

Lagardère

Q4 2017 REVENUE

8 February 2018



## DISCLAIMER

Certain statements contained in this document are forward-looking statements (including objectives and trends), which address our vision of the financial condition, results of operations, strategy, expected future business and financial performance of Lagardère SCA. These data do not represent forecasts within the meaning of European Regulation No. 809/2004.

When used in this document, words such as “anticipate”, “believe”, “estimate”, “expect”, “may”, “intend”, “predict”, “hope”, “can”, “will”, “should”, “is designed to”, “with the intent”, “potential”, “plan” and other words of similar import are intended to identify forward-looking statements. Such statements include, without limitation, projections for improvements in process and operations, revenues and operating margin growth, cash flow, performance, new products and services, current and future markets for products and services and other trend projections as well as new business opportunities.

Although Lagardère SCA believes that the expectation reflected in such forward-looking statements are reasonable, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside our control, including without limitations:

- general economic conditions, including in particular growth in Europe and North America;
- legal, regulatory, financial and governmental risks related to the businesses;
- certain risks related to the media industry (including, without limitation, technological risks);
- the cyclical nature of some of the businesses.

No representation or warranty, express or implied, is made as to, and no reliance should be placed upon, the fairness, accuracy, completeness or correctness of such forward-looking statements and Lagardère SCA, as well as its affiliates, directors, advisors, employees and representatives accept no responsibility in this respect.

Please refer to the most recent Reference Document (*Document de référence*) filed by Lagardère SCA with the French *Autorité des marchés financiers* for additional information in relation to such factors, risks and uncertainties.

Accordingly, we caution you against relying on forward-looking statements. The forward-looking statements abovementioned are made as of the date of this document and neither Lagardère SCA nor any of its subsidiaries undertake any obligation to update or review such forward-looking statements whether as a result of new information, future events or otherwise. Consequently neither Lagardère SCA nor any of its subsidiaries are liable for any consequences that could result from the use of any of the above statements.

## Q4 2017 REVENUE

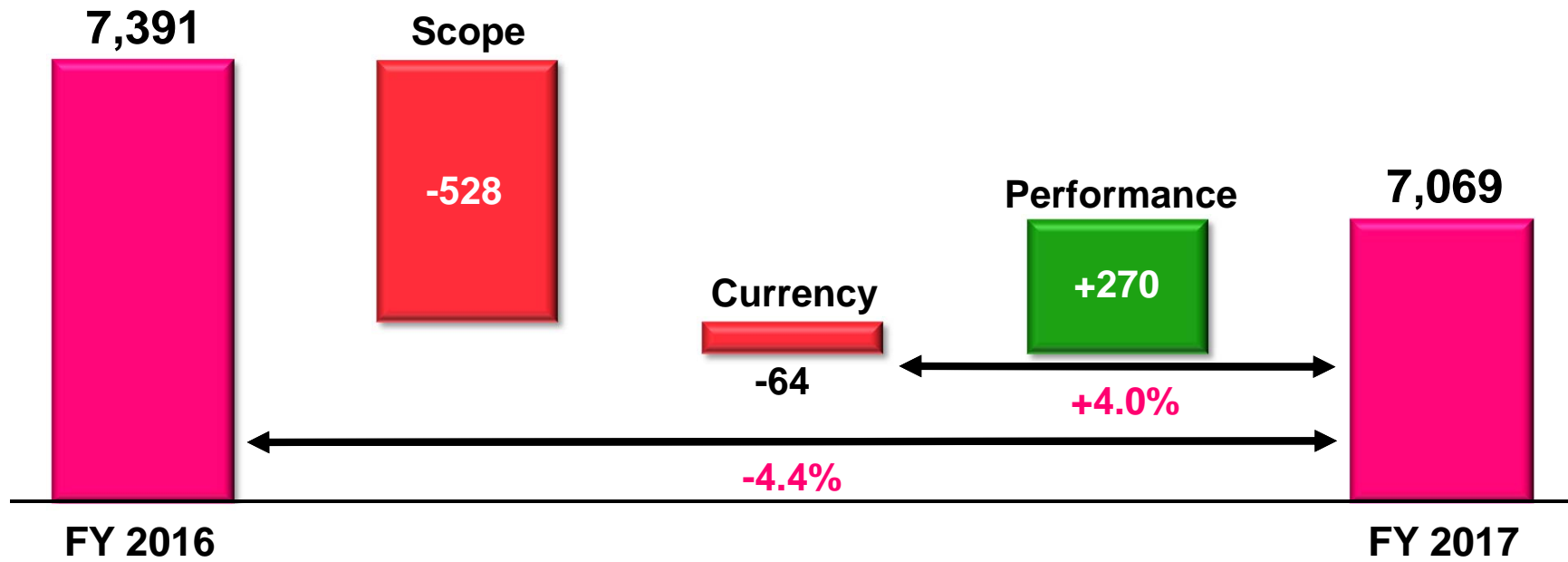
(€m)	Q4	FY
<b>2017 revenue</b>	1,911	7,069
<b>2016 revenue</b>	1,984	7,391
<b>Consolidated growth</b>	-3.7%	-4.4%
<b>Like-for-like growth*</b>	+3.3%	+4.0%

