

# Annual Shareholders Meeting

May 13, 2003



# Table of contents

- ✓ 2002 Consolidated statements p. 3 to 30
- ✓ Data by business segment p. 31 to 46
- ✓ Significant events p. 47 to 65
- ✓ Lagardère stock performance p. 66 to 68



# 2002 Consolidated statements





# Principal changes in consolidated Companies

## Businesses

### Book publishing

#### *OCTOPUS*

Balance Sheet : full consolidation (100%) as of December 31, 2001  
Income Statement : full consolidation (100%) as of January 1, 2002

#### *BRUÑO*

Full consolidation (100%) as of January 01, 2002





# Principal changes in consolidated Companies

## Businesses

### Press

#### Acquisitions

*Marie-Claire* : Equity method (42%) as of April 1, 2001

*Zurban* : Full consolidation as of January 1, 2002

*EDIF*\* : Full consolidation as of January 1, 2002  
(Proportional consolidation (50%) in 2001)

\* *Elle and Elle Decor publishing activities in Italy*

#### Hachette Filipacchi U.K.

*Attic Futura* : Full consolidaton 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)

#### Printing Activities

France\*\*, Belgium\*\* : Deconsolidation as of December 31, 2001

\*\* *Helio Corbeil, Graphic Brochage and Helio Charleroi*





# Principal changes in consolidated Companies

## Businesses

<b>Distribution Services</b>	<p><u><b>VIRGIN</b></u> Full consolidation (100%) as of August 1, 2001</p> <p><u><b>NEWSLINK</b></u> Proportional consolidation (40%) as of January 1, 2002</p>
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# Principal changes in consolidated Companies

## Businesses

### Audiovisual

#### Lagardere Active Broadcast

#### Lagardere Active Broadcast

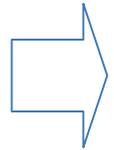
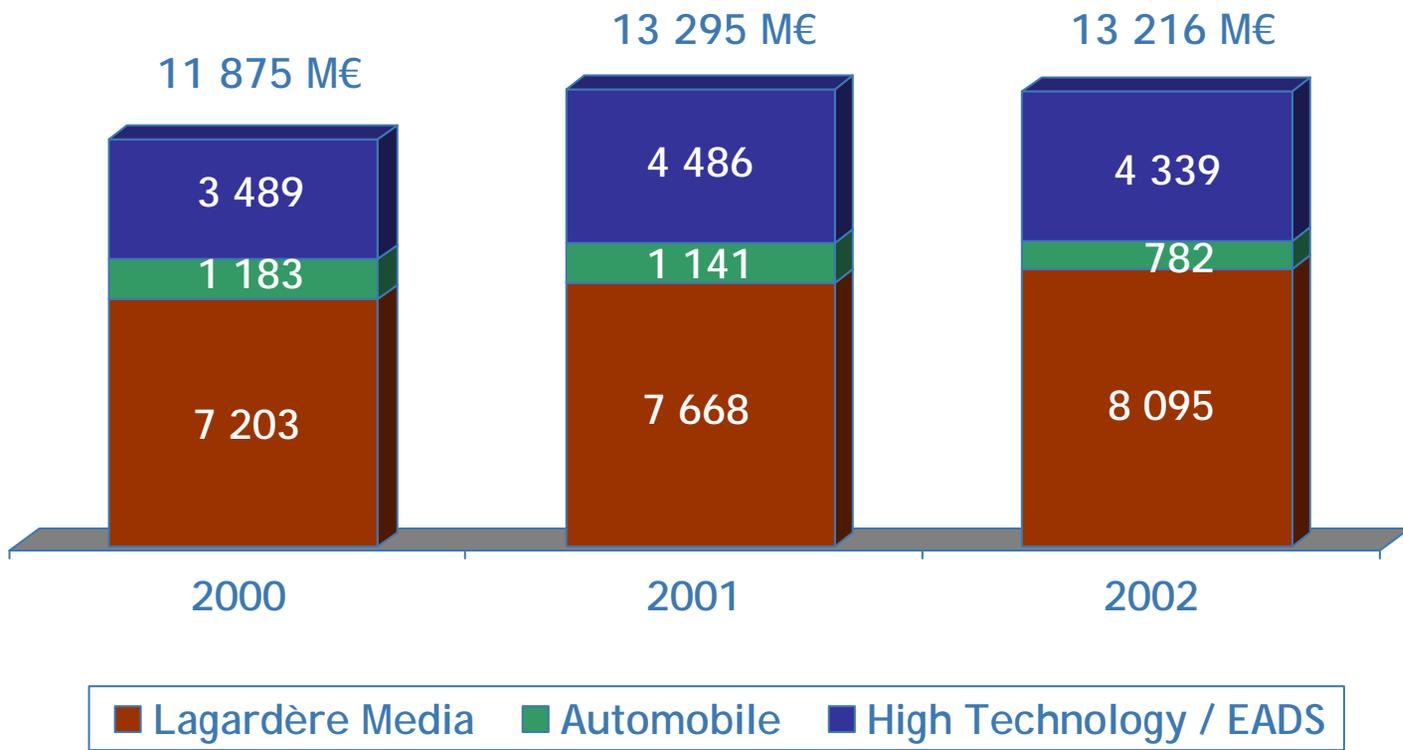
2002 includes January to December (12 months)

2001 included October 2000 to December 2001 (15 months)





# Sales by business segment

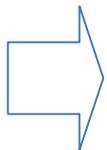
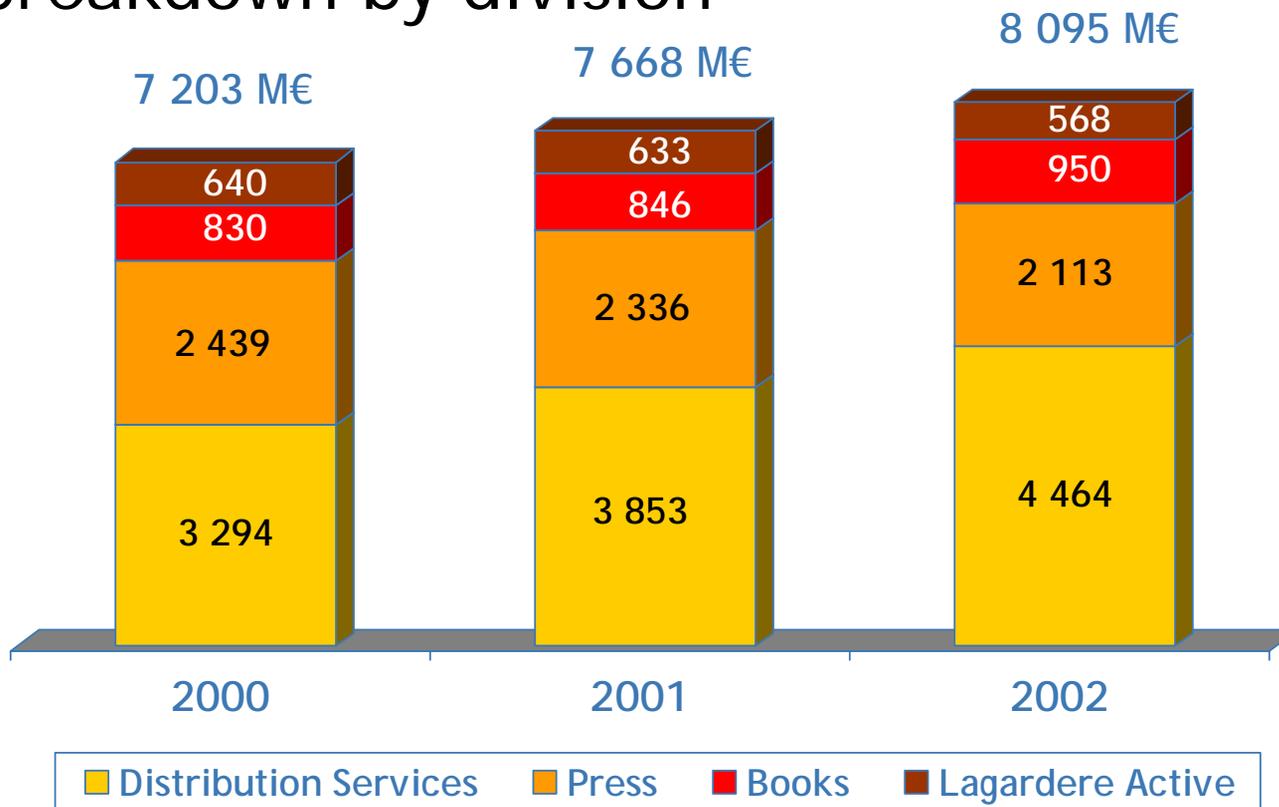


