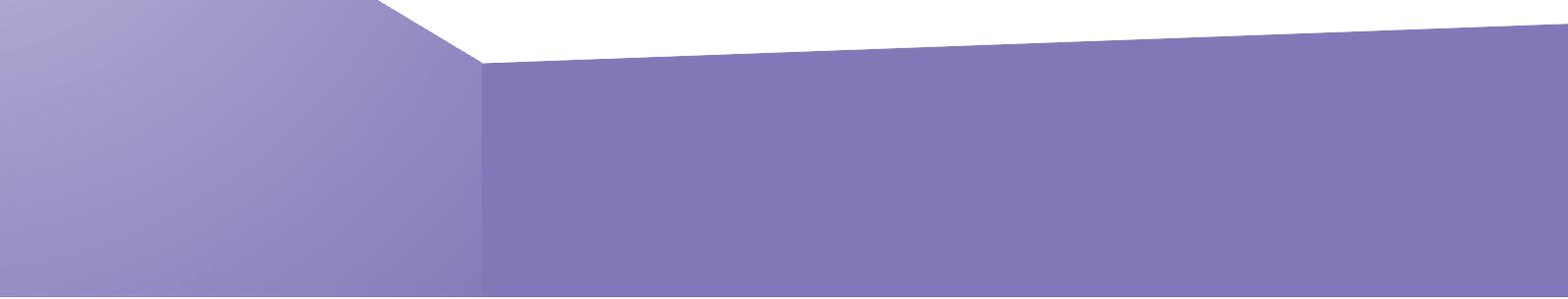


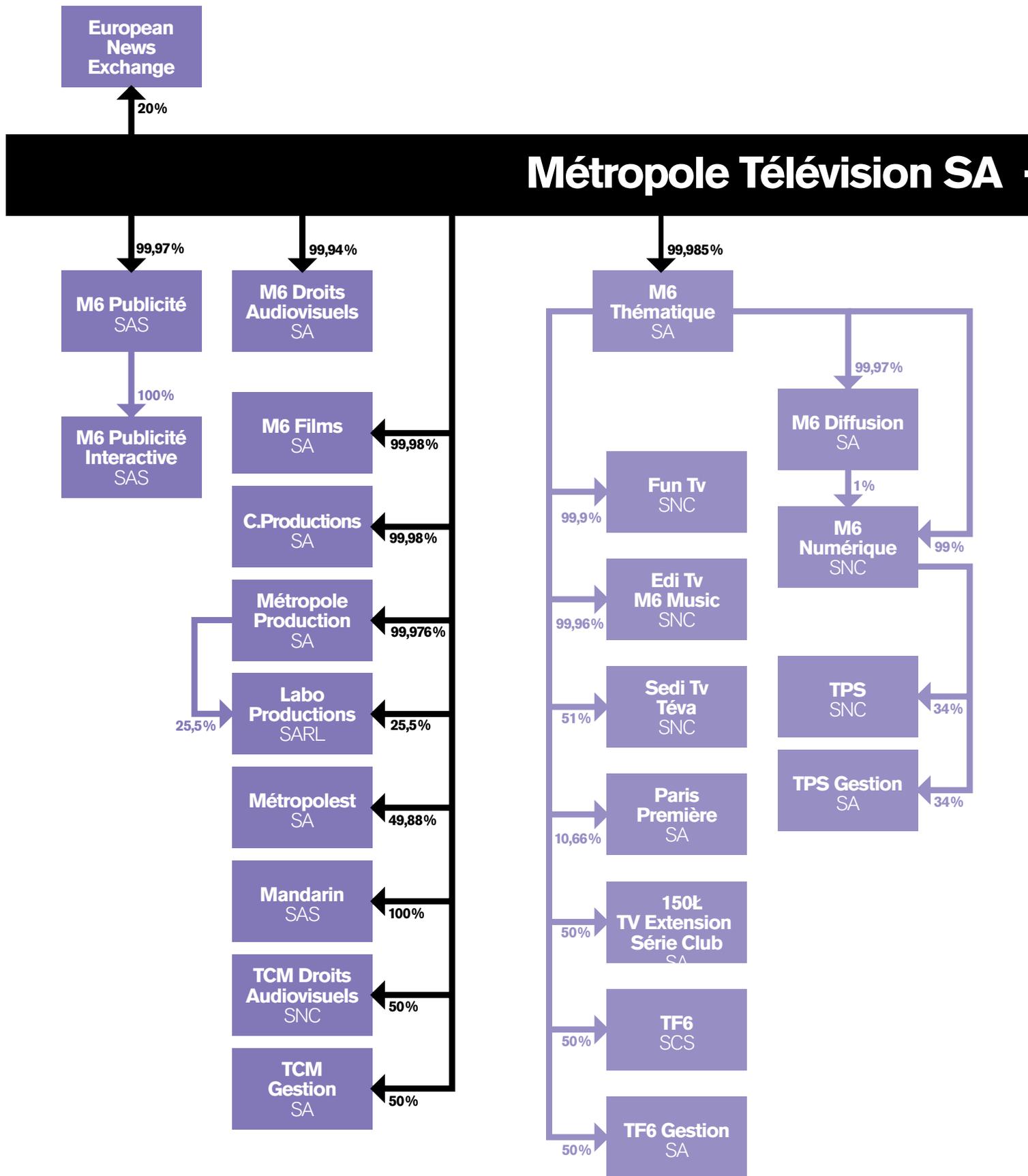


Financial report
Annual report 2002 financial year



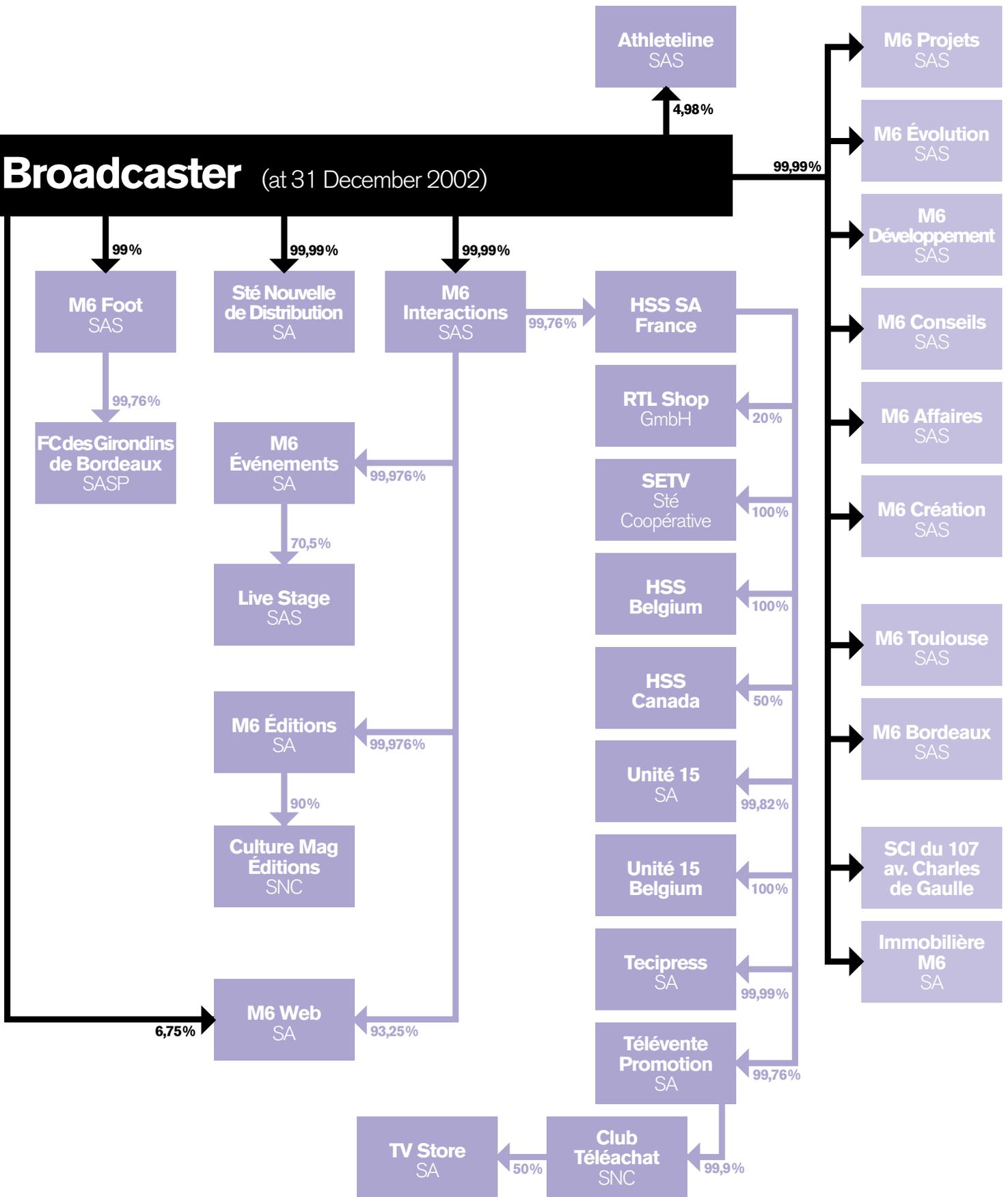
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Advertising	Production Rights negotiation	Specialty Channels Satellite TV
Terrestrial free TV		Digital pay TV

