



Lagardère
UNLIMITED®

LAGARDÈRE UNLIMITED PRESENTATION

LAGARDÈRE
INVESTOR DAY

Paris, May 28th 2014



INTRODUCTION (1/3)

May 2011 – May 2014 - *the start of a 5-year recovery plan centered on Europe*

- **Turning around Europe**

- Individual companies coordination and development
- Restructuring media business in Europe
- Balance sheet clean-up

- **Lowering risk profile**

2014 – 2016 - *building a globally integrated full service sports marketing agency*

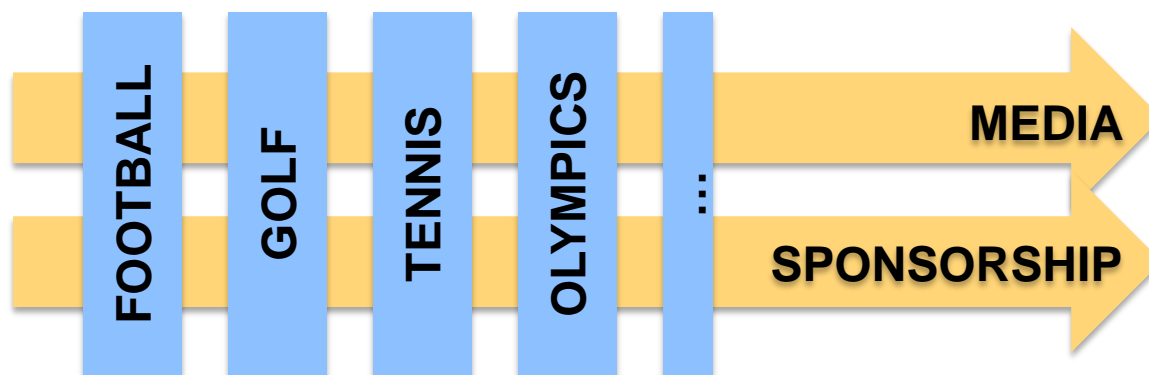
- **Recovery plan on track – breakeven or slightly positive in 2014 and return to more acceptable level of profits by 2015**
- **New organisation to be implemented, aiming at building an integrated agency**

INTRODUCTION (2/3)

Lagardère Unlimited organisation – medium term evolution

Globally integrated full service sports marketing agency

- **Integrate businesses acquired over the years to further accelerate our level of profitability**
 - Build-up worldwide sponsorship and media organisations
 - Drive development through global division strategies (Football, Golf, etc.)
 - Implement locally strategies and territory specific businesses



- **Implementation to be managed by newly appointed Executive Committee**

INTRODUCTION (3/3)



Lagardère Unlimited organisation – May 2014

■ Starting today

- Creation of an Executive Committee:
 - Managing the business on a day to day basis
 - Responsible for the transition to a globally integrated business
- Executive Committee members:
 - Arnaud Lagardère (Chairman and CEO)
 - Seamus O'Brien
 - Andy Pierce
 - Andrew Georgiou
 - Laurent Carozzi
- New roles within the organisation
 - Seamus O'Brien is now Deputy Chairman of the Executive Committee
 - Andrew Georgiou is now Chief Operating Officer of Lagardère Unlimited

TEAM LEADING THE TRANSITION TO A MORE INTEGRATED ORGANISATION AND TODAY'S SPEAKERS

SEAMUS O'BRIEN



Seamus O'Brien established World Sport Group (then known as Asia Sport Group), in Hong Kong in 1992 – a company born from a landmark partnership with the Asian Football Confederation (AFC), the region's governing body for football.

As one of the earliest pioneers in the business, Seamus O'Brien is widely regarded as a key figure in the development of Asian sport and in particular the business of sport within the region. He has influenced and transformed the financial status and legacy of many of the region's major sports and its athletes. In nearly 20 years, Seamus O'Brien has established WSG as a market leader.