- Stable total revenues (-0.6 %)
- Solid revenue growth for *Lagardère Media* (+5.6 %)



# Lagardère Media

## Sale breakdown by division

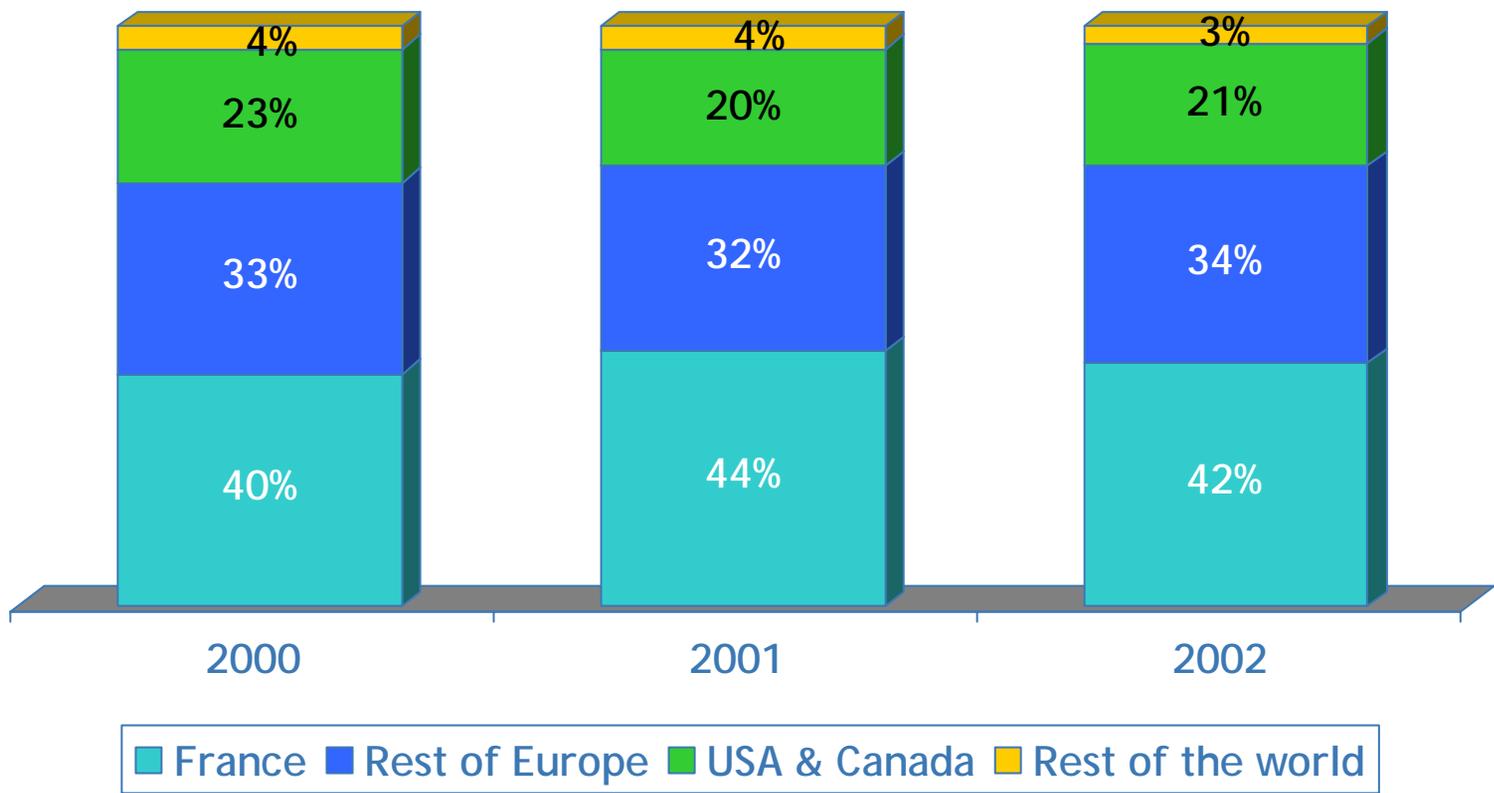


Growth on a like for like basis : +7.8 %



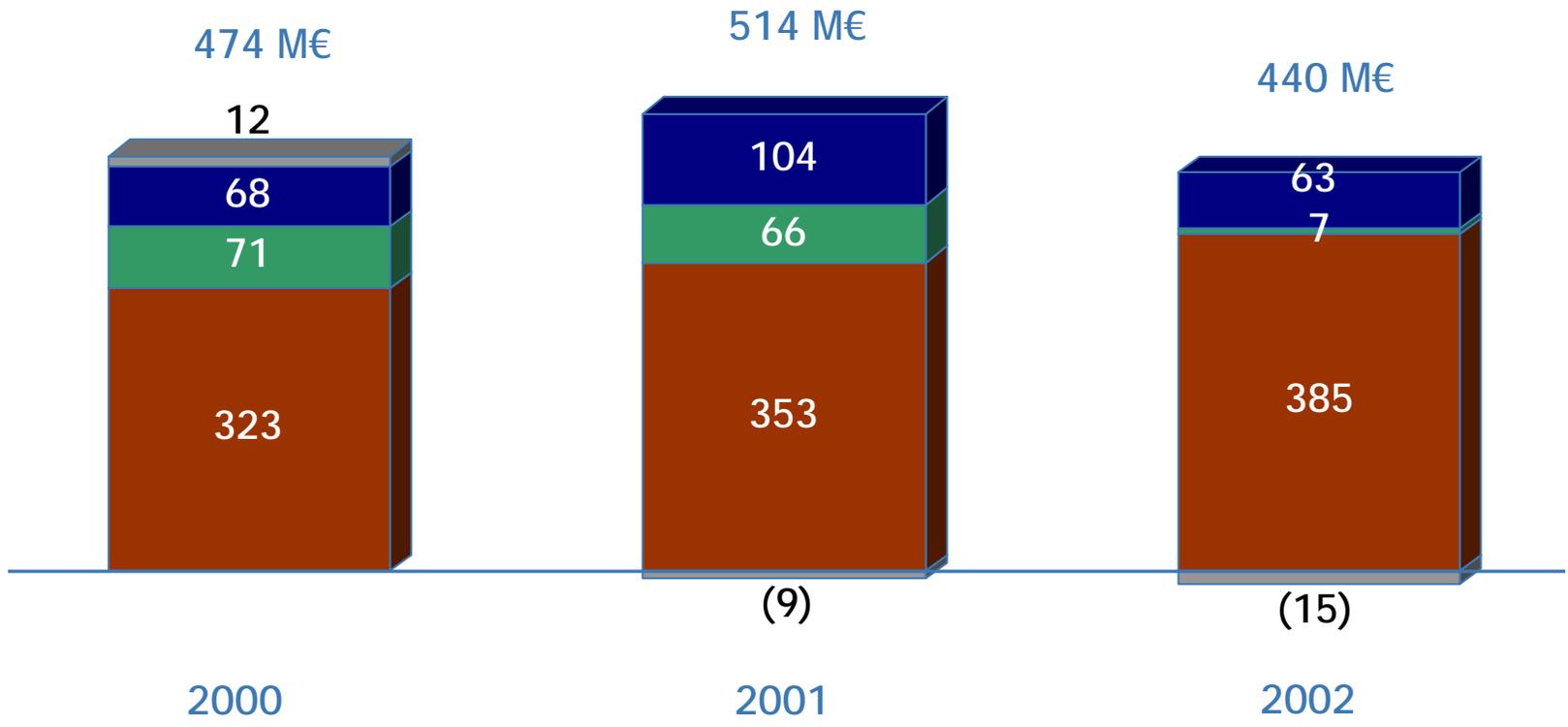
# Lagardère Media

## Sale breakdown by geographical area





# Operating income by business segment



■ Lagardère Media   
 ■ Automobile   
 ■ High Technology / EADS   
 ■ Other

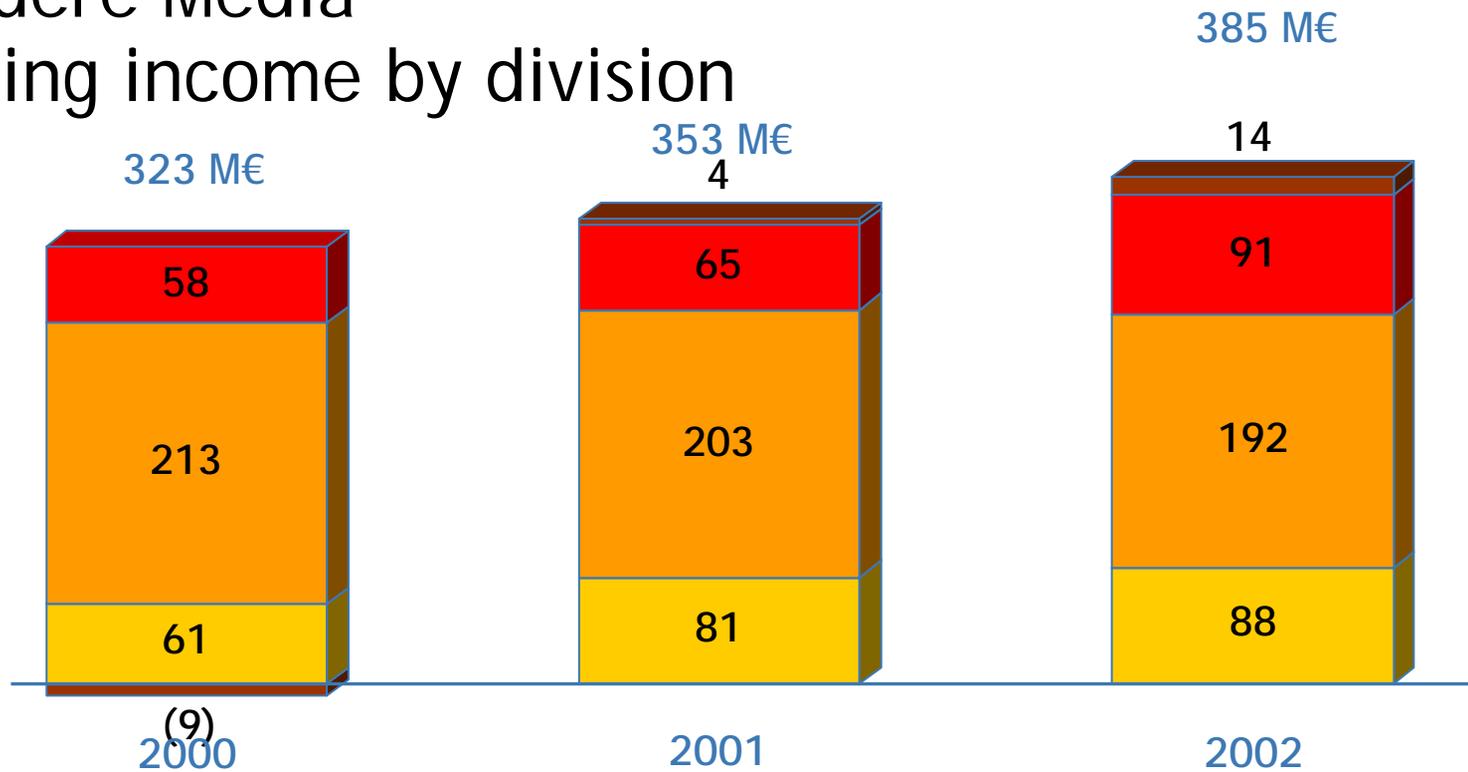
