2014

Registration document

Including the annual financial report

Contents

2014

Registration Document

Including the Annual Financial Report

AUTORITÉ DES MARCHÉS FINANCIERS

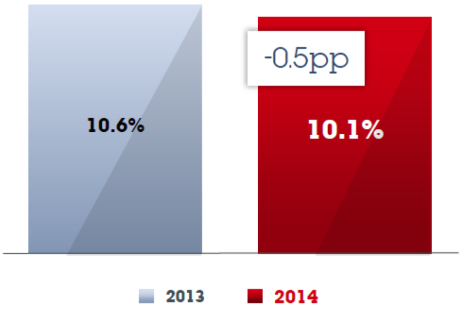
The French version of this Registration Document was filed with the French Financial Market Authority (AMF) on 23 March 2015, in accordance with Article 212-13 of the AMF General Regulations. It may be used for the purpose of a financial transaction if completed by an information notice approved by the AMF.
This document has been prepared by the issuer and is the responsibility of the signatories.

1 M6 GROUP PRESENTATION

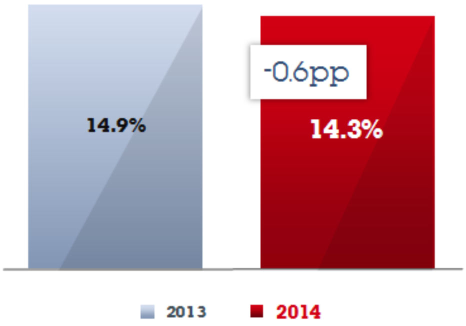
1.1 Key figures

1.1.1 Management indicators

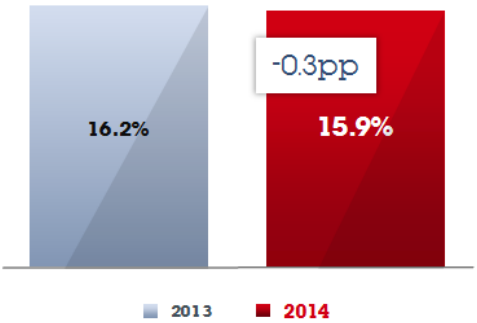
M6 channel 4+ audience share



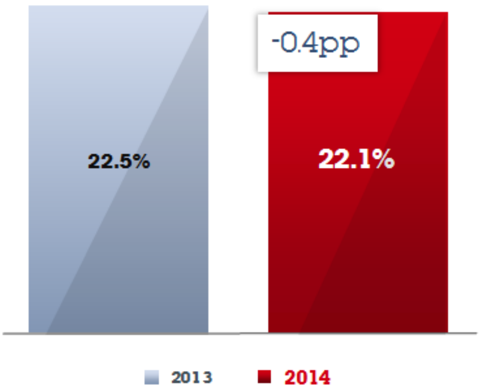
M6 Group 4+ audience share



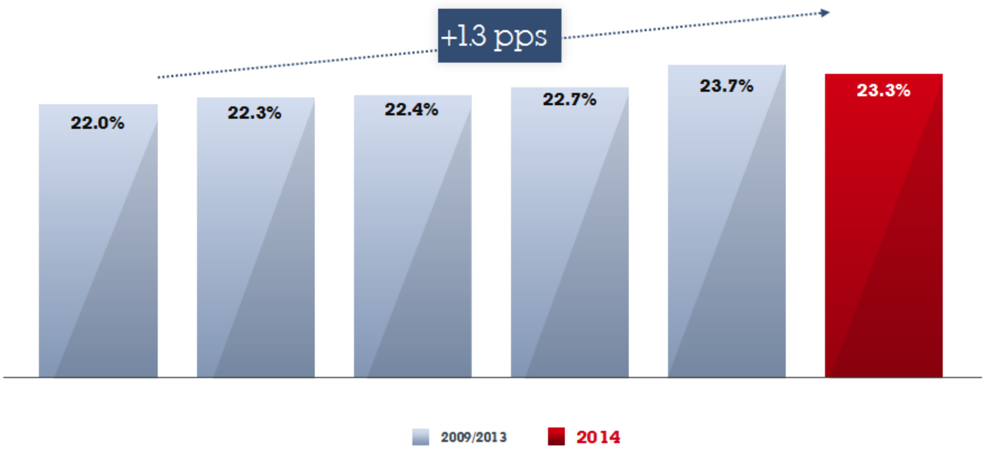
M6 channel Hws<50 audience share



M6 Group Hws<50 audience share



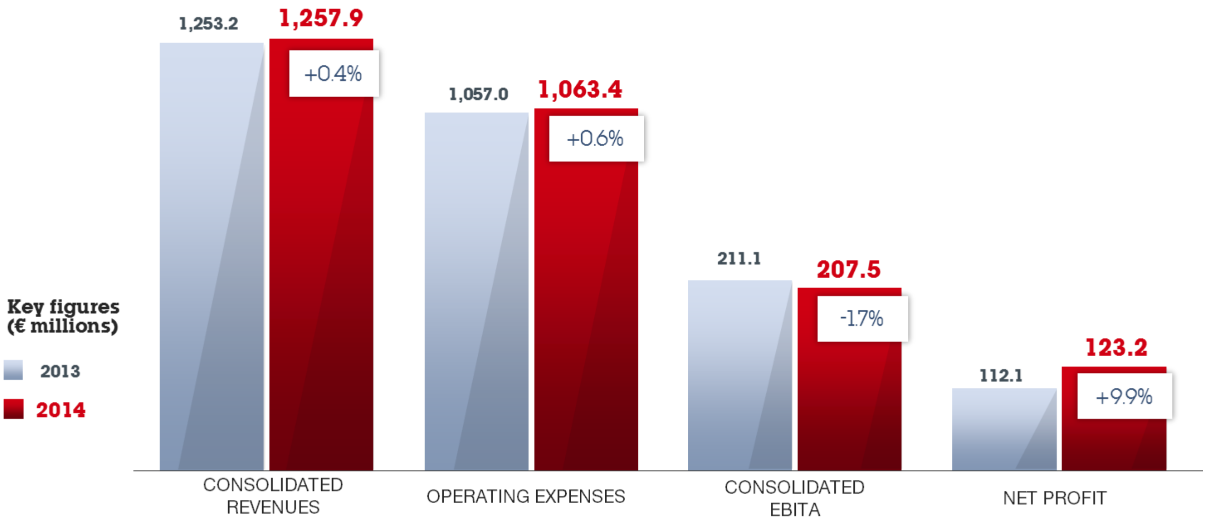
Net advertising market share of M6 Group free-to-air channels*



Source: M6 (estimates based on IREP data published on 31/01/2015)

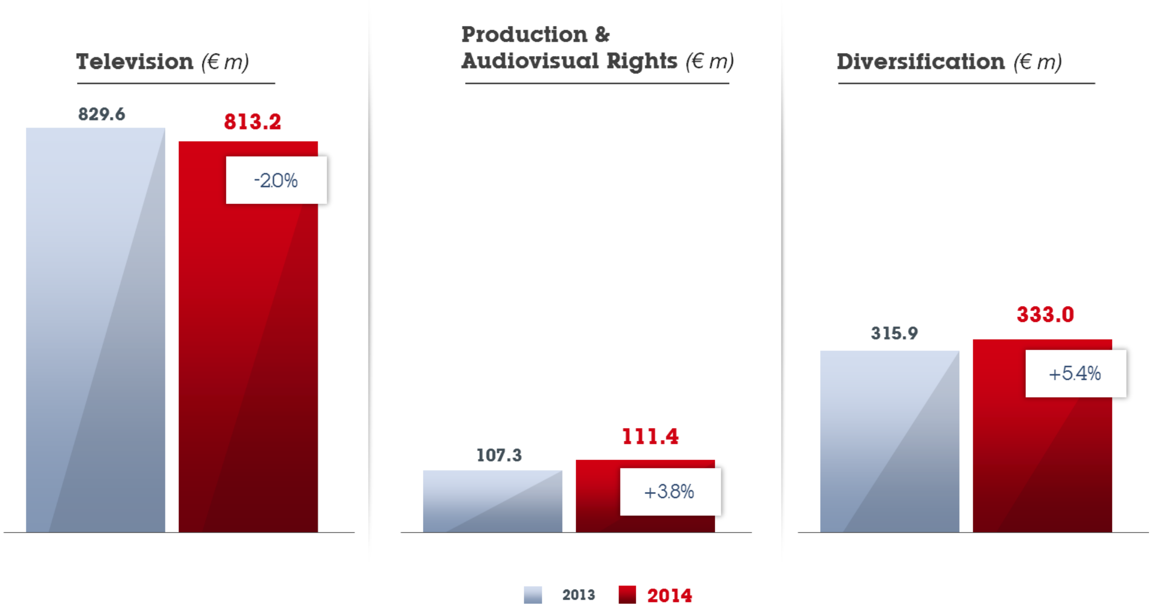
1.1.2 Financial indicators

Revenue, EBITA* and net profit

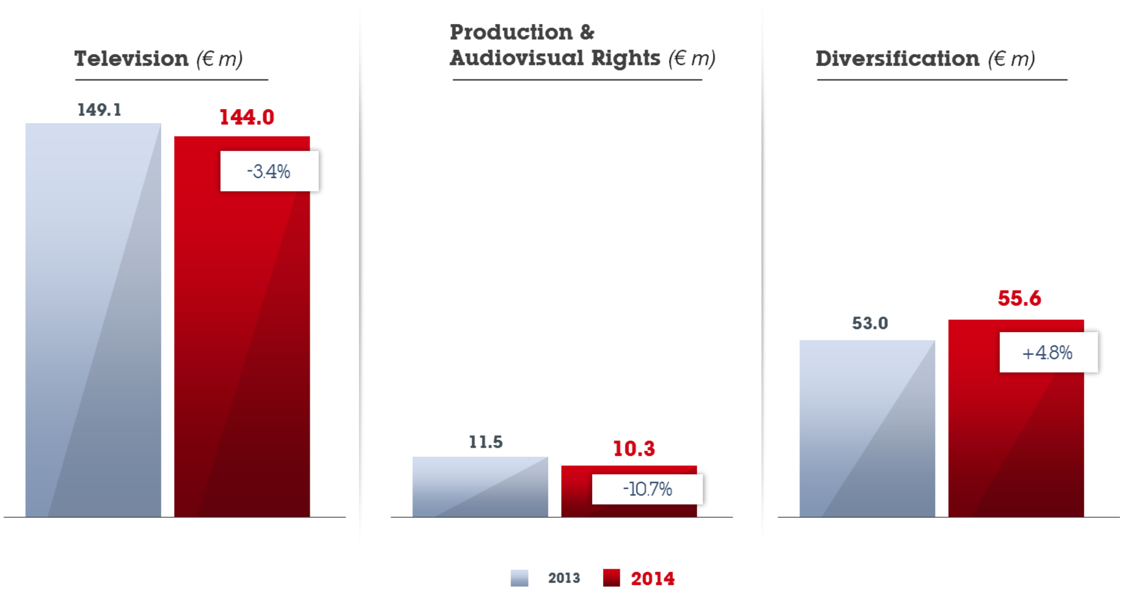


* EBITA is defined in section 5.1.1.1 of this management report

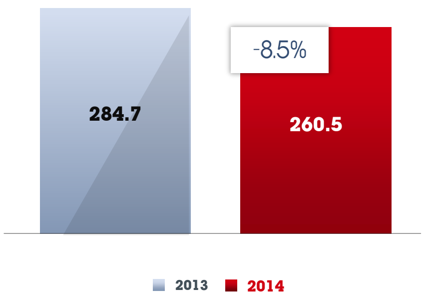
Revenue analysis, by segment



EBITA analysis, by segment



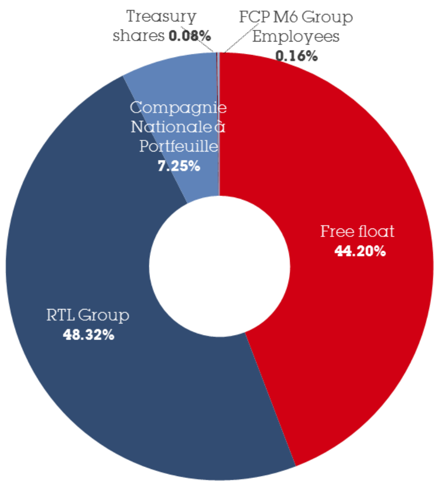
Net cash position**



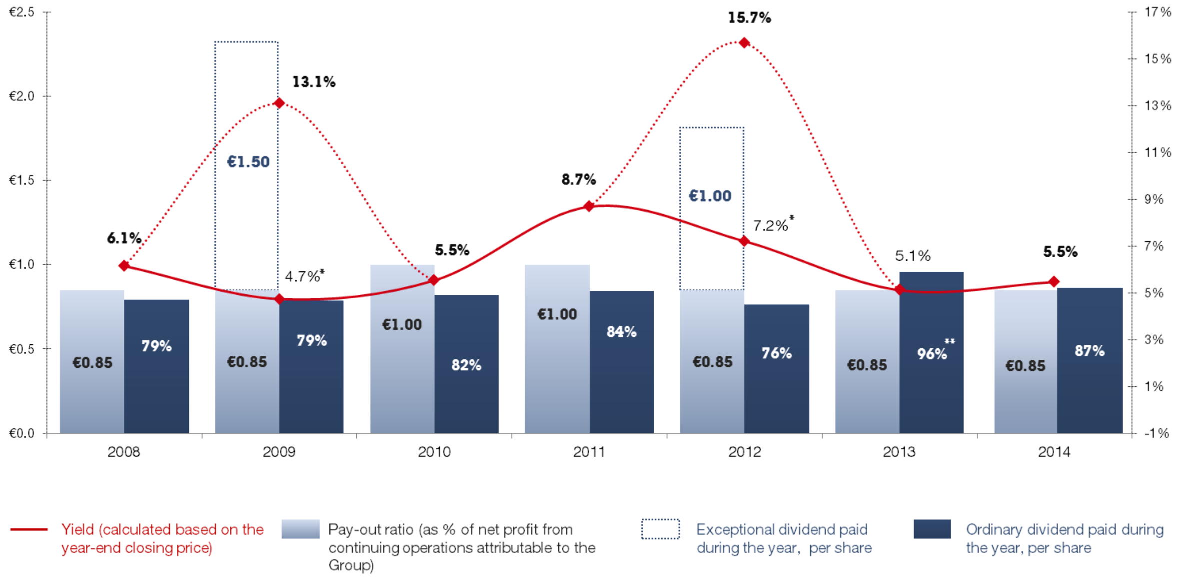
** The net cash position is defined in section 5.2.2 of this management report

1.1.3 Stock market indicators

Shareholding structure at 31 December 2014

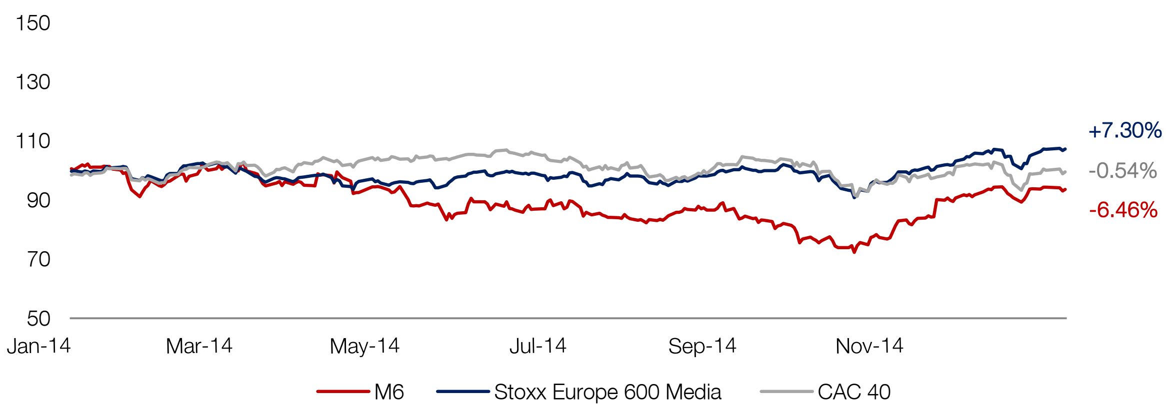


Dividends paid

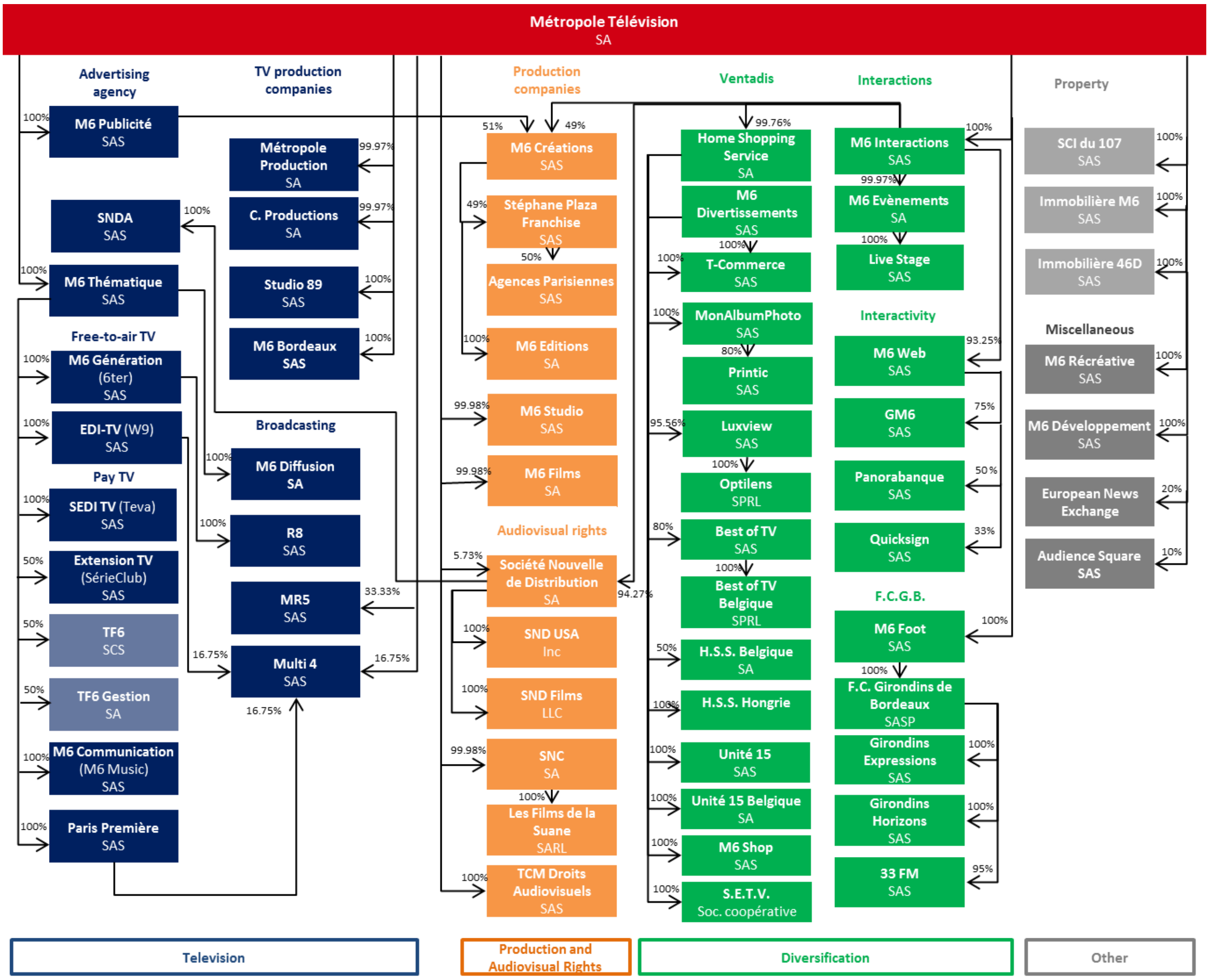


A dividend of €0.85 will be proposed for the financial year 2014.

Stock market performance



1.2 Group structure (% of share capital)



1.3 Consolidation scope

The Group made several acquisitions in 2014:

- On 7 January 2014, through its subsidiary Home Shopping Service (Ventadis division), the 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, the sales of which were initiated via teleshopping.

- On 2 June 2014, the Group, which through its subsidiary Home Shopping Service held 95% of the share capital of MonAlbumPhoto, increased its stake to the entire share capital.

- On 16 September 2014, the Group, through its subsidiary MonAlbumPhoto, concluded the acquisition of 80% of the share capital of Printic, a company that develops mobile applications enabling the printing of photos, albums, calendars and posters from a mobile phone.

- On 26 November 2014, the Group, via its subsidiary M6 Web, entered into exclusive negotiations for the acquisition of Oxygem, the French website publishing and e-marketing services company.

- Lastly, on 28 November 2014, the Group, through its subsidiary M6 Créations, acquired a 49% interest in the company Stéphane Plaza Franchise.

In addition, on 31 March 2014, the Group finalised the disposal of the entire share capital of Mistergooddeal to Darty Group.

The Group also continued its efforts to streamline its organisational structure. As such, M6 Toulouse was absorbed by Métropole Télévision on 31 July 2014.

1.4 2014 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 Group 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.
2013: Girondins de Bordeaux won the French Cup Final. 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.

1.4.2 2014 financial year highlights

January
7: The Group acquired 51% of the share capital of Best of TV, a French importer and distributor to points of sales of products, the sales of which were initiated via teleshopping.

February
17: M6 was a winner at the 19th Lauriers Audiovisual Awards for the programme "Kid & Toi".

March
13: M6 launched *"Qu'est-ce que je sais vraiment"*, the first fully interactive game show on television and registered a record number of connections with more than half a million viewers taking part using a second screen.
21: M6 Group was named "Most Attractive Media Employer" at the 5th *"Randstad Awards"*, which recognises the best companies in terms of employer attractiveness.
26: 6Play launched the first fully on-demand free-to-air TV channels in France: Styles, Stories, Comic and Crazy Kitchen.
31: M6 Group announced the finalisation of the sale of Mistergooddeal to Darty Group.

April
3: W9 achieved its best audience figures since its launch with the broadcast of the Europa League match between Lyon and Juventus, watched by 2.2 million viewers.

May
26: M6 signed a strategic partnership with FamiHero, leader of domestic services on the Internet.

June
10: M6 Group and CBS announced they had signed a new multi-year agreement for the acquisition of programmes.

August
14: 6ter achieved its best audience figures of the year with the broadcast of the film *"Jumanji"*.

September
1: *"L'Amour est dans le pré"* achieved viewing figures of 6.2 million for M6, its best of the year.
20: For the first time, M6 Group was involved in European Heritage Days and opened the doors of its channel M6.
28: M6 Group celebrates 20 years of listing on the stock exchange.

October
1: M6 Info and Yahoo announced the launch of an exclusive partnership regarding news content.
9: M6 Group and Disney renewed their multi-year agreement for the acquisition and broadcast of programmes produced by the Disney and Disney Pixar labels.

November
19: M6 Group launched its new YouTube channel, Cover Garden.
26: M6 Web entered into exclusive negotiations for the acquisition of OXYGEM, the French website publishing and e-marketing services company.
26: Release of the film *"Astérix et le Domaine des Dieux"* which achieved ticket sales of almost 3 million.

December
31: TF6 stops broadcasting.

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 2014 are set out below.

1.4.3.1 Development of digital terrestrial television

The six channels launched in high definition on 12 December 2012 increased their coverage in 2014, reaching 89% of the population at the end of 2014. The last two phases which will take place in 2015 will enable the channels to cover more than 97% of the population in June 2015, meaning the same level of coverage as the other DTT channels.

In addition, the Government has approved the schedule for the new digital dividend allocating the UHF 694-790 MHz band to telecoms operators. It provides for their actual transfer to take place between 1 October 2017 and 30 June 2019.
With regards to the DTT channels which currently use this frequency band, the MPEG-4 compression standard will become widely available in April 2016, thereby enabling broadcast quality to be maintained and optimised. A plan will be implemented to accompany the switch-off of MPEG-2 transmission and the reorganisation of frequencies, with the cost of both to be borne by the recipients of this new service.

1.4.3.2 Amendment to the decrees setting out production obligations

Law n°2013-1028 of 15 November 2013 relating to the independence of public service broadcasting reopened the possibility for producers of television channels to hold shares in the production of independent works. Based on an industry consultation, during which M6 Group made a submission, and on the opinion of the regulator, the Government is to specify how this new provision is going to be applied in a decree whose publication is expected during the first quarter of 2015.

1.5 Group markets and operations

1.5.1 Television

1.5.1.1 Business presentation

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, Série Club, M6 Music and 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 channel also has a pay DTT licence.**

METROPOLE TELEVISION SA	**Métropole Télévision**, parent company of M6 Group, broadcasts the M6 channel. It decides its programming strategy, its acquisition and production policies, and its schedule structure. It also collects the revenues from the advertising and sponsorship broadcast on the channel. Moreover, Métropole Télévision defines the policy directions pursued by the various Group entities and manages the cross-company administrative and support functions. The entire Group's strategic financial assets are predominantly held by the parent company.
EDI TV SAS	**EDI TV** produces W9, the Group's second free-to-air channel.
M6 GENERATION SAS	**M6 Génération** produces 6ter, the Group's third free-to-air channel.
Pay channels	The Group broadcasts channels that complement its offering via cable and satellite: **Téva, Paris Première, Série Club, M6 Music and Girondins TV.**
M6 PUBLICITE SAS	The M6 channel's historical advertising agency, whose development it has supported, **M6 Publicité** is currently responsible for marketing the advertising space for 8 television channels.

The Group's televised production activities are handled by three distinct production companies:

METROPOLE PRODUCTIONS SA	**Métropole Production** handles the operation of all the Group's technical production resources and the management of the media, as well as the production of audiovisual works and programmes on behalf of the channel.
C PRODUCTIONS SA	**C Productions** is the second pillar of this division, and mainly produces the M6 channel's news magazines such as *Capital, Zone Interdite, Enquête Exclusive, 66 Minutes, 100% Mag*, as well as *Enquêtes criminelles* for W9.
STUDIO 89 SAS	**Studio 89 Productions** produces a significant number of formats both for M6 and for other Group channels, including *Top Chef* and *Cauchemar en cuisine* for M6, *Enquête d'action* and *Les Princes de l'Amour* for W9, and *Norbert et Jean: Le Défi* for 6ter.

1.5.1.2 Market trends in the TV business and Group positioning

a) Structural changes in the TV market

- Constantly improving household equipment

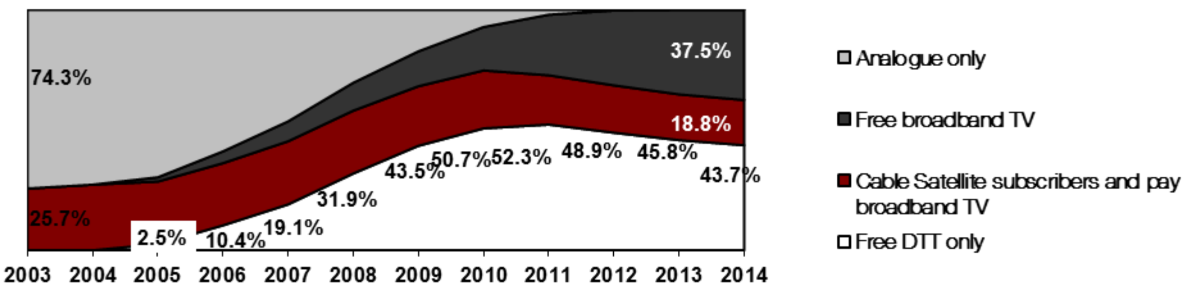
Today, practically all French households have a television (96.7% in the second quarter of 2014 according to Observatoire de l'équipement audiovisuel des foyers). In addition more than 8 out of 10 households are equipped with a 16/9 HD compatible flat screen. This trend has been fuelled in particular by the development of the range of HD programming and the drop in the price of televisions.
Moreover, although the penetration rate for televisions dipped in 2014 (down 1.4% in one year), it remains the main screen in households, ahead of computers, smartphones and touch screen tablets, which are found in 32% of homes.

Sales of television sets increased in 2014, with 5.8 million sold as opposed to 5.7 million in 2013. Technological innovations such as Ultra HD, the increase in screen size, 3D, and connected TV helped to maintain sales growth, in spite of the fact that on-demand content, and competition from mobile screens stifled the renewal of secondary screens in households with more than one television (source: GfK – 2014 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 2014).

Equipment of households by reception system at year-end:



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 10.8% in 2014, compared with 11.2% in 2005;
- Free DTT channels, whose nationwide 4 plus year old audience share was 24.7% in 2014, compared with 0.9% in 2005.

Overall in 2014, 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 64.5% of the nationwide TV audience, compared to 35.5% for "Other TV".

Nationwide audience share (4+ year olds):

Nationwide audience ratings (4+ year olds)

%	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
M6	10.1%	10.6%	11.2%	10.8%	10.4%	10.8%	11.0%	11.5%	12.5%	12.6%
TF1	22.9%	22.8%	22.7%	23.7%	24.5%	26.1%	27.2%	30.7%	31.6%	32.3%
France 2	14.1%	14.0%	14.9%	14.9%	16.1%	16.7%	17.5%	18.1%	19.2%	19.8%
France 3	9.4%	9.5%	9.7%	9.7%	10.7%	11.8%	13.3%	14.1%	14.7%	14.7%
Canal+	2.6%	2.8%	2.9%	3.1%	3.1%	3.1%	3.3%	3.4%	3.4%	3.6%
France 5	3.2%	3.3%	3.5%	3.3%	3.2%	3.1%	3.0%	3.3%	3.1%	3.1%
Arte	2.0%	2.0%	1.8%	1.5%	1.6%	1.7%	1.7%	1.8%	1.7%	1.8%
TOTAL traditional channels audience share **	**64.5%**	**65.0%**	**66.8%**	**65.2%**	**68.1%**	**72.1%**	**76.3%**	**82.5%**	**86.2%**	**87.9%**
W9	2.6%	2.9%	3.2%	3.4%	3.0%	2.5%	1.8%	1.0%	0.4%	0.1%
TMC	3.1%	3.4%	3.6%	3.5%	3.3%	2.6%	2.1%	1.3%	0.8%	0.3%
NT1	1.8%	2.1%	2.1%	1.9%	1.6%	1.4%	1.0%	0.6%	0.3%	n.a
NRJ 12	1.9%	2.2%	2.4%	2.3%	1.9%	1.5%	1.0%	0.4%	0.2%	n.a
Virgin 17 / Direct Star / D17	1.2%	1.3%	1.2%	1.2%	1.0%	0.7%	0.5%	0.4%	0.2%	n.a
Gulli	1.8%	1.7%	1.9%	2.1%	2.2%	1.8%	1.5%	0.8%	0.4%	n.a
France 4	1.6%	1.8%	2.1%	2.0%	1.6%	1.1%	0.9%	0.4%	0.1%	0.1%
Direct 8 / D8	3.3%	3.2%	2.3%	2.3%	2.0%	1.4%	0.7%	0.3%	n.a	n.a
i>Télé	0.9%	0.8%	0.8%	0.8%	0.7%	0.5%	0.3%	0.3%	0.2%	n.a
BFM TV	2.0%	1.9%	1.8%	1.4%	0.9%	0.7%	0.4%	0.2%	n.a	n.a
6ter	0.7%	0.5%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
HD1	0.9%	0.6%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
RMC Découverte	1.0%	0.5%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Numéro 23	0.5%	0.3%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Chérie 25	0.3%	0.2%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
L'Equipe 21	0.4%	0.2%	0.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a
TOTAL DTT channels audience share	**24.7%**	**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 **	**10.8%**	**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%**	**100%**

** M6 estimate*

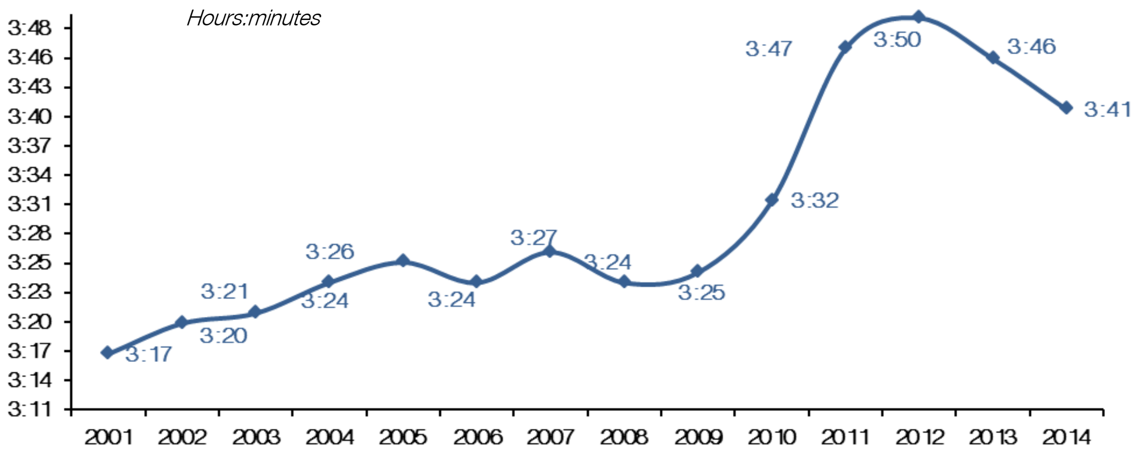
*** Until 2011 inclusive, France 5 was considered a traditional channel before 7pm and a DTT channel after 10pm, whilst Arte was considered a traditional channel after 7pm and as a DTT channel before 7pm.*

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 Viewing Time (IVT) of television from increasing over the last ten years, with consumption peaking in 2012.

Individual Viewing Time (4+ year olds):



Source: Mediamat / Médiamétrie

b) Advertising market

- Changes in the multimedia and TV advertising market

Advertising expenditure (gross) – Multimedia:

	2014		2013
	€ millions	% Change	€ millions
Total All TV *	**11,392.6**	9.2%	**10,434.3**
incl. traditional channels	*6,626.6*	4.8%	*6,321.9*
incl. DTT channels	*3,912.7*	18.0%	*3,315.8*
incl. Cab/Sat channels	*853.2*	7.1%	*796.6*
Press	**7,279.5**	-2.3%	**7,453.9**
Radio	**4,742.1**	2.5%	**4,627.4**
Internet **	**4,852.9**	NS	**2,750.8**
Outdoor advertising	**2,677.0**	-0.7%	**2,696.0**
Cinema	**408.8**	-2.7%	**420.0**
TOTAL	**31,352.9**		**28,382.4**

** incl. self-promotion*
*** Gross internet advertising expenditure, excluding sponsored search links.*
Note: change of internet scope as of 2014, rendering comparison with previous years impossible.

Source: Kantar Media

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

- 2014 was characterised by “moderate multimedia advertising pressure” (Kantar Media), and by a “fall in the number of active advertisers”. Gross advertising expenditure increased by a modest +3.4%, marked, according to Kantar Media, by major variations between advertisers. This figure however masks mixed trends amongst the various media: radio and outdoor advertising saw their gross advertising revenues increase, whilst press and cinema revenue fell.

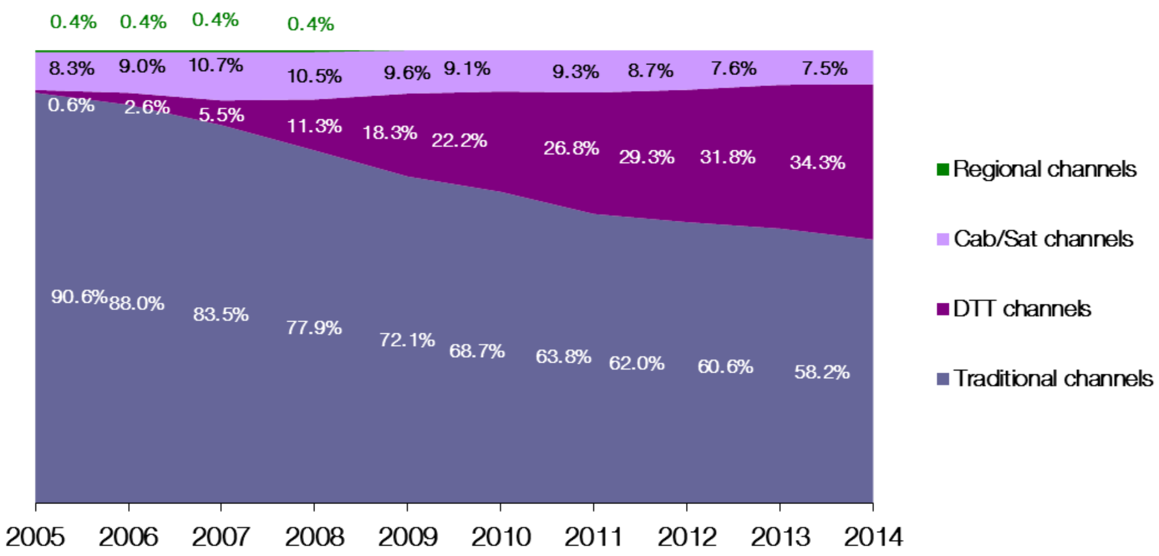
- Television had a stable market share in 2014, and in 2013 represented 36.3% of multimedia investments (gross data). Television reaffirmed its position as the leading advertising medium and the benchmark medium in France.

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.

According to estimates published by IREP in February 2015, net advertising investments in television fell by between 0% and 0.5% in 2014, within a multimedia advertising market in decline (of between 1.4% and 1.7% inclusive).

The different types of channels developed differently. Traditional channels represented 58.2% of the gross advertising investments in television, a lower figure in comparison to the previous year (88.0% in 2006 and 60.6% in 2013). DTT channels generated 34.3% of the gross investments in television (compared to 2.6% in 2006 and 31.8% in 2013). Their market share therefore continued to grow in 2014, 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 7.5% of the gross television advertising investments in 2014.

Advertising expenditure (gross) – TV: market share analysis by segment (2005 -2014):



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

	2014		2013		2012		2011		2010
	€ millions	% Change	€ millions	% Change	€ millions	% Change	€ millions	% Change	€ millions
M6	**1,751.0**	**4.7%**	**1,672.3**	**10.2%**	**1,517.1**	**2.9%**	**1,474.7**	**-1.3%**	**1,493.5**
TF1	3,502.6	3.9%	3,370.1	2.6%	3,283.6	2.2%	3,212.7	-1.5%	3,261.7
France 2	280.2	12.7%	248.7	-5.8%	263.9	-14.3%	307.8	-1.5%	312.6
France 3	144.6	5.3%	137.3	-0.7%	138.2	-10.7%	154.9	-5.4%	163.7
France 5	32.1	4.7%	30.6	-3.8%	31.8	3.8%	30.7	2.3%	29.8
Canal+	214.6	15.7%	185.6	5.9%	175.2	1.1%	173.3	8.3%	160.0
TOTAL	**5,925.1**	**5.0%**	**5,644.5**	**4.3%**	**5,409.8**	**1.0%**	**5,354.0**	**-1.2%**	**5,421.2**

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

Historical data may have been adjusted

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

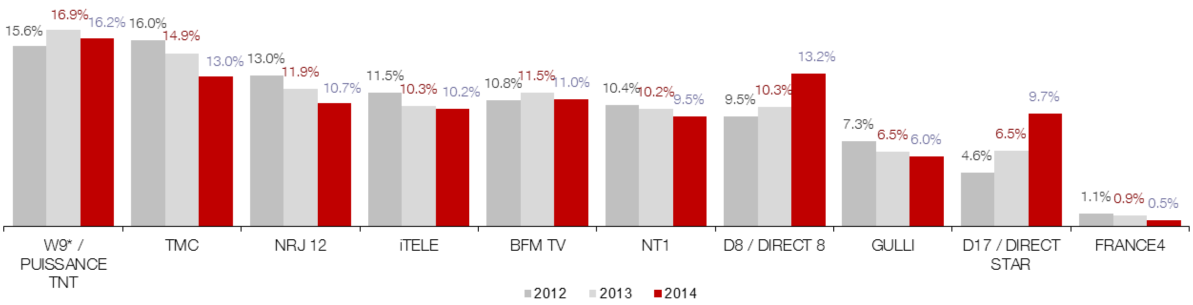
	2014		2013		2012		2011		2010
	Market share	% Change	Market share	% Change	Market share	% Change	Market share	% Change	Market share
M6	**29.6%**	**-0.1pp**	**29.6%**	**1.6pp**	**28.0%**	**0.5pp**	**27.5%**	**0.0pp**	**27.5%**
TF1	**59.1%**	-0.6pp	**59.7%**	-1.0pp	**60.7%**	0.7pp	60.0%	-0.2pp	60.2%
France 2	**4.7%**	0.3pp	**4.4%**	-0.5pp	**4.9%**	-0.9pp	5.7%	0.0pp	5.8%
France 3	**2.4%**	0.0pp	**2.4%**	-0.1pp	**2.6%**	-0.3pp	2.9%	-0.1pp	3.0%
France 5	**0.5%**	0.0pp	**0.5%**	0.0pp	**0.6%**	0.0pp	0.6%	0.0pp	0.6%
Canal+	**3.6%**	0.3pp	**3.3%**	0.0pp	**3.2%**	0.0pp	3.2%	0.3pp	3.0%
TOTAL	**100%**		**100%**		**100%**		**100%**		**100%**

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

Historical data may have been adjusted

- DTT channels: Distribution of advertising market shares (gross data in %)

The breakdown of the gross advertising market for DTT channels, which totalled €3,912.7 million (excluding self-promotion) in 2014, an increase of 18%, reflects the breakdown of the audience share of each of the channels, as well as the strength of the Puissance TNT advertising offer, the advertising medium that delivers the highest GRP on DTT (almost 20% of the offer) and which is the most powerful on DTT in early primetime.
It was as follows:



Source: Kantar Media, DTT channels excluding self-promotion

- 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 €853.2 million in 2014, potentially involves more than a hundred channels.

1.5.1.3 M6 Group TV market positioning and strategy in 2014

Overall, the Group's advertising agency, M6 Publicité, achieved a total market share of 22.8% in 2014 (gross advertising market share, measured by adding terrestrial, DTT, cable and satellite revenue, source: Kantar Media) of the whole TV advertising market, thus strengthening its position as the second advertising agency in France.

a) Free-to-air television

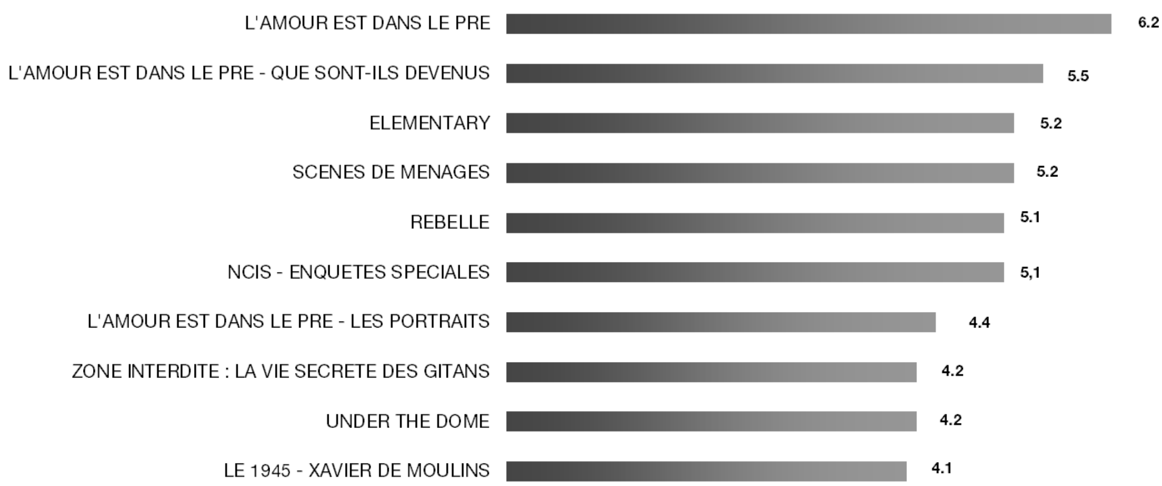
- M6 channel

In 2014, M6 consolidated its status as the 3rd biggest national channel with a 10.1% audience share. Following a first half-year in contraction, marked by several major sporting events on rival channels and the increasing availability of the 6 new DTT channels, M6 posted growth over the second half, thanks to its enhanced brand portfolio:
- with a total audience share of 10.3% during the second half of 2014, M6 achieved growth of 0.4 percentage points in relation to the first half-year;
- with an audience share of 16,3% for the housewives under 50 category, M6 achieved growth of 0.8 percentage points in relation to the first half.

These results are due to the strategy implemented by M6:
- Renewal of access primetime (the success of the *"Les Reines du shopping / Objectif Top Chef"* combination);
- An innovative and widely popular range of evening programming (strength of *"l'Amour est dans le Pré"*, record for *"Patron Incognito"* and *"Cauchemar à l'hôtel"*, etc.);
- Leading news programmes *("Capital", "Zone Interdite"*, News programmes, etc.);
- An ambitious innovation strategy, with digital at the heart of programmes.

The top ten M6 audience ratings in 2014 testified to this success in all types of programmes:

Top ten M6 audience ratings in 2014 (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

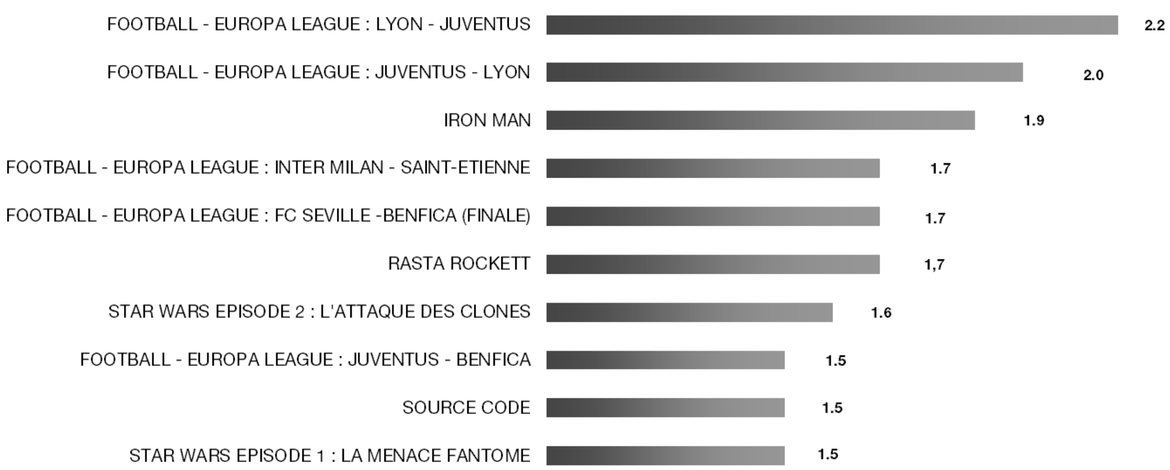
In the highly competitive free DTT market, M6 Group wished to rapidly position W9 as a leading DTT channel, with a view to making it a general-interest channel for under 50 year old audiences.

In 2014, W9 reported a nationwide audience share of 2.6% (4+ year olds) and an audience share of 4.1% on the under 50 target, thus retaining its leadership on this target among DTT channels.

These performances are the result of a significant production policy regarding original access prime-time programming (*Les Chtis*, *Les Marseillais*, *Séduis-moi si tu peux*, *Total Blackout*, *Soda*) as well as a varied and powerful range of programmes in early prime time (*Enquête d'action*, *Enquêtes Criminelles*, *Au cœur de l'étrange*, Europa League, Cinema).

In addition, for the fourth consecutive year W9 was the leading DTT channel in the strategic early prime-time slot and the channel that most often attracted at least 1.5 million viewers. W9 also had the best audience ratings of the DTT channels in 2014 (2.2 million viewers in April).

Top ten W9 audience ratings in 2014 (millions of viewers, source: Médiamétrie):



In 2014, 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 the gameshows "*Séduis-moi si tu peux*" and "*Total Blackout*", 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).

- 6ter channel

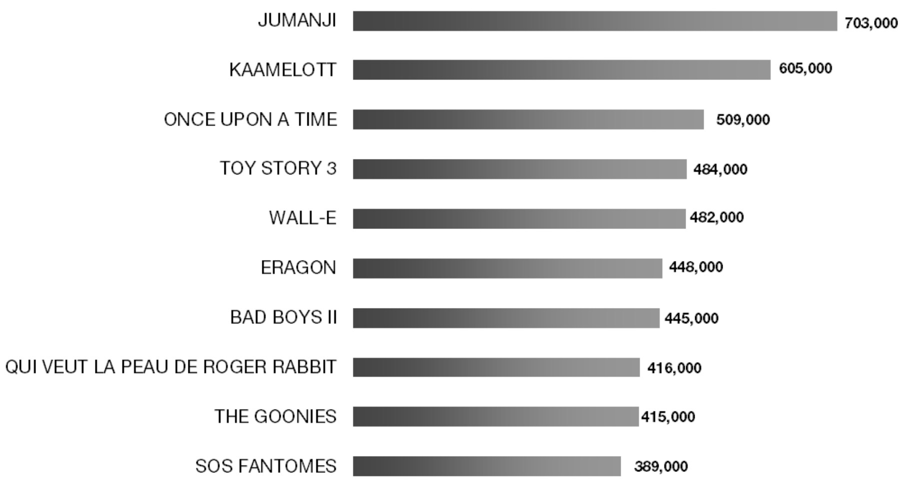
One of the 6 new free-to-air DTT channels, 6ter was launched on 12 December 2012. It is the M6 Group's third free-to-air channel and builds on the Group's channels' strong track record with a single goal of offering original, unifying programming, which appeals to people and shares values embodied by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

With more than 40 new programmes since its creation, 6ter continued to build its identity in 2014 with original magazines such as *Norbert et Jean le défi*, new series like *Witches of East End*, its story night, entertainment shows and a schedule of blockbusters and family films.
The broadcast network rollout continued in 2014 and 6ter's arrival at the start of 2015 on Canalsat offers further prospects for growth.

After only two years of existence, 6ter has successfully established itself as the leader of the six new HD DTT channels in the housewives under 50 category, and has posted the highest growth in its audience ratings for this target.

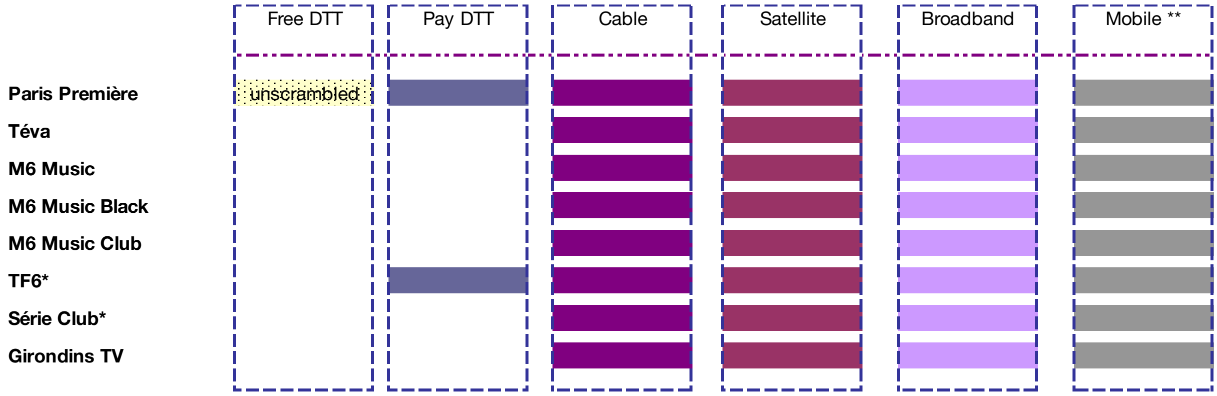
Top ten 6ter audience ratings in 2014 (millions of viewers, source: Médiamétrie):



b) Digital pay channels

Digital pay 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 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 socio-economic targets, Téva for women).

