



2003 Results

Analyst meeting
March 15, 2004



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2003 consolidated statements



Principal changes in consolidated companies

Press

Hachette Filipacchi U.K.

Attic Futura - Full consolidation as of September 1, 2002

Hachette/EMAP Magazines - Deconsolidation (proportional consolidation (50%)) as of end of October, 2002

ELLE, ELLE Decor, ELLE Girl and *Red* - Full consolidation as of end of October, 2002 (proportionally consolidated (50%) before)

Acquisitions

Multiediciones Universales - Full consolidation as of January 1, 2003

Hachette Marie-Claire Italia - Proportional consolidation (49%) as of January 1, 2003

Disposal

Hachette Digital Presse - Deconsolidation as of January 1, 2003



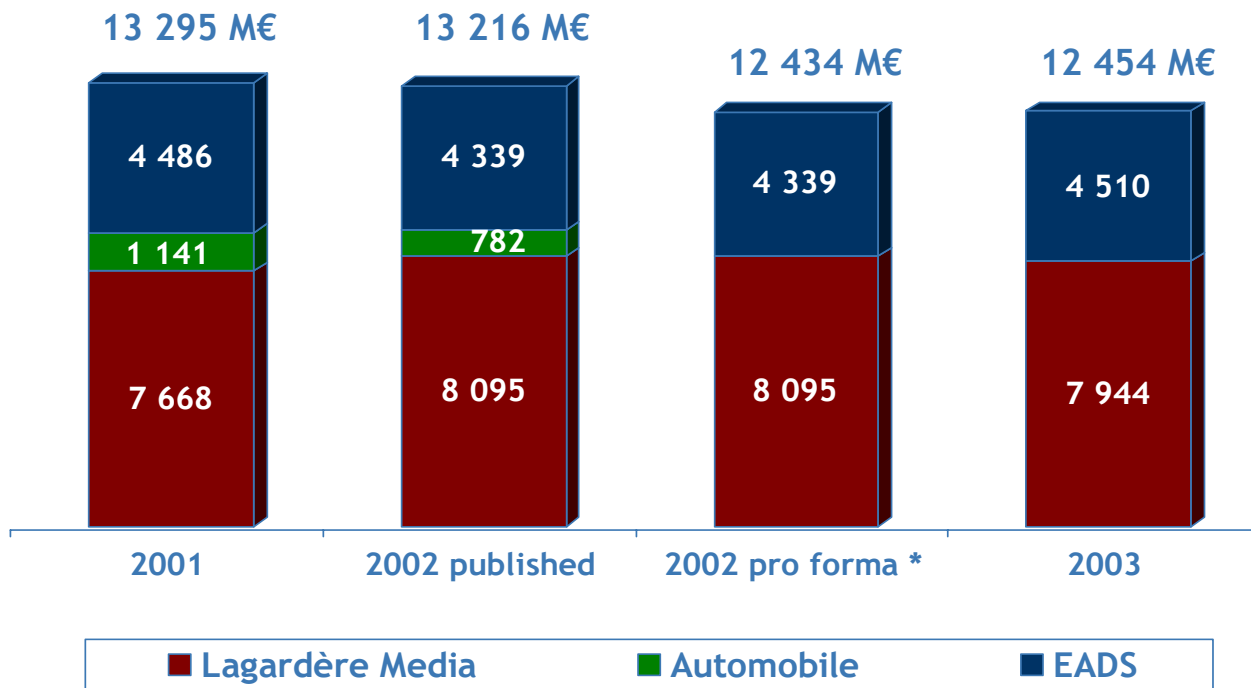
Principal changes in consolidated companies

Book	<u>Disposal</u> <i>Centre Educatif et Culturel</i> - Deconsolidation as of January 1, 2003 (accounted for by the equity method in 2002)
Distribution Services	<u>Creation</u> <i>Société de Distribution Aéroportuaire</i> - Proportional consolidation (51%) as of June 1, 2003

Automobile	<i>Matra Automobile and its subsidiaries</i> - Deconsolidation as of January 1, 2003 -with the exception of the <i>Spare parts</i> activity
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Sales by business segment

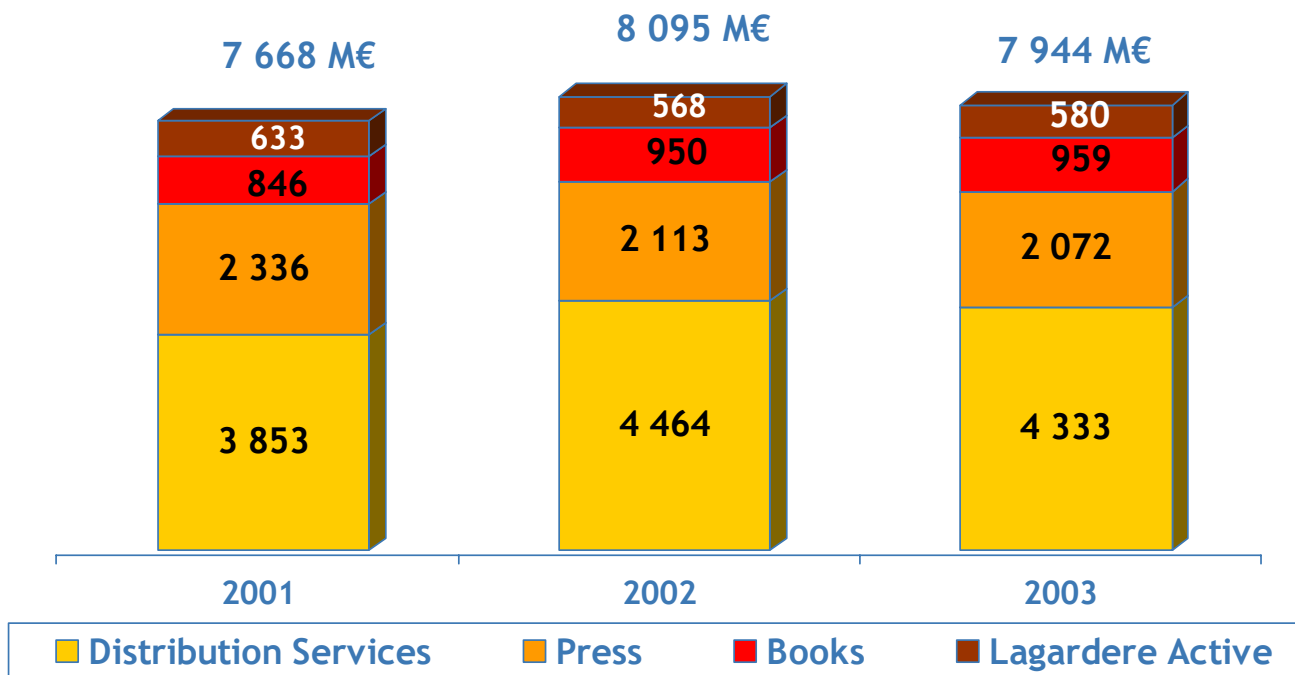


Flat sales (vs 2002 proforma)
despite strong Euro's rise (+17% against dollar)

