

**RESPONSE OF THE MANAGING PARTNERS OF LAGARDERE TO THE DRAFT RESOLUTIONS
SUBMITTED BY MR. GUY WYSER-PRATTE**

Ladies and Gentlemen, Dear Shareholders,

In a letter dated 25 March, 2010 and received on 29 March, 2010, Mr. Guy Wyser-Pratte, acting in a private capacity and as the representative of investment funds (*Wyser-Pratte & Co, Rafina Corp., Garbula Investments Ltd, Euro-Partners Arbitrage Fund Ltd, Wyser-Pratte Euro Value Fund Ltd et Wyser-Pratte Euro Value LP*), submitted two draft resolutions with a view to presenting them to the annual general meeting set for 27 April, 2010.

The first draft resolution's purpose is for your meeting, sitting in ordinary session, to appoint Mr. Wyser-Pratte to the company's supervisory board. The purpose of the second draft resolution is for your meeting, sitting in an extraordinary session, to consider removing the "preliminary" nature of the general partners' accord on decisions made by the shareholders meeting as set out in the articles of association.

These draft resolutions as well as the preamble accompanying them have been attached to the individual summons to attend the meeting.

The managing partners are opposed to adopting these resolutions.

➤ Resolution A (*appointing Mr. Wyser-Pratte to the supervisory board*):

The general partners asked the advice of your company's supervisory board about Mr. Wyser-Pratte's candidacy.

The Board met on 8 April 2010 and “expressed a certain surprise about the fact that Mr. Wyser-Pratte would wish to take part in one of the governing bodies that he has labeled “*anti-democratic and Medieval*”.

On the contrary, the supervisory board has always striven for its members, selected because of their skills, their experience and their moral attributes, to contribute as harmoniously and effectively as possible to its standing brief of supervising the company's management and strategies and the group it leads. To date this has been true of all the board's members, in particular those whose terms of office you are being asked to renew, and this should be true of the new members put forth for your votes, whose excellence has been demonstrated by both their experience and the level of functions they have held to date.

The make-up of Lagardere's supervisory board therefore corresponds to a range of expertise as diversified (managerial—with the presence of directors from large international companies—financial, strategic and legal) as of the highest level. The Board feels that Mr. Guy Wyser-Pratte's candidacy would not provide any added value to the proper functioning of your supervisory board.

Which explains why the supervisory board, composed exclusively of members elected by the shareholders (*associés commanditaires*) is not in favor of appointing Mr. Wyser-Pratte as one of its members and issues a negative opinion to this first additional resolution.”

The managing partners intend of course to defer to the opinion expressed by the supervisory board, the body representing the shareholders and whose members are elected by them.

➤ Resolution B (amending articles 7, 11, 20 and 21 of the articles of association):

The managing partners couldn't help but notice the clear disparity between the preamble to this draft resolution as communicated to the company by Mr. Wyser-Pratte on the one hand, and on the other, the numerous public statements made by Mr. Wyser-Pratte.

Mr. Wyser-Pratte indeed concludes his preamble by stating that "*the purpose of the proposed change consists not in profoundly changing the company's structure but in removing the "preliminary" right, not set out in law, to agree with or not the decisions taken by the shareholders and thus to make it possible to give shareholders, holders of the company's equity, the power to initiate the company's substantive decision-making without removing any of the power of the general partners.*" Yet at the same time Mr. Wyser-Pratte continues to state publicly, and thus reveal his true intentions, by saying that according to him the "*limited partnership absolutely has to disappear*", and by repeating that he wants to "*turn Lagardere into a corporation.*"

Above and beyond the singularity of the process, which seems to us to show a lack of transparency for the shareholders, the managing partners are not in favor of questioning the company's present structure as proposed by Mr. Wyser-Pratte.

The organization of the limited partnership with shares relies on a balance of the respective obligations, rights, interests and prerogatives of two categories of associates: the general partners indefinitely liable for the company's liability and the limited partners whose liability is limited to their initial contribution and the representation provided by the supervisory board. In Lagardere's case, it should be remembered that 2/3 of its supervisory board is presently composed of independent members in the sense of the Afep/Medef criteria code adopted by your company, which refers to this code's recommendations.

Lagardere's articles of association, moreover, contain particular provisions protecting the rights and interests of the shareholders that are not found in the articles of association of other listed limited partnership companies. The appointment and renewal of managing partners therefore are submitted for agreement by the supervisory board with the highest arbitrage left to the shareholders. Moreover when it is not accompanied by a public offer for shareholders' titles, the transfer of control of Arco (backed by a corporate entity) is subject to the prior agreement of the supervisory board, with failure to comply with this mandatory prior agreement being punished by the ipso jure and immediate loss of the title of general partner.

More generally speaking, the very functioning of the limited partnership with shares implies the agreement of the two categories of associates on all decisions expressed by the law and the articles of association. Such is the rationale and particularity of this company form, perfectly well known to and accepted by the market, and in consideration of which the shareholders make their decision whether or not to buy into the capital.

Nothing therefore in our opinion justifies shaking up the structure of the organization of your company as claimed in reality by Mr. Wyser-Pratte under cover of an apparently anodyne proposal to change the articles of association, which to us moreover seems untimely.

What Mr. Wyser-Pratte is in effect doing is to remove the "preliminary" nature of the accord given by the general partners to the decisions made by the shareholders meeting. Given in particular the number of general partners, the convening of a annual general meeting is a rare and important moment in the democratic life of any listed company whatever its business form (corporation or limited partnership with shares). If the position of the general partners on this or that issue could be expressed after the annual meeting as they wish, shareholders might then have to decide on a resolution without knowing the position of the general partners, not be able to discuss the issues in

full, informed knowledge and thus not know at the end of the annual meeting whether this resolution is or is not voted for validly.

Such a change in the functioning rules of your company does not seem desirable to us, and our recommendation is therefore to reject this second draft resolution.

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For these reasons, the managing partners urge you not to give a successful follow-up to these resolutions.

The Managing Partners