



Lagardère

2014 FULL-YEAR RESULTS

ARNAUD LAGARDÈRE

General and Managing Partner

MARCH 11, 2015





2014 FULL YEAR RESULTS

Ongoing implementation of our strategy

Lagardère

MEGATRENDS ANALYSIS



STRATEGIC ROADMAP REMINDER



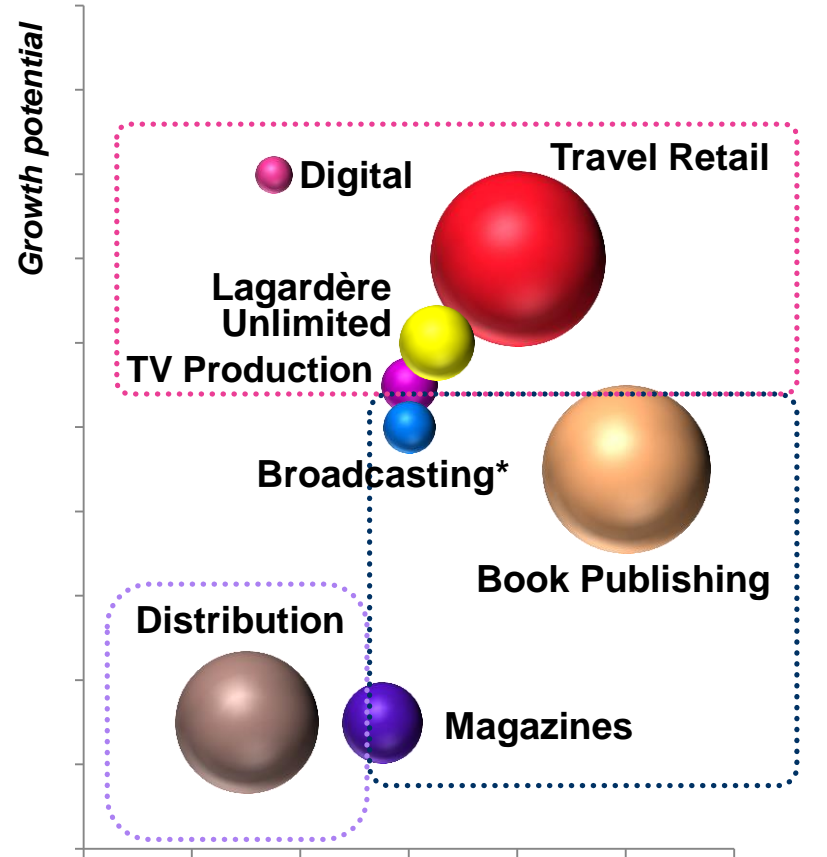
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3 pillars strategy

- 1** Reduce exposure to declining activities
- 2** Enhance leadership positions
- 3** Invest in higher growth activities

Lagardère businesses growth profile



N.B: Size proportional to sales.

Market position

*Radio + TV channels.

1

REDUCE EXPOSURE TO DECLINING ACTIVITIES

- **Successful deals in 2014:**

Lagardère Services

July ● Disposal of Payot bookstores (Switzerland)

November ● Announcement of the disposal of Swiss Distribution businesses (sold in February 2015)

December ● Sale of 51% of Inmedio (high-street retail in Poland)

Magazines

July ● Disposal of 10 titles in France

- **The disposal process of the remaining LS distribution activities is a major priority.**



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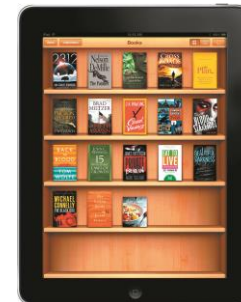


2

ADAPTATION OF EXISTING ACTIVITIES AND ENHANCEMENT OF LEADERSHIP POSITION

Lagardère Publishing

- Reinforcement through synergetic « boutique » acquisitions in the UK (Constable & Robinson, Quercus).
- Validation of the agency model in the US e-book market.
- Significant success of Partworks, developed in house.



Lagardère Active

- Musical radios: developments in Africa (Senegal).
- Digital: initiatives in e-medical businesses:
 - MonDocteur.fr: first online booking website of medical consultations;
 - Doctripharma.fr: service company allowing French pharmacies to create their own online dispensary.
- Digital TV / Gulli:
 - now owned at 100% after the acquisition of the 34% minority stake;
 - still the No.1 kids French channel.



