



PRESS RELEASE

Paris, 9 December 2010



## **PPR announces entering into exclusive negotiations with Steinhoff with the intention of selling Conforama**

PPR announces entering into exclusive negotiations with Steinhoff International Holding Ltd for the sale of 100% of its shares in Conforama for a consideration of €1.2 billion in cash. PPR's working capital balance due by Conforama to PPR will also be repaid on closing.

Mr. François-Henri Pinault, Chairman and CEO of PPR, has stated: *“This planned cession to a global furniture sector player is a major strategic opportunity for Conforama. This proposed offer would reflect a strategic valuation recognizing the true value of the company, its brand, and the work achieved by the team. The operation, entirely consistent with the company's strategy, would favour its development and would underline the calibre of its employees and management. Since its acquisition by PPR in 1991, Conforama has enjoyed significant development both in France and internationally, to become one of the leaders in household goods in Europe. Steinhoff International has an intimate understanding of Conforama's business and the two companies operate in complementary markets. The expertise and experience of these two players would provide Conforama with the means to successfully continue to mine the potential of its markets”.*

Steinhoff International Holdings Ltd.'s Chief Executive Officer, Markus Jooste, has stated: *“Should this transaction be concluded, it will allow us to reinforce our position as one of Europe's leading integrated furniture and household goods companies by giving us access to key markets such as France, one of Europe's largest household goods markets, and other territories where Conforama operates. Steinhoff will also continue to support and honor its strategic relationships with retail partners and customers in its traditional territories where it has operated for more than 40 years. Furthermore we would support Conforama in the implementation of its exciting growth plans for the Future.”*

M. Thierry Guibert, CEO of Conforama, stated: *“I would be particularly proud and eager to see Conforama join the Steinhoff group. With Conforama being part of an industry player like Steinhoff, we would be able to pursue the strategic goals of the company, accelerate its development and establish itself as a leader in products for the home.”*

The disposal of Conforama would constitute a further step forward in the execution of a strategy pursued since 2006, designed to establish PPR as an international Group of global brands within the Luxury and Sport & Lifestyle sectors.

The transaction should be concluded in the next weeks, following consultation of personnel representative bodies. It will then be subject to approval of the assembly general of Steinhoff

International. Several shareholders, representing more than 50% of the issued ordinary capital of Steinhoff, have already undertaken to vote in favor of the acquisition. The transaction will also be submitted for the approval of competition authorities.

*This press release is a free translation of the French original press release.*

*The original French version of this press release is available on our website at [www.ppr.com](http://www.ppr.com).*



#### **About Steinhoff International Holding**

Steinhoff International is a holding company invested predominantly in household goods and diversified related industries with a turnover of €4.5 billion (full year ended 30 June 2010) and a staff of 41,000 employees. Steinhoff International is listed on the Johannesburg stock exchange and operates in South Africa, Europe and the Asia-Pacific region. Steinhoff Europe is one the largest furniture and households goods suppliers in Europe.

#### **About Conforama**

Conforama is one of the largest European retailers of home furnishing. In 2009 its turnover was €2.9 billion, with a staff of 13,400 employees. It currently operates 241 stores, 190 of which are in France, with another 51 located in six European countries: Italy, Switzerland, Spain, Croatia, Portugal and Luxembourg.

#### **About PPR**

PPR develops a portfolio of high-growth global brands. Through its Consumer and Luxury brands, PPR generated sales of €16.5 billion in 2009. The Group is present in 60 countries with approximately 73,000 employees. PPR shares are listed on Euronext Paris (FR 0000121485, PRTP.PA, PFP).

To explore the universe of PPR brands go to [www.ppr.com](http://www.ppr.com): Fnac, Redcats (La Redoute, Vertbaudet, Somewhere, Cyrillus, Daxon, Ellos, The Sportsman's Guide, The Golf Warehouse and brands of the plus-size division), Conforama, Puma and the Luxury brands of Gucci Group (Gucci, Bottega Veneta, Yves Saint Laurent, Balenciaga, Boucheron, Sergio Rossi, Alexander McQueen and Stella McCartney).



#### **Contacts**

|                      |  |                        |  |
|----------------------|--|------------------------|--|
| Press :              | Charlotte Judet                              | + 33 (0) 1 45 64 65 06 | <a href="mailto:cjudet@ppr.com">cjudet@ppr.com</a>         |
|                      | Paul Michon                                  | + 33 (0) 1 45 64 63 48 | <a href="mailto:pmichon@ppr.com">pmichon@ppr.com</a>       |
| Analysts/Investors : | Alexandre de Brettes                         | + 33 (0) 1 45 64 61 49 | <a href="mailto:adebrettes@ppr.com">adebrettes@ppr.com</a> |
|                      | Emmanuelle Marque                            | + 33 (0) 1 45 64 63 28 | <a href="mailto:emarque@ppr.com">emarque@ppr.com</a>       |
| Website:             | <a href="http://www.ppr.com">www.ppr.com</a> |                        |  |