



**LAGARDÈRE SCA 2008 FIRST-HALF CONSOLIDATED REVENUES:
UP 3.6% ON A LIKE-FOR-LIKE BASIS^(*),
DOWN 3.8% ON A REPORTED BASIS**

Paris, July 24, 2008 – Lagardère SCA consolidated revenues for the six months ended June 30, 2008 amounted to €3,804.4m, up 3.6% on a like-for-like basis but down 3.8% on a reported basis.

The differential between the decline in reported revenues and the increase on a like-for-like basis was largely due to divestments (primarily Virgin Stores and the Regional Daily Press business: negative effect €191m) and to exchange rates (appreciation of the euro against other currencies, especially the dollar and sterling: negative effect €90m).

Key trends during the second quarter of 2008 (on a like-for-like basis) were:

- **Lagardère Publishing** – Very good quarter, driven by sales in the United States, Spain and the United Kingdom. In France, Larousse and Hatier performed well but Literature and Partworks lagged.
- **Lagardère Active** – Good quarter thanks to broadcast, which advanced in all segments. Despite an ever tougher environment and the impact of discontinued titles, the Magazines business managed to maintain flat revenues, helped by strong growth in digital revenues.
- **Lagardère Services** – Satisfactory quarter, with growth mainly generated by the opening of new outlets against a backdrop of a slowdown in consumption.
- **Lagardère Sports** – First half in line with expectations, thanks to the Euro 2008 football finals and the performance of French and German football clubs on the marketing side.

^(*) Excluding changes in Group structure and the effects of exchange rates.

	Revenues (€m)			Change 2008/2007 reported	Change 2008/2007 (restated, like-for-like)
	Q1 2008	H1 2008	H1 2007		
LAGARDERE	1,814.4	3,804.4	3,955.4	(3.8%)	3.6%
- Lagardère Publishing	413.3	908.0	896.6	1.3%	4.5%
- Lagardère Active	488.9	1,017.7	1,094.4	(7%)	2.7%
o Press	385.3	778.9	868.2	(10.3%)	1.6%
o Broadcast	103.6	238.8	226.2	5.6%	6.2%
- Lagardère Services	816.9	1,681.0	1,754.3	(4.2%)	5.8%
- Lagardère Sports	95.3	197.7	210.1	(5.9%)	(12.3%)

I – Revenues

Lagardère Publishing

First-half revenues rose by 1.3% to €908m on a reported basis and 4.5% on a like-for-like basis (versus 2.4% growth in the first quarter of 2008).

In the United States, growth continued at a rapid pace during the second quarter, driven in particular by the outstanding success of the latest Stephenie Meyer saga and by a raft of new bestsellers including novels by James Patterson (2 published in June).

In Spain, the impact of a good start for Education sales was amplified by a favorable comparative (the season started late in 2007).

The United Kingdom also recorded a highly satisfying quarter thanks to bestsellers and children's books.

In France, Larousse and Hatier (in particular distance learning) recorded strong growth, but Literature saw a further decline.

Partworks were hit by a drop in sales in France and Italy, partly offset by good performances in United Kingdom and Japan.

Lagardère Active

The division posted like-for-like sales growth of 2.7% in the first half (compared with 2.0% growth in the first quarter). On a reported basis, sales fell by 7.0% to €1,018m, due mainly to divestments (-€67m) and exchange rate effects (-€33m).

Press

The Magazines business reported first-half revenues of €779m. At 1.6%, like-for-like sales growth was slower than the 3.1% reported for the first quarter. On a reported basis, revenues fell by 10.3%.