Broadcaster (at 31 December 2002)



Football	Publishing- Record-Events Video & Film Distribution	Home Shopping Network	Other
Brand diversification			Local Stations
			Property

Supervisory board

Chairman	Jean Drucker
Vice-Chairman	Albert Frère
	Valérie Bernis
	Axel Ganz
	François Jaclot
	Jean-Charles de Keyser
	Xavier Moreno
	Remy Sautter
	Yves-Thibault de Silguy
	Gérard Worms
	Gerhard Zeiler

Management board

Chairman and Chief Executive Officer	Nicolas de Tavernost
Vice-Chairman and Programming Executive Director	Thomas Valentin
Chief Financial Officer	Laurent Agrech
Business Development Executive Director	Jean d'Arthuys
Advertising Executive Director	Catherine Lenoble

Deputy CEO and Director General	Michel Rey
Chief Technology Officer and Logistics Director	Marc Roussel
Human Resources and Organisation Director	Delphine Cazaux
Legal Affairs Director	Sylvie Courbarien
Communications Director	Michèle Lourdelle
Controller of Programming	Nicolas Coppermann
Deputy Director of Programming - TV Magazines and Documentaries	Mike Le Bas
Deputy Director of Programming - General Programming	Nathalie Drouaire
News and News Magazines Director	Philippe Labi
Director of Broadcasting	Alain Chartiez
Deputy Director of Children's' and Youth Programming	Natalie Altmann
Deputy Director of Entertainment Programming	Yann Goazempis
Art Director	Ariane Gautier

M6 Publicité	Catherine Lenoble
M6 Interactions	Régis Ravanans
M6 Événements	François Vincent
Société Nouvelle de Distribution	Thierry Desmichelle
Home Shopping Service	Jérôme Dillard
FC Girondins de Bordeaux	Jean-Louis Triaud – Alain Deveseleer
Métropole Production – M6 Films	Nicolas Coppermann
M6 Droits Audiovisuels	Bernard Majani
C.Productions	Philippe Labi
M6 Thématique	Jean d'Arthuys
TF6 – Série Club	Fabrice Bailly / Frédéric de Vincelles
M6 Web	Xavier Spender
W9 Productions	Alexis de Gemini

Management report

Executive summary

Despite less than favourable market conditions, M6 (Métropole Télévision) Group pursued its development in 2002 through its Brand Diversification operations, while continuing its investments in programming and in Digital Pay TV operations, increasing its investment interest in TPS to 34% from 25%.

M6 Group's Terrestrial Free TV operations, following a record performance in 2001, consolidated its popularity with viewers in 2002, reflected in its ranking as France's second most watched television network for the under 50's households for a second consecutive year, with a market share of 19.1%, as well as for the under 35's general public for a sixth consecutive year, with a market share of 21.3% (source: Mediamétrie).

In 2002, the two second-season reality TV shows Loft Story and Popstars once again enjoyed great success with audiences. Complementing its existing programming offer (Capital, Zone Interdite, E=M6, Turbo and Ca me révolte), M6's programming was further enriched, with successful new shows including QI Le grand test, Mémoire le grand test, Opération séduction, Absolutement 80, Céline Dion à tout prix and Sexualité si on en parlait and the new newsmagazine Secrets d'actualité.

Finally, 2002 was also the year that confirmed the success of entertainment and music programmes (Graines de star, Camera Café, Fan de and le Hit Machine) and French drama on M6, notably with the success of the TV movie Les p'tits Lucas from the Carnets d'ado collection.

M6 Group's share of the French advertising revenues market stabilised at 22.8%. Advertising revenues increased by 1% to €556.6 million from €551.0 million.

M6 Group's Brand Diversification operations, which essentially comprise the activities of M6 Interactions (music, video, publications and events), M6 Web and home shopping, enjoyed significant growth in 2002, with sales up 16.6% on constant Group structure basis⁽¹⁾.

M6 Group's Digital Pay TV operations significantly reduced their adverse impact on Group results, with TPS cutting its net loss dramatically from € (99.3) million to € (36.8) million, while the specialty channels reported a marginal net loss of € (0.8) million.

M6 Group sales increased to €948.5 million in 2002, representing a 12.2% increase and an 8% increase on a constant Group structure basis⁽¹⁾ over the previous year. Group net profit marginally declined by (3.8)% to €111.8 million.

Proforma Group operating profit⁽¹⁾ improved by 3% and proforma Group net profit improved by 10% (2001 Group results incorporated a pre-tax capital gain of €21.9 million, arising from the disposal of Série Club).

⁽¹⁾ On the basis of a 34% proportional consolidation of TPS for both 2001 and 2002

1. 2002 Group operating results

Sales and profitability figures appearing in sections 1.1 to 1.4 relate to individual company sales and profit before tax and employee profit sharing plan contributions. The contribution of subsidiaries to Group sales and profitability is presented in section 2.

1.1 Terrestrial free TV operations

M6 Publicité (SAS)

The M6 Publicité advertising sales agency sources, produces and commercialises advertisements and sponsorships broadcast over the network on behalf of the Métropole Télévision Group and other external media. M6 manages the advertising activity of the Group's 14 specialty channels.

In a less than dynamic advertising market, successful TV shows including QI, Loft Story, Opération Séduction and Popstars 2 enabled M6 to maintain its market share at 22.8%⁽¹⁾, despite a difficult first quarter. M6 Publicité net advertising sales revenues increased to € 556.6 million from € 551 million for 2001, with the company reporting a net profit of € 31.3 million.

Net advertising sales performance varied widely in 2002, with Services and Telecommunications advertising sales down 18%⁽¹⁾ and 11%⁽¹⁾ respectively while Publications, Health and Beauty and Maintenance advertising sales were up 24%⁽¹⁾, 17%⁽¹⁾ and 16%⁽¹⁾ respectively.

The commercialisation of cable TV and satellite TV channels was affected by a contraction of the advertising market, requests by advertisers for a contact cost identical to that of free TV channels, and a major rate revision.

M6 Publicité Interactive, which was created in January 2001 to serve the Group's Web sites, will be shutdown in 2003 pursuant to the reorganisation of M6 Web as discussed in section 1.2.

