



Q1 2020 REVENUE

30 April 2020

DISCLAIMER

Certain statements contained in this document are forward-looking statements (including objectives and trends), which address our vision of the financial condition, results of operations, strategy, expected future business and financial performance of Lagardère SCA. These data do not represent forecasts regarding Lagardère SCA's results or any other performance measure, but rather trends or targets, as the case may be.

When used in this document, words such as “anticipate”, “believe”, “estimate”, “expect”, “may”, “intend”, “predict”, “hope”, “can”, “will”, “should”, “is designed to”, “with the intent”, “potential”, “plan” and other words of similar import are intended to identify forward-looking statements. Such statements include, without limitation, projections for improvements in process and operations, revenues and operating margin growth, cash flow, performance, new products and services, current and future markets for products and services and other trend projections as well as new business opportunities.

Although Lagardère SCA believes that the expectation reflected in such forward-looking statements are reasonable, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside our control, including without limitations:

- general economic conditions;
- legal, regulatory, financial and governmental risks related to the businesses;
- certain risks related to the media industry (including, without limitation, technological risks);
- the cyclical nature of some of the businesses.

Please refer to the most recent Universal Registration Document (*Document d'enregistrement universel*) filed by Lagardère SCA with the French *Autorité des marchés financiers* for additional information in relation to such factors, risks and uncertainties.

No representation or warranty, express or implied, is made as to, and no reliance should be placed upon, the fairness, accuracy, completeness or correctness of such forward-looking statements and Lagardère SCA, as well as its affiliates, directors, advisors, employees and representatives accept no responsibility in this respect.

Accordingly, we caution you against relying on forward-looking statements. The forward-looking statements abovementioned are made as of the date of this document and neither Lagardère SCA nor any of its subsidiaries undertake any obligation to update or review such forward-looking statements whether as a result of new information, future events or otherwise. Consequently neither Lagardère SCA nor any of its subsidiaries are liable for any consequences that could result from the use of any of the above statements.

Q1 2020 REVENUE

(€m)	Q1
2020 revenue	1,361
2019 revenue	1,520
Consolidated growth	-10.4%
Like-for-like growth*	-12.5%

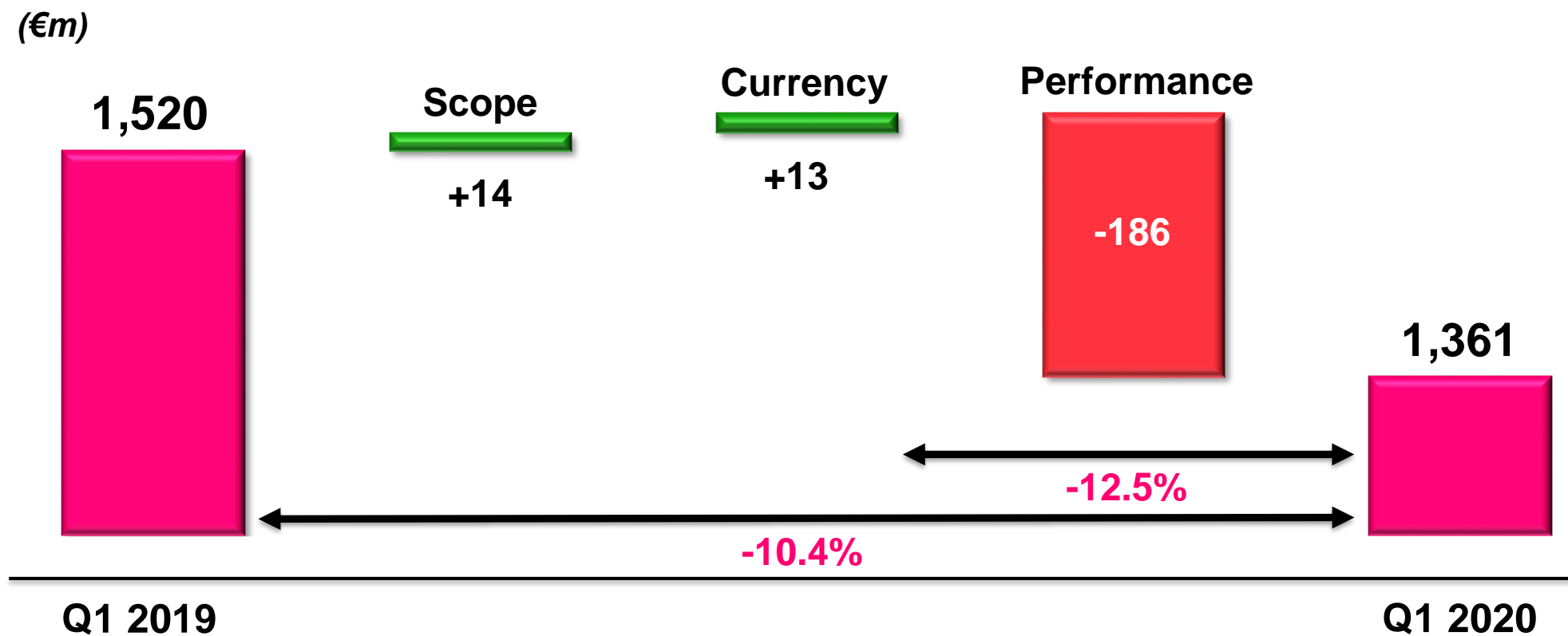
Revenue is down in Q1 due to the first impacts of Covid-19 crisis.

