CREDIT INVESTOR PRESENTATION

October 2019

DISCLAIMER

Lagardère

This document presents the full-year 2018 results from the consolidated financial statements of Lagardère SCA and the first-half 2019 results from the latest interim financial report of Lagardère SCA published on July 25, 2019.

This document does not constitute the Annual Financial Report (Rapport Financier Annuel) within the meaning of article L. 451-1-2 of the French monetary and financial Code (Code monétaire et financier).

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 profit forecasts within the meaning of European Delegated Regulation No 2019/980.

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.

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.

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DISCLAIMER

Lagardère

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Before purchasing any securities of Lagardère SCA you should take steps to ensure that you understand and have made an independent assessment of the suitability and appropriateness thereof, and the nature and extent of your exposure to risk of loss in light of your own objectives, financial and operational resources and other relevant circumstances. You should take such independent investigations and such professional advice as you consider necessary or appropriate for such purpose.

THIS DOCUMENT IS SUBJECT TO AND EACH READER IS DIRECTED TO THE PROSPECTUS IN ITS FINAL FORM THAT MAY BE PUBLISHED AND IN PARTICULAR, THE SECTION ENTITLED ‘RISK FACTORS’ THEREIN.

TODAY'S SPEAKERS

Lagardère

Gérard Adsuar
Group Chief Financial Officer

- Group CFO since 1 June 2016, member of the Executive Committee
- In 2011 appointed Group Deputy CFO at Lagardère
- 10 years Corporate Executive Finances & Treasury at EADS based in Munich

Emmanuel Rapin
Group Treasurer

- Joined Lagardère in 2012 as Head of Funding and Treasury operations
- 2015 Group Treasurer including Group Insurance
- Rhodia (Specialty Chemical), Group Treasurer from 2009 until 2012

Florence Lonis
Chief of Investors Relations

- Chief of Investor Relations since 16 March 2016
- Joined Lagardère in 2011 as General Counsel for Lagardère Active, then as Group Deputy General Counsel in charge of Governance Communication and Compliance Programs
- Before Lagardère, spent 15 years as General Counsel in IT and Consumer Electronic US companies, in particular as EMEA General Counsel for Apple Computer.

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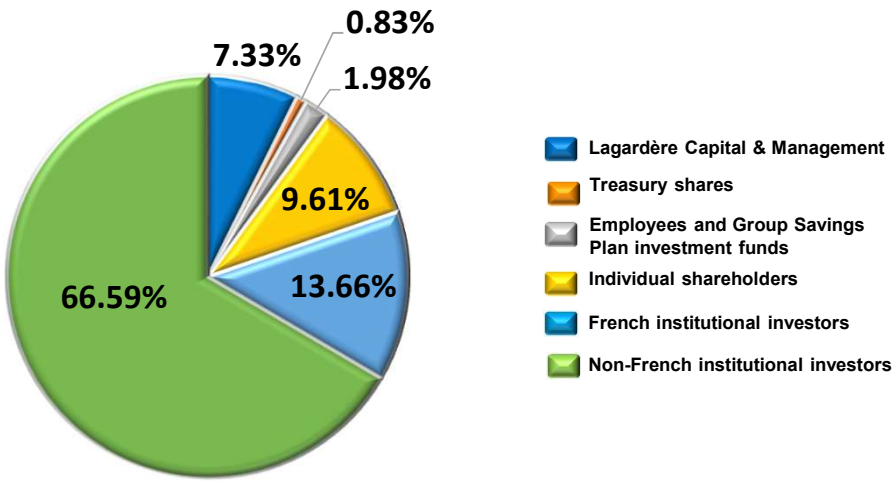
LAGARDÈRE AT A GLANCE

Lagardère

HIGHLIGHTS

- **3rd largest** privately owned consumer books publisher in the world
- **Number 4** in the global Travel Retail market
- 2018: €7.2bn revenues**, €401m recurring EBIT**, €471m free cash flow and €1.4bn net debt
- **28,800** employees across more than **40** countries
- **Resilient Free Cash Flow** generation and solid financial structure
- Listed on **Euronext Paris** with a market capitalisation of €2.9bn as of 31 December 2018

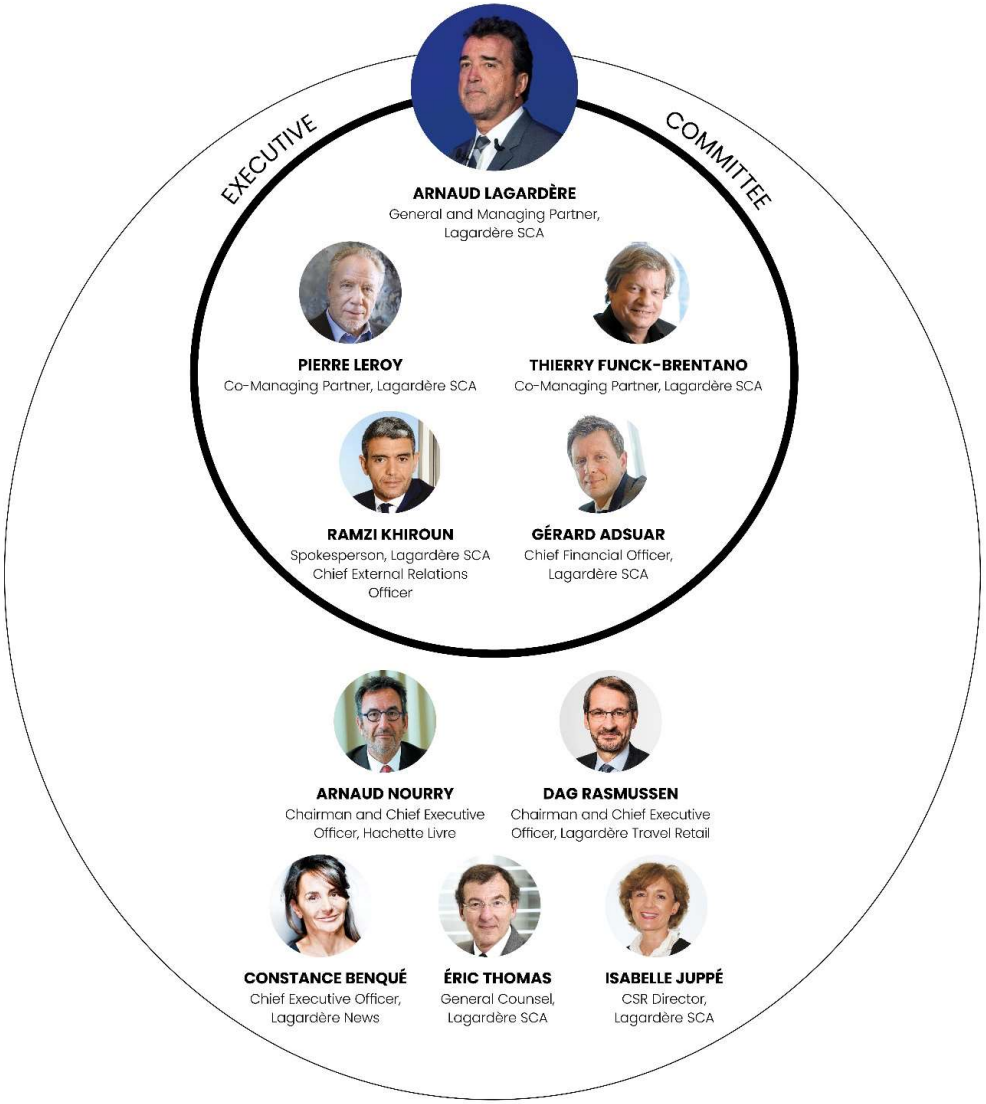
SHAREHOLDING STRUCTURE*



Source: Company information.
* Based on latest reported as of December 2018.