M6 Droits Audiovisuels (SA)

This company markets and sells a portfolio of broadcast rights complemented by audiovisual programming co-produced by the M6 network, for which it has secured the distribution mandate.

The international distribution operation continued to develop during 2002 and new contracts were signed, particularly for TV series. Sales of feature films co-produced by M6 Films continued. The company's net loss, which incorporates the sale of M6 Group broadcast rights, improved to € (4.5) million from € (10.6) million for 2001.

⁽¹⁾ Source: Secodip

Métropole Production (SA)

This company is responsible for the production of French language music and other audiovisual programmes, shows and magazines for the M6 network.

Its production activity was stable during 2002. Métropole Production produced the following successful TV magazines: Zone Interdite, Turbo, Fan de, Grand écran and M6 Kid. Métropole Production also produced M6's 15th Anniversary evening show, Le grand zapping, which was broadcast in March 2002. Since September 2002, the company has produced the magazine E comme Envi for the Home Shopping Service.

Company sales revenues increased to € 22.3 million from € 22.2 million for 2001, almost entirely generated from services rendered to other Métropole Télévision group companies. The company had a net profit of € 0.1 million.

Labo Productions (SARL)

This company is responsible for the production of the Fréquentstar show, including for 2002, the production of the Fréquentstar 10th Anniversary edition.

Company sales revenues decreased to € 0.2 million from € 1.0 million for 2001, with the company breaking even in terms of overall net profit.

C. Productions (SA)

In 2002, C. Productions continued its regular production of successful magazines for major customers, M6 and the Group's specialty channels.

Company sales revenues increased to € 14.1 million from € 11.8 million for 2001, with the company reporting a net loss of € (44.7).

M6 Films (SA)

M6 Films is a co-producer of French and European movie theatre films, for which it also manages the pre-purchasing of rights enabling their broadcast on the M6 TV network. This subsidiary, whose activities reflect the network's investment obligations towards the production of French and European films, committed, together with Métropole Télévision, € 15.5 million toward this activity in 2002, a 9.15% increase on its 2001 financial year commitment. Production obligations as a percentage of advertising sales revenues increased to 3.2% from 3% for 2001.

This company invested in 10 new French films during 2002, including Riders, which had a box-office audience of 760,000, as well as 7 first and second films, including Monique (450,000) and Mon idole (600,000), which continues to be shown in movie theatres since its release on 18 December 2002.

9 M6 Films co-productions were broadcast on M6, confirming the increasing importance of M6's movie theatre subsidiary's co-produced films as a supply source for the network. 3 films distinguished themselves by achieving household viewing audience levels in excess of 20%: La Vérité si je mens, Harry un ami qui vous veut du bien and Mauvaises fréquentations.

Management report

The company had an operating loss of € 4 million, but achieved a net profit of € 14.6 million, as a result of € 19.5 million in exceptional income arising from the waiver of a € 19.5 million receivable owed to Métropole Télévision, to which the latter had consented. M6 Films has as its mission to become involved in progressively more ambitious French films, and will continue to support young talent and first films.

TCM Droits Audiovisuels (SNC)

On 2 October 2002, SUEZ Group sold its ownership interest in TCM to TF1, with the latter agreeing to sell an 8.75% stake in this partnership to M6 for € 1.7 million (partnership share and pro rata share of partners' current accounts). Following this investment, TCM was jointly owned on a 50/50 basis by M6 and TF1. Despite a 30% drop in sale revenues to € 16 million from € 22.8 million, the company reported a net profit of € 0.1 million for 2002.

TCM Gestion (SA)

This company, which acts as TCM Droits Audiovisuels's management company, is jointly owned on a 50/50 basis by M6 and TF1 since 2 October 2002. The company achieved breakeven in 2002.

Immobilière M6 (SA)

The Immobilière M6 company owns the M6 television centre, occupying a surface area of 10,000 m², whose space it leases to the various companies of the M6 Group. All space leasing and sub-leasing agreements provide for transparent billings, under normal conditions, to each tenant, of rent and related charges, based on their allocated area of space. The company realised a net profit of € 0.6 million in 2002.

SCI du 107 avenue Charles de Gaulle

This M6 subsidiary owns two buildings acquired in January 1999, occupying a total surface area of 2,650 m², which it leases to the Group's subsidiaries. All space leasing and sub-leasing agreements provide for transparent billings, under normal conditions, to each tenant, of rent and related charges, based on their allocated area of space. The company realised a net profit of € 0.1 million in 2002.

European News Exchange (ENEX)

This company exchanges news images and reports between commercial television networks in Europe and worldwide. ENEX had 28 members at 31 December 2002. The company realised sales of € 5 million in 2002.

1.2 Brand diversification operations

M6 Interactions (SAS)

M6 Interactions, a subsidiary dedicated to the exploitation of brand opportunities, enjoyed significant growth during 2002. Company sales revenues increased by 43.9% to € 145.9 million from € 101.4 million for 2001. The company realised a net profit of € 14.7 million.

Publications Division

2002 was an exceptional year in terms of both sales and profitability for this company, following the significant successes of the encyclopaedia collections (E=M6, Belmondo), the continuation of the strategy of releasing high-potential films and cartoons simultaneously on VHS/DVD, and the diversity of multimedia products. 2003 activities should remain sustained, particularly with the pursuit of theme collections development.

Records Division

With increased record sales of 12.6 million from 11.3 million for 2001, M6 Interactions has significantly surpassed its record sales objectives. The Division's choice of recording artists during the last quarter of 2001 and throughout 2002 has proven to be profitable: the following 7 artists have released records through, or in partnership with, M6 Interactions that have risen to number 1 in the French music charts⁽¹⁾: L5, Bratisla Boys, Marlène & Phil Barney, Félicien, Lorie, Las Ketchup and Whatfour).

The creation of a Special Marketing Division has enabled M6 Interactions to multiply its launches of albums and to optimise the exploitation of its song catalogues. Hence, despite an overall drop in the number of albums in France in 2002, M6 Interactions sales actually increased by 50%.

2003 offers rich development prospects, notably with the releases of Leslie and Jay.

Audiovisual rights Division

2002 was also marked by the success of videographs, whose sales nearly doubled on 2001, and by a drop in television receipts.

Licensing Division

The development of these activities were driven in 2002 by the licensing successes of Yu Gi Oh!, Popstars and Loft Story.

Societe Nouvelle de Distribution (SA)

SND, a subsidiary that specialises in the distribution of films to movie theatres, released 14 films in 2002 with a cumulative box office audience of 2.5 million, compared with 15 film releases in 2001. Despite this stability, arising from the postponement to 2003 of releases initially scheduled for 2002, including the long awaited Gangs of New York by Martin Scorsese, SND rose to the rank of 10th leading distributor in France from its 12th place ranging in 2001.

SND sales increased to € 15 million from € 11.5 million for 2001, with the company achieving breakeven in 2002.

⁽¹⁾ Source IFOP

SND has refined its acquisition policy. For 2003, it plans to distribute more commercially viable films, setting a cumulative box office audience target of 6.5 million for only 10 new releases, and to accentuate its involvement in the development of mass-market French films. In parallel, with this market evolving into an ever-increasing concentration of box-office audience receipts from a small number of films, the promotion of films, very much upstream, is a key focus of SND's commercial strategy.

M6 Éditions (SA)

In 2002, this subsidiary, which manages the publication of the Group's print magazines, reaffirmed the leadership position of Fan 2 in the youth magazine market⁽³⁾, with an average increase in circulation of 20,000, rising from 180,000 copies per edition in 2001 to more than 200,000 for 2002.

Company sales increased to € 8.2 million from € 6.6 million for 2001, with the company realising a net profit of € 1.7 million for 2002. M6 Éditions extended its print publication activities, with the release of *Caméra Café* in bookstores on 23 January 2003.