*Lagardère Media* operating income up by 15.6% (when comparing similar periods) despite a severe advertising market downturn, especially in the U.S.

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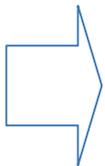


# Lagardère Media

## Operating income by division

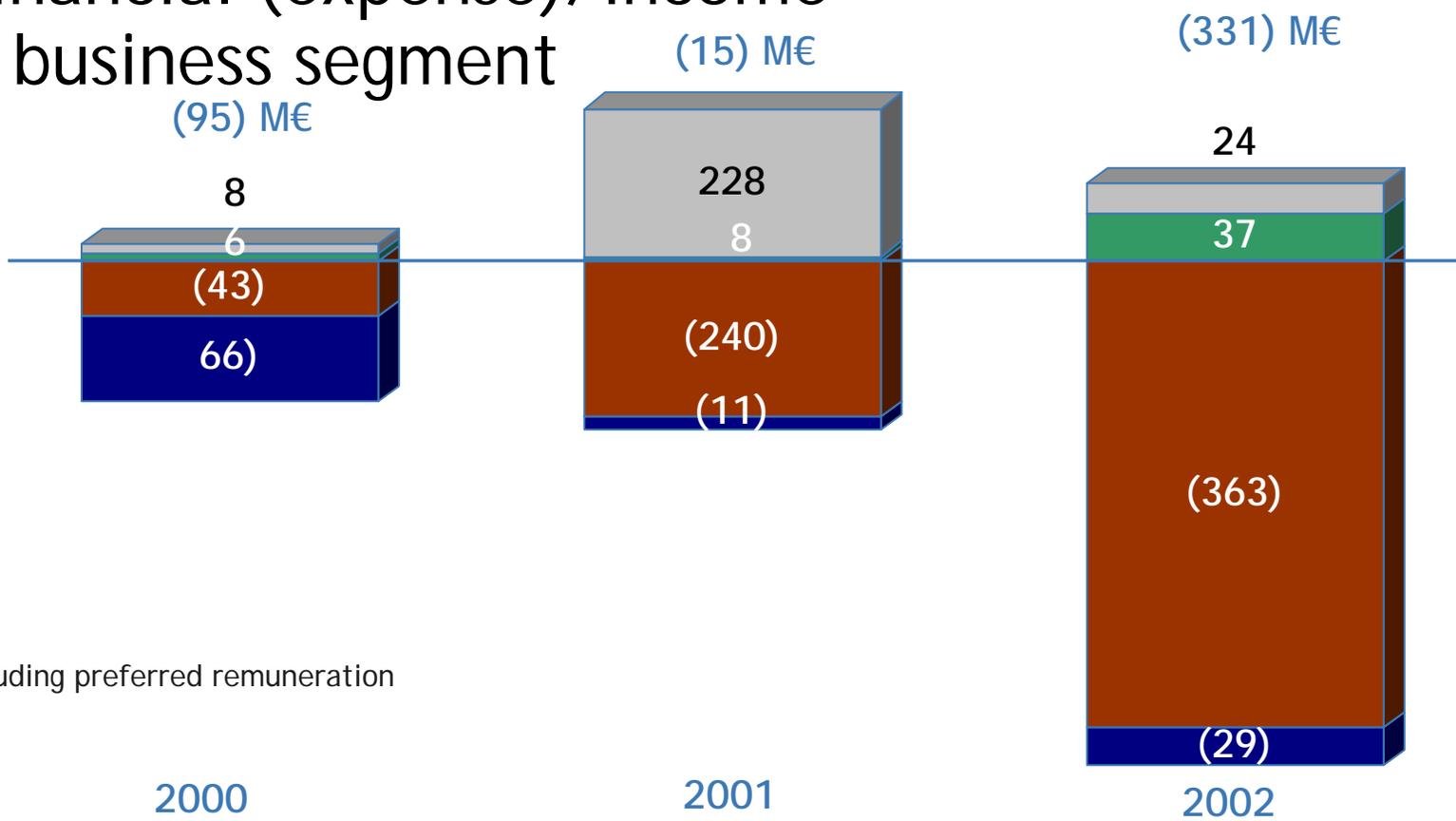


- Impressive growth of the "Books" division + 40%
- "Lagardere Active" continues to restore its profitability
- "Press" improves its margin level 9.1% (vs. 8.7% in 2001)