**Lagardère ended the year with continued momentum in like-for-like growth, driven mainly by a robust performance from Lagardère Travel Retail.**

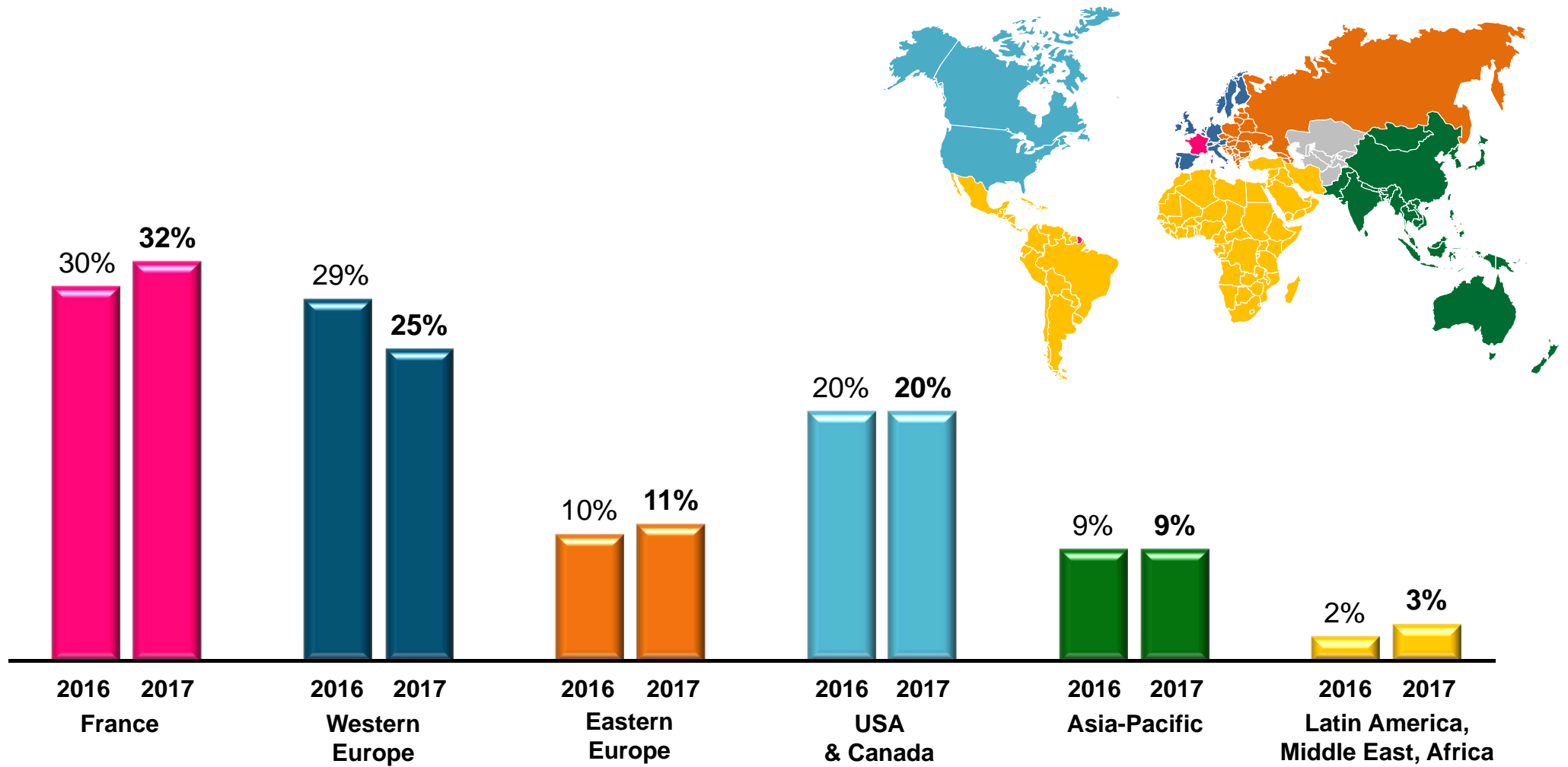
\*Alternative Performance Measure (APM). See definition on slide 11.