Summary table of broadcasting network by channel (at 31 December 2014):



** 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 *						
	Dec-14		Dec-13		Dec-12	
	Equipped households (millions)	% of households equipped with TV	Equipped households (millions)	% of households equipped with TV	Equipped households (millions)	% of households equipped with TV
Téva	13.1	49%	11	41%	10.7	40%
Paris Première**	9.2	35%	8.7	32%	8.7	32%
M6 Music	6.9	26%	6.2	23%	4.9	18%
M6 Music Club / M6 Music Black	3.8	14%	3.3	12%	2.2	8%
TF6	4.3	16%	4.7	17%	5	18%
Série Club	4.0	15%	4.2	16%	4.3	16%
Girondins TV	3.6	13%	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*

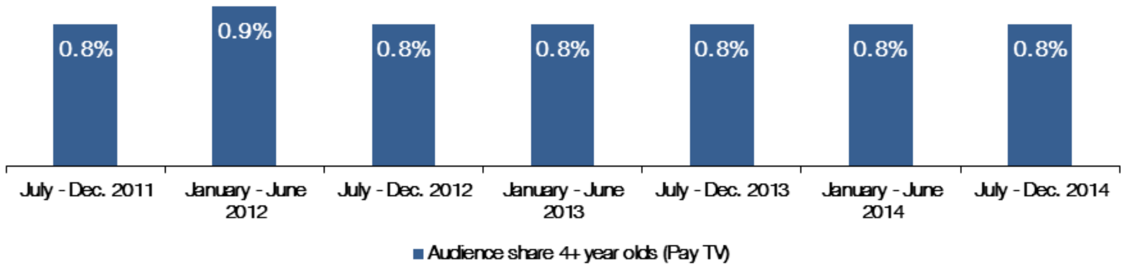
Source: distributor data / M6 estimates

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 11.9% in 2014, a decline of 0.1 pp compared with 2013.

- 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 2014 were *"Très très bon", "Zemmour et Naulleau", "La mode la mode la mode", "La Grande Expo"* and *"Paris Dernière".*

In 2014, the channel confirmed the strength in depth of its event programming, notably via the live broadcast of plays from theatres ("*Le Bonheur", "Un singe en hiver", "Le fils du comique"*, etc.), as well as themed evenings, film seasons and numerous comedy shows (particularly Anne Roumanoff, Le Festival International du Rire de Liège, Elizabeth Buffet, etc.).

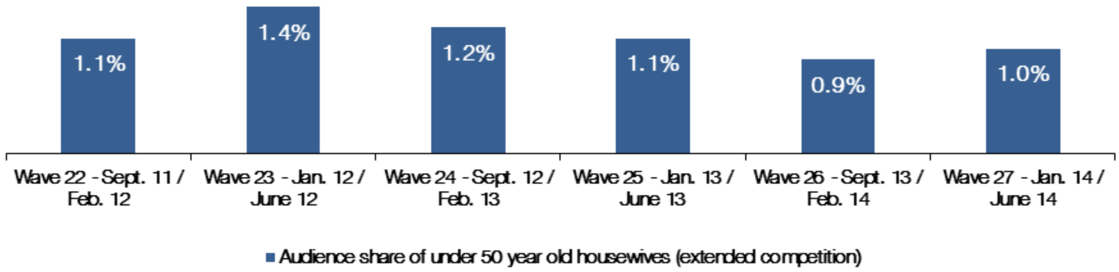
Paris Première is today the pay channel that benefits from the greatest awareness among the general public (source: Institut CSA – 2013 complementary channels awareness survey), as well as the second general-interest pay channel among all audiences and the second pay channel for upper socio-economic categories, its core target, with audience ratings of 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, is primarily geared towards women.
In 2014, it became the leading pay channel amongst female audiences as a whole.

Highly diversified programming primarily combines magazines, series, documentaries and feature films. The ambitious original documentary coproduction policy introduced by the channel continued in 2014 with *"Prématurés, un combat pour la vie"* and *"Les mamans du dimanche".* 2014 saw the continued success of 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 new series such as "*Devious Maids"* and "*Mistresses"*, and sequels to the successful series "*Drop Dead Diva"* and "*The Good Wife"*.

<u>Téva is the leading pay channel for under 50 year old housewives with a nationwide audience share of 0.65% and 1.0% among households equipped to receive it:</u>

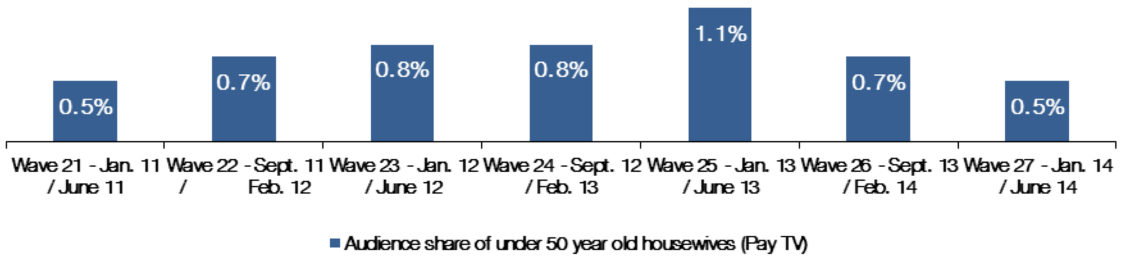


Source: Médiamétrie / MédiaCabSat, subscribers to an extended package

- Série Club

Série Club, which is 50% held by M6 (and 50% by TF1), was created in 1993 and has ever since occupied a clearly identified position in the complementary TV offering. The channel asserted its positioning as the “series channel”, with 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

- M6 Music

M6 Music’s offers programming based on hits and stars geared towards 15-34 year olds, and is accessible via cable, satellite, broadband and mobile phones.

On 4 January 2015, the Group stopped broadcasting its other two music channels, M6 Music Black and M6 Music Club, and will now focus its efforts on the M6 Music channel and on M6 Music Player, a catch-up service to watch previously broadcast playlists.

Similarly, TF6, a general interest channel aimed at an audience of young adults, stopped broadcasting on 31 December 2014. TF6 had been recording significant financial losses for several years due notably to its transmission via pay DTT, and its outlook did not include a return to profitability.

c) Comprehensive advertising package

In 2014, M6 Publicité continued its drive to offer clients innovative devices. This ambition translated into the introduction of an innovative commercial strategy offered through several devices:

- The creation at the start of 2014 of a **Brand Publishing** department called Unlimited Content, devoted to the creation and broadcast of proprietary content which can be directly used by brands, across all their communication and distribution channels, and on all types of media, including those of M6 Group (TV and digital);

- **The 6 Mix offer**: Having measured the coverage synergies of TV/Online campaigns in 2013, the advertising agency, in conjunction with 6mix, is proposing an attractive offer that is contingent on the advertiser advertising simultaneously on TV and on digital;

- Screen synchronisation by **Puissance TNT**. On 5 January 2014 and for the first time in France, M6 Publicité introduced synchronised advertisements on its two free-to-air DTT channels - W9 et 6ter – through its “Puissance TNT” offer, thereby successfully positioning itself as the leader in this category of channels by offering the most powerful advertisements on DTT;

- The **100% PME-PMI deal**: A turnkey solution, enabling these advertisers to advertise for two weeks across all the Group's channels, whilst benefiting from regular monitoring of the campaign's performance and a guarantee of reaching set targets;

- **Full View**, a genuine revolution in terms of video marketing, enabling M6's Digital advertising agency to offer its entire video library on a cost per view basis (only the commercials seen in full are invoiced to advertisers), thereby strengthening its position as a responsible media outlet in the eyes of advertisers;

- **Special-Interest Passes**: To simplify access conditions for its special interest channels, since 2014 M6 Publicité has been offering Special-Interest Passes, which bring together an optimum mix of several pay channels leading to an increase in the coverage offered to advertisers.

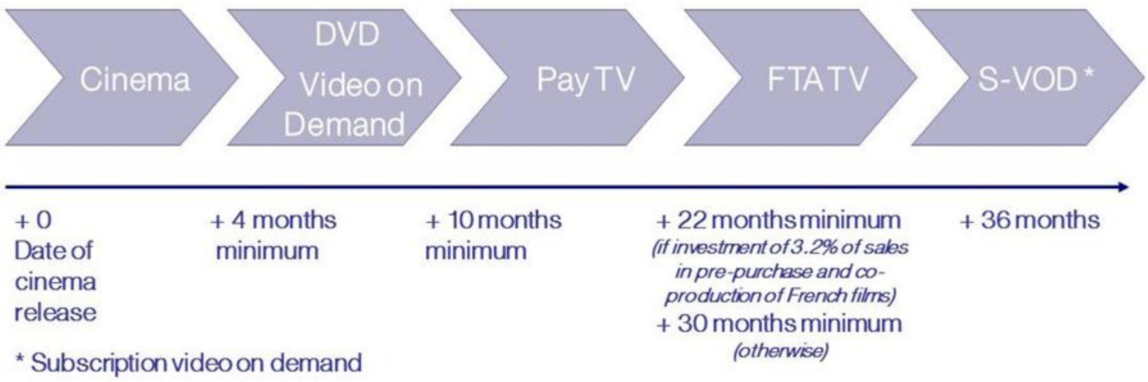
These many innovations have enabled the advertising agency to offer its advertisers custom made, 360° packages combining the firepower of all these media.

1.5.2 Production and Audiovisual Rights

1.5.2.1 Business presentation

The Group's Production & Audiovisual Rights business operates in the production and audiovisual rights distribution markets throughout their operating cycle, primarily to the general public (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:
This activity primarily addresses the need for M6 to provide the channels with quality content, whilst limiting the Group's reliance on the advertising market.

<u>Media chronology:</u>



M6 FILMS
SA

For film production, M6 Films co-produces French and European films, and also manages the advance purchasing of broadcasting rights for the Group. This activity forms part of the obligations of all audiovisual groups to finance the French film industry using part of their advertising revenues. For M6, the investment requirement is that 3.2% of the channel's net advertising revenue is to be reinvested in French and European film production.

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) and in 2014 the animated film *Astérix et le Domaine des Dieux*.

M6 CRÉATIONS
SAS

M6 Créations markets the "comprehensive package" of advertising products outside the Group's media (production of audiovisual programmes, short programmes and advertising material, promotional campaigns and merchandising).

Société 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 and sale of rights internationally).

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
SA

SNC incorporates 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 Droits audiovisuels 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 audiovisual work 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.

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.

C

1.5.2.2 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 2014

Cinema attendance increased by 7.7% in 2014 to 208.4 million box office ticket sales (source: CNC).

2014 distributor ranking

Ranking	Distributors	Number of films released in 2014	French box office*	Market share
1	20th Century Fox	20	28,723,527	14.91%
2	Warner Bros.	19	17,431,360	9.05%
3	UGC Distribution	11	14,550,806	7.56%
4	SND	14	11,728,320	6.09%
5	Metropolitan Filmexport	25	11,313,132	5.87%
6	Walt Disney Studios	11	10,973,731	5.70%
7	Pathé Distribution	15	10,470,196	5.44%
8	Gaumont	13	9,620,070	5.00%
9	Wild Bunch Distribution	16	9,565,078	4.97%
10	Mars Distribution	17	9,487,722	4.93%

**Excluding continued screening of films released in 2013. Screenings between 01/01/2014 and 31/12/2014*

Source: 2014 distributor ranking (excerpt from Le Film Français)

With 14 cinema releases in 2014, SND recorded box office ticket sales of 11.8 million, a 40% increase over 2013. SND is one of the top 5 French distributors, even beating several major American studios.

Released in January 2014, "*Yves Saint Laurent*", the first SND production in French, attracted audiences in excess of 1.6 million, one of the best results for a biopic over the past ten years. Starring Kev Adams, the comedy "*Fiston*" posted the highest admission figures for March, at 1.9 million. Following on from "*Iron Man*" and "*Twilight*", the first instalment of the new saga "*Divergente*" confirmed SND's ability to launch new franchises for teenagers and young adults, attracting a cinema audience of 1.5 million, almost as high as the figure for the first "*Hunger Games*" film. Lastly, following the unexpected success of the animated film "*Opération casse-noisette*" over the summer, (1.2 million in ticket sales), SND ended the year on a high thanks to "*Astérix et le Domaine des Dieux*", a success with families over Christmas.

In addition in 2014, investments related to the commitment to dedicate 3.2% of revenue to French and European cinema production totalled €18.1 million, virtually stable compared with 2013 (€18.2 million).

In 2014, M6 FILMS again prioritised two genres - comedy, with *"Qui c'est les plus forts"*, *"La véritable histoire de Robin des bois"* and *"Nous trois ou rien"*, and family friendly films, with *"Les nouvelles aventures d'Aladin"* and *"Belle et Sébastien, l'aventure continue"*.

Moreover, eight films co-produced by M6 FILMS were released in cinemas this year, with combined admissions of approximately 11 million (*Prêt à tout*, *Le Jeu de la vérité, Le Crocodile du Botswanga*, *Fiston*, *Libre et assoupi*, *Sous les jupes des filles*, *Les Vacances du petit Nicolas* et *Le Père Noël*) and five of them ranked in the Top 20 French films.

2014 was also notable for the release of the feature film Astérix Le Domaine des Dieux, produced by M6 STUDIO and distributed by SND. With ticket sales in excess of 3 million, the film has been a huge success, ranking 12th at the box office overall and 6th for French films.

The video sales market in 2014

In 2014, the French market for retail physical video (DVD and High Definition formats) amounted to €798 million, a decline of 14.1% compared with 2013. This decline results from the decrease in DVD sales (down 14.3% in volume and 15.8% in value) and high definition formats (down 0.6% in volume and 8.3% in value). Since 2004, this market has lost almost 60% of its value, i.e. approximately €1.2 billion).

Video format consumption in value

(€millions)	2014	2013	% change	*Market share*	2014	2013	% change
DVD	610	724	-15.8%	DVD	76.4%	77.9%	-1.5pp
High definition formats	188	205	-8.3%	High definition formats	23.6%	22.1%	2pp
TOTAL	**798**	**929**	**-14.1%**		**100%**	**100%**	

Source: Baromètre Vidéo CNC-GFK 2014

Video format consumption in volume

(millions of units)	2014	2013	% change	*Market share*	2014	2013	% change
DVD	77	90	-14.3%	DVD	85.5%	87.2%	-1.8pp
High definition formats	13	13	-0.6%	High definition formats	14.5%	12.8%	2pp
TOTAL	**90**	**103**	**-12.5%**		**100%**	**100%**	

Source: Baromètre Vidéo CNC-GFK 2014

In 2014, SND retained its position as the leading independent publisher in the video market (excluding subsidiaries of US "majors") in the physical market and gained 1 point in the digital market, with a market share of approximately 6.5% in physical media (sources SEVN) and 9% in digital (2nd place behind Warner Home Vidéo / sources 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.). 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*" and "*Divergente*" sagas to the best American and international arthouse films (Polanski, Dario Argento, Jean Becker, etc.), from French cinema classics such as Les Gendarmes to recent US blockbusters ("*Insaisissables*", "*Prisoners*", etc.), from recent successful French films such as "*Fiston*" and "*Yves Saint Laurent*", 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.).

The best sellers of 2014 included the first instalment of the *"Divergente"* franchise, *"Fiston"*, *"Prisoners"*, *"Evasion"*, *"Du sang et des larmes"*, *"Pompéi"*, etc. Outside films, notable releases included Kev Adams' performances and Paris Première *"La Grande Expo"* documentaries as well as boxsets of M6 and W9 series such as *"Scènes de Ménages"* and *"Soda"*.

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.

SND works with all French television channels (both commercial and public) and in this way offers them a large and varied catalogue of cinematographic works: in 2014, the films in SND's catalogue were sold to French channels on more than 500 occasions.

1.5.3 Diversification

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 and anticipating new viewing patterns by developing its brands and programmes in new formats.

These diversification activities are extended to the following 4 segments:

- **Interactions**
- **M6 Web**
- **Ventadis**
- **F.C.G.B.**

1.5.3.1 Interactions

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 2014, the recorded music retail market posted figures of €458.7 million, a fall of 7.0% compared with 2013 (Source: SNEP, digital and physical market).

The market share of digital formats continued to increase, reaching 6% in value. In addition, 74% of market revenues were due to the success of French-speaking production.

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

Physical market	2014	2013	% change
Disc sales	325.3	367.4	-11.5%
Digital market			
Internet downloading	58.8	62.7	-6.2%
Mobile phones	7.0	9.0	-22.6%
Streaming subscriptions	48.4	35.8	35.2%
Streaming financed by advertising	24.1	18.2	32.3%
Total Market	463.6	493.2	-7.0%

Source: SNEP

This year, the Interactions division's music projects posted good performances: in this way, 2014 was marked by the success of the following three projects:

- Indila: The co-distribution of the artist's first album, entitled *"Mini World"*, released at the end of February 2014, generated almost 500,000 sales over the year;
- *"La bande à Renaud"*: The co-distribution of this multi artist project released in June 2014 and for which a second volume came out at the end of October, generated more than 300,000 net sales;
- *"ZAZ chante Paris"*: this co-production released in November 2014 generated net sales in excess of 200,000 in France in under 2 months and has already sold more than 150,000 copies internationally.

The same applies to shows either co-produced or co-distributed by the Group, which this year once again generated healthy ticket sales although at lower volumes than the previous year due to the musical comedy *"Robin des Bois"*, which achieved incredible success in 2013, ending its run.
2014 was primarily marked by the continued success of Michael Gregorio, who starred in *"Holiday on Ice"* which once again brought in audiences of over 275,500 this year, and the tour by the artists Vigon Bamy and Jay who performed 22 concerts in 2014.

1.5.3.2 M6 Web

a) Business presentation

M6 Web develops all M6 Group's digital services: new media services as an extension of the Group's channels, theme based websites and a price comparison site, original short video content and a mobile phone package. M6 Web derives the majority of its revenues from advertising, pay-per-click income, transactions with consumers and the partnership with Orange.

- New media services

6play, M6 Group's TV entertainment platform brings together:

- All the available videos related to Group programmes: Live, Replay, Excerpts & exclusive videos. In 2014, more than 1 billion videos were viewed across all the Group's sites (750 million in 2013);
- Channel websites and programmes to enhance the viewing experience: surveys, slideshows, quizzes, profiles, etc.;
- Innovative interactive experiences with the Connect function enabling real time reaction to and participation in programmes; 2014 was the year of innovation in terms of interactivity, with the first interactive televised gameshow *"Qu'est-ce que je sais vraiment ?"* followed by "*Rising Star*" which lets viewers vote free of charge;
- 4 new online channels (Sixième Style, Crazy Kitchen, Comic, and Stories), launched in April 2014.

M6 Web also publishes an interactive programme *(Absolument Stars)* and game modules broadcast on M6 Group channels;

Lastly, the subsidiary offers consumers M6 Pass, the video on demand subscription service dedicated to series and available from Free, SFR, Orange TV and Bouygues Telecom.

- 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 cars (turbo.fr). Content was enhanced in 2014, in particular with new sections in deco.fr (cookery, design, DIY) and clubic.com (Clubic Mag) as well as the development of video content.

- Original content short videos

In 2014, M6 Group moved into a strong position regarding the creation of short video content by setting up the entity M6 DIGITAL STUDIO. Within M6 Web, the purpose of this new entity (which incorporates the brands MinuteFacile, Golden Moustache, Rosecarpet and CoverGarden) is to accelerate the development of the M6 MCNs (Humour and LifeStyle) as well as the launch of new brands based on high growth themes.

- 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 25.6 million high speed connections in the 3rd quarter of 2014 (Source: Arcep).

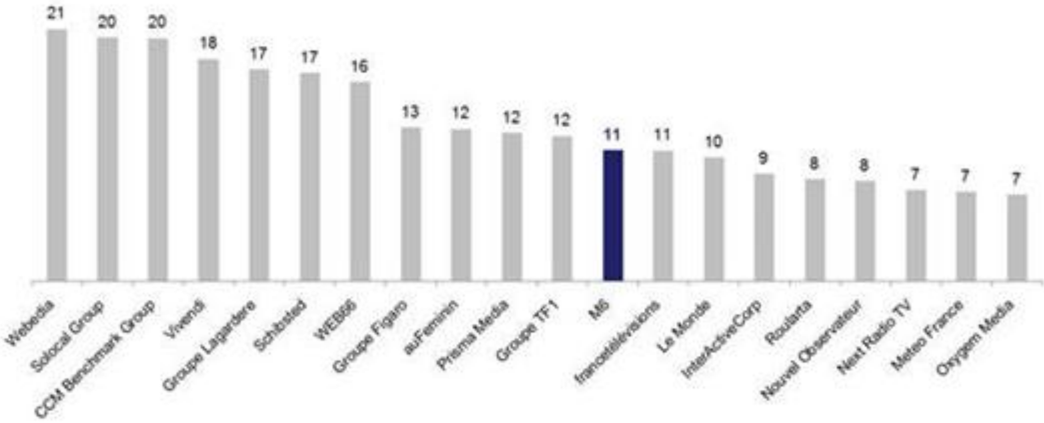
As a result of constant developments in reception technologies (broadband/fibre, 3G/4G, Wifi) and terminals (tablets, smartphones, connected TV sets, IPTV decoders), viewers now have many ways of consuming audiovisual content. Linear programme consumption is enhanced by many on-demand consumption modes (catch-up TV, VOD per view or on subscription).
Thus, according to the CNC, online television consumption totalled 3.9 billion videos viewed over the first 11 months of 2014. According to a survey conducted by Harris Interactive, 72.3% of Internet users over the age of 15 questioned in November 2014 said they had watched programmes via catch-up television over the previous 12 months, a proportion that was up 2.9 percentage points in relation to November 2013.
Similarly, 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: in the 2nd quarter of 2014, the former’s penetration rate was 53%. Where tablets are concerned, the installed base is estimated to be 12.5 million units, a 50% increase in a single year (Mobile Marketing Survey – ComScore, Médiamétrie, GfK). Moreover, the expansion of 4G accelerated in France and numbered more than 5.5 million subscribers during the 2nd quarter of 2014 (Source - Arcep).

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 due to increased viewer education. At the same time, TV-related social activity on Twitter became established, with more than 85 million tweets in connection with TV programmes in 2014 (Source: Mesagraph).

In 2014, the Group continued its online development, building on the audience of previous years and achieving a monthly average of 11 million unique visitors (Nielsen NetRatings, January – October 2014) and was ranked as one of the most visited media groups in France.
This year the Group passed the milestone of 1 billion videos viewed (long and short).

Ranking of major online media groups in millions of UV (October 2014)



Source: Médiamétrie Netratings

- **New media services:**

Digital distribution of the Group's programmes also grew in 2014, with an average of almost 64 million videos viewed monthly on all broadcasting networks (PC, mobile, tablet, IPTV, etc.), a year-on-year increase of 20%.

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.

- **Thematic sites:**

In 2014, the site **Clubic.com** consolidated its ranking as the second placed French high-tech website, with an average of 4.2 million unique visitors per month (source – Mediametrie);

The site **Jeuxvideo.fr**, which was completely redesigned at the start of the year, maintained its ranking as the second placed video games publishing website with almost 1 million unique visitors in 2014.

For **Turbo**, 2014 was a year marked by the Mondial de l'Auto (Paris car show), with a major focus on video, interactivity and the community. The site recorded growth of 86% in its video audiences in comparison with 2013.

Deco.fr maintained its place as historical leader in 2014 with 1.4 million unique visitors on average per month (Mediamétrie Netratings). In parallel, it confirmed its position as the go-to site for price comparison and online purchases for the home, in particular thanks to the development of the "good deals" section and to the retailer offer being closely related to the editorial line.

AchetezFacile.com accompanies the thematic portals, particularly Clubic.com (high-tech) and Deco.fr (Home and Garden), in their shopping dimension. Its database includes 15 million products listed on more than a thousand e-commerce sites.

- **Original content short videos:**

Golden Moustache, after two years in existence, generated up to 20 million videos viewed per month in 2014, more than doubling the previous year's figure. Its funny clips are accessible at goldenmoustache.com (2 million unique visitors every month), the eponymous YouTube channel (1.7 million subscribers), Twitter, Facebook (1.1 million fans) and on the channel W9. Placing increasing faith in its talents, Golden Moustache has developed a brand content activity and has positioned itself as a genuine agency for advertisers.

Minute Facile, the leading site for practical videos, with almost 9 million videos viewed per month, is positioned as the go-to site for all kinds of everyday problems. With more than 10,000 exclusive videos specially produced for the site or sourced from programme content, Minutefacile covers about ten topics: cookery, interior design, DIY, gardening, health and beauty, fashion, technology, finance, psychology and sexuality, etc.

Rose Carpet, launched in April 2014, has joined forces with the beauty field's most influential talents on Youtube: EnjoyPhoenix with its 1.2 million subscribers and EmmyMakeUpPro and its 430,000 subscribers. After 8 months in existence, Rose Carpet is both a Youtube channel (230K subscribers), a blog (60K visits per month) and a presence across all social networks (Facebook: 43K fans, Instagram: 72K subscribers and Twitter: 14K followers).

Cover Garden, a Youtube music channel and a veritable artistic laboratory, was launched in November 2014. As with Golden Moustache and Rose Carpet, CoverGarden is designed to offer brands and advertisers an ecosystem which includes a YouTube channel, a website and a presence across all social media and expertise in creating brand content for online use.

- Mobile phone market

The mobile phone market in France continued to increase with 79.3 million customers at the end of September 2014 (of which 15 million prepaid and 64.3 million bill pay), a penetration rate of more than 120% of the population (source: ARCEP). Orange remains the leader with a market share of 34% of mobile phones (SFR: 27%, Bouygues Telecom 15%, Free 13%, MVNO 12%). The market is still going through a period of consolidation with, in particular, the merging of Numericable, SFR and Virgin mobile.
The pre-paid market declined slightly in 2014, for the benefit of low cost and unlimited flat rate services (combined with a quadruple play package).
In 2014, M6 Mobile performed well, positioning itself on a trans-generational target and differentiating itself by offering a good value service. Its customer base grew significantly in 2014, exceeding 2.8 million customers by the end of the year.

1.5.3.3 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 niche 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).

HSS
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.

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.

BEST OF TV
SAS

Best of TV is an importer / wholesaler that has since 2008 offered exclusive home shopping products. Best of TV is 51% owned by Home Shopping Service.

MonAlbumPhoto
SAS

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.

PRINTIC
SAS

Printic, acquired in 2014, is a company that markets photo prints, photobooks, posters and photo boxes via a mobile application.

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.

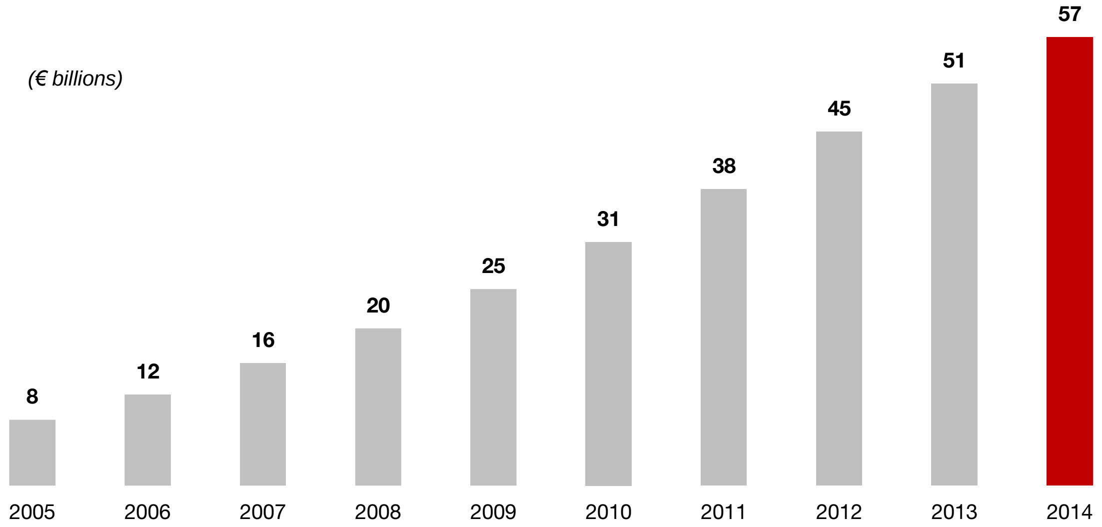
In 2014, Home Shopping Service sold Mistergooddeal which operated in the home electrical market to Darty Group.

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 11% in 2014 to €56.8 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 157,000 active merchant websites, a 14% increase compared with 2013. The number of e-merchants has therefore increased 10-fold between 2005 and 2014.
In addition, the number of e-shoppers increases substantially every year (up +50% since 2008).

Within this competitive environment, and following the sale of the entire share capital of Mistergooddeal in March 2014, the Distance Selling division has pursued its expansion strategy based firstly on its home shopping activities by integrating the company Best of TV (mass market distribution of home shopping products) and secondly on specialist e-commerce sites, by integrating the company Printic (print and photobook mobile application).

Teleshopping posted a strong performance in 2014, due to the success of the daily show on M6, its dedicated channel and its website.

1.5.3.4 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 +, Al-Jazeera and Orange all hold the broadcast rights for matches for the 2012-2016 seasons.
At the end of the tender process launched in 2014 by France's Professional Football League (LFP) for the League 1 and League 2 TV rights, the broadcast rights were allocated as follows:

- For the broadcast in France for the 2016-2017 to 2019-2020 seasons, to Canal+ and BeIN Sports for €748.5 million (vs. €607 million for the 2013-2014 season) on 4 April 2014,
- For the international broadcast for the 2018-2019 to 2023-2024 seasons, to BeIN Sports for €80 million (vs. €32.5 million previously) on 30 May 2014.

This increase in rights will boost the clubs' resources from 2016.

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.
F.C.G.B is the only club to have won all the national titles over the last 5 seasons.

F.C.G.B ended the 2013-2014 season in seventh place in the League 1 championship, the same position as it finished the 2012-2013 season. During its run in Europe, the Club reached the group stage of the Europa League. At the end of the 2014 season, however, the club did not manage to qualify for the Europa League.

In addition, Francis Gillot, the professional team manager, left the club at the end of the 2013-2014 season. He was replaced by Willy Sagnol, France's youth team manager since 2011, who has signed a 3 year contract. 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 510,000 fans (5th ranked French Club) and has more than 3 million exchanges with them each month. Every post is seen by an average of 127,500 people.
On Twitter, growth is significant with 115,000 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 the spring of 2015. An initial contribution of €20 million was to be paid at that date and a 30-year lease signed for an annual rent of €3.8 million. In 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 2014, all the major structural work was completed. Compliance and certification should be complete by April 2015 at the latest and work is 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 4 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

Registered office and head 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 2014, the share capital was €50,504,974.80. represented by 126,262,437 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 companies 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 12 January 2015

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 €50,504,974,80. represented by 126,262,437 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.

At 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 held 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, 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.

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.

In the absence of regular disclosure in the conditions described above, unreported shares in excess of the threshold lose their voting rights in respect of any shareholders' meeting that may be held within a two year period following the regularisation date, upon request, recorded in the minutes of the Annual General Meeting, of one or more shareholders holding 5% of the share capital.

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 three 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. Mandatory deliberations are recorded in the 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 office 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 operation 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 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 parent company and consolidated financial 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 above do not apply to agreements relating to current transactions and concluded under normal conditions.

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 General 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 - General 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 are proportional to the share capital they represent, and each share carries the right 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 hold more than 34% of the total number of voting rights. Accordingly, 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 position and the activity thereof over the course of the financial year.

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.

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.

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 Legal and regulatory environment

Due to its corporate purpose and the operation by Group companies 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 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 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 also requires that at least 91% of every district be covered.

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 (i.e. until 2022) 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 for 10 years to broadcast according to a ruling date 10 June 2003 (call for tender of 24 July 2001) under the licensing 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 abovementioned 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 high definition TV network which was initially licensed on 3 July 2012 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**

M6 Group also holds a Digital Terrestrial Television (DTT) licence for the pay channel Paris Première.

Moreover since 1 January 2015, TF6, which is jointly controlled with TF1, is no longer broadcast on DTT. In a decision of 24 September 2014, the CSA (Conseil Supérieur de l'Audiovisuel) approved the request to annul the authorisation granted to the channel to operate the service.

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 2014 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.

   - Film 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 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.

- To broadcast, as an annual average, between 4pm and midnight, 80% of programmes in high definition in 2014.

   - 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's channel regime for obligations in 2014 was as follows:

   - Audiovisual production

- Invest 15% 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.

  - Film 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 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) Provisions applicable to 6ter

The 6ter's channel regime for obligations in 2014 was as follows:

  - Film production and audiovisual obligations

- Invest 15% of net annual advertising revenue 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 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 37 hours of programmes in high definition per week between 4pm and midnight and 42 hours between midnight and 4pm;

- Propose a minimum volume of 260 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 6am, via a progressive increase.

In 2014, M6 and W9 subtitled all its programming (excluding above-mentioned exceptions). 6ter was obliged to subtitle 45% of its programmes in 2014.

- 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 31 January 2014 the CSA and M6 signed an amendment to the M6 and W9 agreements to include obligations for the broadcasting of programmes in audio-description. The number of original programmes to be broadcast by M6 with audio-description in 2014 was set at 60, of which 30 must be original. 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 14 for 2014.

6ter's licence imposed on the channel the obligation to broadcast at least six original programmes in audio description in 2014.

- 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.

Moreover, 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

All three channels are liable for the following taxes:

- the tax on television services *(Article 302 Bis KB of the General Tax Code)*, named "Cosip tax", for the benefit of the CNC. The rate applicable to M6 and 6ter is 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 self-promotion for catch-up television services. This provision affects M6, W9 and 6ter's replay services.

- the tax on advertising broadcast by radio and television *(Article 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 *(Article 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.

- tax on advertising broadcast on TV channels *(Article 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 *(Article 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.

2 CORPORATE GOVERNANCE

The Combined General Meeting of 26 May 2000 approved the adoption of the two tier management structure comprising a Supervisory Board and an Executive Board. This organisation creates a separation between the management functions performed by the Executive Board and the management control functions devolved to the Supervisory Board, the shareholder representative body. The Group has retained this organisational structure, considering it to be the best guarantee of the balance of powers for the benefit of all stakeholders.

The corporate governance rules of the M6 Group conform to current French legal and regulatory standards and the recommendations of the AFEP-MEDEF Code, which constitutes the Company's code of governance (except as specified in the Chairman's report).

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 12 members, including 11 individuals and 1 legal entity.
At the time the majority of the terms of office of Board members were 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 not exceeding 4 years.
No member of the Supervisory Board has been 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, four (4) 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, nor have they been members of the Supervisory Board for more than 12 years. 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 4 members are:

- Delphine Arnault,
- Mouna Sepehri,
- Guy de Panafieu,
- 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 must inform the latter, 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 duties within the Company	Date of first appointment	Expiry date of appointment	Exit date
Albert Frère	Belgian	89	Chairman	26 May 2000	2015	-
Guy de Panafieu*	French	72	Vice-Chairman	18 February 2004	2018	-
Remy Sautter	French	69	Member	26 May 2000	2018	-
Guillaume de Posch	Belgian	57	Member	27 March 2012	2016	-
Gilles Samyn*	Belgian and French	65	Member	2 May 2007	2015	-
Philippe Delusinne	Belgian	57	Member	28 July 2009	2016	-
Vincent de Dorlodot	Belgian	50	Member	18 March 2004	2018	-
Elmar Heggen	German	47	Member	22 November 2006	2016	-
Christopher Baldelli	French	50	Member	3 May 2012	2015	-
Delphine Arnault*	French	40	Member	5 November 2009	2016	-
Mouna Sepehri*	French	51	Member	3 May 2012	2016	
Immobilière Bayard d'Antin represented by Catherine Lenoble	French	65	Member	3 March 2008	2015	
Gérard Worms*	*French*	*78*	*Vice-Chairman*	*26 May 2000*		*5 May 2014*

** Independent member. Board members are independent if they have no relationship with the company, its group or its management, of a nature to compromise their freedom of judgement." (source: Corporate Code of Governance for listed companies of December 2008, updated in June 2013, prepared by the AFEP-MEDEF).*

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:

- Not to be, or have been for the previous five years, an employee or a corporate officer of the Company, or an employee or a member of the Board of its parent company or a company it consolidates;

- Not to be a corporate 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 member of the Supervisory Board;

- Not to be a customer, supplier, investment banker or commercial banker:

o that is material to the Company or its group,

o or for which the Company or its group accounts for a significant part of its business.

- Not to have been a Statutory Auditor of the Company within the previous five years;

- Not to be a member of the Supervisory Board for more than twelve years;

- Not to be a member of a Company corporate officer's immediate family;

- Not to (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.

*** Gérard Worms did not wish his term of office to be renewed at the General Meeting of 5 May 2014*

The Supervisory Board meets as often as required in the interests of the Company and at least quarterly. It met five (5) times in 2014. The overall attendance rate of the members of the Supervisory Board is calculated for the effective period of the term of office in 2014. This rate was 88.7% and may be analysed as follows:

Members of the Board	Meetings of the Supervisory Board				
	18 February 2014	25 March 2014	05 May 2014	29 July 2014	28 October 2014
Albert Frère	✓	✓	×	×	×
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	✓	✓	✓	✓	✓
Gérard Worms	✓	✓			

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 having expired 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

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 Chairman 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 having expired in the course of the last five financial years

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

Business address

Chambre des Indépendants du patrimoine
4 rue de Longchamp
75016 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. 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 with an Executive Board and a Supervisory Board (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)
- 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 having expired 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)
- Chairman of Technicolor SA, a listed company (France)

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 BeProcurement S.A. (Luxembourg), Broadband TV Corp. (Canada), Style Haul Inc. (USA), SpotXchange Inc (USA), BroadbandTV (USA) Inc (USA), Viso Online Video Productions Inc. (Canada), TGN Game Communities Inc. (Canada) and 0971999 BC Ltd (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 having expired 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) and Compagnie Immobilière de Roumont SA (Belgium)
- Chairman of Cheval Blanc Finance SAS (France), International Duty Free SA (formerly 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), Swilux SA (Luxembourg), Transcor Astra Group SA (Belgium) and Unifem SAS (France),
- Vice-Chairman of APG/SGA SA (formerly Affichage Holding SA)
- Director of APG/SGA SA (formerly Affichage Holding SA) (Switzerland), AOT Holding Ltd (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 Pernod Ricard SA (France)
- 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 having expired in the course of the last five financial years

- Chairman of Centre de Coordination de Charleroi SA (2010), SolvaySchoolsAlumni ASBL (2011), Groupe Jean Dupuis SA (2013) and Transcor East Ltd (2014)
- 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), TTR Energy SA (2013), Safimar SA (2014), Segelux SA (formerly Gesecalux SA) (2014) and SCP (2014)
- 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 Belgium SA
- Chairman of Home Shopping Service Belgium S.A.
- CEO and Chairman of New Contact SA (for CLT-UFA SA represented by Philippe Delusinne)
- Director of CLT-UFA SA
- Director of Agence Télégraphique Belge de Presse
- Director of MaRadio.be SCRL (for Inadi SA, represented by Philippe Delusinne)
- Director of L'Association pour l'Autorégulation de la Déontologie Journalistique
- Member of Conseil Supérieur de l'Audiovisuel (Belgium)
- President of Théâtre Royal de La Monnaie
- President of Amis des Musées Royaux des Beaux-Arts de Belgique asbl
- Independent Director of CFE SA,
- Vice-President of B19 Business Club

Appointments and duties having expired in the course of the last five financial years

- Director of Carrefour Belgium SA
- Chairman of the Board of Directors of 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
-
- Chairman of Association des Télévisions Commerciales Européennes (A.C.T.) (2009/2014).
-

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), and RTL BELUX S.A. (Luxembourg),and RTL TV d.o.o (Serbia)

Appointments and duties having expired in the course of the last five financial years

- Director of 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 has been 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 of Broadcasting Center Europe SA (Luxembourg); Média Assurances SA (Luxembourg); Audiomédia Investments SA (Belgium); BeProcurement 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); 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 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)
- Independent non-executive director of Regus PLC (UK)

Appointments and duties having expired in the course of the last five financial years

- Director of Alpha Satellite Télévision SA and Plus Productions SA (Greece), Content Union S.A. (Russia) and Bertelsmann Capital Investment (S.A.), (Luxembourg).
- Manager of RTL Radio Deutschland GMBH (Germany)
- RTL Radio Berlin GMBH (Germany)
- and RTL TV Doo (Serbia),

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 having expired 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, 40 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 having expired 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 also 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, the Programme for Economic Efficiency of Running Costs and the Strategy Department.

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)
- Director of Orange, a listed company (France and New-York)

Appointments and duties having expired 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 having expired in the course of the last five financial years

- Permanent representative of M6 Publicité in its capacity as Director of Paris Première SAS
- Member of the Executive Board of Métropole Télévision in charge of Advertising
- Chairman of M6 Créations SAS
- Permanent representative of M6 Publicité 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 perform its duties.

The arrangements for operation and the main topics discussed by the Supervisory Board in 2014 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 are 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, must be 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 more than half are selected from the independent members.

At 31 December 2014, 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 2014
Gilles Samyn *	Chairman of the Committee	10 March 2009	2015	100%
Guillaume de Posch	Member	3 May 2012	2016	100%
Guy de Panafieu *	Member	5 May 2014	2018	100%

** Independent member.*

2.1.3.2 Audit Committee

The Internal regulations of the Supervisory Board provides that 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.

At 31 December 2014, its members were the following:

Members of the Audit Committee		Date of first appointment	Expiry date of appointment	Attendance rate 2014
Guy de Panafieu *	Chairman of the Committee	18 February 2004	2018	100%
Remy Sautter	Member	26 May 2000	2018	100%
Elmar Heggen	Member	22 November 2006	2016	100%
Gilles Samyn *	Member	3 May 2012	2015	100%
Mouna Sepehri *	Member	19 December 2013	2016	100%

** Independent member.*

2.2 Executive Board

2.2.1 Membership of the Executive Board

Since the Annual General Meeting of 5 May 2014, the Executive Board is appointed for a period of three years. Moreover, at its meeting of 5 May 2014, the Supervisory Board of M6 Group decided to renew in advance the term of office of the Executive Board which was due to expire on 25 March 2015. Since the Annual General Meeting held on the same day amended the duration of the term of office of the Executive Board to 3 years effective from the next renewal date, the Executive Board was thus renewed until 25 March 2018.
Since 25 August 2014, the date of Robin Leproux's resignation, it has three members, all natural persons, aged less than 70 years, appointed by the Supervisory Board and compensated by Métropole Télévision Group.

David Larramendy, Managing Director of both M6 Publicité and M6 Interactions since 8 December 2014, was appointed to the Executive Board at the Supervisory Board meeting of 17 February 2015.

Members of the Executive Board	Nationality	Age	Principal duties	Date of first appointment	Date of renewal/exit	Date term expires
Nicolas de Tavernost	French	64	Chairman of the Executive Board	26/05/2000	05/05/2014	25/03/2018
Thomas Valentin	French	60	Vice-Chairman of the Executive Board with responsibility for Programming and Content	26/05/2000	05/05/2014	25/03/2018
Jérôme Lefébure	French	52	Member of the Executive Board in charge of Finance and Support Functions	25/03/2010	05/05/2014	25/03/2018
Robin Leproux	*French*	*56*	*Vice-Chairman of the Executive Board with responsibility for Sales and Business Development*	*31/03/2012*	*25/08/2014*	

Members of the Executive Board in office at 31 December 2014

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 where since 2000 he has performed the role of Chairman of the Executive Board.

Other appointments and duties
• Outside the M6 Group and the RTL Group
- Director of GL Events SA, a listed company (France)
- Independent Director of Natixis, a listed company (France)
- 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 and the RTL Group[1]
- Director of Extension TV SAS and TF6 Gestion SA
- Permanent representative of:
a. M6 Publicité in its capacity as Chairman of M6 Développement SAS[2]
b. M6 Publicité in its capacity as Director of Home Shopping Service SA, M6 Diffusion SA, M6 Evénements SA, M6 Editions 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 Bordeaux SAS, M6 Interactions SAS, M6 Web SAS, M6 Foot SAS and TCM DA 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 of Association Football Club des Girondins de Bordeaux
- Chairman of M6 Group's Corporate Foundation
- Member of the Supervisory Board of Ediradio SA (RTL/RTL2/FUN RADIO) (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)

Appointments and duties having expired in the course of the last five financial years
• Within the M6 Group and the RTL Group
- Director of Société Nouvelle de Distribution SA
- Permanent representative of:
a. Métropole Télévision in its capacity as Chairman of M6 Numérique SAS and M6 Toulouse SAS
b. Métropole Télévision in its capacity as Director of Paris Première SA and MisterGooddeal SA
c. M6 Publicité in its capacity as Chairman of M6 Créations
d. Home Shopping Services in its capacity as Director of Télévente Promotion SA and MisterGooddeal SA

[1] Since 2 January 2015, Nicolas de Tavernost has also been a permanent representative of C. Productions, in his capacity as a Director of both M6 Films and Métropole Production SA.
[2] This term of office ended on 2 January 2015.

Thomas VALENTIN
Vice-Chairman of the Executive Board with responsibility for Programming 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 Communication SAS and Sedi-Tv SAS
- Director of C. Productions SA, Extension TV SAS and TF6 Gestion SA
- Permanent representative of:
- a. Métropole Télévision in its capacity as Chairman of M6 Studio SAS

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 having expired 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, M6 Studio 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 SAS
d. Edi Tv and Paris Première SAS in its capacity as Member of the Shareholders' Committee of Multi 4 SAS

Jérôme LEFEBURE

Member of the Executive Board in charge of Finance and Support Functions

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[3]

- Chairman of M6 Thématique SAS
- Chairman and CEO of M6 Diffusion SA, M6 Evènements SA[4] and M6 Editions SA
- Permanent representative of:

a. Métropole Télévision in its capacity as Chairman of SNDA SAS, M6 Récréative SAS, M6 Développement SAS, M6 Génération SAS and Immobilière 46D SAS

b. M6 Evénements in its capacity as Chairman of Live Stage SAS[5]

c. Métropole Interactions in its capacity as Director of Home Shopping Service SA and Société Nouvelle de Distribution SA

d. M6 Diffusion in its capacity as Director of C. Productions SA

e. M6 Thématique in its capacity as Chairman of Edi Tv SNC

f. Edi TV in its capacity as member of the Shareholders' Committee of Multi 4 SAS

g. Director of Unité 15 Belgique

h. Director of the M6 Group's corporate foundation

i. M6 Thématique in its capacity as Director of TF6 Gestion SA

j. Member and Director of Association Football Club des Girondins de Bordeaux

Appointments and duties having expired in the course of the last five financial years

• Outside the M6 Group

Nil

• Within the M6 Group

- Chairman of M6 Créations SAS, M6 Développement SAS, M6 Génération SA and M6 Divertissements SAS

- Permanent representative of:
  a. Métropole Télévision in its capacity as Chairman of M6 Shop SAS
  b. Métropole Télévision in its capacity as Director of Métropolest SA and M6 Editions SA
  c. Métropole Télévision in its capacity as Manager of TCM DA SAS.
  d. M6 Thématique in its capacity as Manager of EDI-TV SNC
  e. M6 Diffusion in its capacity as Director of Télévente Promotion SA
  f. M6 Interactions in its capacity as Director of Mistergooddeal SA and M6 Evénements SA

[3] Since 2 January 2015, Jérôme Lefébure has been a permanent representative of C. Productions in his capacity as a Director of Métropole Prod SA.

[4] This term of office ended on 2 January 2015.

[5] This term of office ended on 2 January 2015.

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 2014, the Executive Board met 25 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 the Group's half-year and annual financial statements, provisional management documents and wording of the management report, which are subsequently presented for review by the Supervisory Board. Lastly, the Executive Board decides on the Group's financial communication.

2.3 Corporate Officers' 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 members' 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.

At its meeting of 5 May 2014, the Supervisory Board decided to renew in advance the term of office of the Executive Board for three years from 25 March 2015, i.e. until 25 March 2018. On this occasion, the Supervisory Board firstly decided not to change the individual remuneration of the members of the Executive Board, and secondly, it renewed its 1990 decision to maintain the (suspended) employment contract of Nicolas de Tavernost.

The creation of the channel M6 in 1987 was only possible through the combination of the drive of its historical shareholders and the energy invested by the initial salaried staff, including Nicolas de Tavernost. When he was appointed as a corporate officer in 1990, the shareholders sought to maintain that initial employment contract (suspended) since the future of the channel was not assured at that time. The Group's subsequent development, the result of the work carried out by its management, and the evolution of its governance have never erased this particular relationship between the Group and one of its founders, justifying the continued suspension of the employment contract.

On the same occasion and in view of this decision, Nicolas de Tavernost will now be subject to a non-compete obligation for a period of twelve months following his departure (details enclosed in § 2.3.1.5).

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 was paid by M6 Publicité.

In 2014, Executive Board members' **fixed remuneration** comprised the following items:
- a basic salary for every member of the Executive Board, paid monthly over 12 months for Nicolas de Tavernost, a corporate officer, and over 13 months for others. Due to the resignation of Robin Leproux during the year, his fixed remuneration was paid to him on a pro rata temporis basis,
- the value of a company car as a benefit-in-kind.

The fixed remuneration of the members of the Executive Board was last revised:
- Regarding Nicolas de Tavernost and Thomas Valentin on 4 March 2010;
- Regarding Jérôme Lefébure on 24 July 2012.

Variable remuneration in 2014 comprises two elements:
- 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 Thomas Valentin, 49% 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 51% based on audience criteria calculated for all channels held by the M6 Group;
- for Robin Leproux, this remuneration was calculated by reference to net annual advertising revenue of M6 Publicité, the term revenue meaning total net revenue achieved on behalf of advertising media at M6 Publicité,

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, except for Robin Leproux, for whom it was calculated in relation to EBITA.

Pursuant to section 23.2.3 of 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%
- Jérôme Lefébure : 43%
- Robin Leproux : 134%

In respect of the 2014 financial year, the variable remuneration calculated, taking into account the performances achieved, represents the following individual percentages of fixed remuneration:

- Nicolas de Tavernost : 54% compared with 81% in 2013
- Thomas Valentin : 46% compared with 77% in 2013
- Jérôme Lefébure : 23% compared with 34% in 2013

Furthermore, Robin Leproux having resigned:

- on 25 August 2014 from his operational duties, will not receive any variable remuneration in this regard, since his variable share for 2014, measured on commercial performance, requires presence at 31 December;
- on 15 September 2014 from his term of office on the Executive Board, will receive variable remuneration of 8.5/12ths in this regard.

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.

The variable remuneration of all employee beneficiaries (including members of the Executive Board) due in respect of a financial year are paid during the following financial year.

No **exceptional remuneration** was paid during the 2014 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;
Based on the authorisation granted by the Meeting of 5 May 2014, this amount may represent a maximum of 0.2% of the Company's share capital.
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, Jérôme Lefébure or Robin Leproux 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, 2013 and 2014 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 29 July 2014, the Supervisory Board of the Company authorised the implementation of a second long-term incentive plan for the benefit of 23 senior executives, including the Executive Board. This plan, which was effectively implemented on 15 October 2014, will be subject to the achievement of cumulative performance targets for the years 2014 to 2016, based on value creation and their continued presence within the Group at 30 April 2019. Members of the Executive Board may be granted a maximum of 100 000 free shares out of the 382,000 shares reserved for all beneficiaries, subject to a further retention period of two years of additional presence within the Group for availability of the shares in April 2021.

f) **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 have made a formal commitment not to enter into a hedging transaction for their risk where they benefit from the allocation of options to subscribe for or purchase shares and from the allocation 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 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.

- For 2015:
  - from 18 January to 17 February 2015
  - from 8 April to 28 April 2015
  - from 29 June to 28 July 2015
  - from 14 September to 3 November 2015.

