



Lagardère

**GENERAL MEETING
3 MAY 2018**

**REPORTS OF
THE STATUTORY
AUDITORS**

**Mazars
Represented by
Thierry Blanchetier**

**Ernst & Young et Autres
Represented by
Bruno Bizet**



REPORTS OF THE STATUTORY AUDITORS

- **Report on the Company's financial statements**
(Reference Document: pages 270 to 273)
- **Report on the consolidated financial statements**
(Reference Document: pages 273 to 276)
- **Special report on regulated agreements and commitments**
(Reference Document: page 277)

REPORT ON THE COMPANY'S FINANCIAL STATEMENTS

▪ **First resolution**

• **Unqualified audit opinion on the annual financial statements**

- "(...) the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at 31 December 2017 and of the results of its operations for the year then ended in accordance with French accounting principles."

• **Emphasis of matter**

- Note 1 to the financial statements which describes the change in accounting method related to the first application of ANC 2015-05 Regulation about financial futures instruments and hedging transactions.

• **Key audit matter**

- Valuation of investments in subsidiaries and associated receivables.

(Reference Document: pages 270 to 273)

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

▪ **Second resolution**

• **Unqualified audit opinion on the consolidated financial statements**

- "(...) the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2017 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union."

• **Emphasis of matter**

- Note 1 to the consolidated financial statements which describes the voluntary change in accounting method related to the classification of interests paid and interests received within cash flows from financing activities and cash flows from investing activities respectively.

• **Key audit matters**

- Goodwill and intangible assets with indefinite useful lives valuation.
- Sports rights marketing contracts accounting.
- Revenue recognition in Lagardère Publishing division – Returns estimates.
- Main litigations and disputes.

(Reference Document: pages 273 to 276)

SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

- **No agreement and commitment authorised during the past year.**
- **Agreements and commitments already approved during previous years and applicable during the past year:**
 - service agreement with Lagardère Capital & Management (approved in 1999, 2000 and 2004);
 - additional pension plan for certain Lagardère Capital & Management employees who are members of Lagardère group's Executive Committee (approved in 2005).

(Reference Document: page 277)