* Excluding *Automobile*



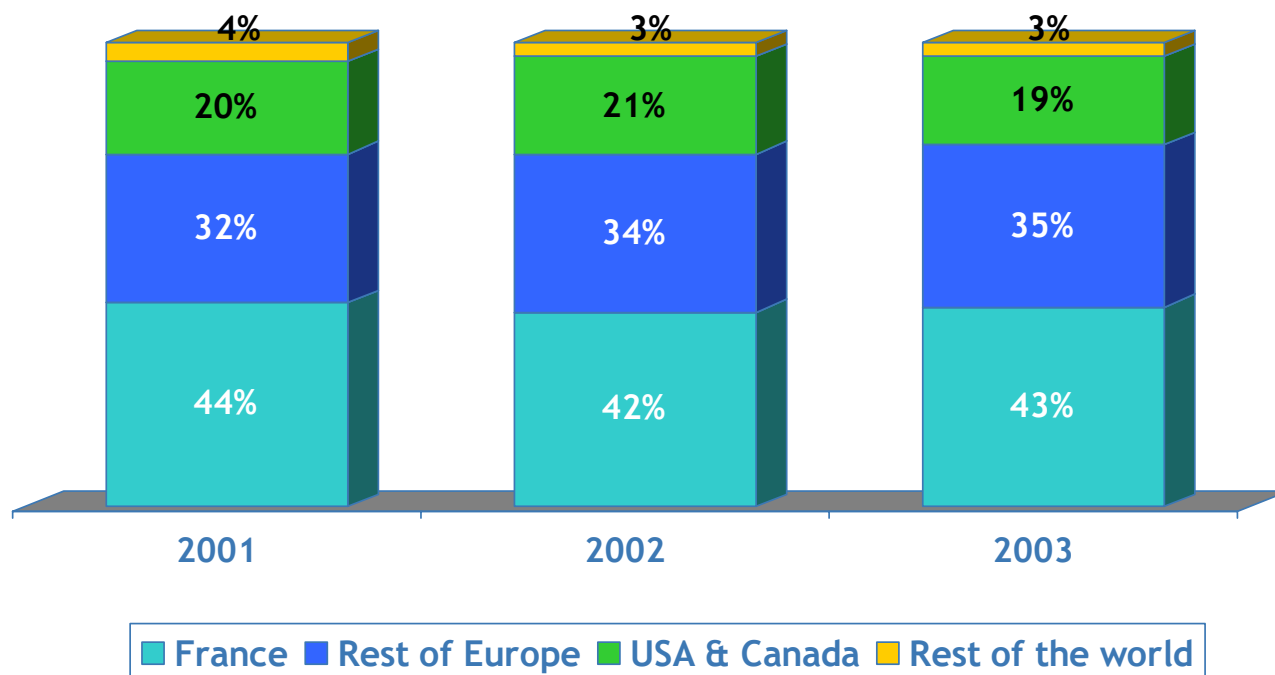
Lagardère Media - Sales by division



Growth on a like-for-like basis +2,1%



Lagardère Media - Sales by geographical area



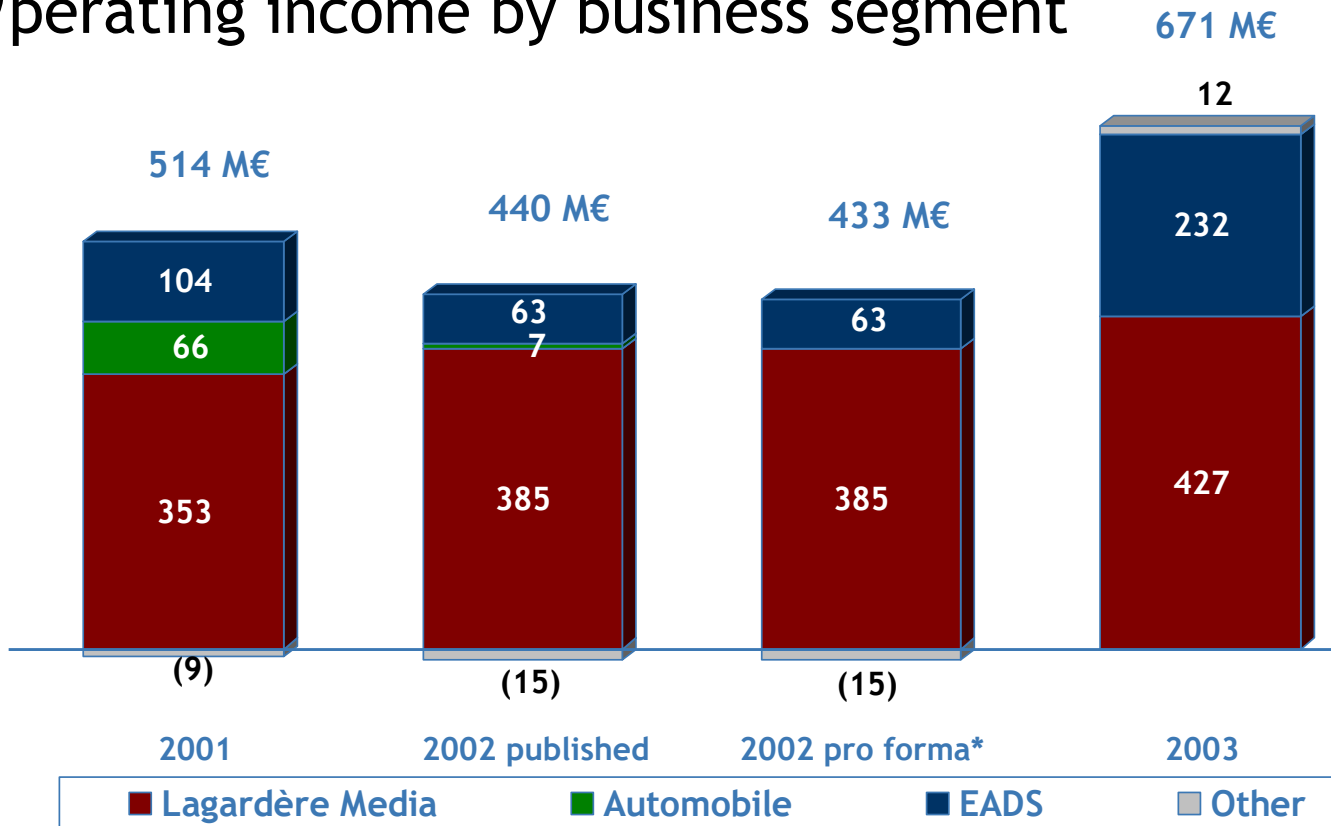
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- Acquisitions of *magazine* properties in Europe
- Euro's rise



Operating income by business segment



9

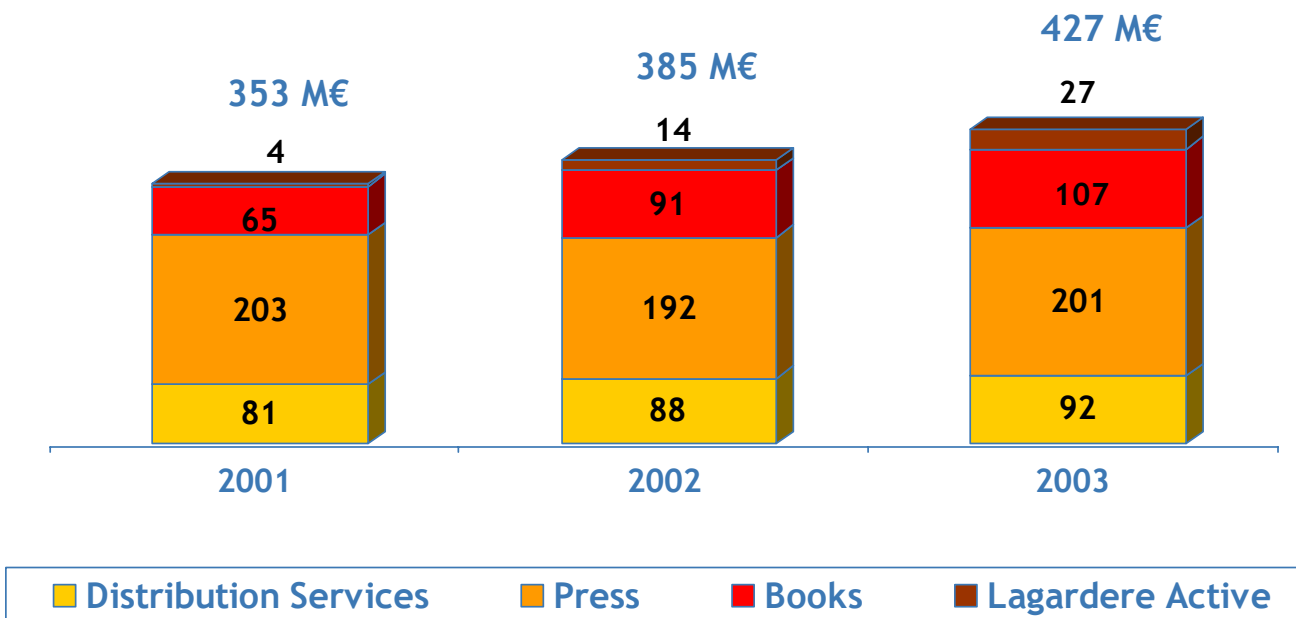


- Consolidated operating income growing strongly
- Lagardère Media delivering double digit operating income growth (+11%)

* Excluding Automobile



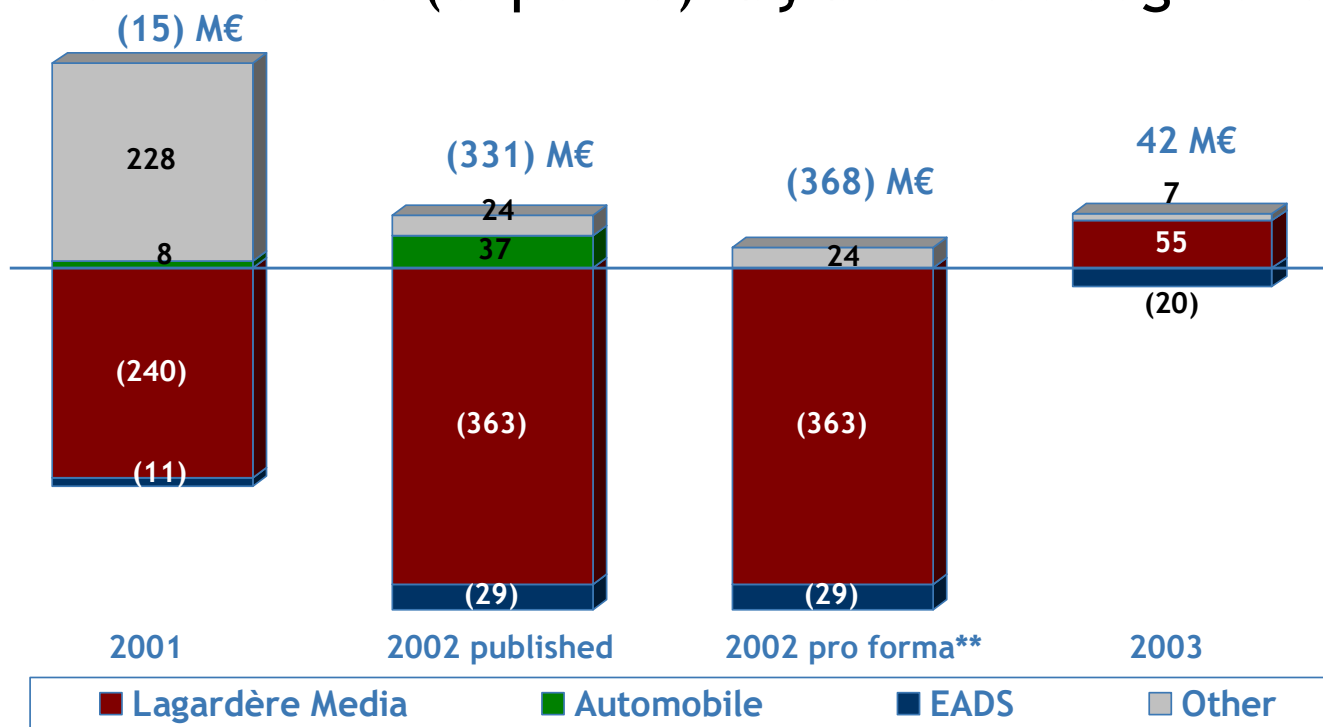
Lagardère Media - Operating income by division



- *Book* division growing sharply +17% (operating margin 11,1% -vs 9,6% in 2002)
- *Press & Lagardere Active* divisions improving operating margins again (9,7% -vs 9,1% in 2002 for *Press*, and 4,7% -vs 2,5% in 2002 for *Lagardere Active*)



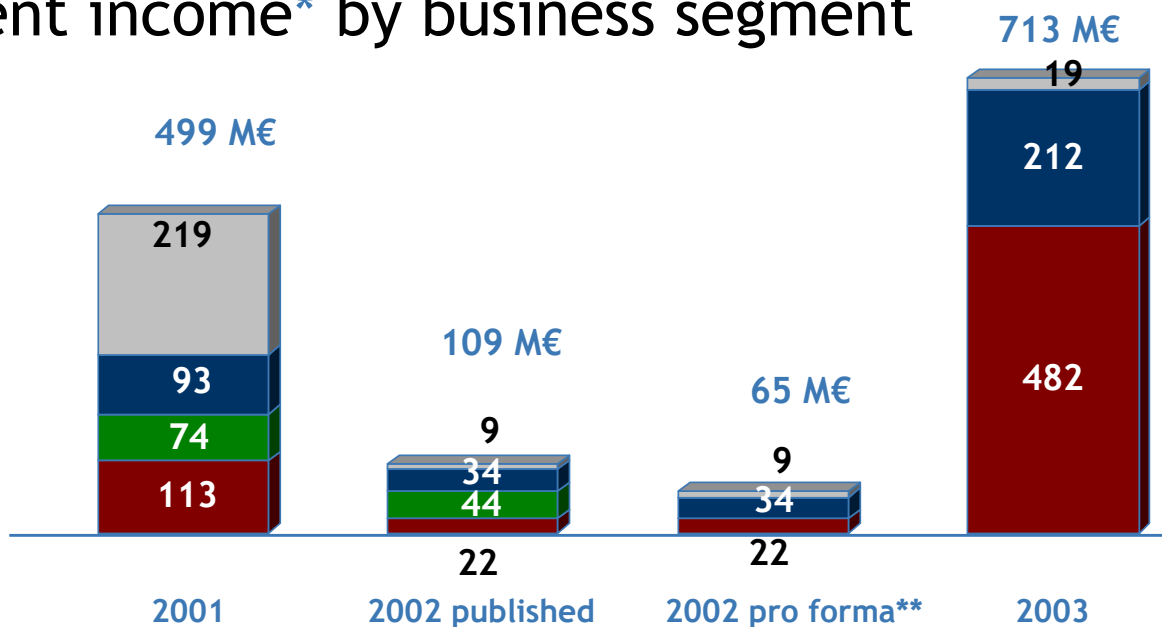
Financial income (expense)* by business segment