M6 Événements (SA)

M6 Événements, a subsidiary specialising in the staging of shows and in their events communications, continued its development in 2002. While pursuing its staging of private functions (seminars, company meetings, etc.), M6 Événements has capitalised on its experience with *Les 10 Commandements*, to develop its show co-production activity (*Le Petit Prince*, *Emilie Jolie*, *Arrête de pleurer Pénélope*, etc.) and to organise with notable success the L5 tour.

Sales increased to € 5.1 million from € 3.1 million in 2001, with 2002 net profit amounting to € 0.9 million.

In 2003, Live Stage SAS, a 70.5% M6 Événements subsidiary established in September 2002, produced the musical comedy *Autant en emporte le vent*.

Home Shopping Service (SA)

2002 was marked by a very significant improvement in its home shopping operator activities for broadcasters and continued significant investments in France as well as Germany, where HSS has a 20% stake in RTL Shop.

Company gross sales revenue (excluding RTL Shop) increased by 11.4% to € 89.7 million from € 80.5 million for 2001. Company net profit (excluding RTL Shop) increased by 35% to € 4.5 million, as a result of improved profit margins and control of logistics costs. M6 boutique sales increased by 10.6%, reflecting the success of its new products and show broadcasts.

RTL Shop achieved its objectives, with a decrease in net loss to € (15.6) million from € (22.4) million for 2001.

⁽³⁾ Source : OJD

The Belgian subsidiary, which manages the home shopping programming broadcast on RTL-TVI, enjoyed a 4% increase in sales revenue in relation to 2001.

For 2003, HSS's major plans include its disengagement from the Canadian market, the launch of a programme on RTL4 and Yorin in the Netherlands and the continued development of its operations in Germany, featuring a significant reduction in its losses and the development of the CTA channel with 8 hours of live broadcast daily.

Club Téléachat (SNC)

This Home Shopping Service subsidiary, which was founded in April 1998, and has been broadcasting since May 1998, produces the 24-hour home shopping channel broadcast by TPS and on cable TV, and which Canal Satellite has carried since March 2000. This channel is also broadcast live on the Web.

Company sales for 2002 increased by 10.5% to € 11.6 million.

M6 Web (SA)

M6 Web, an interactive subsidiary, was established in January 2000, and achieved operating breakeven in 2002, with sales increasing to € 15.1 million from € 10.2 million for 2001. The company had a 2002 net loss of € (4) million.

This performance reflects the reorientations implemented during 2002: the strengthening of Group synergies, repositioning of Web sites, development of new activities and cost control. M6 Web is now organised around 5 business activities, Internet, telematics, mobile telephony, interactive TV and exploitation of electronic licences.

www.m6.fr, which is France's second most popular audiovisual web site, thanks in part to its broadcasting of M6 network's star programmes, recorded a monthly average of nearly one million visits from different web surfers during 2002. Furthermore, www.turbo.fr consolidated its position as France's leading automobile magazine web set. In a stable market, advertising revenues increased by 60%.

2002 was also marked by the success of audiotel, whose development was based around the major events of the TV network, the launch of the interactive programmes *Star 6* and *Tubissimo*, which generated 15 million calls, and the launch of mobile telephony, with the implementation of the Premium SMS service. M6 Web is one of the leading SMS premium services operators, with more than 10 million paid Premium SMS messages.

2003 offers particularly rich opportunities for M6 Web in a favourable environment characterised notably by the accelerated penetration of the Internet in France and the development and diversification of mobile telephony.

M6 Foot (SAS)

Established in June 1999, this Métropole Télévision 99% owned subsidiary (since December 2001) holds and manages the Group's 99.76% ownership interest in the French Premier League Football Club, FC Girondins de Bordeaux. This company achieved breakeven in 2002.

Management report

Football Club des Girondins de Bordeaux (SASP)

Following its victory in the French League Cup on 20 April 2002, the FC Girondins de Bordeaux qualified for a 5th consecutive year for the a European Cup in 2002/2003. For the 2001-2002 season, the club finished 6th in the French Premier League.

This company achieved a net loss of € 5.8 million and an operating profit (excluding transfer fees) of € 1.1 million on operating revenues of € 51.9 million. It has been consolidated since 1 July 2001.

1.3 Digital pay tv operations

TV Programme Production Subsidiaries

M6 Thématique (SA)

This company holds, through SNC M6 Numérique, a 34% ownership interest in TPS. M6 Thématique coordinates the M6 Group operations concerning the broadcast of specialty channels on cable and satellite. It realised a net loss of € 0.4 million in 2002.

TF6 (SCS) (50 % M6)

This jointly owned subsidiary with TF1 had 1.6 million subscribers at 31 December 2002, reflecting the extension of its distribution network.

In addition, this channel was selected by the CSA to be part of the future Terrestrial Digital TV service, whose launch is expected at the end of 2004.

Audience surveys conducted by Mediacabsat in March and July 2002 confirmed the powerful growth of this channel: the most popular TV channel on TPS (other than terrestrial free TV channels) for TPS key commercial target audiences and all viewers receiving this service; 5th most popular channel for 4 year old plus viewers among all the satellite TV and cable TV channels in France.

Regarding programming, TF6 continues to realise significant investments in order to offer a truly generalist format, including a rich and varied offering of recently released movies and new and innovative entertainment programmes, such as Bandes à part and Menteur.

For 2002, the company incurred a net loss of € 5.8 million on sales revenues of € 11 million, compared with a net loss of € 10.6 million on sales revenues of € 10.3 million in 2001.

Série Club - Extension TV (SA) (50% M6-owned)

This subsidiary, jointly owned with TF1, had 2.05 million subscribers at 31 December 2002.

The increase in TPS subscriber numbers just offset the reduction in cable TV subscribers, reflecting the trend away from analogue TV, where the channel is carried, to digital TV with options.

Audience surveys conducted by Mediacabsat in March and July 2002 confirmed the good performance of this channel, which remains one of the ten most watched cable and satellite TV channels, and whose key commercial target audience levels have significantly increased.

The company realised a net profit of € 1.1 million on sales of € 8.6 million in 2002, compared with a net profit of € 3.1 million on sales of € 12.2 million in 2001.

Teva - Sedi TV (SNC) (51% M6-owned)

The distribution network for this channel was extended in September 2002 with its broadcast on the Canal Satellite service. With 3.6 million subscribers at December 2002, Téva has become one of the most viewed cable and satellite TV channels, thanks to its production and programming choices.

The channel continues to progress in all audience groups, and is ranked as one of the five most watched channels by women under 50 years old⁽¹⁾, excluding movie and children's channels.

Despite a contraction in sales to € 7.3 million from € 11 million in 2001, as a result of a lacklustre advertising market and the renegotiation of major distribution contracts, the company was able to reduce its net loss to € 1.3 million.

Téva, the generalist channel for women, has as its mission to become one of the leading channels available on cable and satellite TV.

Fun TV (SNC)

Fun TV, the preferred channel for youths and young adults aged between 11 and 25, is now received by almost 1.3 million household subscribers either through cable TV or TPS.

During 2002, the company pursued the development of its concept of a live, youth generation, interactive entertainment channel, by adding six new programmes to its line-up.

Fun TV sales decreased to € 6.6 million from € 7.7 million, despite a significant increase in advertising revenues that was not enough to offset a decrease arising from the renegotiation of contracts with distributors.

The company incurred a net loss of € 0.4 million in 2002.

M6 Music - Édi TV (SNC)

M6 Music confirms its position of market leader, thanks to a competitive line-up that is unique in the world of specialty channels, and good control of operating costs. At 31 December 2002, M6 Music had 1.45 million household subscribers via digital cable networks and TPS.

Company sales revenues increased by 48.6% to € 5.2 million from € 3.5 million for 2001. 77% of company sales revenues were derived from subscription fees, 20% from advertising revenues and 3% from miscellaneous sources. Net profit jumped to € 2.4 million from € 0.4 million for 2001.