Lagardère Travel Retail impacted since end January in Asia-Pacific.

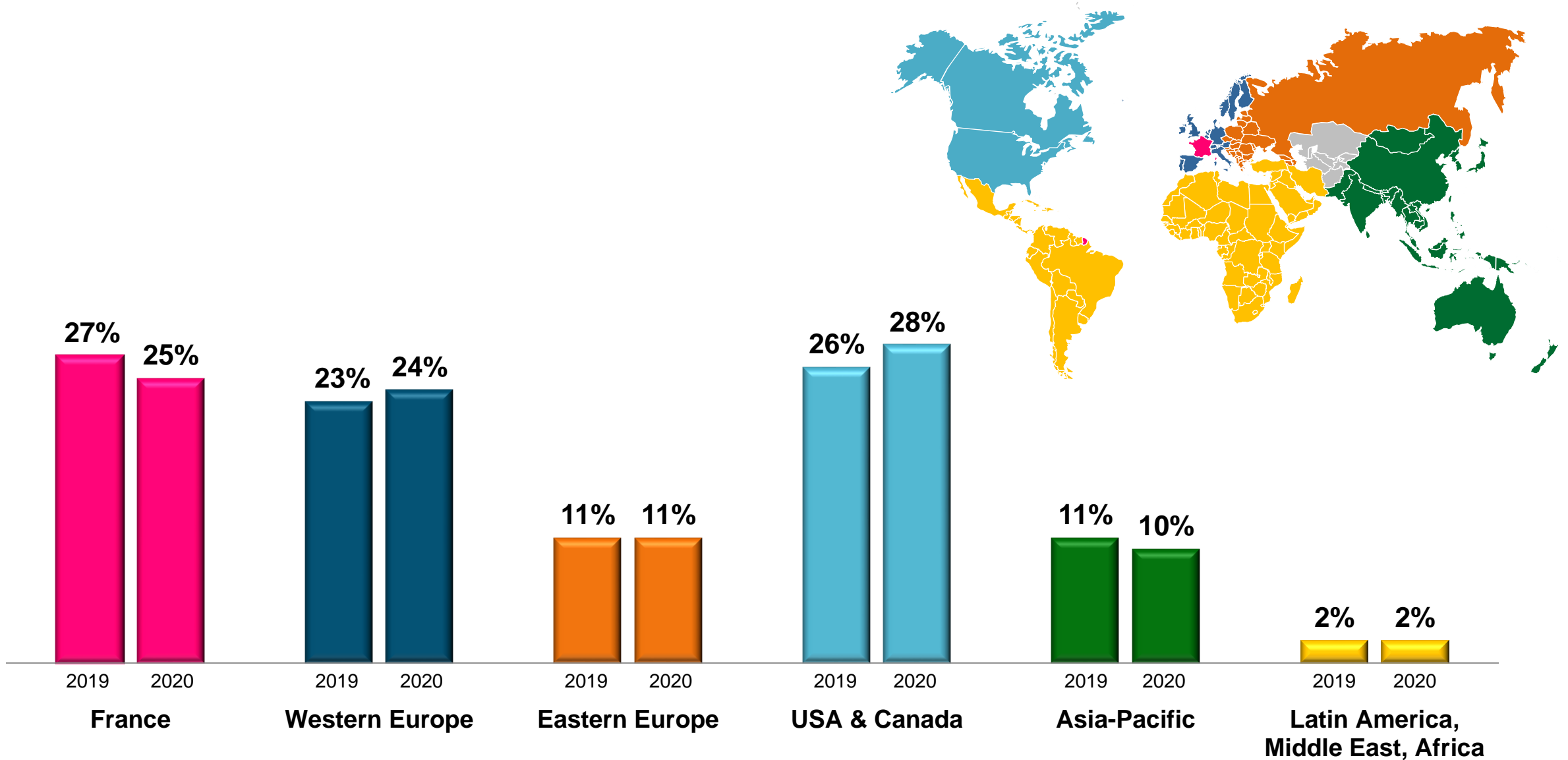
All Group activities impacted since mid-March as governments implement lockdowns across the world.

