



(a limited partnership with shares established in the Republic of France)

**€500,000,000 2.125 per cent. bonds due 2026**

**Issue price: 99.627 per cent.**

The €500,000,000 aggregate principal amount of 2.125 per cent. bonds due 2026 (the “**Bonds**”, and each a “**Bond**”) of Lagardère SCA (the “**Issuer**”) will be issued on 16 October 2019 (the “**Issue Date**”) in the denomination of €100,000 each.

Each Bond will bear interest on its principal amount from (and including) the Issue Date to (but excluding) 16 October 2026 at a fixed rate of 2.125 per cent. *per annum* payable annually in arrear on 16 October in each year and commencing on 16 October 2020, as further described in “Terms and Conditions of the Bonds – Interest” of this prospectus (the “**Prospectus**”).

Unless previously purchased and cancelled, the Bonds will be redeemed at par on 16 October 2026 (the “**Maturity Date**”). The Issuer may, at its option, and in certain circumstances must, redeem all (but not less than all) of the Bonds at any time at par plus accrued interest in the event of certain tax changes, as further described in “Terms and Conditions of the Bonds – Redemption for Taxation Reasons”. The Bonds may also be redeemed (i) at the option of the Issuer, in whole or in part during the period starting on (and including) 16 July 2026 and ending on (but excluding) the Maturity Date, in accordance with Condition 5(E) “Pre-Maturity Call Option” of the Terms and Conditions of the Bonds, (ii) in whole or in part, at any time, prior to 16 July 2026, in accordance with Condition 5(D) “Make Whole Redemption by the Issuer” of the Terms and Conditions of the Bonds and (iii) at any time prior to the Maturity Date, in whole (but not in part), at par plus accrued interest, if 80 per cent. of the initial aggregate principal amount of the Bonds have been redeemed or purchased and cancelled, in accordance with Condition 5(H) “Clean-Up Call Option” of the Terms and Conditions of the Bonds.

In addition, each Bondholder (as defined in the “Terms and Conditions of the Bonds – Interests”) may, at its option, in the event of a Change of Control, request from the Issuer the redemption of some or all of the Bonds held by it at their principal amount plus accrued interest, as further described in “Terms and Conditions of the Bonds - Redemption at the option of Bondholders following a Change of Control”.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) in its capacity as competent authority under the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities (the “**Luxembourg Prospectus Act**”), for the approval of this Prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Bonds that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Bonds. This Prospectus constitutes a prospectus for the purposes of Article 6.3 of the Prospectus Regulation. By approving this Prospectus, pursuant to Article 6(4) of the Luxembourg Prospectus Act, the CSSF gives no undertaking as to the economic and financial soundness of the Bonds to be issued hereunder and the quality or solvency of the Issuer.

Application has also been made to the Luxembourg Stock Exchange for the Bonds to be listed on the official list of the Luxembourg Stock Exchange (the “**Official List**”) and to be admitted to trading on the Luxembourg Stock Exchange’s regulated market. References in this Prospectus to the Bonds being “listed” (and all related references) shall mean that the Bonds have been admitted to the Official List and admitted to trading on the Luxembourg Stock Exchange’s regulated market. The Luxembourg Stock Exchange’s regulated market is a regulated market for the purposes of Directive 2014/65/EU, as amended.

The Bonds will be issued in dematerialised bearer form (*au porteur*). Title to the Bonds will be evidenced in accordance with Articles L.211-3 and R. 211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of account holders. No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds. The Bonds will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the account holders, as set out in “Terms and Conditions of the Bonds - Form, Denomination and Title”.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)) unless the Bonds are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. The Bonds may be offered or sold only outside the United States to persons who are not U.S. persons in offshore transactions in reliance on Regulation S.

The Bonds are not expected to be assigned a rating. At the date hereof, the Issuer is not rated.

This Prospectus will be valid for a year from 14 October 2019. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when the Prospectus is no longer valid. For this purpose, “valid” means valid for making offers to the public or admissions to trading on a regulated market by or with the consent of the Issuer and the obligation to supplement the prospectus is only required within its period of validity between the time when the prospectus is approved and the closing of the offer period for the Bonds or the time when trading on a regulated market begins, whichever occurs later.

***An investment in the Bonds involves certain risks. Potential investors should review all the information contained or incorporated by reference in this document and, in particular, the information set out in the section entitled “Risk Factors” before making a decision to invest in the Bonds.***

**SOLE GLOBAL COORDINATOR**

**CRÉDIT AGRICOLE CIB**

**JOINT LEAD MANAGERS**

**BNP PARIBAS  
MIZUHO SECURITIES**

**CITIGROUP  
SANTANDER CORPORATE & INVESTMENT BANKING**

**SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

## RESPONSIBILITY STATEMENT

*As of the date of this Prospectus, to the best of the knowledge of the Issuer, the information contained or incorporated by reference in this Prospectus is in accordance with the facts and makes no omission likely to affect the import of such information. The Issuer accepts responsibility for the information contained in this Prospectus accordingly.*

## IMPORTANT NOTICES

*This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference”). This Prospectus shall be read and construed on the basis that such documents are incorporated in, and form part of, this Prospectus.*

*This Prospectus comprises a prospectus for the purposes of the Prospectus Regulation and for the purpose of giving information with regard to the Issuer, the Issuer and its consolidated subsidiaries taken as a whole as at the date of this Prospectus (the “**Lagardère Group**”) and the Bonds which according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.*

*Certain information contained in this Prospectus and/or documents incorporated herein by reference has been extracted from sources specified in the sections where such information appears. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading.*

*The Joint Lead Managers (as defined under “Subscription and Sale”) have not independently verified the information contained or incorporated by reference herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers or any of their affiliates (i) as to the accuracy or completeness of the information contained or incorporated in this Prospectus, (ii) for any other statement made or purported to be made by a Joint Lead Manager on its behalf in connection with the Issuer or the issue and sale of the Bonds or (iii) for any other information provided by the Issuer in connection with the issue and sale of the Bonds.*

*In connection with the issue and sale of the Bonds, no person is or has been authorised by the Issuer or the Joint Lead Managers or any of their affiliates to give any information or to make any representation other than those contained or incorporated by reference in this Prospectus and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Joint Lead Managers or any of their affiliates.*

*Neither the delivery of this Prospectus nor the offering, sale or delivery of any Bonds shall in any circumstances imply that the information contained or incorporated by reference herein is correct at any time subsequent to the date hereof, nor does the Issuer undertake to update this Prospectus except as may be required by applicable law or regulations. The Joint Lead Managers do not undertake to review the financial condition or affairs of the Issuer during the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention. Investors should review, inter alia, the documents incorporated by reference into this Prospectus when deciding whether or not to subscribe for or to purchase any Bonds.*

*Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Joint Lead Managers that any recipient of this Prospectus should purchase any Bonds. Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or any of the Joint Lead Managers to any person to subscribe for or to purchase any Bonds.*

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**IDD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET**

– Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds, taking into account the five categories referred to in item 18 of the Guidelines on MiFID II product governance requirements published by ESMA dated 5 February 2018 has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

In making an investment decision regarding the Bonds, prospective investors should rely on their own independent investigation and appraisal of (a) the Issuer, its business, its financial condition and affairs and (b) the terms of the offering, including the merits and risks involved. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Bonds. Potential investors should, in particular, read carefully the section entitled “**Risk Factors**” set out below before making a decision to invest in the Bonds.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Bonds in any jurisdiction where, or to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer and the Joint Lead Managers do not represent that this Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Lead Managers which would permit a public offering of any Bonds or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Bonds in the United States, the United Kingdom and France (see “**Subscription and Sale**”).

The Bonds have not been and will not be registered under the Securities Act and, except pursuant to an exemption from such registration, may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)).

In this Prospectus, unless otherwise specified or the context requires, references to “**Euro**”, “**EUR**” and “**€**” are to the single currency of the participating member states of the European Economic and Monetary Union.

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## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.*

*The Issuer believes that the factors described below currently represent the principal risks inherent in investing in the Bonds, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Bonds for other reasons. Additional risk factors not currently known or which the Issuer currently deems not material based on information currently available to it may also affect the Issuer's business and financial condition or the Bonds. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.*

### 1. RISK FACTORS RELATING TO THE ISSUER

The Issuer is subject to many risks and uncertainties that may affect its financial performance. The business, results of operation or financial condition of the Issuer and the Lagardère Group could be materially adversely affected by the risks factors which are set out below.

The classification of the risks relating to each category below is the result of a regular analysis as part of the Issuer's management procedures for the principal risks which are set out below, after taking into account any mitigation measure resulting from such risk management procedures. Despite such mitigation measures, the Issuer considers that the risks listed below remain significant for the Issuer and the most material risks are set out first in each category below. The materiality of the risks has been assessed based on the probability of their occurrence and the expected magnitude of their negative impact on the Lagardère Group.

#### **1.1 Risks associated with business activity and the economic environment**

##### *1.1.1 Risks and dependency associated with major contracts*

Some contracts, particularly agreements entered into in connection with sports events or concessions managed by Lagardère Travel Retail, may have high unit values (several hundred million euros), extend across several years and entail significant commitments for the Lagardère Group in return for the future expected cash flows.

Difficulties relating to their application, an adverse economic environment or unfavourable market conditions may have a negative impact on income derived from these contracts, and as a result it cannot be guaranteed that they will be profitable upon termination.

There is no guarantee that these agreements will be renewed once they expire. This depends notably on the stance taken by the sector's economic players, including rights holders and Lagardère Group competitors, whether long-standing or newcomers to the market.

This risk tends to be greater for Lagardère Travel Retail due to the growth in the division's airport sales business.

Certain sports federations have also been shifting media rights marketing strategy for their competitions. The Union of European Football Association (UEFA) has centralised the marketing of broadcasting rights for the 2018 World Cup qualifiers in Europe.

In addition, following a call for tenders in 2018, the Asian Football Confederation (AFC) decided not to grant commercial rights to Lagardère Sports and Entertainment after 2020.

The risks described here also concern, on a smaller scale, certain contracts that Lagardère Publishing has entered into with authors and rights holders, or for the distribution of third-party publishers.

### *1.1.2 Impact of digital and mobile technologies on the Lagardère Group's business models*

The Lagardère Group is faced with rapid changes in its customers' consumption habits as digital and mobile technologies develop, and this too has a significant effect on its commercial positions.

It needs to pursue acquisition-based or organic investment in digital businesses to ensure its future development. The business models that underpin such development are subject to considerable volatility and in many cases have yet to prove themselves in the market over the long term. Consequently, the corresponding business plans are exposed to considerable risks.

Lagardère Publishing sees the development of e-books as an opportunity insofar as profitability in this business is at least similar to that of printed books. However, uncertainties in various markets as to whether publishers can determine the sales policy of their publications could have a negative impact on the profitability of this division. Certain competition authorities have carried out investigations into the e-book market, and the related settlements have been accepted by Lagardère Publishing.

An overly high concentration downstream of sales of digital media and e-books and online sales of printed books could create a situation of dependency for some Lagardère Group activities, particularly Lagardère Publishing. Such a trend could influence the profitability of sales networks for printed books, especially in bookstores, potentially resulting in unpaid receivables for Lagardère Publishing.

Substantial unauthorised digital reproduction and sharing of protected content (books, sports content, etc.) has been observed. These practices can lead to lost revenues for copyright holders, and as such Lagardère Group subsidiaries concerned by this matter have put in place measures to prevent these practices. However, these measures have their limits, especially given the uncertainties relating to case law and how difficult it can be to enforce legal decisions in certain countries.

The emergence of new digital-based business models could adversely impact the profitability of Lagardère Publishing in publishing sectors where the division is extremely active, such as education.

Similarly, by intensifying competition, the emergence of new digital-based offerings could adversely impact the profitability of Lagardère Travel Retail's three business lines: Travel Essentials, Duty Free & Fashion, and Foodservice.

With regard to Lagardère Active, digital media exercise strong competitive pressure on print media, impacting both sales and advertising revenue. These factors have a negative impact on the profitability of the media businesses that the Lagardère Group has retained as part of its strategy announced in 2018.

### *1.1.3 Risks associated with strategy implementation*

In 2018 the Lagardère Group introduced a new strategy to focus on two major business divisions, Lagardère Publishing and Lagardère Travel Retail, and retain certain media businesses. As a result, most of the companies operating under Lagardère Active and Lagardère Sports and Entertainment will be sold. This restructuring process is already under way.

