

Galeries Lafayette group and La Redoute announce Galeries Lafayette group's project to acquire a majority shareholding in La Redoute

- The combination of the two businesses would create a new leading omni-channel retail group specialised in fashion and home furnishings, with French roots and international outreach
- Upon completion of the transaction, the Galeries Lafayette group - through its holding company Motier - would hold 51% of La Redoute, aiming to own 100% in the future

Paris and Roubaix, 31 August 2017

Galeries Lafayette Group, via its holding company Motier, announces its intention to acquire a 51% shareholding in La Redoute and to own 100% in the future. The combination of the two businesses with their iconic brands would allow to create a new leading omni-channel retail group specialised in fashion and home furnishings, with French roots and international outreach. Thanks to the complementarity of their retail channels, offer and positioning, this transaction would create the leading player in the French apparel market in terms of revenues.

After having successfully launched an ambitious transformation plan in 2014, La Redoute is now one of France's leading e-commerce players in fashion and home furnishings. Thanks to its €750 million revenues, 9 million unique monthly visitors and a strong awareness in France and the rest of Europe, La Redoute's mission is to make available French style in fashion and home furnishings by offering contemporary collections and a high-quality customer experience across both its e-commerce sites and physical stores dedicated to home decor and furnishings.

The landmark tie-up would bring major benefits for both parties. It would enable Galeries Lafayette group to accelerate its digital transformation and La Redoute to consolidate its future and a profitable and sustainable growth, by the backing of a long-term family-owned group.

The transaction would also help to unlock synergies and share experience on a large scale, notably in procurement, store network and data.

Nathalie Balla and Eric Courteille, Co-Chairmen of La Redoute, would continue to run the company with the team in place and would remain fully committed to ensure the success of this strategic project.

Commenting on this announcement, Philippe Houzé, Executive Board Chairman of Galeries Lafayette group, said: *“The combination with La Redoute is a great opportunity for our Group, our employees and our customers. While the fashion and retail industries face unprecedented global change, the complementary positioning and expertise of La Redoute and Galeries Lafayette - the Group’s flagship brand - would establish us as a leading physical and digital retailer specialised in fashion and home furnishings, with French roots and international outreach.”*

Nicolas Houzé, Chief Executive Officer of Galeries Lafayette and BHV MARAIS, added: *“With La Redoute, we will start a new chapter in our century-long retailer story. We are delighted to take this decisive step forward with Nathalie Balla and Eric Courteille, as we share both their vision and their values. Under their leadership and thanks to contribution by all the teams, La Redoute has made a spectacular recovery that we wish to support over the long term. We firmly believe that together we will build a compelling project serving our customers’ needs.”*

Nathalie Balla and Eric Courteille, La Redoute’s Co-Chairmen, said: *“La Redoute and Galeries Lafayette are two historic French companies, both pioneers and innovative retailers that have served their customers for 180 and 120 years respectively. This project marks the beginning of a new era for La Redoute. It is a source of tremendous pride for all our teams, which are working relentlessly to deliver our transformation plan successfully. The backing of a prestigious and long-term investor such as Galeries Lafayette group will give us the resources and capabilities we need to pursue and accelerate our strategy. The opportunities created by this link-up will facilitate further new developments in France and internationally, bringing us closer towards our sales target of €1 billion by 2021.”*

Finalisation of the transaction, which is anticipated over the next few months, remains subject to approval by the consultation of La Redoute’s employee representative bodies and relevant regulatory authorities.

A press conference in the presence of Philippe Houzé, Nicolas Houzé, Nathalie Balla and Eric Courteille will be held today:

Thursday 31 August at 12pm
Open from 11:45am
Hôtel Park Hyatt
5 rue de La Paix
75002 Paris (Opéra metro station)

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About Galeries Lafayette group

A leading city-centre retailer with proven fashion expertise, the Galeries Lafayette group is a family-run private group, with 120 years' history in commerce and retail. A key player committed to creation and a major private employer in France with 14,000 employees, the Group is committed to setting the standard as a multi-channel, innovative, ethical and responsible retailer that puts the customer first and is actively engaged in promoting the French "Art of Living". With retail sales of EUR 3.8 billion, the Group enjoys international recognition through its iconic brands: Galeries Lafayette, BHV MARAIS, RQZ - Royal Quartz Paris, Louis Pion, Guérin Joaillerie, InstantLuxe.com and BazarChic.

More information on groupegalerieslafayette.com and on Twitter [@Galeries_Laf](https://twitter.com/Galeries_Laf)

About La Redoute

Having started out as a wool mill and grown to become a legendary catalogue, La Redoute is now the leading fashion and homeware e-business pure player in France. 99% is the level of awareness of the La Redoute brand in France for people aged 18-65. Moreover, laredoute.fr has over 9 million unique visitors every month. La Redoute is the only pure player in French e-business with the capacity to create, distribute and deliver not only in France but also abroad, while offering the customer a purchasing experience that is second to none. Stylists and designers in La Redoute have exceptional skills that, every year, shape the French style, in fashion and homeware. As such, 73% of turnover in 2016 was realized by La Redoute products and brands. In 2016, Internet sales represent 85% of sales in France. La Redoute is also present on smartphone, tablet and on social networks. 30% of the La Redoute's turnover is generated internationally and La Redoute is present in the United Kingdom, Belgium, Switzerland, Russia, Spain, and Portugal. The international site LaRedoute.com addresses many other markets around the world. More information on: www.laredoute-corporate.com