ANDREW GEORGIU



Andrew Georgiou has been with WSG for 8 years and brings with him over 14 years of experience in the sports marketing and media rights industry. As Chief Executive Officer of World Sport Group Andrew has been responsible for managing WSG and its growth across nine offices throughout the region. Andrew, has secured and been involved in negotiating some of WSG's most significant deals including, its relationship with the Singapore Sports Hub; the largest Public-Private-Partnership sports infrastructure project in the world, the media rights for the Indian Premier League, the renewal of the AFC contract through to 2020, securing the WTA Championships for Singapore for five years as well as the relationship with Formula One.

ANDY PIERCE



Andy Pierce joined the company in August 2013 as President and CEO of Lagardère Unlimited North America, bringing with him over 30 years of experience managing top athletes and advising blue chip corporations on their sports marketing strategies.

Prior to joining Lagardère Unlimited, Andy spent 27 years at IMG where he led IMG Consulting, reporting directly to IMG founder, Mark McCormack and, subsequently, Ted Forstmann following IMG's sale to Forstmann Little in 2004. He began his tenure at IMG as a golf agent, managing the interests of the company's PGA Tour and LPGA clients.

After departing from IMG in 2009, Andy most recently led the Golf and Corporate Consulting divisions at CAA Sports.

AGENDA



Global sports market key facts and trends

Overview of Lagardère Unlimited

Illustration of growth perspectives by sport

GLOBAL SPORTS MARKET KEY FACTS AND TRENDS

1

Global sports market (~110Bn€ by 2015) growing at +5% per year, mostly driven by media and sponsorship revenue growth

4

Increasing globalization of sports rights

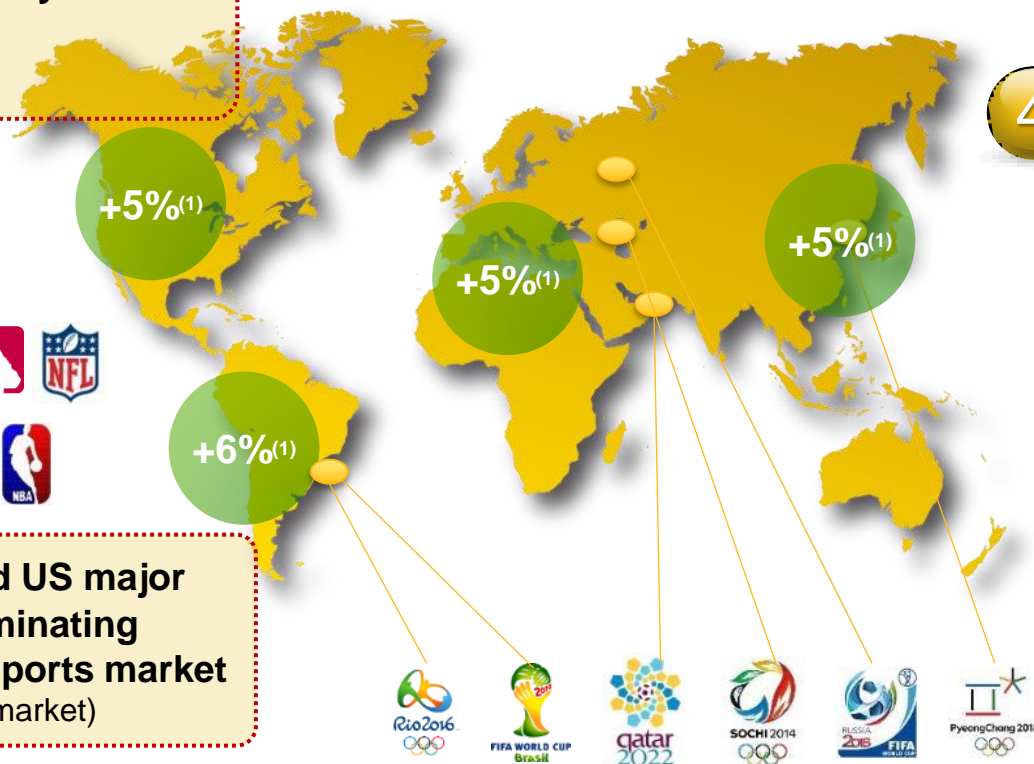


2

Football and US major leagues dominating the Global sports market (> 40% of the market)