# Financial (expense)/income\* by business segment



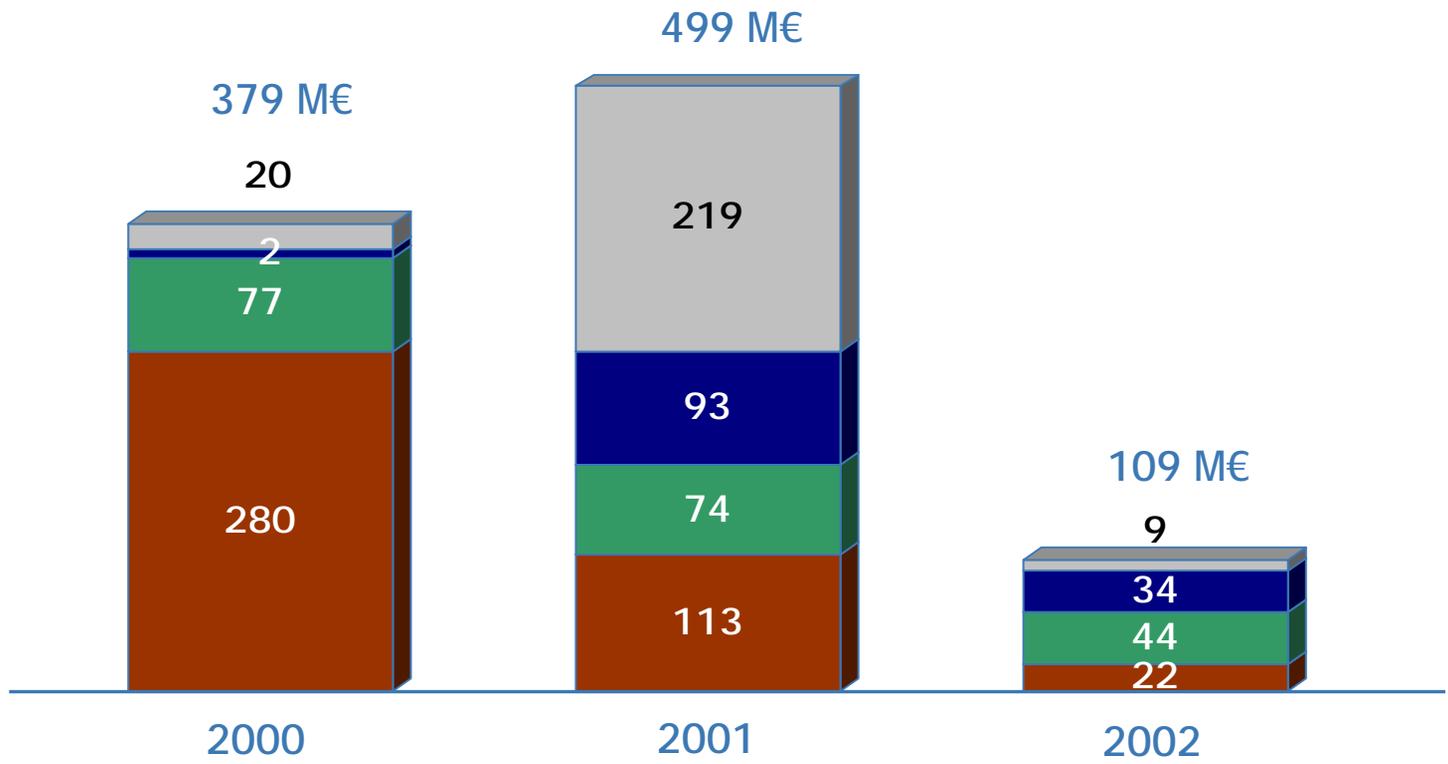
\* Excluding preferred remuneration

■ Lagardère Media 
 ■ Automobile 
 ■ High Technology / EADS 
 ■ Other

- 13
- Additional *T-Online* shares depreciation -278 M€ (-157 M€ en 2001)
  - Capital gain on *EADS* « Excess Shares » in 2001 : +210 M€



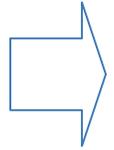
# Current income\* by business segment



\* Excluding preferred remuneration

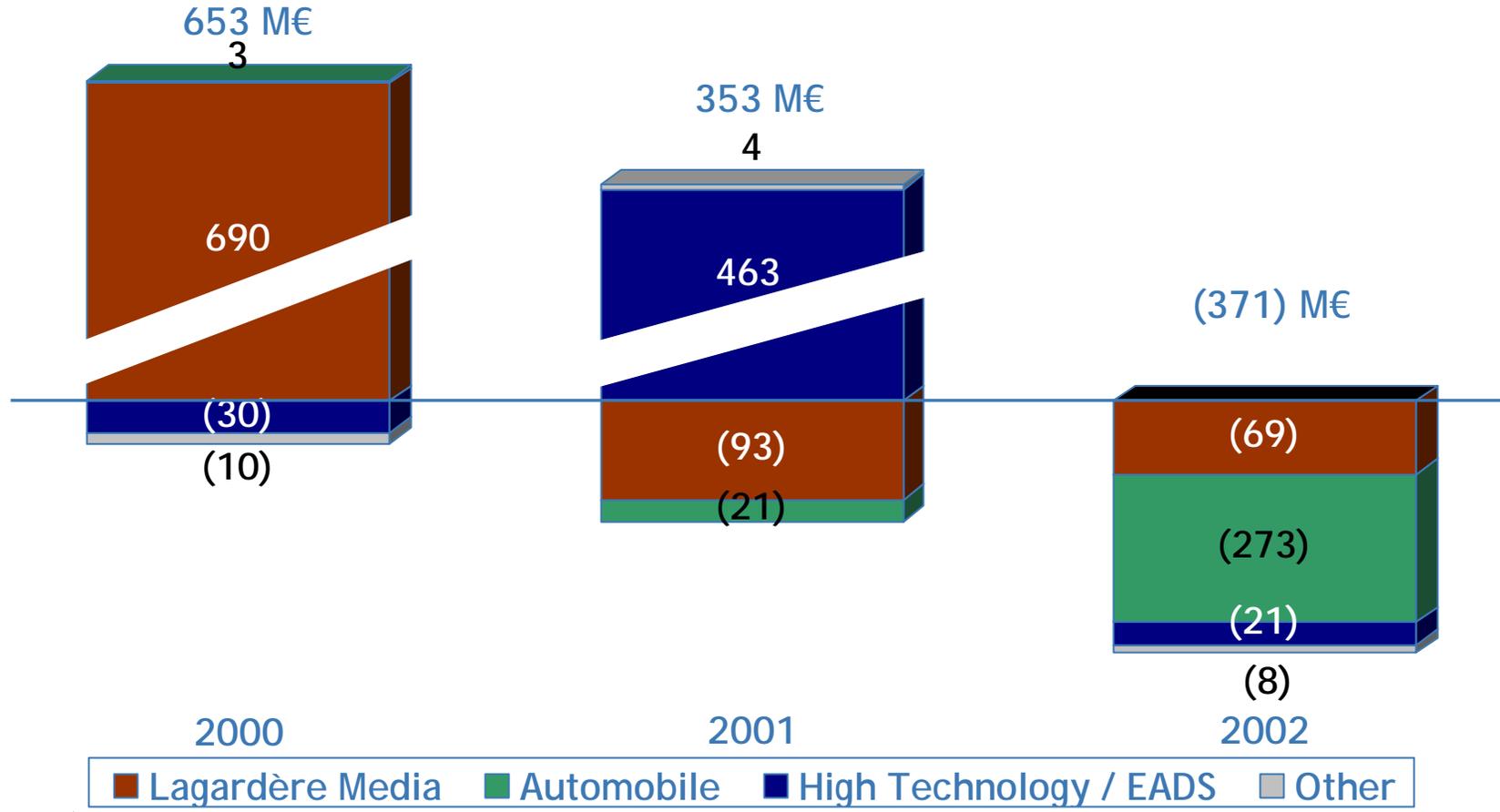
■ Lagardère Media  
 ■ Automobile  
 ■ High Technology / EADS  
 ■ Other