Paris Première (SA)

At 31 December 2002, M6 had a 10.7% ownership interest in the Paris Première channel, which is received by some 5.2 million subscribers, including 200,000 internationally.

Company sales increased by 7% to € 34.7 million.

This company is not consolidated in the Group's financial statements.

Satellite TV Subsidiaries

M6 Numérique (SNC)

Owned by M6 Thématique, M6 Numérique holds the Group's two digital satellite TV operations investments: TPS (SNC) and TPS Gestion (SA), which manages TPS (SNC) and ensures its development.

TPS (SNC)

On 2 October 2002, SUEZ Group sold its ownership interest in TPS to TF1, with the latter agreeing to sell a 9% stake in its TPS holding to M6 for € 54.5 million (partnership share and pro rata share of partners' current accounts). Following this investment, TPS was 34% owned by M6 and 66% owned by TF1.

At 31 December 2002, TPS had 1.4 million active subscribers, including 1.2 million direct reception subscribers and 200,000 subscribers to the TPS Cinéma channels through cable TV networks. In 2002, TPS added the following channels to its service: ESPN Classic Sport, Gourmet TV, Motors TV, Sailing Channel, Teletoon +1 and KTO télévision catholique, as well as reality TV channels broadcasting the second season of Loft Story and Star Academy. TPS has perpetuated, optimised, enriched and extended its offering of interactive services that are available on channel 0 (TPS Interactif portal). TPS Interactif records some 25.1 million monthly visits to its services.

With the launch, on 29 April 2002, for the first time in France, in association with SAGEM, of Platinum TPS, a 3rd generation digital terminal, TPS confirms its reputation as a provider of leading edge technology services.

TPS Group sales amounted to € 500.4 million, an increase of 9.4% on 2001 results.

TPS Group incurred a net loss of € 36.8 million.

TPS Group is accounted for under the proportional consolidation method since 1 October 2002, having been accounted for under the equity method previously.

TPS Gestion (SA)

This company acts as the management company of TPS. As from 2 October 2002, this company is 34% owned by M6 and 66% owned by TF1. It achieved breakeven profitability in 2002.

1.4 Significant post-balance sheet events

The Suez Group has informed the Management Board of its intention to sell its holdings in the M6 Group.

Regarding TPS:

- Awarding of broadcast rights for French Premier League games: court proceedings are in progress following the call for bids by the French Premier League on 12 November 2002.

- In February 2003, TPS concluded a multi-year contract with Warner Studios concerning pay TV and pay-per-view rights. Pursuant to the terms of this contract, TPS acquired the exclusive pay TV broadcast rights in France for new films, TV series and cartoons produced by this studio, for transmission on TPS' movie channels, including the TPS STAR premium channel.

No events have occurred since 1 January 2003 that would have a significant impact on the Group's sales or profitability.

2. 2002 Group Financial Results

Group sales increased by 12.2% to € 948.5 million from € 845.3 million for 2001. On a constant group structure basis (accounting for M6 Group's investment in TPS on a 34% proportional consolidation basis since 1 January 2001), Group sales increased by 8.1% to € 1,071.3 million.

Included in Group sales revenues is advertising revenues, which enjoyed a 1% increase to € 556.6 million, despite a drop in the overall TV advertising revenues market.

Subsidiaries sales amounted to € 389 million, accounting for 41% of Group sales, compared to 34.4% for 2001.

Analysis of Group sales by business segment and by company

(€ millions)	2002	2001	Change
Métropole Télévision (Parent Company)	559.5	554.3	0.9%
M6 Droits Audiovisuels	4.0	5.9	(32.2)%
M6 Publicité	3.2	3.5	(8.6)%
Métropole Production	2.8	3.3	(15.2)%
M6 Films	2.4	1.0	N/A
C.Productions	0.1	0.3	(66.7)%
TCM	6.1	8.3	(26.5)%
Immobilière M6	0.0	0.1	N/A
Total Terrestrial Free TV - Subsidiaries	18.6	22.4	(17.0)%
Total Terrestrial Free TV - Group	578.1	576.7	0.2%
M6 Interactions	135.2	90.4	49.6%
HSS	88.9	80.1	11.0%
FC Girondins de Bordeaux	47.0	38.9	20.8%
SND	5.7	7.6	(25.0)%
M6 Éditions	8.1	6.4	26.6%
M6 Événements	3.6	2.0	80.0%
Culture Mag Éditions	0.1	0.9	(88.9)%
M6 Web	13.7	9.6	42.7%
Total Brand Diversification	302.3	235.9	28.1%
Sedi TV Teva	6.9	10.8	(36.1)%
Fun TV	3.9	6.8	(42.6)%
Extension TV Série Club	4.5	6.5	(30.8)%
TF6	5.2	5.1	2.0%
Édi TV M6 Music	4.8	3.4	41.2%
M6 Thématique	0.0	0.1	N/A
TPS	42.8	0.0	N/A
Total Digital Pay TV	68.1	32.7	108.3%
Total - Subsidiaries	389.0	291.0	33.7%
Total - Métropole Télévision (Parent Company)	559.5	554.3	0.9%
Total - Group	948.5	845.3	12.2%

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Analysis of Group net profit by business segment and by company

(€ millions)	2002	2001	Change
Métropole Télévision (Parent Company)	108.3	115.5	(6.2)%
M6 Publicité	20.0	23.2	(13.8)%
Subtotal - M6 TV network	128.3	138.7	(7.5)%
M6 Droits Audiovisuels	(7.1)	(7.8)	9.0%
Métropole Production	(0.2)	(0.2)	-
C.Productions	(0.2)	(0.2)	-
M6 Films	(4.1)	(2.1)	-
TCM	0.2	(0.3)	-
Immobilière M6	0.4	0.2	-
SCI du 107	0.1	(0.2)	-
Total Terrestrial Free TV - Subsidiaries	(10.9)	(10.6)	(2.8)%
Total Terrestrial Free TV - Group	117.4	128.1	(8.4)%
M6 Interactions	8.0	4.7	70.2%
M6 Éditions	1.1	1.0	10.0%
M6 Événements	0.5	0.4	25.0%
Culture Mag Éditions	0.0	(0.3)	-
HSS	3.5	1.9	84.2%
SND	0.0	0.3	-
RTL Shop	(2.3)	(3.4)	32.4%
FC Girondins de Bordeaux	(4.6)	4.0	-
M6 Web ⁽¹⁾	0.2	(9.0)	-
Ticketnet	-	(2.0)	-
Goodwill HSS / U15 / CULTURE MAG / M6 FOOT	(1.2)	(1.0)	-
Goodwill TICKETNET	-	(1.6)	-
Total Brand Diversification	5.2	(5.0)	-
M6 Thématiques ⁽²⁾	0.1	15.5	-
Extension TV Série Club	0.3	1.0	(70.0)%
Sedi TV Teva (51% owned)	(0.5)	(0.6)	16.7%
Édi TV M6 Music	1.6	0.3	-
Fun TV	(0.4)	0.3	-
TF6	(1.9)	(3.4)	44.1%
M6 Numérique	(1.6)	(1.8)	11.1%
TPS	(6.4)	(15.8)	59,5%
Goodwill TPS / TCM / FunTV	(2.0)	(2.4)	-
Total Digital Pay TV	(10.8)	(6.9)	(56.5)%
Total - Subsidiaries	3.5	0.7	-
Total - Métropole Télévision (Parent Company)	108.3	115.5	(6.2)%
Total - Group	111.8	116.2	(3.8)%

⁽¹⁾ Including capital gain arising from the disposal of Ticketnet

⁽²⁾ Including for 2001 the capital gain arising from the disposal of a 50% stake in Série-Club