- Financial income almost flat -59 M€ (vs -61 in 2002) excl. *EADS* & depr. variance on *T-Online*
- *T-Online* . 2003, provision taken back +121 M€
- . 2002, provision charged -278 M€ (-157 M€ in 2001)



Current income* by business segment

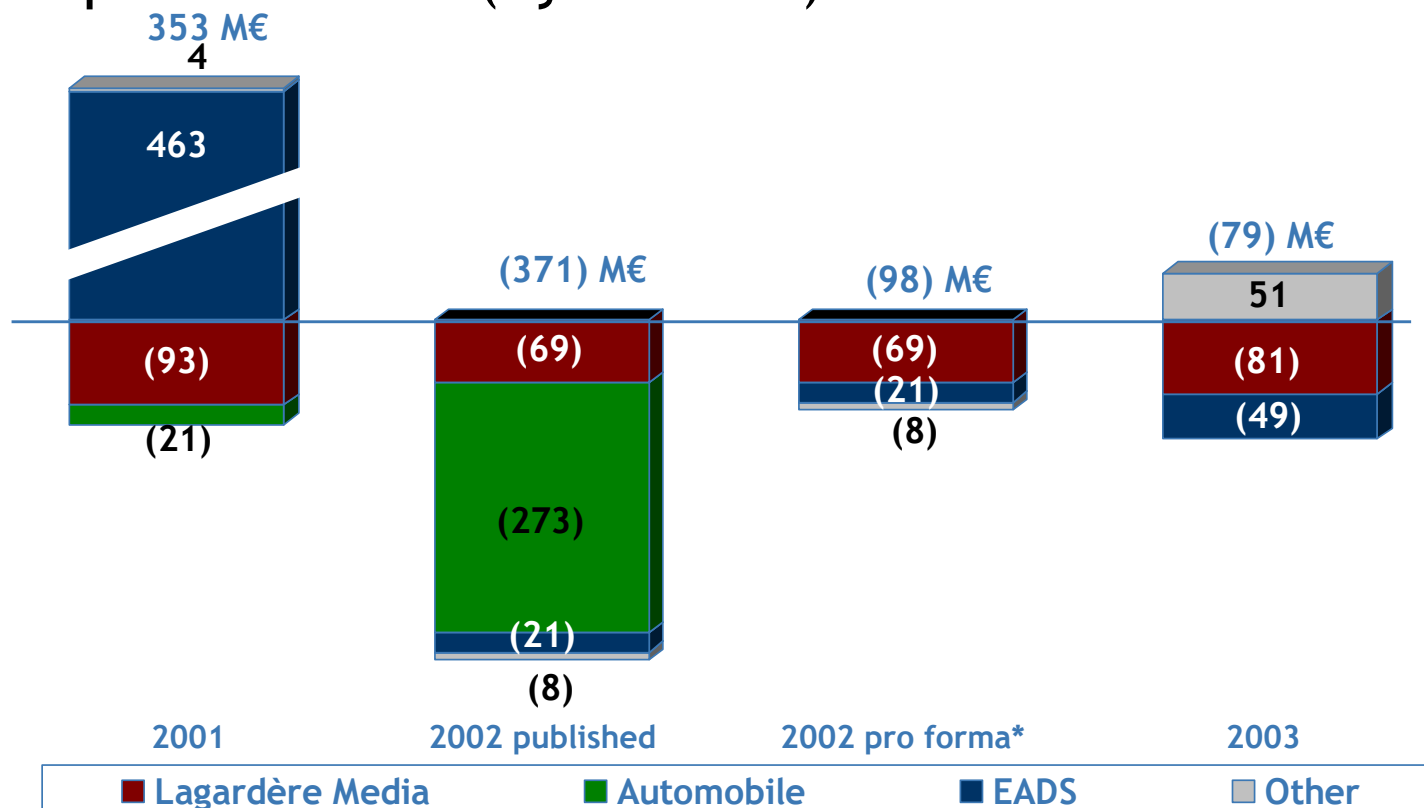


- Step progression of *Lagardère Media* current income + 361 M€ (vs 300 M€ in 2002), excluding *T-Online* related depreciation variance
- *T-Online* . 2003, provision taken back +121 M€
 . 2002, provision charged -278 M€ (-157 M€ in 2001)

* Excluding preferred remuneration ** Excluding *Automobile*



Exceptional items (by division)



13

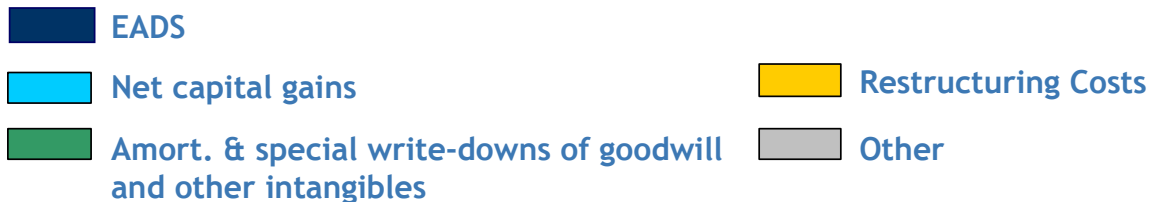
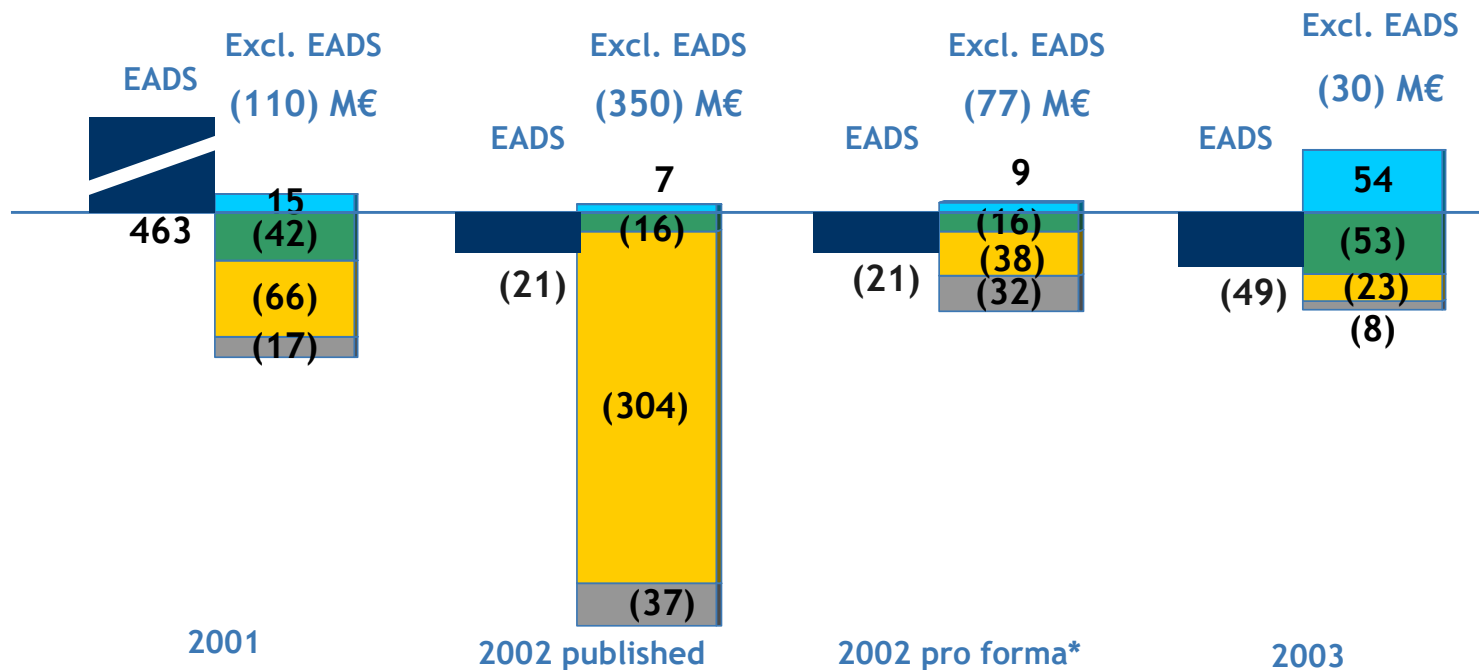


Exceptional items (excluding *EADS*) -30 M€ vs -77 M€ in 2002 pro forma

* Excluding *Automobile*

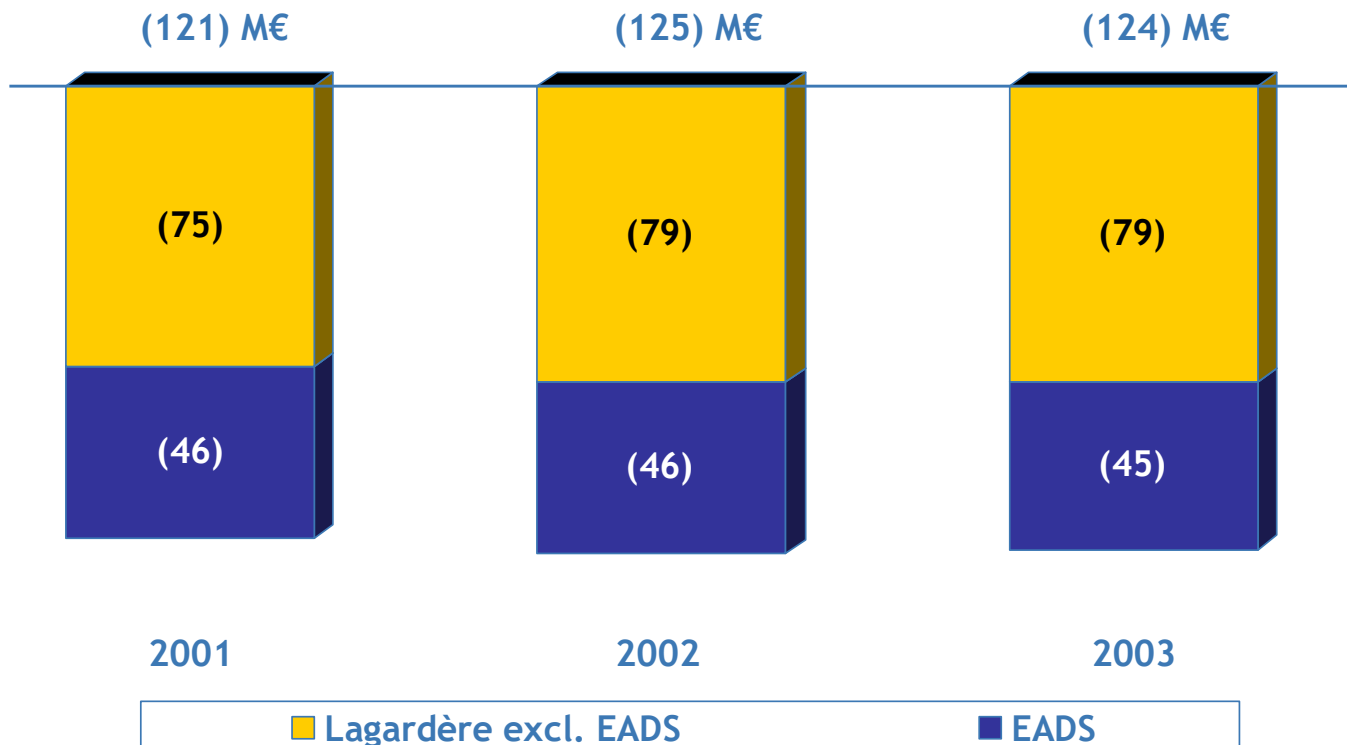


Exceptional items (by type)