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 2014 and 2013 (attainment of a consolidated net profit level), shares acquired in 2014, and shares which became available in 2014, 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 during the 2014 financial year

In accordance with the authorisation granted by the Combined General Meeting of 4 May 2011 (Resolution n°11), and in application of the authorisation granted on 26 July 2011 by the Supervisory Board to introduce a medium-term incentive and loyalty plan (LTIP) measured over the cumulative period 2011/2012/2013, on 31 December 2013 the Executive Board observed that the 36 month value creation target had been exceeded. An allocation of free shares was made on 14 April 2014, following approval by the Supervisory Board on 18 February 2014, for a group of 23 manager and executive recipients including the members of the Executive Board, this allocation being subject to the strict condition of being an employee at 14 April 2016.

In addition, pursuant to the authorisation granted by the Combined General Meeting of 5 May 2014 in its 18th resolution, the Executive Board decided on 13 October 2014 to implement a free share plan, which was approved by the Supervisory Board on 29 July 2014.
This allocation plan potentially involves 513,150 shares (maximum allocation), granted to 177 beneficiaries under the conditions of the achievement of a performance target for 2014 and being members of staff on 15 October 2016.
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 2014 has been achieved, as duly noted by the Supervisory Board on 17 February 2015, which entitles the members of the Executive Board to the allocation of 40,500 shares, subject to their being members of staff on 15 October 2016.

The shares allocated in 2014 to the members of the Executive Board represented 2.1% of the total amount authorised by the Extraordinary General Meeting of 5 May 2014 at the date of this document, 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 (2013)

Regarding the allocation of free shares in July 2013, during its meeting of 18 February 2014, the Supervisory Board had established the attainment of performance criteria required for the 2013 financial year, and approved during its meeting of 17 February 2015 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 (2013) and the following financial year (2014).
This level of performance was achieved during both financial years.

c) **Free shares vested to members of the Executive Board in 2014**

These shares resulted from the free share plan of 27 July 2012 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 2012 and 2013. 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 27 July 2014, the 2012-2013 performance condition having been validated by the Supervisory Board in February 2014.

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 2014 financial year in respect of retirement commitments are detailed individually in Paragraph 2.3.2, Tables (5). In 2014, they totalled €60 032 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, and which is presented hereafter in the individual remuneration tables.

2.3.1.5 Non-compete agreement

All members of the Executive Board are now bound by individual non-compete agreements:

- Nicolas de Tavernost in respect of the duties performed as part of his term of office. This agreement lasts for a period of 12 months from the date of his departure and he would receive fixed-rate remuneration of 50% of the fixed and variable remuneration (excluding free shares, LTIP, options and similar benefits) received during the twelve months preceding the termination of his duties (Supervisory Board decision of 5 May 2014);

The Board has provided for a stipulation authorising it to waive the implementation of this agreement upon his departure. The Board has not ruled out the application of this agreement in the event of departure due to retirement, given the small size of the audiovisual sector and Nicolas de Tavernost’s level of experience.

- Other members of the Executive Board, in respect of their employment contracts, notably:
    - Thomas Valentin for a period of 3 months and he would receive fixed-rate remuneration of 50% of his fixed remuneration received over the previous twelve months;

- Jérôme Lefébure for a period of 3 months and he would receive fixed-rate remuneration of 50% of his fixed remuneration received over the previous twelve months;
- Robin Leproux for a period of 12 months and he would receive fixed-rate remuneration of 50% of his fixed remuneration received over the previous twelve months.

As a result of his departure on 15 September 2014, Robin Leproux is subject to this agreement and remunerated from that date until 15 September 2015.

In accordance with Paragraph 23.2.5 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release Nicolas de Tavernost from this agreement.

2.3.1.6 Severance pay

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 Remuneration 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.

This individual mechanism was subject to an amendment to the employment contracts of Thomas Valentin, Jérôme Lefébure and Robin Leproux, 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.

a) Event of payment of severance pay

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.

At its meeting of 5 May 2014, the Board decided to retain the compensation mechanism for Nicolas de Tavernost in the event of non-voluntary departure, i.e. not following resignation or voluntary retirement, and subject to performance conditions (see paragraph below).

The Board, acknowledging that this situation does not comply with the provisions of the AFEP-MEDEF Code whereby it is recommended that the payment of severance pay is contingent on a departure related to a change in control or strategy, considers that:

- The concept of a change in control does not constitute a relevant criterion given the specific features of the Company, particularly the provisions governing the ownership of its capital.
  The provisions of Article 39 of Audiovisual Law n° 86-1067 of 30 September 1986, as amended, relating to freedom of communication, do not allow a shareholder to hold more than 49% of the share capital and voting rights;

- The concept of change in strategy is particularly multifaceted in the audiovisual field. Nicolas de Tavernost could be required to step down without the major strategic policies that he initiated and implemented actually being called into question.

Given the length of service of the party concerned within the Group and his contribution to its development since its creation in 1987, the Board considers it inconceivable for the compensation provided for by this agreement to be subject to any uncertainty regarding its interpretation.

During the same meeting of 5 May 2014, the Board also decided to maintain unchanged, from 25 March 2015, the pre-existing conditions applicable to the termination of the duties of Thomas Valentin, Jérôme Lefébure and Robin Leproux.

b) **Basis for calculation of severance pay**

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.

It is noted that where appropriate in the event of the reinstatement of Nicolas de Tavernost's employment contract following the termination end of his term of office as Chairman of the Executive Board, the legal or contractual redundancy payments or retirement benefits due to Nicolas de Tavernost will be calculated based on his total length of service within the Group, including in respect of his corporate office, and on the average gross monthly remuneration (excluding free shares, LTIP, options and similar benefits) received by Nicolas de Tavernost as Chairman of the Executive Board or as an employee during the twelve months preceding the date of termination of his employment contract.

c) **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.
In accordance with this entire compensation mechanism, no payment is due to Robin Leproux in respect of his resignation.

It is noted that in accordance with legislation and the recommendations of the AFEP-MEDEF Code (Paragraph 24.3), the remuneration items due or allocated in respect of the financial year ended 31 December 2013 to Nicolas de Tavernost, as Chairman of the Executive Board, and Thomas Valentin, Jérôme Lefébure and Robin Leproux, as members of the Executive Board, were submitted to the advisory vote of shareholders at the Combined General Meeting of 5 May 2014, in the 13th and 14th resolutions, approved at 97.59% and 93.56% of the respective votes cast.

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.

Details of the remuneration items for David Larramendy, who was appointed to the Executive Board on 17 February 2015, will be provided in the 2015 Registration Document.

2.3.2.1 Nicolas de Tavernost, Chairman of the Executive Board

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

	FY 2013	FY 2014
Remuneration due in respect of the year (2)	1,679,905	1,433,850
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	318,910	434,239
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	1,998,814	1,868,089

(2) Summary of remuneration

	FY 2013		FY 2014	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	925,008	925,008	925,008	925,008
Variable remuneration	701,408	748,423	748,423	501,344
Multiyear variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Directors' fees	0	0	0	0
Sub-total paid	*1,626,416*	*1,673,431*	*1,673,431*	*1,427,352*
Benefits in kind	6,474	6,474	6,498	6,498
TOTAL	1,632,890	1,679,905	1,679,929	1,433,850

(3.1) Options to subscribe or purchase shares allocated in 2014

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2014	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2014

N° and date of plan	Number of options exercised in 2014	Exercise price
-	-	-

(4.1) Free shares allocated in 2014 and 2013

N° and date of plan	Number of shares allocated:	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n°: AAAG14151014 Date: 15 October 2014	21,000	8.37	175,770	15 October 2016	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2014	15 October 2018
n°: AAAG13300414 Date: 30 April 2014	20,628	12.53	258,469	30 April 2016	Expected performance over 2011, 2012 and 2013	30 April 2018
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

(4.2) Free shares vested in 2014

N° and date of plan	Number of shares vested in 2014	Vesting condition	Date of availability
n°: AAAG11270712 Date: 27 July 2012	20,000	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012, and being employed by the Group in July 2014	27 July 2016

(4.3) Free shares that became available in 2014

N° and date of plan	Number of shares that became available in 2014	Vesting condition
n°: AAAG08270710 Date: 27 July 2010	12,650	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2010, and being employed by the Group in July 2012
n°: AAAG08270710 Date: 25 March 2010	22,000	Subject to being employed by the Group on 25 March 2012.

(5) Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits	Compensation or benefits due or liable to be due in the event of termination or change of duties.		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		15,008	✓		✓	

2.3.2.2 Thomas Valentin, Vice-Chairman of the Executive Board

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

	FY 2013	FY 2014
Remuneration due in respect of the year (2)	879,956	729,474
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	163,163	227,895
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	1,043,119	957,369

(2) Summary of remuneration

	FY 2013		FY 2014	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	495,001	495,001	495,001	495,001
Variable remuneration	449,245	378,768	378,768	228,331
Multiyear variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Directors' fees	0	0	0	0
Sub-total paid	*944,246*	*873,769*	*873,769*	*723,332*
Benefits in kind	6,187	6,187	6,142	6,142
TOTAL	950,433	879,956	879,911	729,474

(3.1) Options to subscribe or purchase shares allocated in 2014

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2014	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2014

N° and date of plan	Number of options exercised in 2014	Exercise price
n°: SS 0906052008	18,000	14.73

Upon being exercised, these options received in 2008 were sold immediately, resulting in a gross capital gain of €17,490.52.

(4.1) Free shares allocated in 2014 and 2013

N° and date of plan	Number of shares allocated:	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n° : AAAG14151014 Date: 15 October 2014	10,500	8.37	87,885	15 October 2016	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2014	15 October 2018
n°: AAAG13300414 Date: 30 April 2014	11,174	12.53	140,010	30 April 2016	Expected performance over 2011, 2012 and 2013	30 April 2018
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

(4.2) Free shares vested in 2014

N° and date of plan	Number of shares vested in 2014	Vesting condition	Date of availability
n° : AAAG11270712 Date: 27 July 2012	10,000	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012, and being employed by the Group in July 2014	27 July 2016

(4.3) Free shares that became available in 2014

N° and date of plan	Number of shares that became available in 2014	Vesting condition
n° : AAAG08270710 Date: 27 July 2010	8,280	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2010, and being employed by the Group in July 2012

(5) Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits	Compensation or benefits due or liable to be due in the event of termination or change of duties.		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		15,008	✓		✓	

2.3.2.3 Jérôme Lefébure, Member of the Executive Board

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

	FY 2013	FY 2014
Remuneration due in respect of the year (2)	540,109	497,224
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	126,081	195,944
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	666,190	693,168

(2) Summary of remuneration

	FY 2013		FY 2014	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	399,997	399,997	399,997	399,997
Variable remuneration	126,995	135,504	135,504	90,951
Multiyear variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Directors' fees	0	0	0	0
Sub-total paid	*526,992*	*535,501*	*535,501*	*490,948*
Benefits in kind	4,608	4,608	6,276	6,276
TOTAL	531,600	540,109	541,777	497,224

(3.1) Options to subscribe or purchase shares granted in 2014

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2014	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2014

N° and date of plan	Number of options exercised in 2014	Exercise price
n°: SS 0906052008	18,000	14.73

Upon being exercised, these options received in 2008 were sold immediately, resulting in a gross capital gain of €12,023.75.

(4.1) Free shares allocated in 2014 and 2013

N° and date of plan	Number of shares allocated:	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n° : AAAG14151014 Date: 15 October 2014	9,000	8.37	75,330	15 October 2016	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2014	15 October 2018
n°: AAAG13300414 Date: 30 April 2014	9,626	12.53	120,614	30 April 2016	Expected performance over 2011, 2012 and 2013	30 April 2018
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

(4.2) Free shares vested in 2014

N° and date of plan	Number of shares vested in 2014	Vesting condition	Date of availability
n° : AAAG11270712 Date: 27 July 2012	7,000	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012, and being employed by the Group in July 2014	27 July 2016

(4.3) Free shares that became available in 2014

N° and date of plan	Number of shares that became available in 2014	Vesting condition
n° : AAAG08270710 Date: 27 July 2010	6,900	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2010, and being employed by the Group in July 2012

(5) Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits	Compensation or benefits due or liable to be due in the event of termination or change of duties.		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		15,008	✓		✓	

2.3.2.4 Robin Leproux, Vice-Chairman of the Executive Board until 25 August 2014

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

	FY 2013	FY 2014
Remuneration due in respect of the year (2)	925,220	677,935
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	207,662	86,156
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	1,132,882	764,091

Due to his resignation as of August 2014, he will never receive the performance based shares allocated to him in 2014.

(2) Summary of remuneration

	FY 2013		FY 2014	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration *	410,020	410,020	404,831	404,831
Variable remuneration	214,436	509,908	509,908	63,243
Multiyear variable remuneration	-	-	-	-
Exceptional remuneration	-	-	-	-
Non-compete agreement *	-	-	66,400	205,010
Directors' fees	-	-	-	-
Sub-total paid	*624,456*	*919,928*	*981,139*	*673,084*
Benefits in kind	5,292	5,292	4,851	4,851
TOTAL	629,748	925,220	985,990	677,935

** Since Robin Leproux is no longer a Group employee as of 26 November 2014, his 2014 fixed remuneration includes the payment of all outstanding amounts owed to him (paid holidays and 13th month).*

*** Includes the Group's residual commitment regarding the non-compete agreement amounting to a gross € 138,610 payable in 2015.*

(3.1) Options to subscribe or purchase shares granted in 2014

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2014	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2014

N° and date of plan	Number of options exercised in 2014	Exercise price
-	-	-

(4.1) Free shares allocated in 2014 and 2013

N° and date of plan	Number of shares allocated:	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n°: AAAG13300414 Date: 30 April 2014	6,876	12.53	86,156	30 April 2016	Expected performance over 2011, 2012 and 2013	30 April 2018
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

Due to his resignation as of August 2014, Robin Leproux has forfeited the benefit of these two allocations which will never be delivered to him.

(4.2) Free shares vested in 2014

N° and date of plan	Number of shares vested in 2014	Vesting condition	Date of availability
n° : AAAG11270712 Date: 27 July 2012	7,000	Achievement by the Group of a performance condition based on consolidated net profit at 31 December 2012, and being employed by the Group in July 2014	27 July 2016

(4.3) Free shares that became available in 2014

N° and date of plan	Number of shares that became available in 2014	Vesting condition
n°: - Date: -	-	-

(5) Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits	Compensation or benefits due or liable to be due in the event of termination or change of duties.		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		15,008	✓		✓	

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 2014:

Fixed part		
	2013	2014
Chairman	€14,500	€14,500
Chairman of a Committee and member of another Committee	€13,000	€13,000
Chairman of a Committee	€11,000	€11,000
Member of 2 Committees	€9,000	€9,000
Member of one Committee	€8,000	€8,000
Simple member	€6,000	€6,000
Total fixed part	**€105,500**	**€104,555**
	45%	***44%***
Variable part		
	2013	2014
Total variable part	**€130,500**	**€131,445**
	55%	***56%***
Total attendance fees	**€236,000**	**€236,000**

The total variable part (€131,445) represents 56% 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 €1,300 per Committee meeting).

The amounts awarded in respect of the fixed portion are settled on a pro rata temporis 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 €226,605.00 were apportioned in 2014 (compared with €224,000 in 2013). Their individual allocation is set out in the following table:

Albert FRERE, Chairman of the Supervisory Board, Independent

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€14,500	€2,500	**€17,000**	€14,500	€2,500	**€17,000**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€14,500	€2,500	**€17,000 ***	€14,500	€2,500	**€17,000 ***

Delphine ARNAULT, Independent Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€5,000	**€11,000**	€6,000	€5,000	**€11,000**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€5,000	**€11,000**	€6,000	€5,000	**€11,000**

Christopher BALDELLI, Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€5,000	**€11,000**	€6,000	€7,500	**€13,500**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€5,000	**€11,000**	€6,000	€7,500	**€13,500**

Philippe DELUSINNE, Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	**€12,250**	€6,000	€5,000	**€11,000**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€6,250	**€12,250** *	€6,000	€5,000	**€11,000** *

Vincent de DORLODOT, Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€5,000	**€11,000**	€6,000	€6,250	**€12,250**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€5,000	**€11,000** *	€6,000	€6,250	**€12,250** *

Elmar HEGGEN, Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	**€12,250**	€6,000	€6,250	**€12,250**
Audit Committee	€2,000	€5,200	**€7,200**	€2,000	€4,500	**€6,500**
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€8,000	€11,450	**€19,450** *	€8,000	€10,750	**€18,750** *

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

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	**€12,250**	€6,000	€6,250	**€12,250**
Audit Committee	€5,000	€5,200	**€10,200**	€5,000	€6,000	**€11,000**
Remuneration and Appointments Committee	€1,315	€5,200	**€6,515**	-	-	-
TOTAL	€12,315	€16,650	**€28,965**	€11,000	€12,250	**€23,250**

Guillaume de POSCH, Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	**€12,250**	€6,000	€7,500	**€13,500**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	€2,000	€9,100	**€11,100**	€2,000	€4,500	**€6,500**
TOTAL	€8,000	€15,350	**€23,350** *	€8,000	€12,000	**€20,000** *

Gilles SAMYN, Independent Member of the Supervisory Board, Chairman of a Committee

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	**€12,250**	€6,000	€7,500	**€13,500**
Audit Committee	€2,000	€5,200	**€7,200**	€1,500	€6,000	**€7,500**
Remuneration and Appointments Committee	€3,973	€9,100	**€13,073**	€1,500	€4,500	**€6,000**
TOTAL	€11,973	€20,550	**€32,523 ***	€9,000	€18,000	**€27,000 ***

Remy SAUTTER, Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	**€12,250**	€6,000	€6,250	**€12,250**
Audit Committee	€2,000	€5,200	**€7,200**	€2,000	€4,500	**€6,500**
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€8,000	€11,450	**€19,450**	€8,000	€10,750	**€18,750**

Mouna SEPEHRI, Independent Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€5,000	**€11,000**	€6,000	€7,500	**€13,500**
Audit Committee	€2,000	€5,200	**€7,200**	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€8,000	€10,200	**€18,200**	€6,000	€7,500	**€13,500**

Immobilière Bayard d'Antin, représentée par Catherine LENOBLE, Member of the Supervisory Board

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,250	**€12,250**	€6,000	€7,500	**€13,500**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€6,250	**€12,250**	€6,000	€7,500	**€13,500**

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

	Amounts paid in 2014			Amounts paid in 2013		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€2,055	€2,500	**€4,555**	€6,000	€7,500	**€13,500**
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	€1,712	€3,900	**€5,612**	€5,000	€6,000	**€11,000**
TOTAL	€3,767	€6,400	**€10,167**	€11,000	€13,500	**€24,500**

** before withholding tax of 30% in 2013 and 2014*

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 prepayment, 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 Additional information on corporate governance

2.4.1 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 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 (in their capacity as corporate officer) 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 (selected in this capacity) 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;
- no restriction accepted by the members of the Supervisory Board or the Executive Board concerning the sale of their stake in the share capital of the Company.

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 section 2.3.1.2 of this document).

Rules applicable to transactions performed on financial instruments by corporate officers:

The rules governing transactions on financial instruments by corporate officers 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 therefore 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.

2.4.2 Management Committee and Executive Committee

The Executive Board leads the management of the Group's senior executives, within the framework of meetings of both the Management Committee and the Executive Committee.

2.4.2.1 Management Committee

The Management Committee, comprising the main managers responsible for operational activities and functional services, is a framework for exchange on business management. In 2014, the Management Committee met 14 times. Detailed minutes of each meeting were kept and handed out to each member.
In addition to the members of the Executive Board, the Management Committee is currently comprised of 31 members:

21 members from operational departments

- Philippe Bony, Deputy Managing Director of Programmes responsible for Film, Drama, Film and Sport, and Chairman of Paris Première;
- Arnaud Boucher, Head of Group Programming and Channels;
- Jean-Xavier Bouxom, Deputy Managing Director responsible for Commerce (M6 Publicité);
- Guillaume Charles, Deputing Managing Director of M6 Publicité responsible for Marketing, Studies and Digital;
- Jonathan Curiel, Managing Director of Paris Première;
- Thierry Desmichelle, Managing Director of SND;
- Ronan Dubois, Head of Global Strategies and Creation for M6 Publicité;
- Florence Duhayot, Managing Director of Studio 89;
- Jérôme Fouqueray, Managing Director of W9;
- Ronan de Fressenel, Managing Director of the Ventadis division;
- Stéphane Gendarme, Head of News for the M6 channel;
- Valéry Gerfaud, Managing Director of M6 Web;
- Bibiane Godfroid, Managing Director responsible for Productions;
- Eric d'Hotelans, Chairman and Managing Director of HSS;
- David Larramendy, Managing Director of both M6 Publicité and M6 Interactions, whose appointment as a member of the Executive Board will be proposed to the Supervisory Board meeting of 17 February 2015;
- Bernard Majani, Head of Acquisitions;
- Emilie Pietrini, Head of Group Communication;
- Vincent Régnier, Managing Director of C. Productions;
- Laurence Souveton-Vieille, Head of Group Productions;
- Catherine Schöfer, Deputy Managing Director of Téva and 6Ter;
- Frédéric de Vincelles, Deputy Managing Director responsible for M6 programmes.

10 members from functional departments

- Mathias Bejanin, Technical Director;
- Karine Blouët, Company Secretary of M6 Group;
- Pascale Chabert, Deputy Head of Strategy, Development and Distribution;
- Christophe Foglio, Head of Human Resources;
- Henri de Fontaines, Head of Strategy, Development and Distribution;
- Grégory Le Fouler, Deputy Chief Financial Officer;

- Nathalie-Camille Martin, Head of Legal Affairs;
- Michel Quinton, Head of Broadcast Networks;
- Quentin de Revel, Official Representative of the Chairman;
- Franck Tarragnat, Chief Information Officer.

2.4.2.2 Executive Committee

Certain members of the Management Committee are also members of the Executive Committee, which is composed of the most senior operational and functional executives. The Executive Committee is responsible for implementing the Executive Board's major operational and strategic decisions. In 2014, it met 15 times.

In addition to the members of the Executive Board, the Management Committee is currently comprised of another 15 members:

10 members from operational departments

- Philippe Bony;
- Guillaume Charles;
- Thierry Desmichelle;
- Valéry Gerfaud;
- Bibiane Godfroid;
- Eric d'Hotelans;
- David Larramendy;
- Bernard Majani;
- Emilie Pietrini;
- Frédéric de Vincelles.

5 members from functional departments

- Karine Blouët;
- Christophe Foglio;
- Henri de Fontaines;
- Nathalie-Camille Martin;
- Quentin de Revel.

2.5 Statutory Auditors

		Address	Date of first appointment	Last year of financial statements to be audited	Expiry date of appointment
PRINCIPAL AUDITORS					
Ernst & Young et Autres	Bruno BIZET	Tour First, 1, place des Saisons 92400 Courbevoie	2002	2019	AGM 2020
PricewaterhouseCoopers Audit	Anne-Claire FERRIE	63, rue de Villiers 92208 Neuilly sur Seine Cedex	2008	2019	AGM 2020
ALTERNATE AUDITORS					
AUDITEX		Tour First, 1, place des Saisons 92400 Courbevoie	2008	2019	AGM 2020
Jean-Christophe GEORGHIOU		63, rue de Villiers 92208 Neuilly sur Seine Cedex	2014	2019	AGM 2020

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

Dear 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 16 February 2015. All the procedures that enabled the preparation of this Report were presented to the Supervisory Board which approved their terms in its meeting of 17 February 2015.

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. www.medef.com.

The authors also took into account current regulations, Autorité des Marchés Financiers (AMF) 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:

Recommendation § 16.1 of the Code: Proportion of independent Audit Committee members

2/3 of Audit Committee members must be independent

Justification

The Audit Committee is composed of five members three of whom are independent and it is chaired by one of the independent members. The Company considers that with a proportion of 60%, the recommendations of the AFEP-MEDEF Code are observed in substance, although the arithmetic is not perfect with a headcount of five. It seems reasonable that the Group's controlling shareholder is able to benefit from the presence of two directors on the committee in order to guard against potential diary clashes.

Recommendation §22 of the Code: Combined employment/corporate office contract

It is recommended that the contract is terminated by mutual agreement or resignation when an employee becomes a corporate officer.

Justification

At its meeting of 5 May 2014, the Supervisory Board decided to renew in advance the term of office of the Executive Board for three years from 25 March 2015, i.e. until 25 March 2018. On this occasion, the Supervisory Board firstly decided not to change the individual remuneration of the members of the Executive Board, and secondly, it renewed its 1990 decision to maintain the (suspended) employment contract of Nicolas de Tavernost.

The creation of the channel M6 in 1987 was only possible through the combination of the drive of its historical shareholders and the energy invested by the initial salaried staff, including Nicolas de Tavernost. When he was appointed as a corporate officer in 1990, the shareholders sought to maintain that initial employment contract (suspended) since the future of the channel was not assured at that time. The Group's subsequent development, the result of the work carried out by its management, and the evolution of its governance have never erased this particular relationship between the Group and one of its founders, justifying the continued suspension of the employment contract.

Recommendation §23.2.5 of the Code: Severance pay

Compensation can only be authorised where a director is required to leave in relation to a change in control or strategy.

Justification

At its meeting of 5 May 2014, the Board decided to retain the compensation mechanism for Nicolas de Tavernost in the event of non-voluntary departure, i.e. not following resignation or voluntary retirement, and subject to performance conditions.

The Board, acknowledging that this situation does not comply with the provisions of the AFEP-MEDEF Code whereby it is recommended that the payment of severance pay is contingent on a departure related to a change in control or strategy, considers that:

• The concept of a change in control does not constitute a relevant criterion given the specific features of the Company, particularly the provisions governing the ownership of its capital.

The provisions of Article 39 of Audiovisual Law n° 86-1067 of 30 September 1986, as amended, relating to freedom of communication, do not allow a shareholder to hold more than 49% of the share capital and voting rights;

• The concept of change in strategy is particularly multifaceted in the audiovisual field. Nicolas de Tavernost could be required to step down without the major strategic policies that he initiated and implemented actually being called into question.

Given the length of service of the party concerned within the Group and his contribution to its development since its creation in 1987, the Board considers it inconceivable for the compensation provided for by this agreement to be subject to any uncertainty regarding its interpretation.

Recommendation §16.2.1 of the Code: <u>Sufficient time for the Audit Committee to review the financial statements</u>
The Audit Committee must be able to review the financial statements a minimum of two days before the Board meeting is held.

Justification
The Audit Committee receives the financial statements and a complete file on the internal control of the Group at least 5 days before its meeting, a period enabling it to carry out an in-depth review. Committee meetings generally take place the day before Supervisory Board meetings due to the presence in France of non-resident members, who have voiced their preference for a collegial meeting at the Group's registered office rather than via a conference call.

Moreover, at its meeting of 17 February 2015, the Supervisory Board decided to amend its internal regulations in order to supplement the list of criteria for assessing the independence of its members by adding the fact of "not being a member of the Board of the Company for more than 12 years" to the criteria used for determining the independence of a member.
The Company is therefore now in full compliance with this recommendation of the AFEP-MEDEF Code.

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

At the date of preparation of this report, the Supervisory Board comprises 12 members, including 11 individuals and 1 legal entity, appointed pursuant to Company Bylaws.

When the Supervisory Board was renewed on 3 May 2012, 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, each member may be reappointed for a further term of 4 years.

At 31 December 2014, the Board was made up of the following members:

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

Seven 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).

The list of positions held by each member is disclosed in the Group's 2014 Registration Document (section 2.1).

- **Assessment of the independence of Supervisory Board members**

Pursuant to addendum nº3 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, four 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:

- Not to be, or have been for the previous five years, an employee or a corporate officer of the Company, or an employee or a member of the Board of its parent company or a company it consolidates
- Not to be a corporate 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 member of the Supervisory Board;
- 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 have been a Statutory Auditor of the Company within the previous five years
- Not to be a member of the Supervisory Board for more than twelve years;
- Not to be a member of a Company corporate officer's immediate family;
- Not to (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 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.

At its meeting of 17 February 2015, the agenda of which included the annual review of the independence of Board members, the Board particularly focused on the concept of significant business links. It more specifically checked that the volume of advertising business done with groups with whom certain of its independent directors have links does not contribute significantly to the Group's revenue. It also addressed the question of the potential volume of services or purchases of external services that the Group may have carried out with groups to which certain of its directors are connected.
To this end, it reviewed the amounts of the transactions effected with each of the groups within

which members of the Board performed management duties during the financial year and compared them with the Group's revenues in 2014. The Board considers that these figures cannot not be made public, to avoid disclosing information that could prove useful to rival companies. However, it has been able to gauge that these figures are not high enough to compromise independence.
In view of these elements, the Supervisory Board has found that M6 does not have a significant business relationship or any business relationship with the companies in which the independent directors hold executive positions.

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

- 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 of the Supervisory Board	Guy de Panafieu	Gilles Samyn	Delphine Arnault	Mouna Sepehri
Not to be, or have been for the previous five years: o an employee or a corporate officer of the Company of a Group company, o a corporate 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) holds a term of office,	✓	✓	✓	✓
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 a member of a corporate officer's immediate family,	✓	✓	✓	✓
Not to have been a Statutory Auditor of the Company within the previous 5 years,	✓	✓	✓	✓
Not to be a member of the Supervisory Board for more than 12 years,	✓	✓	✓	✓
Not to be a shareholder of the Company or its parent company with a shareholding or Company voting rights in excess of 10%.	✓	✓	✓	✓

- **Other information regarding the operation of the Board**

In addition, the internal regulations provide that acceptance by a member of the Board of a new term of office in a listed company, or a company outside the Group that is likely to be in competition with one of the Group's activities, must be communicated to the Board in advance.

- **Increased female representation on the Board**

As regards male and female representation on the Board, we remind you that at 31 December 2014, the Board comprised 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.
It is also brought to the attention of shareholders that at the end of the next Annual General Meeting, to be held on 28 April 2015, the Board will include five women (42% of the Board),

thereby ensuring in advance that the Company is in strict compliance with the requirements set by the Law of 27 January 2011, which requires a minimum representation of women of 40% as of 1 January 2017.

1.2 Conditions of preparation of the work of the Supervisory Board

More than four working days 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 2014, the Supervisory Board met five 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 88.7 % in 2014, 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. A detailed table of the attendance of each Board member is provided in paragraph 2.1 of the Registration Document.

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 three months from the end of the financial year, the Executive Board presented the Supervisory Board with the parent company and consolidated financial 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.

1.4 Statutory rules on prior approval

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.

1.5 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, 27 May 2012 and 17 February 2015, 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 17 February 2015.

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 obligations, 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 abstaining 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 and in particular quarterly information regarding the Company's financial position and cash flows as well as its commitments.

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.)

1.6 Matters discussed by the Supervisory Board in 2014

The key matters discussed by the Supervisory Board during the 2014 financial year mainly concerned:

- interim and annual consolidated financial statements;
- the budget for the 2015 financial year;
- the results for the quarters ended 31 March and 30 September 2014;
- the early renewal of the Executive Board thereby extending its collegial term of office to 25 March 2018;
- major investment projects, particularly in programming;
- 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 Remuneration and Appointments Committee.
- acceptance by a Board member of a new term of office in a listed company;
- assessment of the independence of Supervisory Board members;
- self-assessment of the Supervisory Board's work;
- consultation on gender equality at work and equal pay.

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

Lastly, the Supervisory Board met without the Executive Board in attendance in order to assess its performance.

1.7 Self-assessment of the Supervisory Board's work

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. On this occasion, the actual contribution of each member of the Board is assessed. An evaluation analysis is then presented to the Board.

The following emerged from the 2015 review:

- There is sufficient information available for the Board to be able to oversee the performance of the Executive Board, and more specifically, the achievement of strategic objectives;
- Members of the Board feel that they have the opportunity to contribute to discussions and have enough time to express their views;
- Members of the Board are sufficiently informed of any external development (legislative, strategic, sector-specific, etc.) likely to affect the Company and its competitors;
- meetings are carried out efficiently and in a manner that promotes quality and fully transparent discussions.

1.8 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 2014, the Committee was chaired by Gilles SAMYN, an independent member, and was made up of the following members:

- Gilles SAMYN, independent member,
- Guy de PANAFIEU, 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;
• to consider every candidate for appointment or replacement of any member of the Board, ensuring that the criteria for an independent member of the Executive 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 seven times in 2014, on 12 February, 21 March, 29 April, 28 July, 1 October, 22 October and 17 November, and ruled on:

• early renewal of the Executive Board;
• the composition of the Executive Board following the resignation of one of its members;
• the calculation of the Executive Board members' variable remuneration for 2013;
• the definition of objectives for the calculation of Executive Board members' variable remuneration for 2014;
• the achievement of performance conditions for releasing the free share allocation plan of 2012, with delivery on 27 July 2014, and 2013, with delivery on 26 July 2015;
• 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 2014.

1.9 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 2014, 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 2014, the Committee was chaired by Guy de PANAFIEU, an independent member, and was made up of the following members:

- Guy de PANAFIEU, independent member,

- Gilles SAMYN, independent member,
- Mouna SEPEHRI, independent member,
- 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 former 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, as files are sent more than five working days before each meeting.

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.

Audit Committee meetings normally take place the day before Board meetings to facilitate travel for directors who live abroad.

The Committee met four times in 2014. 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 review of off-balance sheet commitments;
• the 2015 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;
• 2014 assignments and fees of the Statutory Auditors and the 2014-2015 audit plan;
• the follow-up of financial reporting.

The Audit Committee has also been heavily involved in the process regarding the reappointment of the Statutory Auditors, whose term of office expired at the end of the General Meeting which took 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 100% in 2014.

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 2015 assessment highlighted that:

- the number of members and its composition are appropriate;
- the members of the committee receive appropriate and sufficient information prior to each meeting;
- the atmosphere within the committee is conducive to discussion.

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 Registration 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

This 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 2014 on internal control and risk management. The results of this work were considered in 2014, 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 business processes (IT systems, structures and procedures) operate in an effective and 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 once or twice 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 2014 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 eighteen 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 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's 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 Code which has been communicated to, and which must be observed by all employees of the Métropole Télévision Group. This Code 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;
- 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;

- 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 collects and monitors non-accounting data included in financial communications.

The Group publishes quarterly reports on the consolidated revenue and financial position, and half-year 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 collects 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 its television activities, 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 2014, M6 Group focused on the continuous improvement of internal control processes by strengthening tools, procedures (notably those which protect the Group from possible fraud attempts) and its Audit and Risk Management Department with the creation of the position of Information Systems Security Manager (ISSM).
Furthermore, in 2014 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 2014 focused primarily on the audit of payroll cycle financial transactions, the introduction of a management system for information security and the update of commitment procedures. 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.

As is the case every year, 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 2015, M6 intends to continue this process by continuing to improve the accountability and awareness of the operational entities in relation to internal control issues.

Neuilly sur Seine, 17 February 2015

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
1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,504,974.80
Financial year ended 31 December 2014

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

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 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 2014.

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.

Our role is 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 professional standards applicable 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, 17 February 2015

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

3 SHARE CAPITAL

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 Service indices. The Métropole Télévision share is also eligible for SRD (deferred settlement service).

The ISIN code of the company is 0000053225 and its ticker MMT.

On the Paris stock exchange, the share price opened 2014 at €16.65 on 2 January and closed the year at €15.575 on 31 December, reaching its lowest closing trading price of €12.025 on 15 October and its highest trading price of €17.115 on 6 March. The Company's share price decreased by -6.46% over the year (movement based on the last prices quoted in 2013 and 2014).

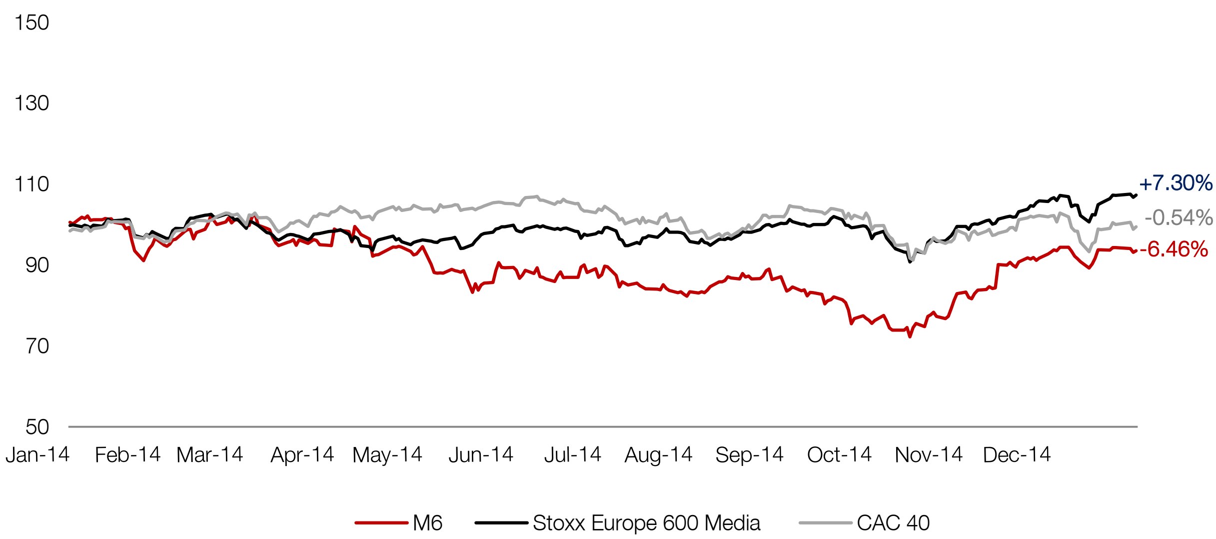
Over the same period, the CAC 40 fell 0.54%, whilst the Stoxx Europe 600 Media, the benchmark index for European media values, rose by 7.30%.

European media sector securities (the sample used includes: Antena 3, ITV, M6, Mediaset España, Mediaset Spa, NRJ Group, Nextradio TV, Pro7Sat1, SkyDeutschland, TF1, RTL and Vivendi) had mixed fortunes during 2014, registering variations in share prices that ranged from losses of 16.00% (Sky Deutschland) to gains of 25.52% (NextRadioTV). Among French securities, M6 posted the second best performance after NextRadioTV.

At 31 December 2014, the Company's market capitalisation was €1,966.5 million.

The average number of shares traded daily on Euronext in 2014 was 167,976 compared with 170,699 in 2013.

Comparative trends of M6 share and the CAC 40 and DJ EuroStoxx Media INDICES between 1 January and 31 December 2014:



Stock market performance since 2010*

	2010	2011	2012	2013	2014
Number of shares	128,957,939	126,383,964	125,883,964	125,965,449	126,244,437
High price (€)	20.22	18.90	14.05	18.035	17.115
Low price (€)	15.46	9.38	9.57	11.40	12.03
Closing price (€)	18.10	11.53	11.82	16.65	15.58

**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 5 May 2014 were organised in 2014, 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 2014.

The Group website dedicated to investors and shareholders is regularly updated in French and in English with our registration documents, latest publications, presentations, press releases, bylaws, significant audience ratings, etc., and is accessible on *www.groupem6.fr.*

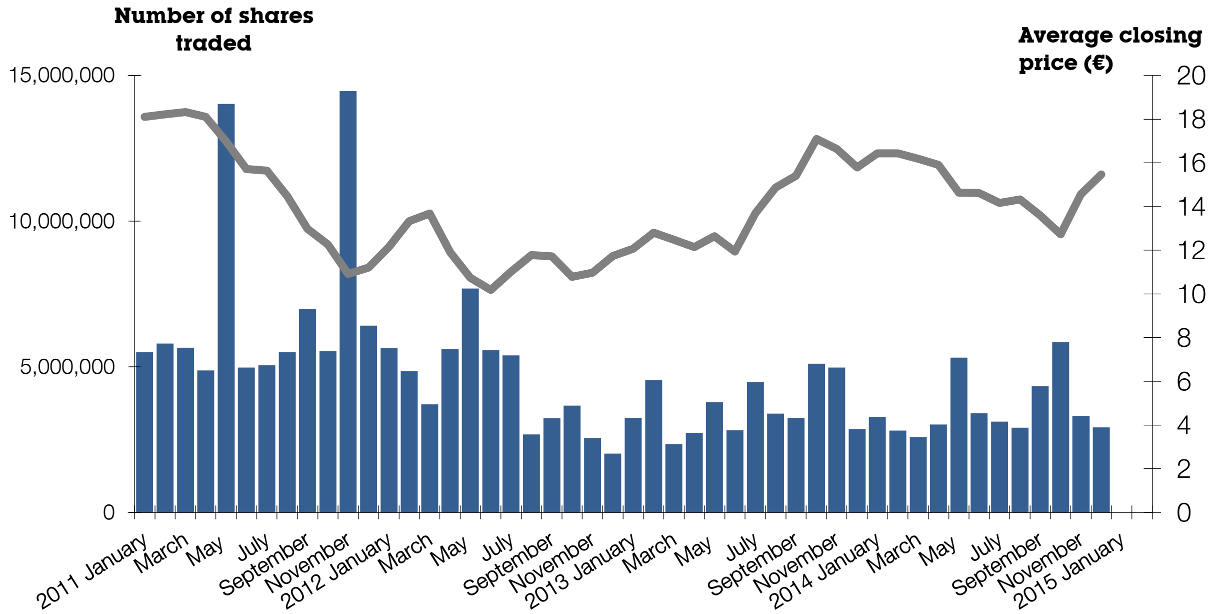
Shareholders may also contact the Company using the dedicated e-mail address: *actionnaires@m6.fr.*

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 on Euronext since January 2011:



Date	Number of shares traded	Average closing price (€)	Monthly high (€)	Monthly low(€)	Trading value (€ millions)
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
September	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
September	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
September	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	3,282,043	16.435	17.01	15.17	54.05
February	2,807,544	16.438	17.05	15.75	46.06
March	2,591,966	16.181	17.12	15.78	42.14
April	3,016,558	15.903	16.58	15.35	47.77
May	5,311,950	14.637	15.74	13.86	77.89
June	3,405,855	14.626	14.99	14.30	49.93
July	3,114,704	14.172	14.94	13.70	44.19
August	2,904,345	14.324	14.83	13.83	41.17
September	4,332,102	13.592	14.50	12.57	58.61
October	5,839,113	12.724	13.81	12.03	74.01
November	3,311,147	14.564	15.29	13.60	48.25
December	2,915,922	15.473	15.72	14.86	45.06
2015 January	4,050,367	16.01	16.82	15.25	64.66
February	4,203,959	17.22	18.06	16.53	73.89

3.4 Dividend policy

Cash dividends paid over the last 5 financial years were as follows:

	2013	2012	2011	2010	2009
Ordinary dividend	€0.85	€0.85	€1.00	€1.00	€0.85
Extraordinary dividend	€ -	€1.00	€ -	€ -	€1.50
Total dividend per share	**€0.85**	**€1.85**	**€1.00**	**€1.00**	**€2.35**
Yield *	5.1%	15.7%	8.7%	5.5%	13.1%
Pay-out ratio **	95.6%	166.1%	84.5%	82.1%	217.9%

In light of its financial and cash flow generation position and net profit, M6 Group proposed to the Annual General Meeting of 5 May 2014 the payment of an ordinary 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).

It will be proposed to the Annual General Meeting of 28 April 2015 to approve the payment of a dividend of €0.85 per share for the 2014 financial year, corresponding to a pay-out ratio of 86.9% of the Group's share of consolidated net profit, and a yield of 5.5% (calculated based on the 2014 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 2014 as the average of dividends paid over the last two years was €1.35 for a total proposed dividend of €0.85 for the 2014 financial year. Furthermore, this mechanism was removed as of 1 January 2015 by the Law n° 2014-1554 of 22 December 2014 on the Financing of Social Security for 2015.

3.5 Main shareholders at 31 December 2014

	At 31 December 2014				At 31 December 2013				At 31 December 2012			
	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	48.32%	42,895,510	34.00%	61,007,371	48.43%	42,636,678	34.00%	61,007,471	48.46%	42,578,509	34.00%
Groupe Compagnie Nationale à Portefeuille	9,154,477	7.25%	9,154,477	7.31%	9,154,477	7.27%	9,154,477	7.31%	9,154,477	7.27%	9,154,477	7.31%
Treasury shares	99,171	0.08%	-	0.00%	563,455	0.45%	-	0.00%	653,054	0.52%	-	0.00%
FCPE M6 Personnel	197,480	0.16%	197,480	0.16%	175,170	0.14%	175,170	0.14%	160,900	0.13%	160,900	0.13%
M6 Executive Board	498,007	0.39%	498,007	0.40%	470,614	0.37%	470,614	0.38%	446,008	0.35%	446,008	0.36%
M6 Supervisory Board	116,557	0.09%	116,557	0.09%	116,757	0.09%	116,757	0.09%	122,657	0.10%	122,657	0.10%
Free float	55,189,374	43.71%	55,189,374	44.07%	54,477,605	43.25%	54,477,605	43.50%	54,339,397	43.17%	54,339,397	43.39%
in France	*17,426,659*	*13.80%*	*17,426,659*	*13.92%*	*16,519,199*	*13.11%*	*16,519,199*	*13.19%*	*22,930,705*	*18.22%*	*22,930,705*	*18.31%*
in other countries	*37,762,715*	*29.91%*	*37,762,715*	*30.15%*	*37,958,406*	*30.13%*	*37,958,406*	*30.31%*	*31,408,692*	*24.95%*	*31,408,692*	*25.08%*
Total	**126,262,437**	**100.0%**	**108,051,405**	**86.03%**	**125,965,449**	**100.0%**	**107,031,301**	**85.42%**	**125,883,964**	**100.0%**	**106,801,948**	**85.28%**

** 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 2014, some 14,492 shareholders held shares in the Company, according to a Euroclear bearer share survey and the register of shares held in nominative form.

No legal threshold crossing (5%) was brought to the attention of the Company in 2014.

At 31 December 2014, after taking account of declarations of upward and downward legal threshold crossing (1% of the Company's share capital) disclosed to the Company during 2014 and preceding years:

- two institutional shareholders held 2% or more of the Company's share capital;
- two institutional shareholders held between 1% and 2% of the Company's share capital.

The Company is 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. The Company is not aware of any shareholder agreement currently in existence. No concerted action has been brought to the Company's attention.

RTL Group, the Group's key shareholder, was 75.1% owned by the German group Bertelsmann at 31 December 2014.

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, the voting rights conferred on shares are proportional to the share capital they represent, and each share carries the right to one vote. There are no double voting rights.

Measures undertaken 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 share buyback plan for 2014

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 13 May 2013 and 5 May 2014.

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.

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 2014 financial year and number of treasury shares held at 31 December 2014**:**

Number of treasury shares held at 31 December 2013	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 2014 (1)
563,455	(834)	-	-	-	(463,450)	99,171

(1) At the 2014 year-end, the Company held 99,171 treasury shares, primarily through the liquidity contract and also to fulfil commitments given within the framework of free share allocation plans (see section 3.7).

(2) **In respect of the liquidity contract** during 2014:
- the number of shares purchased was 2,345,911 at an average price of €14.76;
- and the number of shares sold was 2,346,745 at an average price of €14.73;

and resulting in 41,972 shares and €2,259,247.41 being held as part of the liquidity contract on 31 December 2014.
Note that at 31 December 2013, the number of shares effectively held under the liquidity contract was 42,806 and the cash balance was €2,308,413.
The decrease in the number of treasury shares held in respect of the liquidity contract was therefore 834 in 2014.

(3) **In respect of the share buyback for cancellation programme,** no Métropole Télévision shares were cancelled in 2014.

(4) **In respect of the free share allocation plan**, no shares were purchased in 2014.

(5) Lastly, 463,450 shares were transferred to the beneficiaries of the free share allocation plan in July 2014;

Book value and market value of treasury shares held at 31 December 2014:

Number of treasury shares held at 31 December 2014	Book value of treasury shares at 31 December 2014 (€)	Market value of treasury shares at 31 December 2014 (€)	Number of shares comprising the share capital at 31 December 2014	% share capital
99,171	1,234,135	1,544,588	126,262,437	0.08%

3.6.2 Report on the current share buyback plan

The Combined General Meeting of 5 May 2014 decided in its 15th 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.14-0322 on 10 April 2014.

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 Code 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;
- cancel shares, in accordance with the authorisation granted by the General Meeting of Shareholders of 5 May 2014 in its sixteenth resolution in extraordinary session.

The maximum purchase price was set at €25 per share. The maximum amount to be committed to this buyback programme is €157,480,300.

Change in the number of treasury shares held as part of the 5 May 2014 share buyback programme and number of treasury shares held at 28 February 2015:

Number of treasury shares held at 5 May 2014	Movement in respect of 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 January 2015 (1)
617,754	(68,219)	-	-	-	(463,450)	86,085

(1) At 28 February 2015, the company held 86,085 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 5 May 2014 and 28 February 2015:
- the number of shares purchased was 1,865,716 at an average price of €14.49;
- and the number of shares sold was 1,933,935 at an average price of €14.51;

and resulting in 28,886 shares and €2,503,612.78 being held as part of the liquidity contract on 28 February 2015.

(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**, no shares were purchased in 2014.

(5) Lastly, 463,450 shares were transferred to the beneficiaries of the free share allocation plan in July 2014;

At 28 February 2015, the Company held 86,085 its own shares, representing 0.07% of the share capital, broken down as follows:

Book value and market value of treasury shares held at 28 February 2015:

Number of treasury shares held at 28 February 2015	Book value of treasury shares at 28 February 2015 (€)	Market value of treasury shares at 28 February 2015 (€)	Number of shares comprising the share capital at 28 February 2015	% share capital
86,085	1,097,533	1,537,909	126,333,287	0.07%

3.6.3 Report on the previous share buyback plan

A proposal will be submitted to the Combined General Meeting of 28 April 2015 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 €315,833,217.50;
  - maximum buyback percentage permitted: 10% 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 service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Code 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 this Annual General Meeting in its seventeenth resolution in extraordinary session.

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 2014, M6 held a total 99,171 of its own shares, amounting to 0.08% 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 €1.23 million. The number of treasury shares includes the 41,972 shares actually held by the liquidity contract at 31 December 2014.

The table below summarises the allocation of treasury shares held at 31 December 2013 and 31 December 2014 according to each objective.

Treasury shares allocated to the different objectives at 31 December 2013		Total treasury shares at 31 December 2013
Allocation of free shares	Increasing share liquidity within the framework of the liquidity contract	
520,649	42,806	**563,455 shares**
Changes over the 2014 financial year		**Changes over the 2014 financial year**
Allocation of free shares	Increasing share liquidity within the framework of the liquidity contract	
(463,450)	(834)	**(464,284) shares**
Treasury shares allocated to the different objectives at 31 December 2014		**Total treasury shares at 31 December 2014**
Allocation of free shares	Increasing share liquidity within the framework of the liquidity contract	
57,199	41,972	**99,171 shares**

3.8 Share subscription option plans

3.8.1 Information on share subscription options

No allocation of share subscription options were decided in 2014.