MANAGEMENT TEAM

Lagardère



COMEL*

* Enlarged Committee. (*Comité Elargi)*

Lagardère

LAGARDÈRE AT A GLANCE

LAGARDÈRE GROUP and FINANCIAL STRATEGIES & POSITIONING

OPERATING PERFORMANCE, OUTLOOK & FINANCIAL PROFILE

TRANSACTION OVERVIEW

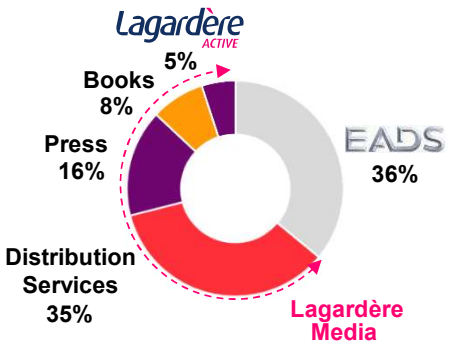
APPENDICES

TRANSFORMING THE PORTFOLIO IS PART OF THE GROUP'S DNA AND HELPS CREATE VALUE OVER THE LONG TERM

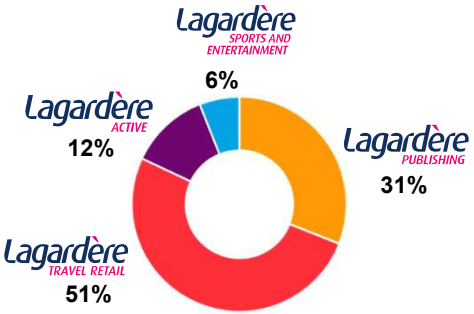
Lagardère

Revenue by division

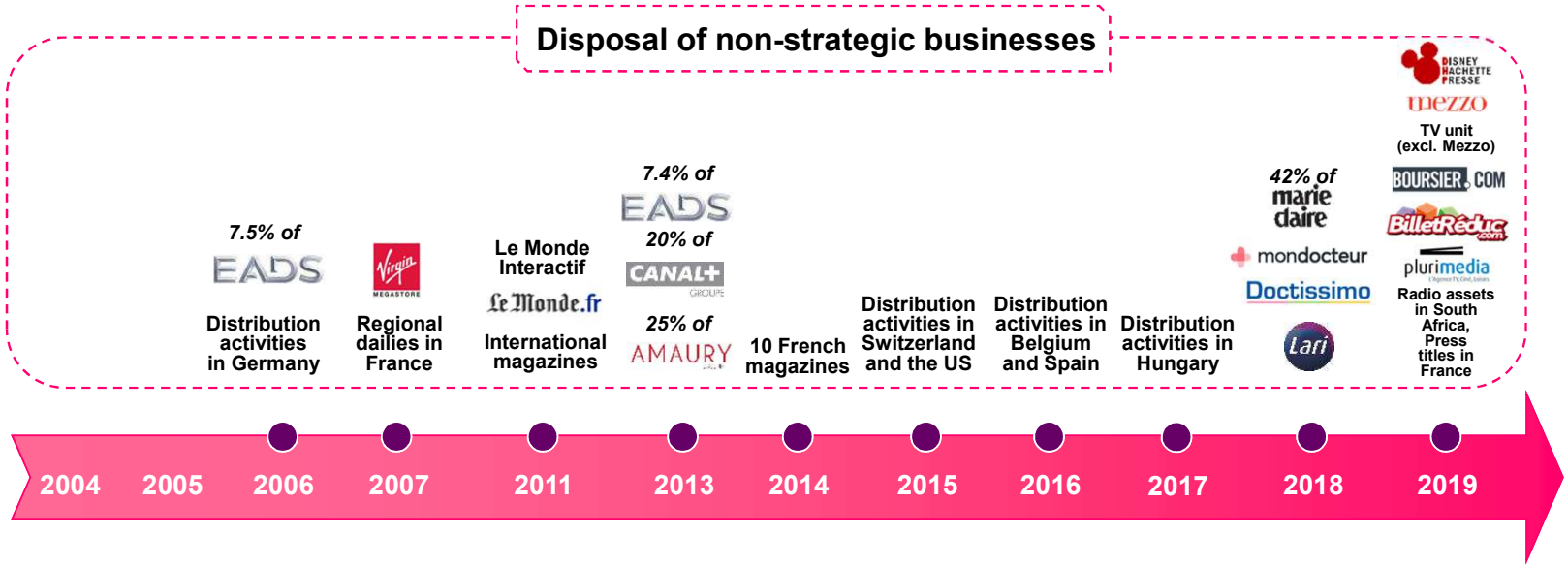
2003



2018



Disposal of non-strategic businesses



- ► 87% of the revenue generated in 2003 is about to be outside the Group post-transformation scope
- ► In 2018, 82% of the revenue was already generated by Lagardère Publishing and Lagardère Travel Retail

MOST OF OUR REVENUE AND RECURRING EBIT IS ALREADY ACHIEVED THROUGH OUR TWO MAIN PILLARS

Lagardère

Lagardère PUBLISHING

31% of total revenue

3 Third-largest privately-owned consumer book publisher in the world

- Front-ranking player on the digital market

Lagardère TRAVEL RETAIL

51% of total revenue

4 No. 4 in the global Travel Retail market

- Solid experience in three segments:
  - Duty Free & Fashion
  - Travel Essentials
  - Foodservice

Lagardère SPORTS AND ENTERTAINMENT

6% of total revenue

1 Football: leader in Africa, Asia and Europe

- World leader in sponsoring and major player in TV rights distribution

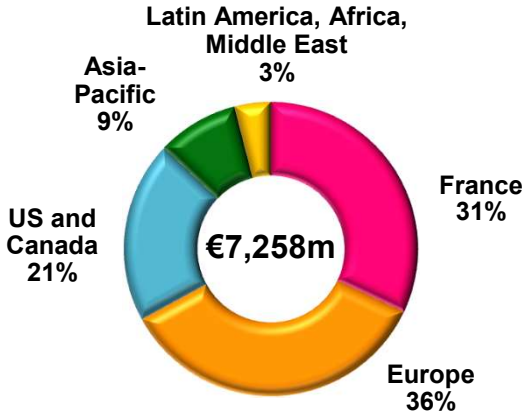
Lagardère ACTIVE

12% of total revenue

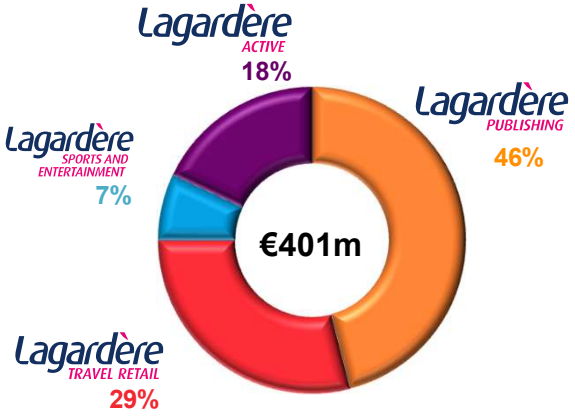
3 No. 3 in the French fiction production market

- Front-ranking player in the French Press and Radio market

2018 revenue breakdown by region



2018 recurring EBIT breakdown by division



ONGOING STRATEGIC REFOCUSING WITH SWIFT PROGRESS ON THE DISPOSAL PLAN ANNOUNCED

Lagardère

2018

June	marie claire 42% stake	€14m
July	Lari Central Europe	€73m
July/ October	mondocteur Doctissimo	€55m

2019

January/ February	BOURSIER.COM, plurimedia, BilletRéduc.com, DOCTI PHARMA	€41m
February*	Lari Africa, Asia	€18m
February	Press (excl. Paris Match, Le Journal du Dimanche and the Elle brand licence)	€52m
June Signing	DISNEY HACHETTE PRESSE	(49% of share capital)
July	mezzo	€12m (60% of share capital)
September	TV channels (excl. Mezzo) gulli, canal J, tiji, MCM	€215m

Lagardère SPORTS

Lagardère STUDIOS

Operations in the process of being sold

* Jacaranda and Vibe Radio: disposals completed in February 2019.
Mediamark: closing subject to regulatory clearance.

A UNIQUE GROUP COMBINING BOTH RESILIENCE AND GROWTH

Lagardère

Lagardère

- A revisited, principal Corporate function
- Symbolic, prestigious assets

Lagardère PUBLISHING

A resilient power engine capable of further growth, with:

- Greater diversification (licences, mobile games and board games)
- Increased innovation
- Expanded distribution (including on behalf of third party publishers)
- Acquisition synergies

Lagardère TRAVEL RETAIL

A growth engine capable of increased profitability, with:

- Ongoing expansion of the concession network
- The scale effect of the concession network (scale in purchasing, decrease in capex and construction costs)
- Agile and efficient organisation
- Excellence in traveler understanding and operational execution

OUR TARGET: A LEANER, MORE AMBITIOUS BUSINESS PROFILE REFOCUSED AROUND TWO COMPLEMENTARY BUSINESSES

Lagardère

- **A Group structured around two pillars to ensure each is given the necessary resources to lead its sector:**

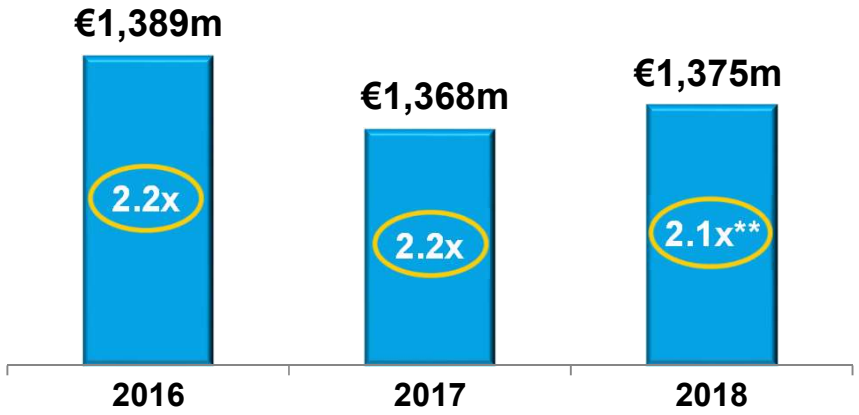
Power engine	Growth engine
Lagardère PUBLISHING	Lagardère TRAVEL RETAIL
✓ Growth decorrelated from the economic cycle ✓ Strategic positioning at the heart of industry-leading content creation	✓ Structural growth outpacing GDP growth ✓ Industry consolidation, providing a source of attractive opportunities

- ► **Improved Group industrial profile: a leaner, more ambitious profile refocused around growth businesses**
- ► **Improved cash generation to finance the growth of our businesses**

A MEASURED, WELL-BALANCED FINANCIAL STRATEGY

Lagardère

A tight rein on net debt…

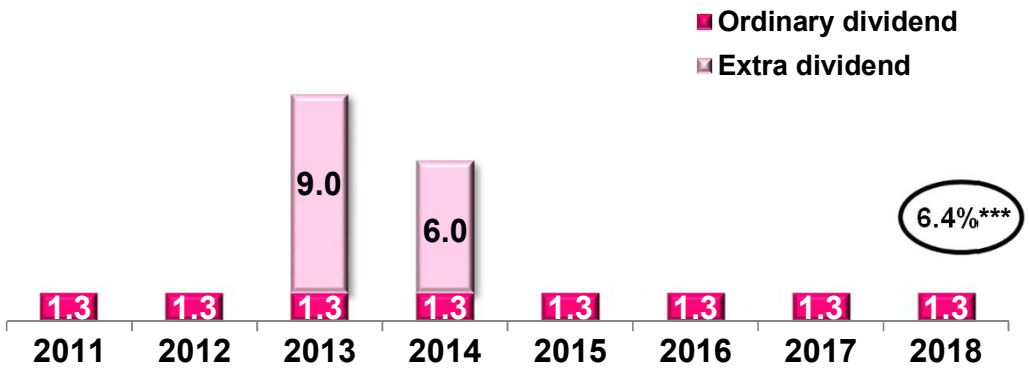


Leverage ratio
Net debt/recurring EBITDA*

… combined with proceeds from future disposals, giving significant investment headroom

A stable ordinary dividend payout...