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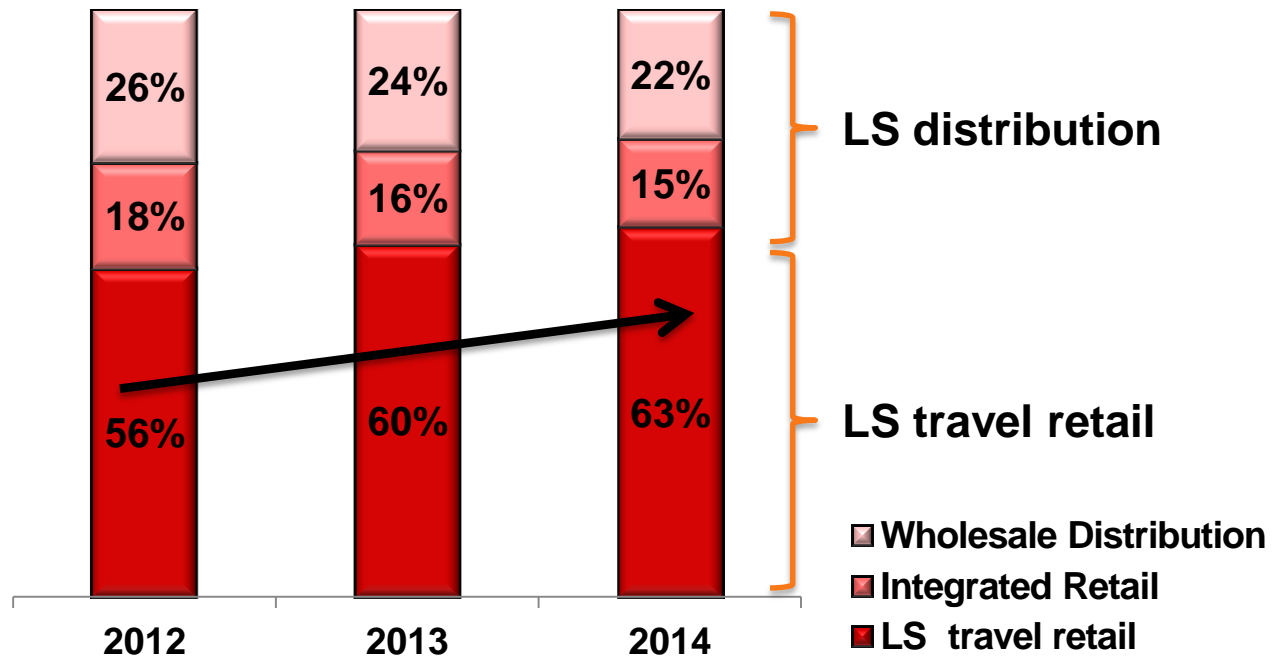


2 ADAPTATION OF EXISTING ACTIVITIES AND ENHANCEMENT OF LEADERSHIP POSITION

Travel Retail (1/3)

- The strategic transformation of the division is well on track:

Lagardere Services: business mix



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2 ADAPTATION OF EXISTING ACTIVITIES AND ENHANCEMENT OF LEADERSHIP POSITION