3

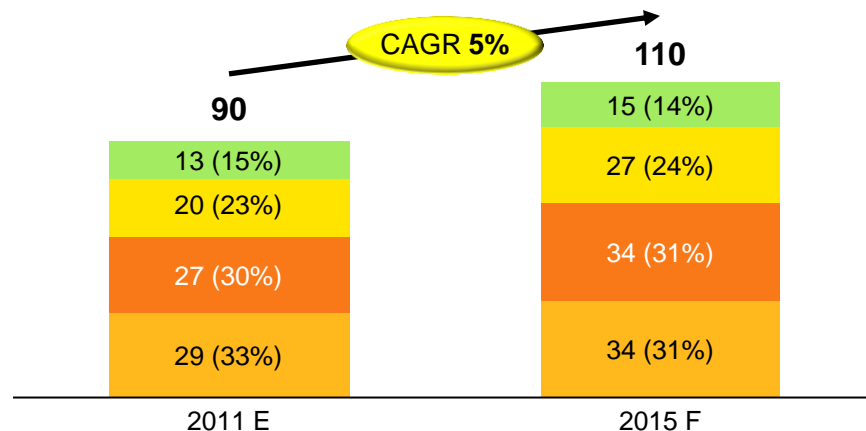
Continued development of emerging territories as preferred sports events destinations



GLOBAL SPORTS MARKET OUTPERFORMS GDP GROWTH, DRIVEN BY MEDIA AND SPONSORSHIP REVENUES

Global Sports Market revenues by segment

- Bn€ / 2011 to 2015 -



2011-2015 CAGR		
	Sports market	Global GDP
Merchandising	+ 3.4%	+ 3.4%
Media	+ 6.9%	
Sponsorship	+ 6.5%	
Gate	+ 3.5%	

Global Sports Market growth by region

- CAGR / 2011 to 2015 -

	2011-2015 CAGR	
	Sports market	GDP
Latin America	+ 6.0%	+ 1.4%
Asia Pacific	+ 5.4%	+ 4.4%
EMEA	+ 5.0%	+ 2.6%
North America	+ 5.2%	+ 4.0%

MORE AND MORE SPORTS EVENTS ARE BEING ORGANIZED OUTSIDE OF EUROPE AND NORTH AMERICA

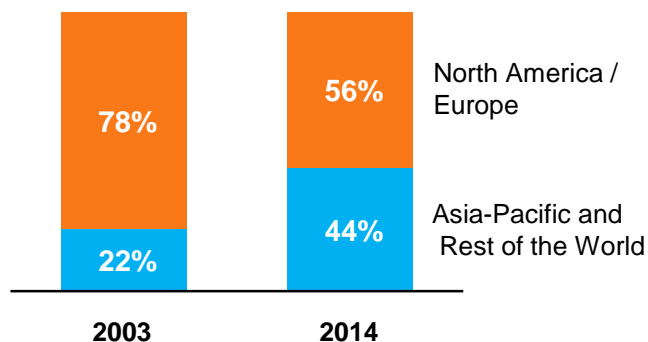
Olympic Games and FIFA World Cup hosts

- 1992 to 2022 -

- 4 of 7 Olympic Games outside of Europe/US between 2008 and 2020
- 4 FIFA World Cups in a row in emerging countries between 2010 and 2022