The success of these divestments, some of which have already been carried out, depends on the market's interest for the divested businesses and the Lagardère Group's ability to manage the operations of the entities concerned in an optimal manner during the transitional period. Failure to do so could lead the Lagardère Group to keep businesses in its portfolio which do not meet its profitability targets.

The operational management of restructuring may lead to unforeseen regulatory, human and technical difficulties and other issues. This could delay the restructuring process or make it more costly.

The Lagardère Group also regularly carries out acquisitions and enters into partnerships as part of its strategy. The success of these transactions depends on its ability to identify attractive opportunities, effectively negotiate and smoothly integrate any new businesses into its portfolio. Failure to do so could have a negative impact on the return on investment and on the Lagardère Group's earnings.

#### *1.1.4 Cyclical risks specific to the Lagardère Group's business lines*

A large portion of the Lagardère Group's revenue derives from businesses that are sensitive to the economic environment, and changes in that environment may affect sales of products such as magazines and partworks, customer numbers in the Lagardère Group's store locations, especially air travel areas, and revenue directly or indirectly associated with advertising. For example, a 1% downturn in advertising revenue across the whole of Lagardère Active would lead to a decrease of €2 million in the division's full-year operating profit, before any adjustments.

In addition, cuts in the funding allocated by certain governments to buy textbooks can have a negative impact on Lagardère Publishing's business. Similarly, pressure on the financing of public channels may negatively influence the Lagardère Group's audiovisual production activities.

With regard to Lagardère Travel Retail, a cyclical or structural reduction in air traffic towards a given destination and currency volatility may materially impact the number or purchasing power of travellers in Duty Free stores in the currencies concerned.

Lastly, cases of force majeure could threaten or delay the staging of sporting events in which Lagardère Sports and Entertainment is involved.

## **1.2 Legal risks**

### *1.2.1 Specific regulations applicable to the Lagardère Group*

#### *1.2.1.1 Compliance and changes in regulations specific to the Lagardère Group's Businesses*

Since the Lagardère Group operates in a large number of businesses and countries, it must deal with stringent and complex regulations put in place by various national and international authorities and organisations.

In the book publishing and distribution sector, the Lagardère Group is subject to specific local regulations in the countries where these businesses are carried out, including in terms of intellectual property rights, legal copyright registration requirements, rules governing the pricing of books, and value added tax (VAT) rules. In France, for example, the Lagardère Group's businesses are subject to regulations imposing a fixed book price set by the publisher or importer, which restrict any qualitative or quantitative discounts granted to distributors. Further regulations also apply to publications for children and young adults and to broadening access to out-of-print books.

Laws and regulations on copyright, libel and slander, image rights and privacy, apply notably to Lagardère Publishing (book publishing) and Lagardère Active (press and broadcasting).

The Audiovisual Production and Distribution activities carried out by Lagardère Studios (a subsidiary of Lagardère Active) and audiovisual broadcasting services (radio and television) are subject to broadcasting regulations set out in the French law of 30 September 1986 and its implementing decrees, and in inter-professional agreements relating to industry supervision (see paragraph 1.2.1.2 below) and broadcasters' contributions to audiovisual production and the terms and conditions governing their implementation.

Lagardère Travel Retail's wholesale and retail distribution activities must comply with certain specific local regulations in the countries where these activities are carried out, principally those applicable to the sale of print

media, foodstuffs, tobacco, alcohol and duty-free products (which may be governed by conventions signed with the local customs authorities), and transport operations. In France, for example, press distribution and the legal structure of press distribution cooperatives are governed by a specific law (*Loi Bichet*).

The World Health Organization's Framework Convention on Tobacco Control recommends various measures to reduce the supply and demand of tobacco, in particular, banning or restricting duty-free and tax-free sales of tobacco products to international travellers and banning smoking in public transport and public places. In response to this Framework Convention as well as to other measures, stricter regulations are being put in place regarding the sale and consumption of tobacco and could thus have an impact on Lagardère Travel Retail's businesses. Some countries have also introduced environmental protection measures (e.g., recycling certain products) that may affect points of sale.

The Lagardère Group's digital businesses are subject to various regulations, both at national level (e.g., French law of 21 June 2004 designed to build trust in the digital economy, and the provisions of the French online retailing consumer code) and at international level (e.g., Regulation (EU) 2016/679 of 27 April 2016, referred to as the General Data Protection Regulation ("GDPR"), which entered into force on 25 May 2018).

The Lagardère Group's advertising activities (including the management of marketing rights) operate under the aegis of the relevant legislation, in particular restrictions on tobacco and alcohol advertising, online gambling laws, and laws concerning false and misleading advertising.

In the countries where Lagardère Sports and Entertainment carries on marketing rights and sports events businesses, the Lagardère Group must comply with international and local legislation and the regulations of sporting organisations governing matters such as sports events (organisation and security) and the marketing of those events (purchase and broadcasting, including events deemed to be of "major importance"), and public rights to sports information.

It is also subject to the laws governing sports-related bodies through its business links with them, particularly national federations and supranational organisations, such as football associations.

Lagardère Sports and Entertainment's sports infrastructure management activities are subject to various French and foreign regulations including those relating to private legal entities formed for sports purposes (approved sports associations and professional sports companies), or establishments receiving members of the public and occupying public land.

Activities relating to the development of sports facilities must take into account regulations governing construction, urban planning, safety and security standards for sports events and approval by sports authorities.

Depending on the countries concerned, agency and career management activities for professional athletes may be governed by national regulations and sports organisations' rules on agents' activities and the protection of minors.

Lagardère Sports and Entertainment's live entertainment activities are not only subject to intellectual property law, labour law and standards for establishments receiving members of the public, as applicable to this sector, but also to special regulations pertaining to certain professions (entertainment producers, venue operators, etc.).

Any major change in these laws and regulations and/or incidents of non-compliance could impact the Lagardère Group's businesses and financial position.

#### *1.2.1.2 Authorisations required and compliance with quotas*

Some of the Lagardère Group's businesses must obtain or renew licences issued by regulatory authorities.

This is the case for broadcasting services (namely radio and television) in France, for which authorisations must be sought for specific periods determined by the French broadcasting authority (*Conseil supérieur de l'audiovisuel* ("CSA")) pursuant to the French law of 30 September 1986. This activity also subjects the Lagardère Group to specific obligations, which primarily include broadcasting quotas and the contribution to audiovisual production. These



obligations are set forth in a convention signed with the CSA and renewed in compliance with this law. Most other countries in which Lagardère's Audiovisual business operates have adopted similar laws and are overseen by a broadcasting authority. These laws generally define the terms for allocating frequencies for broadcasting services, and the terms of use for programme broadcasting (included in the license agreements signed with the relevant broadcasting authority), antitrust regulations and the broadcasting authority's powers to verify compliance and apply sanctions. International radio broadcasting generally requires prior authorisation from a local regulatory authority.

Pursuant to the French laws of 30 September 1986 and 1 August 1986, foreigners and particularly those who are not members of the European Union or the EEA are prohibited from holding, directly or indirectly, more than 20% of the capital of a company that has an authorisation to provide radio or terrestrial TV service in French or a company that publishes works in French. By the same logic, French law 2016-1524 of 14 November 2016 promoting media freedom, independence and pluralism, prohibits the CSA from granting authorisation to operate a French-language terrestrial radio or television service to companies whose capital ownership by non-French entities exceeds a certain threshold. Violations of these rules on foreign ownership of the media could lead to criminal penalties.

Lastly, certain Lagardère Travel Retail businesses may also be required to obtain prior authorisations in France or in other countries.

#### *1.2.2 Risks associated with litigation in process*

In the normal course of their business, Lagardère and/or its subsidiaries are involved in a number of disputes principally related to contract execution. The Lagardère Group has set aside the provisions it deems necessary to cover any risks that may arise from general or specific disputes. The total amount of provisions for litigation is disclosed in note 27.2 to the 2018 consolidated financial statements set out in the AR 2018.

#### *1.2.3 Risks that have occurred by breach of contractual commitments*

Like all economic players, the Lagardère Group is exposed to default by partners, service providers, suppliers or customers, especially following the initiation of bankruptcy proceedings or temporary financial difficulties.

The Lagardère Group is not aware of any other risks that have occurred by breach of contractual commitments which could have significant effects on its financial position or profitability.

#### *1.2.4 Risks associated with brands and other intellectual property rights*

The Lagardère Group's brands and intellectual property rights are an essential part of its overall portfolio of property and rights, and it pays particular attention to safeguarding them.

#### *1.2.5 Governmental, economic, budgetary, monetary or political factors and strategies with a potentially significant influence on the Lagardère Group's operations*

On 12 September 2018, the European Parliament approved an amended version of the Directive on Copyright in the Digital Single Market submitted by the European Commission on 14 September 2016, aimed at providing consumers with greater choice and access to online goods and services. The proposed directive encourages Member States for example to make compulsory certain exceptions to copyright, especially where the content is for teaching, research (text and data searches, as already envisaged in the French *Loi Lemaire*) or cultural purposes. It also aims to promote a more equitable and viable market for the creative and press sectors by promoting value sharing between rights holders and the major protected content distribution platforms. Interinstitutional negotiations between the European Parliament, Council and Commission, or Trilogue, have begun drafting a final version of the directive. At this stage, the latest version of the text favours protecting rights holders such as publishers, but its actual impact can only be determined once the directive is passed by the European Parliament and transposed into national law.

In 2019, the Lagardère Group will be closely following the political and economic developments relating to Brexit as it has businesses in the United Kingdom, operated primarily by the Lagardère Publishing and Lagardère Travel Retail

divisions. A soft Brexit would be likely to have a limited impact on the entities concerned, as their business is primarily local. But the impact of a hard Brexit is more difficult to foresee for the entire market, and therefore for the Lagardère Group.

### **1.3 Financial or market risks**

#### *1.3.1 Liquidity, interest rate, exchange rate and equity risks*

##### *1.3.1.1 Liquidity Risks*

The Lagardère Group's liquidity risk is controlled as it has a cash to debt ratio of 179% (calculated by dividing its available liquidity reserves – i.e., cash and cash equivalents, short-term investments and confirmed undrawn credit lines – by gross debt maturing in less than two years). Gross debt maturing within two years amounts to €1,095 million, while total liquidity reserves represent €1,961 million (€710 million in cash and cash equivalents and short-term investments and €1,251 million in confirmed undrawn credit lines).

The liquidity reserve relates mainly to the syndicated credit facility contracted in May 2015 for €1,250 million over an initial period of five years. On 26 April 2016 and 27 April 2017, the Issuer used the two possible extensions and on both occasions received the unanimous approval of the thirteen syndicated banks to extend its credit facility by one year. Following these extensions, the facility will now fall due on 11 May 2022.

Total borrowings include the value of any hedging instruments (see note 28.3 to the 2018 consolidated financial statements set out in the AR 2018).

The proportion of bond debt redeemable at maturity decreased from 67% to 62% of total borrowings between 31 December 2017 and 31 December 2018, with €500 million falling due in 2019 and 2023 and €300 million in 2024.

##### *1.3.1.2 Risks arising from early repayment covenants*

Certain of the Lagardère Group's bank loan agreements include financial ratio covenants. Most of these ratios correspond to maximum net debt calculated as a proportion of adjusted EBITDA (defined as the sum of (i) recurring operating profit of fully consolidated companies, (ii) depreciation, amortisation and impairment and (iii) dividends received from equity-accounted companies).

Failure to meet these ratio requirements entitles the lenders to require early repayment of their loans.

This type of covenant is contained in the May 2015 loan agreement for the five-year €1,250 million syndicated credit facility.

The ratios are calculated every six months on the basis of the published consolidated financial statements.

At 31 December 2018, none of the applicable covenants had been breached.

##### *1.3.1.3 Interest rate risks*

Fixed-interest bonds account for 62% of total gross debt.

The €499 million worth of bonds issued in 2014 and maturing in 2019 bear interest at a fixed rate (effective interest rate of 2.37%). The €497 million worth of bonds issued in 2016 and maturing in 2023 also bear interest at a fixed rate (effective interest rate of 2.90%). Lastly, the €297 million worth of bonds maturing in 2024 bear interest at a fixed rate (effective interest rate of 1.81%).

The Lagardère Group regularly issues Commercial Paper and Medium-Term Notes with maturities of between 1 and 24 months, the frequency and maturities of which adjust the reference rates applied. In addition, the rate applied to the portfolio as a whole varies throughout the year. The Lagardère Group's other bank debt is mainly at variable interest rates.

