2013 REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT



GROUPE M6

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2013 REGISTRATION DOCUMENT

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AUTORITÉ DES MARCHÉS FINANCIERS

The French version of this Registration Document was filed with the French Financial Market Authority (AMF) on 10 April 2014, in accordance with Article 212-13 of the AMF General Regulations. It may be used for the purpose of a financial transaction, if completed by an information notice approved by the AMF. This document was prepared by the issuer and is the responsibility of the signatories.

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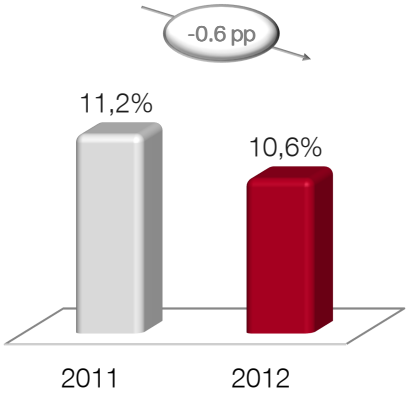
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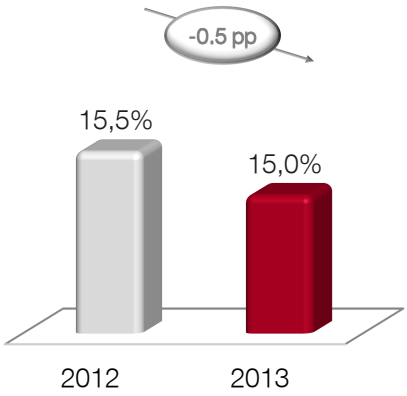
1.1. Key figures

1.1.1. Management indicators

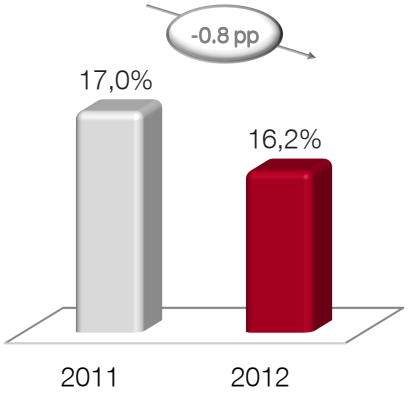
M6 channel 4+ audience ratings



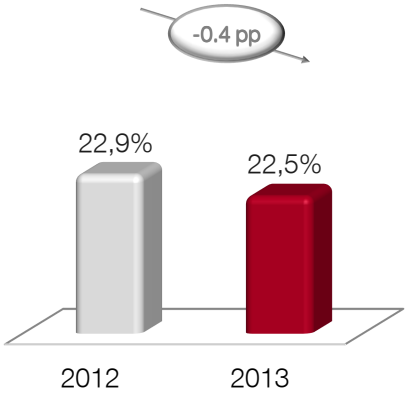
M6 Group 4+ audience ratings



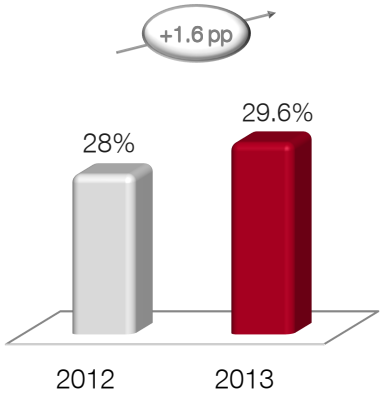
M6 channel Hws<50 audience ratings



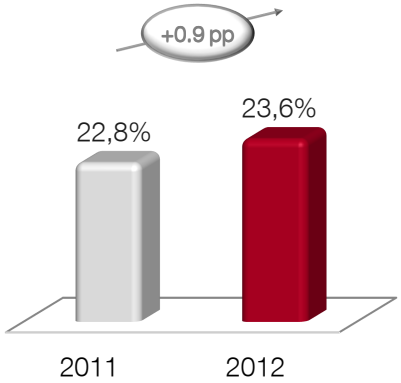
M6 Group Hws<50 audience ratings



Gross advertising market share
M6 channel (traditional channels)



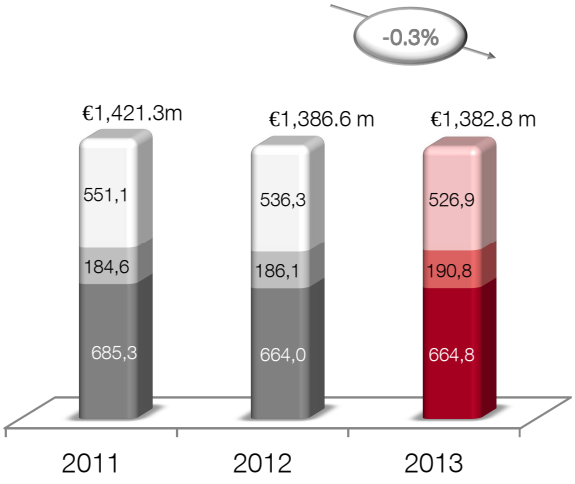
Gross advertising market share
M6 Group (all TV)



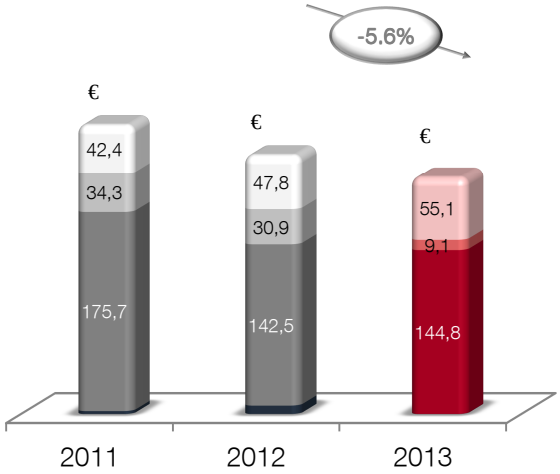
Sources: Médiamétrie, Kantar Média.

1.1.2. Financial indicators

Revenue analysis by division
(€ millions, including discontinued operations)

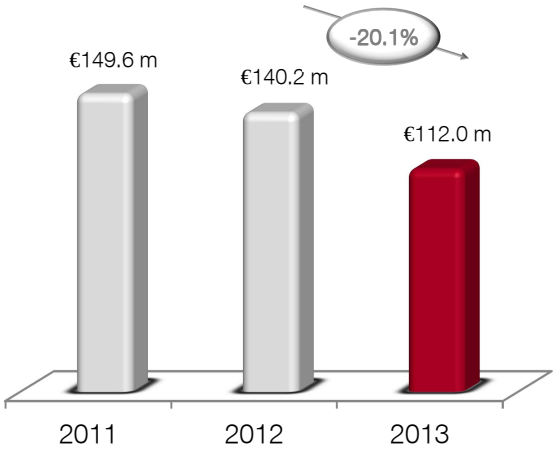


EBITA* analysis by division
(€ millions, including discontinued operations)

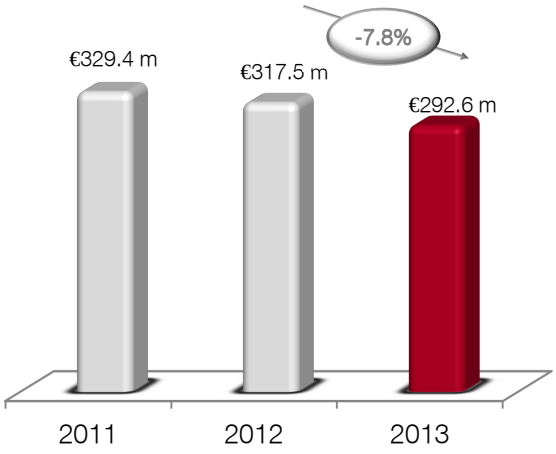


M6 TV Network Digital channels Diversification and Audiovisual Rights Unallocated items

Group Share of Net Profit (€ millions)



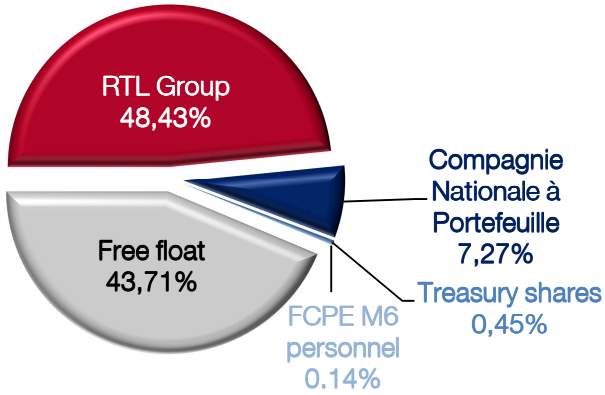
Net Cash Position**
(€ millions, including discontinued operations)



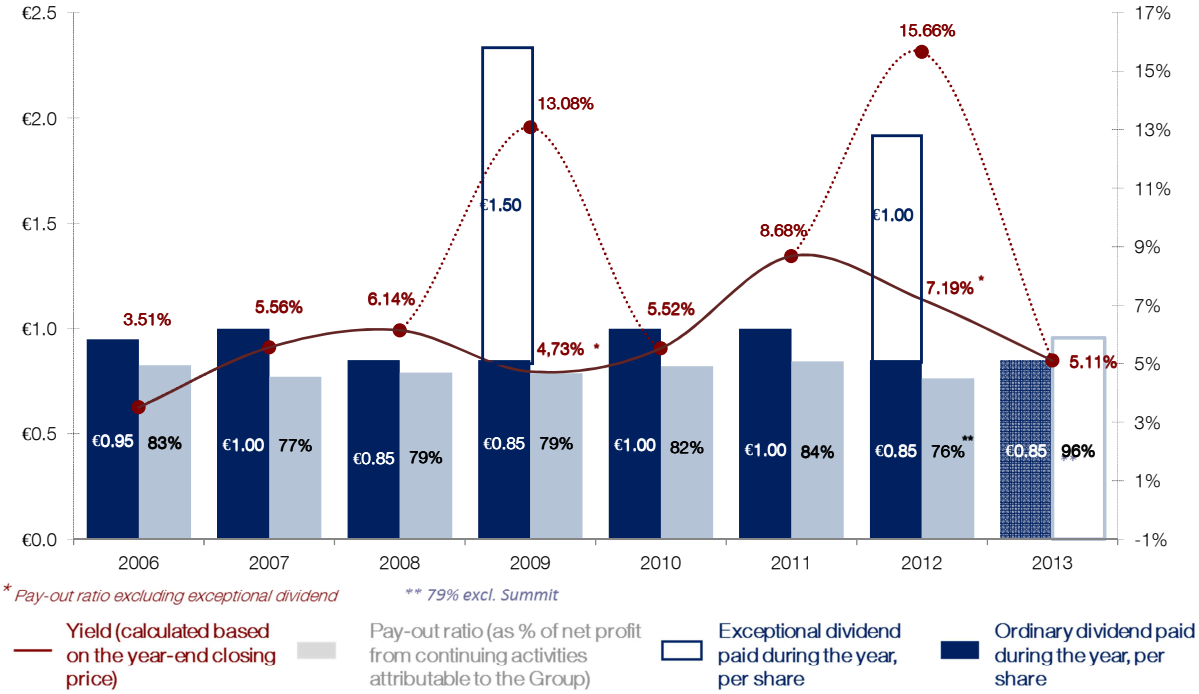
* EBITA is defined in section 5.1.1.1 of this management report
** The net cash position is defined in section 5.2.2 of this management report.

1.1.3. Stock market indicators

Shareholding structure at 31 December 2013

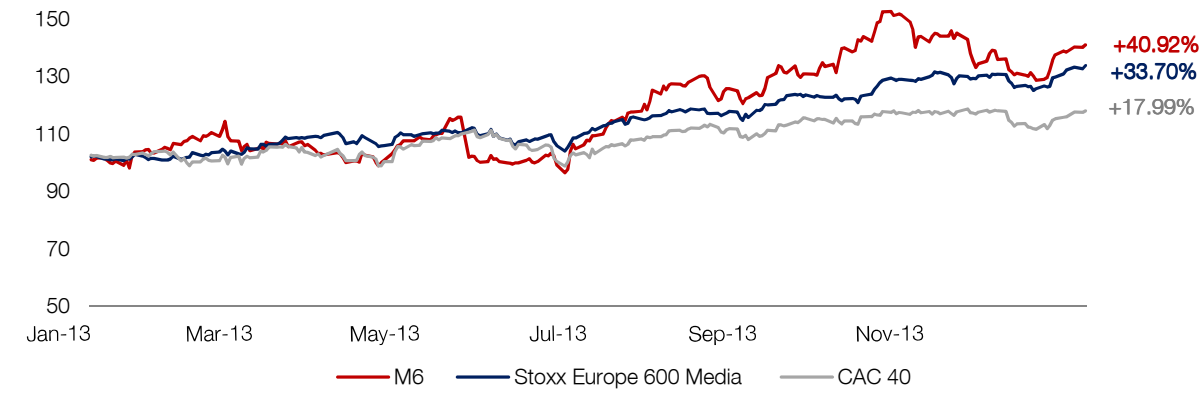


Dividends paid

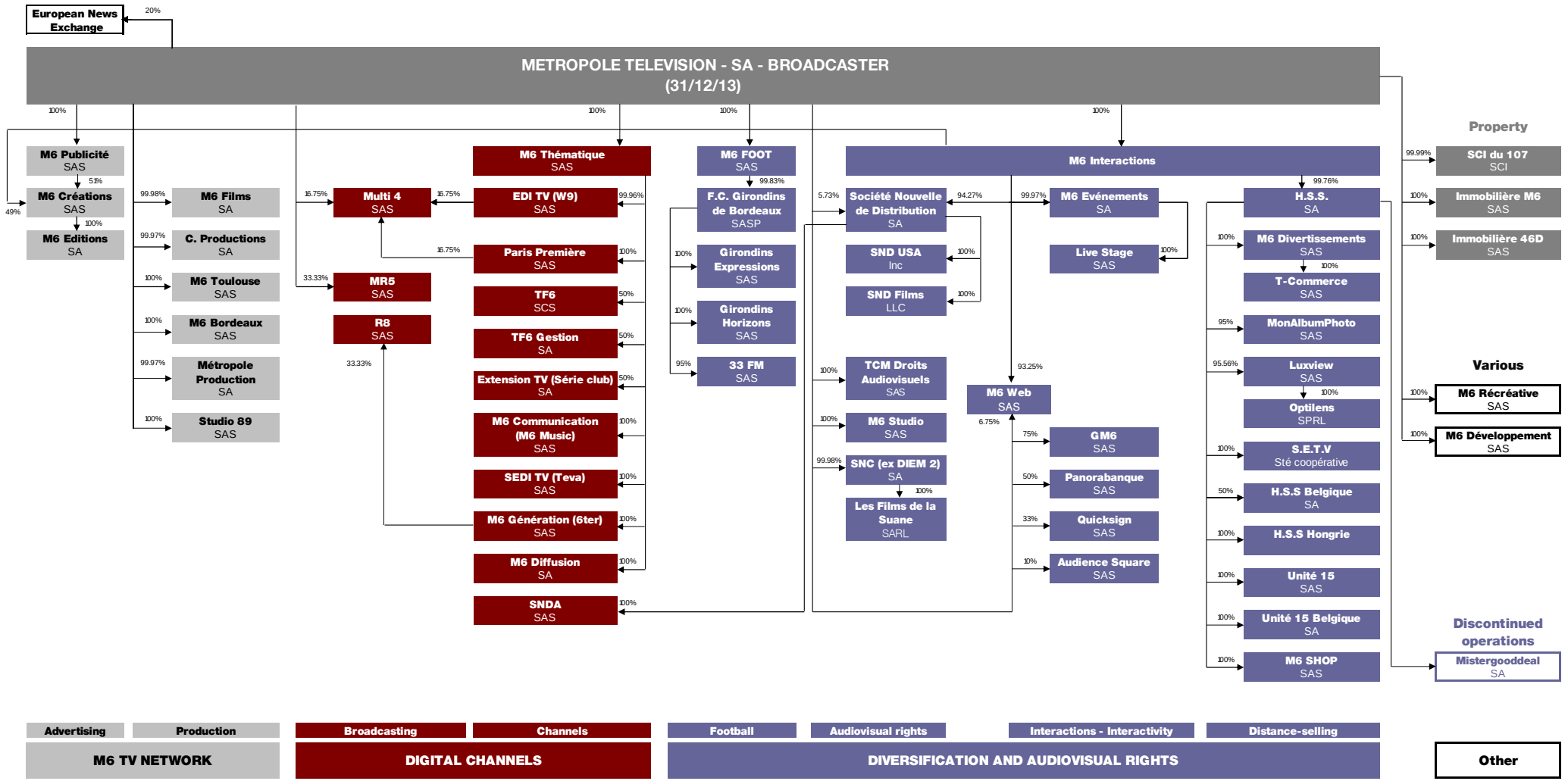


A dividend of €0.85 will be proposed for the financial year 2013.

Stock market performance



1.2. Group structure (% of share capital)



1.3. Changes in group structure

On 11 July 2013, M6 Group made a 69.49% equity investment in Luxview, the operator of the www.happyview.fr and www.malentille.com websites, and subsequently increased its investment to 95.56% on 30 September 2013. Luxview holds the entire capital of Optilens SPRL, a company governed by Belgian law.

M6 Group, which held 0.36% of the share capital of Lions Gate Entertainment at 31 December 2012, also sold its entire shareholding on the market over the course of 2013 and no longer holds any securities in this company since 27 December 2013.

Furthermore, on 18 December 2013 M6 Group announced that it had entered into exclusive negotiations with Darty Group plc for the potential transfer of the entire capital of Mistergooddeal to Etablissements Darty et Fils. Mistergooddeal's activities are therefore presented as "discontinued operations".

1.4. 2013 Highlights

1.4.1. History of key dates

1987: Authorisation to operate France's 6th analogue channel. Launch of the channel on 1 March 1987 at 11.15 am.
1992: Creation of M6 Interactions, the first step to business diversification.
1993: Launch of the Série Club channel, the first thematic channel. Creation of the Zone Interdite and Capital magazines.
1994: M6 shares listed on the Second Marché of the Paris Stock Exchange.
1996: M6 took part in the launch of TPS, making a 20% investment, and acquired 10% of Paris Première. Creation of the m6.fr website.
1997: The Group transferred to its new head office in Neuilly.
1999: The Group took over Football Club des Girondins de Bordeaux (F.C.G.B) and extended its range of pay channels with the creation of TF6.
2000: Creation of the M6 Web subsidiary.
2004: Launch of the M6 Boutique teleshopping channel. The Group made the full acquisition of Paris Première. Suez Group disengaged from M6, maintaining a 5% shareholding, thus increasing the percentage of shares held by the general public.
2006: Acquisition of Mistergooddeal. Launch of W9 on free DTT. Launch of the M6 Mobile By Orange package. Announced merger of TPS and Canal+ Group pay-TV operations in France.
2007: The Group acquired the entire share capital of Téva and transferred its TPS shareholding to the new Canal Plus France pay-TV business. SND became a shareholder of the US producer and distributor Summit Entertainment L.L.C.
2008: The M6 channel topped the 100 best audiences of all the channels for the year, with the France – Italy Euro football match. Acquisition of Cyréalis Group and launch of M6Replay, the first catch-up TV service in France.
2009: F.C.G.B. crowned French Ligue 1 champion for the 2008-2009 season. M6 aired Le 19.45, the channels' new hosted newscast, for the first time.
2010: M6 Group sold its 5.1% shareholding in Canal+ France to Vivendi. The Group acquired MonAlbumPhoto.fr.
2011: M6 mobile By Orange passed the 2 million customer mark. The M6 Group launched the channels Paris Première HD and TEVA HD on Canalsat.
2012: M6 celebrated its 25th anniversary. The Group transferred its equity investment in Summit Entertainment LLC to Lions Gate. Launch of 6ter, the Group's third free-to-air channel, on DTT channel 22.

1.4.2. 2013 financial year highlights

January
7: W9 achieved its best audience since its creation with the broadcast of the film “Arrête-moi si tu peux”, watched by 2.1 million viewers.
18: The series “NCIS” attracted 6.6 million viewers and enabled M6 to record its highest audience of the year.

February
7: MonAlbumPhoto.fr opened a new production site in Nanteuil-le-Haudouin in the Oise region.

March
11: M6 and MSN launched a new online information system, M6info by MSN.

April
17: M6 Group and Twentieth Century Fox Distribution renewed their framework agreement covering the US studio’s series and feature films.

May
26: “Zone Interdite” celebrated its 20th anniversary.
31: Girondins de Bordeaux won the French Cup Final.

June
19: “Enquête Exclusive” and “Scènes de Ménages” were voted Investigative Reporting programme (Investigative Magazine) of the season and French Series of the season respectively by Internet users during the TV Notes list of prize-winners survey organised by 20minutes.fr, RTL and Puremedias.com.
27: M6 received two awards at the Early Years Media Awards ceremony, which recognises television programmes in the area of childhood and its protection, for its series “Kid & toi” and for “100% mag - Vacances: des familles accueillent des enfants défavorisés”.

July
11: Home Shopping Services acquired the company Luxview which operates the sites Happyview.fr and Malentille.com.
31: “Insaisissables” generated sales of more than 220,000 tickets the day of its cinema release, the best start achieved by a film distributed by SND since “Mr & Mrs Smith” in 2005 (excluding the Twilight series).

September
5: “Génération Goldman Volume 2”, coproduced by M6 Interactions, went straight in at the top of the album charts.

November
4: Launch of 6play, the Group’s new digital platform which has become the single point of entry for the channels M6, W9 and 6ter on digital platforms.
11: During the broadcast of the programme “Le Meilleur Pâtissier”, M6 Web launched TV-retail on 6play, a device unique in France allowing viewers to buy a selection of products used by the participants during the show, in real-time.

December
10: 6Play was named best Social TV application during the Social Media Awards 2013.
12: The channel 6ter celebrated its first birthday.
18: M6 Group and Darty Group plc announced that they had begun exclusive negotiations with a view to acquiring the entirety of Mistergooddeal by Etablissements Darty et Fils.

1.4.3. Main legal and regulatory developments

By virtue of its corporate purpose and status as an operator of a digital and analogue free-to-air television broadcasting licence, the Company is governed by a specific legal and regulatory regime which applies in

addition to ordinary provisions, as specified in section 1.6.2 of this document. The main legal and regulatory developments introduced in 2013 are set out below.

1.4.3.1. Development of digital terrestrial television

Following on from this digital terrestrial television development process, the public authorities, in consultation with private operators, led several discussions on technological developments affecting compression and broadcasting standards. Their first findings had led the CSA to launch a call for tender for six free-to-air and pay HD channels on digital terrestrial television – including 6ter - on 12 December 2012, adopting the Mpeg-4 compression standard.

In addition, in July 2013, M6 Group responded to the public consultation launched by the General Management of the media and cultural industries related to the future of the DTT platform. Based on the synopsis of this consultation and the position of the DTT channels, the Government must agree on the schedule for the new digital dividend providing for the allocation of the UHF 694-790 MHz band to telecoms operators.

1.4.3.2. Changes to M6 agreement

Law n°2013-1028 of 15 November 2013 included several provisions applicable to M6 Group's channels, including the following:

- The option for publishers to hold production shares in independent works: this provision, the terms of which are to be specified by a decree regarding its implementation, would enable M6 Group to strengthen its relations with producers and consolidate its investments in French heritage works;

- The option for a DTT channel to develop its financing model (possible use of payment by users);

- Maintaining daytime advertising on France Télévisions and its effect of maintaining the "France Télévisions" tax rate at 0.5% of the advertising revenue from television broadcasters;

- Strengthening the economic powers of the Conseil Supérieur de l'Audiovisuel to enable the regulator to better ensure the economic balance of the sector.

1.5. Group markets and operations

1.5.1. Television

1.5.1.1. Presentation of operations

The M6 Group's main business is television edition and broadcasting, operated for a portfolio of channels that includes:

- Free-to-air channels (M6, W9 and 6ter), accessible without subscription via a digital signal, fully funded by the advertising expenditures of advertisers who seek to optimise the efficiency and cost of their media campaigns;
- Pay channels (Paris Première, Téva, TF6, Série Club, M6 Music, M6 Music Black, M6 Music Club, Girondins TV), which operate on a mixed financing model, based both on advertising revenue and royalties paid by distribution platform operators (primarily cable, satellite and broadband operators), in accordance with the terms and conditions of commercial agreements between editors and distributors. The Paris Première and TF6 channels also have a pay DTT licence.

1.5.1.2. Market trends in the TV business and Group positioning

a) Structural changes in the TV market

- **Constantly improving household equipment**

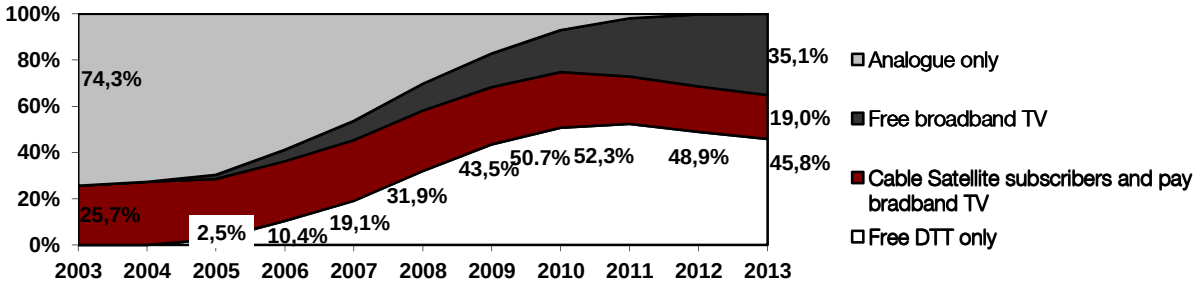
Today, practically all French households have a television (98.1% in third quarter 2013 according to Médiamétrie). In fact, more than half own two or more TV sets. In addition, more than 8 out of 10 households are equipped with a 16/9 HD compatible flat screen. This trend has been fuelled in particular by the development of the range of HD programming and the drop in the price of televisions (Source: Médiamétrie – L'année TV 2013).

However, sales of television sets fell in 2013 for the second consecutive year, with 5.7 million sold as opposed to 6.7 million in 2012. Whilst until 2011, sales grew continuously, driven by the digital switchover, the increase in screen size, 3D and connected TV, on-demand content and competition from mobile screens are currently slowing the renewal of secondary screens in multi-equipped households (Source: GfK – 2013 assessment of technological goods in France).

- **The advent of digital television and access to a growing number of channels**

Since 2011, all households equipped with a TV set have had access to digital television. Whilst terrestrial remains the main system for both analogue and digital television reception, it is increasingly associated with other reception systems within the same household. The CSA thereby estimates that more than 30% of households have two modes of television reception. Broadband is now the second most common mode of reception (Source: CSA – Monitoring household audiovisual equipment – first six months of 2013).

Equipment of households by reception system at year-end:



DTT coverage (% of population)

March 2005	End 2005	End 2006	End 2007	End 2008	End 2009	End 2010	End 2011	End 2012	End 2013
35%	50%	65%	85%	87%	89%	93%	100%	100%	100%

Source : M6, Médiamétrie

Growth in digital has also enabled widespread access to a multi-channel package. All households equipped with a television receive 19 channels or more, compared with just 40% in 2006.

The gradual switchover of French households to digital reception and a multi-channel offering caused a change in the breakdown of audience shares between "traditional" analogue channels and "Other TV", which include:

- Cable and satellite pay channels, whose nationwide 4 plus year old audience share was 10.7% in 2012, compared to 11.2% in 2005;
- Free DTT channels, whose nationwide 4 plus year old audience share was 24.3% in 2012, compared to 0.9% in 2005.

Overall in 2013, changes in TV audience shares on the 4 plus year old target (i.e. all audiences) were as

follows, reflecting the so-called “audience fragmentation” phenomenon: traditional channels attracted 65.0% of the nationwide TV audience, compared to 35.0% for "Other TV".

Nationwide audience ratings (4+ year olds):

Nationwide audience ratings (4+ year olds)									
%	2013	2012	2011	2010	2009	2008	2007	2006	2005
M6	10.6%	11.2%	10.8%	10.4%	10.8%	11.0%	11.5%	12.5%	12.6%
TF1	22.8%	22.7%	23.7%	24.5%	26.1%	27.2%	30.7%	31.6%	32.3%
France 2	14.0%	14.9%	14.9%	16.1%	16.7%	17.5%	18.1%	19.2%	19.8%
France 3	9.5%	9.7%	9.7%	10.7%	11.8%	13.3%	14.1%	14.7%	14.7%
Canal+	2.8%	2.9%	3.1%	3.1%	3.1%	3.3%	3.4%	3.4%	3.6%
France 5	3.3%	3.5%	3.3%	3.2%	3.1%	3.0%	3.3%	3.1%	3.1%
Arte	2.0%	1.8%	1.5%	1.6%	1.7%	1.7%	1.8%	1.7%	1.8%
TOTAL traditional channels audience share **	**65.0%**	**66.8%**	**65.2%**	**68.1%**	**72.1%**	**76.3%**	**82.5%**	**86.2%**	**87.9%**
W9	2.9%	3.2%	3.4%	3.0%	2.5%	1.8%	1.0%	0.4%	0.1%
TMC	3.4%	3.6%	3.5%	3.3%	2.6%	2.1%	1.3%	0.8%	0.3%
NT1	2.1%	2.1%	1.9%	1.6%	1.4%	1.0%	0.6%	0.3%	n.a
NRJ 12	2.2%	2.4%	2.3%	1.9%	1.5%	1.0%	0.4%	0.2%	n.a
Virgin 17 / Direct Star / D17	1.3%	1.2%	1.2%	1.0%	0.7%	0.5%	0.4%	0.2%	n.a
Gulli	1.7%	1.9%	2.1%	2.2%	1.8%	1.5%	0.8%	0.4%	n.a
France 4	1.8%	2.1%	2.0%	1.6%	1.1%	0.9%	0.4%	0.1%	0.1%
Direct 8 / D8	3.2%	2.3%	2.3%	2.0%	1.4%	0.7%	0.3%	n.a	n.a
i>Télé	0.8%	0.8%	0.8%	0.7%	0.5%	0.3%	0.3%	0.2%	n.a
BFM TV	1.9%	1.8%	1.4%	0.9%	0.7%	0.4%	0.2%	n.a	n.a
6ter	0.5%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
HD1	0.6%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
RMC Découverte	0.5%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Numéro 23	0.3%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Chérie 25	0.2%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
L'Equipe 21	0.2%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
TOTAL DTT channels audience share	**24.3%**	**22.0%**	**23.1%**	**19.7%**	**15.2%**	**10.4%**	**5.9%**	**2.7%**	**0,9%***
TOTAL cable and satellite channels audience share **	**10.7%**	**11.1%**	**11.7%**	**12.2%**	**12.7%**	**12.7%**	**11.6%**	**11.0%**	**11.2%**
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

**M6 estimate*

***UUntil 2011inclusive, France 5 was considered a traditional channel before 7pm and a DTT channel after 10pm, whilst Arte was considered a traditional channel after 7pm and as a DTT channel before 7pm.*

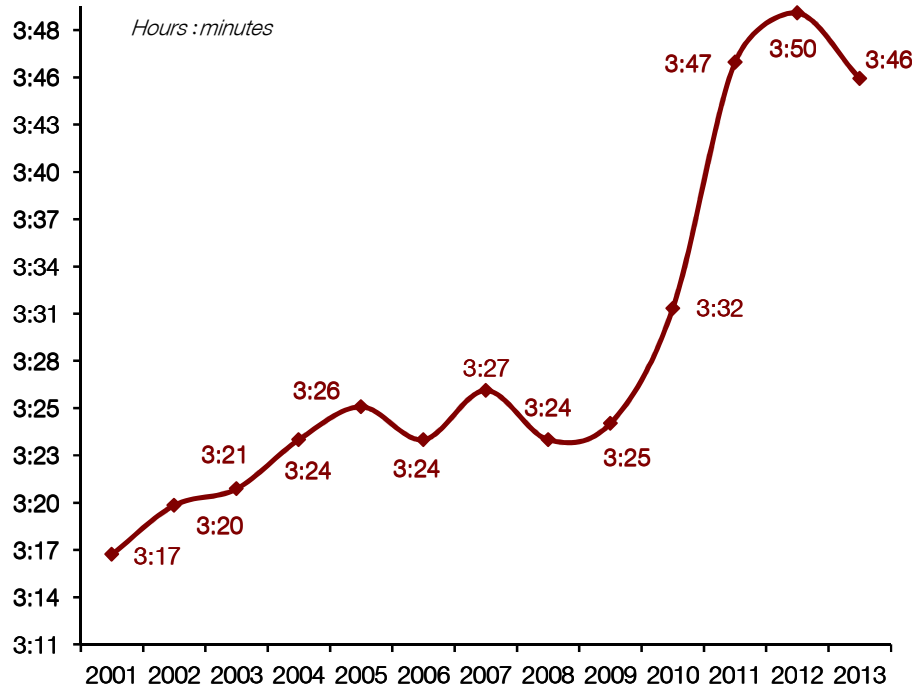
Source: Médiamétrie

- Changes in TV viewing patterns caused by new media

The advent of new media and the rapid development of the internet, supported by the rollout of the telecom operators’ high-speed broadband, very high speed through optic fibre and triple play (Internet, television, landline) packages had an influence on TV viewing patterns. These developments improve viewers’ experience, who benefit from better picture quality (HD) and can now have access to on demand formats (catch-up TV platforms) or as mobile TV (3G reception). However, the growing penetration of new media did not prevent the Individual Watching Time (IWT) of television from increasing over the last ten

years, with consumption peaking in 2012.

Individual Watching Time (4+ year olds):



Source: Mediamat / Médiamétrie

b) Advertising market

- **Changes in the multimedia and TV advertising market**

Advertising expenditure (gross) – Multimedia:

	2013		2012
	€ millions	% Change	€ millions
Total TV *	10,435.5	6.4%	9,804.4
incl. traditional channels	*6,319.3*	*4.0%*	*6,079.1*
Incl. DTT channels	*3,022.7*	*5.7%*	*2,860.4*
incl. 2nd generation DTT channels	*289.7*	*n.a*	*10.4*
incl. Cab/Sat channels	*793.9*	*-7.1%*	*854.6*
Press	7,457.3	-1.1%	7,537.5
Radio	4,627.5	8.1%	4,282.6
Internet **	2,750.8	-0.6%	2,766.2
Billboards	2,693.2	-8.0%	2,928.7
Cinema	420.0	10.3%	380.8
TOTAL	28,384.3	2.5%	27,700.3

Source*: Kantar Media*

Developments in the multiyear multimedia advertising market (Press, Television, Billboard Advertising, Radio, Internet and Cinema) highlighted the following trends:

- A "flat" year 2013 (Kantar Media), marked by "weak advertising activity". Gross advertising expenditure increased by a modest 2.5%, primarily due according to Kantar Media to a catch-up effect after a disappointing 2012.

- This figure however masks mixed trends amongst the various media: radio and cinema saw their gross advertising revenues increase, investments in the Internet remained stable, whilst press and external advertising revenue fell.

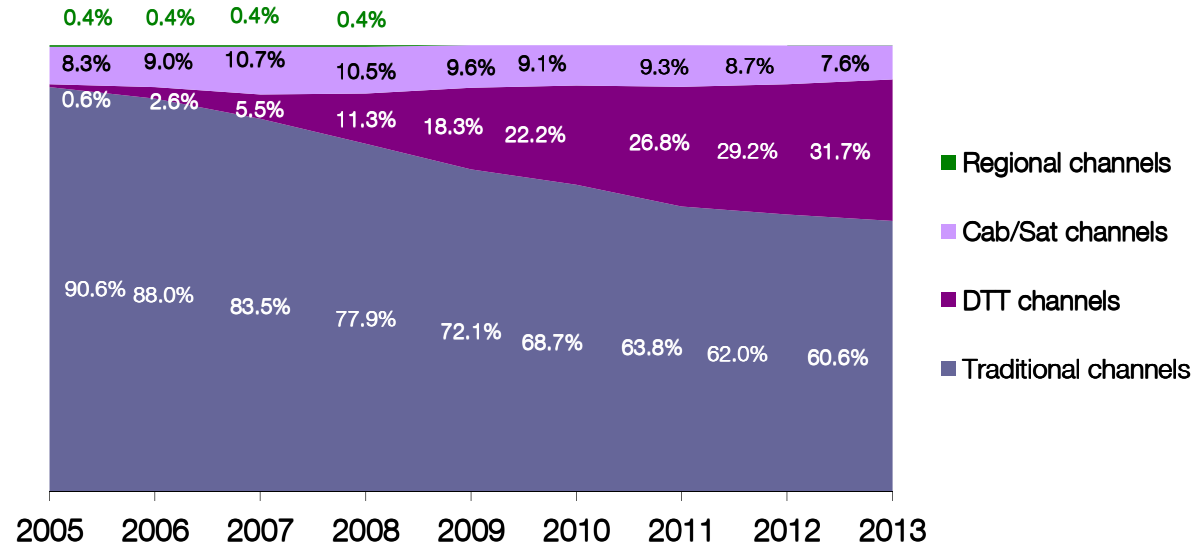
- Television gained further market shares in 2013, from 35.4% to 36.8% in 2013 (gross data). Television reaffirmed its position as the leading advertising medium and the benchmark medium in France.

Even though variations in multimedia expenditure, the majority of which is measured in gross data (published prices applied to marketed volumes), provide a significant indication of trends and expenditure distribution by media, it is nonetheless necessary to remain cautious when interpreting the data, which differs from net figures (price actually paid by advertisers to the media after discounts), with potentially significant differences between media that can vary depending on the prevailing economic situation.

To date, only the net figures for the first nine months of 2013 are known. They show that the net advertising investments in television fell by 5.0% (4.9% excluding self-promotion) between January and September 2013. The estimate for 2013 as a whole is a decline of approximately 4%.

The different types of channels developed differently. Traditional channels represented 60.6% of the gross advertising investments in television, a lower figure in comparison to the previous year (88.0% in 2006 and 62.0% in 2012). DTT channels generated 31.8% of the gross investments in television (compared to 2.6% in 2006 and 29.2% in 2012). Their market share therefore continued to grow in 2013, but this increase primarily resulted from the contribution of the six new free-to-air channels launched in December 2012. In addition, the cable and satellite channels represented 7.6% of the gross television advertising investments in 2013.

Advertising expenditure (gross) – TV: market share analysis by segment (2005 -2013):



Source: M6 / Kantar Media estimates

- Traditional channels: Distribution of advertising expenditure and market shares (gross data, traditional channels, excluding self-promotion)

GROSS traditional channel TV expenditure (traditional channels, excluding self-promotion and regional channels

	2013		2012		2011		2010		2009
	€ millions	% change	€ millions	% change	€ millions	% change	€ millions	% change	€ millions
M6	**1,672.3**	**10.2%**	**1,517.1**	**2.9%**	**1,474.7**	**-1.3%**	**1,493.5**	**9.9%**	**1,358.7**
TF1	3,370.1	2.6%	3,283.6	2.2%	3,212.7	-1.5%	3,261.7	7.8%	3,024.7
France 2	248.7	-5.8%	263.9	-14.3%	307.8	-1.5%	312.6	28.1%	244.1
France 3	137.3	-0.7%	138.2	-10.7%	154.9	-5.4%	163.7	8.4%	151.0
France 5	30.6	-3.8%	31.8	3.8%	30.7	2.3%	29.8	16.6%	25.6
Canal+	185.6	5.9%	175.2	1.1%	173.3	8.3%	160.0	4.5%	153.1
TOTAL	**5,644.5**	**4.3%**	**5,409.8**	**1.0%**	**5,354.0**	**-1.2%**	**5,421.2**	**9.4%**	**4,957.1**

Source: Kantar Media, gross data for TF1, M6, C+, net for FTV

Historical data may have been restated

GROSS traditional channel TV advertising market shares (traditional channels, excluding self-promotion and regional channels):

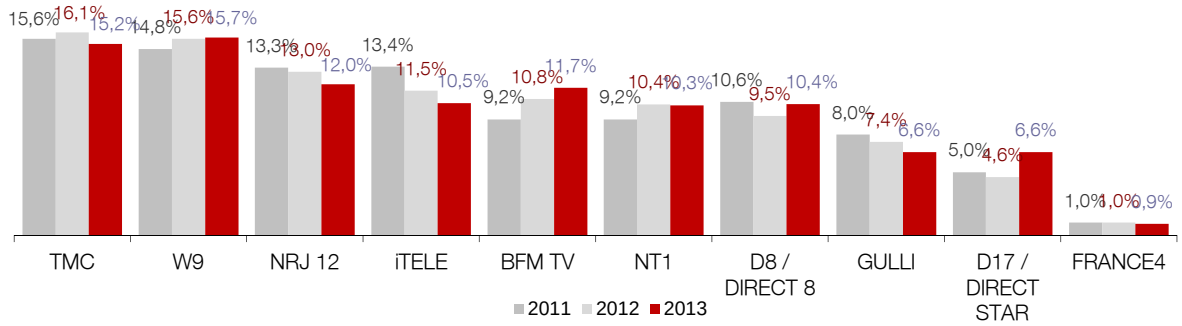
	2013		2012		2011		2010		2009
	Market share	% change	Market share	% change	Market share	% change	Market share	% change	Market share
M6	**29.6%**	**1.6pp**	**28.0%**	**0.5pp**	**27.5%**	**0.0pp**	**27.5%**	**0.1pp**	**27.4%**
TF1	**59.7%**	-1.0pp	**60.7%**	0.7pp	60.0%	-0.2pp	60.2%	-0.9pp	61.0%
France 2	**4.4%**	-0.5pp	**4.9%**	-0.9pp	5.7%	0.0pp	5.8%	0.8pp	4.9%
France 3	**2.4%**	-0.1pp	**2.6%**	-0.3pp	2.9%	-0.1pp	3.0%	0.0pp	3.0%
France 5	**0.5%**	0.0pp	**0.6%**	0.0pp	0.6%	0.0pp	0.6%	0.1pp	0.5%
Canal+	**3.3%**	0.0pp	**3.2%**	0.0pp	3.2%	0.3pp	3.0%	-0.1pp	3.1%
TOTAL	**100%**		**100%**		**100%**		**100%**		**100%**

Source: Kantar Media, gross data for TF1, M6, C+, net for FTV

Historical data may have been restated

- 1st generation DTT channels: distribution of advertising market shares (gross data in %)

The distribution of the 1st generation DTT channels' gross advertising market, which totalled €2,865.5 million in 2013 (excluding self-promotion), an increase of 5.1%, reflected the audience ratings of each channel and was as follows:



Source: Kantar Media, DTT channels excluding self-promotion

- **2nd generation DTT channels: distribution of advertising market shares (gross data)**

The gross advertising market of 2nd generation DTT channels totalled €289.7 million (excluding self-promotion) in 2013.

- **Cable and satellite channels: Distribution of advertising market shares (gross data)**

The distribution of the gross advertising market of cable and satellite channels, which totalled €793.3 million in 2013, down 7.6%, potentially involves more than a hundred channels.

1.5.1.3. M6 Group TV market positioning and strategy in 2013

Overall, the Group's advertising agency, M6 Publicité, achieved a total market share of 23.6% in 2013 (gross advertising market share, measured by adding terrestrial, DTT, cable and satellite revenue, source Kantar Media) of the whole TV advertising market, compared to 22.8% in 2012, thus strengthening its position as the second advertising agency in France.

a) Free-to-air television

- **M6 channel**

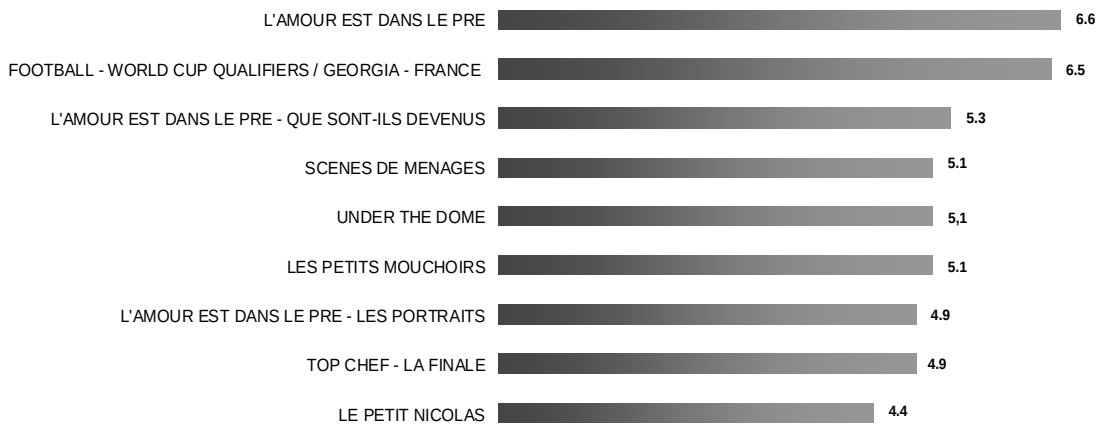
In a declining advertising market, the M6 Channel's net advertising revenue fell by 0.6% in 2013. As such, the M6 channel outperformed the TV advertising market, once again demonstrating the relevance of its strategy of developing its leading brands during peak viewing hours (L'Amour est dans le pré, Scènes de Ménages, Capital, etc.). Several factors explain this increase in M6's net market share, in particular the outstanding market share performance with key accounts, the securing of new clients and the commercial momentum, through for example a variety of commercial offers such as flash sales and 100% brand offers.

In addition, M6 was the most innovative private channel in 2013 through its launch of 9 new prime time and 5 new early evening programmes. This strategy enabled the channel to achieve an average audience share of 10.6% in the over 4's segment, and to confirm its ranking as the second placed channel both amongst the under 50s and in the prime time slot for the audience as a whole. The channel recorded its best audience of the year for the broadcast of "NCIS" on 18 January 2013, with viewing figures of 6.6 million. M6 is now regularly achieving audiences of 4 million: 278 programmes posted viewing figures in excess of 4 million (source - Médiamétrie).

In the early evening, M6 also established itself through the quality of its programmes. In this way, "Le 19'45" and "Scènes de ménages" (which recorded an average audience of 4.3 million viewers over the year) meant that M6 was the leading channel on more than 50% of weekdays in the housewives under 50 segment.

The top ten M6 audience ratings in 2013 testified to this success in all types of programmes:

Top ten M6 audience ratings in 2013 (millions of viewers, source: Médiamétrie):



Strategically speaking, the channel intends to focus its investment efforts in programmes of the midday-midnight time slot, which by itself represents more than 94% of TV advertising expenditure and 90% of daily audience levels.

- W9 channel

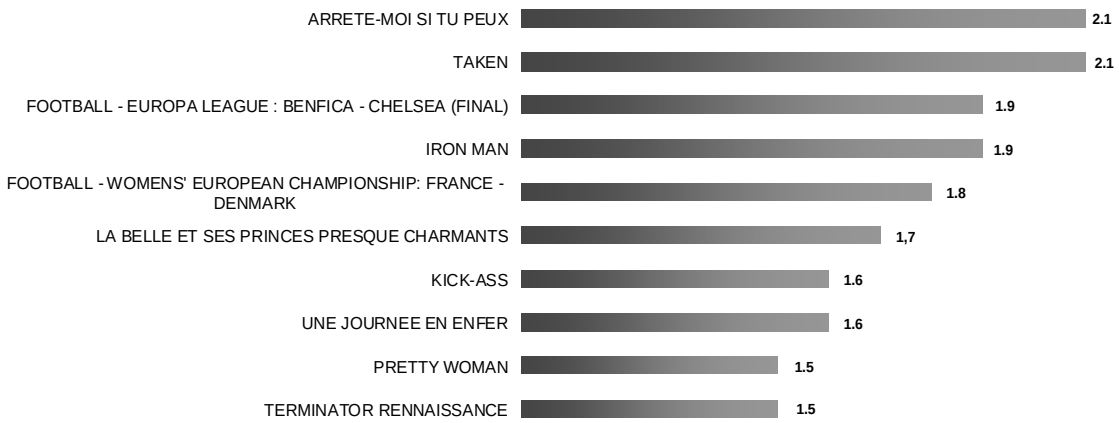
In the highly competitive free DTT market, M6 Group wished to rapidly position W9 as a leading DTT channel, with a view to making it a general-interest channel for under 50 year old audiences.

In 2013, W9 reported a nationwide audience share of 2.9% (4+ year olds) and an audience share of 4.0% on the commercial target, thus retaining its leadership on this target among DTT channels.

These performances are the result of a significant production policy regarding original early evening programming (Les Chtis, Les Marcheillais, Séduis-moi si tu peux, Soda) as well as a varied and powerful range of programmes in early prime time (Enquête d'action, Europa League, La Belle et ses Princes, Cinéma).

In addition, for the third consecutive year W9 was the leading DTT channel in this strategic prime-time slot and the channel that most often attracted at least 1.5 million viewers.

Top ten W9 audience ratings in 2013 (millions of viewers, source Médiamétrie):



In 2013, W9 continued to develop its programme offering in the following five fields: music, series, cinema, entertainment magazines and sport, which made it the undisputed leader among DTT channels for under 50 year-old viewers.

Music represents 50% of airtime and is a major feature of W9, which puts it forward in all its forms: videos, concerts, shows, rankings and music gameshows.

W9 also broadcasts prestigious sporting events, including the Europa League, the Paris Bercy and London Tennis Masters Series, entertainment shows, magazines and reality TV shows, as well as series and films.

W9 has developed an ambitious policy in the production of innovative entertainment, such as the reality series "Les Chtis", as well as its new dating gameshow “Séduis-moi si tu peux” and a significant effort in the production of original investigative reports to strengthen major prime time magazines (Enquête d’action, the factual magazine, and Enquête Criminelle, the magazine of everyday news items).

Strong audience performance has enabled W9 to become the prime-time leader among DTT channels.

- 6ter channel

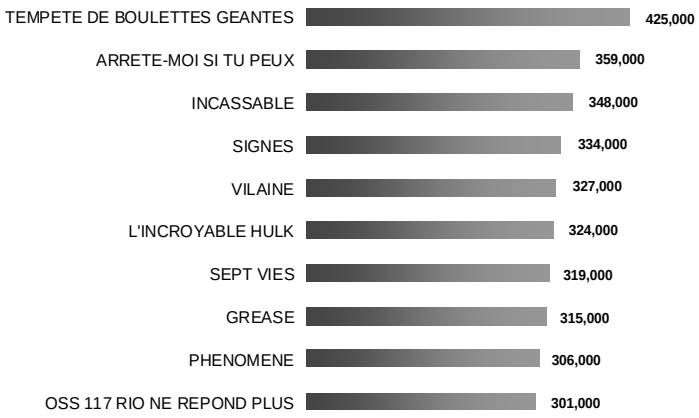
One of the 6 new free-to-air DTT channels, 6ter was launched on 12 December 2012. It is the M6 Group’s third free-to-air channel and builds on the Group’s channels’ strong track record with a single goal of offering original, unifying programming, which appeals to people and shares values embodied by an easy-to-watch, engaging and uplifting line-up.

6ter is a channel designed to be watched by all the family at any time of the day, based on the idea of collective viewing. Its varied programming is structured around several key genres: family dramas, magazine programmes, documentaries, entertainment and youth programmes.

In one year, 6ter has developed its identity with original magazine programmes like Norbert et Jean le défi, Terrain d’investigation and Xplora, and with original series, entertaining documentaries and a schedule of blockbuster and family-friendly films.

Due to its audience on the commercial target, 6ter was the leading new DTT channel.

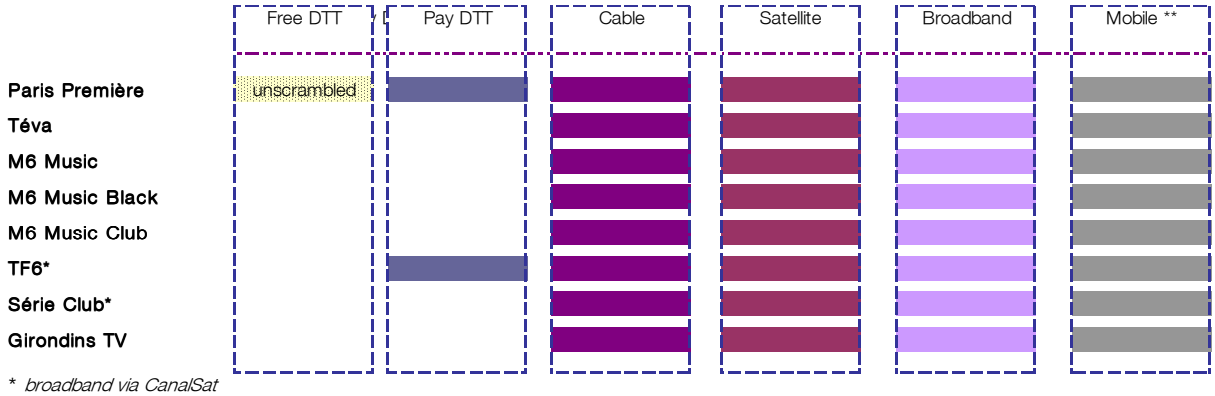
Top ten 6ter audience ratings in 2013 (millions of viewers, source Médiamétrie):



b) Pay digital channels

Pay digital channels are distributed on all broadcasting platforms and media (cable, satellite, broadband, mobile), with a view to maximising the potential of subscribing households/individuals. This extensive distribution enables them to attract targeted or more general-interest audiences, depending on each channel's positioning, and as a result offer commercial breaks that meet the objectives of advertisers' campaigns. Therefore, the Group has developed a family of 7 pay channels (excluding Girondins TV) to complement free-to-air channels, with strong and identity-building positioning, with the intent of making each of these channels a benchmark in its niche market (Paris Première for upper class targets, Téva for women).

Summary table of broadcasting network by channel (at 31 December 2013):



** broadband via CanalSat*
*** Mobile broadcast as part of specific mobile TV packages or multi-screen access to TV packages*

Source: M6

Change in the number of households (4+ year old) equipped to receive M6 Group's pay channels:

Number of households equipped to receive M6 Group's pay channels *				
	December 2013		December 2012	
	Equipped households (millions)	% of households equipped with TV	Equipped households (millions)	% of households equipped with TV
Téva	11.0	41%	10.7	40%
Paris Première**	8.7	32%	8.7	32%
M6 Music	6.2	23%	4.9	18%
M6 Music Club / M6 Music Black	3.3	12%	2.2	8%
TF6	4.7	17%	5	18%
Série Club	4.2	16%	4.3	16%
Girondins TV	3.2	12%	1.2	5%

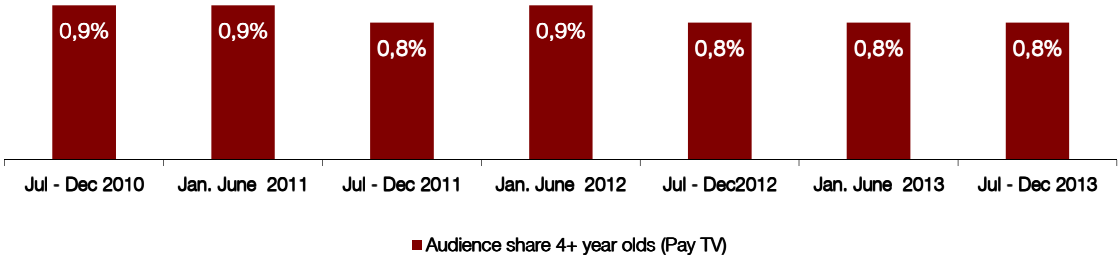
** Estimate of households (Mainland France) effectively connected, restated for subscribers to several packages*
*** Excluding Paris Première's unscrambled slots*
Source: distributor data / M6 estimates

According to Kantar Media data, the cumulative advertising market share of the M6 Group's pay channels (Paris Première, Téva, TF6 and 50% of Série Club, as well as the M6 Music channels) totalled 12.1% in 2013, an increase of 0.5 pp compared to 2012.

▸ Paris Première

On 15 December 1986 at 7pm, Paris Première was launched on Paris Cable's channel 8. Among a constantly changing audiovisual industry, Paris Première benefits today from stable visibility and a strong identity. Paris Première benefits from an extensive broadcasting network: cable, satellite, broadband, mobile TV (3G) as well as pay DTT since 21 November 2005, with a daily two-hour unscrambled time slot between 6.35pm and 8.35pm.

Paris Première's audience share of 4+ year old individuals:



Source: *Médiamétrie / MédiaCabSat, subscribers to a pay package*

Paris Première features a rich and diverse editorial line based on live performance, discussion programmes and culture. The channel dedicates a significant portion of its budget to the production and acquisition of original formats. The channel's new flagship magazines in 2013 were *Zemmour et Naulleau*, *Ca balance à Paris, La Grande Expo*, and *Paris Dernière*.

In 2013, Paris Première confirmed its extensive event-driven programming, including, in particular, live broadcasts of theatre plays (*Les Bonobos, Coup de sangria*, *Des pieds et des mains,* etc.), and also some thematic evenings, film cycles and many comedy shows, including three nights of *« La troupe à Palmade »* including the plays *L'entreprise, Femme libérée et Les frères,* etc.).

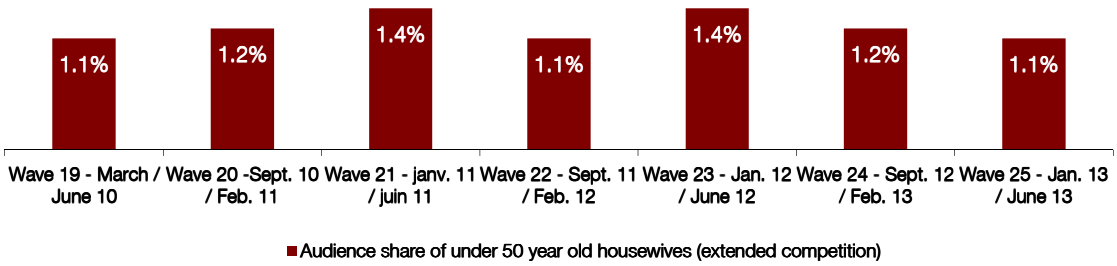
Paris Première is today the pay channel that benefits from the greatest awareness among the general public (source: Institut CSA – 2013 complementary channels awareness survey), as well as the second general-interest pay channel among all audiences and the second pay channel for upper class individuals, its core target, with audience ratings of almost 0.45% of this population (source: Médiamétrie).

- Téva

Téva, which was launched on 6 October 1996 and became a wholly-owned subsidiary of M6 Group in January 2007, addresses women as a priority.
It is currently the best distributed pay general-interest channel and can be received by 40% of French households, representing approximately 26 million people.

Highly diversified programming primarily combines magazines, series, documentaries and feature films. The ambitious original documentary coproduction policy continued in 2013 with *Femmes de voyou, Mères courages* and *Femmes de militaires.* 2013 was a successful year for coaching magazines such as *Téva Déco*, *le Gâteau de mes rêves* and *Magnifique By Cristina*. Lastly, series remained prominent on Téva, with the broadcast of sequels to successful series such as *Drop Dead Diva*, *The Good Wife* and *Nurse Jackie*.

Téva is the leading pay channel for under 50 year old housewives with a nationwide audience share of 0.75% and 1.1% among households equipped to receive it:



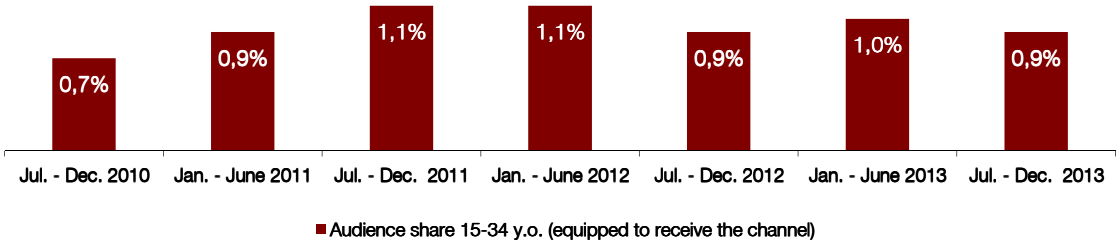
Source: *Médiamétrie / MédiaCabSat, subscribers to an extended package*

TF6 and Série Club

TF6 and Série Club are 50% held by M6 (and 50% by TF1). They were created in 2000 and 1993, respectively, and ever since have occupied a clearly identified position in the complementary TV offering:

TF6, a generalist channel aimed at a young adult audience (15-34 year olds), offers original entertainment, never-shown-before series, recent drama and numerous feature films. TF6 is watched by 8 million viewers every month.

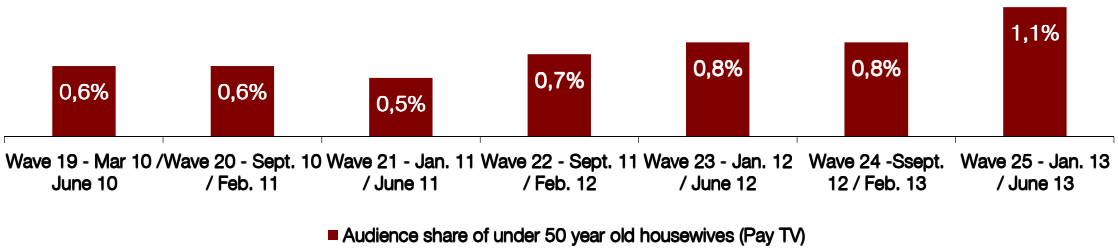
TF6 audience share of 15-34 year olds:



Source: Médiamétrie / MédiaCabSat, households equipped to receive the channel

Série Club asserted its positioning as the "series channel". The channel offers a complete range of never shown-before series and full broadcasts of cult series. It also offers full digital and widescreen broadcasting. Série Club is also available on catch-up TV.

Série Club audience share of under 50 year old housewives:



Source: Médiamétrie / MédiaCabSat, subscribers to a pay package

Music channels

The Group's three music channels, M6 Music, M6 Music Black and M6 Music Club, each develop their music programming in a specific environment:
- M6 Music develops a programming focusing on hits and stars for the 15-34 year olds;
- M6 Music Black dedicates itself to groove R'n'B urban music for the 15-34 years old;
- M6 Music Club is the channel of new trends in "dance floor" sound.

These three music channels, all available on cable, satellite, broadband and mobile phone, complement each other in terms of offering and audiences.

c) Total Advertising Package

To continue developing the Total package proposed by the advertising agency (production of commercials, merchandising, brand licensing, etc.), the Digital and Publishing operations were integrated into the scope of M6 Publicité in 2013. Several mechanisms was thus launched during 2013, illustrated

by the Top Chef campaign, offering programme sponsors a complete solution, creation of a commercial, brand licences, specific digital operations and dedicated books.
In addition to the total package, in 2013 the Group sought to market an innovative offer through the following devices:

- **100% brands**, resulting from the association between M6 Publicité and Médiaperformances. This mechanism enables simultaneous communication on innovations and/or promotions on TV and on digital platforms through a ten second commercial produced by M6 Créations, and in store via "Affichariot" (displays on trolleys) and Actishelf (point of sale appearance and promotion (appearance and promotion on shelves);

- **Flash sales**, one-off offer (6 in 2013) at attractive prices, limited both in GRP quantity – spread over M6 (60%) and W9/6Ter (40%) – and in time;

- **Second screen,** since October 2012, M6 Group has enhanced its television programmes with interactive content available on "second screen" via the applications of the Group's channels. This new mechanism enables real time synchronisation between TV, mobile, tablet and computer screens.

This innovation strategy will continue in 2014, with, for the TV package, the launch of Puissance TNT, a technology facilitating the synchronisation of advertising slots on W9 and 6Ter to offer more GRPs to advertisers, and for the digital package, the development of a Brand Publishing department to provide a custom made digital mechanism.

d) Film production

The cinema market is described in section 1.5.2.1. devoted to the description of the Group's Audiovisual Rights division.

In 2013, investments related to the commitment to dedicate 3.2% of revenue to French and European cinema production decreased by 4% compared to 2012 to €18.2 million.

In 2013, M6 FILMS was involved in a large variety of genres. It invested in nine films, from comedy (Pascal Bourdiaux's *Fiston*) to detective (Daniel Espinosa's *Child 44*) via animated films (Eric Summer and Eric Warin's *Ballerina*) and also family films (Laurent Tirard's *Les vacances du Petit Nicolas*).

In addition, nine films co-produced by M6 FILMS were released in cinemas this year, two of which were officially selected to compete at the Cannes Film Festival: Jérôme Salle's *Zulu* and Guillaume Canet's *Blood Ties*.

In what was a sluggish French film market, M6 FILMS's productions achieved 5.2 million in ticket sales in total, a fall on last year. However, the success of *Belle et Sébastien* should be noted, with 2.8 million people going to see it.

1.5.2. Diversification and audiovisual rights

M6 was one of the first TV channels to capitalise on its brands, its marketing expertise and its knowledge of the various audiences' expectations to extend its offer to products and services and diversify its sources of revenue, and as such pursue several complementary objectives: setting up new growth drivers, seizing new development opportunities, lessening its dependence on the advertising market, securing its access to audiovisual content and anticipating new viewing patterns by developing its brands and programmes in new formats.
These diversification activities are extended to the following 5 segments:

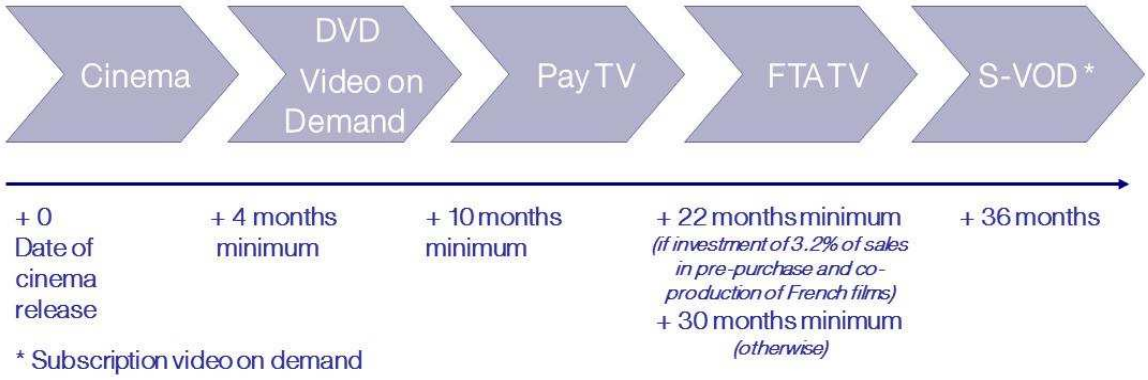
- **Audiovisual rights**
- **Interactions**
- **M6 Web**
- **Ventadis**

- F.C.G.B.

1.5.2.1. Audiovisual Rights

a) Business presentation

The Group's Audiovisual Rights business operates in the movie rights distribution market to the general public throughout their operating cycle, (cinemas, selling of physical and on-demand videos) and subsequently to professionals (distribution of the rights portfolio to nationwide free-to-air and pay channels and international distribution), in accordance with a cycle defined by media chronology which operates under the following timeframe:



Sté Nouvelle de Distribution SA

SND (Société Nouvelle de Distribution) is the flagship of M6 Group's audiovisual rights business, operating on all film distribution formats. SND's main activities are the acquisition, management and distribution of the licensing rights of audiovisual works (cinema, video, sale of rights to pay TV and free TV broadcasters).

In order to consolidate its rank in the audiovisual rights environment and secure its access to more diverse content, M6 Group owns a number of feature film rights catalogues.

SNC SAS

SNC brings together all the catalogue companies acquired by M6 Group (resulting from merger or takeover of the following companies: Mandarin acquired in 2002, Mandarin Films acquired in 2006, Diem 2 acquired in 2007, Hugo Films in 2008 and SNC in 2005). It holds a catalogue with both classic French and European films (over 450 titles), and more recent cinema-released French feature films (during the 2000s).

TCM Droits audiovisuels SAS

TCM D.A was created in September 1996 and has been wholly-owned by M6 since 19 April 2011. Its business is the acquisition, distribution, sale, import and export, promotion, provision and negotiation of TV licensing rights of any film or visual works in all French-speaking territories. Since 2011, its business has been limited to the licensing of a catalogue of 60 feature films belonging to Paramount studios.

M6 Studio SAS

M6 Studio, created in 2003, is dedicated to the development and production of animated feature films and series. In 2006, the company thus produced the first and second series of the cartoon *Le Petit Nicolas* (52x13 minutes). A new animated feature film, *Astérix et le Domaine des Dieux*, went into production in 2012.

These various shareholdings, which require recurring investment, enable M6 Group to benefit from a wide range of assets in an increasingly fragmented environment where access to quality content is ever more critical.

b) Market trends and Group positioning

The general public markets of audiovisual rights operations are facing an increasingly digitalised and dematerialised environment, which goes hand-in-hand with a change in content viewing patterns.

The cinema market in 2013

Cinema going decreased by 6.0% in 2013 to 188.2 million box office sales (source: CNC).

2013 distributor ranking

Ranking	Distributors	Number of films released in 2013	French box office*	Market share
1	Walt Disney Studios	15	18,188,712	10.51%
2	Warner Bros.	15	18,136,510	10.48%
3	20th Century Fox	18	14,801,501	8.56%
4	Sony Pictures	14	13,458,131	7.78%
5	Universal Pictures	20	13,307,918	7.69%
6	Metropolitan Filmexport	30	9,511,775	5.50%
7	Gaumont	14	9,504,014	5.49%
8	Pathé Distribution	22	8,947,579	5.17%
9	SND	13	8,354,897	4.83%
11	Studiocanal	16	8,146,098	4.71%

** Excluding continued screening of films released in 2012*

Source: 2013 distributor ranking (excerpt from Le Film Français)

With 13 cinema releases in 2013, the market share of SND, which recorded 8.4 million box office sales, increased in 2013 (4.8% compared with 4.3% in 2012) and remained in the top ten distributors in this market and was in third place among French distributors.

Among these releases, 6 films attracted more than half a million cinema-goers each. With 3 million tickets sold, “Insaisissables” was the major success of the summer. “Prisoners” attracted almost 1.2 million people and “Amitiés sincères” appealed to 800,000 French people”. The success of “Sublimes creatures” (800,000 tickets sold), “Red 2” (650,000) and “Evasion” (500,000) should also be noted.

The video sales market in 2013

In 2012, the French market for retail physical video (DVD and High Definition formats) amounted to €929 million, a decline of 16.7% compared to 2012. Since 2004, this market has lost more than half of its value (approximately €1 billion). This decline results from the decrease in DVD sales (down 15% in volume and 18.8% in value) and high definition formats (down 7.2% in volume and 8.5% in value).

Video format consumption in value

(€millions)	2013	2012	% change	Market share	2013	2012	% change
DVD	724	892	-18.8%	DVD	77.9%	79.9%	-2.0pp
High definition formats	205	224	-8.5%	High definition formats	22.1%	20.1%	2.0pp
TOTAL	**929**	**1,116**	**-16.7%**		**100.0%**	**100.0%**	

Source : Baromètre Vidéo CNC-GFK 2013

Video format consumption in volume

(millions of units)	2013	2012	% change	Market share	2013	2012	% change
DVD	90	106	-15.0%	DVD	87.2%	88.2%	-0.9pp
High definition format	13	14	-7.2%	High definition formats	12.8%	11.8%	0.9pp
TOTAL	**103**	**120**	**-14.1%**		**100.0%**	**100.0%**	

Source: Baromètre Vidéo CNC-GFK 2013

In 2013, SND was the leading independent publisher in the video market (excluding subsidiaries of US "majors") both in physical and digital markets, with a market share of approximately 6.5% (sources SEVN) and approximately 8% of the digital market (2nd place behind Warner Home Vidéo / source GFK).

Bolstered by a catalogue of more than 1,000 films published under the M6 Video label, the video edition business has a substantial position in the market, as it operates in all physical distribution channels, (supermarkets, superstores, export, corporate, newsstands, etc.). Moreover, the distribution of VOD rights (TVOD, SVOD, EST, etc.) is in place across all digital platforms (around 15 customer platforms including Orange, i-Tunes, Canalplay and SFR).

The catalogue boasts a variety of work, representing all genres from all periods of cinema, from the Twilight saga to the best American and international arthouse films (Lars Von Trier, Alex de la Iglesia, etc.), from French cinema classics such as Les Gendarmes to recent US blockbusters (Insaisissables, Iron Man, etc.), from successful recent French films such as Les femmes du 6ème étage and Amitiés sincères, to SNC's collections of classical movies by major French and Italian directors (Jean Cocteau's La Belle et la Bête, Marcel Carmé's Les Visiteurs du Soir, Pasolini's Médée, etc.).

2013 best-sellers include the 5th instalment of the Twilight saga, Looper, The Impossible, La Chute de la Maison Blanche as well as Insaisissables, Red 2, etc.

- **The TV rights transfer market**

The operating cycle of the rights portfolio continues with the sale of TV rights when pay or free-to-air TV time slots open up.

In 2013, films in SNC's catalogue were sold on 200 occasions to TV channels operating on the French market.

1.5.2.2. Interaction division

a) Business presentation

With the creation of M6 Interactions in 1992 and M6 Événements in 1997, M6 very quickly decided to enter into fields other than television by initiating new expertise in publishing (press, music, collections, etc.), events and shows.

This division is broken down in two product lines:

- **Music:** production, co-production or co-distribution of short and long playing formats (singles and

albums) and compilations on physical and digital formats.

- **Events and shows:** production, co-production or co-distribution of shows (plays, stand-up comedians, musical shows, etc.).

b) Market and change in business positioning

In 2013, the recorded music retail market posted figures of €715.8 million, a fall of 4.4% compared with 2012 (Source: SNEP, in store sales incl. VAT and legal downloading), which was an 8.0% drop in value terms, which stood at €748.9 million. In volume, the fall was 7.4% (91.0 million units were sold compared with 98.3 million in 2012.

The market share of digital formats continued to increase, reaching 17% in value, compared to 16% in 2011. 99% of singles sold in 2013 were downloaded from the internet.

Store sales (incl. VAT) and legal internet downloading:

French disk market								
In value (€ millions)	2013	Change	% change	Market share	2012	Change	% change	Market share
Store sales	**597.2**	**-32.6**	**-5.2%**	**83%**	**629.8**	**-79.1**	**-11.2%**	**84%**
Internet downloading	**118.6**	**-0.5**	**-0.4%**	**17%**	**119.1**	**13.9**	**13.2%**	**16%**
TOTAL	715.8	-33.1	-4.4%	100%	748.9	-65.2	-8.0%	100%
In volume (millions of units)	2013	Change	% change	Market share	2012	Change	% change	Market share
Store sales	**43.2**	**-3.4**	**-7.3%**	**47%**	**46.6**	**-4.9**	**-9.5%**	**47%**
albums	*41.2*	*-2.9*	*-6.6%*	*45%*	*44.1*	*-3.6*	*-7.5%*	*45%*
singles	*0.2*	*-0.3*	*-60.0%*	*0%*	*0.5*	*-0.4*	*-44.4%*	*1%*
music videos	*1.8*	*-0.2*	*-10.0%*	*2%*	*2.0*	*-0.9*	*-31.0%*	*2%*
Internet downloading	**47.8**	**-3.9**	**-7.5%**	**53%**	**51.7**	**2.3**	**4.7%**	**53%**
singles	40.5	*-3.6*	*-8.2%*	*45%*	44.1	*1.1*	*2.6%*	*45%*
*albums**	7.3	*-0.3*	*-3.9%*	*8%*	7.6	*1.2*	*18.8%*	*8%*
TOTAL	91.0	-7.3	-7.4%	100%	98.3	-2.6	-2.6%	100%

** equivalent to 15 titles for 1 album*

Source: SNEP

This year, the Interactions division's music projects posted good performances:

- The development of the artists Vigon, Bamy and Jay proved a success, with their album "Les Soul Men", released in March 2013, going platinum;
- The success of the album "Génération Goldman", coproduced with My Major Company, released in November 2012, continued, generating cumulative sales of 800,000, with Volume 2, released in August 2013, achieving sales in excess of 200,000;
- The coproduction of Tropical Family, the compilation album Piou Piou Dance Party and the cooperation on the album Robin des Bois were further successes during the year.

The same applied to the shows that the Group coproduced or cooperated on:

- More than 550,000 tickets were sold over the course of the year for the Paris performance and tour of the musical comedy Robin des Bois in which the Group is a partner;
- The 8 date production of Zapping Amazing 2 in February 2013 was a great success;
- Michael Gregorio, whose show was coproduced with Ruq Production, and Age de Glace, in which the Group was a partner, are more of the year's successes.

1.5.2.3. M6 Web

a) Business presentation

The company M6 Web produces new media services in an extension of the Group's channels, a mobile phone solution, thematic portals and a price comparison service. This division derives the majority of its revenues from advertising, pay-per-click income and transactions with consumers.

New media services

November 2013 marked the launch of 6play, a single point of entry for M6 Group's channels into digital media platforms. 6play offers:

- All the available videos related to Group programmes: Live, Replay, Excerpts & exclusive videos. In 2013, almost 650 million videos were viewed on 6play;
- Channel websites and programmes to enhance the viewing experience: surveys, slideshows, quizzes, profiles, etc.;
- Innovative interactive experiences with the Connect function which enables real-time reaction to and participation in programmes;
- An interactive programme (Absolument Stars) and game modules broadcast on M6 Group channels;
- The M6 Pass, the video on demand subscription package dedicated to series and available from Free, SFR, Orange TV and, since December 2013, on Bbox.

Thematic sites

The editorial offering of these sites is based on topics that attract a broad spectrum of visitors, such as high-tech (clubic.com), home (deco.fr), video games (jeuxvideo.fr and Tomsgames.fr) and cars (turbo.fr, sport-prestige.com, etc.). 2013 led to the integration of the activities of 2 acquisitions (Ellop on turbo.fr and Tom's Games on jeuxvideo.fr) and the first development initiatives in video.

Mobile telephony

M6 Web manages the "M6 mobile by Orange" licence concluded with the Orange phone operator. The model of this licence is based on the use of the M6 brand and the marketing expertise of M6 Web's teams, completed by a large quantity of content and many services.

b) Market trends and Group positioning

Internet

The internet market, now well established in France, has reached maturity with more than 24.6 million high speed connections in the 3rd quarter of 2013 (Source: Arcep).

As a result of constant developments in reception technologies (broadband, 3G/4G, Wifi) and terminals (tablets, smartphones, connected TV sets, IPTV decoders), viewers now have many ways of consuming audiovisual content. Linear programme consumption is enhanced by many on-demand consumption modes (catch-up TV, VOD per view or on subscription).
The use of mobile internet is therefore developing rapidly due to flat-rate packages now featuring unlimited data and the widespread use of smartphones and tablets: by the end of 2013, the former's penetration rate was 54%. The penetration rate of tablets is estimated at 24%, more than double the figure for the previous year (NPA Conseil forecasts based on GfK/Médiamétrie data). And since this year, operators have begun the battle to roll out 4G.

The permanent presence of internet in the life of French people has led advertisers to increasingly invest in this media. A pioneer and an expert in the marketing of in-stream video commercials, M6 Publicité Digital offers a user-friendly and powerful multi-screen service (PC, IPTV, Mobile, Tablet, connected TV)

which allows advertisers to free themselves from the consumption mode of programmes by broadcasting their commercials on all types of screens, selecting programmes with which their targets have affinity.

Viewers become active participants by using their connectivity to enhance their television consumption. Social TV has had a significant impact in this way, with the Connect functions on 6play enjoying growing success by dint of public understanding. At the same time, the social TV activity on Twitter has exploded: there are now more than 3.5 million unique monthly users on Twitter who have commented at least once on a programme, equating to an increase of more than 50% in one year (Mesagraph, November 2013). These users have become increasingly chatty, with 8 million tweets issued over the same period (up 55% in one year).

In 2013, the Group continued its online development, building on the audience of previous years and achieving a monthly average of 12.1 million unique visitors (Nielsen NetRatings, January – November 2013) and was ranked as one of the 20 most visited groups in France.

Excerpt of Top 50 most visited Group websites in France - October 2013:

Ranking	Groups	Unique visitors all connection modes
1	Google	41,834,000
2	Microsoft	36,481,000
3	Facebook	29,913,000
4	Orange	22,371,000
5	Wikimedia Foundation	21,856,000
6	CCM Benchmark Group	20,372,000
7	Solocal Group	20,050,000
8	Vivendi	19,534,000
9	Groupe Lagardere	19,434,000
10	Yahoo	17,407,000
11	Iliad	17,279,000
12	Schibsted	17,158,000
13	WEB66	16,788,000
14	Amazon	16,301,000
15	PPR	15,687,000
16	Groupe Figaro	13,807,000
17	auFeminin	13,508,000
18	Ebuzzing	12,879,000
19	Prisma Media	12,772,000
20	Groupe Auchan	12,575,000
21	Groupe TF1	12,434,000
22	Apple Computer	12,203,000
23	La Poste	12,112,000
24	InterActiveCorp	11,879,000
25	Groupe Credit Agricole	11,778,000
26	**M6**	**11,623,000**
27	Dailymotion	10,947,000
28	Groupe Casino	10,918,000
29	eBay	10,752,000
30	Association VideoLAN	10,539,000

Source: Médiametrie NetRatings - October 2013

- In 2013, the site **Clubic.com** consolidated its ranking as the second placed French high-tech

website, with an average of 4.3 million unique visitors per month (source – Mediametrie);

- 2013 was the year in which the integration of the Tom's games sites meant the Group became the second placed video games website. The 2 sites **Jeuxvideo.fr** and **Tom's Games** represented an overall average audience of 2 million unique visitors in 2013 and 20 million pages viewed per month;

- For **Turbo**, 2013 was a year marked by audience records. Following the integration of the Ellop sites (autobuzz, action-tuning and sport-prestige) in 2012, the new Turbo.fr site covered a multitude of areas in 2013, with an increasingly large audience. As such, in March 2013, the site achieved a record 18 million Pages Viewed (PV) and almost 3.5 million visits.

- In 2013, **Deco.fr** built on the innovations introduced in 2012 (new logo and new sections) to boost its growth. The indicators look good for the leading Home / Garden site; over the same period Deco.fr also confirmed its position as a leading site for price comparison and online homewares purchasing, for inspiration with a base of more than 30,000 new interiors photos and finally, for innovations and trends with more than 200 items published each month.

- **AchetezFacile** accompanies the thematic portals, particularly Clubic.com (high-tech) and Deco.fr (Home and Garden), in their shopping dimension. Its database of 10 million products listed on more than a thousand e-commerce sites saw its number of click-throughs increase by 24% this year. 2013 was the year of the launch of its own brands in relation to infant care (laminutebébé), fashion (mode.fr) and strategic partnerships with market leaders, such as L'Equipe.fr.

Digital distribution of the Group's programmes also grew in 2013, with an average of almost 53 million videos viewed monthly on all broadcasting networks (PC, mobile, tablet, IPTV, etc.), a year-on-year increase of 6%.

Having launched the first second screen service synchronised with programmes in real-time in France in November 2012, the Group continued to provide editorial content for this second screen as its experience grew, and also by beginning to market special deals through the advertising agency.

The rollout of these services continued on all screens for all viewing modes (Live, Replay, Connect, excerpts and extras) and for each of the Group's DTT channels (M6, W9 and 6ter) thanks to 6play, which in this way displays a powerful audience portal both to advertisers and viewers.

Mobile phone market

The mobile phone market in France had a total of 75.5 million customers at the end of September 2013 (of which 15.9 million prepaid and 59.6 million bill pay), a penetration rate of more than 115% of the population (source: ARCEP). Orange remains the leader with a market share of 36% of mobile phones (SFR: 28%, Bouygues Telecom 15%, Free 9%, MVNO 11%). The market is still being unsettled by Free Mobile which has gradually taken market share from the three historic operators.
The pre-paid market is suffering from addressing a younger customer base and appeared to decline in 2013, for the benefit of low cost, unlimited flat rate services (combined with a quadruple play package).

M6 Mobile has experienced continual success since its launch in 2005, both in terms of acquiring new customers and retaining its core base. The latter achieved record growth, increasing by more than 400,000 customers to reach 2.8 million customers by the end of 2013.

1.5.2.4. Ventadis

a) Business presentation

The M6 Group has also built another diversification business using the power of its media to develop its market share in distance selling, particularly through the use of TV air time.

Ventadis, which allies teleshopping and e-commerce, is the name of the M6 Group's distance-selling business that combines stores specialising in selling household and personal goods.

The growth in distance-selling activities is linked to consumer spending, as well as to the change in purchasing behaviours with the development and generalisation of online purchase (e-commerce).

H.S.S
SA

Home Shopping Service is the legal entity that oversees M6 Boutique, the morning show on M6, which has been on the air for the last 25 years: its business efficiency is based on clear demonstrations, specialist speakers, customer testimonials and strong special offers.

M6 Boutique La Chaîne
SNC

Since 2004, M6 Boutique La Chaîne, a channel dedicated to teleshopping available on cable, satellite and broadband, has provided viewers with 8 hours of live programming daily, allowing them to discover products from the worlds of fashion, jewellery, beauty, cookery, etc.

Due to its expertise, Ventadis develops teleshopping formats on behalf of other broadcasters, such as W9, Paris Première and Téva, and also on behalf of Belgian TV channels for example. This division also operates in the infomercial segment, which consists of short news programmes and films demonstrating products and how to use them.

Mistergooddeal
SA

Mistergooddeal is a leading e-commerce website for home equipment and furniture, with an extensive range of high-tech products, electrical goods, gardening, DIY and household equipment.

This company is held for sale by the Group.

monAlbumPhoto
SA

monAlbumphoto.fr, acquired in 2010, is a leading player in the online photo book market. Using software that can be downloaded free of charge directly from www.monalbumphoto.fr, users can create photo albums that are printed and bound like a book.

Luxview
SAS

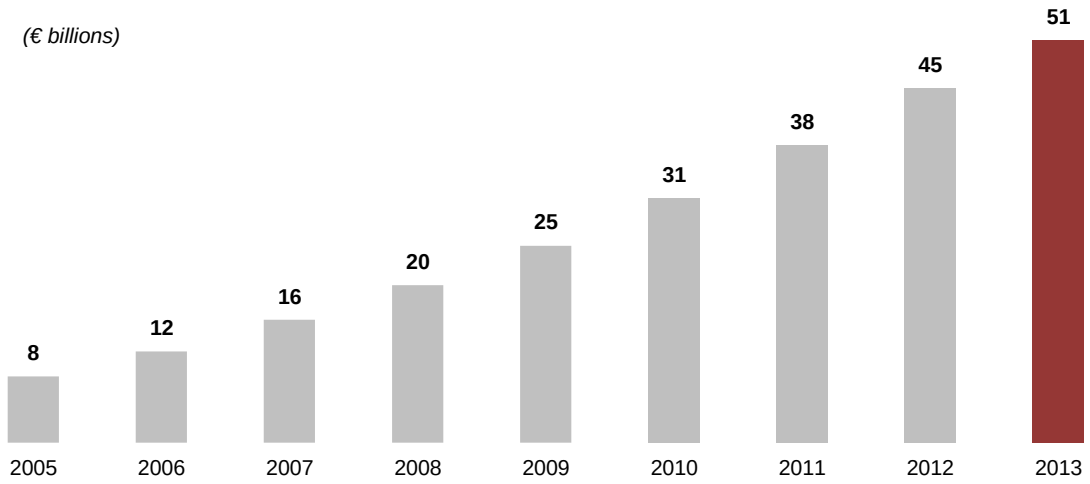
Founded in 2009, Luxview today operates two sites: www.happyview.fr, an online optician(s) and www.malentille.com, a contact lens specialist site.

b) Market trends and Group positioning

Ventadis operates in a competitive market, in the presence of many players, including supermarket distribution players operating an internet portal, traditional media players that have developed a distance-selling offer and online players. Many of them implement an aggressive promotional policy to offset slower sales, at the expense of profit margins.

Online spending grew by 13.5% in 2013 to €51 billion, according to a study published by Fevad (Fédération du e-commerce et de la vente à distance).

Online sales growth in France since 2005



Source: Fevad

Over the past 12 months, there were 138,000 active merchant websites, a 17% increase compared to 2012. The number of e-merchants has therefore increased 9-fold between 2005 and 2013.
In addition, the number of e-shoppers increases substantially every year (up 5% in 2013).

Against this competitive background, Mistergooddeal favoured a strategy of differentiating its offering, banking on the quality of products sold and associated customer service (collection points in particular) in order to preserve its gross profitability.

Teleshopping posted a strong performance in 2013, due to the success of the daily show on M6, its dedicated channel and its website.

Lastly, monAlbumPhoto.fr posted significant revenue growth.
2013 was marked by the opening of a new production centre in Nanteuil in the Oise region, and by continued growth in the business (number of products sold up by more than 30%), and the extension of the range to include flat bound books (a premium product), canvases, calendars and cards.

1.5.2.5. F.C.G.B

a) Business presentation

The Football Club des Girondins de Bordeaux has been owned by M6 Group since 1999. It plays in the French League 1 Championship. The wholly-owned Football Club des Girondins de Bordeaux provides M6 Group with access to the football market, a reputation in the sports world and an opportunity to develop an asset.

Club revenues primarily comprise TV rights relating to the French Ligue 1 and Ligue 2 championships and apportioned by the LFP (French professional football league): in addition to a fixed share, these TV rights are based on the Club's ranking (over the last season and previous seasons), and based on its reputation

(number of matches broadcast on TV).
These rights are paid to the LFP by the broadcasters who have been awarded match batches following calls for tender. Canal+ and Orange own the broadcasting rights of matches for the 2008-2012 seasons, for a total annual fee of €707.7 million for the 2011-2012 season, and Canal +, Al-Jazeera and Orange have been allocated the broadcasting rights of matches of the 2012-2016 seasons, for a total fee of €674 million for the 2012-2013 and 2013-2014 seasons.

Other Club revenues comprise TV rights generated by potential participations in European (Champions' League, UEFA Cup) and French competitions (League Cup, French Cup), match day sales (season ticket and match ticket sales), partnerships and sales of derivative products bearing the Club colours. Lastly, revenue records fees from the transfer of players' contracts on a recurring basis.

b) Group positioning

Football Club des Girondins de Bordeaux, founded in 1881, is cementing its position as one of the oldest French and European clubs. The club has been one of the most successful teams in French football, winning 6 French League titles, 4 French Cups, 3 League Cups, and 3 Champions Trophies. With almost 200 matches played in the various European Cups, one semi-final of the Champions' League and one final of the UEFA Cup, the Club has gained an international standing.
FCGB is the only club to have won all the national titles over the last 5 seasons.

The F.C.G.B. 2012/13 sporting season ended up with the Club winning the French Cup, thus qualifying for the Europea League, and finishing in 7th place in the Ligue 1 championship. During its run in Europe, the Club reached the quarter finals of the Europa League.

The team has been managed by Francis Gillot since the start of the 2011/12 season. The Club's team includes players able to compete on an international level and young players that have been trained at its training centre. The Club intends to continue this policy of focusing on training young players to guarantee that it will keep playing at the top level in the future and to maintain its performance level. Over the past 5 years, the training centre has produced half of the club's professional players.

Its link with supporters is ensured by an active presence on social networks. On Facebook, the Club has more than 345,000 fans (4th ranked French Club) and has more than 3 million exchanges with them each month. Every post is seen by an average of 50,000 people.
On Twitter, growth is significant with 59,000 followers and continued double-digit growth for several months.
The Club also has a presence on Instagram, Google +, YouTube and Dailymotion to complete its visibility on the major social networks and video platforms which play a role of ensuring close links with supporters.