Analysis of 2002 Group results by nature of revenues and expenses

(€ millions)	2002	2001	%	2002 proforma	2001 proforma	%
M6 TV network advertising revenues	569.5	559.4	1.7%	569.5	559.4	1.7%
M6 Group advertising revenues	556.6	551.0	1.0%	556.6	551.0	1.0%
Production costs	(47.0)	(46.2)		(47.0)	(46.2)	
Taxes and royalties	(57.4)	(57.3)		(57.4)	(57.3)	
Broadcast	(34.1)	(34.0)		(34.1)	(34.0)	
Broadcast net income	431.0	421.9	2.0%	431.0	421.9	2.0%
Prog. scheduling	(222.7)	(205.9)	8.1%	(222.7)	(205.9)	8.1%
Gross profit	208.3	215.9		208.3	215.9	
M6 operating profit	168.2	178.8		168.2	178.8	
Terrestrial Free TV other revenues	21.5	26.0		21.5	26.0	
Terrestrial Free TV other activities operating profit	19.1	34.4		19.1	34.4	
Terrestrial free TV operating profit	187.4	213.2	(12.1)%	187.4	213.2	(12.1)%
Brand Diversification revenues	302.3	235.8		302.3	235.8	
Brand diversification operating profit	13.9	4.6	200.9%	13.9	4.6	200.9%
TPS revenues	42.8	0.0		165.6	145.8	
Specialty channels revenues	25.3	32.6		25.3	32.6	
TPS operating loss	(5.5)	0.0		(7.8)	(28.1)	
Specialty channels operating loss	(2.8)	(4.6)		(2.8)	(4.6)	
Digital pay TV operating loss	(8.2)	(4.6)	(77.7)%	(10.6)	(32.7)	67.6%
M6 Group operating profit (EBIT)	193.1	213.2	(9.4)%	190.7	185.1	3.0%
%sales	20%	25%		18%	19%	
EBITDA (operating profit excl.amortisation/ depreciation/provision charges)	273.9	303.1	(9.7)%	291.0	304.2	
%sales	28%	35%		27%	31%	
Net financial results	1.0	7.2		(2.8)	(8.1)	
Profit from ordinary act.	194.0	220.4		187.9	177.1	
Net exceptional results	(14.9)	0.4		(15.0)	(0.2)	
Acquisition goodwill amortisation	(3.3)	(5.1)		(2.1)	(4.5)	
Share of associates results	(6.9)	(30.0)		(2.3)	(5.3)	
Profit before tax	169.0	185.7	(9.0)%	168.4	167.0	0.9%
%sales	18%	22%		16%	17%	
Tax	(58.2)	(70.4)		(58.3)	(67.0)	
Profit before MI	110.8	115.2	(3.9)%	110.1	99.9	10.1%
%sales	12%	14%		10%	10%	
Minority Interest (MI)	1.0	0.9		1.0	0.9	
Net profit (including S. Club disposal gain)	111.8	116.2		111.0	100.9	
Net profit (excluding S. club disposal gain)	111.8	98.3	13.7%	111.0	83.0	33.8%

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Explanation of Concepts

Broadcast net income

This consists of advertising revenues earned by the M6 télévision network, offset by the costs of services provided by M6 Publicité, mandatory charges levied as a proportion of sales revenue, and broadcasting costs.

Programme scheduling costs

This represents the cost of purchased, produced and co-produced programme broadcasts, and include charges relating to invalid and unlikely broadcast rights.

Terrestrial Free TV - Operating profit

Comprises operating profits from M6 (calculated from gross profit and adjusted for residual operating expenses not included in programme scheduling costs) and from the C. Productions, M6 Droits Audiovisuels, M6 Films, Immobilière M6, SCI du 107, Métropole Production, M6 Publicité, M6 Publicité Interactive, M6 Toulouse, M6 Bordeaux and TCM subsidiaries.

Brand Diversification operating profit

Comprises operating profit from the M6 Interactions, M6 Éditions, M6 Événements, SND, FC Girondins de Bordeaux, HSS, M6 Web, Culture Mag Éditions, Téciexpress and M6 Foot subsidiaries.

Digital Pay TV operating loss

Includes operating profits/losses from Téva, Série Club, M6 Music, Fun TV, TF6, TPS, M6 Thématique and M6 Numérique.

Share of associates results

Comprises the Group's share of RTL Shop and TPS (until 30 September 2002) net profits/losses.

Group operating profit

Agrees to the M6 Group Consolidated Income Statement operating profit figure.

Analysis of 2002 Group Results

M6 Group operating expenses increased by 20.7% to € 796.7 million for 2001.

Employee profit sharing plan contributions amounted to € 5 million. Group operating revenues increased to € 989.8 from € 873.4 million for 2001, while Group operating profit decreased to € 193.1 million from € 213.2 million for 2001.

Net financial income decreased to € 1.0 million from € 7.2 million for 2001.

Profit before income tax decreased to € 194.1 million from € 220.4 million for 2001.

Income tax expense decreased to € 58.2 million from € 70.4 million for 2001. This comprises an actual tax liability calculated in accordance with the provisions of the tax grouping plan in the amount of € 53.5 million compared to € 72.3 million for 2001, in addition to a deferred tax charge in the amount of € 4.7 million arising primarily from non-tax deductible charges to current and exceptional provisions.

Profit before share of associates results (RTL Shop and TPS until 30 September 2002) and acquisition goodwill amortisation decreased to € 121 million from € 150.3 million for 2001.

The Group's share of equity accounted investments' net results was € (6.9) million, compared to € (30) million for 2001.

M6 Group net profit decreased by 3.8% to € 111.8 million from € 116.2 million, incorporating the minority interest share of € 1 million of subsidiary net losses arising primarily from Sedi TV-Téva and FC Girondins de Bordeaux.

3. Cash flow from operations

M6 Group generated € 232 million in cash flow from operations during 2002, similar to 2001.

4. Group equity and minority interest

M6 Group equity at 31 December 2002 amounted to € 362.1 million, an 11.4% increase on the 31 December 2001 amount of € 325 million.

Minority interest at 31 December 2002 amounted to a negative € 0.4 million, taking into account the Group share of associate companies' (Sedi TV-Téva, Culture Mag, Éditions et FC Girondins de Bordeaux) 2002 aggregate net losses of € 1 million.

5. Tax grouping plan

Métropole Télévision SA has declared itself as the parent company of a tax grouping pursuant to the provisions of Articles 223-A and subsequent of the Income Tax Code.

Métropole Télévision is solely liable for amounts due by subsidiaries in the determination of the Group's overall tax liability, pursuant to the provisions of Article 223-A of the Income Tax Code.

6. Compliance with general obligations and contract terms

M6 Group met all of its obligations during 2002 regarding its contractual undertakings and regulatory obligations.

It complied with the 40% broadcast quota for original French audiovisual programming and the 60% broadcast quota for original European audiovisual programming throughout the day as well as during prime time hours of 2 pm to 11 pm on Wednesdays and 5 pm to 11 pm on other days.

Expenditure commitments concerning audiovisual productions contracted during 2002 amounted to € 88.4 million, comprising € 79.8 million in original French audiovisual programming and € 8.6 million in other audiovisual programming.

In addition, € 15.5 million in investments were committed to the production of 10 French and European films.

In total, M6 committed itself to € 103.9 million in audiovisual programming and film production, representing 21.5% of its 2001 financial year net sales, for an obligation quota of 21.2% (18% for audiovisual programming and 3.2% for films).

The CSA will review M6's performance for 2002 towards the end of the first half of 2003.

7. Stock market performance share capital

7.1 Stock market performance

The Company's share price has enjoyed a very significant increase in value since its launch on the Paris Stock Exchange Second Market on 28 September 1994 at € 3.96 (FRF 26), taking into account the 10 for 1 share split on 15 June 2000.

The share price opened the 2002 year on 2 January at € 31.95 and closed the year on 31 December at € 20.89, achieving its highest price of € 34.17 on 7 and 11 March and its lowest price of € 19.9 on 9 October.

