

## PPR to Spin-Off Fnac

Written by Marco Attard  
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PPR is getting rid of the loss-making Fnac unit-- the board decides on a "a project of demerger and flotation" for the book, music and electronics chain.



Also on the chopping block is the Redcats online retailing unit.

"Being independent and granted with autonomous resources, Fnac will be better positioned to fully achieve its growth potential, led by its current, committed and talented management," PPR CEO François-Henri Pinault says.

PPR originally wanted to sell Fnac after marking it down as a "non-strategic asset" three and a half years ago. Analyst estimates Fnac is worth around €500-800 million, with 154 (up from 140 in 2010), spread across France, Belgium, Brazil, Morocco, Portugal, Spain and Switzerland.

However Fnac H1 2012 EBIT losses total €7.5m (despite the setting of cost-cutting measures in January 2012), reflecting the worsening retail situation in France and beyond, not to mention the "showrooming" trend plaguing the business.

The Fnac separation from PPR will kick off from 2013.

Once it manages to completely drop Fnac off, PPR will concentrate into selling luxury, sports and lifestyle products, with "premium brands" such as Gucci, Yves Saint Laurent and Puma.

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Go [PPR Launching a Project of Demerger and Flotation of Fnac](#)

Go [Gucci Owner PPR to List Fnac Retail Division in 2013 \(Reuters\)](#)