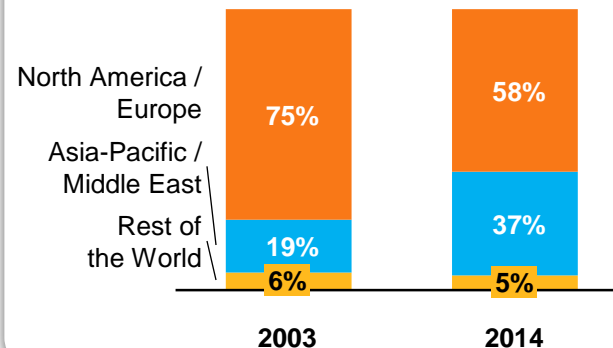
Golf events⁽¹⁾ - % / 2003 Vs. 2014 -



Upcoming major world championships



Formula One Grand Prix - % / 2003 Vs. 2014 -



Sources: PGA / European Tour / OneAsia / Asian Tour / Formula One

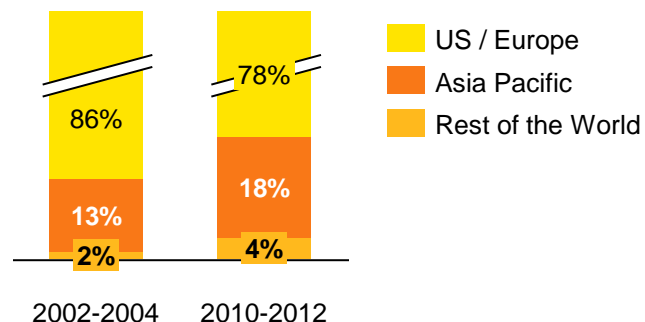
(1) PGA, Web.com Tour (previously Nationwide Tour), PGA LatinoAmérica, European Tour, OneAsia and Asian Tour

INCREASING GLOBALIZATION OF SPORTS RIGHTS

International media growth illustration

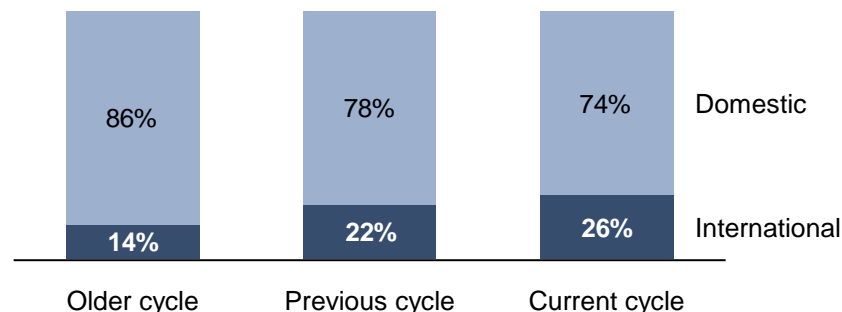
IOC media revenues by region

- % of media revenues / 2002 to 2012 -



Top 5 European football leagues⁽¹⁾ media revenues

- % of media revenues / 2005 to 2017 -



International sponsorship growth illustration



**% of Premier League clubs with non UK based shirt sponsors
– 2004**



**% of Premier League clubs with non UK based shirt sponsors
– 2014**

IMPLICATIONS FOR LAGARDERE UNLIMITED



- **Lagardère Unlimited benefits from a long term exposure to the growing sports market**
 - Exposure to major sports
 - Exposure to fast growing media and sponsorship segments
 - Exposure to emerging countries

- **In the short term, several factors contribute to Lagardère Unlimited financial profile evolution**
 - Seasonality
 - Financial models
 - Addressable market

- **The objective moving forward is to take advantage of the long term underlying strength and growth of the sector**

AGENDA



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Illustration of growth perspectives by sport

A GLOBAL NETWORK COMBINING INTERNATIONAL EXPERTISE WITH LOCAL MARKET KNOWLEDGE



OVER
1200
EVENT DAYS

OVER
200
ATHLETES

OVER
50
VENUES
(CONSULTING & OPERATIONS)