* Alternative Performance Measure (APM). See definition on slide 12.

Q1 2020 REVENUE EVOLUTION



Q1 2020 REVENUE BY GEOGRAPHIC AREA



LAGARDÈRE PUBLISHING

(€m)	Q1
2020 revenue	457
2019 revenue	460
Consolidated growth	-0.8%
Like-for-like growth*	-3.3%

France Trade businesses impacted since mid-March with substantial closure of points of sales.

Revenue growth in USA thanks to digital channels and the success of *The Witcher* series.

* Alternative Performance Measure (APM). See definition on slide 12.

LAGARDÈRE TRAVEL RETAIL

(€m)	Q1
2020 revenue	804
2019 revenue	930
Consolidated growth	-13.5%
Like-for-like growth*	-18.0%

Strong performance in January.

Negative impact from Covid-19 crisis in four waves since end January: China, then in Asia-Pacific and finally in Europe and North America. It is now a global issue.

* Alternative Performance Measure (APM). See definition on slide 12.

OTHER ACTIVITIES**

(€m)	Q1
2020 revenue	60
2019 revenue	65
Consolidated growth	-7.7%
Like-for-like growth*	-6.3%

Revenues from Radio, Press, Licensing, Entertainment in performance venues, have been impacted by French lockdown or by clients decisions to reduce their advertising spending.

* Alternative Performance Measure (APM). See definition on slide 12.

** Lagardère News (*Paris Match*, *Le Journal du Dimanche*, Europe 1, Virgin Radio, RFM and the Elle brand licence), the Entertainment businesses, the Group Corporate function, and the Lagardère Active Corporate function, whose costs are being wound down by end 2020.

NON-RETAINED SCOPE**

(€m)	Q1
2020 revenue	40
2019 revenue	65
Consolidated growth	-38.5%
Like-for-like growth*	+0.8%

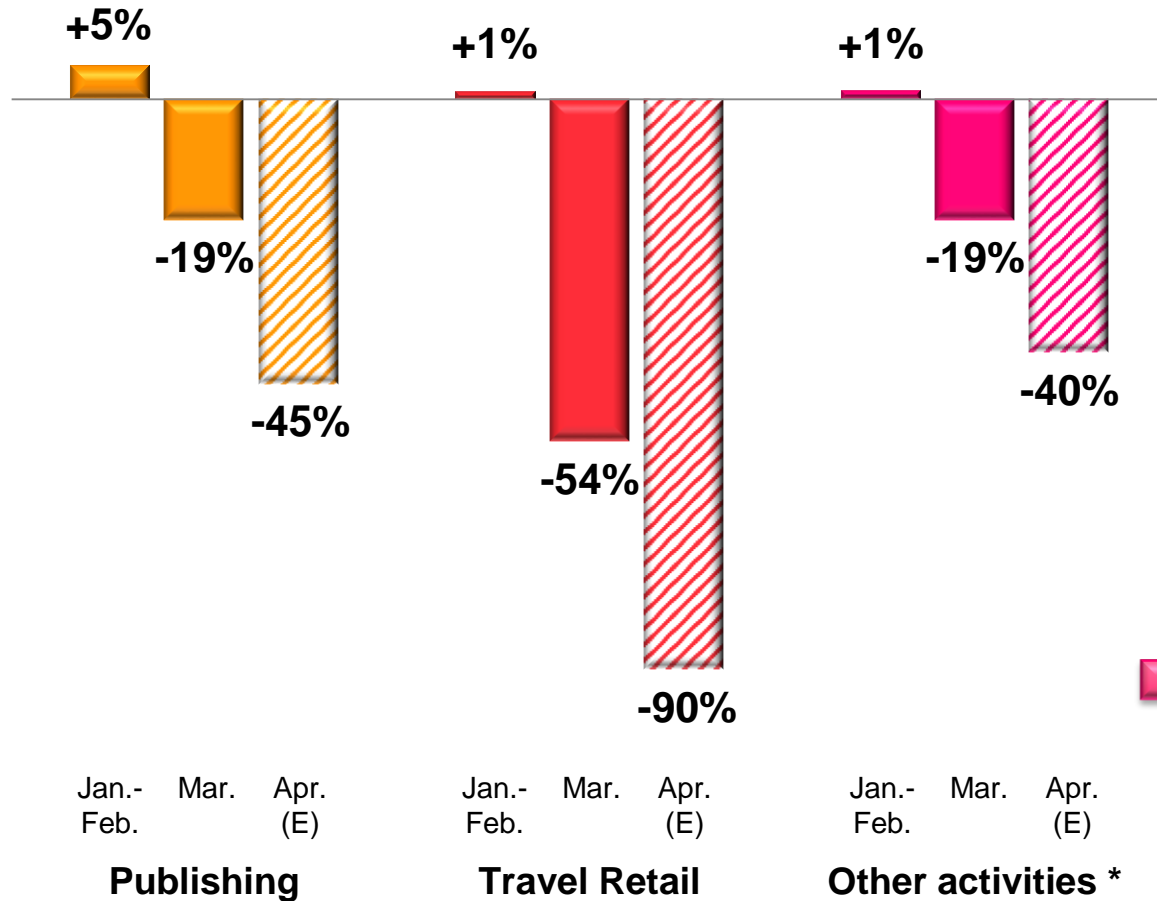
The main impacts are related to the perimeter changes performed in 2019 with the disposals of TV channels and digital activities, on a LFL basis Lagardère Studios is stable.