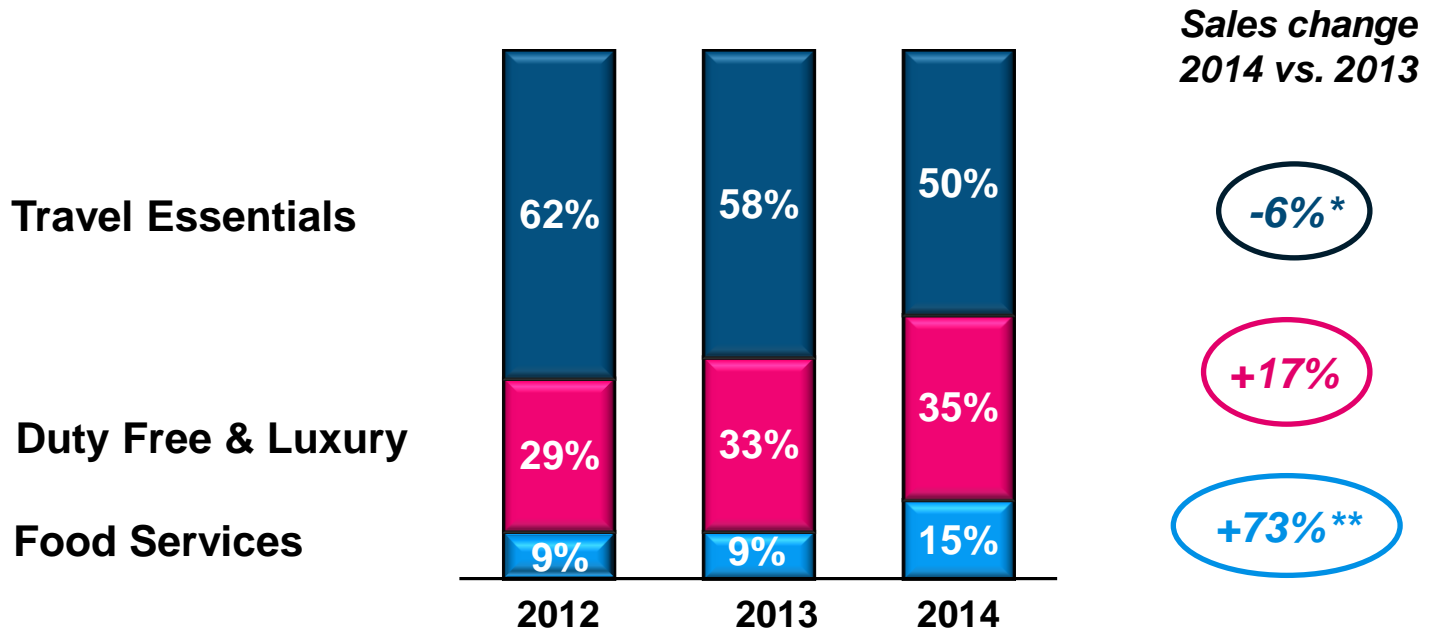
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Travel Retail (2/3)

- A significant improvement of the product-mix thanks to the strategy aimed at strenghtening the footprint:
 - in airports;
 - in the faster growing segment of Duty Free & Luxury.

LS travel retail: mix segment



*Mostly due to the deconsolidation of Relay stores. / **Thanks to the acquisition of Airst.

2

ADAPTATION OF EXISTING ACTIVITIES AND ENHANCEMENT OF LEADERSHIP POSITION

Travel Retail (3/3)

- **The weight of print products has been significantly reduced (22% of sales in 2014, -2 pts) in the Travel Essentials segment with:**

- the diversification of the product mix;
- the launch of new concepts (electronics, travel accessories...);
- creation of a joint venture with SNCF for the modernisation of 300 stores with diversified concepts and offers.

- **Main tender recently won:**

- Duty Free
 - Warsaw and Krakow in Poland.
 - Auckland in New Zealand.
- Food concessions in French airports (Nice...).

- **Successful contribution of acquisitions**

- Rome airport: activity is ramping up as expected.
- Schiphol and Airst business: integration is well on track.



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2

ADAPTATION OF EXISTING ACTIVITIES AND ENHANCEMENT OF LEADERSHIP POSITION

Lagardère Unlimited (1/2)

- **The recovery plan is well on track, with a positive recurring EBIT, despite the negative calendar of events.**
- **Ongoing strategic transition: a new Executive Committee, a more integrated organisation and the turnaround of the business in Europe.**
- **Expansion of the business footprint**
 - Signing of four long term stadium operations agreements in Brazil, Sweden and Hungary.
 - Organisation of major events such as the BNP Paribas WTA Finals Singapore presented by SC Global, held for the first time at the Singapore Sports Hub.
 - Development of new businesses (brand consulting...).