OVER
50
LEAGUES & FEDERATIONS

OVER
70
EUROPEAN
FOOTBALL
CLUBS

OVER
10 000
HOURS OF CONTENT DISTRIBUTION

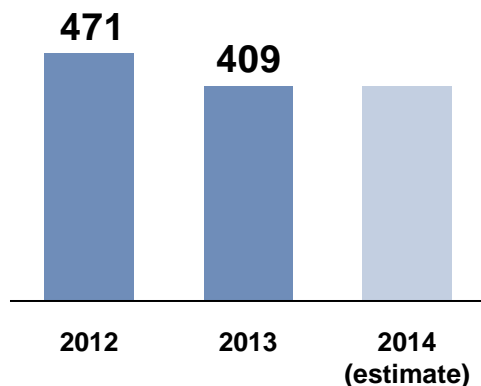
WE DELIVER OUR PARTNERS COMPREHENSIVE SOLUTIONS TO GENERATE VALUE



RECOVERY PLAN IS ON TRACK

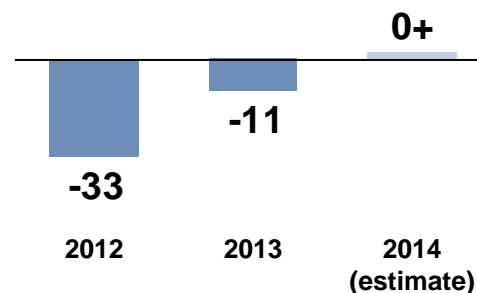
Revenues

- M€ / 2012 to 2014 (estimate) -



Rec. EBIT

- M€ / 2012 to 2014 (estimate) -



2013 to 2014 comments

- Geneva office restructuring
- Low CAF and AFC cycles
- FIFA World Cup hospitality effect
- US and Live Entertainment growth

- Restructuring (including Geneva)

Expected breakeven point or slightly positive results to be reached in 2014 and return to more acceptable level of profits in 2015

AGENDA



Global sports market key facts and trends

Overview of Lagardère Unlimited

Illustration of growth perspectives by sport

FOOTBALL EUROPE – CONSOLIDATE POSITIONS AND CONTINUE EXPANSION OF CLUB BUSINESS

■ We work with 70+ football clubs across Europe

- We have comprehensive marketing contracts with 20+ football clubs in Europe, lasting 6-8 years on average
- Illustration of clubs we work with

Dortmund, Bayer Leverkusen, Hannover, Nurnberg, Hamburg SV, Hertha Berlin, Frankfurt, Lyon, Saint-Etienne, Nice, Valenciennes, Auxerre, Lens, Utrecht, Newcastle, Everton, Aston Villa



■ Business lines

- Sponsorship
- Hospitality
- Panel advertising
- Other services (production, events, consulting, digital)

Growth strategy

- Consolidate and expand comprehensive business on existing territories
- Expand in new territories via comprehensive and/or selective marketing
- Develop sales of European assets outside of Europe
- Develop new services: production, events, consulting, digital

>10%

Lagardère Unlimited revenues with German football clubs 2011-2013 CAGR

FOOTBALL ASIA – FOCUS ON AFC NEXT CYCLE AND DEVELOP REGIONAL, LEAGUE AND CLUB BUSINESS

- **We have been working with the *Asian Football Confederation (AFC)* since 1993**
 - Managing both their marketing and media rights
 - Asian Cup, AFC Champions League, FIFA Qualifiers, etc.



- **We are involved at regional level**
 - Asean Football Federation, South Asian Football Federation, GCC
- **We are involved at league level**
 - K-League, J-League, China Super League, A-League



>10%

AFC revenues CAGR 2009-2013

Growth strategy

- **Focus on the AFC next cycle**
- **Media rights and sponsorship rights for leagues and clubs in key markets**
- **Development of regional competitions**

FOOTBALL AFRICA – FOCUS ON NEXT CAF CYCLE AND EXPAND TO FEDERATION, LEAGUE AND CLUB LEVEL

- We have been working with the *Confederation Africaine de Football (CAF)* since 1994

- Managing both their marketing and media rights
- AFCON, CAF Champions League, etc.