Historical dividends (€/share)



*** Yield based on the closing share price of €20.30 at 30 September 2019.

...and proceeds from asset disposals reinvested in Lagardère Publishing and Lagardère Travel Retail

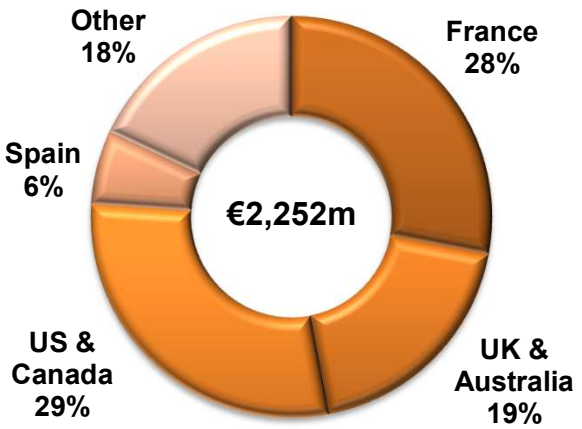
* Defined as the sum of (i) recurring EBIT of fully consolidated companies, (ii) depreciation, amortisation and impairment, and (iii) dividends received from equity-accounted companies.
** On a pro forma basis (as per the syndicated loan agreement), taking into account 12 months' recurring EBITDA for HBF. Based on reported figures, the leverage ratio comes out at 2.2x.


Lagardère
PUBLISHING
Jean-Baptiste Noé
LA PARENTHÈSE LIBÉRALE
Dix-huit années qui ont changé la France
CALMANN LÉVY
UNE HISTOIRE DE CONFIANCE
SERGE BRAMLY
Pour Sensi
par le détail
Manfred Setlink
Calendrier
SO FOOT
365 questions
qui vont calmer les experts du foot !
MARABOUT
CHAMBORD et CHENONCEAU dévoilés
hachette
Pour Comprendre
Toutes les matières
CP
MONICA HESSE
MICHAEL CONNELLY
#1 NEW YORK TIMES BESTSELLING AUTHOR
Jane Birkin
Munkey Diaries
Clara Dupont-Monod
La révolte

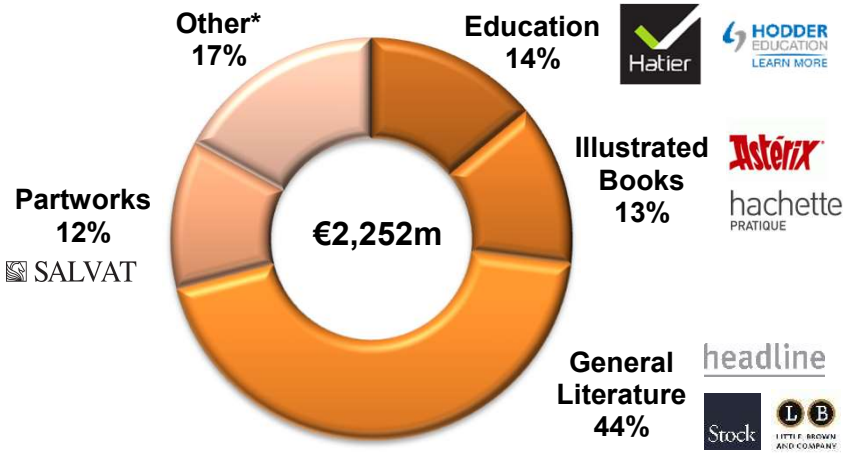
SUCCESSFUL PORTFOLIO OF PUBLISHING BUSINESSES WITH SOLID LEADING POSITIONS IN CORE MARKETS

Lagardère PUBLISHING

2018 revenue by geographic area



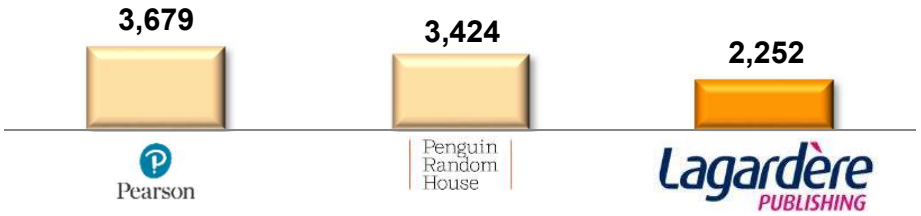
2018 revenue by activity



* Of which 12% for Distribution (self and third party).

Top 3 Consumer book publishers worldwide

Based on 2018 pro-forma revenue (€m)
(Consumer: Trade & Education including Higher Education, excluding Professional)



Ranking in core markets*

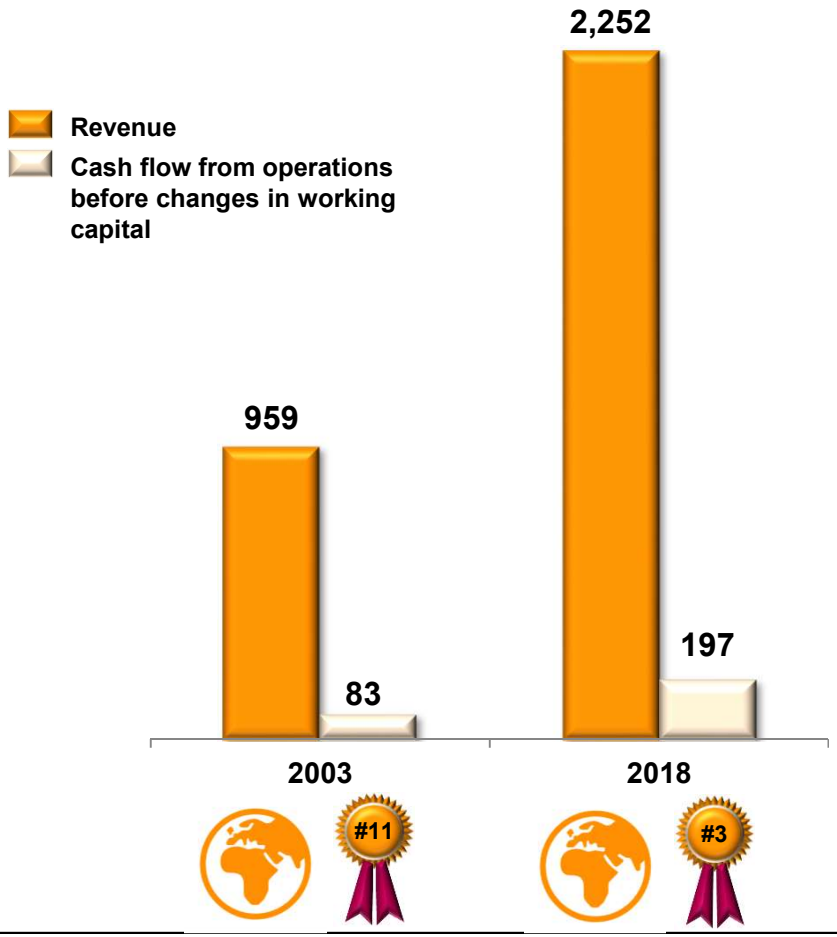
* Consumer (Trade & Education including Higher Education, excluding Professional).
Based on 2018 average exchange rates. Revenues from STM, professional markets and other activities than book publishing have been excluded when it could be isolated.
Sources: Annual reports, Internal estimates, GfK, Nielsen Bookscan.

CREATING A TOP GLOBAL PLAYER THROUGH ACQUISITIONS, ORGANIC DEVELOPMENT AND AN INTERNATIONAL STRATEGY (1/2)

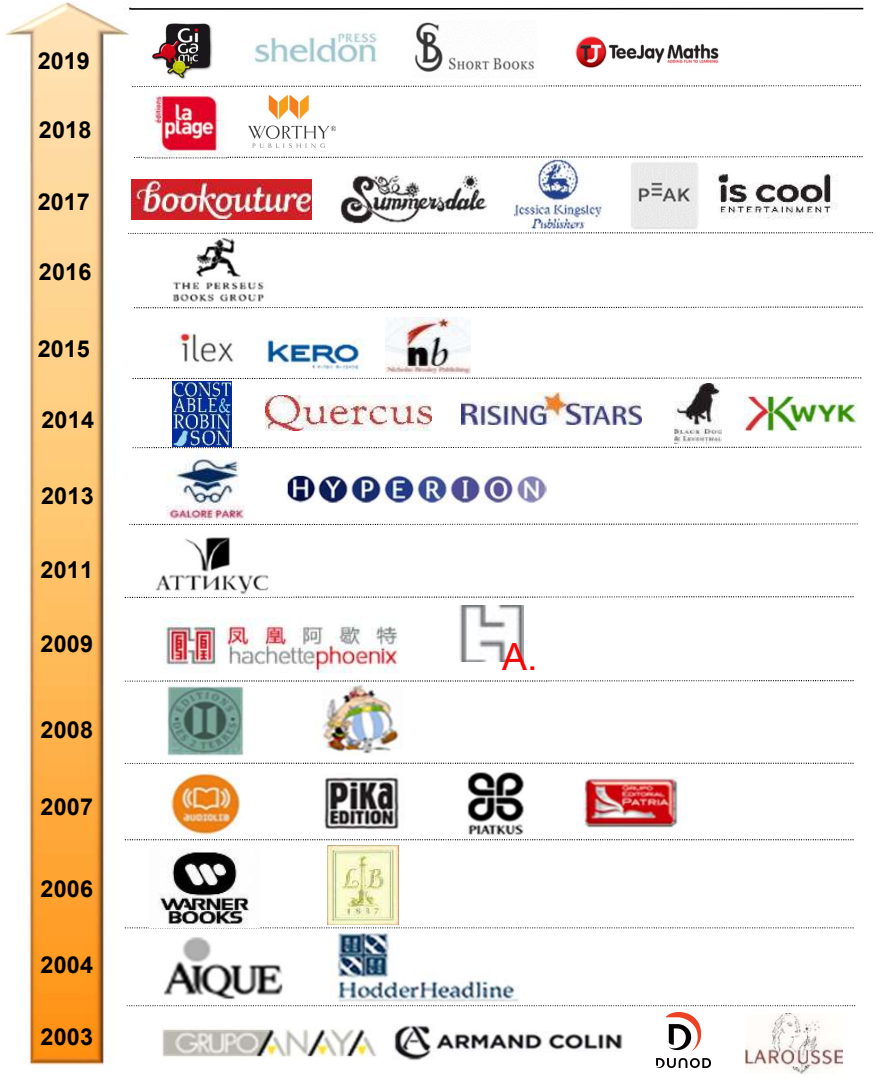
Lagardère PUBLISHING

Revenue evolution and cash flow from operations before changes in working capital (€m)

(2003-2018)



Leadership fuelled by acquisitions (2003-2019)