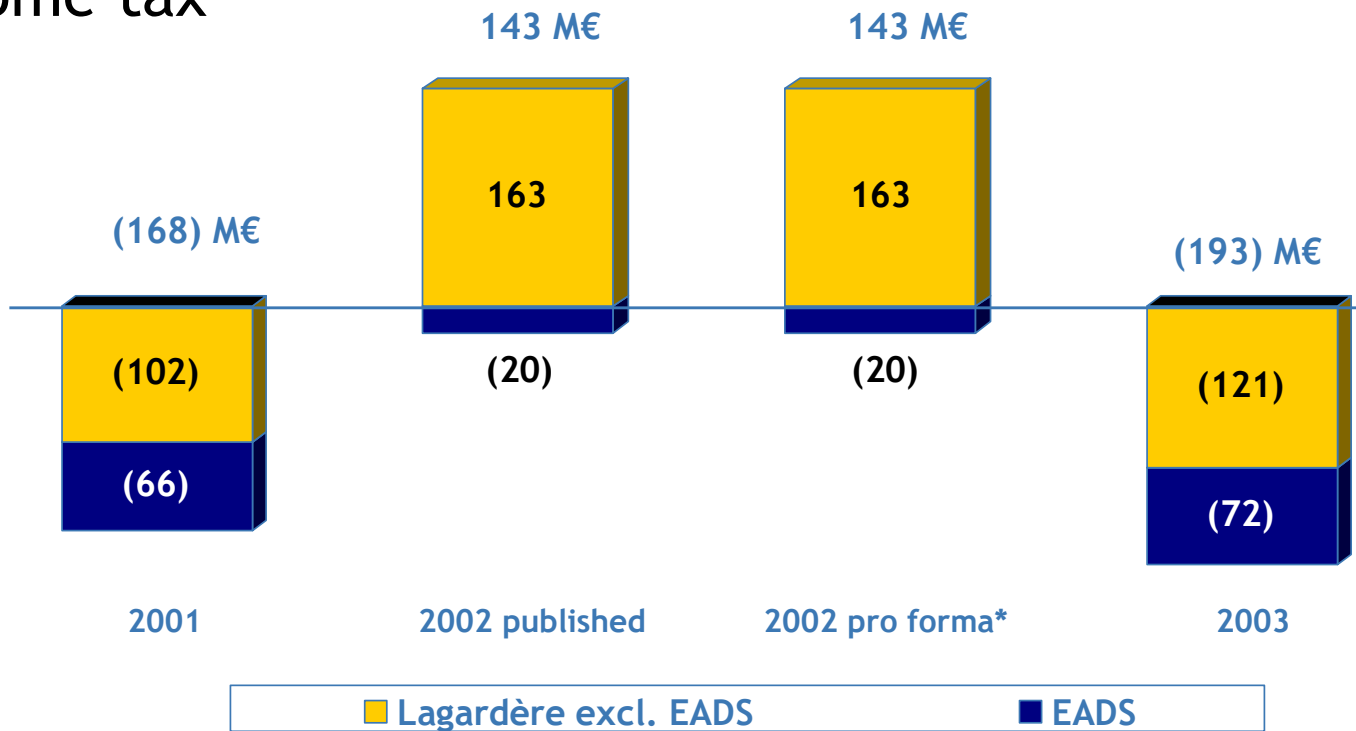


Goodwill Amortization





Income tax



Tax provision adjustment related to capital gain on *T-Online*

. in 2003 : - 24 M€

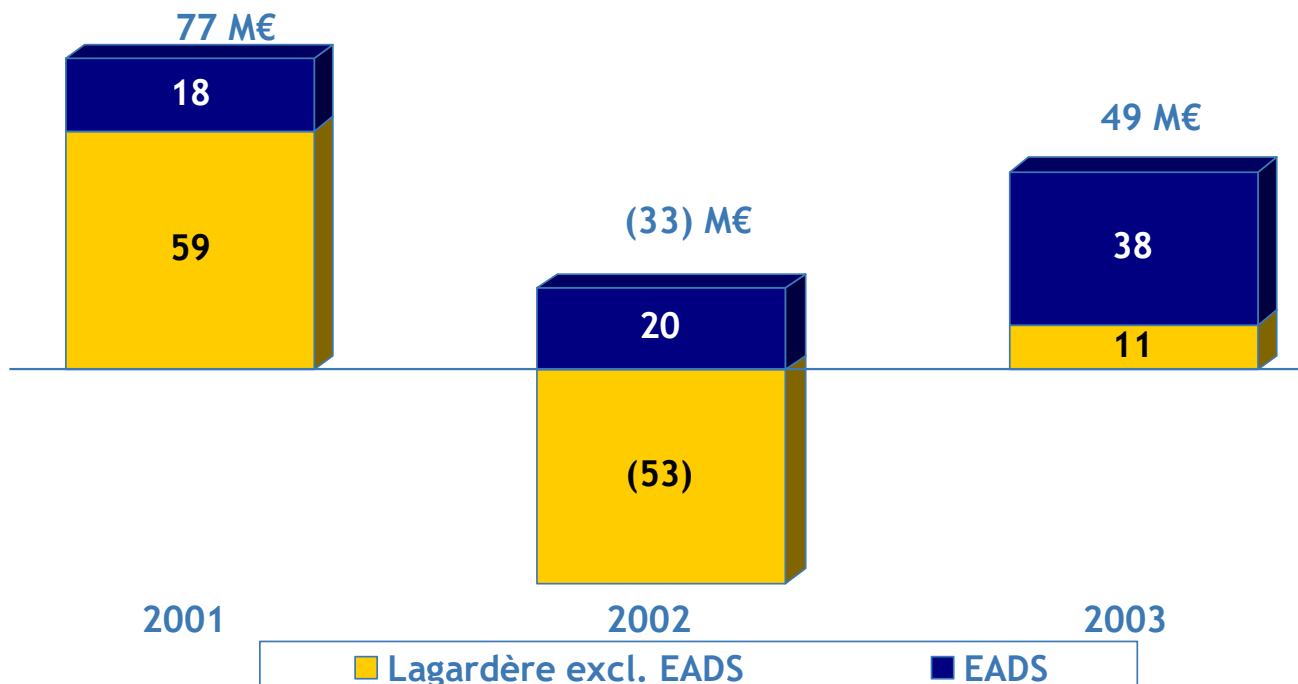
. in 2002 : +195 M€

(of which +139 M€ corresponding to the tax rate adjustment on LT capital gain: 20,2%)





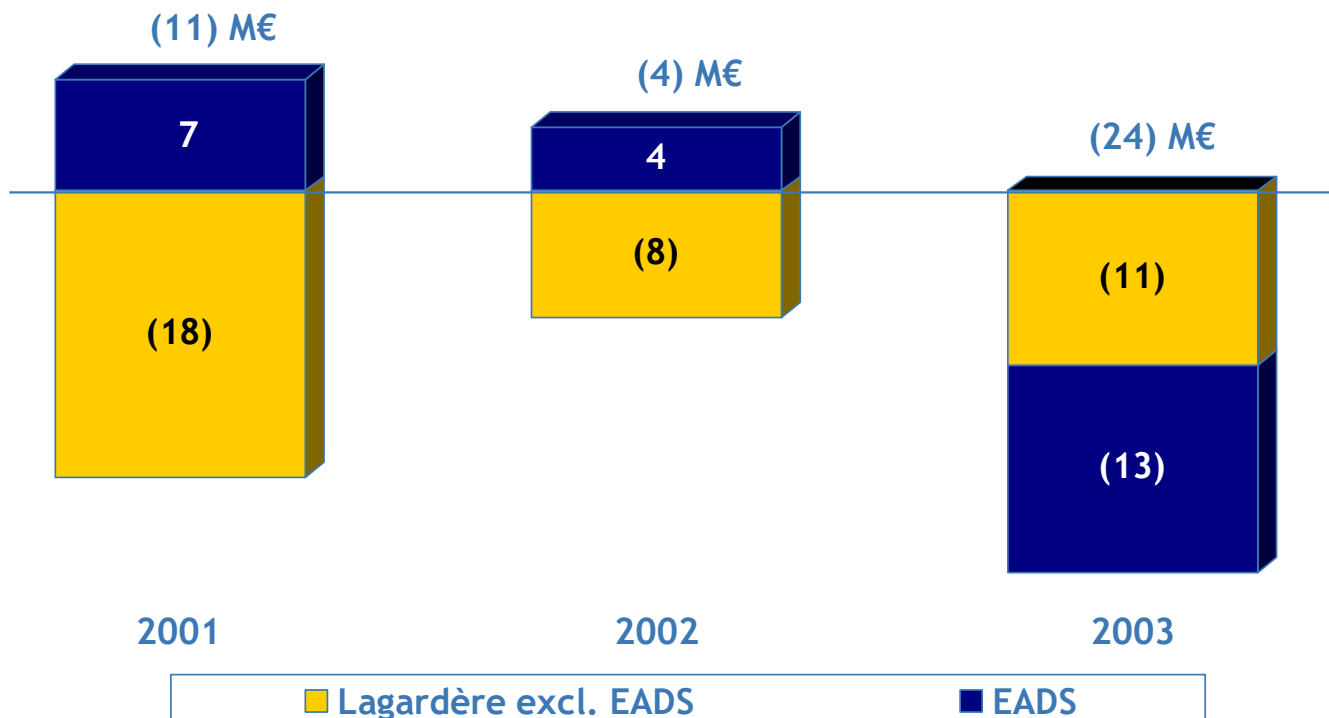
Net income from companies accounted for by the equity method



- *CanalSatellite* contribution growing strongly +27 M€ (vs +16 M€ in 2002)
- Equity stake in *multiThématiques* depreciated by -36 M€ in 2003 (-68 M€ in 2002)



