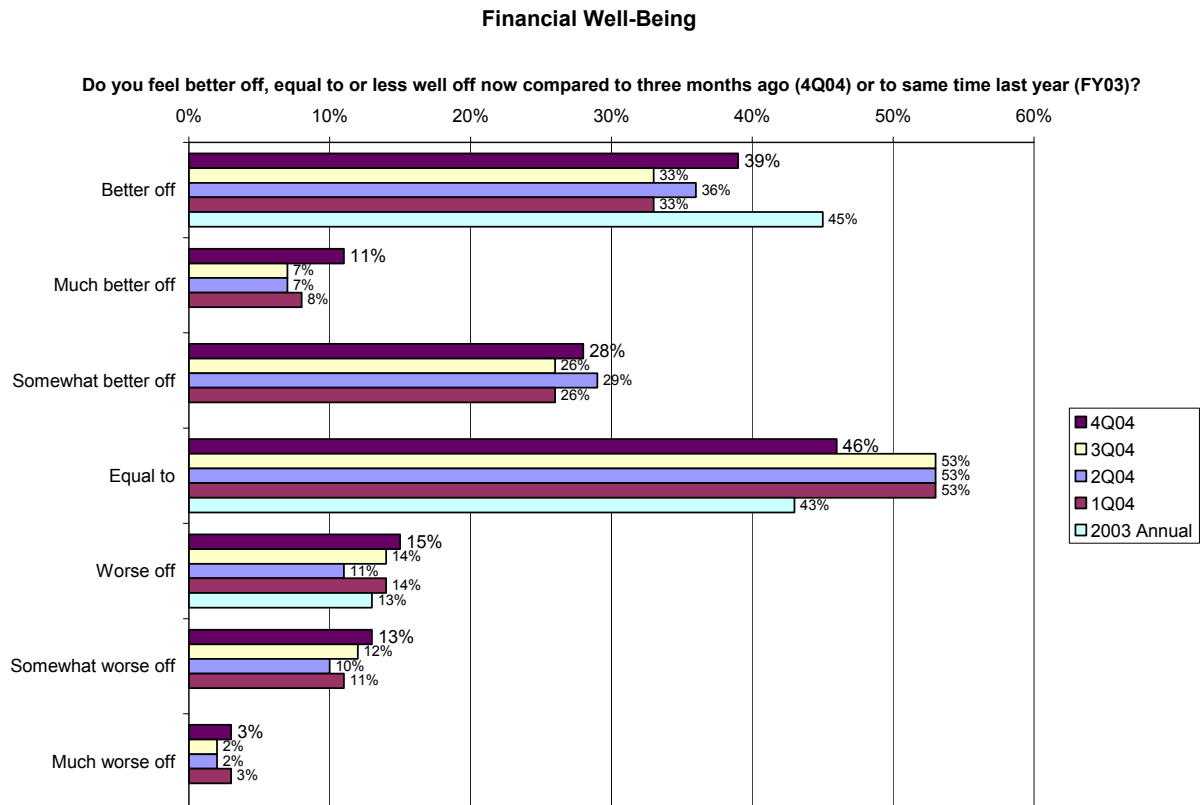


Luxury Consumers Felt Slightly Better Off in Fourth Quarter Compared to Third Quarter



In the fourth quarter of 2004 luxury consumers reported a better overall feeling about their financial well-being than they did in the third quarter. Nearly 39 percent said they were better off in the fourth quarter, which was the best it was throughout 2004. About 11 percent of luxury consumers said their financial position was much better off at the end of the fourth quarter than in the previous three months. With an uptick in personal financial confidence, 46 percent, down from 53 percent in the preceding three quarters, said they felt equal to where they stood three months ago. These findings all reflect a more positive mood about one's personal financial situation.