- We work with FIFA and Morocco on the organisation of the FIFA Club World Cup 2013 & 2014



>10%

CAF revenues CAGR 2009-2013

Growth strategy

- Focus on the next CAF cycle
- Develop our football business (media and sponsorship rights) at federation, league and club levels in key markets
- Bring support to major international events organized in Africa (e.g. FIFA Club World Cup)
- Explore opportunities outside of the football business

GOLF – CONTINUED GROWTH THROUGH DEVELOPPING AND INTEGRATING GLOBAL PLATFORMS

Illustration of Lagardère Unlimited Golf

- **The largest golf talent agency with a unique portfolio of 92 golf players, incl. 43 PGA Tour card holders for 2014**

- 43 PGA Tour (1 in 5 players on the Tour) / 9 Web.com Tour / 9 LPGA / 31 Miscellaneous Tours⁽¹⁾
 - e.g. P. Mickelson, A. Cabrera, K. Bradley, N. Watney, J. Spieth, A. Nordqvist
- Twice bigger than the 2nd agency on the PGA Tour
- Acquisition of Crown Sports Management in 2013



Phil Mickelson

- **Involvement with more than 20 events globally, of which**

- US: 6 events (of which the Albertsons Boise Open and the Winco Food Portland Open)
- Europe: 2 events (Nordea Masters and Helsingborg Open)
- Asia: 4 events (Emirates Australian Open, Singha Thailand Open, Enjoy Jakarta Indonesia PGA Championship, Australian PGA championship)
- Development of the OneAsia Tour

7%

Talent management revenue growth in 2013

Growth strategy

- **Expand talent management portfolio, leading to...**
- **... Development and expansion of corporate consulting**
- **Focus on event management and ownership in emerging markets**

TENNIS – CONTINUED GROWTH THROUGH DEVELOPPING AND INTEGRATING GLOBAL PLATFORMS



Illustration of Lagardère Unlimited Tennis

■ A wide portfolio of 55 tennis athletes

- 24 ATP, 28 WTA, and 3 Legends
 - e.g. Murray, Gasquet, Janowicz, Chardy, Isner, Bryan brothers, Wozniacki, Azarenka, Stephens
- 4 Top 20 ATP and 3 Top 10 WTA in 2013
- 3 of the Top 10 earning players in 2013



■ A diversified portfolio of media rights distribution

- BNP Paribas WTA Finals (Worldwide excl. Singapore)
- WTA Premier Series (Worldwide)
- 18 WTA International Series events (Worldwide)
- Davis Cup & Fed Cup (Asia)
- Roland Garros (Asia)
- US Open (selected territories)
- ATP 250 Series events (Worldwide)



■ A growing involvement in events across 3 continents

- BNP Paribas WTA Finals in Singapore from 2014 to 2018
- Citi Open (ATP 500 & WTA International)
- If Stockholm Open (ATP 250 – management contract)
- SkiStar Swedish Open (ATP 250- owned license)
- Collector Swedish Open (WTA International – owned license)

Growth strategy

- Continue to grow our media rights distribution portfolio, leveraging our global platform
- Focus on event management and ownership in emerging markets
- Expand talent management portfolio

OLYMPIC SPORTS – EMPHASIS ON DEDICATED MARKETING SERVICES BUSINESS UNIT, COMPLEMENTING HISTORICAL MEDIA ACTIVITIES

Illustration of Lagardère Unlimited experience

IOC and International Federations media rights

International
Olympic Committee



Olympic teams representation and consulting

International
Olympic
Committee



Major international multi-sports events expertise



Olympic sports representation and consulting expertise across 20+ sports at national, regional and international level