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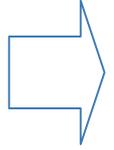




# Exceptional items ( by division)



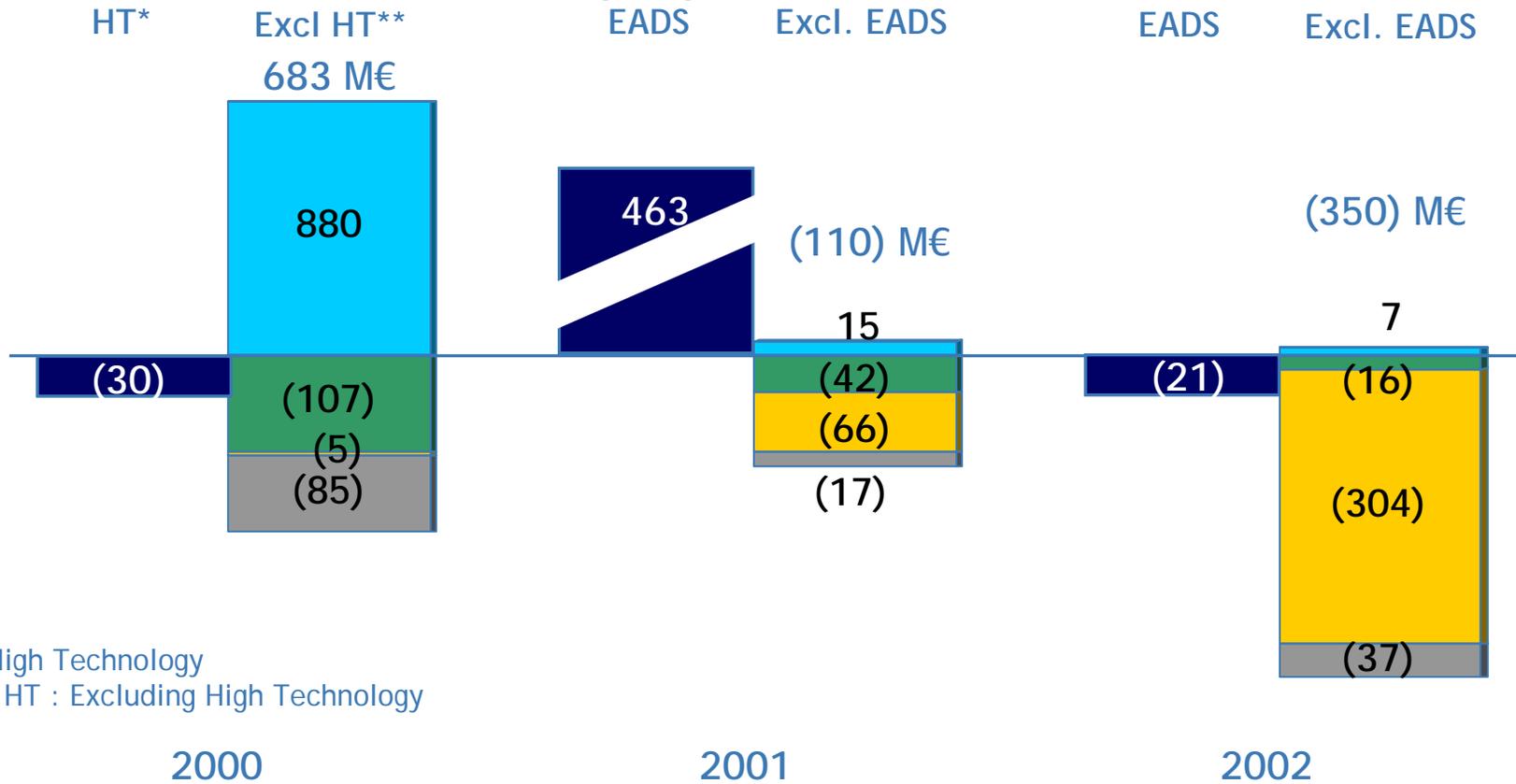
■ Lagardère Media   
 ■ Automobile   
 ■ High Technology / EADS   
 ■ Other