Existing share option plans are analysed as follows:

Date of General Meeting	02/05/2007		Total
Date of Board Meeting	02/05/2007	06/05/2008	
Option type	Subscription	Subscription	
Total number of options allocated	827,500	883,825	1,711,325
- of which corporate officers (*)	75,500	75,500	151,000
- of which the top ten salaried employees	120,000	116,500	236,500
Start of exercise of options	02/05/09	06/05/10	-
Expiry date	01/05/14	05/05/15	-
Subscription and purchase price (€)	27.52	14.73	-
Subscription and purchase options outstanding at 31 December 2013	488,000	541,274	1,029,274
- options allocated	-	-	-
- options exercisedv	-	296,988	296,988
- options lapsed/cancelled	488,000	11,225	499,225
Share subscription and purchase options outstanding at 31 December 2014	-	233,061	233,061
Options outstanding at 28 February 2015	-	162,211	162,211

(*) Corporate officers at the allocation date

296,988 options of the plan of 6 May 2008 were exercised in the 2014 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	02/05/2007		Total
Date of Board Meeting	02/05/2007	06/05/2008	
Option type	Subscription	Subscription	
Start of exercise of options	02/05/09	06/05/10	Total
Expiry date	01/05/14	05/05/15	
Subscription price(€)	27.52	14.73	
Total number of options allocated to corporate officers:			
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
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
Changes over the 2014 financial year:			
Nicolas de Tavernost	(27,500)	-	(27,500)
Thomas Valentin	(18,000)	(18,000)	(36,000)
Eric d'Hotelans	(15,000)	-	(15,000)
Catherine Lenoble	(15,000)	-	(15,000)
Subscription options outstanding at 31 December 2014:			
Nicolas de Tavernost	-	27,500	27,500
Thomas Valentin	-	-	-
Eric d'Hotelans	-	15,000	15,000
Catherine Lenoble	-	15,000	15,000

The movements in the year related to cancellations, taking account of the expiry date of the 2007 plan. No options were exercised in any of the two 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, a corporate officer since 25 March 2010, has not been granted any share subscription options since the start of his term of office.
Robin Leproux, a corporate officer between 31 March 2012 and 25 August 2014, was not granted any share subscription options during his term of office.

3.8.2 Ten most significant stock option beneficiaries and ten most significant option exercise transactions by employees (excluding corporate officers)

No allocation of share subscription options were decided in 2014.
Moreover, of the 296,988 options of the plan dated 6 May 2008 exercised during the 2014 financial year, the 10 largest quantities exercised represented 99,500 options in total.
Amongst the beneficiaries, 9 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.
This table does not include transactions that are below the annual disclosure threshold of €5,000.

Name and position	Nature of transaction	Date	Number	Price per share	Total
Yann de KERSAUSON, Deputy Head of Communications	Exercise of stock options	15/01/2014	9,200	€14.73	€135,516.00
Yann de KERSAUSON, Deputy Head of Communications	Sale of shares	15/01/2014	9,200	€15.70	€144,440.00
Frédéric de VINCELLES Member of the Management Committee	Sale of shares	02/01/2014	6,000	€16.70	€100,200.60
Nicolas de TAVERNOST Chairman of the Executive Board	Purchase of shares	19/03/2014	1,000	€15.99	€15,985.50
Nicolas de TAVERNOST Chairman of the Executive Board	Purchase of shares	08/04/2014	1,000	€16.36	€16,355.00
Jérôme LEFEBURE Member of the Executive Board	Purchase of shares	03/04/2014	700	€16.40	€11,478.11
Thomas VALENTIN Vice-Chairman of the Executive Board	Purchase of shares	09/05/2014	1,000	€14.83	€14,827.72
Robin LEPROUX Vice-Chairman of the Executive Board	Purchase of shares	22/05/2014	700	€14.27	€9,987.54
Yann de KERSAUSON, Deputy Head of Communications	Sale of shares	26/06/2014	1,725	€15.00	€25,875.00
David LARRAMENDY Member of the Management Committee	Sale of shares	05/09/2014	3,500	€14.18	€49,642.60
Valery GERFAUD Member of the Executive Committee	Sale of shares	19/09/2014	5,750	€13.56	€77,988.40
David LARRAMENDY Member of the Management Committee	Sale of shares	18/11/2014	1,000	€15.06	€15,062.70
Jérôme BUREAU Member of the Management Committee	Exercise of stock options	02/12/2014	10,000	€14.73	€147,300.00
Jérôme BUREAU Member of the Management Committee	Sale of shares	02/12/2014	10,000	€15.45	€154,500.00
Jérôme LEFEBURE Member of the Executive Board	Exercise of stock options	04/12/2014	12,500	€14.73	€184,125.00
Jérôme LEFEBURE Member of the Executive Board	Sale of shares	04/12/2014	12,500	€15.69	€196,148.75

Catherine SCHOFER Member of the Management Committee	Exercise of stock options	05/12/2014	5,000	€14.73	€73,650.00
Catherine SCHOFER Member of the Management Committee	Sale of shares	05/12/2014	5,000	€15.77	€78,867.00
Philippe BONY Member of the Executive Committee	Exercise of stock options	08/12/2014	12,500	€14.73	€184,125.00
Philippe BONY Member of the Executive Committee	Sale of shares	08/12/2014	12,500	€15.73	€196,625.00
Bibiane GODFROID Member of the Executive Committee	Exercise of stock options	08/12/2014	12,500	€14.73	€184,125.00
Bibiane GODFROID Member of the Executive Committee	Sale of shares	08/12/2014	2,695	€15.72	€42,365.40
Bibiane GODFROID Member of the Executive Committee	Sale of shares	09/12/2014	9,805	€15.72	€154,134.60
Thierry DESMICHELLE Member of the Executive Committee	Exercise of stock options	18/12/2014	10,000	€14.73	€147,300.00
Thierry DESMICHELLE Member of the Executive Committee	Sale of shares	18/12/2014	10,000	€15.53	€155,300.00
Laurence SOUVETON-VIEILLE Member of the Management Committee	Exercise of stock options	18/12/2014	5,040	€14.73	€74,239.20
Laurence SOUVETON-VIEILLE Member of the Management Committee	Sale of shares	18/12/2014	5,040	€15.60	€78,624.00
Ronan de FRESSENEL Member of the Management Committee	Exercise of stock options	19/12/2014	5,000	€14.73	€73,650.00
Ronan de FRESSENEL Member of the Management Committee	Sale of shares	19/12/2014	5,000	€15.52	€77,600.00
Thomas VALENTIN Vice-Chairman of the Executive Board	Exercise of stock options	22/12/2014	18,000	€14.73	€265,140.00
Thomas VALENTIN Vice-Chairman of the Executive Board	Sale of shares	23/12/2014	10,525	€15.70	€165,273.02
Thomas VALENTIN Vice-Chairman of the Executive Board	Sale of shares	24/12/2014	4,693	€15.70	€73,680.10
Thomas VALENTIN Vice-Chairman of the Executive Board	Sale of shares	29/12/2014	2,782	€15.70	€43,677.40
Arnaud BOUCHER Member of the Management Committee	Exercise of stock options	23/12/2014	7,500	€14.73	€110,475.00
Arnaud BOUCHER Member of the Management Committee	Sale of shares	23/12/2014	7,500	€15.63	€117,215.25

3.9 Free share allocation plans

Three free share allocation plans were in force in 2014, pursuant to the authorisation given by the Combined General Meetings of 4 May 2011 and 5 May 2014:

- one that matured on 27 July 2014;
- one that was decided by the Executive Board on 26 July 2013;
- one that was decided by the Executive Board on 13 October 2014;

The data in the table below details:

- for the plan dated 27 July 2012, the shares effectively delivered;
- for the plans dated 26 July 2013 and 15 October 2014, 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			05/05/2014	Total
Date of Executive Board meeting Plan date	27/07/2012 27/07/2012	26/07/2013 26/07/2013	14/04/2014 30/04/2014	13/10/2014 15/10/2014	
Total number of shares allocated	487,750	642,500	149,553	513,150	1,792,953
- to Board members	*44,000*	*71,500*	*48,304*	*40,500*	***204,304***
- incl. Nicolas de Tavernost	*20,000*	*27,950*	*20,628*	*21,000*	***89,578***
- incl. Thomas Valentin	*10,000*	*14,300*	*11,174*	*10,500*	***45,974***
- incl. Jérôme Lefébure	*7,000*	*11,050*	*9,626*	*9,000*	***36,676***
- incl. Robin Leproux	*7,000*	*18,200*	*6,876*	-	***32,076***
- to other top ten salaried employees	*60,500*	*74,500*	*67,213*	*65,600*	***267,813***
Actual number of shares to be delivered (based on performance levels projected and achieved and taking account of individuals having left the company to date)		578,981	142,677	513,150	1,234,808 +0.0% compared with the number of shares not yet allocated at 31 December 2014
Date of final vesting Date retention period ends	27/07/2014 27/07/2016	26/07/2015 26/07/2017	30/04/2016 30/04/2018	15/10/2016 15/10/2018	
Number of shares delivered during the financial year	463,450				463,450
Number of shares not yet allocated at 31 December 2014		578,981	142,677	513,150	1,234,808
Allocated shares cancelled between 31 December 2014 and 28 February 2015 due to individuals leaving the Company	-	2,115	10,000	4,000	16,115

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 27 July 2012, 26 July 2013 and 15 October 2014 require the achievement of an operating profit objective for 2012, 2013 and 2014, respectively;

The number of shares actually delivered on 27 July 2014 was 463,450 due to the performance achieved and to the fact that the financial targets attached to the plan were exceeded. The top ten employee beneficiaries (Executive Board members included) received 89,500 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 2013, the Company's fully paid-up share capital was €50,386,179.60. Following the implementation of a share buyback plan in 2013, at 31 December 2014, the Company's fully paid-up share capital was €50,504,974.80 represented by 126,262,437 shares of the same class with a par value of €0.40 each.

Date	Description of capital transaction	Share capital 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 by employees	€ 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 to 04/10/10	Exercise of subscription options by employees	€ 1,299.60	3,249	€ 51,583,175.60	128,957,939
04/03/11 to 09/06/11	Exercise of subscription options by employees	€ 1,413.20	3,533	€ 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 to 24/12/13	Exercise of subscription options by employees	€ 32,594.00	81,485	€ 50,386,179.60	125,965,449
07/01/14 to 30/12/14	Exercise of subscription options by employees	€ 118,795.20	296,988	€ 50,504,974.80	126,262,437

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 General Meeting of 5 May 2014 approved a resolution authorising 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 marketable 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. The period of validity of this delegation has been set at 26 months.

3.10.2 Potential share capital

The exercise of all options outstanding at 31 December 2014 would lead to the creation of 233,061 new shares, which would increase the share capital from 125,262,437 shares to 126,495,498 shares, a maximum potential dilution of 0.18%.

At 31 December 2014, outstanding options will be fully exercisable for the plan of 6 May 2008. Conversely, the exercise period of options granted under the plan of 2 May 2007 expired on 1 May 2014.

The stock option plan of 6 May 2008 has an exercise price (€14.73) lower than the closing price at 31 December 2014 (€15.575). It was as part of this plan that 296,988 options were exercised during the 2014 financial year.

The maximum potential dilution plan by plan is detailed in the table below: The probability that this dilution will effectively occur appears significant today, since the M6 share price remains above the subscription price of the current plans, but the impact of this dilution would be low owing to the maximum potential dilution liable to arise from this plan is 0.18%.

Date of the General Meeting authorising the plan Date of the Supervisory Board Meeting (allocation)	02/05/2007 06/05/2008	Total
Maximum number of shares which may be subscribed upon exercise of all options	233,061	233,061
Starting date	06/05/2010	N/A
Expiry date	05/05/2015	N/A
Potential share capital upon exercise of share options (€)	93,224	93,224
Subscription price (€)	14.73	14.73
Number of shares comprising the share capital	126,262,437	126,262,437
Nominal value per share (€)	0.4	0.4
Share capital (€)	50,504,974.80	50,504,975
Number of shares comprising the share capital after exercise of options	126,495,498	126,495,498
Share capital after exercise of options (€)	50,598,199.20	50,598,199
Potential dilution	0.18%	0.18%

In addition, 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	Term of authorisation	Remaining term (1)	General Meeting	Resolution number
Allocation of free shares to members of staff and/or certain corporate officers (authorisation given to the Executive Board)	1,5% of share capital	-	26 months	14 months	AGM 05/05/14	19

(1) The remaining term runs from the AGM called for 28 April 2015

3.10.3 Acquisition by Métropole Télévision of its own shares: current delegations, authorisations and their use

	Maximum nominal amount	Term of authorisation	Remaining term *(1)*	General Meeting	Resolution number
Share buyback programme *(2)*	5% of share capital	18 months	6 months	AGM 05/05/14	15
Capital reduction *(2)*	10% of share capital	24 months	12 months	AGM 05/05/14	16
Capital increase *(2)*	1.5% of share capital	26 months	14 months	AGM 05/05/14	19

(1) With effect from the AGM of 28 April 2015

(2) The Annual General Meeting called for 28 April 2015 will decide on draft resolutions proposing a new share buyback programme for a further period of 18 months and authorising the Executive Board to reduce the share capital by cancellation of the shares bought back by the Company for a further period of 24 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. There are no 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 revenues collected from 1 January 2013. From this date, the optional flat rate withholding tax was abolished, and it is 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 amount 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 2014, the savings plan had 998 unit holders indirectly holding 197,480 shares. The fund thus represented 0.16% 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

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

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 2014 (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 line-up of its 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 in particular (i) 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 (ii) 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 the development of free-to-air television and a penetration of a multi-channel (cable-satellite, ads) package 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 larger of which have just been renewed for 3 years until the end of 2017, could have a significant impact on the profitability of the Group's pay channels.

4.1.1.1 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. These operations, which do not depend on advertising resources, are nonetheless sensitive to the economic situation (see section 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 are sequential, 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 this 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 sustainability 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 and consumer spending. Accordingly:

- 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.

  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 2014 than that of the overall TV advertising market.
  - 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.

- Although revenues from diversification activities (36.6% of consolidated revenues in 2014), limited the Group's reliance on the advertising market, they are nevertheless dependent on the level of consumer spending and the change in the share dedicated to recreational / media spending (TV subscriptions, telephones, video purchases, films, music, etc.) or spending on equipment (Distance Selling division).

4.1.4 Adapting the cost structure and increase in costs

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 volatility in its purchase price due to the scarcity of the audiovisual rights it sells. SND is seeking to reduce this exposure by helping to finance films through the purchase of licensing rights across all media (cinema, video, and Pay and Free TV) in France. This strategy has been made possible through identifying promising projects in advance, even before filming has begun in some cases.

The FC Girondins de Bordeaux (F.C.G.B.) is exposed to the risk of inflation in the fees 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 three 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.

Given the nature of audiovisual activities, a substantial majority of the purchases of services are made on a contractual basis with payment schedules specific to each activity due to the content delivery cycles.

In order to meet its settlement terms and to ensure that it always complies with applicable laws, the Group implements specific and strict follow-up of each contractual relationship:

- **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)	31/12/2013	31/12/2014
Trade payables falling due before 1 February	44.8	46.5
Trade payables falling due between 1 February and 28 February	3.6	2.7
Trade payables falling due after 1 March	0.0	0.0
TOTAL	**48.4**	**49.2**

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)	31/12/2013	31/12/2014
Trade payables falling due before 1 February	70.6	46.4
Trade payables falling due between 1 February and 28 February	14.4	22.6
Trade payables falling due after 1 March	0.0	0.0
TOTAL	**85.0**	**69.0**

4.2 Market risks

4.2.1 Foreign exchange risk

The foreign exchange risk management policy and related data are set out in Note 21.3 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 21.3 to the consolidated financial statements.

This risk is of little significance however as the Group has very little debt.

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 2014 for 41,972 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 21 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 leading, top 5 and top 10 customers represent less than 5%, 15% and 20% 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 21.3 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.
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 21.2 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 2014, the Group's net cash position was €260.5 million.
The Group avails of a maximum €50.0 million credit facility from its principal shareholder (Bayard d'Antin). At 31 December 2014, this credit facility was not drawn down.
In 2014, the Group did not introduce any new confirmed lines of credit.

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 n°86-1067 of 30 September 1986 and related application decrees.
The channels are also bound to the regulatory body (CSA) in application of the Article 28 of the aforementioned 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 its revenue or 5% in case of repeat offence, cancellation of the licence.

In order to minimise risks associated with production and broadcasting quotas, M6 Group 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 n°2013-1028 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, prepared in consultation with the industry.

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. The main deadlines during the calendar were specified in a statement by the Prime Minister on 10 December 2014: the allocation of the frequencies to the telecoms operators will take place in December 2015 and their actual transfer will happen between 1 October 2017 and 30 June 2019.

The rules for the release of this band for terrestrial television have not yet been approved. In any event, they shall be released in coordination with the broadcasters. M6 Group, whose licences for M6, W9 and 6ter are independent of this adjudication, has, in this respect, ensured that they do 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 2014.

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 2014, as in 2013, 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 2014, as in 2013, the Group did not record any major incident resulting from its non-observance of contractual agreements with third parties.

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 2014, the Group thus recognised €23.1 million in provisions for litigations (€20.3 million at 31 December 2013).
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, had recognised the existence of an employment contract against the producer (ALP), in 4 cases (Le Chantier). In view of this, the plaintiffs withdrew their action against Métropole Télévision (broadcaster) during the proceedings.

- On 13 February 2014, the *Cour de Cassation* (Supreme Court of Appeal) rejected the appeal brought by 5 contestants following the Versailles Court of Appeal's decision on 25 June 2013 to throw out the 5 cases (Nouvelle Star et L'Amour est dans le pré) brought by the plaintiffs before the Boulogne Billancourt industrial tribunal,
  The Cour de Cassation's decision is therefore final.

- On 25 June 2014, the Supreme Court of Appeal dismissed the appeal brought by the company Studio 89 against 22 participants in the programmes Les colocataires, Bachelor and Pékin Express.
  The decision of the Versailles Court of Appeal finding that the contestants were bound by an employment contract has therefore become final.

- Still ongoing is an appeal brought before the Supreme Court of Appeal by the production company Studio 89 against the decision of the Versailles Court of Appeal of 10 September 2013 recognising the existence of an employment contract for 7 Pékin Express contestants.

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.

In addition, M6 Group lodged a complaint with the French Competition Authority against TF1 for abuse of a dominant position in the television advertising market.

c) **Exclusive takeover of Direct 8, Direct Star, Direct Productions, Direct Digital and Bolloré Intermédia by Vivendi and CANAL + Group**

Through two rulings on 23 December 2013, the Conseil d'Etat had revoked the authorisation granted by the Competition Authority on 23 July 2012 and partially revoked the CSA approval on 18 September 2012, delivered pursuant to Article 42-3 of the Law n°86-1067 of 30 September 1986, 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. The Competition Authority granted the Vivendi and Canal Plus groups a new authorisation along with increased commitments, thereby taking account of the Conseil d'Etat's decision. These commitments have been added to the channels' agreements by the CSA.

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 been granted the 5th channel claimed by the public service was party to settlement agreement in 2010. By a decision of 9 November 2011, the CSA ruled in favour of Numericable in this dispute, with Paris Première retaining channel number 5 on Numericable. France Télévisions has lodged an appeal against this decision to the Conseil d'Etat. Through a ruling dated 22 October 2014, the Conseil d'Etat found in favour of France Télévisions and ordered Numericable to review its service plan within six months of that date.

e) **Other appeals before the Conseil d'Etat**

- By a decision of 11 April 2014, the Conseil d'Etat rejected the appeal brought by several local television stations relating to the numbering allocated by the CSA to the HD DTT channels selected in 2012. As a result, the numbering of 6ter, launched on channel 22 on 12 December 2012, has been retained. M6 Group supported the regulatory authority before the Conseil d'Etat during the interim, and subsequently the main, proceedings.

- Fiducial TV, whose proposal was rejected by the CSA during the bidding process launched in 2012, challenged the six authorisations issued by the Conseil Supérieur de l'Audiovisuel before the Conseil d'Etat. It withdrew its challenge in September 2014. As such, the authorisation granted to 6ter has been made permanent.

M6 Group had disputed before the Conseil d'Etat the detrimental non-allocation of its compensation channel, an award which, as set out in the law, is possible since the phasing out of analogue broadcasting. In two decisions dated 22 October 2014, the Conseil d'Etat rejected M6 Group's applications.

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 2014.

The financial risks arising from all the matters in progress, with the most significant described above, have been estimated prudently and provided for where required in the financial statements of the Group (see Note 24 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 is nevertheless included in SD DTT pay-TV packages.

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 (in relation to its SD signal), 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 was associated with the R6 Multiplex (SMR 6), which notably includes TF1 (in relation to its SD signal).

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 (in relation to its SD signal) with TF1 and France 2 (in relation to their HD signal) on the Multiplex R5 (MR 5), whose network is under construction, three years later than the first DTT networks. 1,559 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 2014, this network covered 89% of the population via 1,340 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. At the end of 2014, in order to make its signal more secure, MR5 called upon Arqiva and TDF to establish an uplink to the Eutelsat 5 West A satellite. 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 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 Code 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;
- an audit plan incorporating specific assignments in at risk areas;
- a multi-year testing programme that will complement the internal control audit.
- standards governing rules and procedures, which include many key control points that directly or indirectly target the risk of fraud;

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 secure 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).

Moreover, in 2014 the Group created the position of Information Systems Security Manager (ISSM) whose main task is to ensure the effectiveness of this security policy.

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 less than one third of films, made-for-TV films and series purchases and pre-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 2014 purchases, excluding rights inventories, from the leading supplier and top five and top ten suppliers represented 4.4 %, 13.3 % and 19.2 %, respectively.

4.7 Industrial and environmental risks

The Métropole Télévision 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, Métropole Télévision Group wants to assume its responsibilities regarding respect for the environment and is keen to demonstrate its commitment in this regard (see section 7.4 Environmental Responsibility).

4.8 Insurance cover

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 cover 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.
Cover: damages to a maximum of €49,999,999 per loss per year of cover.

Policy: All risks for IT and technical equipment
Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies.
Cover: 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 cover.

b) **General public liability insurance**

Policy: Operational and professional liability
Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies, groups created by or for personnel, legal representatives and servants of the insured;
Cover: 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.
Cover: monetary damages arising from Board members and senior management civil liability up to a maximum of €200,000,000 per loss 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 2014, as well as all other contracts (particularly F.C.G.B's policies, as well as Ventadis' policies and production insurance) was approximately €1.2 million. All of M6 Group insurance contracts were renewed in 2015 on similar bases as those of 2014.

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 ten years.
There are no captive insurance companies within the Group.

5 2014 FINANCIAL REPORT

5.1 2014 results

5.1.1 Presentation of the consolidated income statement

5.1.1.1 Analytical 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*.

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 Cyréalis acquisition (negative amount of €0.1 million in 2014 and 2013) and other accounting entries resulting from the application of revised IFRS 3, *Business combinations* (negative amounts of €0.2 million in 2014 and €0.5 million in 2013).

(€ millions)	31/12/2014	31/12/2013	2014 / 2013 change (€ millions)	(%)
TV				
Advertising revenues - Free-to-air channels	750.1	762.8	(12.8)	-1.7%
Revenues - other operations	63.1	66.8	(3.7)	-5.5%
Profit from recurring operations (EBITA)	144.0	149.1	(5.1)	-3.4%
Production & Audiovisual Rights				
Revenues	111.4	107.3	4.1	3.8%
Profit from recurring operations (EBITA)	10.3	11.5	(1.2)	-10.7%
Diversification				
Revenues	333.0	315.9	17.1	5.4%
Profit from recurring operations (EBITA)	55.6	53.0	2.6	4.8%
Other revenues	0.4	0.4	0.0	0.6%
Eliminations and unallocated items	(2.4)	(2.5)	0.1	-5.0%
Consolidated revenues	**1,257.9**	**1,253.2**	**4.7**	**0.4%**
Profit from recurring operations (EBITA)	**207.5**	**211.1**	**(3.7)**	**-1.7%**
Operating income and expenses related to business combinations	(0.3)	(0.6)	0.3	-43.1%
Operating profit (EBIT) from continuing operations	**207.1**	**210.5**	**(3.4)**	**-1.6%**
Net financial income	3.7	17.7	(14.0)	-79.2%
Share of profit of joint ventures and associates	(0.2)	0.1	(0.3)	-378.0%
Profit before tax (EBT) from continuing operations	**210.6**	**228.3**	**(17.7)**	**-7.8%**
Income tax on continuing operations	(87.4)	(97.5)	10.1	-10.4%
Net profit from continuing operations	**123.2**	**130.8**	**(7.6)**	**-5.8%**
Net profit from discontinued operations	0.0	(18.7)	**18.7**	
Net profit	**123.2**	**112.1**	**11.1**	**9.9%**
Minority interests	0.2	(0.1)	0.3	(3.8)
Net profit for the year (Group share)	**123.4**	**112.0**	**11.4**	**10.2%**

5.1.1.2 Consolidated income statement by nature of expense

Condensed consolidated income statement

(€ millions)	31/12/2014	31/12/2013
Revenues	**1,257.9**	**1,253.2**
Total operating revenues	1,270.8	1,268.1
Total operating expenses *	(1,063.4)	(1,057.0)
Profit from recurring operations (EBITA)	**207.5**	**211.1**
Amortisation and impairment of intangible assets related to acquisitions (including goodwill) and net proceeds from the disposal of subsidiaries & equity investments	(0.3)	(0.6)
Operating Profit (EBIT)	**207.1**	**210.5**
Net financial income	**3.7**	**17.7**
Share of profit of joint ventures and associates	(0.2)	0.1
Profit before tax (EBT)	**210.6**	**228.3**
Income tax	(87.4)	(97.5)
Net profit from continuing operations	123.2	130.8
Net profit from discontinued operations	0.0	(18.7)
Net profit for the year	**123.2**	**112.1**
Attributable to minority interests	0.2	(0.1)
Net profit for the year - Group share	**123.4**	**112.0**

** operating expenses excluding amortisation and impairment of intangible assets related to acquisitions and net proceeds from the disposal of subsidiaries and equity investments*

5.1.2 Analysis of the consolidated income statement

5.1.2.1 Analysis of Group results

(€ millions)	2014	2013 r	% change
Consolidated revenues	1,257.9	1,253.2	+0.4%
Group advertising revenues	796.9	808.8	-1.5%
- of which free-to-air advertising revenues	*750.1*	*762.8*	*-1.7%*
- of which other advertising revenues	*46.9*	*46.0*	*+1.9%*
Group non-advertising revenues	461.0	444.4	+3.7%
Consolidated profit from recurring operations (EBITA)	207.5	211.1	-1.7%
Operating income and expenses related to business combinations	(0.3)	(0.6)	n.s
Operating profit (EBIT) from continuing operations	207.1	210.5	-1.6%
Net financial income	3.7	17.7	-79.2%
Share of profit of joint ventures and associates	(0.2)	0.1	n.s
Income tax	(87.4)	(97.5)	-10.4%
Net profit from continuing operations	123.2	130.8	-5.8%
Net profit from discontinued operations	0.0	(18.7)	n.s
Net profit for the year	123.2	112.1	+9.9%
Net profit for the year - Group share	123.4	112.0	+10.2%

In 2014, M6 Group posted **consolidated revenues of €1,257.9 million, an increase of 0.4%** over the full year, despite unfavourable market conditions.

Under pressure due to the economic slowdown, the Group's advertising revenues (free-to-air channels, pay channels and the Internet) are down 1.5%, with a stronger second half-year.
Non-advertising revenues recorded growth of 3.7%, due to the **momentum of distance selling activities and production & audiovisual rights.**

Other operating revenues were €12.9 million, down €2.0 million compared with 2013, of which €3.2 million was attributable to lower transfer fees for F.C.G.B. players.

Operating revenues thus totalled €1,270.8 million in 2014, compared with €1,268.1 million in 2013, an increase of €2.7 million (up 0.2%).

Excluding operating expenses relating to business combinations, operating expenses increased by €6.3 million (up +0.6%) to €1,063.3 million.

This decline was due to the following developments:
- operating expenses of the Television division decreased by €10.4 million, due mainly to optimised programming costs of free-to-air channels and general operating expenses;
- operating expenses of the Production and Audiovisual Rights division posted an increase of €3.8 million under the combined effect of the development of M6 Créations and the release of the animated film *Astérix et le Domaine des Dieux*;
- lastly, operating expenses of the Diversification division increased by €11.7 million, due in particular to the acquisition of Best of TV early in 2014.

Analysis of expenses by nature is as follows:
- consumables and other operating expenses increased by €11.6 million (up 1.8%) primarily due to the acquisition of Best of TV. Consumables and other operating expenses of free-to-air channels decreased by €13.8 million (down 2.6%);
- personnel costs decreased by €10.0 million (down 4.0%) in 2014, due mainly to a reduction in F.C.G.B.'s payroll;
- net amortisation, depreciation and provision charges, excluding those linked to acquisition-related intangible assets, rose by €6.8 million to €120.4 million.

Consolidated profit from recurring operations (EBITA) thus reached €207.5 million, a decline of €3.7 million.
The consolidated margin from recurring operations was 16.5% (compared with 16.8% in 2013).

Net financial income was €.3.7 million (compared with €17.7 million in 2013). The decline reflects an unfavourable base effect as a result of the €13.6 million capital gain realised in 2013 on the disposal of the Lions Gate securities.

Income tax was a charge of €87.4 million, down €10.1 million, due mainly to the decline in profit before tax and a lower contribution on dividends paid in 2014 (€3.2 million, vs. €7.0 million in 2013).

The Group's share of net profit for the period was €123.4 million, compared with €112.0 million in 2013.

5.1.2.2 Television

	31/12/2014			31/12/2013			2014 / 2013 change		
(€ millions)	Business segment total revenues	External revenues	EBITA	Business segment total revenues	External revenues	EBITA	Business segment total revenues	External revenues	EBITA
Total TV Division	**833.4**	**813.2**	**144.0**	**849.0**	**829.6**	**149.1**	**(15.6)**	**(16.4)**	**(5.1)**

M6 TV network EBITA may be analysed as follows based on the M6 channel's gross margin on programming:

(€ millions)	31/12/2014	31/12/2013	2014 / 2013 change (€ millions)	(%)
External advertising revenues	750.1	762.8	(12.8)	-1.7%
Intra-Group advertising revenues	11.4	11.6	(0.2)	-1.7%
Advertising agency costs, operating taxes and broadcasting costs	**(182.0)**	**(178.9)**	**(3.1)**	**1.7%**
Free-to-air net revenue	**579.4**	**595.5**	**(16.1)**	**-2.7%**
Programming costs	**(415.7)**	**(431.5)**	**15.8**	**-3.7%**
Gross margin on programming	**163.8**	**164.0**	**(0.2)**	**-0.1%**
%	**28.3%**	**27.5%**		

Net advertising revenues: *these consist of advertising revenue earned by the M6, W9 and 6ter channels, offset by the net cost of services provided by M6 Publicité (share of free-to-air channels), mandatory charges levied as a proportion of revenue and broadcasting costs.*
Programming costs: *these represent the cost of programmes broadcast on the M6, W9 and 6ter channels (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 2014, free-to-air channels' advertising revenues decreased by 1.7% in a flat television advertising market with unfavourable price effects.

Within this environment, the Group pursued its commercial innovations, such as the Puissance TNT service, launched on 5 January 2014, which has received excellent feedback from advertisers and has become the leading DTT advertising service.

The Group also streamlined its pay TV portfolio and is now focusing its investments on Paris Première, Téva, Série Club and M6 Music.

The TV division contributed €144.0 million to EBITA, down €5.1 million compared with 2013. The decline in advertising revenue from free-to-air channels was offset by a €15.8 million reduction in the programming costs of these channels. This performance was however dampened, in particular, by the increase in 6ter broadcasting costs.

The margin from recurring operations was 17.7% (compared with 18.0% in 2013).

5.1.2.3 Production and audiovisual rights

(€ millions)	31/12/2014 Business segment total revenues	31/12/2014 External revenues	31/12/2014 EBITA	31/12/2013 Business segment total revenues	31/12/2013 External revenues	31/12/2013 EBITA	2014 / 2013 change Business segment total revenues	2014 / 2013 change External revenues	2014 / 2013 change EBITA
Total Production & Audiovisual Rights	125.0	111.4	10.3	115.8	107.3	11.5	9.2	4.1	(1.2)

Revenues from Production and Audiovisual Rights operations totalled €111.4 million in 2014, up 3.8% compared with 2013, with EBITA of €10.3 million (down €1.2 million) due to a less favourable video line up than in 2013, which was marked by the release of the *Twilight 5* video.

2014 was notable for the box-office success of Astérix, Le Domaine des Dieux, produced by M6 Studio and distributed by SND (3 million admissions), as well as *Les Vacances du petit Nicolas* (2.9 million admissions), *Fiston* (1.9 million admissions), *Yves-Saint Laurent* (1.6 million admissions) and *Divergente* (1.5 million admissions), all co-produced and/or distributed by the Group.

5.1.2.4 Diversification

	31/12/2014			31/12/2013			2014 / 2013 change		
(€ millions)	Business segment total revenues	External revenues	EBITA	Business segment total revenues	External revenues	EBITA	Business segment total revenues	External revenues	EBITA
Interactions	13.6	10.8	6.5	16.3	13.3	7.0	(2.7)	(2.5)	(0.4)
Ventadis	181.2	175.4	22.7	139.7	139.3	18.0	41.5	36.1	4.7
M6 Web	94.0	91.7	33.6	99.2	96.6	32.7	(5.2)	(4.8)	0.9
F.C.G.B	55.4	55.1	(7.2)	67.2	66.7	(4.6)	(11.8)	(11.7)	(2.6)
Intra-segment eliminations	(8.9)		-	(3.6)		-	(5.3)	-	-
Total Diversification	335.2	333.0	55.6	318.7	315.9	53.0	16.5	17.1	2.6

Diversification revenues totalled €333.0 million in 2014 (up 5.4% compared with 2013), with a €2.6 million increase in contribution to EBITA, primarily due to:

- M6 Web, with profit from recurring operations €32.7 million to €33.6 million, and which continued its policy of investing in new media (6Play, Connect application, on-demand channels, etc.);
- Ventadis, which saw its EBITA grow significantly by €4.7 million, due in particular to the integration of Best of TV, acquired in January 2014;
- conversely, F.C.G.B posted an increase in losses from €4.6 million in 2013 to €7.2 million in 2014 due to its failure to qualify for the Europa League at the end of the 2013/2014 season.

The margin from recurring Diversification operations totalled 16.7%, an increase of 5.6 points (inclusive of Mistergooddeal in 2013).

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 of non-current assets or inventories;
- EBITA of property companies and dormant companies (€2.9 million in 2014, compared with €4.3 million in 2013): the Group owns 20,000 m² of offices in Neuilly-sur-Seine, which 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, in proportion to the space occupied.

The profitability of this business is equal to the difference between the rent charged and the operating expenses of these buildings (depreciation, utility and maintenance charges, etc.).

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 the agreements signed with the CSA. On an annual basis, the channels report on the implementation of their obligations and commitments during the previous financial year to the CSA.

In 2014, according to 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 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 balance sheet

ASSETS (€ millions)	31/12/2014	31/12/2013
Non-current assets	337.1	356.4
Current assets	926.9	860.1
Assets of operations held for sale	-	31.9
Total Assets	**1,264.0**	**1,248.4**

EQUITY and LIABILITIES (€ millions)		
Shareholders' equity	581.1	572.0
Non-current liabilities	32.4	10.2
Current liabilities	650.5	638.7
Liabilities of operations held for sale	-	27.5
Total Equity and Liabilities	**1,264.0**	**1,248.4**

At 31 December 2014, total assets were €1,264.0 million, an increase of €15.6 million (up 1.2%) compared with 31 December 2013.

Non-current assets totalled €337.1 million, a decrease of €19.3 million (down -5.4%) compared with the 2013 year-end.

This decrease was primarily due to:
- new goodwill generated by the acquisition of Best of TV and Printic (up €9.4 million);
- the decrease in net property, facilities and equipment (down € 6.9 million), due in particular to the depreciation of buildings and technical facilities exceeding increases (acquisitions) during the financial year;
- the increase in equity investments in joint ventures and associates (up €3.3 million);
- the decrease in other financial assets (down €18.2 million), due in particular to the reclassification to current assets of the sum of €20.0 million deposited on an escrow account

in the name of the City of Bordeaux as part of the new stadium project.
The remainder was due to the decrease in intangible assets (down €4.1 million) and deferred tax assets (down €2.7 million).

Current assets, excluding cash and cash equivalents, amounted to €666.0 million, an increase of €91.3 million (up 15.9%) compared with 31 December 2013.

This change was primarily due to:
- the increase in inventories (up €36.8 million);
- the increase in trade receivables (up €20.8 million)
- the increase in other current financial assets (up €20.0 million) due to the reclassification of the escrow account (see analysis of non-current assets above);
- the increase in current tax receivables (up €6.8 million).

Cash and cash equivalents amounted to €260.9 million, down €24.5 million compared with 31 December 2013 (see comments on the consolidated cash flow statement).

Group equity totalled €581.1 million.

The €9.1 million increase since the 2013 year-end was primarily attributable to:
- the payment of dividends of €107.1 million;
- the purchase commitment on securities held by minority shareholders in entities acquired during the financial year (down €14.5 million);
- the IFRS 2 charge, resulting in an increase of €5.2 million;
- the exercise of share subscription options (up €4.4 million);
- net profit for the year of €123.4 million.

Other liability items (current and non-current liabilities) increased by €34.0 million compared with 31 December 2013 to €682.9 million.

This increase of 5.24% was primarily due to:
- the increase in trade payables (up €10.0 million);
- the strong increase in financial liabilities (up €35.4 million), due to the combined effect of liabilities related to the unpaid portion of the purchase cost of entities acquired during the financial year and minority interest liabilities related to the same entities (see analysis of equity above).

5.2.2 Cash flow statement

Consolidated cash flow statement

(€ millions)	31/12/2014	31/12/2013
Self-financing capacity before tax	332.7	327.9
Movement in working capital requirements	(43.8)	49.8
Income tax paid	(87.1)	(81.5)
Cash flow from operating activities	**201.8**	**296.2**
Cash flow from investment activities	**(117.6)**	**(77.4)**
Cash flow from financing activities	**(108.8)**	**(233.6)**
Of which dividends paid	(107.1)	(231.9)
Net change in cash and cash equivalents	**(24.5)**	**(22.7)**
Cash and cash equivalents - start of year	**285.4**	**313.3**
Cash and cash equivalents - end of year	**260.9**	**285.4**
Net cash and cash equivalents - end of year	**260.5**	**284.7**

Cash flow from operating activities was €201.8 million in 2014, lower than the level of €296.2 million achieved in 2013.

This large decrease of €94.4 million (down 31.9%) was due to the following changes:

- The self-financing capacity before tax generated by the Group increased slightly by €4.8 million to €332.7 million. This increase reflects the limited decline in operating profit (down €3.4 million), offset by higher amortisation, depreciation charges on non-current assets, net of reversals, and provision charges on liabilities, net of reversals, than in the previous financial year (up €3.9 million). The balance of the change (an increase of €4.4 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 €43.8 million cash usage, compared with cash generation of €49.8 million in 2013. The increase in broadcasting rights inventories and the increase in trade receivables generated by the buoyant activity of certain entities explain the majority of this change.

- Income tax outflows were €87.1 million, compared with €81.5 million in 2013.

In 2014, **cash flows applied to investments** used cash resources of €117.6 million, compared with €77.4 million in 2013:

- Growth or non-recurring investments resulted in a €7.9 million cash usage in 2014, compared with a cash generation of €11.1 million in 2013, This movement primarily reflects equity investments made by the Group in 2014, whereas the 2013 financial year had seen the collection of proceeds from the disposal of the Lions Gate Entertainment securities.

- Virtually recurring investments (licencing rights purchases by SND and SNDA, purchase and sale of players by FC Girondins de Bordeaux and renewal of technical and IT equipment) increased by €21.2 million.

Cash flow applied to financing activities used cash resources of €108.8 million in 2014 compared with €233.6 million in 2013.

This €124.8 million positive difference was primarily due to the reduction in the dividend paid to shareholders in 2014. Note that the 2013 dividend included an exceptional dividend of €125.4 million.

The financial year thus resulted in a €24.5 million decrease in cash and cash equivalents.

Cash and cash equivalents totalled €260.9 million at 31 December 2014, compared with €285.4 million at 31 December 2013.

Taking into consideration the debt position, the Group thus went from a net cash position of €284.7 million at the 2013 year-end to €260.5 million at 31 December 2014 (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 this document in the section dedicated to the investment policy included in Note 21.3 to the consolidated financial statements.

5.2.4 Investment policy

A significant element of the M6 Group's business is the acquisition of rights and the production of programmes. 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 infrastructure 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 2012**, the Group sold its 9.1% equity investment in the US film production and distribution company Summit Entertainment, which was taken over 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 total €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 holds the entire capital of Optilens SPRL, a company governed by Belgian law.

  Lastly, as part of its contractual commitments and/or regulatory obligations, the Group invested a total €134.8 million in the production of audiovisual and film works.

- **In 2014**, the Group sold the entire share capital of Mistergooddeal to Darty Group.

The Group also made two merger and acquisition transactions:
- in the field of teleshopping, through its subsidiary Home Shopping Service, the Group acquired 51% of the share capital of Best of TV, a French importer and distributor to points of sales of products, the sales of which were initiated via teleshopping;
- in the field of e-commerce, the Group, through its subsidiary MonAlbumPhoto, acquired 80% of the share capital of Printic, a French company that develops mobile applications enabling the printing of photos, albums, calendars and posters from a mobile phone.

Lastly, as part of its contractual commitments and/or regulatory obligations, the M6 channel invested a total of €105 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 25 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 2014, Métropole Télévision (M6) had total assets of €1,275.1 million, an increase of €48.7 million (up 4.0%) compared with 31 December 2013.

Non-current assets declined slightly by €8.5 million to €213.0 million. This movement primarily related to equity investments (down €7.9 million) and was due to the writedown provision on the M6 Foot shares recorded in the 2014 financial year (down €7.8 million).

Current assets increased by €57.2 million to €1,062.1 million. The increase in broadcasting rights (up €21.8 million), trade receivables (up €31.0 million) and other receivables (up €70.7 million, reflecting the current financing operations of Group subsidiaries). partly offset by the decrease in marketable securities (down €68.1 million), account for the majority of this movement.

Under equity and liabilities, liabilities increased slightly by €3.7 million to €723.8 million as a result of the opposite effects in particular of the increase in trade payables (up €16.4 million) and the reduction in other liabilities (down €9.5 million). The latter primarily include Group subsidiaries' current funding transactions.

Shareholders' equity totalled €479.1 million, an increase of €31.3 million. This movement was primarily due to:

- the payment of dividends of €106.5 million;
- the issue of 296,988 new shares as part of the exercise of share subscription options (up €4.4 million);
- net profit for the year of €132.8 million.

At 31 December 2014, cash and cash equivalents (cash and marketable securities less bank overdrafts) were €198.2 million, down €66.9 million compared with 31 December 2013.

5.3.2 Shareholders' agreements

Métropole Télévision and its subsidiaries have entered into shareholders' agreements, in addition to the Bylaws, with a view to organising relationships with joint shareholders in jointly-controlled companies. At 31 December 2014, the companies concerned were Extension TV (Série Club), TF6, TF6 Gestion, Multi 4, MR 5, R8, Panora Services, Quicksign, Audience Square, Golden Moustache, Best of TV 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 2014 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 2014 financial year.

Company name	Legal form	2014 equity investments	% shareholding Direct M6	Indirect M6	Company	Total
Best of TV	SAS	51.00%	-	51.00%	H.S.S.	51%
Best of TV Benelux	SPRL	51.00%	-	51.00%	Best of TV	51%
MonAlbumPhoto	SAS	5.00%	-	100.00%	H.S.S.	100%
Printic	SAS	80.00%	-	80.00%	Mon Album Photo	80%
Stéphane Plaza Franchise	SAS	49.00%	-	49.00%	M6 Créations	49%

On 7 January 2014, through its subsidiary Home Shopping Service, the Group acquired 51% of the share capital of Best of TV, a French importer and distributor to points of sales of products, the sales of which were initiated via teleshopping. Best of TV fully owns the Belgian company Best of TV SPRL.

On 2 June 2014, the Group, through its subsidiary Home Shopping Service, acquired 5% of the share capital of MonAlbumPhoto, thus increasing its stake from 95% to 100% of the share capital.

On 16 September 2014, the Group, through its subsidiary MonAlbumPhoto, acquired 80% of the share capital of Printic, a French company that develops mobile applications enabling the printing of photos, albums, calendars and posters from a mobile phone.

On 28 November 2014, the Group, through its subsidiary M6 Créations, acquired a 49% interest in the company Stéphane Plaza Franchise.

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: Television, Production & Audiovisual Rights, and Diversification;
- 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 parent company of a tax consolidation group pursuant to the provisions of Article 223 A of the General Tax Code.

At 31 December 2014, the Métropole Télévision Group had 66 subsidiaries and affiliates as follows:
- 21 significant consolidated subsidiaries;
- 38 insignificant consolidated subsidiaries;
- 7 non-consolidated subsidiaries.

Significant consolidated subsidiaries are as follows:

Significant consolidated subsidiaries (21)	Country	Financial transactions with Métropole Télévision: Member of cash pooling agreement	Financial transactions with Métropole Télévision: Various significant transactions*	% interest (rounded up)	Impact of minority interests
TELEVISION					
M6 Publicité	France	yes	Advertising agency payment	100%	-
M6 Thématique	France	yes	NS	100%	-
M6 Génération - 6TER	France	yes	Technical services, rebilling of personnel costs	100%	-
Paris Première	France	yes	Technical services, rebilling of personnel costs	100%	-
EDI TV – W9	France	yes	Sales of broadcasting rights, technical services, rebilling of personnel costs	100%	-
M6 Communication - M6 Music Black - Hit - Club	France	yes	Technical services	100%	-
SediTV - Téva	France	yes	Technical services, rebilling of personnel costs	100%	-
SNDA	France	yes	:hase and sale of broadcasting rights	100%	-
Métropole Production	France	yes	Purchase of broadcasting rights, technical services or support	100%	-
C. Productions	France	yes	Purchase of broadcasting rights	100%	-
Studio 89 Productions	France	yes	Purchase of broadcasting rights	100%	-
PRODUCTION AND AUDIOVISUAL RIGHTS					
M6 Créations	France	yes	Advertising	100%	-
M6 Films	France	yes	NS	100%	-
Société Nouvelle de Distribution	France	yes	Purchase of broadcasting rights	100%	-
Société Nouvelle de Cinématographie	France	yes	NS	100%	-
DIVERSIFICATION					
Football Club des Girondins de Bordeaux	France	no	NS	100%	-
Home Shopping Service	France	yes	Rebilling of personnel costs	100%	-
Best of TV	France	no	-	51%	-
MonAlbumPhoto	France	no	Advertising	95%	-
M6 Interactions	France	yes	Technical services, rebilling of personnel costs	100%	-
M6 Web	France	yes	Advertising, technical services, rebilling of personnel costs	100%	-

** Transactions valued in excess of €500 K*

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 €2.7 million and primarily included Best of TV's bank debt, associates' current accounts and finance leases for the acquisition of technical equipment, for which the Group is liable.

Parent company - subsidiary relationships		
(€ millions)	31/12/2014	31/12/2013
Non-current assets	*317.2*	*333.8*
M6 Web	43.3	43.9
SCI du 107	39.5	41.1
Immobilière 46D	30.1	32.0
E-Commerce *	29.7	27.2
Immobilière M6	28.1	28.4
SNDA	27.9	22.0
Teleshopping *	20.4	11.5
SND	20.4	23.8
Métropole Télévision	16.0	16.6
FCGB	14.7	35.6
M6 Publicité	12.7	10.1
SNC (Diem 2)	9.5	11.9
M6 Studio	8.1	14.0
M6 Films	5.3	5.4
Stéphane Plaza Franchise	3.6	0.0
Métropole Production	2.3	4.1
M6 Créations	1.1	0.1
M6 Thématique	1.0	1.0
Série Club	0.6	0.9
TCM DA	0.2	1.1
Other	*2.5*	*3.0*
Balance sheet cash and cash equivalents	*260.9*	*285.4*
Métropole Télévision	211.8	259.5
SND	23.3	6.5
Teleshopping *	13.4	5.0
M6 Publicité	7.7	0.4
FCGB	2.1	1.2
E-Commerce *	1.8	0.8
SND USA	1.2	10.9
Other	*(0.4)*	*1.2*
Cash flow from operating activities	*201.8*	*296.2*
SNDA	41.7	43.5
SND	36.8	44.0
M6 Publicité	33.7	40.6
Métropole Télévision	32.0	86.4
M6 Web	30.6	30.0
Teleshopping *	18.7	25.2
M6 Studio	11.0	3.1
Sedi - Teva	8.9	7.1
M6 Interactions SAS	4.9	7.0
M6 Communication	3.8	3.4
E-Commerce *	3.6	6.8
SNC (Diem 2)	3.3	1.0
Immobilière M6	3.0	4.8
M6 Créations	2.5	1.6
SCI du 107	2.3	1.7
Immobilière 46D	1.5	1.8
Paris Première	0.8	3.6
M6 Films	0.4	2.2
Studio 89 Productions	(1.0)	1.2
Métropole Production	(1.8)	1.8
FCGB	(5.7)	(7.9)
M6 Génération - 6Ter	(12.4)	(17.0)
Edi - W9 Tv	(15.0)	0.8
Other	*(1.8)*	*3.3*
Dividends paid to Métropole Télévision	*74.3*	*70.8*
M6 Interactions SAS	25.5	13.8
M6 Publicité SAS	24.7	28.2
M6 Thématique SA	22.5	27.1
M6 Web SAS	1.4	1.2
SND	0.2	0.5

** E-Commerce includes Mon Album Photo, Printic, Luxview and Optilens data*

** Teleshopping includes HSS, HSS Belgique, Best of TV and BEst of TV Benelux 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 2015, 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.

In line with previous financial years, the Group will pursue its strategy aimed at establishing a model of balanced revenues, allowing the development of non-advertising revenues (see section 5.4.3) relying in particular on the Group's brands and on its know-how as regards acquisitions of audiovisual rights, derived products and licences, services and interactive offers, distance selling and presence within a top ranking sporting club.

The M6 Group will operate within a rather sluggish business environment in 2015, marked by tension in the French labour market. The unemployment rate may therefore continue to increase in 2015 despite a slight improvement in business sentiment. French macro-economic forecasts also point to possible stagnation of business investment in 2015, "in line with modest demand prospects" *(Note de conjoncture de l'INSEE, December 2014*), which may result in a certain weakness in the advertising market.

Against this background, the M6 Group will continue to pay particular attention to its level of operating expenses, without, however, compromising the development of its operations, in order to maintain, as far as possible, a satisfactory profitability level.

5.4.1 Significant post-balance sheet events

On 9 January 2015, through its subsidiary M6 Web, M6 Group concluded the acquisition of the entire share capital of the French media group Oxygem, which operates various websites (CuisineAZ.com, Passeportsanté.net, Radins.com, Météocity.com and Fourchette-et-bikini.fr).
This acquisition confirms M6 Group's position as a leading Internet player in France, with a total of 15 million unique visitors per month for the new combined entity, and positions it as the 8th largest Internet media group in France.

On 13 January 2015, M6 Group announced that it has renewed the distribution agreements of all its channels and services (M6, W9, 6ter, Paris Première, Téva, M6 Music, Girondins TV, M6 Boutique and co, and their on-demand TV services) with distribution operators.

To the knowledge of the company, no other significant events have occurred since 1 January 2015 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 Television

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 2015.

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 2014 and having an impact on 2015 are set out in paragraph 1.4.3.

5.4.3 Other activities

New growth drivers set up in recent years will continue their contribution to the dynamism of non-TV activities.

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: particularly in the production business, which complements distribution, a strategy that allows for a more upstream positioning in the value chain (greater ownership of the negative - share, duration and geographic regions).

The Group's development strategy in new media will be continued in 2015. The Group's video services continue to develop based on two pillars:

- long videos, with 6Play, which remains a true reference in terms of catch-up and second screen TV (the most widely used catch-up service by the under 50s). Already available on many terminals (PC, IPTV, mobiles, tablets, video game consoles, HBBTV), 6Play still has potential for increased usage and revenue growth;
- short and original content videos, which will continue their strong development, particularly across the Group's YouTube channels (Rose Carpet, Cover Garden).

Regarding non-video activities, the website portfolio (channel websites and theme-based portals) will continue to improve the quality of its content to grow its audience and generate greater advertising revenues.