Cash and cash equivalents totalled €710 million at 31 December 2018. Variable-rate debt stood at €747 million at 31 December 2018 (excluding, in particular, liabilities related to put options granted to minority shareholders and deposits and guarantees received). Based on the amounts indicated above, at 31 December 2018 a sudden rise in interest rates would have a limited impact on the Lagardère Group's net finance costs.

At 31 December 2018 the Lagardère Group did not hold any interest rate derivatives altering the breakdown of fixed- and floating-rate debt.

The Lagardère Group's pensions and other post-employment benefit obligations are sensitive to changes in interest rates, as are the corresponding plan assets invested in bonds and money market instruments, although inversely so. The outstanding amounts of these obligations and assets are set out in note 27.1 of the 2018 consolidated financial statements set out in the AR 2018.

#### 1.3.1.4 Exchange rate risks

The Lagardère Group's exposure to foreign exchange rate risks on commercial transactions chiefly concerns Lagardère Sports and Entertainment. At 31 December 2018, the foreign currency hedges set up for all four of the Lagardère Group's divisions – in the form of direct forward agreements – amounted to €98 million (sales) and €213 million (purchases).

The Lagardère Group does not hedge the income statement translation risk. Its main exposures in this respect are given below.

The percentage of 2018 consolidated revenue represented by the main currencies can be analysed as shown below (revenue reported by entities in the official currency of the country in which they are based):

- Euro 53%
- US dollar 18%
- Pound sterling 9%
- Other 20%

<b>Total</b>	<b>100%</b>
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Based on accounting data for 2018, the sensitivity of recurring operating profit of fully consolidated companies to a 10% decline in the respective exchange rates for the three main foreign currencies against the euro over a full year, expressed in monetary terms before any adjustments, is as follows:

Currency	Impact on 2018 recurring operating profit of fully consolidated companies
US dollar(*)	€(10) million
Pound sterling(**)	€(4) million
Currency	Impact on 2018 recurring operating profit of fully consolidated companies

(\*) Recurring operating profit of fully consolidated companies whose functional currency is the US dollar.

(\*\*) Recurring operating profit of fully consolidated companies whose functional currency is the pound sterling.

In general, ordinary business operations are financed through short-term, variable-rate borrowings denominated in the local currency in order to avoid exchange rate risks. These represented €314 million at 31 December 2018.

For long-term investments including acquisitions, the Lagardère Group may set up medium-term borrowings in the investment currency. At 31 December 2018, the amount of instruments classified as net investment hedges was €488 million, denominated mainly in US dollars.

### 1.3.1.5 Equity Risks

The Lagardère Group's principal direct and indirect investments in listed companies are:

Equities	Number of shares held	Percent shareholding	Share price at 31 Dec. 2018	Market capitalisation at 31 Dec. 2018
Lagardère SCA	1,260,478	0.96%	22.02	€27,755,726
Pension plan assets invested in equities				€40,625,595

Treasury shares are initially recognised at cost and are deducted from consolidated equity. Subsequent changes in value have no impact on the consolidated financial statements.

The fair value of pension plan assets totalled €229 million at 31 December 2018, of which 18% are or €41 million was invested in equities (see note 27.1 of the 2018 consolidated financial statements set out in the AR 2018).

The Lagardère Group's management of the market risks set out above in paragraphs 1.3.1.1 to 1.3.1.5 is described in note 29.1.2 of the 2018 consolidated financial statements set out in the AR 2018.

### 1.3.2 Credit and Counterparty Risks

Credit and counterparty risk represents the risk of financial loss for the Lagardère Group in the event of default by a customer or debtor on its contractual obligations. This risk mainly relates to trade receivables.

The Lagardère Group's exposure to credit and counterparty risk arises principally from:

- customer receivables and commitments received in connection with commercial contracts;
- investments made to deposit surplus cash and/or to cover pension and other post-employment benefit obligations;
- hedging contracts in which the counterparties are financial institutions.

Customer receivables and commitments received in connection with commercial contracts totalled €2,809 million at 31 December 2018. The counterparties for the most significant customer receivables are distributors of Group products. Both in and outside France, receivables generally concern local customers and no single customer represents a high percentage of the sales concerned. The main commitments received relate to sports rights marketing contracts.

The proportions of consolidated revenue deriving from business with the Lagardère Group's largest, five largest and ten largest customers were as follows:

	2018	2017
Largest customer	4.8%	4.8%
Five largest customers	8.8%	9.0%
Ten largest customers	11.8%	12.3%

The data shown above do not include customers of Lagardère Travel Retail's Press Distribution business which was sold during 2017.

The Lagardère Group's short-term investments and cash and cash equivalents came to €710 million at 31 December 2018. In addition to bank account balances, the majority of these resources are invested in instruments with leading lenders.

Assets managed in connection with post-employment benefits amounted to €229 million (including €211 million in the United Kingdom). A total of 73% of these assets are invested in bonds.

Hedging contracts are primarily entered into to hedge foreign exchange risks. Their notional amount was €1,289 million at 31 December 2018. The economic risk associated with these contracts depends on currency and interest rate fluctuations, and only represents a fraction of this notional amount. The counterparties in these contracts are leading banks.

The Lagardère Group's counterparties are exposed to risks associated with the general economic environment, and as a result the possibility of default cannot be ruled out.

The Lagardère Group's management of the credit and counterparty risks is described in note 29.2.2 of the 2018 consolidated financial statements set out in the AR 2018.

### *1.3.3 Risk related to paper price*

Lagardère Active and Lagardère Publishing need to use large volumes of paper for their business activities. Total paper purchases reached nearly 180,000 tonnes in 2018. Although it is not possible to link the cost of paper purchases to a single index, the Lagardère Group is subject to the risk of fluctuations in paper prices, particularly in the European, North American and Asian markets.

A significant increase in paper prices, notably in Europe, could therefore have a material negative impact on these divisions' operating profit – up to €15 million in the case of a long-term 10 % rise in paper prices over a full year, before any adjustments.

## **1.4 Operational and non-financial risks**

### *1.4.1 Risks associated with business ethics*

The Lagardère Group is exposed to risks arising from the broad diversity of its businesses – including in lightly regulated sectors – and from its international operations and/or expansion in less politically and legally stable countries. To limit its exposure to such risks, the Lagardère Group looks to develop Compliance programmes on issues common to its four divisions such as anti-corruption measures, international economic sanctions, duty of care and personal data protection.

As specifically regards personal data protection, the GDPR, which came into effect on 25 May 2018, requires companies to take the necessary measures to protect personal data throughout the life cycle (collection, use, storage or deletion) and to be able to account for them.

Despite its best efforts, the Lagardère Group may have to face proven or unproven allegations that it has failed to comply with national or international regulations, and this could have a negative impact on its reputation, growth outlook and financial performance.

### *1.4.2 Personal Injury*

Lagardère organises events open to the public and as such manages sports and entertainment venues. The Lagardère Group could be deemed liable in the event of a breach of applicable public safety rules.

Certain Lagardère Group employees may be required to travel to high-risk countries or locations, namely journalists or employees organising international events. The physical safety of these people is a primary concern for the Lagardère Group.

In addition, as an employer, service provider and event organiser, developments have shown that media organisations and events open to the public may be the target of terrorist violence.

#### *1.4.3 Risks associated with information systems and data security*

Information systems are critically important for all of the Lagardère Group's activities. The operations of the businesses concerned could therefore be disrupted or even interrupted permanently in the event of degraded system availability or reliability.

The Lagardère Group's IT systems also contain confidential data related to how its businesses are run as well as personal data concerning third parties (particularly customers, suppliers and internet users) or the Lagardère Group's employees. In the event of challenges to the confidentiality, integrity or availability of this data, the Lagardère Group could be exposed to various risks in terms of image, loss of revenue, third party disputes and fines.

These risks are growing as systems become increasingly complex, computer hacking more prevalent and regulatory requirements weigh more heavily on the Lagardère Group, in particular, the GDPR mentioned above.

#### *1.4.4 Risks associated with the management of skills and key talent*

The Lagardère Group's success in some areas may be a direct result of the skills and expertise of certain individual employees or Lagardère Group contractors such as content creators (book authors and others) or specialists in sports markets, services or certain digital technologies. Should any of these individuals resign or be unavailable, the Lagardère Group could be exposed to losses in revenue or earnings. Or conversely, any inability on the part of the Lagardère Group to attract new talent or acquire new skills could undermine its development.

#### *1.4.5 Risks associated with supplier concentration*

Default by one or more suppliers could cause losses in earnings and revenue for the Lagardère Group, without prejudging any adjustments and alternative solutions sought. The proportion of purchases procured from the largest, five largest and ten largest suppliers is respectively 11%, 22 % and 31%.

#### *1.4.6 Risks associated products distributed*

Within the scope of the Foodservice business line of Lagardère Travel Retail, the Lagardère Group could be faced with an incident involving the quality of its food products. In such a situation, it could be declared liable, which would impact its reputation with concession grantors and the brands concerned.

This risk also covers physical products delivered with books sold by the subsidiaries of Lagardère Publishing (accessories, household products, toys, etc.).

#### *1.4.7 Risks of errors and fraud*

In the course of its business operations, the Lagardère Group may have to bear losses related namely to errors or fraud that had not been prevented or detected in time, despite the existing internal control system.

#### *1.4.8 Industrial and environmental risks*

##### *1.4.8.1 Risks identified*

The Lagardère Group's business activities fall mainly into the service category, and many of its assets are intangible. Only activities primarily related to the warehouses and distribution sites of the Press, Publishing and Travel Retail businesses are potentially exposed, and the specific risks involved are limited and identified. Some of the sites

concerned are operated subject to a specific authorisation or declaration delivered by the administrative authorities, but none of the Lagardère Group's sites is classified SEVESO 1 or SEVESO 2.

#### *1.4.8.2 Assessment of impacts*

The Lagardère Group has no knowledge of any facts or situations relating to industrial or environmental risks likely to have a significant impact on its assets or results, and is unaware of any environmental issue that may affect its use of property, plant and equipment in its operations.

Due to the limited nature of the Lagardère Group's exposure to industrial and environmental risks, costs related to the assessment, prevention and remediation of those risks are included in the relevant investment and expense items and are not separately valued.

Under this policy, the consolidated financial statements for 2018 set out in the AR 2018 do not incorporate any material provision or guarantee for environmental risk or any material charge resulting from a court ruling in an environmental case or action taken to repair environmental damage.

## **2. RISK FACTORS RELATING TO THE BONDS**

### **2.1 Risks for the Bondholders as creditors**

#### *2.1.1. French insolvency law*

Under French insolvency law, holders of debt securities (such as notes or bonds) are automatically grouped into a single assembly of holders (the “**Assembly**”) in order to defend their common interests if a preservation procedure (*procédure de sauvegarde*), an accelerated preservation procedure (*procédure de sauvegarde accélérée*), an accelerated financial preservation procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly comprises holders of all debt securities issued by the Issuer (including the Bonds), whether or not under a debt issuance programme (EMTN) and regardless of their governing law. The Assembly deliberates on the proposed plan already voted by the creditors' committee formed by credit institutions and other assimilated financial institutions having a claim against the debtor and, depending on the insolvency procedure, a suppliers' committee for suppliers having a claim that represent more than 3 per cent. of the total amount of the claims of all the debtor's suppliers in the relevant insolvency procedure. The draft plan submitted to the creditors' committees and to the Assembly may notably:

- increase the liabilities (*charges*) of holders of debt securities (including the Bondholders) by rescheduling due payments and/or partially or totally writing off receivables in form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Bondholders) if it is justified by their differences in situation; and/or
- decide to convert debt securities (including the Bonds) into securities that give or may give right to share capital.

The proposed plan must take into account the subordination agreements between the creditors entered into before the opening of the insolvency procedure.

Decisions of the Assembly will be taken by a two-third (2/3) majority (calculated as a proportion of the debt securities held by the holders expressing a vote). No quorum is required to convoke the Assembly. However the holders of debt securities for which the plan does not amend the repayment conditions or provides an entire repayment on the date of adoption of the plan do not participate to the vote.

In respect of voting rights in both committees and bondholders' general assembly, each creditor member of a creditors' committee and each bondholder must, if applicable, inform the judicial administrator of the existence of any agreement relating to the exercise of its vote or providing for the full or partial payment of its claim by a third party,

as well as of any subordination agreement. The judicial administrator shall then submit to the concerned creditor/bondholder a proposal for the computation methods of its voting rights in the relevant creditors' committee/bondholders' general assembly. In the event of a disagreement, the concerned creditor/bondholder or the judicial administrator may request that the matter be decided by the president of the relevant court in summary proceedings.