Exit related costs for *Automobile* activities -266 M€



# Exceptionnall items (by type)

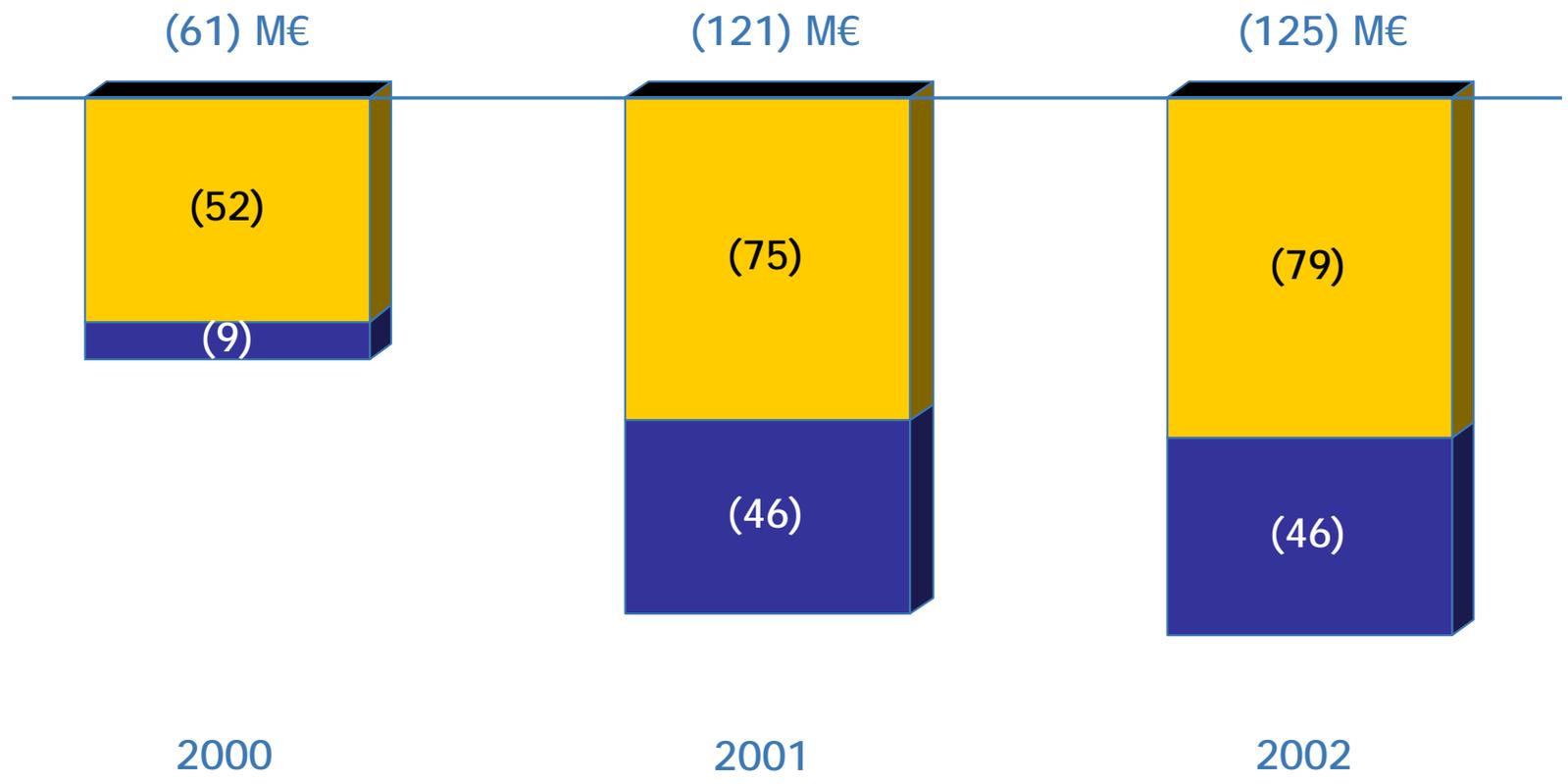


\* HT : High Technology  
 \*\* Excl. HT : Excluding High Technology

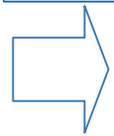
- High Technology / EADS (including *Airbus* 441 M€ in 2001)
- Net capital gains
- Amort. & special write-downs of goodwill and other intangibles
- Restructuring Costs (including *Matra Auto* -266 M€ in 2002)
- Other



# Goodwill Amortization



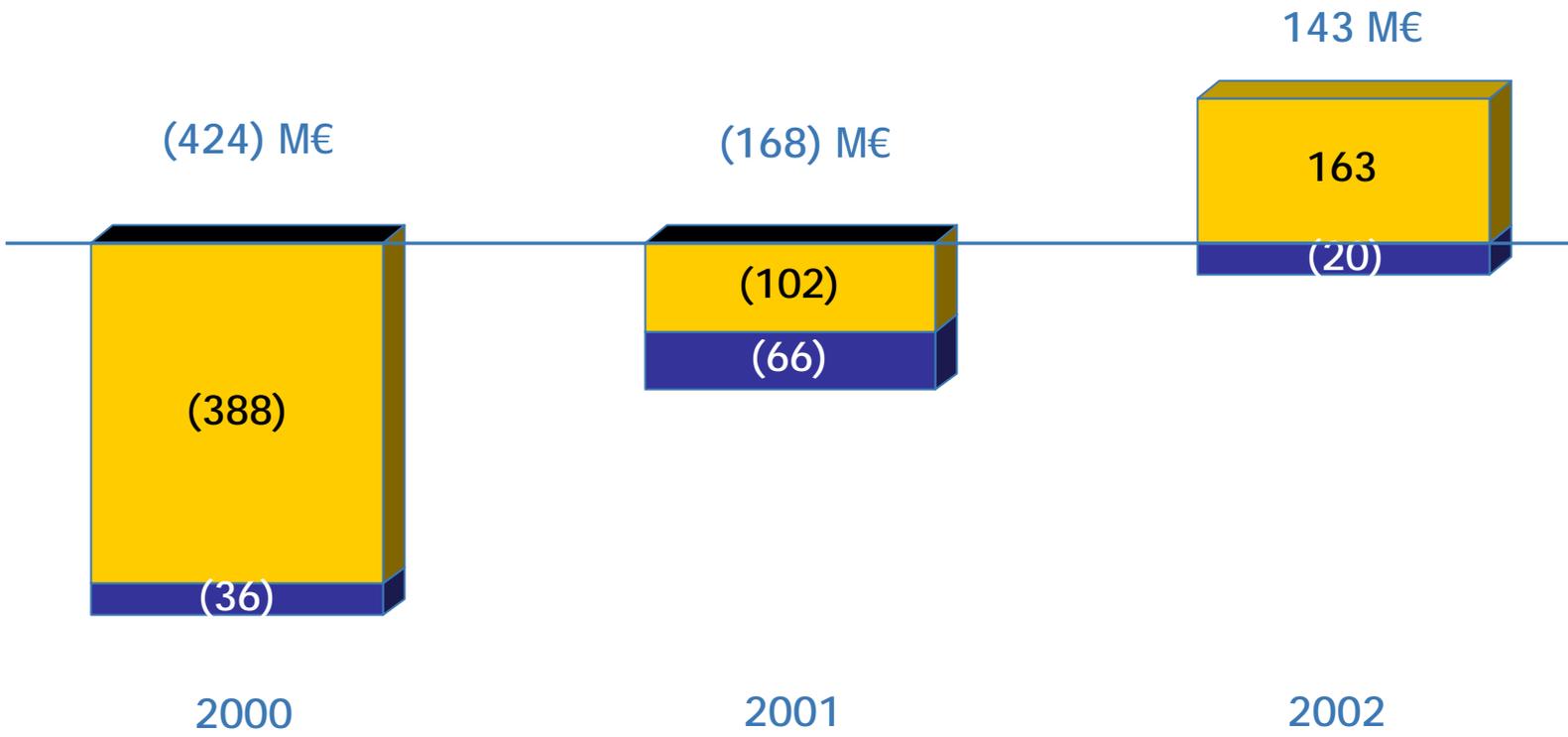
■ Lagardère excl. High Technology / EADS   ■ High Technology / EADS



Acquisitions of *Virgin* and *Octopus*



# Income tax



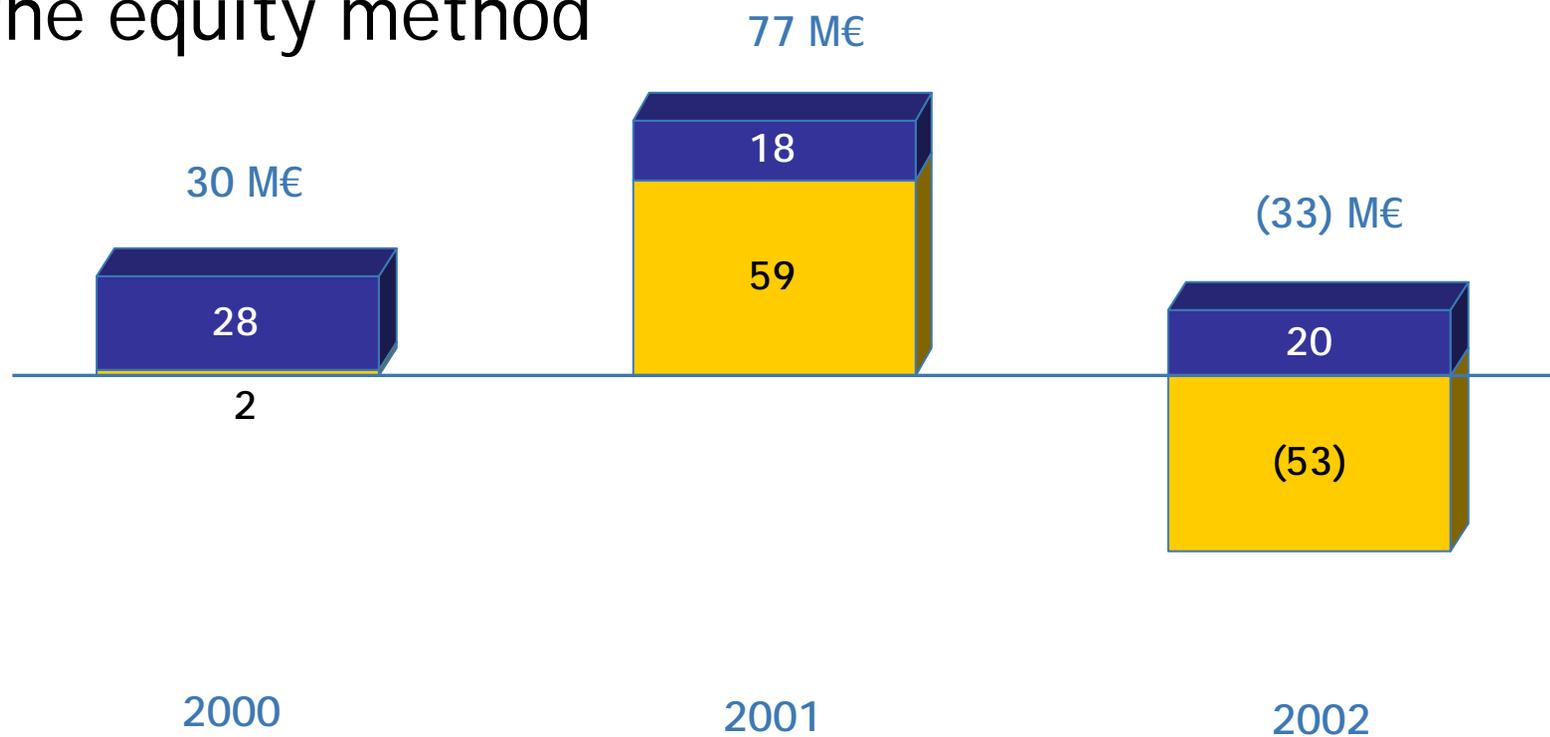
■ Lagardère excl. High Technology / EADS    ■ High Technology / EADS