BRITISH
ATHLETICS



Growth strategy

- Develop a dedicated team
- Focus on growing marketing programs for National Olympic Committees
- Develop marketing programs for key international federations
- Provide corporate consulting to Olympic sponsors

VENUES – CONSULTING AND LONG TERM OPERATIONS FOR SPORTS AND ENTERTAINMENT VENUES, WITH AN EMPHASIS ON EMERGING COUNTRIES

A well balanced portfolio, both geographically and in terms of business models

Value chain

Our businesses

■ Stadium & arena consulting

- France (Sarcelles, Dunkerque, Lens, etc.)
- Russia (Volgograd, Ekaterinburg, Saransk)
- Qatar (Lusail Multipurpose Hall)
- India: (Trivandrum International Stadium)

■ Stadium & arena operations & sales

(full or partial scope)

- Singapore (Singapore Sports Hub)
- Germany (Commerzbank-Arena)
- Brazil (Arena Castelão & Arena Independência)
- Hungary (Ferencvárosi Torna Club of Budapest)
- France (Bordeaux Arena)

■ Theatres operations

- Les Folies Bergère
- Casino de Paris

FOLIES BERGERE



Commerzbank Arena



Arena Castelão



Ferencvárosi

Growth strategy

- Capitalize on our consulting business to build a recurring pipe of venue operations opportunities
- Enlarge the portfolio of venues under management (stadiums, arenas, and theatres)
- Develop synergies between our stadium & arena business and our other activities
 - club marketing, events, ticketing services etc.

5-10M€

Average stadium operation revenues

8-12%

Average stadium operation EBIT margin

DIGITAL – SUPPORT TO OUR MEDIA AND SPONSORSHIP ORGANISATION AND NEW REVENUE STREAMS

Illustration of our experience in developing digital platforms

- **Comprehensive digital strategies**
 - e.g. CAF digital strategy (design & implementation)
 - First official AFCON App ever: 240K+ downloads, 10.5M page views, 2.8M YouTube views
 - e.g. Roland Garros digital strategy and sponsors activation
- **Mobile and tablet apps for rights-holders** (e.g. Hamburg SV)
- **Social apps & activations for rights-holders and brands**
 - e.g. Olympique Lyonnais – Hyundai social media room
 - e.g. Tata Global Beverages integrated strategy
- **Second screen solutions (streaming, gaming)**
 - e.g. Pepsi Fantasy Game for AFCON 2013
- **Production & management of digital content**
 - Audience development (e.g. FIFA World Cup 2014 Qualifiers)
 - 5.3M You Tube views
 - 233K downloads and 3.5M page views on mobile app
 - Web TV & video players (e.g. ITU World Series)
- **Fan base management and loyalty programs**
 - e.g. Hertha Berlin



Growth strategy

- **Develop innovative, tailor-made and global digital solutions to:**
 - Maximize added value for rights-holders, brands and broadcasters
 - Generate reach, revenues and experience
- **Area of focus**
 - Consultancy (digital audit & strategy)
 - Activation
 - Content & audience development (video)
 - Data & CRM
 - Mobile
- **Develop synergies**
 - Capitalize on our relationships with rights-holders and brands to develop our digital activity
 - Capitalize on Digital to strengthen our relationships with rights-holders, brands and broadcasters

OUTLOOK



- **We are positioned to benefit from the continued long term growth of the sports market**
- **The next 18 months will have us focus on integrating the various parts of our business to create a globally integrated full service sports marketing agency**
- **The focus on the new organisation will be on:**
 - Structuring a global sponsorship sales network
 - Developing our global media sales and production business
 - Building digital capabilities supporting our clients evolving needs
 - Leveraging our key position in Football to create additional value and opportunities
 - Unlocking value in our global businesses starting with Golf, Tennis and Olympic marketing
 - Leveraging our positions in emerging markets