The acquisition of Oxygem early in 2015 will notably allow M6 Group to complement the range of topics covered by its websites and will significantly boost its digital development. Complementary audiences, content and expertise will result in the implementation of many more synergies, particularly in the fields of video content and price comparison search engines.
The transaction will also enable M6 to strengthen its technological expertise in performance-based marketing and data exploitation.
Lastly, M6 Publicité Digital will consolidate its position as a key player in the online advertising market by increasing both its power and the diversity of its digital channels.

Following the integration in 2014 of Best of TV (sale of tele-shopping products at major retailers) and Printic (mobile photo printing application), the Distance-Selling division wishes to continue its development strategy based on its tele-shopping activities and e- commerce websites, with a view to increasing divisional profitability.

Finally, Football Club des Girondins de Bordeaux 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. The Stadium, which will be delivered in April 2015 and officially opened on 23 May 2015, will open up new prospects for revenue from ticket sales from the 2015/16 season.

6 2014 FINANCIAL STATEMENTS AND RELATED NOTES

6.1 Consolidated financial statements at 31/12/2014

1.Consolidated statement of financial position

ASSETS

(€ millions)	Note n°	31/12/2014 (1) (2)	31/12/2013 (1) (2)
Goodwill	15 and 16	72.7	63.4
Audiovisual rights	15	38.7	38.4
Other intangible assets	15	74.1	78.5
INTANGIBLE ASSETS		**185.5**	**180.3**
Land	17	19.3	19.3
Buildings	17	81.2	85.7
Other property, facilities and equipment	17	20.8	23.2
PROPERTY, FACILITIES AND EQUIPMENT		**121.2**	**128.1**
Financial assets available for sale	20.1	0.2	0.2
Other non-current financial assets	20.1	4.7	22.9
Equity investments in joint ventures and associates	19	5.6	2.4
FINANCIAL ASSETS		**10.5**	**25.4**
Deferred tax assets	11	19.9	22.6
TOTAL NON-CURRENT ASSETS		**337.1**	**356.4**
Broadcasting rights inventory	18	203.3	168.5
Other inventories	18	13.5	11.6
Trade receivables	20.1	264.9	244.2
Current tax		7.4	0.5
Derivative financial instruments	21.3	1.8	-
Other current financial assets	20.1	20.0	-
Cash and cash equivalents	20.1	260.9	285.4
Other current assets	20.1	155.1	149.9
TOTAL CURRENT ASSETS		**926.9**	**860.1**
Assets of operations held for sale / sold	12	-	31.9
TOTAL ASSETS		**1,264.0**	**1,248.4**

EQUITY AND LIABILITIES

(€ millions)	Note n°	31/12/2014 (1) (2)	31/12/2013 (1) (2)
Share capital		50.5	50.4
Share premium		5.4	1.2
Treasury shares		(1.2)	(6.9)
Consolidated reserves		408.6	417.4
Other reserves		(5.4)	(2.3)
Net profit for the year (Group share)		123.4	112.0
GROUP EQUITY		**581.4**	**571.7**
Non-controlling interests		(0.3)	0.3
SHAREHOLDERS' EQUITY	22	**581.1**	**572.0**
Provisions	23 and 24	10.3	8.2
Financial debt	20.2	2.2	1.6
Other financial liabilities	20.2	18.9	-
Liabilities relating to non-current assets		-	0.2
Other liabilities	20.2	0.9	0.2
Deferred tax liabilities	11	-	-
TOTAL NON-CURRENT LIABILITIES		**32.4**	**10.2**
Provisions	24	86.2	85.9
Financial debt	20.2	0.5	0.8
Derivative financial instruments	21.3	-	1.0
Other financial liabilities	20.2	13.8	-
Trade payables	20.2	393.0	383.0
Other operating liabilities	20.2	53.5	50.5
Current tax		1.3	5.2
Tax and social security payable	20.2	85.4	89.1
Liabilities relating to non-current assets	20.2	16.9	23.3
TOTAL CURRENT LIABILITIES		**650.5**	**638.7**
Liabilities of operations held for sale / sold	12	-	27.5
TOTAL EQUITY AND LIABILITIES		**1,264.0**	**1,248.4**

(1) Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations*, Mistergooddeal was presented as an operation held for sale in the consolidated statement of comprehensive income for the 2013 financial years (see Note 12).

(2) Due to the retrospective application of IFRS 11 – *Joint arrangements* at 1 January 2013 (see Notes 5 and 19), the presentation of the consolidated statement of financial position for the 2013 financial year has been modified, since joint ventures are no longer proportionally consolidated but accounted for using the equity method.

2.Consolidated statement of comprehensive income

(€ millions)	Note n°	31/12/2014 (1) (2)	31/12/2013 (1) (2)
CONSOLIDATED INCOME STATEMENT			
Revenue	7	1,257.9	1,253.2
Other operating revenues	8.1	12.9	14.9
Total operating revenues		**1,270.8**	**1,268.1**
Materials and other operating expenses	8.2	(647.9)	(636.3)
Personnel costs (including profit sharing plan contributions)	8.4	(238.4)	(248.7)
Taxes and duties		(56.8)	(58.9)
Net depreciation/amortisation/provision charges	8.3	(120.6)	(113.7)
Impairment of unamortised intangible assets	8.3 / 16	-	-
Total operating expenses		**(1,063.7)**	**(1,057.6)**
Capital gains on disposals of non-current assets		-	-
Operating profit		**207.1**	**210.5**
Income generated by cash balances		4.8	4.6
Cost of debt		(0.2)	(0.1)
Revaluation of derivative financial instruments		(0.2)	(0.1)
Proceeds from the disposal of financial assets available for sale	20.1	-	13.6
Other financial expenses		(0.7)	(0.4)
Net financial income	10	**3.7**	**17.7**
Share of profit of joint ventures and associates		(0.2)	0.1
Profit before tax		**210.6**	**228.3**
Income tax	11	(87.4)	(97.5)
Net profit from continuing operations		**123.2**	**130.8**
Net profit/(loss) from operations held for sale / sold	12	-	(18.7)
Net profit for the year		**123.2**	**112.1**
attributable to the Group		123.4	112.0
attributable to non-controlling interests		(0.2)	0.1
Earnings per share - basic (€) - Group share	13	0.983	0.894
Earnings per share from continuing operations - basic (€) - Group share	13	0.982	1.043
Earnings per share - diluted (€) - Group share	13	0.976	0.889
Earnings per share from continuing operations - diluted (€) - Group share	13	0.976	1.038
CONSOLIDATED COMPREHENSIVE INCOME			
Consolidated net profit		**123.2**	**112.1**
Other items of comprehensive income transferable to the income statement:			
Change in value of derivative instruments		(4.8)	2.6
Change in value of assets available for sale	20.1	-	(3.2)
Change in value of translation adjustment		0.1	(0.4)
Tax on transferable items	11	1.6	0.2
Other items of comprehensive income non-transferable to the income statement:			
Actuarial gains and losses		(1.7)	(0.0)
Tax on non-transferable items	11	0.6	0.0
Other items of comprehensive income		**(4.1)**	**(0.8)**
Other items of comprehensive income of operations held for sale / sold		-	0.0
Comprehensive income for the year		**119.1**	**111.4**
attributable to the Group		119.1	111.4
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 / sold in the consolidated statement of comprehensive income for the 2014 and 2013 financial years (see Note 12).
(2) Due to the retrospective application of IFRS 11 – *Joint arrangements* at 1 January 2013 (see Notes 5 and 19), the presentation of the consolidated statement of comprehensive income for the 2013 financial year has been modified, since joint ventures are no longer proportionally consolidated but accounted for using the equity method.

3.Consolidated statement of cash flows

(€ millions)	Note n°	31/12/2014 (1) (2)	31/12/2013 (1) (2)
Operating profit from continuing operations		207.1	210.5
Non-current asset depreciation and amortisation		120.8	116.9
Capital gains (losses) on disposals		(5.5)	(8.5)
Other non-cash items		5.4	4.8
Operating profit after restatement for non-cash items		*327.9*	*323.8*
Income generated by cash balances	10	4.8	4.4
Interest paid	10	(0.1)	(0.2)
SELF-FINANCING CAPACITY BEFORE TAX		332.7	327.9
Movements in inventories	18	(34.1)	(2.6)
Movements in trade receivables	20	(13.3)	19.5
Movements in operating liabilities	20	3.6	32.8
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS		(43.8)	49.8
Income tax paid	11	(87.1)	(81.5)
CASH FLOW FROM OPERATING ACTIVITIES		201.8	296.2
Investment activities			
Intangible assets acquisitions	15	(107.1)	(97.3)
Property, facilities and equipment acquisitions	17	(7.7)	(9.6)
Investments acquisitions	20	(2.8)	(0.5)
Cash and cash equivalents arising from subsidiary acquisitions		(7.6)	(0.1)
Cash and cash equivalents arising from subsidiary disposals		1.9	-
Disposals of intangible assets and property, facilities and equipment	15 /17	5.2	18.1
Disposals of investments	20	(0.1)	11.4
Dividends received		0.6	0.5
CASH FLOW FROM INVESTMENT ACTIVITIES		(117.6)	(77.4)
Financing activities			
Share capital increases	22	-	-
Financial assets	20	(0.8)	(0.3)
Financial liabilities		(1.3)	(0.0)
Income from the exercise of stock options	22	0.3	1.2
Purchase and sale of treasury shares	22	0.0	(2.6)
Dividends paid to shareholders of the parent company	14	(107.1)	(231.9)
NET CASH FROM FINANCING ACTIVITIES		(108.8)	(233.6)
Cash flow linked to operations held for sale / sold	12	0.0	(7.5)
Translation effect on cash and cash equivalents		0.1	(0.4)
NET CHANGE IN CASH AND CASH EQUIVALENTS	20	(24.5)	(22.7)
Reclassification of cash and cash equivalents of operations held for sale / sold	12	-	(5.2)
Cash and cash equivalents - start of year	20	285.4	313.3
CASH AND CASH EQUIVALENTS - END OF YEAR		260.9	285.4

(1) Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations*, Mistergooddeal is presented as an operation held for sale / sold in the consolidated statement of cash flows for the 2014 and 2013 financial years (see Note 12).

(2) Due to the retrospective application of IFRS 11 – *Joint arrangements* at 1 January 2013 (see Notes 5 and 19), the presentation of the consolidated statement of cash flows for the 2013 financial year has been modified, since joint ventures are no longer proportionally consolidated but accounted for using the equity method.

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	Equity Group share	Non-controlling interests	Shareholders' equity
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
Total comprehensive income for the year		-	-	-	112.1	(0.8)	111.3	0.1	111.4
Dividends paid					(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
BALANCE AT 1 JANUARY 2014	125,965.4	50.4	1.2	(6.9)	529.4	(2.3)	571.7	0.3	572.0
Change in value of derivative instruments						(3.0)	(3.0)	-	(3.0)
Change in value of assets available for sale						-	-		-
Actuarial gains and losses					(1.1)		(1.1)		(1.1)
Foreign exchange difference						-	-		-
Other items of comprehensive income		-	-	-	*(1.1)*	*(3.0)*	*(4.1)*	-	*(4.1)*
Net profit for the year					123.4		123.4	(0.2)	123.2
Total comprehensive income for the year		-	-	-	122.4	(3.0)	119.3	(0.2)	119.1
Dividends paid					(107.0)		(107.0)	(0.0)	(107.1)
Changes in consolidating company's equity	297.0	0.1	4.3				4.4		4.4
Purchases/sales of treasury shares				5.7	(3.7)		2.0		2.0
Total transactions with shareholders		0.1	4.3	5.7	(110.7)	-	(100.7)	(0.0)	(100.7)
Cost of stock options and free shares (IFRS 2)					5.2		5.2		5.2
Free shares allocation hedging instruments							-		-
Other movements [(3)]					(14.2)		(14.2)	(0.3)	(14.5)
BALANCE AT 31 DECEMBER 2014	126,262.4	50.5	5.4	(1.2)	532.0	(5.4)	581.4	(0.3)	581.1

[(3)] Pursuant to IFRS 10 – *Consolidated financial statements*, the option on the outstanding 49% stake in Best of TV has been recognised under equity at the fair value used at the acquisition date, namely €16.3 million. Of the €16.3 million, €4.0 million has been allocated to non-controlling interests (to neutralise the share of Best of TV's shareholders' equity at the acquisition date) and €12.3 million to the Group's consolidated reserves). Likewise, the call option on the outstanding 20% stake in Printic has been recognised under equity at its fair value, namely €2.2 million at 31 December 2014.

6.2 Notes to the consolidated financial statements

Unless otherwise stated, all amounts presented in the notes are expressed in millions of Euros.

1. Financial year significant events

On 7 January 2014, through its subsidiary Home Shopping Service (Ventadis division), the 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, the sales of which were initiated via teleshopping (see Note 6).

On 31 March 2014, the Group sold the entire share capital of Mistergooddeal to Darty Group. Pursuant to IFRS 5 – *Non-current assets held for sale and discontinued operations*, Mistergooddeal's Q1 2014 activities are presented as "operations sold" (see Note 12).

On 25 April 2014, the General Management of TF6 announced that the channel would stop being broadcast on 31 December 2014, the decline in advertising revenues being unable to be offset by a significant rise in the fees of pay-TV distributors.

On 2 June 2014, the Group, which through its subsidiary Home Shopping Service held 95% of the share capital of MonAlbumPhoto, increased its stake to the entire share capital.

On 16 September 2014, the Group, through its subsidiary MonAlbumPhoto, concluded the acquisition of 80% of the share capital of Printic, a company that develops mobile applications enabling the printing of photos, albums, calendars and posters from a mobile phone (see Note 6).
On 9 October 2014, the Group and Disney renewed their multi-year agreement for the acquisition and broadcast of programmes produced by the Disney and Disney Pixar labels.

On 26 November 2014, the Group released its animated film "Astérix - Le Domaine des Dieux" which had achieved ticket sales of 2.6 million at 31 December 2014.

2. Company information

The consolidated financial statements at 31 December 2014 of the Group of which Métropole Télévision is the parent company (the Group) were approved by the Executive Board and reviewed by the Supervisory Board on 17 February 2015. They will be submitted for approval to the next Annual General Meeting on 28 April 2015.

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 (ISIN Code: 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 2014 have been prepared in accordance with the IFRS (International Financial Reporting Standards) in force within the European Union at that date. They are presented with comparative figures for 2013 prepared under the same framework.
The IFRS standards adopted by the European Union at 31 December 2014 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 IN THE EUROPEAN UNION, THE APPLICATION OF WHICH IS MANDATORY FOR FINANCIAL YEARS STARTING ON OR AFTER 1 JANUARY 2014

The adoption of IFRS 10 – *Consolidated financial statements*, IFRS 11 – *Joint arrangements*, IFRS 12 – *Disclosure of interests in other entities*, as well as revised IAS 27 – *Separate financial statements* and revised IAS 28 – *Investments in associates and joint ventures*, applicable to financial years starting on or after 1 January 2014, affects the Group's accounting rules and methods.
The main impact for the Group is the change of consolidation method of joint ventures, which are no longer proportionally consolidated but accounted for using the equity method.
These changes are presented in greater detail in Note 5 *Changes in methods.*
Other standards and IFRS amendments applicable to the 2014 financial year had no material impact on the Group's consolidated financial statements at 31 December 2014:

- Amendments to IAS 19 – *Defined benefit plans: employee contributions;*
- Amendments to IAS 32 – *Offsetting financial assets and financial liabilities;*
- Amendments to IAS 36 – *Recoverable amount disclosures for non-financial assets;*
- Amendments to IAS 39 and IFRS 9: *Novation of derivatives and continuation of hedge accounting;*
- Annual improvements to IFRS (cycles 2010-2012 and 2011-2013).

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 2014:

- IFRIC 21 – *Levies charged by public authorities*, applicable to financial years starting on or after 1 January 2015;

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 1 – *Presentation of financial statements – Disclosure initiative,* applicable to financial years starting on or after 1 January 2016;
- Amendments to IAS 16 and IAS 38 – *Clarification of acceptable methods of depreciation and amortisation,* applicable to financial years starting on or after 1 January 2016;
- Amendments to IFRS 10 and IAS 28 – *Sale or contribution of assets between an investor and its associate or joint venture*, applicable to financial years starting on or after 1 January 2016;

- Amendments to IAS 10, IFRS 12 and IAS 28 – *Investment entities: applying the consolidation exception,* applicable to financial years starting on or after 1 January 2016;
- Amendments to IFRS 11 – *Accounting for acquisitions of interests in joint operations ,* applicable to financial years starting on or after 1 January 2016;
- IFRS 9 – *Financial instruments*, applicable to financial years starting on or after 1 January 2018;
- IFRS 15 – *Revenue from contracts with customers*, applicable to financial years starting on or after 1 January 2017;
- Annual improvements to IFRS (cycle 2012-2014), applicable to financial years starting on or after 1 January 2016.

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.
- the valuation of the IFRS 2 charge, the measurement methods of which are detailed in Note 4.12.
-

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 joint ventures and associates;
- net profit of 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 allow options relating to the valuation and accounting treatment of assets and liabilities.

Within this framework, the Group has opted for the valuation at historical cost of property, facilities and equipment and intangible assets, without revaluation at each balance sheet date;

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. 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 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 AND ASSOCIATES

Joint ventures are jointly controlled entities (joint control is the shared control of a single entity operated jointly by a limited number of associates or shareholders, from whose agreement financial and operational decisions are made). They are accounted for under the equity method, in compliance with IFRS 11 - *Joint arrangements*.

Associates 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. They are accounted for under the equity method.

Joint ventures and associates 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 joint venture or associate in the balance sheet and records in the consolidated income statement, under a specific line item entitled "Share of profit/(loss) of joint ventures and 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 joint control or significant influence is exercised and until joint control or 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 a joint venture or 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.

OPERATIONS HELD FOR SALE

An operation is qualified as sold 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. Operations sold or held for sale are reported on a single line of the income statement for the periods reported, comprising the net profit of operations sold or 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 operations sold or held for sale. In addition, cash flows generated by operations sold or 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 entities 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.

  - Put options on securities held by minority interests are recognised at their fair value under financial liabilities and offset under equity. Under equity, these are deducted from non-controlling interests at the book value of the securities subject to the put option, with the balance being deducted from the Group share of equity, pursuant to the provisions of IFRS 10.

- 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.

- 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.

ADVANCES AND PAYMENTS ON ACCOUNT FOR NON-CURRENT ASSETS;

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 OF FEATURE FILMS, DRAMA AND OTHER

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 COSTS 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-term business plan (5 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 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.

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

Other 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.

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 at the balance sheet date.

In the event 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:

- <u>Hedging the exposure to movements in the fair value of an asset or liability</u>

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*, 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 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 - *Statement of cash flows.*

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 2014 financial year, the Group applied IFRS 10, 11, 12, revised IAS 27 and revised IAS 28 for the first time, the main impact for the Group being the change of consolidation method for joint ventures, which are no longer proportionally consolidated but are accounted for under the equity method (see Note 19).

The main impact resulting from the implementation of IFRS 11 – *Joint arrangements*, particularly related to the change in recognition method of joint ventures (partnerships whereby the parties that have joint control of the operation have rights to the net assets of the operation): the latter must be accounted for using the equity method, as the proportional consolidation method is no longer permitted.

As regards the Group, the scope of operations concerned includes the following entities: Série Club, TF6 and TF6 Gestion (managed in partnership with TF1 Group), HSS Belgique (managed in partnership with RTL Group) and Panora Services.

In accordance with IAS 8 – *Accounting policies, changes in accounting estimates and errors,* the 2013 financial year is presented taking account of the application of this standard as at 1 January 2013.

To ensure the comparability of the 2013 and 2014 financial years, the following adjustments have been made to the 2013 income statement:

	FY 2013
Revenue [1]	(11.7)
Profit from recurring operations (EBITA)	(0.4)
Share of profit of joint ventures	0.1

[1] Adjustments incorporate both the cancellation of the revenue of joint ventures and the recognition of external revenue generated by other Group entities with these joint ventures.

There was no material impact on the consolidated statement of financial position at 1 January 2013.
Furthermore, since it is no longer permitted under the equity method to test joint ventures collectively at CGU level to which they used to belong, an impairment test has been carried out on these entities at the date of the change of consolidation method (namely at 1 January 2013). Based on business plans prepared at that date, the value in use of entities subject to the change of consolidation method was not less than their book value.
As a result, no writedown of equity-accounted securities was recognised in Group consolidated equity at 1 January 2013.

6. Business combinations

6.1. Acquisitions during the financial year

BEST OF TV AND BEST OF TV BENELUX

On 7 January 2014, Home Shopping Service acquired 51% of Best of TV and Best of TV Benelux.

This acquisition was recognised as a business combination within the meaning of revised IFRS 3 and led to the recognition of final goodwill of €8.5 million.

The remaining 49% stake is subject to put and call options based on the fair value of the companies at the exercise date (between 2017 and 2025). The Group's commitment has been recorded under other non-current financial liabilities as consideration for the Group share of shareholders' equity and non-controlling interests in accordance with IFRS 10 – *Consolidated financial statements*, for €16.3 million, corresponding to the fair value of the put option on the date of acquisition of the majority stake.

PRINTIC

On 16 September 2014, MonAlbumPhoto acquired 80% of Printic.

This acquisition was recognised as a business combination within the meaning of revised IFRS 3 and led to the recognition of final goodwill of €0.9 million.

The remaining 20% stake is subject to put and call options based on the fair value of the company. The Group's commitment has been recorded under other non-current financial liabilities for €2.2 million at 31 December 2014.

6.2. Follow-up on acquisitions carried out in 2013

Luxview and Optilens

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 for the consolidated financial statements at 31 December 2014 is final.

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.

Over recent years, M6 Group has adapted its operational structure according to the markets in which it carries out its different activities:

- TV broadcasting, through increased cooperation between the Group's various channels (acquisitions, technical, broadcast, etc.);
- The production and distribution of audiovisual rights, to strengthen the Group's access to content;
- Diversification, through which the Group innovates and develops complementary activities that make use of the TV media.

Accordingly, segment reporting has been modified and the three new operating segments are as follows:

Television

The sector includes free-to-air channels (M6, W9 and 6TER) whose business model is entirely financed by advertising and pay channels (Paris Première, Téva, etc.) whose business model is based on mixed funding (advertising and payments from platforms that distribute these channels as part of packages broadcast via broadband, cable or satellite).

This sector also includes all primarily related activities, such as the advertising agency.

Production and Audiovisual rights

Apart from production and co-production activities, this operational sector includes operations relating to the distribution of audiovisual film rights throughout their consumer-based (cinema, sale of physical and digital videos), and subsequently their professional-based (distribution of the rights portfolio to national free-to-air and pay-TV channels and international distribution) operating cycles.

DIVERSIFICATION

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 admissions. 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 account of the disposal of Mistergooddeal at 31 March 2014, this entity is presented under segment reporting as an operation sold.
In the income statement below, data related to this business has been restated for the profit from recurring operations and in the statement of financial position at 31 December 2013, the assets and liabilities of Mistergooddeal are presented in a separate column.

The impact of the disposal of Mistergooddeal is presented in Note 12.

INCOME STATEMENT

The contribution of each business segment to the income statement is detailed below:

	Television	Production & Audiovisual Rights	Diversification	Eliminations and unallocated items	Total 31/12/2013
External revenue	829.6	107.3	315.9	0.4	1,253.2
Inter-segment revenue	19.4	8.5	2.8	(30.7)	-
Revenue	**849.0**	**115.8**	**318.7**	**(30.3)**	**1,253.2**
Profit from recurring operations (EBITA) of continuing operations	149.1	11.5	53.0	(2.5)	211.1
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					210.5
Net financial income					17.7
Share of profit of joint ventures and associates					0.1
Profit before tax (EBT) from continuing operations					228.3
Income tax					(97.5)
Net profit from continuing operations					130.8
Net profit from operations held for sale / sold					(18.7)
Net profit for the year					112.1
attributable to the Group					112.0
attributable to non-controlling interests					0.1

	Television	Production & Audiovisual Rights	Diversification	Eliminations and unallocated items	Total 31/12/2014
External revenue	813.2	111.4	333.0	0.4	1,257.9
Inter-segment revenue	20.2	13.6	2.2	(36.1)	-
Revenue	**833.4**	**125.0**	**335.2**	**(35.7)**	**1,257.9**
Profit from recurring operations (EBITA) of continuing operations	144.0	10.3	55.6	(2.4)	207.5
Operating income and expenses relating to business combinations			(0.3)		(0.3)
Income from disposal of subsidiaries and investments					-
Operating profit (EBIT) from continuing operations					207.1
Net financial income					3.7
Share of profit of joint ventures and associates					(0.2)
Profit before tax (EBT) from continuing operations					210.6
Income tax					(87.4)
Net profit from continuing operations					123.2
Net profit from operations held for sale / sold					0.0
Net profit for the year					123.2
attributable to the Group					123.4
attributable to non-controlling interests					(0.2)

STATEMENT OF FINANCIAL POSITION

The contribution of each business segment to the financial position is detailed below:

	Television	Production & Audiovisual Rights	Diversification	Eliminations	Total continuing operations 31/12/2013	Operations held for sale 31/12/2013	Total of all operations 31/12/2013
Segment assets	519.5	121.5	199.5	(65.2)	775.4	31.9	807.3
Equity investments in joint ventures and associates	0.9		1.4		2.4		2.4
Unallocated assets					438.8		438.8
Total Assets	520.4	121.5	201.0	(65.2)	1,216.5	31.9	1,248.4
Segment liabilities	440.4	101.2	162.7	(65.2)	639.0	27.5	666.5
Unallocated liabilities					9.9		9.9
Total liabilities	440.4	101.2	162.7	(65.2)	648.9	27.5	676.4
Net Assets/(Liabilities)	80.1	20.3	38.3	-	567.6	4.5	572.0
Other segment information							
Non-current asset acquisitions	57.5	42.7	18.3		118.4		118.4
Depreciation and amortisation	(49.8)	(41.6)	(13.1)		(104.5)		(104.5)
Impairment	(4.7)	(0.0)	(9.6)		(14.4)		(14.4)
Other unallocated segment reporting items					(2.4)		(2.4)

	Television	Production & Audiovisual Rights	Diversification	Eliminations	Total continuing operations 31/12/2014
Segment assets	578.9	118.6	226.4	(84.2)	839.8
Equity investments in joint ventures and associates	0.7	3.6	1.3		5.6
Unallocated assets					418.6
Total Assets	579.6	122.2	227.7	(84.2)	1,264.0
Segment liabilities	453.9	108.4	196.9	(84.2)	675.0
Unallocated liabilities					7.9
Total liabilities	453.9	108.4	196.9	(84.2)	682.9
Net Assets/(Liabilities)	125.7	13.9	30.8	-	581.1
Other segment information					
Non-current asset acquisitions	61.8	34.0	15.3		111.1
Depreciation and amortisation	(54.4)	(43.8)	(12.3)		(110.4)
Impairment	(2.1)	(2.9)	(0.5)		(5.5)
Other unallocated segment reporting items					(3.8)

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 mainland France.

8. Other operating income and expenses

8.1. Other operating income

Other operating income totalled €12.9 million (compared with €14.9 million in 2013), and primarily comprised:

- proceeds from the sale of football players (€5.4 million, compared with €8.6 million in 2013);
- operating grants received (€3.1 million, compared with €3.4 million in 2013);
- income tax related to the CICE (tax credit aimed at encouraging business competitiveness and employment) of €1.9 million, compared with €1.3 million in 2013;
- operating foreign exchange gains of €0.3 million in 2014.

8.2. Materials and other operating expenses

	31/12/2014	31/12/2013
Broadcasting rights consumption and programme flows (including writedown of broadcasting rights inventory)	(217.8)	(224.0)
Cost of sales	(66.5)	(50.9)
Other external services	(363.2)	(360.9)
Operating foreign exchange losses	(0.0)	(0.1)
Other expenses	(0.4)	(0.4)
Materials and other operating expenses	(647.9)	(636.3)

8.3. Amortisation, depreciation and impairment charges

	31/12/2014	31/12/2013
Amortisation and net provisions - audiovisual rights	(79.4)	(78.0)
Amortisation and net provisions - production costs	(13.4)	(6.9)
Amortisation and net provisions - other intangible assets	(13.3)	(13.1)
Depreciation - property, facilities and equipment	(14.2)	(14.8)
Other	(0.3)	(1.0)
Impairment of unamortised intangible assets	-	-
Total amortisation and depreciation (net)	(120.6)	(113.7)

8.4. Employee and workforce expenses

	31/12/2014	31/12/2013
Wages and salaries	(144.6)	(152.7)
Social security charges	(62.5)	(66.1)
Profit sharing plan contributions	(9.6)	(13.7)
Other employee costs	(21.6)	(16.3)
Employee costs	(238.4)	(248.7)

"Full Time Equivalent" (FTE) workforce is broken down as follows:

	31/12/2014	31/12/2013
Fully-consolidated companies	2101	2095
Joint ventures*	9	20

* Primarily concerns the share of TF6, Série Club and Panora Services. The corresponding staff costs are included in the income of the related joint ventures and associates (see Note 19).

Other employee costs include provision charges and reversals for retirement, provisions for employee litigations, as well as the cost of the IFRS 2 charge.

9. Share-based payments

PLANS ALLOCATED IN 2014

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 14 April 2014, following approval by the Supervisory Board on 25 March 2014, to a total of 22 beneficiaries and subject to cumulative performance conditions over three years. This plan covered 149,553 shares, subject to beneficiaries remaining employed by the Group at 14 April 2016.

In addition, pursuant to the authorisation granted by the Combined General Meeting of 5 May 2014, an allocation of free shares was decided by the Executive Board on 13 October 2014, following approval by the Supervisory Board on 29 July 2014. This plan involved 177 beneficiaries and covered 513,150 shares, subject to beneficiaries remaining employed by the Group at 15 October 2016 and the achievement of consolidated net profit objectives in 2014.

No allocations of share subscription options were decided in 2014.

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 2014, 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							
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
14/04/2014		16.05	N/A	N/A	0.53%	5.60%	12.53
13/10/2014		12.03	N/A	N/A	0.23%	7.60%	8.37

(*) 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 31/12/2013	Change based on performance	Allocated	Exercised	Cancelled	Balance at 31/12/2014
Share subscription plans	1,711,325	1,711,325	1,029,274	-	-	(296,988)	(499,225)	233,061
02/05/2007	827,500	827,500	488,000	-	-	-	(488,000)	-
06/05/2008	883,825	883,825	541,274	-	-	(296,988)	(11,225)	233,061
Plans granting free shares	1,792,953	1,792,953	1,083,545	-	662,703	(463,450)	(47,990)	1,234,808
27/07/2012	487,750	487,750	467,650	-	-	(463,450)	(4,200)	-
26/07/2013	642,500	642,500	615,895	-	-	-	(36,914)	578,981
14/04/2014	149,553	149,553	-	-	149,553	-	(6,876)	142,677
13/10/2014	513,150	513,150	-	-	513,150	-	-	513,150

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 2012, 2013 and 2014 plans.

CHARGES RECOGNISED IN 2014

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:

	Employee costs	
	31/12/2014	31/12/2013
Plans granting free shares		
26/07/2011	-	1.2
22/12/2011	-	0.0
27/07/2012	1.0	1.8
26/07/2013	3.1	1.4
14/04/2014	0.6	-
13/10/2014	0.4	-
Total cost	5.2	4.4

10. Net financial income

	31/12/2014	31/12/2013
Investment income	4.7	4.3
Other interest income	0.0	0.3
Revaluation of derivative financial instruments	0.0	0.0
Proceeds from the disposal of financial assets available for sale	-	13.6
Other financial expenses	-	0.0
Other financial income	4.7	18.3

	31/12/2014	31/12/2013
Interest on loans from banks and associates	(0.1)	(0.1)
Capitalised interest on pension	(0.2)	(0.2)
Revaluation of derivative financial instruments	(0.2)	(0.1)
Other financial expenses	(0.5)	(0.1)
Financial expense	(1.1)	(0.6)
NET FINANCIAL INCOME	3.7	17.7

Investment income increased by 10% over the 2014 financial year, despite a slight decline in the average amount of deposits, which fell from €265 million in 2013 to €248 million in 2014. The Group generated financial income of €4.7 million in 2014, compared with €4.3 million in 2013.

Conversely, the 2014 financial year does not include any non-recurring items, unlike 2013, during which a €13.6 million income related to the unwinding of the Lions Gate and Summit Entertainment transactions was recorded (see Note 20.1).

11. Income tax

Métropole Télévision has declared itself as the parent company in 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:

	31/12/2014	31/12/2013
Current income tax:		
Tax charge for the year	(80.1)	(98.1)
Deferred tax:		
Creation and reversal of temporary differences	(7.3)	0.6
Total	(87.4)	(97.5)

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 2014 was 38.0% for temporary differences that will be reversed until 30 December 2016. 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:

	31/12/2014	Movement of continuing operations	Movement of operations sold	31/12/2013
Fair value revaluation of foreign exchange contracts (cash flow hedges)	2.0	1.6		0.3
Fair value revaluation of assets available for sale	-	-		-
Actuarial gains and losses	0.1	0.6	0.1	(0.6)
Treasury shares forward purchase	-	-		-
Total	2.1	2.2	0.1	(0.3)

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:

	31/12/2014	31/12/2013
Net profit - Group share	**123.4**	**112.0**
Non-controlling interests	(0.2)	0.1
Net profit/(loss) from operations held for sale / sold	0.0	(18.7)
Income tax	(87.4)	(97.5)
Share of profit of joint ventures and associates	(0.2)	0.1
Operating income and expenses related to business combinations	(0.6)	(0.1)
Cost of stock options and free shares (IFRS 2)	(5.2)	(4.4)
Profit of continuing operations before restated income tax	**216.6**	**232.7**
Theoretical tax rate	38.00%	38.00%
Theoretical tax charge	**(82.3)**	**(88.4)**
Reconciling items:		
C.V.A.E. tax [1]	(4.8)	(5.6)
3% tax on dividends [2]	(3.2)	(7.0)
Impact relating to the change in income tax rate	0.3	0.1
Impact relating to foreign tax rates [3]	-	2.8
Other differences [4]	2.6	0.5
Effective tax charge	**(87.4)**	**(97.5)**
Effective tax rate	40.36%	41.89%

[1] In 2010, the Group decided to reclassify CVAE (value added business tax) as income tax. This amounted to €7.7 million (€4.8 million net of income tax) at 31 December 2014, compared with €9.0 million (€5.6 million after tax) at 31 December 2013.

[2] The Group is now subject to an additional income tax contribution of 3% on dividends paid.

[3] At 31 December 2013, the €2.8 million figure corresponded to the difference in the rate applicable to the capital gain on the disposal of the Group's equity investment in Lions Gate.

[4] Other differences primarily relate to tax credits (€1.5 million).

The income tax rate applicable to the companies included in the French tax consolidation was 38.0% for the 2014 financial year, unchanged from the 2013 financial year.

The sources of deferred tax at 31 December were as follows:

	31/12/2014	31/12/2013
Deferred tax assets		
Intangible assets	1.3	0.3
Other assets	9.2	9.3
Retirement provisions (non-deductible)	3.2	2.3
Non-deductible provisions	15.9	20.6
Expenses payable non-deductible	5.5	6.2
Financial instruments	2.0	0.3
Losses brought forward	3.2	2.7
Other	0.9	0.9
Impact of offsetting deferred tax assets and liabilities on the balance sheet	(21.3)	(20.2)
Total	**19.9**	**22.6**
Deferred tax liabilities		
Catalogues	(4.5)	(6.1)
Brands	(0.2)	(0.2)
Accelerated depreciation and amortisation	(8.7)	(5.3)
Writedown of treasury shares	(2.7)	(2.7)
Other	(5.2)	(6.0)
Impact of offsetting deferred tax assets and liabilities on the balance sheet	21.3	20.2
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 €25.9 million at 31 December 2014.
The losses that were capitalised as deferred tax assets amounted to €9.4 million at 31 December 2014.

At 31 December 2014, net deferred tax assets due within one year and in more than one year amounted to €4.6 million and €15.3 million respectively.

At 31 December 2014, 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. Operations held for sale / sold

In application of IFRS 5 – *Non-current assets held for sale and discontinued operations*, and taking account of the disposal of Mistergooddeal at 31 March 2014, this entity is presented in the consolidated income statement, statement of cash flows and statement of financial position as an operation sold. 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 / sold". In accordance with IFRS 5, these restatements have been applied to all periods presented in the consolidated financial statements (at 31 December 2014 and 2013) 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 / sold" and "Liabilities of operations held for sale / sold";
- its contribution to each line of the consolidated statement of cash flows is shown under "Cash flow related to operations held for sale / sold". In accordance with IFRS 5, these restatements have been applied to all periods presented in the consolidated financial statements (at 31 December 2014 and 2013) to ensure consistency of information;

The components of the income statement reported in a specific item are as follows:

	31/12/2014	31/12/2013
Revenue	32.0	121.2
Other operating revenues	0.0	0.1
Operating expenses	(33.0)	(127.5)
Income tax	-	2.3
Net operating loss	(1.0)	(4.0)
Fair value revaluation loss, after tax		(14.7)
Capital gains on disposals of non-current assets	0.8	
Deferred tax	0.2	
Net profit/(loss) from operations held for sale / sold	0.0	(18.7)

The components reported in the specific asset and liability items in the consolidated statement of financial position are analysed as follows:

	31/12/2013
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:

	31/12/2014	31/12/2013
Operating profit from operations held for sale	(1.0)	(21.6)
Operating profit from operations held for sale - Non-Group	*(0.3)*	*(18.6)*
Operating profit from operations held for sale - Intra-Group	*(0.7)*	*(3.0)*
Non cash items - Non-Group	0.0	16.2
Group cash items		(0.0)
SELF-FINANCING CAPACITY BEFORE TAX	(1.0)	(5.5)
Movement in working capital requirements - Non-Group	0.8	1.4
Movement in working capital requirements - Intra-Group	0.6	(0.9)
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS	1.4	0.5
Income tax paid		(0.1)
Cash flow from non-Group operating activities	0.5	(1.2)
Cash flow from intra-Group operating activities	(0.1)	(4.0)
CASH FLOW FROM OPERATING ACTIVITIES	0.4	(5.1)
Cash flow from non-Group investment activities	(0.2)	(2.4)
Cash flow from intra-Group investment activities	-	18.0
CASH FLOW FROM INVESTMENT ACTIVITIES	(0.2)	15.6
Cash flow from non-Group financing activities	0.0	0.1
Cash flow from intra-Group financing activities	-	3.6
CASH FLOW FROM FINANCING ACTIVITIES	0.0	3.7
Net change in non-Group cash and cash equivalents	0.3	(3.5)
Net change in intra-Group cash and cash equivalents	(0.1)	17.6
NET CHANGE IN CASH AND CASH EQUIVALENTS	0.2	14.1
Cash and cash equivalents - start of year	5.2	(9.0)
Divested cash	(5.4)	
CASH AND CASH EQUIVALENTS - END OF YEAR	0.0	5.2

13. Earnings per share

	31/12/2014	31/12/2013
Net profit attributable to shareholders	123.4	112.0
Profit / (loss) from operations held for sale attributable to shareholders	-	(18.7)
Net profit from continuing operations attributable to shareholders	123.4	130.7
Average weighted number of shares (excluding treasury shares) for basic earnings per share	125,616,965	125,317,974
Potential dilutive effect of share-based payments	808,498	654,266
Average weighted number of shares (excluding treasury shares) adjusted for dilutive effect*	126,425,463	125,972,240
Net earnings per share (€)	0.983	0.894
Net earnings per share from continuing operations (€)	0.982	1.043
Diluted earnings per share (€)	0.976	0.889
Diluted earnings per share from continuing operations (€)	0.976	1.038

** 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, 26 July 2013, 14 April 2014 and 15 October 2014.

Shares with a dilutive impact totalled 808,498, with a dilutive effect on EPS of 0.63 euro cent per share.

14. Dividends

Métropole Télévision	31/12/2014	31/12/2013
Declared and paid during the year	106.5	231.9
Number of outstanding shares (thousands)	*125,352*	*125,343*
Dividend paid per ordinary share (€)	0.85	0.85
Exceptional dividend paid per ordinary share (€)	-	1.00
Proposed for approval at AGM	107.2	106.6
Number of outstanding shares (thousands)	*126,163*	*125,402*
Dividend paid per ordinary share (€)	0.85	0.85

15. Intangible assets

	Audiovisual rights	Other intangible assets	Advances and prepayments	Goodwill	Total 31/12/2013
At 1 January 2013, net of amortisation and writedowns	**47.9**	**35.9**	**31.5**	**66.8**	**182.1**
Acquisitions	38.2	10.2	60.1	-	108.5
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	21.5	(53.6)	-	(1.9)
Impairment	(5.9)	(0.3)	0.4	-	(5.9)
2013 amortisation charge	(72.1)	(20.0)	-	-	(92.1)
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**	**41.5**	**37.0**	**63.4**	**180.3**
At 1 January 2013					
Gross value	659.6	606.7	32.7	111.1	1,410.0
Accumulated amortisation and writedowns	(611.7)	(570.7)	(1.1)	(44.3)	(1,227.8)
Net Total at 1 January 2013	47.9	35.9	31.5	66.8	182.1
At 31 December 2013					
Gross value	726.9	651.0	37.8	96.6	1,512.1
Accumulated amortisation and writedowns	(688.5)	(609.4)	(0.7)	(33.2)	(1,331.8)
Net Total at 31 December 2013	38.4	41.5	37.0	63.4	180.3

	Audiovisual rights	Other intangible assets	Advances and prepayments	Goodwill	Total 31/12/2014
At 1 January 2014, net of amortisation and writedowns	**38.4**	**41.5**	**37.0**	**63.4**	**180.3**
Acquisitions	46.7	12.5	45.1	-	104.4
Assets included in operations sold (gross)	-	-	-	-	-
Change in Group structure (gross amounts)	-	0.2	-	9.4	9.5
Disposals	(1.2)	(16.4)	(0.1)	-	(17.6)
Other movements	-	-	-	-	-
Reclassifications	33.1	31.3	(64.4)	-	0.0
Impairment	(5.1)	0.1	-	-	(5.0)
2014 amortisation charge	(74.2)	(26.8)	-	-	(101.0)
Amortisation included in operations sold	-	-	-	-	-
Change in Group structure - accumulated amortisation charge	-	(0.1)	-	-	(0.1)
Reversal of amortisation on disposals	1.1	14.0	-	-	15.0
At 31 December 2014, net of amortisation and writedowns	**38.7**	**56.5**	**17.7**	**72.7**	**185.5**
At 1 January 2014					
Gross value	726.9	651.0	37.8	96.6	1,512.1
Accumulated amortisation and writedowns	(688.5)	(609.4)	(0.7)	(33.2)	(1,331.8)
Net amount at 1 January 2014	38.4	41.5	37.0	63.4	180.3
At 31 December 2014					
Gross value	805.5	711.7	18.4	105.9	1,641.5
Accumulated amortisation and writedowns	(766.8)	(655.2)	(0.7)	(33.2)	(1,455.9)
Net Total at 31 December 2014	38.7	56.5	17.7	72.7	185.5

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:

		31/12/2014	31/12/2013
Opening balance net of impairment		63.4	66.8
Acquisitions		9.4	1.5
Goodwill from operations held for sale / sold		-	(21.6)
Other movements		-	16.7
Impairment		-	-
Closing balance		72.7	63.4
Opening balance			
	Gross values	96.6	111.9
	Accumulated impairment	(33.2)	(45.1)
	Net amount	63.4	66.8
Closing balance			
	Gross values	105.9	96.6
	Accumulated impairment	(33.2)	(33.2)
	Net amount	72.7	63.4

2014 financial year goodwill increases resulted from the acquisition of Best of TV, Best of TV Benelux and Printic (see Note 6).
2013 financial year goodwill movements resulted from the acquisition of Luxview and Optilens.

No impairment was recognised during the 2014 financial year on goodwill from continuing operations (see Impairment test hereafter).

GOODWILL OF OPERATIONS HELD FOR SALE.

At 31 December 2013, the goodwill of Mistergooddeal after partial reallocation to Mon Album Photo amounted to €4.9 million and was fully written down.

This goodwill was included in the statement of consolidated financial position under "Assets of operations held for sale".

ANALYSIS

Net goodwill is analysed by Cash Generating Unit as follows:

Net value		31/12/2014	31/12/2013
Television		-	-
Production & Audiovisual Rights		-	-
	SND SA	0.8	0.8
Diversification			
	Cyréalis	37.4	37.4
	E-Commerce	22.0	21.1
	Teleshopping	12.5	4.0
Total		72.7	63.4

The Cyréalis CGU, which was merged into M6 Web on its acquisition, remains identifiable through the editorial websites it operates (clubic.com, jeuxvideo.fr, achetezfacile.com, tomsgames.fr). The Tom's Games business is included in the Cyréalis CGU.

The Teleshopping CGU includes Best of TV and Best of TV Benelux due to similarities between their business models and that of HSS. The acquisition price allocation of the 51% stake was finalised during the 2014 financial year.

The E-Commerce CGU includes Luxview, Optilens and Printic due to similarities between their business models and that of Mon Album Photo (single online sales channel, significant business and marketing similarities).

IMPAIRMENT TESTS

During the last quarter of 2014, the Cyréalis, Teleshopping and E-Commerce 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 9.68%;
    - The infinite growth rate used was also based on the average noted on the valuation of comparables and was 2%.

- 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%);
    - Revenue growth of 0% for HSS and 5% for Best of TV in 2018 and 2019;
    - Capital expenditure of €3.4 million in 2018 and 2019;
    - Unchanged WCR for HSS and slight increase for Best of TV in 2018 and 2019.

- Assumptions specific to the E-Commerce 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%;
    - The infinite growth rate was 2%;
    - Sales growth of 13.7% in 2018 and 2019;
    - Capital expenditure maintained at €1.5 million in 2018 and 2019;

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			
		8.68	9.18	9.68	10.18
growth rate	1	46.9	44.0	41.4	39.0
	1.5	49.4	46.1	43.2	40.6
	2	52.2	48.5	45.2	42.4
	2.5	55.4	51.2	47.6	44.4

net book value of CGU in Group financial statements = €38.5 million

Teleshopping		Discount rate			
		8.90	9.40	9.90	10.40
growth rate	0.5	220.4	208.4	197.6	188.0
	1	229.8	216.6	204.8	194.3
	1.5	240.5	225.8	212.9	201.3
	2	252.8	236.3	221.9	209.2

net book value of CGU in Group financial statements = €14.8 million

E-Commerce		Discount rate			
		8.90	9.40	9.90	10.40
growth rate	1	35.6	33.1	30.9	29.0
	1.5	37.7	34.9	32.5	30.3
	2	40.0	36.9	34.2	31.8
	2.5	42.8	39.2	36.2	33.5

net book value of CGU in Group financial statements = €25.1 million

Following this analysis, the Group concluded that the recoverable values of the Cyréalis, Teleshopping and E-Commerce CGUs exceeded their net book value in the Group's financial statements at 31 December 2014.

17. Property, facilities and equipment

	Land	Buildings	Technical facilities	Other property, facilities and equipment	Assets under construction	Total 31/12/2013
At 1 January 2013, net of depreciation and writedowns	**19.3**	**91.5**	**17.0**	**6.6**	**0.9**	**135.2**
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)	(7.5)	(2.6)	-	(14.8)
Depreciation charge of operations held for sale	-	1.3	0.2	0.8	-	2.2
Change in Group structure - accumulated depreciation charge	-	-	(0.0)	(0.0)	-	(0.0)
Reversal of depreciation on disposals	-	-	1.2	0.3	-	1.5
At 31 December 2013, net of depreciation and writedowns	**19.3**	**85.7**	**16.3**	**6.2**	**0.7**	**128.1**
At 1 January 2013						
Cost or fair value	19.3	132.7	54.9	23.4	0.9	231.2
Accumulated depreciation and writedowns	-	(41.2)	(37.9)	(16.8)	-	(96.0)
Net Total at 1 January 2013	19.3	91.5	17.0	6.6	0.9	135.2
At 31 December 2013						
Cost or fair value	19.3	130.3	60.3	24.1	0.7	234.7
Accumulated depreciation and writedowns	-	(44.6)	(44.1)	(17.9)	-	(106.6)
Net Total at 31 December 2013	19.3	85.7	16.3	6.2	0.7	128.1

	Land	Buildings	Technical facilities	Other property, facilities and equipment	Assets under construction	Total 31/12/2014
At 1 January 2014, net of depreciation and writedowns	**19.3**	**85.7**	**16.3**	**6.2**	**0.7**	**128.1**
Acquisitions	-	0.5	4.4	2.0	0.3	7.1
Assets included in operations sold (gross)	-	-	-	-	-	-
Change in Group structure (gross amounts)	-	-	0.9	0.1	-	1.1
Disposals	-	(0.0)	(0.7)	(0.8)	-	(1.5)
Depreciation (charges) / reversals 2014	-	(4.9)	(6.6)	(2.7)	-	(14.2)
Amortisation included in operations sold	-	-	-	-	-	-
Change in Group structure - accumulated depreciation charge	-	-	(0.6)	(0.1)	-	(0.7)
Reversal of depreciation on disposals	-	0.0	0.6	0.8	-	1.4
At 31 December 2014, net of depreciation and writedowns	**19.3**	**81.2**	**14.1**	**5.5**	**1.2**	**121.2**
At 1 January 2014						
Cost or fair value	19.3	130.3	60.3	24.1	0.7	234.7
Accumulated depreciation and writedowns	-	(44.6)	(44.1)	(17.9)	-	(106.6)
Net amount at 1 January 2014	19.3	85.7	16.3	6.2	0.7	128.1
At 31 December 2014						
Cost or fair value	19.3	130.7	64.8	25.3	1.2	241.3
Accumulated depreciation and writedowns	-	(49.6)	(50.7)	(19.9)	-	(120.1)
Net Total at 31 December 2014	19.3	81.2	14.1	5.5	1.2	121.2

18. Inventories

	Broadcasting rights inventory	Commercial inventory	Total 31/12/2013
At 1 January 2013, net of writedowns	**166.0**	**23.9**	**189.9**
Acquisitions	282.4	49.7	332.1
Assets of operations held for sale	-	(13.0)	(13.0)
Acquisition of subsidiaries	-	0.3	0.3
Disposal of subsidiaries	-	-	-
Expensed	(286.6)	(50.9)	(337.5)
Writedown of operations held for sale	-	0.3	0.3
Depreciation (charges) / reversals 2013	6.6	1.4	8.0
At 31 December 2013, net of writedowns	**168.5**	**11.6**	**180.1**
At 1 January 2013			
Cost or fair value	268.5	29.2	297.7
Accumulated writedowns	(100.5)	(5.3)	(105.8)
Net Total at 1 January 2013	166.0	23.9	189.9
At 31 December 2013			
Cost or fair value	262.4	15.2	277.6
Accumulated writedowns	(93.9)	(3.6)	(97.6)
Net Total at 31 December 2013	168.5	11.6	180.1

	Broadcasting rights inventory	Commercial inventory	Total 31/12/2014
At 1 January 2014, net of writedowns	**168.5**	**11.6**	**180.1**
Acquisitions	314.8	69.4	384.3
Assets included in operations sold	-	-	-
Acquisition of subsidiaries	-	2.7	2.7
Disposal of subsidiaries	-	-	-
Expensed	(274.3)	(69.9)	(344.2)
Writedowns included in operations sold	-	-	-
Depreciation (charges) / reversals 2014	(5.7)	(0.3)	(6.0)
At 31 December 2014, net of writedowns	**203.3**	**13.5**	**216.8**
At 1 January 2014			
Cost or fair value	262.4	15.2	277.6
Accumulated writedowns	(93.9)	(3.6)	(97.6)
Net amount at 1 January 2014	168.5	11.6	180.1
At 31 December 2014			
Cost or fair value	302.9	18.0	321.0
Accumulated writedowns	(99.6)	(4.5)	(104.1)
Net Total at 31 December 2014	203.3	13.5	216.8

19. Investments in joint ventures and associates

Pursuant to IFRS 11 – *Joint arrangements*, the Group changed the consolidation method of its joint ventures, which are no longer proportionally consolidated but accounted for using the equity method.