*T-Online capital gain related tax adjustment +195 M€*





# Net income from Companies accounted for by the equity method

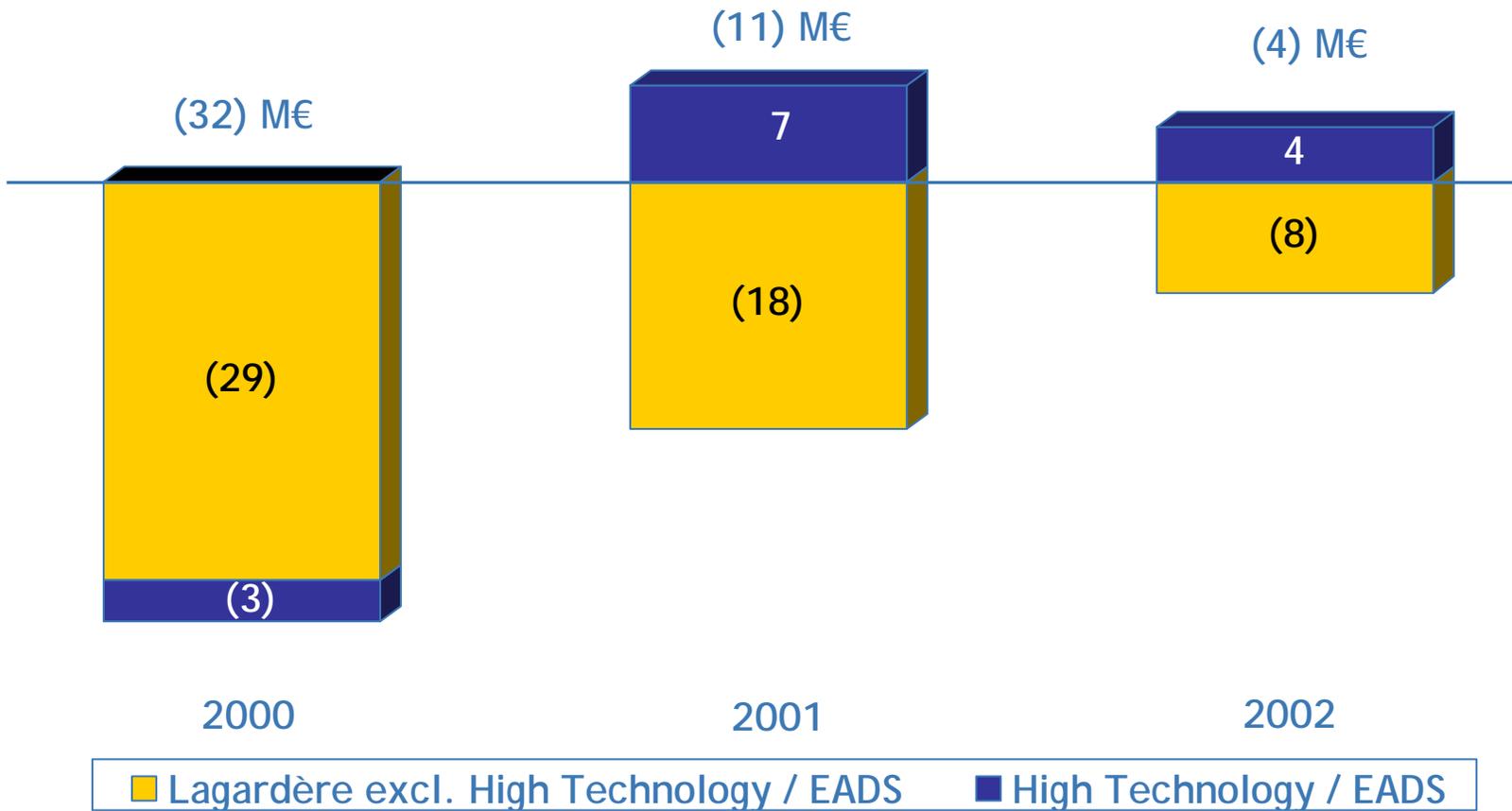


■ Lagardère excl. High Technology / EADS
 ■ High Technology / EADS

- *multiThématiques* equity stake depreciation -68 M€ in 2002
- Lagardère's share of exceptional items recorded by *CanalSatellite* in 2001 : +39 M€



# Minority interest





# Consolidated Income Statement

(In M€)	2000 *			2001			2002		
	Excl. HT **	HT**	Total	Excl. EADS	EADS	Total	Excl. EADS	EADS	Total
Sales	8 386	3 489	11 875	8 809	4 486	13 295	8 877	4 339	13 216
Operating Income	406	68	474	410	104	514	377	63	440
Interest Income	(29)	(66)	(95)	(4)	(11)	(15)	(302)	(29)	(331)
Current Income	377	2	379	406	93	499	75	34	109
Non-oper. Income	683	(30)	653	(110)	463	353	(350)	(21)	(371)
Other	(454)	(18)	(472)	(132)	(93)	(225)	21	(46)	(25)
Net Income before minority interest	606	(46)	560	164	463	627	(254)	(33)	(287)
Minority interest	(29)	(3)	(32)	(18)	7	(11)	(8)	4	(4)
Net income	577	(49)	528	146	470	616	(262)	(29)	(291)

\* For the first half of 2000, 15.14% of EADS are substituted for 33% of Aerospatiale Matra in the pro forma figures

21 \*\* Excl HT - Excl High Technology / HT - High Technology



# Net income - excl. non recurring items

## Excl. EADS

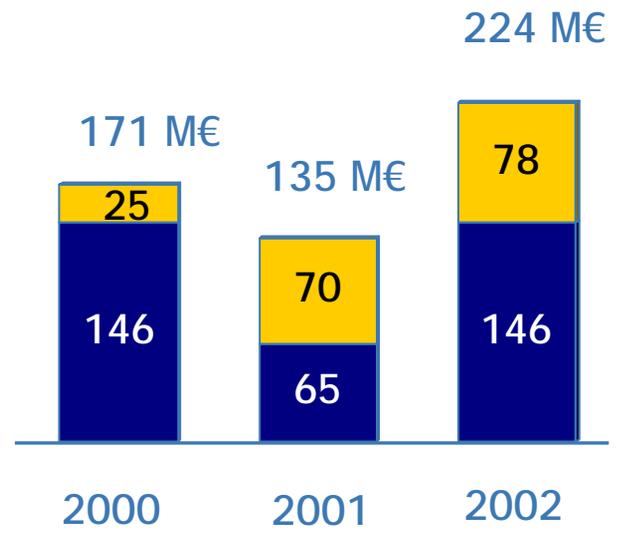
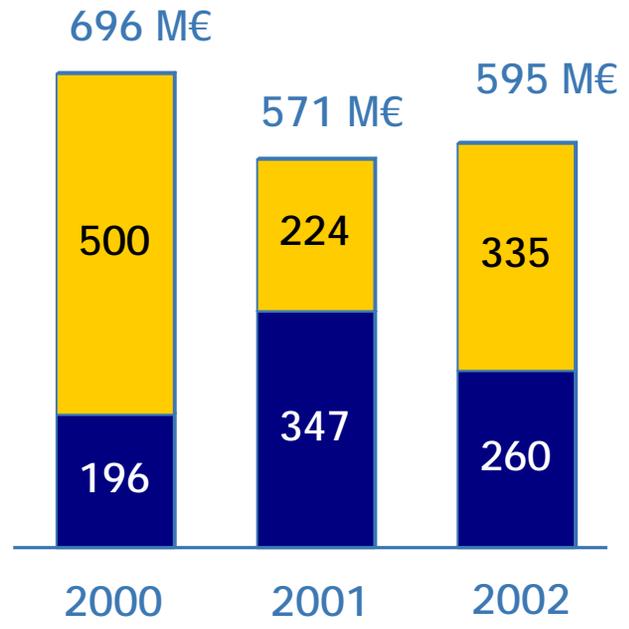
(In M€)	2001	2002
Net income	146	(262)
T-Online	130	83
- financial	157	278
- tax	(27)	(195)
''Excess Shares''	(172)	
- financial	(210)	
- tax	38	
Matra Automobile	(34)	246
- net income		
Net income excl. non-recurring items (before Restatt Intangible Assets depreciation)	70	67
Intangible Assets depreciation	42	84
Net income excl. non-recurring items (after Restatt Intangible Assets depreciation)	112	151