Key trends during the second quarter were as follows:

- A mixed picture in advertising across the countries where Lagardère operates. The deteriorating economic situation triggered a sharp drop in revenues in the United States (for the auto segment, special-interest magazines and *Woman's Day*), and to a lesser extent in Spain (all segments) and in the United Kingdom. On the other hand, France and Italy recorded a modest rise in revenues, while China and Russia enjoyed strong growth.
- Circulation trends were also patchy. Figures were down in the United States, Spain and Italy, despite continuing strong performances in the upscale women's segment (*Elle*). Conversely, the United Kingdom achieved substantial growth in the quarter. Growth remains on a satisfactory trend in China and Russia.
- Digital revenues are still rising rapidly, and represented 6.3% of Lagardère Active revenues in the six months ended June 30, 2008 (versus 2.2% for the comparable period of 2007).

Broadcast

After an excellent second quarter, revenues for the Broadcast business (€239m) were up 6.2% on a like-for-like basis, after a fall of 1.4% in the first quarter.

Radio

In France, Virgin Radio reported robust growth, and revenues at Europe 1 and RFM stabilized, all of which more than made up for the tough start of the year. International radio activities achieved further strong growth (15% over the first half), despite signs of a slowdown in Russia.

Television

As expected, Lagardère Entertainment made up its delivery backlog and ended the first half of the year with revenues up 5.6%.

Theme channels also enjoyed a very good quarter, with Virgin 17 performing particularly well, and turned in first-half growth of nearly 11%.

Lagardère Services

The division enjoyed robust growth during the second quarter, taking first-half revenues to €1,681m. This represents 5.8% growth on a like-for-like basis (but a drop of 4.2% on a reported basis, due mainly to the divestment of Virgin Stores), and comes after an already highly satisfactory first quarter (like-for-like growth of 5.2%).

Revenues advanced across all countries in the second quarter, largely due to the policy of opening new outlets, the effects of which have been felt since mid-2007.

- Aelia is still benefiting from the uptrend in air traffic, despite signs of a slowdown in the quarter. Relay also had a good quarter.
- In Eastern Europe and other emerging markets, growth was robust in spite of a downtrend in the print media market (retail and wholesale).
- Conditions were highly volatile in Spain and Belgium, but both countries reported modest growth for the quarter, while Switzerland achieved stronger growth.

Lagardère Sports

Lagardère Sports contributed €198m to Lagardère SCA first-half consolidated revenues, down 12.3% on a like-for-like basis (versus a 20.1% decline in the first quarter).

The drop in revenues was due to the absence of some sports events from the 2008 calendar (Euro 2008 qualifiers, Handball World Cup), and to the cancellation of unprofitable and low-margin contracts following a rationalization of the portfolio.

Second-quarter revenues were in line with forecasts, thanks in particular to the Euro 2008 final phase, for which revenue was generated in the form of commission.

II – Outlook

Given the poor economic environment and the tough comparative base (strong revenue growth in the second half of 2007), we expect sales growth in the second half of the year to be lower than the first-half performance.

The 2008 second-half outlook for Lagardère Publishing is good, especially for Education in Spain and for Fiction in the United States (a new Stephenie Meyer is due to be published).

Visibility for Lagardère Active's radio activities is as usual very poor, with tough economic conditions in France especially.

For the Press business, the impact of the economic slowdown – already being clearly felt in the United States and Spain – is likely to extend throughout the second half. The “Active 09” recovery plan, which is on schedule, will help to offset the pressure on advertising revenues.

For Lagardère Services, market trends are expected to be in line with the deterioration observed in the second quarter. However, the division should record growth ahead of the market due to the impact of new outlets, even though the excellent performances achieved from mid-2007 make for tough comparatives.

At Lagardère Sports, a good second half is expected, in line with our expectations.

This outlook confirms our guidance of full-year growth in recurring EBIT from Media activities in the “3% to 7%” range, based on a euro/dollar exchange rate of 1.50.

Lagardère is a pure media group (books, press, broadcast, digital, travel retail and press distribution, sports trading and sports rights), and is among the world leaders in the sector. The Group also has a 10% stake in EADS. Lagardère shares are listed in Paris on Eurolist by Euronext – Compartment A.

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