Minority interests





Consolidated Income Statement

(M€)	2001			2002				2003		
	Excl. EADS	EADS	Total	Excl. EADS & Auto	Auto	EADS	Total	Excl. EADS & Auto	EADS	Total
Sales	8 809	4 486	13 295	8 095	782	4 339	13 216	7 944	4 510	12 454
Operating Income	410	104	514	370	7	63	440	439	232	671
Interest Income (expense)	(4)	(11)	(15)	(339)	37	(29)	(331)	62	(20)	42
Current Income	406	93	499	31	44	34	109	501	212	713
Non-oper. Income (exp.)	(110)	463	353	(77)	(273)	(21)	(371)	(30)	(49)	(79)
Other	(132)	(93)	(225)	21	0	(46)	(25)	(197)	(79)	(276)
Net Income before minority interests	164	463	627	(25)	(229)	(33)	(287)	274	84	358
Minority interests	(18)	7	(11)	(8)	0	4	(4)	(11)	(13)	(24)
Net Income	146	470	616	(33)	(229)	(29)	(291)	263	71	334



Net income (excl. EADS)

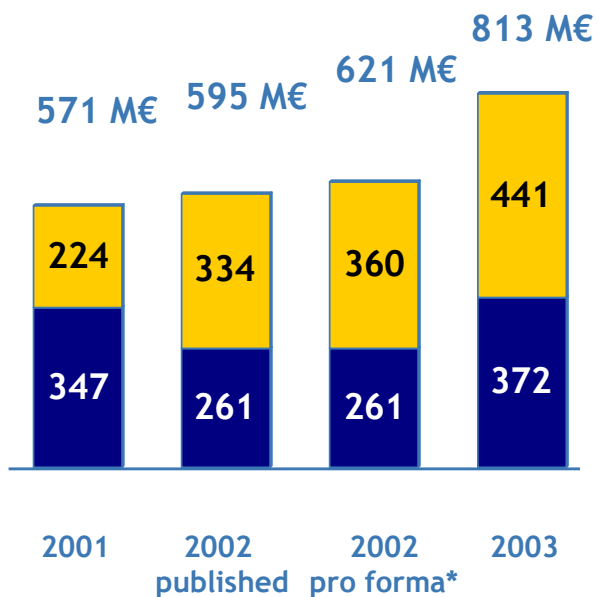
- excluding non recurring items

(M€)	2002	2003
<u>Net income (excluding EADS)</u>	<u>(262)</u>	<u>263</u>
Matra Automobile -excluding <i>Spare parts</i> activity	283	
Capital gain on Renault shares disposal		(40)
<i>T-Online</i>	83	(97)
- financial	278	(121)
- tax	(195)	24
<u>Net income (excl.EADS) excluding non-recurring items</u>	<u>104</u>	<u>126</u>
Intangible Assets depreciation	84	89
Net income excluding EADS and non recurring items (after Intangible Assets depreciation)	<u>188</u>	<u>215</u>

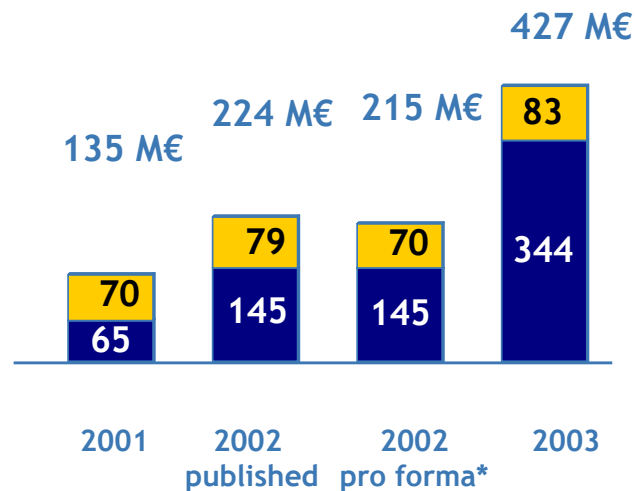


Operating Cash Flows & Investing Activities

Cash flow from operations



Change in working capital



* Excluding *Automobile*



Statement of Cash Flows

(M€)	2002				2003		
	Excl. EADS & Auto	Auto	EADS	Total	Excl. EADS	EADS	Total
Cash flow from operations	360	(26)	261	595	441	372	813
Change in working capital	70	9	145	224	83	344	427
Total operating cash flow	430	(17)	406	819	524	716	1 240
Investments	(1 658)	(33)	(633)	(2 324)	(270)	(635)	(905)
<i>Tangible & intang. Inv.</i>	(229)	(33)	(349)	(611)	(208)	(445)	(653)
<i>Financial Investments</i>	(1 429)*	-	(284)	(1 713)*	(62)	(190)	(252)
Divestitures	61	2	185	248	231	81	312
Marketable securities	-	-	(63)	(63)	21	46	67
Investing activities	(1 597)	(31)	(511)	(2 139)	(18)	(508)	(526)
Net cash flow from oper. & invest. activities	(1 167)	(48)	(105)	(1 320)	506	208	714

* including 1 180 M€ cash advance to *Groupe Natexis Banques Populaires* regarding *EDITIS* assets acquisition

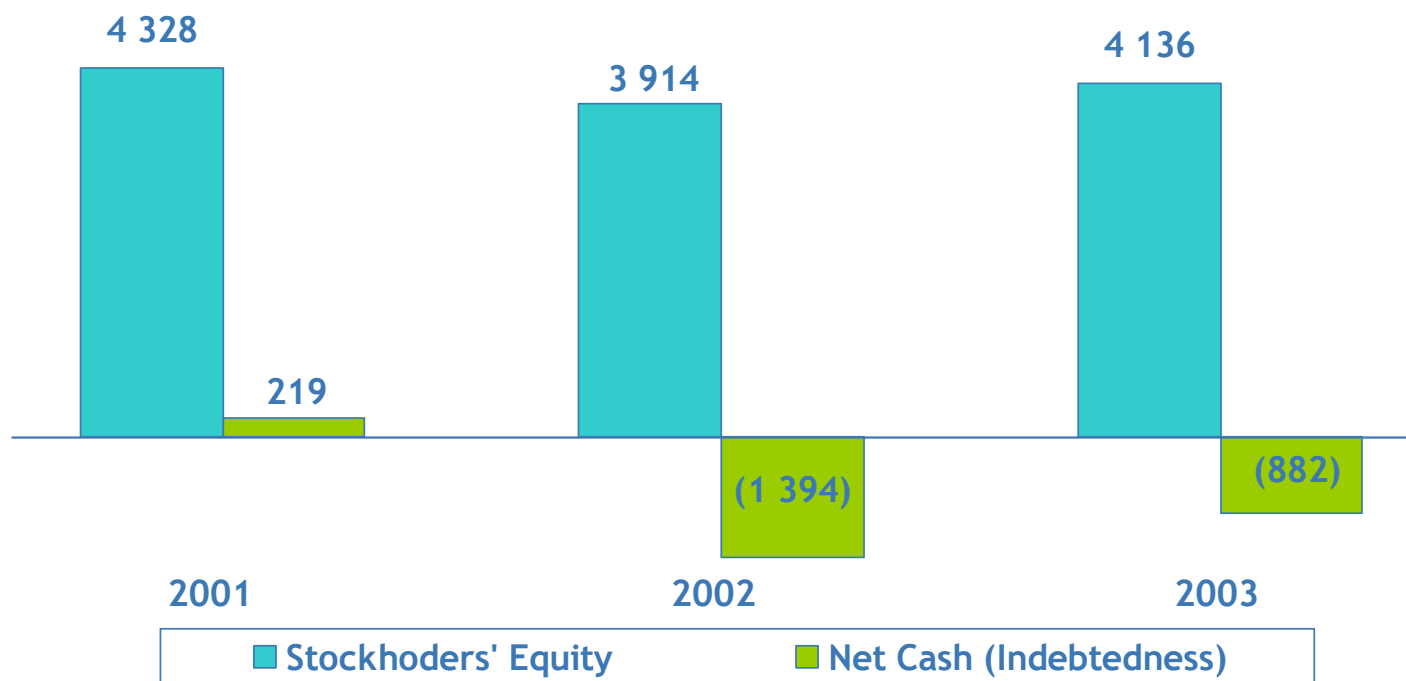


Balance Sheet

(M€)	31/12/2002				31/12/2003		
	Excl. EADS & Auto	Auto	EADS	Total	Excl. EADS	EADS	Total
Fixed assets	6 983	118	2 830	9 931	6 577	2 869	9 446
Current assets	3 334	460	4 445	8 239	3 631	4 880	8 511
<i>of which cash & equivalent</i>	1 193	307	943	2 443	1 436	1 214	2 650
TOTAL ASSETS	10 317	578	7 275	18 170	10 208	7 749	17 957
Stockholders' equity	3 377	-	953	4 330	3 407	1 145	4 552
Contingencies	996	203	1 162	2 361	996	1 205	2 201
Financial debts	3 359	15	750	4 124	3 102	717	3 819
Current liabilities	2 585	360	4 410	7 355	2 703	4 682	7 385
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	10 317	578	7 275	18 170	10 208	7 749	17 957



Stockholder's Equity * & Net Cash (Indebtedness) *





Net Cash (Indebtedness)*

(M€)	31.12.2002	2003 Changes	31.12.2003
<u>Net Cash (Indebtedness)</u>	<u>(1 394)</u>	<u>512</u>	<u>(882)</u>
EADS	193	304	497
T-Online	401	121	522
Matra Automobile	292	(292)	-
<u>Net Cash (Indebtedness)</u> excl. EADS, T-Online & Automobile	<u>(2 280)</u>	<u>379</u>	<u>(1 901)</u>



Lagardère - Financial debt maturities (excl. EADS)

(M€) as of 12.31.2003	Less than one year	1 to 5 years	Over 5 years	Total
Perpetual subordinated notes (1992)	-	-	287	287
Bonds	120	1 077 ⁽¹⁾	504	1 701
Bank borrowings	28	808 ⁽²⁾	-	836
Leasing contracts	19	45	37	101
Other	17	8	6	31
Short-term borrowings	146	-	-	146
TOTAL	330	1 938	834	3 102

Marketable securities⁽³⁾, cash & equivalents (excl. EADS) : 1 436 M€

(1) 790 M€ maturing from 1 to 2 years, of which 768 M€ relates to *Lagardère* exchangeable bond into *T-Online* shares

(2) 700 M€ syndicated loan maturing in 2008

(3) of which 522 M€ relates to *T-Online*



Commitments and contingent liabilities (excl. EADS)

(M€)	31.12.02	31.12.03
Operational related guarantees (incl. 122 M€ regarding <i>EDITIS</i> acquisition)	335	248
Mortgages & Collaterals	-	8
Share repurchase commitments - Commitments to repurchase shares at a fixed price	13	15
Financial instruments used to hedge positions on currency and interest rates		
- Foreign currency risk	39	37
- Interest rate risk	212	401
- Combined hedgings (currencies & interest rates) mainly related to 2001 private placement	477	598
- Perpetual subordinated notes		
• Currencies (1988 perpetual subordinated notes)	441	166
• Interest rates		
→ 1988 perpetual subordinated notes	1 235	467
→ 1992 perpetual subordinated notes	419	450
Commitments received	33	23