# Operating Cash Flows & Investing Activities

Cash flow from operations

Change in working capital



Lagardère excl. High Technology / EADS
  High Technology / EADS



# Statement of Cash Flows

(In M€)	2001			2002		
	Excl. EADS	EADS	Total	Excl. EADS	EADS	Total
Cash flow from oper.	224	347	571	335	260	595
Change in work. capital	70	65	135	78	146	224
<b>Total operating cash flow</b>	<b>294</b>	<b>412</b>	<b>706</b>	<b>413</b>	<b>406</b>	<b>819</b>
Investments	(760)	(501)	(1 261)	(1 692)	(632)	(2 324)
<i>Tangible &amp; intangible Inv.</i>	(296)	(332)	(628)	(262)	(349)	(611)
<i>Financial Inv.</i>	(464)	(169)	(633)	(1 430)*	(283)	(1 713)*
Divestitures	150	214	364	63	185	248
Cash equivalents	306	(59)	247	-	(63)	(63)
<b>Investing activities</b>	<b>(304)</b>	<b>(346)</b>	<b>(650)</b>	<b>(1 629)</b>	<b>(510)</b>	<b>(2 139)</b>
<b>Net cash flow from oper. &amp; invest. activities</b>	<b>(10)</b>	<b>66</b>	<b>56</b>	<b>(1 216)</b>	<b>(104)</b>	<b>(1 320)</b>

\* including 1 180 M€ cash advance to *Groupe Natexis Banques Populaires* related to currently processed VUP assets acquisition

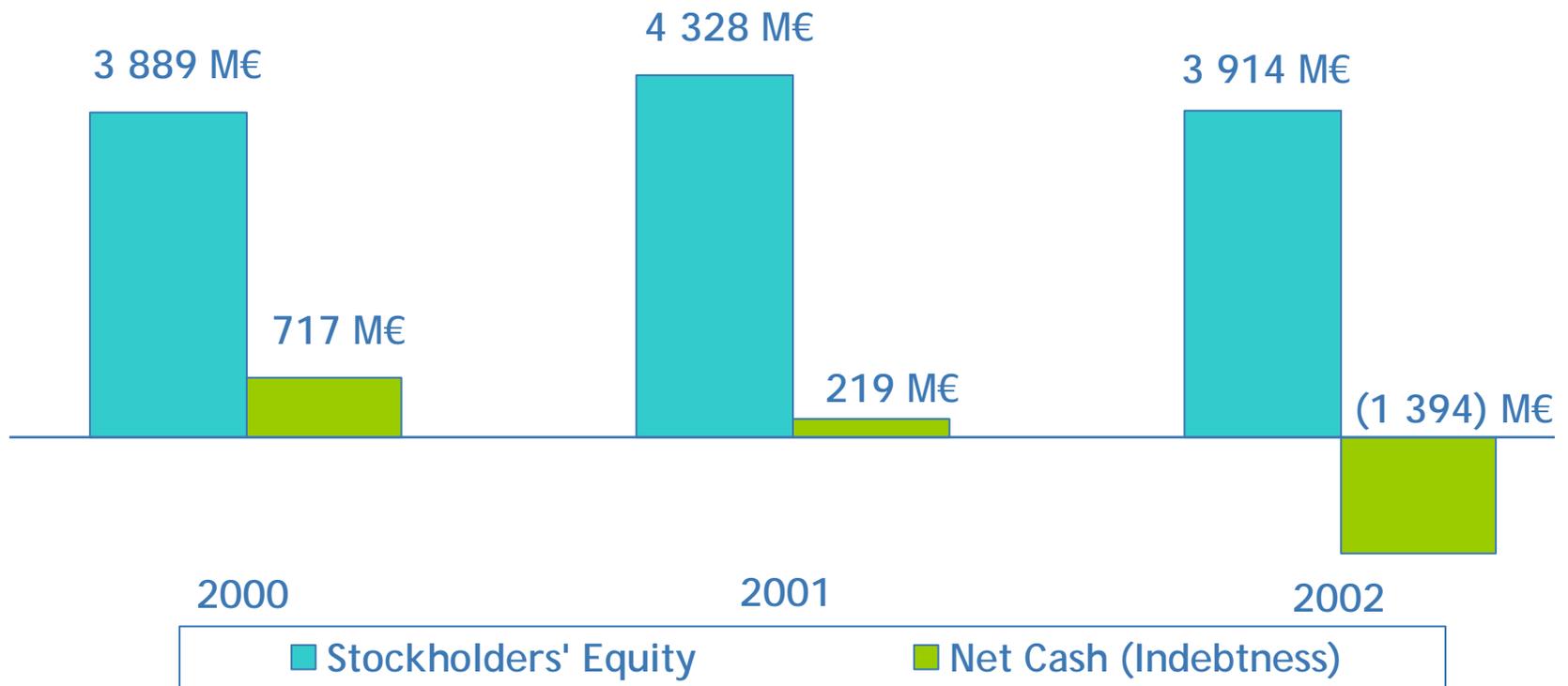


# Balance Sheet

(In M€)	2001			2002		
	Excl. EADS	EADS	Total	Excl. EADS	EADS	Total
Fixed assets	6 105	2 756	8 861	7 101	2 830	9 931
Current assets	4 339	4 813	9 152	3 794	4 445	8 239
<i>of which cash &amp; equiv.</i>	<i>1 790</i>	<i>1 213</i>	<i>3 003</i>	<i>1 500</i>	<i>943</i>	<i>2 443</i>
<b>TOTAL ASSETS</b>	<b>10 444</b>	<b>7 569</b>	<b>18 013</b>	<b>10 895</b>	<b>7 275</b>	<b>18 170</b>
Stockholders' equity	3 859	885	4 744	3 377	953	4 330
Contingencies	1 180	1 189	2 369	1 199	1 162	2 361
Financial debts	2 090	982	3 072	3 374	750	4 124
Current liabilities	3 315	4 513	7 828	2 945	4 410	7 355
<b>TOTAL LIABILITIES &amp; STOCKHOLDER'S EQUITY</b>	<b>10 444</b>	<b>7 569</b>	<b>18 013</b>	<b>10 895</b>	<b>7 275</b>	<b>18 170</b>



# Stockholder's Equity\* & Net Cash (Indebtness) \*





# Net Debt Position\*

(In M€)	12.31.2001	2002 Changes	12.31.2002
EADS	232	(39)	193
T-Online	679	(278)	401
Excl. EADS and T-Online	(692)	(1 296)	(1 988)
<b><u>Net Debt Position</u></b>	<b><u>219</u></b>	<b><u>(1 613)</u></b>	<b><u>(1 394)</u></b>