The company's market capitalisation at 31 December 2002 was € 2.8 billion

7.2 Buyback of Company shares

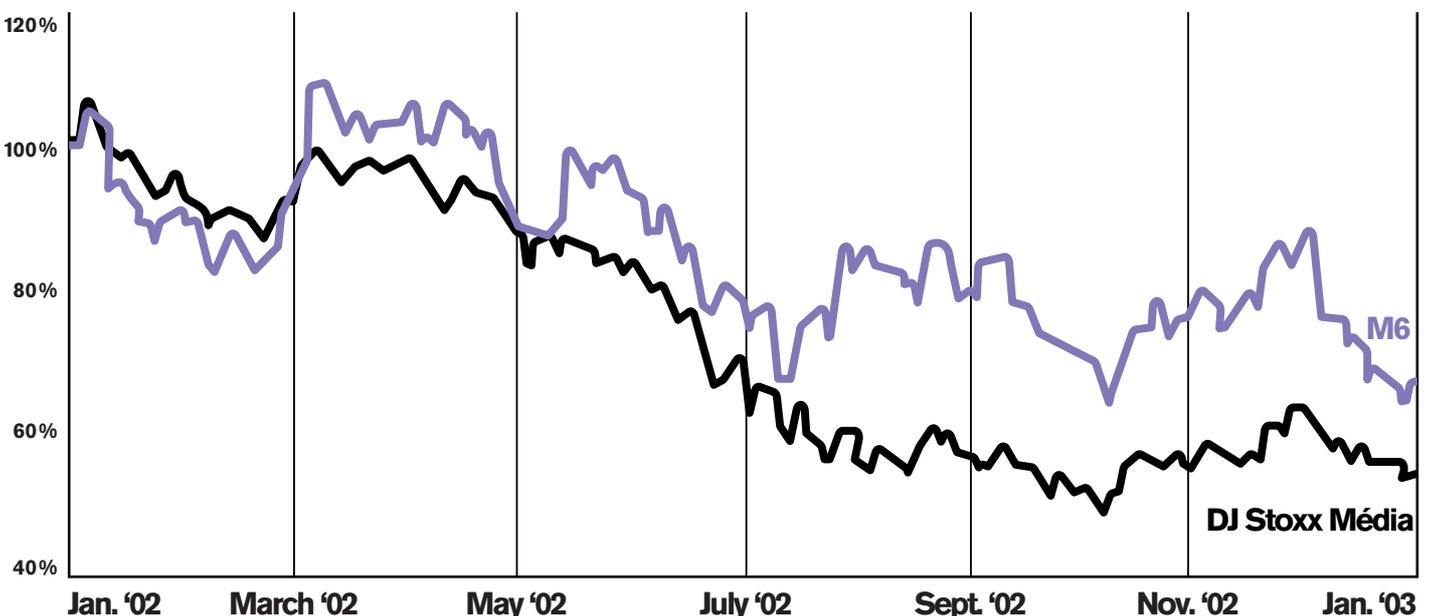
During 2002, the company did not use the authorisation to purchase its own shares, which was granted by the Combined General Meeting of 3 May 2002.

During 2002, 220,000 shares worth € 3 million were allocated to beneficiaries of the plans.

7.3 Treasury shares

At 31 December 2002, M6 Group held 1,650,002 shares in the Group's parent company, Métropole Télévision SA (1.25% of its issued shares), which were classified on its consolidated Balance Sheet as marketable securities at their acquisition cost of € 69.3 million. A provision for loss on treasury shares disposal was established, amounting to € 42.2 million at 31 December 2002, including an € 18.8 million charge for the year. The full costs of the stock option purchase plans have been provided for at 31 December 2002.

2002 M6 share price performance versus DJ Stoxx Media Index (revised base)



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7.4 Stock purchase and subscription option plans

Information on purchase and subscription option plans								
Shareholders' AGM date	5 June 1998		4 June 1999		26 May 2000			Total
Board meeting date	2 Sept.'98	4 Dec.'98	4 June'99	19 Jan.'00	30 June'00	7 June'01	7 June'02	
Option plan type	Purchase	Purchase	Purchase	Purchase	Subscription	Subscription	Subscription	
Total number of shares that may be purchased or subscribed to	705,000	745,000	600,000	175,000	349,500	551,800	710,500	3,836,800
by:								
- Board members	-	-	120,000	20,000	80,000	113,000	168,000	501,000
- 10 highest paid employees	380,000	380,000	295,000	155,000	112,400	89,000	139,500	1,550,900
Date options exercisable from	02/09/01	04/12/01	04/06/04	19/01/03	30/06/04	07/06/05	07/06/06	
Expiry date	01/09/05	03/12/05	04/06/06	18/01/07	29/06/07	06/06/08	07/06/09	
Exercise price	14,11 (€)	13,64 (€)	18,76 (€)	44,63 (€)	58,58 (€)	30,80 (€)	28,06 (€)	
Number of shares subscribed to or purchased at 31 March '03	230,000	205,000	-	-	-	-	-	435,000
Remaining unexercised subscription and purchase options	415,000	450,000	525,000	50,000	294,300	498,300	698,500	2,931,100
Options cancelled during year	-	-	55,000	125,000	53,500	50,000	12,000	295,500

The number of stock purchase options exercised to date by employees amounts to 435,000.

Management Board and Supervisory Board Members	Number of options granted /exercised	Exercise price	Expiry date	Stock Option Plan	
				26 May 2000	5 June 1998
Stock purchase and subscription options granted to Board members by the parent company and all other Group companies					
				Management Board meeting of	
Nicolas de TAVERNOST	50,000	28.06 €	7 June 2009	7 June 2002	
Thomas VALENTIN	40,000	28.06 €	7 June 2009	7 June 2002	
Laurent AGRECH	24,000	28.06 €	7 June 2009	7 June 2002	
Jean d'ARTHUYS	24,000	28.06 €	7 June 2009	7 June 2002	
Catherine LENOBLE	30,000	28.06 €	7 June 2009	7 June 2002	
Stock options exercised by Board members	20,000	13.64 €		4 December 1998	

Stock subscription options granted and exercised	Total number of options	Weighted-average price	Management Board meeting date
Options granted	139,500	28.06	7 June 2002
Options exercised	25,000	13.64	4 December 1998

7.5 Management Board and Supervisory Board members' remuneration

Name	Company	Function	Remuneration ⁽¹⁾	Attendance fees
Jean DRUCKER	Métropole Télévision	Chairman – Supervisory Board	604,621 €	4,545 €
Nicolas de TAVERNOST	Métropole Télévision	Chairman – Management Board	698,972 €	
Thomas VALENTIN	Métropole Télévision	Vice-Chairman – Management Board	457,322 €	
Laurent AGRECH	Métropole Télévision	Member – Management Board	213,201 €	
Jean d'ARTHUYS	Métropole Télévision	Member – Management Board	214,778 €	
Catherine LENOBLE	M6 Publicité	Member – Management Board	229,801 €	

⁽¹⁾ 2002 total remuneration: fixed + variable based on 2001 financial year performances

7.6 Dividends paid during the previous five financial years

(€)	2001	2000	1999*	1998	1997
Net dividend	0.570	0.510	0.41	3.28	4.57
Tax credit	0.285	0.255	0.21	1.64	2.29
Gross dividend	0.855	0.765	0.62	4.92	6.86

* After a 10 for 1 share split

7.7 Analysis of share capital ownership at 31 December 2002

RTL Group	47.50%
SUEZ	37.62%
Institutional and individual investors	13.63%
Treasury shares	1.25%