The City of Bordeaux, in a desire to create a major economic development tool for the city, the district and for the region as a whole decided to build a new stadium with the prospect of the "UEFA Euro 2016" football championship which will be organised in France. This stadium will have a capacity of 42,000 (whereas the Stade Chaban Delmas only has a capacity of 34,000), with F.C.G.B as its resident club. It will be built within the framework of a public/private partnership (PPP), signed in 2011 between the City of Bordeaux and the Vinci/Fayat Group, which provides for an indirect contribution by the Club to the funding of the project from the date of delivery of the stadium, planned for 2015. An initial contribution of €20 million will be paid at that date and a 30-year lease will be signed for an annual rent of €3.8 million. At the start of 2012, €20 million was deposited on an escrow account in the name of the City of Bordeaux, subject to the stadium being delivered.
Planning permission was granted on 27 July 2012 and work began in November 2012.
At the end of December 2013, all the major structural work was completed. Work is proceeding on schedule.
This very significant commitment by the Club must be seen in the light of its historic involvement in the local economy, as well as the previously described policy of developing revenues that do not come from TV rights.

Risks attached to the Group's activities are specified in section 8 of this management report, which completes the description of the Group's activities and markets.

1.6. Bylaws and regulatory information

1.6.1. Bylaws

1.6.1.1. Major legal information concerning the Company

The main provisions of the Company's bylaws are as follows:

Company name
MÉTROPOLE TÉLÉVISION

Head office and registered office
89, avenue Charles-de-Gaulle
92575 NEUILLY-SUR-SEINE Cedex France
Telephone: +33 (1) 41 92 66 66

Legal form
A French public limited company (Société Anonyme) with an Executive Board and a Supervisory Board, governed by the Commercial Code and regulations specific to audiovisual activities.

Share capital
At 31 December 2013, the share capital was €50,386,179.60 represented by 125,965,449 shares of the same class with a par value of €0.40 each.

Date of incorporation - duration
The Company was incorporated on 13 October 1986 for a period of 99 years unless subject to early dissolution or extension.

Trade and commerce register - Siret – APE code
The Company is entered in the Trade and Companies Register under the numbers:
RCS Nanterre 339 012 452
SIRET 339 012 452 00084
APE 6020A

1.6.1.2. Bylaws updated on 20 January 2014

Article 1 - Legal form
A French public limited company (Société Anonyme) with an Executive Board and a Supervisory Board, governed by legal and regulatory provisions applicable to public limited companies and by these bylaws.

Article 2 – Company name
The name of the Company is:
MÉTROPOLE TÉLÉVISION

Article 3 – Corporate purpose
The Company's corporate purpose is as follows:

- operation of one or more audiovisual communications service broadcast or distributed over terrestrial, cable, satellite networks or by any other means that may be authorised, as applicable, by the Conseil Supérieur de l'Audiovisuel (CSA), comprising in particular the conception, production, programming and broadcasting of television programmes, including advertisements;
- all industrial, commercial, financial and real estate transactions directly or indirectly connected to the above and any similar, related or complementary aims likely to further their achievement or development or to any net assets, directly or indirectly, for itself or on behalf of third parties, either singly or with third parties, by way of creating new companies, contributions, sponsorship,

subscription, purchase securities or rights of ownership, merger, combinations, joint venture associations or by obtaining the use of any property or rights under a lease, lease management agreement or by acceptance in lieu, or otherwise.

Its activity is pursued in accordance with the obligations defined by competent authorities and applicable laws.

Article 4 - Duration

The Company was incorporated for a period of 99 years from the date of registration in the Trade and Companies Register unless subject to early dissolution or extension as provided for by the Law or these bylaws.

Article 5 - Registered office

The Company's registered office is located at:
89 avenue Charles de Gaulle,
92200 Neuilly-sur-Seine, France

It may be transferred to any other location in the same or an adjoining district by decision of the Supervisory Board, subject to ratification by the next Ordinary General Meeting, or anywhere else in France through a decision by the Extraordinary General Meeting of Shareholders.

Article 6 – Share capital

The share capital is set at €50,386,179.60 represented by 125,965,449 ordinary shares of the same class with a par value of €0.40 each.

Article 7 – Changes in share capital

The share capital may be increased or reduced under the conditions and in accordance with applicable legal and regulatory provisions.
It may also be amortised pursuant to Articles L. 225.198 and subsequent of the Commercial Code.

Article 8 - Paying-up of shares

Shares representing contributions in kind made during a capital increase must be fully paid up.

At least a quarter of the par value of shares subscribed to in cash and, if applicable, the full issue premium, must be paid up upon subscription.

The remainder must be paid up in one or more instalments within 5 years of the day on which the capital increase was completed, at the dates and in the proportions that shall be fixed by the Executive Board. Payments are made at the Registered Office into funds specially designated for said purpose.

Shareholders are notified of calls for funds either by a notice published in a legal gazette of the locality in which the registered office is located, no less than fifteen days before the period appointed for each payment, or by registered letter addressed to each shareholder within the same period.

Article 9 - Failure to pay up shares

Any late payment shall bear interest as of right in favour of the Company at the legal rate in commercial matters plus three percentage points, accruing from the date such payment was due, without need of legal action.

If the shareholder fails to pay up the shares within the time frames set by the Executive Board, the Company shall address them a formal notice by registered letter with acknowledgement of receipt.

Al least one month after such formal notice has gone unheeded, the Company has the right to proceed with the sale of the shares that have not been paid up in full.

The sale of the shares is carried out under the conditions stipulated by law.

The net proceeds of the sale return to the Company, and are included on what is owed to it in principal and interest by the defaulting shareholder and later by the refund of expenditure incurred by the Company to carry out the sale.

The defaulting shareholder remains liable or benefits from the difference.

The defaulting shareholder, successive transferees and subscribers shall be jointly liable for the unpaid amount of the share. The Company may take action against them, before or after the sale, or at the same time, to obtain payment of the sum due and a refund of the costs incurred.

Two years after the transfer of securities from one account to another, any subscriber or shareholder who had transferred his/her security ceases to be held accountable for payments not yet called for.

Amounts called but not paid on shares cease, within thirty days of the formal notice, to qualify the holder to attend and vote at shareholder Meetings and shall not be taken into account for calculating the quorum.

The right to dividends and the pre-emption right in capital increases attached to said shares are suspended.

Article 10 - Form of shares

Shares may be in registered or bearer form.

Shares and any other securities issued by the Company are recorded in an account on behalf of their holders, or if applicable, the name of the intermediary, in accordance with the legislation in force.

The Company may at any time request information from the central custodian in charge of the administration of its “securities issuance” account, the disclosure of the name or corporate name, nationality, year of birth or incorporation, the address or the registered office, concerning the holders of Company securities conferring, immediately or at a later date, voting rights at a shareholders' meeting, as well as the number of securities held by each of them, and any restrictions that may apply to such securities, pursuant to applicable laws and regulations.

The Company, after examining the list sent by the securities clearing agency, is entitled, either through said agency or directly, to request information regarding ownership of the securities to the persons appearing on this list and those whom the Company believes may be registered on behalf of a third party.

If said persons are intermediaries, they are required to disclose the identity of the holders of these securities. The information is provided directly to the authorised financial intermediary of the account holder, which must then disclose it to the Company or aforementioned agency, as appropriate.

Article 11 - Form and transfer of shares

1. Shares are freely negotiable.

Shares are transferred by transfer from one account to another subject to applicable legal provisions. In the event of an increase in the share capital, shares may be traded as soon as it is completed.

2. Any individual or legal entity, acting alone or in concert, that attains a holding of at least 1% or any multiple of 1% of the capital and/or voting rights must notify the Company of the number of shares and/or voting rights held within a period of five stock market trading days from the moment this threshold is exceeded, by registered letter with return receipt addressed to its registered office.

The number of shares that determine the above thresholds shall include indirectly held shares and/or voting rights and shares and/or voting rights as defined by Articles L. 233-7 and subsequent of the Commercial Code.

This declaration must also be made each time that the fraction of share capital or voting rights held becomes less than one of the thresholds stated above.

If not declared under the above conditions, the shares in excess of the relevant threshold will be deprived of voting rights under the conditions laid down by the Commercial Code relating to the crossing of statutory thresholds.

3. Intermediaries registered as holders of shares pursuant to Article L. 228-1 of the Commercial Code are required, without prejudice to the obligations of the owners of shares, to make the declarations stipulated in this article for all of the shares of the Company for which they are registered as the holder.

The requirements set forth in the present Article shall not limit the application of the provisions of the Law of 30 September 1986 on the free disclosure of share ownership or voting rights of companies licensed to operate an audiovisual communication service, or of any other provisions under law.

Article 12 - Rights and obligations attached to shares

Ownership of shares results from the registration of their owners or the intermediary registered as holding the shares as prescribed by Article L. 228-1 of the Commercial Code.

Upon request from and at the expense of the holder of a share account, account managers issue a statement specifying the nature and the number of shares registered to his/her account and the details that it contains.

Shareholders are only liable up to the par value of the shares which they hold and any request for funds beyond that amount is prohibited.

Each share entitles its holder to ownership of a portion of the assets and profits of the Company, in proportion to the percentage of the share capital it represents, while taking into account, if applicable, whether or not any shares have been redeemed, whether or not they have been fully paid up, the nominal value of the shares and the rights of shares of different class, and, subject to these reservations, each share carries a right, during the term of the Company or upon its liquidation, to the payment of the same net sum of any distribution or refund, in such a way that all shares shall be considered as a whole, without, if applicable, distinction for any tax exemption or any taxation likely to be borne by the Company.

Share ownership automatically entails acceptance of the Company's bylaws and the resolutions duly adopted by the General Meetings.

The rights and duties attached to a share shall be transferred to the holder of the account on which the share is registered.

Heirs, representatives or creditors of a shareholder may not, on any grounds whatsoever, call for the affixing of seals on the assets and valuables of the Company, or call for a division or sale by auction thereof, or interfere in any manner whatsoever in its administration; for the exercise of their rights, they shall be bound by the statements of corporate assets and liabilities and resolutions of the General Meeting.

The shares are indivisible. Joint owners of an indivisible share shall be represented to the Company by one of them or by a sole proxy.

The voting right belongs to the beneficial owners at both Ordinary and Extraordinary General Meetings.

Whenever more than one share is required to exercise a particular right, specifically in the event of a share exchange, consolidation or allocation, or as a result of an increase or reduction in share capital, or

in the event of a merger or other transaction, shareholders who own only one share or who do not own the minimum number required have no rights against the Company; shareholders must make their own arrangements to form a group or to purchase or sell the requisite number of shares or rights.

Article 13 - Other securities

The Executive Board has the prerogative to decide on or authorise the issue of bonds in accordance with the conditions and in the manner provided for by law. The General Meeting may also exercise this power.

Only the Extraordinary General Meeting, based on the report of the Executive Board and the report of the Statutory Auditors, has authority to decide or authorise the issue, as provided by applicable regulations, of any securities or warrants entitling, by conversion, exchange, reimbursement, presentation of a warrant or otherwise, the allocation of securities which, for this purpose, are or will be issued representing a portion of the Company's share capital.

Article 14 - Administration of the Company - General provisions

An Executive Board, which acts under the supervision of a Supervisory Board, governs the Company.

When a transaction requires the authorisation of the Supervisory Board, which is denied, the Executive Board may submit the dispute to the Shareholders' General Meeting, which decides what action should be taken.

Article 15 – Executive Board

The Executive Board comprises between two and five members appointed by the Supervisory Board

The members of the Executive Board must be natural persons who do not need to be shareholders, and may even be Company employees.
If a member of the Supervisory Board is appointed to the Executive Board, his/her term on the Board ends when he/she takes office.

No individual may serve more than one term as Chief Executive Officer, Executive Board member, or Sole Chief Executive Officer or Chairman of the Board of Directors for public limited companies having their registered office on French territory, subject to exceptions provided for by law.

A member of the Executive Board may not accept an appointment to another Executive Board, as Sole Chief Executive Officer, or as Chairman of the Board of Directors of another company, without the permission of the Supervisory Board.

The General Meeting and Supervisory Board may remove from office any member of the Executive Board. In the event that the individual has an employment contract with the Company, the removal from office as a member of the Executive Board will not terminate said contract.

Article 16 - Term of office of Executive Board members

The Executive Board is appointed for a period of five years. In the event of vacancies, the Supervisory Board may designate a replacement until renewal of the Executive Board, subject to the provisions of Article 15 paragraph 1 of the Bylaws.

All members of the Executive Board may be re-elected.

No one aged 70 or over may be appointed member of the Executive Board. Any member of the Executive Board who reaches said age limit while in office shall be deemed to have resigned.

The Supervisory Board determines the nature and amount of compensation for each member of the Executive Board.

Article 17 - Organisation and operation of the Executive Board

1. The Supervisory Board appoints a member of the Executive Board as Chairman.

2. The Executive Board meets as often as required in the interest of the Company, at the registered office, or any other location specified in the notice of meeting.
It is convened by the Chairman or by at least two of its members.
At least half the members must be in attendance to validate submissions, which must be approved by a majority of members in attendance. In the event of a split vote, the Chairman of the meeting shall have the casting vote.

3. Required deliberations are recorded in minutes signed by the members who took part in the session, however failure to comply with said formality does not invalidate decisions taken.
The minutes include the name of members present, represented, or absent.
These minutes are either recorded in a special register or bound.
The copies or extracts of these minutes are certified by the Chairman of the Executive Board or by one of its members, and, under liquidation, by a liquidator.

4. The members of the Executive Board may distribute management duties among themselves. However, this distribution may under no circumstances relieve the Executive Board of its character as the body collectively responsible for deciding the Company's general management.

5. The Supervisory Board may appoint, from among the members of the Executive Board, one or more chief executive officers, with power of representation in relation to third parties.

Article 18 - Powers of the Executive Board

1. The Executive Board has the widest possible powers to act in all circumstances on behalf of the Company with third parties, to the exception of powers expressly bestowed upon the Supervisory Board and Shareholders' General Meetings by the law.

In its relations with third parties, the Company is bound even by the actions of the Executive Board which are not part of the corporate purpose unless it can prove that the third parties were aware the act in question exceeded corporate purpose or could not in view of the circumstances be unaware of it, publication of the bylaws not being sufficient proof thereof.

2. The Executive Board may delegate those of its powers that it deems necessary.

Article 19 - Representation in dealings with third parties

The Chairman of the Executive Board and each of the chief executive officers represent the Company in its dealings with third parties.

The appointments and terminations of members of the Executive Board must be published pursuant to the law.

Acts binding the Company as regards third parties must bear the signature of the Chairman of the Executive Board or one of the Chief executive officers or any other person duly authorised.

Article 20 - Supervisory Board

1. The Supervisory Board comprises a minimum of three and a maximum of fourteen members, , subject to the derogation provided by law in the event of a merger.
During the existence of the company the members of the Supervisory Board are appointed by an Ordinary General Meeting of shareholders; however in the case of a merger or division the appointment may be made by the Extraordinary General Meeting. At least one third of members must be deemed independent. A member of the Supervisory Board is deemed independent when he/she has no relationship of any kind with the Company, its Group or its management likely to compromise the exercise of his/her free judgement.

2. Supervisory Board members are appointed for a period of 4 years. As an exception and solely for the purpose of establishing and maintaining staggered terms of office for Supervisory Board members, the Ordinary General Meeting may appoint one or several members of the Supervisory Board for terms of one, two or three years.
The term of office of a member of the Supervisory Board expires at the end of the shareholders meeting held to approve the accounts of the previous financial year in which his/her term expires.
Members of the Supervisory Board may always be re-elected.
The Ordinary General Meeting may remove them from office at any time.
No person over the age of 70 may be appointed to the Supervisory Board should this appointment lead to one third of Board members exceeding this age. Furthermore, if the one-third proportion is exceeded as a result of a member of the Board in office reaching the age of 70, the eldest member of the Supervisory Board is deemed to have resigned after the next Ordinary General Meeting.

3. The members of the Supervisory Board may be natural persons or legal entities; the latter must, upon appointment, designate a permanent representative who is subject to the same conditions, obligations and responsibilities as if he/she were a member of the Board in his/her own name, without prejudice to the joint and several liability of the legal entity he/she represents.
The permanent representative is appointed for the same duration of term of office as the legal entity he/she represents.
If the legal entity terminates the appointment of his/her representative, he/she is bound to immediately notify the Company, by registered letter, of such termination as well as of the identity of the new permanent representative; the same shall apply in the event of death, resignation or extended incapacity of the permanent representative.

4. In the event of a vacancy, due to death or resignation of one or several of its members, the Board may appoint members on a provisional basis between two General Meetings. Appointments made by the Supervisory Board are subject to approval from the following Ordinary General Meeting. Failing ratification, the deliberations and actions previously taken by the Board nevertheless remain valid.
A member of the Supervisory Board appointed to replace another member only remains in office for the remainder of the predecessor's term.
If the number of members of the Supervisory Board falls below three, the Executive Board must immediately convene the Ordinary General Meeting in order to appoint new members to the Supervisory Board.

5. The natural persons who are members of the Supervisory Board, as well as the permanent representatives of legal entities members of the Supervisory Board, are subject to the cumulated provisions of Articles L.225-21, L.225-27, L.225-94 and L.225-94-1 of the Commercial Code regarding the simultaneous terms of officer of members of the Supervisory Board of public limited companies having their registered office on French territory, and holding office as Chief Executive Officer, Executive Board member, Sole Chief Executive Officer, or Director of such companies, subject to the provisions of Article L.225-95-1 of the aforementioned Code.

Article 21 - Shareholding requirements

Every member of the Supervisory Board must hold 100 shares.

If, on the day of appointment, a member of the Board does not hold the required number of shares or if, during the term of office, he/she is no longer the holder, he/she is deemed to have resigned, if he/she has not remedied the situation within six months.

Article 22 - Organisation and functioning of the Supervisory Board

1. The Supervisory Board elects from amongst its members a Chairman and a Vice-Chairman, in charge of convening and directing meetings. It determines the amount of their compensation. The Chairman and Vice-Chairman are natural persons. They are appointed for the same duration as their Supervisory Board term of office. They may always be re-elected.

In the event of absence or incapacity of the Chairman, the Vice-Chairman chairs the Board meeting.
The Board may appoint a secretary, who does not need to be a shareholder.

2. The Supervisory Board meets as often as required in the interest of the Company upon notice of its Chairman, or failing that, its Vice-Chairman.
The Chairman must convene the Board within fifteen days if at least one member of the Executive Board or at least one third of the members of the Supervisory Board submit(s) a reasoned request.
If the request remains without effect, its initiators may convene the Board and set the agenda.
The meetings take place at the registered office or any other place specified in the notice of meeting.
Any member of the Board may grant proxy to a colleague, even by letter or telegram, to represent him/her at a Board meeting.
At least half of Board members must be in attendance to for deliberations to be valid.
Decisions are taken by a majority of the votes of attending and represented members. Each member has one vote and may not represent more than one other Board member.
In the event of a split vote, the Chairman of the meeting shall have the casting vote.

3. An attendance register is kept and signed by the Board members attending the meeting, stating the name of members of the Supervisory Board who took part in deliberations by means of video conference or telecommunications.
Minutes are drafted and copies or extracts of deliberations are issued and certified pursuant to the law.

4. Except in cases specifically excluded by applicable legislative or regulatory provisions, shall be deemed present for the purpose of calculating the quorum and the majority members of the Supervisory Board participating in the meeting of the Board by video conference or means of telecommunications enabling their identification and effective participation, the nature and applicable conditions of which are determined in accordance with legal and regulatory provisions.

Article 23 - Compensation of members of the Supervisory Board

The General Meeting may allocate members of the Supervisory Board an annual fixed sum, as attendance fees, the amount of which is recorded as Company overheads.

The Supervisory Board allocates such compensation among members as it deems appropriate.

Moreover the Board may allocate exceptional compensation to some members for assignments or mandates with which they have been entrusted.

No other compensation, whether permanent or not, apart from that possibly allocated by the Chairman and the Vice-Chairman, may be paid to members of the Supervisory Board.

Article 24 – Powers of the Supervisory Board

The Supervisory Board exercises permanent control of the Company's management by the Executive Board and provides prior approval to the latter to finalise transactions that require its authorisation.

24.1 The Supervisory Board:
- appoints the members of the Executive Board and the Chairman, and if necessary the Chief executive officers from among the members of the Executive Board; it decides or may propose to the General Meeting dismissal, and sets their compensation;
- convenes the Shareholders' General Meeting if necessary, if the Executive Board fails to do so, and draws up its agenda;
- authorises the agreements referred to in Article 25 hereinafter (Article L. 225-86 of the Commercial Code);
- authorises the sale of property as well as the total or partial sale of investments and the constitution of securities on company assets; the Supervisory Board may, subject to specific individual limits, authorise the Executive Board to proceed with the above-mentioned transactions; all transactions exceeding the set amount require the authorisation of the Supervisory Board in each case;

- may authorise the Executive Board to issue securities, sureties, or guarantees during a period which may not exceed 1 year, and within the limit of a total amount fixed by its decision;
- decides the relocation of the registered office within the same French department or a neighbouring department, subject to ratification by the next Ordinary General Meeting;
- at any time of the year, carries out the verifications and controls it deems appropriate and may request any documents that it deems useful to perform its duties.

The Executive Board shall submit a report to the Supervisory Board on Company matters whenever the Supervisory Board sees fit, and at least quarterly.

Within three months from the end of the financial year, the Executive Board must present the Supervisory Board with the annual and consolidated statements, for verification and control, accompanied by a written report on the Company's position and activity thereof during the course of the financial year.

The Supervisory Board presents the Shareholders' Annual Ordinary General Meeting with its comments on the Executive Board's report, as well as the financial statements for the year.

The Chairman of the Supervisory Board gives an account, in a report to the General Meeting attached to the aforementioned report, of the conditions of preparation and organisation of the Board's work as well as the internal control procedures implemented by the Company.

The Supervisory Board may confer one or more of its members with special mandates for one or more specific purpose(s). It may decide to create committees to examine issues submitted by itself or its Chairman for review.

24.2 The Executive Board shall submit the allocation proposals for the profits of the past financial year and the Company's and group's draft annual budget to the Supervisory Board.

24.3 The following Executive Board decisions shall be subject to the Supervisory Board's prior approval:
- significant transactions which may impact Company and group strategy, changing their financial positions and scope of operations;
- investments and commitments (including equity investments) with a total investment exceeding 20 million Euros, insofar as these investments have not been budgeted;
- divestments (including disposal of equity investments) and/or dilutions of a total amount or having an impact on the balance sheet exceeding 20 million Euros, insofar as these divestments have not been budgeted;
- the issuance of securities of whatever kind, liable to result in changes of the share capital.

Article 25 – Regulated agreements

25.1 Any agreement, with the exception of those relating to current operations concluded under normal conditions, between the Company and a member of the Executive Board or Supervisory Board, either directly or indirectly, or through an intermediary, one of its shareholders with a fraction of voting rights greater than 10% or, if it is a corporate shareholder, the company controlling it under the terms of Article L 233-3 of the Commercial Code, must receive prior authorisation from the Supervisory Board.

The same rule applies to agreements in which one of the persons referred to in the previous paragraph has an indirect interest.

The same rule applies to agreements between the Company and another business, if one of the members of the Company's Executive Board or Supervisory Board is the owner, partner, manager, director, member of the Supervisory Board or, more generally, director of said business.

The member of the Executive Board or Supervisory Board concerned is bound to inform the Supervisory Board immediately upon becoming aware of the agreement subject to authorisation; if he/she sits on the Supervisory Board he/she may not participate in the vote on the requested authorisation.

These agreements are subject to the approval of the Shareholders' General Meeting under the conditions set out in the law.

25.2 The provisions of 25.1 do not apply to agreements relating to current transactions and concluded under normal conditions. Nonetheless, unless insignificant for all parties given their purpose or financial implications, these agreements must be communicated by the interested party to the Chairman of the Supervisory Board.

The Chairman reports the list and purpose of the aforesaid agreements to the members of the Supervisory Board and Statutory Auditors.

Article 26 – Statutory Auditors

The Ordinary General Meeting confers the duties laid down by law to one or more principal or alternate Statutory Auditor(s).

They are appointed for six financial years in accordance with the eligibility conditions prescribed by law.

If several Statutory Auditors are appointed, they may proceed with separate investigations, audits and controls, but they shall draw up a joint report.

The Auditor(s) has(have) the right to convene the General Meeting in cases determined by the law. They receive compensation paid for by the Company and established pursuant to the legal provisions in force.

The Statutory Auditor(s) is(are) not liable, either as regards the Company or third parties, for the consequences of errors or omissions caused by them in the course of their work.

Auditors may be re-appointed, in accordance with legal and regulatory conditions.

Article 27 - General Meetings – Notice of Meetings

Shareholders meet annually at the Ordinary General Meeting held within six months following the end of the financial year. Moreover, Ordinary, Extraordinary or Special Meetings may be convened at any time as provided for by law and in these bylaws.

Shareholder Meetings are held at the Registered Office or any other place stipulated in the notice of meeting.

General Meetings are convened by the Executive Board and, failing this, by the Supervisory Board or the Statutory Auditors or by a representative designated by a court of law, or by the liquidators, under the conditions laid down by the law and applicable regulations.

Shareholders' meetings are announced by a preliminary notice which is published in the Bulletin des Annonces Légales Obligatoires (BALO) at least 35 days prior to the meeting date, pursuant to regulations in force, other than where an exception to this rule is allowed by such regulations (notably during a public takeover bid).

The final notice of shareholders' meetings is issued at least fifteen days prior to the date set for the meeting, other than where an exception to this rule is allowed by regulations in force.

This time period is reduced to ten days for meetings on second call, other than where an exception to this rule is allowed by regulations in force.

The notices are sent by postal carrier or by electronic mail to all holders of registered shares and published in a legal gazette serving the location in which the registered office is located and in the BALO.

The notices must include the information required by applicable legislation and regulations, and more specifically the location, date and time of the meeting, as well as the nature of the meeting and its agenda.

These notices must also specify the conditions under which a shareholder may vote remotely, and must specify the location where postal voting forms may be obtained and the necessary documents to be attached.

Shareholders may submit their questions in writing up to four working days prior to the General Meeting.

Article 28 - Agenda

The party convening the meeting draws up the Meeting's agenda. However one or more shareholders who satisfy the conditions laid down by legislation in force have the right to request the inclusion of points or draft resolutions on the agenda.

The request for inclusion of points or draft resolutions on the agenda are to be sent to the registered office within the time limits prescribed by applicable regulations.

The Meeting may not discuss questions that are not on the agenda. Nevertheless it may, under any circumstances, remove one or several members of the Supervisory Board and replace them.

The agenda may not be amended in the second notice of meeting.

Article 29 - Admittance to Meetings

All of the Company's shareholders whose shares are fully paid up may participate in meetings. All shareholders may be represented by a natural person or legal entity of their choice, in accordance with the terms and conditions provided by applicable regulations.

The right to attend General Meetings is subject to the accounting record of the shares in the name of the shareholder or the intermediary on his/her behalf, on the third working day preceding the meeting (00.00 hours Paris time), either in the nominative accounts held by the Company, or in the accounts of bearer shares held by an authorised intermediary. The registration of bearer shares is noted by a certificate of shareholding issued by an authorised intermediary.

Legal representatives of shareholders deemed legally incapable and individuals representing legal-entity shareholders may participate in the General Meetings, irrespective of whether or not they themselves are shareholders.

Proxy and postal voting forms are prepared and addressed in accordance with legislation in force.

The shareholders may forward their proxy and postal voting forms related to any General Meeting in paper format or via email, in accordance with legal and regulatory terms and conditions.

At the time a General Meeting is convened, the shareholders may also, if it is permitted by the Executive Board or failing that, the Supervisory Board, participate in this General Meeting by video conference or electronic telecommunication or broadcasting means, subject to the qualifications and terms and conditions set out by applicable laws and regulations.

The proxy form informs the shareholder that if he/she returns it to the Company, or to one of the individuals authorised by the latter to collect proxy forms without any indication of the proxy holder, a favourable vote will be issued in his/her name for the adoption of draft resolutions presented or approved by the Executive Board, and an unfavourable vote for the adoption of all other draft resolutions. To cast his/her vote differently the shareholder must choose a proxy holder who agrees to vote as instructed by him/her.

The postal voting form informs the shareholder in a very visible manner that any abstention expressed on the form or resulting from a lack of voting indication will be considered as a vote opposed to the adoption of the resolution.

The owners of the securities referred to in Article L 228-1 of the Commercial Code may be represented at general meetings by an intermediary registered on behalf of such owners in accordance with the provisions of the foregoing Article.

The intermediary who has fulfilled the obligations specified in Article L. 228-1 may, pursuant to a general securities management mandate, transmit its voting rights or power of attorney as an owner of shares for a General Meeting, as defined in the same Article.

Before transmitting a proxy or voting rights to the General Meeting, the intermediary registered pursuant to Article L 228-1 is required, at the request of the Company or its representative, to provide the list of non-resident shareholders who hold the shares to which voting rights are attached as well as the number of shares held by each of them. This list is provided under the terms of Articles L 228-2 or L 228-3 as applicable. The vote or proxy issued by an intermediary who, either did not declare him/herself as such pursuant to Article L 228-1, or has not disclosed the identity of the shares' owners in accordance with Articles L 228-2 or L 228-3, shall not be counted.

Article 30 - Meeting Committee

Meetings are chaired by the Chairman of the Supervisory Board or, in his/her absence, by the Vice-Chairman or by a member of the Supervisory Board specially delegated by the Supervisory Board for this purpose.

In the event of a notice of meeting by the auditors, a legal representative or liquidators, the individual or one of the individuals who convened it chairs the Meeting.

Two members of the Meeting with the highest number of votes, and who accept such duties, act as tellers.

The Chairman and tellers appoint a Secretary who need not be a shareholder.

The Chairman assisted by other committee members will direct discussions. He/She has powers of enforcement at the General Meeting.

Article 31 - Attendance sheet

An attendance sheet recording the legally required information is drawn up during each shareholder meeting.

On condition of appending to this sheet the proxy and postal voting forms bearing the first and last names and addresses of each principal or shareholder who voted by post, as well as the number of shares and the votes attached to these shares, the committee may waive any indications concerning represented shareholders or those who voted by post.

Duly signed by the shareholders and proxies present, the attendance sheet is certified by the General Meeting committee.

Article 32 - Minutes

Meeting decisions are recorded in minutes drafted in a special register, numbered and initialled, and kept at the Registered Office.

The minutes indicate the date and venue of the meeting, the means of convening it, the agenda, committee membership, the number of shares participating in the vote and the quorum, the documents and reports submitted to the Meeting, a summary of discussions, the resolutions, and voting results.

The minutes are signed by the members of the committee.

If, due to the absence of quorum, the Meeting was unable to deliberate, the members of the committee shall record this in the minutes.

The Chairman or Vice-Chairman of the Supervisory Board or a member of the Executive Board or the Meeting Secretary validly certifies copies or extracts of these minutes requested for legal or other purposes.

In the event of liquidation of the Company a single liquidator shall validly certify them.

Article 33 - Shareholders' information and communication rights

Shareholders exercise their right to information, communication and copies in accordance with legal and regulatory provisions.

For this purpose, all documents giving rise to communication or copy will be made available to shareholders at the Registered Office, at least fifteen days before the date of the Meeting.

Article 34 - Quorum - Majority

The Meetings deliberate pursuant to the conditions of quorum and majority in accordance with applicable regulations.

Article 35 – Voting rights

Subject to the provisions below, the voting rights conferred on shares is proportional to the share capital they represent, and each share carries the right to one vote.

No shareholder, or group of shareholders acting in concert, may hold more than 34% of the total number of voting rights. In the event that a shareholder, either alone or in concert with others, holds over 34% of the share capital, the number of voting rights available to this shareholder in General Meetings is restricted to 34% of the total number of shares in the Company and/or the attached voting rights.
This restriction ceases to have effect in the event of the elimination of the need for such a restriction, either following a decision by the CSA or as part of a revision to the Agreement between the Company and the CSA.

Article 36 - Jurisdiction

The Extraordinary General Meeting alone has the authority to amend any and all of the provisions of the bylaws. It may not, however, increase the commitments of shareholders, without prejudice to transactions resulting from a properly executed share consolidation.

The Ordinary General Meeting deliberates and makes all decisions that fall outside the jurisdiction of Extraordinary General Meetings.

Article 37 - Scope of decisions of the General Meeting

The General Meeting duly constituted represents all shareholders.

Decisions made in compliance with the law and these bylaws bind all shareholders, including those who are absent, incapacitated or dissenting.

However, a General Meeting decision requiring an amendment of rights attached to a specific category of shares shall only be final after its endorsement by a Special General Meeting of the shareholders of the relevant category.

Article 38 – Financial year

The financial year starts on 1 January and ends on 31 December of each year.

Article 39 - Annual accounts

At the end of each financial year the Executive Board draws up an inventory of the various assets and liabilities existing at that time, as well as the annual financial statements, which include as an indivisible whole the balance sheet and income statement, and related notes, and the consolidated financial statements.

It also draws up a written management report on the Company's situation and the activity thereof over the course of the financial year.

The inventory, annual financial statements, management report as well as the consolidated financial statements are made available to the Auditor(s) at the Registered Office at least one month before notice is given of the General Meeting held to approve the social and consolidated financial statements. The management report is made available to them at least one month before the date of the aforementioned meeting.

All these documents are prepared each year in accordance with the same format and using the same valuation methods. In the event of proposed amendments, the General Meeting, in view of the documents prepared in accordance with both old and new formats and methods, and of the management report and the Auditor(s)' report, will decide on these amendments.

The incorporation expenses of the Company are amortised before any distribution of profit.

Article 40 - Allocation of profits

5% of the profit of the year, as reduced by any prior year losses, shall be allocated to the legal reserve. This deduction ceases to be obligatory once the legal reserve amounts to one tenth of the share capital.

The balance, less any transfers to other reserves as required by law, together with any profits carried forward, comprises the distributable profit.

As applicable, the following may be deducted from the distributable profit:
1. any amounts that the General Meeting, upon the recommendation of the Executive Board, decides to allocate to any special reserves, ordinary or extraordinary, or to carry forward.
2. any amounts necessary to give shareholders, by way of first dividend, 5% of the amount paid and not written down on their shares without entitling them to a claim on future profits, if there is an insufficient profit in a year to effect the payments.

The balance of distributable profit, after the above deductions, shall be split equally among all shares by way of an additional dividend.

If the General Meeting decides to distribute amounts from the reserves that are available, the decision shall expressly indicate which reserves are to be used.

Article 41 - Dividends - Payment

Dividends are payable on dates set by the General Meeting or, failing that, by the Executive Board, no later than nine months following the end of the financial year except where this period is extended by order of the President of the Commercial Court.

Payment is validly made to registered shareholders, by bank transfer to the shareholders' account.

The General Meeting called to approve the annual financial statements may grant shareholders, for all or part of the dividend or interim dividend distributed, an option of payment in cash or in shares in accordance with the manner prescribed by the law.

Article 42 - Expiry of the term

At least one year before the expiry of the Company's term, the Executive Board convenes the Shareholders' Extraordinary General Meeting in order to decide whether or not to extend the term of the Company.

Article 43 - Premature dissolution

The Extraordinary General Meeting may, at any time and based on a proposal by the Executive Board or Supervisory Board, decide on a premature dissolution of the Company.

Should the losses recorded in the financial documents cause the equity of the Company to fall below half the share capital, the Executive Board shall, within four months following approval of the accounts

showing said losses, convene the Extraordinary General Meeting in order to decide whether to dissolve the Company prematurely.

If the Company is not dissolved, the capital must be reduced by an amount equal to the loss observed at the latest by the end of the second financial year following that in which the losses affecting the capital occurred.

Subject to the provisions of Article L 224-2 of the Commercial Code, there are no grounds to dissolve or reduce the capital if, within the period specified above, the equity can be restored to an amount greater than half the share capital.

In both cases the resolution adopted by the General Meeting is published in accordance with statutory regulations.

In the absence of a session of the General Meeting, for example if this Meeting fails to validly deliberate when last convened, any party concerned may file a lawsuit at the Commercial Court to dissolve the Company. The same applies if the provisions of paragraph 3 above have not been applied. In all instances, the Court may grant the Company a maximum period of six months in which to rectify the situation; if the situation has been rectified before judgement is issued it cannot dissolve the Company.

The Commercial Court may, at the request of any party concerned, declare the dissolution of the Company if the number of shareholders is reduced to less than seven for more than one year. It may grant the Company a maximum period of six months in which to rectify the situation. It may not declare the dissolution if the situation has been rectified on the day when it issues judgement on the substance.

The Commercial Court may also, at the request of any interested party, declare the dissolution of the Company if the share capital has been reduced to an amount less than the statutory minimum. It may not declare the dissolution if the situation has been rectified on the day when it issues judgement on the substance.

Article 44 - Liquidation

On expiry of the Company or in the event of premature dissolution, the General Meeting or, if necessary the Commercial Court, decides on the liquidation procedure, and appoints for a period not exceeding three years, one or more liquidators whose powers and compensation it determines.

In particular, the liquidators will possess the fullest powers necessary to execute, even by amicable agreement, any assets of the Company and discharge its liabilities. They may convene an Extraordinary General Meeting in order to contribute to or authorise the disposal of all assets, rights and obligations.

The appointment of liquidators terminates the powers of members of the Supervisory Board and Executive Board.

The net proceeds from liquidation, after payment of all liabilities, shall be used to fully reimburse the paid and unamortised amount of the shares; the surplus is shared in cash or in shares between shareholders.

During the liquidation, the duties of the Statutory Auditor(s) and the powers of the General Meeting continue as during the Company's operation.

The shareholders are convened at the end of the liquidation to rule on the final accounts, give discharge to the liquidator(s) for their management and relieve them of their duties, and to record the completion of liquidation deliberations.

Article 45 - Disputes

Any dispute that may arise during the Company's lifetime or its liquidation, whether between the shareholders and the Company, or between shareholders themselves, on the subject of corporate affairs, shall be subject to the jurisdiction of competent courts.

For this purpose, in the event of disputes each shareholder must elect domicile within the jurisdiction of the Registered Office, and any summons or notice shall be validly served to said address.

In the absence of such an address, the summons or notices are validly served at the Office of Public Prosecution of the French Republic at the High Court with jurisdiction over the Registered Office.

Article 46 - Publications

The formalities of publication of acts and deliberations modifying the bylaws will be carried out pursuant to regulations in force.

To make statutory filings and publications, all powers are given to the bearer of a copy or certified copy of deeds or documents.

1.6.2. Regulatory Environment

Due to its corporate purpose and the operation by the Company of an authorisation to broadcast in analogue or digital form, a specific legal and regulatory framework applies in addition to ordinary provisions.

1.6.2.1. Ownership of the share capital

Under the terms of Article 39 of Law n°86-1067 of 30 September 1986, as amended, no individual or entity, acting alone or in concert, shall hold, directly or indirectly, more than 49% of the capital or voting rights of a company licensed to operate a national television service by terrestrial transmission.

This provision limits the scope of the 49% rule to those terrestrial channels with an average annual audience (terrestrial, cable and satellite combined) in excess of 8% of the total television audience.

Under the terms of Article 40 of Law n°86-1067 of 30 September 1986, as amended, no individual or entity of foreign nationality shall purchase an interest leading to foreign nationals holding, directly or indirectly, more than 20% of the capital of a company licensed to operate a national television service by terrestrial transmission (subject to the international commitments of France, excluding notably European community or European economic area nationals).

1.6.2.2. Authorisations to use free-to-air frequencies

a) M6

M6 is a privately owned free-to-air terrestrial TV network which was initially licensed to broadcast for a duration of ten years from 1 March 1987 (expired on 28 February 1997) under the licensing regime set forth by Article 30 of the amended Law of 30 September 1986 on Freedom of Communication.

As a network which is financed exclusively by advertising, it is subject to the general requirements of this legal classification and to the special terms and conditions of its broadcasting licence.

M6's broadcasting licence was renewed in July 1996 and July 2001 for two consecutive terms of five years from 1 March 1997 and 1 January 2002. These broadcasting licence renewals were the subject of negotiations with the CSA in accordance with the provisions of the Law of 30 September 1986.

On 10 June 2003, M6 received an authorisation to continue its terrestrial digital service, effective from 31 March 2005. As a result, M6 authorisation was renewed until 28 February 2012, in accordance with Article 82 the Law 2000-719 of 1 August 2000.

In addition, M6 received a further five-year authorisation from the termination of its analogue service, as its terrestrial digital service at 30 November 2011 had been extended to 95% of Metropolitan France territory. This is complemented by a minimum coverage of 91% of every district.

Lastly, by a ruling of the CSA on 8 January 2013 and pursuant to Article 99 of the Law of 30 September 1986, as amended, the M6 licence was extended by a duration of five years owing to its participation in the public interest group established to phase out analogue broadcasting.

The channel's service has been broadcast in High Definition since 31 October 2008.

b) W9

W9 is a privately owned free-to-air terrestrial TV network which was initially licensed on 3 July 2012 to broadcast for a duration of ten years from 10 June 2003 (call for tender of 24 July 2001) under the licencing regime set forth by Article 30 of the amended Law of 30 September 1986 on Freedom of Communication. W9 was launched on 31 March 2005.

W9's broadcasting licence was renewed for five years, i.e. until 2020, pursuant to Article 97 of the above-mentioned Law, in return for extending its effective coverage of Mainland France to 95%. This also requires that at least 91% of every district be covered.

c) 6ter

6ter is a privately owned free-to-air terrestrial TV network which was initially licensed to broadcast for a duration of ten years from 12 December 2012 (until 11 December 2022) under the licencing regime set forth by Article 30 of the amended Law of 30 September 1986 on Freedom of Communication.

d) Other licences

The M6 Group also hold DTT licences for the Paris Première and TF6 pay channel, with the latter being jointly-controlled with TF1.

1.6.2.3. Investment obligations in the production of audiovisual and cinematographic works and broadcasting

The channels' investment obligations in audiovisual and cinema productions, as well as their broadcasting obligations are defined by Decree No. 2010-747 of 2 July 2010, known as the "Production" decree, Decree No. 90-66 of 17 January 1990, as amended, known as the "Broadcasting" decree, and agreements signed with the Conseil Supérieur de l'Audiovisuel.

a) Provisions applicable to M6

The M6's channel regime for obligations in 2013 was as follows:

- **Audiovisual production**

- Invest 15% of net annual revenue for the previous year in the production of European audiovisual works or original French language works, at least 10.5% of which must be invested in heritage works which are defined as works relating to the following categories: drama, animation, creative documentaries, including those which are broadcast within a programme other than a newscast or entertainment programme, music videos and broadcasting or re-enactment of live shows.

- European works which are not original French language works must be eligible for the industry's support programmes and cannot represent more than 10% of the investment in heritage works.

- 9% of revenue must be invested in productions deemed independent. A production company is considered as independent from M6 as long as M6 does not directly or indirectly hold more than 15% of the share capital or voting rights in that company.

- 66% of the contribution to audiovisual production must be invested in European works or in new original French language works.

- At least 1% of the previous year's net annual revenue must be invested in the production of original French language and European animation works, of which 0.67% must be invested in works produced by independent producers as defined above. Investments in animation works which are not specifically directed at children may be included in this.

Cinematographic production

- To invest at least 3.2% of its annual revenue in the development of the production of European cinematographic works, of which 2.5% must be dedicated to the development of original French language cinematographic works, of which 75% must be dedicated to cinematographic works that are independently produced.

Broadcasting obligations

- To annually broadcast 120 hours of European works or of new original French language works with a starting broadcast time of between 8pm and 9pm (including 25% of repeats).

- In any 24 hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6pm and 11pm every day and between 2pm and 6pm on Wednesdays.

- To broadcast no more than 192 hours of cinematographic works during the year, of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours, i.e. 60% of European work and 40% of original French language works origin.

- To broadcast, as an annual average, between 4pm and midnight, 80% of programmes in high definition in 2013.

Musical programming obligations

- Broadcast a minimum of 20% of musical programming per 24-hour period, in particular between 4pm and midnight;

- At least 50% of the music broadcast during these programmes must be original French work;

- Prebuy and broadcast 100 music videos dedicated to French language artists, of which 70 music videos had to be dedicated to new talent;

- Invest €21.34 million in musical programming.

b) Provisions applicable to W9

The W9 channel's regime for obligations in 2013 was as follows:

Audiovisual production

- Invest 14.5% of net advertising revenue of the previous year in the production of European audiovisual works or original French language works, including at least 7.5% of net annual advertising revenue must be invested in heritage works which are defined as works relating to the following categories: drama, animation, creative documentaries, including those which are broadcast within a programme other than a newscast or entertainment programme, music videos

and broadcasting or re-enactment of live shows.

- European works which are not original French language works may not account for more than 20% of the overall obligation and more than 20% of investment in heritage films. This requirement applies as long as net revenue for the previous year does not exceed €100 million.

- 70% of the overall obligation and 75% of investment in heritage work must be devoted to productions deemed independent.

- 25% of the contribution to audiovisual production must be invested in European works or in new original French language works (investment in feature-length drama, music videos and animation are excluded).

- Dedicate at least 5% of net annual revenue of the previous year to original French language or European music.

Cinematographic production

- To invest at least 3.2% of its annual revenue in the development of the production of European cinematographic works, of which 2.5% must be dedicated to the development of original French language cinematographic works, including 30% of original work,

- 75% invested in pre-purchase or co-production must be dedicated to cinematographic works that are independently produced.

Broadcasting obligations

- In any 24 hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 10 am and 12.30pm between 5pm and 11pm.

- To broadcast no more than 192 hours of cinematographic works during the year of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours (8.30pm to 10.30pm), i.e. 40% of original French language works and 60% of European origin.

Musical programming obligations

W9's agreement states that its programming primarily focuses on mainstream music, aimed more specifically at young adults. W9's programming is open to diverse types of music and includes the broadcasting of at least 52 live shows per year.

c) Provision applicable to 6ter

The 6ter channel's regime for obligations in 2013 was as follows:

Cinematographic and audiovisual obligations

- Invest 15% of net advertising revenue of the previous year in the production of audiovisual works and 9% heritage works, with a cumulative guaranteed minimum of €6 million over 2013, 2014 and 2015.

- Dedicate at least 3.2% of net annual revenue to the development of European cinematographic works, of which 2.5% to original French language works.
- Dedicate at least 1% of net annual revenue to the production of European or original French language animation.

Broadcasting obligations

- In any 24 hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6.30am and 9am and between 6pm and 11pm.
- To devote at least 60% of total transmission time to magazine and documentary programmes on the one hand and to drama on the other, with an equal balance between the two;
- To broadcast no more than 192 hours of cinematographic works during the year of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours (8.30pm to 10.30pm), i.e. 40% of original French language works and 60% of European origin.
- To broadcast an average of 35 hours of programmes in high definition per week between 4pm and midnight and 39 hours between midnight and 4pm;
- Propose a minimum volume of 200 hours of original, unscrambled programming.

Discovery programme obligations

- To broadcast 100 hours of programmes dedicated to discovery, made up of magazines, game shows, documentaries, drama and animation.

1.6.2.4. Other obligations common to M6, W9 and 6ter

a) Accessibility of programmes

Deaf and hard of hearing

In accordance with the obligations set by Law n°2005-102 for equal rights, opportunities, participation and citizenship of the disabled, obligations in respect of broadcasting subtitled programmes require that all programmes on channels with an audience ratings of more than 2.5% are made accessible to the deaf and hard-of-hearing, with the exception of advertising slots, self-promotion messages, live singing performances and instrumental music pieces, trailers, teleshopping and commentaries on live broadcasts of sporting events between midnight and 6 am, via a progressive increase.

In 2013, M6 and W9 subtitled all its programming (excluding above-mentioned exceptions). 6ter was obliged to subtitle 40% of its programmes in 2013.

Blind or visually impaired

Pursuant to the provisions of Articles 28 and 33-1 of the Law of 30 September 1986 arising from the above-mentioned Law n°2005-102, on 7 October 2011 the CSA and M6 signed an amendment to the Channel's agreement to include obligations for the broadcasting of programmes in audio-description. The number of original programmes to be broadcast with audio-description in 2013 was set at 52 programmes per year, of which 20 must be original with audio-description. The stakeholders are to pay particular attention to peak viewing times and programmes aimed at children and teenagers.

The amendment to W9's agreement sets the number of original programmes to be broadcast in audio description at 12 for 2013.

6ter's licence imposed on the channel the obligation to broadcast at least one original programme in audio description in 2013.

- **Signalling code**

As part of its role to protect young viewers, the CSA has established a rating system for programmes and a signalling code, which M6 Group's channels must adhere to. Channels may broadcast programmes aimed at all audiences, and, depending on broadcasting time, category II (viewers must be at least 10 year olds), III (+12) and IV (+16). M6 and W9 are not authorised to broadcast programmes classified as category V (+18).

6ter is not permitted to broadcast category III programmes before 10pm and is not authorised to broadcast category IV programmes.

- **Advertising commitments**

Concerning advertising, the Law n° 93-122 of 22 January 1993 (the "Loi Sapin") governs the relationship between advertisers, their agents and the advertising media.

Other regulations that relate to the broadcasting of advertising spots arise from the Code of Public Health, from the Law of 30 September 1986 already mentioned, and from Decree n° 92-280 of 27 March 1992. It should be noted that as of 27 February 2007, advertising or promotional messages for certain foods and beverages must be accompanied by relevant health information.

6ter cannot broadcast advertising for video games or video recordings of works prohibited or not recommended for children under the age of 12 before 10pm.

The Decree n°92-280 of 27 March 1992, amended by the Decree n° 2008-1392 of 19 December 2008, set the regulations applying to television advertising, self-promotion and teleshopping and authorised:
- an extension of the average advertising time allowable during one hour from 6 to 9 minutes, with the maximum allowable hourly advertising time remaining at 12 minutes;
- a change in the method of counting, clock time replacing moving time.

b) Sector-specific taxes to which M6, W9 and 6ter are subject

In 2013, the M6, W9 and 6ter channels were not subject to new taxes.

The most recent tax changes are as follows:

- tax on advertising broadcast on TV channels (*302 bis KG of the General Tax Code*) for the benefit of France Télévisions. The rate was set at 0.5% of advertising revenue (where this amount exceeds €11 million).

- tax on premium rate calls as part of TV game shows and competitions (*L137-19 of the Social Security Code created by Article 19 of the 2010 PFLSS*). A rate of 9.5% applies to this type of revenue.

In addition, all three channels are liable for the following taxes:

- the tax on television services (*302 Bis KB of the General Tax Code*), named "Cosip tax", for the benefit of the CNC. The rate applicable to M6 and 6ter in 2012 was 5.7% of revenue from advertising, self-promotion and premium rate calls, after a flat-rate rebate of 4%. A rate of 5.5% applies to W9.
  The amending Finance Law for 2013 broadened this taxable base to (include) advertising revenue and sponsorship for catch-up television services. This provision affects M6, W9 and 6ter's replay

services.

- the tax on advertising broadcast by radio and television (*302 bis KD of the General Tax Code*) for the benefit of the "fonds de soutien à l'expression radiophonique" (radio expression support fund). A graded scale applies, based on quarterly revenues.

- the tax on TV advertising (*302 Bis KA of the General Tax Code*) for the benefit of written press. A scale based on the number and price of advertisement applies.

2. CORPORATE GOVERNANCE

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Métropole Télévision is a public limited company governed by an Executive Board and a Supervisory Board.

The corporate governance rules of the M6 Group conform to current French legal and regulatory standards and recommendations issued by the various French and European institutions, specifically the recommendations of AFEP-MEDEF that constitute the Company's code of governance.

The Company also ensures it abides by recognised standards and applies the best practices in terms of governance.

The methods are explained in the report of the Chairman of the Supervisory Board (Section 2.6 of this document).

2.1. Supervisory Board

2.1.1. Membership of the Supervisory Board

At the date of preparation of this report, the Supervisory Board of Métropole Télévision consisted of thirteen members, including twelve individuals and one legal entity.
At the time the majority of the terms of office of Board members was renewed on 3 May 2012, members were appointed for a period of 2, 3 or 4 years pursuant to Article 20.2 of the bylaws to ensure terms of office are, and remain, staggered to comply with the AFEP/MEDEF recommendation on this matter. At the end of each of these periods, each member may be reappointed for a further term of 4 years.
No member of the Supervisory Board was elected by the employees.

In accordance with the rules of governance set by the Code of corporate governance issued by the AFEP-MEDEF and revised in June 2013, and pursuant to the addendum no 3 to the Agreement between the Company and the Conseil Supérieur de l'Audiovisuel, the Supervisory Board considered that at least one third of its members is independent after considering each of their positions.
Therefore, six (6) of the Board's members are today independent as they have no relationship with the Company, its Group or its management, of a nature to compromise their freedom of judgement. The summary table regarding the status of the independent members of the Supervisory Board appears in Paragraph 1.1 of the Chairman's Report (Section 2.6 of this document). These members are
- Delphine Arnault,
- Mouna Sepehri,
- Albert Frère,
- Gérard Worms,
- Guy de Panafieu, and
- Gilles Samyn.

The members of the Board possess great experience which they make available to the Supervisory Board of Métropole Télévision.
In addition, it is consistent practice that any member of the Supervisory Board who has a direct or indirect interest in an issue submitted to the Board should, depending on the case:
- abstain from voting on the corresponding deliberation,
- refrain from attending Board meetings during the period he/she is in conflict of interest, or
- resign his/her duties as member of the Board.

Members of the Supervisory Board include:

Members of the Board	Nationality	Age	Principal function within the Company	Date of first appointment	Expiry date of appointment	Exit date
Albert Frère*	Belgian	88	Chairman	26 May 2000	2015	-
Gérard Worms*	French	77	Vice-Chairman	26 May 2000	2014	-
Guy de Panafieu*	French	71	Member	18 February 2004	2014	-
Remy Sautter	French	68	Member	26 May 2000	2014	-
Guillaume de Posch	Belgian	56	Member	27 March 2012	2016	-
Gilles Samyn*	Belgian and French	64	Member	02 May 2007	2015	-
Philippe Delusinne	Belgian	56	Member	28 July 2009	2016	-
Vincent de Dorlodot	Belgian	49	Member	18 March 2004	2014	-
Elmar Heggen	German	46	Member	22 November 2006	2016	-
Christopher Baldelli	French	49	Member	03 May 2012	2015	-
Delphine Arnault*	French	39	Member	05 November 2009	2016	-
Mouna Sepehri*	French	50	Member	03 May 2012	2016	
Immobilière Bayard d'Antin represented by Catherine Lenoble	French	64	Member	03 March 2008	2015	

** A member of the Supervisory Board is independent when he/she has no relationship with the Company, its Group or its management likely to compromise the exercise of his/her freedom of judgement." (source: Code of corporate governance for listed companies of December 2008, updated in June 2013, edited by the AFEP-MEDEF)*

The Supervisory Board meets as often as required in the interests of the Company and at least once a quarter. It met six (6) times in 2013. The overall attendance rate of the members of the Supervisory Board is calculated for the effective period of the term of office in 2013. This rate was 84.6% and may be analysed as follows:

	Supervisory Board Meetings					
Members of the Board	23 February 2013	02 April 2013	13 May 2013	23 July 2013	29 October 2013	19 December 2013
Albert Frère	✓	×	×	×	×	✓
Gérard Worms	✓	✓	✓	✓	✓	✓
Guy de Panafieu	✓	✓	×	✓	✓	✓
Remy Sautter	✓	×	✓	✓	✓	✓
Guillaume de Posch	✓	✓	✓	✓	✓	✓
Gilles Samyn	✓	✓	✓	✓	✓	✓
Philippe Delusinne	✓	✓	✓	×	✓	×
Vincent de Dorlodot	✓	✓	✓	×	✓	✓
Elmar Heggen	✓	×	✓	✓	✓	✓
Christopher Baldelli	✓	✓	✓	✓	✓	✓
Delphine Arnault	✓	×	✓	×	✓	✓
Mouna Sepehri	✓	✓	✓	✓	✓	✓
Immobilière Bayard d'Antin represented by Catherine Lenoble	✓	✓	✓	✓	✓	✓

✓ Present
× Absent



Albert FRERE

Number of company shares held: 100.
Number of company shares held by Groupe Compagnie Nationale à Portefeuille SA, which is controlled by Albert Frère: 9,154,477

Biography and principal duties outside the Company

Albert Frère took an interest in the family business from a very early age before launching determinedly into industry. Along with his associates, he gained control over the entire steel industry of the Charleroi region, diversifying production and modernising equipment. In 1981, in partnership with other entrepreneurs, he founded Pargesa Holding (Geneva). The following year the company bought into the Bruxelles Lambert SA Group (Brussels). The creation of the Pargesa-GBL Group led to an international business diversifying into three key sectors: finance, energy/services and audiovisual communications. He is notably a Grand Officer of the Order of Leopold (Belgium) and Grand Cross of the Legion of Honour (France).

Other appointments and duties

- CEO of Groupe Bruxelles Lambert SA (Belgium)
- Chairman of the Board of Directors of Frère-Bourgeois SA (Belgium); ERBE SA (Belgium); Financière de la Sambre SA (Belgium); Stichting Administratiekantoor Frère-Bourgeois (Belgium), Société Civile du Cheval Blanc (France)
- Vice-Chairman, CEO and member of the Executive Committee of Pargesa Holding SA (Switzerland)
- Vice-Chairman of the Board of Directors of GdF-Suez, a listed company (France)
- Director of LVMH SA, a listed company (France), and Château Cheval Blanc SA (France)
- Permanent representative of Beholding Belgium SA, in its capacity as Director of Groupe Arnault SA (France)
- Permanent representative of Frère-Bourgeois SA, in its capacity as Director of GBL Verwaltung SARL and GBL Energy (Luxembourg)
- Member of the Strategic Committee of Université Libre de Bruxelles (Belgium)
- Honorary Regent of Banque Nationale de Belgique
- Honorary Chairman of the Chamber of Commerce and Industry of Charleroi (Belgium)
- Honorary Councillor for Overseas Commerce (Belgium)

Appointments and duties expiring in the course of the last five financial years

- Director of Gruppo Banca Leonardo (April 2009)
- Chairman of Fingen SA (April 2009)
- Permanent representative of Frère-Bourgeois SA, in its capacity as Director of GBL Finance (2009)
- Director of Raspail Investissements (December 2009)
- Member of the International Committee of Assicurazioni Generali SpA (May 2010)
- Chairman of the Board of Directors of Groupe Bruxelles Lambert (1987 → 1 January 2012)

Business address

GROUPE BRUXELLES LAMBERT
24 avenue Marnix
B-1000 BRUXELLES



Gérard WORMS

Number of company shares held: 200.

Biography and principal duties outside the Company

Gérard Worms graduated from the École Polytechnique in 1957 and the École Nationale Supérieure des Mines in 1960. An Ingénieur en chef des Mines and commander of the Legion of Honour, he joined the Rothschild Group in October 1995. After beginning his career as advisor to the Minister for Industry, Olivier Guichard, and later to the Prime Minister, Jacques Chaban-Delmas, he became CEO of the Hachette Group and later CEO of Rhône-Poulenc, with responsibility for finance and the pharmaceuticals business. He subsequently became CEO and then Chairman of the Compagnie de Suez and Chairman of the Banque Indosuez and Chairman of insurance group Victoire. As well as being Vice-Chairman of Rothschild Europe, he is currently Honorary Chairman of the Association Nationale de la Recherche Technique and of the Société d'Économie Politique.

Other appointments and duties

- Vice Chairman of Rothschild Europe
- Member of the Supervisory Board of Publicis Groupe SA, a listed company (France)
- Member of the Supervisory Board of Médias et Régies Europe SA
- Observer of SIACI SAINT- HONORE SA
- Chairman of the Steering Committee of COE-Rexecode, one of the leading French economic forecast institute.

Appointments and duties expiring in the course of the last five financial years

- Chairman of the International Chamber of Commerce (ICC)
- Chairman of the Board of Directors of SGIM SA
- Managing Partner of Rothschild & Cie Banque and Rothschild & Cie SCS
- Chairman of thematic channel Histoire SA
- Observer and member of the Supervisory Board of Francarep SA and Paris Orléans SA
- Director of Éditions Atlas SA
- Observer of Degrémont SA
- Member of the Supervisory Board of Moonscoop
- Member of the Supervisory Board of Hamac

Business address

Rothschild & Cie
23 bis, avenue de Messine
75008 Paris



Guy de PANAFIEU

Number of company shares held: 7,600.

Biography and principal duties outside the Company

Guy de Panafieu is Manager of Boileau Conseil, Advisor to Chambre des indépendants du patrimoine and Vice-Chairman of the Business and Industry Advisory Committee (BIAC) of the OECD. He was Senior Advisor of CA-CIB from 2002 to 2012 and airman of the BULL Group from 1997 to 2001. From 1983 to 1997 he worked in the Lyonnaise des Eaux Group, in various management positions and latterly as Vice-Chairman and CEO.

From 1968 to 1982 he worked for the Ministry of Economics and Finance with various responsibilities in the department of foreign trade and international economic relations. From 1978 to 1981 he was a technical advisor to the French President on matters of international economics. He is a graduate of the Institut d'études politiques de Paris, a graduate in humanities and economics, a former student of ENA and a former finance inspector general.

Other appointments and duties

- Director of SANEF SA, Chairman of the Audit Committee, Member of the Appointment and Remuneration Committee.
- Director of Médica SA, a listed company (France), Chairman of the Audit Committee, Member of the Appointment and Remuneration Committee.

Appointments and duties expiring in the course of the last five financial years

- Member of the Supervisory Board of IDI
- Chairman of the Supervisory Board of Gras-Savoye SA
- Senior Advisor of Crédit Agricole SA

Business address

Chambre des Indépendants du patrimoine
52 rue de Ponthieu
75008 Paris



Rémy SAUTTER

Number of company shares held: 690.

Biography and principal duties outside the Company

Rémy Sautter has a law degree and is a graduate of the Paris Institut d'Études Politiques and of the École Nationale d'Administration (ENA). He began his career in the Caisse des Dépôts and Consignations (1971-1981) before being appointed technical advisor on Financial and Budgetary Matters in the Ministry of Defence (1981-1983).

He then worked as Finance Director of Agence Havas from 1983 to 1985 and Vice-Chairman and CEO of RTL Radio until 1996. Rémy Sautter was CEO of CLT-UFA until 2000 and Chairman and CEO of RTL Radio until 2002; since December 2002 he has been Chairman of the Supervisory Board of Ediradio that operates RTL Radio.

Other appointments and duties

- Chairman and CEO of Immobilière Bayard d'Antin SA (France)
- Chairman of the Supervisory Board of Ediradio RTL - SA (RTL/RTL2/FUN RADIO) (France)
- Director of SERC -Fun Radio SA (France)
- Director of RTL Belux SA (Luxembourg)
- Director of SASP Football Club des Girondins de Bordeaux
- Director of Solocal SA, a listed company (France)
- Director of Partner Reinsurance Ltd (France)
- Chairman of Technicolor SA, a listed company (France)
- Observer of H.G.L gestion
- Director of TVI SA (Belgium)
- Permanent representative of CLT-UFA, in its capacity as Director of SODERA SA (RTL2)
- Permanent representative of Ediradio, in its capacity as Director of IP France SA
- Permanent representative of Bayard d'Antin, in its capacity as Director of IP régions SA

Appointments and duties expiring in the course of the last five financial years

- Director of FIVE/Channel 5 Television Group Ltd (2010)
- Chairman of FIVE/Channel 5 Television Group Ltd (2009)
- Director of NAVIMO (Duke Street Capital) (2009)

Business address

RTL
22 rue Bayard
75008 PARIS



Guillaume de POSCH

Number of company shares held: 100

Biography and principal duties outside the Company

Guillaume de Posch, born 1958 in Brussels, has 19 years of international experience in the television and media industry. After starting out with international energy and services company Tractebel (1985 to 1990) and Mc Kinsey & Company (1990 to 1993), he began his media industry career at the Luxembourg-based Compagnie Luxembourgeoise de Télédiffusion (CLT). At CLT, Guillaume de Posch started out as assistant to the Chief Executive Officer (1993 to 1994) and then became Head of CLT's TV operations in French-speaking countries (1995 to 1997). From 1997 to 2003, he was Deputy General Manager and Head of Programming for the French pay-TV company TPS. In August 2003, he joined the Munich-based, publicly listed ProSiebenSat1 Media AG, first as Chief Operating Officer and then as Chairman of the Executive Board and CEO (2004-2008). Between 2009 and 2011, Guillaume de Posch advised several European and US broadcasters. In December 2011, he was appointed Chief Operating Officer of RTL Group with effect from 1 January 2012. He was appointed as Co-CEO of RTL Group S.A. on 18 April 2012.

Other appointments and duties

- Co-CEO of RTL Group S.A. (Luxembourg)
- CEO of CLT-UFA S.A. (Luxembourg)
- Chairman of the Board of Directors of de RTL BELUX S.A. (Luxembourg)
- Director of FremantleMedia S.A. (Luxembourg)
- Director of Broadband TV Corp. (Canada)
- Member of the Supervisory Board of RTL Television GmbH (Germany)
- Director and Chairman of the Board of Directors of RTL Belgium S.A. (Belgium)
- Member of the Supervisory Board of RTL Nederland Holding BV (Netherlands)
- Permanent representative of CLT-UFA S.A. (Luxembourg) to the Board of Directors of Ediradio S.A. (France)

Appointments and duties expiring in the course of the last five financial years

- Member of the Board of Directors of ProSiebenSat.1 Media AG
- Manager of German Free TV Holding GmbH
- Manager of P7S1 Erste SBS Holding GmbH
- Manager of P7S1 Zweite SBS Holding GmbH
- Member of the Supervisory Board of FilmFernsehFond Bayern GmbH
- Member of the Board of Directors of Sky Deutschland AG

Business address

RTL Group
45, boulevard Pierre Frieden
L - 1543 Luxembourg



Gilles SAMYN

Number of company shares held: 100.
Number of company shares held by Compagnie Nationale à Portefeuille SA, of which Gilles Samyn is the CEO: 9,154,477.

Biography and principal duties outside the Company

Gilles Samyn, a French and Belgian national, is a sales engineer graduate from École de Commerce de Solvay (Université Libre de Bruxelles, Belgium). He is currently the CEO of Groupe Frère and Compagnie Nationale à Portefeuille SA (CNP).

Other appointments and duties

- CEO of Compagnie Nationale à Portefeuille SA (Belgium), Domaines Frère-Bourgeois SA (Belgium), Frère-Bourgeois SA (Belgium), Erbe SA (Belgium), Europart SA (Belgium), Financière de la Sambre SA (Belgium), Investor SA (Belgium), Société des Quatre Chemins SA (Belgium), Safimar SA (Belgium), Compagnie Immobilière de Roumont SA (Belgium) and SCP SA (Luxembourg)
- Chairman of Cheval Blanc Finance SAS (France), Distripar SA (Belgium), Filux SA (Luxembourg), Financière FLO SA (France), Finer (formerly Erbe Finance SA) (Luxembourg), Groupe FLO SA (France), Helio Charleroi Finance SA (Luxembourg), Kermadec SA (Luxembourg), Segelux SA (formerly Gesecalux SA) (Luxembourg), Swilux SA (Luxembourg), Transcor Astra Group SA (Belgium) and Unifem SAS (France),
- Director of APG/SGA SA (formerly Affichage Holding SA) (Switzerland), AOT Holding SA (Switzerland), Banca Leonardo SpA (Italy), Belgian Sky Shops SA (Belgium), Belholding Belgium SA (Belgium), Grand Hôpital de Charleroi ASBL (Belgium), Groupe Bruxelles Lambert SA (Belgium), Fidentia Real Estate Investments SA (Belgium), Société Civile du Château Cheval Blanc (France), Pargesa Holding SA (Switzerland), Stichting Administratiekantoor Frère-Bourgeois (Netherlands) and Transcor East Ltd (Switzerland)
- Alternate Director of Cheval des Andes (formerly Opéra Vineyards SA) (Argentina)
- Representative of Société des Quatre Chemins SA, in its capacity as Director of Acide Carbonique Pur SA (Belgium); of Société des Quatre Chemins SA, CEO of Carpar SA (Belgium); of Société des Quatre Chemins SA, CEO of Fibelpar SA (Belgium); of Société des Quatre Chemins SA, CEO of Newcor SA (Belgium); of Compagnie Immobilière de Roumont SA, in its capacity as Director of BSS Investments (Belgium)
- Commissaris of Agesca Nederland NV (Netherlands) and Parjointco NV (Netherlands)
- Manager of Gosa SDC (Belgium), Sienna Capital SARL (Luxembourg) and Sodisco SARL (France)

Appointments and duties expiring in the course of the last five financial years

- Chairman of Centre de Coordination de Charleroi SA (2010), SolvaySchoolsAlumni ASBL (2011) and Groupe Jean Dupuis SA (2013)
- Vice-Chairman of Compagnie Nationale à Portefeuille (2011)
- CEO of Fingen SA (2011)
- Director of Belgian Ice Cream Group NV (2013), Carsport SA (2013), Lyparis SA (2010) Starco Tielen NV (2013), Swifin SA (2008), Tikehau Capital Advisors SAS (2010), Entremont Alliance SAS (2011), Société Générale d'Affichage SA (2011), Newtrans Trading SA (2012) and TTR Energy SA (2013)
- Chairman and CEO of Manoir de Roumont SA (2009)
- Representative of Société des Quatre Chemins SA, Chairman of the Board of Directors of Finimpress SA (2009)
- Observer of Marco Polo Capital SA (2009)
- Commissaris of Frère-Bourgeois Holding BV (2009)
- Member of the Investment Committee of Tikehau Capital Partners SAS (2013)

Business address

COMPAGNIE NATIONALE A PORTEFEUILLE
rue de la Blanche Borne 12
B-6280 LOVERVAL



Philippe DELUSINNE

Number of company shares held: 100.

Biography and principal duties outside the Company

Philippe Delusinne began his career in 1982 as Account Executive for Ted Bates. He then joined Publicis as Account Manager. In 1986, he transferred to Impact FCB as Client Service Director. In 1988, he was appointed Deputy General Manager at McCann Erickson and in 1993 became Chief Executive Officer of Young & Rubicam. Philippe Delusinne has been Chief Executive Officer of RTL Belgium since March 2002.

Other appointments and duties

- CEO of RTL Belgium SA, Radio H and Inadi SA
- CEO of Cobelfra SA (Radio Contact) (for CLT-UFA SA represented by Philippe Delusinne)
- CEO of RTL Belux SA & Cie SECS and CEO of RTL Belux SA
- CEO and Chairman of the Board of Directors of IP Plurimedia SA
- Chairman of Home Shopping Service S.A.
- CEO and Chairman of New Contact SA (for CLT-UFA SA represented by Philippe Delusinne)
- Director of CLT-UFA SA
- Member of the Supervisory Board of M6
- Director of Agence Télégraphique Belge de Presse
- Director of MaRadio.be SCRL (for Cobelfra SA, represented by Philippe Delusinne)
- Director of L'Association pour l'Autorégulation de la Déontologie Journalistique
- Chairman of Association des Télévisions Commerciales Européennes (A.C.T.) since June 2009.
- Member of Conseil Supérieur de l'Audiovisuel (Belgium)
- Vice-President of Théâtre Royal de La Monnaie
- President of Amis des Musées Royaux des Beaux-Arts de Belgique asbl

Appointments and duties expiring in the course of the last five financial years

- Director of Carrefour Belgium SA
- Chairman of the Board of Directors of TVI Services S.A., Belga Films SA and Tournesol Conseils SA
- CEO of Joker FM SA (for CLT-UFA, represented by Philippe Delusinne)
- Director of BeWeb SA
- Vice-Chairman of B.M.M.A. (Belgian Management & Marketing Association)
- Director of FRONT SA
- Independent Director of CFE SA,

Business address

RTL Belgium
avenue Jacques Georgin, 2
1030 Brussels
Belgium



Vincent de DORLODOT

Number of company shares held: 100.

Biography and principal duties outside the Company

Vincent de Dorlodot was appointed General Counsel of the RTL Group in April 2000. A law graduate from Louvain University (Belgium) and Leiden University (Netherlands), Vincent de Dorlodot also holds a Masters in law from Duke University (USA). He began his career in 1990 as a lawyer with Brandt, Van Hecke and Lagae (now Linklaters). He later joined the Bruxelles Lambert Group as a legal advisor in 1995 before joining the RTL Group in 2000.

Other appointments and duties

- General Counsel of RTL Group S.A
- Chairman of the Board of Directors of B & CE SA (Luxembourg)
- Director of Audiomédia Investments SA (Belgium); CLT UFA SA, RTL Group Germany SA; RTL Group Central and Eastern Europe SA (Luxembourg), RTL BELUX S.A. (Luxembourg), and RTL TV d.o.o (Serbia)

Appointments and duties expiring in the course of the last five financial years

- Director of Alpha Radiofoniki Kronos SA; Alpha Satellite Télévision SA; Cosmoradiotileoptiki SA and Plus Productions SA (Greece) and Soparad Holding SA (Luxembourg)

Business address

RTL Group
45, boulevard Pierre Frieden
L - 1543 Luxembourg



Elmar HEGGEN

Number of company shares held: 100.

Biography and principal duties outside the Company

Elmar Heggen, a German national, graduated from the European Business School and holds an MBA in Finance. He began his career in 1992 with the Félix Schoeller group. He became Vice-Chairman and CEO of Felix Schoeller Digital Imaging in the United Kingdom in 1999 and joined the Corporate Center of the RTL Group in 2000 as Vice-President – Mergers and acquisitions. In January 2003 he was named Senior Vice-President - Investment and Control activities and fulfilled the role of Vice-President - Control and strategy from July 2003 to December 2005. He has been a member of RTL Group's Management team since January 2006, Since 1 October 2006, Elmar Heggen is the Chief Financial Officer and Chairman of the Corporate Center of RTL Group. On 18 April 2012, he was appointed as Executive Director of RTL Group S.A.

Other appointments and duties

- Chief Financial Officer, Head of Corporate Center and Luxembourg Activities RTL Group SA
- Director of RTL Group S.A.
- CEO of RTL Group Central and Eastern Europe SA (Luxembourg)
- Chairman of the Board of Directors de Broadcasting Center Europe SA (Luxembourg); Média Assurances SA (Luxembourg); Audiomédia Investments SA (Belgium); FremantleMedia SA (Luxembourg), Duchy Digital SA (Luxembourg), MP B S.A. (Luxembourg), MP D S.A. (Luxembourg), MP E S.A. (Luxembourg) and MP H S.A. (Luxembourg),
- Chairman of the Supervisory Board of RTL Nederland Holding BV (Netherlands)
- Director of CLT UFA SA (Luxembourg); RTL Group Germany SA (Luxembourg); RTL 9 SA (Luxembourg); RTL Belgium SA (Belgium); de INADI SA (Belgium); Immobilière Bayard d'Antin SA (France); Atresmedia Corporacion de Medios de Communicacion SA (Spain); RTL TV Doo (Serbie), RTL Belux SA (Luxembourg)
- Member of the Supervisory Board: Ediradio SA (France) as representative of Immobilière Bayard d'Antin SA
- Director of IP France SA (France) as permanent representative of Immobilière Bayard d'Antin
- Manager of RTL Radio Berlin GMBH (Germany); RTL Group Services GmbH (Germany); UFA Film und Fernseh GmbH (Germany); RTL Group Vermögensverwaltung GmbH (Germany); RTL Group Deutschland GmbH (Germany); RTL Group Central and Eastern Europe GmbH (Germany); RTL Television GmbH (Germany), RTL Group Licensing Asia GmbH (Germany)
- Chairman of the Management Committee of Média Properties Sarl (Luxembourg)
- Regus PLC (UK)

Appointments and duties expiring in the course of the last five financial years

- Director of Alpha Radiofoniki SA, Alpha Radiofonoki Kronos SA and Cosmoradiotileoptiki SA, Alpha Satellite Television SA and Plus Productions SA (Greece), Media Holding Ren TV (Russia), Content Union S.A. (Russia) and Bertelsmann Capital Investment (S.A.), (Luxembourg).
- Manager of RTL Radio Deutschland GMBH (Germany)
- Chairman of the Supervisory Board of RTL Hrvatska Doo (Croatia),

Business address

RTL Group
45, boulevard Pierre Frieden
L - 1543 Luxembourg



Christopher BALDELLI

Number of company shares held: 15,437

Biography and principal duties outside the Company

A former student of Ecole Normale Supérieure and a graduate of the Paris Institut d'Etudes Politiques, Christopher Baldelli served from 1994 to 1997, successively as an Advisor as part of the French Budget Minister's staff, the Communication and Culture Minister's staff, and lastly as part of the Prime Minister's staff. He subsequently acted as Head of Strategy at Lagardère Group's head office (Media industry) from 1997 to 1998, before being appointed CEO of the "La Provence" daily newspaper (Lagardère Group) in 1999. From 1999 to 2002, Christopher Baldelli held the position of Deputy CEO of France 2, and was subsequently appointed CEO in 2002, a position he held until 2005. He then joined M6 Group in 2006 as Chairman of M6 Thématique (W9, Paris Première, TEVA and the M6 Music, TF6, Série Club channels) before his appointment as Chairman of the Executive Board of Ediradio in August 2009 and Chairman of the Board of Directors or Manager of various RTL Group companies (RTL2, FUN Radio, Information & Diffusion, etc.).

Other appointments and duties

- Chairman of the Executive Board of EDIRADIO-RTL SA (France)
- Chairman of the Board of Directors of IP France SA, Société d'Exploitation Radio Chic "SERC" SA (France), Société De Radio Diffusion "SODERA" SA (France)
- Chairman of RTL NET SAS (France)
- Director of CLT-UFA SA
- Permanent representative of Société Immobilière Bayard d'Antin S.A. to Médiamétrie
- Permanent representative of IP France to the Board of IP Régions SA
- Co-Manager of Information & Diffusion SARL, Société Commerciale de Promotion et de Publicité SARL, RTL SPECIAL MARKETING SARL

Appointments and duties expiring in the course of the last five financial years

- Chairman of M6 Thématique SAS, Sedi-TV SAS, Studio 89 Productions SAS, W9 Productions SAS
- Chairman and CEO of Paris Première SA and TCM Gestion SA
- Chairman of the Board of Directors of TF6 Gestion SA and Extension TV SA
- CEO of Métropole Production SA
- Permanent representative of:
  a. TCM Gestion SA as manager of TCM DA SNC (turned into an SAS in 2013)
  b. M6 Thématique SAS as managing partner of Edi TV SNC, Fun TV SNC
  c. M6 Thématique SAS as Chairman of Fun TV SAS, Paris Première SAS and M6 Communication SAS
  d. Edi-TV (SNC) and Paris Première (SAS) as members of the Shareholders' Committee of Multi 4 SAS
  e. Paris Première SAS as chairman of M6 Numérique SAS
  f. Métropole Production SA in its capacity as Director of C. Productions SA
  g. M6 Films SA in its capacity as Director of Métropole Production SA

Business address

Immobilière Bayard d'Antin
22 bis rue Bayard
75008 Paris



Delphine ARNAULT

Number of company shares held: 200

Biography and principal duties outside the Company

A graduate of EDHEC and the London School of Economics and Political Science, Delphine Arnault, 39 years old, started her career as a consultant for the McKinsey practice, before becoming Deputy CEO of Dior Couture.
She is currently Deputy CEO of Louis Vuitton Malletier.

Other appointments and duties

- Director of LVMH Moët Hennessy – Louis Vuitton SA, a listed company (France)
- Member of the Supervisory Board of Les Echos SAS (France)
- Director of Société Civile Cheval Blanc (France)
- Director of Emilio Pucci Srl (Italy)
- Director of Loewe SA (Spain)
- Director of Société Celine (France)
- Director of Christian Dior S.A
- Member of the Board of Directors of HAVAS
- Member of the Board of Directors of 21st Century Fox

Appointments and duties expiring in the course of the last five financial years

- Chairman of the Board of Directors of Calto Srl (Italy)
- Chairman of the Board of Directors of ManifatturaUno Srl (Italy)
- Director of the Sèvres – Cité de la céramique public organisation

Business address

Louis Vuitton
2, rue du Pont Neuf
75001 Paris



Mouna SEPEHRI

Number of company shares held: 100

Biography and principal duties outside the Company

A law school graduate and member of the Paris Bar Association, Mouna Sepehri began her career in 1990 as an lawyer based first in Paris and then in New York, specialising in mergers and acquisitions and in corporate international law. Mouna Sepehri joined Renault in 1996 as Deputy General Counsel. She was an integral part of Renault's international expansion and the formation of the Renault-Nissan Alliance (1999) in her capacity as a member of the original negotiating team.

Mouna Sepehri joined the Office of the CEO in 2007 and was in charge of the management of the Cross-Functional Teams (CFTs).

In 2009, Mouna Sepehri was appointed Director of the Alliance CEO Office and Secretary of the Renault-Nissan Alliance Board. In 2010, she became a member of the Steering Committee on the Alliance cooperation with Daimler. As part of this assignment, Mouna Sepehri was responsible for the implementation of Alliance synergies, for coordinating strategic cooperation and for driving new projects.

On 11 April 2011, Mouna Sepehri joined Renault Group's Executive Committee as Executive Vice President, Office of the CEO. She oversees the following functions: Legal Department, Public Affairs Department, Communications Department, Corporate Social Responsibility Department, Real Estate & Corporate Services Department, Prevention and Group protection Department, as well as overseeing Cross-Group Teams and the Programme for Economic Efficiency of Running Costs.

Other appointments and duties

- Member of the Executive Committee of Renault, a listed company (France)
- Director of Nexans, a listed company (France)
- Director of Danone, a listed company (France)

Appointments and duties expiring in the course of the last five financial years

- Executive Vice-President, Office of the CEO Renault-Nissan Alliance, Renault, a listed company (France)

Business address

Renault
13-15 quai Le Gallo
92513 Boulogne-Billancourt



IMMOBILIERE BAYARD D'ANTIN represented by Catherine LENOBLE

Number of company shares held by the legal entity: 61,007,471.
Number of company shares held by its representative: 97,930.

Biography and principal duties outside the Company of the individual representing the legal entity

Catherine Lenoble has spent her entire career in media. Initially with RMC as Director of Sponsorship, she became Deputy CEO of M6 Publicité in 1987 when the channel was founded. She was appointed to the Executive Board of Métropole Télévision in 2000, the following year she became CEO of M6 Publicité. She decided to retire in 2012.

Other appointments and duties

- Member of the Supervisory Board of Hexamedics SAS

Appointments and duties expiring in the course of the last five financial years

- Permanent representative of M6 Publicité in its capacity in its capacity as Director of Paris Première SAS
- Member of the Executive Board of Métropole Télévision in charge of Advertising
- Chairnan of M6 Créations SAS
- Permanent representative of M6 Publicité in its capacity in its capacity as Director of M6 Diffusion SA, M6 Éditions SA, M6 Événements SA and Mistergooddeal SA

Business address

Immobilière Bayard d'Antin
22 bis rue Bayard
75008 Paris

2.1.2. Operation of the Supervisory Board

The Supervisory Board exercises permanent control over the management of the Company and its subsidiaries by the Executive Board and grants the latter the prior approval for transactions that it may not perform without such authorisation, in accordance with the provisions of Article 24.3 of the bylaws.

Throughout the year, the Supervisory Board performs whatever verifications and checks it considers appropriate and may call for any documents it requires to fulfil its tasks.

The arrangements for operation and the main topics discussed by the Supervisory Board in 2013 are reported in the Chairman's report, under section I.

2.1.3. Committees of the Supervisory Board

The Supervisory Board has had the following two Committees in place since it was established in 2000:
- The Remuneration and Appointments Committee
- The Audit Committee

The missions and arrangements for operation of these committees and specified in the Chairman's Report, under sections 1.7 and 1.8.

2.1.3.1. Remuneration and Appointments Committee

The Remuneration and Appointments Committee, first set up in 2000, is made up of a minimum of two and a maximum of five members, which are selected from the members of the Supervisory Board other than the Chairman of the Board, of which half are selected from the independent members and their appointment lasts for the duration of their term of office as members of the Supervisory Board.

At 31 December 2013, the members of the Remuneration and Appointments Committee were the following:

Members of the Remuneration and Appointments Committee		Date of first appointment	Expiry date of appointment	Attendance rate 2013
Gérard Worms *	Chairman of the Committee	26 May 2000	2014	100%
Guillaume de Posch	Member	03 May 2012	2016	100%
Gilles Samyn *	Member	10 March 2009	2015	100%

** Independent member.*

2.1.3.2. Audit Committee

The Audit Committee, first set up in 2000, has a minimum of three and a maximum of five members chosen by the Supervisory Board from among its own members other than the Chairman of the Board, including at least two (2) independent members, for the duration of their appointment as members of the Supervisory Board.

At 31 December 2013, its members were the following:

Members of the Audit Committee		Date of first appointment	Expiry date of appointment	Attendance rate 2013
Guy de Panafieu *	Chairman of the Committee	18 February 2004	2014	100%
Remy Sautter	Member	26 May 2000	2014	75%
Elmar Heggen	Member	22 November 2006	2016	75%
Gilles Samyn *	Member	03 May 2012	2015	100%
Mouna Sepehri *	Member	19 December 2013	2016	n.a

** Independent member.*

2.2. Executive Board

2.2.1. Membership of the Executive Board

The Executive Board is appointed for a period of five years. A reduction in the term of office of members of the Executive Board to three years will be proposed at the next General Meeting

Since 25 March 2010, it has four members, all natural persons, aged less than 70 years, appointed by the Supervisory Board and compensated by Métropole Télévision Group.

Members of the Executive Board	Nationality	Age	Principal function	Date of first appointment	Date of renewal/exit	Date term expires
Nicolas de Tavernost	French	63	Chairman of the Executive Board	26/05/2000	25/03/2010	25/03/2015
Thomas Valentin	French	59	Vice-Chairman of the Executive Board with responsibility for Programmes and Content	26/05/2000	25/03/2010	25/03/2015
Robin Leproux*	French	55	Vice-Chairman of the Executive Board with responsibility for Sales and Business Development	31/03/2012 *		25/03/2015
Jérôme Lefébure	French	51	Member of the Executive Board with responsibility for Management Operations	25/03/2010		25/03/2015



Nicolas de TAVERNOST

Chairman of the Executive Board

Nicolas de Tavernost is Chairman of the Executive Board of M6 Group.
A graduate of the Bordeaux Institute of Political Studies and with a post graduate degree in Public Law, Nicolas de Tavernost began his career in 1975 as part of Norbert Ségard's team, the junior minister for foreign trade, then in the Postal and Telecommunications sectors. In 1986 he took over the management of audiovisual activities at Lyonnaise des Eaux and, on this account, oversaw the project to create M6. In 1987, he was appointed Deputy CEO of Métropole Télévision M6 where since 2000 he has performed the role of Chairman of the Executive Board.

Other appointments and duties

• *Outside the M6 Group*

- Member of the Supervisory Board of Ediradio SA (RTL/RTL2/FUN RADIO) (France)
- Director of GL Events SA, a listed company (France)
- Independent Director of Natixis, a listed company (France)
- Representative of RTL Group to the Supervisory Board and Vice-Chairman of the Remuneration Committee of Antena 3, renamed Atresmedia in 2013, a listed company (Spain)
- Director, on a voluntary basis, of endowment fund Raise

In accordance with the AFEP-MEDEF Code, Nicolas de Tavernost holds 2 terms of office in a personal capacity in listed companies outside the Group.

• *Within the M6 Group*

- Director of Extension TV SA and TF6 Gestion SA
- Permanent representative of:
  a. M6 Publicité in its capacity as Director of Home Shopping Service SA, M6 Diffusion SA, M6 Evénements SA, M6 Editions SA
  b. Home Shopping Services in its capacity as Director of MisterGooddeal SA
  c. Métropole Télévision in its capacity as Director of SASP Football Club des Girondins de Bordeaux, Société Nouvelle de Distribution SA, C. Productions SA
  d. Métropole Télévision in its capacity as Chairman of: M6 Publicité SAS, Immobilière M6 SAS, M6 Toulouse SAS, M6 Bordeaux SAS, M6 Intéractions SAS, M6 Web SAS and M6 Foot SAS
  e. Métropole Télévision in its capacity as Member of the Shareholders' Committee of Multi4 SAS
  f. Métropole Télévision in its capacity as Managing Partner of SCI du 107, av. Charles de Gaulle
- Member and Director of Association Football Club des Girondins de Bordeaux
- Chairman of M6 Group's Corporate Foundation

Appointments and duties expiring in the course of the last five financial years

• *Within the M6 Group*

- Director of Société Nouvelle de Distribution SA
- Permanent representative of:
  a. Métropole Télévision in its capacity as Chairman of M6 Numérique SAS
  b. M6 Interactions in its capacity as Chairman of M6 Développement SAS
  c. Métropole Télévision in its capacity as Chairman of Paris Première SA and Paris Première SAS, MisterGooddeal SA
  d. Home Shopping Services in its capacity as Director of Télévente Promotion SA



Thomas VALENTIN

Vice-Chairman of the Executive Board with responsibility for Programmes and Content

Thomas Valentin joined M6 in its infancy as Fiction and International Relations Representative, and in November 1989 became Director of Drama and Documentaries and International Relations Representative until December 1990, Assistant Director of Programmes and Director of Purchasing and Production(s) in 1991. Appointed M6 Director of Programmes in March 1992, then Chief Operating Officer in May 1996, he was Vice-President in charge of Programmes from June 2000 to January 2007.

In 1986 and 1987 Thomas VALENTIN was responsible for preparing CLT's application to be a television channel in France.

From 1984 to 1987, he was Special Advisor at IP France, responsible for the satellite sector, macroeconomic analyses and the development of RTL-Télévision in France.

Between 1981 and 1984, he was Director of Communications at the French Embassy in New York.

Thomas VALENTIN is a communications graduate, with a Master of Arts in Broadcasting from Stanford University (California) and holds a Masters in Physics and a post graduate degree in Optics from the University of Paris.

Other appointments and duties

- *Outside the M6 Group*

  Nil

- *Within the M6 Group*
  - Chairman of the Board of Directors of M6 Films SA and Métropole Production SA
  - Chairman of M6 Studio SAS, Sedi-Tv SAS, M6 Communication SAS
  - Director of C. Productions SA, Extension TV SA and TF6 Gestion SA
  - Permanent representative of:
    a. Métropole Production in its capacity as Director of M6 Diffusion SA and Société Nouvelle de Distribution SA
    b. M6 Films in its capacity as Director of Home Shopping Service SA
  - Member and Vice-Chairman of Association Football Club des Girondins de Bordeaux

Appointments and duties expiring in the course of the last five financial years

- *Outside the M6 Group*
  - Director of Channel 5 Broadcasting Limited (UK)
- *Within the M6 Group*
  - Chairman of Mandarin SAS and M6 Thématique SAS
  - Director of Société Nouvelle de Distribution SA,
  - Permanent representative of:
    a. M6 Thématique in its capacity as Chairman of Paris Première SAS, de M6 Communication SAS, de FUN TV SAS et de Sedi Tv SAS
    b. M6 Thématique in its capacity as Manager of Edi Tv SNC
    c. M6 Films in its capacity as Director of Paris Première SA and Paris Première SAS
    d. Edi Tv and Paris Première SAS in its capacity as Member of Shareholders' Committee of Multi 4 SAS



Robin LEPROUX

Vice-Chairman of the Executive Board in charge of Sales and Business Development

After beginning his career with Procter & Gamble, Robin Leproux joined Polygram in 1985 and became Chief Executive of Special Projects in 1992. He subsequently joined M6 Group, in which he developed diversification activities up to 2000, becoming Vice-Chairman of the Executive Board in May 2000. In January 2001 he became Chairman of RTL Radio whose position he successfully restored, before joining Springer Group in 2007. Between 2009 and July 2011, he was in charge of the football club Paris Saint-Germain.