# FY REVENUE EVOLUTION *(in €m)*

(€m)



# FY 2017 REVENUE BY GEOGRAPHIC AREA



## LAGARDÈRE PUBLISHING

(€m)	Q4	FY
2017 revenue	624	2,289
2016 revenue	619	2,264
Consolidated growth	+0.8%	+1.1%
Like-for-like growth*	+2.8%	+1.9%

Despite an unfavourable comparison effect in the United Kingdom, 4<sup>th</sup> quarter revenue was up, buoyed mainly by a good performance from Partworks and by the success of best-selling titles in Illustrated Books and General Literature.

\*Alternative Performance Measure (APM). See definition on slide 11.

## LAGARDÈRE TRAVEL RETAIL

(€m)	Q4	FY
<b>2017 revenue</b>	<b>866</b>	<b>3,412</b>
<i>o/w Travel Retail</i>	866	3,401
<i>o/w Distribution</i>	-	11
<b>2016 revenue</b>	<b>911</b>	<b>3,695</b>
<b>Consolidated growth</b>	<b>-4.9%</b>	<b>-7.7%</b>
<b>Like-for-like growth*</b>	<b>+10.3%</b>	<b>+9.1%</b>

**Growth accelerated, led by a favourable network impact, a strong sales momentum and a rise in passenger traffic, especially in the ASPAC and EMEA regions.**

\*Alternative Performance Measure (APM). See definition on slide 11.

## LAGARDÈRE ACTIVE

<b>(€m)</b>	<b>Q4</b>	<b>FY</b>
<b>2017 revenue</b>	<b>282</b>	<b>872</b>
<b>2016 revenue</b>	<b>284</b>	<b>915</b>
<b>Consolidated growth</b>	<b>-0.8%</b>	<b>-4.7%</b>
<b>Like-for-like growth*</b>	<b>-2.7%</b>	<b>-4.1%</b>

**Revenue was down, hit by the decline in audience figures at the Europe 1 radio station and the downturn in TV Production activities, partly offset by a good performance from e-health and Magazine Publishing.**

\*Alternative Performance Measure (APM). See definition on slide 11.



## LAGARDÈRE SPORTS AND ENTERTAINMENT

<b>(€m)</b>	<b>Q4</b>	<b>FY</b>
<b>2017 revenue</b>	<b>139</b>	<b>496</b>
<b>2016 revenue</b>	<b>170</b>	<b>517</b>
<b>Consolidated growth</b>	<b>-18.4%</b>	<b>-3.9%</b>
<b>Like-for-like growth*</b>	<b>-17.6%</b>	<b>-3.4%</b>

**As expected, the decline in revenue was mainly the result of the sporting calendar.**

\*Alternative Performance Measure (APM). See definition on slide 11.

## **GUIDANCE**

**Based on the performance, the Group confirms its recurring EBIT growth target for 2017, as announced last March.**

**Accordingly, Group recurring EBIT growth in 2017 is expected to be between 5% and 8% versus 2016, at constant exchange rates and excluding the impact from disposals of Distribution activities.**

## DEFINITIONS

Lagardère uses alternative performance indicators which serve as key measures of the Group's operating and financial performance.

These indicators are tracked by the Executive Committee in order to assess performance and manage the business, as well as by investors in order to monitor the Group's operating performance, along with the financial metrics defined by the IASB. These indicators are calculated based on elements taken from the consolidated financial statements prepared under IFRS.

▪ **Like-for-like revenue were calculated by adjusting:**

- Q4 2017 revenue to exclude companies consolidated for the first time from October 2016, and Q4 2016 revenue to exclude companies divested from October 2016;
- 2017 and 2016 revenue based on 2016 exchange rates.

▪ **Recurring EBIT, the Group's main performance indicator, is recurring operating profit of fully consolidated companies (Group recurring EBIT), which is calculated as follows:**

**Profit before finance costs and tax** excluding:

- Gains (losses) on disposals of assets;
- Impairment losses on goodwill, property, plant and equipment, intangible assets and investment in equity-accounted companies;
- Net restructuring costs;
- Items related to business combinations:
  - Acquisition-related expenses;
  - Gains and losses resulting from acquisition price adjustments and fair value adjustment due to changes in control;
  - Amortisation of acquisition-related intangible assets.
- Specific major disputes unrelated to the Group's operating performance;
- Income (loss) from equity-accounted companies before impairment losses.

# Lagardère

## Q&A

Q4 2017 revenue  
8 February 2018

