

LAGARDÈRE SCA 2007 FIRST-QUARTER CONSOLIDATED REVENUES UP 8.9% ON A REPORTED BASIS AND 1.2% ON A LIKE-FOR-LIKE BASIS^(*)

Lagardère SCA consolidated revenues for the three months to March 31, 2007 were €1,908.2m, an increase of 8.9% on a reported basis and 1.2% on a like-for-like basis.

Time Warner Book Group (not consolidated in the first quarter of 2006) contributed €33m to the 2007 first-quarter figure.

With effect from January 1, 2007, Lagardère has applied the alternative method of accounting for jointly controlled entities permitted under IFRS. Under this method, such entities are accounted for by the equity method rather than (as previously) the proportionate consolidation method. Consequently, the revenue contribution of these entities (mainly EADS) is no longer consolidated by Lagardère.

This method has been retrospectively applied to the 2006 first-quarter comparatives presented.

Key trends during the first quarter of 2007 were:

- **Lagardère Publishing** (formerly the Books division) – Good performance, driven mainly by Spanish operations and Hodder Headline internationally, and by Education and Distribution in France.
- **Lagardère Active** (formerly the Press division and Lagardère Active) – Slight growth in the quarter, with Radio and Theme Channels beating expectations. International radio activities continue to register strong growth, while Magazines (80% of Lagardère Active revenues) were stable despite persistently challenging market conditions.
- **Lagardère Services** (formerly the Distribution Services division) – Modest growth in the quarter, reflecting the effect of the transition from wholesale (where revenues were down, especially in Spain and Belgium) to retail (with strong growth for Aelia, in Eastern Europe and Asia).
- **Lagardère Sports** (Sportfive and Newsweb) – Very good start to the year for Sportfive.

| | Revenues (€m) | | Year-on-year growth (reported) | Year-on-year growth (restated, like-for-like) |
|-------------------------|----------------|----------------|--------------------------------|---|
| | Q1 2007 | Q1 2006 | | |
| LAGARDERE | 1,908.2 | 1,752.4 | 8.9% | 1.2% |
| - Lagardère Publishing | 411.2 | 318.2 | 29.2% | 3.0% |
| - Lagardère Active | 519.9 | 558.6 | (6.9%) | 0.9% |
| o Press | 414.0 | 425.5 | (2.7%) | 0.4% |
| o Broadcast & Broadband | 105.9 | 133.1 | (20.4%) | 2.6% |
| - Lagardère Services | 863.7 | 875.6 | (1.4%) | 0.7% |
| - Lagardère Sports | 113.4 | - | - | - |

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

Lagardère Publishing

Revenues rose by 29.2% to €411.2m, largely due to the consolidation of €83m of sales from Time Warner Book Group, which in 2006 was consolidated only from the second quarter. On a like-for-like basis, revenues to end March 2007 advanced by 3.0%.

In France, Education recorded substantial growth, driven by sales of school and distance learning books (Hachette and Hatier). Distribution was boosted by the new contracts (Dunod, Dalloz and Armand Colin). Literature again showed a slight fall, with strong sales of political books only partially offsetting the high comparative base due to Dan Brown books published by Lattès.

In Spain, Anaya enjoyed a very good start to the year in General Publishing and Education.

In the United Kingdom, Hodder Headline continued its fine 2006 performance across all sectors (General Literature, Children's Books and Education).

Lagardère Active

On a like-for-like basis, Lagardère Active showed a slight rise in revenues of 0.9%, but reported revenues fell by 6.9% to €519.9m, mainly due to the change to the equity method of accounting for Cellfish.

Press

Magazine revenues fell by 2.7% on a reported basis during the quarter, to €414m.

Most of this fall was due to the 8.3% drop in the US dollar against the euro.

On a like-for-like basis, revenues were stable, rising by 0.4% relative to the first quarter of 2006.

The trends of 2006 are persisting into 2007, with no real signs of change.

- Outside emerging markets, the general trend in advertising is gloomy, especially in France.
- Circulation is still weak, especially in lads mags, TV weeklies and Woman's Day. However, it remains strong in Lagardère's core business (Elle in all countries, Public, Isa, Paris Match, etc).
- HFM circulation figures continue to be affected by closures of under-performing titles in 2006 and early 2007, including Zurban, Maximal, Match du Monde and L'Echo des Savanes in France; Elle Girl, For Me, Shock and Premiere in the United States; and Xtreme Tuning & Racing and Maxim in Spain.
- Operations in China and Russia again recorded very strong growth in both circulation and advertising revenues.

