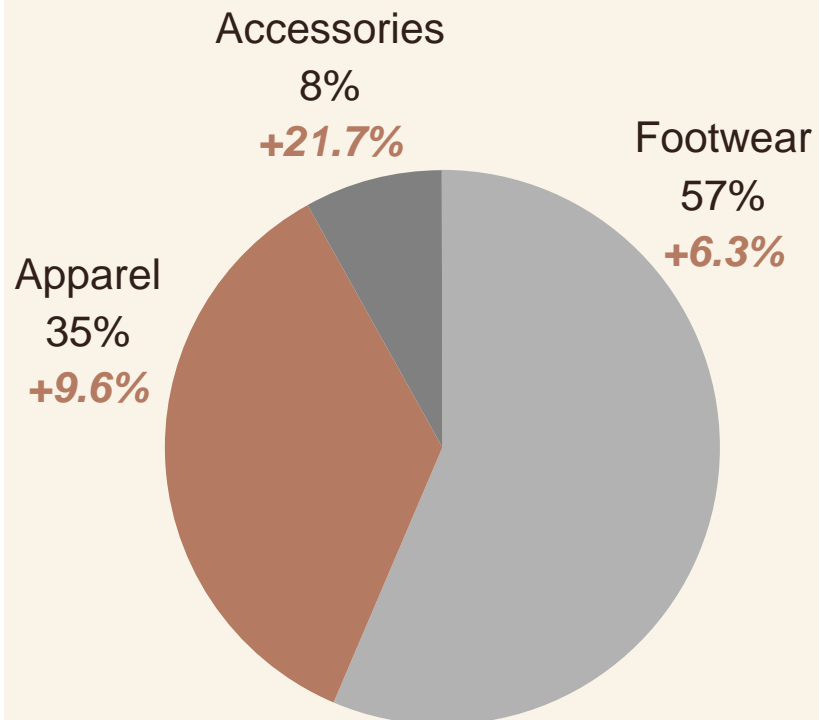
- Gross margin stable – Further improvement in productivity & control of operating costs
- Increase in recurring operating income (+19%) boosted by Automotive – Stable results in Pharma
- Further expansion programs & modernization of infrastructures

Key figures (€m)	2008	2007
Revenues*	2,864	2,535
Recurring operating income	277	232
<i>Recurring operating income margin</i>	<i>9.7%</i>	<i>9.2%</i>
EBITDA	314	263
<i>EBITDA margin</i>	<i>11.0%</i>	<i>10.4%</i>
Gross capex	80	71
Average headcount	10,239	9,973

* After inter-company eliminations

Puma

2008 revenues: €2,524 M
+8.5% comparable



- Sales in DOS up another 18% (19% of total sales)
- EMEA sales up 7% (51% of total sales)
- Americas up 8% (26% of total sales)
 - * Improved performances in the US
- Asia-Pacific up 13% (23% of total sales)

X%: % of 2008 revenues

X%: Comparable change over 2007

Puma

- Pro-forma recurring operating income down 3% at comparable exchange rates
- Slight decrease in gross margin due to intensified promotional operations – High marketing & communications investments – Expansion of store network
- On a pro-forma basis, Gross Capex up 15%

Key figures (€m)	2008	2007 **
Revenues*	2,510	1,705
Recurring operating income	350	236
<i>Recurring operating income margin</i>	13.9%	13.8%
EBITDA	406	273
<i>EBITDA margin</i>	16.2%	16.0%
Gross capex	119	89
Average headcount	9,503	6,254

* After inter-company eliminations

** From April 1, 2007 to December 31, 2007

Luxury Goods

2008 revenues: €3,380 M
+8.1% comparable; +5.5% actual

- Fashion & Leather Goods up 10%
 - * 3.3% increase in Q4
- Sales up 28% in emerging markets (27% of total sales)
 - * Asia-Pacific excluding Japan up 25%, up 37% in Greater China
- Growth in mature markets, up 1%
 - * Europe up 1% excluding Royalties
 - * North America up 5%
 - * Japan down 3%