The procedures, as described above or, as they will, or may be amended, could have an adverse impact on holders of the Bonds seeking repayment in the event that the Issuer or its subsidiaries were to be subject to French insolvency procedures.

For the avoidance of doubt, the provisions relating to the representation of the Bondholders described in Condition 9 of the Terms and Conditions of the Bonds will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

It should be noted that a new European directive entitled "Directive (EU) 2019/1023 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132" dated 20 June 2019 has just been passed, the main deadline for its transposition by the Member States being 17 July 2021. Depending on how it will be transposed into French law, it may affect the afore-mentioned statutory French rules and process, and as a result impact the situation of investors in the Bonds in the event that the Issuer or its subsidiaries were to be subject to the relevant French insolvency proceedings.

The commencement of insolvency proceedings against the Issuer could have a material adverse effect on the market value of Bonds issued by the Issuer. Any decisions taken by the Assembly or a class of affected parties, as the case may be, could materially impact the Bondholders and cause them to lose all or part of their investment, should they not be able to recover amounts due to them from the Issuer.

#### *2.1.2 Market Value of the Bonds*

The market value of the Bonds will be affected by the creditworthiness of the Issuer and a number of additional factors, including, but not limited to, the volatility of market interest and yield rates.

The value of the Bonds depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Bondholder. Accordingly, all or part of the capital invested by the Bondholder may be lost upon any transfer of the Bonds, so that the Bondholder in such case would receive significantly less than the total amount of capital invested.

The historical market prices of the reference rate should not be taken as an indication of the reference rate's future performance during the life of the Bonds.

## **2.2 Risks relating to the commercial terms of the Bonds, including interest rate and early redemption**

### *2.2.1 An early redemption of the Bonds may result in a yield that is lower than anticipated.*

An early redemption feature of Bonds is likely to affect their market value. During any period when the Issuer may elect or be obliged to redeem Bonds in accordance with Condition 5(B) "Terms and Conditions of the Bonds - Redemption for Taxation Reasons", Condition 5(D) "Terms and Conditions of the Bonds – Make Whole Redemption by the Issuer", Condition 5(E) "Terms and Conditions of the Bonds – Pre-Maturity Call Option" or Condition 5(H) "Terms and Conditions of the Bonds – Clean-Up Call Option" or if there is a perception in the market that any such early redemption event may occur giving rise to such right, the market value of those Bonds generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.



In respect of Condition 5(H) “Terms and Conditions of the Bonds – Clean-Up Call Option”, if at least 80 per cent. of the initial aggregate principal amount of the Bonds has been redeemed or purchased and cancelled by the Issuer, the Issuer may, at its option, at any time, redeem all of the outstanding Bonds (but not some only) at their principal amount together with any accrued interest to, but excluding, the date fixed for redemption. In particular, there is no obligation for the Issuer to inform investors if and when this percentage has been reached or is about to be reached, and the Issuer’s right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of this option, the Bonds may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider investment risk in light of other investments available at that time.

All of the above may reduce the profits investors in the Bonds may have expected in subscribing the Bonds and could have a materially adverse impact on the Bondholders.

#### *2.2.2 The exercise of the Change of Control Put Option in respect of a significant number of Bonds may affect the liquidity of the Bonds in respect of which such Put Option is not exercised*

Following the occurrence of a Change of Control and depending on the number of Bonds in respect of which the Put Option (as defined in “Terms and Conditions of the Bonds”) is exercised in conjunction, if applicable, with any Bonds purchased by the Issuer and cancelled, any trading market of the then outstanding Bonds may become less liquid or illiquid. Therefore, investors in the Bonds not having exercised their put options may not be able to sell their Bonds on the market and may have to wait until the Maturity Date to obtain redemption of their investments in the Bonds, which may have an adverse impact on the Bondholders and reduce the profits anticipated by the investors at the time of the issue.

#### *2.2.3 Interest rate risks*

The Bonds bear interest at the rate of 2.125 per cent. *per annum*, payable annually in arrear on 16 October in each year and commencing on 16 October 2020, in accordance with Condition 4. Investment in the Bonds involves the risk that subsequent changes in market interest rates may affect the value and the yield of the Bonds and Bondholders may receive lower return on the Bonds than anticipated at the time of the issue.

#### *2.2.4 Modification and waiver*

Condition 9 of the Terms and Conditions of the Bonds contains provisions for calling meetings of Bondholders or consulting Bondholders in writing to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not express a vote at the relevant meeting or consultation and Bondholders who voted in a manner contrary to a simple majority. If a decision is adopted by a majority of Bondholders and such modifications were to impair or limit the rights of the Bondholders, this may have a negative impact on the market value of the Bonds and hence investors may lose part of their investment.

#### *2.2.5 Rating*

Neither the Bonds nor the long-term debt of the Issuer are rated. One or more independent credit rating agencies may assign credit ratings to the Bonds. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities. The ratings may not reflect the potential impact of all risks related to the structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds.

## **2.3 Risks related to the market generally.**

### *2.3.1 An active trading market for the Bonds may not develop*

The Bonds are new securities for which there is currently no established trading market. There can be no assurance that an active or liquid trading market for the Bonds will develop, or, if one does develop, that it will be maintained. If an active trading market for the Bonds does not develop or is not maintained, the liquidity and the market or trading price of the Bonds may be adversely affected.

Although the Bonds are expected to be listed on the Official List and to be admitted to trading on the Luxembourg Stock Exchange's regulated market as from the Issue Date, there is no assurance that an active market will develop.

### *2.3.2 The trading market for the Bonds may be volatile and may be adversely impacted by many events*

The secondary market for debt securities is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Bonds or that economic and market conditions will not have any other adverse effect. Developments and changes in securities analysts' recommendations regarding the sectors in which the Issuer operates may also influence and bring volatility to the market price of the Bonds. If additional and competing products are introduced in the markets, this may materially and adversely affect the market value of the Bonds and reduce the profits anticipated by the investors in the Bonds at the time of the issue of the Bonds.

The value of the Bonds may go down as well as up and an investor may not be able to sell the Bonds for the amount invested in them.

## **2.4 Risks in connection with the situation of the investor**

### *2.4.1 Taxation*

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions (including as a result of change in law). Potential investors are advised to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Bonds.

A number of Member States of the European Union are currently negotiating to introduce a financial transactions tax ("FTT") in the scope of which transactions in the Bonds may fall. The scope of any such tax is still uncertain as well as any potential timing of implementation. If the currently discussed text or any similar tax is adopted, transactions in the Bonds would be subject to higher costs, and the liquidity of the market for the Bonds may be diminished. Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.

### *2.4.2 Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risk relating to currency conversions if an investor's financial activities are denominated principally in a currency unit (the "**Investor's Currency**") other than the Euro. These include the risk that exchange rate may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Bonds and (3) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors in the Bonds may receive less interest or principal than expected.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents, which have been previously published or are published simultaneously with this Prospectus, which have been filed with the CSSF and which shall be incorporated by reference in, and form part of, this Prospectus:

- the Issuer's 2017 *Document de Référence* in French language dated 3 April 2018 which received reference no. D.18-0235 from the *Autorité des marchés financiers* (the "AMF") and which includes the audited consolidated financial statements of the Issuer as at 31 December 2017 prepared in accordance with IFRS and the auditors' reports on such audited financial statements; except for the third paragraph of the section 7.2 "*Attestation des personnes responsables*" on page 288 of the AR 2017, referring to the *lettre de fin de travaux* of the statutory auditors of the Issuer and except for section 8.2 "*Table de concordance du Document de Référence avec l'annexe 1 du Règlement CE 809/2004*" and any reference thereto which shall not be deemed incorporated by reference herein (the "AR 2017");
- the Issuer's 2018 *Document de Référence* in French language dated 2 April 2019 which received reference no. D.19-0239 from the AMF and which includes the audited consolidated financial statements of the Issuer as at 31 December 2018 prepared in accordance with IFRS and the auditors' reports on such audited financial statements; except for the third paragraph of the section 7.2 "*Attestation des personnes responsables*" on page 284 of the AR 2018, referring to the *lettre de fin de travaux* of the statutory auditors of the Issuer and except for section 8.2 "*Table de concordance du Document de Référence avec l'annexe 1 du Règlement CE 809/2004*" and any reference thereto which shall not be deemed incorporated by reference herein (the "AR 2018");
- the 2019 *Rapport Financier Semestriel* (the "IFR 2019") dated 24 July 2019 and which includes the unaudited condensed consolidated financial statements of the Issuer as at 30 June 2019 prepared in accordance with IFRS and the auditors' limited review report on such unaudited financial statements

Free English language translations of the AR 2017, AR 2018 and IFR 2019 are available, for information purpose only, on the Issuer's website. These English language translations are not incorporated by reference herein.

The documents listed above shall be incorporated in and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

All documents incorporated by reference in this Prospectus will be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of the Issuer

([http://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee\\_generale/2018/Lagardere\\_SCA\\_Document\\_Reference\\_exercice\\_2017\\_FR.pdf](http://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee_generale/2018/Lagardere_SCA_Document_Reference_exercice_2017_FR.pdf);

[https://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee\\_generale/2019/Documents/190404\\_Lagardere\\_Document\\_Reference\\_2018.pdf](https://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee_generale/2019/Documents/190404_Lagardere_Document_Reference_2018.pdf); and

[https://www.lagardere.com/fichiers/fckeditor/File/Relations\\_investisseurs/Publications/2019/HY\\_2019/Rapport\\_financier\\_semestriel\\_2019.pdf](https://www.lagardere.com/fichiers/fckeditor/File/Relations_investisseurs/Publications/2019/HY_2019/Rapport_financier_semestriel_2019.pdf)).

For the purposes of the Prospectus Regulation, information can be found in such documents incorporated by reference or in this Prospectus in accordance with the following cross-reference table (in which the numbering refers to some of the terms of Annex VII of the Commission Delegated Regulation (EU) N° 2019/980 implementing the Prospectus Regulation (the "**Prospectus Delegated Regulation**"). The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Prospectus Delegated Regulation. The parts of each of the documents that are not incorporated by reference are either not relevant for investors (pursuant to article 19.1 of the Prospectus Regulation) or covered in another part of the

Prospectus.

<b>Rule</b>		<b>AR 2018 (page number)</b>	<b>AR 2017 (page number)</b>	<b>IFR 2019 (page number)</b>
<b>4</b>	<b>INFORMATION ABOUT THE ISSUER</b>			
4.1	History and development of the Issuer	4-5		
4.1.1	The legal and commercial name of the issuer	4		
4.1.2	The place of registration of the issuer, its registration number and legal entity identifier ('LEI').	4		
4.1.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.	4		
4.1.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	1 and 4		
4.1.5	Any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the issuer's solvency.			18 §1.5
<b>5</b>	<b>BUSINESS OVERVIEW</b>			
5.1	Principal activities			
5.1.1	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.	7-28		5-6
5.1.2	The basis for any statements made by the issuer regarding its competitive position.	7-28		
<b>6</b>	<b>ORGANISATIONAL STRUCTURE</b>			
6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	6 and 7-28		
<b>9</b>	<b>ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES</b>			
9.1	Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them independent of that issuer	49 to 60		

<b>Rule</b>		<b>AR 2018 (page number)</b>	<b>AR 2017 (page number)</b>	<b>IFR 2019 (page number)</b>
	where these are significant with respect to that issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.			
9.2	Administrative, management, and supervisory bodies conflicts of interests Potential conflicts of interests between any duties carried out on behalf of the issuer by the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect that no such persons exist must be made.	70		
<b>10</b>	<b>MAJOR SHAREHOLDERS</b>			
10.1	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	49 and 34		
<b>11</b>	<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>			
11.1.1	Historical financial information	151 to 252	161 to 257	20 to 65
11.1.3	Accounting standards	166 to 174	176 to 178	28 to 39
11.1.4	Where the audited financial information is prepared according to national accounting standards, the financial information must include at least the following: (a) the balance sheet; (b) the income statement; (c) the accounting policies and explanatory notes.	162 to 163 159 166 to 252	172 to 173 169 176 to 257	24 to 25 21 27 to 65
11.1.5	Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.	159 to 252	169 to 257	20 to 65
11.1.6	Age of financial information The balance sheet date of the last year of audited financial information may not be older than 18 months from the date of the registration document	162 to 163	172 to 173	24 to 25

<b>Rule</b>		<b>AR 2018 (page number)</b>	<b>AR 2017 (page number)</b>	<b>IFR 2019 (page number)</b>
11.2	Auditing of historical financial information	273 to 276	279 to 282	N/A
11.3	Legal and arbitration proceedings	98 §3.1.2.2 232 to 234		8 §1.2 65
<b>12</b>	<b>MATERIAL CONTRACTS</b>	31 to 32 280		18 §1.5

## TERMS AND CONDITIONS OF THE BONDS

The issue of €500,000,000 2.125 per cent. bonds due 2026 (the “**Bonds**”) of Lagardère SCA (the “**Issuer**” or “**Lagardère**”) was decided by two decisions of the *Gérance* of the Issuer respectively dated 11 September 2019 and 9 October 2019. The Issuer has entered into an agency agreement (the “**Agency Agreement**”) dated 14 October 2019 with BNP Paribas Securities Services, as fiscal agent and principal paying agent. The Issuer has also entered into a calculation agency agreement (the “**Calculation Agency Agreement**”) dated 14 October 2019 with Aether Financial Services as calculation agent. The fiscal agent, principal paying agent, paying agents and calculation agent for the time being are referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Paying Agents**” (which expression shall include the Principal Paying Agent) and the “**Calculation Agent**”, each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement and the Calculation Agency Agreement respectively, and are collectively referred to as the “**Agents**”. References below to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

### 1 Form, Denomination and Title

The Bonds are issued on 16 October 2019 (the “**Issue Date**”) in dematerialised bearer form in the denomination of €100,000 each. Title to the Bonds will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds.