The contributions of joint ventures and associates to the Group's consolidated statement of financial position were as follows:

		% held	31/12/2014	31/12/2013
Investments in associates			3.9	0.2
	Quicksign	25%	*0.3*	*0.2*
	Stéphane Plaza Franchise	49%	*3.6*	-
Equity investments in joint ventures			1.7	2.2
	Série Club	50%	*0.6*	*0.8*
	HSS Belgique	50%	*0.6*	*0.7*
	Panora Services	50%	*0.4*	*0.6*
	TF6	50%	-	-
	TF6 Gestion	50%	*0.1*	*0.1*
Equity investments in joint ventures and associates			5.6	2.4

19.1. Joint ventures

The contributions of joint ventures to Group consolidated revenue and net profit would have been as follows:

	31/12/2014	31/12/2013
Revenue	15.6	17.6
Net profit	(0.2)	0.1

Contribution by company:			
Revenue			
	TF6 - Série Club	9.9	10.8
	HSS Belgique	5.3	6.6
	Other	0.4	0.2
		15.6	17.6
Net profit			
	TF6 - Série Club	(0.6)	(0.3)
	HSS Belgique	0.5	0.6
	Other	(0.1)	(0.2)
		(0.2)	0.1

19.2. Associates

STÉPHANE PLAZA FRANCHISE

On 28 November 2014, the Group, through its subsidiary M6 Créations, acquired a 49% interest in the company Stéphane Plaza Franchise.
This acquisition is treated as a stake in an associate and is therefore recognised in accordance with IAS 28 – *Investments in associates and joint ventures.*
At 31 December 2014, the Group's stake in Stéphane Plaza Franchise totalled €3.6 million (including a derivative financial instrument for €1 million).

QUICKSIGN

The Group reduced its holding in QuickSign from 34% to 24.9% during the financial year.
The impact of this transaction on the Group's consolidated financial statements in QuickSign is not material.

20. Financial instruments

20.1. Financial assets

The various categories of financial assets at 31 December 2013 and 31 December 2014 are presented by balance sheet item in the table below:

	31/12/2013				Analysis by category of instruments				
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Derivative instruments
Financial assets available for sale	0.2	-	0.2	0.2	-	0.2	-	-	-
Other non-current financial assets	22.9	-	22.9	22.9	-	-	-	22.9	-
Trade receivables	271.6	(27.4)	244.2	244.2	-	-	-	244.2	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-
Other current financial assets	0.7	(0.7)	-	-	-	-	-	-	-
Cash and cash equivalents	285.4	-	285.4	285.4	285.4	-	-	-	-
Other current assets	155.7	(5.9)	149.9	149.9	-	-	-	149.9	-
Assets	736.5	(33.9)	702.6	702.6	285.4	0.2	-	417.0	-

	31/12/2014				Analysis by category of instruments				
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Derivative instruments
Financial assets available for sale	0.2	-	0.2	0.2	-	0.2	-	-	-
Other non-current financial assets	4.7	-	4.7	4.7	-	-	0.5	4.2	-
Trade receivables	286.2	(21.3)	264.9	264.9	-	-	-	264.9	-
Derivative financial instruments	1.8	-	1.8	1.8	-	-	-	-	1.8
Other current financial assets	20.7	(0.7)	20.0	20.0	-	-	-	20.0	-
Cash and cash equivalents	260.9	-	260.9	260.9	260.9	-	-	-	-
Other current assets	161.0	(5.9)	155.1	155.1	-	-	-	155.1	-
Assets	735.4	(27.9)	707.5	707.5	260.9	0.2	0.5	444.1	1.8

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.

31/12/2013 (€ 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
Lions Gate	Dollar (USD)	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 LIABILITIES		4.5	(3.4)	2.3	(3.2)	0.2	

31/12/2014 (€ 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
Lions Gate	Dollar (USD)	-				-	-
European News Exchange	Euro (€)	0.1		-	-	0.1	20.0%
Other		0.1				0.1	-
TOTAL NON-CURRENT LIABILITIES		0.2	-	-	-	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.

OTHER FINANCIAL ASSETS

Other current financial assets correspond to 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 the spring of 2015. This amount will be transferred to the City of Bordeaux on that date in exchange of a reduction in future rent charged to F.C.G.B.

	31/12/2014	31/12/2013
Current accounts with joint ventures and associates	1.4	1.3
Security deposits	1.8	1.6
Other financial assets	1.5	20.0
Other non-current financial assets	4.7	22.9
Other financial assets	20.0	-
Other current financial assets	20.0	-

CASH AND CASH EQUIVALENTS

Cash and cash equivalents totalled €260.9 million at 31 December 2014, compared with €285.4 million at 31 December 2013.

Cash, bank accounts, term deposits and marketable securities are financial assets held for trading and as such are measured at fair value (fair value through income statement).

The FCP and SICAV mutual funds do not contain any unrealised capital gains, as these were realised at 31 December 2014.

In application of the deposit policy described in Note 21.3, virtually all cash is invested, with an average term of less than 90 days, in mutual funds and in term deposits with investment grade counterparts.

At 31 December 2014, a sum of €15 million was deposited with Bayard d'Antin, a related party, as part of the treasury management agreement renewed on 15 November 2014 (see Note 26.2).

20.2. Financial liabilities

The various categories of financial liabilities at 31 December 2013 and 31 December 2014 are presented in the table below by balance sheet item:

	31/12/2013		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	1.6	1.6	-	1.6	-
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	383.0	383.0	-	383.0	-
Other operating liabilities	50.5	50.5	-	50.5	-
Tax and social security payable	89.1	89.1	-	89.1	-
Other current financial liabilities	23.3	23.3	-	23.3	-
Total liabilities	549.6	549.6	-	548.6	1.0

	31/12/2014		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	-
Other non-current financial liabilities	18.9	18.9	18.9	-	-
Non-current liabilities relating to non-current assets	-	-	-	-	-
Other non-current financial liabilities	0.9	0.9	-	0.9	-
Current financial debt	0.5	0.5	-	0.5	-
Derivative financial instruments	-	-	-	-	-
Other current financial liabilities	13.8	13.8	-	13.8	-
Trade payables	393.0	393.0	-	393.0	-
Other operating liabilities	53.5	53.5	-	53.5	-
Tax and social security payable	85.4	85.4	-	85.4	-
Other current financial liabilities	16.9	16.9	-	16.9	-
Total liabilities	585.0	585.0	18.9	566.1	-

FINANCIAL DEBT

Financial debt positions were as follows:

	31/12/2014	31/12/2013
Bank loans	1.1	-
Leases	0.1	0.6
Other	1.1	1.0
Total non-current financial debt	**2.2**	**1.6**
Bank loans	-	-
Leases	0.5	0.8
Other	-	-
Total current financial debt	**0.5**	**0.8**

The balance of financial debt primarily includes the following:

- Métropole Production's long-term lease, for €0.6 million;
- Best of TV's bank debt, for €1.1 million;
- Associates' current accounts, for €0.8 million;
- advances subject to conditions received by SNC for a total of €0.3 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 2014 and was not used during the financial year.

OTHER FINANCIAL LIABILITIES

Other current financial liabilities of €13.8 million include:

- Debts of €6.1 million relating to earnouts on the acquisitions of Optilens (2013) and Best of TV (2014);
- €7.6 million debt relating to the forward purchase agreement for 500,000 treasury shares, expiring on 25 July 2015 (see Note 22.1).

Other non-current financial liabilities of €18.9 million correspond to debts relating to commitments to buy shares held by minority shareholders in Best of TV and Printic.

These financial debts are measured at fair value through profit and loss (level 3 in the hierarchy for determining fair value pursuant to IFRS 7).

20.3.Effect of financial instruments on the income statement

The effects of financial instruments on the income statement were as follows:

	31/12/2013	Analysis by category of instruments					
	Effect on income statement	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost	Derivative instruments
Impact on net financial income	**18.1**						
Total interest income	4.6	-	-	-	4.6	-	-
Total interest expense	(0.1)	-	-	-	-	(0.1)	-
Revaluations	(0.1)	-	-	-	-	-	(0.1)
Net gains/(losses)	-	-	-	-	-	-	-
Income/(loss) on disposals	13.6	-	13.6	-	-	-	-
Impact on EBIT	**(2.4)**						
Net gains/(losses)	(0.0)	-	-	-	(0.0)	-	-
Impairment	(2.4)	-	-	-	(2.4)	-	-
Net income/(loss)	**15.6**	**-**	**13.6**	**-**	**2.2**	**(0.1)**	**(0.1)**

	31/12/2014	Analysis by category of instruments					
	Effect on income statement	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost	Derivative instruments
Impact on net financial income	**3.9**						
Total interest income	4.8	-	-	-	4.8	-	-
Total interest expense	(0.1)	-	-	-	-	(0.1)	-
Revaluations	(0.6)	-	-	-	-	-	(0.6)
Net gains/(losses)	(0.0)	(0.0)	-	-	-	-	-
Income/(loss) on disposals	(0.1)	-	(0.1)	-	-	-	-
Impact on EBIT	**(0.4)**						
Net gains/(losses)	(0.0)	-	-	-	(0.0)	-	-
Impairment	(0.3)	-	-	-	(0.3)	-	-
Net income/(loss)	3.6	(0.0)	(0.1)	-	4.4	(0.1)	(0.6)

21. 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.

21.1. 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 2013).

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, the team 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 21.3.
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	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other financial assets	25.4	23.6	24.7	22.9	-	-	-	-
Trade receivables - gross	286.2	271.6	185.6	168.2	49.5	47.5	14.0	10.2
Other receivables - gross	162.7	155.7	156.2	149.0	2.5	3.6	-	-
Total	474.4	450.9	366.5	340.1	51.9	51.1	14.0	10.2

	3 - 6 months		6 - 12 months		> 1 year		Gross writedowns *	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other financial assets	-	-	-	-	-	-	0.7	0.7
Trade receivables - gross	9.3	8.2	4.4	5.3	1.0	4.2	22.4	28.0
Other receivables - gross	-	-	-	-	-	0.1	4.1	3.1
Total	9.3	8.2	4.4	5.3	1.0	4.3	27.2	31.7

* "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.

21.2. 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	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Financial debt	0.5	0.8	2.2	1.6	-	-	2.7	2.3
Derivative financial instruments	0.0	1.0	-	-	-	-	0.0	1.0
Other financial liabilities	13.8	0.00	18.9	-	-	-	32.7	0.00
Trade payables	393.0	383.0	-	-	-	-	393.0	383.0
Other liabilities	53.5	50.5	0.9	0.2	-	(0.0)	54.4	50.7
Tax and social security payable	85.4	89.1	-	-	-	-	85.4	89.1
Liabilities relating to non-current assets	16.9	23.3	-	0.2	-	-	16.9	23.5
TOTAL	563.1	547.6	22.0	2.0	-	(0.0)	585.2	549.6

21.3. 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 RISK

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 4.1% 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 2014

	USD (€ millions) (1)
Assets	5.2
Total liabilities	(0.3)
Off-balance sheet	(48.0)
Unhedged position	(43.1)
Forex hedges	34.6
Net exposed position	(8.5)
(1) at closing rate:	*1.2438*

The Group's exposure is 80 % 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 €47.0 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 call position of €8.5 million in US dollars, The insufficient hedging noted at the end of December was due to commitments of €13.4 million signed early in 2015 which could not be hedged against before the end of the financial year.
The risk of loss on the overall net exposed position would yield a €0.9 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

2014, unchanged from 31 December 2014.

FAIR VALUE

Net balance sheet positions of derivatives were as follows:

	31/12/2014	31/12/2013
Forward call contracts	Fair value	Fair value
SND	1.8	(0.9)
HSS	(0.0)	(0.1)
TOTAL	1.7	(1.0)

The €1.7 million fair value of derivative financial instruments at 31 December 2014 reflects the favourable difference between year-end rate used for the valuation (USD 1.2438 for EUR 1) and the average rate of hedges in inventory (USD 1.3119 for EUR 1) at the end of December 2014 (a 5.5% uplift).

MATURITIES

The maturity of hedge instruments (measured in euro at the year-end forward hedge rate) was as follows:

	31/12/2014			31/12/2013		
	Total	< 1 year	1 to 5 years	Total	< 1 year	1 to 5 years
SND	27.9	27.9		17.6	17.6	
HSS	4.8	4.8	-	5.2	5.2	-
TOTAL	32.8	32.8	-	22.8	22.8	-

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 2014

(€ millions)	< 1 year	1 to 5 years	> 5 years	Total
Variable rate financial assets	260.9	3.7	-	264.6
Other fixed-rate financial assets	20.0	-	1.0	21.0
Total financial assets	280.9	3.7	1.0	285.6
Variable rate financial debt	-	(1.1)	-	(1.1)
Other fixed-rate financial debt	(0.5)	(1.2)	-	(1.7)
Total financial debt	(0.5)	(2.2)	-	(2.8)

The Group's variable rate position was positive by €263.5 million at 31 December 2014. 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.

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 - *Statement of cash flows.*
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.

22. Equity

22.1. 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 maximum €50 million credit facility from its principal shareholder (Bayard d'Antin). At 31 December 2014, 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 2014 financial year, the Group thus paid out an ordinary dividend of €0.85 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 5 May 2014, with 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 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,;
- to 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,;
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to potentially cancel the purchased shares.

During the financial year ended 31 December 2014 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.

In addition, ahead of the next deliveries of free shares in 2015, Métropole Télévision entered into a forward purchase contract for 500,000 treasury shares, which will mature on 25 July 2015.

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.

Furthermore, the Company 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.

22.2. Shares comprising Métropole Télévision's capital

(thousands of shares)	Ordinary shares issued	Treasury shares held	Shares outstanding
Number of shares at 1 January 2013	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 for cancellation	-	-	
Number of shares at 31 December 2013	125,965	563	125,402
Exercised stock options	297		
Movement in treasury shares:			
- held for the purpose of allocating free shares		(463)	
- held as part of the liquidity contract		(1)	
Implementation of the share buyback programme for cancellation	-	-	
Number of shares at 31 December 2014	126,262	99	126,163

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 296,988 shares by the beneficiaries resulted in a share capital increase of €0.1 million and an issue premium of €4.3 million.

Two share subscription plans and four free share allocation plans for the benefit of certain members of management and senior executives of the Group were in place at 31 December 2014 (see Note 9).

22.3. 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 at 1 January 2013	(0.6)
New hedges	(0.6)
Previous 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 at 31 December 2013	(1.3)
New hedges	(3.9)
Previous hedge variations	0.1
Maturity of hedges	0.6
Movement in assets held for sale	-
Change in value of translation adjustment	0.1
Change of retirement benefits of continuing operations	(1.1)
Change of retirement benefits of operations sold	(0.1)
Other movements	-
Total movements of the year	(4.2)
Balance at 31 December 2014	(5.5)

23. 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

%	31/12/2014	31/12/2013
Discount rate	2.00	3.00
Future salary increases *	2.65	2.72
Inflation rate	2.00	2.00

** median measured on the basis of age and position*

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

	31/12/2014	31/12/2013
Current service cost	(0.6)	(0.6)
Interest expense	(0.2)	(0.2)
Net expense	(0.9)	(0.8)

Provision and present value of obligation

	31/12/2014	31/12/2013
Value of obligation - opening balance	7.8	7.4
Current service cost, reductions/termination	0.6	0.6
Interest expense	0.2	0.2
Benefits paid	(0.0)	(0.1)
Actuarial gain or loss - Changes in financial assumptions	1.4	(0.2)
Actuarial gain or loss - Changes in demographic assumptions	0.0	0.1
Actuarial gain or loss - Experience effect	0.3	0.2
Change in Group structure	-	-
Value of obligation of operations held for sale		(0.3)
Value of obligation - closing balance	**10.3**	**7.8**

The cumulative actuarial differences recognised in other items of comprehensive income totalled €0.2 million at 31 December 2014.

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	9.6	11.1
to a change in the rate of salary increase	11.1	9.6

24. Provisions

Provision movements between 1 January 2013 and 31 December 2014 were as follows:

	Provisions for retirement benefits	Provisions for losses of associates	Provisions for restructuring	Provisions for litigations	Provisions for off-balance sheet rights	Other provisions for charges	Total
At 1 January 2013	**7.4**	**-**	**0.7**	**24.3**	**37.9**	**24.6**	**94.9**
Acquisition of subsidiaries	-	-	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	-	-
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)
Unused reversals	(0.0)	-	-	(8.1)	(1.2)	(7.6)	(16.8)
Other	0.0	0.4	-	0.5		(1.4)	(0.5)
At 31 December 2013	**7.8**	**0.4**	**-**	**19.9**	**49.0**	**17.0**	**94.1**
Acquisition of subsidiaries	-	-	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	-	-
Provisions of operations sold	(0.0)	-	-	-	-	-	(0.0)
Charge for the period	0.9	-	-	9.3	24.1	6.5	40.8
Use	(0.0)	-	-	(1.8)	(28.6)	(1.8)	(32.3)
Unused reversals	-	-	-	(4.2)	(1.8)	(1.5)	(7.5)
Other	1.7	(0.3)	-	(0.1)		0.1	1.4
At 31 December 2014	**10.3**	**0.1**	**-**	**23.0**	**42.8**	**20.3**	**96.6**
Current 2013	-	-	-	19.9	49.0	17.0	85.9
Non-current 2013	7.8	0.4	-	-	-	-	8.2
Total	**7.8**	**0.4**	**-**	**19.9**	**49.0**	**17.0**	**94.1**
Current 2014	-	0.1	-	23.0	42.8	20.3	86.2
Non-current 2014	10.3	-	-	-	-	-	10.3
Total	**10.3**	**0.1**	**-**	**23.0**	**42.8**	**20.3**	**96.6**

Provisions at 31 December 2013 and 2014 are analysed by business segment as follows:

	31/12/2014	31/12/2013
Television	73.4	73.7
Production & Audiovisual Rights	1.6	1.7
Diversification	21.0	18.2
Other	0.5	0.5
Total	**96.6**	**94.1**

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 during the anticipated programming slot 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:
- 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.

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.

25. Off balance sheet commitments / 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. Sale of rights

These commitments comprise sales contracts of broadcasting rights that are not yet available at 31 December 2014.

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 - 5 years	> 5 years	Total 31/12/2014	Total 31/12/2013	Terms and conditions of implementation
Commitments given						
Rights purchase and co-productions commitments (gross)	277.3	586.8	122.2	986.4	903.6	Contracts signed
Advances paid for the purchase of rights and co-production commitments	(21.8)	(12.2)	(26.3)	(60.3)	(54.5)	
Rights purchase and co-productions commitments (net)	*255.5*	*574.6*	*95.9*	*926.1*	*849.1*	
Image transmission, satellite and transponder rental	34.7	48.1	2.1	84.9	99.7	Contracts signed
Non-cancellable leases	4.4	10.9	6.7	22.0	22.4	Leases
Responsibility for partnership liabilities	4.1	-	-	4.1	6.3	SNC liquidation
Other	5.3	4.8	-	10.1	11.0	
Commitments given in relation to operations held for sale	-	-	-	-	6.1	
Total commitments given	304.0	638.4	104.7	1,047.1	994.7	
Commitments received						
Responsibility for partnership liabilities	4.1			4.1	6.3	SNC liquidation
Sales of rights	18.4	48.0		66.4	54.9	Annual maturities
Broadcasting contracts	-	-	-	-	24.4	Contracts signed
Other	2.6	-	-	2.6	2.8	
Total commitments received	25.0	48.0	-	73.0	88.4	

At 31 December 2014, commitments given by the Group totalled €1,047.1 million, compared with €988.5 million at 31 December 2013 (excluding commitments given in relation to operations held for sale).

This €58.6 million increase in commitments given primarily originated from the following movements:

- rights purchase commitments and co-production commitments net of advance payments made, which increased by €76.9 million, mainly due to the multi-year agreement signed with major US studios;
- commitments linked to the image transmission and broadcast contracts of the channels fell by €14.8 million compared with the year to 31 December 2013.

At 31 December 2014, commitments received by the Group totalled €73.0 million, compared with €88.4 million at 31 December 2013.

The change resulted from an €11.6 million increase in commitments received on sales of broadcasting rights and a €24.4 million decrease in commitments related to the distribution of Group channels as contracts are executed.

26. Related parties

26.1. Identification of related parties

Related parties to the Group comprise joint ventures and associates, RTL Group – 48.32% Group shareholder, Bertelsmann AG – RTL shareholder, corporate officers and members of the Supervisory Board.

26.2. 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 28 October 2014.

In order to adhere to the cash depositing policy of Métropole Télévision (described in Note 21.3), 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, €15 million was deposited with Bayard d'Antin.

CURRENT TRANSACTIONS

	31/12/2014		31/12/2013	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Sales of goods and services	6.3	-	5.6	-
Purchases of goods and services	(20.1)	(0.8)	(20.1)	(0.8)

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:

	31/12/2014		31/12/2013	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Receivables	8.4	-	7.8	0.0
Liabilities	11.2	0.3	9.9	0.2

SPECIFIC TRANSACTIONS

No specific transactions were concluded by the Group with its shareholders during the 2014 financial year.

26.3.Transactions with joint ventures

The following transactions have taken place between Group subsidiaries and joint ventures (TF6, Série-Club, Panora Services and HSS Belgium):

At 100%	31/12/2014	31/12/2013
Sales of goods and services	9.4	11.7
Net financial income	0.0	0.0
Purchases of goods and services	(0.7)	-

Sales and purchase transactions with joint ventures have been conducted at arms' length.

The net balance sheet positions were as follows:

At 100%	31/12/2014	31/12/2013
Receivables	9.8	6.5
relating to financing	*6.6*	*2.6*
Liabilities	0.6	0.8
relating to financing	*0.1*	*0.2*

Receivables relating to financing comprise profit of partnerships due to be transferred to the parent company.

Over the course of the 2014 financial year, dividends received from joint ventures totalled €0.6 million.

26.4. Transactions with associates

No significant transactions with QuickSign and Stéphane Plaza Franchise occurred in the 2014 financial year.

26.5. Transactions with corporate officers

The remuneration paid in 2014 to the members of the Executive Board amounted to €4,087,607, of which €2,291,237 was fixed and €1,796,370 variable.

No further share subscription options were allocated during 2014. However, 88,804 free shares were allocated to members of the Executive Board in April and October 2014.

44,000 free shares were transferred over the same period to Executive Board members as part of the plan of 26 July 2012 (members at the allocation date).

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 (see Note 4.14).

Members of the Supervisory Board were paid attendance fees amounting to €226,605. Moreover, private individual members of the Supervisory Board or representing a legal entity member of the Supervisory Board held 122,017 Group shares in a personal capacity at 31 December 2014.

Total remuneration paid to the main corporate officers in respect of their duties within the Group, as referred to by IAS 24.17, was as follows:

(€ millions)	31/12/2014	31/12/2013
Short-term benefits		
Remuneration items	2.9	4.0
Other short-term benefits	0.0	0.0
Long-term benefits	-	-
Severance pay	-	-
Share-based payments	0.9	0.8
Total	3.8	4.8

Furthermore, detailed disclosure of remuneration is provided in Note 2.3 of the Management Report.

27. Subsequent events

On 9 January 2015, M6 Group, via its subsidiary M6 Web, entered into exclusive negotiations for the full acquisition of OXYGEM, the French website publishing and e-marketing services company.

On 13 January 2015, the M6 and Canal+ Groups renewed their multi-year agreement concerning the distribution of all M6 Group's channels and services by Canalsat, namely M6, W9, 6TER, TEVA, PARIS PREMIERE, M6 MUSIC, GIRONDINS TV, their catch-up TV service, and M6 BOUTIQUE AND CO.

In addition, in order to cover the current free share allocation plans, on 7 and 17 January 2015 Métropole Télévision entered into forward purchase contracts for 50,000 and 150,000 treasury shares, to be delivered in July 2015 and April 2016 respectively.

No other significant event that occurred since 1 January 2015 is likely to have a significant impact on the Group's financial position, results, activities and assets.

28. Consolidation scope

Company	Legal form	Nature of operations	31/12/2014 % share capital	31/12/2014 Consolidation method	31/12/2013 % share capital	31/12/2013 Consolidation method
TELEVISION						
Métropole Télévision - M6	SA	Parent company	-	FC	-	FC
M6 Publicité	SASU	Advertising agency	100.00%	FC	100.00%	FC
M6 Bordeaux	SAS	Local TV station	100.00%	FC	100.00%	FC
M6 Toulouse	SAS	Local TV station	-	M	100.00%	FC
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 %	EA	50.00 %	PC
TF6	SCS	TF6 digital channel	50.00 %	EA	50.00 %	PC
SNDA	SAS	Audiovisual rights distribution	100.00%	FC	100.00%	FC
C. Productions	SA	Programme production	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 works	100.00%	FC	100.00%	FC
PRODUCTION AND AUDIOVISUAL RIGHTS						
M6 Films	SA	Co-production of films	100.00%	FC	100.00%	FC
M6 Créations	SAS	Production of audiovisual works	100.00%	FC	100.00%	FC
Stéphane Plaza Franchise	SAS	Property development	49.00%	EA	-	-
Société des agences parisiennes	SAS	Property development	24.50%	EA	-	-
M6 Editions	SA	Print publications	100.00%	FC	100.00%	FC
M6 Studio	SAS	Production of animated feature films	100.00%	FC	100.00%	FC
TCM DA	SNC	Broadcasting rights portfolio	100.00%	FC	100.00%	FC
Société Nouvelle de Cinématographie (formerly Die	SA	Audiovisual rights production/distribution	100.00%	FC	100.00%	FC
Société Nouvelle de Distribution	SA	Distribution of films to movie theatres	100.00%	FC	100.00%	FC
Les Films de la Suane	SARL	Audiovisual rights production/distribution	100.00%	FC	100.00%	FC
DIVERSIFICATION						
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	Exploitation of merchandising rights	100.00%	FC	100.00%	FC
M6 Evénements	SA	Event production	100.00%	FC	100.00%	FC
Live Stage	SAS	Event production	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	24.90%	EA	34.00%	EA
Panora Services	SAS	Online bank comparison engine	50.00%	EA	50.00%	PC
GM6	SAS	Development of an internet platform	75.00%	FC	75.00%	FC
HSS sub-group						
Home Shopping Service	SA	Teleshopping programmes	100.00%	FC	100.00%	FC
HSS Belgique	SA	Teleshopping programmes	50.00%	EA	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	100.00%	FC	95.00%	FC
Printic	SAS	Photographic activities	80.00%	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	95.56%	FC
Optilens	SPRL	E-commerce	100.00%	FC	100.00%	FC
Best of TV	SAS	Wholesale trade	51.00%	FC	-	-
Best of TV Benelux	SPRL	Wholesale trade	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%	EA	50.00%	PC
SND SA	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 / SOLD						
Mistergooddeal	SA	E-commerce	-	-	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.

6.3 Statutory Auditors' report on the consolidated financial statements

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,504,874.80

Financial year ended 31 December 2014

Statutory Auditors' report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you for the financial year ended 31 December 2014, 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 financial statements based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; these standards require that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the consolidated 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.

Without qualifying the above opinion, we draw attention to Note 5 to the consolidated financial statements which mention the impacts of the first-time application of IFRS 10, 11, 12 and revised IAS 27 and revised IAS 28.

2. Justification of assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- 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 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.
- At least once a year, your company performs an impairment test on goodwill and intangible assets with indefinite useful lives as described in Note 4.7 to the consolidated financial statements. We examined the manner for the implementation of this impairment test as well as the consistency of the data and assumptions used. We also verified that appropriate information is disclosed in Note 16.

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

As required by law, we have also verified, in accordance with professional standards applicable in France, the information on the Group provided in the management report.
We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris La Défense, 17 February 2015

The Statutory Auditors

PricewaterhouseCoopers Audit	**Ernst & Young et Autres**
Anne-Claire Ferrié	Bruno Bizet
Partner	Partner

6.4 Parent company financial statements at 31/12/2014

Balance Sheet - Assets

		31/12/2014			
(€ millions)	NOTE N°	Gross	Amo & depr	Net	31/12/2013
Business goodwill	3.1	-	-	-	-
Other intangible assets	3.1	125.3	118.4	6.9	5.3
Advances and payments on account on intangible assets	3.1	0.0	-	0.0	1.7
Technical facilities, equipment & tools	3.2	28.7	25.0	3.7	4.8
Other property, facilities & equipment	3.2	13.5	10.7	2.8	3.4
PFE under construction	3.2	1.0	-	1.0	0.4
Equity investments	3.3	237.8	41.2	196.5	204.4
Loans	3.3/3.5	0.5	-	0.5	0.4
Other investments	3.3/3.5	1.6	-	1.6	1.2
TOTAL NON-CURRENT ASSETS		408.4	195.4	213.0	221.5
Broadcasting rights inventory	3.4	246.0	79.0	167.0	145.2
Advances & prepayments on orders		64.5	-	64.5	64.5
Trade receivables	3.5	348.0	4.7	343.3	312.3
Other receivables	3.5	278.1	5.7	272.4	201.7
Marketable securities	3.6	197.2	-	197.2	265.3
Bank and cash	3.6	4.2	-	4.2	4.4
Prepaid expenses	3.7	13.5	-	13.5	11.4
TOTAL CURRENT ASSETS		1,151.5	89.4	1062.1	1004.9
TOTAL EQUITY AND LIABILITIES		1,559.9	284.8	1,275.1	1,226.4

Balance Sheet – Equity and Liabilities

(€ millions)	NOTE N°	31/12/2014	31/12/2013
Share capital	3.8	50.5	50.4
Share premium	3.8	5.4	1.2
Legal reserve	3.8	5.3	5.3
Other reserves	3.8	-	-
Retained earnings	3.8	280.2	272.1
Financial year net profit	3.8	132.8	114.6
Regulated provisions	3.8	5.0	4.3
TOTAL EQUITY		479.1	447.8
OTHER EQUITY			
Provisions for liabilities	3.9	26.4	12.0
Provisions for charges	3.9	45.8	46.5
PROVISIONS FOR LIABILITIES AND CHARGES		72.2	58.5
Bank overdrafts	3.10	3.2	4.6
Trade payables	3.10	278.1	261.7
Advances and prepayments on orders	3.10	-	0.2
Income tax and social security liabilities	3.10	59.0	60.3
Liabilities on non-current assets	3.10	0.1	0.0
Other liabilities	3.10	381.2	390.7
Deferred revenues		2.1	2.5
TOTAL LIABILITIES		723.8	720.1
Deferred translation loss		-	-
TOTAL EQUITY AND LIABILITIES		1275.1	1226.4

Income Statement

(€ millions)	NOTE N°	31/12/2014	31/12/2013
Revenue	4.1	641.6	653.9
Amortisation, depreciation & provision reversals		70.9	81.5
Other operating revenues		60.7	53.7
OPERATING REVENUES		773.2	789.1
Merchandise purchases and movements in inventories	4.2	311.4	311.8
Other purchases and external charges	4.3	125.3	130.9
Tax and duties	4.4	49.3	51.7
Payroll & employment benefits	4.6	76.5	76.1
Non-current asset depreciation and amortisation	3.1/3.2	6.8	8.5
Non-current asset investment writedowns	3.1	0.5	0.8
Current asset provisions charges	3.4/3.5	50.2	53.6
Provisions for liabilities and charges		25.9	26.6
Other expenses	4.5	32.7	33.3
OPERATING EXPENSES		678.4	693.2
OPERATING PROFIT		94.8	95.8
Investments financial income (excluding current account interests)		74.7	70.8
Interest and other financial income		4.5	4.4
Financial provision reversals		12.8	2.7
Foreign exchange gains		0.0	0.0
Net income from disposal of marketable securities		-	0.3
FINANCIAL INCOME		92.0	78.1
Interest and financial expenses		0.3	0.3
Financial depreciation, amortisation and provision charges		17.3	14.5
Foreign exchange losses		0.1	-
Net expense on disposal of marketable securities		0.1	-
FINANCIAL EXPENSES		17.7	14.8
NET FINANCIAL INCOME	4.7	74.3	63.3
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX		169.2	159.2
Exceptional income - investment & financing activities		3.6	3.0
Exceptional depreciation, amortisation and provision reversals		11.4	9.2
EXCEPTIONAL INCOME		15.1	12.1
Exceptional expenses - investment & financing activities		5.7	4.6
Exceptional depreciation, amortisation and provision charges		10.1	7.0
EXCEPTIONAL EXPENSES		15.8	11.5
NET EXCEPTIONAL INCOME/(EXPENSE)	4.8	(0.7)	0.6
Employee profit sharing plan contributions		3.2	5.0
Income tax	4.9/4.10	32.5	40.2
NET PROFIT		132.8	114.6

6.5 Notes to the parent company financial statements

Notes

Métropole Télévision reported a net profit of €132.8 million with total assets of €1,275.1 million for the 12-month financial year ended 31 December 2014.

These financial statements were approved by the Executive Board on 17 February 2015 and reviewed by the Supervisory Board on the same day.

Unless otherwise stated, the amounts presented in the notes are expressed in millions of Euros.

1. Financial year significant events

On 9 October 2014, M6 and Disney renewed their multi-year agreement for the acquisition and broadcast of programmes produced by the Disney and Disney Pixar labels.

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 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.

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.
- FCPR (mutual fund) shares the Company will hold over the long term.

Investments are recorded at their acquisition cost and written down when their value in use is lower than their book value.
If the equity of the company with securities 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. If 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 accelerated amortisation over 5 years.

2.4. Broadcasting rights inventories

Broadcasting rights are classified as inventory with effect from their opening date, 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 multiple 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 the recoverable value of the receivables is lower than the book value.

Foreign currency denominated receivables and liabilities which are not the subject of a financial hedge are translated at the exchange rate at the balance sheet date. 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 at the General Meeting of 5 May 2014, 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 with no compensation at least equivalent will be required, and where a reliable estimate can be made of the amount of the loss or liability.

The amount recognised under provisions is the best estimate of the cash outflow necessary to settle the present obligation at the balance sheet date.

In the event this liability is not probable and cannot be reliably measured, but remains possible, Métropole Télévision recognises a contingent liability in its commitments.

2.10. Provisions for retirement benefits

Pension commitments have been calculated in accordance with the same method as IAS 19R, using an actuarial method that takes into account the vested rights of employees, their most recent salary and their average probable residual service period. Actuarial gains and losses and past service costs are recognised in full immediately through profit and loss.

2.11. Provision for plans granting free shares

In application of CNC opinion n° 2008-17 of 6 November 2008, a provision for liabilities 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 is measured based on the number of shares that should be allocated according to the terms and conditions of the allocation plans, valued at the year-end date, and their 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 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 31/12/2013	0.0	5.3	1.7	7.0
Acquisitions during the year	-	3.0	-	3.0
Reclassification to intangible assets	-	1.7	(1.7)	-
Disposals during the year	-	-	-	-
Amortisation charge for the year	-	(3.3)	-	(3.3)
Reversal of amortisation items sold	-	-	-	-
Charges to provisions for writedowns	-	(0.5)	-	(0.5)
Reversal of provisions for writedowns	-	0.8	-	0.8
Amount net of writedowns and amortisation at 31/12/2014	0.0	6.9	(0.0)	6.9
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
Gross value at 31/12/2014	-	125.3	-	125.3
Accumulated amortisation and writedowns	-	(118.4)	-	(118.4)
Net value at 31/12/2014	0.0	6.9	0.0	6.9

Increases in the gross value of intangible assets were primarily due to the acquisition of software.

Charges to and reversals of provisions for writedowns relate to coproduction shares with no future prospects of generating revenues.

3.2. Property, facilities and equipment

The movements in property, facilities and equipment during the year were as follows:

	Technical facilities	Other property, facilities & equipment	Assets under construction	Total
Amount net of writedowns and depreciation at 31/12/2013	**4.8**	**3.4**	**0.4**	**8.6**
Acquisitions during the year	0.7	0.6	1.0	2.3
Reclassification to property, facilities and equipment	0.4	-	(0.4)	-
Disposals during the year	(0.1)	-	-	(0.1)
Depreciation charge for the year	(2.2)	(1.2)	-	(3.3)
Reversal of depreciation items sold	0.1	0.0	-	0.1
Charges to provisions for writedowns	-	-	-	-
Reversal of provisions for writedowns	-	-	-	-
Amount net of writedowns and depreciation at 31/12/2014	**3.7**	**2.8**	**1.0**	**7.5**
				-
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
Gross value at 31/12/2014	28.7	13.5	1.0	43.2
Accumulated depreciation and writedowns	(25.0)	(10.7)	-	(35.7)
Net value at 31/12/2014	3.7	2.8	1.0	7.5

3.3. Investments

The movements in the various investments were as follows:

	Equity investments	Loans	Other investments	Total
Amount net of writedowns at 31/12/2013	**204.4**	**0.4**	**1.2**	**205.9**
Acquisitions during the year	-	0.1	0.4	0.5
Disposals during the year	-	-	-	-
Charges to provisions for writedowns	(7.8)	-	-	(7.8)
Reversal of provisions for writedowns	-	-	-	-
Amount net of writedowns at 31/12/2014	**196.6**	**0.5**	**1.6**	**198.7**
				-
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
Gross value at 31/12/2014	237.8	0.5	1.6	239.9
Accumulated writedowns	(41.2)	-	-	(41.2)
Net value at 31/12/2014	196.6	0.5	1.6	198.7

During the financial year, the company absorbed M6 Toulouse, of which it held the entire share capital.
There were no other movements in equity securities during the financial year.

The new provision charge for the writedown of investments primarily relates to securities held in M6 Foot, for which an additional provision of €7.8 million was recognised during the 2014 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:

	Balance at start of year	Acquisitions	Decreases/ transfers	Invalid rights / rights sold	Balance at end of year
Inventories	217.5	223.6	(182.3)	(17.6)	241.2
Work-in-progress	2.6	66.0	(63.7)	-	4.9
Total	220.1	289.6	(246.1)	(17.6)	246.1

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 €79.0 million at 31 December 2014.

This provision can be analysed as follows:

	Balance at start of year	Increases	Reversals	Balance at end of year
Provision for inventory writedowns	73.2	46.8	(42.1)	77.9
Provisions for work-in-progress writedowns	1.8	0.0	(0.7)	1.1
Total	75.0	46.8	(42.8)	79.0

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	0.5	-	0.5
Other investments	1.6	-	1.6
Total	2.1	-	2.1
Current assets			
Trade receivables	348.0	343.3	4.7
Other receivables (1)	278.1	278.1	-
Total	626.1	621.4	4.7
Total receivables	628.2	621.4	6.8

(1) Other receivables include the debit current accounts of Group subsidiaries of €246.9 million.

Accrued income relating to trade receivables was €145.6 million.

Trade and other receivables in current assets were the subject of writedown provisions as follows:

	Balance at start of year	Increases	Reversals (used)	Reversals (unused)	Balance at end of year
Provision for writedown of trade receivables	4.6	3.3	-	(3.2)	4.7
Provision for writedown of other receivables	18.5	-		(12.8)	5.7
Total	23.1	3.3	-	(16.0)	10.4

The provision to writedown other receivables relates to a writedown of current accounts with the following companies:

- M6 Films for €3.2 million;
- Métropole Production for €0.5 million;
- M6 Studio for €2 million.

The equity securities of these companies have also been written down in full. Concerning Métropole Production, a €9.5 million provision for financial risk was also recognised in the financial statements, equating to the negative equity of this subsidiary (see Note 3.9).

3.6. Cash and marketable securities

They are broken down as follows:

	31/12/2014	31/12/2013
Treasury shares	0.6	6.2
Liquidity contracts (treasury shares and other marketable securities)	2.9	3.0
Investment funds, SICAV	193.7	256.1
Bank and cash	4.2	4.4
Cash and marketable securities	201.4	269.7
Writedown of treasury shares	-	-
Net cash and marketable securities	201.4	269.7

463,450 shares were granted in 2014 as part of the free share plan set up in 2012, 210,250 of which were granted to individuals employed by subsidiaries.

At 31 December 2014, Métropole Télévision directly held 57,199 treasury shares acquired for €0.6 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 2014.

3.7. Prepaid expenses

Prepaid expenses primarily include sports programmes and rights billed in 2014 to be broadcast at a later stage.

3.8. Equity

The movements in the year were as follows:

	31/12/2013	Dividends paid	Other movements: Additions	Other movements: Reductions	31/12/2014
Share capital	50.4	-	0.1	-	50.5
Share premium	1.2	-	4.3	-	5.4
Legal reserve	5.3	-	-	-	5.3
Long-term capital gain	-	-	-	-	-
Other reserves	-	-	-	-	-
Retained earnings	272.1		8.0	-	280.2
Financial year net profit	114.6	(106.5)	132.8	(8.0)	132.8
Equity excluding regulated provisions	443.5	(106.5)	145.2	(8.0)	474.1
Regulated provisions	4.3	-	2.2	(1.5)	5.0
Total equity	447.8	(106.5)	147.4	(9.5)	479.1

During the financial year 2014, 296,988 shares were issued following the exercise of share subscription options. These share capital increases totalling €0.1 million generated additional issue premiums of €4.3 million.

At 31 December 2014, the share capital comprised 126,262,437 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 2014 were:

	01/01/2013	Increases	Reversals (used)	Reversals (unused)	Balance at end of year
Provisions for liabilities:					
Provisions for litigation	5.8	3.7	(0.1)	(0.8)	8.5
Provisions for plans granting free shares	6.2	7.9	(5.7)	-	8.4
Provisions for subsidiaries' liabilities	-	9.5			9.5
Provisions for charges:					
Provisions for retirement benefits	4.3	0.4	-	-	4.7
Other provisions for charges	42.2	22.0	(22.6)	(0.4)	41.2
Total provisions for liabilities and charges	58.5	43.5	(28.4)	(1.2)	72.3

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 totalled €6.6 million at 31 December 2014 for the plans maturing in 2015 and €1.8 million for the plans maturing in 2016.

"Provisions for subsidiaries' risk" correspond to the share of subsidiaries' negative net equity, taking account of writedowns already recognised on securities and current accounts (see Notes 3.5 and 4.7).

“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 audience 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	3.2	3.2	-	-
Trade payables	278.1	278.1	-	-
Income tax and social security liabilities	59.0	59.0	-	-
Liabilities on non-current assets	0.1	0.1	-	-
Other liabilities (1)	381.2	381.2	-	-
Total	721.6	721.6	-	-
Accrued expenses included within the above:				
- trade payables	59.7			
- income tax and social security	16.6			
- liabilities on non-current assets	0.1			

(1) Other liabilities include credit current accounts of Group subsidiaries of €221.9 million.

4. Notes to the parent company income statement

4.1. Revenue analysis

Advertising revenues are recorded net of commercial discounts and are analysed thus:

	2014	2013
TV advertising and sponsorship revenues	633.7	643.1
Other revenues	7.9	10.8
Total revenue	641.6	653.9

Analysis by geographic region (*)	
France	87.91%
Europe	10.76%
Other countries	1.33%

*(*on the basis of invoicing)*

4.2. Purchases of merchandise and inventory

These rights relate to the purchase of rights 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 €45.8 million in 2014, €34.4 million related to the contribution to the support account for the Centre National de Cinématographie (National Cinematographic Centre), compared with €35.1 million in 2013.

4.5. Other expenses

This comprises payments to various copyright companies for a total of €31.7 million, compared with €32.9 million in 2013.

4.6. Payroll costs

The CICE tax credit is recognised in 2014 as a €0.6 million reduction of payroll costs. This receivable was not prefinanced.
Furthermore, the CICE tax credit receivable related to 2013 was collected in 2014; it amounted to €0.4 million and was used in particular to finance investment in the development of IT software dedicated to:

- the management of advertising revenues;
- the optimisation of data flow between the various on-demand broadcasting systems.

4.7. Net financial income

Net financial income can be analysed as follows:

	2014	2013
Dividends from equity investments	74.3	70.8
Net income/(expense) on cash pooling	0.3	0.3
Net interest and income from marketable securities	4.2	4.1
Net provision for writedown of investments	(7.8)	(11.3)
Net provision for writedown of current accounts	12.8	(0.5)
Net provision for subsidiaries' financial liabilities	(9.5)	-
Total financial income	**74.3**	**63.3**

Under the liquidity contract, the difference in valuation of the treasury shares held generated a loss of €0.1 million, due to the increase in the Métropole Télévision share price. This is included in net interest and investment income of €4.2 million.

The net provision for subsidiaries' financial risk corresponds to the share of negative net equity of the subsidiary Métropole Production, taking account of writedowns already recognised on securities and current accounts (see Notes 3.5 and 3.9).

4.8. Net exceptional income/(expense)

Net exceptional income/(expense) may be analysed as follows:

	2014	2013
Provision charges net of reversals (including accelerated depreciation and amortisation) and transfer of charges	1.3	2.2
Capital gains and losses on disposal of non-current assets	-	(0.1)
Writedown of treasury shares	(5.7)	(4.5)
Exceptional penalties	-	-
Reinvoicing to subsidiaries of cost of free shares allocated to their employees	3.6	3.0
Total net exceptional income/(expense)	**(0.7)**	**0.6**

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.

Luxview and Optilens SPRL elected to be included in the Group's tax consolidation scope as of 1 January 2014.
Following their respective transfer outside the Group and merger into Métropole Télévision, Mistergooddeal and M6 Toulouse exited the tax consolidation scheme during the 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:

	2014	2013
Income tax	29.3	33.2
Contribution on dividends paid	3.2	7.0
Total corporate income tax	32.5	40.2

The theoretical income tax charge was €41.3 million in the 2014 financial statements. This charge included a tax consolidation surplus of €9.9 million, a tax credit of €0.5 million related to sponsorship, the correction of errors in previous tax years totalling €1.6 million, whilst corporate income tax totalled €29.3 million.

Furthermore, the Company is liable for a Group tax payment of €73.5 million for 2014.

Income tax (excluding the contribution on the payment of dividends) can be analysed as follows:

	Profit before tax	Income tax
Profit from ordinary activities	169.2	29.5
Net exceptional income/(expense)	(0.7)	(0.3)
Profit before tax and employee profit-sharing	168.5	-
Company income tax		29.3

4.10. Future tax liability at the end of the year

	Deferred tax assets	Future tax liability	Deferred tax liability at 31/12/2014
Description of temporary differences			
Regulated provisions	-	(1.7)	(1.7)
Tax on non-deductible provisions	19.2	-	19.2
Tax on long-term capital losses	-	-	-

The deferred tax rate was 38.0% for temporary differences that will be reversed until 30 December 2016. 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	Associates
Equity investments	237.7	0.1
Loans	-	-
Advances and payments on account	-	-
Trade receivables	101.9	0.4
Other receivables (1)	236.5	-
Trade payables	67.9	0.1
Liabilities relating to non-current assets	-	-
Other liabilities (2)	221.8	0.1
Finance expenses	0.3	-
Finance income	0.6	
(1) including subsidiaries' current accounts	231.9	-
(2) including subsidiaries' current accounts	221.8	0.1

Related companies are entities in which the Company owns an equity holding in excess of 50%. Associates 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 have been carried out at arm's length.

5.3. Off-balance sheet commitments

At 31 December 2014, off-balance sheet commitments, by description and maturity, were as follows:

	Commitments at 31/12/2014	*Due within 1 year*	*Due after 1 year*	Commitments at 31/12/2013	conditions of implementation
Commitments given	919.5	250.1	669.4	831.2	
Purchase of broadcasting rights	785.2	*140.4*	*644.8*	692.4	Contracts signed
Co-production commitments	82.0	*82.0*	-	81.3	Contracts signed
Contracts for broadcast (1)	37.1	*17.1*	*20.0*	49.3	Contracts signed
Contracts for future purchases of shares	7.8	*7.8*	-	-	Contract term
Commercial commitments (2)	4.7	*2.6*	*2.1*	6.1	Contracts signed
Donations to the corporate foundation	1.1	*0.2*	*0.9*	0.2	Bylaws signed
Commitment to subscribe to FCPR shares	1.6	-	*1.6*	1.9	Contracts signed
Commitments received	58.8	12.7	*46.1*	44.1	
Sales commitments (3)	58.8	*12.7*	*46.1*	44.1	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) The commitments have been measured by taking account of the balance remaining due until the maturity of each premises rental contract.
(3) Metropole Télévision has received audiovisual rights purchase commitments from other television services.

5.4. Directors' remuneration

	Amount in €
Directors' remuneration	3,104,613

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:

	2014 salaried employees		2013 salaried employees	
Permanent workforce		632		613
Employees	48		52	
Supervisors	159		147	
Managers	321		312	
Reporters	104		102	
Temporary workforce (full-time equivalent)		93		105
Total		725		718

At 31 December 2014, the cumulative hours relating to individual training rights amounted to 59,981 hours.
1,666 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 2014, or which lapsed during the year are as follows:

	Number of shares allocated at plan date	Maximum allocation	Balance at 31/12/2013	Performance-based allocation	Allocated	Exercised	Cancelled	Balance at 31/12/2014
Share subscription plan	1,711,325	1,711,325	1,029,274	-	-	(296,988)	(499,225)	233,061
02/05/2007	827,500	827,500	488,000	-	-	-	(488,000)	-
06/05/2008	883,825	883,825	541,274	-	-	(296,988)	(11,225)	233,061
Plans granting free shares	1,792,953	1,792,953	1,083,545	-	662,703	(463,450)	(47,990)	1,234,808
27/07/2012	487,750	487,750	467,650	-	-	(463,450)	(4,200)	-
26/07/2013	642,500	642,500	615,895	-	-	-	(36,914)	578,981
14/04/2014	149,553	149,553	-	-	149,553	-	(6,876)	142,677
13/10/2014	513,150	513,150	-	-	513,150	-	-	513,150

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 2012, 2013 and 2014 plans.

The number of shares to be permanently vested under the plan of 27 July 2012 is 463,450 shares, due to the financial targets associated with the plans being exceeded.

The granting of 463,450 free shares generated a charge of €5.7 million, compared with €4.5 million in 2013. After rebilling of the shares delivered to employees of subsidiaries, Métropole Télévision incurred a charge of €3.1 million in 2014 and €2.2 million in 2013.

Taking account of the financial performances achieved or estimated and the employee departures already noted and projected, the number of shares to be permanently vested under the various outstanding plans is currently estimated as follows:

- Plan of 26 July 2013: 578,981 shares;
- Plan of 14 April 2014: 142,677 shares;
- Plan of 15 October 2014: 513,150 shares;

5.7. Attendance fees

The amount of attendance fees paid during the year was €226,605.

5.8. Earnings per share (€)

	31/12/2014	31/12/2013
EPS after tax, employee profit sharing, before amortisation, depreciation and provisions	1.21	1.08
EPS after tax, employee profit sharing, amortisation, depreciation and provisions	1.05	0.91
Ordinary dividend per share	0.85	0.85

6. Note on the 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 2014 Statutory Auditors' assignments totalled €175,200, equally split between PriceWaterhouseCoopers Audit and Ernst and Young.

8. Significant post-balance sheet events

In order to satisfy the current free share allocation plans, on 7 and 17 January 2015 Métropole Télévision entered into forward purchase contracts for 500,000 and 150,000 treasury shares, which will mature in July 2015 and April 2016 respectively.