* Alternative Performance Measure (APM). See definition on slide 12.

** Operations disposed of/disposals pending completion (Lagardère Active), excluding Lagardère Sports, classified as a discontinued operation in accordance with IFRS 5.

STRONG CORRECTIVE ACTIONS IMPLEMENTED TO LIMIT COVID-19 IMPACT

Revenue growth by segment



Corrective actions implemented

- Sanitary protection of employees, clients and partners.
- Optimisation of sales and prices when possible.
- Systematic cost reductions across activities.
- Capex reviews and working capital optimisation to preserve cash.
- Cancellation of the 2019 dividend proposal (to be paid in 2020).
- 20% decrease in Executive Committee remuneration, at the initiative of its members.
- Creation of a Covid-19 solidarity fund.



To date, the Group is unable to accurately forecast impact on revenue and recurring EBIT for 2020.

Nevertheless, and including corrective actions, the Group estimates following flow through of revenue decline to recurring EBIT:

- **Lagardère Travel Retail: 20% to 25%.**
- **Lagardère Publishing: 35% to 40%.**

* Lagardère News (*Paris Match*, *Le Journal du Dimanche*, Europe 1, Virgin Radio, RFM and the Elle brand licence), the Entertainment businesses, the Group Corporate function, and the Lagardère Active Corporate function, whose costs are being wound down by end 2020.

ROBUST LIQUIDITY

- **As 31 March, liquidity of €1,940m: cash of €690m and undrawn credit facility of €1,250m.**
- **Agreement with lenders to waive financial covenant test in June 2020 and December 2020.**
- **The Group anticipates that liquidity is adequate for 2020 even in a pessimistic scenario that has been modelled to test liquidity cushion based on following main assumptions:**
 - **Lagardère Travel Retail: no improvement from April situation for rest of 2020;**
 - **Lagardère Publishing and Other Activities: gradual return to 2019 level over H2 2020;**
 - **repayment without refinancing of financial debt due in next 12 months, representing €681m, of which 78% is commercial paper.**
- **The Group remains confident in the strength of its model refocused on Lagardère Publishing and Lagardère Travel Retail.**
- **The Group anticipates that its liquidity position and the corrective actions implemented will enable to withstand the Covid-19 crisis and to be well positioned to benefit proactively from the recovery of its markets.**

DEFINITIONS

Lagardère uses alternative performance measures which serve as key measures of the Group's operating and financial performance. These indicators are tracked by the Executive Committee in order to assess performance and manage the business, as well as by investors in order to monitor the Group's operating performance, along with the financial metrics defined by the IASB. These indicators are calculated based on accounting items taken from the consolidated financial statements prepared under IFRS and a reconciliation with those items is provided either in this presentation, or in the notes to the 2019 consolidated financial statements.

- **Like-for-like revenue were calculated by adjusting:**

- 2020 revenue to exclude companies consolidated for the first time during the period, and 2019 revenue to exclude companies divested in 2020;
- 2020 and 2019 revenue based on 2019 exchange rates.

- **Recurring EBIT. The Group's main performance indicator is recurring operating profit of fully consolidated companies, which is calculated as follows:**

Profit before finance costs and tax excluding:

- Income (loss) from equity-accounted companies before impairment losses
- Gains (losses) on disposals of assets
- Impairment losses on goodwill, property, plant and equipment, intangible assets and investment in equity-accounted companies
- Net restructuring costs
- Items related to business combinations:
 - Acquisition-related expenses
 - Gains and losses resulting from purchase price adjustments and fair value adjustment due to changes in control
 - Amortisation of acquisition-related intangible assets
- Specific major disputes unrelated to the Group's operating performance
- Items related to leases and finance sub-leases:
 - Cancellation of fixed rental expense* on concessions agreements
 - Depreciation of right-of-use assets on concessions agreements
 - Gains and losses on lease modifications

* Cancellation of fixed rental expense on concession agreements is equal to the repayment of the lease liability, the associated change in working capital and interest paid in the statement of cash flows.



Q&A

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30 April 2020