Broadcast & Broadband

First-quarter revenues for the Broadcast & Broadband business were down 20.4% on a reported basis. This fall reflects partly the effect of disposals (the DMLS TV production company and La Chaîne Météo, which were still consolidated in the first quarter of 2006), but mainly the change from full consolidation to the equity method in accounting for Cellfish (€26m of sales in the first quarter of 2006).

On a like-for-like basis, Broadcast & Broadband sales rose by 2.6%.

First-quarter revenues beat our expectations:

Radio

Satisfactory quarter in France (up 2.2%), where the opening-up of advertising airtime to retail chains on the established terrestrial networks had little impact. Internationally, our radio networks again recorded very strong growth (24%), this time driven mainly by Russia.

Television

Theme Channels provided a welcome surprise, with a sharp rise in sales of 8.9%: a drop in subscriber-based royalties from the new platform created by the CanalSat/TPS merger was offset by the benefits in terms of advertising and a larger audience base. Advertising sales houses (RTL9) also performed well.

TV Production was affected during the first quarter by the timing of deliveries, which accounted for the 17% drop in revenues. Some series and programs have been dropped (“Nous ne sommes pas des anges”, “Le Négociateur”, “Sauveur Giordano”), and deliveries of their replacements will not begin until later in the year.

Lagardère Services

Revenues for Lagardère Services advanced by 0.7% on a like-for-like basis in the quarter to €863.7m, but fell by 1.4% on a reported basis.

The trends seen in the second half of 2006 continued into the first quarter of 2007. We are actively pursuing our strategy of transition towards retail activities and Eastern Europe/Asia, where growth and margins are higher than in wholesale.

- Aelia continued its strong uptrend, linked to growth in air traffic.
- Growth also remains very strong in retail. Germany (quarterly growth of over 10%) was boosted by the awarding of the Berlin train station concession. Eastern Europe and Asia once again recorded very strong growth.
- On the other hand, wholesale activities in Spain and Belgium reported a further decline due to a slowdown in newspaper, magazine and phonecard sales. On top of this, sales of partworks in Spain had a poor start to the year (across all publishers).

Lagardère Sports

Lagardère Sports revenues were consolidated for the first time in the quarter, making a contribution of €113.4m to Lagardère SCA consolidated revenues.

Sportfive, the main contributor of revenues to Lagardère Sports, had a very good start to the year thanks to the impact of qualifying matches for the Euro 2008 soccer tournament.

Another positive factor was the Handball World Cup, a four-yearly event, which is taking place in 2007.

These factors offset the lack of revenues from the African Cup of Nations soccer tournament, which is held every other year, in even-numbered years.

Outlook

The 2007 outlook for Lagardère Publishing is good, especially for Education in France and Spain and for Literature in the United States.

For Lagardère Active, visibility remains very poor in Radio, making long-term forecasts difficult. Deliveries scheduled for the coming quarters suggest Production will return to solid growth. On the Press side, we do not foresee any change in the market trends seen in the first quarter. We are continuing the process of refocusing the business on selected segments and territories, while expanding our digital activities both organically and by acquisitions (such as Jumpstart, due to join the Lagardère Group in the second quarter).

For Lagardère Services, we expect the robust growth in retail activities to underpin revenue growth over the rest of the year.

Lagardère Sports should enjoy a good year, in line with our expectations.

This outlook confirms our guidance on full-year growth in recurring EBIT before associates for Media activities, which we expect to be in the “3% to 7%” range as previously announced, and based on the same parameters:

- euro/dollar exchange rate of 1.30;
- excluding the first-time consolidation of Lagardère Sports.

Paris, May 10, 2007

The Lagardère Group is a market leader in the media sector (books, press, audiovisual, distribution of cultural and entertainment products, and sports rights). The Group also has interests in the high technology sector via a 14.98% stake in EADS.

Lagardère shares are listed in Paris on Eurolist by Euronext – Compartment A.

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