Other appointments and duties

- *Outside the M6 Group*
  - Chairman of PGM Media SAS
  - Chairman of SNPTV

- *Within the M6 Group*
  - Chairman and CEO of M6 Editions SA and M6 Evènements SA
  - Chairman of M6 Créations SAS
  - CEO of M6 Interactions SAS and M6 Publicité
  - Permanent representative of M6 Publicité in its capacity as Director of Mistergooddeal SA and M6 Evènements SA, and as Chairman of Live Stage SAS

Appointments and duties expiring in the course of the last five financial years

- *Outside the M6 Group*
  - Chairman of Springer France
  - Chairman of the Executive Board of Paris Saint-Germain (PSG)
- *Within the M6 Group*

  Nil



Jérôme LEFEBURE

Member of the Executive Board in charge of Management

Biography

A graduate of the Paris Institute of Political Studies and holder of a Master's Degree in Business Law, he began his career at Arthur Andersen (1988-1998), followed by Atos Direct (Koba) as Chief Financial Officer and Member of the Executive Board (1998-2003). In 2003, he joined M6 Group as Chief Financial officer, and in 2010 became a member of the Executive Board responsible for Management Activities (Finance Department, Organisation and Human Resources Department, Technical Department, Information Systems Department).

Other appointments and duties

• *Outside the M6 Group*

Nil

• *Within the M6 Group*

- Chairman of Immobilière 46D SAS, M6 Divertissements SAS, M6 Récréative SAS, M6 Thématique SAS, M6 Génération SAS and M6 Développement SAS
- Chairman and CEO of M6 Diffusion SA
- Permanent representative of:
  a. Métropole Télévision in its capacity as Chairman of SNDA SAS, M6 Shop SAS and M6 Récréative
  b. Métropole Télévision in its capacity as Director of M6 Éditions SA
  c. Métropole Télévision in its capacity as Manager of TCM DA SAS.
  d. M6 Interactions in its capacity as Director of M6 Événements SA, Home Shopping Service SA, Société Nouvelle Distribution SA and Mistergooddeal SA
  e. M6 Diffusion in its capacity as Director of C. Productions SA
  f. M6 Thématique in its capacity as Chairman of Edi-Tv SAS
  g. Edi TV in its capacity as member of the Shareholders' Committee of Multi 4 SAS
  h. Director of Unité 15 Belgique
  i. Director of the M6 Group's corporate foundation
  j. M6 Thématique in its capacity as Director of Extension TV SA and TF6 Gestion SA
- Member of Association Football Club des Girondins de Bordeaux

Appointments and duties expiring in the course of the last five financial years

• *Outside the M6 Group*

Nil

• *Within the M6 Group*

- Chairman of M6 Créations SAS
- Permanent representative of:
  a. Métropole Télévision in its capacity as Director of Métropolest SA
  b. M6 Web in its capacity as Director of PagesJaunes Petites Annonces SA (PagesJaunes has been renamed Solocal Group)
  c. M6 Thématique in its capacity as Manager of EDI-TV SNC
  d. M6 Diffusion in its capacity as Director of Télévente Promotion SA

2.2.2. Operation of the Executive Board

The Executive Board has the widest possible powers to act in all circumstances on behalf of the Company with third parties pursuant to Article 18 of the bylaws.
However, investments and divestments not provided for in the budget and whose unit amount has an impact exceeding €20 million on the Group's financial position require the prior approval of the Supervisory Board (Article 24.3 of the Bylaws).

The Executive Board meets as often as required in the interests of the Company. In 2013, the Executive Board met 20 times, with minutes kept for each of these meetings. The Executive Board prepares all files to be submitted to Supervisory Board meetings by providing a detailed presentation of the situation of each activity of the Group during the previous quarter. To that end, the Executive Board ensures the relevance of operating management indicators presented to the Supervisory Board in order to reflect developments affecting the various activities and businesses.
The Executive Board examines and collectively takes decisions on investment projects submitted to it by operating teams.

The Executive Board also approves half-year and annual financial statements which are subsequently presented for approval to the Supervisory Board. Lastly, the Executive Board decides on the Group's financial communication.

In addition, the Executive Board directs the Group's senior executive managers by calling regular meetings of:
- the Executive Committee, comprising the main operational and functional managers, which is in charge of implementing the Executive Board's major operational and strategic decisions;
- the Management Committee, comprising the main managers responsible for activities and functional services, which inform the Group on business management.

In 2013, The Executive Committee met 13 times and the Management Committee met 11 times. Detailed minutes of each meeting were kept and handed out to each member.

2.3. Executive Board members' remuneration and fringe benefits

In application of Article L. 225-102-1, paragraphs 1 and 2 of the Commercial Code, the total remuneration received by the Group's Board members, including fringe benefits, was as follows, it being noted that this chapter was prepared with the assistance of the Remuneration Committee.

2.3.1. Principles and rules determining Executive Board member' remuneration and fringe benefits

2.3.1.1. Policy to determine the fixed and variable remuneration of the members of the Executive Board

Every year, the Supervisory Board, upon proposal by the Remuneration Committee, sets the Executive Board members' remuneration policy with reference to the AFEP/MEDEF recommendations on the governance of listed companies.

All members of the Executive Board cumulate an employment contract with a term of office as Director, noting that Nicolas de Tavernost's employment contract has been suspended since 6 December 1990 and will remain so until his term of office as Chairman of the Executive Board expires.
The Supervisory Board decided on 10 March 2009 to maintain the suspension of the employment contract of Nicolas de Tavernost until the expiry of his term of office as Chairman of the Executive Board; subsequently the Remuneration and Appointments Committee, during its meeting of 4 March 2010, also pronounced in favour of maintaining his employment contract, justifying this non-

compliance with AFEP-MEDEF recommendations through Nicolas de Tavernost's length of service, who has been with M6 since the channel's creation in 1987, and through his personal contribution to the Group's development and reach since its inception as a major player in the French media industry.

The remuneration policy sets all fixed, variable and exceptional remuneration items, in addition to commitments of any nature undertaken by the Company for the benefit of its directors and senior executives.
It is not only based on the performance of work results achieved, level of responsibility assumed, but also on practices observed in comparable companies and remuneration paid to other operational managers of the company.

The remuneration of members of the Executive Board is paid by the parent company Métropole Télévision, with the exception of Robin Leproux, whose salary is paid by M6 Publicité.

In 2013, Executive Board members' **fixed** remuneration comprised the following items:
- a basic salary for every member of the Executive Board, paid monthly for Nicolas de Tavernost, a Director, and over 13 months for Thomas Valentin, Robin Leproux and Jérôme Lefébure, all of whom are employees.
- the value of a company car as a benefit-in-kind.

And a variable part comprising two elements in 2013:
- additional remuneration representing 70% of this part,
- corporate officer remuneration representing 30% of this part.

Additional remuneration is based on:
- for Nicolas de Tavernost and Jérôme Lefébure, the level of achievement of consolidated EBITA objectives for the Group, as defined by the Supervisory Board.
- for Robin Leproux, this remuneration is calculated by reference to net annual advertising revenue for M6 Publicité, with revenue signifying the total net revenue generated by media managed by M6 Publicité;
- for Thomas Valentin, 70% of this remuneration is calculated based on the level of achievement of consolidated EBITA objectives for the Group, as set by the Supervisory Board, and 30% based on audience criteria calculated for all channels held by the M6 Group.

The corporate officer remuneration component is determined by the Supervisory Board based on an audience criteria calculated for all channels held by the M6 Group.

As recommended in the AFEP-MEDEF Code, the variable remuneration of each member of the Executive Board corresponds to a percentage of the fixed remuneration. Thus the maximum variable remuneration (that is to say where the maximum target is achieved) of each of the members of the Executive Board is as follows:

- Nicolas de Tavernost : 103%
- Thomas Valentin : 111%
- Robin Leproux : 134%
- Jérôme Lefébure : 43%

In respect of the 2013 financial year, the variable remuneration calculated, taking into account the performances achieved, represents the following individual percentages of fixed remuneration:

- Nicolas de Tavernost : 81%
- Thomas Valentin : 77%
- Robin Leproux : 124%
- Jérôme Lefébure : 34%

The expected level of achievement of all criteria of variable remuneration is established precisely every year based on budget targets but is not disclosed on the grounds of confidentiality.

Variable remuneration due in respect of a year is paid the following year.

No **exceptional remuneration** was paid during the 2013 financial year to Executive Board members.

2.3.1.2. Allocation of options to subscribe or purchase shares and allocation of free shares to members of the Executive Board

On 10 March 2009, the Supervisory Board decided to introduce a number of rules to provide a future framework for all allocations of options to subscribe or to purchase shares and all allocations of free shares for the benefit of members of the Executive Board.

a) Allocation limits

The allocation of options to subscribe or to purchase shares and the allocation of free shares for the benefit of members of the Executive Board shall now be subject to the following collective and individual limits:

- Collective limits

The total amount, determined under IFRS 2, of options to subscribe or to purchase shares allocated to all members of the Executive Board with effect from 1 January 2009 may not exceed 15% of the total amount authorised by the Extraordinary General Meeting;
The total amount, determined under IFRS 2, of free shares allocated to all the members of the Executive Board, with effect from 1 January 2009, may not exceed 15% of the total amount authorised by the Extraordinary General Meeting;

- Individual limits

The cumulative amount, determined under IFRS 2, of options to subscribe or to purchase shares and free shares allocated to Nicolas de Tavernost during a given year may not exceed 150% of his gross remuneration, fixed and variable, due in respect of the year preceding the year of allocation;
The cumulative amount, determined under IFRS 2, of options to subscribe or to purchase shares and free shares allocated to Thomas Valentin, Robin Leproux or Jérôme Lefébure during a given year may not exceed 100% of their gross remuneration, fixed and variable, due in respect of the year preceding the year of allocation.

b) Performance conditions

The new allocation of options to subscribe or to purchase shares, as well as the new allocation of free shares for the benefit of members of the Executive Board is now subject to the following performance conditions:

- an internal performance condition identical to that applied to all beneficiaries of each allocation plan, and set in 2007, 2008, 2009, 2010, 2011, 2012 and 2013 compared to an objective of earnings per share or consolidated net profit;
- an external performance condition based on the gross consolidated advertising market share (terrestrial, DTT, Cable & Satellite) achieved by the Métropole Télévision Group: this share must be higher than 20% in the two previous years preceding the date of exercise of the option or the date of final vesting of free shares allocated.

c) Additional investment condition for the allocation of free shares

The final vesting of shares allocated free to members of the Executive Board is now subject to prior acquisition on the market by the beneficiary concerned, of an additional number of shares of the Company representing 10% of the number of shares finally allocated for free.

d) Retention commitment

Pursuant to the meeting of the Supervisory Board of 3 March 2008, the members of the Executive Board are required to retain without conditions 20% of the shares arising from the exercise of options to subscribe or to purchase shares, as well as shares allocated for free. It is noted, also, that this retention rule also applies to the shares acquired on the market by members of the Executive Board in compliance with the additional investment condition of 10%.

e) Long-term incentive plan (LTIP)

At its meeting held on 26 July 2011, the Supervisory Board of the Company authorised the implementation of a long-term incentive plan for the benefit of 25 senior executives, some of whom are members of the Executive Board. This plan will be subject to the achievement of cumulative performance targets for the years 2011 to 2013, based on value creation and their continued presence within the Group at 30 April 2014. These members of the Executive Board may be granted a maximum of 140,500 free shares out of the 500,000 shares reserved for all beneficiaries, subject to a further retention period of two years of additional presence within the Group for delivery of the shares in April 2016.

a) Other provisions applicable to members of the Executive Committee in the area of options and free shares

It should be noted that no discount is applied by the Company at the time of allocation of options to subscribe or purchase shares.
In addition, the members of the Executive Board may not enter into a hedging transaction for their risk where they benefit from the allocation of options to subscribe or to purchase shares and of free shares.

Also, the Supervisory Board decided to prohibit the exercise of options to subscribe or to purchase shares by members of the Executive Board during the Company's following financial communication periods:

- For 2013:
  - from 19 January to 21 February 2013
  - from 13 April to 15 May 2013
  - from 23 June to 25 July 2013
  - from 29 September to 31 October 2013.
- For 2014:
  - from 19 January to 18 February 2014
  - from 14 April to 5 May 2014
  - from 30 June to 29 July 2014
  - from 6 to 28 October 2014.

2.3.1.3. Free share allocation plans granted to members of the Executive Board

Free shares are granted annually to members of the Executive Board at the same time as those granted to other employees of the Group. The quantity granted reflects the assessment of individual performance.

The expected level of attainment of the performance condition of shares allocated in 2013 and 2012 (attainment of a consolidated net profit level), shares acquired in 2013, and shares which became available in 2013, was prepared in a precise manner and is not be made public for reasons of confidentiality.

Since the introduction of free share plans, allocated shares have been purchased on the market rather than newly issued. Allocations of free shares have not therefore caused any dilution.

a) Free shares allocated to members of the Executive Board in 2013

In accordance with the authorisation granted by the Combined General Meeting of 4 May 2011 in its 11th resolution, the Executive Board decided on 26 July 2013 to grant free shares following the approval by the Supervisory Board on the 23 July 2013.
This allocation plan relates to 642,500 shares (maximum allocation), granted to 191 beneficiaries under the conditions of the achievement of a performance target for 2013 and being members of staff on 26 July 2015.
In this respect, members of the Executive Board benefited from the allocation of free shares, after approval by the Supervisory Board and upon the proposal of the Remuneration Committee.
The performance condition for 2013 has been achieved, as duly noted by the Supervisory Board on 18 February 2014, which entitles the members of the Executive Board to the allocation of 71,500 shares, subject to their being employed by the Group on 26 July 2015.

The shares allocated between 2011 and 2013 to the members of the Executive Board represent 7.6% of the total amount authorised by the Extraordinary General Meeting of 4 May 2011, thereby complying with the decision of the Supervisory Board of 10 March 2009 and the AFEP/MEDEF recommendations, as specified in section 2.3.1.2.

b) Free shares allocated to members of the Executive Board in the previous year (2012)

Regarding the allocation of free shares in July 2012, during its meeting of 19 February 2013, the Supervisory Board had established the attainment of performance criteria required for the 2012 financial year, and approved during its meeting of 18 February 2014 the additional performance condition required for the Executive Board which demands that the Group's gross advertising market share exceeds 20% over the financial year concerned (2012) and the following financial year (2013).
This level of performance was achieved during both financial years.

c) Free shares vested to members of the Executive Board in 2013

These shares resulted from the free share plan of 26 July 2011 which, for the Executive Board, was conditional not only on the achievement of the consolidated net profit objective, but also on the achievement of an advertising market share for 2011 and 2012. Given the overachievement, the number of shares definitively allocated is equal to the maximum number authorised.
The number of shares definitively allocated complies with the rules on maximum allocations referred to in Paragraph 2.3.1.2.
These shares already issued were thus granted on 26 July 2013, the 2011-12 performance condition having been validated by the Supervisory Board in February 2013.

For the plans subject to performance conditions, the data presented hereafter is the reference data corresponding to the fulfilment of the target described.
The value of the allocated shares corresponds to the value of the shares on their allocation as used within the application framework of IFRS 2.

2.3.1.4. Benefits subsequent to term of office

In addition, on the same subject and under the same conditions as Group employees, the members of the Executive Board benefit from a legal end of career payment.

Moreover, since July 2007, the members of the Executive Board benefit, as do all senior executives of the Group, from a supplementary and compulsory pension scheme of defined contribution that enables the establishment of an individual retirement account to finance the payment of a life-time annuity.

Employer contributions recognised by the Company during the 2013 financial year in respect of retirement commitments are detailed individually in Paragraph 2.3.2, Tables (5). In 2013, they totalled €59,208 for all members of the Executive Board.

It should be noted that every member of the Executive Board and employees concerned by this regime pay an annual contribution, which is supplemented by an employer contribution.

Lastly, it should be noted that the members of the Executive Board other than Nicolas de Tavernost are subject to a non-competition clause in their employment contracts.

- Thomas Valentin agreed to, in respect of his employment contract, a non-competition commitment of 3 months for compensation of 1.5 months fixed remuneration
- Robin Leproux agreed to, in respect of his employment contract, a non-competition commitment of 12 months for compensation of 6 months fixed remuneration.
- Jérôme Lefébure agreed to, in respect of his employment contract, a non-competition commitment of 3 months for compensation of 1.5 months fixed remuneration.

2.3.1.5. Compensation for breach of contract

In application of the recommendations published in the AFEP-MEDEF Corporate Governance Code for listed companies revised on 13 June 2013, the Supervisory Board meeting of 10 March 2009 approved the Remunerations Committee's proposal seeking to standardise all severance pay agreed for the benefit of the members of the Executive Board by specifying **(a)** the taxable base and **(b)** the circumstances giving rise to this compensation **(c)** the payment of which remains subject to the performance condition introduced by the Supervisory Board on 3 March 2008.

The amendments thus made to the compensation (severance pay) mechanisms (arrangements) of (for) Thomas Valentin, Robin Leproux and Jérôme Lefébure, detailed below, were formalised by the signature of an amendment to their respective employment contracts duly authorised by the Supervisory Board.

Arising from his term of office as Chairman of the Executive Board, Nicolas de Tavernost benefits from a compensation for breach of contract, while the other members of the Executive Board have contractual compensation included in their employment contracts in the event of breach at the initiative of the Company, for any motive excluding misconduct or serious offence.

Basis of compensation for breach of contract

Compensation for breach of contract for members of the Executive Board is now equal to the difference between (i) twenty four (24) months of gross monthly remuneration calculated on the basis of the total gross remuneration, both fixed and variable portions, received over the twelve (12) months preceding the termination of the term of office as Chairman of the Executive Board of Nicolas de Tavernost or the termination of the employment contract of Thomas Valentin, Robin Leproux and Jérôme Lefébure, and (ii) the cumulative amount (x) of the legal and contractual compensation possibly due in respect of breach of employment contract of the beneficiary, and the amount (y) of the compensation due, where appropriate, in respect of the non-competition commitment.
It is specified, for the purposes of the calculation of this amount, that the remuneration as a member of the Executive Board is excluded from the basis of the calculation of compensation for Thomas Valentin, Robin Leproux and Jérôme Lefébure, to the extent that the contractual compensation for breach of contract from which they benefit is part of their employment contract.

Event of payment of compensation for breach of contract

The event of compensation for breach contract benefiting member of the Executive Board is now limited to Nicolas de Tavernost, in the event of the termination of his term of office as Chairman of the Executive Board other than by way of resignation or lack of performance (with both performance and lack of performance defined below), and for the other members of the Executive Board, in the event of breach of their employment contract other than dismissal for misconduct or serious offence, to resignation or lack of performance.
Severance pay is not therefore paid out in the event of a change in role within the Group.

Maintained performance conditions

It is specified that the payment of compensation for breach of contract thus redefined by the Supervisory Board remains subject, pursuant to Article L. 225-90-1 of the Commercial Code, to the achievement of the following performance condition, introduced by the Supervisory Board on 3 March 2008:
Profit from recurring operations (EBITA) of Métropole Télévision Group for the 36 months prior to the termination of contract shall be at least equal to 80% of the budgeted objective, as approved by the Supervisory Board. The amount of severance pay shall then be calculated in proportion (between 80% and 100% of its reference amount) of the percentage of profit from recurring operations (EBITA) achieved compared to the budgeted objective. No severance pay shall be paid when profit from recurring operations (EBITA) for the past 36 months prior to the termination of contract proved lower than 80% of the budgeted objective.
Payment of severance pay is subject to prior acknowledgement by the Supervisory Board that the performance condition has been fulfilled.

Furthermore, Robin Leproux benefits from the above-mentioned mechanism, it being specified that the entitlement to compensation is acquired gradually over the first twenty four months of employment and may not subsequently exceed this amount.

2.3.2. Amounts paid to members of the Executive Board

The table detailing the history of free share allocations is included in Section 3.9 of this document.

Nicolas de Tavernost, Chairman of the Executive Board

(1) Summary of remuneration and options and free shares granted

	2012	2013
Remuneration due in respect of the year (2)	1,633,516	1,679,905
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	162,000	318,910
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	1,795,516	1,998,814

(2) Summary of remuneration

	2012		2013	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	925,008	925,008	925,008	925,008
Variable remuneration	687,763	701,408	701,408	748,423
Variable multi-year remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Attendance fees	0	0	0	0
Sub-total paid	*1,612,771*	*1,626,416*	*1,626,416*	*1,673,431*
Benefits in kind	7,100	7,100	6,474	6,474
TOTAL	1,619,871	1,633,516	1,632,890	1,679,905

(3.1) Options to subscribe or purchase shares granted in 2013

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2013	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2013

N° and date of plan	Number of options exercised in 2013	Exercise price

(4.1) Free shares granted in 2013 and 2012

N° and date of plan	Numnber of shares granted	IFRS 2 value of shares	Valorisation	Date of final allocation	Performance conditions	Date of availability
n°: AAAG12260713 Date: 26 July 2013	27,950	11.41	318,910	26 July 2015	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2013	26 July 2017
n°: AAAG11270712 Date: 27 July 2012	20,000	8.1	162,000	27 July 2014	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012 and a gross advertising market share for 2012 and 2013	27 July 2016

(4.2) Free shares definitively allocated in 2013

N° and date of plan	Number of shares allocated in 2013	Acquisition conditions	Date available
n°: AAAG10260711 Date: 26 July 2011	10,000	Achievement by the Group of a performance condition based on consolidated net profit for the year to 31 December 2011 and a gross advertising market share for 2011 and 2012, and being employed by the Group in July 2013	27 July 2015

(4.3) Free shares vested in 2013

N° et date du plan	Nombre d'actions devenues disponibles en 2013	Condition d'acquisition
n° : AAAG05280709 date : 28 juillet 2009	12 650	Basée sur l'atteinte par le Groupe d'un résultat net consolidé par action calculé au 31 décembre 2009, et présence à l'effectif en juillet 2011

(5) Other information

Employment contract		Supplementary retirement plan		Amount paid in respect of pension commitments	Compensation or benefits due or likely to be due with the cessation or change of duties		Compensation in respect of a non-competition clause	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		14,802	✓			✓

Thomas Valentin, Vice-Chairman of the Executive Board

(1) Summary of remuneration and options and free shares granted

	2012	2013
Remuneration due in respect of the year (2)	950,977	879,956
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	81,000	163,163
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	1,031,977	1,043,119

(2) Summary of remuneration

	2012		2013	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	495,001	495,001	495,001	495,001
Variable remuneration	443,725	449,245	449,245	378,768
Variable multi-year remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Attendance fees	0	0	0	0
Sub-total paid	*938,726*	*944,246*	*944,246*	*873,769*
Benefits in kind	6,731	6,731	6,187	6,187
TOTAL	945,457	950,977	950,433	879,956

(3.1) Options to subscribe or purchase shares granted in 2013

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2013	Exercise price	Period of exercise
-	-		-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2013

N° and date of plan	Number of options exercised in 2013	Exercise price

(4.1) Free shares granted in 2013 and 2012

N° and date of plan	Numnber of shares granted	IFRS 2 value of shares	Valorisation	Date of final allocation	Performance conditions	Date of availability
n°: AAAG12260713 Date: 26 July 2013	14,300	11.41	163,163	26 July 2015	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2013	26 July 2017
n°: AAAG11270712 Date: 27 July 2012	10,000	8.1	81,000	27 July 2014	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012 and a gross advertising market share for 2012 and 2013	27 July 2016

(4.2) Free shares definitively allocated in 2013

N° and date of plan	Number of shares allocated in 2013	Acquisition conditions	Date available
n°: AAAG10260711 Date: 26 July 2011	6,500	Achievement by the Group of a performance condition based on consolidated net profit for the year to 31 December 2011 and a gross advertising market share for 2011 and 2012, and being employed by the Group in July 2013	27 July 2015

(4.3) Free shares vested in 2013

N° and date of plan	Number of shares allocated in 2013	Acquisition conditions
n°: AAAG05280709 Date: 28 July 2009	8,280	Achievement by the Group of a performance condition based on consolidated net profit for the year to 31 December 2009 and being employed by the Group in July 2011

(5) Other information

Employment contract		Supplementary retirement plan		Amount paid in respect of pension commitments	Compensation or benefits due or likely to be due with the cessation or change of duties		Compensation in respect of a non-competition clause	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		14,802	✓		✓	

Robin Leproux, Vice-Chairman of the Executive Board

(1) Summary of remuneration and options and free shares granted

	2012	2013
Remuneration due in respect of the year (2)	558,845	925,220
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	56,700	207,662
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	615,545	1,132,882

(2) Summary of remuneration

	2012		2013	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	341,770	341,770	410,020	410,020
Variable remuneration	-	214,436	214,436	509,908
Variable multi-year remuneration	-	0	0	0
Exceptional remuneration	-	0	0	0
Attendance fees	-	0	0	0
Sub-total paid	*341,770*	*556,206*	*624,456*	*919,928*
Benefits in kind	2,639	2,639	5,292	5,292
TOTAL	344,409	558,845	629,748	925,220

(3.1) Options to subscribe or purchase shares granted in 2013

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2013	Exercise price	Period of exercise
-	-		-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2013

N° and date of plan	Number of options exercised in 2013	Exercise price

(4.1) Free shares granted in 2013 and 2012

N° and date of plan	Numnber of shares granted	IFRS 2 value of shares	Valorisation	Date of final allocation	Performance conditions	Date of availability
n°: AAAG12260713 Date: 26 July 2013	18,200	11.41	**207,662**	26 July 2015	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2013	26 July 2017
n°: AAAG11270712 Date: 27 July 2012	7,000	8.1	**56,700**	27 July 2014	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012 and a gross advertising market share for 2012 and 2013	27 July 2016

(4.2) Free shares definitively allocated in 2013

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2013	Exercise price	Period of exercise
-	-		-	-	-

(4.3) Free shares vested in 2013

N° and date of plan	Number of shares allocated in 2013	Acquisition conditions
n°: - date: -	-	-

(5) Other information

Employment contract		Supplementary retirement plan		Amount paid in respect of pension commitments	Compensation or benefits due or likely to be due with the cessation or change of duties		Compensation in respect of a non-competition clause	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		14,802	✓		✓	

Jérôme Lefébure, Member of the Executive Board

(1) Summary of remuneration and options and free shares granted

	2012	2013
Remuneration due in respect of the year (2)	442,180	540,109
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	56,700	126,081
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	498,880	666,190

(2) Summary of remuneration

	2012		2013	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	310,771	310,771	399,997	399,997
Variable remuneration	124,521	126,995	126,995	135,504
Variable multi-year remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Attendance fees	0	0	0	0
Sub-total paid	*435,292*	*437,766*	*526,992*	*535,501*
Benefits in kind	4,414	4,414	4,608	4,608
TOTAL	439,706	442,180	531,600	540,109

(3.1) Options to subscribe or purchase shares granted in 2013

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2013	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2013

N° and date of plan	Number of options exercised in 2013	Exercise price

(4.1) Free shares granted in 2013 and 2012

N° and date of plan	Numnber of shares granted	Valeur IFRS 2 des actions	Valorisation	Date of final allocation	Performance conditions	Date of availability
n°: AAAG12260713 Date: 26 July 2013	11,050	11.41	126,081	26 July 2015	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2013	26 July 2017
n°: AAAG11270712 Date: 27 July 2012	7,000	8.1	56,700	27 July 2014	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012 and a gross advertising market share for 2012 and 2013	27 July 2016

(4.2) Free shares definitively allocated in 2013

N° and date of plan	Number of shares allocated in 2013	Acquisition conditions	Date available
n°: AAAG10260711 Date: 26 July 2011	5,500	Achievement by the Group of a performance condition based on consolidated net profit for the year to 31 December 2011 and a gross advertising market share for 2011 and 2012, and	27 juillet 2015

(4.3) Free shares vested in 2013

N° and date of plan	Number of shares allocated in 2013	Acquisition conditions
n°: AAAG05280709 Date: 28 July 2009	6,900	Achievement by the Group of a performance condition based on consolidated net profit for the year to 31 December 2009 and being employed by the Group in July 2011

(5) Other information

Employment contract		Supplementary retirement plan		Amount paid in respect of pension commitments	Compensation or benefits due or likely to be due with the cessation or change of duties		Compensation in respect of a non-competition clause	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		14,802	✓		✓	

2.3.3. Supervisory Board attendance fees

The Board has set the apportion rules taking into account the nature of their duties (Chairman of the Board, Chairman or Committee members, member of the Board) and attendance of each member at Board and Committee meetings, as recommended by the AFEP-MEDEF corporate governance code. This amount is understood to be a maximum, whose payment in full is conditional on the attainment of a 100% attendance rate.
The total amount of attendance fees, set at €236,000 since 3 May 2012 (authorised by the General Meeting) was broken down as follows for 2013:

Fixed part		
	2012	2013
Chairman	€23,000	€14,500
Chairman of the Committee	€15,500	€11,000
Member of 2 Committees	€14,000	€9,000
Member of one Committee	€11,000	€8,000
Simple member	€8,000	€6,000
Total fixed part	**€149,000** ***63%***	**€105,500** ***45%***

Variable part		
	2012	2013
Total variable part	**€87,000** ***37%***	**€130,500** ***55%***
Total attendance fees	**€236,000**	**€236,000**

The total variable part (€130,500) represents 55% of the total, in compliance with the AFEP-MEDEF Code which recommends that the variable portion of attendance fees is larger.
This variable portion is calculated based on attendance (€1,250 per Board meeting and €1,500 per Committee meeting).

The amounts awarded in respect of the fixed portion are settled on a pro rata basis when the terms of office begin or end during a financial year.

Given the attendance rate of Board members and their effective terms of office, attendance fees of €224,000.00 were apportioned in 2013 (compared with €226,000 in 2012). Their individual allocation is set out in the following table:

Albert FRERE, Chairman of the Supervisory Board, Independent

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€14,500	€2,500	**€17,000**	€23,000	€3,000	**€26,000**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€14,500	€2,500	**€17,000** *	€23,000	€3,000	**€26,000** *

Gérard WORMS, Vice-Chairman of the Supervisory Board, Chairman of the Committee,

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€7,500	**€13,500**	€8,000	€5,000	**€13,000**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	€5,000	€6,000	**€11,000**	€7,500	€2,000	**€9,500**
TOTAL	€11,000	€13,500	**€24,500**	€15,500	€7,000	**€22,500**

Delphine ARNAULT, Independent member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€5,000	**€11,000**	€8,000	€4,000	**€12,000**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€5,000	**€11,000**	€8,000	€4,000	**€12,000**

Christopher BALDELLI, Member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€7,500	**€13,500**	€5,311	€2,000	**€7,311**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€7,500	**€13,500**	€5,311	€2,000	**€7,311**

Philippe DELUSINNE, Member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€5,000	**€12,250**	€8,000	€4,000	**€12,000**
Audit Committee	-	-	-	-	- -	
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€5,000	**€12,250** *	€8,000	€4,000	**12,000 €** *

Vincent de DORLODOT, Member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	€12,250	€8,000	€5,000	€13,000
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€6,250	12,250 € *	€8,000	€5,000	€13,000 *

Elmar HEGGEN, Member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	€12,250	€8,000	€4,000	€12,000
Audit Committee	€2,000	€4,500	€6,500	€3,000	€3,000	€6,000
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€8,000	€10,750	€18,750 *	€11,000	€7,000	€18,000 *

Guy de PANAFIEU, Independent member of the Supervisory Board, Chairman of a Committee

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	€12,250	€8,000	€4,000	€12,000
Audit Committee	€5,000	€6,000	€11,000	€7,500	€4,000	€11,500
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€11,000	€12,250	€23,250	€15,500	€8,000	€23,500

Guillaume de POSCH, Member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€7,500	€13,500	€6,120	€3,000	€9,120
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	€2,000	€4,500	€6,500	€2,295	€1,000	€3,295
TOTAL	€8,000	€12,000	€20,000 *	€8,415	€4,000	€12,415 *

Gilles SAMYN, Independent member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€7,500	€13,500	€8,000	€5,000	€13,000
Audit Committee	€1,500	€6,000	€7,500	€1,992	€2,000	€3,992
Remuneration and Appointments Committee	€1,500	€4,500	€6,000	€3,000	€2,000	€5,000
TOTAL	€9,000	€18,000	€27,000 *	€12,992	€9,000	€21,992 *

Remy SAUTTER, Member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	€12,250	€8,000	€5,000	€13,000
Audit Committee	€2,000	€4,500	€6,500	€3,000	€4,000	€7,000
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€8,000	€10,750	€18,750	€11,000	€9,000	€20,000

Mouna SEPEHRI, Independent member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€7,500	€13,500	€5,311	€3,000	€8,311
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€7,500	€13,500	€5,311	€3,000	€8,311

Immobilière Bayard d'Antin, represented by Catherine LENOBLE, Member of the Supervisory Board

	Amounts paid in 2013			Amounts paid in 2012		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€7,500	**€13,500**	€8,000	€5,000	**€13,000**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€7,500	**€13,500**	€8,000	€5,000	**€13,000**

** before withholding tax of 25% in 2012 and 30% in 2013*

Since 1 January 2013, new taxation provisions relating to the attendance fees paid to members of M6 Group's Supervisory Board resident in France are applicable:

- Social security charges (CSG, CRDS, etc.), at the rate of 15.5% must now be retained at source by M6;
- An income tax instalment (charge), at the rate of 21%, must also be retained at source by M6.

As a result, the attendance fee amounts for French directors of M6 Group must be assigned an overall deduction of 36.5%.

Members of the Supervisory Board do not receive any other form of remuneration from the Company.

2.4. Supplementary information on the membership of the Executive Board and Supervisory Board

To the best of the Company's knowledge, at the date of preparation of this document, no member of the Executive Board or Supervisory Board, and no company of which any member of the Executive Board or Supervisory Board is an agent, general partner or founder, or in which any such member is in any way involved with administration, management or supervision, has been found guilty of fraud, or been subjected to proceedings for bankruptcy, sequestration and/or liquidation, or found guilty of any offence and/or subjected to any public official sanction by any statutory or regulatory authority, or to any impediment to act as members of an administration, management or supervisory body or to be involved in managing or conducting the business of an issuer, in the course of the last five years.

In addition, to the best of the Company's knowledge, at the date of preparation of this document, there is:

- no family connection between any members of the Executive Board and of the Supervisory Board;
- no potential conflict of interest, as regards the issuer between the duties of any member of the Executive Board or the Supervisory Board and their own private interests and other duties;
- no arrangement or agreement concluded between any member of the Executive Board or of the Supervisory Board and any of the major shareholders, clients or suppliers;
- no service contract between any member of the Executive Board or Supervisory Board of Métropole Télévision and any of its subsidiaries.

In relation to the restrictions in trading in Company securities implemented by the members of the Executive Board and the Supervisory Board, the Supervisory Board has decided, on the recommendation of the Remuneration Committee, to implement the following rules:

- a minimum holding of 100 shares by each member of the Supervisory Board during their term of office;
- a ban on trading in the Company's shares during periods to be defined annually by the Executive Board to prevent insider trading (no-trade periods are listed in paragraph 2.3.2.1 of this document).

- **Rules applicable to transactions performed on financial instruments by Board members:**

The rules governing transactions on financial instruments by Board members are detailed in the Company's Ethics Charter.

These rules state that due to the nature of their position and their duties, the corporate officers of M6, namely the members of the Executive Board and the Supervisory Board, may have access to privileged information. Privileged information means particular non-public information, directly or indirectly relating to one or several issuers or one or several financial instruments, which, if it became public knowledge, might affect the price of the M6 share (revenue, performance, proposals of every kind, etc.).

The rules prohibit corporate officers from using such information on the financial market, either for their own account or for any other, whether directly or through a third party, by buying or selling shares or financial products linked to these shares. They must abstain from communicating privileged information for any other purpose or activity than that for which it is held. This also applies to privileged information concerning the ordinary business of the Company or the preparation or execution of any financial transaction.

Pursuant to current regulations, corporate officers are subject to the declaration requirements relating to transactions in shares and restrictions relating to trading periods.

2.5. Statutory Auditors

		Address	Date of first appointment	Last year of financial instruments to be audited	Expiry date of appointment
PRINCIPAL AUDITORS					
Ernst & Young et Autres	Bruno PERRIN	Tour First, 1, place des Saisons 92400 Courbevoie	2002	2013	AGM 2014
PricewaterhouseCoopers Audit	Marc GHILIOTTI	63, rue de Villiers 92208 Neuilly sur Seine Cedex	2008	2013	AGM 2014
ALTERNATE AUDITORS					
AUDITEX		Tour First, 1, place des Saisons 92400 Courbevoie	2008	2013	AGM 2014
Etienne BORIS		63, rue de Villiers 92208 Neuilly sur Seine Cedex	2008	2013	AGM 2014

AGM: Annual General Meeting

The two Principal Auditors are members of the Compagnie Régionale des commissaires aux comptes de Versailles.

2.6. Report of the Chairman of the Supervisory Board on corporate governance and internal control procedures and risk management

To the shareholders,

In accordance with the Law and in my capacity as Chairman of the Supervisory Board of METROPOLE TELEVISION, I am honoured to present this report on the performance, planning and organisation of the work of the Supervisory Board and on the internal control procedures implemented by the Company.

This report also specifies the principles and rules used to determine all nature of remuneration and benefits granted to corporate officers.

This report, prepared by the Chairman of the Supervisory Board with the support of the Finance Department, the Legal Department, the Audit Department and the Group's Risk Manager, was reviewed by the Audit Committee on 24 March 2014. All the procedures that enabled the preparation of this Report were presented to the Supervisory Board which approved their terms in its meeting of 25 March 2014.

The information concerning corporate governance was established based on various internal documents (bylaws, internal rules and minutes of the Supervisory Board and its committees, etc.)
The information concerning internal control and risk management procedures was prepared with the assistance of the Audit and Risk Control Department. The authors interviewed different company bodies and departments (Senior Management, Legal Department, Finance Department, Human Resources Department, Corporate Affairs).

As regards corporate governance, our company refers to the *Corporate Code of Governance for listed companies* of December 2008, updated in April 2010 and June 2013, prepared by the AFEP-MEDEF.

The AFEP-MEDEF Code can be obtained from: www.medef.com.

The authors also took into account current regulations, *Autorité des Marchés Financiers* (AMF – Financial Markets Authority) reports and recommendations regarding corporate governance and internal control, the AMF working group's report of 22 July 2010 on the Audit Committee, the AMF's reference framework on internal control and risk management mechanisms, as well as best practices.

In accordance with Paragraph 25.1 of the AFEP-MEDEF Code, the company stated that it has disregarded the following recommendations of the said Code:

Recommendations disregarded	Justification
Not to be a member of the Supervisory Board for more than 12 years *(§ 8.4 of the Code)*	In its meeting of 4 April 2013, the Supervisory Board studied the position of Albert Frère and Gérard Worms in view of the AFEP-MEDEF Code's rules defining the independence criteria of directors, in particular the rule deeming that a director loses their independence from the moment the duration of their term of office exceeds 12 years. On this point, the Board considered that M6 Group is evolving within a sector whose business and investment cycle is very lengthy since (a) the duration of the broadcasting licence granted by the CSA to a free-to-air television channel is for an initial

	duration of 10 years, renewable by 5 year periods, (b) the duration of the contracts signed with broadcasting operators is generally 10 years with renewals linked to technological developments; (c) agreements to buy programmes (series, films, etc.) are binding for indefinite periods but governed by the lifetime of the products, and lastly (d) film distribution contracts have a term of between 15 and 20 years, as the case may be. Many strategic decisions require the Supervisory Board body to combine experiences of more than 12 years standing with more short term visions, in order to assess the relevance of investments, and thus the strategy implemented by the management. For this reason, the Board has considered it useful to retain amongst its members directors with enough experience to put into perspective the Group's major strategic policies. As a result, the Board considers that the exercise of terms of office over the long term helps to give the Board's work independence in terms of its judgment and genuine autonomy to ensure the Group's longevity is maintained. The vantage point afforded by experienced members of the Board in relation to the Group's long-term activities is conversely a gauge of both independence and quality control provided by the Supervisory Board on the decisions of the Executive Board.
Proportion of independent Audit Committee members: 2/3 of Audit Committee members must be independent *(§ 16.1 of the Code)*	At its meeting of 19 December 2013, the Supervisory Board, decided to appoint a new independent member, to bring the proportion of independent members from 50% to 60%, and thereby to more closely reflect the AFEP-MEDEF recommendation. The Company considers that the threshold of 60%, very close to that recommended, is sufficient for the proper functioning of the Audit Committee, in which the historical shareholder (whose rights are limited by the Law of 30 September 1986 and by the broadcasting licence issued by the *Conseil Supérieur de l'Audiovisuel* since 1 March 1987) seeks to benefit from the experience of Rémy Sautter and the expertise of Elmar Heggen, CFO of RTL Group.
Combined employment/corporate office contract: It is recommended that the contract is terminated by mutual agreement or resignation when an employee becomes an executive officer *(§22 of the Code)*	During its meeting of 4 March 2010, the Remuneration and Appointments Committee specifically authorised maintaining the employment contract of Nicolas de TAVERNOST substantiating the non-compliance with the AFEP-MEDEF Code through his length of service since the creation of the company in 1987, and through his personal contribution to the Group's development and reach as a major player in the French media industry.

I - ORGANISATION AND OPERATION OF THE SUPERVISORY BOARD

The management of conflicts of interest within the Supervisory Board is detailed in section 2.1 of this Reference Document.

1.1 Membership of the Supervisory Board

The Supervisory Board comprises 13 members, including 12 individuals and 1 legal entity, appointed pursuant to Company bylaws.

When the Supervisory Board was last renewed, members were appointed for terms of 2, 3 or 4 years in accordance with Article 20.2 of the bylaws, in order to introduce staggered terms of office and thus comply with the AFEP/MEDEF recommendation on this matter. At the end of each of these periods, the term of office of each member may be renewed for a further period of four years.

At 31 December 2013, the Board was made up of the following members:

- Albert Frère, Chairman,
- Gérard Worms, Vice-Chairman and Chairman of the Remuneration and Appointments Committee,
- Guy de Panafieu, Chairman of the Audit Committee,
- Elmar Heggen, member of the Audit Committee,
- Guillaume de Posch, member of the Remuneration and Appointments Committee,
- Gilles Samyn, member of the Remuneration and Appointments Committee and member of the Audit Committee,
- Rémy Sautter, member of the Audit Committee,
- Delphine Arnault,
- Société Immobilière Bayard d'Antin, represented by Catherine Lenoble.
- Mouna Sepehri, member of the Audit Committee, appointed by the Supervisory Board on 19 December 2013,
- Christopher Baldelli,
- Philippe Delusinne,
- Vincent de Dorlodot.

Eight of these members are French nationals and five are Europeans, including four Belgian nationals and one German.

The term of office of each member is specified in the registration document (2.1.1).

Pursuant to addendum n°3 to the Agreement between the Company and the Conseil Supérieur de l'Audiovisuel, to the bylaws and to the Internal Regulations of the Company, the Supervisory Board confirmed that at least one third of its members are independent since, after consideration of the individual position of each of its members with regards to the criteria of independence determined by the Board and listed hereafter, six of its members are considered to be independent.

According to the Supervisory Board's internal regulations, a member is considered to be independent if he/she satisfies the following criteria on the date upon which his/her status as an independent member is assessed during the course of the previous five (5) years, and:

- is not an employee, a director or directly linked to a director of a related Group company or a company which controls the Company in the sense of Article L233-3 of the Commercial Code;

- is not a director or directly linked to a director of a company over which a Group company directly or indirectly exercises a corporate term of office;

- is not one of the Group's customers, suppliers or service providers, nor an employee of one of the Group's customers, suppliers or service providers;

- is not a member of a Company director's immediate family;

- does not (i) represent a shareholder of the Company or its parent company, participating in the control of the Company, and (ii) the Board should question the independence of persons with a shareholding or Company voting rights in excess of a threshold of 10%, taking into consideration the composition of the Company's share capital and the potential conflict of interests.

The members of the Board currently deemed to be independent are:

- Albert Frère,
- Gérard Worms,
- Guy de Panafieu,
- Delphine Arnault,
- Mouna Sepehri,
- Gilles Samyn.

Summary table on the status of the independent members of the Supervisory Board in relation the independence criteria set out by the AFEP MEDEF Code

Independent members	Albert Frère	Gérard Worms	Guy de Panafieu	Gilles Samyn	Delphine Arnault	Mouna Sepehri	Explanation in the event of non-compliance
Not to be, or have been for the previous five years: o an employee or an executive officer of the Company or a Group company o executive officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office for less than five years) is a director	✓	✓	✓	✓	✓	✓	
Not to be a customer, supplier, investment banker or commercial banker that is material to the Company or its group, or for which the Company or its group accounts for a significant part of its business	✓	✓	✓	✓	✓	✓	
Not to be related by close family ties to a corporate officer	✓	✓	✓	✓	✓	✓	
Not to have been a Statutory Auditor of the Company within the previous five years	✓	✓	✓	✓	✓	✓	
Not to have been a member of the Supervisory Board for more than 12 years	×	×	✓	✓	✓	✓	See table above
Not to be a shareholder taking part in control of the Company or its parent company (holding threshold of 10% of the share capital or voting rights).	✓	✓	✓	✓	✓	✓	

The Board is required to verify, at least once a year, that the members or candidates for the position of member fulfil the independence criteria listed below.

It will be proposed that Guy de Panafieu's term of office as an independent member of the Board is renewed at the General Meeting scheduled for 5 May 2014. It will also be proposed that Gérard Worms is not replaced.

As a result, the Supervisory Board will be composed of 12 members, including 5 independent

members.

The list of positions held by each member is disclosed in the Group's 2013 Registration Document (section 2.1).

As regards male and female representation on the Board, we remind you that the Board comprises three female members, which makes the Company strictly compliant with the provisions relative to a "balanced male and female representation within boards of directors and supervisory boards and gender equality at work" introduced by the Law n°2011-103 of 27 January 2011 and the AFEP-MEDEF Code.

At the end of the Annual General Meeting of 5 May 2014, 25% of the Supervisory Board members will therefore be female.

1.2 Conditions of preparation of the work of the Supervisory Board

Prior to each of its meetings, the Executive Board provides members of the Supervisory Board with all necessary information and documents to prepare their meetings, in the form of a file covering all items of the agenda and presenting Group operations during the last quarter as well as the various projects submitted for approval by the Board.

Each member of the Supervisory Board is also provided with all the Company's corporate communications throughout the year.

Works Council representatives also benefited from the same information as Supervisory Board members.

1.3 Supervisory Board meetings

Notices of meetings are sent in writing by the Chairman to Board members and Works Council representatives on average ten days before the date of the meeting.

In 2013, the Supervisory Board met six times in compliance with the quarterly legal framework and the schedule of decisions submitted to it for approval.

The overall attendance rate of its members was 84.6% in 2013, and at least one Works Council representative attended each meeting. A detailed table of the attendance of each Board member is provided in paragraph 2.1 of the Registration Document. This paragraph also includes information concerning the regular attendance of members at the Committees.

Minutes are prepared at the end of every Board meeting. These are formally approved at the following Supervisory Board meeting.

Statutory Auditors were specifically requested to attend the two Supervisory Board meetings at which the annual and interim financial statements were reviewed.

At each meeting and at least once each quarter, the Executive Board presented a report to the Supervisory Board on the progress of the company's activities. Within a period of three months following the end of the financial year, the Executive Board submitted to the Supervisory Board, for the purpose of verification and control, the annual and consolidated financial statements, along with a written report on the company's position and its activity over the course of the financial year just ended.

1.4 Supervisory Board's internal regulations

At its first meeting on 20 May 2000, the Supervisory Board adopted its own internal regulations, supplemented on 30 April 2003, 6 May 2008 and 27 May 2012, which primarily specified and supplemented the Company's bylaws regarding its organisation and operation: in particular, arrangements for Board meetings, how the Board exercises its powers, as well as membership,

purpose and attributions of its Committees.
It includes best practices and provides the Board with the resources to operate more efficiently and better serve the Company and its shareholders. It reaffirms the Board's commitment to corporate governance rules and has been updated to include the latest recommendations from the AMF, the AFEP-MEDEF Code and the Poupart Lafarge report dated 22 July 2010, particularly in relation to:

- the equal representation of men and women;
- obligations related to holding confidential information and the prevention of insider dealings and misconduct;
- conflicts of interest and the acceptance of additional terms of office;
- the Supervisory Board's assessment;
- the assignments and operation of the Audit Committee.

It was formally readopted by the members of the Supervisory Board at its meeting of 27 July 2012.

Internal regulations specify the role and the modus operandi of the Board and its Committees in accordance with the Law, Métropole Télévision's bylaws and the corporate governance rules mentioned in the AFEP-MEDEF Code and the Poupart Lafarge report in the Audit Committee dated 22 July 2010.

The first Article sets out the status and obligations of Board members. Their principal obligations include:
- legal and statutory obligations pertaining to their status as members of the Supervisory Board;
- terms and conditions of attendance and expertise and independence criteria;
- equal representation of men and women;
- obligations relating to ownership of Company shares;
- obligations regarding confidentiality;
- other obligations of members of the Supervisory Board, particularly the obligation, valid for all Board members, of:
  - disclosing to the Board any situation of conflict of interest, even potential, between them and the Company or the Group, where these are not current agreements concluded at arm's length,
  - and must abstain from voting on the corresponding deliberations of the Board or in competitive situations, notably when accepting additional terms of office.

Internal Regulations also specify the operating rules and the terms and conditions of governing Board meetings:
- convening, frequency and conditions for holding the meetings;
- Board Secretary and drafting of minutes.

They set out the principles and conditions for the Board exercising its powers:
- committee operation, expertise and role;
- access to and circulation of information.

The Board's Internal Regulations also structure how the Committees operate, particularly in relation to the following:
- composition of the various Board committees (Audit Committee and Remuneration and Appointment Committee);
- the operating rules and the definition of the missions and responsibilities of the various Board Committees.

Internal regulations are available on the Company's website: (http://www.groupem6.fr/finances/conseil-de-surveillance.html.)

1.5 Matters discussed by the Supervisory Board in 2013

The key matters discussed by the Supervisory Board during the 2013 financial year mainly

concerned:

- interim and annual consolidated financial statements;
- the budget for the 2014 financial year;
- the results for the quarters ended 31 March and 30 September 2013;
- major investment projects, in particular in programmes;
- the renewal of the share buyback agreement for subsequent cancellation and the treasury management agreement with RTL Group;
- the disposal of Mistergooddeal;
- the allocation of free shares to certain employees and/or corporate officers;
- the renewal of the authorisation given to the Executive Board to grant deposits, guarantees and sureties;
- the appointment of a new member to the Audit Committee.

The Executive Board also informed or sought the opinion of the Supervisory Board even where its prior approval was not necessary

1.6 Self-assessment by the Supervisory Board

The Supervisory Board reviews its own modus operandi once a year at one of its meetings, using a questionnaire issued to each member to evaluate the Supervisory Board's operating rules, which each member completes anonymously. An evaluation analysis is then presented to the Board.

The following emerged from the review in 2014:

- the Board benefits from the independence and the resources necessary to carry out its mission,
- the information available to Board members is highly satisfactory, owing to the supporting documentation provided prior to each Board meeting, which allows members to familiarise themselves with matters being discussed, and the attendance of Board members at meetings;
- meetings are carried out efficiently and in a manner that promotes quality and fully transparent discussions;
- the specialised Committees regularly report on their work in a comprehensive and thorough manner;
- the key improvements highlighted relate to more frequent meetings with the Group's senior executives.

1.7 Remuneration and Appointments Committee

The Remuneration and Appointments Committee comprises three members appointed for the duration of their term of office as members of the Supervisory Board.

At 31 December 2013, the Committee was chaired by Gérard WORMS and was made up of the following members:

- Gérard WORMS, independent member,
- Gilles SAMYN, independent member,
- Guillaume de POSCH.

The Committee thus comprises a majority of independent members, in accordance with the criteria mentioned above in section 1.1.

As defined in the Internal Regulations, the Remuneration and Appointments Committee meets at least once a year and has the following responsibilities:
• to create proposals for the remuneration of members of the Supervisory Board and the Executive Board;
• to review the free share allocation plan or plans of which Executive Board members and employees are beneficiaries s;
• to consider every candidate for appointment or replacement of any member of the Executive and the Supervisory Board, ensuring that the criteria for an independent member of the

Supervisory Board are complied with.

For each of its meetings, the Remuneration and Appointments Committee is provided with a file prepared by the Company to give the clearest possible insight into the implications of its decisions.

The Committee met three times in 2013, on 6 February, 9 July and 16 December, and ruled on:

- the calculation of the Executive Board members' variable remuneration for 2012;
- the definition of objectives for the calculation of Executive Board members' variable remuneration for 2013;
- the achievement of performance conditions for releasing the free share allocation plan of 2011, with delivery on 26 July 2013 and 22 December 2013, and 2012, with delivery on 27 July 2014;
- the conditions for the annual allocation of free shares;
- the authorisation of the Supervisory Board's attendance fees scale.

The Committee reported on its work to the Supervisory Board, which took note of it and followed all of the Committee's recommendations.

The attendance rate of its members was 100% in 2013.

1.8 Audit Committee

As regards the Audit Committee, the Company refers to the report of the AMF workgroup chaired by Mr Poupart-Lafarge on the Audit Committee dated 22 July 2010.

▪ Membership

At 31 December 2013, the Audit Committee comprised five members selected for their expertise. Three of the members are independent in light of the criteria mentioned in section 1.1 above.

At 31 December 2013, the Committee was chaired by Guy de PANAFIEU and was made up of the following members:

- Guy de PANAFIEU, independent member,
- Gilles SAMYN, independent member
- Mouna SEPEHRI, independent member, appointed by the Supervisory Board on 19 December 2013,
- Rémy SAUTTER,
- Elmar HEGGEN.

The Chairman organises and structures the work of the Committee.

▪ Expertise

All members of the Audit Committee have the appropriate accounting and financial expertise, as evidenced by their past or current professional positions:

- Guy de PANAFIEU is deemed to have the relevant financial expertise due to his previous tenures as Chief Executive Officer and Director of several major international corporations and his current position as Senior Advisor to Crédit Agricole Corporate and Investment Bank and as a Director of SANEF SA and Médica SA.

- Gilles SAMYN was selected by the Board for his professional experience in the financial field, acquired in particular in his capacity as Deputy CEO of the Frère Group and Compagnie Nationale à Portefeuille.

- Rémy SAUTTER was selected by the Board for his financial expertise acquired throughout his career, in particular as former Chief Financial Officer of the Havas agency, as current Chairman

of the Supervisory Board of Ediradio (RTL) and as a current director of Solocal Group (formerly Pages Jaunes SA) and current Chairman of Technicolor SA.

- Elmar HEGGEN holds an MBA in finance and has held a variety of finance and strategy positions, which led to his current position as Chief Financial Officer and Head of Corporate Center of RTL Group.

- Mouna SEPEHRI was retained by the Board for her expertise, acquired within the Renault Group over the past 18 years, in major acquisitions and strategic partnerships, including the Renault-Nissan Alliance. Executive Vice-President, Office of the CEO, she oversees the corporate functions delegated to Senior Management, including the Legal Department, which also equips her with expertise in the field of internal control and risk management.

▪ Operation

Based on the Internal Regulations, completed with recommendations from the AMF (Final report on audit committees, dated 22 July 2010), the Audit Committee defined its Operating Charter in July 2011.

The Audit Committee meets at least twice a year and has the following responsibilities:

• matters relating to the monitoring of the process of preparing financial and accounting information:
- monitoring of system architecture used to prepare both historic and forecast accounting and financial information;
- review of accounting and financial information, in particular the accounting reflection of significant events or complex transactions which had an impact on the financial statements;
- monitoring of the press release preparation process on publication of the full-year and half-year financial statements and quarterly reporting;

• matters relating to the monitoring of internal control and risk management system efficiency:
- assess the Group's internal control systems with internal control officers;
- ensure internal control and risk management systems are efficient;
- monitor how the weaknesses and malfunctions are identified and corrective actions are taken into consideration;

• matters relating to the monitoring of the legal audit:
- ensure the legal audit of parent company and consolidated financial statements is carried out by the Statutory Auditors;
- review the Statutory Auditors' findings in order to get a better understanding of major areas of risk or uncertainty in the parent company and consolidated financial statements, their audit approach or the difficulties they may have encountered;
- evaluate the candidates put forward for appointment as Statutory Auditors, their remuneration and appropriateness in light of assignments;
- ensure the Alternate Statutory Auditors are effectively involved;

• matters relating to the monitoring of the Statutory Auditors' independence:
- monitoring of compliance by the Statutory Auditors with provisions relative to inconsistencies in their duties, as provided by their professional rules.

In order to fulfil its mission, the Audit Committee is provided with all the documents it deems useful and consults with all persons it deems necessary or useful to carry out its review, particularly with the Statutory Auditors (including at least one meeting without the Executive Board and Finance Department in attendance), the CFO and his principal assistants. A detailed file is prepared by the Company's financial staff for each Audit Committee meeting.
It may also be assisted by external consultants, at the Company's expense.

On this basis, the Audit Committee makes recommendations to the Executive Board regarding financial reporting, as well as financial, accounting or taxation issues that the company may have to face.

The Audit Committee presents the conclusions of its deliberations to the Supervisory Board at the meetings to discuss the half-yearly and annual financial statements. The Committee has sufficient time to review the financial statements.

Audit Committee meetings relative to the review of full-year and half-year financial statements are always held between the approval of the financial statements by the Executive Board and the subsequent meeting of the Supervisory Board.

The Committee met four times in 2013. Its work included:
• the review of the parent company and consolidated financial statements;
• the review of the interim consolidated financial statements at 30 June and quarterly consolidated financial statements at 31 March and 30 September;
• the 2014 budget;
• the review of the financial parts of the Registration Document;
• the treasury position and the working capital requirements of the Group;
• a follow-up of the year's internal control assignments;
• the review of the risk-mapping;
The review of the Group's insurance policies;
• 2013 assignments and fees of the Statutory Auditors and the 2013-2014 audit plan;
• the follow-up of financial reporting.

The Audit Committee also has, since October 2013, been heavily involved in the process regarding the reappointment of the Statutory Auditors, whose term of office expires at the end of the General Meeting which takes place on 5 May 2014.

The Committee reported on its work to the Supervisory Board, which was duly noted. Minutes of every meeting are prepared and approved at the following meeting.

The attendance rate of its members was 87.5% in 2013.

The Audit Committee carries out an assessment of its own operation on an annual basis by filling out the Supervisory Board's assessment questionnaire provided to all Board members, a section of which is reserved for the Audit Committee.

The 2014 assessment highlighted that:

- the Committee is able to carry out due diligence on the scope of responsibility assigned to it;
- the necessary information provided to the Committee is sufficient;
- free access to the Chief Financial Officer, the Statutory Auditors and Internal Audit facilitates the performance of its duties;
- the necessary time is devoted to performing the various duties entrusted to the Committee.

II - PRINCIPLES AND RULES GOVERNING CORPORATE OFFICERS' REMUNERATION

The principles and rules for determining the remuneration of the corporate officers are set out in section 2.3 of this Reference Document.

III- PARTICIPATION OF SHAREHOLDERS IN GENERAL MEETINGS

The terms and conditions of participation of shareholders in General Meetings is described in Article 29 of the bylaws.

IV- FACTORS LIKELY TO HAVE AN EFFECT IN THE EVENT OF A PUBLIC OFFER

These are disclosed in the Management Report (section 3.5).

V- INTERNAL CONTROL PROCEDURES AND RISK MANAGEMENT

The present section has been prepared by the Audit and Risk Management Department and checked by the Chief Financial Officer. It was prepared on the basis of the principal conclusions arising from the work carried out in 2013 on internal control and risk management. The results of this work were considered in 2013, specifically at the time of Audit Committee meetings that were held throughout the year.

5.1 General organisation of internal control

5.1.1 Definition of internal control

In order to mitigate the risks the Group faces, M6's Executive Management set up an internal control system closely associated with operational management and which acts as a decision-making tool for Management.

This internal control is based on the benchmark of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the recommendations on corporate governance and internal control prepared by the AMF, which take into consideration legal and regulatory obligations as well as good professional practices.

The Métropole Télévision Group (Métropole Télévision SA and its subsidiaries) defines internal control as a process that consists of setting up and continuously revising appropriate management systems, with the aim of providing managers and senior executives with reasonable assurances that financial information is reliable, that legal and internal regulations are complied with and that the principal processes of the business function effectively and in an efficient manner. In addition, one of the objectives of an internal control system is to prevent and manage the risk of error or fraud.

As with all control systems, it cannot provide an absolute guarantee that these risks are fully eliminated or controlled. The mechanism implemented aims to reduce the probability of their occurrence by the implementation of appropriate action and prevention plans.

5.1.2 Risk mapping

Every year, the Group prepares and updates a summary of all the operational and functional risks incurred by its various operating and functional staff. This summary determines events that may have an adverse effect on the achievement of the Group's objectives and provides for the implementation of action plans and detailed follow-up.

This work is carried out with the support of members of the Executive Committee of the Group and the senior operating and functional executives.

This risk mapping is presented bi-annually to the Audit Committee.

The main risks facing the Group are discussed in the current Management Report, in chapter 4 relating to risk factors and how they are managed.

5.1.3 Allocation of operating and functional executives' responsibilities

Responsibility for the control of risks is entrusted to the member of the Executive Board in charge of management operations, with the assistance of the Audit and Risk Manager who coordinates the control assignments in line with the action plan approved by the Executive Board. The Risk Manager ensures continuous monitoring of the internal control mechanism and, where appropriate, calls on external assistance.

The Métropole Télévision Group internal control system is based on all the policies and procedures defined by every functional department and by all operating units on the basis of the different risks identified:

- the internal control procedures in the area of group-wide activities are defined by functional management. They concern mainly Financial Management, Human Resources, Communications, Strategy and Development, the Legal Department and the Technical Department.

- the internal control procedures specific to operating management are defined at their respective level. Thus:

- programme management monitors the costs and risks of content;
- the advertising section seeks quality in the channels' partners and standardisation of marketing depending on the programmes;
- the management of the diversification subsidiaries (other than television) ensures the quality of their contractual partners and monitors the development of trademarks created by Group channels.

5.2 Description of internal control procedures

The commissioning of an expense management tool integrated into the financial reporting system (Oracle iProcurement) during the 2012 and 2013 financial years strengthened the overall organisation of internal control on purchasing. Besides the operational contribution of this new tool, which is recognised as the benchmark in its market (numerous automated checks, strict rules for the segregation of tasks and security), the responsibilities assigned to the various internal control players and the main internal control procedures have been both updated and strengthened.
The Company took this opportunity to set up a team dedicated to purchase management. Reporting to the Group' Finance Department, this team is in charge of the management of new software, such as central order processing and monitoring.

5.2.1 General organisation of internal control procedures

In order to attain its operational and financial goals, the Group has implemented organisational and internal controls as part of the general organisation described above.

a. Corporate governance: forms and procedures

Since 2000, Métropole Télévision has been a limited liability company with an Executive Board and Supervisory Board. This legal form facilitates the separation between company management, which is the responsibility of the Executive Board, and the supervision of that management, performed by the Supervisory Board. It therefore satisfies the regulatory constraints imposed by the agreement with the Conseil Supérieur de l'Audiovisuel (CSA), which governs the operation and broadcasting rules of the network.

The rules of corporate governance in the Métropole Télévision Group are set down in the bylaws (Articles 14-19 for the Executive Board and Articles 20-24 for the Supervisory Board) in the 2013 annual report and in the first part of this report.

b. Operational control participants

Internal control is monitored at all levels within the Group. The Executive Board has delegated internal control powers to the following collegial organisations or functional departments:

• The Executive Committee ensures the effective implementation of the Group's internal control policy, by monitoring and following up on the internal control work carried out across the Group.
It meets twice a month. It has seventeen members, including the Executive Board, and includes the main functional and operational departments of the Group: the Programming Department, managers of the diversification, audiovisual rights, distance selling and Internet divisions, as well as the Development, Finance, Strategy, Human resources, Legal, Corporate Secretary and Technical departments.

• The Management Committee is responsible for informing the Group on major decisions and communicating the internal control policy to the various entities.
It meets twice a month and comprises members of the Executive Committee as well as representatives of the main operations or departments: programming, M6 programmes, studies and digital channels.

• The Finance Committee is established in subsidiaries in which the Group does not have a majority interest (TF6 and Série Club). It ensures the Group is informed of major decisions and directions.

• The Group's Finance Department
- co-ordinates and steers the weekly and monthly reporting of majority-held subsidiaries, thereby guaranteeing regular financial updates to the Group;
- co-ordinates certain financial operations that are of importance to the Group;
- in consultation with the subsidiaries, manages the Group's cash flow and exchange risks by setting up financial indicators and hedge instruments as it considers appropriate;
- monitors the handling of direct and indirect taxation as part of tax planning;
- in collaboration with the subsidiaries, maintains a network of management controllers suited to the needs of the Group's individual business units;
- strengthens the security of accounting information and the way it is passed up through the Group for consolidation purposes.

• The Audit and Risk Management Department:
- centralises and coordinates all aspects of risk management (risk identification), internal control (definition of internal control procedures) and internal audit (implementation of an annual internal audit plan);
- reports its findings to the operational departments, the Executive Board and the Audit Committee.

• The Group Legal Department
- issues legal opinions for all Group subsidiaries;
- liaises with the subsidiaries and other functional departments to prepare and negotiate contracts;
- maintains a network of lawyers to monitor and manage the Group's legal risks.

• The Corporate Secretary ensures compliance with laws and provisions specific to the Group's operating activities and follows legal and regulatory developments that may have an impact on the various entities.

c. Company Internal References

In order to enable each of its employees to take part in reinforcing internal control within operations, the Company implemented the following:

- an Ethics Charter which has been communicated to, and which must be observed by all employees of the Métropole Télévision Group. This Charter details the Company's ethical values and defines the professional principles which Directors and employees must respect in their own conduct and guides their choices in actions they undertake;
- descriptive manuals specifying the operational and administrative processes applying to all its operations of whatever nature;

- an expense control procedure backed by a system for the delegation of signatory powers. These delegations of powers are updated and formalised on a regular basis as the roles and responsibilities of delegating individuals change. At the time of each modification to delegations of power, segregation of duties between the validation of an operating expense, its accounting and its payment is strictly assured. The implementation of a new expense management monitoring tool, started in 2012 and continued in 2013, reinforced this process;
- procedure for artistic validation of programming content, ensuring it respects editorial and ethical values and current legislation. This procedure is enacted by preparing recommendations for the attention of Programme Management.
- a compliance programme regarding the competition rules introduced in 2013 and comprised of a Corporate Behaviour Code and practical training on the principles included in the Code.

The key Group documents are available on the Group's intranet. Functional managers are responsible for their circulation.

d. Rules governing the preparation of financial and accounting information

The internal control procedures relating to the preparation and processing of financial and accounting information are primarily implemented by the Accounting, Consolidation, Reporting and Management Control divisions of the Group's Finance Department.

Most of these processes are also deployed within the subsidiaries to ensure best-fit with the current modus operandi of the Group.

5.2.2 Principal internal control procedures established by the Company

The Métropole Télévision Group has a system of centralised control procedures with a high rate of hierarchical control based on a priori control of decisions and strict monitoring of individual objectives.

The Group's operational controls involve monitoring expenses, programming, content, quantity and compliance with regulations (CSA, CNC, etc.).
The main procedures applied within the Group include:

- an integrated management system, tailored to the audiovisual sector, which allows the simultaneous management of programme purchases and their broadcast, as well as the sale of advertising space;

- a financial reporting system and procedures. An expense management tool was added to it in 2012;

- a centralisation of cash management transactions.

The Group's internal controls for the preparation and processing of financial information comprise a number of procedures:

a. Accounting procedures

The Accounts Department records all movements and gathers all accounting documentation throughout the accounting period using financial reporting systems controlled by system administrators which ensure such systems are correctly used and monitor updates in close collaboration with the publishers.

Document validation paths prioritise the Accounts Department and internal procedures, such as dual control, exist to ensure a posteriori control of the consistency in accounting entries. Detailed reviews are conducted at each balance sheet date to check the work carried out.

Lastly, specific procedures relative to monitoring customer risk are applied in every accounting department: they relate to all stages of the commercial relationship, from contact with the customer (completion of solvency check) to collection of the receivables (different terms of payment, application of late penalties and procedures for recovery of unpaid invoices).

b. Consolidation procedures

The Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union since 1 January 2005.

The Consolidation Department ensures that accounting standards are consistently applied throughout the Group and are in line with IFRS developments. It also gathers and monitors non-accounting data included in financial communications.

The Group publishes quarterly reports on the consolidated revenue and financial position, and half-yearly reports on the results. It also issues financial documentation annually, as required for a company listed on a regulated market.

c. Reporting procedures and budgetary control

The Reporting Department is part of the Financial Control Department. It gathers and analyses data on a weekly or monthly basis depending on the activity in question.

The first step in this process is the preparation of a three-year strategic plan, approved by the Executive Board. The second step consists of establishing an annual budget analysed by month.
Although the budgetary process is decentralised to the level of each entity, its organisation and coordination is carried out by the central management control. In addition, every entity or subsidiary presents its budget to the Executive Board and to the Finance Department. This budget is subject to a quarterly update to provide optimum management of Group forecasts.

Reporting is then reviewed monthly with operational staff who are in a position to monitor and explain progress towards their budget objectives.

To complete this monthly reporting, all operational entities are included on the weekly management report (revenue, programming costs, gross profit) or daily report (revenue statistics).

d. Monitoring off-balance sheet commitments

The Group has an integrated tool to manage the rights portfolios and programming of the M6 TV Network and Digital Channels, which comprise most of the Group's off-balance sheet commitments.
The other off-balance sheet commitments are summarised by the Finance Department in close collaboration with the Legal Department in a half-year report.

At the balance sheet date, the Finance Department obtains the information required to report consolidated off-balance sheet commitments from all Group departments.

e. Monitoring non-current assets

The Group's non-current assets are monitored using asset management software and a special application to manage audiovisual rights. At each balance sheet date the information generated by this software is reconciled with the accounting records.

Regular physical inventories and asset reviews ensure that the operating assets exist and have been accurately valued.

5.3 Conclusions and outlook

During 2013, the M6 Group focused on the continuous improvement of internal control processes by strengthening tools and procedures.
Furthermore, in 2013 the Audit and Risk Management Department carried out a campaign to assess the internal control procedures overseeing the main risks associated with the preparation of the Group's financial statements.

Internal audit assignments carried out in 2013 primarily on the audit of financial transactions of the accounting and purchasing cycles and the update of the commitment monitoring module. These assignments did not bring to light any major shortcoming or inadequacy in the internal control process. Where applicable, the recommendations issued were subject to an action plan by operational structures and were followed up by the Audit and Risk Management Department.

Work has been carried out to update risk-mapping and action plans have been defined to cover the main issues associated with internal control.

The Audit Committee has received regular updates on all this work.

In 2014, M6 intends to continue this process with the audit of financial transactions of the Payroll cycle, whilst continuing to increase the operational entities' accountability and raising their awareness of internal control issues.

Neuilly sur Seine, 25 March 2014

Chairman of the Supervisory Board

2.7. Statutory Auditors' report on the report by the Chairman of the Supervisory Board

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
Tour First, 1, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex

Share capital: €50,386,179.60

Financial year ended 31 December 2013

Statutory Auditors' report, prepared in application of Article L. 225-235 of the Commercial Code on the report by the Chairman of the Supervisory Board of Métropole Télévision S.A.

To the Shareholders,

As Statutory Auditors to the Métropole Télévision company and in application of the provisions of Article L.225-235 of the Commercial Code, we hereby present you our report on the report prepared by the Chairman of the Supervisory Board in accordance with the provisions of Article L.225-68 of the Commercial Code for the financial year ended 31 December 2013.

It is the Chairman's responsibility to prepare a report, to be submitted for the Supervisory Board's approval, on the internal control and risk management procedures implemented within the Company and providing any other information required by Article L. 225-68 of the Commercial Code, relative notably to the area of corporate governance.

It is our duty to:

- communicate any observations we may have on the information contained in the report of the Chairman concerning internal control procedures regarding the preparation and processing of accounting and financial information, and

- certify that this report includes the other information required by Article L. 225-68 of the Commercial Code, noting that we are not required to verify the accuracy of this other information.

We have performed our work in accordance with acceptable professional standards in France.

Information on the internal control procedures in respect of the preparation and processing of accounting and financial information.

Professional standards require the performance of due diligence procedures to assess the fairness of information presented in the Chairman's report regarding internal control and risk management procedures for the preparation and processing of accounting and financial information. Specifically, these procedures consist of:

- becoming familiar with internal control and risk management procedures regarding the preparation and processing of accounting and financial information supporting the information provided in the Chairman's report, as well as existing documentation;

- becoming familiar with the work done to prepare this information and the existing documentation;

- establishing if major deficiencies of internal control regarding the preparation and processing of accounting and financial information that we may have identified as part of our assignment were properly supported by information provided in the Chairman's report.

On the basis of our work, we have no observations to formulate on the description of internal control and risk management procedures regarding the preparation and processing of accounting and financial information contained in the report of the Chairman of the Supervisory Board, prepared in application of the provisions of Article L. 225-68 of the Commercial Code.

Other information

We certify that the report of the Chairman of the Supervisory Board includes the other information required by Article L. 225-68 of the Commercial Code.

Neuilly-sur-Seine and Paris La Défense, 9 April 2014

The Statutory Auditors

PricewaterhouseCoopers Audit
Marc Ghiliotti
Partner

Ernst & Young et Autres
Bruno Perrin
Partner

3. SHARE CAPITAL

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3.1. Share listing

The Métropole Télévision share is listed under Eurolist Compartment A (companies whose average market capitalisation exceeds €1 billion. The Métropole Télévision share is a component of the CAC MID 60, SBF 120, CAC Mid & Small, CAC All-Tradable, CAC All-Share, CAC Media and CAC Consumer Serv indices.

The ISIN code of the company is 0000053225 and its ticker MMT.

The share price opened 2013 at €11.85 on 2 January and closed the year at €16.65 on 31 December, reaching its lowest closing trading price of €11.40 on 24 June and its highest trading price of €18.035 on 21 October. The Company's share price increased by 40.92% over the year (movement based on the last prices quoted in 2012 and 2013).

M6 shares have thereby posted better growth than the CAC 40 index and their benchmark index, Stoxx Europe 600 Media, which grew 17.99% and 33.70% respectively.

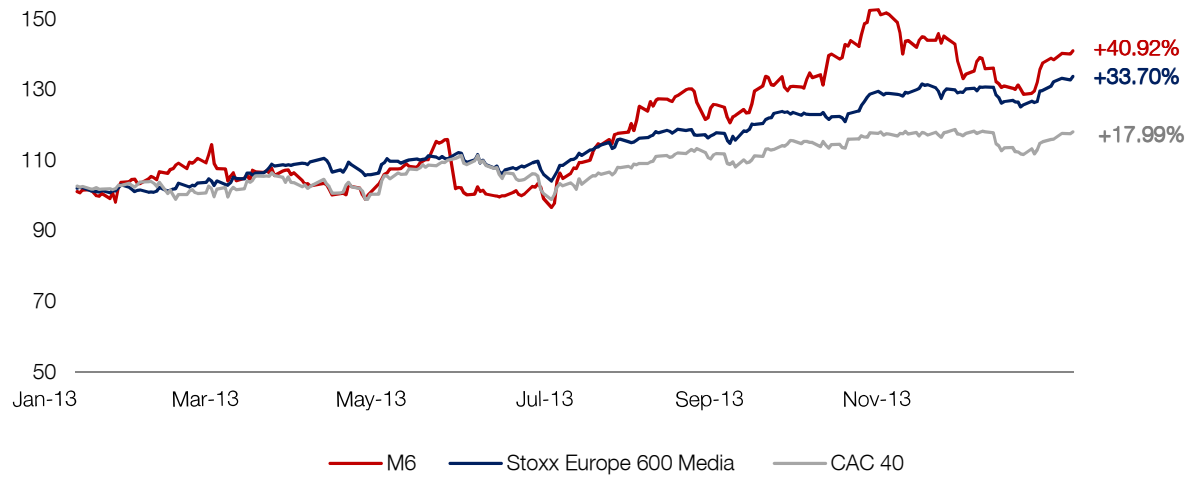
The performance of the Métropole Télévision share over the course of 2013 illustrated the positive trend that benefited the media sector. European media sector securities (the sample used includes: Pro7Sat1, Vivendi, Mediaset Spa, Mediaset España, Lagardère, TF1, Antena 3, ITV, M6, NRJ Group, Nextradio TV, SkyDeutschland) all recorded a significant increase in 2013, registering variations in share prices that ranged from gains of 7% to 208%. Antena 3 and Mediaset recorded the strongest growth (with respective price increases of 208% and 121% over the year), whilst, NextRadioTV excepted, French securities posted lower increases than comparable European companies (7% for Lagardère, 13% for Vivendi, 21% for NRJ Group, 58% for TF1).

It should be noted that the share price of nearly all European broadcasters experienced more accelerated growth in the second half of the year, and reached their high point during the third quarter.

At 31 December 2013, the Company's market capitalisation was €2,097.325 million.

The average number of shares traded daily in 2013 was 170,699 compared to 205,592 in 2012.

Comparative trends of M6 share, CAC and DJ EuroStoxx Media between 1 January and 31 December 2013:



,

Stock market performance since 2009 *

	2009	2010	2011	2012	2013
Number of shares	128,954,690	128,957,939	126,383,964	125,883,964	125,965,449
High price (€)	18.72	20.22	18.90	14.05	18.035
Low price (€)	9.62	15.46	9.38	9.57	11.40
Closing price (€)	17.97	18.10	11.53	11.82	16.65

***Data based on closing price*

Sources: Bloomberg & Euronext

3.2. Information policy and documents available to the general public

In order to establish and maintain frequent communication with shareholders and the overall financial community, a large number of meetings, in addition to the Annual General Meeting of 13 May 2013 were organised in 2013, including:

- a meeting to present the annual results;
- a conference call on the occasion of the publication of the half-year results.

In addition, the Group organised frequent meetings with the financial community in France and abroad during road shows and investor conferences. Lastly, numerous individual meetings with analysts, investors and managers took place in 2013.

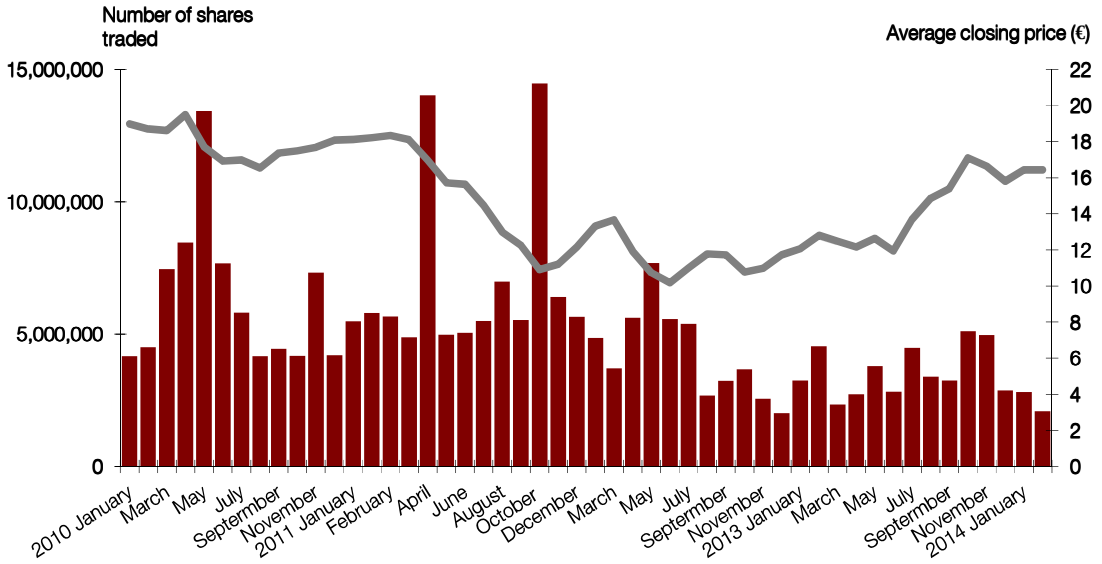
The website dedicated to investors and shareholders of the Group is regularly updated in French and in English with our registration documents, latest publications, presentations, press releases, bylaws and significant audience ratings and is accessible on www.groupem6.fr.

In compliance with the Directive 2004/109/EC of the European Parliament and Council of 15 December 2004 (Transparency Directive), the website also features a section dedicated to regulatory information, which comprises all required information. M6 Group calls on a professional publisher to ensure its effective and comprehensive publication. A notice of General Meeting is sent to all holders of registered shares on request.

The Group is also committed to developing balanced and transparent relationships with its shareholders. Measures taken to achieve this are described in section 7.3.4.3 of this document.

3.3. M6 share price and trading volume

Share price and trading volume since January 2010:



Date	Number of shares traded	Average closing price (€)	Monthly high (€)	Monthly low(€)	Trading value (€ millions)
2010 January	4,167,713	18.97	19.70	17.86	79.12
February	4,503,983	18.71	19.94	17.90	84.29
March	7,448,759	18.62	19.35	18.05	138.69
April	8,461,636	19.50	20.16	18.91	165.50
May	13,425,044	17.69	20.22	15.30	244.30
June	7,667,933	16.92	17.87	15.69	129.54
July	5,814,137	16.99	18.00	16.03	99.06
August	4,167,713	16.53	17.88	15.47	69.54
Septermber	4,446,573	17.37	18.12	16.28	77.28
October	4,177,425	17.48	17.83	16.85	72.92
November	7,312,731	17.68	19.00	16.71	129.38
December	4,205,786	18.08	18.68	16.76	75.82
2011 January	5,496,304	18.11	19.02	17.63	99.71
February	5,795,070	18.22	18.70	17.52	105.52
March	5,657,883	18.32	18.96	17.27	103.47
April	4,876,211	18.10	18.77	17.40	88.36
May	14,027,313	16.98	18.25	16.03	244.69
June	4,976,308	15.72	16.48	15.25	78.20
July	5,044,161	15.64	16.40	14.76	78.79
August	5,504,910	14.47	16.53	13.27	79.52
Septermber	6,985,943	12.98	14.92	11.13	89.73
October	5,535,809	12.26	13.06	11.32	67.72
November	14,462,706	10.91	12.30	9.38	155.33
December	6,412,431	11.21	11.85	10.66	71.86
2012 January	5,647,530	12.15	13.07	11.35	68.43
February	4,857,154	13.33	13.68	12.81	64.42
March	3,714,261	13.68	14.05	13.09	51.03
April	5,610,559	11.92	13.30	11.00	67.04
May	7,681,203	10.74	12.24	9.63	81.13
June	5,568,294	10.18	10.56	9.57	56.50
July	5,389,476	11.01	11.67	10.54	59.01
August	2,678,760	11.78	12.05	11.18	31.42
Septermber	3,233,882	11.72	12.45	10.62	37.42
October	3,670,916	10.77	11.27	10.51	39.56
November	2,561,577	10.97	11.38	10.62	28.06
December	2,018,061	11.73	11.95	11.34	23.58
2013 January	3,245,676	12.07	12.44	11.59	39.24
February	4,542,038	12.80	13.51	12.30	58.29
March	2,345,044	12.48	12.72	12.13	29.19
April	2,734,351	12.15	12.71	11.68	33.10
May	3,790,939	12.64	13.68	11.83	48.34
June	2,822,537	11.93	12.56	11.40	33.71
July	4,479,438	13.69	14.96	12.55	61.85
August	3,388,426	14.87	15.39	14.24	50.40
Septermber	3,242,958	15.41	15.92	14.57	50.11
October	5,101,017	17.09	18.04	15.51	86.71
November	4,969,274	16.63	17.23	15.73	82.20
December	2,866,438	15.80	16.65	15.20	44.80
2014 January	2,810,982	16.44	17.01	15.17	54.05
February	2,087,544	16.44	17.05	15.75	46.06

Source: Euronext

3.4. Dividend policy

Cash dividends paid over the last 5 financial years were as follows:

	2012	2011	2010	2009	2008
Ordinary dividend	€0.85	€1.00	€1.00	€0.85	€0.85
Extraordinary dividend	€1.00	- €	- €	€1.50	- €
Net dividend per share	**€1.85**	**€1.00**	**€1.00**	**€2.35**	**€0.85**
Yield *	15.7%	8.7%	5.5%	13.1%	6.1%
Pay-out ratio **	166.1%	84.5%	82.1%	217.9%	79.2%

** Calculated based on the closing price of the year and the total dividend per share*
*** Calculated based on the Group's share of net profit from continuing activities and the total dividend per share*

In light of its financial and cash flow generation position and net profit, M6 Group proposed to the Annual General Meeting of 13 May 2013 the payment of an ordinary dividend of €0.85 per share for the 2012 financial year, corresponding to a pay-out ratio of 76.3% of the Group's share of consolidated net profit, supplemented by an extraordinary dividend of €1.00 per share, making a total dividend of €1.85 per share. The yield, calculated based on the 2012 closing price, was 15.7% (7.2% excluding the extraordinary dividend).

It will be proposed to the Annual General Meeting of 5 May 2014 to approve the payment of a dividend of €0.85 per share for the 2013 financial year, corresponding to a pay-out ratio of 95.6% of the Group's share of consolidated net profit and a yield of 5.1% (calculated based on the 2013 closing price).

The Amending Law n° 2011-894 of 28 July 2011 on the financing of social security, published in the Journal Officiel on 29 July 2011, requires certain employers to pay a bonus to their employees when dividends paid to shareholders or partners increase. This obligation covers commercial companies with a workforce of 50 or more and whose dividends have increased compared to the average of the previous two financial years.
The M6 Group is not concerned by this mechanism in 2013 as the average of dividends paid over the last two years was €1.43 for a total proposed dividend of €0.85 for the 2013 financial year.

3.5. Main shareholders at 31 December 2013

	At 31 December 2013				At 31 December 2012				At 31 December 2011			
	Number of shares *	% share capital **	Number of voting rights	% voting rights	Number of shares	% share capital	Number of voting rights	% voting rights	Number of shares	% share capital	Number of voting rights	% voting rights
RTL Group	61,007,371	48.43%	42,636,678	34.00%	61,007,471	48.46%	42,578,509	34.00%	61,487,471	48.65%	42,578,509	34.00%
Groupe Compagnie Nationale à Portefeuille	9,154,477	7.27%	9,154,477	7.31%	9,154,477	7.27%	9,154,477	7.31%	9,154,477	7.24%	9,154,477	7.31%
Treasury shares	563,455	0.45%	-	0.00%	653,054	0.52%	-	0.00%	147,237	0.12%	-	0.00%
FCPE Salariés M6	175,170	0.14%	175,170	0.14%	160,900	0.13%	160,900	0.13%	142,700	0.11%	142,700	0.11%
Free float	55,064,976	43.71%	55,064,976	43.97%	54,908,062	43.62%	54,908,062	43.85%	55,452,079	43.88%	55,452,079	44.28%
In France	*17,106,570*	*13.58%*	*17,106,570*	*13.66%*	*23,499,370*	*18.67%*	*23,499,370*	*18.76%*	*25,575,880*	*20.24%*	*25,575,880*	*20.42%*
in other countries	*37,958,406*	*30.13%*	*37,958,406*	*30.31%*	*31,408,692*	*24.95%*	*31,408,692*	*25.08%*	*29,876,199*	*23.64%*	*29,876,199*	*23.86%*
Total	**125,965,449**	**100.0%**	**107,031,301**	**85.42%**	**125,883,964**	**100.0%**	**106,801,948**	**85.28%**	**126,383,964**	**100.0%**	**107,327,765**	**85.70%**

** The theoretical number of voting rights based on which threshold crossings are calculated, is the same as the number of shares*
*** Number of voting rights at General Meetings*

At the end of 2013, some 15,439 shareholders held shares in the Company, according to a Euroclear bearer share survey and the register of shares held in nominative form.
At that date, 470,614 of these shares were held by members of the Executive Board (0.37% of the company's share capital), with a further 116,757 shares held by members of the Supervisory Board in a personal capacity.

No legal threshold crossing (5%) was brought to the attention of the Company in 2013.

At 31 December 2013, after taking account of declarations of upward and downward legal threshold crossing (1% of the Company's share capital) disclosed to the Company during 2013 and preceding years:

- no institutional shareholder held 2% or more of the Company's share capital;
- four institutional shareholders held between 1% and 2% of the Company's share capital.

The Company was not aware of any investor from the "free float" category, whether institutional or from the general public, that directly or indirectly owned more than 5% of the Company's share capital or voting rights acting individually or in concert with other investors. There are no shareholder agreements currently in existence.

RTL Group, the Group's key shareholder, was 75.1% owned by the German group Bertelsmann at 31 December 2013.

By virtue of its corporate purpose and status as an operator of a digital and analogue television broadcasting licence, the Company is governed by a specific legal and regulatory regime, which applies in addition to the ordinary provisions, as specified in section 1.6.2 of this document. The regime particularly specifies that:

- this legal framework applies in particular to provisions in terms of shareholders and shareholdings (Article 39 of Law no. 86-1067 of 30 September 1986 as amended).

- the Conseil Supérieur de l'Audiovisuel (CSA) ensures that conditions and data that motivated the granting of the broadcasting licence are complied with. The breakdown of the share capital and governing bodies of licence holders is such data pursuant to Article 42-3 of the Law of 30 September 1986 in whose light the licence was granted. Article 42-3 of the Law of 30 September 1986 does not block any change in the capital of a business as considered by the Conseil d'Etat. Where changes that occur do not call into question the initial decision of the CSA, they are permitted without the channel having to give up its licence. This licence states that the company must inform the CSA of any substantial change in the amount or distribution of the share capital and voting rights as well as the crossing of thresholds, and that no change liable to result in a change of controlling shareholder may occur without the prior consent of the CSA.

- in application of the bylaws revised by the General Meeting of 18 March 2004 (Article 35), following the withdrawal of Suez and the amendment to the CSA agreement signed on 2 February 2004, no other shareholder or group of shareholders acting jointly can own more than 34% of voting rights. Therefore, RTL Group voting rights are limited to 34%. Subject to this provision, voting rights attached to shares are proportional to the percentage share of capital they represent and each share gives the right to one vote. There are no double voting rights.

Measures undertaken in order to prevent unwarranted control are detailed in the report on internal control (section 2.6 of this document). Contributing to preventing any excessive control and thus preserving a balance between shareholders, the cap on the number of voting rights and the organisation of corporate governance is repeated in the bylaws, pursuant to Article 2 of the agreement concluded with the CSA, which states that:

- Within the framework of the provisions of Article 28 and paragraph 1 of Article 39 of the Law of 30 September 1986, no shareholders or group of shareholders acting in concert may hold more than 34% of the total number of voting rights. No bylaw provision may call into question this cap, either directly or indirectly. This is a provision of the authorisation granted pursuant to Article 42-3 of the Law of 30 September 1986, as amended.

- At least one third of Supervisory Board members must be independent. A member of the Supervisory Board is deemed independent when he/she has no relationship of any kind with the Company, its Group or its management likely to compromise the exercise of his/her free judgement.

3.6. Buyback by the Company of its own shares

3.6.1. Report on the 2013 share buyback plan

During the year just ended, the company successively used the two authorisations to purchase treasury shares that were granted to it by the General Meetings of 3 May 2011 and 3 May 2012.

These authorisations were used:
- as part of a liquidity contract complying with the AMAFI ethics charter of 20 September 2008, approved by the AMF on 1 October 2008, with implementation by the investment service provider Natixis from 2 January 2013;
- to serve free share allocation plans.

At the date of implementation of the new liquidity contract with Natixis, 128,548 Métropole Télévision shares and €1,231,657.91 were allocated to the contract.

Movement in treasury shares held during the 2013 financial year and number of treasury shares held at 31 December 2013:

Number of treasury shares held at 31 December 2012	Movement in liquidity contract (2)	Shares bought back with a view to cancel (3)	Shares cancelled (3)	Shares bought back to allocate free shares (4)	Movement in respect of free shares allocated (5)	Number of treasury shares held at 31 December 2013 (1)
653,054	-85,742	-	-	330,000	-333,857	563,455

(1) At the 2013 year-end, the Company held 563,455 treasury shares, primarily through the liquidity contract and also to fulfil commitments given within the framework of free share allocation plans. (See paragraph 3.7).