Other informations (excl. EADS)

(M€)	31.12.03
Rental commitments	645
- 2004	139
- 2005	121
- 2006	96
- 2007	82
- 2008	60
- 2009 and beyond	147
Mark to market value of financial instruments (*) (*) financial instruments exclusively dedicated to financial assets and liabilities hedging	(146)
Securitization	
- securitized outstanding receivables	(331)
- guarantee deposits	102
Unused lines of credit	1 589



P

rofitability improvement plan



**1st phase (2001-2003)
of profitability improvement plan
completed**

Cumulated savings: 171 M€

Contributing to Lagardère Media operating margin improvement

3,7 % in 1998 ⇒ 5,4 % in 2003



Impact phasing by media segment

(M€)	Cumul. impact 2001/2002	Cumul. impact end of 2003
Books	10	12
Press	51	76
Distribution Services	20	36
Lagardere Active	40	47
Lagardère Media	121	171

plan to be pursued
2004 objective 35 M€



Data by business segment

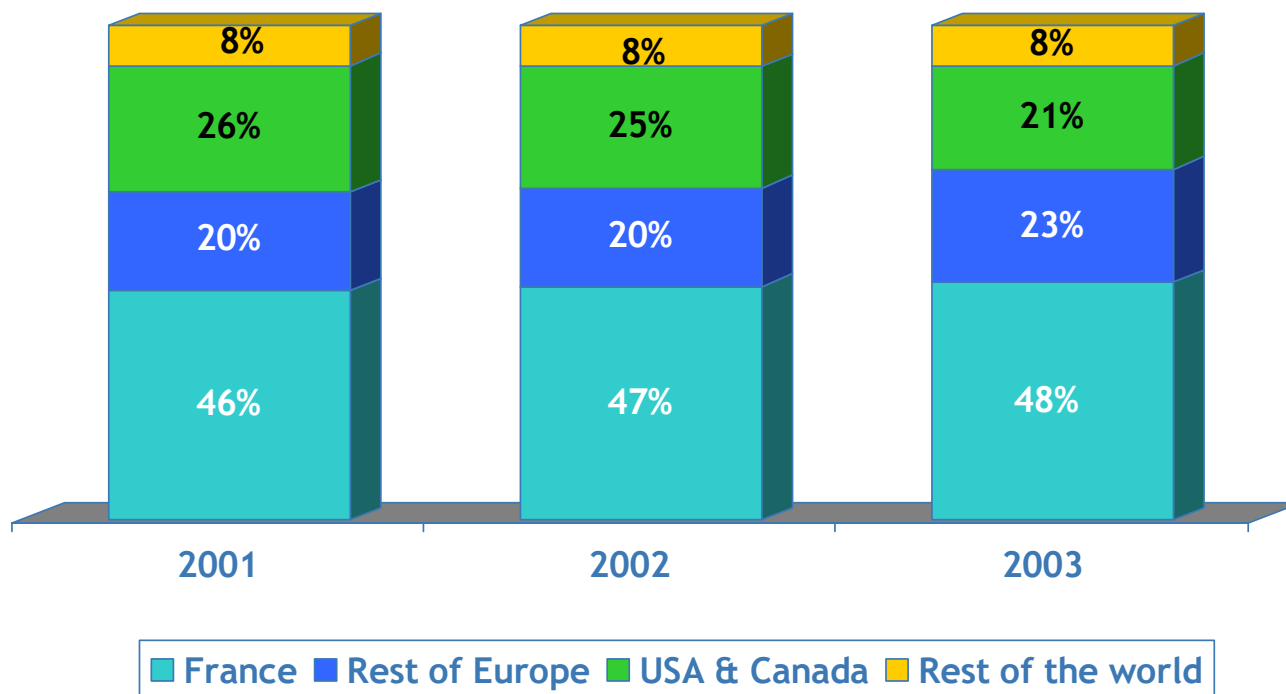


Sales by business segment

(M€)	2001	2002	2003
<i>Books</i>	846	950	959
<i>Press</i>	2 336	2 113	2 072
<i>Distribution Services</i>	3 853	4 464	4 333
<i>Lagardere Active</i>	633	568	580
Lagardère Media	7 668	8 095	7 944
EADS	4 486	4 339	4 510
Automobile	1 141	782	-
TOTAL	13 295	13 216	12 454

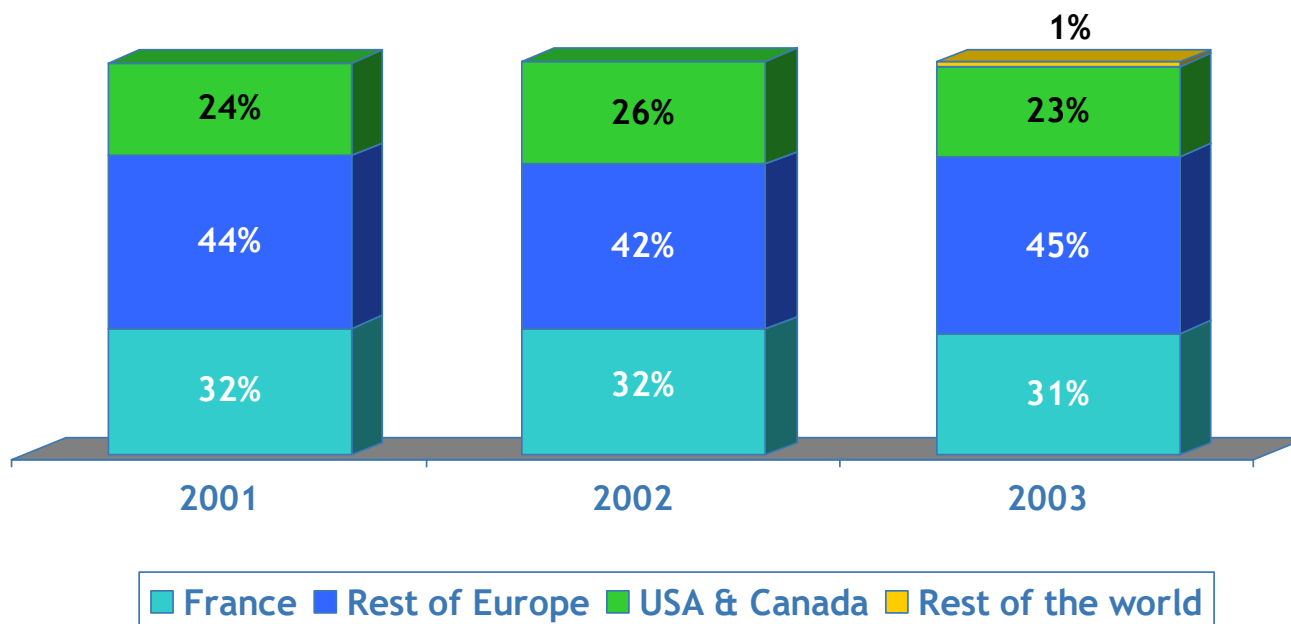


Press - Sale breakdown by geographical area





Distribution Services - Sale breakdown by geographical area





Operating income by business segment

(M€)	2001	2002	2003
<i>Books</i>	65	91	107
<i>Press</i>	203	192	201
<i>Distribution Services</i>	81	88	92
<i>Lagardere Active</i>	4	14	27
Lagardère Media	353	385	427
EADS	104	63	232
Automobile	66	7	-
Other	(9)	(15)	12
Operating income	514	440	671



Lagardère Media - Income Statement

(M€)	2001	2002	2003
Sales	7 668	8 095	7 944
Operating income	353	385	427
Interest income (expense) (*)	(240)	(363)	55
Current income	113	22	482
Non-operating income	(46)	(53)	(28)
Associates	59	15	47
Net income before income tax	126	(16)	501
Operating margin - <i>Lagardère Media</i>	4,6%	4,8%	5,4%
Operating margin - excl. <i>Distribution Services</i>	7,1%	8,2%	9,3%

(*) incl.(prov.) & prov. take-back on *T-Online*

(157)

(278)

121



Lagardere Active Broadcast & Broadband - Sales & Operating income breakdown

(M€)	2002				2003			
	Broadcast		Broadband	Lagardere Active	Broadcast		Broadband	Lagardere Active
	Radio	TV...			Radio	TV...		
Sales	272	190	106	568	287	222	71	580
Operating income	37	(14)	(9)	14	40	(8)	(5)	27



Lagardère Media - Statement of Cash Flows

(M€)	2001	2002	2003
Cash flow from operations	269	357	428
Change in working capital	27	37	135
Total operating cash flow	296	394	563
Investments	(721)	(1 643)	(261)
<i>Tangible & intangible Inv.</i>	(268)	(228)	(206)
<i>Financial Investments</i>	(453)	(1 415)*	(55)
Divestitures	117	26	89
Investing activities	(604)	(1 617)	(172)
Net cash flow from operations & investing activities	(308)	(1 223)	391

* including 1 180 M€ cash advance to *Groupe Natexis Banques Populaires* regarding *EDITIS* assets acquisition



Lagardère Media - 2003 Statement of Cash Flows by division

(M€)	Books	Press	Distribution Services	Lagardere Active	Lagardère Media
Cash flow from operations	83	136	112	97	428
Change in working capital	24	51	35	25	135
Total operating cash flow	107	187	147	122	563
Investments	(18)	(43)	(59)	(141)	(261)
<i>Tangible & intangible Inv.</i>	(9)	(28)	(55)	(114)	(206)
<i>Financial Investments</i>	(9)	(15)	(4)	(27)	(55)
Divestitures	27	15	5	42	89
Investing activities	9	(28)	(54)	(99)	(172)
Net cash flow from operations & investing activities	116	159	93	23	391



Lagardère Media - 2002 Statement of Cash Flows by division

(M€)	Books	Press	Distribution Services	Lagardere Active	Lagardère Media
Cash flow from operations	69	118	115	55	357
Change in working capital	21	31	(15)	-	37
Total operating cash flow	90	149	100	55	394
Investissements	(1 204)	(193)	(78)	(168)	(1 643)
<i>Tangible & intangible Inv.</i>	(15)	(37)	(64)	(112)	(228)
<i>Financial Investments</i>	(1 189)*	(156)	(14)	(56)	(1 415)*
Divestitures	1	2	11	12	26
Investing activities	(1 203)	(191)	(67)	(156)	(1 617)
Net cash flow from operations & investing activities	(1 113)	(42)	33	(101)	(1 223)

* including 1 180 M€ cash advance to *Groupe Natexis Banques Populaires* regarding *EDITIS* assets acquisition



EADS - Income Statement ...