The Bonds will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders. For the purpose of these Conditions, “**Account Holders**” shall mean any intermediary institution entitled to hold accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank SA/NV (“**Euroclear**”) and the depositary bank for Clearstream Banking, S.A. (“**Clearstream**”).

Title to the Bonds shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Bonds may only be effected through, registration of the transfer in such books.

### 2 Status

The obligations of the Issuer in respect of the Bonds constitute direct, unconditional, (subject as provided below) unsecured and unsubordinated obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

### 3 Negative Pledge

So long as any of the Bonds remains outstanding (as defined below), the Issuer will not create or permit to subsist and will procure that none of the Principal Subsidiaries (as defined below) will create or permit to subsist any mortgage, charge, pledge or other *in rem* security interest (*sûreté réelle*) upon any of its assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) incurred by it or any guarantee or indemnity in respect of any Relevant Indebtedness (whether before or after the issue of the Bonds) unless the Issuer’s obligations under the Bonds are equally and rateably secured therewith.



For the purposes of these Conditions,

“**Principal Subsidiary**” means at any time, any Subsidiary (as defined below) of the Issuer (a) whose total assets or gross revenues (or, where the Subsidiary in question prepares consolidated accounts, whose total consolidated assets or gross consolidated revenues, as the case may be) represent more than 10 (ten) per cent. of the total consolidated assets or the gross consolidated revenues of the Issuer, all as calculated from the then latest audited accounts (or audited consolidated accounts as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries, or (b) to which is transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, in which case the transferring entity will no longer be considered as a Principal Subsidiary as of the day of such transfer. For the avoidance of doubt, any Subsidiary which becomes a Principal Subsidiary under this sub-paragraph (b) will continue to be a Principal Subsidiary following the next audited accounts of such Subsidiary only if it satisfies the requirement set forth in sub-paragraph (a) and “Principal Subsidiaries” shall be construed accordingly.

“**outstanding**” means, in relation to the Bonds, all the Bonds issued other than: (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Bonds to the date for such redemption and any interest payable under Condition 4 after such date) have been duly paid to the Fiscal Agent and (c) those which have been purchased and cancelled as provided in Condition 5.

“**Relevant Indebtedness**” means any indebtedness for borrowed monies in the form of, or represented by, bonds, notes, debentures or other securities which are, are to be, or are capable of being, quoted, listed, or ordinarily traded on any stock exchange, or on any over-the counter securities market or other securities market.

“**Subsidiary**” means, with respect to any person at any particular time, any entity which is controlled by such person within the meaning of Article L.233-3 of the French *Code de commerce*.

#### 4 Interest

The Bonds bear interest at the rate of 2.125 per cent. *per annum*, from and including 16 October 2019 (the “**Interest Commencement Date**”) payable annually in arrear on 16 October in each year (each an “**Interest Payment Date**”), commencing on 16 October 2020. The period commencing on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period commencing on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

Bonds will cease to bear interest from the date provided for their redemption, unless the Issuer defaults in making due provision for their redemption on said date. In such event, interest will continue to accrue on the principal amount of such Bonds at the rate of 2.125 per cent. *per annum* until whichever is the earlier of (i) the day on which all sums due in respect of such Bonds up to that day are received by or on behalf of the relevant holder and (ii) the day after the Fiscal Agent has notified the holders of the Bonds (the “**Bondholders**”) in accordance with Condition 10 of receipt of all sums due in respect of all the Bonds up to that day.

Interest will be calculated on an Actual/Actual (ICMA) basis. If interest is required to be calculated for a period of less than one (1) year, it will be calculated on the basis of a day count fraction which will be calculated by taking the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).

## 5 Redemption and Purchase

The Bonds may not be redeemed otherwise than in accordance with this Condition 5.

### (A) *Final Redemption*

Unless previously redeemed or purchased and cancelled as provided below, the Bonds will be redeemed by the Issuer at their principal amount on the Interest Payment Date falling on 16 October 2026 (the “**Maturity Date**”).

### (B) *Redemption for Taxation Reasons*

- (i) If, by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Bonds, not be able to make such payment without having to pay additional amounts as specified in Condition 7 below, the Issuer may, at its option, at any time, subject to having given not less than thirty (30) nor more than forty-five (45) calendar days’ prior notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 10, redeem all, but not some only, of the outstanding Bonds at their principal amount, together with interest accrued up to the date fixed for redemption, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without withholding for French taxes.
- (ii) If the Issuer would on the occasion of the next payment in respect of the Bonds be prevented by French law from making payment to the Bondholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7 below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven (7) calendar days’ prior notice to the Bondholders in accordance with Condition 10 redeem all, but not some only, of the Bonds then outstanding at their principal amount plus any accrued interest on the latest practicable date on which the Issuer could make payment of the full amount payable in respect of the Bonds without withholding for French taxes, or, if such date is passed, as soon as practicable thereafter.

### (C) *Redemption at the option of Bondholders following a Change of Control*

- (i) If at any time while any Bond remains outstanding, there occurs a Change of Control (as defined below), the holder of each Bond will have the option (the “**Put Option**”) (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice to redeem the Bonds under Condition 5(B) (Redemption for taxation reasons)) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, on the Optional Redemption Date (as defined below) at its principal amount outstanding, all or part of its Bonds together with (or where purchased, together with an amount equal to) interest accrued to, but excluding, the Optional Redemption Date.

A “**Change of Control**” shall be deemed to have occurred (a) at each time that the Lagardère Family ceases to control all significant decisions of the general partners (*associés commandités*) of the Issuer or cease to control the appointment of the managing partners (*gérants*) of the Issuer or (b) at any time after the transformation of the Issuer into an entity having another legal form, one person or a group of persons (other than the Lagardère Family) acting in concert gains control of the Issuer.

Where:

“**control**” has the meaning given in article L.233-3 of the French *Code de commerce* and “acting in concert” has the meaning given in article L.233-10 of the French *Code de commerce*.

“**Lagardère Family**” means Mr. Arnaud Lagardère or his descendants or any entities controlled by such persons within the meaning of Article L.233-3 of the French *Code de commerce*.

- (ii) Promptly upon the Issuer becoming aware that a Change of Control has occurred, the Issuer shall give notice (a “**Put Event Notice**”) to the Bondholders in accordance with Condition 10 specifying the nature of the Change of Control and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition 5(C).
- (iii) To exercise the Put Option to require redemption or, as the case may be, purchase of the Bonds under this Condition 5(C), a Bondholder must transfer or cause to be transferred its Bonds to be so redeemed or purchased to the account of the Fiscal Agent specified in the Put Option Notice (as defined below) for the account of the Issuer within the period (the “**Put Period**”) of forty-five (45) calendar days after a Put Event Notice is given together with a duly signed and completed notice of exercise in the then current form obtainable from the specified office of any Paying Agent (a “**Put Option Notice**”) and in which the holder may specify a bank account to which payment is to be made under this Condition 5(C).

A Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer, procure the purchase of the Bonds in respect of which the Put Option has been validly exercised as provided above, and subject to the transfer of such Bonds to the account of the Fiscal Agent for the account of the Issuer as described above on the date which is the fifth (5<sup>th</sup>) Business Day following the end of the Put Period (the “**Optional Redemption Date**”). Payment in respect of such Bonds will be made on the Optional Redemption Date by transfer to the bank account specified in the Put Option Notice and otherwise subject to the provisions of Condition 5.

- (iv) For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which such Bondholder may incur as a result of or in connection with such Bondholder’s exercise or purported exercise of, or otherwise in connection with, any Put Option (whether as a result of any purchase or redemption arising there from or otherwise).

(D) *Make Whole Redemption by the Issuer*

The Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and subject to having given not less than fifteen (15) nor more than thirty (30) calendar days’ prior notice to the Bondholders (in accordance with Condition 10) and to the Fiscal Agent and the Calculation Agent (which notices shall be irrevocable), have the option to redeem the Bonds, in whole or in part, at any time prior to 16 July 2026 (the “**Optional Make Whole Redemption Date**”) at their Optional Redemption Amount (as defined below) and any additional amounts due and payable pursuant to these Conditions.

The optional redemption amount (the “**Optional Redemption Amount**”) will be calculated by the Calculation Agent and will be an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) one hundred (100) per cent. of the nominal amount of each Bond so redeemed and, (y) the sum of the then present values on the relevant Optional Make Whole Redemption Date of the remaining scheduled payments of principal and interest on such Bond for the remaining term of such Bond (determined on the basis of the interest rate applicable to such Bond (excluding any interest accruing on such Bond to, but excluding, such Optional Make Whole Redemption Date)), discounted to the relevant Optional Make Whole Redemption Date on an annual basis at the Early Redemption Rate

plus the Early Redemption Margin, plus in each case (x) or (y) above, any interest accrued on the Bonds to, but excluding the Optional Make Whole Redemption Date.

“**Business Day**” means a day (other than a Saturday or a Sunday) on which (i) Euroclear France is open for business, (ii) the TARGET System is operating and (iii) commercial banks and foreign exchange markets are open for general business in France and in Luxembourg.

“**Early Redemption Margin**” means 0.45 per cent. *per annum*.

“**Early Redemption Rate**” means the average of the four (4) quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the third (3rd) Business Day in Paris preceding the Optional Make Whole Redemption Date at 11.00 a.m. (Central European Time).

If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer, at 11.00 a.m. (Central European Time) on the third (3rd) Business Day preceding the Optional Make Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer and notified in accordance with Condition 10.

“**Reference Benchmark Security**” means the Federal government bond of Bundesrepublik Deutschland (bearing interest at a rate of 0.00 per cent. *per annum* and maturing on 15 August 2026) with ISIN DE0001102408.

“**Reference Dealers**” means Banco Santander, S.A., BNP Paribas, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Mizuho Securities Europe GmbH, Société Générale or such other bank as may be selected by the Calculation Agent which are primary European government security dealers (that may include the Joint Lead Managers if applicable), and their respective successors, or market makers in pricing corporate bond issues.

“**Similar Security**” means a reference bond or reference bonds issued by the Federal Government of Bundesrepublik Deutschland having an actual or interpolated maturity comparable with the remaining term of the Bonds that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

(E) *Pre-Maturity Call Option*

The Issuer may, on giving not less than fifteen (15) nor more than thirty (30) calendar days’ notice to the Bondholders (in accordance with Condition 10) and the Fiscal Agent (which notice shall be irrevocable), redeem the outstanding Bonds, in whole or in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time during the period starting on (and including) 16 July 2026 and ending on (but excluding) the Maturity Date.

(F) *Partial Redemption*

In the case of a redemption on any day by the Issuer of less than the then outstanding principal amount of all Bonds on such day, pursuant to Condition 5(D) or Condition 5(E), such redemption will be effected by reducing the principal amount per Bond of all the then outstanding Bonds pro rata to the aggregate principal amount of the Bonds elected by the Issuer to be so redeemed on such day (based on the relevant ratio as is determined by the Issuer in its sole discretion and is comprised between 0 per cent. (exclusive) and 100 per cent. (exclusive)) in accordance with the relevant provisions pursuant to which such redemption is so made, and subject to compliance with any applicable laws and, so long as the Bonds are admitted to trading on the Luxembourg Stock Exchange’s regulated market, the requirements of the Luxembourg Stock Exchange’s regulated market.