(2) **In respect of the liquidity contract** during 2013:
- the number of shares purchased was 1,855,074 at an average price of €14.03;
- and the number of shares sold was 1,940,816 at an average price of €13.97;

and thus a balance of 42,806 shares and €2,308,413 in cash was held under the liquidity contract at 31 December 2013.
Note that at 31 December 2012, the number of shares effectively held under the liquidity contract was 128,548 and the cash balance was €1,231,658.
The decrease in the number of treasury shares held in respect of the liquidity contract was therefore 85,742 in 2013.

(3) **In respect of the share buyback for cancellation programme,** no Métropole Télévision shares were cancelled in 2013.

(4) **In respect of the free share allocation plan**, 330,000 actions were bought back via CA-CIB on 26 July 2013.

(5) Lastly, 333,857 shares were transferred to the beneficiaries of the free share allocation plan:
- 314,265 shares were transferred to the beneficiaries of the free share allocation plan in July 2013;
- 19,592 were transferred in December 2013.

Book value and market value of treasury shares held at 31 December 2013:

Number of treasury shares held at 31 December 2013	Net book value of treasury shares at 31 December 2013 (€)	Market value of treasury shares at 31 December 2013 (€)	Number of shares comprising the share capital at 31 December 2013	% share capital
563,455	6,915,535	9,381,526	125,965,449	0.45%

3.6.2. Report on the previous share buyback plan

The Combined General Meeting of 13 May 2013 decided in its 5th resolution to authorise the Company to implement a share buyback plan. A description of this share buyback plan is included in the Registration Document filed with the AMF under n° D.13-0364 on 16 April 2013.

This share buyback plan, authorised for a period of eighteen months, enables the Executive Board to purchase up to a maximum of 5% of the Company's share capital, in order to fulfil the following objectives:

- to stimulate the Métropole Télévision share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Charter approved by the AMF;
- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions;
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers; to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to potentially cancel acquired shares, in accordance with the authorisation granted by the Annual General Meeting sixth resolution of an extraordinary nature.

The maximum purchase price was set at €18 per share. The maximum amount to be committed to this purchase programme is €113,295,567.60.

Change in the number of treasury shares held as part of the 13 May 2013 share buyback programme and number of treasury shares held at 28 February 2014:

Number of treasury shares held at 5 May 2013	Movement in liquidity contract (2)	Shares bought back with a view to cancelling them (3)	Shares cancelled (3)	Shares bought back to allocate free shares (4)	Movement in respect of free shares allocated (5)	Number of treasury shares held at 28 February 2014 (1)
532,267	46,593	-	-	330,000	-333,857	575,003

(1) At 28 February 2014, the company held 575,003 treasury shares, primarily through the liquidity contract, and also to cover commitments given as part of the free share allocation plans.

(2) **In respect of the liquidity contract** between 13 May 2013 and 28 February 2014:
- 1,608,179 shares were purchased at an average price of €15.21,
- 1,561,586 shares were sold at an average price of €15.24.

resulting in 54,354 shares and €2,089,298.66 being held as part of the liquidity contract on 28 February 2014.

(3) **The share buyback for cancellation programme** was not used during the financial year. Consequently, no shares were bought back to be cancelled.

(4) **In respect of the free share allocation plan** 330,000 shares were bought back via CA-CIB on 26 July 2013;

(5) Lastly, 333,857 shares were transferred to the beneficiaries of the free share allocation plan:
- 314,265 shares were transferred in July 2013;
- 19,592 shares were transferred in December 2013.

At 28 February 2014, the Company held 575,003 its own shares, representing 0.46% of the share capital, broken down as follows:

Book value and market value of treasury shares held at 28 February 2014:

Number of treasury shares held at 28 February 2014	Net book value of treasury shares at 28 February 2014 (€)	Market value of treasury shares at 28 February 2014 (€)	Number of shares comprising the share capital at 28 February 2014	% share capital
575,003	7,154,848	9,688,801	125,984,249	0.46%

3.6.3. Report on the current share buyback plan

A proposal will be submitted to the Combined General Meeting of 5 May 2014 to authorise a new share buyback plan according to the following conditions:
- shares involved: ordinary Métropole Télévision shares listed under Compartment A of Euronext Paris, ISIN code FR0000053225;
- maximum purchase price: €25 per share. The maximum amount of the transaction is thus set at €157,480,311.25;
- maximum purchase price: 5% of the share capital, it being specified that this cap should be considered in light of the buyback dates to take account of the potential share capital increase or reduction transactions that may occur over the term of the programme. The number of shares used to calculate this cap corresponds to the number of shares purchased, after deducting the number of shares sold back over the term of the programme as part of the liquidity contract;
- maximum period: 18 months from the date of the General Meeting.

These shares may be purchased to fulfil the following objectives:

- to stimulate the Métropole Télévision share secondary market or the share liquidity through an investment services provider, within the framework of a liquidity contract complying with the AMAFI Ethics Charter approved by the AMF;
- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions;
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers;
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to potentially cancel acquired shares, in accordance with the authorisation to be granted by the next Annual General Meeting in its 16th resolution of extraordinary nature.

These transactions may notably be carried out in a period of a public offering pursuant to Article 232-15 of the General Regulations of AMF if the offer is fully settled in cash and if the buyback transactions are carried out in execution of the programme in progress and are not likely to cause the offering to fail.

The Company reserves the right to use option mechanisms or derivative instruments in accordance with applicable regulations.

3.7. Treasury shares

At 31 December 2013, M6 held a total 563,455 of its own shares, amounting to 0.45% of the share capital, which was classified on the consolidated balance sheet of Métropole Télévision as a reduction of equity at their acquisition cost of €6.92 million. The number of treasury shares includes the 42,806 shares actually held by the liquidity contract at 31 December 2013.

The table below summarises the allocation of treasury shares held at 31 December 2012 and 31 December 2013 according to each objective.

Treasury shares allocated to the different objectives at 31 December 2012		Total treasury shares at 31 December 2012
Grating of free shares	Increasing share liquidity within the framework of the liquidity contract	
524,506	128,548	653,054 shares
Changes over the 2013 financial year		**Changes over the 2012 financial year**
Granting of free shares*	Increasing share liquidity within the framework of the liquidity contract	
-3,857	-85,742	-89,599 actions
Treasury shares allocated to the different objectives at 31 December 2013		**Total treasury shares at 31 December 2013**
Granting of free shares	Increasing share liquidity within the framework of the liquidity contract	
520,649	42,806	563,455 shares

** The difference of 3,857 shares resulted from the purchase of 330,000 securities through the intermediary of CA-CIB on 26 July 2013 and the transfer of 333,857 securities to the beneficiaries of the free share allocation plan, 314,265 securities having been transferred in July 2013 and 19,592 in December 2013.*

3.8. Share subscription option plans

3.8.1. Share subscription option plans

No share option subscription plan was decided in 2013.

Existing share option plans are analysed as follows:

Date of General Meeting	28/04/2004	02/05/2007		Total
Date of Board Meeting	06/06/2006	02/05/2007	06/05/2008	
Option type	Subscription	Subscription	Subscription	
Total number of options allocated	736,750	827,500	883,825	2,448,075
- of which corporate officers (*)	90,500	75,500	75,500	241,500
- of which the top ten salaried employees	112,500	120,000	116,500	349,000
Start of exercise of options	06/06/08	02/05/09	06/05/10	-
Expiry date	05/06/13	01/05/14	05/05/15	-
Subscription and purchase price (€)	24.6	27.52	14.73	-
Subscription and purchase options outstanding at 31 December 2012	395,250	519,500	639,359	**1,554,109**
- options allocated	-	-	-	-
- options exercised	-	-	81,485	81,485
- options lapsed/cancelled	395,250	31,500	31,500	458,250
Subscription and purchase options outstanding at 31 December 2013	-	488,000	526,374	1,014,374
Options outstanding at 28 February 2014	-	**488,000**	**507,574**	**995,574**

(*) Corporate officers at the allocation date

81,485 options of the plan of 6 May 2008 were exercised in the 2013 financial year, since options were in the money (exercise price below the share price) at certain times during the year.

The detailed analysis of these plans by corporate officer is as follows:

Date of General Meeting	28/04/2004	02/05/2007		Total
Date of Board Meeting	06/06/2006	02/05/2007	06/05/2008	
Option type	Subscription	Subscription	Subscription	
Start of exercise of options	06/06/08	02/05/09	06/05/10	Total
Expiry date	05/06/13	01/05/14	05/05/15	
Subscription price(€)	24.6	27.52	14.73	
Total number of shares allocated to corporate officers:				
Nicolas de Tavernost	27,500	27,500	27,500	82,500
Thomas Valentin	18,000	18,000	18,000	54,000
Eric d'Hotelans	15,000	15,000	15,000	45,000
Catherine Lenoble	15,000	15,000	15,000	45,000
Subscription options outstanding at 31 December 2012:				
Nicolas de Tavernost	27,500	27,500	27,500	82,500
Thomas Valentin	18,000	18,000	18,000	54,000
Eric d'Hotelans	15,000	15,000	15,000	45,000
Catherine Lenoble	15,000	15,000	15,000	45,000
Changes over the 2013 financial year				
Nicolas de Tavernost	(27,500)	-	-	(27,500)
Thomas Valentin	(18,000)	-	-	(18,000)
Eric d'Hotelans	(15,000)	-	-	(15,000)
Catherine Lenoble	(15,000)	-	-	(15,000)
Subscription options outstanding at 31 December 2013:				
Nicolas de Tavernost	-	27,500	27,500	55,000
Thomas Valentin	-	18,000	18,000	36,000
Eric d'Hotelans	-	15,000	15,000	30,000
Catherine Lenoble	-	15,000	15,000	30,000

The movements in the year related to cancellations, taking account of the expiry date of the 2006 plan.

No options were exercised in any of the three plans included in the above table.

Eric d'Hotelans and Catherine Lenoble have not been corporate officers since 25 March 2010 and 31 March 2012 respectively.

Jérôme Lefébure and Robin Leproux, directors since 25 March 2010 and 31 March 2012 respectively, have not been granted any share subscription options since the start of their terms of office.

3.8.2. Ten most significant stock option beneficiaries and ten most significant option exercise transactions by employees (excluding corporate officers)

No share subscription option plans were decided in 2013.

Moreover, of the 81,485 options of the plan dated 6 May 2008 exercised during the 2013 financial year, the 10 largest quantities exercised represented 58,825 options in total.
Amongst the beneficiaries, 5 employees counted as senior executives (see next section).

3.8.3. Share capital transactions carried out by corporate officers, senior executives and related parties during the last financial year

During the financial year, the corporate officers and senior executives informed the Company of the following share capital transactions, carried out by themselves or related parties.

Name and position	Nature of transaction	Date	Number of shares	Price per share	Total
Jérôme LEFEBURE, Member of the Executive Board	Purchase of shares	03/01/2013	700	€11.96	€8,368.50
Jérôme LEFEBURE, Member of the Executive Board	Sale of shares	22/05/2013	1,400	€11.97	€16,760.66
Nicolas de TAVERNOST Chairman of the Executive Board	Purchase of shares	03/06/2013	1,000	€11.76	€11,760.00
Thomas VALENTIN Member of the Executive Board	Purchase of shares	05/06/2013	650	€11.79	€7,660.25
Valéry GERFAUD Member of the Executive Committee	Sale of shares	29/07/2013	5,750	€14.62	€84,085.13
David LARRAMENDY Member of the Management Committee	Sale of shares	09/09/2013	4,000	€15.42	€61,694.80
Florence DUHAYOT Member of the Management Committee	Exercise of stock-options	06/11/2013	7,500	€14.73	€110,475.00
Florence DUHAYOT Member of the Management Committee	Sale of shares	06/11/2013	7,500	€16.97	€127,275.00
John NICOLAS Head of Audit and Risk Monitoring	Exercise of stock-options	06/11/2013	4,600	€14.73	€67,758.00
John NICOLAS Head of Audit and Risk Monitoring	Sale of shares	06/11/2013	4,600	€16.99	€78,154.00
Barbara STEINERT-DUMERY Member of the Management Committee	Exercise of stock-options	07/11/2013	6,250	€14.73	€92,062.50
Barbara STEINERT-DUMERY Member of the Management Committee	Sale of shares	07/11/2013	6,250	€17.11	€106,937.50
Laurence SOUVETON-VIEILLE Member of the Management Committee	Exercise de stock-options	12/11/2013	1,210	€14.73	€17,823.30
Laurence SOUVETON-VIEILLE Member of the Management Committee	Sale of shares	12/11/2013	1,210	€16.97	€20,533.70
Guillaume CHARLES Member of the Executive Committee	Sale of shares	15/11/2013	4,000	€17.08	€68,311.60
Frédéric de VINCELLES Member of the Management Committee	Exercise of stock-options	24/12/2013	7,500	€14.73	€110,475.00
Frédéric de VINCELLES Member of the Management Committee	Sale of shares	30/12/2013	7,500	€16.57	€124,278.00

This table does not include transactions that are below the annual disclosure threshold of €5,000.

3.9. Free share allocation plans

Four free share allocation plans were in force in 2013, pursuant to the authorisation given by the Combined General Meetings of 6 May 2008 and 4 May 2011:

- one that matured on 26 July 2013;
- one that matured on 22 December 2013 specifically for employees of the Ventadis division;
- one that was decided by the Executive Board on 27 July 2012;
- one that was decided by the Executive Board on 26 July 2013.

The data in the table below details:
- for the plans dated 26 July 2011 and 22 December 2011, the shares effectively delivered;
- for the plans dated 27 July 2012 and 26 July 2013, the shares not yet allocated, taking account of the restatement owing to the company outperforming targets and individuals having left the company to date.

Date of General Meeting	04/05/2011				Total
Date of Executive Board meeting	26/07/2011	26/07/2011	27/07/2012	26/07/2013	
Plan date	26/07/2011	22/12/2011	27/07/2012	26/07/2013	
Total number of shares granted (trigger number relating to the achievement of performance objectives)	342,700	28,250	243,750	321,250	**935,950**
- to Board members	*32,000*	-	*44,000*	*71,500*	***147,500***
- incl. Nicolas de Tavernost	*10,000*	-	*20,000*	*27,950*	***57,950***
- incl. Thomas Valentin	*6,500*	-	*10,000*	*14,300*	***30,800***
- incl. Robin Leproux	-	-	*7,000*	*18,200*	***25,200***
- incl. Jérôme Lefébure	*5,500*	-	*7,000*	*11,050*	***23,550***
- incl. Catherine Lenoble	*10,000*	-	-		***10,000***
- to other top ten salaried employees	*43,500*	*28,250*	*60,500*	*74,500*	***206,750***
Maximum number of shares to be granted	367,820	37,500	487,750	642,500	**1,535,570** +64.1% compared to the trigger performance level
Actual number of shares to be granted (due to performance levels projected and achieved and taking account of individuals having left the company to date)			467,650	615,901	**1,083,551** +0.0% compared to the number of shares not yet allocated at 31 December 2013
Date of final vesting *	26/07/2013	22/12/2013	27/07/2014	26/07/2015	
Date retention period ends	26/07/2015	22/12/2015	27/07/2016	26/07/2016	
Number of shares delivered during the financial year	314,265	19,592			**333,857**
Number of shares not yet allocated at 31 December 2013	-	-	467,650	615,901	**1,083,551**
Allocated shares cancelled between 31 December 2013 and 28 February 2014 due to individuals leaving the Company	-	-	-	-	**-**

Each of these plans is subject to beneficiaries being effectively employed by the Group for the two years following the allocation.

As regards performance conditions:
- the plans of 26 July 2011, 27 July 2012 and 26 July 2013 require the achievement of an operating profit objective by the Ventadis division for 2011, 2012 and 2013, respectively;
- the plan of 22 December 2011 require the achievement of an operating profit objective by the Ventadis division for 2012.

The number of shares actually delivered on 26 July 2013 was 314,265 due to the performance achieved and to the fact that the financial targets attached to the plan were exceeded. The top ten employee beneficiaries received 43,863 shares.
The number of shares actually delivered on 22 December 2013 was 19,592, due to the performance achieved and to the fact that the financial targets attached to the plan were exceeded. The top ten employee beneficiaries received 19,592 shares.

3.10. General information on the share capital

3.10.1. Changes in the share capital and voting rights

Any change to the share capital or rights conferred by securities that make it up must be made in accordance with the provisions of the bylaws. Only an Extraordinary General Meeting may decide capital increases or delegate its authority to do so to the Executive Board, for a determined period and within a specific limit, based on a report by the Executive Board.

3.10.1.1. Paid-in capital, number and classes of shares

At 31 December 2012, the Company's fully paid-up share capital was €50,553,585.60. Following the implementation of a share buyback plan in 2013, at 31 December 2013, the Company's fully paid-up share capital was €50,386,179.60 represented by 125,965,449 shares of the same class with a par value of €0.40 each.

Date	Description of capital transaction	Nominal amount increase/ (reduction)	Number of shares issued/ (cancelled)	Share capital after the transaction	Total number of shares outstanding
15/09/86	Formation	FF 10 000 000,00	100,000	FF 10 000 000,00	100,000
16/05/87	Subscription	FF 190 000 000,00	1,900,000	FF 200 000 000,00	2,000,000
21/05/90	Capital reduction	FF (198 000 000,00)	-1,980,000	FF 2 000 000,00	20,000
21/06/90	Share subscription	FF 200 000 000,00	2,000,000	FF 202 000 000,00	2,020,000
31/12/93	Exercise of share options by employees*	FF 6 900 000,00	69,000	FF 208 900 000,00	2,089,000
06/09/94	5 for 1 share split	-	-	FF 208 900 000,00	10,445,000
31/12/95	Exercise of share options by employees*	FF 4 337 000,00	216,850	FF 213 237 000,00	10,661,850
31/12/95	Conversion of bonds**	FF 50 387 700,00	2,519,385	FF 263 624 700,00	13,181,235
03/12/99	Conversion of share capital into €	€12,535,613.57	-	€52,724,940.00	13,181,235
30/12/99	Conversion of bonds	€30,536.00	7,634	€52,755,476.00	13,188,869
26/05/00	10 for 1 share split	-	-	-	131,888,690
04/07/07	Capital reduction	€(392,000.00)	-980,000	€52,363,476.00	130,908,690
03/09/07	Capital reduction	€(392,000.00)	-980,000	€51,971,476.00	129,928,690
03/09/07	Exercise of subscription options	€2,400.00	6,000	€51,973,876.00	129,934,690
15/04/08	Capital reduction	€(392,000.00)	-980,000	€51,581,876.00	128,954,690
19/05/10	Exercise of subscription options	€306.40	766	€51,582,182.40	128,955,456
05/07/10	Exercise of subscription options	€380.00	950	€51,582,562.40	128,956,406
04/10/10	Exercise of subscription options	€613.20	1,533	€51,583,175.60	128,957,939
04/03/11	Exercise of subscription options	€300.00	750	€51,583,475.60	128,958,689
21/03/11	Exercise of subscription options	€533.20	1,333	€51,584,008.80	128,960,022
09/06/11	Exercise of subscription options	€580.00	1,450	€51,584,588.80	128,961,472
19/09/11	Capital reduction	€(392,000.00)	-980,000	€51,192,588.80	127,981,472
10/10/11	Capital reduction	€(392,000.00)	-980,000	€50,800,588.80	127,001,472
22/12/11	Capital reduction	€(247,003.20)	-617,508	€50,553,585.60	126,383,964
11/06/12	Capital reduction	€(200,000.00)	-500,000	€50,353,585.60	125,883,964
10/09/13	Exercise of subscription options by employees	€1,500.00	3,750	€50,355,085.60	125,887,714
22/09/13	Exercise of subscription options by employees	€1,610.00	4,025	€50,356,695.60	125,891,739
27/09/13	Exercise of subscription options by employees	€2,720.00	6,800	€50,359,415.60	125,898,539
01/11/13	Exercise of subscription options by employees	€3,000.00	7,500	€50,362,415.60	125,906,039
04/11/13	Exercise of subscription options by employees	€2,760.00	6,900	€50,365,175.60	125,912,939
06/11/13	Exercise of subscription options by employees	€7,640.00	19,100	€50,372,815.60	125,932,039
07/11/13	Exercise of subscription options by employees	€3,420.00	8,550	€50,376,235.60	125,940,589
08/11/13	Exercise of subscription options by employees	€1,380.00	3,450	€50,377,615.60	125,944,039
12/11/13	Exercise of subscription options by employees	€484.00	1,210	€50,378,099.60	125,945,249
13/11/13	Exercise of subscription options by employees	€920.00	2,300	€50,379,019.60	125,947,549
15/11/13	Exercise of subscription options by employees	€1,400.00	3,500	€50,380,419.60	125,951,049
27/11/13	Exercise of subscription options by employees	€2,760.00	6,900	€50,383,179.60	125,957,949
24/12/13	Exercise of subscription options by employees	€3,000.00	7,500	€50,386,179.60	125,965,449

** Par value.*
*** FF 158,050,720 issue premium.*

3.10.1.2. Shareholders' agreement

To the best of the Company's knowledge, no shareholder agreement exists.

3.10.1.3. Pledges of the issuers' shares

Nil.

3.10.1.4. Alienation of shares in order to regularise cross shareholdings

(Article R.233-19 of the Commercial Code)
Nil.

3.10.1.5. Ownership of own shares

(Article L.233-13 of the Commercial Code)
Controlled companies holding a share in the capital of the Company: nil

3.10.1.6. Capital increase reserved for employees

The most recent General Meeting called to approve a proposal to increase the share capital reserved for employees, which "*authorised the Executive Board to increase the share capital, if it deems it appropriate, in one or more offerings, by issuing ordinary shares for cash and by the granting of free ordinary shares or other securities giving access to the share capital reserved for employees of the Company and its subsidiaries members of a company savings plan, with cancellation of the pre-emption right for an amount not exceeding 0.5% of the nominal share capital on the date the Executive Board decides to carry out the capital increase and for a period of 26 months"* was held on 4 May 2011.

3.10.2. Potential share capital

The exercise of all options outstanding at 31 December 2013 would lead to the creation of 1,014,374 new shares, which would increase the share capital from 125,965,449 shares to 126,979,823 shares, a maximum potential dilution of 0.81%.

At 31 December 2013, outstanding options will be fully exercisable for the plans from 2007 to 2008 inclusive.

Nevertheless only the stock option plan of 6 May 2008 has an exercise price (€14.73) lower than the closing price at 31 December 2013 (€16.65). The potential maximum dilution brought about by this plan totalled 0.42%. It was as part of this plan that 81,485 options were exercised during the 2013 financial year.

The maximum potential dilution plan by plan is detailed in the table below: however, the probability that this dilution will effectively occur appears low today, since the M6 share price is below the subscription price for one of the two current plans. This plan will expire during the 2014 financial year.

Date of the General Meeting authorising the plan	02/05/2007		Total
Date of the Supervisory Board Meeting granting the option	02/05/2007	06/05/2008	
Maximum number of shares which may be subscribed upon exercise of all options	488,000	526,374	**1,014,374**
Starting date	02/05/2009	06/05/2010	**N/A**
Expiry date	01/05/2014	05/05/2015	**N/A**
Potential share capital upon exercise of share options (€)	**195,200**	**210,550**	**405,750**
Exercise price (€)	27.52	14.73	**20.88**
Number of shares comprising the share capital	125,965,449	125,965,449	**125,965,449**
Nominal value per share (€)	0.4	0.4	**0.4**
Share capital (€)	50,386,179.60	50,386,179.60	**50,386,180**
Number of shares comprising the share capital	126,453,449	126,491,823	**126,979,823**
Share capital upon exercise of outstanding share options (€)	50,581,379.60	50,596,729.20	**50,791,929**
Potential dilution arising	**0.39%**	**0.42%**	**0.81%**

(1) Average weighted subscription price

Non-issued authorised share capital and existing delegations (Article L. 225 100, paragraph 7 of the Commercial Code) were as follows:

	Maximum nominal amount of capital increases	Maximum nominal amount of debt securities to be issued	Term of authorisation	Remaining term*	General Meeting	Resolution number
Allocation of free shares to members of staff and/or certain corporate officers (authorisation given to the Executive Board)	1.50%	-	38 months	2 months	AGM 04/05/11	11

**The remaining term runs from the AGM called for 5 May 2014*

3.10.3. Acquisition by Métropole Télévision of its own shares: current authorisations and their use

	Maximum nominal amount	Term of authorisation	Remaining term *(1)*	General Meeting	Resolution No
Share buyback programme *(3)*	*(2)*	18 months	6 months	AGM 13/05/13	5
Capital reduction *(3)*	*(2)*	24 months	12 months	AGM 13/05/13	6

(1) With effect from the 5 May 2014
(2) Within the limit of 5% of the share capital.
(3) The Annual General Meeting called for 5 May 2014 will decide on the draft resolutions that propose a new share buyback programme for a further period of 18 months and authorise the Executive Board to reduce the share capital by cancellation of the shares bought back by the Company for a further period of 18 months.

3.10.4. Form of shares and rights attached to shares

3.10.4.1. Rights attached to shares

All shares are part of the same class and hold equal rights to the Company's profits and assets on liquidation. Each share confers the right to a single vote at shareholders' meetings, without any shareholders exercising more than 34% of the total number of voting rights. None of the shares entitle their holders to double voting rights. The right to distributed dividends and interim dividends lapses after 5 years for the benefit of the French state.

3.10.4.2. Trading in shares

Shares are freely traded on Euronext Paris.

3.10.4.3. Form of shares

Since the IPO, shares are held at the option of the holder:
- in pure nominative form held in account maintained by CACEIS;
- in administered nominative form;
- in identifiable bearer form held in account by an authorised intermediary.

Shares are approved for EUROCLEAR-FRANCE transactions.

3.10.4.4. Identification of shareholders

The Company is authorised to apply legal provisions to identify holders of shares giving immediate or eventual voting rights at its General Meetings.

3.10.4.5. Withholding tax on dividends

The tax treatment of dividends has been substantially amended for income collected as of 1 January 2013. From this date, the optional flat rate withholding tax will be abolished, and it will be mandatory for shareholder dividends to be subject to the progressive scale for income tax.

In addition, a deduction at source, not acting as a discharge of income tax, has been introduced for all collections of dividends (excluding shares held in a PEA (French equity savings plan) effective as of 1 January 2013. The levy rate is fixed at 21% of the gross income distributed, and will be added to social contributions deducted at source (at the overall rate of 15.5% from 1 July 2012), by the shareholder's

account holding institution. This mandatory contribution is an income tax prepayment. It is deductible from the income tax due for the year during which the dividends were received. If it exceeds the tax liability, the overpayment is refunded. This contribution does not apply to legal entities or non-resident shareholders, who remain taxed according to the specific conditions applicable to their specific situation.
Lastly, shareholders are exempt from contributions if they so request, provided they belong to a household (for tax purposes) whose average benchmark tax for the second last year was less than €50,000 for single, divorced or widowed taxpayers or €75,000 for jointly-assessed taxpayers. It is advised that shareholders contact the institution that holds their share account or their advisor, in order to discuss options and procedures regarding exemption from contribution, given that the exemption must, in principle, be requested before 30 November of the year preceding that in which the dividend was paid.

This deduction at source does not relieve the dividend of the possibility of subsequent taxation: the dividend shall be declared and taxed in accordance with the usual terms and conditions. As regards the base of the taxable dividend, the 40% rebate is maintained without amendment; conversely, the annual fixed rebate is abolished. Lastly, the CSG tax applied to the dividend is deductible from the total income in the year of its payment, at a rate of 5.1%.

3.10.5. Employee shareholding

3.10.5.1. Métropole Télévision Group savings plan

Established in September 1994 as a Fonds commun de placement (collective investment scheme), the Group savings plan invests exclusively in Métropole Télévision shares. At 31 December 2013, the savings plan had 848 unit holders indirectly holding 175,170 shares. The fund thus represented 0.14% of the share capital.

3.10.5.2. Purchase of shares for allocation to employees under a profit sharing agreement

(Articles L. 225-paragraph 2 and L. 225-208 of the Commercial Code)
Nil.

4. RISK FACTORS AND MANAGEMENT

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Investors are invited to consider the risks described below, that may have an influence on the operations, financial position, financial performance and development of the Group.

4.1. Business risks

4.1.1. Risks related to the Group's market structure

4.1.1.1. Audiovisual market

The M6 Group, via its broadcasting activities, operates in a changing audiovisual market, due to digitalisation and the new DTT channels, which accelerated their market share gains in 2013 (described in paragraph 1.5.1.2 on the structural changes affecting the TV market).

The free-to-air channel offering increased from 19 channels at 31 December 2011 to 25, following the launch on free DTT of 6 additional channels on 12 December 2012. This growth in content offering leads to audience dispersal, with a consequent fragmentation of the TV advertising market, the only source of revenue for the Group's free channels.

Against this background, the M6 Group faces increased competition and has sought to strengthen its position by investing in the M6 channel to consolidate its audiences, and by developing a new offering on free DTT with the W9 channel, launched in 2005, and 6ter, one of the 6 new channels launched on 12 December 2012.
The competitive environment of free-to-air channels is changing, following TF1 Group's acquisition in 2010 of 40% of the TMC channel (thus increasing its shareholding to 80%) and of 100% of the NT1 channel from the AB Group, as well as the Canal+ acquisition of Bolloré Group's free-to-air TV channels (Direct 8 and Direct Star), finalised in September 2012.

The broadcasting activities of the pay channels operate in a highly competitive environment, with a penetration of the multi-channel (cable-satellite, ads) offer of just over 50% of households equipped with a TV.
In addition to advertising income, these channels benefit from revenue from cable operators and distribution platforms. The calling into question of these distribution agreements, the majority of which will mature at the end of 2014, could have a significant impact on the profitability of the Group's pay channels.

4.1.1.2. Other Group markets

Concerning other operations and revenue streams, the M6 Group has developed a product and service offering mainly directed at the mass market, and sold across the major national distribution networks.
These operations, which do not depend on advertising resources for the majority of their income, are nonetheless sensitive to the economic situation (see paragraph 1.5.2).

In addition, certain other Group markets, described in section 1.5 "Group operations and markets", are also subject to pressures from digitalisation, notably the music publishing business (disks) and video publishing. The digitalisation of media and the rollout of high speed internet access have generated significant growth in illegal downloading, leading to a destruction of value for these markets.
The "Hadopi" law on illegal downloading, adopted in 2009, and the interprofessional agreements signed with a view to combating illegal downloading more effectively by bringing all selling windows forward and ensuring they remain totally separate, should restrict the opportunities and the interest in illegal downloading.

4.1.2. Development of technologies, changes in use

Recent technological developments have led to changes in television consumption. As described in paragraph 1.5.1.2. of the Registration Document, the M6 Group is involved in the implementation of all these new broadcasting technologies to support and anticipate the new methods of use, a necessary condition for the preservation of the future of its model.

4.1.3. Sensitivity to the economic situation

M6 Group, due to the nature of its operations, is highly sensitive to the economic situation, to the extent that:

- Advertising revenue depend on a level of investment in communication set by advertisers, who for the most part are major brands that operate in mass market products and services (food, health & beauty, cleaning products, finance and insurance, transport, telecommunications, publishing, etc.). This level is notably related to the growth prospects and the profitability of these businesses on the French market.

- Communication expenditure may represent a balancing item in the cost structure of these businesses against a deteriorated economic background. More generally-speaking, all changes that create uncertainty to the level of advertisers' income, or which constitute an additional constraint on their costs, may have an influence on the level of their television advertising expenditure, and thus be reflected in a negative impact on the Group's advertising revenue. The significant number of advertisers, the constant renewal of brands and the competitive environment significantly limit M6 Group's risks connected with a possible concentration and to an excessive exposure to any given sector.

- However, due to its presence in free-to-air DTT through the W9 and 6Ter channels, M6 Group benefits from stronger exposure to the advertising market of this second TV segment, whose growth was higher in 2013 than that of the overall TV advertising market.

The M6 Group has, however, from an early stage, implemented a strategy to diversify its revenues, in order to limit its dependence on the advertising market. The Group's sources of non-advertising revenue, which represented 41.3% of consolidated revenue in 2013, are nonetheless dependent on the level of consumer spending and the portion dedicated to leisure - media (TV subscription, telephone, video purchase, cinema, CDs, etc.) or to household equipment purchases (distance-selling division).

4.1.4. Adapting the cost structure and increase in content cost

The Group is primarily exposed to risks of upwards movements in the purchase cost of audiovisual rights. The growth in the cost of programmes noted in recent years has affected all categories: retransmission rights for sports competitions, broadcasts, series, and feature films.
This was reinforced by the relative scarcity of powerful and attractive programmes in a market where buyers are more numerous than before, with an increase in the strength of DTT channels, and where the number of sellers is restricted. In addition, technological (transfer to HD reception for example), regulatory, legal and contractual changes (the collective production agreement for example) may also contribute to an inflation in production and purchase.

However, in order to respond to this risk, a number of years ago the Group set up an "industrial platform" to manage its content purchases, like many other industries. As such, a purchasing team whose mission is to identify the best programmes for Group channels at a very early stage in the purchasing process, to participate in screenings organised by studios and to negotiate the best possible prices by using their knowledge of the market and the sellers, has been established.
In addition, the Group has developed its production companies, mainly C. Productions for news programmes and magazines and Studio 89 for entertainment programmes, enabling it to better control the value chain of audiovisual production.

The audiovisual rights acquisition and distribution subsidiary SND, as well as the film catalogue and cinema co-production activities all contribute to the Group's strategic response aimed at making broadcasting rights procurement secure and to better control its cost.
Lastly, programme management has the objective of defining the programme policy for Group channels giving them each their own identity but also enabling the sharing of resources (technical resource, studies, programmes where appropriate). Throughout the year, programme management ensures strict cost control of programmes and monitors this, as much as possible, depending on advertising revenue growth.

SND is also exposed to a risk of movement in its purchase price for audiovisual rights it sells. SND seeks to reduce this exposure with an experienced team that identifies the promising projects, even in certain cases before they are shot, and contributes to film financing via purchase of the operating rights for all media (cinema, video, Pay and Free TV) for France.

The FC Girondins de Bordeaux (F.C.G.B.) is exposed to the risk of inflation in the prices to be paid for the transfer to F.C.G.B. of players under contract with other clubs, due to the European scale of the transfer market. However, for the last two years, a depressed transfer market has enabled the Club to implement a cautious salary policy. Furthermore, the efficiency of the club's training centre ensures that part of the backbone of the team is made up of players trained by the club. In addition, the club has demonstrated in the past and more recently its ability to attract players whose qualities were revealed in Bordeaux, resulting in the upward revision of their transfer price.

For the other Group companies, the exposure to price risk, although real, is lower to the extent that costs are more variable in the diversification activities and the number of suppliers is significantly higher.

4.1.5. Payment terms risks

The provisions of the Law for Modernisation of the Economy in respect of terms of payment between customer and supplier came into force on 1 January 2009: since that date, customers are obliged to pay their suppliers within 60 days or within 45 days of the end of the month.

Companies that do not comply with the new payment terms imposed are exposed to certain financial risks and penalties, including late payment penalties, fines and proceedings initiated by the French Ministry of Economy following the filing of a report by the Statutory Auditors.

This law affects M6 as it does any other company. More specifically, since a significant part of contracts signed with its suppliers relate to the purchase of audiovisual rights, featuring very specific and very precise payment terms, meeting these payment terms is of particular importance for the Group.

- **Risk management and follow-up**

In order to meet its settlement terms and to ensure that it always complies with applicable laws, the Group implements a number of steps.

- **Supplier payment procedures**

The Group has put into place a supplier payment procedure governed by numerous internal controls and an IT system to process invoices received that is adapted to the new legal provisions. Moreover, every supplier's payment terms to the Group are checked frequently.

- **Follow-up of late payments**

Two alert and monitoring tools are available to the Group's finance department to deal with payment terms: a summary of invoices that are due and not yet paid and a summary of every accounting department's payment terms. In addition, the consolidated WCR of each Group entity is monitored on a quarterly basis.

The maturity of the Group's trade payables (excluding audiovisual rights and intra-group suppliers) was as follows:

(€ millions)	31/12/2012	31/12/2013
Trade payables falling due before 1 February	49.9	48.8
Trade payables falling due between 1 February and 28 February	2.8	3.8
Trade payables falling due after 1 March	0.0	0.0
TOTAL	52.7	52.6

This data is consolidated and does not include liabilities relating to the purchase of audiovisual rights, since these liabilities primarily fall due on the basis of operational milestones (including "ready to broadcast", "first broadcast", etc.) and not on calendar dates.

For the Group's main company (Métropole Télévision), the trade payables outstanding, rights excluded but including intra-group payables may be analysed as follows:

(€ millions)	31/12/2012	31/12/2013
Trade payables falling due before 1 February	62.2	70.6
Trade payables falling due between 1 February and 28 February	22.7	14.4
Trade payables falling due after 1 March	0.0	0.0
TOTAL	84.9	85.0

4.2. Market risks

4.2.1. Foreign exchange risk

The foreign exchange risk management policy and related data are set out in Note 22.3 to the consolidated financial statements of this document.

4.2.2. Interest rate risk

The Group is naturally exposed to risks from movements in interest rates. This risk is detailed in Note 22.3 to the consolidated financial statements.

This risk is of little significance however as the Group has very little debt. Liabilities at 31 December 2013 are made up of a lease for production equipment (€1.3 million), advances subject to terms and condition for the production of feature films (€0.2 million) and the share of liabilities of jointly-owned entities (€1.4 million).

4.2.3. Share risk

To the extent that the Group does not own any listed financial assets, share risk exposure only relates to treasury shares.

In the consolidated financial statements, treasury shares are recorded at their acquisition cost as a reduction of equity. Therefore, M6 Group share price movements have no impact on the Group's consolidated financial statements.

In the parent company financial statements, the net value of treasury shares is aligned with the corresponding asset at the listed share price, except for treasury shares held with a view to funding free share allocation plans, the net value of which is written down to zero over the period of the plans.
In the case of the Group, only shares held as part of the liquidity contract are therefore currently exposed to share risk. Their net value was €0.7 million at 31 December 2013 for 42,806 shares. A 10% movement in the M6 share price would have a €0.1 million impact on the net value of treasury shares.

4.2.4. Raw material risk

The Group has only little and indirect exposure to the risk of fluctuations in raw material prices.
Only a number of providers and suppliers (logistics, diversification product sub-contractors) may experience a variation in their operating costs as a result of changes in raw material prices (primarily petrol and paper) and if necessary pass them on their selling prices.
The effect on the Group's financial statements that would result from such price adjustments is not significant.

4.3. Credit and counterparty risk

The credit risk for the Group is the bankruptcy of a customer, a supplier or a banking counterparty.

4.3.1. Trade receivables

Concerning customer risk, the Group applies a cautious prevention and monitoring procedure described in Note 22 to the consolidated financial statements.

It is pointed out in this note that, as regards revenue, no single customer risk is material enough to significantly impair the Group's profitability.
The Group's top 1, 5 and 10 customers represent less than 5%, 10% and 15% of total revenue, respectively.

4.3.2. Trade payables

As part of the purchase and co-production of programmes, the Group has to pay advance payments which may be deemed significant over a full-year. The Group strives to pay advances or make prepayments as close to the delivery date of the programmes to be broadcast as possible. In all instances, the Group implements an active policy of selecting the most sound suppliers, or failing that, monitors the financial health of its suppliers.

4.3.3. Banking counterparties

Financial transactions are negotiated with carefully selected counterparties as described in this document in Note 22.3 to the consolidated financial statements, Market risk, in the section dedicated to the investment policy.

The Group pays particular attention to the quality of its banking counterparties, which are all "investment grade" rated.
A prudent diversification was thus undertaken for the deposits with mutual funds where surplus cash is invested.

4.4. Liquidity risk

The liquidity risk management policy is set out in Note 22.2 to the consolidated financial statements of this report.

The Group's liquidity must therefore be considered in the light of its cash position and its unused confirmed credit lines.
At 31 December 2013, the Group's net cash position was €287.3 million.
In 2013, the Group did not renew the credit facilities that matured during the year.

4.5. Legal risks

4.5.1. Regulatory risks

4.5.1.1. Risks related to regulatory and contractual obligations

As part of its broadcasting authorisation, the main features of which are specified in section 1.6.2. of this document, M6 Group's channels are subject to legal and regulatory authorisations provided by the Law of 30 September 1986 and related application decrees.
The channels are also bound to the regulatory body (CSA) in application of Article 28 of the Law of 30 September 1986.
These agreements set out the specific rules applicable to the channels, due to the extent of the area serviced, of the channel's share of the advertising market, of the obligation of equal treatment between all TV networks and competitive conditions specific to each of them, as well as the development of digital terrestrial radio and television.

The Conseil Supérieur de l'Audiovisuel thus ensures that the channels meet all their obligations.

Sanctions incurred in the event of non-compliance with commitments are listed in Articles 42 and subsequent of the Law of 30 September 1986: summons, suspension, reduction of the broadcasting licence to a single year, monetary sanctions limited to 3% of revenue or 5% in case of repeat offence, cancellation of the licence.

In order to minimise risks associated with production and broadcasting quotas, M6 put into place a precise daily monitoring of its programming and investments in programme production. In addition, one of these systems is exclusively focused on monitoring the network, ensuring daily that all programme contents are in accordance with regulations in force.

The Group considers that within an environment where TV channels face numerous challenges and need to adapt to a changing environment (increase in the number of channels, increase in viewing media, insufficient revenue growth, competition from powerful new business players), the growing complexity of the audiovisual regulatory framework is liable to hamper the development and adaptation and innovation capacity of audiovisual groups.

M6 Group thereby noted the opportunity for a broadcaster, under the Law of 15 November 2013 relating to the independence of public service broadcasting, to hold coproduction shares. The terms and conditions of this provision will be specified by a decree amending Decree n°2010-747, the so-called "Production" Decree.

Lastly, it should be stressed that, in 2013, the EU institutions ratified the tax on Internet service providers introduced to finance the abolition of advertising on France Télévisions after 8pm ("telecoms tax") and the new version of the tax on distributors of television services ("TST-D"). These decisions mean that the financing of public service broadcasting, and the centre national de la cinématographie et de l'image animée (National Centre for Cinematography and Motion Picture) has been safeguarded.

4.5.1.2. Risks related to frequency management

Within the framework of managing the broadcasting spectrum between its various assignees, the Government intends, in coordination with the other countries concerned, to allocate a new digital dividend to telecoms operators corresponding to the UHF 694-790 MHz band ("700 band"). The rules for the release of this band for terrestrial television have not yet been approved. In any event, they shall be released coordination with the broadcasters. M6 Group, whose licences for M6, W9 and 6ter are independent of this adjudication, has, in this respect, ensured that it does not impact the technical broadcasting conditions of its channels.

No other regulations liable to have a significant impact on the Métropole Télévision Group have been adopted since the start of 2013.

4.5.2. Intellectual property, freedom of the press and personal privacy

M6 Group's broadcast of audiovisual programmes, whether produced in-house or by third parties, is susceptible to claims of various natures concerning the violation of provisions relating to laws on intellectual property rights, personal privacy rights and freedom of the press.

No contractual provision can provide the Métropole Télévision Group with total protection against legal recourse, particularly with regard to legal action matters based on the Law of 29 July 1881 on the freedom of the press.

In addition, Métropole Télévision Group diversification activities may generate claims regarding the infringement of the aforementioned rights.

Nevertheless, procedures have been implemented within Métropole Télévision Group to protect it from this type of risk: contract mechanisms (guarantee clauses) and internal procedures, such as assignment of legal advisors to production in-charges, guidelines, etc., which enable this risk to be considerably reduced.

4.5.3. Risks relating to non-observance of contractual commitments

Non-observance of contractual agreements by suppliers or partners is liable to affect Group operations on a once-off basis, more particularly when defaults relate to the delivery of audiovisual rights (poor quality or unavailable on the planned broadcasting date) or technical services relating to live programmes or signal broadcasting.
A break in broadcasting may thus cause the loss of advertising revenue relating to commercial breaks not or poorly broadcast.
However, the Group carries out a strict assessment of its providers and suppliers, from the point of view of technical and operational reliability and financial soundness before placing any order. This selection is all the more important that the order relates to purchases or services deemed strategic.
In addition, the Group ensures that it negotiates contractual provisions that guarantee compensation in case of obvious default by suppliers resulting in a loss of profit or the recognition of exceptional expenses.

In 2013 as in 2012, the Group did not record any major incident resulting from the non-observance of contractual agreements by suppliers and partners.

The only identified risk of non-observance of contractual commitments by customers relate to their solvency, as specified in the notes to the financial statements.

Lastly, the Group takes particular care to meet all its contractual commitments with third parties, considering that any failure to meet its obligations would have an adverse impact on its reputation, the proper running of its operations and the occurrence and magnitude of resulting litigations. Internal control procedures – more particularly those concerning the responsibility of operational and departmental executives – are specifically devoted to covering this risk.
In 2013, as in 2012, the Group did not record any major incident resulting from its non-observance of contractual agreements with suppliers.

4.5.4. Litigations and financial assessment

In compliance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets, the Group recognises a provision for litigations when it is considered probable or certain that an on-going trial or litigation will generate costs without an at least equivalent consideration and that a reliable estimate of these costs net of consideration can be made.
At 31 December 2013, the Group thus recognised €20.3 million in provisions for litigations (€24.8 million at 31 December 2012).
These provisions relate to litigations and trials in process with third parties of various natures (legal entities or private individuals who in certain cases had a business or employment relationship with the Group), which may not be presented individually or in detail due to business confidentiality.
On the other hand, no provision is recognised for litigations for which it is improbable that an outflow of resources will occur, or for which the financial impact cannot be reliably measured. In this case, the Group recognises a contingent liability.
By ensuring compliance with both its contractual and editorial obligations as regards its TV channels, the Group strives to reduce the occurrence of litigations to the best of its ability. However, such occurrences are inherent to any business activity and when litigation occurs, the Group will strive to minimise their impact by using the best advisors.

4.5.5. Legal and arbitration proceedings

a) Requalification of employment contracts for candidates in reality television shows

To date, the M6 Group has received 38 requests to appear before a number of Labour Courts seeking to requalify contracts signed by participants in reality television shows produced or broadcast by the Group as employment contracts.
M6 Group disputes the validity of these claims:

- On 15 January 2013, the Versailles Court of Appeal, upholding the initial court ruling, recognised the existence of an employment contract against the producer (ALP), in 4 cases. In view of this, the plaintiffs withdrew their action against Métropole Télévision (broadcaster) during the proceedings.

- On 12 February 2013, the Versailles Court of Appeal confirmed that the 22 participants in the programmes Les colocataires, Bachelor and Pékin Express were bound by an employment contract. The company Studio 89, the producer of the programmes concerned, appealed to the Supreme Court of Appeal (*Cour de Cassation*).

- On 13 March 2013, a judgment in favour of M6 Group relating to 7 participants in the programme Pékin Express, was handed down by the Nanterre industrial tribunal, which reiterated that it had no jurisdiction.

- On 25 June 2013, the Versailles Court of Appeal threw out the 5 cases (Nouvelle Star et L'Amour est dans le pré) brought by the plaintiffs before the Boulogne Billancourt industrial tribunal, with an appeal to the Supreme Court of Appeal ongoing.

- On 10 September 2013, and following the objection made by the 7 Pékin express participants, the Versailles Court of Appeal found the existence of an employment contract. The producer, Studio 89, has appealed to the Supreme Court of Appeal.

b) Notification of complaint by the Competition Authority

On 7 January 2009, stakeholders to the CanalSat TPS merger transaction that created Canal + France received a notification of complaint from the French Competition Council, which has since become the Competition Authority, as the Committee's Reporting Secretary considered that certain clauses of the agreement entered into by the two parties could be criticised in light of Competition regulations. In its ruling of 16 November 2010, the French Competition Authority considered that it was not its role to call into question the exclusivity and non-competition clauses concluded between Canal + Distribution and M6 Group, which had been notified to the Ministry for the Economy and which was expressly authorised by the latter in its decision to authorise the merger between CanalSat and TPS.
The Authority claimed jurisdiction to examine, as part of the transfer to the examining judge, exclusivity clauses relative to optic fibre and catch-up TV services concluded between Canal + Distribution and M6 Group, which, in the Authority's opinion, were not included in the ruling of the Ministry for the Economy. This ruling by the Competition Authority was subject to an appeal before the Court of Appeal of Paris by France Telecom. M6 Group communicated with this court at its own initiative. France Télécom finally withdrew this last claim, which was acknowledged by the Court of Appeal of Paris in its ruling of 8 December 2011. The appeals procedure remains on-going.
Although the M6 Group disputes the merits of this procedure, it cannot rule out the possibility of having a financial penalty imposed on it.
Moreover, regarding more generally the distribution of pay channels, following injunctions imposed on 23 July 2012 by the Competition Authority on the Vivendi Universal and Canal+ transaction to purchase TPS and CanalSatellite, Canal+ submitted for approval by the Competition Authority a reference offer governing the negotiations for distribution agreements between Canal+ Group and the independent channels. The Authority reached a decision on approval on 7 June 2013.

c) Exclusive takeover of Direct 8, Direct Star, Direct Productions, Direct Digital and Bolloré Intermédia by Vivendi and CANAL + Group

In a decision dated 23 July 2012, the Competition Authority authorised the exclusive takeover of the companies Direct 8, Direct Star, Direct Productions, Direct Digital and Bolloré Intermédia by Vivendi and CANAL + Group. M6 Group lodged an appeal against this decision to the Conseil d'Etat.

M6 Group also lodged an appeal to the Conseil d'Etat against the CSA's decision dated 18 September 2012 authorising, under Article 42-3 of the Law of 30 September 1986, the sale to Canal Plus Group of the Direct 8 and Direct Star companies.

Through two rulings on 23 December 2013, the Conseil d'Etat revoked the authorisation granted by the Competition Authority, and partially revoked the CSA approval which was based on the Competition Authority's ruling.

Following these annulments, on 15 January 2014 Vivendi and Canal Plus Group filed a new notification with the Competition Authority of the acquisition of the channels D8 and D17. During the submission of this application, Vivendi and Canal + Group proposed to the Competition Authority new commitments

which complement those already taken in the ruling of 23 July 2012.

d) Settlement of a dispute before the Conseil Supérieur de l'Audiovisuel

Within the framework of a referral to the CSA by France Télévisions, relating to the positioning of the France 5 TV channel in the new national service plan of the Numericable cable operator, the Paris Première channel which had effectively been granted the 5th channel claimed by the public service was party to settlement agreement in 2010. The CSA ruled in favour of Numericable, in a ruling dated 9 November 2011, which rejected the request for dispute settlement from France Télévisions and thus ruled in favour of Paris Première who retains channel No 5 on Numericable. France Télévisions has lodged an appeal against this decision to the Conseil d'Etat.

e) Other appeals before the Conseil d'Etat

The Conseil d'Etat rejected the interim application submitted by several local television channels relating to the new numbering allocated by the CSA to the DTT HD channels selected in 2012. Consequently, 6ter was launched immediately on channel 22 as early as 12 December 2012. The M6 Group had given its backing to the regulation authority before the Conseil d'Etat which must now rule on the substance of the case.

The Conseil d'Etat is currently hearing M6 Group's appeal against the Conseil supérieur de l'audiovisuel's decision disallowing its broadcast of Paris Première on free-to-air DTT in 2011.

M6 Group disputed the absence of its compensation channel, an award which, as set out in the law, is possible since the phasing out of analogue broadcasting

The financial risks arising from all the matters in progress, with the most significant described above, were estimated prudently and provided for where required in the financial statements of the Group (see Note 22 to the consolidated financial statements).

To date, there are no other governmental, legal or arbitration procedures, including any procedure known to the Company, that is pending or of which it is threatened, which is likely to have or having had a significant effect in the last twelve months on the financial position or profitability of the Group.

4.6. Major operating risks

For the Group's channels, the interruption of the broadcast of their programmes constitutes a major risk. In order to protect itself from the occurrence of such a risk, the Group has taken a number of steps to ensure continuous broadcasting of the programmes of the Group's channels. These steps relate notably to securing the electricity supply to the units, the ongoing modernisation of the broadcasting installations and the selection of recognised and reliable suppliers for services to broadcast the signals.

4.6.1. Broadcasting and transmission signal risks

The Group's methods of broadcasting are varied:

- Since the switchoff of the analogue signal at the end of 2011, M6 is broadcast free on the DTT network in digital mode only (Digital Terrestrial Television), in standard definition (SD) or high definition (HD); the M6 signal is also included in most packages of channels offered by the satellite, cable and broadband broadcast platforms.
- W9 is broadcast free in digital mode on the DTT network in standard definition only. The W9 signal is also included by the non free-to-air broadcast platforms (cable, satellite, broadband), in standard definition (SD) and in certain cases in high definition (HD).
- 6ter is broadcast free in digital mode in high definition (HD) on the DTT network. The 6ter signal is also included by the non free-to-air broadcast platforms (cable, satellite, broadband), in high definition (HD) and in certain cases in standard definition (SD).
- Other Group channels are pay channels offered by the various non free-to-air platforms. Paris Première and TF6 are nevertheless included in DTT pay-TV packages in standard definition.

Concerning the broadcast of free-to-air digital (DTT), data compression in digital mode enables the broadcast of several DTT channels on the same frequency. As a result, the broadcast in DTT is shared by a group of three to seven associated channels in common companies, called Multiplex or MUX, whose composition is decided by the Conseil Supérieur de l'Audiovisuel (CSA).
Thus, M6, W9 and Paris Première are associated with NT1 and Arte (for its HD signal) in the R4 Multiplex whose corporate name is Multi 4. 6ter is associated with RMC Découverte and Numéro 23 in the R8 Multiplex. TF6 is associated with the R6 Multiplex (SMR 6), which notably includes TF1.

In accordance with the law, the networks that have been rolled out by Multi 4 and SMR 6, supported by 1,626 broadcasting sites, provide nationwide coverage of 95% of the population of Metropolitan France, with a minimum of 91% per district.

HD broadcast was launched on 30 October 2008. M6 is associated with TF1 and France 2 on the Multiplex R5 (MR 5), whose network is under construction, three years later than the first DTT networks.
1,303 sites are already operational. HD network coverage will continue to expand gradually in order to reach 1,626 sites in 2015.

The network deployed by R8 was launched on 12 December 2012 with an initial coverage of 25% of Mainland France. At the end of 2013, this network covered 65% of the population via 552 sites and will be extended gradually to achieve coverage identical to other networks (1,626 sites) in June 2015.

- TDF for Multi 4 and MR 5 operate the **top of the network**, which consists of compressing and multiplexing the signals. TF1 Group and M6 Group provide this service in the case of SMR 6 and R8, respectively.
- Multi 4 and SMR 6 use the company Globecast to ensure the **upload** to the Eutelsat 5 West A satellite that transmits the signal to a large number of transmitters. A terrestrial link operated by TDF is used for the multiplex signal of associated channels in MR5 to transmit from Paris to the regional transmission sites. Lastly, R8 appointed the companies Arqiva and TDF to ensure the upload to the Eutelsat 5 West A satellite.
- the companies TDF, Towercast (NRJ Group), Itas-Tim and Onecast (TF1 Group) operate the **transmission sites** of the R4, R5, R6 and R8 networks

For their broadcast, the channels thus heavily depend on the quality of the services of their technical providers (free-to-air broadcast) and on the continuity of service provided by the operators of cable, satellite and broadband platforms.
More specifically, concerning the free-to-air broadcast of M6, W9 and Paris Première (R4 network), these channels have no alternative carrier in the event of breakdown of the Eutelsat 5 West A satellite. Similarly, 6ter (R8 network) has no alternative primary carrier in the event of breakdown of this satellite. However, the setting up of a backup for the R4 network is being analysed.

Antenna systems are not fully immune to technical incidents (antennas, waveguides and frequencies multiplexer), and electric supply may be discontinued in the event of a failure of the ERDF network.
However, transmission sites are for the most part secured thanks to their multiplicity and to the presence in certain cases of power generators.

The damage that the channels, and first and foremost M6, may be subjected to in the event of a transmitter failure is proportional to the viewing audience size served by the transmitter. This is why M6 has negotiated with its service providers very short service times in the event of transmission failure.

4.6.2. Internal control failure, fraud, IT systems, concentration of purchases, etc.

4.6.2.1. Risk of internal control failure

The Group implements a cautious prevention and follows up policy for this risk, as specified in the report of the Chairman of the Supervisory Board on corporate governance and internal control and risk management procedures (section 2.6 of this document).

4.6.2.2. Risk of fraud

The M6 Group bases its internal control system on the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and on the recommendations prepared by the AMF. One of the targets set (see paragraph 5.1.1 of the Report of the Chairman of the Supervisory Board) is to "prevent and manage the risk of error or fraud".

With the help of an independent consultancy firm, the Group has therefore put into place a multi-year anti-fraud plan, which is based on the definition of fraud used by Association of Certified Fraud Examiners (ACFE) in the execution of its activities: "The use of one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organisation's resources or assets".

In order to prevent, discourage and detect frauds, the Group has put into place:
- an Ethics Charter, which must be observed and has been communicated to all Group employees. This Charter details the Company's ethical values and defines the professional principles which Group Directors and employees must adhered to in their own conduct and which must guide the steps they undertake;
- a map of fraud risks within the Group. This map is the first step in an ambitious action plan implemented to manage the fraud risk as comprehensively and efficiently as possible. Initiated in July 2009 by the Audit Committee, and pursued throughout 2013, the objective of this action plan is:
    - firstly, to define the areas at risk and the role of the various stakeholders (Operational Units Department, Legal Department, Finance Department and Risk Management)- this step was completed at the beginning of 2010;
    - secondly, to determine whether the various internal control procedures established by the Group efficiently combat fraud – this stage has already led to adding to the procedures implemented in certain departments and subsidiaries;
    - thirdly, to carry out internal work to assess the controls introduced in risk areas;
    - lastly, put in place a multi-year testing programme that will complement the internal control audit.
- Group internal control standards, which include many key control points that directly or indirectly target the risk of fraud;
- more generally speaking, all the rules, procedures and controls implemented within the Group's organisations.

These anti-fraud measures cannot eliminate all risks, but are intended to very significantly reduce their occurrence and magnitude

4.6.2.3. IT systems risk

The Group depends on shared and interdependent IT applications for all its operations. The main risks relate to data confidentiality and integrity, as well as the discontinuation of IT services. Any failure affecting these applications or data communication networks may result in a cessation or slowdown in operations, delay or distort certain decision-making processes and generate financial losses for the Group. Moreover, any accidental or intentional data loss, liable to be used by a third party, may have negative effects on the Group's activities and results.

This is the reason why all IT systems are made secured by:
- Physical facilities protection (access control, fire detection);
- Logical network access control;
- Firewalls and antivirus;
- Daily, weekly, monthly and annual data backup;
- Duplication of broadcasting control room key systems (software and hardware).

This securitisation policy is reviewed on a regular basis in order to equip the Group with the best tools and procedure to combat this risk.

4.6.2.4. Purchase concentration risk

The concentration of strategic purchases from a limited number of suppliers may result in a strong dependence on the latter, causing a procurement risk (increase in purchase prices, supplier bankruptcy, etc.).

The purchases deemed the most strategic within the Group are audiovisual rights purchases.

As regards programmes in inventory, the main suppliers are the major US studios. Even though distribution contracts (output deals) have been signed with certain producers, the most significant only represents one third of films, made-for-TV films and series purchases. The top six US studios supplying M6 represent just over two thirds of these purchases. Dependence on these studios is structurally limited by the broadcasting quotas M6 must comply with.

As concerns flow programmes, purchases are spread over many suppliers.

In spite of the limited reliance on any given supplier, the Group pays particular attention to spreading its risks in terms of audiovisual rights procurement. It keeps a permanent watch in this respect in order to identify new programme concepts and alternative suppliers.

The share of 2013 purchases, excluding rights inventories, from the leading supplier and top five and top ten suppliers represented 4.2%, 13.0% and 19.4%, respectively.

4.7. Industrial and environmental risks

The Métropole Télévisions Group's operations do not structurally generate any significant environmental impacts, and as a result do not incur any industrial or environmental risks in light of existing regulations.
Nevertheless, the Métropole Télévision Group does take its environmental protection responsibilities seriously, particularly with regard to the recycling of waste produced by its activities, such as the recycling of batteries, laser cartridges, neon lights and videocassettes through a sheltered workshop (see also the paragraphs on environmental responsibility in section 7.4).

4.8. Insurance coverage

The Group has adopted a prudent risk analysis and prevention policy in order to limit the occurrence and magnitude of such risks.

In order to complement this policy, the Group has put into place an insurance policies plan focusing on the coverage of major risks, thereby providing for adequate coverage according to risk assessment, its own capabilities and the insurance market conditions.
The Group ensures the appropriateness of its insurance policies in relation to its requirements.

The major insurance policies subscribed to by the Group are listed below, followed by category of major risks covered (information below is provided purely on an indicative basis), other than those concerning F.C.G.B. and Ventadis, which have their own insurance policies (information provided below is for information only).

a) Property damage insurance

Policy: Industrial and professional block policy
Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies.
Coverage: damages to a maximum of €49,999,999 per loss per year of coverage.

Policy: All risks for IT and technical equipment
Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies.
Coverage: monetary damages arising from all direct material losses and all direct material damages caused to equipment to a maximum of €34,000,000 per loss per year of insurance.

b) General public liability insurance

Policy: Operational and professional liability
Insured parties: MÉTROPOLE TELEVISION, its subsidiaries and/or related companies, groups created by or for personnel, legal representatives and servants of the insured;
Coverage: monetary damages arising from personal injury, property damage or moral prejudice caused to third parties by the Group's operations, up to a maximum of €16,000,000 per loss for all professional liability type damages and up to a maximum of €7,000,000 per loss per year for all civil liability type damages.

c) Board members' general liability insurance

Insured parties: METROPOLE TELEVISION, its senior executives (1) (by law or fact) and Board members of Métropole Télévision and its subsidiaries.
Guarantees: monetary damages arising from Board members and senior management civil liability up to a maximum of €11,500,000 per insured period.

(1) Senior executives and directors: individuals, past, present or future, ordinarily invested with company powers pursuant to the laws or bylaws.

The annual cost of these insurance premiums for the year 2013, as well as all other contracts (particularly F.C.G.B's policies, as well as Ventadis' policies and production insurance) was approximately €1.3 million. All of M6 Group insurance contracts were renewed in 2014 on similar bases as those of 2013.

Furthermore, SCI du 107 subscribed to specific insurance policies from ALBINGIA for protection against the risks associated with the rebuilding programme of the property complex of which it is the owner. Damage to this complex, which was delivered on 23 July 2012, is insured for the next ten years.

There are no captive insurance companies within the Group.

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5.1. 2013 results

5.1.1. Presentation of the consolidated income statement

5.1.1.1. Summarised consolidated income statement

The analytical consolidated income statement below is based on the segmentation of Group activities selected within the framework of IFRS 8 - *Operating segments*. It presents the Group's financial performance, and therefore includes discontinued operations.

EBITA, also termed profit from recurring operations, is defined as operating profit (EBIT) before operating income and expenses from business combinations and capital gains on the disposal of financial assets and subsidiaries.

Operating income and expenses related to business combinations include the amortisation of intangible assets (brands and technologies) accounted for as part of the Mistergooddeal and Cyréalis acquisitions (negative amounts of €1.1 million in 2013 and €1.4 million in 2012), goodwill impairment and net asset writedowns (negative amounts of €15.3 million in 2013 and €11.2 million in 2012) and other accounting entries resulting from the application of revised IFRS 3, Business combinations (a negative €0.4 million in 2013 and €0.0 million in 2012).

Analytical consolidated income statement

(€ millions)	31/12/2013	31/12/2012	2012 / 2013 change (€ millions)	(%)
M6 TV Network				
Advertising revenue	643.4	647.1	(3.7)	-0.6%
Other revenue	21.4	16.9	4.5	26.9%
Profit from recurring operations (EBITA)	144.8	142.5	2.3	1.6%
Digital channels				
Revenue	190.8	186.1	4.7	2.5%
Profit from recurring operations (EBITA)	9.1	30.9	(21.9)	-70.7%
Diversification and audiovisual rights				
Revenue	526.9	536.3	(9.4)	-1.8%
Profit from recurring operations (EBITA)	55.1	47.8	7.3	15.2%
Other revenue	0.4	0.2	0.2	84.7%
Eliminations and unallocated items	(2.7)	(2.7)	0.0	-1.3%
Revenue from continuing operations	**1,382.8**	**1,386.6**	**(3.8)**	**-0.3%**
EBITA from continuing operations	**206.2**	**218.5**	**(12.3)**	**-5.6%**
Operating income and expenses related to business combinations	(16.9)	(12.5)	(4.3)	34.5%
Capital gains on the disposal of subsidiaries and equity investments	-	-	-	
Operating profit (EBIT) from continuing operations	**189.4**	**206.0**	**(16.6)**	**-8.1%**
Net financial income	17.7	24.4	(6.7)	-27.5%
Share of associates' net profit	(0.0)	0.0	(0.0)	-1,250.1%
Profit before tax (EBT)	**207.0**	**230.4**	**(23.3)**	**-10.1%**
Income tax	(94.9)	(90.2)	(4.7)	5.3%
Net profit	**112.1**	**140.2**	**(28.1)**	**-20.0%**
Attributable to minority interests	(0.1)	(0.0)	(0.0)	0.5
Net profit - Group share	**112.1**	**140.2**	**(28.1)**	**-20.1%**

5.1.1.2. Consolidated income statement by nature of expense

The consolidated income statement by nature of expense presented below outlines the Group's financial performance and as such includes discontinued operations.

Condensed consolidated income statement

(€ millions)	*31/12/2013*	*31/12/2012*
Revenue	1,382.8	1,386.6
Total operating revenues	1,397.5	1,394.4
Total operating expenses *	(1,191.3)	(1,175.9)
Profit from recurring operations (EBITA)	**206.2**	**218.5**
Amortisation and impairment of intangible assets related to acquisitions (including goodwill) and capital gains and losses on the disposal of subsidiaries & equity investments	(16.9)	(12.5)
Operating profit (EBIT)	**189.4**	**206.0**
Net financial income	**17.7**	**24.4**
Share of profit of associates	(0.0)	0.0
Proft before tax (EBT)	**207.0**	**230.4**
Income tax	94.9	(90.2)
Net profit for the year	**112.1**	**140.2**
Attributable to non-controlling interests	0.1	0.0
Net profit - Group share	**112.0**	**140.2**

** : operating expenses excluding amortisation and impairment of intangible assets related to acquisitions and capital gains and losses on the disposal of subsidiaries & equity investments*

5.1.2. Analysis of the consolidated income statement

5.1.2.1. Analytical presentation of Group results

(€ millions)	2013	2012	% change
Consolidated revenues	**1,382.8**	**1,386.6**	**-0.3%**
Group advertising revenues	811.9	811.9	0.0%
- of which M6 channel advertising revenues	*643.4*	*647.1*	*-0.6%*
- of which other advertising revenues	*168.5*	*164.7*	*+2.3%*
Group non-advertising revenues	571.0	574.8	-0.7%
Consolidated profit from recurring operations (EBITA)	**206.2**	**218.5**	**-5.6%**
Operating income and expenses related to business combinations	(16.9)	(12.5)	+35.2%
Consolidated operating profit (EBIT)	189.4	206.0	-8.1%
Net financial income	17.7	24.4	n.s
Deferred and current taxes	(94.9)	(90.2)	+5.3%
Net profit for the year	**112.1**	**140.2**	**-20.1%**
Net profit for the year - Group share	112.0	140.2	-20.1%

In 2013, **the M6 Group consolidated its position on television markets**, increasing its advertising market share in another difficult year (audience fragmentation and the challenges faced by pay TV), while at the same time:

- launching the 6ter channel and 6play platform, incurring an additional cost of €7.1 million in 2013, net of taxes;
- refocusing the Ventadis division on teleshopping and targeted e-commerce sites, with the disposal of Mistergooddeal, reflected in an exceptional loss of €14.7 million but mitigated by the second tranche of capital gain from the disposal of Summit for €11.2 million;
- paying €13.3 million in net additional taxes, arising from an exceptional dividend payment, the introduction of the high-earners tax (mainly affecting F.C.G.B.) and an increase in corporation tax rates, despite benefiting from a CICE tax credit.

Excluding these non-recurring items, profit from recurring operations (EBITA) increased by €3.8 million and consolidated net profit by €3.0 million.

In 2013, against the background of a challenging market, the M6 Group delivered a solid financial performance with **stable consolidated revenues of €1,382.8 million** (down 0.3%).

The Group once again outperformed the TV advertising market in 2013, recording **stable advertising revenues** in a declining market.

Other operating revenues were €14.6 million, an increase of €6.9 million compared to 2012, of which €5.9 million was attributable to higher transfer fees from F.C.G.B. players.

Operating revenues thus totalled €1,397.5 million in 2013, compared to €1,394.4 million in 2012, an increase of €3.1 million (up 0.2%).

Excluding operating expenses relating to business combinations, operating expenses increased by €15.4 million (up 1.3%) to €1,191.3 million.

This decline was due to the following developments:

- operating expenses of the M6 TV Network segment decreased by €3.6 million, particularly due to the non-recurrence of the cost of the Euro 2012 football tournament;
- operating expenses of digital channels posted an increase of €25.0 million, under the combined effect of the launch of 6ter at the end of 2012 and higher programming costs at W9;
- operating expenses of diversification and audiovisual right activities decreased by €6.2 million:
  - they declined by €6.6 million for the Ventadis division in line with the fall in sales for Mistergooddeal and the streamlining of logistics costs;
  - within the segment comprising FC Girondins de Bordeaux and its subsidiaries, the increase in operating expenses was €1.4 million owing to the recognition of the payroll tax of €3.3 million on high salaries.

Analysis of expenses by nature is as follows:

- consumables and other operating expenses increased by €7.5 million (up 1.0%) primarily in relation to the development of the digital channels, 6ter in particular;
- personnel costs increased by €7.0 million (up 2.8%), particularly due to the combined effect of the payroll tax on high salaries (€3.8 million) and the profit sharing bonus (€2.3 million);
- net amortisation, depreciation and provision charges, excluding those linked to acquisition-related intangible assets, rose by €2.5 million to €113.7 million.

Consolidated profit from recurring operations (EBITA) thus reached €206.2 million, which represents an improvement excluding exceptional effects, related to certain business activities (investment in the 6ter channel and 6play platform) and increased taxation.
The consolidated margin from recurring operations was 14.9% (compared to 15.8% in 2012).

As a result of entering into exclusive negotiations with the Darty Group with a view to disposing of Mistergooddeal, the Group wrote down the fair value of Mistergooddeal's net assets leading to an impairment charge of €14.7 million.

Net financial income was €17.7 million (compared to €24.4 million for the year to 31 December 2012). This figure includes a capital gain of €13.6 million (€20.2 million in 2012) from the disposal of the Lions Gate shares received in 2012 at the time of the Summit Entertainment disposal.

Deferred and current taxes rose by €4.7 million to €94.9 million as a result of the new 3% surtax levied on dividends paid, an amount totalling €7.0 million, as well as the impact of an increase in additional corporation tax.

The Group's share of net profit for the period totalled €112.0 million, representing an increase after restatement of exceptional items.

5.1.2.2. M6 TV Network

The contribution of each entity to the M6 TV Network's performance may be analysed as follows:

Contribution - M6 TV Network

(€ millions)	31/12/2013			31/12/2012			2012 / 2013 change		
	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA
M6 TV Network *	732.3	644.8	140.1	735.6	649.8	138.2	(3.4)	(5.0)	1.9
Audiovisual and film production subsidiaries	107.2	20.0	4.7	102.0	14.2	4.4	5.2	5.8	0.4
Intra-group eliminations	127.0	-	-	(131.6)	-	-	258.6	-	-
Total M6 TV Network	**966.5**	**664.8**	**144.8**	**706.1**	**664.0**	**142.5**	**260.4**	**0.8**	**2.3**

including M6 Publicité (advertising agency)

M6 TV network EBITA may be analysed as follows based on the M6 channel's gross margin on programming:

M6 TV Network: Gross margin on programming

(€ millions)	31/12/2013	31/12/2012	2012/2013 change (€m)	2012/2013 change (%)
Advertising revenue	643.4	647.1	(3.7)	-0.6%
Advertising revenue - Group	9.8	10.5	(0.7)	-6.8%
Advertising agency cost - M6's share, taxes and copyright distribution costs	(113.2)	(112.4)	(0.7)	0.6%
Free-to-Air net revenue	**540.0**	**545.2**	**(5.2)**	**-1.0%**
Programming costs	**(342.8)**	**(346.9)**	**4.1**	**-1.2%**
Gross margin on programming	**197.2**	**198.3**	**(1.1)**	**-0.5%**
(%)	**36.5%**	**36.4%**		
Net other operating expenses	(68.5)	(72.3)	3.8	-5.2%
Ex-segment commissions net of advertising agency costs not allocated to M6	11.4	12.1	(0.8)	-6.3%
M6 TV Network other subsidiaries EBITA	4.7	4.4	0.4	8.2%
M6 TV Network EBITA	**144.8**	**142.5**	**2.3**	**1.6%**

Net advertising revenues: *These consist of advertising revenue earned by the M6 television network, offset by the cost of services provided by M6 Publicité (TV network share), mandatory charges levied as a proportion of revenue and broadcasting costs.*
Programming costs*: these represent the cost of programmes broadcast on M6 channel (purchased, produced or coproduced), including charges relating to rights that are invalid or unlikely to be broadcast.*
Gross margin on programming*: this represents the difference between TV net revenue and programming costs.*

In 2013, the M6 channel's advertising revenues decreased by 0.6% in a declining television advertising market (estimated fall of 4%).

Against this background, the M6 channel has outperformed the TV advertising market, once again demonstrating the relevance of its strategy of developing strong brands during peak viewing times (L'Amour est dans le pré, Scènes de Ménages, Capital, etc.).

The six new channels launched in December 2012 have automatically taken audience share from the traditional channels, including M6, which achieved an average audience share of 10.6% in the 4+ age group, confirming its position as the second most-watched channel in the under-50 age group and the second most-watched across the whole population during prime-time (source Médiamétrie).

Overall programming costs fell by 1.2% to €342.8 million, (€346.9 million in 2012).

The M6 TV network (channel, advertising agency and production subsidiaries) thus generated a margin from recurring operations (EBITA/revenue) of 21.8%.

5.1.2.3. Digital channels

Contribution - Digital channels

	31/12/2013			31/12/2012			2012/2013 change		
(€ millions)	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA
Total Digital Channels	**196.2**	**190.8**	**9.1**	**190.3**	**186.1**	**30.9**	**5.9**	**4.7**	**(21.9)**

In 2013, revenue from the Group's other digital channels grew by 2.5%, reflecting the position of W9, which:

- confirmed its ranking as the dominant DTT channel on the commercial target, with a 4.0% audience share (source Médiamétrie),
- consolidated its position as the leading DTT channel in the strategic 6pm-11pm time slot and,
- is the DTT channel with the largest number of high-profile prime-time programmes, broadcasting 131 programmes attracting an audience of at least 1.0 million viewers.

Moreover, 6ter has established itself as the leader among the new DTT channels in the target segment of housewives aged under 50, with an audience share of 0.8% (source Médiamétrie).

More generally, digital channels contributed €9.1 million to consolidated EBITA, constituting an EBITA margin of 4.7%, which includes the investment in 6ter and the decrease in revenue from cable and satellite channels.

5.1.2.4. Diversification and audiovisual rights

Contribution - Diversifications & Audiovisual rights

	31/12/2013			31/12/2012			2012/2013 change		
(€ millions)	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA
Audiovisual rights	97.7	89.0	6.7	105.5	88.0	2.9	(7.8)	1.0	3.8
Interactions	16.3	13.3	7.0	17.7	14.6	6.0	(1.4)	(1.3)	0.9
Ventadis	267.9	261.4	13.7	273.7	266.7	12.9	(5.8)	(5.3)	0.8
M6 Web	99.4	96.5	32.3	104.3	101.8	36.8	(4.9)	(5.3)	(4.5)
FCGB	67.2	66.7	(4.6)	65.7	65.2	(10.7)	1.5	1.5	6.2
Intra-Group eliminations	(11.3)	-	-	(12.9)	-	-	1.6	-	-
Total Diversifications & Audiovisual rights	**537.2**	**526.9**	**55.1**	**554.0**	**536.3**	**47.8**	**(16.8)**	**(9.4)**	**7.3**

Advertising and non-advertising revenues from Diversification and Audiovisual Rights fell by 1.8% in 2013, with a healthy increase of 15.2% in contribution to EBITA:

- revenues from Audiovisual Rights operations saw an increase in EBITA thanks to successful cinema (Insaisissables, Prisoners, etc.) and video releases (Twilight 5 in particular);
- M6 Web continues its policy of investment in enhanced television programming and in the marketing of M6 Mobile;
- Ventadis (teleshopping and niche e-commerce sites) reported revenue and EBITA growth. Mistergooddeal saw a fall in revenue resulting from the realignment of its product range, which nevertheless enabled it to limit its losses;

- operating profit for the Interactions Division rose, due to the many successes in its music operations (Génération Goldman 2, etc.);

- finishing 7th in the French League 1 championship at the end of the 2012/2013 season together with victory in the French Cup allowed F.C.G.B. to limit its losses compared to last year.

The EBITA margin recorded by Diversification and Audiovisual Rights (excluding F.C.G.B.) was 13.0%, up by 0.6 of a percentage point. Excluding Mistergooddeal, the total rises to 19.2% (an increase of 0.4 pp).

5.1.2.5. Unallocated items

Eliminations and unallocated income/expenses related to:

- the cost of share subscription options and cost of free share allocation plans, in accordance with IFRS 2 – Share-based payments;
- unallocated consolidation restatements primarily corresponding to the elimination of intra-Group gains on the disposal non-current assets or inventories;
- EBITA of property companies and dormant companies (€4.3 million in 2013, compared to €3.4 million in 2012).
    - Immobilière M6 owns Métropole Télévision Group's 10,000 m² head office facilities located in Neuilly sur Seine.
    - Immobilière 46D acquired a 4,000 m² building in Neuilly sur Seine in 2007.
    - SCI du 107 owns a 6,000 m² building in Neuilly-sur-Seine following a major rebuilding programme completed in 2012.

  These premises are leased to Group companies. All leasing and sub-leasing agreements provide for transparent billings of rent and related charges to each tenant, under normal market conditions, based on their allocated area of space.

5.1.3. Significant contracts signed over the last 24 months

No significant contract was concluded outside the ordinary activities of the M6 Group during the last 24 months.

5.1.4. Compliance with legal obligations and the agreement

The M6, W9 and 6ter channels, which all benefit from a terrestrial broadcasting licence, are subject to obligations as a result of their agreement signed with the CSA. On an annual basis, the channels communicate the conditions for the implementation of their obligations and commitments during the previous financial year to the CSA.

In 2013, according to their calculations and subject to validation by the CSA, the three channels complied with all the contractual commitments and obligations for the production of audiovisual and film works, as well as their broadcasting obligations.

Details concerning these obligations are set out in detail in section 1.6 of the Legal Information part of this document.

5.2. Group financial position and cash flow statement

5.2.1. Financial position

Condensed consolidated statement of financial position

ASSETS (€ millions)	31/12/2013	31/12/2012
Non-current assets	355.1	365.6
Current assets	868.6	960.4
Assets related to discountinued operations *	31.9	-
Total Assets	**1,255.6**	**1,325.9**

EQUITY AND LIABILITIES (€ millions)		
Shareholders' equity	572.0	687.8
Non-current liabilities	10.5	11.7
Current liabilities	645.6	626.4
Liabilities related to discountinued operations *	27.5	-
Total Equity and Liabilities	**1,255.6**	**1,325.9**

Pursuant to IFRS 5 – Non-current assets held for sale and discontinued operations, Mistergooddeal is presented as an operation held for sale in the consolidated statement of financial position for the 2013 financial year.

At 31 December 2013, total assets were €1,255.6 million, a decrease of €70.3 million (down 5.3%) compared to 31 December 2012.

Non-current assets totalled €355.1 million, a decrease of €10.5 million (down 2.9%) compared to the 2012 year-end.

This change was primarily due to the reclassification of the Mistergooddeal business as an operation held for sale (less €10.9 million), new goodwill generated by the acquisition of Luxview and Optilens (an additional €1.5 million), and the decrease in assets held for sale following the disposal of the Lions Gate Entertainment securities (less €4.2 million).

For other types of non-current assets, additions (acquisitions) and amortisation and provision charges and disposals of capitalised assets balanced each other out overall.

The remainder was due to the €2.9 million increase in deferred tax assets.

Current assets, excluding cash and cash equivalents, amounted to €580.3 million, a decrease of €64.5 million (down 10.1%) compared to 31 December 2012.

This decrease was primarily due to:

- the reclassification of Mistergooddeal's current assets to assets related to discontinued operations (down €23.1 million);
- the decrease in trade receivables (down €20.0 million);
- the decrease in football players' transfer fees receivable (down €9.4 million);
- the decrease in current tax receivables (down €13.2 million).

Cash and cash equivalents amounted to €287.0 million, a decline of €28.6 million compared to 31 December 2012 (see comments on the consolidated cash flow statement).

Group equity totalled €572.0 million.

The €115.8 million decrease since the 2012 year-end was primarily attributable to:

- the payment of dividends of €231.9 million;

- the IFRS 2 charge, resulting in an increase of €4.4 million;
- the disposal of the Lions Gate Entertainment securities, resulting in a reduction of €2.1 million net of deferred tax;
- net profit for the year of €112.0 million.

Other liability items (current and non-current liabilities) increased by €18.0 million compared to 31 December 2012 to €656.1 million.

This significant 2.8% reduction primarily reflected:
- the reclassification of Mistergooddeal's current and non-current liabilities to liabilities related to discontinued operations (down €24.8 million);
- the increase in trade payables (up €31.7 million);
- the increase in liabilities on non-current assets (up €11.3 million).

At 31 December 2013, none of the credit facilities at the Group's disposal had been drawn down.

5.2.2. Cash flow statement

Condensed consolidated cash flow statement

(€ millions)	31/12/2013 *	31/12/2012 Restated *	31/12/2012 Published
Self-financing capacity before tax	328.3	322.7	317.7
Movements in working capital requirements	49.6	11.1	11.9
Income tax	(82.1)	(88.4)	(88.5)
Net cash from operating activities	**295.9**	**245.5**	**241.2**
Net cash used in investment activities	**(77.9)**	**(88.3)**	**(90.5)**
Net cash used in financing activities	**(233.6)**	**(163.7)**	**(163.7)**
Dividends paid	(231.9)	(126.3)	(126.3)
Cash flow of discontinued operations	(7.5)	(6.4)	-
Effect of translation adjustment on cash and cash equivalents	(0.4)	-	-
Net change in cash and cash equivalents	**(23.5)**	**(13.0)**	**(13.0)**
Reclassification of cash and cash equivalents of discontinued operations	(5.2)		
Cash and cash equivalents - start of year	**315.6**	**328.6**	**328.6**
Cash and cash equivalents - end of year	**287.0**	**315.6**	**315.6**
Net cash position - end of year	**287.3**	**317.5**	**317.5**

** Pursuant to IFRS 5 – Non-current assets held for sale and discontinued operations, Mistergooddeal is presented as a discontinued operation in the consolidated cash flow statement for the 2013 financial year.*

Cash flow from operating activities was €295.9 million in 2013, higher than the level of €245.5 million achieved in 2012.
This increase of €50.4 million (up 20.5%) was due to the following:

- The self-financing capacity before tax generated by the Group increased by €5.6 million to €328.3 million. This increase was due to the €13.1 million decline in operating profit, partly offset by the cautious approach to asset amortisation and risk provisioning: the total of charges net of reversals was higher in 2013 than in the previous year, by €25.2 million. The balance of the change (an increase of €6.5 million) was primarily due to lower capital gains on players' transfer fees.

- The change in working capital requirements (WCR), excluding tax receivables and payables amounted to a €49.6 million cash generation, compared to €11.9 million in 2012. The continued optimisation of supplier payment terms and lower trade receivables caused by the decline in Group revenue explain the majority of this change.

- Income tax outflows were €82.1 million, compared to €88.4 million in 2012, a variation that automatically resulted from the decline in taxable profits.

In 2013, **cash flows applied to investments** used cash flow of €77.9 million, compared to a usage of €88.3 million in 2012:

- Growth or non-recurring investments resulted in an €11.0 million cash generation in 2013, compared to a cash generation of €22.2 million in 2012, primarily comprising the proceeds from the sale of the Lions Gate Entertainment securities, which were lower than those generated by the disposal of Summit Entertainment in 2012.

- Virtually recurring investments (licencing rights purchases by SND, purchase and sale of players by FC Girondins de Bordeaux and renewal of technical and IT equipment) decreased by €21.6 million.

Cash flow applied to financing activities used up cash resources of €233.6 million in 2013 compared to €163.7 million in 2012.

This €69.9 million negative movement may be explained as follows:

- The increase in the dividend paid (€105.6 million), the dividend of € 231.9 million paid to shareholders in 2013 made up of an ordinary dividend of €106.5 million (compared to €126.2 million in 2012) and an exceptional dividend of €125.4 million;

- The impact of financing the Bordeaux stadium in 2012 (€20.0 million);

- The decrease in disbursements relating to transactions involving share capital (€14.8 million).

Furthermore, during the year to 31 December 2013, none of these credit facilities were drawn down.

The financial year thus resulted in a €23.5 million decrease in cash and cash equivalents.

Cash and cash equivalents thus totalled €287.0 million at 31 December 2013, compared to €315.6 million at 31 December 2012. Mistergooddeal's cash and cash equivalents were reclassified for €5.2 million at 31 December 2013 in assets related to discontinued operations.

Considering the debt position, the Group thus went from a positive net cash position of €317.5 million at the 2012 year-end to a positive €287.3 million at 31 December 2013 (the net cash position is defined as cash and cash equivalents, plus current account balances and loans granted, less bank overdrafts and financial debt).

5.2.3. Cash management policy

The cash management policy is detailed in Note 22.3 "Investment policy" to the consolidated financial statements of this document, which covers financial instruments.

5.2.4. Investment policy

A significant element of the M6 Group's business is the acquisition of rights and the production of shows. These "investments" in programmes are treated as operating expenses. They are therefore not capitalised but recognised as off-balance sheet commitments before the rights are opened, and then in inventory after the rights are opened.

M6's capital expenditure policy is driven by the following:
- the concern to provide the Group with the necessary resources to develop future growth drivers that meet the challenges resulting from new broadcasting modes and media viewing patterns;
- the strategic necessity to supply existing operations with the best content and products possible in order to confirm their positioning and attractiveness;

- the importance of providing the Group with a safe and efficient working environment, both in terms of infrastructures and equipment (offices, production resources, etc.) and information and broadcasting systems;
- TV network obligations and contractual commitment obligations, as well as regulations that govern these activities.

- **In 2011,** the Group made a number of acquisitions: in the field of Audiovisual Rights, the Group acquired 100% of Les Films de la Suane and the 50% it did not previously own in TCM; both companies own feature film catalogues. The Group also made a 34% equity investment in Quicksign, a technological platform devoted to financial services, and a 50% investment in its subsidiary Panorabanque.

  Lastly, in respect of their contractual commitments and/or regulatory obligations, M6 and M6 Films devoted a cumulative €109.4 million to the production of audiovisual and film works.

- **In 2012,** the Group sold its 9.1% equity investment in the US film production and distribution company Summit Entertainment, within the framework of the acquisition of the studio by Lions Gate Entertainment.

  The Group also acquired the websites owned by Tom's Games (jeuxvideoPC.com and jeuxvideoflash.com) and made an equity investment in Audience Square, an online advertising space marketplace.

  Lastly, as part of its contractual commitments and/or regulatory obligations, the Group invested a cumulative €136.2 million in the production of audiovisual and film works.

- **In 2013,** the Group sold its 0.36% interest in the film production and distribution company Lions Gate Entertainment.

  In addition, the Group completed the acquisition of the company Luxview, which operates the websites www.happyview.fr and www.malentille.com. Luxview owns the entire share capital of the Belgian company Optilens SPRL.

  Lastly, as part of its contractual commitments and/or regulatory obligations, the Group invested a cumulative €134.8 million in the production of audiovisual and film works.

5.2.5. Contingent assets and liabilities

A description, a summary table and an analysis of changes in contingent assets and liabilities are included in Note 26 to the consolidated financial statements set out in this document.

5.3. Financial position of the parent company and agreements between M6 and its subsidiaries

5.3.1. Financial position of the parent company

At 31 December 2013, Métropole Télévision (M6) had total assets of €1,226.4 million, a slight increase of €58.8 million (down 4.6%) compared to 31 December 2012.

Non-current assets declined very slightly by €14.6 million to €221.5 million. This movement primarily relates to equity investments, down €11.2 million and is due to the writedown provision on the M6 Foot shares recorded in the 2013 financial year (€11.2 million).

Current assets fell by €44.2 million to €1,004.9 million. The fall in investment securities (€35.0 million), reflecting the dividend paid in 2013 in respect of 2012, and the decrease in other receivables (€8.8 million), reflecting the current financing operations of Group subsidiaries, account for the majority of this movement.

Under equity and liabilities, liabilities increased by €51.8 million to €720.1 million, primarily due to the increase in other liabilities (up €39.0 million). The latter primarily include Group subsidiaries' current funding transactions.
Furthermore, at 31 December 2013, none of the credit facilities held by the Company had been drawn down.

Shareholders' equity totalled €447.8 million, a decline of €116.7 million. This movement was primarily due to:

- dividends paid, of €231.9 million;
- the issue of 81,485 new shares as part of the exercise of stock options (€1.2 million);
- net profit for the year, of €114.6 million.

At 31 December 2013, cash and cash equivalents (cash and marketable securities less bank overdrafts) were €265.1 million, a slight decline of €35.3 million compared to 31 December 2012.

5.3.2. Shareholders' agreements

Métropole Télévision and its subsidiaries have entered into shareholders' agreements with a view to organising, as a complement to bylaws, relationships with joint shareholders in jointly-controlled companies. At 31 December 2013, the companies concerned are Extension TV (Série Club), TF6, TF6 Gestion, Multi 4, MR 5, R8, Panorabanque, Quicksign, Audience Square, GM6 and HSS Belgique.

5.3.3. Direct shareholding interests over 5%, 10%, 20%, 33% or 50% of capital and controlling interests (Article L 233-6 of the Commercial Code) acquired during the 2013 financial year

In accordance with legal provisions, in particular Article L. 233-6 of the Commercial Code, the table below shows the direct shareholding interests acquired by Métropole Télévision or any one of its subsidiaries during the 2013 financial year.

Company name	Legal form	2013 equity investment	% shareholding			
			Direct M6	Indirect M6	Company	Total
Luxview	SAS	95.56%		95.56%	H.S.S.	100%
Optilens	SPRL	95.56%		95.56%	Luxview	100%

On 11 July 2013, M6 Group acquired 69.49% of the capital of Luxview, the company that operates the websites www.happyview.fr and www.malentille.com; the Group subsequently increased its interest to 95.56% on 30 September 2013; Luxview owns the entire share capital of the Belgian company Optilens SPRL.

5.3.4. Parent company/subsidiaries relationships

Métropole Télévision has its own business activities and also defines the strategic objectives for the Group in its capacity as Parent Company.

It sets and defines the framework for oversight of the activities of Group entities, as follows:

- through the strategic objectives defined for Group activities;
- through the specific features of its three core business lines: the M6 channel, Digital TV and Diversification and Audiovisual Rights;
- through the existing business-wide functional departments (Finance, Corporate Services, Human Resources, Legal Affairs, Information Systems, Internal Communications, etc.) which operate as shared services across the Group. These functional responsibilities are held by specialists from each of the business lines. The provision of these resources is formalised in Technical Assistance Agreements and is invoiced to each subsidiary.

From a financial point of view:

- the cash pooling agreement with subsidiaries enables M6 to manage and consolidate the cash resources of most Group subsidiaries to optimise its use;
- Métropole Télévision is the head of a tax consolidation group pursuant to the provisions of Article 223 A of the General Tax Code.