9. Subsidiaries and associates

(€ K)			Reserves		Book value of shares owned								
Subsidiaries	Siren No	Share capital	Retained earnings	Share capital % ownership	Gross	Net	Loans and advances granted and outstanding	Guarantees and sureties given by the Company	Revenue 2013	Revenue 2014	Net profit 2013	Net profit 2014	Dividends received by the Company in 2014
M6 PUBLICITE sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	340949031	50	4,041	99.99	38	38		-	81,492	194,678	24,709	18,840	696
M6 FILMS sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	380727404	60	(6,244)	99.98	166	-	11,870	-	3,103	2,255	682	(210)	-
METROPOLE PRODUCTION sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	382477131	50	(10,841)	99.98	1,150	-	461	-	14,805	13,707	286	728	-
C. PRODUCTIONS sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	407908656	50	(295)	99.97	38	38	6,897	-	28,277	25,453	(1,015)	(689)	-
M6 INTERACTIONS sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	388909459	34,050	47,301	100.00	34,007	34,007	-	-	13,803	11,639	29,754	27,047	23,225
M6 THEMATIQUE sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	403105109	57,615	7,038	100.00	113,988	113,988	-	-	1,819	316	22,590	10,926	11,567
IMMOBILIERE M6 sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	399476357	9,600	15,356	100.00	9,147	9,147	-	-	7,484	6,133	2,024	1,154	-
M6 FOOT sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	423133784	38,360	(29,668)	100.00	39,128	1,036	26,372	-	-	-	(11,605)	(2,701)	-
SCI 107 sci 89, Avenue Charles de Gaulle - 92200 NEUILLY	421699133	5,002	(2,724)	99.90	5,002	5,002	37,883	-	2,697	3,336	(62)	190	-
M6 DEVELOPPEMENT sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428115224	40	(83)	99.99	40	40	620	-	1,032	813	(11)	(11)	-
M6 STUDIO sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428115299	45	(4,271)	99.99	45	-	26,234	-	985	11,593	1,986	1,523	-
IMMOBILIERE 46 D sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	493897516	26,040	(4,643)	100.00	26,040	26,040	9,721	-	2,590	2,270	(95)	(387)	-
M6 BORDEAUX sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	433503364	40	18	100	40	40	173	-	356	378	(6)	3	-
M6 RECREATIVE sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	493869002	40	(49)	100.00	40	40	13	-	-	-	(9)	(7)	-
SNC sa (formerly DIEM2) 89, Avenue Charles de Gaulle - 92200 NEUILLY	400372512	3,330	2,064	100.00	3,383	3,383	-	-	3,840	5,350	1,354	2,101	-
TCM DROITS AUDIOVISUELS snc 89, Avenue Charles de Gaulle - 92200 NEUILLY	409528924	240	121	100.00	775	775	-	-	695	1,489	202	134	-
STUDIO 89 sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428895122	1,040	(810)	100.00	2,926	1,139	16,087	-	44,149	40,708	(467)	(1,084)	-
Equity investments													
SOCIETE NOUVELLE DE DISTRIBUTION sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	414857227	18,271	11,404	7.12	1,650	1,650	-	-	90,860	91,479	3,986	14,123	
M6 WEB sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	414549469	740	28,102	6.75	50	50	-	-	98,474	91,699	20,828	21,650	-
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	-	-	60	56	-	-	-
MULTIPLEX R5 sas 1, quai Point du Jour - 92100 BOULOGNE	505128777	38	NC	33.33	13	13	-	-	-	-	(3)	5	-

6.6 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
1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,504,974.80
Financial year ended 31 December 2014

Statutory Auditors' report on the parent company financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you for the financial year ended 31 December 2014, 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 professional standards applicable in France; these standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from 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, in light of French accounting principles and methods, the annual financial statements provide 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 our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (code de commerce) relating 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 our opinion in the first part of this report.

3. Specific verifications and information

We have also performed the specific verifications required by French 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.

Neuilly-sur-Seine and Paris La Défense, 17 February 2015

The Statutory Auditors

PricewaterhouseCoopers Audit	Ernst & Young et Autres
Anne-Claire Ferrié	Bruno Bizet
Partners	Partners

6.7 Summary of financial results of the last 5 years

Five-year financial results summary

FINANCIAL YEAR END NUMBER OF MONTHS	31/12/2014 12 months	31/12/2013 12 months	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Closing financial year capital (€)					
Share capital	50,504,975	50,386,179	50,353,586	50,553,586	51,583,176
Number of shares:					
- Number of ordinary shares outstanding	126,262,437	125,965,449	125,883,964	126,383,964	128,957,839
Financial results (€ millions)					
Revenue (ex-VAT)	641.6	653.9	658.7	687.2	679.6
Profit before tax, employee profit sharing and amortisation, depreciation and provisions charges	188.4	181.2	157.5	207.5	139.8
Income tax	32.5	40.2	19.0	33.5	36.8
Employee profit sharing plan	3.2	5.0	3.1	3.0	3.8
Basic earnings per share – after tax, employee profit sharing and amortisation, depreciation and provisions charges	132.8	114.6	116.3	171.9	103.5
Dividends paid	107.3	106.6	231.9	126.2	128.6
Earnings and dividends per share (€)					
Basic earnings per share – after tax, employee, profit sharing, before amortisation, depreciation and provision charges	1.21	1.08	1.08	1.35	0.77
Basic earnings per share – after tax, employee profit sharing and amortisation, depreciation and provisions charges	1.05	0.91	0.92	1.36	0.80
Ordinary dividend per share	0.85	0.85	0.85	1.00	1.00
Exceptional dividend per share	-	-	1.00	-	-
Workforce					
Average workforce size	725	718	716	700	697
Total amount of payroll*	48.7	47.0	44.9	44.5	44.4
Total employment benefits costs (social security, social welfare, etc)**	27.8	26.5	24.9	24.4	20.5

* (€ millions)

6.8 Parent company cash flow statement

Cash flow statement	31/12/2014	31/12/2013
. Financial year net profit	132.8	114.6
. Depreciation, amortisation & provision charges	20.1	21.4
. Gains & losses from non-current assets disposal	(0.0)	0.1
CASH FLOW FROM OPERATIONS	152.8	136.1
Movements in working capital requirements		
. Inventories	(25.9)	7.8
. Operating receivables	(90.0)	4.5
. Operating liabilities	5.1	51.6
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS	(110.8)	63.9
CASH FLOW FROM OPERATING ACTIVITIES	42.0	200.0
INVESTMENT ACTIVITIES		
. Intangible assets acquisitions	(4.7)	(1.8)
. Property, facilities & equipment acquisitions	(1.7)	(3.0)
. Investment acquisitions	(0.6)	-
. Intangible assets and property, facilities & equipment disposals	0.0	-
. Investments disposals/writedowns	0.1	0.3
NET CASH USED IN INVESTMENT ACTIVITIES	(6.9)	(4.5)
FINANCING ACTIVITIES		
. Share capital increase	4.4	1.2
. Other equity reductions	-	-
. Costs to be amortised over several financial years	-	-
. Proceeds from new borrowings	-	-
. Financial debt repayments	-	-
. Dividends paid	(106.5)	(231.9)
NET CASH USED IN FINANCING ACTIVITIES	(102.2)	(230.7)
Net change in cash and cash equivalents	(67.0)	(35.2)
Cash and cash equivalents - start of year	265.2	300.4
CASH AND CASH EQUIVALENTS - END OF YEAR	198.1	265.2

6.9 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
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France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,504,974.80
Financial year ended 31 December 2014

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 have performed 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, S.A., a shareholder of your company, to buy back shares to a maximum of 48.32%, 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 2014, following authorisation by the Supervisory Board on 13 May 2014, 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 5 May 2014, 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 2014, no shares were bought back under this agreement.

This agreement expires on 15 May 2015.

2. With Immobilière Bayard d'Antin S.A.

Persons concerned: members of the Supervisory Board of your compnay and Immobilière Bayard d'Antin S.A:
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 2014

Nature and purpose

Your Company entered into a cash management agreement on 19 February 2010 and renewed on 15 November 2010, 2011, 2012, 2013 and 2014.

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.

At 31 December 2014, €15,000,000 was deposited with Bayard d'Antin under this agreement.

The renewal of the agreement dated 15 November 2014 and relative to the 2015 financial year was authorised by the Supervisory Board on 28 October 2014.

Unless it is renewed, this agreement will expire on 15 December 2015.

3. With Nicolas de Tavernost, Chairman of the Executive Board

Non-compete covenant and severance pay of Nicolas de Tavernost in the event of the termination of his term of office

During its meeting of 5 May 2014, your Supervisory Board authorised the implementation, as of that date, of a non-compete covenant for Nicolas de Tavernost, which would apply in all cases of termination of his duties effective from 25 March 2015.

In the event of this covenant being implemented, Nicolas de Tavernost will, for twelve months, receive fixed compensation equal to 50% of the fixed monthly remuneration received over the course of the previous twelve months.

Moreover, at its meeting of 5 May 2014, your Supervisory Board authorised the retention of a compensation mechanism for Nicolas de Tavernost in the event of non-voluntary departure, i.e. not following resignation or retirement, and subject to performance conditions.

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

In application of Article R. 225-57 of the French Commercial Code, we were informed that the following agreements and covenants, which had already been approved by the General Meeting during previous financial years, continued to apply during the past financial year.

With Robin Leproux, Vice Chairman of the Executive Board

Engagements pris au bénéfice de M. Robin Leproux, en cas de cessation de sa fonction

Nature and purpose
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
Robin Leproux resigned from your Company on 25 August 2014. On this occasion, the mechanism introduced in favour of the Company gave rise to the payment of non-competition compensation of an amount equal to 50% of his fixed remuneration for twelve months effective from 15 September 2014, the actual date of his departure.
Your Company has undertaken to pay €205,010 to Robin Leproux in respect of this commitment.

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 Thomas Valentin and Jérôme Lefébure, 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 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 authorisation made in 2008 in the event of the termination of their duties, pursuant to the Code of Corporate Governance AFEP/MEDEF of December 2008, for the benefit of the said members of the Executive Board.

Terms and conditions

The compensation for the termination of Thomas Valentin and Jérôme Lefébure's employment contracts 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 contracts and the cumulative legal and statutory compensation potentially due to them in respect of the termination of their employment contracts and, if applicable, the amount due as consideration for their non-competition commitment.

In this respect, it should be noted that they are contractually bound by a non-compete covenant.

These agreements were authorised by the Supervisory Board on 25 March 2010 and approved by the Ordinary General Meeting of 4 May 2010.

Neuilly-sur-Seine and Paris La Défense, 17 February 2015

The Statutory Auditors

PricewaterhouseCoopers Audit	Ernst & Young et Autres
Anne-Claire Ferrié	Bruno Bize
Partner	Partner

7 SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY

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 was already 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 2014 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.
M6 Group has also referred to GRI (Global Reporting Initiative) guidelines as well as the principles set out in *United Nations Global Compact* for the implementation of its non-financial reporting and communication.

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.

The scope of environmental information includes:

- Neuilly-sur-Seine (which 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 terms of activities, the Neuilly-sur-Seine site includes all the Group's television activities except the regional offices of the national editorial office, due to the small size of their individual teams (3 or 4 employees) as well as the following diversification activities: M6 Interactions, Production & Audiovisual Rights and M6 Web excluding activities located in Lyon (primarily the subsidiary's Technical Department).
- Rungis, which includes the main production activities of Ventadis;
- Nanteuil-le-Haudouin, the production site of MonAlbumPhoto;
- Bordeaux, where all activities related to the F.C.G.B. activities are located.

The Boissy site, where the teams of Best of TV, an entity acquired in 2014, are based, is not included in the scope.

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, due to the specific features of a football club.

It should be noted that reporting includes changes in scope, as a result of the acquisitions made between 1 January and 31 December 2013: 2014 data will be integrated in full during 2015 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 2014 scope for the purposes of reporting social data.
The main exit from the scope was due to the exit of Mistergoodeal, which was sold on 31 March 2014.
The main addition to the scope corresponds to the acquisition of Best of TV on 7 January 2014.

Reporting period

Corporate, social and environmental data is reported annually and relates to the period from 1 January to 31 December 2014.

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, Rungis and Bordeaux. 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.
➥The emission factor used for the CO_2 emissions reported and related to business travel by train and aeroplane, included in section 7.4.4 of this report, is supplied by the service provider in charge of managing the business travel arrangements.

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, due in particular to the social information required by the CSA in relation to television;
➥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

	2012	2013	2014
Permanent contracts	1,614	1,613	1,564
Fixed-term contracts	242	248	237
Total workforce	**1,856**	**1,861**	**1,801**

** The 237 fixed-term contracts include the 107 F.C.G.B. sports contracts.*

At 31 December 2014, M6 Group's total workforce was 1,801 people, compared with 1,861 at 31 December 2013, including 1,564 on permanent contracts in 2014, compared with 1,613 in 2013. In total, there was a net reduction of 49 permanent contract in the workforce in 2014, broken down as follows:

Change in permanent contracts between 2013 and 2014

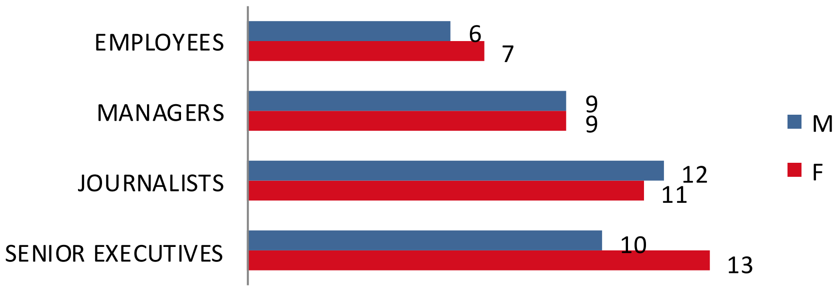
Workforce at end December 2013	**1,613**
External recruitments	**108**
Integration of entities (Best of TV, Printic, etc.)	**54**
Event contract workers made permanent	**9**
Fixed-term contracts made permanent	**23**
Departures	
- resignation	**(56)**
- redundancy	**(16)**
- termination by mutual agreement	**(30)**
- retirement	**(2)**
- other (end of trial period, death, etc.)	**(7)**
- Disposal of Mistergooddeal	**(132)**
Workforce at end December 2014	**1,564**

In order to ensure gender equality, M6 Group pays particular attention to balancing its workforce. At 31 December 2014, including the Girondins de Bordeaux football club's 107 sports contracts, the Group's workforce was made up of 49% of women and 51% of men, distributed as follows:

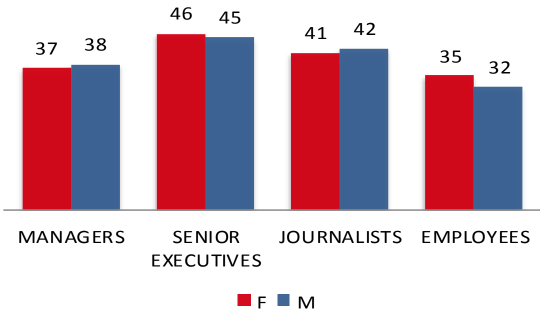
Breakdown of M6 Group workforce by category and by gender

	2014	Male	Female
Employees	688	359	329
Managers	884	399	485
Journalists	154	102	52
Senior executives	75	52	23
TOTAL	**1,801**	**912**	**889**

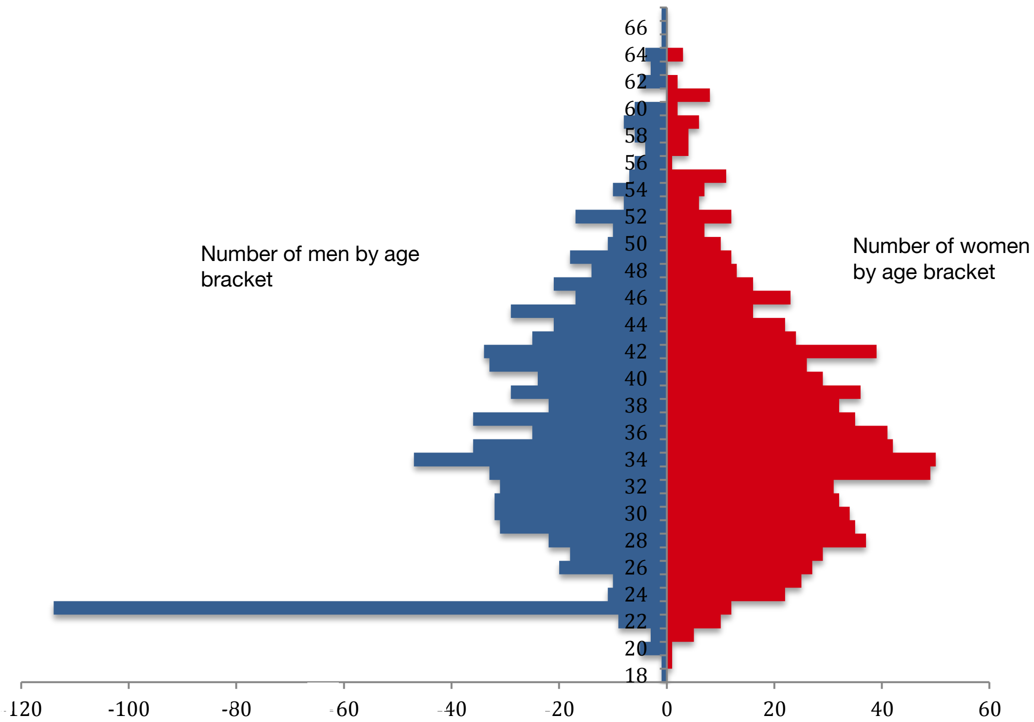
Seniority of M6 Group permanent workforce by category and by gender



Average age of M6 Group permanent workforce by category and by gender

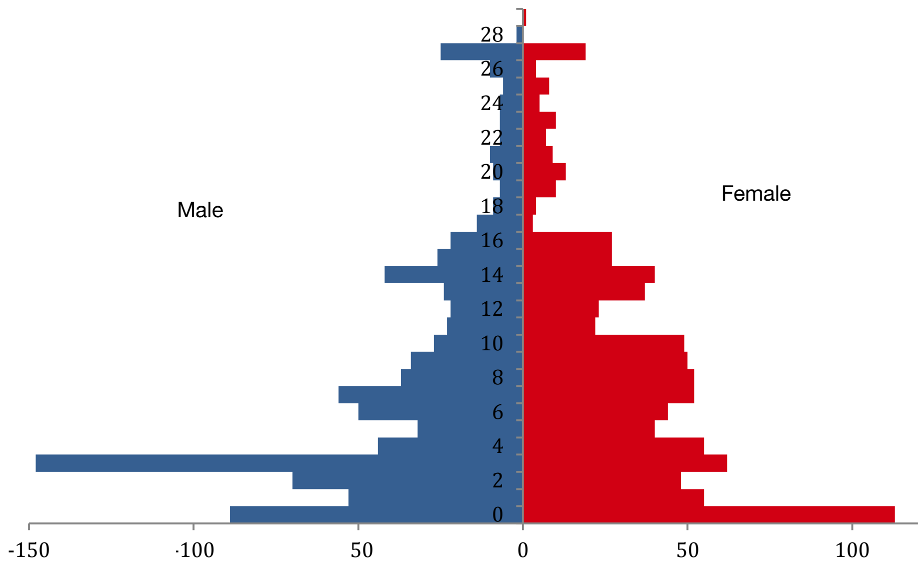


Age pyramid



The peak noted in men aged 23 is due to F.C.G.B. sports players (F.C.G.BG. accounts for 13% of M6 Group's total workforce, i.e. 241 permanent and fixed term staff).

Length of service pyramid



The peak noted in men with 3 years of service is due to F.G.B.G. sports players.
The average age of employees was 37 years old in 2014 (the same as in 2013), 37 years old for women and 37 years old for men.
The average length of service is 8 years, men and women combined.

The total permanent workforce of 1,801 at 31 December 2014 can be broken down as follows:

Breakdown of permanent workforce by division

	2012	2013	2014
TV	804	819	856
Production & Audiovisual Rights	169	176	174
Diversification	883	866	771
TOTAL	**1,856**	**1,861**	**1,801**

The increase in the number of permanent staff in the Television Division (an additional 37 permanent/fixed-term contracts) was primarily due to event contract workers and TF6/Série Club staff moving into permanent positions.

The reduction in permanent staff in the Diversification Division was mainly due to the disposal of Mistergooddeal.

Breakdown of fixed-term contracts

	2012	2013	2014
Fixed-term contracts	202	199	188
Work experience contracts	22	33	33
Apprenticeships	18	16	16
Total fixed-term contracts	**242**	**248**	**237**

The net loss of 11 fixed-term contracts at the end of December 2014 was mainly due to the disposal of Mistergooddeal.

In November 2013, the ESU (M6, M6 Bordeaux, Métropole Production and M6 Films) committed as part of the cross-generation contract to ensure that the number of work/study contracts represents 5% of the workforce in November 2016, the date the cross-generation contract will end. This percentage is currently 4.78%.

Event contract workers

	2012	2013	2014
FTE event contract workers and freelancers	**427**	**440**	**400**

The use of freelance and event contract workers decreased by 9% (down 18% for freelance journalists and 7% for event contract workers).

The most impacted entities include:

- **C.Productions**, mainly due to the end of 100% Mag,
- **Métropole Télévision**, due to the integration of event contract workers into the permanent workforce.

7.2.1.2 Organisation of working time

Since the signing of a company-wide agreement in 2000, Group employees benefit from an organisation of their working time calculated in hours or days according to their categories.

Main working time arrangements by category

	Average annual working time (excluding Girondins)	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

	Average annual working time (Girondins)	35 hour week overtime
Employees	1,568 hours	11 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 2014, 114 employees were on a part-time permanent contract, of which 81.58% were women and 18.42% were men. In total, they represented 89.58 FTEs.

Absenteeism
Total absenteeism, excluding paid holidays, represented 6.32% of theoretical hours worked in 2014, a slight increase compared with 2013 (5.79%):

Reasons for absence (excl. F.C.G.B. football players)

Types of absence *(in working days)*	**2013**	**2014**
No of sick days	10,703	9,357
No of days absent for maternity/paternity/parental leave	9,637	10,467
No of days absent due to work and travel related accidents	528	1,381
No of unpaid days absent	1,923	2,853
No of days absent due to exceptional holidays	1,566	2,635
TOTAL	**24,357**	**26,693**
Absenteeism rate	**5.8%**	**6.3%**

During the 2014 financial year, 12,425 hours of overtime were worked by M6 Group employees compared with 10,572 hours in 2013.

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 2014, this rise was 1%.

The annual remuneration package of an employee includes a basic monthly salary paid in 13 monthly instalments, supplemented for 406 employees (compared with 360 in 2013) by variable remuneration primarily based on performance indicators (financial indicators, revenue, audience share, box office ticket sales, etc.). This increase reflects the Group's commitment to encourage better individual and collective performance in as many employees as possible.

7.2.2.1 Change in average remuneration

The average annual remuneration of permanent Group employees (excluding F.C.G.B. sports players, Mistergooddeal and Best of TV/Printic) in 2014 amounted to €56,351, compared with €55,461 in 2013 (up 1.6%).

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
- Ventadis division
- F.C.G.B.

The Group's results, Ventadis included, made it possible to establish a special reserve for profit-sharing for 2013, and paid in 2014, totalling **€7,883 K**, compared with €6,624 K paid in 2013 for 2012; 2,068 employees benefited, compared with 2,256 employees the previous year. The main reason for the increase in profit-sharing was the payment of an exceptional dividend in 2013.
The financial performance of F.C.G.B. did not allow for the establishment of a special profit-sharing reserve.

Bonus scheme
A Group-wide bonus scheme (excluding Ventadis and F.C.G.B.) was concluded on 27 June 2014 with the various representative groups for the next three financial years, i.e. until 31 December 2016.
This agreement adopted the same formula used under the bonus scheme concluded in 2011, which provided for calculation of the bonus based on growth in Group EBITA compared with the previous year.

Total bonuses (excluding Ventadis and F.C.G.B.) paid in 2014 for 2013 were **€596 K**, i.e. €445 per individual employed throughout 2013.

Likewise, employees of F.C.G.B. received no bonus payments for 2013.

Conversely, bonuses totalling **€357 K** were paid to 545 employees in the Ventadis Division.

Group savings plan (excluding F.C.G.B.)

In 2014, the M6 Group continued its Group savings plan where the Group makes individual contributions in respect of every employee. This year, the amount paid in respect of this contribution was **€933 K.**

In total, the amounts paid by the Group in respect of employee savings (Bonus Scheme, Profit-sharing Agreement and Contribution to the Group Savings Plan) were **€9,769 K**, compared with €9,963 K in 2013.

Lastly, the management of employee savings was entrusted to an external organisation, which proposes employees the following seven 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, invested in European markets, of which between 5 and 10% in socially responsible shares;
- FCPE Avenir sélection patrimoine (50% shares, 50% bonds);
- FCPE Perspective conviction Europe (100% external institutional funds).

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).

For Group employees, excluding Ventadis and F.C.G.B., membership of the private health scheme is mandatory and must correspond to the individual's family circumstances. In 2014, the monthly contribution was €149.67, with payment 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%, in order to make the scheme attractive to young employees.

Permanent employees of Ventadis also benefit from a private health scheme, membership of which is mandatory. Monthly contributions rose to €118.3 in 2014, equally split between employer and employee regardless of the latter’s marital status.

For F.C.G.B employees, only administrative staff are covered by the collective agreement (athletes have individual cover with the exception of professional coaches and coaching staff on permanent contracts who are covered in the same manner as administrative staff). For non-managerial staff, the monthly contribution is €91.2 and is funded in equal parts by employer and employee, regardless of their marital status. For managerial staff, the monthly contribution is €155.7 and is 2/3 funded by the employer and 1/3 by the employee, regardless of their marital status. Cover is different for managerial and non-managerial staff.

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.

For Group employees, excluding F.C.G.B., 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).

For F.C.G.B. employees, excluding football players, all employees on a permanent or fixed-term contract benefit from this cover from the start of their employment. Contributions and cover are 60% funded by the employer and 40% by the employee for managerial staff. For non-mangerial staff, the funding contribution is equally split between the employer and the employee.

For professional players as well as for the training centre's players and coaches, the scheme covers death and permanent incapacity and is 100% funded by the employer.
A so-called lump sum insurance scheme is also provided for professional players exclusively to which the employee contributes 61.5% and the employer 38.4%.

7.2.2.4 Total remuneration of 10 highest paid employees

In 2014, a total amount of €5,383 K was paid to the 10 highest paid employees (excluding Nicolas de Tavernost, a corporate officer, and F.C.G.B. football players) compared with €5,120 K in 2013, of which €1,772 K was variable remuneration, compared with €1,509 K in 2013.

7.2.2.5 Supplementary defined contribution retirement scheme

In 2007, 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 for this category of personnel.

This scheme enables the creation of an external individual retirement account whose objective is the payment of a life annuity. Management of this account was entrusted to an insurance company that is recognised on the Paris stock exchange.

In accordance with Decree n° 2012-25 of 9 January 2012 confirmed by Circular n°2013-344 of 25 September 2013, employees with remuneration paid in n-1 equal to or higher than 4 PASS* (annual social security ceiling) are beneficiaries of the supplementary pension scheme.

At the end of December 2014, 40 M6 Group employees benefited from this scheme.

In 2014, Ventadis and F.C.G.B employees were not affected by this scheme.

7.2.3 Development of talent

7.2.3.1 Promotion and career development

Promotion and in-house mobility

	2013	2014	Change
Number of employees who were promoted during the period	60	56	-4
% of employees who were promoted during the period	3.7%	3.6%	
Number of employees who benefitted from in-house mobility during the period	59	58	-1
% of employees who benefitted from in-house mobility during the period	3.6%	3.8%	
Number of employees who received training during the period*	814	794	-20
% of employees who received training during the period*	49%	49%	

**Group figures including Ventadis (excluding Mistergooddeal) and F.C.G.B.*

Integration of new hires

Throughout the year, the HR Department organises several induction meetings for employees who have joined the Group. During these meetings, the way the Group works is explained to them, and practical information, particularly related to security, is provided to them.
Moreover, the 280 trainees welcomed in 2014 attended a half-day seminar providing them with an overall view of the Group and an opportunity to see its diversity. 6 seminars were organised in 2014.

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 or work/life balance interview.

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 addition, as part of the implementation of a "Contrat de Génération" or cross-generation contract, employees aged 45 and over are offered a pension rights review. 56 employees attended a retirement meeting, and 36 of them sought an individual interview with our partner Audiens.

In-house mobility and promotion

All vacancies are posted on the Group's intranet in order to give priority to internal candidates.

Furthermore, for the last 3 years, Group employees have the option of undertaking work placements lasting from a few hours up to 2 days over a period of 2 weeks as part of an initiative called "Dans la peau de...".
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 2014.

Lastly, since September 2014, internal mobility, promotions and arrivals have been published and highlighted on the Intranet homepage.

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 2014, 184 employees across the Group used 3,280 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 339 employees in 2014.

In 2014, the Group's training budget, including IRT, was €828 K. This budget financed 1,003 training activities, or 14,973 training hours.

In total, 49% of Group employees benefited from training in 2014, 41% men and 59% women.

**Group figures (including Ventadis and F.C.G.B.)*

7.2.3.2 Trainee policy

	2013	2014	Change
Number of trainees received during the period, for a period of 3 to 6 months	316	297	-19
% of trainees hired at the end of their training period (permanent or fixed-term)	12%	7%	

In accordance with the French national trainee charter, the Group conducted a number of actions for the benefit of student trainees:

- **Developing 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).

- **Organising an open day** for work/study course students, in order to present our positions and the opportunities we offered in autumn 2014; 9 young people were recruited in this way for a training or a skills training contract.

- **Ensuring work experience is successful**

  In 2014, all trainees who joined the Group for work experience were covered by contract and paid for periods ranging from 3 to 6 months for the most part.

  In addition, M6 received 159 pupils from 3rd or 2nd class for periods of one week for observational work experience.

- **Preparing 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 2014, 20 trainees were recruited on a permanent or fixed-term basis and 33 as freelancers or event contract workers.

7.2.4 Commitments to the integration of disabled workers

	2013	2014	Change
Number of disabled workers	10	13	+3

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 since 2012.

Indicators

	2013	2014	Change
% of women in total workforce	52%	52%	+0%
% of women managers/executives	57%	53%	-7%
% of women Management Committee members	32%	26%	-19%
% of women who received training	54%	59%	+9%
% of women recruited	61%	53%	-13%

Group figures excluding the 107 F.C.G.B. sports contracts.

In 2014, women made up 52% of the workforce (stable compared with 2013) and 53% of managers/executives (57% in 2013). This parity is a result of the values developed by the Group since its inception and it was strengthened by the introduction on 1 January 2012 of an action plan relating to gender equality covering the entire Group (excluding the Ventadis division and F.C.G.B).

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, enabling her to keep up to date with Group activities 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 (2013 and 2014), 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 launched in October 2013, the M6 Group further underlined its commitment to gender equality at work.

7.2.6 Social dialogue

The M6 Group complies with the Labour Code and applicable collective agreements 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.

Various unions are represented within M6 Group:

- Within the UES (Social and Economic Unit*)* comprised of the companies Métropole Télévision, Métropole Production, M6 Films and M6 Bordeaux, and made up of 656 employees, the unions CFE-CGC and CFDT are each represented by a union representative and they secured 71% and 29% respectively of the votes at the last employee representative elections;
- Within M6 Publicité, the CFE-CGC is represented by a union representative, and it secured 96% of the votes in the last union elections against the CFDT;

In relation to the Ventadis division:

- Within the company Home Shopping Service, the CFDT and CFTC unions are both represented by a union representative and they secured 44% and 56% respectively of the votes at the last union elections;
- Within the company Unité 15, the CGT is represented by a union representative and it secured 56% of the votes at the last union elections;

In relation to F.C.G.B:
- Within the company, the SNAAF UNECATEF CFDT f3c union is represented by a union representative and it secured 73% of the votes at the last union elections against the FNASS UNFP union.

At 31 December 2014, M6 Group had 25 employee representation committees and 146 elected representatives (all representative bodies combined and taking into account those who hold multiple offices):
- 5 committees of employee representatives, with 41 elected members,
- 3 works councils, with 33 elected members,
- 8 single employee delegations, with 47 elected members,
- 9 health, safety and working condition committees, with 25 elected members.

These various employee representative institutions promote regular and active social dialogue. In 2014, on average 19 ordinary and extraordinary meetings took place every month with employee representatives (across the various committees).

Within the ESU (Métropole Télévision, Métropole Production, M6 Bordeaux and 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 2014 were as follows:

- Monthly topics: operation of Group companies
- Quarterly topics: workforce monitoring
- Ad-hoc or annual topics:
    - annual financial statements 2013
    - comparison of the general employment and training conditions of women and men within the ESU in 2013,
    - review of the action plan for gender equality at work,
    - 2013 review of the body in charge of the "1% logement" scheme (employer-sponsored housing assistance fund),
    - single database,
    - development of telephony within M6 Group,
    - review of the works council's welfare activities in 2013,
    - review of the 2013 training plan,
    - 2013 annual appraisals,
    - Group savings plan for 2014,
    - statutory annual salary negotiations,
    - review of the action plan for the cross-generation contract,
    - preliminary annual review of the private health scheme,
    - review of the referendum agreement instituting a supplementary pension scheme,
    - sabbatical leave and business creation leave,
    - preliminary review of the 2014 training plan,
    - provisional training plan for 2015,
    - the bonus scheme,
    - termination of UES's membership of the *Service de Santé au Travail IDF* (Ile de France Occupational Health Service),
    - results of introducing competition to occupational health and selection of the health body,
    - amendment of the Works Committee's internal rules,
    - IT charter,
    - securing mobile access to IT systems,
    - office layout plans,
    - presentation of the M6 Foundation's activities,
    - day of solidarity,
    - the addition of new investment funds as part of employee savings,
    - new season programmes,
    - 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 2014,
- review of the general health, safety and working conditions in 2013,
- plans to refurbish offices,
- occupational health activity report for 2013,
- visit to the Lyon and Lillle offices and the premises at Neuilly,
- securing the calls intended for the financial divisions of the Finance Department,
- content of mail related to work place inspections,
- appointment of the new secretary of the Health, Safety and Working Conditions Committee,
- “Great Place To Work” study,
- installing WiFi terminals in buildings,
- ergonomy training,
- test phase for schedules for channel heads,
- single database,
- 2013 annual report of the Health, Safety and Working Conditions Committee,
- the composition of the committee in charge of the quality of working life and the prevention of psychosocial risks.
- psychosocial risk indicators,
- results of the survey conducted by the Health, Safety and Working Conditions Committee and areas for improvement;
- access to training within UES,
- development of telephony within the Group,
- update of the Comprehensive Risk Assessment Inventory,
- competitive tendering for the occupational health body,
- safety policy within the Group’s buildings,
- increasing awareness of psychosocial risks within the Group.

Within the Group, excluding Ventadis and F.C.G.B, a new incentive agreement was concluded with the Group’s representative bodies or, failing that, by employee ratification. An agreement relating to the Group savings plan was also concluded across the entire Group excluding F.C.G.B.

Within the Ventadis division, a savings plan was agreed.

Within Unité 15, an agreement was concluded to extend the terms of office of members of the single employee delegation.

Within F.C.G.B, an agreement relating to pay rises was concluded as part of the mandatory annual negotiations.

Across the Group, no company agreements were signed relating to health and safety at work.

Lastly, 2014 was marked by the expiry of the terms of office of the elected members of the UES, as well as of M6 Publicité, Home Shopping Service and F.C.G.B. Elections have therefore been organised to renew these bodies.

Within F.C.G.B, the terms of office of employee representatives on the Health, Safety and Working Conditions Committee have also been renewed.

7.2.7 Health and safety at work

Employee safety and working conditions are the main priority for the 25 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 or extraordinary meetings (40 meetings in 2014).

In 2014, this body helped to prepare for the relocation of 272 workstations.

As part of the policy relating to prevention of psychosocial risks, the Group continued to offer 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 2014, 30 managers attended a half-day training session to raise awareness of psychosocial risks *(*Group figures (including Ventadis and F.C.G.B.))*.

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 2014, 243 people underwent safety standards training (evacuation, use of fire-fighting equipment, etc.), including the training of 100 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 154 volunteers for blood donation in 2014 and 127 effective blood donations.

272 employees also attended sophrology sessions organised by the nurse.

The nurse can offer preventative advice to employees on various subjects via the intranet such as 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 and also provides comprehensive information regarding safety on the premises to new arrivals at the Neuilly sites.

Moreover, after many years of collaboration with the Ile de France Occupational Health Service, M6 Group decided to review its membership of this association. Since there was a notice period of 6 months, the contract was terminated on 1 July 2014 to take effect on 1 January 2015.
An invitation to tender was launched in September 2014. Following initial contact with various bodies, three were selected to go through to a second competitive phase.
For the final phase, five summarised critieria were defined with a weighting percentage:

- Quality of the presentation,
- Structure / sizing of teams / available resources,
- Variety of the service offering,
- Candidature of the doctor,
- Ease of discussion / flexibility.

The ACMS was selected to be the new occupational health body within M6 Group with effect from 1 January 2015.

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 11 in 2014, compared with 14 in 2013, 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 2.985, compared with 3.414 in 2013, and a severity rate (number of days absence for which sickness benefits were paid per 1,000 hours worked) of 0.031, compared with 0.063 in 2013.

In 2014, one case of occupational illness was recorded by the CPAM (social security health insurance office) within 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 would be deemed reasonable by the Group if it had to pay for them. 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 last 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 is:

- for the ESU, 0.95% of total payroll of the previous year, being €446,186 (compared with €456,387 in 2013);
- for the subsidiaries, 0.76% of total payroll, being €340,768 (compared with €322,905 in 2013); and for cross-group activities, 0.19% of total payroll being €85,246;
- for Ventadis, 0.80% of total payroll, being €102,562 (compared with €137,107 in 2013).
- for F.C.G.B, no payment was made in relation to welfare activities, but 0.2% of the payroll was paid in respect of operating costs. F.C.G.B management bore the cost of the welfare activities of subsidiaries and the association.

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

Improving awareness of the Group's activities and career opportunities, in order to develop both internal mobility and synergies, is one of the main aims of internal communication. Strengthening ties and the sense of belonging to M6 Group are also major issues.

Employees are easily kept abreast of the latest news within the Group thanks to internal media: to achieve this, numerous screens are located around the premises (lifts, corridors, reception areas, etc.) and an Intranet portal is also updated on a daily basis.

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 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 expressed their expectations and their ideas for the Group to remain a pleasant company to work for.

Measures were therefore introduced in 2014 to meet the expectations expressed during this survey:

- From now on, there will be a preview showing of all films by SND or M6 Films (produced, co-produced or distributed by M6 Group) in the auditorium each month;
- A private screening of the film event "*Astérix et le Domaine des dieux*", produced by M6 Studio and M6 Films, and distributed by SND, took place at the end of November at the *Grand Rex* cinema in Paris for all employees and their children;
- The internal communications department organised a Christmas market offering the Group's products to employees at preferential prices (books, licensed products, DVDs, etc.);
- Employees are regularly featured through video portraits in which they introduce themselves via their occupation and their current project;
- Conferences organised throughout the year can now be viewed live via the Intranet by employees who are unable to attend or are too far away, or over subsequent days on replay also via the Intranet. Approximately ten conferences have been organised in this way on subjects as diverse as TV trends around the world, the year's latest technology devices, the M6 Foundation's initiatives, etc.

The Group's employee ambassadors

Employee involvement to help improve awareness about the Group is often seen on student forums where the Group is present and also, for the first time this year, during the European Heritage Days.
On Saturday 20 and Sunday 21 September last year, 900 visitors could be received over 2 days thanks to the efforts of 80 employees and directors who for the entire weekend welcomed and guided them and gave explanations about the Group's activities, the National Editorial Service, studios, etc.

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.

The Group's other channels must also comply with these standard obligations.

Monitoring the compliance of programmes is overseen by a specific department within M6 Group.

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 Group, and in accordance with the Law of 11 February 2005 on equal rights and opportunities, accessibility not only means the participation and citizenship of people with disabilities, but also 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.
Lastly, 6ter was obliged under its agreement to subtitle 50% of its programmes in 2014.

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 M6 music.
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.

	M6	W9	6ter
Accessibility of programmes to the deaf and hard of hearing (subtitling)			
2013	100%	100%	40%
2014	100%	100%	50%
2015	100%	100%	60%

Accessibility of programmes to the blind and partially sighted (audiodescription)			
2013	52 programmes including 20 new with audiodescription	12 new programmes with audiodescription	1 new programme with audiodescription
2014	60 programmes including 30 with audiodescription	14 new programmes with audiodescription	6 new programmes with audiodescription
2015	70 programmes including 40 new with audiodescription	17 new programmes with audiodescription	12 new programmes with audiodescription

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 laws and regulations,
- 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 by 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.

In addition to its contractual commitment in relation to representing the diversity of French society, the M6 channel is duty bound, as a broadcaster, to reflect on its channel the image of multicultural France both by the promotion of the values of integration and solidarity and by the presence of minorities in its programmes. This mindset 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, which are satisfactory for all Group channels.

The three themes upheld in 2014 by the Conseil Supérieur de l'Audiovisuel on its diversity scale are as follows:
- socio-professional categories,
- visible minorities,
- disabilities.

Gender equality is now subject to particular scrutiny, since the competence of the CSA in this field was strengthened by Law n°2014-873 of 4 August 2014 for real gender equality.

a) Integration and diversity

M6 Group represents all socio-professional categories in its programmes, both in the choice of subject matter (*Zone Interdite* of 14 September 2014 on young people with no training or from deprived areas who are looking for a second chance) and in the candidates taking part in programmes (*L'amour est dans le pré*, *Un dîner presque parfait*, *Les Reines du shopping*, *Rising Star*). M6 Group pays particular attention to professional integration: in November 2014, the Group's channels supported National Young Persons' Day via the broadcast of a campaign free of charge. Moreover, on 11 February 2014, the Group signed the Charter promoting the training and professional integration of students with disabilities.

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), as well as amongst the actors, the artists (*Marrakech du rire*) or simply in the selection of topics reported on (in its documentary broadcast on 7 September 2014, *Capital* followed Sarah, a student attending preparatory classes for "grandes écoles") and dramas (*En Famille, Scènes de ménages*). In addition, M6 Group broadcast free of charge a promotional piece on diversity on 14 July 2014.

Finally, gender equality is more than ever central to the campaigns and commitments of Group 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 of *talent quest* are mixed (*Incroyable talents, Top Chef, Le meilleur pâtissier de France, Rising Star)*;
- M6 is combatting stereotypes by broadcasting programmes such as the *Festival des Musik'elles de Meaux*, *le rallye Aïcha des gazelles*, and *le Trophée Rose des sables*;
- M6 Group took part in the second edition of 24 hours of women's sport organised by the CSA on 24 January 2015 (reports in news programmes, broadcast of a special clip, documentaries, posting on the 6play site, etc.);
- W9 will broadcast all France's matches in the Women's Football World Cup in Canada in June 2015. The channel 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, Rising Star,* 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 2014 and for the eighth consecutive year, M6 Group mobilised its employees for the disability employment week which took place between 17 and 23 November 2014. On this occasion, M6 and W9 broadcast five pieces throughout the week that were made by trainee journalists with disabilities. Entitled "Different like everyone else", each piece was about the meeting between a disabled sports champion and a Group presenter to whom they introduced their sport: Xavier de Moulins and Vladimir Vinchon, member of the French para-dressage team, Nathalie Renoux and Trésor Makunda, disabled athletics champion, Louise Ekland and Jean-Baptiste Alaize, disabled athletics champion, Alex Goude and Michael Jeremiasz, wheelchair tennis champion, and Jérôme Anthony and Mathieu Bosredon, handbike champion of France. These videos were made by Promo JARIS 2014 of the Act'Pro charity – JARIS Productions, an organisation that offers training in the journalism and audiovisual fields to people with disabilities or from ethnically diverse backgrounds. W9 also broadcast a message from W9 presenters in sign language, encouraging us to abandon our misconceptions about disability. Sidonie Bonnec, Marie-Ange Casalta, Karima Charni and Jérôme Anthony all appear in this message.

During this national week encouraging the employment of disabled people, the M6, Deloitte and Prisma Media Groups all mobilised, with the support of Adecco France, to promote access to jobs for people with disabilities.
The purpose of the programme christened "One Day, One Job in Action" was to enable job seekers with disabilities, recruited and supported by Adecco, to spend a day within the M6, Deloitte and Prisma Media Groups.
Each participant was offered a placement in line with their professional aspirations within the 3 Groups and was supported throughout the day by an employee who introduced them to their job (human resources, finance, sales administration, general services, personal assistant, etc.).

Since 31 March 2012, the M6 channel has broadcast a report in sign language every week in the children's module "M6 Kid", with the translation overseen internally by a deaf employee.

In 2014, M6 co-produced the film *La famille Bélier*, which was released on 27 December 2014 and was directed by Eric Lartigau who introduces a family in which three members are deaf and do not speak.

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 Alerte Enlèvements 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 code

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 2014, and the specific campaign for the protection of children under three years old from 17 to 19 November 2014.

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.

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 2014 European obesity awareness days with special programming on the channels M6, W9 and 6ter.

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 seven 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 2014, 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.

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. An example is a documentary broadcast on *Zone Interdire* on 5 January 2014 and devoted to inclusive organisations such as *La ruche qui dit oui* or *Le 115 du particulier*.

M6 Group supported the Foundation for Medical Research on its channel[s] (topics and appeals for donations) between 2 and 8 June 2014, and the Foundation for Alzheimer's Research by broadcasting pieces between 20 and 26 September 2014 on its channels.

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 6 to 8 April 2014. 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 Coeurs, 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 119 films that were pre-purchased, 50% were either first or second films. In 2014, M6 Films backed Kheiron in the production of his first film, *Nous trois ou rien*, with Leïla Bekhti and Gérard Darmon. M6 Films also supported young actors, such as Kev Adams and William Lebghil in *Les Nouvelles aventures d’Aladin*, and Max Boublil and Malik Bentalha in *La véritable histoire de Robin des Bois*.

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.

a) Helping and improving the quality of life of inmates: a social necessity

M6 Group is the first company to decide to dedicate its foundation to issues concerning the prison environment. Although life in prison and professional reintegration continue to attract little media attention, the Group’s project deals with a true social issue. In fact, the results of a recent statistical study on reoffending (Infostat Justice - April 2014) conducted between 2004 and 2012 have revealed the fact that 45% of those convicted reoffended during that 8 year period. Faced with this finding and the high demand from charities and prisoners themselves, the Foundation has been developed in partnership with the prison authorities.

The unusual choice of this cause may sometimes be questioned, but it is perfectly in line with the Group’s core business, since:

- 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,
- Beyond prison, an offender's "reintegration" into civil society is a real issue for society, deserving of both human and financial resources, so that, apart from its punitive element, prison is a time for reflection and rebuilding for the offender with a view to their reintegration,
- 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 5 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 to specialised organisations.

- Promoting the future reintegration of offenders

- **It leads several programmes aimed at combatting illiteracy:**

✓ Scholarships for disadvantaged people (11% of prisoners in France have literacy problems, and 15% of them are almost completely illiterate)
The French Ministry of Education 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. 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. 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.
➲ Almost 400 scholarships were awarded to just over 160 prisoners in the Nord-Pas de Calais region during 2014.

✓ Basic knowledge and employment at Tours Remand Centre
Affic Cria 37, an association whose mission in particular is to coordinate measures to create a genuine training programme to provide access to professional training and/or employment by combatting illiteracy.
➲ Just over 30 people have been supported by the scheme and approximately 50 have benefited from a skills assessment.

- **It participates in the training of prisoners in audiovisual occupations.**

Since the creation of the Foundation, approximately twenty audiovisual workshops in custody have been supported thus leading to the creation of television channels inside each institution called "internal video channels". These workshops allow prisoners to be trained autonomously in production (capturing, shooting, editing, etc.) and programming.
➲ The latest 4 video channels have been created in the Nord-Pas de Calais region. About twenty productions were made in 2014, with the support of the association Hors-cadre. They will be shared between these institutions in order to supply the internal video channel.
In 5 years, approximately 10 offenders have found employment in the audiovisual profession upon their release.

- **It provides training to the subtitling of programmes for the deaf and hard of hearing** 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.

➲ 8 training positions are open each year to Bourg-en-Bresse prisoners and over the past 3 years just over 20 people have been taken part.

- **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 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.
➲ The M6 Foundation funds the training of 6 people each year. All of them have now secured at least a fixed-term contract in a company within the catering sector.

- 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 initiatives:**

✓ Screenings

5 screenings took place in 2014, including the film *"Le Majordome"* at Melun detention centre, and "*YSL*" at Versailles remand centre. Jalil Lespert and Guillaume Gallienne made the journey to go and discuss films with prisoners after the screening.

✓ Organisation of the festival "Fleury fait son cinema" at the Fleury-Mérogis remand centre

Producers (Agat Film, Les films des tournelles), directors (Christopher Gans, Lucas Belvaux, etc.) and actresses (Leila Bekthi, Adèle Exarchopoulos, etc.) all came to take part in meetings/debates and discussions with prisoners at the end of the screenings in November 2014.

- **shows**: in the north and south of France, the M6 Foundation relies on non-profit organisations to present shows in approximately 15 prisons. Programming covers a broad repertoire: from rap concerts to jazz bands, via the reading of literary science fiction works, etc.

➲ Almost 800 male and female prisoners were able to enjoy these concerts

In addition, in the Ile de France region, a partnership was set up with the Paris Chamber Orchestra and the Divertimento 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.
➲ Approximately a hundred prisoners attended these classical music concerts.

- **sports activities:**

✓ With the French Boxing Federation, through the project "To box, judge and referee".

This is 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.

✓ 2014 National Prison Games

These Prison Games are fully in line with the initiatives promoting reintegration that the M6 Foundation supports since, in addition to the unifying and universal values passed on by the sporting model, this project highlights important social issues such as:
• providing everyone with the resources to get involved over the long term in order to set up a collective project,
• enhancing the value of the diversity of participants to transcend the divisions of the prison world and create a new bond.
➲ In figures:
- 346 participants, corresponding to 545 days authorised leave;
- 184 prisoners, including 9 women;

- 80 members of sporting federations;
- 39 correctional facilities.

▸ Financial support for several associations

a) The **Relais Enfants Parents** charity
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.

➲ 1,500 children during visiting times; 180 children were able to spend a few hours for Christmas with their parents in prison and 150 prisoners were able to make presents for their children.

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.
➲ Approximately twenty people were able to benefit from funding to take their driving test.
Just over 15 men benefited from temporary housing for periods of between 30 days and 12 months.

c) **Les 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.

➲ 12 prisoners were able to take a 4 month training course in audiovisual skills, 2 of whom found jobs in the sector upon their release.

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.)

e) **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.

f) **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 one hundred 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 fourth consecutive year in 2014, 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.

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 2014 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 135 films had been fully restored by the end of 2014.

Thus Jean Cocteau’s work, “La Belle & la Bête”, restored in 2012 and re-released in exemplary fashion in 2013, continued to be broadcast throughout 2014, with a total of 110,000 admissions by the end of 2014.

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 2014, the 3 websites “M6 et vous.fr”, “W9 et vous.fr” and “6ter et vous”, devoted to viewers, recorded more than 6 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 12,000 viewer queries were processed by e-mail. The number of queries dropped by about 29% between 2013 and 2014, a decline that began in 2011, clearly demonstrating the change in viewer behaviour since the dedicated sites were created.

Similarly, M6 Group closely monitors online developments in terms of its relationship with viewers. In particular, it has a significant presence on social networks:

	Dec. 13	Dec. 14
Facebook – Channel fans	**10,3347,642**	**16,341,458**
Twitter – Channel subscribers	**588,566**	**1,153,413**

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* (The TV Year) 2014), "Two million people aged 15 and above watch television via another screen on a daily basis". These viewers spend on average 4 minutes per day on these new screens, compared with 3 minutes in 2012. According to this study, the French have an average of 6.4 screens per household, increasing opportunities for watching TV programmes.

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.

In 2013, Ventadis 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, stores and collection points. The renewal of this certificate valid for 3 years, confirmed that Ventadis does everything in its power to provide the best possible service when dealing with each of the 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. They are also regularly invited to visit studios and production rooms, and to watch filming of television news programmes.

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 2014 and for the 2nd consecutive year, M6 shares were selected in the composition of the Gaïa index comprising the 70 securities posting the best 2013 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 119 criteria of which 22 in particular cover the environment, 31 corporate aspects, and 44 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 €150 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).

