

Lagardère TR Q1 results down 56.1% year on year

Lagardère's publishing division has been quite successful during the time of COVID-19, and this has helped the company weather the decidedly difficult time in travel retail.

In total, the company's first-quarter revenue totalled €341 million US\$411.9 million, which was down 57.6% as reported and down 56.1% like for like. This depended greatly on the region in question, however. The revenue "closely mirrored" trends in air passenger traffic, with a locked-down Europe; borders closed in Singapore, Australia and New Zealand; a more robust US with its domestic travel and increased sales in China.

	Revenue (€m)		Change vs. 2020 (%)		Change vs. 2019 (%)
	Q1 2020	Q1 2021	reported	like-for-like	like-for-like
Lagardère Publishing	457	509	+11.6	+13.9	+10.1
Lagardère Travel Retail	804	341	-57.6	-56.1	-63.1
Other Activities*	60	55	-8.3	-10.4	-16.0
Target scope	1,321	905	-31.5	-29.8	-37.8
Non-retained scope**	40	-	N/A	N/A	N/A
LAGARDÈRE	1,361	905	-33.5	-29.8	-37.8

* Lagardère News (Paris Match, Le Journal du Dimanche, Europe 1, Virgin Radio, RFM and the Elle brand licence), the Entertainment businesses, and the Group Corporate function.

** Operations disposed (Lagardère Studios, excluding Lagardère Sports, classified as a discontinued operation in accordance with IFRS 5).

In the EMEA, France dropped 59.7% over 2020, while the EMEA outside of France dropped even further, to -63.8%, reflecting more stringent travel restrictions. Central Europe performed "relatively" better, helped by city center shops.

In North America, January and February were in line with late 2020, but March showed improvement as vaccinations rolled out and restrictions on domestic travel in the US were eased.

In Asia-Pacific, a closed Pacific region was balanced in part by positive numbers in China. The region as a whole was down 31.9%, but revenue in China was actually up 37.1%.

As predicted, global domestic travel is beginning to show signs of recovery before international travel, as can be seen specifically in the US and China.

Despite positive increases in revenue in its publishing division, Lagardère is pressing ahead with its group-wide cost cutting and cash control efforts in order to protect the liquidity of the company as a whole. Lagardère Travel Retail is actively continuing efforts to control cash, especially as regards working capital and capital expenditure in 2021.