CREATING A TOP GLOBAL PLAYER THROUGH ACQUISITIONS, ORGANIC DEVELOPMENT AND AN INTERNATIONAL STRATEGY (2/2)

Lagardère PUBLISHING

- M&A activity has inflated PER of all large publishing companies
- High price must be offset by skillfull integration and quickly implemented synergies (back offices, distribution, office footprints…) in order to deliver high return on investment
- Lagardère Publishing's track record in doing so is outstanding:

Lagardère Publishing's after tax return on investment in acquisitions since 1996

Hatier
- Acquisition in **1996**
- Return on investment **15%**

GRUPO ANAYA, DUNOD, ARMAND COLIN, LAROUSSE
- Acquisition in **2004**
- Return on investment **9%**

Time Warner | Book Group
- Acquisition in **2006**
- Return on investment **9%** *(excluding non US-business)*

PIKA EDITION
- Acquisition in **2007**
- Return on investment **13%**

LES ÉDITIONS ALBERT RENÉ
- Acquisition in **2008**
- Return on investment **14%**

CONSTABLE & ROBINSON
- Acquisition in **2014**
- Return on investment **16%**

Quercus
- Acquisition in **2014**
- Return on investment **14%**

THE PERSEUS BOOKS GROUP
- Acquisition in **2016**
- Return on investment **12%**

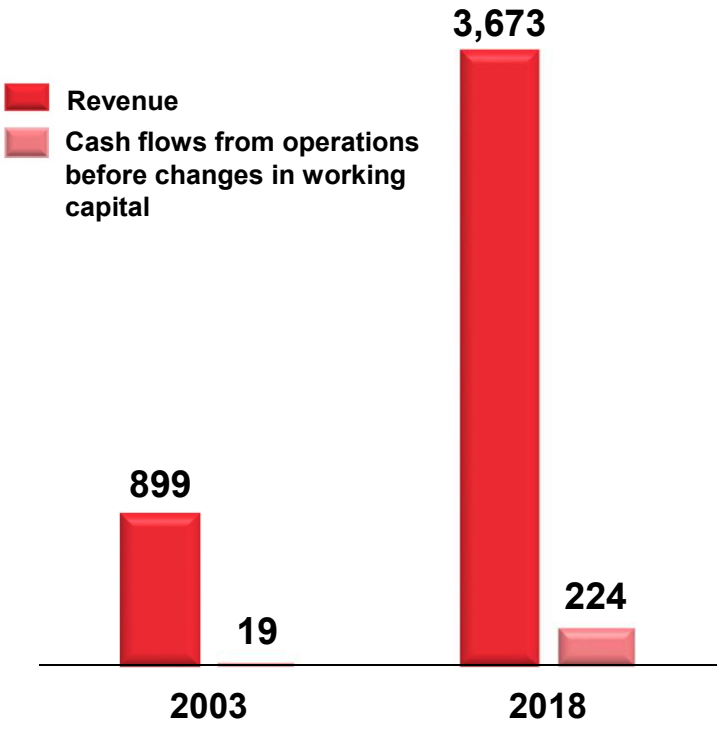

BUY PARIS DUTY FR
CHANEL
Dior
GUERLAIN
ARMANI
RMO COSMETICS
-20%
CHANEL
Lagardère
TRAVEL RETAIL

LAGARDÈRE TRAVEL RETAIL HAS BECOME A GLOBAL LEADER THANKS TO ORGANIC GROWTH AND SELECTIVE ACQUISITIONS

Lagardère TRAVEL RETAIL

Revenue evolution and cash flow from operations before changes in working capital (€m)*

(2003-2018)



Development driven mainly by organic growth in 2003-2019

Organic growth

New concessions won

- ***August 2018*** — **Netherlands:** Foodservice in rail stations
- ***End-2017*** — **Shanghai, Beijing, Wuhan:** Fashion, Foodservice
- ***September 2017*** — **Dakar:** Duty Free, Travel Essentials
- ***May 2017*** — **Hong Kong:** Alcohol and Tobacco (with China Duty Free Group)
- ***March 2017*** — **Geneva:** Duty Free
- ***End-2016*** — **Riyadh, Dammam, Jeddah:** Duty Free
- ***November 2016*** — **Poland:** New concession awarded at Gdansk airport
- ***December 2015*** — **Abu Dhabi:** Duty Free and Foodservice

Development of existing concessions

- ***End-2017*** — **Auckland:** Opening of a new Duty Free store
- ***February 2017*** — **Prague:** Takeover of an additional 9 Duty Free stores
- ***December 2016*** — **Rome:** Foodservice and Duty Free at the Avancorpo terminal
- ***September 2015*** — **Nice:** Opening of terminal 1 with a new Foodservice concept

Acquisitions

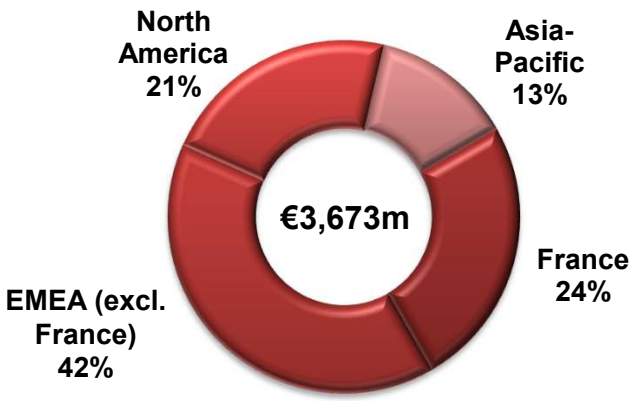
- ***September 2019*** — **Europe:** International Duty Free
- ***November 2018*** — **North America:** Hojeij Branded Foods
- ***June 2017*** — **Poland:** Inflight Service operations
- ***October 2015*** — **North America:** Paradies (76 airports)
- ***September 2012*** — **Europe:** ADR Retail (Rome)

* Adjusted for Distribution businesses.

HIGH GROWTH BUSINESS WITH LEADING POSITIONS IN ITS 3 SEGMENTS

Lagardère TRAVEL RETAIL

2018 revenue by geographic area



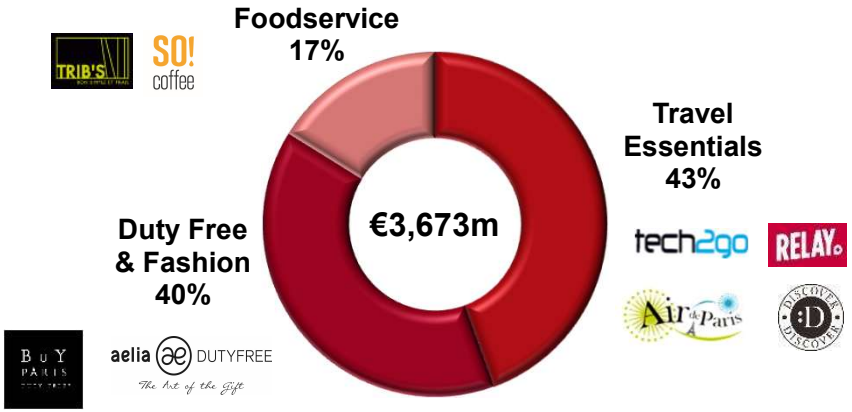
35 countries on **5** continents

257 airports*

750 railway and metro stations

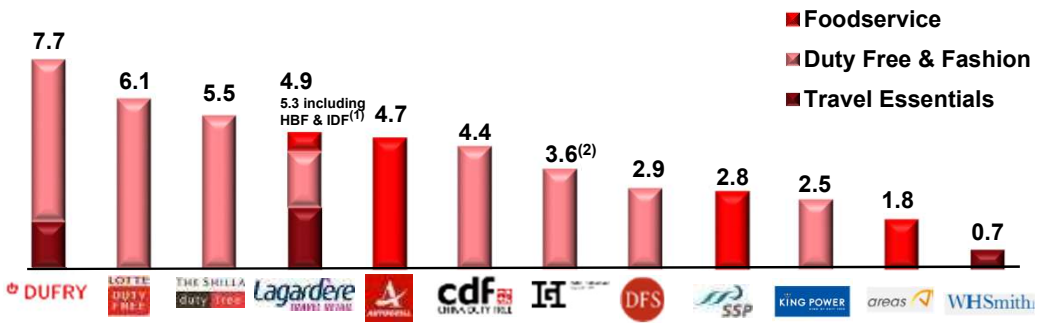
* Including franchises.

2018 revenue by activity



Top 10 Travel Retail operators worldwide

€bn, sales @100%, 2018



(1) FY Pro forma. / (2) Travel Retail activities only.
Sources: Companies reports, The Moodie Report, Lagardère Travel Retail estimates.

Ranking in core markets

ACQUISITION OF INTERNATIONAL DUTY FREE CLOSED IN SEPTEMBER 2019: REINFORCING LAGARDÈRE TRAVEL RETAIL COMPETITIVE POSITION IN EUROPE

Lagardère TRAVEL RETAIL

IDF 2018 key figures

30 points of sales

3 countries

€183m revenue[1]

Profile of IDF

Belgium's leading Travel Retail operator with long-term contracts and operations in Luxembourg and Kenya

High-quality Duty Free & Fashion outlets, all recently refitted or currently under refit, and first-class execution standards