(G) *Purchases*

The Issuer may at any time purchase Bonds together with rights to interest relating thereto in the open market or otherwise at any price. Any Bonds so purchased by the Issuer may be held and resold for the purpose of enhancing the liquidity of the Bonds in accordance with applicable laws and regulations or cancelled in accordance with paragraph (I) of this Condition.

(H) *Clean-Up Call Option*

In the event that at least 80 per cent. of the initial aggregate principal amount of the Bonds has been redeemed or purchased and cancelled by the Issuer, to the extent it does not result, in whole or in part, from the exercise of a partial make-whole redemption in accordance with paragraph (D) of this Condition, the Issuer may, at its option, at any time, redeem all of the outstanding Bonds (but not some only) at their principal amount together with any accrued interest to, but excluding, the date fixed for redemption, subject to the Issuer having given the Bondholders not less than thirty (30) nor more than forty-five (45) calendar days' prior notice (which notice shall be irrevocable) in accordance with Condition 10.

(I) *Cancellation*

Without prejudice to the provisions of Condition 5 (G), all Bonds which are redeemed or purchased by the Issuer for cancellation will forthwith be cancelled and accordingly may not be reissued or sold.

## 6 Payments

(A) *Method of Payment*

Payments of principal and interest in respect of the Bonds will be made in Euro by credit or transfer to a Euro-denominated account (or any other account to which Euro may be credited or transferred) specified by the payee in a city in which banks have access to the TARGET System. “**TARGET System**” means the Trans European Automated Real Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

Such payments shall be made for the benefit of the Bondholders to the Account Holders and all payments validly made to such Account Holders in favour of the Bondholders will be an effective discharge of the Issuer and any of the Paying Agents, as the case may be, in respect of such payments.

Payments of principal and interest on the Bonds will, in all cases, be subject to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7.

(B) *Payments on business days*

If any due date for payment of principal or interest in respect of any Bond is not a business day, then the holder thereof shall not be entitled to payment of the amount due until the next following day which is a business day and the holder shall not be entitled to any interest or other sums in respect of such postponed payment.

In this Condition, “**business day**” means a day (other than a Saturday or a Sunday or any other public holiday in France) on which Euroclear France and the TARGET System are both open for general business.

No commission or expenses shall be charged to the Bondholders in respect of such payments.

(C) *Fiscal Agent, Paying Agents and Calculation Agent*

The names of the initial Agents and their specified offices are set out below.

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or Paying Agent or the Calculation Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent, a Principal Paying Agent and a Calculation Agent having a specified office in a European city (it being specified that neither the Fiscal Agent nor the Paying Agent shall have their office in Austria). Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty-five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Bondholders by the Issuer in accordance with Condition 10.

Calculations and determinations performed by the Calculation Agent pursuant to these Conditions shall be so made upon request by the Issuer and shall be final and binding (in the absence of manifest error) on the Issuer, the Bondholders, the Representative, the Fiscal Agent and the Paying Agent.

## **7 Taxation**

### *(A) Withholding Tax*

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties assessments or governmental charges of whatever nature imposed, levied or collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

### *(B) Additional Amounts*

If, pursuant to French laws or regulations, payments of principal, interest and other revenues in respect of any Bond is subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed, levied or collected, withheld or assessed by or on behalf of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Bond, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding or deduction; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Bond:

- (i) to, or to a third party on behalf of a Bondholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with France other than the mere holding of such Bond; or
- (ii) where such withholding or deduction is imposed pursuant to FATCA.

Any references to these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 7.

Each Bondholder shall be responsible for supplying to the Paying Agent via the clearing systems, in a reasonable and timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2011/16/EU on administrative cooperation in the field of taxation, as amended, or any law implementing or complying with, or introduced in order to conform to such Directive.

## **8 Events of Default**

If any of the following events (each an “**Event of Default**”) occurs and is continuing, the Representative (as defined under Condition 9(B)) upon request of any Bondholder(s) may, upon written notice to the Fiscal Agent and the Issuer given before the relevant Event of Default(s) shall have been cured, cause the Bonds held by such

Bondholder(s) to become due and payable, at their principal amount together with accrued interest thereon, as of the date on which such demand for payment is received by the Fiscal Agent:

- (A) the Issuer defaults in any payment when due on any amount on any Bond (including any additional amounts as specified in Condition 7), if such default continues for a period of more than fifteen (15) calendar days from such due date; or
- (B) the Issuer defaults in the performance of, or compliance with, any other provision of the Conditions, if such default shall not have been cured within thirty (30) calendar days after receipt by the Fiscal Agent of written notice of such default given by the Representative upon request of the holder of such Bond; or
- (C) (i) any other present or future indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary is due and payable prior to its stated maturity as a result of a default thereunder, or (ii) any such indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary is not paid or honoured when due subject, in each case, to a grace period equal to the greater of any applicable grace period therefor and twenty (20) calendar days or (iii) any steps shall be taken as a result of a default to enforce any *in rem* security interests (*sûretés réelles*) over all or any substantial part of the assets of the Issuer, or any Principal Subsidiary in respect of any such indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary and the step(s) taken to enforce any such *in rem* security interests (*sûretés réelles*) shall not be withdrawn or stayed within thirty (30) calendar days,

provided that no Event of Default will occur under this Condition 8 (C) if at the relevant time the aggregate amount of indebtedness for borrowed monies or guarantee thereof falling within paragraph (i), (ii) or (iii) above (without double counting) is less than €50,000,000 or its equivalent in any other currency; or

- (D) to the extent permitted by applicable laws, (i) the Issuer or a Principal Subsidiary makes any proposal for a general moratorium in relation to its debt or (ii) a judgment is issued by a court having competent jurisdiction over the Issuer or such Principal Subsidiary for the judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or any Principal Subsidiary in accordance with Articles L.640-1 to L.644-6 of the French *Code de commerce*, or (iii) the Issuer or any Principal Subsidiary makes any conveyance, assignment or other arrangement for the benefit of, or enters into a composition with, its creditors as a result of actual financial difficulties or (iv) the Issuer or any Principal Subsidiary is subject to any proceedings under any applicable laws before a court having competent jurisdiction over the Issuer or such Principal Subsidiary which has an analogous effect to any of the proceedings referred to in this paragraph (D); or
- (E) the Issuer is dissolved or liquidated, or is merged or consolidated into another entity unless (i) the consolidated pro-forma balance sheet of the legal entity surviving such merger or consolidation shows, as at the effective date of such merger or consolidation, a consolidated shareholders' equity ("*capitaux propres*") not less than that of the Issuer on the day before the date of such merger or consolidation and (ii) the legal entity surviving such merger or consolidation is a corporation established in a member country of the European Union, Switzerland or in the United States of America and expressly assumes all the obligations of the Issuer under the Bonds and has obtained all necessary authorisation therefor (if any), and (iii) notice of such merger or consolidation shall have been given to the Bondholders as provided under Condition 10 below not later than the effective date thereof.

## 9 Representation of the Bondholders

The Bondholders will be grouped automatically for the defence of their common interests in a masse (hereinafter referred to as the "*Masse*").

The *Masse* will be governed by the provisions of the French *Code de commerce* with the exception of Articles L.228-48, L.228-59, L.228-65 II, L.228-71, R.228-67, R.228-69 and R.228-72 thereof, and by the conditions set out below, provided that notices calling a Collective Decision, the resolutions passed at or approved by any Collective Decision and any other decision to be published pursuant to French legal and regulatory provisions will be published only as provided under Condition 10 below:

(A) *Legal Personality*

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce* acting in part through a representative (the “**Representative**”) and in part through a General Meeting.

The *Masse* alone, to the exclusion of all individual Bondholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Bonds.

(B) *Representative*

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

- (i) the Issuer, the members of its respective managers (*gérants*), or members of its Supervisory Board (*conseil de surveillance*), its statutory auditors, or its employees as well as their ascendants, descendants and spouse; or
- (ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*conseil d'administration*), Executive Board (*directoire*) or Supervisory Board (*conseil de surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse; or
- (iii) companies holding ten (10) per cent. or more of the share capital of the Issuer or companies having ten (10) per cent. or more of their share capital held by the Issuer; or
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The following person is designated as Representative of the *Masse*:

**Aether Financial Services**

36, rue de Monceau

75008 Paris

France

agency@aetherfs.com

In the event of dissolution, incompatibility, resignation or revocation of the Representative, a replacement representative will be elected by a decision of the General Meeting.

The Issuer shall pay to the Representative an amount of €2,000 on the Issue Date.

All interested parties will at all times have the right to obtain the name and address of the Representative at the primary business office of the Issuer and at the offices of any of the Paying Agents.



(C) *Powers of the Representative*

The Representative shall, in the absence of any decision to the contrary of the General Meeting of Bondholders, have the power to take all acts of management to defend the common interests of the Bondholders.

All legal proceedings against the Bondholders or initiated by them must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

(D) *Collective Decisions*

Collective Decisions are adopted either in a general meeting (a “**General Meeting**”) or by consent following a written consultation (the “**Written Resolution**”, as defined in Condition 9(G)).

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Bondholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder of the name of such Bondholder on the second business day in Paris preceding the date set for the Collective Decision at 0:00, Paris time.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of the Bonds.

(E) *General Meetings*

General Meetings may be held at any time, on convocation either by the Issuer or the Representative. One or more Bondholders, holding together at least one-thirtieth (1/30<sup>th</sup>) of outstanding Bonds may address to the Issuer and the Representative a demand for convocation of the General Meeting; if such General Meeting has not been convened within two (2) months from such demand, such Bondholders may commission one of themselves to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the meeting (or the consultation in writing).

Notice of the date, hour, place, agenda and quorum requirements of any General Meeting will be published as provided in Condition 10 not less than fifteen (15) calendar days prior to the date of the General Meeting.

Each Bondholder has the right to participate in General Meetings in person, by proxy, correspondence, or videoconference or any other means of telecommunications allowing the identification of the participating Bondholders. Each Bond carries the right to one (1) vote.

(F) *Powers of General Meetings*

A General Meeting is empowered to deliberate on the fixing of the remuneration of the Representative and on his dismissal and replacement, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Bonds, including authorising the Representative to act at law as plaintiff or defendant.

A General Meeting may further deliberate on any proposal relating to the modification of these Conditions, including:

- (i) any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions; and

- (ii) any proposal relating to the issue of securities carrying a right of preference compared to the rights of Bondholders,

it being specified, however, that a General Meeting may not increase the liabilities (*charges*) of the Bondholders, nor establish any unequal treatment between the Bondholders, nor decide to convert the Bonds into shares of the Issuer or any other entity.

General Meetings may deliberate validly on first convocation only if Bondholders present or represented hold at least a fifth (1/5<sup>th</sup>) of the Bonds then outstanding. On second convocation, no quorum shall be required. Decisions of the General Meetings shall be taken by a simple majority of votes cast by the Bondholders attending such meeting or represented thereat.

(G) *Written Resolutions*

Pursuant to Article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Bondholders by way of a Written Resolution. Subject to the following sentence a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Bondholders. Pursuant to Articles L.228-46-1 and R.225-97 of the French *Code de commerce* approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Bondholders (“**Electronic Consent**”).

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 9 not less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Bondholders who wish to express their approval or rejection of such proposed Written Resolution. Bondholders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Bonds until after the Written Resolution Date.

For the purpose hereof, a “**Written Resolution**” means a resolution in writing signed by one or more Bondholders holding together at least 75 per cent. of the principal amount of the Bonds outstanding.

(H) *Information to the Bondholders*

Each Bondholder or representative thereof will have the right, during the (fifteen) 15 calendar day period preceding the General Meeting on first convocation or the Written Resolution Date and during the 5-day period preceding the holding of the General Meeting on second convocation, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at or prepared for the General Meeting or the Written Resolution, which will be available for inspection at the principal office of the Issuer, at the offices of any of the Paying Agents and at any other place specified in the notice of meeting or in the consultation in writing.

(I) *Expenses*

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of meetings and seeking the approval of a Written Resolution and the expenses which arise by virtue of the remuneration of the Representative, and more generally all administrative expenses resolved upon by a Collective Decision of the Bondholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Bonds.

For the avoidance of doubt, in this Condition 9, “outstanding” shall not include those Bonds subscribed or purchased by the Issuer pursuant to Article L.213-0-1 of the French *Code monétaire et financier* that are held by it and not cancelled.