... from EADS as reported to Lagardère format

(M€)	EADS 100% as reported	Reclassifications					EADS 100% Lagardère format
		Capital gains & losses	Restructuring charges	Goodwill amortiz.	Income from associates	Financial asset deprec.	
Sales	30 133						30 133
Operating income	561	(28)	361	567		96	1 557
Interest income (expense)	131				(224)	(96)	(189)
Non-operating income		28	(361)				(333)
Tax	(474)						(474)
Associates					224		224
Goodwill Amortization				(567)			(567)
Minority interests	(66)						(66)
Net income	152	-	-	-	-	-	152



EADS - Income Statement restated

(M€)	EADS 100% Lagardère Format	Restatements			EADS restated 100%	Share in EADS 15.067%
		Forex restatsts	Goodwill restatsts	Cash equivalent depreciation (*)		
Sales	30 133	(197)			29 936	4 510
Operating income	1 557	(161)	149		1 545	232
Interest income (expense)	(189)	9		41	(139)	(20)
Non-operating income	(333)		6		(327)	(49)
Tax	(474)	55	(56)		(475)	(72)
Income from Associates	224		26		250	38
Goodwill Amortization	(567)		271		(296)	(45)
Minority interests	(66)	20	(41)		(87)	(13)
Net income	152	(77)	355	41	471	71

(*) EADS treasury stocks recorded as Cash equivalent and restated at market value



EADS - Contribution to Lagardère Income statement

(M€)	2001	2002	2003
Sales	4 486	4 339	4 510
Operating income	104	63	232
Interest income (expense)	(11)	(29)	(20)
Current income	93	34	212
Non-operating income	463	(8)	(49)
Associates	18	20	38
Net income before tax	574	46	201
Operating margin	2,3%	1,5%	5,1%



EADS - Contribution to Lagardère Statement of Cash Flows

(M€)	2001	2002	2003
Cash flow from operations	347	261	372
Change in working capital	65	145	344
Total operating cash flow	412	406	716
Investments	(501)	(633)	(635)
<i>Tangible & intangible Inv.</i>	(332)	(349)	(445)
<i>Financial Investments</i>	(169)	(284)	(190)
Divestitures	214	185	81
Marketable securities	(59)	(63)	46
Investing activities	(346)	(511)	(508)
Net cash flow from operations & investing activities	66	(105)	208



EADS - Balance sheet restated and Contribution to Lagardère Balance sheet

(M€)	EADS 100%	Lagardère Reclassifications	Lagardère Restatements	EADS restated 100%	EADS restated 15,036%
Fixed assets	25 271		(6 193)	19 078	2 869
Current assets	29 107	11 011	(7 658)	32 460	4 880
<i>of which cash & equiv.</i>	7 872		200	8 072	1 214
TOTAL ASSETS	54 378	11 011	(13 851)	51 538	7 749
Stockholders' equity	18 328		(10 712)	7 616	1 145
Contingencies	8 726	2 430	(3 139)	8 017	1 205
Financial debts	4 767			4 767	717
Current liabilities	22 557	8 581		31 138	4 682
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	54 378	11 011	(13 851)	51 538	7 749



Lagardère - «Headquarters & non-operating branch» results

(M€)	2001	2002	2003
Operating income	(9)	(15)	12
Net interest income (expense) incl. preferred remunerations	214*	14	(1)
Non-operating income	(1)	(8)	51**
TOTAL	204	(9)	62

* including capital gain on *EADS* « excess » shares materialized in January 2001 +210 M€

** including capital gain on *Renault* shares materialized in February 2003 +40 M€



Lagardère - Results summary

(M€)	2001	2002 published	2002 pro forma*	2003
Lagardère Media	126	(16)	(16)	501
EADS	574	46	46	201
Automobile	53	(229)	S/O	S/O
Other	204	(9)	(9)	62
Tax	(168)	143	143	(193)
Income before goodwill and other intangibles amortization & minority interests	789	(65)	164	571
Amortization of goodwill and other intangibles	(162)	(222)	(222)	(213)
Net income - before minority interests	627	(287)	(58)	358
Minority interests	(11)	(4)	(4)	(24)
Net income	616	(291)	(62)	334



Significant events

SUMMARY

> 2003 Performance:

- Revenues: +3.5% on a like-for-like basis
+ 0.9% as published
- Operating income: up 17.5%

> Acquisition of ~40% of Editis assets which, for Hachette Livre, represents:

- the integration of Larousse, Dalloz, Dunod, Armand Colin, and Anaya in Spain
- a development on market segments where it had minor presence: dictionaries and academic
- key strategic position in the Hispanic-speaking market significantly increased due to Anaya
- the rise from the No. 11 to the No. 6 position worldwide

GENERAL LITERATURE

Fayard

- > 2 titles with over 200,000 copies
- > 5 titles with over 100,000 copies

Grasset

- > Interallié Prize for Frédéric Beigbeder
- > high-school student's Goncourt Prize for Yann Apperry
- > Médicis Prize for essays for Michel Schneider

Stock

- > Renaudot Prize, *Lire* Magazine Prize for Philippe Claudel

Lattès

- > Its authors now appear on bestseller lists

Livre de Poche

- > Strong growth in sales generated by the 50th anniversary of the brand

EDUCATION

> Performance in line with objectives

HACHETTE ILLUSTRATED

> Strong growth in the Children and “How to” book segments

DISTRIBUTION

> Improved productivity and processes enabling to post very good results, in particular thanks to a high volume

PARTWORKS

> The successful international deployment proves the originally adopted strategy format pertinent

FOREIGN SECTION

Great Britain

- > Refocusing of Octopus Publishing Group towards publishing illustrated books for adults
- > Sale of Brimax, the children division
- > Acquisition of Godsfield Press business assets

Canada

- > Disposal of the 50% stake in Editions CEC, Inc. to its joint shareholder Québecor Média, Inc. This is a consequence of the regulation that prevents Hachette Livre from being an operator or accelerating development in Canada

2004 OUTLOOK

- > New stage of profitable development as a result of expanded consolidation scope
- > The 2003 performance is the most certain guarantee that this next stage will be successful

SUMMARY

> 2003 Performance:

- Revenues: +1.1% on a like-for-like basis
-1.9% as published
- Operating income: up 5%

> Consolidation of Hachette Filipacchi Médias' positions worldwide:

- Rationalizing activities in France
- Finalizing integration of acquisitions in the United Kingdom
- Continuing development in China and Russia

> Increased profitability

- Improved advertising revenues
- Cost-cutting plan

> Business growth partially offset by foreign exchange variations

MAGAZINE PUBLISHING – FRANCE

- > Acquisition of 100% of the shares of Bonnier and of *Action Auto-Moto* (Excelsior Publications)
- > Sale of video titles (Hachette Digital Press)
- > Very satisfactory launch of *Public*, circulation in line with objectives
- > Newsstand sales are up over 1% (on a like-for-like basis) and subscriptions continue to increase
- > *Entrevue* registered double-digit growth in its circulation revenues
- > Interdeco has stabilized advertising revenues amid continued market decline
- > A major reorganization of the division (PMF) has allowed it to significantly increase its profitability

INTERNATIONAL MAGAZINE PUBLISHING

United States:

- > Uptick in the U.S. advertising market in the fourth quarter 2003 benefiting *Woman's Day*, *Elle* and automobile magazines
- > Drop in newsstand sales of *Woman's Day* partially offset by an increase in subscription sales

Italy:

- > Activity on the upsurge, especially due to the good performance of *Elle*
- > Successful acquisition of *Marie Claire* (end of 2002) and launching of its spin-offs: *Marie Claire Maison* and *Marie Claire Accesories*

Spain:

- > Successful integration of two new decoration titles
- > Growth of activity , especially due to the good performance of *Elle* and *Diez Minutos*
- > Drop in advertising offset by increased distribution related to the association of titles with *La Razon*

INTERNATIONAL MAGAZINE PUBLISHING

Japan:

- > Steady activity on a like-for-like basis: growth in advertising revenues, but drop in circulation
- > Take-over of the Japanese edition of *Marie Claire* in April 2003

United Kingdom:

- > Operational takeover and integration of the 2002 acquisitions
- > Advertising revenues up, despite some tensions in circulation

Russia:

- > Increase in advertising revenues, mainly for *Elle*
- > *Maxim*, in its second year since launching, already profitable

China:

- > Strong increase in advertising revenues for *Elle*
- > Satisfactory performance of *Marie Claire* for its first year since launching

DAILY PRESS AND SUPPLEMENTS

- > Context of declining circulation of daily newspapers, offset by growth in local advertising
- > *Marseilleplus* (free paper) results in line with business plan
- > Continuation of outstanding performance of *Version Femina*

PHOTO SECTOR AND OTHER BUSINESSES

- > Photo Sector
 - Results greatly improved due to the restructuring initiated in early 2002
 - Implementation of a second restructuring plan which is expected to be operational late 2004
- > Refocusing of the activity of Hachette Filipacchi Films
- > Growth of licensing activities partially offset by the depreciation of currencies against the Euro

2004 OUTLOOK

- > Hachette Filipacchi Médias will continue to invest in new launches:
 - *Psychologie* will be integrated into its international network
 - *Oh La!* will be published by its French Magazine Publishing division

- > Hachette Filipacchi Médias is also poised to take advantage of any improvement in the economic environment

SUMMARY

> 2003 Performance:

- Revenues: +2.2% on a like-for-like basis
-2.9% as published
- Operating income: up 4.2%

> In 2003, Hachette Distribution Services reached its objectives:

- Strengthening the activity of its main brands
- Developing new marketing concepts
- Acquiring and renewing concession contracts in transportation locations

> A difficult economic environment marked by:

- The war in Iraq, fear of terrorist attacks, SARS
- The stagnation - and even in certain areas the decrease - of tourism
- The significant drop in music sales worldwide

PRESS DISTRIBUTION

Spain

- > 3.9% revenue growth due to the dynamism of national magazine funds
- > Successful industrial integration of the RBA fund
- > No. 1 national press distributor with over 20% market share

United States

- > Consolidation year (1.2% increase in revenues of Curtis - at a constant foreign exchange rate)
- > Extension of the agreement with American Media

Hungary, Belgium:

- > Significant activity increase (+12.2% in Hungary, +8.3% in Belgium)

Switzerland

- > Steady activity (+0.4%)

RETAIL BUSINESS: RETAIL OUTLETS IN TRANSPORTATION LOCATIONS

Relay

- > Continued network consolidation: 1,150 stores in 13 European and North American countries
- > Continued development of business model spin-offs
- > In France, slight increase in revenues of Relais H (0.6%)
- > Satisfactory growth in Belgium (+8.8%)
- > Activity disruption in Germany (-0.5%)
- > Strong development in central Europe, particularly in Poland, Hungary and the Czech Republic
- > Slump in North America

Aelia

- > Consolidated revenues down 10.9% versus 2002
- > Strengthening of its position as No. 1 in France and No. 5 worldwide in airport outlets

RETAIL BUSINESS: STORES SPECIALIZING IN BOOKS, VIDEO AND MULTIMEDIA

- > 2.4% increase in global sales of Virgin Megastore
- > Network stabilized at 33 Virgin Megastores, plus 11 stores under the brand name of Furet du Nord
- > Continued development of the Virgin brand in transportation locations

2004 OUTLOOK

- > Growth prospects tied to growth in airport traffic
- > Maintaining regular growth in core businesses
- > Penetrate new markets through revenue growth or acquisitions (on an opportunistic and synergistic basis, only)