Unique Premium Chocolate retail experience through The Belgian Chocolate House

Transaction overview

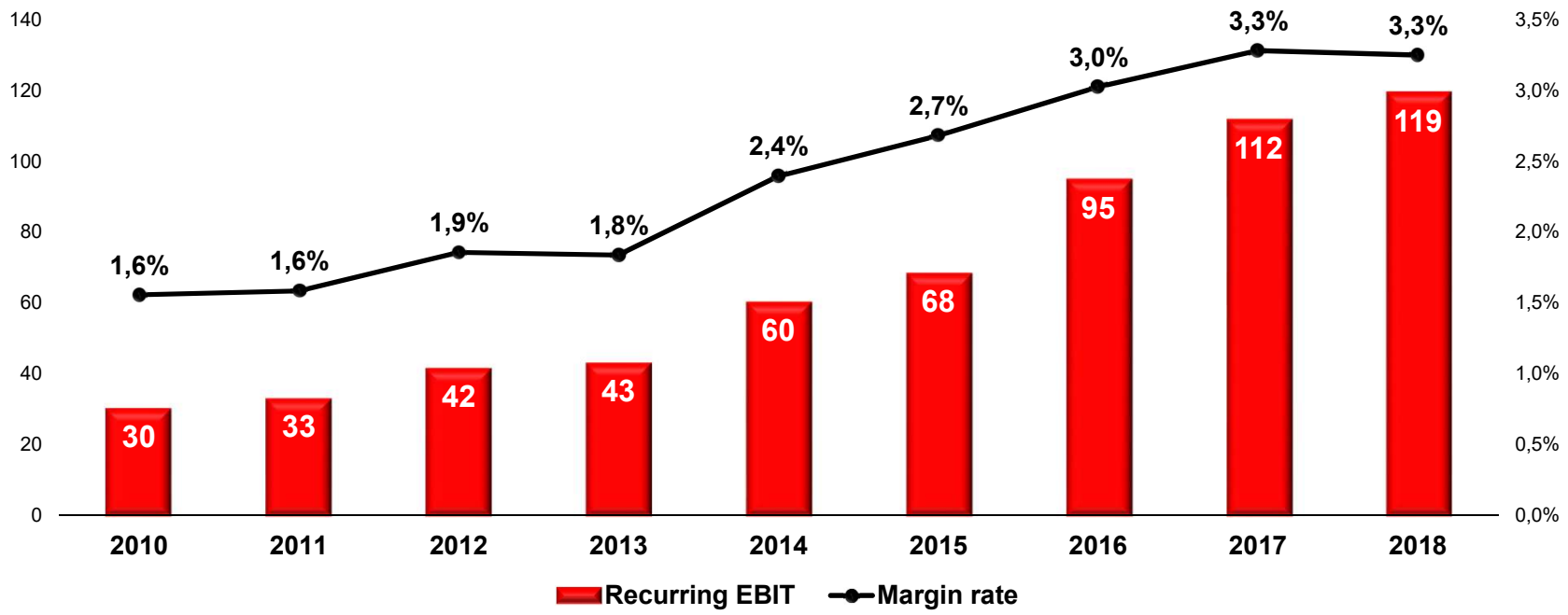
Transaction summary	▪ Acquisition of 100% of International Duty Free (IDF) ▪ Purchase price: €250 million[2] ▪ Transaction closed on September 19th, 2019
EBITDA, synergies and implied multiple	▪ IDF key figures in 2018: sales of €183 million, with a secured portfolio of long-term contracts ▪ Attractive synergy potential with run rate of circa €7 million per annum after the third year following the acquisition ▪ Relutive on all financial indicators including RESOP (above 9%) and high cash conversion rate ▪ Transaction EBITDA multiple (on a valuation gross of partners share) of around 8 times 2020 Pro forma EBITDA[3]

[1] Full year 2018.
[2] Based on debt and cash free valuation.
[3] Year 1 pro-forma EBITDA is defined as Reported EBITDA adjusted for the EUR 7 million run-rate impact of recurring synergies.

A GROWTH ENGINE CAPABLE OF INCREASED PROFITABILITY

Lagardère TRAVEL RETAIL

Travel Retail Recurring EBIT and margin*



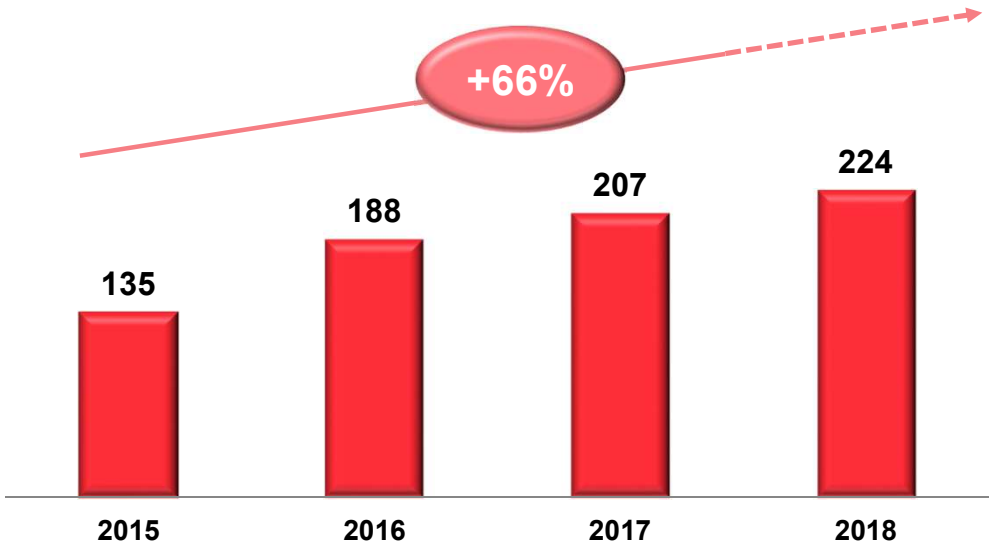
- ✓ **Operational excellence and retail expertise**
- ✓ **Market penetration and business development (network expansion and scale effect)**
- ✓ **Organisation and system optimization (system harmonization)**

* Travel Retail perimeter only (excluding Distribution).

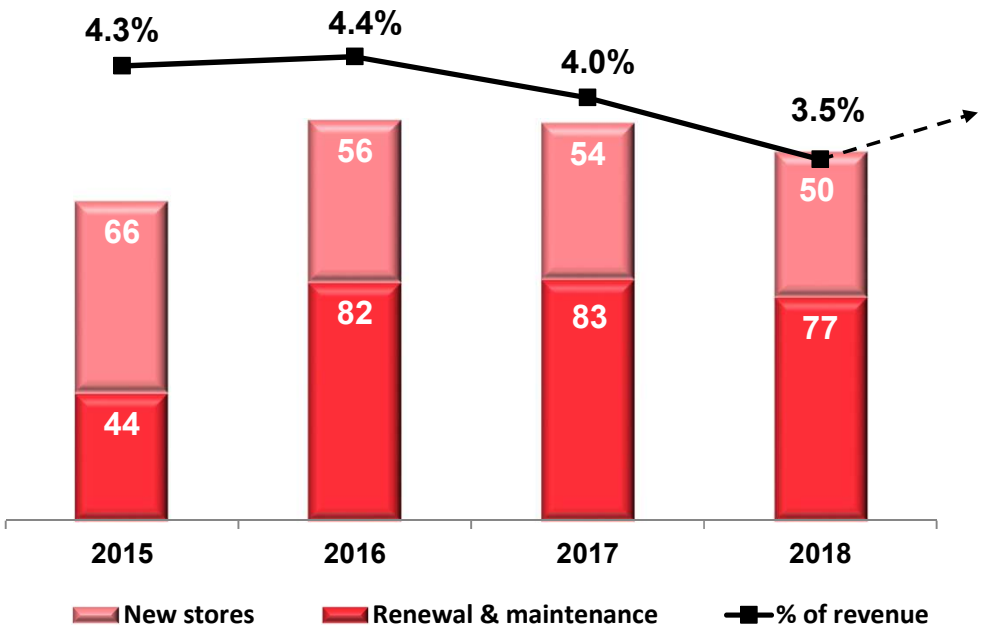
IMPROVEMENT OF CASH GENERATION BACKED BY A RESILIENT BUSINESS MODEL

Lagardère TRAVEL RETAIL

Travel Retail Cash Flow from Operations*



Breakdown of Capex**



* Travel Retail perimeter only (excluding Distribution) – Cash Flow from Operations before changes in working capital.
** Capex Travel Retail, excluding Distribution.

Lagardère

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APPENDICES

HIGHLIGHTS / FULL-YEAR 2018

Lagardère

- Solid performance from Travel Retail and Sports & Entertainment divisions
- Due to the absence of curriculum reform, lower performance from Publishing
- Free cash flow substantially improved

(€m)	2017*	2018
Revenue	7,084	7,258
Group recurring EBIT**	399	401
*Group operating margin***	*5.6%*	*5.5%*
Profit – Group share	176	194
Adjusted profit – Group share**	214	222
Free cash flow**	283	471
Net debt at end of year**	(1,368)	(1,375)
Earnings per share (in €)	1.36	1.49
Ordinary dividend per share (in €)	1.30	1.30***

+2.5% consolidated
+3.3% like-for-like**

* Restated for IFRS 15 using the retrospective method.
** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.
*** Ordinary dividend that will be recommended at the General Meeting on 10 May 2019.

HIGHLIGHTS / FIRST-HALF 2019

Lagardère

- Solid performance from our target scope: Lagardère Publishing and Lagardère Travel Retail
- Strong performance of Lagardère Sports and Entertainment due to AFC event
- H1 typically low free cash flow due to business and working capital seasonality
- Solid financial position with leverage ratio at 2.3x stable year on year

(€m)	H1 2018*	H1 2019
Revenue	3,366	3,612
Group recurring EBIT**	139	153
*Group operating margin***	*4.1%*	*4.2%*
Profit – Group share	106	52
Adjusted profit – Group share**	59	63
Free cash flow**	147	(59)
Net debt** at end of period***	(1,367)	(1,590)

+7.3% consolidated
+6.7% like-for-like**

* Restated for IFRS 16 using the full retrospective method.
** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.
*** Net debt as of 31 December 2018.