At 31 December 2013, the Métropole Télévision Group had 63 subsidiaries and affiliates as follows:

- 26 significant consolidated subsidiaries;
- 30 insignificant consolidated subsidiaries;
- 7 non-consolidated subsidiaries.

Significant consolidated subsidiaries are as follows:

Significant consolidated subsidiaries (26)	Country	Financial transactions with Métropole Télévision		% interest (rounded up)	Impact of minority interests
		Member of cash pooling agreement	Various significant transactions*		
M6 TV Network					
M6 Publicité	France	Yes	Advertising agency payment	100%	-
M6 Créations	France	Yes		100%	-
M6 Films	France	Yes	NS	100%	-
Métropole Production	France	Yes	Rights acquisition, technical or support sevices	100%	-
C. Productions	France	Yes	Rights acquisition	100%	-
Studio 89 Productions	France	Yes	Rights acquisition	100%	-
DIGITAL CHANNELS					
M6 Thématique	France	Yes		100%	-
Extension TV- Série Club	France	Yes	NS	50%	-
M6 Génération	France	Yes	NS	100%	-
Paris Première	France	Yes		100%	-
TF6	France			50%	-
EDI TV – W9	France	Yes		100%	-
M6 Communication (M6 Music Black - Hit - Club)	France	Yes		100%	-
SediTV - Téva	France	Yes		100%	-
DIVERSIFICATION AND AUDIOVISUAL RIGHTS					
Football Club des Girondins de Bordeaux	France	No		100%	-
Home Shopping Service	France	oui	Advertising	100%	-
MonAlbumPhoto	France	No		95%	-
M6 Interactions	France	Yes	Advertising	100%	-
M6 Editions	France	Yes	Advertising	100%	-
M6 Evénements	France	Yes		100%	-
Société Nouvelle de Distribution	France	Yes	Rights acquisition	100%	-
M6 Web	France	Yes	Advertising	100%	-
TCM Droits Audiovisuels	France	Yes	Rights acquisition	100%	-
Société Nouvelle de Cinématograp	France	Yes	Sale of rights	100%	-
SNDA	France	Yes	Rights acquisition and sale	100%	-
DISCONTINUED OPERATIONS					
Mistergooddeal	France	Yes	Advertising	100%	-

** Transactions valued in excess of € 500 thousand*

In view of the size of their individual business activities, the transactions between other companies and Métropole Télévision are insignificant.

The contributions of major Group companies in terms of non-current assets, financial debt, balance sheet cash and cash equivalents, cash flow from operations and dividends paid by subsidiaries to the parent company during the financial year are presented below, to disclose the respective scale of each company within the Group and more specifically the relative size of the parent company compared to the direct and indirect subsidiaries.

The Group's financial debt amounted to €2.9 million and primarily included the share of liabilities of jointly-owned subsidiaries and finance leases for the acquisition of technical equipment, for which the Group is liable.

Parent company - subsidiary relationships

(€ millions)	2013	2012
Non-current assets	***331.7***	***345.1***
M6 Web	43.8	43.2
SCI du 107	41.1	42.7
FCGB	35.6	35.0
Immobilière 46D	32.0	33.8
E-Commerce *	27.2	34.5
SND	23.8	30.7
Immobilière M6	28.4	27.8
SNDA	22.0	20.0
Métropole Télévision	16.6	20.0
M6 Studio	14.0	9.2
SNC (Diem 2)	11.9	13.9
Téléachat *	10.9	12.7
M6 Publicité	10.1	4.9
M6 Films	5.4	2.3
Métropole Production	4.1	5.0
TCM DA	1.1	1.4
SND USA	0.0	4.3
Other	*3.6*	*6.2*
Balance sheet cash and cash equivalents	***287.0***	***315.6***
Métropole Télévision	258.9	294.9
SND USA	10.9	2.5
Téléachat *	6.9	0.7
SND	6.5	13.6
FCGB	1.2	0.7
M6 Publicité	0.4	4.6
E-Commerce *	0.8	(1.0)
Other	*1.5*	*(0.5)*
Cash flow from operating activities	***295.9***	***245.5***
Métropole Télévision	86.4	49.1
SND	44.0	44.6
SNDA	43.7	28.5
M6 Publicité	40.7	49.2
M6 Web	34.2	44.9
Téléachat *	24.5	2.4
Sedi - Teva	7.1	8.4
E-Commerce *	7.1	5.0
M6 Interactions SAS	7.0	4.1
Immobilière M6	4.8	5.1
Paris Première	3.6	(1.6)
M6 Communication	3.4	2.6
M6 Studio	3.1	5.4
M6 Films	2.2	0.8
Immobilière 46D	1.8	1.8
Studio 89 Productions	1.2	2.2
SNC (Diem 2)	1.0	1.1
Edi - W9 Tv	0.8	1.5
C. Productions	(0.4)	3.5
FCGB	(7.9)	(11.4)
M6 Génération - 6Ter	(17.0)	(4.5)
Other	*4.3*	*2.9*
Dividends paid to Métropole Télévision	***70.8***	***58.0***
M6 Publicité SAS	28.2	29.0
M6 Thématique SA	27.1	13.8
M6 Interactions SAS	13.8	14.1
M6 Web SAS	1.2	1.0
SND	0.5	0.0

** E-Commerce includes Mon Album Photo, Luxview and Optilens data; Mistergooddeal's adata is presented under discontinued operations in 2013 and as cash flow in 2012*
** Teleshopping includes HSS and HSS Belgique data*

5.3.5. Tax consolidation

Information on the Group's tax consolidation is set out in Note 4.9 to the parent company financial statements.

5.4. Outlook and strategic direction

In 2014, the M6 Group will continue to implement its profitable growth strategy for all its activities.

In line with previous financial years, content will be at the core of growth (see section 5.4.2), with a view to confirming the position of the family of channels, within a market environment undergoing extensive change and marked by an increase in the number of free-to-air channels, continued audience fragmentation, as well as concentration movements in this market.

Similarly, the Group will continue its strategy aimed at establishing a balanced revenue model that allows for growth in non-advertising revenue (see paragraph 5.4.3), in particular by drawing on the strength of the Group's brands and its expertise in terms of audiovisual rights, merchandise and licencing, interactive services and offerings, distance selling and ownership of a first-rate sports club.

The M6 Group will operate within a challenging business environment in 2014, marked by tension concerning the financing of public debt. Macroeconomic forecasts also point to "a lack of dynamism in various items on the demand side (*Note de conjoncture de l'INSEE, December 2012*), including consumer spending, which may result in a weak advertising market.

Against this background, the M6 Group will continue to pay particular attention to its level of its operating expenses, without nonetheless putting the development of its operations in jeopardy, in order to maintain, as much as possible, a satisfactory profitability level.

5.4.1. Significant post-balance sheet events

On 7 January 2014, through its subsidiary Home Shopping Service (Ventadis division), the M6 Group finalised the acquisition of 51% of the share capital of Best of TV, a French importer and distributor to points of sales of products whose sales was initiated via teleshopping.

On 31 March 2014, and in accordance with the announcement made on 18 December 2013, M6 Group finalised the disposal of the entire share capital of Mistergooddeal to Darty Group.

To the knowledge of the company, no other significant events have occurred since 1 January 2014 that are likely to have or have had a significant impact on the financial position, financial performance, activities and assets of the Company or the Group.

5.4.2. Free To Air and Pay TV

Since 2008, the M6 channel has been driven by the success of access prime-time programmes. The channel continues its strategy to bolster its audience ratings at key time slots of the day. Varied access prime time programming (series, movies, entertainment, magazines) has been very successful and has propelled M6 into second place among nationwide channels for this time slot. The M6 Group will strive to maintain this access prime-time success and strengthen other time slots in 2014.

The Group will also strive to develop its other channels, in particular W9, the leading DTT channel for the commercial target, and 6ter, the leading HD DTT channel for the commercial target.

Regulatory developments introduced in 2013 and having an impact on 2014 are set out in paragraph 1.4.3.

5.4.3. Diversification and Audiovisual Rights

New growth drivers set up in recent years will continue their contribution to the dynamism of the diversification activities.

The Group's development strategy in new media will be continued in 2014. M6 is considered the benchmark for catch-up TV services. Already available on many terminals (PCs, IPTV, mobile phones, tablets, HBBTV), the M6 Group's video services still have a significant potential for increased usage and revenue. The website portfolio (channel websites and theme-based portals) will continue to grow in the following two directions: a quality content offering for users and a differentiating and powerful offering for advertisers.

The audiovisual rights business will continue its development initiated over the past few years to strengthen the Group's access to more secure and diversified content, while at the same time generating revenue that does not depend on the advertising market.

The operations of the Distance-selling business proved rather resilient in 2013 in a highly competitive sector, limiting the decline in its revenue and increasing profitability, and will continue to develop its differentiation strategy. Similarly, MonAlbumPhoto.fr, Luxview and Best of TV will help the division's growth strategy in 2014.
In addition, on 31 March 2014 the group finalised the disposal of the entire share capital of Mistergooddeal to Darty Group and will continue to develop a distance-selling division centred on its teleshopping activities and targeted e-commerce websites.

Lastly, Football Club des Girondins de Bordeaux (F.C.G.B.) is delivering promising sporting results at the beginning of 2014. The club has many strengths, including quality players, a high-performance training centre, modern infrastructure and committed staff.
In addition, the City of Bordeaux continues the construction of a new stadium, with F.C.G.B. as the resident club. This stadium is being built as part of a Public-Private Partnership (PPP) signed between the City of Bordeaux and a consortium led by the construction company Vinci.

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6.1. Consolidated financial statements at 31 Dec. 2013

1.Consolidated statement of financial position

ASSETS

(€ millions)	Note n°	31/12/2013 (1)	31/12/2012
Goodwill	15 et 16	63.4	66.8
Audiovisual rights	15	38.4	47.9
Other intangible assets	15	79.0	67.7
INTANGIBLE ASSETS		**180.7**	**182.3**
Land	17	19.3	19.3
Buildings	17	85.7	91.5
Other property, facilities and equipment	17	23.4	24.9
PROPERTY, FACILITIES AND EQUIPMENT		**128.3**	**135.6**
Financial assets available for sale	21.1	0.2	4.5
Other non-current financial assets	21.1	22.2	22.4
Investments in associates	20	0.2	0.2
FINANCIAL ASSETS		**22.6**	**27.1**
Deferred tax assets	11	23.4	20.5
TOTAL NON-CURRENT ASSETS		**355.1**	**365.6**
Broadcasting rights inventory	18	171.7	168.2
Other inventories	18	11.6	23.9
Trade receivables	21.1	246.4	271.0
Current tax		0.6	13.8
Derivative financial instruments	21.1	-	-
Other current financial assets	21.1	1.0	1.7
Cash and cash equivalents	21.1	287.0	315.6
Other current assets	21.1	150.3	166.1
TOTAL CURRENT ASSETS		**868.6**	**960.4**
Assets of operations held for sale	12	31.9	-
TOTAL ASSETS		**1,255.6**	**1,325.9**

EQUITY AND LIABILITIES

(€ millions)	Note n°	31/12/2013 (1)	31/12/2012
Share capital		50.4	50.4
Share premium		1.2	-
Treasury shares		(6.9)	(8.8)
Consolidated reserves		417.4	507.5
Other reserves		(2.3)	(1.6)
Net profit for the year (Group share)		112.0	140.2
GROUP EQUITY		**571.7**	**687.6**
Non-controlling interests		0.3	0.2
SHAREHOLDERS' EQUITY	23	**572.0**	**687.8**
Provisions	24 et 25	7.9	7.4
Financial debt	21.2	2.2	1.7
Other financial liabilities	21.2	-	-
Liabilities relating to non-current assets		0.2	1.8
Other liabilities	21.2	0.2	0.7
Deferred tax liabilities	11	-	-
TOTAL NON-CURRENT LIABILITIES		**10.5**	**11.7**
Provisions	25	86.3	88.2
Financial debt	21.2	0.8	0.5
Derivative financial instruments	21.2	1.0	0.2
Other financial liabilities	21.2	-	3.6
Trade payables	21.2	388.7	373.8
Other operating liabilities	21.2	51.0	59.5
Current tax		5.3	0.8
Tax and social security payable	21.2	89.4	89.4
Liabilities relating to non-current assets		23.3	10.4
TOTAL CURRENT LIABILITIES		**645.6**	**626.4**
Liabilities of operations held for sale	12	27.5	-
TOTAL EQUITY AND LIABILITIES		**1,255.6**	**1,325.9**

(1) Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations*, Mistergooddeal is presented as an operation held for sale in the consolidated statement of comprehensive income for the 2013 and 2012 financial years (see Note 12).

2.Consolidated statement of comprehensive income

(€ millions)	Note n°	31/12/2013	31/12/2012 Restated [1]	31/12/2012 Published
CONSOLIDATED INCOME STATEMENT				
Revenue		1,265.0	1,260.8	1,386.6
Other operating revenues	8.1	14.6	7.9	7.8
Total operating revenues		**1,279.5**	**1,268.7**	**1,394.4**
Materials and other operating expenses	8.2	(645.5)	(632.6)	(750.9)
Personnel costs (including profit sharing plan contributions)	8.4	(250.0)	(241.5)	(252.9)
Taxes and duties		(59.0)	(60.6)	(61.2)
Net depreciation/amortisation/provision charges	8.3	(114.1)	(109.9)	(112.3)
Impairment of unamortised intangible assets	8.3 / 16	-	-	(11.2)
Total operating expenses		**(1,068.5)**	**(1,044.6)**	**(1,188.4)**
Capital gains on disposals of non-current assets		-	-	-
Operating profit		**211.0**	**224.1**	**206.0**
Income generated by cash balances		4.6	5.8	5.7
Cost of debt		(0.1)	(0.4)	(0.4)
Revaluation of derivative financial instruments		(0.1)	(0.3)	(0.3)
Proceeds from the disposal of financial assets available for sale	21.1	13.6	20.2	20.2
Other financial expenses		(0.4)	(0.8)	(0.9)
Net financial income	10	**17.7**	**24.5**	**24.4**
Share of profit from associates		-	-	-
Profit before tax		**228.7**	**248.5**	**230.4**
Income tax	11	(97.8)	(92.6)	(90.2)
Net profit from continuing operations		**130.8**	**155.9**	**140.2**
Net profit/(loss) from operations held for sale	12	(18.7)	(15.7)	-
Net profit for the year		**112.1**	**140.2**	**140.2**
attributable to equity owners of the parent		**112.0**	**140.2**	**140.2**
attributable to non-controlling interests		0.1	0.0	0.0
Earnings per share - basic (€) - Group share	13	0.894	1.115	1.115
Earnings per share from continuing operations - basic (€) - Group share	13	1.043	1.240	1.115
Earnings per share - diluted (€) - Group share	13	0.889	1.111	1.111
Earnings per share from continuing operations - diluted (€) - Group share	13	1.038	1.236	1.111
COMPREHENSIVE INCOME				
Consolidated net profit		**112.1**	**140.2**	**140.2**
Other items of comprehensive income transferrable to the income statement:				
Change in value of derivative instruments		2.6	4.9	4.9
Change in value of assets available for sale	21.1	(3.2)	(16.8)	(16.8)
Change in value of translation adjustment		(0.4)	(0.8)	(0.8)
Tax on transferrable items	11	0.2	1.2	1.2
Other items of comprehensive income non-transferrable to the income statement:				
Actuarial gains and losses		(0.0)	1.9	2.0
Tax on non-transferrable items	11	0.0	(0.6)	(0.7)
Other items of comprehensive income		**(0.8)**	**(10.2)**	**(10.2)**
Other items of comprehensive income of operations held for sale		0.0	0.1	
Comprehensive income for the year		**111.4**	**130.0**	**130.0**
attributable to equity owners of the parent company		111.4	130.0	130.0
attributable to non-controlling interests		-	-	-

[1] Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations*, Mistergooddeal is presented as an operation held for sale in the consolidated statement of comprehensive income for the 2013 and 2012 financial years (see Note 12).

3.Consolidated statement of cash flows

(€ millions)	Note n°	31/12/2013 (1)	31/12/2012 Restated (1)	31/12/2012 Published
Operating profit from continuing operations		211.0	224.1	206.0
Non-current asset depreciation and amortisation		116.9	91.7	104.0
Capital gains (losses) on disposals		(8.5)	(2.5)	(2.0)
Other non-cash items *		4.8	4.8	5.1
Operating profit after restatement for non-cash items		***324.2***	***318.1***	***313.1***
Income generated from cash balances	10	4.4	5.3	5.3
Interest paid	10	(0.2)	(0.7)	(0.7)
SELF-FINANCING CAPACITY BEFORE TAX		**328.3**	**322.7**	**317.7**
Movements in inventories	18	(3.6)	(2.3)	2.7
Movements in trade receivables	21	21.5	10.9	6.1
Movements in operating liabilities	21	31.7	2.5	3.1
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS		**49.6**	**11.1**	**11.9**
Income tax paid	11	(82.1)	(88.4)	(88.5)
CASH FLOW FROM OPERATING ACTIVITIES		**295.9**	**245.5**	**241.2**
Investment activities				
Intangible assets acquisitions	15	(97.6)	(89.7)	(91.1)
Property, facilities and equipment acquisitions	17	(9.8)	(25.0)	(25.6)
Investments acquisitions	21	-	(3.4)	(3.4)
Cash and cash equivalents arising from subsidiary acquisitions		(0.1)	(2.6)	(2.6)
Cash and cash equivalents arising from subsidiary disposals		-	-	-
Disposals of intangible assets and property, facilities and equipment	15 /17	18.1	4.0	4.0
Disposals of investments	21	11.4	28.3	28.3
Dividends received		-	-	-
NET CASH USED IN INVESTMENT ACTIVITIES		**(77.9)**	**(88.3)**	**(90.5)**
Financing activities				
Share capital increases	23	-	(4.9)	(4.9)
Financial assets	21	(0.3)	(20.5)	(20.5)
Financial liabilities		(0.0)	(0.7)	(0.7)
Income from the exercise of stock options	23	1.2	-	-
Purchase and sale of treasury shares	23	(2.6)	(11.3)	(11.3)
Dividends paid to shareholders of the parent company	14	(231.9)	(126.3)	(126.3)
NET CASH USED IN FINANCING ACTIVITIES		**(233.6)**	**(163.7)**	**(163.7)**
Cash flow linked to operations held for sale	12	(7.5)	(6.4)	-
Translation effect on cash and cash equivalents		(0.4)	-	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	21	**(23.5)**	**(13.0)**	**(13.0)**
Reclassification of cash and cash equivalents of operations held for sale	12	(5.2)		
Cash and cash equivalents - start of year	21	315.6	328.6	328.6
CASH AND CASH EQUIVALENTS - END OF YEAR		**287.0**	**315.6**	**315.6**

(1) Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations*, Mistergooddeal is presented as an operation held for sale in the consolidated statement of comprehensive income for the 2013 and 2012 financial years (see Note 12).

4.Consolidated statement of changes in equity

(€ millions)	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Consolidated reserves Group net profit	Fair value movements Foreign exchange difference	Group equity	Non-controlling interests	Shareholders ' equity
BALANCE AT 1 JANUARY 2012	*126,384.0*	**50.6**	**-**	**(1.6)**	**634.9**	**9.9**	**693.7**	**0.1**	**693.8**
Change in value of derivative instruments						3.2	3.2	-	3.2
Change in value of assets available for sale						(13.9)	(13.9)		(13.9)
Actuarial gains and losses					1.3		1.3		1.3
Foreign exchange difference						(0.8)	(0.8)		(0.8)
Other items of comprehensive income		-	-	-	*1.3*	*(11.5)*	*(10.2)*		*(10.2)*
Net profit for the year					140.2		140.2	0.0	140.2
Comprehensive income for the year		**-**	**-**	**-**	**141.5**	**(11.5)**	**130.0**	**0.0**	**130.0**
Dividends					(126.3)		(126.3)	(0.0)	(126.3)
Changes in consolidating company's equity	*(500.0)*	(0.2)			(4.7)		(4.9)		(4.9)
Purchases/sales of treasury shares				(7.2)	(2.7)		(9.9)		(9.9)
Total transactions with shareholders		**(0.2)**	**-**	**(7.2)**	**(133.6)**	**-**	**(141.1)**	**(0.0)**	**(141.1)**
Cost of stock options and free shares (IFRS 2)					4.8		4.8		4.8
Free shares allocation hedging instruments					0.2		0.2		0.2
Other movements					(0.1)		(0.1)	0.1	0.0
BALANCE AT 31 DECEMBER 2012	*125,884.0*	**50.4**	**-**	**(8.8)**	**647.7**	**(1.6)**	**687.6**	**0.2**	**687.8**
BALANCE AT 1 JANUARY 2013	*125,884.0*	**50.4**	**-**	**(8.8)**	**647.7**	**(1.6)**	**687.6**	**0.2**	**687.8**
Change in value of derivative instruments						1.7	1.7	-	1.7
Change in value of assets available for sale						(2.1)	(2.1)		(2.1)
Actuarial gains and losses					0.0		0.0		0.0
Foreign exchange difference						(0.4)	(0.4)		(0.4)
Other items of comprehensive income		-	-	-	*0.0*	*(0.8)*	*(0.7)*	-	*(0.7)*
Net profit for the year					112.0		112.0	0.1	112.1
Comprehensive income for the year		**-**	**-**	**-**	**112.1**	**(0.8)**	**111.3**	**0.1**	**111.4**
Dividends					(231.9)		(231.9)		(231.9)
Changes in consolidating company's equity	*81.5*	0.0	1.2				1.2		1.2
Purchases/sales of treasury shares				1.9	(2.9)		(1.0)		(1.0)
Total transactions with shareholders		**0.0**	**1.2**	**1.9**	**(234.9)**	**-**	**(231.8)**	**-**	**(231.8)**
Cost of stock options and free shares (IFRS 2)					4.4		4.4		4.4
Free shares allocation hedging instruments					0.1		0.1		0.1
Other movements							-		-
BALANCE AT 31 DECEMBER 2013	*125,965.4*	**50.4**	**1.2**	**(6.9)**	**529.4**	**(2.3)**	**571.7**	**0.3**	**572.0**

6.2. Notes to the consolidated financial statements

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Unless otherwise stated, all amounts presented in the notes are expressed in millions of Euros.

1. Financial year significant events

On 15 April 2013, Twentieth Century Fox and the M6 Group announced the signing of a multi-year contract for the US studio's series and feature films.

On 11 July 2013, M6 Group made a 69.49% equity investment in Luxview, the operator of the www.happyview.fr and www.malentille.com websites, and subsequently increased its investment to 95.56% on 30 September 2013. Luxview holds the entire capital of Optilens SPRL, a company governed by Belgian law.

M6 Group, which held 0.36% of the share capital of Lions Gate Entertainment at 31 December 2012, also sold its entire shareholding on the market over the course of 2013. The effects of this transaction on the Group's financial statements at 31 December 2013 are detailed in Note 21.1.

Furthermore, on 18 December 2013 M6 Group announced that it had entered into exclusive negotiations with Darty Group plc for the potential transfer of the entire capital of Mistergooddeal to Etablissements Darty et Fils. Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations,* Mistergooddeal's 2013 and 2012 activities are presented as "operations held for sale" (see Note 12).

2. Company information

The consolidated financial statements at 31 December 2013 of the Group of which Métropole Télévision is the parent company (the Group) were approved by the Executive Board on 17 February 2014 and reviewed by the Supervisory Board on 18 February 2014. They will be submitted for approval to the next Annual General Meeting on 5 May 2014.

Métropole Télévision is a public limited company governed by an Executive Board and a Supervisory Board, registered at 89, avenue Charles-de-Gaulle, Neuilly sur Seine in France. Its shares trade on compartment A of the Euronext Paris Stock Exchange (code ISIN FR0000053225). The Company is fully consolidated into the RTL Group, which is listed on the Brussels, Luxembourg and Frankfurt stock exchanges.

3. Preparation and presentation of the consolidated financial statements

3.1 Accounting framework

The consolidated financial statements at 31 December 2013 have been prepared in accordance with the IAS/IFRS (International Financial Reporting Standards) in force within the European Union at that date. They are presented with comparative figures for 2012 prepared under the same framework.
The IFRS standards adopted by the European Union at 31 December 2013 are available in the section IAS/IFRS, SIC and IFRIC standards and interpretations adopted by the Commission on the following website: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm
In relation to texts having an impact on M6 Group's consolidated financial statements, there were no differences between the texts approved by the European Union and the standards and interpretations published by the IASB.

PRINCIPLES APPLIED

The principles applied for the establishment of these financial statements result from the application of:

- all standards and interpretations adopted by the European Union, the application of which is mandatory for financial years starting on or after 1 January 2013;
- options retained and exemptions used.

NEW ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS IN FORCE WITHIN THE EUROPEAN UNION, THE APPLICATION OF WHICH IS MANDATORY FOR FINANCIAL YEARS STARTING ON OR AFTER 1 JANUARY 2013

The adoption of the following texts had no impact on the information disclosed by the Group:

- Annual IFRS improvements (2009-2011 cycle), applicable to financial years starting on or after 1 January 2013;

- Amendment to IFRS 1 – *Government loans,* applicable to financial years starting on or after 1 January 2013;

- Amendment to IFRS 1 – *Severe hyperinflation and removal of fixed dates for first-time adopters,* applicable to financial years starting on or after 1 January 2013;

- Amendments to IFRS 7 – *Disclosures, offsetting financial assets and financial liabilities,* applicable to financial years starting on or after 1 January 2013;

- IFRS 13 – *Fair value measurement*, applicable to financial years starting on or after 1 January 2013;

- IFRIC 20 – *Stripping costs in the production phase of a surface mine*, applicable to financial years starting on or after 1 January 2013.

For the 2012 financial year, the Group opted for the early application of:

- Amendment to IAS 1 – *Presentation of items of other comprehensive income (OCI)*, applicable to financial years starting on or after 1 July 2012;

- Amendments to IAS 19 – *Defined benefit plans,* applicable to financial years starting on or after 1 January 2013.

APPLICATION OF NEW STANDARDS PRIOR TO THE DATE ON WHICH THEIR APPLICATION BECOMES MANDATORY

The Group has chosen not to apply in advance the following texts, the application of which is not mandatory until after 1 January 2013:

- Revised IAS 27 – *Separate financial statements,* applicable to financial years starting on or after 1 January 2014;

- Revised IAS 28 – *Investments in associates and joint-ventures,* applicable to financial years starting on or after 1 January 2014;

- Amendments to IAS 32 – *Offsetting financial assets and financial liabilities,* applicable to financial years starting on or after 1 January 2014;

- Amendments to IAS 36 – *Recoverable amount disclosures for non-financial assets,* applicable to financial years starting on or after 1 January 2014;

- Amendments to IAS 39 and IFRS 9: *Novation of derivatives and continuation of hedge accounting,* applicable to financial years starting on or after 1 January 2014;

- IFRS 10 – *Consolidated financial statements,* applicable to financial years starting on or after 1 January 2014;

- IFRS 11 – *Joint arrangements,* applicable to financial years starting on or after 1 January 2014;

- IFRS 12 – *Disclosure of interests in other entities,* applicable to financial years starting on or after 1 January 2014;

- Amendments: IFRS 10, 11, 12 transitional provisions*,* applicable to financial years starting on or after 1 January 2014.

The Group does not expect any material impact from the first application of these texts on its financial position or performance.

STANDARDS PUBLISHED BY THE IASB BUT NOT YET APPROVED BY THE EUROPEAN UNION

The Group may be affected by:

- Amendments to IAS 19 – *Defined benefit plans: employee contributions,* applicable to financial years starting on or after 1 July 2014;

- IFRS 9 – *Financial instruments (phase 1: Classification and measurement of assets and liabilities,* applicable to financial years starting on or after 1 January 2015;

- IFRIC 21 – *Levies charged by public authorities*, applicable to financial years starting on or after 1 January 2014;

- Annual improvements to IFRS (cycles 2010-2012 and 2011-2013), applicable to financial years starting on 1 July 2014 at the latest.

Nevertheless, the application of these texts should not have any material impact on the Group's financial position or performance.

OPTIONS AVAILABLE AND APPLIED BY THE GROUP IN RELATION TO THE ACCOUNTING FRAMEWORK

Some of the international accounting standards allow options relating to the valuation and accounting treatment of assets and liabilities. The options utilised by the Group are detailed in Note 3.5.

In addition, IFRS 1 - *First adoption of IFRS*, relating to the first time application of the international reporting framework, allows options in respect of the retrospective application of IFRS at the date of transition (1 January 2004) for the Group. In this regard, the Group has used the following options:

- Business combinations prior to 1 January 2004 have not been restated in accordance with IFRS 3 – *Business combinations*;
- IAS 39 has been applied retrospectively as from 1 January 2004.

3.2 Preparation principles

The consolidated financial statements have been prepared in accordance with the historical cost principle, except for derivative instruments, financial assets available for sale and assets measured at fair value through the income statement, which have been measured at fair value. Other financial assets have been measured at amortised cost.

Except for derivatives measured at fair value, financial liabilities have been valued in accordance with the amortised cost principle. The book value of assets and liabilities recognised in the balance sheet and subject to a fair value hedge has been restated to reflect the movements in the fair value of the risks hedge against.

3.3 Use of estimates and assumptions

In order to prepare the consolidated financial statements in compliance with IFRS, Group Management makes estimates and formulates assumptions which affect the amounts presented as assets and liabilities on the consolidated balance sheet, the information provided on contingent assets and liabilities at the time of preparing this financial information, as well as the income and expenditure recognised in the income statement.
Management continually reviews its estimates and assumptions of the book value of asset and liability items, taking into account past experience as well as various other factors that it deems reasonable (such as the prevailing economic climate of the year).
The estimates and assumptions established during the finalisation of the consolidated financial statements are liable to be substantially called into question over future financial years, both as a result of changes in the Group's operations and performance and exogenous factors affecting the Group's development.

The main estimates and assumptions relate to:

- the valuation and recoverable value of goodwill and intangible assets such as audiovisual rights and the acquisition cost of sports club players; the estimation of the recoverable value of these assets effectively rests on the determination of cash flows resulting from their use (goodwill and audiovisual rights) or the known market value of the assets (notably the transfer fees of football players). It could turn out that the cash flows actually realised from these assets differ significantly from initial projections. In the same manner, the market value of assets, particularly sports club players, can vary and differ from the previously recognised values;
- the measurement, methods of usage and recoverable value of audiovisual rights recognised in inventories;
- the valuation of retirement benefits, the measurement methods of which are detailed in Note 4.14;
- the valuation of commercial discounts (Note 4.17);
- the determination of the amounts recognised as provisions for liabilities and charges given the uncertainties likely to affect the occurrence and cost of the events underlying the provisions;
- the estimate of the recognition and recoverable value of deferred tax assets.

Lastly, in the absence of standards or interpretations applicable to specific transactions, Group management uses its own judgement in defining and applying accounting policies which would provide relevant and reliable information, so that financial statements:

- provide a true and fair view of the Group's financial position, financial performance and cash flows;
- reflect the economic substance of transactions;
- are prepared in accordance with the principles of neutrality (objectiveness) and prudence;
- and are complete in all material aspects.

3.4 Presentation principles

PRESENTATION OF THE INCOME STATEMENT

The Group presents the income statement based on the nature of expenses, as permitted by IAS 1 - *Presentation of financial statements*.

Operating profit is equal to consolidated net profit before taking into account:

- finance income;
- finance costs;
- income tax;
- share of profit of associates;
- net profit from operations held for sale.

PRESENTATION OF THE STATEMENT OF FINANCIAL POSITION

In compliance with IAS 1, the Group presents current and non-current assets and liabilities separately on the balance sheet. Considering the nature of the Group's activities, this classification is based upon the timescale in which the asset will be realised or the liability settled: "current" when this is within the operating cycle (12 months) or less than one year, and "non-current" if longer.

Pursuant to IFRS 5, assets and liabilities of operations held for sale are presented separately in the balance sheet.

PRESENTATION OF CONTINGENT ASSETS AND LIABILITIES

Commitments given in respect of purchases of rights are stated net of advances and account payments paid in this regard for the corresponding rights not yet recognised in inventories.

3.5 Options retained in relation to measurement and recognition of assets and liabilities

Some of the international accounting standards make provision for options as concerns the measurement and recognition of assets and liabilities.

Within this framework, the Group has retained the following:

- the valuation at historical cost of property, facilities and equipment and intangible assets, without revaluation at each balance sheet date;
- the proportional consolidation of jointly-controlled entities, as permitted by IAS 31 – *Interests in joint ventures*.
- the option for measurement at fair value through profit or loss, in accordance with the amendment to IAS 39.

4. 4.Accounting principles, rules and methods

4.1 Consolidation principles

SUBSIDIARIES

A subsidiary is an entity controlled by the Group. Control exists when the Group has the power to govern the entity's financial and operating policies in order to derive benefits from its operations. Potential voting rights currently exercisable are taken into consideration to evidence the existence of control.

Companies exclusively controlled by Métropole Télévision are fully consolidated. Acquisitions or disposals of companies during an accounting period are taken into account in the consolidated financial statements from the date of taking control and until the date of effective loss of control. The full consolidation method implemented is that under which the assets, liabilities, income and expenses are entirely integrated.

The proportion of net assets and net profit attributable to minority interests is presented separately as non-controlling interest in shareholders' equity in the consolidated balance sheet and in the consolidated income statement.

JOINT VENTURES

Jointly controlled companies (joint control is the shared control of a single entity by a limited number of associates or shareholders, from whose agreement financial and operational decisions are made) are proportionally consolidated, in compliance with IAS 31 – *Financial reporting of interests in joint ventures*, which maintained this option.
Under this method, the Group includes its proportion of the assets, liabilities, income and expenses of the subsidiary under the appropriate heading of the consolidated financial statements.

ASSOCIATES

Associated companies are entities in which the Group has significant influence over the financial and operating policies, but does not control these policies. Significant influence is presumed when the Group holds between 20% and 50% of the voting rights of an entity but a third party has exclusive control of this entity.

Associated companies are accounted for under the equity method ("equity-accounted companies") and are initially recognised at acquisition cost. The Group's shareholding includes goodwill identified upon the acquisition, net of cumulative impairment charges.

Under this method, the Group accounts for its share of net assets of the associate in the balance sheet and records in the consolidated income statement, under a specific line item entitled "Share of profit/(loss) from associates", its share of the net income of the entity consolidated using the equity method.

Consolidated financial statements include the Group's share of total profit and loss and equity movements recognised by equity accounted companies, taking account of restatements necessary for accounting policies to comply with those of the Group, from the date on which significant influence is exercised and until significant influence ceases.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. Where necessary, the entire book value of the investment (including goodwill) is tested for impairment as a single asset, in accordance with IAS 36, by comparing its recoverable value (higher of value in use and fair value less cost of disposal) with its book value. Any impairment loss recognised forms part of the book value of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable value of the investment subsequently increases.

If the Group's share of losses exceeds the value of its shareholding in the equity-accounted company, the book value of equity-accounted shares (including any long-term investment) is brought down to zero and the Group ceases to recognise its share of subsequent losses, unless the Group is under the obligation of sharing in the losses or to make payments in the name of the company.

The existence and effect of potential voting rights exercisable or convertible at year end are taken into consideration when assessing whether the Group has control or significant influence over the entity.

TRANSACTIONS ELIMINATED ON CONSOLIDATION

All inter-company transactions and balances between the Group's consolidated companies have been eliminated for subsidiaries. In the case of companies consolidated under the proportional consolidation method, intercompany transactions are eliminated to the extent of the Group's ownership level in these companies.

DISCONTINUED OPERATIONS

An operation is qualified as discontinued or held for sale when it represents a separate major line of business for the Group and the criteria for classification as an asset held for sale have been met, or when the Group has sold the asset. Discontinued operations or operations held for sale are reported on a single line of the income statement for the periods reported, comprising the net profit of discontinued operations or operations held for sale until disposal and the gain or loss after tax on disposal or fair value measurement less the selling costs of the assets and liabilities of the discontinued operations or operations held for sale. In addition, cash flows generated by discontinued operations or operations held for sale are reported on a separate line of the consolidated statement of cash flows for the relevant periods.

FINANCIAL YEAR-END

All consolidated companies have a 31 December year-end.

4.2 Translation of financial statements of consolidated foreign entities

The presentation currency of the consolidated financial statements is the Euro.
The financial statements of foreign operations are translated into Euros, the Group's financial statement reporting currency. All assets and liabilities of the entity are translated at the closing exchange rate of the financial year and income and expenses are translated at the average rate of the year just ended, corresponding to the approximate rate at the transaction date in the absence of significant fluctuations. Translation reserves resulting from this treatment and those resulting from the translation at year end rate of subsidiaries' opening equity are posted to "Other reserves" under consolidated equity and to "Change in value of foreign exchange difference" under other items of comprehensive income.

4.3 Foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency (Euro) using the exchange rate prevailing at the date of the transaction, in application of IAS 21 – *Effects of changes in foreign exchange rates*.
At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the balance sheet date. All differences are recorded in the income statement. Non-monetary items in foreign currencies which are valued at historical cost are translated at the exchange rate at the initial date of the transaction.
Exchange differences resulting from the conversion of assets and liabilities denominated in foreign currency arising from commercial transactions are accounted for in operating profit. For financial transactions, these same differences are accounted for in finance income and expense. The treatment of foreign exchange hedges is detailed in Note 4.16.

4.4 Business combinations and goodwill

Business combinations are accounted for using the acquisition method on the acquisition date, which is the date control is transferred to the Group.

- In relation to acquisitions carried out since 1 January 2010, the Group applied revised IFRS 3 – *Business combinations*, as well as revised IAS 27 – *Consolidated and separate financial statements*.

  - Business combinations are now accounted for as follows:

    - The identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date,
    - Investments that do not result in control over the company acquired (non-controlling interests) are measured either at fair value or at the non-controlling interests' proportionate share of the acquired company's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.
    - Acquisition-related costs are generally recognised in profit or loss as incurred.
    - Potential restatements of the price of business combinations are measured at fair value on the acquisition date. After the acquisition date, the price restatement is measured at fair value at each balance sheet date. At any time after the first year following the acquisition date, any fair value change is recognised in profit or loss. Within this first-year timeframe, fair value changes explicitly related to events occurring after the acquisition date are also recognised in profit or loss. Other changes are offset against goodwill.

    On the acquisition date, goodwill is measured as the excess of:

    - The fair value of the consideration transferred, increased by the value of non-controlling interests in the entity acquired and, within the framework of a staged business combination, the fair value on the acquisition date of the equity interest previously held by the acquirer in the entity acquired, thus restated through profit or loss,
    - over the net value of the identifiable assets acquired, and the liabilities assumed on the acquisition date.

  - The acquisition of additional securities after taking exclusive control:

    When additional securities are acquired in an entity over which exclusive control is already being exercised, the excess of the acquisition price of the securities over the additional proportion of consolidated equity acquired is recognised under consolidated equity attributable to equity owners of the Group's parent company, with the consolidated value of identifiable assets and liabilities of the subsidiary, including goodwill, remaining unchanged.

  - The recognition of acquisitions of non-controlling equity interests:

    Pursuant to revised IAS 27, acquisitions of non-controlling equity interests are accounted for as transactions with the owners of the entity, acting in this capacity, and consequently no goodwill is recognised following this type of transaction. Restatements of the value of non-controlling interests are measured based on the share of ownership of the subsidiary's net assets.

- Business combinations carried out between 1 January 2004 and 1 January 2010 remain accounted for in accordance with IFRS 3 – *Business combinations*.

  Within this framework, goodwill represents the difference between the acquisition price, plus related expenses, of the shares of consolidated entities and the Group share of the fair value of their net assets, less any contingent liabilities at the date of investment. The evaluation period for this fair value may be up to 12 months following the acquisition. When the acquisition price, together with related expenses, is less than the fair value of the identified assets and liabilities and contingent liabilities acquired, the difference is immediately recognised in the income statement.

In the specific case of the acquisition of non-controlling interests in an already fully-consolidated subsidiary and in the absence of any specific IFRS provision, the Group elected not to recognise additional goodwill and to record under equity the difference between the acquisition cost of the shares and the non-controlling interests acquired.

Once allocated to each of the Cash Generating Units, goodwill is not amortised. It is subject to impairment tests from the point of indication of impairment, and as a minimum, once a year (see Note 4.7).

In connection with its transition to IFRS in 2005, the Group adopted the option provided by IFRS 1 – *First-time adoption of IFRS* not to restate business combinations prior to 1 January 2004 which did not comply with the recommendations of IFRS 3 – *Business combinations*.
Goodwill recorded prior to 1 January 2004 has been frozen at its book value at this date and will no longer be amortised, in accordance with IFRS 3, as from this date.

Goodwill is valued at cost (on allocation of the price of the business combination), less cumulative impairment.

As for equity-accounted companies, the book value of the goodwill is included in the book value of the shareholding. In case impairment is recognised, the full investment is written down, not only goodwill. This type of goodwill impairment may be reversed.

4.5 Intangible assets

Intangible assets principally comprise:

- advances and payments on account for non-current assets;
- audiovisual rights held for commercialisation by companies with such a mandate;
- production and co-production share of drama and feature films and other programmes;
- acquisition costs of sports club players;
- computer software and e-business websites;
- brands.

NON-CURRENT ASSET ADVANCES AND PAYMENTS ON ACCOUNT

Advances and payments on account comprise:

- audiovisual rights not yet open held with a view to their commercialisation,
- co-production rights awaiting receipt of technical acceptance or commercialisation visa.

AUDIOVISUAL RIGHTS

Audiovisual rights, comprising rights to films for cinema distribution, as well as television and videographic rights, purchased with or without a minimum guarantee, in view of their commercialisation (distribution, trading), produced or co-produced are classified as an intangible asset in compliance with IAS 38 – *Intangible assets*.

The amortisation method of an asset should reflect the pattern according to which the benefits generated by the asset are used. That is why audiovisual rights:

- are amortised according to the pattern of revenues generated, compared to the total estimated revenues, and as a minimum are amortised on a straight-line basis over the following periods:
  - 3 years if the company is a distributor of these rights;
  - 5 years if the company is a dealer in these rights;
  - 15 years if the company is a producer of these rights;

  - Amortisation schedules are consistent with industry practices and correspond to the timeframe during which audiovisual rights are most likely to generate revenue and cash flow.
- are subject, in accordance with IAS 36 – *Impairment of assets* (see Note 4.7) to an impairment test, which could lead to the recognition of impairment should the book value of the right exceed its recoverable value.

COPRODUCTION SHARE OF FEATURE FILMS, DRAMA AND OTHER COSTS

Co-production costs are also capitalised as other intangible assets and are amortised first and foremost as revenue is generated. Assets are amortised on a straight-line basis over 3 years if expected revenue is spread over more than 3 years. Lastly, in the case that revenue is insufficient in light of the book value of the production, the full shortfall is immediately amortised.

In application of IAS 20 – *Accounting for government grants and disclosure of government assistance*, grants received from the Centre National de Cinématographie (CNC) are accounted for as a reduction in the acquisition cost of financed co-production assets, and are consequently accounted for in the income statement according to the pattern of consumption of the expected economic benefits of the co-productions as previously defined.

ACQUISITION COST OF SPORTS CLUB PLAYERS

In application of IAS 38 – *Intangible assets*, transfer fees of sports club players are capitalised as intangible assets at their acquisition cost and are amortised on a straight-line basis over the length of their contracts. The term of these contracts may vary but it is generally from 1 to 5 years.
The recoverable value is also assessed in compliance with IAS 36 – *Impairment of assets* (see Note 4.7).

COMPUTER SOFTWARE AND E-BUSINESS WEBSITES

Computer software purchased or internally developed is reported at acquisition or production cost and amortised on a straight-line basis over its period of use, which does not exceed seven years.

Under IAS 38 – *Intangible assets*, development costs of "active" websites must be capitalised as intangible assets from the time the Company can demonstrate the following:
- its intention and financial and technical capacity to complete the development project;
- the likelihood that future economic benefits attributable to the development costs will flow to the company;
- and the cost of this asset can be reliably measured.

BRANDS

Only the brands that are separable and well known are recognised as assets in the case of business combinations and the resulting allocation of the acquisition price.
Acquired brands are initially recognised at their fair value, which is estimated on the basis of the methods normally used to measure brands.
When such brands have a finite useful life, i.e. they are expected to be no longer usable at the end of a determined period, they are amortised on a straight-line basis over their useful lives.
Brands are tested for impairment in accordance with IAS 36 – *Impairment of assets*.

4.6 Property, facilities and equipment

Property, facilities and equipment are recorded at their acquisition cost, reduced by accumulated depreciation and impairment provisions, according to the treatment specified by IAS 16 – Property, plant & equipment. This cost includes costs directly attributable to the transfer of the asset to its place of operation and its adaptation to operate in the manner anticipated by Management.

DEPRECIATION

Depreciation is calculated in line with the pattern of consumption of the expected economic benefits of each individual asset, based on its acquisition cost, less its residual value.

The straight-line method is applied over the following useful lives:

- Buildings	10 to 25 years
- General purpose facilities, office furniture	10 years
- Computer hardware	4 years
- Office and technical equipment	3 to 5 years

RESIDUAL VALUE

The residual value of an asset is the estimated amount that the Group would obtain from disposal of the asset at the end of its useful life, after deducting the estimated costs of disposal.
The residual value of an asset may increase to an amount equal to or greater than the asset's book value. If it does, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's book value.

IMPAIRMENT LOSSES

Property, facilities and equipment are subject to impairment tests when indications of a loss of value are identified. Should this be the case, an impairment loss is recorded in the income statement under the caption "Net depreciation, amortisation and provision charges".

FINANCE LEASES

Assets acquired through finance leases are capitalised when virtually all risks and rewards of ownership of these assets have effectively been transferred to the Group. On their initial recognition in the balance sheet, they are recorded at the lower of their fair value and the discounted value of minimum lease payments. At year-end, they are recognised at their initial value reduced by accumulated depreciation and impairment.
These assets are depreciated over the shorter of the duration of the lease and their estimated useful lives.
Leases for which the risks and rewards are not transferred to the Group are classified as operating leases. Operating lease payments are accounted for as expenses on a straight-line basis over the duration of the lease.

4.7 Impairment of assets

According to IAS 36 – *Impairment of assets*, the recoverable value of intangible assets and property, facilities and equipment is tested at the appearance of indications of impairment.

The recoverable value of unamortised intangible assets is tested at the appearance of indications of impairment, and at least once a year.

The recoverable value is determined on an asset by asset basis, unless the asset in question does not generate cash flows that are largely independent of those generated by other assets or groups of assets. These assets connected at operational and cash flow generation levels constitute a Cash Generating Unit ("CGU").
A Cash Generating Unit is the smallest group of assets, which includes the asset and which generates cash flows that are largely independent of other assets or groups of assets. In this case, the recoverable value of the CGU is subject to an impairment test.

For sports club players more particularly, the recoverable value of these intangible assets is tested separately, player by player.

Similarly, audiovisual rights recognised as intangible assets are monitored on an individual basis. Only the oldest rights, purchased as part of the acquisition of SNC in 2005 (rights to films made from the 30s to the 60s) are allocated to the CGUs, the establishment of which is consistent with the nature of the rights and their original producer.

Goodwill and intangible assets to which it is not possible to directly match independent cash flows are grouped together, at the time they are first recorded, into the Cash Generating Unit to which they belong.

Impairment is recognised when, as a result of specific events or circumstances arising during the period (internal or external criteria), the recoverable value of the asset or group of assets falls below its net book value.

The recoverable value is the higher of fair value, net of disposal costs, and value in use.

The value in use retained by the Group corresponds to the discounted cash flows of the CGU, including goodwill, and is determined within the framework of the economic assumptions and operating conditions, as provisionally established by the Management of Métropole Télévision, in the following manner:

- future cash flows stem from the medium to long term business plan (5 or 10 years) drawn up by the Management;
- beyond this timescale, the cash flows are extrapolated by application of a perpetual growth rate appropriate to the potential development of the markets in which the entity concerned operates, as well as the competitive position held by the entity within these markets;
- the discount rate applied to the cash flows is determined using the rates which are most appropriate to the nature of the operations and the country. It takes into account the time value of money and risks specific to the CGU for which cash flows have not been adjusted.

Impairment recognised in respect of a cash generating unit (or group of units) is allocated firstly to reducing the book value of any goodwill associated with the cash generating unit, and subsequently to the book value of other assets of the unit (or group of units), proportionally to the book value of each asset of the unit (or group of units). Where the book value of goodwill and other non-current assets of the cash generating unit are insufficient, a provision may be recognised for the amount of unallocated loss.

Impairment recognised in respect of goodwill may not be reversed. As for other assets, the Group assesses at each balance sheet date if there is any indication that impairment recognised in previous financial years has decreased or no longer exists. Impairment is reversed if a change has occurred in estimates used to measure the recoverable value.
The book value of an asset, increased by an impairment reversal, may not exceed the book value which would have been measured, net of amortisation and depreciation charges, if no impairment had been recognised.

4.8 Financial assets available for sale, other financial assets and financial liabilities

FINANCIAL ASSETS

In accordance with the recommendations of IAS 39 – *Financial instruments: recognition and measurement*, the shares of non-consolidated companies belong to the asset category “financial assets available for sale”. They are initially recognised at fair value, corresponding to their original acquisition cost, and are then revalued at fair value through items of other comprehensive income at each balance sheet date. Loans and receivables, as well as assets held until maturity are measured at fair value and then revalued at their amortised cost.

Financial assets at fair value through profit or loss comprise:

- assets that are regarded as held for trading, which comprise assets that the company intends to sell in the short term in order to realise a capital gain, which are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking (mainly cash and cash equivalents and other cash management financial assets);
- assets explicitly designated by the Group upon initial recognition as financial instruments, the changes in fair value of which are recognised in profit or loss. This designation is used when such use results in the provision of better quality financial information and enhances the consistency of the financial statements.

The following assets are tested for impairment at each period end:

- loans and receivables issued by the entity and held-to-maturity assets: when there is an objective indication of impairment, the amount of the impairment loss is recognised in profit or loss;
- assets available for sale: unrealised gains and losses on financial assets held for sale are recognised as other items of comprehensive income until the sale, collection or exit of the financial asset on any other ground or where there is an objective indication that all or part of the value of the financial asset has been impaired. The cumulative gain or loss, which had so far been recognised under other items of comprehensive income, is transferred to the income statement on that date.

Impairment is evidenced in the case the following conditions are met simultaneously:

- the Group share of equity or an objective estimate (i.e. from experts or resulting from a transaction or planned transaction) results in a value which is less than the value of the securities;
- a business plan or other objective information demonstrates the inability of the entity in which the Group holds an equity investment to create value through the generation of cash inflows.

FINANCIAL LIABILITIES

Financial liabilities valued at fair value through the income statement result in the realisation of profit due to short-term variations in price. This applies only to liabilities resulting from short sales of shares or other financial assets or derivatives which are not hedge derivatives.

Other financial liabilities are valued at amortised cost, with the exception of derivative financial instruments which are valued at fair value.

Derivative instruments relating to cash flow hedges are valued at fair value at each balance sheet date, and the change in the fair value of the ineffective portion of the hedge is recognised in the income statement and the change in the fair value of the effective portion of the hedge in other items of comprehensive income.

FAIR VALUE

The fair value is determined by reference to a quoted price in an active market where such a market price exists. Failing that, it is calculated using a recognised valuation technique such as the fair value of a similar and recent transaction or the discounting of future cash flows, based on market data. However, the fair value of short-term financial assets and liabilities can be deemed to be similar to their balance sheet value due to the short maturity of these instruments.

4.9 Income tax

Income tax includes current tax and deferred tax charges. Tax is recognised against profit and loss except where it relates to items directly recognised as other items of comprehensive income or under equity, in which case it is recognised under equity as other items of comprehensive income or under equity.

Current tax is the estimated amount of income tax payable in respect of the taxable income of a period, measured using taxation rates adopted or virtually adopted at the balance sheet date, before any adjustment of current tax payable in respect of previous periods.

Deferred tax is measured and recognised according to the liability method balance sheet approach for all temporary differences between the book value of assets and liabilities and their tax base.
However, the following items do not give rise to the recognition of deferred tax:

- the initial recognition of an asset or liability as part of a transaction that is not a business combination and that affects neither book profit nor taxable profit;

- temporary differences, to the extent that they may not be reversed in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that the Group will generate sufficient taxable profit in the future against which corresponding temporary differences may be offset. Deferred tax assets are examined at each balance sheet date and are adjusted, if necessary, in the light of estimated future taxable profits.

Recognised deferred tax assets reflect the best estimate of the schedule of taxable temporary difference reversal and realisation of future taxable profits in the tax jurisdictions concerned. These future taxable profit forecasts are consistent with business and profitability assumptions used in budgets and plans and other forecast data used to value other balance sheet items.

Furthermore, deferred tax is not recognised in case of a taxable temporary difference generated by the initial recognition of goodwill.
Deferred tax assets and liabilities are valued at the income tax rate expected to apply to the period in which the asset will be realised or the liability settled, based on tax regulations that have been adopted or virtually adopted at the balance sheet date.

In accordance with IAS 12 – *Income tax*, deferred tax assets and liabilities are not discounted and are offset if a legally enforceable right to offset current tax assets and liabilities exists and if it concerns income tax collected by the same tax authority, either from the same taxable entity or from different taxable entities, which intend to settle current tax assets and liabilities based on their net value or to realise the assets and pay the tax liabilities at the same time.

4.10 Inventories

Inventories consist of programmes, broadcasting rights and merchandise inventories.

PROGRAMMES AND BROADCASTING RIGHTS

In compliance with IAS 2 – *Inventories*, programmes and broadcasting rights are recorded in inventory at the date the rights are open.
Rights which are not open and not yet billed are classified as off-balance sheet commitments.
The billed portion of rights not open is recognised in advances and payments on account.

Programmes and broadcasting rights are valued at their acquisition costs, reduced at each year end by the amount consumed, as calculated according to the following methods.

Métropole Télévision programmes, which constitute the predominant part of the Group's broadcasting rights inventories, are considered to be utilised when broadcast, in accordance with the following rules:

- rights acquired for a single broadcast and various rights (documentaries, concerts, sporting events, etc.): 100% expensed on first broadcast;
- rights acquired for multi-broadcasts:
  - 1st broadcast: 66%;
  - 2nd broadcast: 34%.

Different amortisation schedules may be considered in highly specific cases of rights acquired for 4 to 5 broadcasts, the audience potential of which is deemed particularly high for each broadcast.

On the other hand, a writedown provision is established for broadcasting rights relating to programmes that are not likely to be broadcast or whose unit cost turns out to be higher than the revenue expected to be generated within the broadcasting window, on the basis of a review, title by title, of the portfolio of broadcasting rights.

OTHER INVENTORIES

These inventories comprise products and goods relating to the brand diversification activities of the Group. These inventories are valued at the lower of their acquisition cost and their net realisable value, which corresponds to the estimated sales price, net of estimated costs necessary to realise their sale.

A writedown provision is established whenever their net realisable value is less than their acquisition cost, measured on a case by case basis (slow rotation, inventories for reimbursement, returns, etc.).

4.11 Operating receivables

If the maturity date is less than one year and the effects of discounting are not significant, receivables are measured at cost (nominal amount of the receivable). Conversely, receivables are measured at amortised cost, using the effective rate of interest, when their maturity date exceeds one year and the effects of discounting are significant.

A writedown provision is calculated for each receivable as soon as circumstances indicate the possibility that the customer may not pay the total of the receivable within the contracted terms. The amount of the provision equates to the difference between the discounted value at the initial effective interest rate (should the case arise) of estimated future cash flows, and the book value.

4.12 Treasury shares

Treasury shares are recorded as a reduction to shareholders' equity at their purchase cost.

When future contracts are entered into to purchase treasury shares at a given price and on a given date, the commitment is reflected by the recognition of a financial liability representative of the discounted buyback value and offset against equity. Subsequent variations in the value of this financial liability are recognised under finance income and expense.

On the disposal of treasury shares, gains and losses are recorded in consolidated reserves, net of tax.

4.13 Share-based payments

M6 Group has implemented share subscription option plans, as well as free share allocation plans for the benefit of its personnel (see Note 9). In compliance with IFRS 2 – *Share-based payments*, personnel remuneration items paid in equity instruments are recognised as personnel costs in the income statement and offset against equity.

The total initial cost of the benefit is measured once and for all, using the binomial mathematical model in the case of share subscription option plans, at the date of allocation of the options and spread over the vesting period.

In the case of free share allocation plans, the total initial cost is estimated to be the market value of the M6 share on the date of allocation less dividends expected during the vesting period. This cost is posted to the income statement and spread over the same vesting period.

In the context of the transition to IFRS and in compliance with the requirements of IFRS 1, the Group has only recognised, in its valuation of the fair value of benefits awarded to employees, those plans granted after 7 November 2002 for which the rights had not yet been vested at 1 January 2005.

4.14 Retirement benefits and other employee benefits

RETIREMENT BENEFITS

The Group has retirement benefit commitments under defined benefit schemes.

A defined benefit plan is a post-employment benefit plan under which payments made to a distinct entity do not discharge the employer from its obligation to pay additional contributions.

The Group's net obligation in respect of defined benefit plans is measured using the value of future benefits acquired by personnel in exchange of services rendered during the current and previous periods. This amount is discounted to measure its present value. The discount rate is equal to the interest rate, at the balance sheet date, of top-rated bonds with a maturity date close to that of the Group's commitments and denominated in the same currency as that used to pay out benefits.

Calculations are carried out every year by a qualified actuary using the projected unit credit method.

The Group immediately recognises against other items of comprehensive income all actuarial differences arising in respect of defined benefit plans.

SEVERANCE PAY

Severance pay is recognised as an expense when the Group is obviously committed, with no real possibility to retract, to a formal and detailed redundancy plan before the normal retirement age.

SHORT-TERM BENEFITS

Obligations arising from short-term benefits are measured on a non-discounted basis and recognised as corresponding services are rendered.

A liability is recognised for the amount the Group expects to pay in respect of employee profit-sharing plans and for bonuses paid in short-term cash when the Group has an actual obligation, legal or constructive, to make these payments as consideration for past services rendered by personnel and this obligation may be reliably assessed.

4.15 Provisions

In compliance with IAS 37 – *Provisions, contingent liabilities and contingent assets*, the Group recognises a provision when, at the balance sheet date, it has an obligation (legal or constructive) towards a third party resulting from a past event, for which it is probable that an outflow of resources embodying economic benefits will be required, and when a reliable estimate can be made of the amount of the obligation.

The amount recognised under provisions is the best estimate of the cash outflow necessary to settle the present obligation on the balance sheet date.

In the case that this liability is not probable and cannot be reliably measured, but remains possible, the Group recognises a contingent liability in its commitments.

Provisions are predominantly intended to cover probable costs of trials or litigation in process, of which the trigger event existed at the balance sheet date.

4.16 Derivative financial instruments

The M6 Group is principally exposed to foreign exchange rate risk when purchasing broadcasting rights in a foreign currency. In order to protect itself from foreign currency exchange risk, the Group uses simple derivative instruments guaranteeing it a hedged amount and a maximum exchange rate for this hedged amount.
The Group's use of derivative instruments is with the sole aim of hedging commitments arising from its activity and never for a speculative purpose.

DETERMINATION OF FAIR VALUE

In accordance with IFRS 7 – *Financial instruments: disclosures* and IAS 39 – *Financial instruments: recognition and measurement*, derivative financial instruments are measured at fair value, based on a valuation carried out by a third party derived from observable market data. The fair value of foreign currency purchase contracts is calculated with reference to a standard forward exchange rate for contracts with similar maturity profiles. The fair value of interest rate swaps is determined with reference to the market values of similar instruments.

FINANCIAL INSTRUMENTS QUALIFYING AS HEDGES

The Group has decided to apply hedge accounting to the majority of its derivative instruments in order to reduce the impact on profit of hedges implemented.
The main hedge instruments authorised within the framework of the Group hedging policy are as follows: pure time, first generation options and swaps (currency or interest rate).

The hedging policies adopted by the Group are mainly of two types:

- *Hedging the exposure to movements in the fair value of an asset or liability*

All gains or losses from the revaluation of the hedging instrument to fair value are immediately recognised in the income statement.
All gains and losses on the hedged item attributable to the hedged risk adjust the book value of the hedged item and are recognised in the income statement.
This results in symmetric recognition of movements in fair value of the hedged item and the hedging instrument for the effective part of the hedge in EBITA. The ineffective part of the hedge is recorded in finance income/expense.

- *Hedging future cash flows*

This involves hedging the exposure to movements in cash flow that is attributable either to a forecast transaction or to a firm commitment.

Movements in the fair value of the financial instrument, as regards the effective portion, are recognised under other items of comprehensive income until the balance sheet recognition of the asset or liability.
When the hedged item is recorded and leads to the recognition of an asset or a liability, the amount recorded in equity is transferred and included in the initial value of the cost of acquisition of the asset or liability. As regards the ineffective portion, movements in value are included in finance income/expense.
For all other cash flow hedges, the amounts taken directly to other items of comprehensive income are transferred to the income statement for the year in which the forecast transaction or firm commitment affects the income statement.

FINANCIAL INSTRUMENTS NOT QUALIFYING AS HEDGES

Certain financial instruments are not treated as hedges according to the definition of IAS 39, despite effectively being hedge instruments used to manage economic risks. Gains and losses resulting from the revaluation of financial instruments which may not be accounted for as hedges are recognised in the income statement of the period.

4.17 Revenue

In compliance with IAS 18 – *Revenue*, revenue realised by the various Group entities is recognised when:

- it is probable that the economic benefits of the transaction will flow to the Group;
- the amount of revenue can be measured reliably;
- at the transaction date, it is probable that the amount of the sale will be recovered.

More specifically, the revenue recognition principles per activity are as follows:

- advertising revenues are recorded on the broadcast of the advertisements which are the subject of the sale; revenue is recognised net of commercial rebates;
- remuneration of digital channels granted by cable and satellite broadcast operators that broadcast them are calculated on a per subscription basis or at an annual set price;
- diversification activities revenues are recognised on the provision of the service or delivery of the products; they are recognised net of provisions for returns. These revenues also include, where relevant, the financial contribution, invoiced to the final customer, relating to the unit costs incurred in the gathering and elimination of waste electrical and electronic equipment (“eco-participation”). Where the Group acts as an agent instead of a principal in a transaction, recognised revenue corresponds to the net value of commissions received by the Group;
- sales of audiovisual rights are recognised at the opening date of the rights, essentially within the framework of television sales; other sales (cinema, video) are recognised on admission or on delivery of the material;
- sports revenues, such as broadcasting rights paid by the organisers of competitions, are recognised as the sports season progresses, with the exception of premiums relating to future ranking which are recognised at the date on which the ranking is acquired;
- mobile telephone revenues are recognised:

- for the portion relating to signing up, the month of signing for a new subscription and adjusted for attrition rates;
- and, for the portion relating to monthly operating revenues, spread over the duration of the subscription period to match the revenues received by the Group.

4.18 Earnings per share

In accordance with the recommendations of IAS 33 – *Earnings per share*, basic earnings per share is determined by dividing the net profit attributable to Group shareholders by the weighted average number of ordinary shares outstanding during the period.

The dilutive effect of non-vested stock option plans and free share allocation plans to be settled by the delivery of shares and in the process of being acquired is reflected in the calculation of diluted earnings per share.

Diluted earnings per share is calculated using net profit attributable to equity holders of the parent company and the weighted average number of outstanding shares, restated for the effects of all potentially dilutive ordinary shares.

The number of shares having a dilutive effect is determined on a plan by plan basis. This number is calculated by comparing the issue price of options or shares granted and the market value of the share during the period. The issue price corresponds to the exercise price of options increased by the fair value of services still to be provided.

4.19 Cash and cash equivalents

Cash comprises cash in hand in the bank current account and demand deposits.
Cash equivalents are liquid investments, readily convertible into a known amount of cash, subject to an insignificant risk of change in value, with a maturity of less than 3 months.
In this respect, the FCP mutual funds held by the Group are recognised as cash equivalents. As such, they are exposed to a very limited rate risk and their volatility over 12 months is very close to that of EONIA. They are therefore recognised as cash equivalents.

4.20 Cash flow statement

The table presents actual cash flows relating to the operations of the entities within the scope of consolidation at the year end. It has been established in compliance with IAS 7 – *Cash flow statements*.

CASH FLOW FROM OPERATING ACTIVITIES

Movements in inventories and receivables are calculated net of movements in provisions against current assets.
In addition, in order to highlight the effect of taxation on the movement in cash, the tax expense is removed from the self-financing capacity, and the movement in the tax liability is removed from the change in working capital requirements (WCR). The disbursement for taxation is thus isolated as a specific line item.

CASH FLOW FROM INVESTMENT ACTIVITIES

The effects on cash of adjustments to the consolidation scope resulting from acquisitions and disposals of entities (other than discontinuing operations) are identified on the lines “Cash and cash equivalents arising from subsidiary acquisitions” and “Cash and cash equivalents arising from subsidiary disposals”.

OPERATIONS HELD FOR SALE

The effects on the Group's cash of operations held for sale are shown on a separate line in the cash flow statement, "Cash flow linked to operations held for sale".

5. Changes in methods

During the 2013 financial year, the Group did not introduce any change to its accounting methods.

6. Business combinations

6.1 Acquisitions during the financial year

On 11 July 2013, Home Shopping Service acquired Luxview and Optilens.

This acquisition has been treated as a business combination in accordance with revised IFRS 3.

The acquisition cost was €0.9 million, comprising the initial acquisition price and all earn-out payments (estimated fair value of potential earnout in accordance with revised IFRS 3).
The difference between the acquisition price and net assets acquired was €1.7 million, of which €0.2 million has been allocated.
The allocation used in the consolidated financial statements to 31 December 2013 is provisional. It will only become final at the end of a period of 12 months following the acquisition.

6.2 Follow-up on acquisitions carried out in 2012

The acquisition price of the Tom's Games websites (jeuxvideoPC.com and jeuxvideo-flash.com) at 31 October 2012 has been entirely allocated to goodwill, since its allocation to other assets was not deemed significant given the size of the Group.

7. Segment reporting

The Group has applied IFRS 8 - *Operating segments* since 1 January 2009 in order to present its net profit, balance sheet and investments by relevant operating segment.

The internal management reporting prepared on a monthly basis and communicated to the principal operational decision-maker, i.e. the Executive Board, as well as to other operational decision makers is based on these segments.
Revenue and EBITA, defined as operating profit before income and expenses relating to business combinations and proceeds from the disposal of subsidiaries and investments, are the most closely monitored performance indicators. Capital employed and investments made by each segment are also analysed on a regular basis in order to assess the profitability of resources allocated to each segment and make decisions about the future investment policy.

The operating segments presented are as follows:

M6 TV NETWORK
This segment includes the M6 TV channel, based on a business model entirely financed by advertising and extensive broadcasting (terrestrial SD and HD digital networks, broadband, cable and satellite), as well as all the main associated activities, such as the production, co-production and advertising agency activities.

DIGITAL CHANNELS
This segment includes Group channels that are broadcast on the DTT network or as part of packages broadcast by broadband, cable or satellite. These channels were originally termed thematic channels; they have considerably increased their market share, both in terms of audience ratings and advertising revenue over the past few years.
The business model of the so-called "pay channels" is based on mixed financing (advertising revenue and income from cable operators), whereas that of free channels (free SD/HD DTT broadcasting) is fully dependent on advertising.

DIVERSIFICATION AND AUDIOVISUAL RIGHTS
This segment includes all activities considered independent, in part or in full, from the TV channel broadcasting business. Their main features notably include the distribution of physical or intangible goods to consumers, merchandise inventory building, buying and reselling and event organisation.
Revenues primarily originate from sales to consumers and ticket sales, as well as sales to specialised distributors and vendors. The contribution of advertising revenue, although remaining marginal for this segment, is growing rapidly.

ELIMINATIONS AND UNALLOCATED ITEMS relate to the cost of the share purchase and subscription plans, the cost of the free share allocation plans, the net profit of property companies and dormant companies, as well as unallocated consolidation restatements primarily corresponding to the elimination of intra-Group gains on the disposal of non-current assets or inventories.

In application of IFRS 5 – *Non-current assets held for sale and discontinued operations,* and taking into account the anticipated closing dates for the finalisation of the disposal, Mistergooddeal is presented under segment reporting as an operation held for sale.
In the income statement below, data related to this operation has been restated for profit from recurring operations. The income statement for the 2012 financial year has been restated to ensure consistency of financial information.
Mistergooddeal's assets and liabilities are presented in a separate column in the statement of financial position at 31 December 2013 (see Note 12).

INCOME STATEMENT

The contribution of each business segment to the income statement is detailed as follows:

	M6 TV Network	Digital Channels	Diversification & Audiovisual Rights	Eliminations and unallocated items	2012 Restated Total
External revenue	664.0	186.1	536.3	0.2	1,386.6
Inter-segment revenue	42.1	4.2	17.7	(64.0)	-
Revenue (1)	**706.1**	**190.3**	**554.0**	**(63.8)**	**1,386.6**
Profit from recurring operations (EBITA) (1)	**142.5**	**30.9**	**47.8**	**(2.7)**	**218.5**
Restatement of EBITA for operations held for sale					5.7
Profit from recurring operations (EBITA) from continuing operations					**224.1**
Operating income and expenses relating to business combinations			(0.1)		(0.1)
Income from disposal of subsidiaries and investments					-
Operating profit (EBIT) from continuing operations					**224.0**
Net financial income					24.5
Group share of profit from associates					-
Profit before tax (EBT) from continuing operations					**248.5**
Income tax					(92.6)
Net profit from continuing operations					**155.9**
Net profit/(loss) from operations held for sale					**(15.7)**
Net profit for the year					**140.2**
attributable to equity owners of the parent company					140.2
attributable to non-controlling interests					0.0

(1) Includes the contribution of Mistergooddeal, an operation held for sale

	M6 TV Network (2)	Digital Channels	Diversification & Audiovisual Rights (2)	Eliminations and unallocated items	Total 2013
External revenue	664.8	190.8	526.9	0.4	1,382.8
Inter-segment revenue	47.7	5.4	10.3	(63.4)	-
Revenue (1)	**712.4**	**196.2**	**537.2**	**(63.0)**	**1,382.8**
Profit from recurring operations (EBITA) (1)	**144.8**	**9.1**	**55.1**	**(2.7)**	**206.2**
Restatement of EBITA for operations held for sale					5.3
Profit from recurring operations (EBITA) from continuing operations					**211.6**
Operating income and expenses relating to business combinations			(0.6)	-	(0.6)
Income from disposal of subsidiaries and investments				-	-
Operating profit (EBIT) from continuing operations					**211.0**
Net financial income					17.7
Group share of profit from associates					(0.0)
Profit before tax (EBT) from continuing operations					**228.7**
Income tax					(97.8)
Net profit from continuing operations					**130.8**
Net profit/(loss) from operations held for sale					**(18.7)**
Net profit for the year					**112.1**
attributable to equity owners of the parent company					112.0
attributable to non-controlling interests					0.1

(1) Includes the contribution of Mistergooddeal, an operation held for sale.

(2) At 31 December 2013, M6 Editions was included in the "M6 TV Network" business segment. It was previously included in the "Diversification and Audiovisual Rights" segment. M6 Editions contributed sales of €1.3 million for the year to 31 December 2013 compared with €1.4 million for the year to 31 December 2012. Its EBITA contribution was €0.2 million for the year to 31 December 2013 and nil for the year to 31 December 2012.

STATEMENT OF FINANCIAL POSITION

The contributions of each business segment to the financial position are presented below:

	M6 TV Network	Digital channels	Diversification and Audiovisual Rights	Eliminations	Total continuing operations
					2012
Assets and Liabilities					
Segment assets	468.1	115.3	370.4	(119.5)	834.3
Investments in associates			0.2		0.2
Unallocated assets					491.5
Total Assets	**468.1**	**115.3**	**370.6**	**(119.5)**	**1,325.9**
Segment liabilities	334.8	133.4	273.9	(119.5)	622.7
Unallocated liabilities					15.4
Total Liabilities	**334.8**	**133.4**	**273.9**	**(119.5)**	**638.1**
Net Assets/(Liabilities)	**133.3**	**(18.1)**	**96.6**	**-**	**687.8**
Other segment information					
Non-current asset acquisitions	16.0	23.5	63.3		102.8
Depreciation and amortisation	(13.6)	(24.5)	(58.2)		(96.3)
Impairment	(0.1)	(3.9)	(3.7)		(7.8)
Other unallocated segment reporting items					10.7

	M6 TV Network [1]	Digital channels	Diversification and Audiovisual Rights [1]	Eliminations	Total continuing operations	Operations held for sale	Total of all operations
					2013	2013	2013
Segment assets	501.7	126.0	305.5	(151.7)	781.4	31.9	813.3
Investments in associates			0.2		0.2		0.2
Unallocated assets					442.1		442.1
Total Assets	**501.7**	**126.0**	**305.7**	**(151.7)**	**1,223.7**	**31.9**	**1,255.6**
Segment liabilities	374.6	167.2	255.1	(151.7)	645.2	27.5	672.7
Unallocated liabilities					10.9		10.9
Total Liabilities	**374.6**	**167.2**	**255.1**	**(151.7)**	**656.1**	**27.5**	**683.6**
Net Assets/(Liabilities)	**127.0**	**(41.2)**	**50.6**	**-**	**567.6**	**4.4**	**572.0**
Other segment information							
Non-current asset acquisitions	17.5	45.5	55.7		118.7		118.7
Depreciation and amortisation	(12.9)	(38.0)	(53.9)		(104.8)		(104.8)
Impairment	1.0	(5.6)	(9.7)		(14.4)		(14.4)
Other unallocated segment reporting items					(2.4)		(2.4)

[1] At 31 December 2013, M6 Editions was included in the "M6 TV Network" business segment. It was previously included in the "Diversification and Audiovisual Rights" segment. M6 Editions's contribution to net assets was nil at 31 December 2013 compared with net assets of €0.5 million at 31 December 2012.

Unallocated assets relate to cash and other Group financial assets, as well as tax receivables.
Unallocated liabilities relate to debt and other Group financial liabilities, as well as tax liabilities.

The Group does not present any segmental information by geographical segment as it has no significant operations outside of continental France.

8. Other operating income and expenses

8.1 Other operating income

Other operating income totalled €14.6 million (compared to €7.9 million in 2012), and primarily comprised:
- proceeds from the sale of football players (€8.6 million, compared to €2.7 million in 2012);
- operating grants received (€3.4 million, compared to €3.2 million in 2012);
- income tax related to the CICE (tax credit aimed at encouraging business competitiveness and employment) of €1.3 million;
- operating foreign exchange gains of €0.6 million in 2012.

8.2 Materials and other operating expenses

	2013	2012 Restated	2012 Published
Broadcasting rights usage and programme flows (including writedown of broadcasting rights inventory)	(229.6)	(217.6)	(217.6)
Cost of sales	(51.0)	(53.8)	(152.7)
Other external services	(364.4)	(361.0)	(379.9)
Operating foreign exchange losses	(0.1)	(0.0)	(0.0)
Other expenses	(0.4)	(0.2)	(0.8)
Cost of sales and other operating expenses	**(645.5)**	**(632.6)**	**(750.9)**

8.3 Amortisation, depreciation and impairment charges

	2013	2012 Restated	2012 Published
Amortisation and net provisions - audiovisual rights	(78.0)	(72.7)	(72.7)
Amortisation and net provisions - production costs	(6.9)	(9.8)	(9.8)
Amortisation and net provisions - other intangible assets	(13.2)	(9.9)	(11.1)
Depreciation - property, facilities and equipment	(14.9)	(13.2)	(13.5)
Other	(1.1)	(4.4)	(5.1)
Goodwill impairment	-	-	(11.2)
Total of amortisation and depreciation (net)	**(114.1)**	**(109.9)**	**(123.5)**

8.4 Employee and workforce expenses

	2013	2012 Restated	2012 Published
Wages and salaries	(153.5)	(150.7)	(157.8)
Social security charges	(66.4)	(62.9)	(65.9)
Profit sharing plan contributions	(13.7)	(8.1)	(8.3)
Other employee costs	(16.4)	(19.9)	(20.9)
Employee costs	**(250.0)**	**(241.5)**	**(252.9)**

Other employee costs include provision charges and reversals for retirement, provisions for employee litigations, as well as the cost of the IFRS 2 charge.

The “full-time equivalent” (FTE) workforce of wholly-consolidated Group companies was 2,266 in 2013, compared to 2,197 in 2012.
The FTE workforce of jointly-owned companies was 20 in 2013, compared with 22 people in 2012, primarily relating to the share of TF6 and Série Club’s FTEs.

9. Share-based payments

PLANS ALLOCATED IN 2013

Pursuant to the authorisation granted by the Combined General Meeting of 4 May 2011, an allocation of free shares was decided by the Executive Board on 26 July 2013, following approval by the Supervisory Board on 23 July 2013.

The plan of 26 July 2013 covered 642,500 shares, subject to beneficiaries remaining employed by the Group and the achievement of consolidated net profit objectives in 2013.

No allocations of share subscription options were decided in 2013.

VALUATION AT FAIR VALUE OF BENEFITS GRANTED TO EMPLOYEES

Pursuant to IFRS 2 – *Share-based payments* and IFRS 1 – *First-time adoption of IFRS*, the allocation of options to purchase and to subscribe for shares and the allocation of free shares granted since 7 November 2002 have been valued at their fair value at the date of grant.

The fair value of free shares granted is based on the value of the share at date of grant less the current value of future dividends estimated for the period of unavailability.

FEATURES OF PLANS AND FAIR VALUE OF BENEFITS GRANTED

The principal features of option plans for the purchase, the subscription or the allocation of free shares outstanding at 31 December 2013, or which expired during the year, and for which a valuation of the fair value of the benefit granted to employees was carried out pursuant to IFRS 1 – *First-time adoption of IFRS*, are as follows:

	Model	Reference price	Exercise price	Historic volatility	Risk-free rate (*)	Expected yield	Fair value
Plans granting free shares							
26/07/2011		15.75	N/A	N/A	1.56%	6.35%	13.79
22/12/2011		11.40	N/A	N/A	1.02%	9.60%	9.42
27/07/2012		11.51	N/A	N/A	0.24%	9.50%	8.10
26/07/2013		14.79	N/A	N/A	0.58%	6.10%	11.41

(*) Risk-free rate: specified term after 2 years

The maturity used corresponds to the vesting period (2 years) for all plans granting free shares. In addition, it is assumed that 0% to 10% of the shares will not be delivered due to the departure of beneficiaries during the vesting period. However, the cost of free share allocation plans is restated at the end of the plans based on the actual departure rate.

During the financial year, the balance of options and shares granted changed as follows:

	Allocation at plan date	Maximum allocation	Balance at 31/12/2012	Change based on performance	Allocated	Exercised	Cancelled	Balance at 31/12/2013
Share subscription plans	**2,448,075**	**2,448,075**	**1,554,109**	**-**	**-**	**(81,485)**	**(458,250)**	**1,014,374**
06/06/2006	736,750	736,750	395,250	-	-	-	(395,250)	-
02/05/2007	827,500	827,500	519,500	-	-	-	(31,500)	488,000
06/05/2008	883,825	883,825	639,359	-	-	(81,485)	(31,500)	526,374
Plans granting free shares	**1,501,200**	**1,535,570**	**840,232**	**(27,862)**	**642,500**	**(333,857)**	**(37,462)**	**1,083,551**
26/07/2011	342,700	367,820	318,982	-	-	(314,265)	(4,717)	-
22/12/2011	28,250	37,500	33,500	(2,993)	-	(19,592)	(10,915)	-
27/07/2012	487,750	487,750	487,750	-	-	-	(20,100)	- 467,650
26/07/2013	642,500	642,500	-	(24,869)	642,500	-	(1,730)	- 615,901

Cancellations recorded during the year resulted either from beneficiaries leaving the Group before the end of the vesting period or from plans expiring due to market conditions preventing all rights from being exercised. They may also be due to non-achievement of financial performance targets set on allocation of the plans.

Data relating to the free share allocation plans are reference data corresponding to the achievement of performance objectives set within the context of the 2011, 2012 and 2013 plans.

CHARGE RECOGNISED IN 2013

In light of the data set out above and the assessment of the charge resulting from the free share allocation plans based on the number of shares likely to be granted, this resulted in the following impact to the line “personnel costs” in the income statement:

	Personnel costs	
	2013	2012
Share subscription plans		
06/05/2008	-	0.0
Plans granting free shares		
27/07/2010	-	1.5
22/12/2010	-	0.2
26/07/2011	1.2	2.2
22/12/2011	0.0	0.2
27/07/2012	1.8	0.7
26/07/2013	1.4	-
Total cost	**4.4**	**4.8**

10. Net financial income

	2013	2012 Restated	2012 Published
Investment income	4.3	5.1	5.1
Other interest income	0.3	0.6	0.6
Revaluation of derivative instruments	0.0	0.1	0.1
Income from disposal of financial assets held for sale	13.6	20.2	20.2
Other financial income	0.0	0.0	0.0
Financial income	**18.3**	**26.1**	**26.1**

	2013	2012 Restated	2012 Published
Interest on loans from banks and associates	(0.1)	(0.1)	(0.1)
Capitalised interest on pension	(0.2)	(0.4)	(0.4)
Revaluation of derivative instruments	(0.1)	(0.4)	(0.4)
Other financial expenses	(0.1)	(0.8)	(0.8)
Financial expense	**(0.6)**	**(1.6)**	**(1.7)**
NET FINANCIAL INCOME	**17.7**	**24.5**	**24.4**

Investment income decreased by 15% over the year, due to declining interest rates on deposits and the average amount of deposits, which fell from €324 million in 2012 to €285 million in 2013. The Group generated financial income of €4.3 million in 2013, compared with €5.1 million in 2012.

In 2013, income from disposal of financial assets held for sale corresponded to the €13.6 million income recorded on the unwinding of the Lions Gate and Summit Entertainment transactions, and in 2012, to the disposal of the Summit Entertainment securities for €20.2 million (see Note 21.1).

11. Income tax

Métropole Télévision has declared itself as the parent company of a tax consolidation group, pursuant to the provisions of Articles 223-a and subsequent of the General Tax Code, as of 1 January 1988.
All French registered Group companies that are subject to income tax and are more than 95% continuously owned directly or indirectly by Métropole Télévision are members of the tax consolidation group.

The components of income tax are as follows:

	2013	2012 Restated
Current income tax:		
Tax charge for the year	(98.5)	(85.8)
Deferred tax:		
Creation and reversal of temporary differences	0.7	(6.8)
Total	**(97.8)**	**(92.6)**

With the increase in the extraordinary corporate income tax contribution from 5.0% to 10.7% (2014 Finance Act), the deferred tax rate used for 2013 has been raised to 38.0% for temporary differences that will be reversed until 31 December 2015. After that date, temporary differences will revert to the rate of 34.43%.

Deferred tax directly taken to items of other comprehensive income was as follows:

	2013	Change	2012 Restated
Revaluation to fair value of foreign exchange contracts (cash flow hedges)	0.3	0.2	0.1
Revaluation to fair value of assets available for sale	-	1.1	(1.1)
Actuarial gains and losses	(0.6)	(0.0)	(0.5)
Treasury shares forward purchase	-	(1.2)	1.2
Total	**(0.3)**	**0.1**	**(0.4)**

The reconciliation between the income tax charge calculated by applying the applicable rate to profit before tax and the charge calculated by applying the Group's actual tax rate is as follows:

	2013	2012 Restated
Net profit - Group share	**112.0**	**140.2**
Non-controlling interests	0.1	(0.0)
Net profit/(loss) from operations held for sale	(18.7)	(15.7)
Income tax	(97.8)	(92.6)
Share of profit (loss) from associates	-	-
Goodwill impairment	-	-
Cost of stock options and free shares (IFRS 2)	(4.4)	(4.8)
Profit before tax, share of profit of associates, goodwill impairment and IFRS 2 expenses	**233.0**	**253.3**
Theoretical tax rate	38.00%	36.10%
Theoretical tax charge	**(88.6)**	**(91.4)**
Reconciling items:		
C.V.A.E. tax [1]	(5.6)	(6.3)
3% tax on dividends [2]	(7.0)	-
Impact relating to the change in income tax rate	0.1	0.2
Impact relating to foreign tax rates [3]	2.8	5.3
Other differences	0.3	(0.4)
Effective tax charge	**(97.8)**	**(92.6)**
Effective tax rate	41.97%	36.56%

The income tax rate applicable to the companies included in the French tax consolidation was 38.0% for the 2013 financial year, compared with 36.1% for the 2012 financial year.

[1] In 2010, the Group decided to reclassify CVAE (value added business tax) as income tax. This amounted to €9.1 million (€5.6 million net of income tax) at 31 December 2013, compared to €10 million (€6.3 million after tax) at 31 December 2012.

[2] The Group is now subject to an additional income tax contribution of 3% on dividends paid.

[2] The €2.8 million figure corresponds to the difference in the rate applicable to the capital gain on the disposal of the Group's equity investment in Lions Gate and the 2012 adjustment of the income tax used in relation to the capital gain recognised on the disposal of the Group's equity investment in Summit Entertainment.

The sources of deferred tax at 31 December were as follows:

	2013	2012
Deferred tax assets		
Intangible assets	0.3	0.6
Assets held for sale	-	1.5
Other assets	9.4	9.0
Retirement provisions (non-deductible)	2.4	2.2
Non-deductible provisions	21.0	18.4
Expenses payable non-deductible	6.2	5.0
Financial instruments	0.3	1.2
Losses brought forward	3.1	2.4
Other	0.9	0.4
Impact of offset of deferred tax assets and liabilities on the balance sheet	(20.2)	(20.3)
Total	**23.4**	**20.5**
Deferred tax liabilities		
Catalogues	(6.1)	(5.8)
Brands	(0.2)	(1.2)
Accelerated depreciation and amortisation	(5.3)	(4.4)
Revaluation of assets held for sale	-	(1.1)
Writedown of treasury shares	(2.7)	(2.7)
Other	(6.0)	(5.0)
Impact of offset of deferred tax assets and liabilities on the balance sheet	20.2	20.3
Total	-	-

The deferred tax assets and liabilities of companies included in the tax consolidation were offset.

The cumulative losses brought forward of group companies were €27.1 million at 31 December 2013. The losses that were capitalised as deferred tax assets amounted to €8.6 million at 31 December 2013.

At 31 December 2013, no deferred tax liability was recognised for taxes which may be due on the undistributed profits of certain Group subsidiaries, associated companies or joint ventures.

12. Discontinued operations

Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations,* and taking account of the expected timeframe for completion of the disposal in progress, Mistergooddeal is presented as an operation held for sale in the consolidated income statement, the consolidated statement of cash flows and the consolidated statement of financial position. In practice, Mistergooddeal has been recognised as follows:

- its contribution to each line of the consolidated income statement is shown under "Net profit/(loss) from operations held for sale". In accordance with IFRS 5, these restatements have been applied to all periods presented in the consolidated financial statements (i.e. 2013 and 2012) to ensure consistency of information;
- its contribution to each item of the consolidated financial position at 31 December 2013 is shown under "Assets of operations held for sale" and "Liabilities of operations held for sale";
- its contribution to each line of the consolidated statement of cash flows is shown under "Cash flow related to operations held for sale". In accordance with IFRS 5, these restatements have been applied to all periods presented in the consolidated financial statements (i.e. 2013 and 2012) to ensure consistency of information.

The contribution of Mistergooddeal to Group results was as follows:

	2013	2012
Revenue	121.2	129.9
Other operating revenues	0.1	-
Operating expenses	(127.5)	(136.8)
Income tax	2.3	2.4
Net operating loss	**(4.0)**	**(4.5)**
Other financial income and expenses, after tax	-	(0.1)
Fair value revaluation loss, after tax *	(14.7)	(11.2)
Net profit/(loss) from operations held for sale	**(18.7)**	**(15.7)**

* At 31 December 2012, the Group recognised an €11.2 million writedown charge in relation to Mistergooddeal, which was wholly allocated to goodwill impairment.

The components reported in the specific asset and liability items in the consolidated statement of financial position are analysed as follows:

	2013
Assets	
Intangible assets *	-
Property, facilities and equipment *	-
Other non-current assets	0.2
Other current assets	26.6
Cash and cash equivalents	5.2
Total assets of operations held for sale	**31.9**
Liabilities	
Non-current liabilities	0.3
Current liabilities	27.2
Total liabilities of operations held for sale	**27.5**
Net assets of operations held for sale	**4.5**

* At 31 December 2013, the Group wrote off all of Mistergooddeal's intangible assets and property, facilities and equipment, for a corresponding writedown of €13.4 million.

Net cash flows related to the Mistergooddeal business were as follows:

	2013	2012
Operating profit from operations held for sale	(21.6)	(18.1)
Operating profit from operations held for sale - Non-Group	*(18.6)*	*(14.7)*
Operating profit from operations held for sale - Intra-Group	*(3.0)*	*(3.3)*
Non cash items - Non-Group	16.2	13.1
Group cash items	(0.0)	(0.0)
SELF-FINANCING CAPACITY BEFORE TAX	**(5.5)**	**(5.0)**
Movement in working capital requirements - Non-Group	1.4	(1.9)
Movement in working capital requirements - Intra-Group	(0.9)	2.7
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS	**0.5**	**0.7**
Income tax paid	(0.1)	(0.1)
Cash flow from non-Group operating activities	(1.2)	(3.7)
Cash flow from intra-Group operating activities	(4.0)	(0.7)
CASH FLOW FROM OPERATING ACTIVITIES	**(5.1)**	**(4.4)**
Cash flow used in non-Group investment activities	(2.4)	(2.1)
Cash flow from intra-Group investment activities	18.0	-
CASH FLOW FROM / (USED IN) INVESTMENT ACTIVITIES	**15.6**	**(2.1)**
Cash flow from non-Group financing activities	0.1	0.0
Cash flow from intra-Group financing activities	3.6	0.8
CASH FLOW FROM FINANCING ACTIVITIES	**3.7**	**0.8**
Net change in non-Group cash and cash esquivalents	(3.5)	(5.7)
Net change in intra-Group cash and cash esquivalents	17.6	0.1
NET CHANGE IN CASH AND CASH EQUIVALENTS	**14.1**	**(5.7)**
Cash and cash equivalents - Start of the year	(9.0)	(3.3)
CASH AND CASH EQUIVALENTS - END OF THE YEAR	**5.2**	**(9.0)**

13. Earnings per share

	2013	2012
Net profit attributable to shareholders	112.0	140.2
Profit / (loss) from operations held for sale attributable to shareholders	(18.7)	(15.7)
Net profit from continuing operations attributable to shareholders	130.7	155.9
Average weighted number of shares (excluding treasury shares) for basic earnings per share	125,317,974	125,655,902
Potential dilutive effect of share-based payments	654,266	481,189
Average weighted number of shares (excluding treasury shares) adjusted for dilutive effect*	125,972,240	126,137,091
Net earnings per share (€)	0.894	1.115
Net earnings per share from continuing operations (€)	1.043	1.240
Diluted earnings per share (€)	0.889	1.111
Diluted earnings per share fom continuing operations (€)	1.038	1.236

** Only includes dilutive shares (with regard to prevailing market conditions at year-end).*

The calculation of diluted earnings per ordinary share takes into account the free shares granted by the plans of 27 July 2012 and 26 July 2013.
Shares with a dilutive impact totalled 654,266, with a dilutive effect on EPS of 0.46 euro cent per share and with a dilutive impact of 0.54 euro cent on earnings per share from continuing operations.