## **10 Notices**

Any notice to the Bondholders will be valid if (i) delivered to the Bondholders through Euroclear France, Euroclear or Clearstream, so long as the Bonds are cleared through such clearing systems, (ii) so long as the Bonds are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (iii) published on the website of the Issuer ([www.lagardere.com](http://www.lagardere.com)). Any such notice shall be deemed to have been given on the date of such delivery or publication, if delivered or published more than once or on different dates, on the first date on which such delivery or publication is made.

## **11 Prescription**

Claims against the Issuer for the payment of principal and interest in respect of the Bonds shall become prescribed five (5) years from the due date for payment thereof.

## **12 Further Issues**

The Issuer may, from time to time without the consent of the Bondholders, issue further bonds to be assimilated (*assimilables*) with the Bonds as regards their financial service, provided that such further bonds and the Bonds shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further bonds shall provide for such assimilation. In the event of such assimilation, the Bondholders and the holders of any assimilated bonds will, for the defence of their common interests, be grouped in a single *Masse* having legal personality.

## **13 Governing Law and Jurisdiction**

The Bonds are governed by the laws of France.

Any legal action or proceeding arising out of or in connection with the Bonds will be irrevocably submitted to the exclusive jurisdiction of the competent courts in Paris.

## **USE AND ESTIMATED NET AMOUNT OF PROCEEDS**

The estimated net proceeds of the Bonds will amount to Euro 495,835,000 and will be used by the Issuer for the refinancing of existing debt, the acquisition of International Duty Free and for general corporate purposes.

## RECENT DEVELOPMENTS

- **Press release dated 25 July 2019**

**Lagardère Travel Retail signs an agreement to acquire International Duty Free (IDF), Belgium's leading Travel Retail operator also present in Luxembourg and Kenya**

**This new acquisition will enable the Lagardère group to strengthen its leadership position on the Travel Retail market by reinvesting proceeds from disposals.**

**The completion of this transaction is subject to a number of customary conditions, including regulatory approval.**

**Consolidation of IDF's businesses would bring Lagardère Travel Retail's annual revenue to €5.3 billion<sup>(1)</sup>, cementing its position as the world's second-largest Travel Retail<sup>(2)</sup> operator and third-largest operator of Duty Free & Fashion airport points of sale.**

**The acquisition of IDF enables Lagardère Travel Retail to extend its presence to a further leading European hub in Brussels with high-quality operations and recently refurbished stores. It also helps the Group strengthen its positions in Luxembourg and in Africa with its entry into Kenya.**

**The amount of the transaction is €250 million.**

**IDF is a wholly-owned subsidiary of Compagnie Nationale à Portefeuille (CNP) and since its creation in 1958 has been the operator of Belgian Sky Shops, the first "tax free" store at Brussels airport, and leader of the Duty Free & Fashion market in Belgium.**

IDF holds long-term contracts and currently operates more than 30 boutiques, including 25 Duty Free, Fashion and Confectionery points of sale at Brussels airport, two Duty Free stores at Charleroi airport, and The Belgian Chocolate House premium confectionery stores at the principal Gare du Midi rail station in Brussels, in the centre of Antwerp and in Luxembourg. It also operates a boutique in Kenya.

**IDF generated total revenue of €183 million in 2018.**

Besides The Belgian Chocolate House, IDF's portfolio chiefly comprises its own brands, including Fashion Studio, The Luxury Hall, Summer Time and Precious Time (Fashion and Watches) and Epicure (Gastronomy). The portfolio also includes partnerships with premium brands such as Longchamp, Tumi and Hugo Boss in the Fashion segment and MAC, Jo Malone and Rituals in Perfumes and Cosmetics.

**The close affinity between the two companies in terms of culture and strategy will help ensure the acquisition's success**

The IDF acquisition will enhance Lagardère Travel Retail's strategy, with IDF's culture and operating standards fully aligned with the four pillars of the division's approach:

- **Operational excellence:** IDF brings a high-quality portfolio of stores that have been recently refurbished or are currently in refurbishment, along with the highest operating standards, in line with Lagardère Travel Retail's requirements.
- **Partner of choice:** IDF has a close working relationship with both its concession grantors and its suppliers.
- **Profitable growth:** IDF's businesses are profitable and will be accretive to all of the division's financial ratios, with long-term contracts and an effective operational management team.

- Agile and efficient organisation: IDF's entrepreneurial and innovative culture is closely aligned with Lagardère Travel Retail's own, which allows greater operating agility.

To facilitate the acquisition's success and IDF's integration into the Lagardère group, IDF's experienced, high-profile management team will remain in the driving seat of the company.

### **A value-generating transaction**

This acquisition has been valued at €250 million<sup>(3)</sup>, or around 8x IDF's pro forma EBITDA<sup>(4)</sup> for 2020, factoring in €7 million in recurring synergies expected to be unlocked through to 2022. It is expected to deliver solid cash generation and be accretive to Lagardère Travel Retail's recurring EBIT, as well as extending the average life of the Group's concession agreements.

The combination of the operating and sales expertise of both IDF and Lagardère Travel Retail should significantly boost sales and help to unlock the recurring synergies.

The IDF acquisition will help Lagardère Travel Retail bolster its presence in the fast-growing international premium chocolate segment by leveraging IDF's experience and privileged contacts with suppliers in this segment as well as the premium The Belgian Chocolate House concept, which can be developed on new markets.

The financing of this acquisition falls within the scope of the re-use of the proceeds from disposals, as part of the Group's strategic refocusing launched in 2018.

The transaction is expected to be finalised during the fourth quarter of 2019.

### **Xavier Le Clef, Managing Director of CNP and Chairman of IDF:**

*"IDF is special to us at CNP because we have supported its development since 1991. We're now passing the baton to Lagardère Travel Retail, convinced that they will be a great partner in maintaining IDF's growth over the long term while preserving its unique DNA as well as its strong commitment to its employees and partners. I'd like to thank the IDF teams wholeheartedly for their amazing work all these years as they built the company up to occupy the leadership position it now enjoys in the Travel Retail market."*

### **Dag Rasmussen, Chairman and Chief Executive Officer of Lagardère Travel Retail:**

*"The acquisition has cemented our position as the world's third-largest operator of Duty Free airport points of sale and as the European leader in Travel Retail. We're delighted to be entering both the Belgian and Kenyan markets, which offer wonderful development opportunities, and at the same time stepping up our operations in Luxembourg. Above all, we are confident that IDF's operational expertise and entrepreneurial mind-set will ensure its successful integration into Lagardère Travel Retail and contribute to the achievement of our strategic objectives."*

(1) Based on 100% of 2018 revenue, including the pro forma contribution of HBF on a full-year basis, which would translate into consolidated pro forma revenue of €4.1 billion.

(2) Excluding Downtown Duty Free.

(3) Enterprise value based on zero cash and debt.

(4) Pro forma EBITDA corresponds to estimated budgeted EBITDA for 2020 (first year of operation), plus recurring run-rate synergies of €7 million.

- **Press release dated 19 September 2019**

**Lagardère Travel Retail completes the acquisition of International Duty Free (IDF), Belgium’s leading Travel Retail operator**

**Lagardère Travel Retail today announced that it had completed the acquisition of International Duty Free, Belgium’s leading Travel Retail operator also present in Luxembourg and Kenya.**

Announced on 25 July, this acquisition cements Lagardère Travel Retail’s position as the world’s third-largest operator of Duty Free airport points of sale and as the European leader in Travel Retail, bringing its annual revenue to a total of €5.3 billion<sup>(1)</sup>. The acquisition also enables Lagardère Travel Retail to extend its presence to an additional leading European Hub, Brussels, with high-quality operations, while consolidating its positions in Luxembourg and in Africa with entry into Kenya. Lagardère Travel Retail will also be able to leverage IDF’s experience in the fast growing Belgian premium chocolate segment to strengthen its operations in this market at the international level.

**The close affinity between IDF and Lagardère Travel Retail in terms of culture and strategy will help to ensure a successful integration, led by Nicolas Van Brandt as CEO, while the companies’ combined operating and sales expertise will help boost sales and unlock recurring operating synergies.**

IDF revenue for 2019 is expected to be between €185 million and €190 million. The company will be consolidated in Lagardère’s financial statements with effect from 1 October 2019.

The acquisition has been valued at €250 million<sup>(2)</sup>, or around 8x IDF’s pro forma EBITDA<sup>(3)</sup> for 2020, factoring in €7 million in recurring synergies expected to be unlocked through to 2022. It is expected to deliver solid cash generation and be accretive to Lagardère Travel Retail’s recurring EBIT, as well as extending the average life of the Group’s concession agreements.

**This value-creating transaction is an important step in Lagardère Travel Retail’s global growth strategy, marking its entry into the Duty Free space in a further two countries, including Belgium, where it will benefit from a long-standing leadership position and long-term concessions in both of the country’s main airports.**

(1) Based on 100% of 2018 revenue, including the pro forma contribution of HBF on a full-year basis, which would translate into consolidated pro forma revenue of €4.1 billion.

(2) Enterprise value based on zero cash and debt.

(3) Pro forma EBITDA corresponds to estimated budgeted EBITDA for 2020 (first year of operation), plus recurring run-rate synergies of €7 million.

- **Press release dated 10 October 2019**

**Lagardère seeks damages of €84 million from activist fund Amber Capital**

Lagardère SCA and Lagardère Capital & Management are seeking nearly €84 million in damages from the activist fund Amber Capital as compensation for the harm caused by a destabilisation campaign involving numerous cases of abuse of minority shareholder powers, smears and acts of harassment.

Since the activist fund Amber Capital became one of its shareholders in 2016, Lagardère SCA has been the subject of violent attacks by the fund, which has systematically misused its rights to the detriment of shareholder democracy, underhandedly initiated several legal proceedings and orchestrated an ongoing smear campaign, particularly through the press, against the Group, its General Partners and its Supervisory Board.

The persistence of this aggressive conduct and the methods used by Amber Capital have impacted Lagardère SCA's ability to convince the market and shareholders of its attractiveness, causing the share price to fall significantly. Lagardère SCA and Lagardère Capital & Management's losses are currently estimated at nearly €84 million based on the report issued by a firm of experts registered with the Paris Court of Appeal.

Lagardère SCA and Lagardère Capital & Management have therefore decided to file legal action against Amber Capital before the Paris Court of Appeal seeking compensation and justice for the losses and harm caused.

- **Amount of non-current debt of the Issuer as at 31 August 2019**

As at 31 August 2019, the non-current debt of the Issuer amounts to €1,335 million. Since 30 June 2019, €34 million of NEU MTN (Negotiable European Medium Term Note) were issued in the ordinary course of business.



## TAXATION

*The statements herein regarding taxation are based on the laws and regulations in force in the Republic of France and/or, as the case may be, the Grand Duchy of Luxembourg as of the date of this Prospectus and are subject to any change in law or to different interpretation, potentially with a retroactive effect. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of, the Bonds. Each prospective holder or beneficial owner of Bonds should consult its own tax advisor as to inter alia the French or, as the case may be, the Luxembourg tax consequences of any investment in, or ownership and disposition of, the Bonds.*

### **Luxembourg**

*The following is a description limited to certain tax considerations in Luxembourg relating to the Bonds and specifically contains information on taxes on the income from the securities withheld at source. Each prospective holder or beneficial owner of Bonds should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Bonds.*

#### Withholding tax

Under Luxembourg tax law currently in effect and subject to the exception below, there is no Luxembourg withholding tax on payments of at arm's length interest (including accrued but unpaid interest) or repayments of principal of the Bonds.

##### Individuals

In accordance with the law of 23 December 2005, as amended, a 20 per cent. withholding tax is levied on interest payments made by Luxembourg paying agents to Luxembourg resident individual beneficial owners. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

Interest income from current and sight accounts (*comptes courants et à vue*) are exempt from the withholding tax, provided that the remuneration on these accounts is not higher than 0.75 per cent. (annual rate). Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed Euro 250 per person and per paying agent is exempt from the withholding tax.

Pursuant to the Luxembourg law of 23 December 2005, as amended, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 20 per cent. tax on interest payments by paying agents located in a Member State of the EU other than Luxembourg, a Member State of the European Economic Area other than an EU Member State.

The 20 per cent. withholding tax or the 20 per cent. self-declared tax represents the final tax liability for the Luxembourg individual resident taxpayers receiving the interest payment in the course of their private wealth.

##### Corporations

There is no Luxembourg withholding tax for Luxembourg resident and non-resident corporations holders of the Bonds on payments of at arm's length interest (including accrued but unpaid interest) or repayments of principal of the Bonds.