CONSOLIDATED INCOME STATEMENT / FULL-YEAR 2018

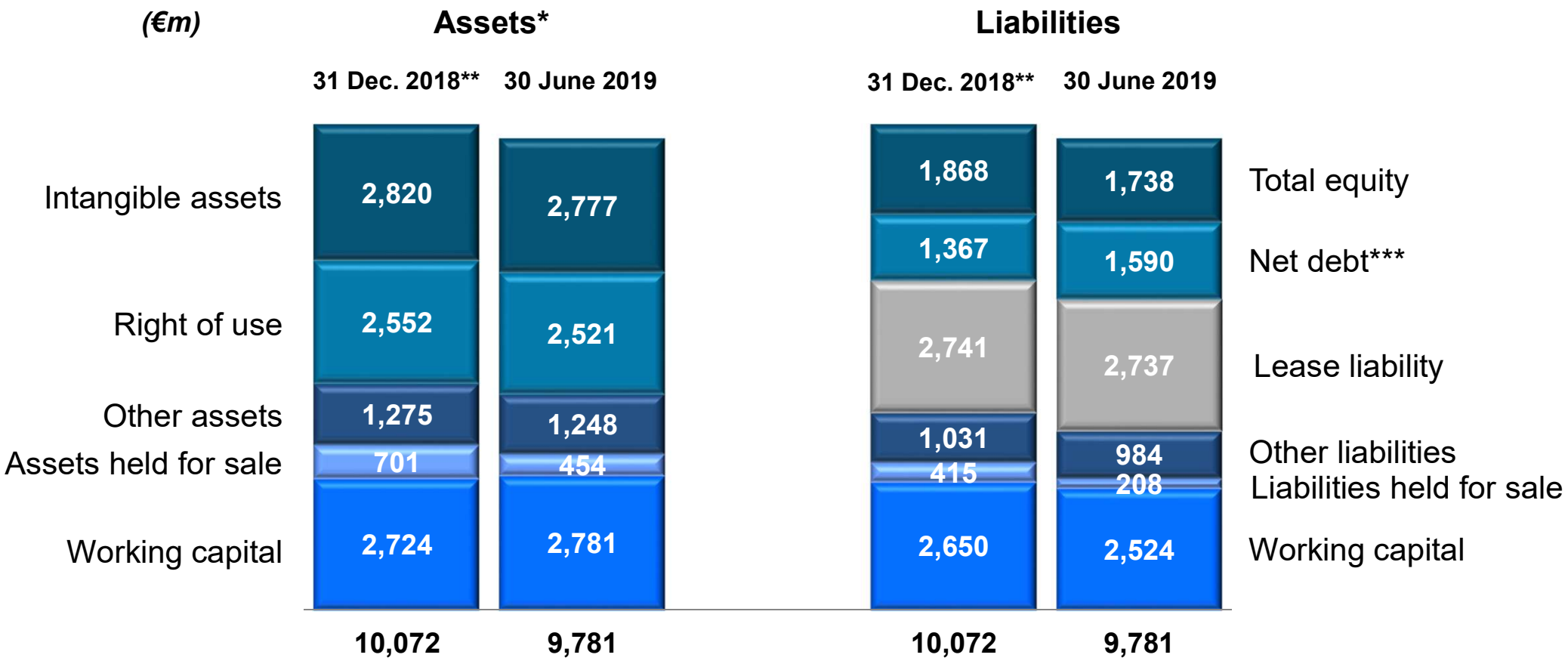
Lagardère

(€m)	2017*	2018
Revenue	**7,084**	**7,258**
Group recurring EBIT**	**399**	**401**
Income from equity-accounted companies***	3	4
Non-recurring/non-operating items	(127)	4
Total EBIT	**275**	**409**
Finance costs, net	(73)	(59)
Profit before tax	**202**	**350**
Income tax (expense) benefit	2	(134)
Profit for the period	**204**	**216**
Attributable to minority interests	28	22
Profit – Group share	**176**	**194**

* Restated for IFRS 15 using the retrospective method.
** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.
*** Before impairment losses.

CONSOLIDATED BALANCE SHEET / FIRST-HALF 2019

Lagardère



* Excluding assets included in net debt.
** Restated for IFRS 16 using the full retrospective method.
*** Net of cash, cash equivalents, short-term investments and derivative instruments documented as hedges of debt.
Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.

CONSOLIDATED STATEMENT OF CASH FLOWS / FULL-YEAR 2018

Lagardère

(€m)	2017*	2018
Cash flow from operations before changes in working capital	**536**	**505**
Changes in working capital	(71)	55
Taxes paid excluding taxes on property disposals	(61)	(35)
Net cash from operating activities**	**404**	**525**
Purchases/disposals of tangible and intangible assets***	(246)	(237)
Free cash flow excluding property disposals	**158**	**288**
Proceeds from property disposals net of tax paid and related refitting costs	125	183
Free cash flow****	**283**	**471**
Purchases of investments	(68)	(340)
Disposals of investments	19	148
Net cash from operating and investing activities	**234**	**279**
Dividend paid and other	(143)	(229)
Interest paid	(70)	(57)
Change in net debt	**21**	**(7)**
Net debt**	**(1,368)**	**(1,375)**

Substantial improvement attributable to Lagardère Publishing and Lagardère Travel Retail

Including €130m at Lagardère Travel Retail with a significant portion relating to new stores/concessions

In 2018, HBF acquisition covered by proceeds from non-core assets disposals

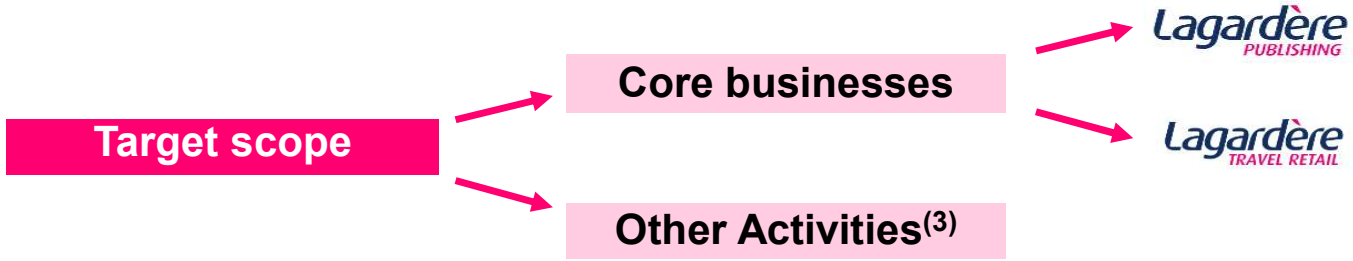
* Restated for IFRS 15 using the retrospective method.
** Before tax paid on property disposals.
*** Excluding property disposals and refitting costs.
**** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.

OUTLOOK 2019

Lagardère

2019 RECURRING EBIT[1] GROWTH TARGET BASED ON TARGET SCOPE[2]:

The Lagardère group expects 2019 recurring EBIT[1] growth based on the target scope[2] to be between 4% and 6%
at constant exchange rates and excluding the acquisition of HBF.

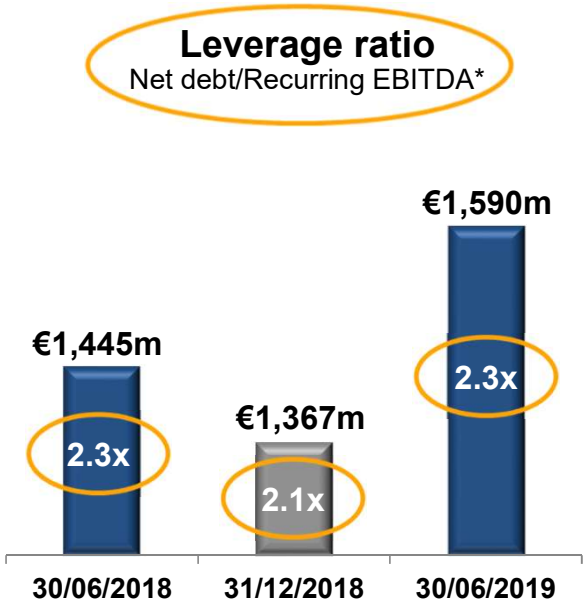


[1] Including IFRS 16 impact on buildings and other only. Impact on concession contracts of Travel Retail is neutralised in Recurring EBIT. – See Glossary on slides 47 to 49.
[2] Lagardère Publishing and Lagardère Travel Retail (core businesses), as well as Other Activities[3] including Lagardère News (*Paris Match*, *Le Journal du Dimanche*, Europe 1, Virgin Radio, RFM and the Elle brand licence), the Entertainment businesses, the Group Corporate function, and the Lagardère Active Corporate function whose costs will be wound down by 2020.

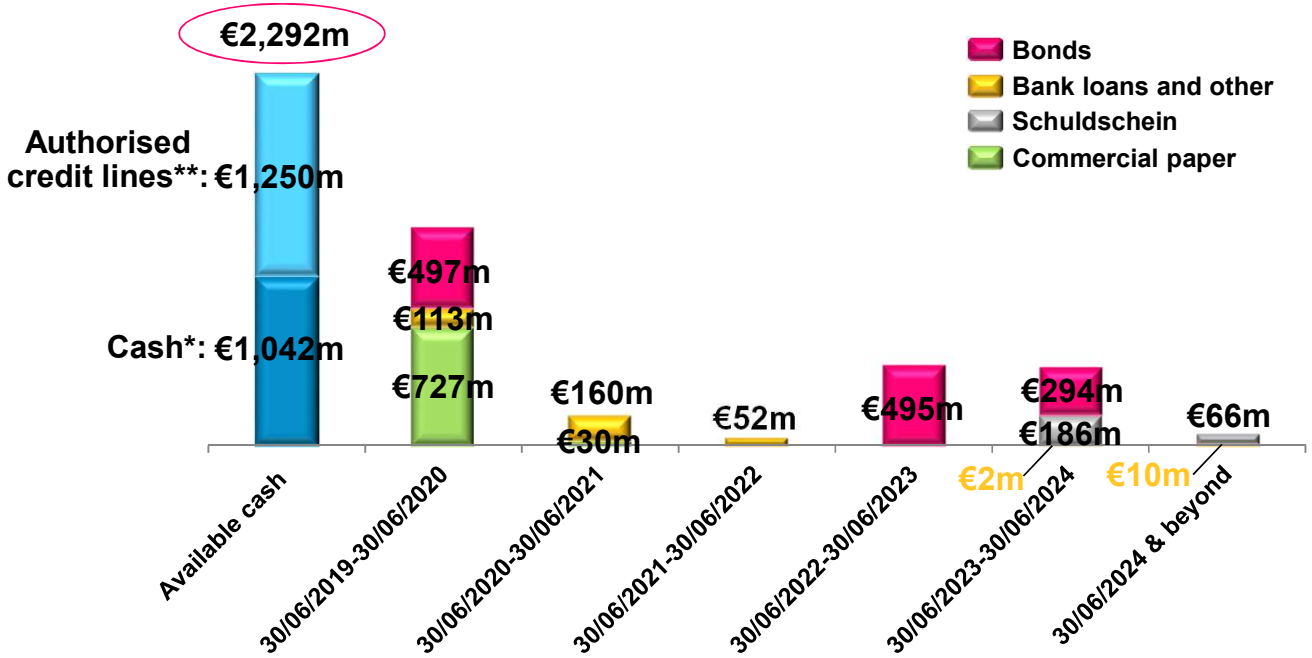
FINANCING POLICY

Lagardère

- **Keeping a leverage ratio at 2.3x with strong recurring EBITDA for H1 2019.**



- **Strong liquidity maintained.**
  - Cash available: M€ 1,042
  - Undrawn RCF: M€ 1,250
- **€500m bond repaid in September 2019.**



* Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.