Gucci

2008 revenues: €2,206 M
+4.2% comparable; +1.4% actual

- Fashion & Leather Goods up more than 7%
 - * Q4 up 4%
- Excluding Timepieces, sales up 6%
- Solid rise in Retail sales – Wholesale sales impacted by Timepieces
- 28% growth in emerging markets (31% of sales)
 - * Greater China up 42% (up 28% in Q4)
- Robust performances in mature markets (66% of total sales)

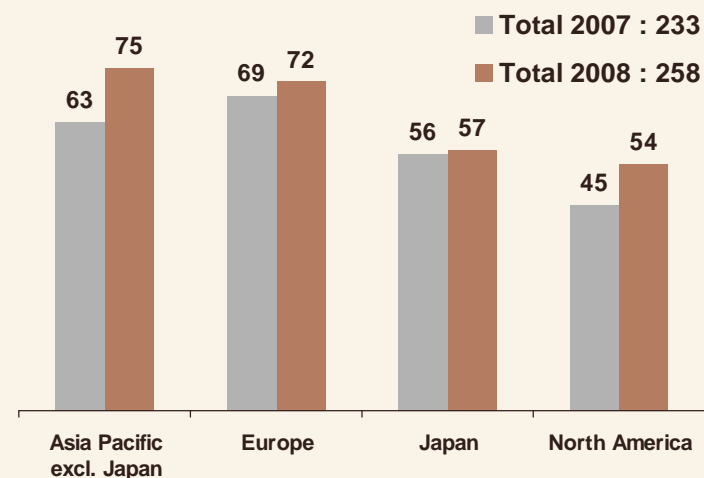
Gucci

- At constant exchange rates, recurring operating income up 8% & operating margin up 1 point
- Healthy gross margin level sustained by moving brand further upscale & limited mark-downs
- Expansion of store network; reduction in remodeling & extension programs

Key figures (€m)	2008	2007
Revenues*	2,206	2,175
Recurring operating income	625	647
<i>Recurring operating income margin</i>	28.3%	29.7%
EBITDA	705	722
<i>EBITDA margin</i>	31.9%	33.2%
Gross capex	137	143
Average headcount	6,670	6,046

* After inter-company eliminations

Number of Directly Operated Stores



Bottega Veneta

2008 revenues: €402 M

+11.1% comparable; +9.8% actual

- Satisfactory growth in revenues on very high comps (up 49% in 2007)
 - * Slower in-store traffic in Q4
- Healthy increases across all product categories
 - * Leather Goods up 10%
- Sustained increases in Europe (up 8%), Japan (up 6%) and North America (up 7%)
- Sharp rise throughout the year in Asia-Pacific excluding Japan (up 31%)

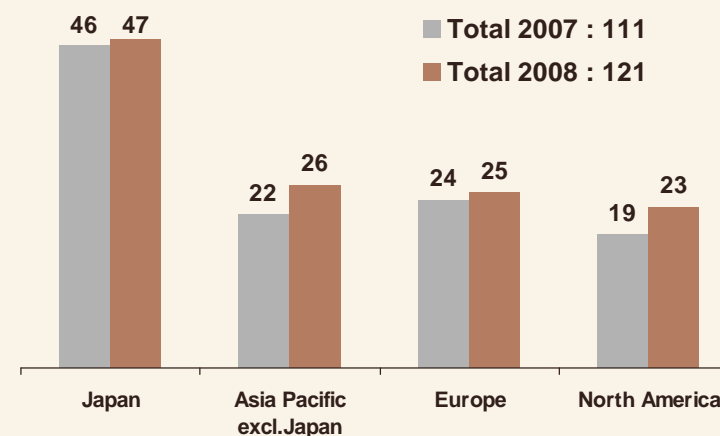
Bottega Veneta

- At comparable exchange rates, further increase in recurring operating income (+22%) & higher operating margin, up 220 basis points
- Store network expansion continuing (10 openings in 2008; 14 in 2007)

Key figures (€m)	2008	2007
Revenues*	402	366
Recurring operating income	101	92
<i>Recurring operating income margin</i>	25.0%	25.2%
EBITDA	112	102
<i>EBITDA margin</i>	27.8%	27.9%
Gross capex	7	17
Average headcount	1,274	1,095