### **France**

*The following is an overview of certain withholding tax considerations in France relating to the payment of interest in respect of the Bonds to a holder or a beneficial owner of Bonds who (a) does not hold shares of the Issuer and is*

not otherwise affiliated with the Issuer and (b) does not hold their Bonds in connection with a business or profession conducted in France, or a permanent establishment or fixed base situated in France, based on the laws of France and their interpretation by the tax authorities as at the date hereof, all of which are subject to change or to different interpretation with possible retroactive effect. Persons who are in doubt as to their tax position should consult a professional tax adviser.

### **Withholding tax**

Payments of interest and other revenues made by the Issuer with respect to the Bonds will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”), other than a Non-Cooperative State mentioned in article 238-0 A 2 bis 2° of the French *Code général des impôts*. If such payments under the Bonds are made in a Non-Cooperative State other than a Non-Cooperative State mentioned in article 238-0 A 2 bis 2° of the French *Code général des impôts*, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, in application of Article 238 A of the French *Code général des impôts*, interest and other revenues on the Bonds are not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on a bank account opened in a financial institution located in such a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 bis 2 of the French *Code général des impôts*, at a rate of (i) 12.8 per cent. for payments benefiting individuals who are not French tax residents, (ii) 30 per cent. (to be aligned on the standard corporate income tax rate set forth in Article 219 I of the French *Code général des impôts* for fiscal years beginning as from 1 January 2020) for payments benefiting legal persons which are not French tax residents, or (iii) 75 per cent. for payments made outside France in a Non-Cooperative State (other than those mentioned in article 238-0 A 2 bis 2° of the French *Code général des impôts*), subject to the more favourable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion (and therefore the withholding tax set out under Article 119 bis, 2 of the French *Code général des impôts* that may be levied as a result of the Deductibility Exclusion) will apply in respect of the issue of the Bonds if the Issuer can prove that the principal purpose and effect of such issue of Bonds were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the *Bulletin Officiel de Finances Publiques-Impôts* (BOI-INT-DG-20-50-20140211, n°550 and n°990, BOI-RPPM-RCM-30-10-20-40-20140211, n°70 and n°80 and BOI-IR-DOMIC-10-20-20-60-20150320, n°10), an issue of Bonds will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Bonds if such Bonds are, inter alia, admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Since the Bonds will be admitted, at the time of their issue, to the operations of Euroclear France, the Bonds will benefit from the Exception and will therefore be exempt from the withholding tax set out under Article 125 A III of the French *Code général des impôts*. In addition, they will be subject neither to the Deductibility Exclusion nor to the withholding tax set out under Article 119 bis, 2 of the same *Code* solely on account of their being paid to a bank

account opened in a financial institution located in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

**Payments made to individuals fiscally domiciled in France and acting in the context of their private wealth**

Without prejudice to the aforementioned withholding tax, where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A I of the French *Code général des impôts* and subject to certain exceptions, interest and other similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 per cent. withholding tax, which is (i) creditable against their personal income tax liability in respect of the year in which the payment has been made and (ii) refundable for the portion in excess of such personal income tax liability. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding tax at an aggregate rate of 17.2 per cent. on interest and other similar revenues paid to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

**All prospective Bondholders should seek independent advice as to their tax positions.**

## SUBSCRIPTION AND SALE

Banco Santander, S.A., BNP Paribas, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Mizuho Securities Europe GmbH and Société Générale (the “**Joint Lead Managers**”) have, pursuant to a subscription agreement (the “**Subscription Agreement**”) dated 14 October 2019, jointly and severally agreed with the Issuer, subject to satisfaction of certain conditions, to subscribe or procure subscribers for the Bonds at the issue price of 99.627 per cent. of the principal amount of the Bonds, less any applicable commissions. Pursuant to such Subscription Agreement, the Issuer agrees to indemnify the Joint Lead Managers against certain liabilities, incurred in connection with the issue of the Bonds. The Subscription Agreement may be terminated in certain circumstances prior to payment being made to the Issuer.

### **General**

Neither the Issuer nor any Joint Lead Manager has taken or will take any action in any jurisdiction that would, or is intended to, permit a public offering of the Bonds, or possession or distribution of this Prospectus (in preliminary, proof or final form) or of any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each Joint Lead Manager has agreed that it will comply to the best of its knowledge and belief with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Prospectus (in preliminary, proof or final form) or any such other material, in all cases at its own expense. It will also ensure that no obligations are imposed on the Issuer or any other Joint Lead Manager in any such jurisdiction as a result of any of the foregoing actions.

### **Prohibition of Sales to EEA Retail Investors**

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the EEA. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

### **United States of America**

The Bonds have not been and will not be registered under the Securities Act or the securities law of any U.S. state, and may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Bonds are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S.

Each Manager has represented and agreed that:

- (i) it has not offered or sold, and will not offer or sell, the Bonds (a) as part of their distribution at any time or (b) otherwise until forty (40) calendar days after the later of the commencement of the offering and the issue date of the Bonds, within the United States or to, or for the account or benefit of, U.S. persons; and
- (ii) it will have sent to each distributor or dealer to which it sells Bonds during such forty (40) calendar day period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

In addition, until forty (40) calendar days after the commencement of the offering of the Bonds, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### **United Kingdom**

Each Joint Lead Manager has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended (the “FSMA”)) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

### **France**

Each of the Joint Lead Managers and the Issuer has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any Bonds in the Republic of France, and has not distributed and will not distribute or cause to be distributed in the Republic of France this Prospectus or any other offering material relating to the Bonds, except to qualified investors (*investisseurs qualifiés*) as defined in Article 2(e) of the Prospectus Regulation and in accordance with, Articles L.411-1 and L.411-2 of the French *Code monétaire et financier*.

## GENERAL INFORMATION

- 1 The issue of the Bonds was decided pursuant to two decisions of the *Gérance* of the Issuer dated respectively 11 September 2019 and 9 October 2019.
- 2 Application has been made to the Luxembourg Stock Exchange for the Bonds to be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market on or about the Issue Date.
- 3 The estimate of the total expenses related to the admission to trading of the Bonds is €4,100.
- 4 The Bonds have been accepted for clearance through Euroclear France, Clearstream and Euroclear with the Common Code 205668403. The International Securities Identification Number (ISIN) for the Bonds is FR0013449261.
- 5 The Legal Entity Identifier ("LEI") of the Issuer is 969500VX2NV2AQQ65G45.
- 6 The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.
- 7 Except as disclosed in the AR 2018 on page 280 paragraph 6.1.1, in the IFR 2019 on page 8 paragraph 1.1.2.6 and in the section "Recent Developments" of this Prospectus, at the date of this Prospectus, there has been no significant change in the financial position or financial performance of the Issuer or the Lagardère Group since 30 June 2019.
- 8 At the date of this Prospectus, there has been no material adverse change in the prospects of the Issuer or the Lagardère Group since 31 December 2018.
- 9 Except as disclosed in the AR 2018 on page 98 paragraph 3.1.2.2 and on pages 232 to 234, in the IFR 2019 on page 8 paragraph 1.2 and on page 65 and on page 40 of this Prospectus, the Issuer is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the Lagardère Group.
- 10 Except as disclosed in the AR 2018 on pages 31 and 32 and on page 280 and in the IFR 2019 on page 18 paragraph 1.5, there are, at the date of this Prospectus, no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Lagardère Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds being issued.
- 11 This Prospectus contains or incorporates by reference certain statements that are forward-looking including statements with respect to the Issuer's and the Lagardère Group's business strategies, expansion and growth of operations, trends in the business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "believe", "expect", "project", "anticipate", "seek", "estimate" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof.
- 12 At the date of this Prospectus, there are no conflicts of interest which are material between the duties of the representatives of the *Gérance* or of the members of the Supervisory Board to the Issuer and their private interests and/or other duties.

- 13** Save for any fees payable to the Joint Lead Managers and except as disclosed on pages 46 and 47 of this Prospectus, as far as the Issuer is aware, no person involved in the issue of the Bonds has an interest material, including any conflicting interest, to the issue.
- 14** Copies of the latest annual and semi-annual financial reports of the Issuer, including its consolidated accounts may be obtained without charge from the specified offices for the time being of the Fiscal Agent or any of the Paying Agents during normal business hours, so long as any of the Bonds is outstanding.
- 15** For as long as any Bonds are outstanding the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the office of the Issuer, the Fiscal Agent or any of the Paying Agents:
- (i) this Prospectus;
  - (ii) the Agency Agreement;
  - (iii) the Calculation Agency Agreement;
  - (iv) the *statuts* of the Issuer;
  - (v) the audited consolidated annual accounts of the Issuer for the two latest fiscal years (which at the Issue Date comprise the Issuer’s audited consolidated accounts for the fiscal years ended 31 December 2017 and 31 December 2018) and the unaudited consolidated financial statements of the Issuer as at 30 June 2019.

This Prospectus and the documents incorporated by reference in the Prospectus will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of the Issuer (<https://www.lagardere.com/investor-relations/regulated-information-600773.html>; [https://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee\\_generale/2018/LagardereSCA\\_Document\\_Reference\\_exercice\\_2017\\_FR.pdf](https://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee_generale/2018/LagardereSCA_Document_Reference_exercice_2017_FR.pdf); [https://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee\\_generale/2019/Documents/190404\\_Lagardere\\_Document\\_Reference\\_2018.pdf](https://www.lagardere.com/fichiers/fckeditor/File/actionnaires%20individuels/assemblee_generale/2019/Documents/190404_Lagardere_Document_Reference_2018.pdf); and [https://www.lagardere.com/fichiers/fckeditor/File/Relations\\_investisseurs/Publications/2019/HY\\_2019/Rapport\\_financier\\_semestriel\\_2019.pdf](https://www.lagardere.com/fichiers/fckeditor/File/Relations_investisseurs/Publications/2019/HY_2019/Rapport_financier_semestriel_2019.pdf)).

- 16** The statutory auditors of the Issuer are Mazars (Exaltis, 61, rue Henri Regnault - 92400 Courbevoie, France) and Ernst & Young et Autres (Tour First, 1, place des Saisons - 92037 Paris-La Défense Cedex, France) (both entities are members of the *Compagnie régionale des Commissaires aux Comptes de Versailles* and are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux Comptes*). Mazars and Ernst & Young et Autres have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer for each of the fiscal years ended 31 December 2017 and 31 December 2018.
- 17** The yield of the Bonds is 2.183 per cent. per year. It is not an indication of future yield.
- 18** The website of the Issuer is [www.lagardere.com](http://www.lagardere.com). The information on such website does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus.
- 19** Certain of the Joint Lead Managers (as defined under “Subscription and Sale” above) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer, the Lagardère Group and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative

securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer or other entities of the Lagardère Group routinely hedge their credit exposure to the Issuer or, as the case may be, such other entities of the Lagardère Group consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Bonds. Any such short positions could adversely affect future trading prices of the Bonds. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

- 20** In connection with the issue of the Bonds, Crédit Agricole Corporate and Investment Bank (the “**Stabilising Manager**”) (or any person acting on behalf of any Stabilising Manager) may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any persons acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of thirty (30) days after the issue date of the Bonds and sixty (60) days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager (or any person acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.



**REGISTERED OFFICE OF THE ISSUER**

**Lagardère SCA**

4, rue de Presbourg  
75016 Paris  
France

**FISCAL AGENT, PRINCIPAL PAYING AGENT AND PAYING AGENT**

**BNP Paribas Securities Services**

(affiliated with Euroclear France under number 29106)

3, 5, 7 rue du Général Compans  
93500 Pantin  
France

**CALCULATION AGENT**

**Aether Financial Services**

36, rue de Monceau  
75008 Paris  
France

**LISTING AGENT IN LUXEMBOURG**

**BNP Paribas Securities Services, Luxembourg Branch**

60, avenue J.F. Kennedy  
L-2085 Luxembourg  
Grand-Duchy of Luxembourg

**SOLE GLOBAL COORDINATOR**

**Crédit Agricole Corporate and Investment Bank**

12, place des Etats-Unis  
CS 70052  
92547 Montrouge Cedex  
France

## JOINT LEAD MANAGERS

**Banco Santander, S.A.**  
Ciudad Grupo Santander  
Edificio Encinar  
Avenida de Cantabria  
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10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Citigroup Global Markets Limited**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Mizuho Securities Europe GmbH**  
Taunustor 1  
60310 Frankfurt am Main  
Germany

**Société Générale**  
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75009 Paris  
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## AUDITORS OF THE ISSUER

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## LEGAL ADVISERS

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*To the Joint Lead Managers as to French law*

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