* Short-term investments and cash.
** Undrawn Group credit facility excluding authorised credit lines at divisional level.

Lagardère

LAGARDÈRE AT A GLANCE

LAGARDÈRE GROUP and FINANCIAL STRATEGIES & POSITIONING

OPERATING PERFORMANCE, OUTLOOK & FINANCIAL PROFILE

TRANSACTION OVERVIEW

APPENDICES

KEY INVESTMENTS HIGHLIGHTS

Lagardère

A TRANSFORMING PORTFOLIO FOCUSSED ON CORE BUSINESSES TO CREATE VALUE OVER THE LONG TERM	• Solid operating Performance from the 2 core business units:
	  • Lagardère Publishing
	  • Lagardère Travel Retail

LAGARDERE PUBLISHING	• Leading positions in core publishing markets • Creating a top global player through acquisitions, organic development and a selective international strategy
LAGARDERE TRAVEL RETAIL	• A global leader focus on growth and selective acquisitions • High Growth Business with leading positions in its 3 segments • Acquisition finalized in September 2019 of International Duty Free will reinforce Lagardère Travel Retail competitive position in Europe
A RESILIENT OPERATING PERFORMANCE	• A solid performance from the target scope: Lagardère Publishing and Lagardère Travel Retail • A solid and recurrent cash flow generation • A conservative financial profile with leverage ratio at 2.1x (Dec. 18) stable year on year
A WELL MANAGED LIQUIDITY POSITION	• A strong liquidity position combined with a well-diversified sources of funding. • Transaction will increase average debt maturity profile

TRANSACTION OVERVIEW

Lagardère

Summary Term Sheet	
ISSUER	LAGARDERE SCA
RATING	NR
NOTIONAL AMOUNT	EUR 500,000,000
MATURITY	[6 or 7 years] , 1 tranche
ISSUE TYPE	Fixed
STATUS OF THE NOTES	Senior Unsecured
FORM OF THE NOTES	Regulation S / Bearer / Dematerialized
GLOBAL COORDINATOR	CACIB (B&D)
ACTIVE BOOKRUNNERS	BNPP / Santander / SGCIB
PASSIVE BOOKRUNNERS	Citi / Mizuho
DOCUMENTATION	Standalone / €100k+100k / CoC / MWC / 3m par call / Clean-up Call (80%)
GOVERNING LAW	French Law
LISTING	Luxembourg Stock Exchange Regulated market
DENOMINATIONS	€100k+100k
USE OF PROCEEDS	Refinancing of existing debt, the acquisition of IDF and for general corporate purposes
TARGET MARKET	Only Manufacturer target market (MIFID II product governance) is eligible counterparties and professional clients (all distribution channels) only. No PRIIPs key information document (KID) has been prepared as not available to retail in EEA

Lagardère

LAGARDÈRE AT A GLANCE

LAGARDÈRE GROUP and FINANCIAL STRATEGIES & POSITIONING

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TRANSACTION OVERVIEW

APPENDICES

CONSOLIDATED BALANCE SHEET / AT 31 DECEMBER 2018

Lagardère

(€m)	31 Dec. 2017*	31 Dec. 2018
Non-current assets	4,007	3,987
Investments in equity-accounted companies	123	73
Current assets	2,941	2,742
Short-term investments and cash	546	710
Assets held for sale	6	699
TOTAL ASSETS	7,623	8,211
Total equity	1,924	2,001
Non-current liabilities	737	810
Non-current debt**	1,542	1,019
Current liabilities	3,048	2,902
Current debt***	372	1,066
Liabilities associated with assets held for sale	0	413
TOTAL LIABILITIES AND EQUITY	7,623	8,211

Net debt**** stable at €1,375m (vs. €1,368m at 31 Dec. 2017)

* Restated for IFRS 15 using the retrospective method.
** Including €18m of long-term derivative assets at 31 December 2017 and a long-term derivative assets €5m and a long-term derivatives liabilities €1m at 31 December 2018.
*** Including €3m of short-term derivative assets at 31 December 2018 and 31 December 2017.
**** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.

CONSOLIDATED BALANCE SHEET / AT 30 JUNE 2019

Lagardère

(€m)	31 Dec. 2018*	30 June 2019
Non-current assets	6,572	6,523
Investments in equity-accounted companies	70	68
Current assets	2,729	2,736
Short-term investments and cash	710	1,042
Assets held for sale	701	454
TOTAL ASSETS	10,782	10,823
Total equity	1,868	1,738
Non-current liabilities	3,089	3,040
Non-current debt**	1,015	1,300
Current liabilities	3,333	3,205
Current debt***	1,062	1,332
Liabilities associated with assets held for sale	415	208
TOTAL LIABILITIES AND EQUITY	10,782	10,823

Net debt**** at €1,590m
(vs. €1,367m at 31 Dec. 2018)

* Restated for IFRS 16 using the full retrospective method.
** Including €5m of long-term derivative assets and €1m of long-term derivatives liabilities at 31 December 2018 and €2m of long-term derivative assets and €4m of long-term derivatives liabilities at 30 June 2019.
*** Including €3m of short-term derivative assets at 31 December 2018 and €5m at 30 June 2019.
**** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.

CONSOLIDATED INCOME STATEMENT / FIRST-HALF 2019

Lagardère

(€m)	H1 2018*	H1 2019
Revenue	**3,366**	**3,612**
Group recurring EBIT**	**139**	**153**
Income from equity-accounted companies***	(5)	0
Non-recurring/non-operating items	135	5
O/w IFRS 16 impacts on concession agreements	*19*	*29*
Total EBIT	**269**	**158**
Finance costs, net	(27)	(24)
Interest expense on lease liabilities	(38)	(42)
Profit before tax	**204**	**92**
Income tax (expense) benefit	(84)	(20)
Profit for the period	**120**	**72**
Attributable to minority interests	14	20
Profit – Group share	**106**	**52**

* Restated for IFRS 16 using the full retrospective method.
** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.
*** Before impairment losses.

CONSOLIDATED STATEMENT OF CASH FLOWS / FIRST-HALF 2019

Lagardère

(€m)	H1 2018*	H1 2019
Cash flow from operations before changes in working capital	**186**	**237**
Changes in working capital	(111)	(173)
Income taxes paid	(11)	(23)
Cash flow from operations	**64**	**41**
Purchases of property, plant & equipment and intangible assets	*(119)*	*(127)*
Disposals of property, plant & equipment and intangible assets	*202*	*27*
Free cash flow**	**147**	**(59)**
Purchases of investments	*(18)*	*(51)*
Disposals of investments	*23*	*101*
Cash flow from (used in) operations and investing activities	**152**	**(9)**
Dividend paid and other	*(207)*	*(180)*
Interest paid	*(32)*	*(34)*
Change in net debt	**(87)**	**(223)**

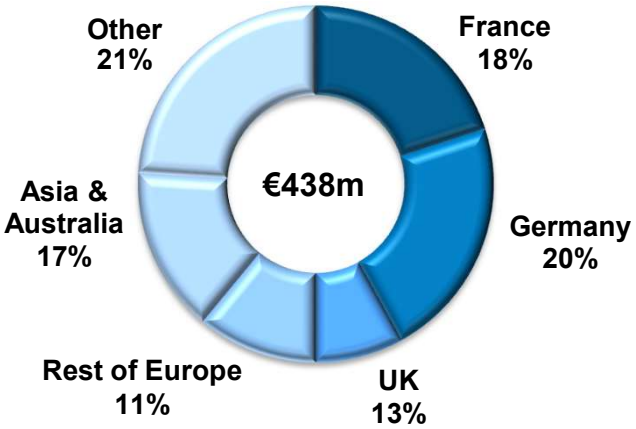
* Restated for IFRS 16 using the full retrospective method.
** Alternative Performance Measure (APM) – See Glossary on slides 47 to 49.