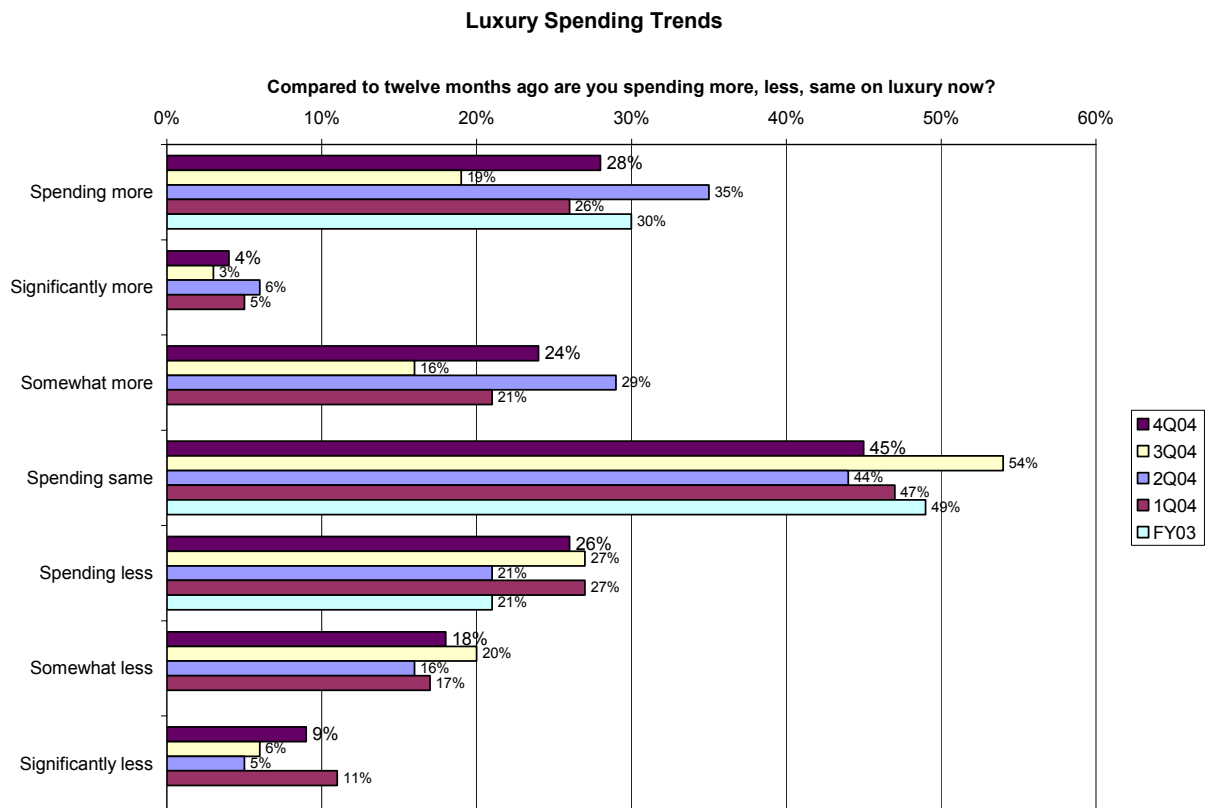
Demographically, women experienced the most positive increase in personal financial status during the quarter. Some 41 percent of men felt better off now than they did three months ago, while 38 percent of women felt better off. By comparison, this quarter only 45 percent of women felt their

financial status was the same, compared to 57 percent of women last quarter who reported that their financial status was flat.

As affluence rises, so too do feelings of personal financial health. Some 44 percent of super-affluents (incomes \$150k and above) felt better off, as compared with 37 percent of affluents (\$100k to \$149.9k) and 36 percent of near-affluents (income \$75k to \$99.9k).

Younger luxury consumers, especially those aged 24-to-34 years, felt more positive than those over 35, who were more likely to feel about the same.

Luxury Spending on Upswing in 4Q2004



Luxury consumers reported more spending on luxury in the fourth quarter 2004, as compared to twelve months ago. Some 28 percent of luxury consumers reported more spending on luxury in the fourth quarter than twelve months ago. Their reported spending on luxury was significantly improved over the third quarter, when 19 percent said they were spending more buying luxury than twelve months before.