AUDIOVISUAL

- > Acquisitions or creations of production companies in the stock (Timon Animation, AKA Films) and one-off production segments (B3Com, Phare Ouest Productions)
- > Restructuring of the distribution activities with the acquisition of Soloveicik et Cie

Theme channels

- > The regulatory authority (CSA) has awarded licenses to 3 Group channels included in TNT
- > Continued subscription growth of CanalSatellite (2.75 million* as of 12/31/2003)
- > Mediacabsat study of September 2003/February 2004 confirmed the leading positions of MCM and Canal J/Tiji for their respective targets
- > Divestment of MCM Africa, which is now branded Trace TV

Production

- > 30 of the top 100 ratings in 2003, half of the best fiction ratings
- > Production of almost 900 hours of programs

** Including group subscribers & overseas French territories*

ADVERTISING SPACE AND AIRTIME SALES

> Good marketing performance for music stations, GIE Les Indépendants, RTL9 and Lagardère theme channels Canal J and MCM

NEW MEDIA

> In 2003, Lagardere Active Broadband moved towards the publishing and production of mobile services (SMS, MMS, Wap, i-mode) targeted at operators and media through the development the following services:

- personalization of the mobile phone (downloading of logos and ring tones under the brand Virginmega.fr)
- communities (chat rooms, meetings)

> Already present in Germany, Greece and England, Lagardere Active Broadband also set up a presence in the United States in June 2003

RADIO

Europe 1

- > 23.6% increase in operating income over 2002, despite a slight drop in revenues (-2.1%)
- > Performance achieved through programming cost savings (reorganization of the editorial team), lower promotional expenses

FM division

- > Significant revenue growth (+9.9%)
- > Strong increase in operating income (+26.9%)

Lagardere Active Radio International (formerly Europe International Development)

- > +26.7% increase in operating income over 2002, especially due to Russia and the Czech Republic

SUMMARY

- > Close down of the automobile manufacturing business on April 20, 2003 following the commercial failure of AVANTIME
- > Sale of all the engineering, testing and prototype businesses, including CERAM, D3 and PLAZOLLES subsidiaries to PININFARINA (closing on September 16, 2003)
- > Settlement of the situation of the MVC composite subsidiary
- > Continuation of the spare parts activity with the RENAULT network

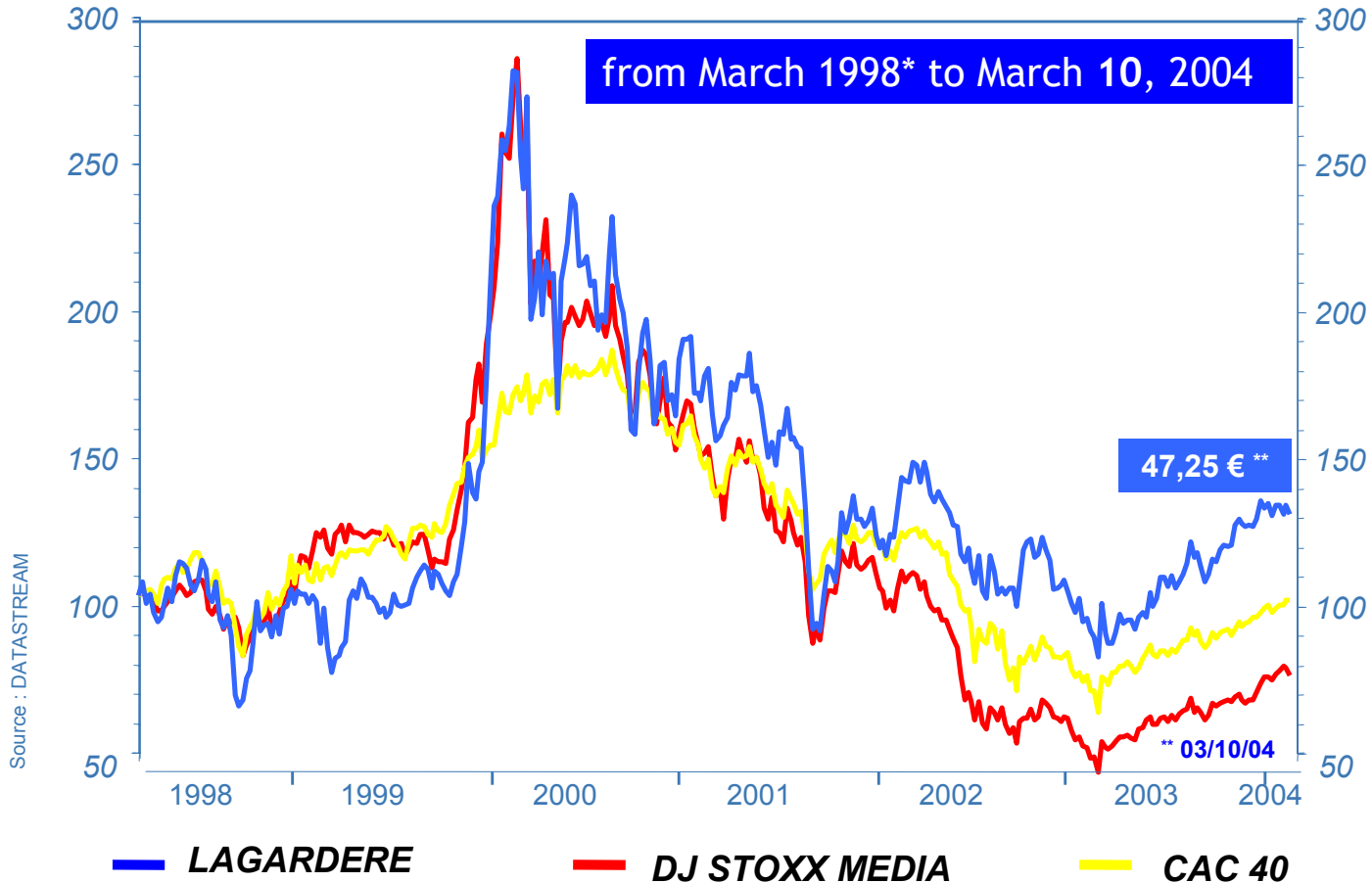
ACTIVITY

- > Signature of agreements with RENAULT terminating our industrial automobile manufacturing business
- > Settlement of supplier disputes, including with MVC
- > Management of job-saving plans through a re-classification unit in each facility for a 2-year term
- > Signing on June 30, 2003 of an agreement with the government under Section 118 of the Law Respecting Social Modernization for the Revitalization of the Employment Area of ROMORANTIN, 50% of which is funded by RENAULT
- > Signing of a promise to sell the fixed assets of ROMORANTIN 3 to FUTURA FINANCES, the objective of which is to create 150 jobs by mid-2004.



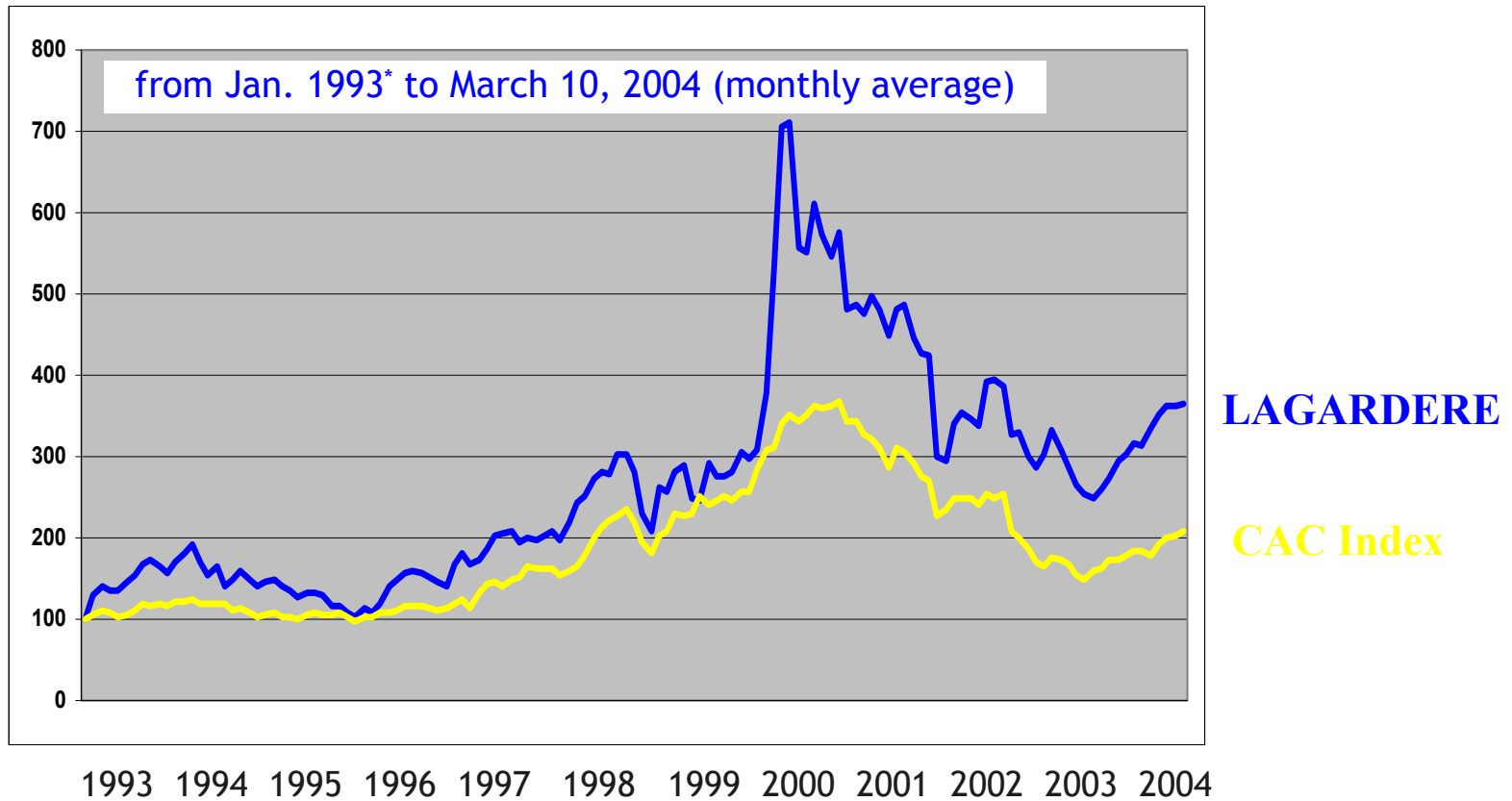
Lagardère stock performance

LAGARDERE share price - Lagardere vs. "CAC 40" & "DJ STOXX MEDIA"



* Arnaud Lagardère appointed as General Partner and taking over Lagardère Media

Share price performance - LAGARDERE vs. CAC40



January, 1993* - Share price base: 100 = € 13 (FRF 85)

* Dec. 1992 - Merger of MATRA and HACHETTE leading to the formation of LAGARDERE