14. Dividends paid and proposed

	2013	2012
Declared and paid during the year	**231.9**	**126.3**
Dividend paid per ordinary share (€)	0.85	1.00
Exceptional dividend paid per ordinary share (€)	1.00	-
Proposed for approval of AGM	**106.6**	**231.9**
Dividend to be paid per ordinary share (€)	0.85	0.85
Exceptional dividend to be paid per ordinary share (€)	-	1.00

15. Intangible assets

	Audiovisual rights	Other intangible assets	Advances and prepayments	Goodwill	Total 2012
At 1 January 2012, net of amortisation and writedowns	**65.7**	**29.5**	**25.5**	**74.8**	**195.5**
Acquisitions	20.7	11.9	56.4	3.1	92.0
Change in Group structure (gross amounts)	-	-	-	-	-
Disposals	(55.7)	(5.4)	(0.0)	-	(61.0)
Other movements	-	-	-	-	-
Reclassifications	34.2	15.7	(50.0)	-	0.0
Writedowns	(7.5)	0.1	(0.4)	(11.2)	(18.9)
2012 amortisation charge	(65.2)	(20.7)	-	-	(85.8)
Change in Group structure - accumulated amortisation charge	-	-	-	-	-
Reversal of amortisation on disposals	55.7	4.9	-	-	60.6
At 31 December 2012, net of amortisation and writedowns	**47.9**	**36.0**	**31.6**	**66.8**	**182.3**
At 1 January 2012					
Gross value	649.6	544.6	26.2	108.7	1,329.2
Accumulated amortisation and writedowns	(583.9)	(515.2)	(0.7)	(33.9)	(1,133.6)
Net Total	65.7	29.5	25.5	74.8	195.5
At 31 December 2012					
Gross value	659.6	606.8	32.7	111.9	1,410.8
Accumulated amortisation and writedowns	(611.7)	(570.8)	(1.1)	(45.1)	(1,228.6)
Net Total	47.9	36.0	31.6	66.8	182.3

	Audiovisual rights	Other intangible assets	Advances and prepayments	Goodwill	Total 2013
At 1 January 2013, net of amortisation and writedowns	**47.9**	**36.0**	**31.6**	**66.8**	**182.2**
Acquisitions	38.2	10.5	60.1	-	108.8
Assets of operations held for sale (gross)	-	(12.1)	(0.4)	(32.8)	(45.3)
Change in Group structure (gross amounts)	-	0.3	-	1.7	2.0
Disposals	(1.2)	(11.1)	(0.9)	-	(13.2)
Other movements	-	-	-	16.5	16.5
Reclassifications	30.2	21.6	(53.8)	-	(1.9)
Writedowns	(5.9)	(0.3)	0.4	-	(5.9)
2013 amortisation charge	(72.1)	(20.1)	-	-	(92.2)
Amortisation charge of operations held for sale	-	8.1	-	11.2	19.2
Change in Group structure - accumulated amortisation charge	-	(0.2)	-	-	(0.2)
Reversal of amortisation on disposals	1.2	9.4	-	-	10.5
At 31 December 2013, net of amortisation and writedowns	**38.4**	**42.0**	**37.0**	**63.4**	**180.7**
At 1 January 2013					
Gross value	659.6	606.8	32.7	111.9	1,410.8
Accumulated amortisation and writedowns	(611.7)	(570.8)	(1.1)	(45.1)	(1,228.6)
Net Total	47.9	36.0	31.6	66.8	182.3
At 31 December 2013					
Gross value	726.9	616.0	37.7	97.4	1,477.9
Accumulated amortisation and writedowns	(688.5)	(574.0)	(0.7)	(34.0)	(1,297.2)
Net Total	38.4	42.0	37.0	63.4	180.7

Audiovisual rights include cinematographic and television rights acquired within the framework of productions or co-productions, as well as in application of distribution agreements for which a fixed amount (guaranteed minimum) was paid to the producer.

Other intangible assets consist of computer software, co-productions and assets related to the transfer fees of football players.

The main items recognised as advances and prepayments include advances paid on unopened audiovisual rights held for marketing. Amounts paid are reclassified as audiovisual rights when rights are opened.

In application of IAS 20 – *Accounting for government grants and disclosure of government assistance*, grants received from the CNC are recognised as a reduction in the value of the co-production assets.

All other intangible assets are amortisable assets.

16. Goodwill impairment tests and intangible assets with an indeterminable life

MOVEMENTS

Goodwill evolved as follows:

		2013	2012
Opening balance net of impairment		66.8	74.8
Acquisitions		1.5	3.1
Goodwill from operations for sale		(21.6)	-
Other movements		16.7	-
Impairment		-	(11.2)
Closing balance		**63.4**	**66.8**
Opening balance			
	Gross values	111.9	108.7
	Accumulated impairment	(45.1)	(33.9)
	Net	66.8	74.8
Closing balance			
	Gross values	97.4	111.9
	Accumulated impairment	(34.0)	(45.1)
	Net	63.4	66.8

2013 financial year goodwill movements resulted from the acquisition of Luxview and Optilens (see Note 6).
2012 financial year goodwill movements resulted from the acquisition of Tom's Games.

No impairment was recognised during the 2013 financial year on goodwill from continuing operations *(see Impairment test hereafter)*.
Impairment recognised in 2012 related to Mistergooddeal.

GOODWILL OF OPERATIONS HELD FOR SALE

IAS 36 provides that where an entity included in a CGU is disposed of, the capital gain or loss generated by the disposal of this entity must be calculated using a level of goodwill such that the ratio between goodwill attributed to the disposed entity and the CGU be equal to the relative value of this entity to the total value of the CGU.

MonAlbumPhoto was therefore revalued at €19.9 million at 30 September 2013. On this basis, €16.7 million of Mistergooddeal's goodwill was reallocated to MonAlbumPhoto.

Mistergooddeal's goodwill amounted to €21.6 million at 31 December 2012. After reallocation, the residual goodwill of €4.9 million was written off.

ANALYSIS

Net goodwill is analysed by Cash Generating Unit as follows:

Net value		2013	2012
M6 TV Network		-	-
Digital channels		-	-
Diversification and audiovisual rights			
	Cyréalis	37.4	37.4
	E-Commerce	21.1	24.5
	Teleshopping	4.0	4.0
	SND SA	0.8	0.8
Total		63.4	66.8

The Cyréalis CGU, which was merged into M6 Web on acquisition, remains identifiable through the editorial websites it operates (clubic.com, jeuxvideo.fr, achetezfacile.com, tomsgames.fr). The Tom's Games business (acquired on 31 October 2012) was therefore included in the Cyréalis CGU with goodwill of €3.1 million.

The E-Commerce CGU includes Luxview and Optilens due to similarities between their business models and that of Mon Album Photo (single online sales channel, significant business and marketing similarities). Price allocation was carried out on a provisional basis and will be finalised in 2014.

IMPAIRMENT TESTS

During the last quarter of 2013, the Teleshopping and Cyréalis CGUs were subject to an impairment test, in accordance with IAS 36.
The discounted cash flow method (DCF) used to measure the value in use is based on cash flow forecasts established at the beginning of the year based on the following key assumptions: EBITA, capital expenditure, WCR, competitive environment, upgrade of IT systems and level of marketing expenditure.

- Assumptions specific to the Cyréalis CGU
  - The discount rate used was determined by calculating an average of WACC (Weighted Average Cost of Capital) used to assess the main quoted comparables of Cyréalis' business. Full funding through equity was assumed. The discount rate before tax was 10.93%;

- The infinite growth rate used was also based on the average noted on the valuation of comparables and was 2% for 2013, the same as in previous financial years.

- Assumptions specific to the Teleshopping CGU:
  - The discount rate used was the same as for the M6 Group, which corresponds to the average WACC applied by French brokers, i.e. 9.9%;
  - A cautious approach to infinite growth was also selected (1.5%);
  - Sales and EBITA growth of 2% in 2017 and 2018;
  - Capital expenditure of €2 million in 2017 and 2018;
  - Unchanged WCR in 2017 and 2018.

An analysis of the sensitivity of the value in use to testing factors has been conducted, as shown by the tables below:

Cyréalis	Discount rate			
	9.93	10.43	10.93	11.43
0.5	45.3	43	40.9	39
1	47	44.5	42.2	40.2
1.5	49	46.2	43.7	41.5
2	51.2	48.1	**45.4**	43
2.5	53.7	50.3	47.3	44.6

Growth rate

net book value of CGU recognised in Group financial statements = €38.8 million

Teleshopping	Discount rate			
	9.4	9.9	10.4	10.9
0	106.7	101.4	96.7	92.4
0.5	110.6	104.9	99.7	95.1
1	114.9	108.6	103.1	98
1.5	119.8	**112.9**	106.8	101.3
2	125.4	117.7	110.9	104.9

Growth rate

net book value of CGU recognised in Group financial statements = € 1.4 million

Following this analysis, the Group concluded that the recoverable values of the Cyréalis and Teleshopping CGUs exceeded their net book value in the Group's financial statements at 31 December 2013.

Furthermore, no impairment test was carried out on the E-Commerce CGU goodwill at 31 December 2013, due to (i) the reallocation of Mistergooddeal's goodwill to MonAlbumPhoto based on the latter's enterprise value at 30 September 2013, (ii) the short amount of time between the acquisition date of Luxview and Optilens and the year-end, and (iii) the lack of any indication of impairment between these two dates.

17. Property, facilities and equipment

	Land	Buildings	Technical facilities	Other PFE	Assets under construction	Total 2012
At 1 January 2012, net of depreciation and writedowns	**18.6**	**84.3**	**17.2**	**6.3**	**1.4**	**127.9**
Acquisitions	0.6	14.2	7.4	2.9	(0.5)	24.5
Change in Group structure (gross amounts)	-	-	-	-	-	-
Disposals	-	(3.3)	(0.6)	(0.4)	-	(4.3)
Depreciation (charges) / reversals 2012	-	(3.9)	(7.2)	(2.4)	-	(13.5)
Changes in Group structure - accumulated depreciation	-	-	-	-	-	-
Reversal of depreciation on disposal	-	0.2	0.5	0.3	-	1.0
At 31 December 2012, net of depreciation and writedowns	**19.3**	**91.5**	**17.3**	**6.7**	**0.9**	**135.7**
At 1 January 2012						
Cost or fair value	18.6	121.8	50.4	20.9	1.4	213.3
Accumulated depreciation charges and writedowns	-	(37.5)	(33.2)	(14.7)	-	(85.4)
Net value	18.6	84.3	17.2	6.3	1.4	127.9
At 31 December 2012						
Cost or fair value	19.3	132.7	57.2	23.4	0.9	233.5
Accumulated depreciation charges and writedowns	-	(41.2)	(39.9)	(16.8)	-	(97.9)
Net value	19.3	91.5	17.3	6.6	0.9	135.6

	Land	Buildings	Technical facilities	Other PFE	Assets under construction	Total 2013
At 1 January 2013, net of depreciation and writedowns	**19.3**	**91.5**	**17.3**	**6.6**	**0.9**	**135.7**
Acquisitions	-	0.1	7.0	2.3	(0.2)	9.3
Assets of operations held for sale (gross)	-	(2.5)	(0.3)	(0.9)	(0.0)	(3.7)
Change in Group structure (gross amounts)	-	-	0.0	0.0	-	0.0
Disposals	-	-	(1.4)	(0.3)	-	(1.7)
Depreciation (charges) / reversals 2013	-	(4.7)	(7.6)	(2.6)	-	(14.9)
Depreciation of operations held for sale	-	1.3	0.2	0.8	-	2.2
Changes in Group structure - accumulated depreciation	-	-	(0.0)	(0.0)	-	(0.0)
Reversal of depreciation on disposal	-	-	1.2	0.3	-	1.5
At 31 December 2013, net of depreciation and writedowns	**19.3**	**85.7**	**16.4**	**6.2**	**0.7**	**128.3**
At 1 January 2013						
Cost or fair value	19.3	132.7	57.2	23.4	0.9	233.5
Accumulated depreciation charges and writedowns	-	(41.2)	(39.9)	(16.8)	-	(97.9)
Net value	19.3	91.5	17.3	6.6	0.9	135.6
At 31 December 2013						
Cost or fair value	19.3	130.3	62.6	24.8	0.7	237.7
Accumulated depreciation charges and writedowns	-	(44.6)	(46.1)	(18.6)	-	(109.3)
Net value	19.3	85.7	16.4	6.2	0.7	128.3

18. Inventories

	Stocks de droits de diffusion	Stocks de marchandises	Total 2012
Au 1er janvier 2012, net des dépréciations	**165,5**	**29,3**	**194,8**
Acquisitions	270,1	148,4	418,5
Consommations	(239,7)	(155,4)	(395,2)
(Dotations) / Reprises de dépréciations 2012	(27,7)	1,6	(26,1)
Au 31 décembre 2012, net des dépréciations	**168,2**	**23,9**	**192,1**
Au 1er janvier 2012			
Coût ou juste valeur	239,6	36,2	275,8
Cumul des dépréciations	(74,1)	(6,9)	(81,0)
Montant net au 1er janvier 2012	165,5	29,3	194,8
Au 31 décembre 2012			
Coût ou juste valeur	269,9	29,2	299,1
Cumul des dépréciations	(101,7)	(5,3)	(107,1)
Montant net au 31 décembre 2012	168,2	23,9	192,1

	Broadcasting rights inventory	Commercial inventory	Total 2013
At 1 January 2013, net of writedowns	**168.2**	**23.9**	**192.1**
Acquisitions	290.7	52.1	342.8
Assets of operations held for sale	-	(13.0)	(13.0)
Acquisition of subsidiaries	-	0.3	0.3
Disposal of subsidiaries	-	-	-
Expensed	(293.9)	(53.4)	(347.3)
Writedown of operations held for sale	-	0.3	
Writedown (charge)/reversal 2013	6.7	1.4	8.1
At 31 December 2013, net of writedowns	**171.7**	**11.6**	**183.3**
At 1 January 2013			
Cost or fair value	269.9	29.2	299.1
Accumulated writedowns	(101.7)	(5.3)	(107.1)
Net value	168.2	23.9	192.1
At 31 December 2013			
Cost or fair value	266.7	15.2	281.9
Accumulated writedowns	(95.0)	(3.6)	(98.6)
Net value	171.7	11.6	183.3

19. Investments in joint ventures

Entities in which M6 or one of its subsidiaries has a joint-venture interest are as follows:

% held	2013	2012	Business
Série Club	50%	50%	Série Club digital channel
TF6	50%	50%	TF6 digital channel
TF6 Gestion	50%	50%	TF6 management company
HSS Belgique	50%	50%	Teleshopping programmes
Panorabanque	50%	50%	Online bank comparison engine

The contributions of joint ventures to the Group consolidated balance sheet were as follows:

	2013	2012
Non-current assets	1.5	1.4
Current assets	2.9	5.1
Non-current liabilities	(0.7)	(0.6)
Current liabilities	(7.3)	(9.1)
Net assets	(3.5)	(3.1)

Contribution by company:

	2013	2012
Assets		
TF6 - Série Club	4.0	6.0
Other	0.4	0.6
	4.5	**6.6**
Liabilities		
TF6 - Série Club	(6.7)	(8.3)
Other	(1.3)	(1.4)
	(8.0)	**(9.7)**
Net assets	(3.5)	(3.1)

The contributions of joint ventures to Group revenue and net profit were as follows:

	2013	2012
Revenue	17.6	18.0
Net profit	0.1	0.0

Contribution by company:

	2013	2012
Revenue		
TF6 - Série Club	10.8	12.1
HSS Belgique	6.6	5.7
Other	0.2	0.1
	17.6	18.0
Net profit		
TF6 - Série Club	(0.3)	(0.1)
HSS Belgique	0.6	0.5
Other	(0.2)	(0.4)
	0.1	0.0

The Group will apply IFRS 11 – *Joint arrangements* from 1 January 2014. Pursuant to this standard, the above joint ventures will no longer be proportionally consolidated; they will be equity-accounted instead.

The application of this standard from 1 January 2013 would have resulted in a €11.7 million decline in revenue and a €0.4 million decline in profit from recurring operations (EBITA).

20. Investments in associates

On 28 April 2011, the Group made a 34% equity investment in QuickSign, a company that has developed a secure client affiliation technology and platform for service companies (banks, consumer credit, etc.).

	2013	2012
Share held in associates' net assets	0.2	0.2
Goodwill	-	-
Deferred tax	-	-
Contribution to the Group's net assets	**0.2**	**0.2**

QuickSign's contribution to the Group's net profit was nil.

21. Financial instruments

21.1 Financial assets

The various categories of financial assets at 31 December 2012 and 31 December 2013 are presented by balance sheet item in the table below:

	2012				Analysis by category of instruments				
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Financial assets available for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost
Financial assets available for sale	6.8	(2.4)	4.5	4.5	-	4.5	-	-	-
Other non-current financial assets	22.4	-	22.4	22.4	-	-	-	22.4	-
Trade receivables	301.9	(30.9)	271.0	271.0	-	-	-	271.0	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-
Other current financial assets	1.7	-	1.7	1.7	-	-	-	1.7	-
Cash and cash equivalents	315.6	-	315.6	315.6	315.6	-	-	-	-
Other current assets	172.2	(6.1)	166.1	166.1	-	-	-	166.1	-
Assets	**820.7**	**(39.4)**	**781.3**	**781.3**	**315.6**	**4.5**	**-**	**461.2**	**-**

	2013				Analysis by category of instruments				
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Financial assets available for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost
Financial assets available for sale	0.2		0.2	0.2	-	0.2	-	-	-
Other non-current financial assets	22.2		22.2	22.2	-	-	-	22.2	-
Trade receivables	274.1	(27.7)	246.4	246.4	-	-	-	246.4	-
Derivative financial instruments	-		-	-	-	-	-	-	-
Other current financial assets	1.7	(0.7)	1.0	1.0	-		-	1.0	-
Cash and cash equivalents	287.0		287.0	287.0	287.0	-	-	-	-
Other current assets	156.1	(5.9)	150.3	150.3	-	-	-	150.3	-
Assets	**741.3**	**(34.3)**	**707.1**	**707.1**	**287.0**	**0.2**	**-**	**419.9**	**-**

FINANCIAL ASSETS HELD FOR SALE

Financial assets held for sale comprise equity securities held by the Group in non-consolidated companies and receivables which are directly related to them.

2012

(€ millions)	Reference currency	Fair value at 1 January	Acquisitions / Disposals	Gain / loss in value recognised through the income statement	Fair value movements through equity	Fair value at 31 December	% held
Summit Entertainment	Dollar ($)	23.5	(23.5)			-	-
Lions Gate	Dollar ($)	-	1.1		3.2	4.3	0.4%
European News Exchange	Euro (€)	0.1		-	-	0.1	20.0%
Other			0.1			0.1	-
TOTAL NON-CURRENT		23.6	(22.3)	-	3.2	4.5	

2013

(€ millions)	Reference currency	Fair value at 1 January	Acquisitions / Disposals	Gain / loss in value recognised through the income statement	Fair value movements through equity	Fair value at 31 December	% held
Summit Entertainment	Dollar ($)	-				-	-
Lions Gate	Dollar ($)	4.3	(3.4)	2.3	(3.2)	-	-
European News Exchange	Euro (€)	0.1		-	-	0.1	20.0%
Other		0.1				0.1	-
TOTAL NON-CURRENT		4.5	(3.4)	2.3	(3.2)	0.2	

Financial assets held for sale primarily include listed securities and equity investments in unlisted companies. They are measured at fair value and temporary movements are recorded in comprehensive income/(loss) under equity.

The analysis of potential loss in value of financial assets held for sale is based on an analysis of all financial information at the Group's disposal as minority shareholder: financial statements and notes, auditors' reports, excerpts of minutes of board meetings if available, potential transactions in the securities of these companies, expert reports, business plans, etc.

During the 2013 financial year, the Group sold its entire equity investment in Lions Gate for €11.1 million. The Group recorded as a result a capital gain on disposal of €7.7 million as financial income.

OTHER FINANCIAL ASSETS

This mainly includes the part not eliminated of current accounts with joint ventures. The debt arising from financing a co-shareholder is classified as financial debt in accordance with the principle of not offsetting financial assets and liabilities.
The current accounts are loans at variable interest rates based on Eonia.
Income arising from these assets is recorded in the period as financial income.

Such loans are initially recognized at fair value, then subsequently at amortised cost.

Other non-current financial assets include an amount of €20 million deposited by Football Club des Girondins de Bordeaux on an escrow account in the name of the City of Bordeaux. This deposit bears an interest rate of 1.6% per annum until delivery of the future Bordeaux stadium, scheduled for 2015. This amount will be transferred to the City of Bordeaux on that date.

	2013	2012
Associates' current accounts	2.2	2.4
Impairment of associates' current accounts	-	-
Financial assets at fair value through profit and loss	-	-
Other financial assets	20.0	20.0
Other non-current financial assets	**22.2**	**22.4**
Associates' current accounts	1.0	0.9
Impairment of associates' current accounts	-	-
Financial assets at fair value through profit and loss	-	-
Financial assets available for sale	-	-
Other financial assets	-	0.8
Other current financial assets	**1.0**	**1.7**

CASH AND CASH EQUIVALENTS

	2013	2012
Deposit with Bayard d'Antin	-	-
FCP and SICAV mutual funds	258.4	302.8
Cash at bank	28.5	12.8
Total cash and cash equivalents	**287.0**	**315.6**

Cash and cash equivalents at 31 December 2013 does not include cash and cash equivalents of €5.2 million held by operations held for sale. This was included in the balance at 31 December 2012, for €(9.0) million.

Cash and marketable securities are financial assets held for trading and as such are measured at fair value (fair value through income statement) in accordance with IAS 7.
The FCP and SICAV mutual funds do not contain any unrealised capital gains, as these were realised at 31 December 2013.

In application of the deposit policy described in Note 22.3, virtually all cash is invested in cash mutual funds with an average term of less than 90 days, in mutual funds and in term deposits with investment grade counterparts.

At 31 December 2013, no cash was deposited with Bayard d'Antin, a related party, as part of the treasury management agreement renewed on 15 November 2013 (see Note 27.2).

21.2 Financial liabilities

The various categories of financial liabilities at 31 December 2012 and 31 December 2013 are presented in the table below by balance sheet item:

	2012		Analysis by category of instruments		
	Book value	Fair value	Fair value through profit and loss	Debt at amortised cost	Derivative instruments
Non-current financial debt	1.7	1.7	-	1.7	-
Non-current liabilities relating to non-current assets	1.8	1.8	-	1.8	-
Other non-current financial liabilities	0.7	0.7	-	0.7	-
Current financial debt	0.5	0.5	-	0.5	-
Derivative financial instruments	0.2	0.2	-	-	0.2
Other current financial liabilities	3.6	3.6	3.6	-	-
Trade payables	373.8	373.8	-	373.8	-
Other operating liabilities	59.5	59.5	-	59.5	-
Tax and social security payable	89.4	89.4	-	89.4	-
Current liabilities relating to non-current assets	10.4	10.4	-	10.4	-
Total liabilities	**541.6**	**541.6**	**3.6**	**537.9**	**0.2**

	2013		Analysis by category of instruments		
	Book value	Fair value	Fair value through profit and loss	Debt at amortised cost	Derivative instruments
Non-current financial debt	2.2	2.2	-	2.2	-
Non-current liabilities relating to non-current assets	0.2	0.2	-	0.2	-
Other non-current financial liabilities	0.2	0.2	-	0.2	-
Current financial debt	0.8	0.8	-	0.8	-
Derivative financial instruments	1.0	1.0	-	-	1.0
Other current financial liabilities	-	-	-	-	-
Trade payables	388.7	388.7	-	388.7	-
Other operating liabilities	51.0	51.0	-	51.0	-
Tax and social security payable	89.4	89.4	-	89.4	-
Current liabilities relating to non-current assets	23.3	23.3	-	23.3	-
Total liabilities	**556.7**	**556.7**	**-**	**555.7**	**1.0**

FINANCIAL DEBT

Financial debt positions were as follows:

	2013	2012
Bank loans	-	-
Leases	0.6	0.8
Other	1.6	0.9
Total non-current financial debt	**2.2**	**1.7**
Bank loans	-	-
Leases	0.8	0.5
Other	-	-
Total current financial debt	**0.8**	**0.5**

The balance of financial debt primarily includes the following:

- Métropole Production's long-term lease, for €1.3 million;
- the share of liabilities of jointly-held companies, for €0.5 million;
- advances subject to conditions received by SNC for a total of €0.2 million.

The Group currently does not avail of medium-term banking facilities.

The Group avails of a €50 million credit facility from its principal shareholder (Bayard d'Antin). This facility was not drawn down at 31 December 2013 and was not used during the financial year.

OTHER FINANCIAL LIABILITIES

At 31 December 2013, no forward purchase contract for the purchase of treasury shares was recognised as a financial liability.

The forward purchase contract for 330,000 shares entered into in September 2011 matured on 26 June 2013. The corresponding liability of a fair value of €3.6 million at 31 December 2012 was therefore settled at that date.

21.3 Effect of financial instruments on the Income Statement

Effects of financial instruments on the income statement were as follows:

	2012 Restated	Analysis by category of instruments					
	Effect on income statement	Fair value through profit and loss	Financial assets available for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost	Derivative instruments
Impact on net financial income/(expense)	**24.9**						
Total interest income	5.7	-	-	-	5.7	-	-
Total interest expense	(0.1)	-	-	-	-	(0.1)	-
Revaluations	(0.2)	0.0	-	-	-	-	(0.2)
Net income/(expenses)	(0.8)	(0.8)	-	-	-	-	-
Income/(loss) on disposals	20.2	-	20.2	-	-	-	-
Impact on EBIT	**(5.5)**						
Net capital gains/(losses)	0.1	-	-		0.1	-	-
Impairment	(5.5)	-	-	-	(5.5)	-	-
Net income/(loss)	**19.5**	**(0.8)**	**-**	**-**	**0.3**	**(0.1)**	**(0.2)**

	2013	Analysis by category of instruments					
	Effect on income statement	Fair value through profit and loss	Financial assets available for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost	Derivative instruments
Impact on net financial income/(expense)	**18.1**						
Total interest income	4.6	0.3	-	-	4.3	-	-
Total interest expense	(0.1)	-	-	-	-	(0.1)	-
Revaluations	(0.1)	-	-	-	-	-	(0.1)
Net income/(expenses)	-	-	-	-	-	-	-
Income/(loss) on disposals	13.6	-	13.6	-	-	-	-
Impact on EBIT	**(2.5)**						
Net capital gains/(losses)	(0.0)	-	-	-	(0.0)	-	-
Impairment	(2.5)	-	-	-	(2.5)	-	-
Net income/(loss)	**15.5**	**0.3**	**13.6**	**-**	**1.8**	**(0.1)**	**(0.1)**

22. Risks associated with financial instruments

This note presents information on the Group's exposure to each of the following risks, as well as its objectives, policy and assessment procedures and risk management.

The net book value of financial assets represents the maximum exposure to the credit risk.

22.1 Credit risk

The credit risk represents the risk of financial loss for the Group in the event a customer was to fail to meet its contractual commitments.

TRADE RECEIVABLES

Risk assessment differs across Group operations.

Advertising revenues

The main step taken by the M6 Publicité advertising agency to secure its advertising revenues is to conduct credit inquiries. These are systematically carried out with the support of specialised external companies on new customers and on an on-going basis on recurring customers.

The latter represent the large majority of advertisers. The advertiser base thus appears relatively stable, with more than 90% of revenue being generated from the same customers from one year to the next. Furthermore, it comprises a majority of quoted French companies and French subsidiaries of major international corporations.

Based on the results of credit enquiries and the amounts incurred in relation to the campaign, different payment terms are granted to customers. In particular, M6 demands that advertisers who do not meet its solvency criteria pay their campaigns in advance. These provisions are included in the terms and conditions of sale of the M6 Publicité advertising agency.

Due to this prudent policy, the risk of non-payment of advertising campaigns remained less than 0.5% of advertising revenue (0.5% for the year to 31 December 2012).

In order to further curtail this risk, the M6 Publicité advertising agency imposes late payment penalties on unpaid invoices and has an internal team dedicated to recovering trade receivables.

Non-advertising revenues

As regards non-advertising revenue, no single customer risk is material enough to significantly impair the Group's profitability.

Nonetheless, personnel dedicated to collecting trade receivables guarantee throughout the year that everything is done to reduce bad debts. In addition to follow-up by this dedicated team, the Group may call upon the services of specialised debt collectors.

BANKING COUNTERPARTIES

The Group neither securitises, nor assigns nor factors trade receivables.
The Group pays particular attention to the quality of its banking counterparties. The Group strives to diversify its mutual fund depositories, in which excess cash is invested in accordance with the cash management policy described in Note 22.3.
The Group works with leading European banks that benefit from an investment grade rating.

MATURITY OF FINANCIAL ASSETS

The maturity dates of financial assets were as follows at the balance sheet date:

	Year end		Neither written down nor due		<= 1 month		2 - 3 months	
	2013	2012	2013	2012	2013	2012	2013	2012
Other financial assets	23.9	24.1	23.2	24.1	-	-	-	-
Trade receivables - gross	274.1	301.9	170.2	177.4	47.7	62.2	10.3	11.1
Other receivables - gross	156.1	172.2	149.4	164.4	3.6	4.4	-	-
Total	**454.2**	**498.2**	**342.8**	**365.9**	**51.2**	**66.6**	**10.3**	**11.1**

	3 - 6 months		6 - 12 months		> 1 year		Gross writedowns *	
	2013	2012	2013	2012	2013	2012	2013	2012
Other financial assets	-	-	-	-	-	-	0.7	-
Trade receivables - gross	8.2	11.4	5.4	4.8	4.3	5.4	28.1	29.6
Other receivables - gross	-	-	-	-	0.1	-	3.1	3.4
Total	**8.2**	**11.4**	**5.4**	**4.8**	**4.5**	**5.4**	**31.8**	**33.0**

* “Gross writedowns” include trade receivables (inclusive of VAT) for which writedowns are established on an individual basis. Writedowns of receivables (inclusive of VAT) calculated based on a statistical model are broken down by age.

Trade and other receivables comprise commercial receivables and other receivables linked to operations, such as advances and deposits.

22.2 Liquidity risk

The liquidity risk is the risk that the Group may find it difficult to meet its liabilities when they fall due. In order to manage the liquidity risk, the Group has implemented a policy of forecast cash position and financing needs monitoring, so that it always has sufficient cash to meet its current liabilities. Cash management is centralised in a cash pooling, in order to optimise financial resources.

The book value of financial liabilities posted to the balance sheet represents the maximum exposure to the credit risk at year-end.

Group debt may be analysed as follows by maturity date:

	< 1 year		1 - 5 years		> 5 years		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
Financial debt	0.8	0.5	2.2	1.7	-	-	2.9	2.2
Derivative financial instruments	1.0	0.2	-	-	-	-	1.0	0.2
Other financial liabilities	0.0	3.6	-	-	-	-	0.0	3.6
Trade payables	388.7	373.8	-	-	-	-	388.7	373.8
Other liabilities	51.0	59.5	0.2	0.7	(0.0)	-	51.2	60.3
Tax and social security payable	89.4	89.4	-	-	-	-	89.4	89.4
Liabilities relating to non-current assets	23.3	10.4	0.2	1.8	-	-	23.5	12.2
TOTAL	**554.1**	**537.4**	**2.6**	**4.2**	**(0.0)**	**-**	**556.7**	**541.6**

22.3 Market risk

Market risk is the risk that movements in market prices, such as foreign exchange rates, interest rates and equity instrument prices may adversely affect the Group's financial performance or the value of its financial instruments. The objective of market risk management is to define a strategy that limits the Group's exposure to the market risk, while at the same time ensuring that this strategy does not come at a significant cost.

FOREIGN EXCHANGE RISKS

The Group is exposed to foreign exchange risk through audiovisual rights purchase contracts, particularly through its cinema distribution activity and purchases of the distance-selling division.
These purchases are primarily denominated in US dollars.
In order to protect itself from random currency market movements that could adversely impact its financial income and the value of its assets, the Group decided to hedge all its purchases. The coverage is undertaken at the signing of supplier contracts and is weighted as a function of the underlying due date. Commitments to purchase rights are fully hedged.
The Group only uses simple financial products that guarantee the amount covered and a set rate of coverage. These are forward purchases, for the most part.

Foreign currency purchase flows represented approximately 6.2% of 2013 total purchases.
Foreign currency-denominated sales are not hedged as they are not significant (less than 0.1% of revenue).

Analysis of exposure to foreign exchange risk at 31 December 2013

	USD (€ millions) (1)
Assets	17.4
Liabilities	(2.0)
Off-balance sheet	(34.5)
Unhedged position	**(19.1)**
Forex hedges	21.8
Net exposed position	**2.7**
(1) at closing rate:	*1.3742*

The Group's exposure is 114% hedged.

In order to hedge against market risks, the Group put into place 36 new foreign exchange hedges during the year in relation to its USD-denominated liabilities, for a total value of €46.6 million, corresponding to the full value of commitments undertaken over the period.

The Group's net exposed foreign currency position for all its activities is a put position of €2.7 million in US dollars, which would yield a €0.3 million loss in the event of an unfavourable and consistent foreign exchange movement of €0.10 against the US dollar.

DERIVATIVE FINANCIAL INSTRUMENTS

They are classified as other current financial assets when the market value of the instruments is positive and classified as current financial liabilities when their market value is negative.

IFRS 13 – *Fair value measurement*, which was applied for the first time to assets and liabilities in 2013, had no significant impact on the fair value of derivative financial instruments at 31 December 2013.

FAIR VALUE

Net balance sheet positions of derivatives were as follows:

	2013	2012
Forward call contracts	Fair value	Fair value
SND	(0.9)	(0.2)
HSS	(0.1)	(0.0)
TOTAL	(1.0)	(0.2)

The negative movement over 2013 in the fair value of derivative financial instruments reflected the unfavourable variance between the average rate negotiated for the corresponding hedges (€1 = USD 1.3150) and the closing rate used in the preparation of the financial statements at 31 December 2013 (1,3742), i.e. a negative variance of 4.3%. In comparison, hedges valued at a rate of 1.3163 at the end of 2012 were realised at an average rate of 1.3066, a negative variance of 0.74%.

MATURITIES

The maturity of hedge instruments (measured in euro at the year-end forward hedge rate) was as follows:

	2013			2012		
	Total	< 1 year	1 to 5 years	Total	< 1 year	1 to 5 years
SND	**17.6**	17.6		**18.0**	18.0	
HSS	**5.2**	5.2	-	**4.6**	4.6	-
TOTAL	22.8	22.8	-	22.6	22.6	-

INTEREST RATE RISK

The Group is exposed to risks pertaining to interest rate movements. Interest rate risk management relating to the Group's net cash position is established based on the consolidated position and market conditions.
The main objective of the interest risk management policy is to optimise the cost of Group financing and maximise cash management income.

The main features of financial assets and financial liabilities are as follows:

Maturity schedule of financial debt and financial assets at 31 December 2013

(€ millions)	< 1 year	1 to 5 years	> 5 years	Total
Variable rate financial assets	288.0	2.2	-	**290.2**
Other fixed-rate financial assets	-	20.0	-	**20.0**
Total financial assets	288.0	22.2	-	310.2
Variable rate financial debt	-	1.6	-	**1.6**
Other fixed-rate financial debt	0.8	0.6	-	**1.3**
Total financial debt	0.8	2.2	-	2.9

The Group's variable rate position was positive by €288.6 million at 31 December 2013. This net cash position was primarily comprised of monetary cash instruments and term deposits.

The financing provided by the Group to its jointly controlled subsidiaries is treated as a financial asset up to the share of ownership held by the joint shareholder. Conversely, the financing provided by the joint shareholder in such jointly controlled companies is recognised as a financial debt in the same proportion.

The full-year impact of a 1% interest rate increase (100 basis points) is estimated at €2.8 million on net financial income. Conversely, a 1% decrease in interest rates (100 basis points) would cause a €2.8 million decline in full-year net financial income.

CASH MANAGEMENT POLICY

The Group's cash management policy is designed to ensure that cash resources can be mobilised rapidly while limiting capital risk. The Group's approach is absolutely prudent and non-speculative.

All investments made by the Group meet the criteria of IAS 7 – *Cash flow statement*.
The corresponding deposits are thus considered as cash equivalents, since they are liquid, can easily be converted into a known amount of cash and are subject to a negligible risk of change in value.

The matter of counterparty risk remains topical and the Group pays particular attention to the selection process of instruments and to diversifying counterparts, depositaries and management companies.

All securities in which the Group's cash holdings are invested, as well as a list of securities in which the Group would consider investing is monitored daily. On this basis, the Group arbitrates in favour of both the most regular and the most profitable funds.

Investment yields are regularly measured and reported to management every month. A detailed analysis of the various risks of these deposits is also produced quarterly.

23. Equity

23.1 Share capital management policy

Management of the Group's shareholders' equity primarily refers to the dividend distribution policy and more generally to the remuneration of Métropole Télévision shareholders. As part of this policy, the Group strives to retain sufficient cash holdings to meet its day to day financing needs and fund acquisitions. Since the disposal of the Canal+ France shares, the Group avails of substantial surplus cash, well in excess of the above-mentioned requirements, giving rise to a significant investment potential.

The Group avails of a credit facility of a maximum of €50 million with its main shareholder (Bayard d'Antin). At 31 December 2013, this credit facility was not drawn down.

As regards remuneration of the shareholders, the Group has set itself the objective of distributing a dividend of approximately 80% of net earnings per share (from continuing operations, Group share). However, an exceptional dividend distribution may be considered. During the 2013 financial year, the Group thus paid out an ordinary dividend of €0.85 per share and an exceptional dividend of €1.00 per share.

Furthermore, the Executive Board of Métropole Télévision was granted an authorisation to buy back its own shares by the Combined General Meeting of 13 May 2013, with a view to:

- stimulate the secondary market or the liquidity of the Métropole Télévision share through an intermediary investment service provider, via a liquidity contract in compliance with the AMAFI's ethical code approved by the AMF,
- retain the shares purchased and ultimately use them via exchange or payment within the framework of potential acquisitions, provided that the shares acquired for this purpose do not exceed 5% of the Company's share capital,
- provide adequate coverage for share option plans and other forms of share allocations to Group employees and/or corporate officers within the conditions and according to the methods permitted by law, notably in order to share the profits of the Company, through a company savings plan or by the granting of free shares,
- provide adequate coverage of marketable securities giving right to Company shares within the framework of current regulations,
- cancel shares, in accordance with the authorisation granted by the Extraordinary General Meeting of shareholders of 13 May 2013.

During the financial year ended 31 December 2013 and pursuant to this authorisation:

- Transactions were carried out by M6 as part of the liquidity contract:
- M6 bought and delivered shares to cover its free share allocation plans.

Furthermore, even though it has been granted authorisations by the Annual General Meeting to proceed in specified cases with share capital increases (through the issue of ordinary shares and / or marketable securities providing access to the share capital), the Company currently has no plans to issue new shares, aside from the exercise of share subscription options.

Lastly, the Company also comes within the scope of Article 39 of the Law no 86-1067 of 30 September 1986 as amended, as well as Law no 2001-624 of 17 July 2001, which state that an individual or entity, acting alone or in concert, shall not hold, directly or indirectly, more than 49% of the capital or voting rights of a company licensed to operate a nationwide television service by terrestrial transmission. Therefore, any decision liable to have a dilutive or enhancing effect on existing shareholders must be assessed in the light of this specific legal requirement.

23.2 Shares comprising Métropole Télévision's capital

(thousands of shares)	Ordinary shares issued	Treasury shares held	Shares outstanding
At 1 January 2012	**126,384**	**147**	**126,237**
Exercised stock options	-	-	
Movement in treasury shares:			
- held for the purpose of allocating free shares		518	
- held as part of the liquidity contract		(12)	
Implementation of the share buyback programme (before cancellation of shares)	(500)	-	
At 31 December 2012	**125,884**	**653**	**125,231**
Exercised stock options	81		
Movement in treasury shares:			
- held for the purpose of allocating free shares		(4)	
- held as part of the liquidity contract		(86)	
Implementation of the share buyback programme (before cancellation of shares)	-	-	
At 31 December 2013	**125,965**	**563**	**125,402**

The shares making up the capital of Métropole Télévision are all ordinary shares with one vote each. All shares are fully paid up.

The exercise of options to subscribe for 81,485 shares by the beneficiaries resulted in a share capital increase of €0.04 million and an issue premium of €1.2 million.

Two share subscription plans and two free share allocation plans for the benefit of certain members of management and senior executives of the Group were in place at 31 December 2013 (see Note 9).

23.3 Movements in equity not recorded in the Income Statement

Movements in the fair value of derivative financial instruments, actuarial gains and losses and foreign exchange differences are recorded in other items of comprehensive income and added to the "other reserves" caption of equity.
Movements in actuarial gains and losses are accounted for as other items of comprehensive income and are added to the "consolidated reserves" caption.

The net impact on equity, under other reserves and consolidated reserves, was as follows:

Balance of other reserves at 1 January 2012	**8.7**
New hedges	(0.1)
Former hedge variations	-
Maturity of hedges	3.3
Movement in assets held for sale	(13.9)
Change in value of translation adjustment	(0.8)
Movement in pension commitments	1.3
Other movements	0.9
	(9.4)
Balance of other reserves at 31 December 2012	**(0.6)**
New hedges	(0.6)
Former hedge variations	-
Maturity of hedges	2.3
Movement in assets held for sale	(2.1)
Change in value of translation adjustment	(0.4)
Movement in pension commitments	0.0
Other movements	-
Total movements of the year	**(0.7)**
Balance of other reserves at 31 December 2013	**(1.3)**

The €2.1 million decline in assets held for sale relates to the disposal of the Lions Gate securities.

24. Retirement benefits severance pay

Commitments undertaken in respect of retirement benefits severance pay are not covered by any dedicated insurance contract or assets.

MAIN ACTUARIAL ASSUMPTIONS

%	2013	2012
Discount rate	3.00	2.80
Future salary increases *	2.72	2.69
Inflation rate	2.00	2.00

*median measured on the basis of age and positiont

The discount rate is established for an average period of 10 years by reference to the Iboxx € corporate bonds AA 10+ index.

INCOME STATEMENT EXPENSES

	2013	2012 Restated
Current service cost	(0.6)	(0.9)
Interest expense	(0.2)	(0.4)
Net expense	**(0.8)**	**(1.3)**

PROVISION AND PRESENT VALUE OF OBLIGATION

	2013	2012
Value of obligation - opening balance	**7.4**	**8.5**
Current service cost, reductions/termination	0.6	0.9
Interest expense	0.2	0.4
Benefits paid	(0.1)	(0.4)
Actuarial gain or loss - Changes in financial assumptions	(0.2)	1.8
Actuarial gain or loss - Changes in demographic assumptions	0.1	(2.7)
Actuarial gain or loss - Experience effect	0.2	(1.1)
Change in Group structure	-	(0.0)
Obligation of operations held for sale	(0.3)	-
Value of obligation - closing balance	**7.9**	**7.4**

The cumulative actuarial differences recognised in other items of comprehensive income totalled €1.6 million at 31 December 2013.

SENSITIVITY TO ASSUMPTIONS

Sensitivity analyses carried out on pension commitments gave the following results:

	+ 0.5%	- 0.5%
Sensitivity of obligation at year end:		
to a change in the discount rate	7.3	8.5
to a change in the rate of salary increase	8.5	7.3

25. Provisions

Provision movements between 1 January 2012 and 31 December 2013 were as follows:

	Provisions for retirement benefits (1)	Provisions for restructuring	Provisions for litigations (2)	Provisions for off-balance sheet rights (3)	Other provisions for charges (4)	Total
At 1 January 2012	**8.5**	**0.1**	**25.6**	**52.4** 0	**22.5**	**109.1**
Subsidiary acquisitions						-
Subsidiary disposals						-
Charge	1.4	0.4	10.7	20.3	9.6	42.3
Use	(0.4)	(1.3)	(5.4)	(26.7)	(5.3)	(39.2)
Reversals	(0.0)	(0.1)	(4.3)	(8.0)	(2.1)	(14.5)
Other	(2.0)	1.6	(1.8)		0.1	(2.1)
At 31 December 2012	**7.4**	**0.7**	**24.8**	**37.9**	**24.7**	**95.6**
Subsidiary acquisitions					0.0	0.0
Subsidiary disposals					-	-
Provisions of operations held for sale	(0.3)	(0.7)	(0.7)	-	(0.2)	(1.9)
Charge	0.8		9.1	32.5	3.9	46.3
Use	(0.1)		(5.2)	(20.2)	(2.3)	(27.9)
Reversals	-		(8.2)	(1.2)	(7.7)	(17.1)
Other	-		0.5	-	(1.4)	(0.9)
At 31 December 2013	**7.9**	**-**	**20.3**	**49.0**	**17.1**	**94.2**
Current 2012	-	0.7	24.8	37.9	24.7	88.2
Non-current 2012	7.4	-	-	-	-	7.4
Total	**7.4**	**0.7**	**24.8**	**37.9**	**24.7**	**95.6**
Current 2013	-	-	20.3	49.0	17.1	86.3
Non-current 2013	7.9	-	-	-		7.9
Total	**7.9**	**-**	**20.3**	**49.0**	**17.1**	**94.2**

Provisions at 31 December 2012 and 2013 are analysed as follows:

	2013	2012
(1) Provisions for retirement benefits:		
- M6 TV Network	5.7	5.2
- Diversification	1.9	1.9
- Digital Channels	0.3	0.3
	7.9	**7.4**
(2) Provisions for litigations:		
- M6 TV Network	10.1	10.1
- Diversification	7.8	9.6
- Digital Channels	1.8	5.2
- Unallocated charges	0.5	0.0
	20.3	**24.8**
(3) Provisions for off-balance sheet rights:		
- M6 TV Network	35.7	29.8
- Diversification		
- Digital Channels	13.3	8.1
	49.0	**37.9**
(4) Other provisions for charges:		
- M6 TV Network	6.9	10.4
- Diversification	9.9	9.6
- Digital Channels	0.2	1.2
- Unallocated charges	0.0	3.6
	17.1	**24.7**

Litigations included in the “provisions for litigations” caption relate to all legal proceedings instituted against one or several Group companies, for which it is probable that the outcome will be unfavourable for the Group. In the large majority of cases, such litigations have gone beyond the pre-litigation stage and are currently being considered or are undergoing judgement or appeal by competent courts (Commercial Court, Industrial Court, Court of First Instance, Criminal Court or Supreme Court of Appeal).

Additional information in respect of litigations in progress has not been included individually as disclosure of such information could be prejudicial to the Group.

"Provisions for unlikely broadcasting" relate to the loss in value of broadcasting rights the Group is committed to purchase but are not yet included in balance sheet inventories.
The charge resulting from the likelihood that an unopened right (and as such classified in off-balance sheet commitments) will not be broadcast may not be accounted for by writing down a balance sheet asset, and therefore was recognised through a provision for liabilities and charges.

The writedown of an unopened right is consistent with the operation of the audiovisual rights market, since TV channels have generally entered into sourcing agreements with producers in relation to future productions, without having the certainty that the quality of the latter will be consistent and may be broadcast given their editorial policy and target audiences.

Furthermore, the channels may be committed to broadcasting a flow programme or an event whose audience or image potential will not generate sufficient advertising revenue to offset the total cost of the programme.
A writedown of the value of a right may reflect:
- a case where broadcasting is unlikely: the programme will not be broadcast for lack of audience potential;
- a case where net revenue generated during the window rights of the programme will be insufficient.

In all cases, writedowns are assessed as part of an individual review of all portfolio items, in light of the ratings and revenue targets of each programme, as defined by the management of programming of each Group channels.

"Other provisions for charges" relate to costs the Group would have to incur to implement a contract or settle its regulatory or tax obligations, without the amounts in question being due or having been due, in particular within the framework of dispute settlement or legal proceedings.

The amounts reported for these three types of provisions are the best possible estimate of the future outflow of Group resources, taking account of plaintiffs' claims, judgments already passed if applicable or the management's appraisal of similar instances and/or calculations made by the finance department.

The Group considers that the disbursement terms attached to these provisions come within the framework of its normal operating cycle, which justifies the classification of these provisions as current provisions.

26. Contingent assets and liabilities

A. Purchase of rights and co-production commitments (net)

These commitments comprise:
- purchase commitments relating to rights not yet produced or completed;
- contractual commitments relating to co-productions awaiting receipt of technical acceptance or exploitation visa, net of payments on account made.

They are expressed net of advances and deposits paid in that respect for rights that are not yet recognised as inventories.

B. Image transmission, satellite and transponders rental

These commitments relate to the supply of broadcasting services and the rental of satellite and transponder capabilities from private companies for digital broadcasting.
These commitments were measured using amounts remaining due up to the end date of each contract.

C. NON-CANCELLABLE LEASES

This item includes minimum future payments due in respect of non-cancellable operating leases on-going at the balance sheet date, which primarily comprise property leasing.

D. RESPONSIBILITY FOR PARTNERSHIP LIABILITIES

To the extent that the partners in a Partnership (Société en Nom Collectif - SNC) are liable in full and indefinitely for the liabilities of the partnership, the Group presents in full the liabilities of partnerships in which it is a partner, net of accruals and partners' current account balances, as an off-balance sheet commitment given, and presents the other partners' share of these liabilities as an off-balance sheet commitment received.

E. SALES OF RIGHTS

These commitments comprise sales contracts of broadcasting rights that are not yet available at 31 December 2013.

F. BROADCASTING CONTRACTS

These commitments relate to Group channel broadcasting contracts with Canal+ France and other distributors.
They were measured using amounts remaining due for each contract, up to the certain or probable contract end date.

None of the Group's non-current assets have been pledged or mortgaged.

	< 1 year	> 1 year	Total 2013	Total 2012	Terms and conditions of implementation
Commitments given					
Rights purchase and co-productions commitments (gross)	282.4	622.2	904.6	666.5	Contracts signed
Advances paid for the purchase of rights and co-production commitments	(11.0)	(43.5)	(54.5)	(66.4)	
Purchase of rights and co-productions commitments (net)	*271.4*	*578.7*	*850.1*	*600.1*	
Image transmission, satellite and transponder rental	36.3	67.7	104.0	104.2	Contracts signed
Non-cancellable leases	4.0	18.4	22.4	24.4	Leases
Responsibility for partnership liabilities	-	6.3	6.3	6.6	SNC liquidation
Other	5.7	5.3	11.0	12.0	
Commitments given in relation to operations held for sale	1.9	4.3	6.1	-	
Total commitments given	**319.3**	**680.7**	**1,000.0**	**747.2**	
Commitments received					
Responsibility for partnership liabilities	-	6.3	6.3	6.6	SNC liquidation
Sales of rights	11.9	42.8	54.7	13.7	Annual maturities
Broadcasting contracts	24.4	-	24.4	48.8	Contracts signed
Others	2.8	-	2.8	2.9	
Total commitments received	**39.1**	**49.1**	**88.2**	**72.0**	

At 31 December 2013, commitments given by the Group totalled €1,000.0 million, compared to €747.2 million at 31 December 2012.

This €252.8 million increase in commitments given primarily originates from rights purchase commitments and co-production commitments net of advance payments made, which increased by €250.0 million, mainly due to the multi-year agreement relating to the series and feature films of US studio Twentieth Century Fox.

At 31 December 2013, commitments received by the Group totalled €78.7 million, compared to €72.0 million at 31 December 2012.

This change resulted from:

- A €41.0 million increase in commitments received on sales of broadcasting rights;
- A €24.4 million decrease in commitments related to the distribution of Group channels as contracts are executed.

27. Related parties

27.1 Identification of related parties

Related parties to the Group comprise unconsolidated companies, jointly controlled companies and associates, RTL Group – 48.43% Group shareholder, Bertelsmann AG - RTL shareholder, executive officers and members of the Supervisory Board.

27.2 Transactions with shareholders

LOANS TO SHAREHOLDERS

According to a treasury management agreement concluded between Bayard d'Antin SA and Métropole Télévision, first implemented on 1 December 2005, Métropole Télévision may deposit surplus cash with Bayard d'Antin either on a day to day basis, or by depositing part of it for a period not exceeding 3 months. The remuneration provided by this agreement is in line with the market. M6 also retains the option of borrowing funds from Bayard d'Antin, as long as the amount borrowed does not exceed 48% of that borrowed from banking institutions for periods ranging from 1 week to 3 months; the terms and conditions being consistent with those of the market.
The renewal of this agreement for a further period of 12 months was authorised by the Supervisory Board on 29 October 2013.

In order to adhere to the cash depositing policy of Métropole Télévision (described in Note 22.3), the deposit with Bayard d'Antin may not exceed a given ratio of the cash resources of the Métropole Télévision Group.

At 31 December 2013, no cash was deposited with Bayard d'Antin.

CURRENT TRANSACTIONS

	2013		2012	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Sales of goods and services	5.6		6.1	-
Purchases of goods and services	(20.9)	(0.8)	(19.9)	(0.9)

Day-to-day transactions with shareholders have been conducted at arms' length, it being specified that purchases primarily include the purchase of programmes from production companies of the RTL Group.

The outstanding balances arising from these sales and purchases are the following:

	2013		2012	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Receivables	7.8	0.0	7.3	-
Liabilities	10.3	0.2	7.5	0.2

SPECIFIC TRANSACTIONS

No specific transactions were concluded by the Group with its shareholders during the 2013 financial year.

27.3 Transactions with joint ventures

The following transactions have taken place between Group subsidiaries and joint ventures (TF6, Série-Club, Panorabanque and HSS Belgium):

At 100%	2013	2012
Sales of goods and services	11.7	11.5
Net financial income	0.0	-

Sales and purchase transactions with joint ventures have been conducted at arms' length.

Net balance sheet balances arising from these sales and purchases were the following:

At 100%	2013	2012
Receivables	6.5	4.6
relating to financing	*2.6*	*1.2*
Liabilities	0.8	2.9
relating to financing	*0.2*	*2.0*

Receivables relating to financing comprise profit of partnerships due to be transferred to the parent company.

27.4 Transactions with associates

No significant transactions with QuickSign occurred in the 2013 financial year.

27.5 Transactions with executive officers and directors

The remuneration paid in 2013 to the members of the Executive Board amounted to €3,744,671, of which €2,230,026 was fixed and €1,514,645 variable.

No further share subscription options were allocated during 2013. However, 71,500 free shares were allocated to members of the Executive Board in July 2013.

22,000 free shares were transferred over the same period to Executive Board members as part of the plan of 26 July 2011.

In addition, in this respect and in accordance with the same conditions as Group employees, the members of the Executive Board may benefit from a legally binding end of career payment.

Members of the Supervisory Board were paid attendance fees amounting to €224,000. Moreover, private individual members of the Supervisory Board or representing a legal entity member of the Supervisory Board held 116,757 Group shares at 31 December 2013.

Total remuneration paid to the main executive officers in respect of their duties within the Group, as referred to by IAS 24.17 was as follows:

(€ millions)	2013	2012
Short-term benefits		
Remuneration items	4.0	3.7
Other short-term benefits	0.0	0.0
Long-term benefits	-	-
Severance pay	-	-
Share-based payments	0.8	0.4
Total	**4.8**	**4.0**

Furthermore, detailed disclosure of remuneration is provided in Note 2.3 of the Management Report.

28. Subsequent events

On 7 January 2014, through its subsidiary Home Shopping Service (Ventadis division), the M6 Group finalised the acquisition of 51% of the share capital of *Best of TV*, a French importer and distributor to points of sales of products whose sale was initiated via teleshopping.

In addition, ahead of the delivery of free shares in 2015, Métropole Télévision entered into a forward purchase contract for 500,000 treasury shares, which will mature on 26 July 2015.

No other significant event that occurred since 1 January 2014 is likely to have a significant impact on the Group's financial position, results, activities and assets.

29. Consolidation scope

Company	Legal form	Nature of operations	2013 % share capital	2013 Consolidation method	2012 % share capital	2012 Consolidation method
M6 TV NETWORK						
Métropole Télévision - M6	SA	Parent company	-	FC	-	FC
M6 Publicité	SASU	Advertising agency	100,00 %	FC	100,00 %	FC
M6 Créations	SAS	Production of audiovisual works	100.00%	FC	100.00%	FC
M6 Editions	SA	Print publications	100,00 %	FC	100,00 %	FC
M6 Bordeaux	SAS	Local TV station	100,00 %	FC	100,00 %	FC
M6 Toulouse	SAS	Local TV station	100,00 %	FC	100,00 %	FC
C. Productions	SA	Programme production	100,00 %	FC	100,00 %	FC
M6 Films	SA	Co-production of films	100,00 %	FC	100,00 %	FC
Métropole Production	SA	Production of audiovisual works	100,00 %	FC	100,00 %	FC
Studio 89 Productions	SAS	Production of audiovisual programmes	100,00 %	FC	100,00 %	FC
DIGITAL CHANNELS						
M6 Thématique	SA	Holding company - digital operations	100,00 %	FC	100,00 %	FC
Edi TV - W9	SAS	W9 music channel	100,00 %	FC	100,00 %	FC
M6 Génération - 6Ter	SAS	6TER digital channel	100,00 %	FC	100,00 %	FC
M6 Communication	SAS	M6 Black - Rock - Hit music channels	100,00 %	FC	100,00 %	FC
Paris Première	SAS	Paris Première digital channel	100,00 %	FC	100,00 %	FC
Sedi TV - Téva	SAS	Téva digital channel	100.00%	FC	100.00%	FC
Série Club	SA	Série Club digital channel	50,00 %	PC	50,00 %	PC
TF6	SCS	TF6 digital channel	50,00 %	PC	50,00 %	PC
SNDA	SAS	Audiovisual rights distribution	100,00 %	FC	100,00 %	FC
DIVERSIFICATION AND AUDIOVISUAL RIGHTS						
M6 Foot	SAS	Holding company - Sports	100,00 %	FC	100,00 %	FC
FC Girondins de Bordeaux	SASP	Football club	100.00%	FC	100.00%	FC
33 FM	SAS	Radio programmes editing and broadcasting	95.00%	FC	95.00%	FC
Girondins Expressions	SASU	24/7 channel dedicated to FCGB	100,00 %	FC	100,00 %	FC
Girondins Horizons	SASU	Travel agency	100,00 %	FC	100,00 %	FC
M6 Interactions	SAS	By-product rights exploitation	100,00 %	FC	100,00 %	FC
M6 Evénements	SA	Print publications	100,00 %	FC	100,00 %	FC
Live Stage	SAS	Print publications	100,00 %	FC	100,00 %	FC
M6 Web	SAS	Internet content and access provider	100,00 %	FC	100,00 %	FC
QuickSign	SAS	Various specialised, scientific and technical activities	34.00%	EA	34.00%	EA
Panorabanque	SAS	Online bank comparison engine	50.00%	PC	50.00%	PC
GM6	SAS	Development of an internet platform	75.00%	FC	75.00%	FC
Sous-groupe HSS :						
Home Shopping Service	SA	Teleshopping programmes	100,00 %	FC	100,00 %	FC
HSS Belgique	SA	Teleshopping programmes	50.00%	PC	50.00%	PC
HSS Hongrie	SA	Teleshopping programmes	100,00 %	FC	100,00 %	FC
SETV Belgique	GIE	Teleshopping management office	100,00 %	FC	100,00 %	FC
Unité 15 Belgique	SA	Customer service	100,00 %	FC	100,00 %	FC
Unité 15 France	SA	Management and promotion of teleshopping	100,00 %	FC	100,00 %	FC
MonAlbumPhoto	SAS	Distance selling with specialised catalogue	95.00%	FC	95.00%	FC
M6 Divertissement	SAS	Dormant	100.00%	FC	100.00%	FC
M6 Shop	SAS	Dormant	100.00%	FC	100.00%	FC
Luxview	SAS	E-commerce	95.56%	FC	-	-
Optilens	SPRL	E-commerce	100.00%	FC	-	-
Société Nouvelle de Cinématographie (ex Diem 2)	SA	Audiovisual rights production/distribution	100.00%	FC	100.00%	FC
Les Films de la Suane	SARL	Audiovisual rights production/distribution	100,00 %	FC	100,00 %	FC
M6 Studio	SAS	Production of animated feature films	100,00 %	FC	100,00 %	FC
Société Nouvelle de Distribution	SA	Distribution of films to movie theatres	100,00 %	FC	100,00 %	FC
TCM DA	SNC	Broadcasting rights portfolio	100,00 %	FC	100,00 %	FC
PROPERTY - DORMANT COMPANIES						
Immobilière 46D	SAS	Neuilly building	100.00%	FC	100.00%	FC
Immobilière M6	SA	Neuilly building	100,00 %	FC	100,00 %	FC
SCI du 107	SCI	Neuilly building	100,00 %	FC	100,00 %	FC
M6 Diffusions	SA	Holding company - digital operations	100,00 %	FC	100,00 %	FC
M6 Développement	SASU	Training organisation	100,00 %	FC	100,00 %	FC
M6 Récréative	SAS	Dormant	100.00%	FC	100.00%	FC
TF6 Gestion	SA	TF6 Management company	50,00 %	PC	50,00 %	PC
SND USA	INC	Holding Company - audiovisual rights	100,00 %	FC	100,00 %	FC
SND Films	LLC	Development of cinematographic works	100,00 %	FC	100,00 %	FC
OPERATIONS HELD FOR SALE						
Mistergooddeal	SA	E-commerce	100,00 %	FC	100,00 %	FC

FC: Full consolidation
PC: Proportional consolidation
EA: Equity accounted
M: Merged

The Group is not a shareholder or participating stakeholder in any special purpose entities.

6.1. Statutory Auditors' report on the consolidated financial statements

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
Tour First, 1, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.
Registered Office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,386,179.60
Financial year ended 31 December 2013

Statutory Auditors' report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meetings, we hereby report to you for the financial year ended 31 December 2013, on:

- the audit of the accompanying consolidated financial statements of Métropole Télévision;
- the justification of our assessments;
- the specific verification provided by law.

The consolidated financial statements have been prepared by the Executive Board. Our role is to express an opinion on these consolidated financial statements based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with accepted professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the financial statements on a test basis or other means of selection. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.
In our opinion, the consolidated financial statements for the financial year, prepared in accordance with IFRS as adopted in the European Union, give a true and fair view of the consolidated financial position, assets and liabilities, and net profit of the individuals and entities included in the consolidation.

2. Justification of assessments

Pursuant to the application of the provisions of Article L. 823-9 of the Commercial Code relative to the justification of our assessments, we bring to your attention the following matters:

- The terms of classification of discontinued operations or operations held for sale and the criteria for determining impairment (if any) are described in Notes 4.1 and 12 to the financial statements. We examined the criteria used for classification of operations held for sale and the valuation adopted, and we verified that the Note 12 to the financial statements provides sufficient information.

- At least once a year the company performs an impairment test on goodwill and intangible assets with indefinite useful lives as described in Note 4.7 to the financial statements. We examined the manner for the implementation of this impairment test as well as the cash flow forecasts and assumptions used. We also verified that Note 16 provides the appropriate information.
- Note 3.3 to the financial statements describes the situations in which the management of your company has used estimates and put forward assumptions within the scope of preparing the financial statements. Our work involved assessing the data and assumptions on which these estimates are based, reviewing the calculations made by your company, and ensuring that the notes to the consolidated financial statements provide suitable information, in particular Notes 4.5, 4.10 and 4.15 to the financial statements relating to audiovisual and broadcasting rights and provisions.

These assessments were made within the framework of our audit, which focuses on the consolidated financial statements as a whole, and accordingly contributed to the issuance of our opinion in the first part of this report.

3. Specific verification

In accordance with accepted professional standards in France, we have also performed the specific verifications required by law regarding the information in respect of the Group disclosed in the management report.
We have no comments to make concerning the fairness of the information and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris La Défense, 18 February 2014

The Statutory Auditors

PricewaterhouseCoopers Audit
Marc Ghiliotti
Partner

Ernst & Young et Autres
Bruno Perrin
Partner

6.2. Parent company financial statements at 31 December 2013

Balance Sheet - Assets

		31/12/2013			
(€ millions)	NOTE N°	Gross	Amo & dep	Net	31/12/2012
Concessions, patents and similar rights		-	-	-	-
Business goodwill		-	-	-	-
Other intangible assets	3.1	120.6	115.3	5.3	6.0
Advances on intangible assets	3.1	1.7	-	1.7	1.7
Technical facilities, equipment & tools	3.2	27.6	22.8	4.8	6.8
Other property, facilities & equipment	3.2	12.9	9.5	3.4	3.6
Assets under construction	3.2	0.4	-	0.4	0.6
Investments	3.3	237.8	33.5	204.4	215.6
Loans	3.3/3.5	0.4	-	0.4	0.4
Other investments	3.3/3.5	1.2	-	1.2	1.5
TOTAL NON-CURRENT ASSETS		**402.6**	**181.1**	**221.5**	**236.1**
Broadcasting rights inventory	3.4	220.2	75.0	145.2	149.8
Advances & payments on account		64.5	-	64.5	70.5
Trade receivables	3.5	316.9	4.6	312.3	300.5
Other receivables	3.5	220.2	18.5	201.7	210.5
Marketable securities	3.6	265.3	-	265.3	300.3
Bank and cash	3.6	4.4	-	4.4	4.4
Prepaid expenses	3.7	11.4	-	11.4	13.1
TOTAL CURRENT ASSETS		**1,103.0**	**98.0**	**1004.9**	**1049.1**
TOTAL ASSETS		**1,505.5**	**279.1**	**1,226.4**	**1,285.2**

Balance Sheet – Equity and Liabilities

(€ millions)	NOTE N°	31/12/2013	31/12/2012
Share capital	3.8	50.4	50.4
Share premium	3.8	1.2	-
Legal reserves	3.8	5.3	5.3
Other reserves	3.8	-	-
Retained earnings	3.8	272.1	387.7
Financial year net profit	3.8	**114.6**	**116.3**
Regulated provisions	3.8	4.3	4.9
TOTAL EQUITY		**447.8**	**564.5**
OTHER EQUITY			
Provisions for liabilities		12.0	9.3
Provisions for charges		46.5	43.0
PROVISIONS FOR LIABILITIES AND CHARGES	3.9	**58.5**	**52.3**
Bank overdrafts	3.10	4.6	4.3
Trade payables	3.10	261.7	256.1
Advances and prepayments on order	3.10	0.2	0.3
Income tax and social security liabilities	3.10	60.3	55.8
Liabilities on non-current assets	3.10	0.0	0.1
Other liabilities	3.10	390.7	351.7
Deferred revenues		2.5	0.1
TOTAL LIABILITIES		**720.1**	**668.3**
Deferred translation loss		-	-
TOTAL EQUITY AND LIABILITIES		**1,226.4**	**1,285.2**

Income Statement

(€ millions)	NOTE N°	31/12/2013	31/12/2012
Revenue	4.1	**653.9**	**658.7**
Amortisation, depreciation & provision reversals		81.5	74.1
Other operating revenues		53.7	52.0
OPERATING REVENUES		**789.1**	**784.8**
Merchandise purchases and movements in inventories	4.2	311.8	310.2
Other purchases and external charges	4.3	130.9	135.2
Tax, duties	4.4	51.7	52.4
Payroll & employment benefits	4.6	76.1	71.9
Non-current asset depreciation and amortisation	3.1/3.2	8.5	9.0
Non-current asset investment writedowns	3.1	0.8	1.7
Current asset provisions charges	3.4/3.5	53.6	58.6
Provisions for liabilities and charges		26.6	21.5
Other expenses	4.5	33.3	33.6
OPERATING EXPENSES		**693.2**	**694.2**
OPERATING PROFIT		**95.8**	**90.6**
Investments financial income (excluding current account interests)		70.8	58.0
Interest and other financial income		4.4	5.4
Financial provision reversals		2.7	3.1
Foreign exchange gains		0.0	0.1
Net income from disposal of marketable securities		0.3	0.1
FINANCIAL INCOME		**78.1**	**66.6**
Interest and financial expenses		0.3	3.7
Financial depreciation, amortisation and provision charges		14.5	2.9
Foreign exchange losses		-	-
Net expenses of disposal of marketable securities		-	-
FINANCIAL EXPENSES		**14.8**	**6.6**
NET FINANCIAL INCOME	4.7	**63.3**	**60.0**
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX		**159.2**	**150.6**
Exceptional income - investment & financing activities		3.0	5.4
Exceptional depreciation, amortisation and provision reversals		9.2	6.6
EXCEPTIONAL INCOME		**12.1**	**11.9**
Exceptional expenses - investment & financing activities		4.6	18.1
Exceptional depreciation, amortisation and provision charges		7.0	5.9
EXCEPTIONAL EXPENSES		**11.5**	**24.0**
NET EXCEPTIONAL INCOME/(EXPENSE)	4.8	**0.6**	**(12.1)**
Employee profit sharing plan contributions		5.0	3.1
Income tax	4.9/4.10	40.2	19.0
NET PROFIT		**114.6**	**116.3**

6.3. Notes to the parent company financial statements

Notes

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Métropole Télévision reported a net profit of €114.6 million with total assets of €1,226.4 million for the financial year ending 31 December 2013.

These annual financial statements were approved by the Executive Board on 17 February 2014 and reviewed by the Supervisory Board on 18 February 2014.

Unless otherwise stated, the amounts presented in the notes are expressed in millions of Euros.
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1. 2013 financial year significant events

On 15 April 2013, Twentieth Century Fox and the M6 Group announced the signing of a multi-year contract for the US studio's series and feature films.

2. Accounting rules and methods

The financial statements for the financial year are presented in accordance with the French Chart of Accounts and applicable legal and regulatory provisions.
Generally-accepted accounting practices were applied in compliance with the principles of prudence, true and fair presentation and consistency, in accordance with the following basic assumptions:

- going concern,
- consistency of accounting policies,
- independence of the accounting periods,

and according to the general rules of preparation and presentation of annual financial statements.

2.1. Intangible assets

Intangible assets principally comprise computer software and co-production rights.

COMPUTER SOFTWARE

Computer software is amortised on a straight-line basis over a period of between 1 to 5 years, supplemented by accelerated amortisation.

COPRODUCTION OF DRAMA, DOCUMENTARIES, CONCERTS, PROGRAMMES AND MUSIC VIDEOS

Once contracts have been signed, co-productions are disclosed as off-balance sheet commitments with regard to outstanding net payments.

The payments made for co-productions awaiting technical approval or whose broadcasting licence is pending are recorded as advances and payments on account upon receipt of corresponding invoices.

Co-productions are recognised as intangible assets upon receipt and technical acceptance.

Co-production costs are amortised on a straight-line basis over 3 years and may be written-off, based on future revenue forecasts.

2.2. Property, facilities and equipment

Property, facilities and equipment are recorded at their acquisition cost. This cost includes expenses directly attributable to the transfer of the assets to their operational location and the commissioning costs incurred to enable assets to be operated in the manner intended by Management. They are depreciated on a straight-line or reducing balance basis. The key periods of depreciation are as follows:

Mobile technical equipment	3 years
Other mobile equipment	4 or 5 years
Technical equipment	3 or 4 years
Computer hardware - PCs	3 or 4 years
Office equipment	5 years
Video equipment	6 years
General facilities	10 years
Office furniture	10 years

2.3. Investments

Assets defined as investments are:
- equity securities,
- deposits and guarantees,
- loans granted to Group companies.

Investments are recorded at their acquisition cost and written down when their value in use is lower than their book value.

In the case that the equity of the company whose securities are being written down is negative, a provision for writedown of the current accounts potentially owed by this subsidiary is recognised, for an amount not exceeding the negative equity. In the case that the negative equity of this subsidiary exceeds the value of the current accounts, an additional provision for liabilities and charges is recognised.

The acquisition cost of investments acquired with effect from 2007 comprises the purchase cost and the acquisition costs (transfer taxes, fees, commissions and legal costs). These acquisition costs are subject to an accelerated amortisation over 5 years.

2.4. Broadcasting rights inventories

Broadcasting rights are classified as inventory with effect from their opening, which is when the channel is contractually authorised to broadcast the corresponding programmes.

Unopened broadcasting rights are disclosed in off-balance sheet commitments at their contract but uninvoiced value. Rights invoiced but not open are recorded as payments on account to suppliers.

Purchases are recorded at their purchase cost, net of any discounts and rebates earned but excluding the effect of any possible settlement discounts.

Broadcasting rights are charged to cost of sales according to the number of broadcasts, in the following manner:
- Rights acquired for a single broadcast: 100% of the contract value
- Rights acquired for multi-broadcasts:
  - 1st broadcast: 66% of the contract value;
  - 2nd broadcast: 34% of the contract value.

Different amortisation schedules may be considered in the highly specific cases of rights acquired for 4 to 5 broadcasts, the audience potential of which is deemed particularly high for each broadcast.

Conversely, a writedown provision is recorded when:
- the value in use of a right, assessed in the light of the revenue expected to be generated during the broadcast window of the programme, is lower than its acquisition cost;
- its broadcast is considered unlikely.

2.5. Receivables and liabilities

Receivables and liabilities are recorded at their nominal value.
A provision for writedowns is established where their recoverable value is lower than their book value.

Foreign currency denominated receivables and liabilities which are not the subject of a financial hedge are translated at the balance sheet date exchange rate. Only unrealised exchange losses are recognised in the income statement.

2.6. Marketable securities

Marketable securities are recorded at their gross value.
A provision for writedown is established whenever the market value is less than the acquisition cost.

2.7. Treasury shares

Pursuant to the authorisation granted by the General Meeting of 13 May 2013, Métropole Télévision holds treasury shares:

- as part of a liquidity contract,
- to cover the exercise of plans to allocate free shares granted to employee beneficiaries.

These treasury shares are recorded at their gross value as marketable securities.

As regards treasury shares held as part of a liquidity contract, a provision for writedown is established when the book value of these treasury shares, corresponding to the average price of the last month of the financial year, is lower than their acquisition cost.

For treasury shares to be used to service plans to allocate free shares, a provision for liabilities and charges equal to the gross value of these shares is recognised (see Note 2.11).

2.8. Regulated provisions

Regulated provisions comprise accelerated amortisation in respect of computer software and acquisition costs of investments.

2.9. Provisions for liabilities and charges

Métropole Télévision recognises a provision when, at the balance sheet date, it has an obligation (legal or constructive) towards a third party resulting from a past event, for which it is probable that an outflow of resources embodying economic benefits will be required, and where a reliable estimate can be made of the amount of the loss or liability.

The amount recognised as a provision is the best estimate of the cash outflow necessary to settle the present obligation on the balance sheet date.

In the case this liability is not probable and cannot be reliably measured, but remains possible, the Group recognises a contingent liability in its commitments.

2.10. Provisions for retirement benefits

The provision for retirement benefits was calculated in accordance with amended IAS 19 – Employee benefits, using an actuarial method that takes into account the vested rights of all Group employees, their most recent salary and the average probable residual service of the employees.

2.11. Provision for plans granting free shares

In application of CNC opinion n° 2008-17 of 6 November 2008, a provision for liability and charges corresponding to the outflow of resources liable to be caused by the obligation to transfer shares to employees is recognised in the financial statements.

This provision was measured based on the number of shares that should be allocated due to the terms and conditions of the allocation plans, valued at the year-end date and at cost, i.e.:

- for shares held by the company, their net book value;
- for shares acquired as part of a forward purchase transaction, their future price;
- for shares that had not been acquired at year end, their year-end share price.

The final vesting of the shares is subject to the beneficiary remaining employed by the Company for the entire acquisition period. This provision is spread out over the entire rights acquisition period.

2.12. Advertising revenues

Advertising revenues are recorded net of commercial discounts, at the time of broadcast of the relevant advertising.

2.13. CICE tax credit

In accordance with the ANC Circular of 28 February 2013, accrued income from the CICE (tax credit aimed at encouraging business competitiveness and employment) has been recognised as a reduction of payroll costs.

2.14. Off-balance sheet commitments

Off-balance sheet commitments essentially comprise:

- acquisitions of broadcasting rights that are not open and uninvoiced;
- co-production costs for which technical approval has not yet been granted;
- technical broadcasting costs invoiced but not yet executed (image transmission) on the basis of contracts with technical broadcasters.

2.15. Financial instruments

The only financial instruments implemented by Métropole Télévision concern foreign exchange and share risk hedging.

Métropole Télévision hedges against the main foreign currency-denominated transactions, using simple financial instruments, primarily forward purchases. Hedged transactions are accounted for at their agreed exchange rate.

3. Notes to the parent company balance sheet

3.1. Intangible assets

Intangible assets essentially comprise shares of co-production programmes.
The movements in intangible assets were as follows:

	Business goodwill	Other intangible assets	Advances and payments on account	Total
Amount net of writedowns and amortisation at 31/12/2012	**0.0**	**6.0**	**1.7**	**7.7**
Acquisitions during the year	-	1.8	0.8	2.7
Disposals during the year	-	(0.1)	(0.8)	(0.9)
Amortisation charge for the year	-	(3.5)	-	(3.5)
Reversal of amortisation on disposals	-	0.1	-	0.1
Provisions for writedowns	-	(0.8)	-	(0.8)
Reversal of provisions for writedowns	-	1.7	-	1.7
Amount net of writedowns and amortisation at 31/12/2013	**0.0**	**5.3**	**1.7**	**7.0**
Gross value at 31/12/2012	-	118.9	1.7	120.6
Accumulated amortisation and writedowns	-	(112.9)	-	(112.9)
Net value at 31/12/2012	0.0	6.0	1.7	7.7
Gross value at 31/12/2013	-	120.6	1.7	122.3
Accumulated amortisation and writedowns	-	(115.3)	-	(115.3)
Net value at 31/12/2013	0.0	5.3	1.7	7.0

Increases in the gross value of intangible assets were primarily due to the acquisition of software.

3.2. Property, facilities and equipment

The movements in property, facilities and equipment were as follows:

	Technical facilities	Other	In progress	Total
Amount net of depreciation at 31/12/2012	**6.8**	**3.6**	**0.6**	**10.9**
Acquisitions during the year	1.9	1.1	0.3	**3.4**
Disposals during the year	(0.7)	(0.0)	(0.5)	**(1.2)**
Depreciation charges	(3.8)	(1.3)	-	**(5.1)**
Reversal of depreciation on disposals	0.6	0.0	-	**0.6**
Provisions for writedowns	-	-	-	**-**
Reversal of provisions for writedowns	-	-	-	**-**
Amount net of depreciation at 31/12/2013	**4.8**	**3.4**	**0.4**	**8.6**
				-
Gross value at 31/12/2012	26.4	11.8	0.6	**38.8**
Accumulated depreciation and writedowns	(19.6)	(8.2)	-	**(27.9)**
Net value at 31/12/2012	6.8	3.6	0.6	10.9
Gross value at 31/12/2013	27.6	12.9	0.4	40.9
Accumulated depreciation and writedowns	(22.8)	(9.5)	-	(32.2)
Net value at 31/12/2013	4.8	3.4	0.4	8.6

3.3. Investments

The movements in the various investments were as follows:

	Equity investments	Loans	Other	Total
Amount net of writedowns at 31/12/2012	**215.6**	**0.4**	**1.5**	**217.4**
Acquisitions during the year	-	-	-	-
Disposals during the year	-	-	(0.3)	(0.3)
Depreciation charge	(11.3)	-	-	(11.3)
Reversal of writedowns on disposals	-	-	-	-
Amount net of writedowns at 31/12/2013	**204.4**	**0.4**	**1.2**	**205.9**
				-
Gross value at 31/12/2012	237.8	0.4	1.5	239.6
Accumulated writedowns	(22.2)	-	-	(22.2)
Net value at 31/12/2012	215.6	0.4	1.5	217.4
Gross value at 31/12/2013	237.8	0.4	1.2	239.3
Accumulated writedowns	(33.5)	-	-	(33.5)
Net value at 31/12/2013	204.4	0.4	1.2	205.9

No equity investments were acquired or sold during the financial year.

The provision for the writedown of investments primarily relates to securities held in M6 foot, for which an additional provision of €11.2 million was recognised during the 2013 financial year.

3.4. Inventory and work in progress

This comprises broadcasting rights that are open and not consumed.
The movements in the year were as follows:

	01-Jan-13	Acquisitions	Decreases/ transfers	Invalid rights	31-Dec-13
Inventories	224.2	198.9	(186.9)	(18.7)	217.5
Work-in-progress	3.8	65.8	(66.9)	-	2.6
Total	228.0	264.7	(253.8)	(18.7)	220.2

Rights for which there is a risk of no broadcast and rights, where the value in use is lower than their book value, were the subject of a provision of €75.0 million at 31 December 2013.

This provision can be analysed as follows:

	01-Jan-13	Increases	Reversals	31-Dec-13
Provisions to writedown inventories	75.8	50.3	(52.9)	73.2
Provisions to writedown work-in-progress	2.4	0.1	(0.7)	1.8
Total	78.2	50.4	(53.6)	75.0

3.5. Receivables

The change in other receivables primarily reflects the day-to-day financing transactions of the Group's subsidiaries.
The maturity of all receivables is as follows:

	Gross value	Due within 1 year	Due after 1 year
Non-current assets			
Intercompany receivables	-	-	-
Loans	0.4	-	0.4
Other investment receivables	1.2	-	1.2
Total	**1.6**	-	**1.6**
Current assets			
Trade receivables	316.9	312.3	4.6
Other receivables (1)	220.2	220.2	-
Total	**537.1**	**532.6**	**4.6**
Total receivables	538.7	532.6	6.2

(1) Other receivables include the debit current accounts of Group subsidiaries of €194.9 million.

Accrued income relating to trade receivables was €156.5 million.

Trade and other receivables in current assets were the subject of writedown provisions as follows:

	1 Jan. 2013	Increases	Reversals (used)	Reversals (unused)	31 Dec. 2013
Provisions to writedown trade receivables	4.9	3.2	-	(3.5)	4.6
Provisions to writedown other receivables	18.0	3.2		(2.7)	18.5
Total	22.9	6.4	-	(6.2)	23.1

The provision to writedown other receivables relates to a writedown of current accounts with the following companies:

- M6 Films for €5.4 million;
- Métropole Production for €9.9 million;
- M6 Studio for €3.2 million.

The equity securities of these companies were also written down in full.

3.6. Cash and marketable securities

They are broken down as follows:

	31/12/2013	31/12/2012
Treasury shares	6.2	7.4
Liquidity contracts (treasury shares and other marketable securities)	3.0	2.7
Investment funds, SICAV	256.1	290.2
Cash	4.4	4.4
Cash and marketable securities	**269.8**	**304.7**
Provision for treasury shares writedown	-	-
Net cash and marketable securities	269.8	304.7

333,857 shares were granted in 2013 as part of the free share plan set up in 2011, 185,925 of which were granted to individuals employed by subsidiaries.

At 31 December 2013, Métropole Télévision directly held 520,649 treasury shares acquired for €6.2 million. These shares will be granted when the subsequent plans granting free shares mature.

Marketable securities do not include any unrealised gains, as these were realised at 31 December 2013.

3.7. Prepaid expenses

Prepaid expenses primarily include sports programmes and rights billed in 2013 to be broadcast at a later stage.

3.8. Equity

The movements in the year were as follows:

	31/12/2012	Dividends paid	Other movements		31/12/2013
			Additions	Reductions	
Share capital	50.4	-	-	-	50.4
Share premium	-	-	1.2	-	1.2
Legal reserve	5.3	-	-	-	5.3
Long-term capital gain	-	-	-	-	-
Other reserves	-	-	-	-	-
Retained earnings	387.7	(115.6)	-	-	272.1
Profit for the year	116.3	(116.3)	114.6	-	114.6
Equity excluding regulated provisions	**559.6**	**(231.9)**	**115.8**	-	**443.5**
Regulated provisions	4.9	-	0.7	(1.3)	4.3
Total equity	**564.5**	**(231.9)**	**116.5**	**(1.3)**	**447.8**

During the financial year 2013, 81,485 shares were issued following the exercise of share subscription options. These share capital increases generated additional issue premiums totalling €1.2 million.

At 31 December 2013, the share capital comprised 125,965,449 ordinary shares of €0.40 each.

Regulated provisions relate to accelerated amortisation of licences and acquisition costs of investments.

3.9. Provisions for liabilities and charges

The movements in provisions during 2013 were:

	01 Jan. 2013	Increases	Reversals (used)	Reversals (unused)	31 Dec. 2013
Provisions for litigation	4.7	3.0	(0.6)	(1.3)	5.8
Provisions for plans granting free shares	4.6	6.2	(4.7)	-	6.2
Provisions for retirement benefits	4.0	0.3	-	-	4.3
Other provisions for charges	39.0	23.3	(17.7)	(2.4)	42.2
Total provisions for liabilities and charges	52.3	32.9	(23.0)	(3.7)	58.5

Litigations included in the "provisions for litigation" caption relate to all legal proceedings instituted against Métropole Télévision, for which it is probable that the outcome will be unfavourable for the Company. In the vast majority of cases, such litigations have gone beyond the pre-litigation stage and are currently being considered or are undergoing judgement or appeal by competent courts (Commercial Court, Industrial Court, Court of First Instance, Criminal Court or Supreme Court of Appeal).

Additional information in respect of litigations in progress has not been included individually as disclosure of such information could be prejudicial to the Group.

The "provisions for plans granting free shares" are intended to cover the probable outflow of resources corresponding to the obligation to transfer shares to employees. In accordance with CNC opinion n°2008-17, they are spread over the vesting period of the entitlements and total €4.2 million for the plans maturing in 2014 and €2.0 million for the plans maturing in 2015.

"Other provisions for charges" primarily relate to the writedown of audiovisual rights that Métropole Télévision is committed to buy but which have not yet been posted to inventories.
The charge resulting from the likelihood that an unopened right (and as such classified in off-balance sheet commitments) will not be broadcast may not be accounted for by writing down a balance sheet asset, and is therefore recognised through a provision for liabilities and charges.
The writedown of an unopened right is consistent with the operation of the audiovisual rights market, since TV channels have generally entered into sourcing agreements with producers in relation to future productions, without having the certainty that the quality of the latter will be consistent and may be broadcast given their editorial policy and target audiences.
Furthermore, the channels may be committed to broadcasting a flow programme or an event whose audience or image potential will not generate sufficient advertising revenue to offset the total cost of the programme.
A writedown of the value of a right may reflect:

- the case where a broadcast is unlikely: the programme will not be broadcast for lack of audience potential;
- the case where net revenue generated during the window rights of the programme will be insufficient.

In all cases, writedowns are assessed as part of an individual review of all portfolio items, in light of the ratings and revenue targets of each programme, as defined by the management of programming of each Group channel.

"Other provisions for charges" relate to costs Métropole Télévision would have to incur to implement a contract or settle its regulatory or tax obligations, without the amounts in question being due or having been due, in particular within the framework of dispute settlement or legal proceedings.

The amounts reported for all these types of provisions are the best possible estimate of the future outflow of Company resources, taking account of plaintiffs' claims, judgments already passed, if applicable, or the management's appraisal of similar instances and/or calculations made by the finance department.

3.10. Liabilities

The change in other liabilities reflects the day-to-day financing of the Group's subsidiaries.

Liabilities may be analysed as follows, by maturity date:

	Gross value	Due within 1 year	Due within 1 to 5 years	Due after 5 years
Bank overdrafts	4.6	4.6	-	-
Trade payables	261.7	261.7	-	-
Income tax and social security liabilities	60.3	60.3	-	-
Liabilities on non-current assets	-	-	-	-
Other liabilities (1)	390.7	390.7	-	-
Total	**717.2**	**717.2**	**-**	**-**
Accrued expenses included within the above:				
- trade payables	57.2			
- income tax and social security	19.7			
- liabilities on non-current assets	-			

(1) Other liabilities include credit current accounts of Group subsidiaries of €247.0 million.

4. Notes to the parent company income statement

4.1. Revenue

Advertising revenues are recorded net of commercial discounts and are analysed thus:

	2013	2012
TV advertising and sponsorship revenues	643.1	651.3
Other revenues	10.8	7.4
Total revenue	**653.9**	**658.7**

Analysis by geographic region (*)	
France	90.00%
Europe	5.64%
Other countries	4.36%

*(*on the basis of invoicing)*

4.2. Purchases of merchandise and inventory

Purchases of merchandise relate to the acquisition of broadcasting rights of a specific nature. These rights relate to so-called "flow" programmes, primarily comprising sports programmes and events, the value of which is derived from a single broadcast.
The inventory movement corresponds to the use of broadcasting rights that are recorded as inventory, as disclosed in Note 3.4.

4.3. Other purchases and external costs

This mainly comprises services of digital broadcast of the channel as well as remuneration of the advertising service.

4.4. Taxes and duties

Business taxes paid by the channel are recorded under this heading of the income statement. Of €51.7 million in 2013, €35.1 million related to the contribution to the support account for the Centre National de Cinématographie (National Cinematographic Centre), compared to €35.4 million in 2012.

4.5. Other expenses

This comprises payments to various copyright companies for a total of €32.9 million, compared to €33.1 million in 2012.

4.6. Personnel costs

The CICE tax credit is recognised as a €0.4 million reduction of payroll costs. This receivable was not pre-financed.

4.7. Financial income

Financial income can be analysed as follows:

	2013	2012
Dividends from equity investments	70.8	58.0
Share of loss on partnerships	-	(3.2)
Net income/(expense) on cash pooling	0.3	0.2
Income from marketable securities	4.1	4.7
Provisions for writedown of investments	(11.3)	3.1
Provisions for writedown of current accounts	(0.5)	(2.9)
Total financial income	**63.3**	**60.0**

Under the liquidity contract, the difference in valuation of the treasury shares held generated a gain of €0.3 million, due to the increase in the Métropole Télévision share price. This is included in net interest and investment income of €4.1 million.
In 2012, the loss on partnerships related to the share of the losses of TCM-DA, a company owned by Métropole Télévision. TCM-DA opted to be subject to corporate income tax in 2012 and was subsequently converted into an SAS (French simplified limited company). In 2013, Métropole Télévision therefore no longer has any share of profit/loss on partnerships in its financial statements.

4.8. Net exceptional income/(expense)

Net exceptional income/(expense) may be analysed as follows:

	2013	2012
Net provision charges (including accelerated depreciation and amortisation) and transfer of charges	2.2	0.7
Capital gains and losses on disposal of non-current assets	(0.1)	(9.4)
Writedown of treasury shares	(4.5)	(4.1)
Exceptional penalties	-	(1.0)
Reinvoicing to subsidiaries of cost of shares allocated to their employees (1)	3.0	1.7
Total net exceptional income/(expense)	**0.6**	**(12.1)**

(1) including €2.3 million related to the plan delivered in 2013.

4.9. Income tax

Since 1 January 1988, Métropole Télévision has declared itself as the parent company of a tax consolidation scheme pursuant to the provisions of Articles 223A of the General Tax Code. Métropole Télévision is solely liable for income tax due by its subsidiaries in order to determine the Group's overall performance, in accordance with the provisions of Article 223A of the General Tax Code.

There were no company movements in the scope of the Group's tax consolidation in the 2013 financial year.

The tax consolidation arrangement adopted by the Group is based on non-discriminatory tax treatment. Each subsidiary therefore pays its own tax charge as if it was independent for tax purposes.

Income tax can be analysed as follows:

	2013	2012
Income tax	33.2	19.0
Contribution on dividends paid	7.0	-
Total corporate income tax	**40.2**	**19.0**

The theoretical income tax charge was €40.5 million in the 2013 financial statements. This charge included a tax consolidation surplus of €6.8 million and a tax credit of €1.0 million related to sponsorship, and was increased as a result of the correction of errors in previous tax years totalling €0.6 million.

Furthermore, the Company is liable for a Group tax payment of €77.4 million for 2013.

Income tax can be analysed as follows:

	Profit before tax	Income tax
Profit from ordinary activities	159.2	40.0
Net exceptional income/(expense)	0.6	0.2
Profit before tax and employee profit-sharing	159.8	-
Company income tax		**40.2**

4.10. Future tax liability at the end of the year

	Deferred tax assets	Future tax liability	Deferred tax liability at 31/12/2013
Description of temporary differences			
Regulated provisions	-	(1.5)	(1.5)
Tax on non-deductible provisions	20.2	-	20.2
Tax on long-term capital losses	-	-	-

The deferred tax rate used for 2013 was 38.0% for temporary differences that will be reversed until 30 December 2015. After that date, temporary differences will revert to the rate of 34.43%.