Lastly, the Group was an award winner in 2014 at the *Cérémonie des Grand Prix de la Transparence*, organised by Labrador, which recognises the best regulatory practices in listed companies.

During this event, M6 Group won the award for progress, a distinction which recognised the best progress amongst companies in the SBF120 segment, and thus acknowledges the Group's efforts to provide its shareholders with high quality information which meets the expectations of each of them.

7.3.4.4 Advertisers

Relations with presenters and advertising agencies are governed by the Law of 29 January 1993, which came into force on 31 March, 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.

Moreover, at the end of 2014, all cinemas in France were fitted with 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 CO_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 quantitative objective, 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. In addition, the Neuilly buildings, which are owned by M6, are all equipped with air/water heat pumps which use air energy costing nothing to provide heating and hot water as well as to cool the technical rooms.

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 – and the Rungis and Bordeaux buildings were as follows in 2014:

	2012	2013	2014
Water consumption (in thousands of m^3)	29.3	30.8	32.7
Gas consumption (kWh)	1,724,163	1,738,625	1,449,672
Electricity consumption (kWh)	13,320,344	14,232,145	14,248,044
CO_2 emissions (in millions of kg)	0.32	0.39	0.33
Heating oil purchases (in L)	2,440	3,456	2,500

The increase in electricity and water consumption was due to changing weather conditions. In 2013, the increased fuel consumption was due to exceptional maintenance work.

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

	2012	2013	2014	Change
Waste paper and cardboard* (in tonnes collected from bins)	215	124	115	-7%
Non-hazardous industrial waste, including food waste (in tonnes collected from bins)	705.7	791.2*	782	-1%
Batteries (in kilos)*	281	576	363	-37%
Office waste paper (in tonnes purchased) **	32.5	28.5	22.5	-21%

The increase in production of ordinary industrial waste between 2012 and 2013 was related to the opening of a new Ventadis production site in Nanteuil-le-Haudouin.

At the start of 2015, the Group decided to set itself a target regarding ink cartridge consumption by asking teams at the Neuilly sites to reduce their use of colour copies by 30% in one year.

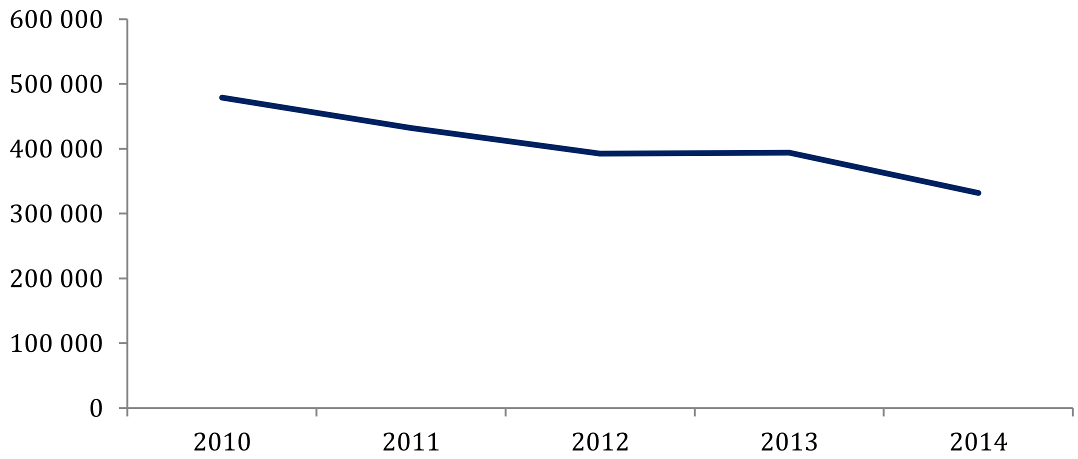
In a business like the M6 Group, paper is the main raw material used. In recent years, the Group has been actively engaged in reducing the amount of paper used within the company:

- 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 one third between 2012 and 2014.
  In addition, all paper used carries an ecolabel.

- Awareness campaign conducted in May 2014 entitled "Let's reduce our paper consumption" and use of 70g/m² instead of 75g/m² paper.

- To date, 49.5% 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:



Group data corresponding to the number of letters sent (excluding F.C.G.B)

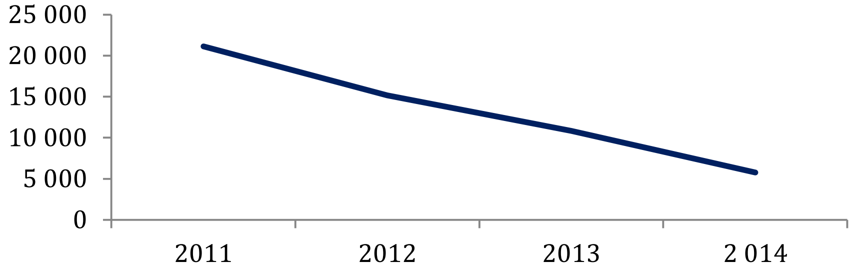
- Since September 2012, M6 Publicité has given its customers and media agencies the option of receiving their invoices in electronic format. To date, 23 agencies have already opted to go paperless, which represents 5,730 invoices out of a total of 17,900, meaning a volume of 32%.

- In May 2012, in conjunction with the Group's courier-service provider, the decision was taken to stop using paper courier dockets, resulting since 2013 in a annual saving of around 20,000 dockets.

- Similarly, the Group decided to phase out hard-copy press subscriptions, replacing them with electronic versions. In 2014, more than 12% 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 46% fewer new tapes were used for programmes in 2014 compared with 2013.

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 2014, the amount collected by HSS amounted to €0.1 million, the same as in 2013.

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 to replace 95% of its servers with virtual 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 in 2012 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":

- olfactory comfort 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.

The Group still complies with the government circular of 5 June 2013 requiring exterior building lights to be switched off between 1 a.m. and 7 a.m.

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, to be delivered in April 2015, 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.

F.C.G.B pitches

Following the work undertaken since 2009 to reduce the volume of water required to water the pitches (down 40% since 2011), as well as the rollout of the “0 plant-care products” at F.C.G.B’s sports grounds, 2014 was notable for the presentation to the pitch at the Chaban-Delmas Stadium and to the 5 training grounds at the Haillan site of the”Eco Sports Grounds” label.
The specifications for the label (108 items) were monitored at each site by Bureau Veritas, and particularly involved:

- Physicochemical soil analysis;
- Traceability of turf cultivation, nutrition and protection practices;

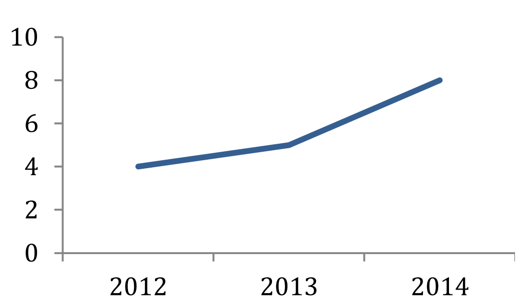
Waste management.

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, 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 2014, 830 employees, or 54% of the Group's workforce (excluding F.C.G.B.), used public transport for their daily commute.

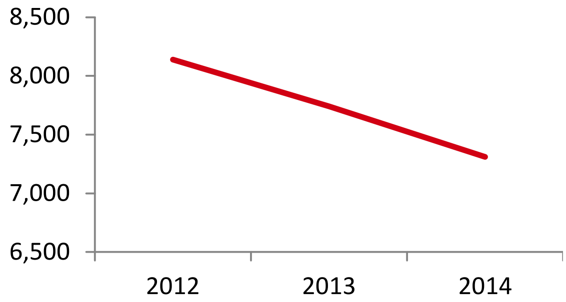
In addition, the M6 Group has deliberately chosen a digital route in order to cut down on the number of business trips, even though reducing travel can be difficult for some activities (particularly reporting and production). As a result, the number of rooms equipped with video-conferencing facilities at Group sites has increased from 2 to 8 in the space of three years, during which time the amount of business travel has decreased.

Number of rooms equipped for video-conferencing:



Group data

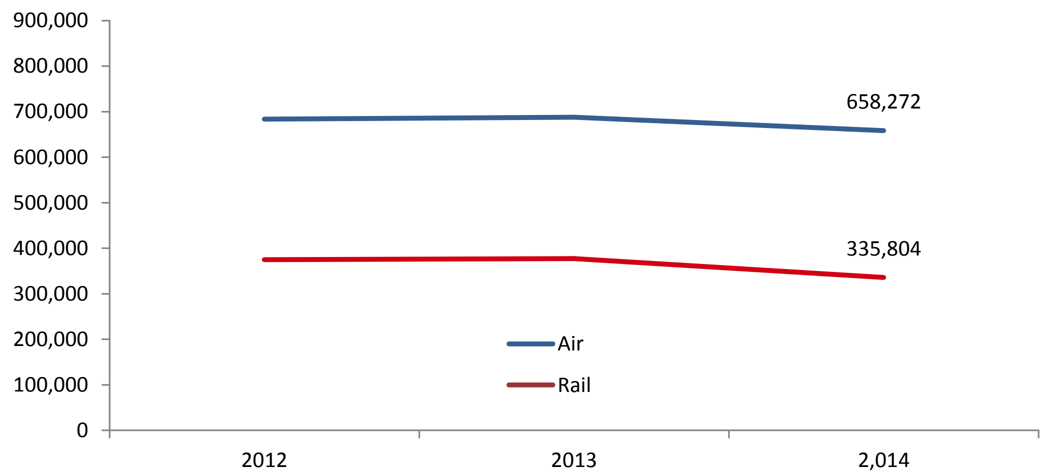
Number of business trips:



Group data excluding F.C.G.B.

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:

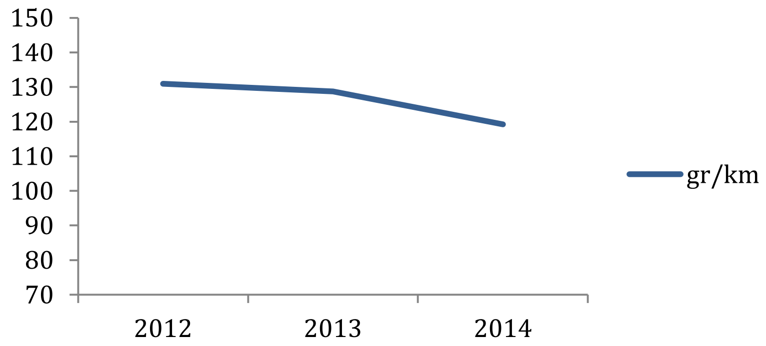
CO_2 emissions (kg) for business travel:



Group data excluding Ventadis and F.C.G.B.

Finally, M6 Group 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 131 to 119 grams per kilometre. In 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):



Group data excluding F.C.G.B.

Since Decree n° 2014-1393 of 24 November 2014, all companies are subject to an energy audit of their activity to be carried out by 5 December 2015. M6 Group is already involved in this initiative, as for several years it has recognised the crucial importance of the issue of energy management. Conscious of its environmental impact, the Group is deeply committed to raising the awareness of all its employees in relation to energy use.

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.

As such, the in-house production company for information magazine programmes and documentaries, C Productions, has produced several reports for M6 based on ecology and sustainable development, including “Dung, manure and sauerkraut juice: how can they be turned into energy?”, “They’re going to war against packaging!”, “Sweden, the country where waste is worth its weight in gold!”, etc. as part of **100% Mag**, “The Faroe Islands: we’ve got to save the dolphins” as part of **66 minutes**, and “The Maldives: a paradise under threat” as part of **Enquête exclusive**.

Environmental issues and related news have also been the subject of many reports in news programmes (**Le 12.45** and **Le 19.45**): the Climate conference in Lima, pollution, global warming, greenhouse gases, the draft law on ecological transition, etc.
News programmes also regularly bring to the fore unusual stories or innovations relating to ecology: “Refurbishing smartphones”, “Developing ranges of energy efficient school supplies”, “Gardening: using predatory insects instead of pesticides”, “First flight of the Airbus E-Fan electric plane”, “Trends for electric scooters”, “A house built from wooden blocks”, etc.

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 following additional indicators are less or are not relevant to our activity:

- 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 (see Section 4.7 of this document),
- the prevention, reduction or remediation of air, water or soil emissions having a major adverse impact on the environment (see Section 4.7 of this document),
- adapting to the consequences of climate change (natural risks related to climate change have, to

date, not led to any significant interruption of activities or material damage to establishments or products),

- land use (M6 Group's activity and its land use does not to our knowledge cause any significant threat to either diversity or to water resources since the use of land is limited to the place in which our office buildings and warehouses are located).

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	GRI Reference	Global Compact
Labour information						
Employment	1	Total workforce and employee distribution by gender and geographic region	++	7.2.1.1	G4-10	
	2	Recruitment and redundancies	++	7.2.1.1	G4- LA1	
	3	Compensation	+	7.2.2	G4- LA13	
Work organisation	4	Organisation of working time	++	7.2.1.2	G4- LA	
	5	Absenteeism	+	7.2.1.2	G4- LA6	
Labour relations	6	The organisation of social dialogue - including regulation and procedures regarding information, consultation and negotiation with personnel	+	7.2.6	G4- LA4	
	7	Collective bargaining agreements	=	7.2.6	G4- LA4	
Health and safety	8	Health and safety at work	+	7.2.7	G4- LA6 to 8	
	9	Work accidents, particularly their frequency and seriousness, and occupational diseases	+	7.2.7	G4- LA6	
	10	Agreements signed with unions or employee representatives in terms of health and safety at work	=	7.2.6	G4- LA8	# 3 to 8
Training	11	Training policies	++	7.2.3.1	LA11	
	12	Total number of training hours	++	7.2.3.1	LA10	
Equal opportunity	13	Measures taken to promote gender equality	++	7.21.5	G4- LA10	
	14	Employment and integration of disabled employees	++	7.2.4/7.3.2.1	G4- LA12	
	15	Anti-discrimination policy	++	7.3.2.1	G4- LA12, G4-HR3	
Promotion of and compliance with ILO fundamental conventions	16	Relating to freedom of association and the right to collective bargaining	=	7.2.6	G4-HR4 ; G4-LA4	
	17	Relating to the elimination of employment and occupational discrimination	=	7.2.5/7.3.2.1	G4-HR3; G4-LA13	
	18	Relating to the suppression of forced or compulsory labour	=	N/A	G4-HR6	
	19	Relating to the effective abolition of child labour	=	N/A	G4-HR5	
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	G4-EN31	
	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	G4-EN31 and G4-EC2	
Pollution and waste management	24	Measures to prevent, reduce or remediate air, water and land emissions that seriously damage the environment	=	N/A	G4-EN22 to 26	
	25	Measures to reduce, recycle and dispose of waste	=	7.4.1 / 7.4.2	G4-EN23	
	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		# 9 to 11
Sustainable use of resources	27	Use and supply of water in line with local constraints	=	7.4.1	G4-EN8	
	28	Use of raw materials and measures taken to make more efficient use of them	+	7.4.1 / 7.4.2	G4-EN1, G4-EN27	
	29	Energy consumption and measures taken to improve energy efficiency and the use of renewable energy sources	+	7.4.1	G4-EN3 to EN7	
Sustainable use of land	30	Use of land	=	N/A		
Climate change	31	Emissions of greenhouse gasses	+	7.4.1	EN16, EN17, EN 18, EN19, EN20	
	32	Adaptation to the consequences of climate change	=	N/A	EN18, EC2	
Biodiversity	33	Measures taken to safeguard biodiversity	=	7.4	G4-EN11 to EN 14	
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	G4- EC7 and G4-EC8	# 16 to 18 and 21
	35	Impact of operations on the local population	=	7.3.3.2	G4- EC1, G4-EC 5 and 6	
Relationships with stakeholders	36	Conditions of dialogue with these individuals or organisations	++	7.3.4	G4-24 to 27	# 2 and 16 to 18
	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	G4-EC9, G4-HR4, 5,6, 8, 10	# 2 to 11
	39	Significance of sub-contracting and its inclusion in relationships with suppliers and subcontractors regarding their corporate, social and environmental responsibilities	+	7.3.4.5	G4-EC9, G4-HR4, 5,6, 8, 10	
Fair practices	40	Measures taken to avoid corruption	++	7.2.8	G4-SO3 to 5	# 12 to 14
	41	Measures taken to safeguard the health and safety of consumers	++	7.3.4.1/7.4.5	G4-PR1 ; G4-PR2	
Other measures taken to safeguard human rights	42	Other measures taken to safeguard human rights	=	N/A	G4-HR	# 3 to 5

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: €50,504,974.80

Financial year ended 31 December 2014

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 of the company Métropole Télévision SA, accredited by COFRAC (French Accreditation Committee) under number 3-1049[1], we present our report on the consolidated corporate, environmental and social information in respect of the financial year ended 31 December 2014 included in the Group Management Report (hereafter the "CSR Information") 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, prepared in accordance with the protocol used by the company (the "Reporting Criteria"), a summary of which appears in 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.

[1] The scope of which is available at www.cofrac.fr

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);
- attest that the required CSR Information is included in the Management Report or, if omitted, a explanation is provided in application of the third paragraph of Article R.225-105 of the Commercial (Statement to the presence of CSR Information);

Our work was carried out by a team of five people between October 2014 and February 2014 for a period of approximately three weeks. 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 and with 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 fairness opinion, with ISAE (International Standard on Assurance Engagements) 3000[2].

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 consolidated 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 section 7.1 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 our 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.

[2] ISAE 3000 – *Assurance engagements other than audits or reviews of historical financial information*

For CSR information that we deemed to be the most important[3]:

- for the consolidating 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[4] 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 on average 100% of the workforce and between 70% and 100% of the quantitative environmental information.

For the remaining consolidated 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 that we have used in exercising 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, 17 February 2015

KPMG S.A
Xavier Troupel
Partner

KPMG S.A
Anne Garans
Partner Climate Change &
Sustainable Development

[3] Social information: Total workforce (breakdown by gender and category), Proportion of female executives and managers, Number of recruitments, Number of redundancies and dismissals, Total number of hours' training, Number of FTE non-permanent staff (event contract workers and freelancers)
Environmental information: Energy consumption (electricity, gas, fuel oil), Greenhouse gas emissions related to energy consumption
Corporate information: Code of Conduct, Basis for dialogue with stakeholders;

[4] Corporate information: M6 Group registered office
Environmental information: Neuilly-sur-Seine buildings
(89 et 107 avenue Charles de Gaulle, 46 rue Jacques Dulud and premises occupied at 114 avenue Charles de Gaulle)

8 COMBINED GENERAL MEETING OF 28 APRIL 2015

8.1 Proceedings and Agenda of the Combined General Meeting of 28 April 2015

The Combined Annual General Meeting of the Company has been convened for 28 April 2015 and the agenda will be as follows:

Reports of the Executive Board:

- on the Group's activities during 2014;
- 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 2014;
- report on the consolidated financial statements for the year ended 31 December 2014;
- 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 17;
- special report on the authorisation to allocate free shares to employees and corporate officers.

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 2014, approval of non-tax deductible expenses and charges,
- Approval of the consolidated financial statements for the year ended 31 December 2014,
- Allocation of profits and setting of dividend,
- Statutory Auditors' special report on regulated agreements and commitments and approval of these agreements,
- Statutory Auditors' special report on regulated agreements and commitments and approval of a commitment made for the benefit of Nicolas de TAVERNOST,
- Statutory Auditors' special report on regulated agreements and commitments and approval of a commitment made for the benefit of Thomas VALENTIN,
- Statutory Auditors' special report on regulated agreements and commitments and approval of a commitment made for the benefit of Jérôme LEFEBURE,

- Non-reappointment of Albert FRERE as member of the Supervisory Board,
- Appointment of Sylvie OUZIEL as member of the Supervisory Board,
- Reappointment of Gilles SAMYN as member of the Supervisory Board,
- Reappointment of Immobilière Bayard d'Antin as member of the Supervisory Board,
- Reappointment of Christopher BALDELLI as member of the Supervisory Board
- Appointment of Anke SCHÄFERKORDT as member of the Supervisory Board,
- Advisory opinion on the remuneration components, due or allocated for the financial year ended 31 December 2014, of Nicolas de TAVERNOST, Chairman of the Executive Board,
- Advisory opinion on the remuneration components, due or allocated for the 2014 financial year, 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 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,
- 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,
- Alignment of Articles 13, 25.2 and 29 of Bylaws,
- Powers to complete formalities.

8.2 Report of the Executive Board to the Combined General Meeting of 28 April 2015

Ladies and Gentlemen,

We have convened this Combined General Meeting to submit the following resolutions for your approval:

Resolutions in ordinary session:

The **1st resolution** submits for shareholder approval the financial statements of the Company for the year ended 31 December 2014, which show a profit of €132,767,974.55.

This resolution also concerns the approval of the expenses and charges stipulated in Article 39-4 of the General Tax Code, totalling €60,139 and the corresponding tax charge.

The **2nd resolution** submits for shareholder approval the consolidated financial statements for the year ended 31 December 2014, which show a profit attributable to the Group of €123,445,280.75.

The **3rd resolution** concerns the allocation of Métropole Télévision SA's profit of €132,767,974.55 for the year ended 31 December 2014. This profit, together with the retained earnings of €280,165,469.96, thus brings the total distributable profit to €412,933,444.51. It is proposed to distribute €107,323,071.45 in dividends, leaving a balance of €305,610,373.06.

Therefore, the dividend shall be €0.85 gross per share.

If this proposal is adopted, the ex-dividend date will be 20 May 2015 and the dividend will be paid on 22 May 2015.

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 2014, as mentioned in the conclusions of the Statutory Auditors' Special Report on regulated agreements and commitments included in section 6.9 of the 2014 Registration Document, which are as follows:

- Agreement concluded with the RTL Group, acting on behalf of Immobilière Bayard d'Antin S.A., in respect of the acquisition of blocks of shares in M6, up to 5% of the share capital, in particular with a view to cancelling them;
- Cash management agreement between Bayard d'Antin and Métropole Télévision, signed on 19 February 2010 and renewed on 15 November 2011, 15 November 2012, 15 November 2013 and 15 November 2014.

The **5th, 6th and 7th resolutions** regarding the approval of commitments made for the benefit of Nicolas de TAVERNOST, Thomas VALENTIN and Jérôme LEFEBURE relative to compensation that may be due as a result of the termination of their terms of office as members of the Executive Board.

For further information, please refer to the 2014 Registration Document, section 6.9 (Statutory Auditors' special report on regulated agreements and commitments) and section 2.3 (corporate officers' remuneration and fringe benefits).

The **8th, 9th, 10th, 11th, 12th and 13th resolutions** submitted for shareholder approval relate to the terms of office of members of the Supervisory Board.

As the terms of office of 4 of the 12 members comprising the Supervisory Board shall expire at the next General Meeting, it is proposed, after consultation with the Remuneration and Appointments Committee, to renew the terms of 3 members, namely Christopher BALDELLI, Gilles SAMYN, and Immobilière Bayard d'Antin, for four years, expiring at the close of the Annual General Meeting called in 2019 to approve the financial statements of the year just ended.
In addition, Albert FRERE, Chairman of the Supervisory Board since 2000, did not wish to have his term of office renewed. You will therefore be asked to approve this non-renewal.

The appointment of two new members will also be proposed:
- Sylvie OUZIEL, for four years, expiring at the close of the Annual General Meeting called in 2019 to approve the financial statements of the year just ended,
- Anke SCHÄFERKORDT, as a result of Rémy SAUTTER's resignation, effective from 28 April 2015, for three years, expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements of the year just ended, to ensure the maintenance of stagerred terms of office.

It is nevertheless specified that the Supervisory Board considers that Gilles SAMYN and Sylvie OUZIEL 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 **14th 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 2014 to Nicolas de TAVERNOST, Chairman of the Executive Board, which are detailed below.

For further information, please refer to section 2.3 of the 2014 Registration Document.

Nicolas de TAVERNOST

Remuneration elements due or granted in respect of the year ended 31 December 2014	Amounts or accounting valuation voted	Details
Fixed remuneration	**€925,008 (amount paid)**	Stable compared with 2013

Annual variable remuneration	**€501,600 (amount due)**	Variable remuneration in 2014 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 an audience criterion calculated for all channels held by the M6 Group. All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality. Variable remuneration decreased by 33% compared with 2013.
Deferred variable remuneration	**€0**	Nil
Multiyear variable remuneration	**€0**	Nil
Exceptional remuneration	**€0**	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	**Options = €0**	Nil
	Shares = €434,239	Number of shares allocated 41,628 (or 0.03% of the share capital) The performance condition target for shares granted in 2014 (achievement of a specified level of consolidated net profit) was precisely determined but is not disclosed on the grounds of confidentiality. - For 20,628 shares Subject to being employed by the Group on 14 April 2016. Date authorised by the Annual General Meeting: 4 May 2011 - 11th resolution Date of allocation decision: 18 February 2014 - For 21,000 shares Subject to being employed by the Group on 15 October 2016. Date authorised by the Annual General Meeting: 5 May 2014 – 18th resolution Date of allocation decision: 29 July 2014

	Other items = NA	Nil
Directors' fees	**€0**	Executive officers do not receive directors' fees
Valuation of benefits in kind	**€6,498**	Company car

Remuneration elements due or granted in respect of the financial year just ended which are or have been 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. At its meeting of 5 May 2014, the Board decided to retain the compensation mechanism for Nicolas de TAVERNOST in the event of non-voluntary departure, i.e. not following resignation or voluntary retirement, and subject to performance conditions (see paragraph below). The Board, acknowledging that this situation does not comply with the provisions of the AFEP-MEDEF Code whereby it is recommended that the payment of severance pay is contingent on a departure related to a change in control or strategy, considers that: • The concept of change in control does not constitute a relevant criterion given the specific features of the Company, particularly the provisions governing the ownership of its capital. The provisions of Article 39 of Audiovisual Law n° 86-1067 of 30 September 1986, as amended, relating to freedom of communication, do not allow a shareholder to hold more than 49% of the share capital and voting rights. • The concept of change in strategy is particularly multifaceted in the audiovisual field. Nicolas de TAVERNOST could be required to step down without the major strategic policies that he initiated and implemented actually being called into question. Given the length of service of the party concerned within the Group and his contribution to its development since its creation in 1987, the Board considers it inconceivable for the compensation provided for by this agreement to be

Non-competition compensation	**€0**	At its meeting of 5 May 2014 during which the Supervisory Board decided to renew the Executive Board in advance, Nicolas de TAVERNOST agreed to a non-compete covenant in respect of his duties as Chairman of the Executive Board. This agreement lasts for a period of 12 months from the date of his departure and he would receive fixed-rate remuneration of 50% of the fixed and variable remuneration (except for free shares, LTIP, options and similar benefits) received during the twelve months preceding the termination of his duties. The Board has provided for a stipulation authorising him to waive the implementation of this agreement upon his departure and has not ruled out the application of this agreement in the event of departure due to retirement, given the small size of the audiovisual sector and Nicolas de TAVERNOST's level of experience. In accordance with Paragraph 23.2.5 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release Nicolas de TAVERNOST from this agreement.
Supplementary pension scheme	**€15,008**	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** 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 2014 to Thomas VALENTIN, Robin LEPROUX and Jérôme LEFEBURE, Members of the Executive Board, which are detailed below.

For further information, please refer to section 2.3 of the 2014 Registration Document.

Thomas VALENTIN

Remuneration elements due or granted in respect of the year ended 31 December 2014	Amounts or accounting valuation voted	Details
Fixed remuneration	**€495,001 (amount paid)**	Stable compared with 2013

Annual variable remuneration	**€228,331 (amount due)**	Variable remuneration in 2014 comprises two elements: - additional remuneration (49% of variable remuneration), of which 51% 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. All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality. Variable remuneration decrease by 40% compared with 2013.
Deferred variable remuneration	**€0**	Nil
Multiyear variable remuneration	**€0**	Nil
Exceptional remuneration	**€0**	No exceptional remuneration
	Options = €0	Nil

	Share options, performance-based shares or other long-term remuneration elements	**Shares = €227,895**	Number of shares allocated 21,674 (or 0.02% of the share capital) The performance condition target for shares granted in 2014 (achievement of a specified level of consolidated net profit) was precisely determined but is not disclosed on the grounds of confidentiality. - <u>For 11,174 shares</u> Subject to being employed by the Group on 30 April 2016. Date authorised by the Annual General Meeting: 4 May 2011 - 11th resolution Date of allocation decision: 18 February 2014 - <u>For 10,500 shares</u> Subject to being employed by the Group on 15 October 2016. Date authorised by the Annual General Meeting: 5 May 2014 – 18th resolution Date of allocation decision: 29 July 2014
		Other items = NA	Nil
	Directors' fees	**€0**	Executive officers do not receive directors' fees
	Valuation of benefits in kind	**€6,142**	Company car

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. Note that this mechanism results from Supervisory Board decisions dated 3 March 2008 and 10 March 2009, submitted to the Annual General Meeting of 4 May 2010 in its 6th resolution.
Non-competition compensation	**No payment made**	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.
Supplementary pension scheme	**€15,008**	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 2014	Amounts or accounting valuation voted	Details
Fixed remuneration	**€399,997 (amount paid)**	Stable compared with 2013
Annual variable remuneration	**€90,951 (amount due)**	Variable remuneration in 2014 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. All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality. His variable remuneration decreased by 33% compared with 2013.
Deferred variable remuneration	**€0**	Nil
Multiyear variable remuneration	**€0**	Nil
Exceptional remuneration	**€0**	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	**Options = €0**	Nil

	Shares = €195,944	Number of shares allocated 18,626 (or 0.02% of the share capital) The performance condition target for shares granted in 2014 (achievement of a specified level of consolidated net profit) was precisely determined but is not disclosed on the grounds of confidentiality. - For 9,626 shares Subject to being employed by the Group on 30 April 2016. Date authorised by the Annual General Meeting: 4 May 2011 - 11th resolution Date of allocation decision: 18 February 2014 - For 9,000 shares Subject to being employed by the Group on 15 October 2016. Date authorised by the Annual General Meeting: 5 May 2014 – 18th resolution Date of allocation decision: 29 July
	Other items = NA	Nil
Directors' fees	**€0**	Executive officers do not receive directors' fees
Valuation of benefits in kind	**€6,276**	Company car

Remuneration elements due or granted in respect of the financial year just ended which are or have been 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 LEFEBURE'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 LEFEBURE's compensation calculation insofar as the contractual compensation for breach of contract he receives is part of his employment contract. Payment to Jérôme LEFEBURE 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. Note that this mechanism results from Supervisory Board decisions dated 3 March 2008 and 10 March 2009, submitted to the Annual General Meeting of 4 May 2010 in its
Non-competition compensation	**No payment made**	Jérôme LEFEBURE agreed to, in respect of his employment contract, a non-competition commitment of 3 months for compensation of 1.5 months fixed remuneration.
Supplementary pension scheme	**€15,008**	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 2014	Amounts or accounting valuation voted	Details
Fixed remuneration	**€404,831 (amount paid)**	Level of annual remuneration set in relation to 2013 However, since Robin LEPROUX is no longer a Group employee since 26 November 2014, his 2014 fixed remuneration includes the payment of a final settlement (paid leave and thirteenth month).
Annual variable remuneration	**€63,243 (amount due)**	Due to his resignation on 25 August 2014, Robin LEPROUX's employment contract ended on 25 November 2014, contractually annulling any entitlement to his 2014 variable portion measured on commercial performance, since it is an requirement applicable to all staff to be an employee at 31 December. Conversely, the actual termination of his duties took effect on 15 September 2014, automatically implementing his non-compete agreement and ending his involvement in the Executive Board (see hereafter). In respect of his term of office on the Executive Board, Robin LEPROUX will receive, on a pro rata temporis basis 8.5/12), the variable portion of the remuneration associated with his corporate office, and measured on the Group's EBITA performance.
Deferred variable remuneration	**€0**	Nil
Multiyear variable remuneration	**€0**	Nil
Exceptional remuneration	**€0**	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	**Options = €0**	Nil

	Shares = €86,156	Number of shares allocated: 6,876 (or 0.01% of the share capital) The performance condition target for shares granted in 2014 (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 14 April 2016. Date authorised by the Annual General Meeting: 5 May 2014 – 18th resolution Date of allocation decision: 18 February 2014 Due to his resignation as of August 2014, he will never receive the performance based shares allocated to him in 2014
	Other items = NA	Nil
Directors' fees	**€0**	Executive officers do not receive directors' fees
Valuation of benefits in kind	**€4,851**	Company car

Remuneration elements due or granted in respect of the financial year just ended which are or have been 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. Note that this mechanism results from Supervisory Board decisions dated 3 March 2008 and 10 March 2009, submitted to the Annual General Meeting of 4 May 2010 in its 6th resolution. In accordance with this entire compensation mechanism, no payment is due to Robin LEPROUX in respect of his resignation.

Non-competition compensation	**€66,400** (amount paid)	Robin Leproux agreed to, in respect of his employment contract, a non-competition commitment of 12 months for compensation of 6 months fixed remuneration. As a result of his departure on 15 September 2014, Robin Leproux is subject to this agreement and remunerated from that date until 15 September 2015. It is specified that the Group's residual commitment under this clause amounts to €138,610 gross which will be paid in 2015.
Supplementary pension scheme	**€15,008**	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 **16th 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 10% of the share capital at a maximum price of €25 per share during a period of 18 months. The maximum amount of the transaction is thus set at €315,833,217.50; 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.

Resolutions in extraordinary session:

The **17th 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 16 and 17 will supersede previous authorisations of the same nature granted to the Executive Board by the General Meeting of 05 May 2014.

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 the beneficiaries will be final at the end of a vesting period, the minimum duration of which may not be less than the legal period. The beneficiaries shall, where applicable, retain the shares for a period, set by the Executive Board, of not less than the period provided for by the law. The cumulative duration of the vesting and retention periods may not be less than the minimum period where necessary provided for by the law.

This authorisation, which would, if necessary, allow the provisions set out in the Macron bill to be used, would terminate the authorisation granted to the Executive Board by the General Meeting of 5 May 2014.

The **19th resolution** submits for shareholder approval the alignment of the Bylaws:

- with Order n°2014-863 of 31 July 2014:
    - amendment of Article 13 relating to the issue of marketable securities other than shares,
    - amendment of Article 25.2 relating to regulated agreements,

- with Decree n° 2014-1466 of 8 December 2014: amendment of Article 29 on the rules of admittance to General Meetings (record date).

The **20th 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, 17 February 2015

The Executive Board

8.3 Report of the Supervisory Board to the Combined General Meeting of 28 April 2015

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 2014.

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 2014.

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 2014, 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

In accordance with the recommendations of the AFEP-MEDEF Code, your Company has, since 2012, been implementing staggered terms of office for Supervisory Board members. For this reason, four terms of office will expire at the Annual General Meeting of 28 April 2015:

- Albert FRERE,
- Gilles SAMYN,
- Christopher BALDELLI,
- Immobilière Bayard d'Antin, represented by Catherine Lenoble.

Albert FRÈRE has announced that he does not wish his term of office and functions to be renewed, after 14 years dedicated to chairing your Supervisory Board. The Supervisory Board would like to take this opportunity to underline the specific contribution of Mr. FRÈRE to the development of the Group since its creation in 1987, particularly through his knowledge and vision in relation to the European media sector, as well as through his expertise. As such, you will be asked to acknowledge the non-renewal of Mr. FRERE's term of office on the Supervisory Board.

Consequently and regarding the composition of the Supervisory Board, you are asked to appoint a new independent member to the Board for a period of four years. The Board has chosen Mrs. OUZIEL as the new member, due in particular to her experience in the digital economy.

Regarding the three other terms of office that are expiring, you will be asked to renew them for a period of four years, in accordance with Article 20.2 of our bylaws.

Lastly, Remy SAUTTER has tendered his resignation to the Supervisory Board, of which he had been a member since 2000, for personal reasons. His resignation will take effect at the end of this General Meeting. Remy SAUTTER participated in the creation of the Company in 1987 and has since

provided ongoing support to its development. The Supervisory Board would unanimously like to thank Remy SAUTTER for the significance and the quality of his work as a Board member.
To fill this vacancy, you are asked to appoint Anke SCHÄFERKORDT to the Supervisory Board for a period of three financial years, in order to ensure compliance with the AFEP-MEDEF recommendation regarding the staggering of terms of office, which will result in balance in the Board upon expiry.

At the end of our meeting, the Supervisory Board will include five women, making the Group compliant in advance with Law n° n°2011-103 of 27 January 2011 which requires a minimum of 40% women before 1 January 2017.

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 renewal of term of office or appointment is proposed 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 noted the independence of Guy de PANAFIEU, Gilles SAMYN, Delphine ARNAULT, Mouna SEPEHRI and Sylvie OUZIEL, and that Albert FRÈRE, Guillaume de POSCH, Philippe DELUSINNE, Vincent de DORLODOT, Elmar HEGGEN, Christopher BALDELLI, Rémy SAUTTER, Catherine LENOBLE (representative of Immobilière Bayard d'Antin) and Anke SCHÄFERKORDT were not independent members.

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:

- interim and annual consolidated financial statements;
- the budget for the 2015 financial year;
- the results for the quarters ended 31 March and 30 September 2014;
- early renewal of the Executive Board;
- major investment projects, particularly in programming;
- 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 Remuneration and Appointments Committee.
- acceptance by a Board member of a new term of office in a listed company;
- assessment of the independence of Supervisory Board members;
- self-assessment of the Supervisory Board's work;
- consultation on gender equality at work and equal pay.

We have no further comments to make.

Neuilly sur Seine, 17 February 2015.
The Supervisory Board

8.4 Resolutions submitted to the Combined Annual General Meeting

Resolutions in ordinary session:

First resolution
Approval of the parent company financial statements for the year ended 31 December 2014, 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 2014, the General Meeting approves the parent company financial statements, which show a profit of €132,767,974.55.

The General Meeting specifically approves the total of €60,139 of expenses and charges covered under Article 39-4 of the General Tax Code, as well as the corresponding tax charge.

Second resolution
Approval of the consolidated financial statements for the year ended 31 December 2014

After reviewing the reports of the Executive Board and the Statutory Auditors on the consolidated financial statements for the year ended 31 December 2014, the General Meeting approves the consolidated financial statements, as presented, which show a profit (Group share) of €123,445,280.75.

Third resolution
Allocation of profits and setting of dividend

The General Meeting approves the allocation of the profit for the financial year ended 31 December 2014, as proposed by the Executive Board, as follows:

Source

- Net profit for the year	€132,767,974.55
- Retained earnings brought forward	€280,165,469.96

Allocation

- Dividends	€107,323,071.45
- Retained earnings carried forward	€305,610,373.06

The General Meeting acknowledges that the total gross dividend per share is set at €0.85, the full amount thus distributed being eligible for the 40% tax relief referred to in Article 158-3-2 of the General Tax Code.

The ex-dividend date will be 20 May 2015.

The payment shall be made on 22 May 2015.

In the event of a change in the number of shares conferring entitlement to a dividend compared to the 126,262,437 shares comprising the share capital as of 31 December 2014, 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	
2011	€126,383,964* being €1 per share	-	-
2012	€232,885,333.40* being €1.85 per share	-	-
2013	€107,070,461.65* being €0.85 per share	-	-

** Not taking into account undistributed dividends attributable to treasury shares.*

Fourth resolution

Statutory Auditors' special report on regulated agreements and commitments and approval of these agreements,

Deliberating on the Statutory Auditors' special report on regulated agreements and commitments submitted to it, the General Meeting approves and ratifies the new agreements mentioned herein.

Fifth resolution

Statutory Auditors' special report on regulated agreements and commitments and approval of a commitment made for the benefit of Nicolas de TAVERNOST

Deliberating on the Statutory Auditors' special report on regulated agreements and commitments submitted to it, the General Meeting approves the undertaking made by the Company in favour of Nicolas de TAVERNOST, Chairman of the Executive Board, relating to the compensation likely to be due as a result of the termination of his duties.

Sixth resolution

Statutory Auditors' special report on regulated agreements and commitments and approval of a commitment made for the benefit of Thomas VALENTIN

Deliberating on the Statutory Auditors' special report on regulated agreements and commitments submitted to it, the General Meeting approves the undertaking made by the Company in favour of Thomas VALENTIN, member of the Executive Board, relating to the compensation likely to be due as a result of the termination of his duties.

Seventh resolution

Statutory Auditors' special report on regulated agreements and commitments and approval of a commitment made for the benefit of Jérôme LEFEBURE

Deliberating on the Statutory Auditors' special report on regulated agreements and commitments submitted to it, the General Meeting approves the undertaking made by the Company in favour of Jérôme LEFEBURE, member of the Executive Board, relating to the compensation likely to be due as a result of the termination of his duties.

Eighth resolution
Non-renewal of Albert FRERE's term of office as member of the Supervisory Board,

In accordance with the express request of Albert FRERE, a member of the Supervisory Board since 2000, and Chairman thereof since 2003, the General Meeting has decided not to renew Albert FRERE's term of office as a member of the Supervisory Board, which expires at the end of this General Meeting.

Ninth resolution
Appointment of Sylvie OUZIEL as member of the Supervisory Board

The General Meeting decides to appoint Sylvie OUZIEL, a French national, born 18 March 1970, with an address at La Celle Saint-Cloud, France, as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2019 to approve the financial statements for the year just ended.

Tenth resolution
Reappointment of Gilles SAMYN as member of the Supervisory Board

The General Meeting decides to renew Gilles SAMYN's term of office as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2019 to approve the financial statements for the year just ended.

Eleventh resolution
Reappointment of Immobilière Bayard d'Antin as member of the Supervisory Board

The General Meeting decides to renew the term of office of Immobilière Bayard d'Antin as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2019 to approve the financial statements for the year just ended.

Twelfth resolution
Reappointment of Christopher BALDELLI as member of the Supervisory Board

The General Meeting decides to renew Christopher BALDELLI's term of office as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2019 to approve the financial statements for the year just ended.

Thirteenth resolution
Appointment of Anke SCHÄFERKORDT as member of the Supervisory Board

The General Meeting decides to appoint Anke SCHÄFERKORDT, a German national, born 12 December 1962, with an address at Picassoplatz, 1 D – 50679 Köln, Germany, as member of the Supervisory Board for a period of three years, until the close of the General Meeting called in 2018 to approve the financial statements for the year just ended, in accordance with Article 20.2 of the Bylaws which provides for staggered terms of office.

Fourteenth resolution
Advisory opinion on the remuneration components, due or allocated for the financial year ended 31 December 2014, of Nicolas de TAVERNOST, Chairman of the Executive Board,

The General Meeting, consulted pursuant to 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 for the 2014 financial year to

Nicolas de TAVERNOST, Chairman of the Executive Board, as presented in the Executive Board's report to the General Meeting.

Fifteenth resolution

Advisory opinion on the remuneration components, due or allocated for the financial year ended 31 December 2014, of Thomas VALENTIN, Robin LEPROUX and Jérôme LEFEBURE, members of the Executive Board,

The General Meeting, consulted pursuant to 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 for the financial year ended 31 December 2014 to Thomas VALENTIN, Robin LEPROUX and Jérôme LEFÉBURE, members of the Executive Board, as presented in the Executive Board's report to the General Meeting.

Sixteenth 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 10% 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 cancels the prior authorisation granted to the Executive Board by the Ordinary General Meeting of 5 May 2014 in its fifth resolution in ordinary session.

These shares may be purchased to fulfil the following objectives:

- to stimulate the METROPOLE TELEVISION share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Code 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 this Annual General Meeting in its fifteenth resolution in extraordinary session.

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.

These transactions may not be carried out during a public offering.

The Company reserves the right to use option mechanisms or derivative instruments in accordance with 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 thus set at €315,833,217.5.
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.

Resolutions in extraordinary session:

Seventeenth 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,

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.

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 to 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 which may not be less than the minimum legal period. The beneficiaries shall, where applicable, retain the shares for a period, set by the Executive Board, of not less than the minimum period where necessary provided for by the law. The cumulative duration of the vesting and retention periods may not be less than the minimum period where necessary provided for by the law.

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;
- 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
  - 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 period, and modify or adjust accordingly, if required, the number of shares granted to preserve the rights of the beneficiaries;
  - take all the necessary steps to ensure the beneficiaries' retention obligation, if applicable, 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
Alignment of Articles 13, 25.2 and 29 of the Bylaws

After reviewing the Executive Board report, the General Meeting decides:

- *to bring Article 13 of the Bylaws "Other Marketable Securities" into line with the provisions of the French Commercial Code, as amended by Order n°2014-863 of 31 July 2014 and to amend it as follows:*

"The Executive Board is qualified to decide on or authorise the issue of bonds and/or debt securities conferring entitlement to the allocation of other debt securities or giving access to existing equity securities under the conditions and arrangements 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 which are equity securities giving access to other equity securities or conferring entitlement to the allocation of debt securities or marketable securities giving access to the equity securities to be issued. "

- 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 Order No. 2014-863 of 31 July 2014 and amend it as follows, the rest of the article remaining unchanged:

"25.2 – The provisions of 25.1 above do not apply to cases provided for by Law. "

- to align Article 29 of the Bylaws “Admittance to Meetings” with the provisions of Article R. 225-85 of the Commercial Code, as amended by Order No. 2014-1466 of 8 December 2014 and amend it as follows, the rest of the article remaining unchanged:

"The right to attend General Meetings is subject to registration of the shares in the name of the shareholder or the intermediary registered on his/her behalf, on the second 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. "

Twentieth 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.

8.5 Statutory Auditors' special report on the share capital reduction provided for by the 17th resolution to the Combined General Meeting of 28 April 2015

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,504,974.80

Financial year ended 31 December 2014

Statutory Auditors' special report on the share capital reduction

(Combined General Meeting of 28 April 2015 – seventeenth 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 we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative 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, 2 March 2015

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

8.6 Statutory Auditors' report 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 28 April 2015

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,504,974.80
Financial year ended 31 December 2014

Statutory Auditors' on the authorisation to allocate free shares, already existing to be issued, for the benefit of employees and corporate officers

(General Meeting of 28 April 2015 – eighteenth resolution)

To the Shareholders,

As Statutory Auditors of your company and in execution of our assignment provided for by Article L. 225-197-1 of the Commercial Code, 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, 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 we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative 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, 2 March 2015

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

9 ADDITIONAL INFORMATION

9.1 Statistory Auditors fees

Statutory Auditors fees for 2014 and other fees billed in 2014 (amounts excl. taxes):

(€ K)	Ernst & Young				PWC				TOTAL			
	2014	2013	*% 2014*	*% 2013*	2014	2013	*% 2014*	*% 2013*	2014	2013	*% 2014*	*% 2013*
Audit												
Statutory Audit, Certification of parent company and consolidated financial statements	246	296	*98%*	*68%*	442	446	*100%*	*86%*	688	742	*99%*	*78%*
Métropole Télévision	*90*	*94*	*36%*	*22%*	*123*	*94*	*28%*	*18%*	*213*	*188*	*31%*	*20%*
Fully-consolidated subsidiaries	*157*	*202*	*63%*	*47%*	*319*	*352*	*72%*	*68%*	*476*	*554*	*69%*	*58%*
Other related assignments and other audit assignments	5	61	*2%*	-	-	73	*0%*	*14%*	5	134	*1%*	*14%*
Métropole Télévision		*35*	*0%*	-	-	*70*	-	-	*0*	*105*	-	-
Fully-consolidated subsidiaries	*5*	*26*	*2%*	-	-	*3*	*0%*	*0%*	*5*	*29*	*1%*	*3%*
Sub-total	**251**	**357**	***100%***	***82%***	**442**	**518**	***100%***	***100%***	**693**	**875**	***100%***	***92%***
Other services												
Legal, fiscal, corporate	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	77	*0%*	-	-	-	-	-	*0*	*77*	*0%*	-
			-	-			-	-			-	-
Sub-total	**-**	**77**	***0%***	**-**	**-**	**-**	**-**	**-**	**-**	**77**	***0%***	**-**
TOTAL	**251**	**434**	***100%***	***100%***	**442**	**518**	***100%***	***100%***	**693**	**952**	***100%***	***100%***
TOTAL in %	**36.2%**	**45.6%**			**63.8%**	**54.4%**						

The Group may need to call in Statutory Auditors other than the two mentioned above for recently-acquired subsidiaries or whose operations are not material. Such fees totalled €46 K in 2014, representing 6.6% of services provided by the Statutory Auditors.

9.2 Changes in accounting principles

The consolidated financial statements at 31 December 2014 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 2014 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 2014 have been prepared in accordance with the French Chart of Accounts. Changes in standards in force at 31 December 2014 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 31/12/2014	**(€ K)**
Total of expenses and charges excluded from deductible expenses (Article 39-4 of the Income Tax Code)	60.1
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	6,182.7
Gifts and reception costs	348.3
Expenses reported on the special summary of General Expenses (Article 223 (v) of the General Tax Code	
Expenses added back to taxable profit	60.1

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 354 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 2014 have been subject to a report issued by the Auditors, as shown on pages 238-239, which contains one observation on the first-time application of IFRS 10, 11 and 12, and revised 27 and revised IAS 28.
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 of the Registration Document filed with the AMF on 10 April 2014 under D.14-0322, which contains observations.

Neuilly sur Seine, 23 March 2015
Nicolas de Tavernost
Chairman of the Executive Board

9.5 Provisional calendar

28 April 2015: Combined General Meeting

28 April 2015: First quarter 2015 financial information

20 May 2015: ex-dividend date for 2014 dividend

22 May 2015: payment of 2014 dividend

28 July 2015: Half-year sales and results 2015

3 November 2015: First quarter 2015 financial information

03 May 2016: Combined General Meeting

02 May 2017: Combined General Meeting

This calendar is subject to change.

9.6 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 2013 and the relevant report of the Statutory Auditors included on pages 170 to 253 of the 2013 Registration Document, registered with the AMF on 10 April 2014 under number D.14-0322, as well as the Management Report included on pages 5 to 302 of the same 2013 Registration Document.

• The consolidated financial statements for the year ended 31 December 2012 and the relevant report of the Statutory Auditors included on pages 152 to 212 of the 2012 Registration Document, registered with the AMF on 16 April 2013 under number D.13-0364, as well as the Management Report included on pages 5 to 267 of the same 2012 Registration Document.

9.7 Persons responsible for financial information

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9.8 AMF cross-reference table

9.9 Financial report cross-reference index and other documents included

1. DESCRIPTION OF THE SHARE BUYBACK PROGRAMME

i. **Report on the previous buyback programme**
This information is available on pages 130 and 131 of this Registration Document.

ii. **Breakdown by purpose of shares held by the Company at present**
This information is available on pages 130 to 134 of this Registration Document.

iii. **New buyback programme**
This information is available on pages 132 and 133 of this Registration Document.

2. ANNUAL FINANCIAL REPORT

i. **Parent company financial statements**
The parent company financial statements for the year ended 31 December 2014 are available on pages 243 to 264 of this Registration Document.

ii. **Consolidated financial statements**
The consolidated financial statements for the year ended 31 December 2014 are on pages 179 to 240 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 16 to 38, 103 to 120, 146 to 160 and 162 to 178 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 130 to 131 of this Registration Document.

d. Statement of the persons responsible for the Annual Financial Report
This information is available on page 353
e. Social and environmental information
This information is available on pages 274 to 316 of this Registration Document.

f. Statement of reasons for the resolutions proposed by the Executive Board
This information is available on pages 324 to 339 of this Registration Document.

g. Resolutions proposed by the Executive Board to the General Meeting
This information is available on pages 340 to 348 of this Registration Document.

h. Summary of financial results of the last 5 years
This information is available on page 267 of this Registration Document.

i. Chairman's report on corporate governance and internal control
This information is available on pages 103 to 120 of this Registration Document.

iv. Reports of the Statutory Auditors on parent company and consolidated financial statements
This information is available on pages 241 to 242, and 265 to 266 of this Registration Document.

4. FEES OF STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORK

This information is available on page 352 of this Registration Document.

MÉTROPOLE TÉLÉVISION
French public limited company (Société Anonyme)
with an Executive Board and a Supervisory Board
with share capital of €50,504,974.80

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