Lagardère
SPORTS AND
ENTERTAINMENT

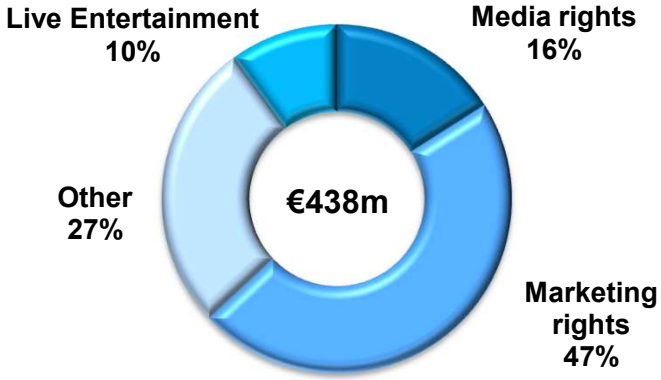
A GLOBAL NETWORK COMBINING INTERNATIONAL EXPERTISE WITH LOCAL MARKET KNOWLEDGE

Lagardère SPORTS AND ENTERTAINMENT

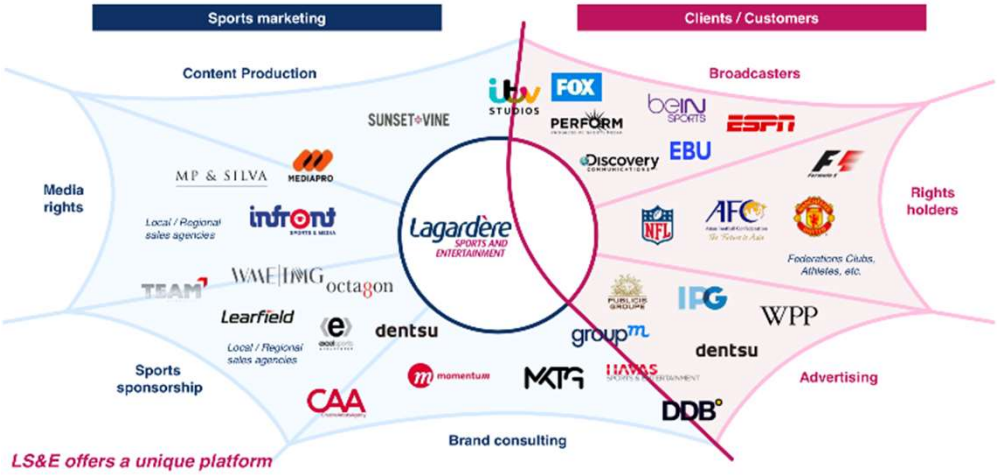
2018 revenue by geographic area



2018 revenue by activity



Competitive landscape



Leading positions

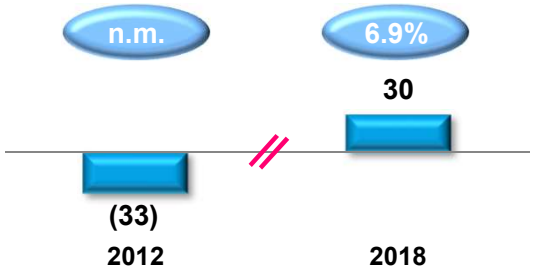
In football in Africa, Asia and Europe

In sponsoring and TV rights distribution

A SUCCESSFUL RECOVERY PLAN AND A GROWTH SECURED WITH RENEWAL AND ADDITION OF MAJOR CONTRACTS

Lagardère SPORTS AND ENTERTAINMENT

Division returned to profitability in 2014



PRESERVING LONG TERM PARTNERSHIPS

Long-term partnerships

23 ***YEARS*** of continuous partnership *with* ***CAF***

> Contract until 2028

18 ***YEARS*** of continuous partnership *with* ***CGF***

> Contract until 2030

Tailored partnerships

100 ***EUROPEAN*** *FOOTBALL & RUGBY CLUBS*

STRENGHTENING CORE SALES ACTIVITIES

- Consolidate and expand comprehensive business on existing territories in Football Europe
- Focus on CAF next cycles
- Leverage our Media and Sponsorship sales network to create value for rights holders
- Entered into exclusive media distribution partnership with International Handball Federation

DEVELOPING BRAND CONSULTING AND DIGITAL SERVICES

- Launch of Lagardère Plus, a global agency with a mission to transform traditional brand sponsorships into highly inventive and impactful marketing platforms:
  - partnership exploratory and strategy
  - comprehensive digital strategies
  - production & management of digital content
  - mobile and tablet apps for rights-holders
  - social apps & activations for rights-holders and brands
  - data analysis

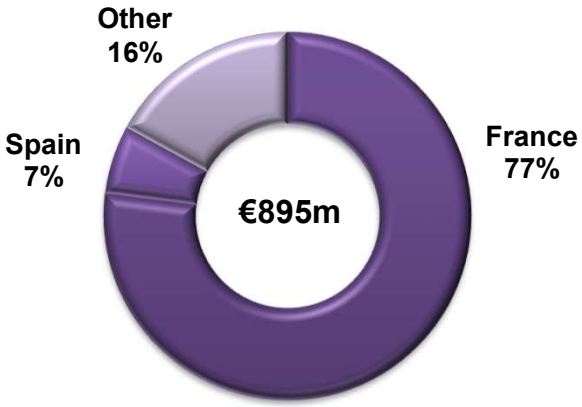
Lagardère PLUS


Lagardère
ACTIVE

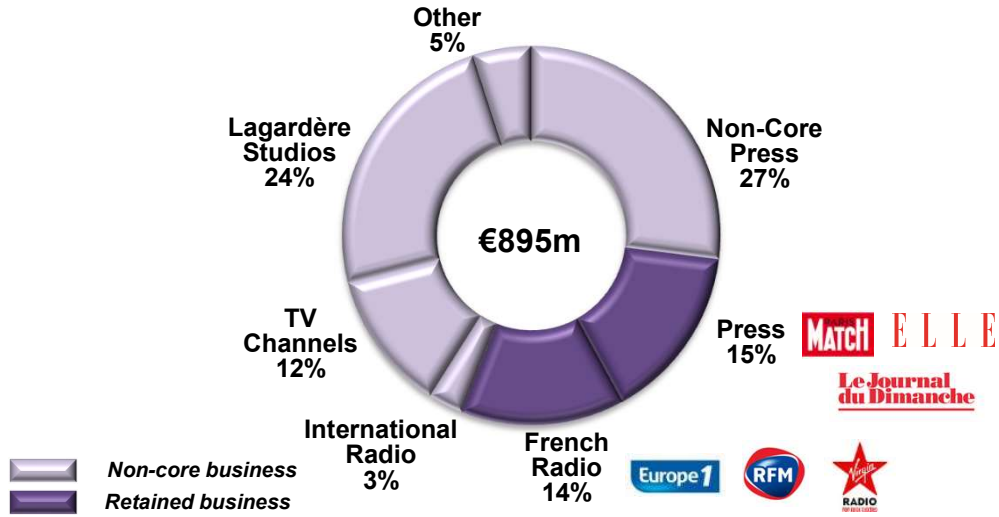
A DIVERSIFIED BUSINESS MIX WITH SOLID LEADING POSITIONS

Lagardère ACTIVE

2018 revenue by geographic area



2018 revenue by activity



Peers

Radio + TV + Internet

MONDADORI
Roularta Media Group
sanoma
Time Inc.
axel springer

HEARST corporation
RTL
Next Radio TV
PUBLICIS GROUPE

Sound market positions

#3

Magazine publisher in France

Fiction production in France

Lagardère

NON-RETAINED BUSINESS SCOPE[1]:

Based on constant exchange rates, the contribution to recurring EBIT in 2019 for businesses not yet disposed at
13 March 2019 (which represented €78 million in 2018) is expected to be between €80 million and €90 million on
a full-year basis, despite the disposal of Mezzo since that date.

Non-retained business scope

- Lagardère STUDIOS
- Lagardère SPORTS
- DISNEY HACHETTE PRESSE
- mezzo
- *TV channels* *(excl. Mezzo)*: gulli, canal J, tiji, MCM

** Excluding the Entertainment businesses*

[1] Recurring EBIT of operations disposed between 1 January 2019 and 24 July 2019 is minimal, since the Press business was deconsolidated with effect from 1 January 2019 and the amounts corresponding to the other assets are not significant.

GLOSSARY (1/3)

Lagardère

Lagardère uses alternative performance measures 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. In the context of the first-time application of IFRS 16 – Leases, effective 1 January 2019, the Group has elected to retain its existing alternative performance measures with certain modifications, in particular the neutralisation of pure accounting effects and distortions created by the new standard on the concession's businesses. From 1 January 2019, these indicators are monitored by the Executive Committee to assess operating performance and manage the business, along with the financial metrics defined by the IASB. These indicators are calculated based on accounting items taken from the consolidated financial statements prepared under IFRS and a reconciliation with those items is provided either in this presentation or in the press release or in the notes to the consolidated financial statements. A dedicated presentation relating to the impacts of IFRS 16 on the alternative performance indicators was held on 12 February 2019 and is available on the Lagardère website (http://www.lagardere.com/fichiers/fckeditor/File/Relations_investisseurs/Publications/2019/IFRS16/2019_Session_IFRS_16.pdf).

- **Recurring EBIT (Group recurring EBIT). The Group's main performance indicator is recurring operating profit of fully consolidated companies, which is calculated as follows:**
  Profit before finance costs and tax excluding:
  - Income (loss) from equity-accounted companies before impairment losses;
  - 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 purchase 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;
  - Items related to leases:
    - Cancellation of fixed rental expense* on concessions;
    - Depreciation of right-of-use assets on concessions;
    - Gains and losses on lease modifications.

GLOSSARY (2/3)

Lagardère

- **The like-for-like change in revenue is calculated by comparing:**
  - H1 2019 revenue to exclude companies consolidated for the first time during the period, and H1 2018 revenue to exclude companies divested in H1 2019;
  - H1 2019 and H1 2018 revenue based on H1 2018 exchange rates.

- **Operating margin** is calculated by dividing recurring EBIT of fully consolidated companies (Group recurring EBIT) by revenue.

- **Recurring EBITDA over a rolling 12-month period** is calculated as recurring EBIT of fully consolidated companies (Group recurring EBIT) plus dividends received from equity-accounted companies, less amortisation and depreciation charged against intangible assets and property, plant and equipment, less amortisation of signing fees, less depreciation of right-of-use assets for buildings and other items, less cancellation of fixed rental expense for buildings and other items.

- **Free cash flow** is calculated as cash flow from operations before changes in working capital plus net cash flow relating to repayment of lease liabilities and associated interest paid, changes in working capital, taxes paid, and net cash flow relating to acquisitions and disposals of intangible assets and property, plant and equipment.

- **Net debt** is calculated as the sum of the following items: short-term investments and cash and cash equivalents, financial instruments designated as hedges of debt, non-current debt and current debt.

GLOSSARY (3/3)

Lagardère

- **Adjusted profit – Group share** is calculated on the basis of profit for the period, excluding non-recurring/non-operating items, the related tax effect and minority interests, as follows:

  Profit for the period excluding:
  - Gains (losses) on disposals of assets;
  - Impairment losses on goodwill, property, plant and equipment, intangible assets and investments in equity-accounted companies;
  - Net restructuring costs;
  - Items related to business combinations:
    - Acquisition-related expenses;
    - Gains and losses resulting from purchase price adjustments and fair value adjustments due to changes in control;
    - Amortisation of acquisition-related intangible assets.
  - Specific major disputes unrelated to the Group's operating performance;
  - Items related to leases:
    - Cancellation of fixed rental expense* on concessions;
    - Depreciation of right-of-use assets on concessions;
    - Interest expense on lease liabilities on concessions;
    - Gains and losses on lease modifications.
  - Tax effects of the above items, including the tax on dividends paid in France;
  - Non-recurring changes in deferred taxes;
  - Adjusted profit attributable to minority interests (Profit for the period attributable to minority interests plus minority interests on the above items).

* Cancellation of fixed rental expense is equal to the repayment of the lease liability, the associated change in working capital and interest paid in the statement of cash flows.