5. Other notes

5.1. Balance sheet items arising from transactions with related and associated companies

	Related companies	Associated companies
Investments	237.7	0.1
Loans	-	-
Advances and prepayments	-	-
Trade receivables	91.0	0.6
Other receivables (1)	195.3	1.3
Trade payables	70.7	-
Liabilities relating to non-current assets	-	-
Other debts (2)	249.2	-
Finance expenses	0.2	-
Finance income	0.5	
(1) including subsidiaries' current accounts	193.6	1.3
(2) including subsidiaries' current accounts	247.0	-

Related companies are entities in which the Company owns an equity holding in excess of 50%.

Associated companies are entities in which the Company owns an equity holding of between 10% and 50%.

5.2. Related party disclosures

All transactions carried out between related parties are intra-group transactions and were carried out at arm's length

5.3. Off-balance sheet commitments

At 31 December 2013, off-balance sheet commitments, by description and maturity, were as follows:

	Commitments at 31/12/2013	*Due within 1 year*	*Due in more than 1 year*	Commitments at 31/12/2012	Terms and conditions of implementation
Commitments given	**831.2**	**246.4**	**584.8**	**625.4**	
Purchase of broadcast rights	692.4	*144.7*	*547.7*	486.1	Contracts signed
Co-production commitments	81.3	*81.3*	-	70.6	Contracts signed
Contracts for broadcast (1)	49.3	*17.9*	*31.4*	56.4	Contracts signed
Contracts for future purchases of shares	-	-	-	3.6	Contract term
Commercial commitments (2)	6.1	*2.3*	*3.8*	8.3	Contracts signed
Donations to the corporate foundation	0.2	*0.2*		0.4	Bylaws signed
Joint and several guarantee	1.9	-	*1.9*	-	Contracts signed
Commitments received	**44.1**	**9.5**	***34.7***	**-**	
Sales commitments (3)	44.1	*9.5*	*34.7*	-	Contracts signed

(1) These contracts relate to image transfer and broadcasting services. The commitments have been measured by taking account of the balance remaining due until the maturity of each contract.
(2) Commercial commitments relate mainly to contracts for the rental of premises.
(3) The multi-year commitment to acquire broadcasting rights from Twentieth Century Fox was accompanied by a commitment to sell certain rights to other television broadcasters.

5.4. Directors' remuneration

	Amount in €
Directors' remuneration	3,117,244

In addition, in this respect and under the same conditions as Company employees, members of the Executive Board may benefit from legal compensation at the end of their career. No loans or advances were granted to any Director.

5.5. Average workforce

The average workforce of Métropole Télévision was made up as follows:

	2013 salaried employees	2012 salaried employees
Permanent workforce	**613**	**605**
Employees	52	58
Supervisors	147	136
Managers	312	312
Reporters	102	99
Temporary workforce (full time equivalent)	**105**	**111**
Total	718	716

At 31 December 2013, the cumulative hours relating to individual training rights amounted to 56,088 hours.
1,259 ITR hours were used during the financial year.

5.6. Share subscription plans and plans granting free shares

The share subscription plans are serviced through the issue of new shares.
Plans granting free shares are serviced using outstanding shares.

The main features of stock option plans, plans granting free shares and share subscription plans in force at 31 December 2013, or which lapsed during the year are as follows:

	Number of shares granted at plan date	Maximum allocation	Balance at 31/12/2012	Performance-based allocation	Granted	Exercised	Cancelled	Balance at 31/12/2013
Share subscription plan	**2,448,075**	**2,448,075**	**1,554,109**	-	-	**(81,485)**	**(458,250)**	**1,014,374**
06/06/06	736,750	736,750	395,250	-	-	-	(395,250)	-
02/05/07	827,500	827,500	519,500	-	-	-	(31,500)	488,000
06/05/08	883,825	883,825	639,359	-	-	(81,485)	(31,500)	526,374
Plans granting free shares	**1,501,200**	**1,535,570**	**840,232**	**(27,862)**	**642,500**	**(333,857)**	**(37,462)**	**1,083,551**
26/07/2011	342,700	367,820	318,982	-	-	(314,265)	(4,717)	-
22/12/11	28,250	37,500	33,500	(2,993)	-	(19,592)	(10,915)	-
27/07/2012	487,750	487,750	487,750	-	-	-	(20,100)	467,650
26/07/13	642,500	642,500	-	(24,869)	642,500	-	(1,730)	615,901

Under the share subscription plan of 2 May 2007, the exercise value of the options exceeded the share price at 31 December 2013.
Cancellations recorded during the year resulted either from beneficiaries leaving the Group before the end of the vesting period or from plans expiring due to market conditions preventing all rights from being exercised. They may also be due to non-achievement of financial performance targets set on allocating the plans.
Data relating to the free share allocation plans are reference data corresponding to the achievement of performance objectives set within the context of the 2011, 2012 and 2013 plans.
The number of shares to be permanently vested within the framework of the plan of 26 July 2011 and of 22 December 2011 is 314,265 shares and 19,592 shares, respectively, due to the financial targets associated with the plan being exceeded.

The granting of 333,857 free shares generated a charge of €4.5 million, compared to €4.1 million in 2012. After rebilling of the shares delivered to employees of subsidiaries, Métropole Télévision incurred a charge of €2.2 million both in 2013 and 2012.

Due to the likelihood that financial objectives will be achieved and taking account of the employee departures already noted and projected, the number of shares to be permanently vested within the framework of the various outstanding plans has been estimated to date as follows:

- Plan of 27 July 2012: 467,650 shares;
- Plan of 26 July 2013: 615,901 shares.

5.7. Attendance fees

The amount of attendance fees paid during the year was €224,000.

5.8. Earnings per share (€)

	31/12/2013	31/12/2012
Profit after tax, employee profit sharing, before amortisation, depreciation and provisions	1.08	1.08
Profit after tax, employee profit sharing, amortisation, depreciation and provisions charges	0.91	0.92
Ordinary dividend per share	0.85	0.85
Exceptional dividend per share	-	1.00

6. Consolidation of accounts

Métropole Télévision is the parent company of a consolidated group. Furthermore, its financial statements are fully consolidated into the financial statements of the RTL Group.

7. Statutory Auditors' fees

The fees paid in respect of the 2013 Statutory Auditors' assignments totalled €188.000, equally split between PriceWaterhouseCoopers Audit and Ernst and Young.
Additional assignments to the audit were undertaken in relation to acquisition audits and the monitoring of the new accounting package for a total of €108,376 for the financial year, of which €36,276 was paid to Ernst and Young and €72,100 to PricewaterhouseCoopers Audit.

8. Subsequent events

In order to satisfy the current free share allocation plans, on 21 January 2014 Métropole Télévision entered into a forward purchase contract for 500,000 treasury shares, which will mature on 22 July 2015.

9. Subsidiaries and associates

(€ thousands) Subsidiaries	Siren no	Share capital	Reserves Retained earnings	Share capital % ownership	Gross	Book value of share owned Net	Loans and advances granted and outstanding	Guarantees and sureties given by the company	Revenue 2012	Revenue 2013	Net profit 2012	Net profit 2013	Dividends received
M6 PUBLICITE sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	340949031	50	4,033	99.99	38	38		-	79,330	81,492	28,226	24,709	28,225
M6 FILMS sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	380727404	60	(6,926)	99.98	166	-	12,183	-	1,404	3,103	(737)	682	-
METROPOLE PRODUCTION sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	382477131	50	(11,136)	99.98	1,150	-	9,888	-	19,985	14,805	(508)	286	-
C. PRODUCTIONS sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	407908656	50	712	99.97	38	38	17,153	-	29,394	28,277	752	(1,015)	-
M6 INTERACTIONS sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	388909459	34,050	43,046	100.00	34,007	34,007	-	-	14,167	13,803	18,172	29,754	13,800
M6 THEMATIQUE sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	403105109	57,615	6,918	100.00	113,988	113,988	-	-	1,971	1,819	27,508	22,590	27,079
IMMOBILIERE M6 sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	399476357	9,600	13,332	100.00	9,147	9,147	-	-	7,417	7,484	1,793	2,024	-
M6 FOOT sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	423133784	38,360	(17,943)	100.00	39,128	8,812	19,094	-	-	-	239	(11,605)	-
SCI 107 sci 89, Avenue Charles de Gaulle - 92200 NEUILLY	421699133	5,002	(2,662)	99.90	5,002	5,002	37,966	-	923	2,697	(302)	(62)	-
M6 DEVELOPPEMENT sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428115224	40	(72)	99.99	40	40	62	-	898	1,032	3	(11)	-
M6 STUDIO sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428115299	45	(6,257)	99.99	45	-	20,350	-	5,676	985	1,773	1,986	-
IMMOBILIERE 46 D sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	493897516	26,040	(4,548)	100.00	26,040	26,040	10,678	-	2,323	2,590	(369)	(95)	-
M6 BORDEAUX sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	433503364	40	24	100	40	40	166	-	338	356	16	(6)	-
M6 TOULOUSE sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	433503414	40	26	100	40	40	137	-	480	419	17	(3)	-
M6 RECREATIVE sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	493869002	40	(40)	100.00	40	40	9	-	47	-	3	(9)	-
SNC sa (formerly DIEM2) 89, Avenue Charles de Gaulle - 92200 NEUILLY	400372512	3,330	711	100.00	3,383	3,383	3,881	-	1,935	3,840	186	1,354	-
TCM DROITS AUDIOVISUELS snc 89, Avenue Charles de Gaulle - 92200 NEUILLY	409528924	240	(81)	100.00	775	775	-	-	3,071	695	(81)	202	-
STUDIO 89 sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428895122	1,040	(352)	100.00	2,926	1,139	16,917	-	38,873	44,149	573	(467)	-
Equity investments													
SOCIETE NOUVELLE DE DISTRIBUTION sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	414857227	18,271	11,199	7.12	1,650	1,650	-	-	85,923	90,860	9,474	3,986	514
M6 WEB sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	414549469	740	27,587	6.75	50	50	-	-	104,167	98,474	25,324	20,828	1,174
EUROPEAN NEWS EXCHANGE sa 45 bld Pierre Frieden 1543 LUXEMBOURG-KIRCHBERG		496	NC	20.00	100	100	-	-	NC	NC	NC	NC	-
MULTIPLEX R4 (MULTI 4) sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	449753979	62	12	16.75	10	10	-	-	39	NC	-	NC	-
MULTIPLEX R5 sas 1, quai Point du Jour - 92100 BOULOGNE	505128777	38	(3)	33.33	13	13	-	-	-	-	(3)	(3)	-

6.1. Statutory Auditors' report on the parent company financial statements

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
Tour First, 1, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,386,179.60
Financial year ended 31 December 2013

Statutory Auditors' report on the parent company financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meetings, we hereby report to you for the financial year ended 31 December 2013, on:

· the audit of the accompanying financial statements of the Métropole Télévision company;
· the justification of our assessments;
· the specific verifications and information required by law.

The annual financial statements have been prepared by the Executive Board. Our role is to express an opinion on these financial statements based on our audit.

1. Opinion on the annual financial statements

We conducted our audit in accordance with accepted professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the financial statements on a test basis or other means of selection. An audit also involves assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion, in light of French accounting principles and methods, the annual financial statements give a true and fair view of the financial position, assets and liabilities, and net profit of the company from the transactions for the financial year then ended.

2. Justification of assessments

Pursuant to the application of the provisions of Article L. 823-9 of the Commercial Code relative to the justification of our assessments, we bring to your attention the following matters:

• Notes 2.1.2 and 2.4 disclose the Company's principles and methods for accounting for its coproductions and broadcasting rights,

• Note 2.3 relating to accounting rules and methods discloses the Company's methods for accounting for its financial assets at the end of the financial year,

• Note 2.9 discloses the Company's method for the assessment and recognition of provisions for liabilities and charges.

Our work consisted in assessing the data and assumptions relating to these elements on which the estimates are based and to verify the appropriateness of the accounting policies and disclosures in the notes to the financial statements.

These assessments were made within the framework of our audit, which focuses on the financial statements as a whole, and accordingly contributed to the issuance of a clean opinion in the first part of our report.

3. Specific verifications and information

We have also performed the specific verifications required by law, in accordance with professional standards applicable in France.

We have no comments to make concerning the fairness and consistency with the annual financial statements of the information given in the management report and in the documents sent to the shareholders concerning the financial situation and the annual financial statements.

Concerning the information provided in accordance with provisions of Article L. 225-102-1 of the Commercial Code on remuneration and benefits paid to Directors as well as commitments given in their favour, we have verified their consistency with the financial statements or with the data used in the preparation of these financial statements and if necessary, with data collected by your company from its parent company or subsidiaries. On the basis of this work, we confirm the accuracy and the fairness of this information.

As required by law, we ensured that the information concerning equity investments, controlling interests and the identity of holders of the share capital and voting rights was provided to you in the management report.

Neuilly-sur-Seine and Paris La Défense, 18 February 2014

The Statutory Auditors

PricewaterhouseCoopers Audit
Marc Ghiliotti
Partner

Ernst & Young et Autres
Bruno Perrin
Partner

6.2. Five-year financial results summary

Five-year financial results summary

FINANCIAL YEAR END NUMBER OF MONTHS	31/12/2013 12 months	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months	31/12/2009 12 months
Closing financial year capital (€)					
Share capital	50,386,179	50,353,586	50,553,586	51,583,176	51,581,876
Number of shares:					
- Number of ordinary shares outstanding	125,965,449	125,883,964	126,383,964	128,957,839	128,954,690
Financial results (€ millions)					
Revenue (ex-VAT)	653.9	658.7	687.2	679.6	615.7
Profit before tax, employee profit sharing and amortisation, depreciation and provisions charges	181.2	157.5	207.5	139.8	170.9
Income tax	40.2	19.0	33.5	36.8	39.5
Employee profit sharing plan	5.0	3.1	3.0	3.8	3.5
Net profit	114.6	116.3	171.9	103.5	78.5
Dividends paid	106.6	231.9	126.2	128.6	302.1
Earnings and dividends per share (€)					
Basic earnings per share – profit after tax, employee, profit sharing, before amortisation, depreciation and provision charges	1.08	1.08	1.35	0.77	0.99
Basic earnings per share – net profit	0.91	0.92	1.36	0.80	0.61
Ordinary dividend per share	0.85	0.85	1.00	1.00	0.85
Exceptional dividend per share	-	1.00	-	-	1.50
Workforce					
Average workforce size	718	716	700	697	692
Total amount of payroll*	47.0	44.9	44.5	44.4	40.7
Total employment benefits costs (social security, social welfare, etc)**	26.5	24.9	24.4	20.5	19.4

* (€ millions).

6.3. Parent company cash flow statement

Cash flow statement

(€ millions)	31/12/2013	31/12/2012
. Financial year net profit	114.6	116.3
. Depreciation, amortisation & provision charges	21.4	19.0
. Gains & losses from non-current assets disposal	0.1	9.4
CASH FLOW FROM OPERATIONS	**136.1**	**144.7**
Movements in working capital requirements		
. Inventories	7.8	(16.2)
. Trade receivables	4.5	(22.2)
. Operating liabilities	51.6	32.1
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS	**63.9**	**(6.4)**
NET CASH FROM OPERATING ACTIVITIES	**200.0**	**138.3**
INVESTMENT ACTIVITIES		
. Intangible assets acquisitions	(1.8)	(3.9)
. Property, facilities & equipment acquisitions	(3.0)	(3.8)
. Investment acquisitions	-	-
. Intangible assets and property, facilities & equipment disposals	-	-
. Investments disposals/writedowns	0.3	3.9
NET CASH USED IN INVESTMENT ACTIVITIES	**(4.5)**	**(3.7)**
FINANCING ACTIVITIES		
. Share capital increase	1.2	-
. Other equity reductions	-	(4.9)
. Costs to be amortised over several financial years	-	-
. Proceeds from new borrowings	-	-
. Financial debt repayments	-	-
. Dividends paid	(231.9)	(126.3)
NET CASH USED IN FINANCING ACTIVITIES	**(230.7)**	**(131.2)**
Net change in cash and cash equivalents	**(35.2)**	**3.4**
Cash and cash equivalents - start of year	300.4	297.0
CASH AND CASH EQUIVALENTS - END OF YEAR	**265.2**	**300.4**

6.4. Statutory Auditors' special report on regulated agreements and commitments

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
Tour First, 1, place des Saisons
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Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,386,179.60
Financial year ended 31 December 2013

Statutory Auditors' special report on regulated agreements and commitments

To the Shareholders,

As Statutory Auditors of your Company, we hereby present our report on the regulated agreements and commitments.

Our role is to provide you, on the basis of the information given to us, with the characteristics and essential terms and conditions of the agreements and commitments brought to our attention, without having to issue an opinion on whether or not these agreements or commitments are useful or warranted. Pursuant to the provisions of Article R. 225-58 of the Commercial Code, it is your role to assess the interest in concluding these agreements and commitments, with a view to approving them.

It is also our role, if applicable, to inform you of disclosures required by Article R. 225-58 of the Commercial Code relative to the implementation during the year just ended of agreements and commitments approved by the General Meeting in prior years.

We carried out the due diligence we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative to this assignment. Such due diligence consisted in verifying that the information we were given was consistent with the information disclosed in their source documents.

Agreements and commitments submitted for approval by the Annual General Meeting

In application of Article L. 225-88 of the French Commercial Code, we have been notified of the following agreements and commitments that received prior approval from your Supervisory Board.

1. Agreement with the company RTL Group, S.A.

Persons concerned, members of the Supervisory Board of Métropole Télévision and representatives of RTL Group:
Guillaume de Posch, Joint Chief Executive Officer of the company RTL Group, S.A.; Rémy Sautter, Chairman and Chief Executive Officer of the company Immobilière Bayard d'Antin S.A.; Elmar Heggen, Director of RTL Group, S.A.; Catherine Lenoble, representative of Immobilière Bayard d'Antin S.A.; Philippe Delusinne, Vincent de Dorlodot and Christopher Baldelli.

Agreement with the company RTL Group, a shareholder of your company, to buy back shares to a maximum of 48.46%, acting on behalf of the company Immobilière Bayard d'Antin S.A.

Nature and purpose
Your Company concluded an agreement with the RTL Group, acting on behalf of Immobilière Bayard d'Antin S.A., in respect of the acquisition of blocks of shares in your Company, up to 5% of the share capital, in particular with a view to cancelling them.

Terms and conditions
This agreement, which was signed on 15 May 2013, following authorisation by the Supervisory Board on 13 May 2013, is part of the share repurchase programme pursuant to Article L. 225-209 of the Commercial Code of up to 5% of its share capital, authorised by the Combined General Meeting of 13 May 2013, and according to which the Executive Board may proceed with the acquisition of blocks of shares in your Company using an investment services provider, on and off the market, from RTL Group, S.A.

In 2013, 330,000 shares were bought back under this agreement.

This agreement expires on 15 May 2014.

2. With Immobilière Bayard d'Antin S.A.

Persons concerned, members of the Supervisory Board of Métropole Télévision and representatives of RTL Group:
Guillaume de Posch, Joint Chief Executive Officer of the company RTL Group, S.A.; Rémy Sautter, Chairman and Chief Executive Officer of the company Immobilière Bayard d'Antin S.A.; Elmar Heggen, Director of RTL Group, S.A.; Catherine Lenoble, representative of Immobilière Bayard d'Antin S.A.; Philippe Delusinne, Vincent de Dorlodot and Christopher Baldelli.

Cash management agreement between Bayard d'Antin S.A. and your Company, renewed on 15 November 2013

Nature and purpose
Your Company entered into a cash management agreement on 1 December 2005, which was renewed on 12 December 2006, 14 December 2007, 15 December 2008, 19 February 2010, 15 November 2010, 15 November 2011, 15 November 2012 and 15 November 2013.

Terms and conditions
Your Company may loan its surplus cash to Bayard d'Antin S.A. and borrow a maximum of €50,000,000 from Bayard d'Antin, providing this amount does not exceed 48% of amounts borrowed from banking institutions. In order to comply with your Company's cash management policy, the aggregate amount that may be invested by your Company with Bayard d'Antin S.A. shall never exceed more than 20% of the cash resources of Métropole Télévision Group.

Your Company may make deposits or borrow funds for periods of 1, 2 or 3 weeks or of 1, 2 or 3 months. The amount deposited or borrowed shall be a multiple of €1,000,000, with a minimum of €5,000,000 for each loan. The remuneration provided by this agreement is in line with the conditions in force with the RTL Group which are based on EURIBOR plus a margin, depending on the period of the deposit or the loan.

During the year ended 31 December 2013, no amount was deposited under this agreement.

The renewal of the agreement dated 15 November 2013 and relative to the 2014 financial year was authorised by the Supervisory Board on 29 October 2013.

Unless it is renewed, this agreement will expire on 15 December 2014.

Agreements and commitments already approved by the Annual General Meeting

Agreements and commitments approved during previous financial years

a) whose execution continued during the financial year just ended

We were not made aware of any agreement or commitment, previously approved by the General Meeting and which continued to be executed during the financial year just ended.

b) that were not executed during the financial year just ended

In addition, we were informed of the following agreements and commitments already approved by the General Meeting in previous years, which were not implemented during the financial year.

With Nicolas de Tavernost, Thomas Valentin, Jérôme Lefébure and Robin Leproux, members of the Executive Board.

Commitments made for the benefit of members of the Executive Board in the event of cessation of their duties

Nature and purpose

Following the renewal of the term of office of Nicolas de Tavernost and Thomas Valentin and the appointment of Jérôme Lefébure as members of the Executive Board in 2010, your General Meeting of 4 May 2010 renewed its delegation relative to severance pay commitments made in 2008 pursuant to the Code of Corporate Governance AFEP/MEDEF of December 2008, for the benefit of the said members of the Executive Board.

Following the appointment of Robin Leproux as a member of the Executive Board by the Supervisory Board on 14 February 2012, your company has made the same commitments as those made to other members of the Executive Board, in accordance with the AFEP/MEDEF Code of Corporate Governance for Listed Companies.

Terms and conditions

The compensation for the termination of Nicolas de Tavernost's duties as Chairman of the Executive Board is equal to the difference between twenty four months of gross monthly remuneration, calculated on the basis of his total remuneration, including fixed and variable items, received over the last twelve months preceding the termination of his position as Chairman of the Executive Board and the legal and statutory compensation potentially due to him in respect of the termination of his employment contract. The payment of severance pay is now limited to cases in which his term of office as Chairman of the Executive Board is not terminated due to his resignation or failure to perform his duties satisfactorily.

The compensation for the termination of Thomas Valentin, Jérôme Lefébure and Robin Leproux's employment contract is now equal to the difference between twenty four months of gross monthly remuneration calculated on the basis of the total of their individual remuneration, including fixed and variable items, received over the last twelve months preceding the termination of their employment contract and the cumulative legal and statutory compensation potentially due to them in respect of the termination of their employment contract and, if applicable, the amount due as consideration for their non-competition commitment.

Directors' fees are excluded from the calculation base insofar as the contractual compensation from which they benefit is part of their contract of employment. Payment of severance pay is now limited to cases in which they are dismissed for reasons other than gross misconduct or serious negligence, resignation, or failure to perform their duties satisfactorily, and is strictly conditional on the Group's achievement of performance conditions during the thirty six months preceding the termination of employment. The changes introduced to the remuneration packages were formalised by the signing of an addendum to their respective contracts of employment.

Robin Leproux benefits from this measure on the understanding that his right to compensation accrues progressively over the first twenty four months of employment until the maximum amount is reached.

These agreements were authorised by the Supervisory Board on 25 March 2010 and approved by the Ordinary General Meeting of 4 May 2010. With regard to Robin Leproux, this agreement was authorised by the Supervisory Board on 14 February 2012 and approved by the General Meeting of 3 May 2012.

Neuilly-sur-Seine and Paris La Défense, 18 February 2014

The Statutory Auditors

PricewaterhouseCoopers Audit
Marc Ghiliotti
Partner

Ernst & Young et Autres
Bruno Perrin
Partner

7. SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY

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7.6. Report of the independent third party body on the corporate, environmental and social information included in the Management Report 299

Corporate Social Responsibility took on a new dimension in 2012 following the publication of the decree to implement Article 225 of the Grenelle II Law. The verification of corporate, social and environmental data by an independent third party has become mandatory for French companies. M6 Group is committed to this new obligation and is continuing its drive for action and transparency within these three areas.
M6 Group firmly believes that this information enables the various stakeholders involved to better assess their overall performance in the medium- to long-term, and more generally, that corporate responsibility goes hand in hand with economic performance.

M6 Group thus pursues an active CSR policy and clearly signals its commitments to all its partners, including viewers, employees, customers, shareholders, suppliers, public authorities and the civil society.

Faced with various social, corporate and environmental challenges, and as a commitment to all its stakeholders, the Group has developed a CSR approach structured around three priorities which are directly linked to its activities:

- Talent management: the Group firmly believes that its employees are the cornerstone of its success. It is for this reason that the Human Resources Department places employee selection and subsequent loyalty building at the heart of its concerns, and endeavours to promote employee development in all aspects of their professional life.

- Respect for the public and responsibility towards society: since the Group's activity is primarily intangible and cultural, the societal impact is the unifying thread of its commitment. Through its programmes, the Group actually enters into peoples' homes and must therefore put respect for viewers at the heart of what it does.

- Non-discrimination: taking diversity into account is a key concern of the Group, both in relation to audiovisual content and the audience it addresses. This is reflected notably by a cross-organisational and acknowledged commitment to promote equality and better representation of women and minorities in the media.

The actions taken in 2013 are detailed within this chapter. A cross-reference table available at the end of this chapter provides a link between the text and figures published in this document and the information listed in Article R. 225-105-1 of the French Commercial Code.

Together with the independent third party body responsible for verifying the CSR data, the M6 Group has identified 12 key indicators that relate directly to its main challenges:

- Workforce;
- Recruitment and redundancies;
- Organisation of working time;
- Training policies implemented;
- Total number of training hours;

- Basis for dialogue with stakeholders;
- Measures taken to promote consumer health and safety;
- Supportive, partnership or sponsorship actions;
- Action taken to prevent any form of corruption;

- Measures taken to promote gender equality;
- Measures taken to promote the employment and integration of disabled employees;
- Anti-discrimination policy.

7.1. Methodology note regarding non-financial reporting

Framework
The reporting of non-financial indicators is based on national and international guidelines. Corporate, social and environmental indicators refer in particular to the provisions of the Decree of 24 April 2012 passed in application of the Law of 12 July 2010 on national environmental commitment.

Indicators
The indicators presented in this section have been subject to verification by the firm KPMG as required by legislation including detailed tests on the most relevant indicators. Particular emphasis has been placed on the social and corporate indicators related to the Group's strategic challenges.

Reporting scope
The reporting scope has been set in accordance with the provisions of Articles L.233-1 and L 233-3 of the French Commercial Code and covers subsidiaries and controlled companies.

Certain indicators relate to specific scopes excluding certain entities; in that case the scope to be considered is specified beside the information.

Environmental information within the scope of Neuilly-sur-Seine corresponds to the total consumption of the buildings at 89 and 107 avenue Charles de Gaulle, 46 rue Jacques Dulud, and the exclusive electricity consumption of the premises occupied at 114 avenue Charles de Gaulle in Neuilly-Sur-Seine. In terms of activities, the scope of Neuilly-sur-Seine includes all the Group's televisual activities except the regional offices of the national editorial office, as well as the following diversification activities: M6 Interactions, Audiovisual Rights and M6 Web excluding activities located in Lyon (primarily the subsidiary's Technical Department).

In addition, the social reporting scope is based on the financial consolidation scope, with the exception of certain indicators for which Girondins de Bordeaux (F.C.G.B) data has been excluded. The indicators affected by this exclusion are those related to the organisation of working time, and some of the indicators related to remuneration and the development of talent.

It should be noted that reporting includes changes in scope, as a result of the acquisitions made between 1 January and 31 December 2013: 2013 data will be integrated in full during 2014 reporting unless the incoming entity can collect all the data prorata temporis. However, calculation of the workforce of subsidiaries entering the scope is integrated into the 2013 scope for the purposes of reporting social data.

Reporting period
Corporate, social and environmental data is reported annually and relates to the period from 1 January to 31 December 2013.

Further methodological information and methodological limits
The methodologies used for certain corporate, environmental and social indicators may present limitations due to changes in definition that may affect their comparability, changes in the scope of activities from one year to the next, as well as changes in the way in which this information is collected and input.

Further information regarding environmental indicators:
To facilitate internal accounting related to invoicing electricity use, the consumption recorded for a given month corresponds to the actual consumption for the previous month.
The CO_2 emissions contained in Part 7.4.1 are direct greenhouse gas emissions related to the use of natural gas and heating oil in the Group's premises in Neuilly. Indirect emissions related the electricity consumption of the buildings are not included in the reported CO_2 emissions. The emission factors used for the calculation are derived from ADEME's carbon base.

Further information regarding social indicators:

The hours of training included relate to training provided by M6 Campus as well as external training organisations. The hours of e-learning training are included in the data recorded. The training time spent in school for employees on apprenticeship or work/study contracts is excluded. The hours of BTS (advanced vocational diploma) training followed by certain F.C.G.B employees are also excluded from the total number of hours' training included.

Reporting tools, consolidation and control

Collection tools, developed by the Group's IT Department, allow all consolidated and verified data to be reported on different levels:
For corporate data, collection is made by a dedicated tool, developed by the Group's IT Department, and automatic consistency checks are made by the IT tool during data input. Other controls and validation are performed by M6 Group's Human Resources Department. Lastly, a general control ensures the overall consistency of the workforce flows between the year N-1 and the year N;
For social data, information is collected by the Group's Corporate Affairs and the Financial Communication Department;
For environmental data, collection is made by the Group's Corporate Services, and an internal consistency check is made by the person responsible for the input of information. A further check is made during consolidation.
Lastly, the Financial Communication Department collates the data and performs consistency checks.

7.2. Human Resources

7.2.1. Group workforce

7.2.1.1. Workforce

Breakdown of M6 Group workforce by type of contract			
	2011	2012	2013
Permanent contracts	1,609	1,614	1,613
Fixed-term contracts	234	242	248
Total workforce	**1,843**	**1,856**	**1,861**

At 31 December 2013, the total workforce was 1,861 people, compared with 1,856 at 31 December 2012, including 1,613
on permanent contracts in 2013, compared to 1,614 in 2012. In total, there was a net reduction of 1 permanent contract in the workforce in 2013, broken down as follows:

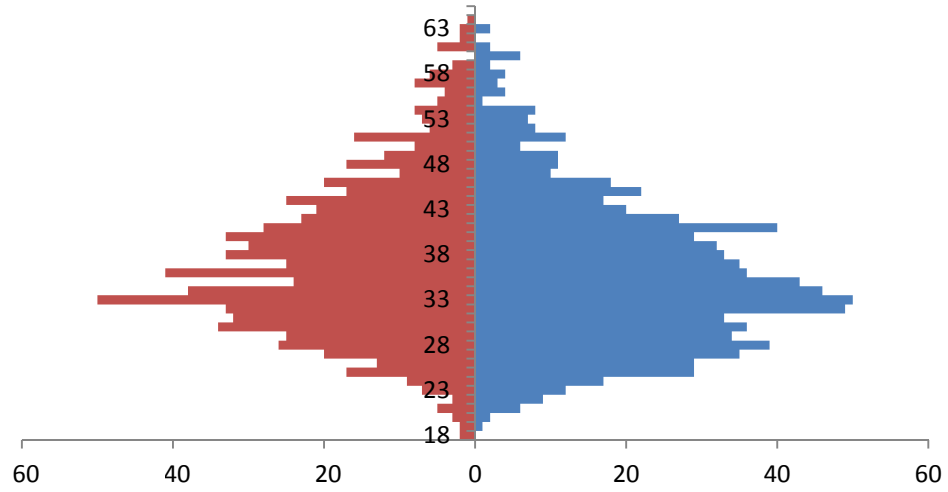
Change in permanent contracts between 2012 and 2013	
Workforce at end December 2012	**1,614**
New hires	89
Event contract workers made permanent	21
Fixed-term contracts made permanent	8
Departures:	
- resignation	(59)
- redundancy	(24)
- termination by mutual agreement	(29)
- retirement	(3)
- other (end of trial period, death, etc.)	(4)
Workforce at end December 2013	**1,613**

In order to ensure gender equality, M6 Group pays particular attention to balancing its workforce. At 31 December 2013, the Group's workforce was made up of 49.8% of women and 50.2% of men, distributed as follows:

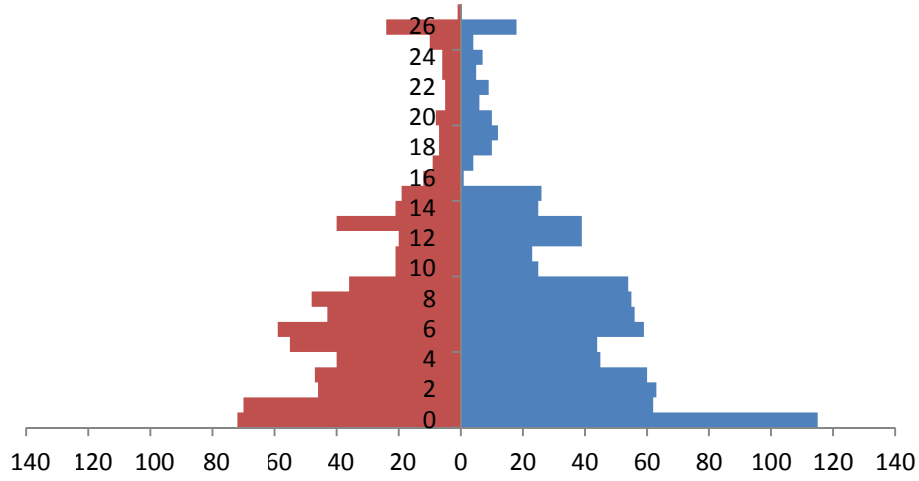
Breakdown of M6 Group workforce by category and by gender

	2013	Male	Female
Employees	744	375	369
Managers	883	402	481
Journalists	156	103	53
Senior executives	78	54	24
TOTAL	**1,861**	**934**	**927**

Age pyramid



Length of service pyramid



The average age of employees is 37 years old in 2013 (compared to 36 years old in 2012), 36 years old for women and 38 years old for men.
The average length of service is 8 years, men and women combined.

The total permanent workforce of 1,861 at 31 December 2013 can be broken down as follows:

Breakdown of total workforce by division

	2011	2012	2013
Television	891	931	950
Diversification	952	925	911
TOTAL	**1,843**	**1,856**	**1,861**

The increase in the number of permanent staff in the Television Division (an additional 19 permanent/fixed-term contracts) was primarily due to event contract workers moving into permanent positions in the master control room, Executive Production Management and the Group's production companies.

The reduction in permanent staff in the Diversification Division (a decrease of 14 permanent/fixed-term contracts) was primarily due to the non-replacement of leavers in the legal and financial support teams following their merger with the Diversification Division, and also to the transfer of certain diversification activities (Licences, M6 Créations) to the Television Division.

Breakdown of fixed-term contracts

	2012	2013
Fixed-term contracts	202	199
Work experience contracts	22	33
Apprenticeships	18	16
Total fixed-term contracts	**242**	**248**

M6 remains committed to work/study programmes and catered for and trained 49 young people under work experience contracts or apprenticeships in 2013.

Event contract workers

	2012	2013
FTE event contract workers and freelancers	**427**	**440**

The use of event contract workers increased by 3% and for most programmes was due to:
- increased activity at production companies,
- development of the Golden Moustache activity.

The decrease in the numbers of event contract workers in broadcasting activities was due to their integration into the permanent workforce.

7.2.1.2. Organisation of working time

Since the signing of a company agreement in 2000, Group employees (excluding Ventadis and Girondins) benefit from an organisation of their working time calculated in hours or days according to their categories.

Working time by major category (excluding specific cases and F.C.G.B.)

	Average annual working time	35 hour week overtime
Employees	1,575 to 1,589 hours	22 or 23 days
Managers	215 days	13 days
Journalists	205 days	11 days
Senior executives	Not applicable	Not applicable

The M6 Group firmly believes that providing its employees with a good work/life balance contributes to the Company's performance and does not hesitate to offer flexible working time:

Part-time work
At 31 December 2013, 112 employees were on a part-time permanent contract, of which 80.4% were women and 19.6% were men. They represented 87.60 FTEs.

Absenteeism
Total absenteeism, excluding paid holidays, represented 5.79% of theoretical hours worked in 2013, a decrease compared to 2012 (5.91%):

Reasons for absence (excl. F.C.G.B.)

Types of absence *(in working days)*	2012	2013
No of sick days	9,358	10,703
No of days absent for maternity/paternity leave	10,533	9,637
No of days absent due to work related accidents	304	528
No of unpaid days absent	1,789	1,923
No of days absent due to exceptional holidays	2,705	1,566
TOTAL	24,689	24,357
Absenteeism rate	5.91%	5.79%

During the 2013 financial year, 10,572 hours of overtime were worked by M6 Group employees compared to 9,248 hours in 2012.

7.2.2. Group remuneration policy

The pay packages of M6 Group employees are reviewed on an annual basis as part of their individual assessment. Employees may benefit from individual performance-based increments. An across-the-board pay rise is granted to employees whose salary is less than the Social Security cap and who have been employed for more than one year.

In addition to their basic salary, all employees receive a 13th month salary.

In addition to their basic salary, 360 employees benefit from variable remuneration, which is primarily based on financial performance indicators (including the sales bonus for employees of M6 Publicité and M6 Créations, and the portal Thématiques de Web), compared to 350 in 2012

7.2.2.1. Change in average remuneration

The average remuneration of Group employees (excluding F.C.G.B.) in 2013 amounted to €55,078, compared to €54,344 in 2012 (up 1.35%).

7.2.2.2. Employee savings

Profit-sharing agreement
Three profit-sharing agreements have been signed within M6 Group encompassing the following segments:
- M6 Group excluding the Ventadis division and FCGB
- The Ventadis division
- FCGB

The special reserve for profit-sharing for 2012, and paid in 2013, was €6,624 thousand compared to €7,911 thousand paid in 2012 for 2011. 2,256 employees benefited, compared to 2,391 employees the previous year.

Bonus scheme

A Group-wide bonus scheme was concluded on 20 June 2011 with the various representative groups for the next three financial years, i.e. until 31 December 2013.
This agreement enabled the implementation of a new calculation of the bonus, based on EBITA, which provides that a bonus can be distributed amongst employees if the EBITA for the current year reaches at least 90% of the EBITA for the previous year.
Operating profit declined in 2012 compared to 2011 and hence no bonus was paid under the M6 Group agreement in respect of the 2012 financial year.
Likewise, employees of FCGB received no bonus payments for 2012.
Conversely, bonuses totalling €263 thousand were paid to 475 employees in the Ventadis Division.

Profit-sharing bonus

The Law of 28 July 2011 introduced a profit-sharing bonus which must be paid to employees when the value of shareholder dividends has increased compared to the average dividend per share paid in the last two financial years.

In accordance with this legal condition, negotiations with employee representative bodies on the terms and conditions of payment of the profit-sharing bonus began as soon as the Executive Board issued the draft resolution to the Annual General Meeting of Shareholders scheduled for 13 May 2013, in which it set out details of the increased dividend payment.

Following these negotiations and the decision of the Annual General Meeting of Shareholders on 13 May 2013, the signatories agreed that a profit-sharing bonus would be paid to employees in the form of an additional transfer to the profit-sharing fund for the year ended 31 December 2012, in accordance with Article L.3324-9 of the Labour Code.

The Group paid €2,065 thousand in total and 2,554 employees benefited.

Group savings plan (excluding Ventadis and FCGB)

In 2013, the M6 Group continued its Group savings plan where the Group makes individual contributions in respect of every employee. In 2013, the amount paid in respect of this contribution was €1,011 thousand.

In total, the amounts paid by the Group in respect of employee savings (Bonus Scheme, Profit-sharing Agreement, Contribution to the Group Savings Plan and Profit-sharing Bonus) amounted to €9,963 thousand, compared to €11,606 thousand in 2012, primarily due to the decline in the Group's operating profit between 2011 and 2012.

Lastly, the management of employee savings was entrusted to an external organisation, which proposes employees the following five separate funds, varying in terms of yield and risks:

- FCPE Diversifié Actions (70% shares, 30% bonds), high yield but high risk;
- FCPE Diversifié Taux (20% shares, 80% bonds) modest yield but lower risk;
- FCPE Monétaire (100% money market), low yield and risk free;
- FCPE "M6 Group", 100% Métropole Télévision shares;
- FCPE Impact ISR rendement solidaire, a diversified FCPE (French company savings plan), invested in European markets, of which between 5 and 10% in socially responsible shares.

7.2.2.3. Mutual health insurance and provident fund

Permanent employees of the M6 Group benefit from a private health scheme and a provident fund, providing a higher rate of reimbursement for healthcare costs and also covering employees against the risk of disability, incapacity and death.

Private health scheme

The main purpose of the private health scheme is to supplement the amounts reimbursed by the state social security system for medical costs (hospital admissions, medicines, dental and optical charges, health checks).

Membership of the private health scheme is mandatory and must correspond to the individual's family circumstances. In 2013, the monthly contribution was €149.67, with payment of the contribution split between employee and employer as follows:
- family contribution: employee and employer each pay 50% of the contribution,
- individual contribution: the employee pays 40% of the contribution and the employer pays 60%,

Provident fund
The scheme provides:
• Incapacity cover, supplementary payments in addition to the benefits in kind provided under the state social security insurance schemes for health, maternity, work-related accidents and occupational-illness,
• Life insurance cover,
• Disability cover.

All employees on a permanent or fixed-term contract benefit from this cover from the start of their employment. Subscription is mandatory. Payment of contributions is split between employee and employer. All Group employees belong to a single scheme, regardless of status (with the same percentage contribution and the same division of contribution payments between employer and employee).

7.2.2.4. Total remuneration of 10 highest paid employees

In 2013, a total amount of €5,120 thousand was paid to the 10 highest paid employees (excluding corporate officers and FCGB) compared to €5,211 thousand in 2012, of which €1,509 thousand was variable remuneration, compared to €1,379 thousand in 2012.

7.2.2.5. Supplementary defined contribution retirement scheme

Marking its desire to improve loyalty among senior executives and to meet their expectation in enhancing their pension coverage, a supplementary and compulsory defined contribution retirement scheme was put in place in 2007 for this category of personnel.
At the end of December 2013, 81 senior executives of the Group benefited from this scheme.
This scheme enables the creation of an individual retirement account whose objective is the payment of a life annuity.

7.2.3. Development of talent

7.2.3.1. Promotion and career development

Promotion and in-house mobility
Group excl. F.C.G.B

	2012	2013	Change
Number of employees who were promoted during the period	52	60	
% of employees who were promoted during the period	3.5%	3.7%	+15%
Number of employees who benefitted from in-house mobility during the period	72	59	
% of employees who benefitted from in-house mobility during the period	5%	3.6%	-18%
Number of employees who received training during the period	896	814	
% of employees who received training during the period	55%	49%	

Integration of new hires

All new employees follow a period of integration comprising in particular an induction seminar. On this occasion, the Chairman and numerous Operating or Functional Directors explain the Group's activities, providing employees with a comprehensive picture and an understanding of the diversity and complementary nature of the Group's businesses.

Annual review: career-development review and performance appraisal

Every year, all employees have an annual review with their manager. Assessment criteria go beyond results achieved during the year just ended, and focus on know-how specific to each position. This also provides the opportunity to assess the efficiency of training programmes and occupational balance (work load and organisation, work/life balance). Employees also share their desire for promotion and additional training.

A confidential summary of the annual meeting is accessible on the intranet and the extranet for every employee and is archived since 2008.
The desires expressed during interviews are systematically analysed and acted upon by the Human Resources Department. These include training programmes, promotion, and request for a mid-career interview or work/life balance.

Mid-career interview

All employees aged 45 or more are offered a mid-career interview every 5 years with their Human Resources Officer. The purpose of this interview is to define their mid-term career path and establish the necessary steps to support it.
Employees who reach the age of 45 during the year are notified of their priority access to a Skills Assessment and training (in particular, professional development sessions as part of the statutory "Périodes de Professionnalisation" scheme).
In 2013, 136 employees were offered a mid-career interview with 33 people taking up this opportunity during the year.
In addition, as part of the implementation of a "Contrat de Génération" or cross-generation contract (a government initiative aimed at promoting youth employment), employees aged 45 and over are offered additional pension rights.

In-house mobility and promotion

All vacancies are posted on the Group's intranet in order to give priority to internal candidates.

Furthermore, after 2 years, Group employees are entitled to undertake work placements lasting from a few hours up to 2 days over a period of 2 weeks.
For those who wish to take part, these placements are a chance to find out about different job roles in the company in the interests of career mobility, good working relationships, or simply out of curiosity. 80 employees benefited from this experience in 2013. This programme of "stepping into another's shoes" also promotes a sense of discovery and openness within the organisation.

In 2013, there were 119 sideways moves and promotions in the M6 Group, including 3 resulting from a work placement, compared to 124 in 2012.

Training

M6 develops the skills of its employees with a policy of continuous training, which is based on training in its businesses, processes, management and Group culture.

The use of the Individual Right to Training (IRT) is encouraged by the Group. Every full time employee is entitled to an IRT of 20 to 21 hours per year (depending on their occupation), which can be accumulated for a period of 6 years and managed on a calendar year basis. In 2013, 168 Group employees used 2,617 IRT hours.

In addition, M6 Campus, the Group's own training organisation, which provides in-house training in management, Group culture, new media and technical skills, provided training programmes to 295 employees in 2013.

In 2013, the Group's training budget, including IRT, was €1,018 thousand. This budget financed 1,432

training activities, or 18,527 training hours.

In total, 48% of the Group's employees benefited from training in 2013, 45% men and 55% women.

7.2.3.2. Trainee policy

	2012	2013	Change
Number of trainees received during the period, for a period of 3 to 12 months	280	316	+12%
% of trainees hired at the end of their training period (permanent or fixed-term)	12%	12%	

In accordance with the French national trainee charter, the Group conducted a number of actions for the benefit of student trainees:

- **Develop partnerships with schools** through the Group's participation in student forums, hosting student promotional activities within the Group's facilities, the participation in examination panels and the organisation of "job dating" (short job interviews).

- Ensure work experience is successful

In 2013, all trainees who joined the Group for a work experience were covered by contract and paid for periods ranging from 3 to 6 months for the most part.

In addition, M6 received 113 pupils from 3rd or 2nd class for periods of one week for observational work experience.

- Prepare future recruits for the Group and encourage loyalty among trainees

Before the end of their training period, the young people have an evaluation meeting with their supervisor, which enables the validation of their choice of professional direction as well as their potential and motivation for the Group. Their job applications have priority for filling junior vacancies immediately at the end of their training period or subsequently.

In 2013, 37 trainees were recruited on a permanent or fixed-term basis.

7.2.4. Commitments to the integration of disabled workers

	2012	2013	Change
Number of disabled workers	10	10	-

The Group's commitment to disability rights and the measures it has undertaken in this regard are described in paragraph 7.3.2.1 of this document.

7.2.5. Commitments to gender equality

The Group is committed to its gender-equality plan guaranteeing equal treatment of men and women in the recruitment process.

In the light of this commitment, all the Group's HR recruitment personnel have been trained in non-discriminatory job interview techniques; 9 employees received training in 2012 and 6 in 2013.

-

- Indicators (excluding F.C.G.B. and Ventadis)

	2012	2013	Change
% of women in total workforce	53%	52%	-1%
% of female managers/executives	55%	57%	+2%

% of female Executive Committee members	38%	32%	-6%
% of women who received training	31%	54%	+23%
% of women recruited	59%	61%	+2%

The majority of the Group's employees are women.

In 2011, women already made up 50% of the workforce (49% in 2010 and 51% in 2009). Furthermore, in 2011 55% of managers were women (54% in 2010 and 53% in 2009). A plan of action relating to gender equality at work was nevertheless implemented from 1 January 2012 for the Group as a whole (excluding Ventadis and FCGB). This three-year action plan has two objectives:

- to continue action in certain areas such as training, recruitment, work/life balance, remuneration,
- to reiterate an equality policy, which is already in practice at M6 Group.

The plan particularly focuses on several areas:

- Work/life balance: Management has decided to implement a protection process for pregnant women by organising interviews with HR and the employee's manager, subject to the employee consenting to it, in the month before the period of maternity leave is due to begin and in the month before the employee is due to return to work. It has been decided to facilitate the relationship with the employee during the period of maternity leave by providing her with online access to internal communication. More generally, management has made a commitment to the structure of working of hours, to promote respect for personal life, for example with meetings to be set for times during working hours, flexible working time to match school time, etc. An innovative step has also been taken to extend the partial parental leave period to a maximum of 80% of working hours until the child is six years old.

- Remuneration: in order to ensure an objective comparison between men and women, management have implemented a classification structure of 5 levels of responsibility. The aim is to allow for the comparison of situations and to close the gap between average salaries according to gender and level within the range of + or – 5%.

At the end of the first two years of implementation (2012 and 2013), performance indicators were presented to the elected representatives of the various companies, showing that the commitments undertaken as part of this action plan, notably in relation to remuneration, have been complied with as they already were previously. As a result, the difference in average salaries by gender and by level of responsibility is between + and –5% variance from target.

In addition, as part of its action plans for the cross-generation contract in October 2013, the M6 Group further underlined its commitment to gender equality at work.

Finally, on 17 October 2013, the French Minister for Women's Rights unveiled a new list ranking companies in the Paris SBF 120 index according to the number of women represented at board level. The M6 Group was highly placed in the 2013 "Women in the Boardroom" ranking (30th out of 120 companies in the SBF120).

7.2.6. Social dialogue

The M6 Group complies with the Labour Code with regard to social dialogue, the exercise and protection of trade union rights and employee representation.

The M6 Group also complies with the requirements of the International Labour Organisation's fundamental conventions on the freedom of association and the right to collective bargaining.

At 31 December 2013, M6 Group had 24 employee representation committees and 108 elected representatives (all representative bodies combined and taking into account those who hold multiple offices):

- 4 committees of employee representatives, with 27 elected members,
- 2 works councils, with 22 elected members,
- 9 single employee delegations, with 57 elected members,
- 9 health, safety and working condition committees, with 26 elected members.

These various employee representative institutions promote regular and active social dialogue. In 2013, on average 17 ordinary and extraordinary meetings took place every month with employee representatives (across the various committees).
Within the ESU (Métropole Télévision, Métropole Production, M6 Bordeaux, M6 Toulouse, M6 Films), works council committee meetings (housing committee, catering, gender equality, training, etc.) were held regularly in order to have a close understanding of employee concerns.

The key points raised during works committee meetings or by single employee delegations during 2013 were as follows:

- Monthly topics: operation of Group companies
- Quarterly topics: workforce monitoring
- Ad-hoc or annual topics:
    - annual financial statements 2012,
    - comparison of the general employment and training conditions of women and men within the ESU in 2012,
    - action plan for gender equality at work,
    - 2012 review of the body in charge of the "1% logement" scheme (employer-sponsored housing assistance fund),
    - three-yearly review of the action plan for the employment of people aged over 50,
    - review of the works council's welfare activities in 2012,
    - review of the 2012 training plan,
    - 2012 annual appraisals,
    - opening of a secure online vault for employees,
    - draft Group savings plan for 2013,
    - statutory annual salary negotiations,
    - draft action plan for the cross-generation contract,
    - preliminary annual review of the private health scheme,
    - preliminary review of the 2013 training plan,
    - provisional training plan for 2014,
    - proposal to implement an employee time and attendance system,
    - proposal for flexible working time arrangements with the introduction of personalised working hours,
    - draft agreement for a profit-sharing supplement in lieu of payment of the profit-sharing bonus,
    - proposal to change the company's rules and regulations,
    - draft agreement with regard to working patterns in the master control room,
    - draft plans to refurbish offices and the medical room,
    - presentation of the M6 Foundation's activities,
    - day of solidarity,
    - FCPE savings plans following the FCPE supervisory board,
    - employee opinion survey,
    - new season programmes,
    - proposed organisational changes at M6 Toulouse,
    - Works Council Christmas tree.

The main topics on which the health and safety committees were consulted or on which they gave advice were as follows:

- analysis of work-related accidents in 2013,
- draft agreement with regard to working patterns in the master control room,

- review of the general health, safety and working conditions in 2012,
- draft plans to refurbish offices and the medical room,
- proposal to implement a DAM (Digital Asset Management) system,
- proposal to refurbish staff restaurants,
- occupational health activity report for 2012,
- visit to the Bordeaux office and the premises at Neuilly,
- employee opinion survey,
- planning for the national editorial service,
- ban on electronic cigarettes on company premises.

In 2013, a new company-wide agreement was concluded at Métropole Télévision with regard to the division of working hours and flexible working time arrangements for master control room technicians.
Under this agreement, technicians' working time is organised into multi-week shift patterns extending over 14 weeks.

With the exception of Ventadis and FCGB, employee representative bodies across the Group, or the employees themselves where no representative body exists, approved a Group savings plan and endorsed an agreement for a profit-sharing supplement in lieu of payment of the profit-sharing bonus.

At FCGB, company agreements were concluded in relation to the cross-generation contract and the payment of the profit-sharing bonus.

Across the Group, no company agreements were signed relating to health and safety at work.

7.2.7. Health and safety at work

Employee safety and working conditions are the main priority for the 26 elected individuals of the Group's 9 health, safety and working condition committees.

Health and safety conditions are monitored on a regular basis, in particular through regular meetings (31 meetings in 2013).

In 2013, this body played its part in the relocation of almost 612 people, including 138 into the new building located in Lyon.

Within the ESU, the committee in charge of quality of working life and the prevention of psychosocial risks met in 2013. As part of its preventative efforts, twice a year the committee identified warning indicators to be examined and the relevant procedure to be followed.
As part of the policy relating to prevention of psychosocial risks, the Group also introduced specific training to raise awareness among various company stakeholders: staff representatives, managers, human resources managers to ensure they all speak the same language, to identify risks and to respond accordingly. In 2013, 42 managers attended a half-day training session to raise awareness of psychosocial risks.
In addition, as part of their annual appraisal, each employee is encouraged to consider their work-life balance. These indicators are then considered along with the employee's manager and human resources management in order to implement, where necessary, an action plan to ensure this balance.

Safety, hygiene and health training

In 2013, 230 people underwent safety standards training (evacuation, use of fire-fighting equipment, etc.), including the training of 73 first aid workers.

Occupational health

The daily presence of the qualified nurse in the medical room, in conjunction with internal communication, enabled the renewal of the two annual blood donation campaigns, which represented 132 blood donations in 2013.
The nurse can offer preventative advice to employees on various subjects via the intranet such as the

how best to position yourself if your role involves mainly sedentary work, a reminder of which vaccinations to get before going abroad and sleeping disorders.
She also provides full information on safety on the premises to new employees on the Neuilly sites.

A new agreement was reached with the inter-company medical centre giving employees greater access to the occupational health doctor by providing 3 on-site sessions a week compared to 2 sessions previously. This new arrangement was implemented at the beginning of October 2013 with the arrival of a new occupational health doctor.

Work related accidents and illnesses:
The number of work or travel related accidents to permanent and contract employees that led to a cessation of work was 14 in 2013, compared to 11 in 2012, with a frequency rate (number of accidents in the year resulting in a work absence of more than one day, per million hours worked) of 3.414, compared to 2.696 in 2012, and a severity rate (number of days absence for which sickness benefits were paid per 1,000 hours worked) of 0.063, compared to 0.003 in 2012.

In 2013, no cases of occupational illness were recorded by the CPAM (social security health insurance office) in the M6 Group.

7.2.8. Professional ethics

As well as complying with its legal and contractual obligations, the M6 Group has set out a code of ethical and professional standards that all employees must observe to guide their personal behaviour and professional decisions. These standards apply to all employees regardless of status or position, including those at the highest level. Individuals must be guided by principles of professionalism and fairness at all times, not only towards the M6 Group, but also in their dealings with members of the public, customers and suppliers. They must abide by the laws and regulations in force and adhere to the standards of professional ethics set out by the Group.

Each new recruit is provided with a copy of the M6 Group's professional ethics code, which also sets out the behaviour expected of employees with regard to personal conflicts of interest, sensitive data, gifts and invitations, and the periods during which employees must refrain from dealing in the company's shares. A copy of this code is available on the Group's intranet.

7.2.8.1. General standards of behaviour

Compliance with the law
The M6 Group conducts its business in full compliance with the laws and regulations of the legal framework within which it operates. Group employees are required to adhere strictly to all laws and regulations relating to commercial companies in general, and the audiovisual and film sectors in particular. Under no circumstances should they disregard these statutes nor should they interpret them in a way that will damage companies in the Group.

Conflicts of interest
When, during the normal course of their work, employees are confronted with a situation in which a decision deemed to be in the best interests of the company conflicts with their personal interest, they are encouraged to inform their line manager or a company manager in order to resolve the conflict of interest as soon as possible.

Fraud prevention
The M6 Group ensures that all the company's tangible and intangible assets are used and treated responsibly, including its products, business equipment, information systems and intellectual property. To this end, all employees are made aware of the fact that the company's assets must be used exclusively for the business purposes for which they are intended and not put to improper personal use or used for illegal or other illicit purposes.

The Group has implemented appropriate control measures (described in Paragraph 4.6.2 of this document) to prevent any form of fraudulent activity.

Freedom of expression and social networks

A policy on the use of social networks is issued to the Group's employees as a reminder of certain principles. In exercising their right to free expression, inside or outside the company, employees are required to avoid expressing publicly any opinion that may be taken to represent the position of the M6 Group or its managers, to respect their obligation of professional discretion and loyalty towards the Group and to refrain from disclosing confidential information. These principles apply to all employees but especially individuals with a high public profile due to their job role, their level of responsibility, their degree of public exposure or their prominent position on social networks.

7.2.8.2. Relations with our commercial partners and third parties

Relations with our commercial partners

The M6 Group acts with integrity in its joint business activities and expects its commercial partners to comply with the law.

Relations with government bodies and regulatory authorities

Responsibility for the M6 Group's institutional relations rests with the Corporate Affairs department where a dedicated team is in constant dialogue with the various stakeholders and regulators. The Group maintains statutory links with all relevant regulatory bodies and government institutions.

Anti-corruption policy

Employees must refuse gifts of any kind if they are of a higher value than is deemed reasonable by the Group. As a general rule, the Group considers any gift or invitation to be unacceptable if it could be regarded as likely to influence the behaviour of the recipient towards the donor.

Competition

The Group complies with anti-trust legislation and competition regulations. Members of the Management Committee and Group employees who are particularly exposed to issues surrounding competition law are provided with a code of good conduct and, in addition, practical training was provided this year on the principles contained in the code.

7.2.8.3. Content and programming

Agreement signed with the CSA

The M6 Group is committed to ensuring its networks comply with the codes of conduct and professional ethics set out in agreements signed with the CSA.

Code of professional conduct for journalists

In France, the main journalists' trade unions have adopted the Code of Professional Conduct for journalists. In addition, the “Convention Collective Nationale de Travail des Journalistes” (CCNTJ), a national collective agreement for journalists which applies to all journalists holding a press card in France, also sets out a number of ethical principles. This agreement is therefore applicable to journalists working within the Group, mainly in the National Editorial Service and at C. Productions, the subsidiary responsible for producing news magazines such as "Capital" and "Zone Interdite".

Independence and responsibility towards the media

The Group maintains total editorial and journalistic independence in its news gathering and broadcasting. Editorial and journalistic independence is fundamental to its news reporting and broadcasting activities. The Group is conscious of its responsibility towards the general public as a leader of opinion and acts accordingly.

Consequently, the Group refrains from exercising external influence of any kind on journalistic investigations and refuses to let itself be influenced by outside political or economic forces.
Furthermore, the Group complies with all laws, regulations and business principles relating to the separation of editorial content from commercial advertising.

Protection of intellectual property

The M6 Group respects and protects intellectual property and protected content in all its forms. As a media company, the Group is fully aware of the particular importance of protecting intellectual property in its business activities.

7.2.8.4. Insider trading

The Group has adopted an ethical trading code of conduct intended to prevent insider misconduct. This code complies with recommendation No. 2010-07 of the AMF (French markets regulator), dated 3 November 2010, and applies to anyone who has access, or may potentially have access, to insider information. It prescribes the rules applicable to all Group employees and is available on the intranet.

7.2.9. Work environment

7.2.9.1. Benefits and services of the Works Council

The Group budget for social activities (excluding FCGB) is:
- for the ESU, 0.95% of total payroll of the previous year, being €456,387.08 (compared to €476,273 in 2012);
- for the subsidiaries, 0.76% of total payroll, being €302,905 (compared to €325,274 in 2012);
- for Ventadis, 0.80% of total payroll, being €137,107 (compared to €109,670 in 2012).

The Group's Works Councils offer a number of benefits to employees: gift-vouchers for births, contribution towards costs incurred by employees in sporting or cultural activities, organisation of holidays, sporting or tourist weekends in France or abroad, etc.

7.2.9.2. Internal communication

Associate employees with the Group's major projects and advertise work opportunities

Advertising the Group's work opportunities in order to develop synergies among the various operations, the feeling of belonging to the M6 Group and internal mobility is one of the common objectives of internal media dedicated to employees:
- an intranet portal is updated daily,
- a monthly newsletter, which presents news on all Group entities.

Reinforcing company values

At its last convention held in April 2013, the Group assembled its permanent employees at the Maison de la Mutualité in Paris (with the exception of Ventadis and FCGB personnel).
The Group used this opportunity to reinforce the company's values and illustrate them through its different activities: Enterprise, Innovation, Adaptability, Teamwork.

Ask for each employee's opinion and promote each individual's work

In July 2013, with the aim of promoting interaction and optimising performance, an employee Opinion Survey was conducted for the second time within the Group by the Great Place to Work Institute. 74% of employees gave their opinion on themes as varied as job satisfaction, management, strategy, information, working conditions, etc., and therefore expressed their expectations and their ideas for the Group to remain a pleasant company to work for.

The overall satisfaction rating saw a significant increase of 6 points reaching 63% (57% in 2011).

The main strengths highlighted by employees were:

- Pride in their work, a strong sense of belonging, making employees great ambassadors for the Group.
  81% of Group employees feel their work contributes to the company's success.

- Self-reliance, being able to use their initiative, underlining the commitment of employees and making them feel valued.
  82% of employees feel encouraged by their line manager to put forward new ideas and make suggestions.

- Employee commitment.
  83% of employees said they enjoy their work.

- Team spirit.
  83% of employees feel they could rely on the support of their colleagues, if needed.

- Support from line managers
  75% of employees said that their line manager helps them when they encounter problems in their work.

- Clear understanding of objectives in relation to Group strategy
  77% of employees indicated that their personal responsibilities and objectives are clearly defined.

Finally, on 20 March 2014 the M6 Group received the Randstad Award 2014 as the most attractive media-sector employer in the eyes of the general public.

7.3. Corporate responsibility

The responsibilities and commitments of M6 Métropole Télévision come from the general principles set out in the Law of 30 September 1986 as amended. Additional provisions were added to the agreement concluded with the Conseil Supérieur de l'Audiovisuel (CSA) following the decision n° 2001-107 of 27 February 2001 which ruled in favour of the renewal of the authorisation held by Métropole Télévision without launching a call for candidates.

7.3.1. A framework that guarantees a high level of commitment to French society

7.3.1.1. Excerpts of the agreement between the Conseil Supérieur de l'Audiovisuel and M6 Métropole Télévision in terms of general and professional ethics obligations

These obligations, mentioned in the Agreement concluded with the CSA, notably include general and professional ethics obligations that guarantee a major commitment to French society, in relation to the following (please find below excerpts of the M6 Channel's agreement with the CSA, available in full at www.csa.fr):

- The Company is responsible for the content of the programmes that it broadcasts. Pursuant to the constitutional freedom of speech and communication, as well as the company's editorial freedom, the latter watches over compliance with the principles enacted in the following articles.
- The Company ensures that the programmes it broadcasts are selected, designed and produced under conditions that guarantee its editorial independence, particularly in relation to the business interests of its shareholders (…)
- The Company commits to refrain from establishing any business or financial relationship between companies of the Métropole Télévision Group and that of the principal shareholder or controlling shareholders that would diverge from usual business conditions noted in the market (…).
-

In relation to the plurality of expression of schools of thought and opinion
- The Company guarantees the plurality of expression of schools of thought and opinion.

In relation to public life
- Pursuant to the right to information, the Company ensures compliance with the presumption of innocence, respect for privacy and the anonymity of juvenile delinquents.
- Programme content must not encourage delinquent or uncivil behaviour, it must respect the general public's various political, cultural and religious sensitivities, it must not encourage discriminatory behaviours based on race, gender, religion or nationality, it must promote the French Republic's values of integration and solidarity and take into consideration, in on-air representation, the diversity of origin and the cultures of the French community.
- Every year, the channel informs the CSA of its commitments to encourage the representation of the diversity of French society in its programmes for the coming year.

In relation to individual rights
- The Company must guarantee personal dignity and individual rights relating to privacy, image, honour and reputation, and ensure restraint is shown in the broadcast of images or testimonials liable to humiliate people, avoid complacency in reporting human suffering, and ensure that individuals' testimonies on facts regarding their private life are only collected with their informed consent.

In relation to child and teenager protection
- The family-friendly nature of the Company's programming should be reflected at times where a younger audience is most likely to be watching TV, i.e. between 6am and 10pm. Within these time slots, and all the more so in the portion devoted to youth programmes, violence, even psychological, should not be perceived as continuous, omnipresent or presented as the sole solution to conflicts. The Company complies with the classification of programmes in accordance with five degrees of appreciation of their acceptability in light of child and teenage protection and applies the signalling code accordingly.

In relation to the honesty of information and programmes
- The honesty requirement applies to all programmes. The Company verifies the validity and sources of information. Its origin must be specified as often as possible. Uncertain information must be qualified. It should be impossible to identify people and places, except where the individuals involved have given their consent before the programme is broadcast.
- When the Company presents on air, outside advertising slots, audiovisual communication service editing or distribution activities developed by a legal entity with which it has a significant capital relationship, it should strive to give a strictly informative character to the presentation, in particular by moderating the tone and restraining the significance attached to the topic. It should point out the nature of this relationship to the audience on this occasion.

In relation to defending and illustrating the French language
- The Company ensures the correct use of the French language in its programmes, as well as in adaptation, dubbing and subtitling of foreign programmes. The Company must strive to use French in the titles of its programmes. A French language consultant must be appointed by the channel.

Other Group channels must also abide by a number of regulatory and conventional obligations, both of a quantitative and qualitative nature.

7.3.1.2. Compliance of advertisements

The Group's advertising agency, M6 Publicité, has entrusted ARPP (Autorité de régulation professionnelle de la publicité), by way of an interprofessional agreement, with a consulting role in guaranteeing the compliance of advertisements with general audiovisual advertising and communication rules. The current procedure, at the expense of agencies and/or advertisers, provides for prior disclosure to the ARPP before the first broadcast. This disclosure is given an order number that must imperatively be communicated to M6 Publicité before the broadcast.

As mentioned in its General Terms and Conditions of Sales, M6 Publicité reserves the right to refuse to broadcast or interrupt the broadcast of any advertisement, if it considers that it fails to comply with the laws, regulations and practices governing audiovisual advertising and communication, or if it is contrary to the channels interests or those of its subsidiaries, or if the CSA subsequently deems that an advertisement is non-compliant and forbids any further broadcast and/or demands that the film is withdrawn from air. The editorial quality and legal control aspects are managed by the agency's advertisement broadcast department.

7.3.1.3. Sound level compliance of TV programmes

The M6 Group pays particular attention to the comfort of viewers and complies with the provisions of Decree No. 92-280 of 27 March 1992, which notably made it compulsory for TV channels to make the sound level of programmes consistent with that of advertising breaks. The M6 Group participated in the consultation, on which the CSA based its ruling No. 2011-29 of 19 July 2011 that enabled editors to comply with these provisions by defining technical parameters relating to the sound intensity of advertising breaks.

7.3.1.4. Information programmes accessible to all

To M6, accessibility means above all the participation and citizenship of people with disabilities, in accordance with the Law of 11 February 2005 on equal rights and opportunities, taking account of disabilities first and foremost by subtitling its programmes for the benefit of the deaf and hard-of-hearing.

Since 2010, M6 makes all of its programmes accessible to people with hearing difficulties (excluding commercial breaks, self-promotion, trailers, songs interpreted live and instrumental music, teleshopping and live broadcasts of sporting events between 12pm and 6am).
Since 2011, W9 is also obliged to subtitle all its programmes.

In addition, since 2009, the new broadcasting control room enables all Group channels to broadcast specific subtitles and thus provide access to the greatest number of broadcasts by Paris Première, Téva and the 3 music channels.

Lastly, M6 and W9 signed addendums to their agreements in 2011 to provide for accessibility of certain of their programmes to blind or visually impaired people (audio description). 6ter, launched on 12 December 2012 on DTT, is also striving to make its programmes available to the largest number of viewers possible.
In November 2013, M6 Group actually strengthened its commitment in relation to the accessibility of programmes to blind or visually impaired people for the years to come.

7.3.1.5. Fit-for-purpose governance structures

M6 corporate governance principles comply with standards and laws applicable in France. Since 2000, Métropole Télévision has been a limited liability company with an Executive Board and a Supervisory Board, which offers a clear separation between Group operational management and the supervision of that management.

In addition, the cap on the number of voting rights and the organisation of corporate governance is repeated in the bylaws, in accordance with French legislation and the CSA, which states that:

- Within the framework of the provisions of Article 39 of the Law of 30 September 1986, no private individual or entity, or group thereof acting in concert, may directly or indirectly hold more than 49% of the share capital or voting rights of company holding a broadcasting licence for a national terrestrial free-to-air television service;
- As part of the divestment of Suez agreed with the regulator, in a ruling dated 20 November 2003, Article 2 of M6's agreement with the CSA was amended to state that no shareholder or group of shareholders acting in concert may hold more than 34% of the all shares in the company and/or voting rights attached to them, and that at least a third of Supervisory Board members must be independent.

Lastly, within the M6 Group, there is an internal control mechanism with the objective of providing:
- compliance with the instructions and objectives set by the General Management or the Executive Board.
- the implementation of the Company's internal procedures, especially those contributing to the protection of its assets,
- the reliability of financial information,
and more generally, which contributes to control of operations and the efficient use of resources.

By preventing and controlling the risk of not achieving the objectives set buy the Company, internal control plays a key role in managing and steering the various operations.
This mechanism is detailed in the Report of the Chairman of the Supervisory Board on corporate governance, and internal control and risk management procedures, in section 2.6 of this document.

7.3.2. Programmes - the Group's main responsibility

7.3.2.1. Representing French diversity

One of the main objectives of the M6 channel is to represent diversity in French society as accurately as possible in its programmes.

The four themes upheld by the Conseil Supérieur de l'Audiovisuel on its diversity scale are as follows:
- socio-professional categories,
- visible minorities,
- disabilities,
- gender equality.

In the majority of items tackling these topics, the channel attempted to provide solutions to improve the daily life of those persons represented and promote all public and private initiatives created with this same objective. Its commitment to representing the diversity of French society is henceforth included in its agreement, but on top of its contractual obligation, M6 channel has been aware of its responsibility to education and respecting diversity for a long time.

As a broadcaster, it must consider what it broadcasts about the image of multi-cultural France through promotion of integration values and solidarity but also through the presence of minorities. This mindframe also applies to W9 and 6ter. The CSA sees that commitments made by the channels each year are honoured, basing themselves on the results of diversity scales, of which the first results for M6 and W9 were satisfactory.

a) Integration and diversity

All socio-professional categories are represented by M6 Group in its programming, both in the choice of subject matter (*Enquête exclusive* on 14 April 2013 about French people living below the poverty line, *C'est ma vie*, etc.) and in the choice of participants in programmes (*L'amour est dans le pré*, *Un diner presque parfait*, *Pékin Express*). M6 Group also places great importance on activities related to employability: it notably supported the *Graines de Boss* competition which helps young entrepreneurs (broadcast during *Capital* on 22 September 2013 with channel directors on the jury).

The promotion of visible minorities is also a real priority for M6 Group. Represented in all aspects, diversity can also be seen in the teams of presenters on the channel (Kareen Guiock, Karine Lemarchand, Karima Charni, Anicet Mbida, Laurence Roustandjee, Cali Morales), as well as amongst the actors, the artists (*Marrakech du rire*) or simply in the selection of topics reported on (*They voted Front national*, a report broadcast during *66 minutes* on 9 June 2013) and dramas (*En Famille*, *Scènes de ménages*). In addition, M6 Group broadcast free of charge a promotional piece on diversity on 13 and 14 July 2013.

Finally, gender equality is more than ever central to the campaigns and commitments of the M6 and W9 channels, both in the structure of the Group (see Section 7.2.5 of this document on the Group's commitments to gender equality) and programming. Thus, by way of illustration:

- Current affairs and news bulletins are pursuing their aim of significantly increasing the airtime of female experts;
- All the juries are mixed in talent shows (*Incroyable talents, Top Chef, Le meilleur pâtissier de France*);
- M6 Group responded positively to the request from the Ministry for Women's Rights by broadcasting at no cost an advertisement aiming to combat violence against women on M6, 6ter and Téva;
- M6 dedicated a documentary broadcast on 10 July 2013 to the female workers at the company Lejaby;
- W9 broadcast matches from the UEFA women's Euro finals in July 2013;
- M6 Group pays particular attention to the depiction of women in music videos broadcast across all its channels.

b) A strong commitment to disabled people

Here again, M6 Group's mission is not just to tackle the daily life of disabled people in its reports, but also to allow them to participate in the programmes and games, just like the other contestants (*Un diner presque parfait, La France a un incroyable talent*, etc.).

In addition, M6 highlights the work and the actions of organisations for the disabled in most of the topics dedicated to this theme. In 2013 and for the seventh consecutive year, M6 Group mobilised its employees for the disability employment week which took place between 18 and 24 November 2013. This year, the Group has introduced a new internal arrangement to welcome job seekers and students with disabilities: 14 disabled people were received within the Group during the "One Day, One Job in Action" programme.

a) In parallel, W9 used its airtime throughout the disability awareness week to broadcast pieces made by disabled journalists in which a disabled champion introduced their sport to an M6 Group presenter.
b) In addition, M6 Group increased its partnerships with disabled-friendly businesses. Thus in 2013, more than 450 TV dinners, 300 breakfasts, a wide variety of goodies, printing services, tape recycling, etc. were provided by disabled workers.
c) Lastly, this year once again M6 Group devoted numerous reports to the daily lives of disabled people in magazine programmes (Zone Interdite, C'est ma vie), dramas (Difference Rock, Touch), and in the children's programme Kid & toi with one report per week available in sign language.

M6 Group renewed its partnerships with organisations that work to help integrate people with disabilities (Tremplin & Jaris Tv).

7.3.2.2. Child and youth protection

This cause is the anchor of M6 Group's corporate commitment, which each year is involved in a number of initiatives in this area to support sick children, provide remedial courses and prevent hazards.

a) Television, a powerful media

The M6 network is a powerful contributor to the Amber Alert system, implemented in 2005 by all main radio stations and television channels that are signatory to a memorandum of understanding in relation to the Amber Alert mechanism, which had been successful in the United States for a number of years. This requires the mobilisation of maximum media power during the first 24 hours after a child has been kidnapped, and to broadcast over as wide an area as possible information that could lead to the child's rescue. This commitment by the Group consists in communicating essential information to as many people as possible, such as a description of the child or the abductor, as well as the circumstances of the kidnap, using tickers passing at the bottom of TV screens, interrupting programmes, or repeatedly showing photographs to help identification.

b) Protecting our young audience

Signalling system

Concerning programming, the protection of children has been promoted since 1989, when M6 took the initiative to create a signalling system stating the target audience of films. It was finally imposed on other channels by the Conseil Supérieur de l'Audiovisuel in 1996. However, the commitment of M6 in this area has not weakened and the Group also ensures that programmes do not contain violence, vulgarity, or anything likely to shock the sensitivity of young viewers. To this end, the Group follows with vigilance the preparation of co-produced series, from concept to delivery of the final episode. Dubbing of foreign films is also done with the greatest care. Thus, all the youth programmes, films, series, made-for-TV films, or musical clips are viewed and validated by a viewing Committee that gives its recommendations to the signalling Committee, the final arbitrator of the allocation of the 4 categories (everyone, less than 10 years old, less than 12 years old and less than 16 years old).
Once again this year, the M6 network supported and broadcast the signalling campaign proposed by the CSA between 20 November and 10 December 2013, and the specific campaign for the protection of children under three years old from 17 to 19 November 2013.

In addition, pursuant to the terms of the CSA deliberation dated 17 April 2007, M6 has drafted a charter governing the participation of minors in its TV shows, with a view to protecting them and establishing specific reception conditions.

Food charter and fight against juvenile obesity

Under the auspices of the Health Minister and the Minister for Culture and Communication, on 18 February 2009 TV channels, producers and advertisers signed a charter devoted to fighting juvenile obesity in France. This charter, intended for the next 5 years and controlled by the CSA, grants preferential prices to the "Institut national de prevention et d'éducation pour la santé" to broadcast its health prevention messages aimed at encouraging a balanced diet and physical activity. It includes editorial commitments by channels to promote and educate young audiences, in particular by promoting balanced food behaviours.

In 2013, M6 Group renewed its commitment to promote a healthy and balanced diet and physical activity in programmes and advertising, by signing on 23 May 2013 a renewal of the food charter for a period of five years.

M6 Group supported and broadcast the 2013 European obesity awareness days through the following measures: coproduction of the endorsement piece with the other broadcasters, broadcast of the piece on the channels M6 and 6ter in May 2013, and broadcast of a topic in the news bulletin on M6.

Control

The M6 Group is responsible for the information broadcast on its websites. Concerning its community sites, a service provider is responsible for moderation and, once the messages have become public, verifies those which are insulting, defamatory, racist or that represent an incitement to violence or hatred and, where appropriate, removes them from the websites.

Over the last six years, the M6 Group has also been a partner of Action innocence, a charity that militates for the prevention of risks posed on children by the internet. This support involves the broadcasting free of charge of their campaign on TV, online and on mobile phones.
Lastly, M6 mobile proposes flat rate options with unlimited calls at night and weekends with its package targeting 15/25 year olds. Since November 2007, members of AFOM (French Association of Mobile Phone Operators), of which M6 mobile is a member, due to its M6 Mobile by Orange offer, signed an agreement according to which they commit to automatically propose parental control from the time the phone line is open.

7.3.2.3. Public awareness of great causes

M6 is highly committed to promoting a more socially responsible television service and broadcasts messages and short films with a social content free of charge.

M6 intends to assist and to encourage charitable actions and to increase the general public's awareness of them. In 2013, many campaigns from humanitarian, non-governmental and charitable organisations thus broadcast free of charge on M6 and on the Group's digital channels, representing international solidarity causes (Action Contre la Faim, Croix Rouge Française (French Red Cross), Foundation de France, Banques Alimentaires, Secours Catholique, etc.), health issues (the fight against AIDS, the fight against cancer, research on rare diseases, Fondation pour la recherche sur le cerveau, Médecins du Monde, the fight against cystic fribrosis, etc.) and educational/cultural issues (Unicef, Fondation pour l'enfance, etc.), as well as Reporters Sans Frontières.

Since 2006, M6 has been the official TV sponsor of the Handicap International NGO, airing the organisation's communication on its TV channels and websites.
This support relates to the organisation's two major annual events, the Fir-Tree Bag and the Kit Plio (back-to-school book-covers), which allow people, through ethical and responsible consumption, to participate in the funding of the NGO's missions.

The broadcasts of the Group channels are an opportunity to raise public awareness of certain difficult situations and to bring the support of teams to improve the daily lives of those concerned. Amongst these programmes were two editions of the magazine *Capital* devoted to food waste (Red Cross, Secours Populaire and Pain contre la Faim) and to subsidised food shops (ANDES organisation). *Enquête exclusive* on 15 April 2013 was devoted to the Emmaüs organisation, the Aicha des Gazelles rally with the organisation Cœur de Gazelles, and *Top Chef*'s partnership with the Red Cross.

7.3.2.4. Prevent, act and increase awareness of public health challenges

For many years, a Group mechanism, set up both on Group channels and on the Internet, has been put in place to support the Sidaction campaign against AIDS, which ran from 5 to 7 April 2013. The Group's channels, supported by presenters, has made the Sidaction the keynote of a number of programmes, featuring prevention information, special shows, awareness building programmes, broadcasting of fundraising advertisements and production of pieces by W9.

M6 strives to warn viewers of risks associated with alcohol and drugs in its many magazines and reports.

Lastly, M6 supports numerous other causes including the Alzheimers Foundation, the League Against Cancer, and the organisation Initiative Cœurs, supported by Tanguy de La Motte and François Damiens.

7.3.2.5. Encourage a better understanding of the world

The M6 Group seeks to deliver the most complete and most diverse information possible and, as stated in Article 33 of its agreement, "expand its programming of magazines, documentaries and information to provide a deeper knowledge and understanding of the contemporary world, by dealing with diverse subjects such as employment, integration, the economy, science, ecology and the consumer society."

Capital, Zone Interdite, 66 Minutes, E=M6, Enquête exclusive, le 12.45 and *le 19.45* are programmes that illustrate, via the subjects dealt with, the M6 channel's commitment to inform and increase awareness of the current social issues and its expertise in deciphering major challenges.

7.3.2.6. Supporting creation and new talents

As part of its production and broadcasting obligations, M6 is committed to develop artistic creation and to value its diversity by focusing on young talent in cinema, audiovisual works and music.

The Group thus shares its cinematic investment carried out by its subsidiary M6 Films between established producers and young talent. Over the past 10 years, of the 106 films that were pre-purchased, 52% were either first or second films. In 2013 for example, M6 Films focused on the director Audrey Dana for her promising debut film called *Homosapiennes* and on *Coming In*, the first project by Noémie Saglio and Maxime Govare. M6 Films also supports young actors, such as Baptiste Lecaplain, Félix Moati and Charlotte Le Bon in Benjamin Guedj's *Libre et assoupi* or Kev Adams in *Fiston*.

On air, the Group is strongly attached to revealing new talent, including young actors in its audiovisual coproductions (*Soda, Scènes de ménages*), presenters and hosts (Kareen Guiock, Alex Goude, Sandrine Corman, etc.) and programme participants (Norbert Tarayre, Ruben Sarfati, etc.). This is the Group's trademark, which is accompanied by loyalty to the talent revealed, as shown by the Group's support for their shows, disc productions, recipe books, new films, etc.

7.3.3. M6 Group, playing an active part in society

7.3.3.1. The M6 corporate foundation

In 2010, the M6 Group created its own corporate foundation, having decided to get involved in the sensitive issue of prison life.

The Group exercised its responsibility for a social cause that is consistent with its operations and unites its employees around a project financed by all Group companies. This foundation was granted a budget of €2.5 million over 5 years and is intended to improve the living conditions of prisoners and to help in their reintegration, in particular by supporting the audiovisual activities offered to them.

a) **Helping and improving the quality of life of inmates: a social necessity**

The Group is the first company to decide to dedicate its foundation to issues concerning the prison environment. Even though life in prison and professional reintegration attract little media attention, M6 Group's project echoes a strong demand from public authorities, charities and the inmates themselves, and the Foundation developed in partnership with these stakeholders. M6 Group elected to serve this original yet natural project due to the fact that:

- Television, only authorised in prison since 1985, is, for most inmates, their only window to the outside world. The channel and the M6 Group by extension are legitimate stakeholders due to their role as content editors and use their expertise in an often forsaken environment, ·
- Prison is a true social issue that deserves dedicated human and financial resources so that beyond its punishing dimension, inmates are allowed to think things through and rebuild their lives to integrate into society once again, ·
- It is a difficult issue that can only be carried by a Foundation instigated by a channel which intends to stand out from the rest and distinguish itself by its ambition and audacity.

b) **Activities implemented by the Foundation**

The foundation's activities aim to enable inmates to become stakeholders in their rehabilitation. Throughout its 4 years of prison-based intervention, the M6 Foundation has been able to highlight the different needs of inmates and to develop appropriate projects. It has chosen to concentrate on three main themes: help with reintegration, improvement in the quality of life of prisoners and the support of specialised organisations.

The Foundation has, in fact, undertaken several projects aimed at promoting the **future reintegration of inmates.**

- **It has led several programmes aimed at combatting illiteracy,** which affects just over 20% of the prison population. Access to education in detention is a right of all prisoners. The teachers' priority is the acquisition of basic knowledge and preparation for the Certificat de Formation Générale (certificate of general education – first official qualification of France's national education system). Lessons are offered free of charge and are unpaid. Although their motivation is a factor in their success, certain prisoners must on occasion choose to leave the school in order to improve their living conditions by taking up an employed position. Further studies and sometimes basic skills training are not therefore possible for the most disadvantaged. For this reason, a scholarship system based on merit (particularly attendance) worth € 40 per month has been introduced for the poorest prisoners, to enable them to begin or continue a training course that leads to a qualification. The purpose of this scholarship is: (i) to give "more" to those who have "less"; (ii) to "build loyalty" amongst the most financially and intellectually disadvantaged people over a minimum period of 3 months; and (iii) to monitor the attendance, level of commitment, involvement and progress of the prisoners selected. The M6 Foundation enabled more than 150 prisoners to benefit from this scholarship during 2013.

- **It has contributed to the training of prisoners in audiovisual skills.** Since the creation of the Foundation, approximately ten prison audiovisual workshops have been supported. These workshops allow prisoners to be trained autonomously in the production (capturing, shooting, editing, etc.) of programmes which will serve their institution's internal video channel.

- **It entrusts the subtitling of M6 Group's programmes for the deaf and hard of hearing to eight inmates** at the Bourg-en-Bresse prison. This paid work for which the prisoners have undergone training, is provided by professionals with recognised expertise and experience within this field. The prisoners thus benefit from a solid programme of professional skills whilst in detention with a view to their return to civilian life.

- **It contributes to training prisoners in culinary/bakery skills.**

As the food industry is a sector under pressure and is structurally a creator of jobs, in May 2012 the Panorama organisation and Thierry Marx created a catering skills training centre in Paris's 20th arrondissement, *Cuisine Mode d'Emploi(s)*. The M6 Foundation became a partner in this project to enable prisoners or individuals under legal restraint as part of a criminal mediation, to access skills training (validated by a certificate of professional qualification). This training, which is short-term and totally free of charge, supports the drive to reintegrate prisoners and provide them with social skills, whilst in a general sense attempting to prevent the reoffending of individuals already within the justice system.

M6 Group's Foundation also invests a part of its resources in **improving the quality of life of prisoners.** The Foundation has set itself the objective of lending its cultural assistance to the Ministry of Justice through:

- **film screenings**: 9 screenings took place in 2013, amongst which the film "Nous York". Géraldine Nakache, Manu Payet and the film's entire team thus came to host a debate with prisoners following the film's screening at the Versailles women's prison.

- **shows**:

(i) In the north and south of France, the M6 Foundation relies on non-profit organisations to present shows in up to ten prisons. Programming covers a broad repertoire: from rap concerts to jazz bands, via the reading of literary science fiction works, etc.

(ii) In the Ile de France region, a partnership was set up with the Paris Chamber Orchestra. Although classical music is not the most frequently listened to within the walls of a prison, at concerts the prisoners have been able to discuss this genre, which is new to them, with the musicians. Through this type of action, the musicians do not only perform, they talk, explain, comment on, and create a bond.
(iii) comics workshops with the artist Berthet One (a former prisoner who released an album following his release) which take place in prison. Meeting Berthet One enables prisoners to identify with someone "like them" and provides them with food for thought about their own post-release project.

- sports activities:

(i) With the French Boxing Federation, through the project "Box, judge and arbitrate". A training course leading to a qualification where each inmate must box, demonstrating that they have control of their behaviour and are channelling their aggression; must assess and decide in order to understand the complexity of a judgement (the French legal concept of inner conviction and of factual elements); and must enforce rules and guarantee the safety of fighters. These events make a change from the monotony of the prison world and forge links with the outside world through reintegration projects.

1. (ii) With the French Federation for Disabled Sport (mental or psychological disability): 30 to 40% of prisoners are affected by psychological disorders. One finding on the benefits of sport for the individuals concerned is that it is an essential element in their personal wellbeing and their integration, through the introduction of a training programme aimed at supervisor sports instructors and the opportunity for prisoners with a competitive sporting project to take part in national competitions.

(iii) With the Seine-Saint-Denis Departmental Olympic and Sporting Committee on a training course on football refereeing.

- the creation of induction films for non-French speaking and deaf or hard of hearing individuals aimed at reducing the shock of imprisonment and providing them with access to information regarding the prison's internal functioning.

The M6 Foundation also provides financial support to several charities:

a) The Relais Enfants Parents charity. The Foundation helped 1,350 children to visit their parents, 180 children to spend Christmas with their parents who are in prison and 150 inmates to make presents for their children. The purpose of these organisations, which are found across the whole of France and are independent of the prison authorities, is to help maintain the relationship between a child and their parent during imprisonment. They have tasked themselves with creating reflection and meeting spaces, where children and parents will be able to experience a relationship and emotional interaction.

b) Mouvement de Réinsertion Sociale (MRS), a charity that seeks to prevent reoffending through social and professional reintegration of people leaving prison. This follow-up is initiated in prison and continued on release through the offer of temporary housing until the individual is able to support him/herself. Since the lack of proper support for prisoners on their release was an aggravating factor in reoffending and multiple reoffending, MRS applied itself to building a team of volunteers from the private, public and social sectors in order to support prisoners on their release. The solutions that have been found mean that there is greater safety and sustainability in terms of independent housing and overall integration, in order to effectively combat reoffending.

c) The Yeux de l'Ouïe charity, which encourages the broadcast, production and promotion of sound and visual work to establish networks between venues and institutions that share the same goal in order to discuss various artistic practices.

d) L'Oustal, a charity that helps people released from prison find accommodation and work and facilitate their integration by helping them with administrative formalities (social security, tax, etc.). This is the equivalent of Mouvement de Réinsertion Sociale for South-Western France.

e) **Association Nationale des Visiteurs de Prisons,** with the introduction of training programmes and talking circles for prison visitors, enabling volunteers to share their experience in order to provide the most appropriate answers for prisoners.

f) **Ensemble contre la récidive**, an organisation that is working towards improving prison conditions and combatting reoffending. The M6 Foundation supports this organisation in its halfway house project.

g) **Arapej**, the programme created by the organisation is a free, anonymous and confidential telephone service for prisoners and their families to provide them with access to information (legal, social and administrative) to combat isolation and to maintain links with the aim of preparing for release from prison.
The purpose of this project is to combat the social isolation of prisoners, to empower them whilst they serve their sentence and to prepare for their release to give them a better chance of reintegrating into society. More than 10,000 calls to this number are handled each year.

c) A uniting project for employees

The M6 Foundation motivates Group employees and brings them together around a rewarding and uniting project, which testifies to our Company's growing awareness of its role in society as a corporate citizen.

About thirty Group employees thus contribute their expertise. They give time and share their expertise and experience in their respective fields to develop and put into place specific activities (IT, film discussions, culinary workshops, etc.) and support the 2 employees who work full time for the M6 Foundation.

Furthermore, for the third consecutive year, 40 M6 Group employees have agreed on a voluntary basis to take children to visit their parents who are in several prisons in the Paris region (Nanterre, Fresnes, Bois d'Arcy, etc.) for Christmas parties, and Mother's and Father's Days organised by the charity Relais Enfants Parents.

Finally, M6 Group employees as a whole joined forces to support the Relais Enfants Parents charity which organised a Christmas fundraising event for the children of prisoners.

7.3.3.2. Support for numerous other initiatives

M6 Group is a member of the organisation Neuilly Nouveaux Médias, a "1901 association" created in September 2010 by Jean-Christophe Fromantin, Mayor of Neuilly and Member of Parliament for Hauts de Seine, and consisting of the city of Neuilly-sur-Seine and the large companies located there. The organisation's aim is to promote the development of innovative new media start-ups (selected via competitive selection) by providing them for a minimum of 23 months with premises made available by large companies.
Thus in 2013 M6 Group welcomed the start-up Dymant to its Neuilly premises, and provided it with an office and 5 workstations.