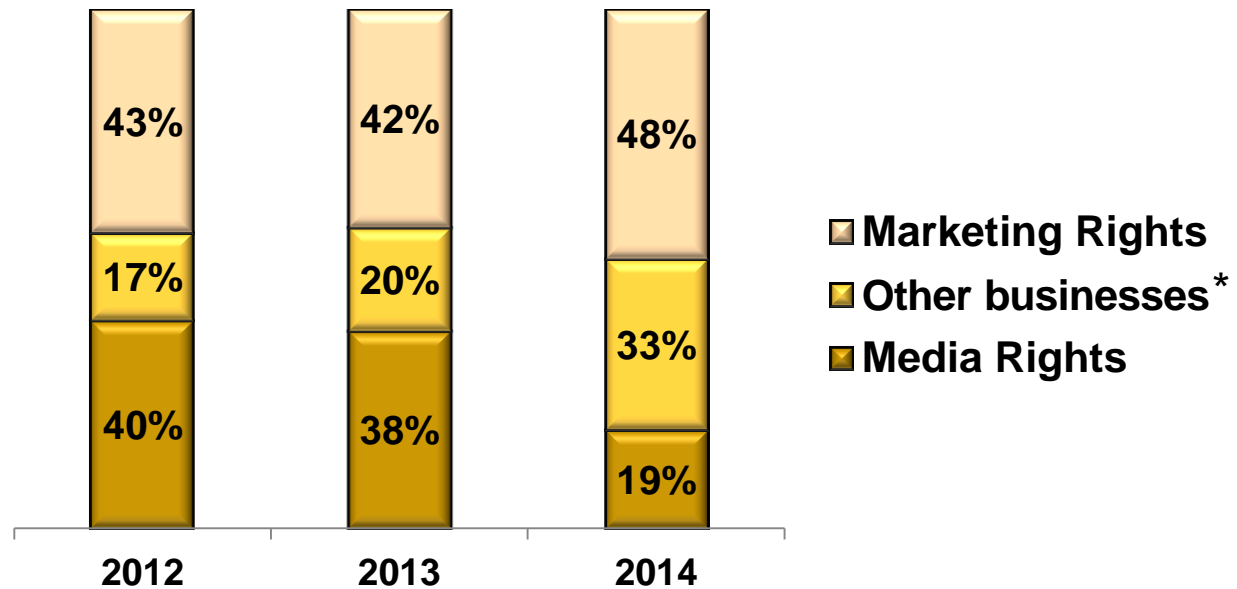
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2 ADAPTATION OF EXISTING ACTIVITIES AND ENHANCEMENT OF LEADERSHIP POSITION

Lagardère Unlimited (2/2)

- A significant change of the business mix, aimed at delivering a more regular performance.

Lagardere Unlimited: business mix



*Stadium management, brand consulting, entertainment.





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3

INVEST IN HIGH GROWTH ACTIVITIES

Travel Retail

- January** ● **Acquisition of Fashion activities at Schiphol Airport**
12 sales outlets spread over 2,400 m²
- April** ● **Acquisition of Airst**
Food & Beverage and Travel Retail activities in 200 sales outlets, mostly in Italy (Venice airport)

TV Production

- February** ● **Acquisition of 70% of Groupe Réservoir**
Specialised in non-scripted programmes