* After inter-company eliminations

Number of Directly Operated Stores



Yves Saint Laurent

2008 revenues: €263 M

+22.0% comparable; +18.8% actual

- Sales up 9% excluding royalties
- Retail sales up despite Q4 slowdown – Sharp increase in wholesale sales
- Good performances across all product categories
- Sustained growth across all regions, including Japan

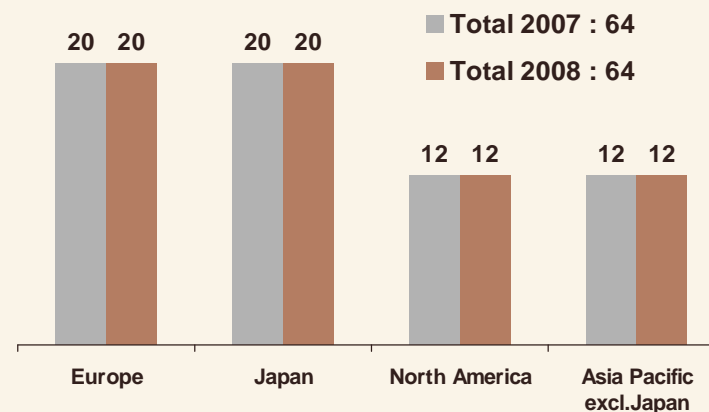
Yves Saint Laurent

- Positive recurring operating income
- Tight control of cost structure – Sharp increase in communications investments
- Intensified store network renovation program

Key figures (€m)	2008	2007
Revenues*	263	221
Recurring operating income	0	(32)
<i>Recurring operating income margin</i>	<i>0.1%</i>	<i>-14.4%</i>
EBITDA	12	(19)
<i>EBITDA margin</i>	<i>4.5%</i>	<i>-8.8%</i>
Gross capex	10	5
Average headcount	1,031	954

* After inter-company eliminations

Number of Directly Operated Stores



Other Brands

2008 revenues: €509 M
+17.4% comparable; +15.1% actual

- Sharp increase at Balenciaga in key markets and across all product categories
- Sound performance at Boucheron in sluggish market
- Sergio Rossi sales up sharply on jump in wholesale
- Very good performance at Alexander McQueen across all segments
- Further growth at Stella McCartney in all regions and product categories

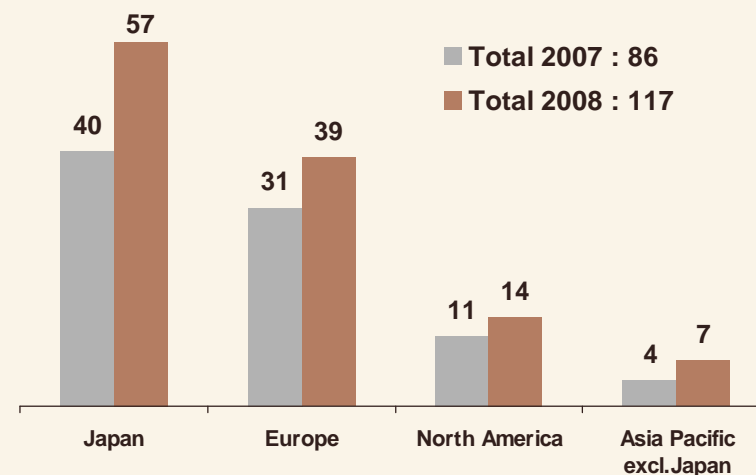
Other Brands

- Recurring operating income up 27% at comparable exchange rates
- All brands positive – First year of profit for Sergio Rossi – Sharp improvement of Balenciaga results
- Limited Gross Capex despite significant expansion of store networks

Key figures (€m)	2008	2007
Revenues*	508	442
Recurring operating income	39	36
<i>Recurring operating income margin</i>	7.6%	8.1%
EBITDA	56	51
<i>EBITDA margin</i>	11.1%	11.5%
Gross capex	27	28
Average headcount	1,814	1,594

* After inter-company eliminations

Number of Directly Operated Stores



PPR

An adventure of enterprise

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