In addition, the Group chose to donate receptionists' old uniforms to a clothing collection charity.

7.3.3.3. Steps to uphold intellectual property

At a time where increased digitalisation of media necessitates new measures to protect works, the M6 Group, a producer and broadcaster of content, seeks to develop an effective policy to combat piracy and to uphold intellectual property.

This policy is based in these two principal areas:

- reduction in the timeframe for broadcasting works, an issue that should be addressed with the forthcoming adoption of the Creation and Internet law and the signing of the interprofessional agreement;

- the development of catch-up television and Video on Demand, that gives viewers access to a varied programme offering.

7.3.3.4. Derive value from and work for the preservation of cultural heritage

The audiovisual rights subsidiaries of the Group contribute to the preservation of leading European films through the restoration of classic films.
This major restoration work was initiated in 2005 with the purchase of SNC's catalogue of over 400 classic films by the M6 Group. A total of 133 films had been fully restored by the end of 2013.
Thus Jean Cocteau's work, "La Belle & la Bête", restored in 2012, was rereleased in 2013 in leading theatres (ticket sales of almost 70,000 and ranked 33rd in France after 11 weeks at the box office).

7.3.4. Balanced and transparent relations with stakeholders

The role of the M6 Group with everyone it deals with such as shareholders, advertisers, viewers, customers or suppliers, is to maintain balanced and transparent relations with them.

7.3.4.1. Viewers

In order to strengthen dialogue with viewers and to reply to their queries without delay, the M6 Group has set up a fully dedicated service for each channel.

In 2013, the 3 websites "M6 et vous.fr", "W9 et vous.fr" and "6ter et vous", devoted to viewers, recorded almost 5 million hits.
This procedure is used by the Group to improve its programming service and each day a summary of the various comments is created and distributed to the teams, who are dedicated to reviewing these expectations and viewer feedback.

In addition, more than 17,000 viewer queries were processed by e-mail. The number of queries thus dropped by about 15% between 2012 and 2013, a decline that began in 2011, clearly demonstrating the change in viewer behaviour since the dedicated sites were created.

Today, the primary challenge for a media group is to encourage innovation in order to adapt to technological developments and changes in viewing habits and the use of its services. According to a Médiamétrie study (L'année TV 2013), "Every day, 6.3% of French people watch TV on one of these screens or via Catch-Up on all screens, compared with 4.8% one year earlier. The proportion was higher amongst 15 – 34 year olds, at 14%, some 3.3 points higher than in 2012".

These developments have led the Group to widen the distribution and availability of its content over the past few years, necessitating investment in both networks and digitalisation as well as ascertaining the existence and development of a viable business model for these new uses.

7.3.4.2. At the service of consumers

The M6 Group, with the development of its Ventadis business (Distance Selling) acquired real expertise in customer relationship management, from the original order to customer service, to deal with all calls and requests in the best timeframes and conditions. MisterGoodDeal was thus voted "best customer service of 2012" (Inférence Opérations - Viséo Conseil survey carried out between May and July 2011).

In 2013, Ventadis also achieved renewal of the AFAQ ISO 9001 Quality Certification, initially obtained in 2010, for its "Mistergooddeal and Home Shopping Service supply chain activities", including customer relations, logistics, the Chilly-Mazarin distribution centre, stores and collection points. The renewal of this certificate valid for 3 years, confirmed that with more than 400 customer service operators and 50,000 m^2 of dedicated warehousing, Ventadis does everything in its power to provide the best possible service when dealing with each of the 3 million parcels shipped annually.

7.3.4.3. Shareholders

The M6 Group places a strong emphasis on financial communication in order to deliver exact, precise and fair information to all shareholders, in accordance with applicable French standards and regulations. Seeking to be attentive to the financial community and its shareholders in this matter, the Group set up new information supports for individual and institutional shareholders, via a website dedicated to current finances in French and English: www.groupem6.fr/rubrique Finances
Shareholders may contact the Company using the dedicated e-mail address: actionnaires@m6.fr.

The information policy regarding shareholders and the financial community is detailed in section 3.2 of this document.

Shareholders are particularly invited each year to attend or be represented at the Group's General Meeting.

In addition M6 regularly responds to questionnaires from non-financial rating agencies and maintains direct relations with socially responsible investors (SRIs) who can therefore underpin their assessments on the basis of in-depth discussions held in full transparency.

In 2013, M6 shares were selected in the composition of the Gaïa index comprising the 70 securities posting the best 2012 performances out of 230 companies analysed. This index, established by Ethifinance with the backing of the SFAF and MiddleNext, is an index devoted to midcaps based on non-financial data.
This index measures the depth of involvement of the companies assessed in challenges related to sustainable development and corporate responsibility. The rating is calculated according to 117 criteria of which 27 in particular cover the environment, 24 corporate aspects, and 43 others governance.
Considered to be a benchmark database in the SRI (Socially Responsible Investments) universe the Gaïa index enables management and analysts to discover the most responsible companies and to integrate non-financial concerns into their analysis processes and investment decisions. The sample examined represents more than € 140 billion in revenue and more than one million jobs.

Similarly, M6 was one of the companies to be awarded the "Ethibel Excellence" accolade among companies with an above average rating in their sector in terms of corporate social responsibility (CSR).

7.3.4.4. Advertisers

Relations with presenters and advertising agencies are governed by the Law of 1 April 1993, the so-called "Loi Sapin", which guarantees a perfectly transparent advertising market.

7.3.4.5. Suppliers

Relations with suppliers, particularly programme producers are governed by multi-year contracts as regards US studios (films, series), that ensures smooth exchange of content. In addition, M6 Group plays a major role in creating French and European audiovisual and cinematic works, by dedicating a significant part of its advertising revenue to numerous co-productions and by reserving part of its investments for independent producers.

More generally, M6 Group is pursuing a policy that aims to develop sustainable and balanced relations with its suppliers and sub-contractors: for all of its purchases, M6 follows an approach that aims to take into account not only economic factors but also social, corporate and environmental factors too. This policy is adhered to by the purchasing divisions of the various entities and subsidiaries of the Group.

By way of illustration, the Group's Production and Legal Departments have introduced into pre-purchasing contracts for animated programmes a clause requiring the supplier to comply with International Labour Organisation conventions, in particular those relating to forced labour and to child labour. Should the contractor fail to comply with any of these provisions whatsoever, M6 will be entitled to request the automatic termination of the contract.

Similarly, as part of its major purchasing of services or products, SND, the Group subsidiary responsible for the distribution of audiovisual rights, is very mindful of the environmental and corporate commitments undertaken by its suppliers. The measures taken by each provider such as the recycling of waste, use of CAT (centres providing sheltered employment), equal pay for men and women, compliance with competition rules, etc. are also transmitted to SND and taken into account in the choice of suppliers during tendering.

In addition, at the end of 2013, 5,472 cinemas in France, equating to 99% of those with two or more screens, had digital equipment. France now has the largest number of digitised cinemas in Europe. SND helped this digital switchover by offering all its films in digital format, as well as helping to finance the digital equipment by contributions made to cinemas as part of the broadcast of SND films.

Lastly, on DTT, M6 Group's channels are aired thanks to a network of 1,626 broadcast sites, whose operation is guaranteed by various broadcasters, following invitation to tender. During procedures to award these sites, and given the high levels of electrical power required for the operation of the network, M6 Group encourages broadcasters to give priority to solutions offering the best energy efficiency.

This document refers to social indicators to which particular attention has been accorded and which are relevant to the Group. The following additional indicators are less or are not relevant to our activity:

- Other measures taken to promote human rights,
- Compliance with ILO conventions regarding forced or compulsory labour and the abolition of child labour.

7.4. Environmental responsibility

The Métropole Télévision Group does not carry out activities that structurally present a significant impact on the environment. However, on its own scale, M6 is attentive to its own consumption and seeks to take initiatives in this area, both in terms of recycling and making the public at large aware of the challenges of sustainable development.
To demonstrate its commitment, the M6 Group has adopted an approach in line with the charter proposed in 2007 by the Minister for Ecology, Jean-Louis Borloo, and addresses many of the issues raised by this charter. In fact, the Group has already made a summary of its $C0_2$ emissions and broadcasts more environmental information.

The M6 Group also strives to inform employees of the challenges of sustainable development and the relevant initiatives implemented within the Company. The internal communication department thus organises awareness-building activities regarding issues such as reducing printing, etc., via various communication media (emails, intranet, screen displays, monthly newsletters, etc.).

7.4.1. Environmental indicators

For several years, the Group has continued its efforts to reduce its impact on the environment in each area of the company: travel, mail sorting, vehicle fleet, paper, press subscriptions etc. Instead of a clear target, the Group preferred a pragmatic approach with annual adjustments of requirements relating to key environmental indicators.

The consumption of water resources, raw materials and energy is monitored and controlled by the Group's General Services, as part of an approach aimed at reducing consumption and using equipment to improve energy efficiency.

A complete modern management system has been installed to deal with energy consumption. This regulates the temperature and lighting of premises depending on a number of criteria, such as for example their occupancy rate. This centralised technical management of energy is intended to provide better control by the Group of its consumption.

The latter is very regularly monitored in all areas. Water and energy consumption and CO_2 emissions of the Neuilly buildings – owned by the M6 Group – were as follows in 2013:

	2011	2012	2013
Water consumption (in thousands of m^3)	19.9	20.9	24.1
Gas consumption (kWh)	1,141,781	1,408,665	1,382,770
Electricity consumption (kWh)	8,728,981	9,236,454	10,112,009
CO_2 emissions (in millions of kg)	0.27	0.31	0.31
Heating oil consumption (L)	2,616	2,440	3,456

The increase in gas consumption was due to weather conditions.

None of the M6 Group's sites is subject to the EU Greenhouse gases trading scheme.

7.4.2. Waste production, paper management and recycling

	2011	2012	2013
Paper and cardboard sorting (tonnes collected in bins)	148	197	105
Non-hazardous industrial waste (in tonnes collected from bins)	119	234	90
Food waste (in tonnes collected from bins)	51	62	60
Batteries (in kilos)	611	265	563
Office waste paper (in tonnes purchased)	33	26	23

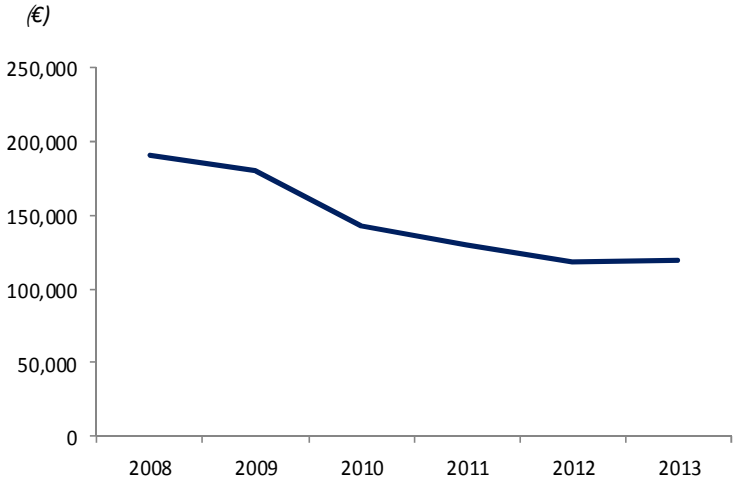
Data based on consumption at sites in Neuilly-Sur-Seine

In a business like the M6 Group, paper is the main raw material used. In recent years, the Group has been actively engaged in reducing the amount of paper used within the company:

- Introduction of multifunction copiers to replace the Group's individual printers: by systemising double sided printing and by requiring swiping to print, paper consumption thus fell by almost a quarter between 2011 and 2013.
  In addition, all paper used carries an ecolabel.

- To date, 48% of permanent Group employees have opted for the digitalised monthly payslip, introduced in 2011, in place of paper slips, which they receive in a secure personal inbox.

Alongside this measure, the Group has significantly reduced its spending on postal mail services over the last few years, which also makes a positive contribution to environmental protection:



Data based on consumption at sites in Neuilly-Sur-Seine

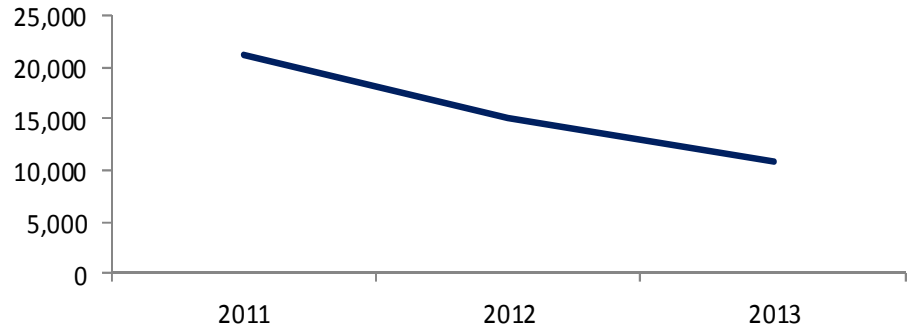
- Since September 2012, M6 Publicité has given its customers and media agencies the option of receiving their invoices in electronic format. Eighteen agencies, or 40% of them, have already subscribed to the service, which represents 7,000 digitalised invoices out of a total of 22,000.

- In May 2012, in conjunction with the Group's courier-service provider, the decision was taken to stop using paper courier dockets, resulting in a saving in 2013 of around 20,000 dockets.

- Similarly, the Group decided to phase out hard-copy press subscriptions, replacing them with electronic versions. In 2013, around 10% of newspapers and magazines were delivered in electronic format.

In parallel with this desire to control utilities (water, energy, etc.) and reduce paper consumption, the M6 Group also has an active policy of recycling waste arising from its operations (batteries, neon lights, IT hardware, toner cartridges, fluorescent bulbs, refrigerating machine oil, etc.). For example, this approach meant that 29% fewer new tapes were used for programmes in 2013 compared with 2012.

Number of new tapes purchased:



Data based on consumption at sites in Neuilly-Sur-Seine

In addition, as part of the recycling of Electrical and Electronic Waste (WEEE or W3E), the Ventadis (distance selling) division collected from its customers a contribution over and above the price of devices with electrical or electronic components. This eco-contribution, which is passed on in full to suppliers, is intended to finance the recycling of old appliances by specialised bodies. In 2013, the amount collected amounted to €1.7 million, the same as in 2012.

Lastly, a process is in place at MonAlbumPhoto.fr, confirmed by the French standard "Imprim' vert", recognised by all the operators in the graphic industry, certifying that all waste is recycled and that no toxic materials are used.

Consequently, MonAlbumPhoto.fr is committed to:

- ensuring its waste is collected and disposed of by approved waste collectors in accordance with regulations;
- providing secure storage for new stocks of hazardous liquids and also for waste liquids both during and after their use;
- avoiding the use of products labelled "toxic";
- implementing environmental-awareness measures;
- establishing a procedure to monitor energy consumption every three-months and to make this information available each time the trademark is renewed.

Lastly, in each of the Group's businesses, thought is being given on how to reduce the impact of business activities on the environment: the IT Department thus opted for the virtualisation of 549 servers that are more energy efficient than the more traditional physical servers; teams are also working on both the digital storage of contracts and the digital validation of invoices in internal processes, etc.

7.4.3. Environmental buildings management

Building at 107 avenue Charles de Gaulle à Neuilly

Construction of the office building at 107 Avenue Charles de Gaulle has been subject to a HQE (High Environmental Quality) process aimed at user comfort and quality of life as well as respecting the environment. The operation has already obtained HQE certification for the Design and Programme phase. In 2012, the project obtained HQE certification for the Design and Programme phase: equipment and materials have therefore been chosen for promoting the comfort of people and reduce the environmental footprint of the building, including:

- a high-performance and energy efficient air-conditioning system, through the use of heat pumps and a heat recovery ventilation system.
- an acoustic atmosphere tailored to the various premises,
- optimal use of natural light for offices and common areas,
- optimal use of ventilation outflows and state-of-the-art research on interior finishing materials to ensure good air quality,
- terraces and patios partially covered in trees to conserve biodiversity.

In 2013, during its construction phase, the building was awarded the THPE (*Très Haute Performance Energétique*) label for Very High Energy Efficiency. The many enhancements put in place have earned the building a *Passeport Bâtiment Durable (Sustainable Building Passport)* with a rating of "Excellent".
The certification body classed the following elements as "Highly Efficient":

- air quality in the building,
- air cleanliness,
- energy management,
- sustainability of environmental performance during maintenance.

There are many other examples of choices M6 has made to improve energy consumption and support the environment including:

- widespread use of low-energy light bulbs,
- installation of motion sensors in lavatories, lifts, etc.,
- creation of green terraces encouraging biodiversity.

In addition, the Group complied this year with the government circular of 5 June 2013 requiring exterior building lights to be switched off between 1 a.m. and 7 a.m.

The increased energy consumption recorded in 2013 (paragraph 7.4.1) is mainly due to the opening of this new building.

- **New stadium in Bordeaux**

The Group ensured that environmental considerations were taken into account in both the design and construction of the new stadium in Bordeaux, which will be home to the Girondins de Bordeaux football club.
Consequently, the consortium entered into an official undertaking to build the stadium with the least possible impact on the environment, signing a "green construction site" agreement which forms part of the contract and is signed by all companies working on the site. The agreement covers:

- site management,
- optimisation of waste management processes,
- restriction of nuisance factors,
- minimisation of pollution and the use of resources on the construction site.

This commitment translates into a series of objectives aimed not only at limiting the environmental footprint of construction works, but also at keeping the resulting waste production and nuisance factors (noise, visual impact, smell) to a minimum.
The main keys to achieving these objectives are the choice of manufacturing and building processes and the overall management of logistical issues relating to the building of the new stadium. In order to evaluate if the appropriate measures were put in place, and to ensure compliance with the stated objectives, the forecast carbon footprint calculated during the preparation of the site will be compared to the final assessment presented to the City Council when the stadium is handed over.

By way of example, the measures put in place to protect fauna and flora are as follows:

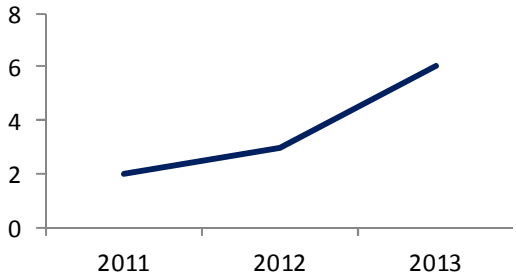
- creating a commission to implement the necessary procedures and monitor the overall impact,
- re-establishing paths and crossings for semi-aquatic animals,
- monitoring by an ecologist of the conditions laid down by the Prefecture of the Gironde district.

7.4.4. Transport and business travel

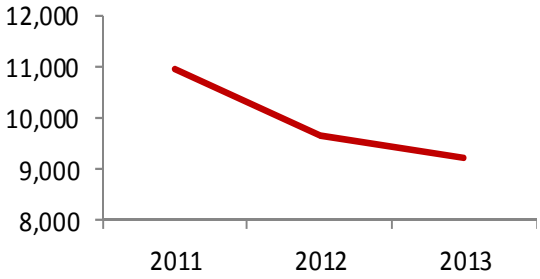
As early as 1997, the M6 Group took the decision to establish its headquarters close to public transport services, both for the convenience of its employees and to reduce commuting time. Today, the majority of the Group's employees are still based at the site opposite the Sablons Métro station in Neuilly-sur-Seine. At 31 December 2013, 731 employees, or 40% of the Group's workforce, used public transport for their daily commute.

In addition, the M6 Group has deliberately chosen a digital route in order to cut down on the number of business trips, even though reducing travel can be difficult for some activities (particularly reporting and production). As a result, the number of rooms equipped with video-conferencing facilities at Neuilly has increased from 2 to 6 in the space of two years, during which time the amount of business travel has decreased.

Number of rooms equipped for video-conferencing:



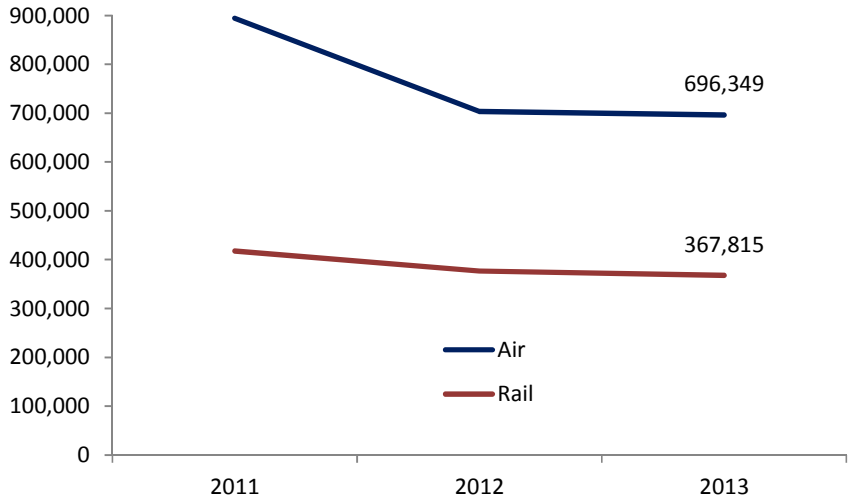
Number of business trips:



Data based on consumption at sites in Neuilly-Sur-Seine

Undertaking fewer business trips has led to a reduction in CO_2 emissions. In terms of air and rail journeys, the Group's emissions are as follows:

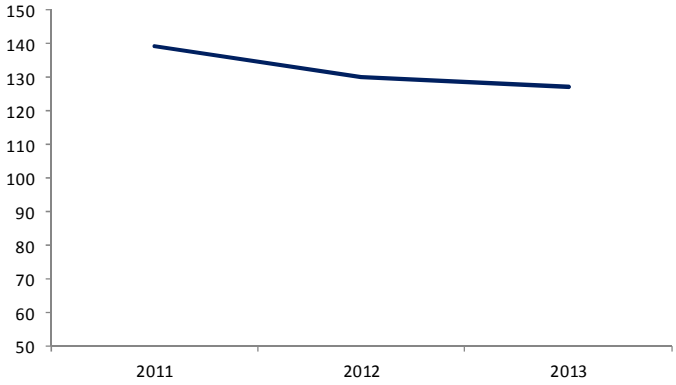
CO_2 emissions for business travel:



Data based on consumption at sites in Neuilly-Sur-Seine

Finally, M6 follows a very stringent policy with regard to the CO_2 emissions of its managers' company cars and the company vehicle fleet. As a result, average vehicle emissions have decreased over the last two years from 139 to 127 grams per kilometre. At the start of 2014 the Group decided to further reduce CO_2 emissions to 130 g/km or lower for all vehicles purchased or hired.
It is also worth pointing out that all company vehicles are dry-cleaned by the service provider responsible.

Average emissions of the vehicle fleet (in g/km):



Data based on consumption at sites located in Neuilly-Sur-Seine

7.4.5. Community awareness

The responsibility of a group producing and broadcasting content lies also with its desire to make the general public aware of the challenges of sustainable development.

M6 decided to play an educational role via quality documentaries presenting the current ecological issues. These magazines have become flagships for the channel and thus represent a major audience attraction for these subjects among an increasingly broad audience.

In 2013, the channel thus continued to broadcast the "**Capital Terre**" programme. The programme looked closely at new eating habits and consumption patterns and their sometimes devastating effects on the planet. During the show, the presenter looked at many initiatives that may soon help preserve the planet ("Water… for drinking, eating, washing…").

Environmental issues and news were also covered many times in newscasts (**Le 12.45** and **Le 19.45**), such as the European Union Nitrates Directive, Blue Flag certification, nuclear power stations, the environmental conference for ecological transition, the ozone layer, etc.
Newscasts also regularly bring to the fore unusual stories or innovations relating to ecology: "The city of Mulhouse plans to reduce the water temperature in its swimming pool to save money and reduce energy consumption", "Ecology: a house made entirely from recycled plastic", "Reduce electricity consumption by switching off appliances on standby or unplugging equipment", "Lorient: a 100% eco-friendly boat!", etc.

In addition, the in-house magazine and news documentary production company C Productions produced several topics on ecology and sustainable development on behalf of M6, including "Don't throw away your vegetable peelings, eat them!" "Amazing: producing electricity from cow dung", "Way to go: don't throw it away, repair it!", "Transforming unsold vegetables into gourmet dishes", etc. within the framework of **100% Mag**.

Finally, the Group ensures that all its programming portrays a positive image of rural life in which respect for the environment is evident, particularly in the series *L'Amour est dans le Pré*.

This document refers to the environmental indicators to which particular attention was paid and which are relevant to the Group. The other following indicators are less or not relevant to our business:

- resources dedicated to the prevention of environmental risks and pollution (see Section 4.7 of this document),
- the amount of provisions and guarantees for environmental risks,
- adaptation to the consequences of climate change,
- land use;
- the prevention, reduction or remediation of air, water or soil emissions having a major adverse impact on the environment.

7.5. Cross-reference table with Decree 2012-557 of 24 April 2012 (Article 225 of the Grenelle II Law)

Themes		Sub-Themes	Degree of relevance	Reference
Labour information				
Employment	1	Total workforce and employee distribution by gender and geographic region	++	7.2.1.1
	2	Recruitment and redundancies	++	7.2.1.1
	3	Compensation	+	7.2.2
Work organisation	4	Organisation of working hours	++	7.2.1.2
	5	Absenteeism	+	7.2.1.2
Labour relations	6	The organisation of social dialogue - including regulation and procedures regarding information, consultation and negotiation with personnel	+	7.2.6
	7	Collective bargaining agreements	=	7.2.6
Health and safety	8	Health and safety at work	+	7.2.7
	9	Work accidents, particularly their frequency and seriousness, and occupational diseases	+	7.2.7
	10	Agreements signed with unions or employee representatives in terms of health and safety at work	=	7.2.6
Training	11	Training policies	++	7.2.3.1
	12	Total number of training hours	++	7.2.3.1
Equal opportunity	13	Gender equality	++	7.21.5
	14	Employment and integration of disabled employees	++	7.2.4/7.3.2.1
	15	Anti-discrimination policy	++	7.3.2.1
Promotion of and compliance with ILO fundamental conventions	16	Relating to freedom of association and the right to collective bargaining	=	7.2.6
	17	Relating to the elimination of employment and occupational discrimination	=	7.2.5/7.3.2.1
	18	Relating to the suppression of forced or compulsory labour	=	N/A
	19	Relating to the effective abolition of child labour	=	N/A
Environmental information				
General environmental policy	20	Company organisation to take into account environmental issues and, where applicable, environmental assessment and certification processes	=	7.4
	21	Training and employee information actions conducted in relation to environmental protection	=	7.4
	22	Resources allocated to avoiding environmental risks and pollution	=	N/A
	23	Amount of provisions and guarantees for environmental risks, providing this information is not liable to seriously prejudice the company in an ongoing litigation	=	N/A
Pollution and waste management	24	Measures to prevent, reduce or remediate air, water and land emissions that seriously damage the environment	=	N/A
	25	Measures to reduce, recycle and dispose of waste	=	7.4.1 / 7.4.2
	26	Taking into account noise pollution and, where relevant, all types of pollution specific to a particular activity		7.3.1.3/7.4.3
Sustainable use of resources	27	Use and supply of water in line with local constraints	=	7.4.1
	28	Use of raw materials and measures taken to make more efficient use of them	+	7.4.1 / 7.4.2
	29	Energy consumption and measures taken to improve energy efficiency and the use of renewable energy sources	+	7.4.1
Sustainable use of land	30	Use of land	=	N/A
Climate change	31	Emissions of greenhouse gasses	+	N/A
	32	Adaptation to the consequences of climate change	=	N/A
Biodiversity	33	Measures taken to safeguard biodiversity	=	7.4
Corporate social information				
Territorial, economic and social impact of the Company's operations	34	Territorial impact of operations on employment and regional development in France	=	7.3.3.2
	35	Impact of operations on the local population	=	N/A
Relationships with stakeholders	36	Conditions of dialogue with these individuals or organisations	++	7.3.4
	37	Acts of partnership or sponsorship	++	7.3.3
Subcontractors and suppliers	38	Purchasing policies that take into account social and environmental issues	+	7.3.4.5
	39	Significance of sub-contracting and its inclusion in relationships with suppliers and sub-contractors regarding their corporate, social and environmental responsibilities	+	7.3.4.5
Fair practices	40	Measures taken to avoid corruption	++	7.2.8
	41	Measures taken to safeguard the health and safety of consumers	++	7.3.4.1/7.4.5
Other measures taken to safeguard human rights	42	Other measures taken to safeguard human rights	=	N/A

7.6. Report of the independent third party body on the corporate, environmental and social information included in the Management Report

KPMG Audit
1, cours Valmy
92923 Paris La Défense Cedex
France

Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,386,179.60
Financial year ended 31 December 2013

Report of the independent third party body on the corporate, environmental and social information included in the Management Report

To the Shareholders,

As the independent third party organisation appointed by the group Métropole Télévision SA (hereafter "the Group"), whose accreditation application was deemed admissible by COFRAC (French Accreditation Committee), we present our report on the corporate, environmental and social information included in the Group Management Report (hereafter the "CSR Information"), prepared in respect of the financial year ended 31 December 2013 pursuant to the provisions of Article L.225-102-1 of the Commercial Code.

Corporate responsibility

The Executive Board is responsible for preparing a management report incorporating the CSR information provided for under Article R.225-105-1 of the Commercial Code, in accordance with the reporting criteria used (the "Reporting Criteria"), a summary of which appears in the "Sustainable Development and Corporate Social Responsibility" section of the Management Report, and which is available on request from the company's Registered Office.

Independence and quality control

Our independence is defined by regulatory texts, the profession's code of ethics and the provisions set out in Article L.822-11 of the Commercial Code. In addition, we have introduced a quality control system which includes documented policies and procedures aimed at ensuring compliance with the applicable ethical rules, professional standards, and laws and regulations.

Responsibility of the independent third party body

It is our responsibility, on the basis of the work we have carried out, to:
- attest that the required CSR Information is included in the Management Report or, in the event of omission, an explanation in this regard pursuant to Article R.225-105 of the Commercial Code (Statement to the presence of CSR Information);
- express a conclusion of reasonable assurance on the fact that the CSR Information, taken in its entirety, is presented in all its material respects, in a true manner in accordance with the Reporting Criteria (Considered opinion on the fairness of the CSR Information).

Our work was carried out by a team of 5 people between January and February 2014 for a period of approximately ten days. To help us in the completion of our work, we consulted our CSR experts.

We performed the work described hereafter in accordance with the professional standards applicable in France, the Decree of 13 May 2013 setting out the conditions under which the independent third party body carries out its mission and, in relation to the considered opinion on the fairness of the CSR Information, with ISAE (International Standard on Assurance Engagements) 3000.

1. Statement to the presence of the CSR Information

We have reviewed, based on interviews with the managers of the departments concerned, the presentation of guidance relating to sustainable development, according to the social and economic consequences related to the company's activity and its social commitments and, where applicable, the resulting action or programmes.
We have compared the CSR Information included in the Management Report with the list provided for under Article R.225-105-1 of the Commercial Code.
Where certain information is missing, we have verified that the explanations were provided in accordance with the provisions of Article R.225-105 Paragraph 3 of the Commercial Code.
We have verified that the CSR Information covered the consolidated scope, that is to say the company as well as its subsidiaries within the meaning of Article L.233-1, and the companies that it controls, within the meaning of Article L.233-3 of the Commercial Code, with the limits specified in the methodology note included in the "Sustainable Development and Corporate Social Responsibility" section of the Management report.

Based on this work and taking into account the limits referred to above, we attest to the presence of the required CSR Information in the Management Report.

2. Considered opinion on the fairness of the CSR Information

Nature and scope of the audit

We conducted seven interviews with the persons responsible for the preparation of the CSR Information within the departments in charge of the information gathering processes and, where applicable, responsible for the internal control and risk management procedures, in order to:
- assess the appropriateness of the Reporting Criteria with regard to their relevance, comprehensiveness, reliability, neutrality and comprehensible character, by taking into consideration, where applicable, industry best practices;
- verify the introduction of a collection, compilation, processing and control procedure to ensure that the CSR Information is comprehensive and consistent, and to review the internal control and risk management procedures in relation to the preparation of the CSR Information.
We determined the nature and scope of the tests and controls according to the nature and importance of the CSR Information in view of the company's characteristics, the social and environmental challenges of its activities, its sustainable development guidelines and best industry practices.

For CSR information that we deemed to be the most important:
- for each entity, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, measures); we implemented analytical processes on the qualitative information and verified, based on sampling, the calculations, as well as the consolidation, of the data and we verified their consistency and agreement with the other information included in the Management Report;
- for a representative sample of entities that we selected based on their activity, their contribution to consolidated indicators, their location (?) and a risk analysis, we conducted interviews to verify the correct application of procedures and implemented detailed .tests by means of sampling, comprised of verifying the calculations made and reconciling the data with supporting documentation. The sample thus selected represents the entire workforce and all the quantitative environmental information.

For the remaining CSR information, we judged their consistency in relation to our knowledge of the company.
Lastly, we judged the relevance of the explanations, where applicable, of the total or partial absence of certain information.

We consider that the sampling methods and the sample sizes resulting from our professional judgment allow us to draw a conclusion of reasonable assurance; a higher level of assurance would have required more extensive verification work. Owing to the use of sampling techniques as well as other limits inherent in the operation of any information and internal control system, the risk of not detecting a significant irregularity in the CSR Information cannot be totally eliminated.

Conclusion

On the basis of our work, we found no significant irregularity that would call into question the fact that the CSR Information, taken in its entirety, is presented in a true manner in accordance with the Reporting Criteria.

Paris La Défense, 18 February 2014

KPMG Audit
Xavier Troupel
Partner

KPMG Audit
Philippe Arnaud
Partner - Climate Change & Sustainable Development

8. COMBINED GENERAL MEETING OF 5 MAY 2014

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8.1. Proceedings and Agenda of the Combined General Meeting of 5 May 2014

The Combined Annual General Meeting of the Company has been convened for 5 May 2014 and the agenda will be as follows:

Reports of the Executive Board:

- on the Group's activities during 2013;
- on the resolutions to be presented at the General Meeting;
- on the allocation of free shares to certain employees and/or corporate officers during the year;
- on the allocation of share purchase options to certain employees and/or corporate officers currently entitled.

Report of the Supervisory Board to the General Meeting

Report of the Chairman of the Supervisory Board on corporate governance and on internal control and risk management procedures

Statutory Auditors' reports:

- report on the parent company financial statements for the year ended 31 December 2013;
- report on the consolidated financial statements for the year ended 31 December 2013;
- report prepared in accordance with Article L. 225-235 of the Commercial Code on the report of the Chairman of the Supervisory Board regarding corporate governance and internal control and risk management procedures
- special report on the regulated agreements and commitments covered by Articles L. 225-86 and subsequent of the Commercial Code
- special report on the share capital reduction, as provided for by resolution 16;
- report on the authorisation to be granted to the Executive Board to allocate free shares (18th resolution);
- report on the authorisation to be given to the Executive Board to increase the share capital through the issue of shares reserved for employees who are members of a Group savings plan, in accordance with Articles L. 3332-18 and subsequent of the Labour Code (19th resolution).

Vote on resolutions

The following resolutions will be submitted for approval by the General Meeting:

Resolutions in ordinary session:

- Approval of the parent company financial statements for the year ended 31 December 2013, approval of non-tax deductible expenses and charges,
- Approval of the consolidated financial statements for the year ended 31 December 2013,
- Allocation of profits and setting of dividend,
- Statutory Auditors' special report on regulated agreements and commitments and approval of these agreements,
- Reappointment of Ernst & Young as Principal Statutory Auditor,
- Reappointment of Auditex as Alternate Statutory Auditor,
- Reappointment of PricewaterhouseCoopers Audit as Principal Statutory Auditor,
- Appointment of Jean-Christophe GEORGHIOU as Alternate Statutory Auditor, to replace Etienne BORIS,
- Reappointment of Rémy SAUTTER as member of the Supervisory Board,
- Reappointment of Guy de PANAFIEU as member of the Supervisory Board,
- Reappointment of Vincent de DORLODOT as member of the Supervisory Board,

- Non-replacement of Gérard WORMS as member of the Supervisory Board,
- Advisory opinion on the remuneration components of Nicolas de TAVERNOST, Chairman of the Executive Board,
- Advisory opinion on the remuneration components of Thomas VALENTIN, Robin LEPROUX and Jérôme LEFEBURE, members of the Executive Board,
- Authorisation to be given to the Executive Board to enable the company to buy back its own shares under Article L. 225-209 of the Commercial Code; duration of the authorisation objectives, terms and conditions of the authorisation and maximum number of shares

Resolutions in extraordinary session:

- Authorisation to be given to the Executive Board to cancel shares bought back under Article L. 225-209 of the Commercial Code; duration of the authorisation and maximum number of shares,
- Change to the duration of the term of office of Executive Board members,
- Authorisation to be given to the Executive Board to allocate free shares, existing or to be issued, to salaried employees and/or corporate officers of the Company or related companies, waiver of the shareholders' pre-emption right, term of the authorisation, cap, duration of vesting period particularly in the case of invalidity, and retention period,
- Authorisation to be given to the Executive Board to increase the share by issuing shares, with waiver of the pre-emption right, for the benefit of members of a company savings plan in application of Articles L. 3332-18 and subsequent of the Labour Code, term of the authorisation, maximum nominal amount of capital increase, issue price, option to allocate free shares in application of Article L. 3332-21 of the Labour Code,
- Further details regarding the consequences of failure to declare exceeding the statutory threshold - Consequential amendment of Article 11 of the bylaws.
- Alignment of bylaws,
- Powers to execute formalities,
- Amendment of Article 35 of the bylaws concerning voting rights.

8.2. Report of the Executive Board to the Combined General Meeting of 5 May 2014

Ladies and Gentlemen,

We have convened this Combined General Meeting to submit the following resolutions for your approval::

In ordinary session:

The **1st resolution** submits for shareholder approval the financial statements of the Company for the year ended 31 December 2013, which show a profit of €114,581,149.14.

This resolution also concerns the approval of the expenses and charges stipulated in Article 39-4 of the General Tax Code, totalling €37,261 and the corresponding tax charge.

The **2nd resolution** submits for shareholder approval the consolidated financial statements for the year ended 31 December 2013, which show a profit attributable to the Group of €111,951,005.73.

The **3rd resolution** concerns the allocation of Métropole Télévision SA profit of €114,581,149.14 for the year ended 31 December 2013. This profit, together with the retained earnings of €272,133,762.12, thus brings the total distributable profit to €386,714,911.26. It is proposed to distribute €107,070,461.65 in dividends, leaving a balance of €279,644,449.61.

Therefore, the dividend shall be €0.85 gross per share.

If this proposal is adopted, the ex-dividend date will be 19 May 2014 and the dividend will be paid on 22 May 2014.

The **4th resolution** submits for shareholder approval the regulated agreements and commitments covered by Articles L. 225-86 and subsequent of the Commercial Code and concluded during 2013, as mentioned in the conclusions of the Statutory Auditors' Special Report on regulated agreements and commitments included In section 6.9 of the 2013 Registration Document.

Resolutions 5 to 8 pertaining to the terns of office of the Principal and Alternate Statutory Auditors are recommended by the Supervisory Board after consultation with the Audit Committee.

The **9th, 10th and 11th resolutions** submitted for shareholder approval relate to the renewal of the terms of office of Rémy Sautter, Guy de Panafieu and Vincent de Dorlodot. After consultation with the Remuneration and Appointments Committee, it is proposed to renew their terms of office for four years, until the General Meeting called in 2018 to approve the financial statements for the year just ended.

Information on Rémy Sautter, Guy de Panafieu and Vincent de Dorlodot is provided in paragraph 2.1 of this Registration Document.

It is specified that the Supervisory Board considers that Guy de Panafieu can be deemed independent in the light of the independence criteria of the AFEP-MEDEF corporate governance code for listed companies, to which the Company refers in terms of corporate governance.

The **12th resolution** submits to the shareholders' approval the non-renewal of Gérard WORMS' term of office, which is expiring and which he did not wish renewed.

The **13th resolution** submits to the shareholders' approval, in accordance with the recommendations of Article 24.3 of the AFEP MEDEF corporate governance code of listed companies revised in June 2013 to which the Company refers, the remuneration components due or allocated for the financial year ended 31 December 2013 to Nicolas de TAVERNOST, Chairman of the Executive Board, which are detailed below.

For further information, please refer to section 2.3 of the 2013 Reference Document.

Nicolas de TAVERNOST

Remuneration elements due or granted in respect of the year ended 31 December 2013	Amounts or accounting valuation voted	Details
Fixed remuneration	**€925,008 (amount paid)**	Set in 2010
Annual variable remuneration	**€748,423 (amount due)**	For information, €701,408 in 2012. Variable remuneration in 2013 comprises two elements: - additional remuneration (70% of variable remuneration), based on the level of achievement of the Group's consolidated EBITA target, as defined by the Supervisory Board, - Remuneration as a corporate officer (up to 30% of variable remuneration), as determined by the Supervisory Board based on audience criteria calculated for all channels held by the M6 Group. The criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.
Deferred variable remuneration	**€0**	Not applicable
Multi-year variable remuneration	**€0**	Not applicable
Exceptional remuneration	**€0**	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	**Options = €0**	Not applicable
	Shares = €318,910 **Other elements = N/A**	Number of shares granted: 27,950 (or 0.02% of the share capital) The performance condition target for shares granted in 2013 (achievement of a specified level of consolidated net profit) was precisely determined but is not disclosed on the grounds of confidentiality. Subject to being employed by the Group on 26 July 2015. Date authorised by the General Meeting: 4 May 2011 - 11th resolution Allocation date agreed by the Supervisory Board: 26 July 2013
Directors' fees	**€0**	Executive officers do not receive directors' fees
Valuation of benefits in kind	**€6,474**	Company car

Remuneration elements due or granted in respect of the financial year which were subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	€0	Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Nicolas de Tavernost's term of office as Chairman of the Executive Board, and (ii) the aggregate amount (x) of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment. Payment to Nicolas de Tavernost of compensation for breach of contract is limited to cases in which his term of office as Chairman of the Executive Board is terminated for reasons other than his resignation or failure to perform his duties satisfactorily. Decisions of the Supervisory Board on 3 March 2008 and 10 March 2009. Submitted to the General Meeting of 4 May
Non-competition compensation	Not applicable	Not applicable
Supplementary pension scheme	€14,802	Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity.

In accordance with the recommendations of Article 24.3 of the AFEP MEDEF Code of corporate governance for listed companies (revised in June 2013) with which the company complies, the 14th resolution submits for approval by the shareholders the remuneration elements due or granted in respect of the year ended 31 December 2013 to Thomas Valentin, Robin Leproux and Jérôme Lefébure, members of the Executive Board, for whom details are shown below.

For more information, refer to section 2.3 in the 2013 registration document.

Thomas VALENTIN

Remuneration elements due or granted in respect of the year ended 31 December 2013	Amounts or accounting valuation voted	Details
Fixed remuneration	**€495,001 (amount paid)**	Set in 2010
Annual variable remuneration	**€378,768 (amount due)**	For information, €449,245 in 2012. Variable remuneration in 2013 comprises two elements: - additional remuneration (70% of variable remuneration), of which 70% is based on the level of achievement of the Group's consolidated EBITA target, as defined by the Supervisory Board, and 30% is based on audience criteria for all channels held by the M6 Group, - Remuneration as a corporate officer (up to 30% of variable remuneration), as determined by the Supervisory Board based on audience criteria calculated for all channels held by the M6 Group. The criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.
Deferred variable remuneration	**€0**	Not applicable
Multi-year variable remuneration	**€0**	Not applicable
Exceptional remuneration	**€0**	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	**Options = €0**	Not applicable
	Shares = €163,163 **Other elements = N/A**	Number of shares granted: 14,300 (or 0.01% of the share capital) The performance condition target for shares granted in 2013 (achievement of a specified level of consolidated net profit) was precisely determined but is not disclosed on the grounds of confidentiality. Subject to being employed by the Group on 26 July 2015. Date authorised by the General Meeting: 4 May 2011 - 11th resolution Allocation date agreed by the Supervisory Board: 26 July 2013
Directors' fees	**€0**	Executive officers do not receive directors' fees
Valuation of benefits in kind	**€6,187**	Company car

Remuneration elements due or granted in respect of the financial year which were subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	€0	Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Thomas Valentin's contract of employment, and (ii) the aggregate amount (x) of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment, and the amount (y) of compensation due, where appropriate, in respect of the non-competition clause. It is specified, for the purposes of calculating this amount, that remuneration as a member of the Executive Board is excluded from the basis of Thomas Valentin's compensation calculation insofar as the contractual compensation for breach of contract he receives is part of his employment contract. Payment to Thomas Valentin of compensation for breach of contract is limited to cases in which his contract of employment is terminated for reasons other than dismissal for gross misconduct or serious negligence, resignation, or failure to perform his duties satisfactorily. Decisions of the Supervisory Board on 3
Non-competition compensation	No payment made	In his contract of employment, Thomas Valentin agreed to a non-competition clause of 3 months in exchange for compensation equivalent to 1.5 months' fixed remuneration.
Supplementary pension scheme	€14,802	Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity.

Robin LEPROUX

Remuneration elements due or granted in respect of the year ended 31 December 2013	Amounts or accounting valuation voted	Details
Fixed remuneration	€410,020 (amount paid)	Set 31 March 2012
Annual variable remuneration	€509,908 (amount due)	For information, €214,436 in 2012. Variable remuneration in 2013 comprises two elements: - additional remuneration (70% of variable remuneration), based on the level of achievement of M6 Publicité's net annual advertising revenue target. The term revenue meaning total net revenue achieved on behalf of advertising media at M6 Publicité, - Remuneration as an executive officer (up to 30% of variable remuneration), as determined by the Supervisory Board based on audience criteria calculated for all channels held by the M6 Group. The criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.
Deferred variable remuneration	€0	Not applicable
Multi-year variable remuneration	€0	Not applicable
Exceptional remuneration	€0	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	Options = €0	Not applicable
	Shares = €207,662 Other elements = N/A	Number of shares granted: 18,200 (or 0.01% of the share capital) The performance condition target for shares granted in 2013 (achievement of a specified level of consolidated net profit) was precisely determined but is not disclosed on the grounds of confidentiality. Subject to being employed by the Group on 26 July 2015. Date authorised by the General Meeting: 4 May 2011 - 11th resolution Allocation date agreed by the Supervisory Board: 26 July 2013
Directors' fees	€0	Executive officers do not receive directors' fees
Valuation of benefits in kind	€5,292	Company car

Remuneration elements due or granted in respect of the financial year which were subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	€0	Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Robin Leproux's contract of employment, and (ii) the aggregate amount (x) of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment, and the amount (y) of compensation due, where appropriate, in respect of the non-competition clause. It is specified, for the purposes of calculating this amount, that remuneration as a member of the Executive Board is excluded from the basis of Robin Leproux's compensation calculation insofar as the contractual compensation for breach of contract he receives is part of his employment contract. Payment to Robin Leproux of compensation for breach of contract is limited to cases in which his contract of employment is terminated for reasons other than dismissal for gross misconduct or serious negligence, resignation, or failure to perform his duties satisfactorily. Decisions of the Supervisory Board of 3 March 2008 and 10 March 2009. Submitted to the General Meeting on 4 May 2010 in its 6th resolution.
Non-competition compensation	No payment made	In his contract of employment, Robin Leproux agreed to a non-competition clause of 12 months in exchange for compensation equivalent to 6 months' fixed remuneration.
Supplementary pension scheme	€14,802	Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity.

Jérôme LEFEBURE

Remuneration elements due or granted in respect of the year ended 31 December 2013	Amounts or accounting valuation voted	Details
Fixed remuneration	**€399,997 (amount paid)**	Set 1 January 2013
Annual variable remuneration	**€135,504 (amount due)**	For information, €126,995 in 2012. Variable remuneration in 2013 comprises two elements: - additional remuneration (70% of variable remuneration), based on the level of achievement of the Group's consolidated EBITA target, as defined by the Supervisory Board, - Remuneration as an executive officer (up to 30% of variable remuneration), as determined by the Supervisory Board based on audience criteria calculated for all channels held by the M6 Group. The criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.
Deferred variable remuneration	**€0**	Not applicable
Multi-year variable remuneration	**€0**	Not applicable
Exceptional remuneration	**€0**	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	**Options = €0**	Not applicable
	Shares = €126,081 **Other elements = N/A**	Number of shares: 11,050 (or 0.01% of the share capital) The performance condition target for shares granted in 2013 (achievement of a specified level of consolidated net profit) was precisely determined but is not disclosed on the grounds of confidentiality. Subject to being employed by the Group on 26 July 2015. Date authorised by the General Meeting: 4 May 2011 - 11th resolution Allocation date agreed by the Supervisory Board: 26 July 2013
Directors' fees	**€0**	Executive officers do not receive directors' fees
Valuation of benefits in kind	**€4,608**	Company car

Remuneration elements due or granted in respect of the financial year which were subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	€0	Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Jérôme Lefébure's contract of employment, and (ii) the aggregate amount (x) of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment, and the amount (y) of compensation due, where appropriate, in respect of the non-competition clause. It is specified, for the purposes of calculating this amount, that remuneration as a member of the Executive Board is excluded from the basis of Jérôme Lefébure's compensation calculation insofar as the contractual compensation for breach of contract he receives is part of his employment contract. Payment to Jérôme Lefébure of compensation for breach of contract is limited to cases in which his contract of employment is terminated for reasons other gross misconduct or serious negligence, resignation, or failure to perform his duties satisfactorily. Decisions of the Supervisory Board of 3 March 2008 and 10 March 2009. Submitted to the General Meeting on 4 May 2010 in its 6th resolution.
Non-competition compensation	No payment made	In his contract of employment, Jérôme Lefébure agreed to a non-competition clause of 3 months in exchange for compensation equivalent to 1.5 months' fixed remuneration.
Supplementary pension scheme	€14,802	Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity.

The 15th resolution submitted for shareholder approval concerns the authorisation to be given to the Executive Board to enable the Company to buy back its own shares, within the limits set by the shareholders and pursuant to the provisions of Article L. 225-209 and subsequent of the Commercial Code.

This authorisation would permit the purchase of up to 5% of the share capital at a maximum price of €25 per share during a period of 18 months. The maximum amount of this transaction would be set at €157,480,300. The report of the Executive Board includes the features of the buyback programme proposed this year and provides information on the use of the previous programme.

In extraordinary session:

The **16th resolution** submits for shareholder approval the authorisation to be given to the Executive Board, for a period of 24 months, to reduce the share capital by cancellation of treasury shares within the limit of 10% of the share capital of the Company, as calculated on the day the cancellation is decided, after deducting cancellations carried out within the last 24 months.

The delegations and authorisations to be granted by resolutions 15 and 16 will supersede previous authorisations of the same nature granted to the Executive Board by the General Meeting of 13 May 2013.

The **17th resolution** submits for shareholder approval a modification of Article 16 of the bylaws in order to reduce the term of office of the Executive Board from five to three years.

To ensure that during the coming years the Company has all the necessary conditions to ensure continuity in its governance, the Supervisory Board and the Executive Board propose to reduce the duration of the corporate term of office to three years.

This amendment would come into force after the Executive Board's current term of office, that is to say on 25 March 2015.

The **18th resolution** submits for shareholder approval an authorisation to allow the Executive Board to allocate free Company shares, existing or to be issued, to salaried employees and/or corporate officers of the Group for a thirty-eight month period starting from the General Meeting.

After 38 months, the total number of shares allocated may not exceed 1,900,000 shares (i.e. 1.5% of the capital at the date of this report), it being specified that the allocation of free shares to members of the Executive Board may not exceed 285,000 shares within this total allocation (this specific cap is in accordance with Article 23.2.4 of the AFEP-MEDEF Code).

This authorisation would enable the Executive Board to pursue an incentive policy of employee share ownership that will reinforce the Company's development.

The allocation of shares to beneficiaries will be definitive after a vesting period of at least two years, after which the beneficiary must hold the shares for an additional minimum of two years. The Executive Board will have the option to increase the duration of both these periods. The Executive Board shall determine the allocation conditions, list of beneficiaries and the number of shares allocated to each of them.

The **19th resolution** submits for shareholder approval a delegation to the Executive Board, for a duration of 26 months, to carry out one or more capital increases by issuing ordinary shares or securities, conferring Company or affiliated company employees, participants in a company savings plan, access to the capital under the conditions of Article L. 225-180 of the Commercial Code and Article L. 3344-1 of the Labour Code, subject to a nominal value of 1.5% of the share capital on the date of the Executive Board's decision to carry out said increase, this amount being independent from any other cap set by the Meeting. The implementation of this capital increase would waive shareholders' pre-emption right in favour of the employees benefiting from said issue.

It is specified that, pursuant to the provisions of Article L. 3332-19 of the Labour Code, the price of shares to be issued may neither be more than 20% lower (or 30% when the unavailability period provided for the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the Labour Code is equal to ten years or more) than the average opening share prices of the 20 trading days preceding the Executive Board's decision to increase the share capital and issue the relevant shares, nor should it exceed this average..

The **20th resolution** submits for shareholder approval an amendment to Article 11 of the bylaws allowing specification of the means of removal of voting rights in the event of failure to declare exceeding the statutory threshold.

The 21st resolution concerns more generally the amendment of Articles 10, 25 and 39 of the bylaws in order to align them with legal or regulatory changes. Said alignments are thus subject to the approval of shareholders:

- third sub-paragraph of Article 10 of the bylaws "*Form of shares*" in order to provide that the organisation to which the Company is authorised to request the implementation of a procedure of identifiable bearer securities is the central securities custodian;

- paragraph 25.2 of Article 25 of the bylaws "Regulated Agreements" in order to align it with the provisions of Article L. 225-87 of the Commercial Code; and

- third sub-paragraph of Article 39 of the bylaws "Financial statements" in order to remove the reference to the inventory which no longer needs to be made available to the Statutory Auditors at least one month before the General Meeting held to approve the parent company and consolidated financial statements.

The removal of the fourth sub-paragraph of Article 39 of the bylaws "Financial statements" is also subject to shareholder approval concerning the change of account valuation methods.

The 22nd resolution submits for shareholder approval an amendment to Article 35 of the bylaws following the adoption by France's National Assembly on 24 February, of the proposed law to recover the real economy, known as the "Florange Law" which stipulates that fully paid-up shares registered in the name of the same shareholder for at least two years benefit from double voting rights unless the bylaws provide otherwise.

Such a measure would lead to unequal treatment of Company shareholders holding shares registered in the same name for at least two years, since the controlling shareholder is capped twofold by Articles 28 and 39 of the 30 September 1986 Audiovisual Law limiting holding by the same person, whether natural or a legal entity, to 49% of the capital, and by an amendment of the CSA agreement signed 2 February 2004 stipulating that no shareholder or group of shareholders may exercise more than 34% of the total voting rights.

It is therefore proposed to explicitly stipulate in Article 35 of the bylaws that fully paid-up shares for which proof is provided of a nominative registration in the same name for at least two years **do not benefit from double voting rights.**

However it is specified that this resolution will be subject to a shareholder vote only if this Law is published as is by the date of the General Meeting, since the text of the Law explicitly stipulates that each issuer decides after its entry into force.

The 23rd resolution submitted for shareholder approval concerns the delegation of powers to complete formalities.

We trust that these proposals will receive your support.

Neuilly sur Seine, 24 March 2014.

The Executive Board

8.3. Report of the Supervisory Board to the Combined General Meeting of 5 May 2014

To the Shareholders,

At this Combined General Meeting called in accordance with the law and the bylaws, you have just received the reports of the Executive Board and the Statutory Auditors for the year ended 31 December 2013.

In accordance with Article L.225-68 of the Commercial Code, we bring to your attention our observations regarding the Report of the Executive Board and the financial statements for the year ended 31 December 2013.

In addition, we bring to your attention the work of the Supervisory Board.

1. Observations of the Supervisory Board

The Report of the Executive Board to the General Meeting does not call for any specific comments by the Supervisory Board.

The Board has reviewed the proposed resolutions submitted to the General Meeting and invites you to approve them in order to provide the Executive Board with the necessary means by which to implement its strategy.

The financial statements for the year ended 31 December 2013, as presented to you, after review by the Audit Committee and certification by the Statutory Auditors, do not call for any comment by the Supervisory Board.

Renewal of Board members

As the terms of office of 4 out of the 13 members comprising the Supervisory Board shall expire at the next Meeting, the Executive Board proposes, after consultation with the Compensation and Nominations Committee, to renew the terms of 3 members, Guy de Panafieu, Rémy Sautter, and Vincent de Dorlodot for four years, expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements of the year just ended, and to not proceed with the replacement of Gérard Worms, whose term of office has expired and who does not wish to renew it.

Independence of Supervisory Board members

In accordance with the AFEP-MEDEF Corporate Governance Code, the Supervisory Board has reviewed the independence of each of the members whose terms of office are proposed to be renewed at the General Meeting. The Supervisory Board has also reviewed the independence of its other members.

Following this review, and in light of the independence criteria defined within the Supervisory Board's internal regulations, the Supervisory Board confirmed the independence of Albert Frère, Guy de Panafieu, Gilles Samyn, Delphine Arnault and Mouna Sepehri, and that Rémy Sautter, Guillaume de Posch, Philippe Delusinne, Vincent de Dorlodot, Elmar Heggen, Christopher Baldelli and Catherine Lenoble (representative of Immobilière Bayard d'Antin) were not independent members.

Terms of office of the principal and alternate Statutory Auditors

- The terms of office of the principal Statutory Auditors Ernst & Young and PriceWaterhouseCoopers and the alternate Statutory Auditor Auditex will shortly expire.

We propose, after consultation with the Audit Committee, to renew their term of office for a period of six financial years, that is until the General Meeting called to approve the financial statements for the year

ending 2019 (**resolutions 5 to 7**).

- The term of office of the alternate Statutory Auditor, Etienne Boris, will shortly expire.

We propose, after consultation with the Audit Committee, not to renew his term of office and to appoint as alternate Statutory Auditor Jean-Christophe GEORGHIOU, a French national, located at 63 rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France, for a period of six financial years, that is until the General Meeting called to approve the financial statements for the year ending 2019 (**8th resolution**).

We inform you that the candidate has not audited a contribution or merger operation in the company or companies they audit in the last two financial years in accordance with Article L. 233-16 of the Commercial Code.

Modification of the term of office of Executive Board members

To ensure that during the coming years the Company has all the necessary conditions to ensure continuity in its governance, the Supervisory Board proposes to reduce the duration of the Executive Board's collegial term of office from five to three years (**17th resolution**).

This amendment would come into force after the Executive Board's current term of office, that is to say on 25 March 2015.

Amendment of Article 35 of the bylaws concerning voting rights

Article 35 of the bylaws already limits the voting right of each share to one vote.

The Board has noted the proposed Law to recover the real economy, known as the “Florange Law” adopted by the National Assembly on 24 February, and in particular the provisions that would require fully paid-up shares registered in the name of the same shareholder for at least two years to benefit from double voting rights unless the bylaws provide otherwise.

Such a measure would lead to unequal treatment of Company shareholders holding shares registered in the same name for at least two years, since the controlling shareholder is capped twofold by Articles 28 and 39 of the 30 September 1986 Audiovisual Law limiting holding by the same person, whether natural or a legal entity, to 49% of the capital, and by an amendment of the CSA agreement signed 2 February 2004 stipulating that no shareholder or group of shareholders may exercise more than 34% of the total voting rights.

As the Company bylaws do not provide for double voting rights, the Executive Board has decided to propose an amendment to Article 35 of the bylaws with the effect of explicitly stipulating that fully paid-up shares for which proof is provided of a nominative registration in the same name for at least two years **do not benefit** from double voting rights (**22nd resolution**).

However, the Executive Board specifies that this resolution will be subject to shareholder vote only if this Law is published as is at the National Assembly, since the text of the Law explicitly stipulates that each issuer shall decide after its entry into force.

This proposal does not call for any comment by the Supervisory Board.

Accordingly, the Board invites you to approve the resolutions submitted by the Executive Board.

2. Work of the Supervisory Board

In accordance with legal regulations and in addition to the review of the parent company financial statements and the Report of the Executive Board, on which the Supervisory Board has just informed you of its observations, the Supervisory Board will periodically, and at least every three months, hear reports from the Executive Board on the Company’s operations. The Supervisory Board authorises

major investments, the granting of security and partial or total disposals of shareholdings and property assets and rights.

Aside from these duties, the key deliberations of the Supervisory Board since the last Annual General Meeting of shareholders concerned:

- the half-year and full-year financial statements;
- the budget for 2014;
- the quarterly financial position at 31 March 2013 and 30 September 2013;
- the main investment projects, particularly in programming;
- the disposal of Mistergooddeal;
- the allocation of free shares to a number of Group employees and/or corporate officers;
- the renewal of the share buyback agreement with a view to cancelling the said shares and the framework cash management agreement with RTL;
- the renewal of the authorisation granted to the Executive Board to grant deposits, guarantees and sureties;
- the appointment of a new member to the Audit Committee.

We have no further comments to make.

Neuilly-sur-Seine, 25 March 2014.

The Supervisory Board

8.4. Resolutions submitted to the Combined Annual General Meeting

In ordinary session:

First resolution
Approval of the parent company financial statements for the year ended 31 December 2012, approval of non-tax deductible expenses and charges

After reviewing the report of the Executive Board and the observations of the Supervisory Board, the report of the Chairman of the Supervisory Board and the Statutory Auditors' reports on the parent company financial statements for the year ended 31 December 2013, the General Meeting approves the parent company financial statements, which show a net profit of €114,581,149.14.

The General Meeting specifically approves the total of €37,261 of expenses and charges covered under Article 39-4 of the General Tax Code, as well as the corresponding tax.

Second resolution
Approval of the consolidated financial statements for the year ended 31 December 2013

After reviewing the report of the Executive Board and report of the Chairman of the Supervisory Board and the Statutory Auditors' reports on the consolidated financial statements for the year ended 31 December 13, the General Meeting approves the consolidated financial statements, which show a net profit (Group share) of 111,951,005.73.

Third resolution
Allocation of profits and setting of dividend

The General Meeting approves the allocation of the profit of Métropole Télévision SA as proposed by the Executive Board as follows:

Origin

- Net profit for the year	€114,581,149.14
- Retained earnings brought forward from prior years	€272,133,762.12

Allocation

- Dividends	€107,070,461.65
- Retained earnings carried forward	€279,644,449.61

The General Meeting acknowledges that the total gross dividend per share is set at €0.85, the full amount thus distributed is eligible for the 40% tax relief referred to in Article 158-3-2 of the General Tax Code.

The ex-dividend date will be 19 May 2014.

The payment shall be made on 22 May 2014.

In the event of a change in the number of shares conferring entitlement to a dividend compared to the 125,965,449 shares comprising the share capital as of 31 December 2013, the overall dividend amount would be adjusted accordingly, and the amount appropriated to retained earnings would be determined on the basis of dividends effectively paid.

Pursuant to Article 243 (ii) of the General Tax Code, the General Meeting notes that the dividends paid and the distributions made over the past three financial years were as follows:

FINANCIAL YEAR	ELIGIBLE FOR TAX RELIEF		DISTRIBUTION NOT ELIGIBLE FOR TAX RELIEF
	DIVIDENDS	OTHER DISTRIBUTIONS	
2010	€128,957,939 being €1 per share	-	-
2011	€126,383,964 being €1 per share	-	-
2012	€232,885,333.40 Being €1 per share	-	-

** Not taking into account undistributed dividends attributable to treasury shares.*

Fourth resolution
Statutory Auditors' special report on regulated agreements and commitments

Deliberating on the Statutory Auditors' special report on regulated agreements and commitments submitted to it, the General Meeting approves the new agreements mentioned herein.

Fifth resolution
Renewal of the term of office of Ernst & Young as Principal Statutory Auditor

On the proposal of the Supervisory Board, the Annual General meeting, renews the term of office of Ernst & Young as Principal Statutory Auditors, whose term of office expires at the end of the present meeting, for a further period of 6 years, until the Ordinary General Meeting called in 2020 to approve the financial statements for the year ended 31 December 2019.

Ernst & Young has accepted these duties.

Sixth resolution
Renewal of the term of office of Auditex as Alternate Statutory Auditor

On the proposal of the Supervisory Board, the Annual General meeting, renews the term of office of AUDITEX whose term of office expires at the end of the present meeting, for a further period of 6 years, until the General Meeting called in 2020 to approve the financial statements for the year ended 31 December 2019.

Auditex has accepted these duties.

Seventh resolution
Renewal of the term of office of PricewaterhouseCoopers Audit as Principal Statutory Auditor

On the proposal of the Supervisory Board, the Annual General meeting, renews the term of office of PricewaterhouseCoopers Audit as Principal Statutory Auditors, whose term of office expires at the end of the present meeting, for a further period of 6 years, until the General Meeting called in 2020 to approve the financial statements for the year ended 31 December 2019.

PricewaterhouseCoopers Audit has accepted these duties.

Eighth resolution
Appointment of Jean-Christophe GEORGHIOU, to replace Etienne BORIS as Alternate Statutory Auditor

On the recommendation of the Supervisory Board, the General Meeting appoints Jean-Christophe GEORGHIOU to replace Etienne BORIS, whose term of office expires at the end of this General Meeting, as Alternate Statutory Auditor for a term of six financial years until the end of the General Meeting called in 2020 to approve the financial statements for the year ended 31 December 2019.

Jean-Christophe GEORGHIOU has accepted these duties.

Ninth resolution
Reappointment of Rémy SAUTTER as member of the Supervisory Board

The General Meeting decides to renew Rémy SAUTTER's term of office as member of the Supervisory Board for a period of four years, until the General Meeting called in 2018 to approve the financial statements for the year just ended.

Tenth resolution
Reappointment of Guy de PANAFIEU as member of the Supervisory Board

The General Meeting decides to renew Guy de PANAFIEU's term of office as member of the Supervisory Board for a period of four years, until the General Meeting called in 2018 to approve the financial statements for the year just ended.

Eleventh resolution
Reappointment of Vincent de DORLODOT, as member of the Supervisory Board

The General Meeting decides to renew Vincent de DORLODOT's term of office as member of the Supervisory Board for a period of four years, until the General Meeting called in 2018 to approve the financial statements for the year just ended.

Twelfth resolution
Non-replacement of Gérard WORMS as member of the Supervisory Board

The General Meeting, having noted that Gérard WORMS' term of office as member of the Supervisory Board de Monsieur expires at the end of this General Meeting, decides to replace him.

Thirteenth resolution
Advisory opinion on the remuneration components of Nicolas de TAVERNOST, Chairman of the Executive Board

The General Meeting, consulted pursuant to the application of recommendation § 24.3 of the June 2013 AFEP-MEDEF Corporate Governance Code, which is the Company's reference code pursuant to Article L. 225-37 of the Commercial Code, approves the compensation due or allocated to Nicolas de TAVERNOST, Chairman of the Executive Board, for the 2013 financial year, as presented in the Executive Board's report to the General Meeting.

Fourteenth resolution

Advisory opinion on the remuneration components of Thomas VALENTIN, Robin LEPROUX and Jérôme LEFÉBURE, members of Executive Board

The General Meeting, consulted pursuant to the application of recommendation § 24.3 of the June 2013 AFEP-MEDEF Corporate Governance Code, which is the Company's reference code pursuant to Article L. 225-37 of the Commercial Code, approves the compensation due or allocated to Thomas VALENTIN, Robin LEPROUX and Jérôme LEFÉBURE, members of the Executive Board, for the 2013 financial year as presented in the Executive Board's report to the General Meeting.

Fifteenth resolution

Authorisation to be given to the Executive Board to enable the company to buy back its own shares under Article L. 225-209 of the Commercial Code

After reviewing the report of the Executive Board's, and in accordance with Article L. 225-209 and subsequent of the Commercial Code, the General Meeting authorises the Executive Board, for a period of eighteen months, to buy back Company shares, on one or more occasions, at the discretion of the Executive Board, up to a limit of 5% of the share capital, based either on current share capital, or as adjusted to take account of any capital increase or reduction during the period.

This authorisation supersedes the prior authorisation granted to the Executive Board by the Ordinary General Meeting on 13 May 2013 in its fifth resolution in ordinary session.

The acquisition of shares may be made in order to:

- stimulate the active secondary market or liquidity of the Métropole Télévision share through a liquidity contract managed by an intermediary investment service provider, in compliance with the AMAFI's ethics code approved by the AMF,
- retain shares purchased and ultimately use them via exchange or payment within the framework of acquisitions,
- ensure adequate coverage for share option plans and/or free share plans to Group employees and/or corporate officers and all allocations made within the framework of a company or group savings plan in respect of sharing in the profits of the company and/or other forms of share allocations to employees and/or corporate officers of the Group, through a group savings plan or by granting free shares,
- ensure adequate coverage of marketable securities giving right to Company shares within the framework of current regulations,
- cancel shares subject to approval of the 16th resolution by this Extraordinary General Meeting of shareholders.

Shares may be bought back by any means, including through the acquisition of blocks of shares, and at the times the Executive Board will deem fit.

Subject to legal provisions, these transactions may not be carried out during a public offering.

The Company retains the right to use options or derivative instruments within the framework of applicable regulations.

The maximum purchase price is set at €25 per share. In the event of a change in capital through the allocation of free shares or a division or consolidation of shares, the price indicated above will be adjusted by a factor equal to the ratio between the number of shares comprising the share capital before and after the transaction.

The maximum amount of the transaction is therefore set at €157,480,300.

The General Meeting confers full powers on the Executive Board to proceed with these transactions, set the terms and conditions, conclude all agreements and perform all formalities.

In extraordinary session:

Sixteenth resolution
Authorisation to be given to the Executive Board to cancel shares bought back under Article L. 225-209 of the Commercial Code

After reviewing the report of the Executive Board and the Statutory Auditors' Report, the General Meeting:

1) Authorises the Executive Board to cancel, at its own discretion, on one or more occasions and within the limit of 10% of the share capital, as calculated on the day of the decision to cancel them and excluding any shares cancelled during the preceding 24-month period, shares that the Company holds or may come to hold following buybacks carried out pursuant to Article L. 225- 209 of the Commercial Code, as well as reducing the share capital accordingly, in accordance with legal provisions and regulations in force,
2) Sets the validity of this authorisation to a period of twenty-four months from the date of this General Meeting, being until 4 May 2016,

3) Confers full powers to the Executive Board to carry out the necessary transactions for the cancellation and reduction of the share capital, amend the Company's bylaws accordingly and carry out all necessary formalities.

Seventeenth resolution
Modification of the term of office of the Executive Board

The General Meeting, having considered the Executive Board and Supervisory Board's reports, decides:

- to change the Executive Board's term of office by reducing it from five to three years,

- to change the first sentence of Article 16 of the bylaws accordingly as follows: "The Executive Board is appointed for a period of three years", the rest of the Article remaining unchanged.

This decision does not affect the current term of office, which shall run until 25 March 2015; it shall apply for the first time at the next renewal of the Executive Board's term of office

Eighteenth resolution
Authorisation to be given to the Executive Board for the allocation of free shares to employees (and/or certain corporate officers)

After reviewing the Executive Board report and the Statutory Auditors' special report, the General Meeting authorises the Executive Board, pursuant Articles L. 225-197-1 and L. 225-197-2 of the Commercial Code, to grant ordinary shares in the Company, existing or to be issued, for the benefit of:

- Employees of the Company or companies directly or indirectly related to it pursuant to Article L. 225-197-2 of the Commercial Code,

- And/or corporate officers who meet the conditions set by Article L. 225-197-1 of the Commercial Code.

After 38 months, the total number of shares thus allocated may not exceed 1,900,000 shares, it being specified that the allocation of free shares to members of the Executive Board may not exceed 285,000 shares within this allocation limit.

The allocation of shares to the beneficiaries will be final at the end of a vesting period, the duration of which will be set by the Executive Board and may not be less than two years, followed by a period of retention by beneficiaries of a duration to be set by the Executive Board, it being specified that this retention period may not be less than two years from the final vesting of the said shares.

However, the General Meeting authorises the Executive Board, to the extent that the vesting period of all or part of one or several allocations is set at a minimum of four years, in order to waive the retention period for the shares concerned.

By exception, the vesting of the shares shall be final before the end of the vesting period in case the beneficiary suffers from a disability classified in the second or third category referred to by Article L. 341-4 of the Social Security Code.

All powers are conferred to the Executive Board to:

- Set the terms and conditions, and, if applicable, the criteria for allocating the shares;
- Determine the identity of beneficiaries, as well as the number of shares to be granted to each of them;
- Determine the effects of transactions modifying the share capital or liable to affect the value of shares granted on the rights of beneficiaries, carried out during the vesting and retention periods, and modify or adjust accordingly, if required, the number of shares granted to preserve the rights of the beneficiaries;
- If applicable:
    - note that sufficient reserves exist and transfer to an unavailable reserve account the funds necessary to fully pay up the new shares to be granted every time shares are granted,
    - decide, in due time, share capital increases by capitalisation of reserves, premiums or profits concurrent to the issue of new shares granted free of charge,
    - proceed with buying back the shares required within the framework of the share buyback programme and allocate them to the allocation plan
    - take all the necessary steps to ensure the beneficiaries' retention obligation is complied with,
    - and more generally, do everything rendered necessary by the implementation of this authorisation, in accordance with applicable legal provisions.

This authorisation shall carry by operation of law the waiving by shareholders of their pre-emption right to subscribe to new shares issued by capitalisation of reserves, premiums and profits.

It is granted for a period of thirty-eight months from the day of this General Meeting.

It invalidates any previous authorisation with the same purpose.

Nineteenth resolution

Authorisation to be given to the Executive Board to increase the share capital through the issue of shares with waiver of the pre-emption right reserved for members of a group savings plan, pursuant to Articles L. 3332-18 and subsequent of the Labour Code

After reviewing the Executive Board report and the Statutory Auditors' special report, the General Meeting, pursuant Articles L. 225-129-6 and L. 225-138-1 of the Commercial Code and L. 3332-18 and subsequent of the Labour Code, hereby:

1/ Authorises the Executive Board, if it deems appropriate and on its sole decision, to increase the share capital on one or more occasions by issuing ordinary shares or securities granting access to the Company's capital for the benefit of the participants in one or more company or group savings plans established by the Company and/or affiliated French or foreign companies under the terms of Article L. 225-180 of the Commercial Code and Article L. 3344-1 of the Labour Code.

2/ Waives for the benefit of these individuals the pre-emption right to subscribe for shares that may be issued pursuant to this authorisation.

3/ Sets the validity of this authorisation at twenty-six months from this General Meeting.

4/ Limits the maximum nominal amount of the increase(s) under this authorisation to 1.5% of the share capital on the date the Executive Board decides to proceed with this increase, this amount being independent of all other caps set by other authorisations to increase share capital. To this amount shall be added, if applicable, the additional amount of ordinary shares to be issued so as to safeguard, pursuant to the law and any contractual provisions providing for other adjustment cases, the rights of the holders of securities granting access to the Company's equity securities;

5/ Decides that the price of shares to be issued in application of paragraph 1 of this authorisation may neither be more than 20% lower, or 30% lower when the unavailability period provided for by the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the Labour Code is equal to ten years or more, than the average opening share prices of the 20 trading days preceding the Executive Board's decision to increase the share capital and issue the relevant shares, nor should it exceed this average.

6/ Decides, pursuant to the provisions of Article L. 3332-21 of the Labour Code that the Executive Board may allocate to beneficiaries indicated in the first paragraph above, free shares to be issued or already issued, or other securities giving access to the Company's capital, in respect of (i) the contribution that may be paid pursuant to the regulations of company or group savings plans, and/or (ii) if applicable, the discount;

7/ Takes note that this authorisation supersedes any previous authorisation of the same nature.

The Executive Board may or may not implement this authorisation, take any steps it deems appropriate and carry out all necessary formalities.

Twentieth resolution

Further details regarding the consequences of failure to declare exceeding the statutory threshold - Consequential amendment of Article 11 of the bylaws.

The Ordinary General Meeting, having considered the Executive Board's reports, decides:

- to specify the means of removal of voting rights in the event of failure to declare exceeding the statutory threshold,

- to amend accordingly the last sub-paragraph of paragraph 2 of Article 11 of the bylaws "*Transfer and transmission of shares*" as follows, the rest of the Article remaining unchanged:

"If they have been regularly reported as per the requirements of the sub-paragraphs above, the shares exceeding the ***undeclared fraction are denied the right to vote at any shareholder meeting to be held until the expiration of two years from the date of regularisation, at the request, recorded in the minutes of the General Meeting, of one or more shareholders holding at least 5% of the share capital****".*

Twenty first resolution
Alignment of bylaws

After reviewing the Executive Board report, the General Meeting decides:

- to align the third sub-paragraph of Article 10 of the bylaws "*Form of Shares*" with the provisions of Article L. 228-2 of the Commercial Code and amend it as follows, the rest of the article remaining unchanged:

"The Company, after examining the list sent by the ***securities clearing agency****, is entitled, either through* ***this agency*** *or directly, to request information regarding ownership of the securities to the persons appearing on this list and those whom the Company believes may be registered on behalf of a third party".*

- to align paragraph 25.2 of Article 25 of the bylaws "Regulated agreements" with the provisions of Article L. 225-87 of the Commercial Code, as amended by Law No. 2011-525 of 17 May 2011 and amend it as follows, the rest of the article remaining unchanged:

" 25.2 - The provisions of 25.1 above do not apply to agreements relating to current transactions and concluded under normal conditions. "

- to align the third sub-paragraph of Article 39 of the bylaws "*Financial statements*" with the provisions of Article L. 232-1 of the Commercial Code and amend it as follows, the rest of the article remaining unchanged:

"The annual financial statements and management report as well as the consolidated financial statements are made available to the Auditor(s) at the Registered Office at least one month before notice is given of the General Meeting held to approve the parent company and consolidated financial statements".

- to remove the fourth sub-paragraph of Article 39 of the bylaws "*Financial statements*" regarding the change of method of account valuation, the rest of the article remaining unchanged.

Twenty second resolution
Powers to complete formalities

The General Meeting confers full powers on a bearer of copies or certified extracts of the minutes of this meeting to make all filings and advertising and to carry out any other legal and administrative formalities as required, in accordance with the law.

Twenty third resolution
Amendment of Article 35 of the bylaws concerning voting rights

The General Meeting, having considered the Executive Board and Supervisory Board's reports, decides:

- to explicitly provide for the absence of double voting rights following the amendment of the provisions of Article L. 225-123 of the Commercial Code by the Law to recover the real economy,
- to amend accordingly and as follows Article 35 of the bylaws "Voting rights", the rest of the article remaining unchanged:

"*Subject to the provisions below, the voting rights attached to shares are proportional to the portion of capital they represent, and each share is entitled to one vote.* ***Fully paid-up shares for which proof is provided of a nominative registration in the same name for at least two years do not benefit from double voting rights.***
No shareholder, or group of shareholders acting in concert, may own more than 34% of total voting rights. Accordingly, in the event that a shareholder holds, alone or in concert with others, more than 34% of the capital, the voting rights available to this shareholder in the General Meetings is limited to 34% of the Company's total shares and/or the voting rights attached to them. This restriction shall automatically cease to apply in the event of the abolition of the requirement of such a restriction, either by a decision of the CSA, or as part of an amendment to the Agreement between the CSA and the Company".

8.5. Special report on the share capital reduction provided for by the 16th resolution to the Combined General Meeting of 5 May 2014

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63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
Tour First, 1, place des Saisons
92400 Courbevoie
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Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,386,179.60
Financial year ended 31 December 2013

Statutory Auditors' report on the share capital reduction

(Combined General Meeting of 13 May 2013 – sixteenth resolution)

To the Shareholders,

As Statutory Auditors of your Company and in execution of our assignment under Article L. 225-209 of the Commercial Code in the event of a reduction in capital arising from shares bought back, we present our report with a view to providing you with our opinion on the reasons for and the terms and conditions of the proposed capital reduction.

Your Executive Board proposes that you delegate to it, for a period of 24 months starting on the date of this General meeting, all powers to cancel on one or more occasions the shares thus purchased in respect of the implementation of the authorisation for your Company to purchase its own shares in accordance with the provisions of the above-mentioned article, up to the limit of 10% of its share capital and by twenty four-month periods.

We have performed the due diligence procedures that we deemed necessary in the light of the professional standards of the Compagnie Nationale des Commissaires aux Comptes applicable to this assignment, in order to verify whether the reasons for and the terms and conditions of the proposed share capital reduction, which is not liable to affect the equality of shareholders, are reasonable.

We have no observations to make on the reasons for and the terms and conditions of the proposed capital reduction.

Neuilly-sur-Seine and Paris La Défense, 9 April 2014

The Statutory Auditors

PricewaterhouseCoopers Audit
Marc Ghiliotti
Partner

Ernst & Young et Autres
Bruno Perrin
Partner

8.6. Statutory Auditors' on the authorisation to be given to the Executive Board to allocate free shares as provided by the 18th resolution to the Combined General Meeting of 5 May 2014

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Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,386,179.60
Financial year ended 31 December 2013

Statutory Auditors' report on the authorisation to allocate free shares already existing or to be issued for the benefit of employees and corporate officers

(Combined General Meeting of 5 May 2014 – eighteenth resolution)

To the Shareholders,

As Statutory Auditors of your company and in execution of our assignment, we hereby present our report on the proposed allocation of free shares already existing or to be issued for the benefit of employees and/or corporate officers of your company and companies related to it in accordance with Article L.225-197-2 of the Commercial Code, upon which you are called to vote.

Your Executive Board proposes that based on its report, you authorise it to allocate free shares already existing or to be issued for a period of 38 months.

The Executive Board must prepare a report on this proposed transaction, which it intends to implement. It is our role to make you aware, where necessary, of our observations on the information thus provided on the planned transaction.

We have performed the due diligence procedures that we deemed necessary in the light of the professional standards of the Compagnie Nationale des Commissaires aux Comptes applicable to this assignment, in order to verify the method considered and included in the report of the Executive Board are within the provisions of the law.

We have no observations to make on the information provided in the report of the Executive Board on the planned transaction for the allocation of free shares.

Neuilly-sur-Seine and Paris La Défense, 9 April 2014

The Statutory Auditors

PricewaterhouseCoopers Audit
Marc Ghiliotti
Partner

Ernst & Young et Autres
Bruno Perrin
Partner

8.7. Statutory Auditors' report on the delegation of authority to be granted to the Executive Board to increase the share capital by issuing shares with waiver of the pre-emption right for the benefit of employees who are members if a company savings plan, in application of Articles L. 3332-18 and subsequent of the Labour Code, as provided by the 19th resolution to the Combined General Meeting of 5 May 2014

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92400 Courbevoie
France

Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,386,179.60
Financial year ended 31 December 2013

Statutory Auditors' report on the issue of ordinary shares and/or marketable securities giving access to the share capital of the Company reserved for employees who are members of a company savings plan

(Combined General Meeting of 5 May 2014 – nineteenth resolution)

To the Shareholders,

As Statutory Auditors of you Company and in execution of our assignment, as covered by Articles L.228-92 and L. 225-135 and subsequent of the Commercial Code, we hereby present our report on the proposal to delegate to the Executive Board the authority to decide on a capital increase by issuing ordinary shares and/or marketable securities giving access to the share capital of the company with waiver of the pre-emption right, for a maximum nominal amount of 1.50% of the share capital at the time the Executive Board decides to carry out the said increase, reserved for employees of your Company and related companies who are members of a company savings plan, upon which you are called to vote.

This transaction is submitted for your approval pursuant to the provisions Articles L. 225-129-6 of the Commercial Code and L. 3332-18 and subsequent of the Labour Code.

On the basis of its report, your Executive Board proposes that you authorise it for a period of 26 months to decide upon a capital increase and to waive your pre-emption right to subscribe for the equity securities to be issued. If necessary, it will be the responsibility of the Executive Board to define the final terms and conditions of this transaction.

As provided by Articles R. 225-113 and subsequent of the Commercial Code, your Executive Board must prepare a report. It is our responsibility to express our opinion on the fairness of the financial information derived from the accounting records on the proposal to waive the pre-emption right to subscribe and on certain other information concerning the issue given in this report.

We have performed the due diligence procedures that we deemed necessary in the light of the professional standards of the Compagnie Nationale des Commissaires aux Comptes applicable to this assignment, in order to verify the content of the report of the Executive Board in relation to this transaction and the methods of determining the price of issue.

Subject to the subsequent review of the conditions under which the issues will be made, we have no comments to make on the methods of determining the price of issue as detailed in the report of the Executive Board.

As the issue price has not been determined, we do not express an opinion on the definitive conditions by which the share capital increase will be carried out, and, therefore, on the proposal extended to you to waive the pre-emption right.

As provided by Article R. 225-116 of the Commercial Code, we will prepare a supplementary report at the time this authorisation is used by your Executive Board.

Neuilly-sur-Seine and Paris La Défense, 9 April 2014

The Statutory Auditors

PricewaterhouseCoopers Audit
Marc Ghiliotti
Partner

Ernst & Young et Autres
Bruno Perrin
Partner

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9.1. Statutory Auditors fees

Statutory Auditors fees for 2013 and other fees billed in 2013 (amounts excl. taxes):

(€ thousands)	Ernst & Young				PWC				TOTAL			
	2013	2012	% 2013	% 2012	2013	2012	% 2013	% 2012	2013	2012	% 2013	% 2012
Audit												
Statutory Audit, Certification of parent company and consolidated financial statements	296	318	68%	100%	446	462	86%	99%	742	780	78%	99%
Métropole Télévision	*94*	*126*	*22%*	*40%*	*94*	*126*	*18%*	*27%*	*188*	*252*	*20%*	*32%*
Fully-consolidated subsidiaries	*202*	*192*	*47%*	*60%*	*352*	*336*	*68%*	*72%*	*554*	*528*	*58%*	*67%*
Other related assignments and other audit assignments	61	-	14%	-	73	7	14%	1%	134	7	14%	1%
Métropole Télévision	*35*	-	-	-	*70*	-	-	-	*105*	*0*	-	-
Fully-consolidated subsidiaries	*26*	-	6%	-	*3*	*7*	0%	1%	*29*	*7*	3%	1%
Sous-total	**357**	**318**	***82%***	***100%***	**518**	**469**	***100%***	***100%***	**875**	**787**	***92%***	***100%***
Other services												
Legal, fiscal, corporate	-	-	-	-	-	-	-	-	-	-	-	-
Other services	77	-	-	-	-	-	-	-	*77*	-	8%	-
			-	-			-	-			-	-
Sous-total	**77**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**77**	**-**	**-**	**-**
TOTAL	**434**	**318**	***100%***	***100%***	**518**	**469**	***100%***	***100%***	**952**	**787**	***100%***	***100%***
TOTAL in %	**45.6%**	**40.4%**			**54.4%**	**59.6%**						

The Group may need to call in other Statutory Auditors for recently-acquired subsidiaries or whose operations are not significant. Such fees totalled € 22.2 thousand in 2013, representing 2.7 % of services provided by the Statutory Auditors.

9.2. Changes in accounting principles

The consolidated financial statements at 31 December 2013 have been prepared in accordance with the IAS/IFRS (International Financial Reporting Standards) in force within the European Union at that date. Changes in standards in force at 31 December 2013 are set out in detail in Note 3 to the consolidated financial statements of this document.

Furthermore, the parent company financial statements at 31 December 2013 have been prepared in accordance with the French Chart of Accounts. Changes in standards in force at 31 December 2013 are set out in detail in Note 2 to the parent company financial statements of this document.

9.3. Other information in respect of the parent company financial statements

9.3.1. Tax information

FINANCIAL STATEMENTS AT 31 DECEMBER 2013	(€ thousands)
Total of expenses and charges excluded from deductible expenses (Article 39-4 of the Income Tax Code)	37.3
amount of attendance fees excluded from deductible expenses (Article 210 (vi) of the Income Tax Code)	0.0
Remunerations and other charges relating to the 10 highest paid persons	611.8
Gifts and reception costs	462.0
Expenses reported on the special summary of General Expenses (Article 223 (v) of the Income Tax Code	
Expenses added back to taxable profit	37.3

9.3.2. Corporate information

The Company will provide any shareholder who requests it with a copy of the corporate report provided by Articles L.2323-68 and subsequent of the Labour Code.

9.4. Person responsible for the Registration Document

I certify that, after taking all reasonable measures to this effect and to the best of my knowledge, the information set out in this Registration Document is accurate and contains no omission which could impair its meaning.

I certify that, to my knowledge, the financial statements have been prepared in accordance with professional accounting standards applicable in France and give a fair view of the assets, financial position and performance of the Company and of all companies included in the consolidation scope, and that the enclosed Management Report, indexed in the cross-reference table filed on page 338 of this document, gives a true view of the business situation, performance and financial position of the Group and of all companies included in the consolidation, as well as a description of main risks and uncertainties encountered.

I have obtained from the Auditors a letter issued upon completion of their assignment, stating that they have verified the information concerning the financial position and financial statements presented in this Registration Document and that they have read the entire Registration Document.

The consolidated financial statements for the year ended 31 December 2013 have been subject to a report issued by the Auditors, as shown on pages 230-231.
The consolidated financial statements for the year ended 31 December 2012 have been subject to a report issued by the Auditors, as shown on pages 211-212 of the Registration Document filed with the AMF on 16 April 2013 under D.13-0364, which contains one observation.

Neuilly-sur-Seine, 9 April 2014
Nicolas de Tavernost
Chairman of the Executive Board

9.5. Information included by reference

Pursuant to Article 28 of Regulation (EC) N° 809/2004 of the Commission, the following information is included by reference in this Registration Document:

• The consolidated financial statements for the year ended 31 December 2012 and the relevant report of the Statutory Auditors included in pages 152 to 212 of the 2012 registration document, registered with the AMF on 16 April 2013 with number D.13-0364, as well as financial information on pages 5 to 267 of the same registration document for 2012.

• The consolidated financial statements for the year ended 31 December 2011 and the relevant report of the Statutory Auditors included in pages 170 to 228 of the 2011 registration document, registered with the AMF on 11 April 2012 with number D.12-0325, as well as the management report on pages 5 to 166 of the same registration document for 2011.

9.6. Persons responsible for financial information

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ii. Breakdown by objective of shares held by the Company at present
This information is available on pages 121 to 124 of this Registration Document.

iii. New buyback programme
This information is available on pages 123 and 124 of this Registration Document.

2. ANNUAL FINANCIAL REPORT

i. Parent company financial statements
The parent company financial statements for the year ended 31 December 2013 are available on pages 232 to 251 of this Registration Document

ii. Consolidated financial statements
The consolidated financial statements for the year ended 31 December 2013 are on pages 170 to 229 of this Registration Document

iii. " Management Report" pursuant to Article 222-3-3 of the AMF General Regulations

a. True and fair view of the business, revenue and financial position of the Company and the companies included in the consolidation scope and a description of major risks and uncertainties.
This information is available on pages 12 to 34, 96 to 111, 136 to 150, and 152 to 167 of this Registration Document.

b. Information that could have an influence in a public offering context
N/A

c. Information on the buyback programme situation at year-end
This information is available on pages 121 to 122 of this Registration Document.

d. Statement of the persons responsible for the Annual Financial Report
This information is available on page 335 of this Registration Document.

e. Social and environmental information
This information is available on pages 263 to 298 of this Registration Document.

f. Statement of reasons for the resolutions proposed by the Executive Board
This information is available on pages 306 to 316 of this Registration Document.

g. Resolutions proposed by the Executive Board to the General Meeting
This information is available on pages 320 à 328 of this Registration Document.

h. Summary of financial results of the last 5 years
This information is available on page 254 of this Registration Document.

i. Chairman's report on corporate governance and internal control
This information is available on pages 96 to 111 of this Registration Document.

iv. Reports of the Statutory Auditors on parent company and consolidated financial statements

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This information is available on pages 230 to 231, and 252 to 253 of this Registration Document

4. FEES OF STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORK

This information is available on page 334 of this Registration Document.

MÉTROPOLE TÉLÉVISION
Public limited company governed by an Executive Board and a Supervisory Board
with share capital of €50,386,179.60

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