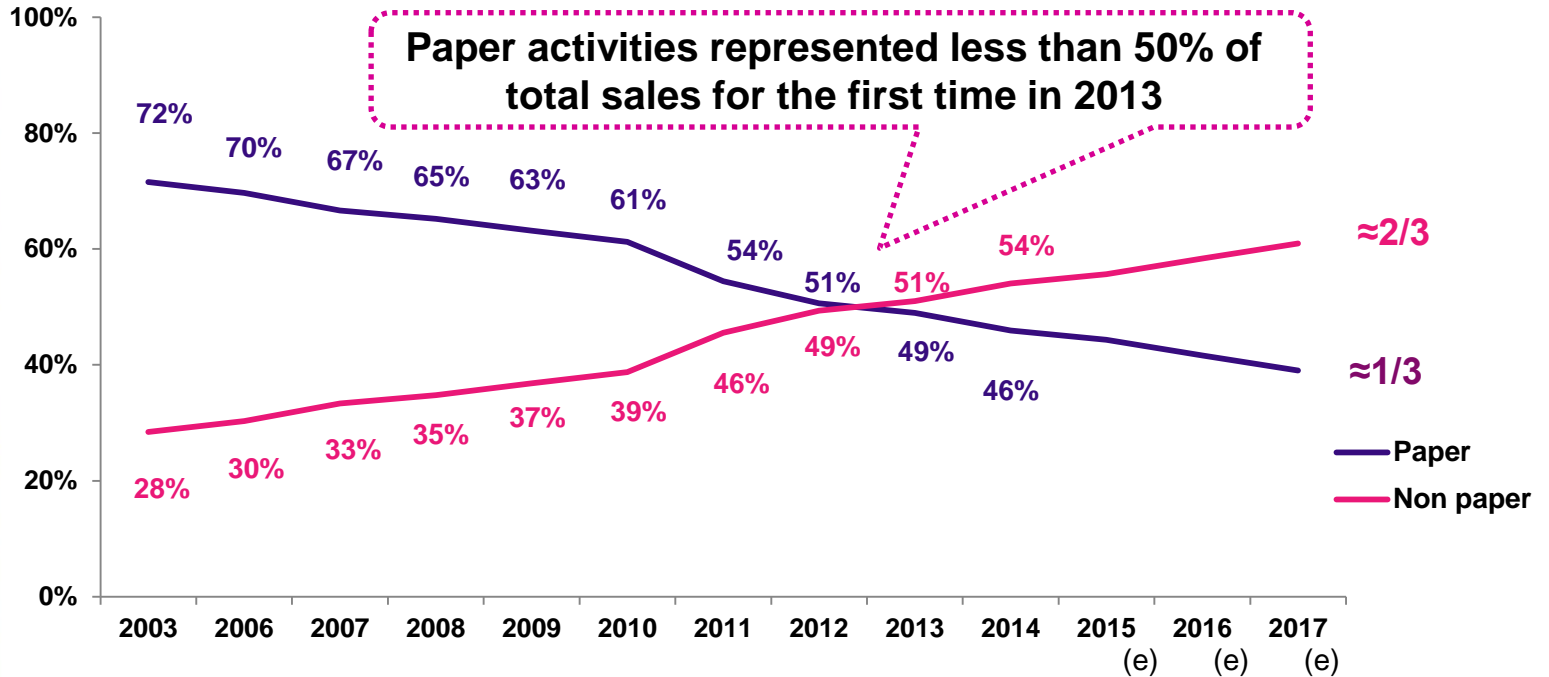
Live entertainment

- April** ● **Acquisition of Casino de Paris**
A famous Parisian concert hall

STRATEGY ACHIEVEMENTS: PAPER / NON PAPER EXPOSURE



As % of consolidated sales



	Paper	Non paper
Lagardère Publishing	Paper books, partworks, etc.	E-books, audiobooks
Lagardère Services	Books, press	Other (tobacco, fashion & cosmetics, etc.)
Lagardère Active	Magazines	Broadcasting, TV production, licensing, digital
Lagardère Unlimited	-	100% non paper

A STRONG PROFILE

- **Divisions owned at 100%**
Enables capital reallocation, for full strategy implementation
- **Diversity is a strength**

Benefit from several underlying trends and business cycles

GDP, school curricula renewals, demographics, air traffic, sports events, etc.

Diversified business models

B to B, B to C, etc.

Diversified business profiles

Growth, cash generation/allocation, profitability, etc.

Complementarity

Mitigates risk





2014 FULL YEAR RESULTS

Outlook and dividend

Lagardère

GUIDANCE AND DIVIDEND

■ 2015 guidance

In 2015, the recurring EBIT of fully consolidated companies* is expected to increase by about 5% compared to 2014:

- at constant exchange rates;
- excluding the effect of the potential disposal of Distribution activities.

■ Dividend

- **Ordinary dividend maintained: €1.30 per share**.**
- **Calendar:**
 - the ordinary dividend will be paid as of 12 May 2015;
 - the ex-dividend date is 8 May 2015.

*Recurring EBIT of fully consolidated companies of the four operating divisions (previously called the “Media” Recurring EBIT) + other activities.

**To be approved by the General Shareholders’ Meeting on May 5, 2015.



LONG TERM OBJECTIVES (2013-2018)

These long term objectives, announced in May 2014, are unchanged.

Top-line growth objective

To achieve an organic growth >3% per year by 2018

Recurring EBIT* objective

Group recurring EBIT growth of circa 5% per year in average between 2013 and 2018**

*Recurring Media EBIT of fully consolidated companies of the four divisions + other activities (i.e. €327m in 2013).

**This target, based on 2013 figures, is to be adjusted once the Distribution and Integrated Retail businesses are sold.





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