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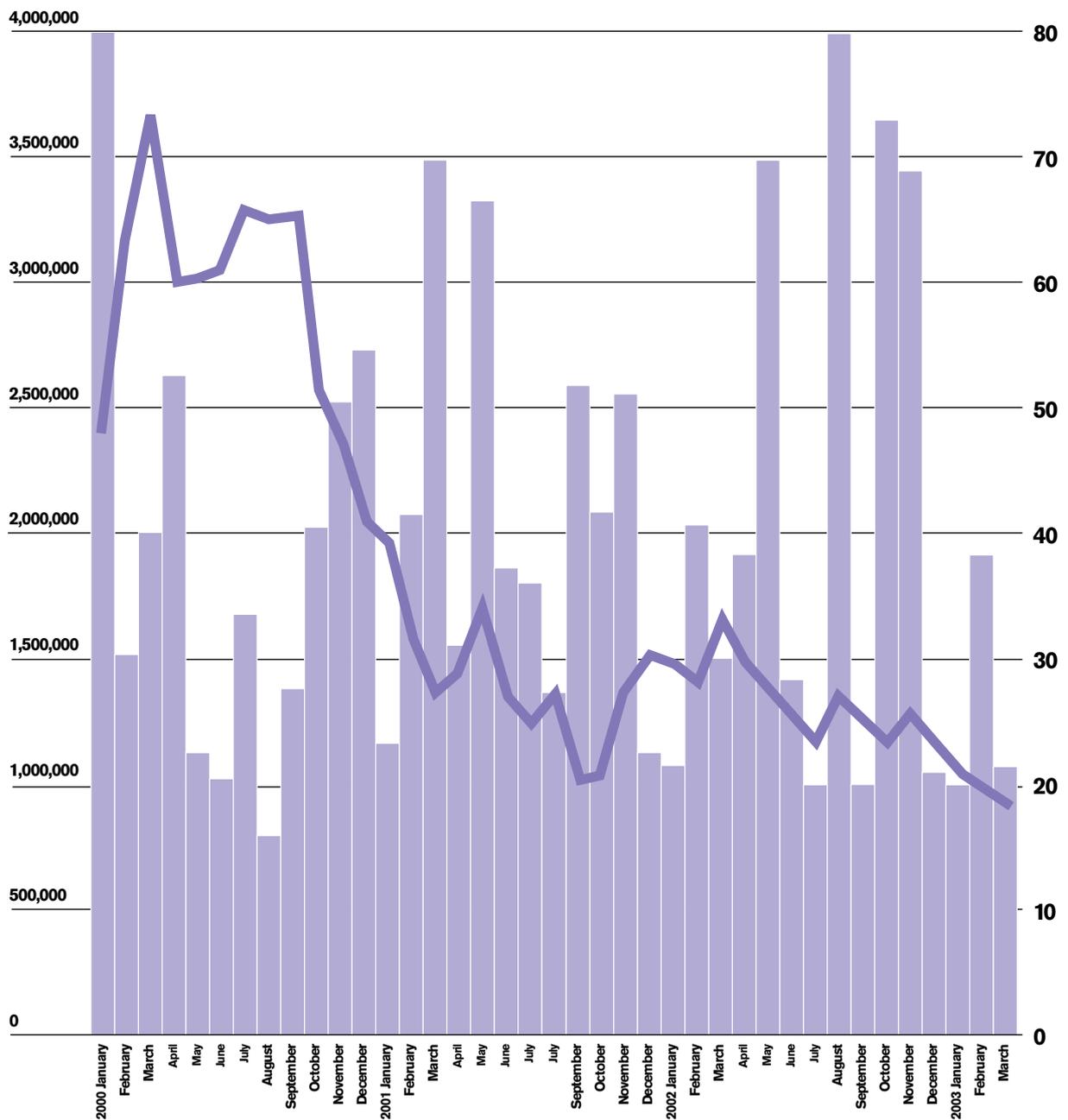
Share price performance and trading volumes (Source: SBF)

Year	Month	Number of shares traded	Average closing price (in €)	Value of shares traded (in € millions)
2000	January	3,977,000	48.76	191.3
	February	1,538,580	64.04	100.61
	March	1,989,410	73.24	145.02
	April	2,683,910	60.82	164.3
	May	1,250,090	60.95	75.9
	June	1,020,559	61.75	121.32
	July	1,670,807	66.17	113.87
	August	7,82,010	65.43	51.71
	September	1,377,919	66.16	90.58
	October	2,033,558	52.75	108.02
	November	2,526,025	47.67	120.05
	December	2,744,221	41.09	108.56
2001	January	1,154,876	39.63	45.58
	February	2,079,627	33.96	71.52
	March	3,479,945	26.83	92.98
	April	1,537,583	27.71	43.89
	May	3,304,893	32.60	109.03
	June	1,899,587	26.69	54.98
	July	1,749,190	25.26	42.65
	August	1,307,585	27.79	36.71
	September	2,614,805	19.11	48.34
	October	2,061,246	21.02	45.16
	November	2,510,503	26.70	68.39
	December	1,271,656	30.25	38.03
2002	January	1,160,731	29.46	34.29
	February	2,030,620	27.06	55.23
	March	1,448,054	32.27	47.02
	April	1,762,019	31.37	55.04
	May	3,485,800	29.20	103.68
	June	1,335,891	26.54	35.97
	July	913,659	23.41	21.29
	August	3,936,936	25.97	101.4
	September	994,951	24.29	24.38
	October	3,627,946	22.40	82.91
	November	3,378,698	24.96	86.99
	December	1,080,202	22.73	24.29
2003	January	994,730	22.09	22.27
	February	1,917,330	18.93	36.54
	March	1,298,977	17.30	21.94

Number of shares traded and average closing price have been restated from January to June 2000 to reflect the 10 for 1 share split occurring in June 2000.

Number of shares traded

Average closing price



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8. Market Management

Market Risks

■ Audiovisual and advertising market structure risks

M6 Group operates in a competitive environment in which four television networks essentially share the advertising revenues market. M6 is not dependant upon a limited number of advertising customers for its sales or a limited number of suppliers of programmes and productions for its procurements, given their multitude.

The television advertising market primarily appeals to mass-market products and services advertisers. Their significant number, the constant renewal of brands and the strong competitive environment significantly limits the risks of a possible concentration.

The advertising market is perfectly transparent, notably since the 1993 Sapin Law. The market is multi-segmented and appeals to advertisers of products and services for the end-consumer. Its evolution is largely correlated to macro-economic trends (GNP, consumption).

■ Financial Risks

Liquidity risk

M6 Group is not exposed to any liquidity risk.

Interest rate risk

M6 Group borrowings that are subject to interest rate risk at 31 December 2002 arise from the Group's proportional consolidation of its 34% stake in TPS. They are as follow:

(€ millions)	Within 1 Year	1 to 5 Years	After 5 Years	Total
Fixed rate borrowings ⁽¹⁾	2.8	7.1	-	99
Variable rate borrowings ⁽²⁾	48.0	32.6	-	80.6
Variable rate marketable securities ⁽³⁾	(6.6)	-	-	(6.6)
Net exposed borrowings before coverage	44.2	39.7	-	83.9
Interest rate coverage	(41.4)	(32.6)	-	(74.0)
Net exposed borrowings after coverage	2.8	7.1	-	9.9

⁽¹⁾ Finance leases

⁽²⁾ Bank debts

⁽³⁾ Deposit

Variable rate borrowings due within the year, which are in theory exposed to a rate hike risk, amounted to € 41.4 million, net of variable rate marketable security holdings. They are covered in full by hedging transactions (implementation of a variable rate to fixed rate swap). This risk will also be neutralised by the use of the same technique for subsequent transactions.

Fixed rate borrowings due within the year amounted to € 2.8 million. A 1 basis point rise in short-term interest rate would result in a non-significant increase in interest expense for this debt of € 0.03 million.

Foreign exchange risk

M6 Group is exposed to foreign exchange risk whenever the network or its subsidiaries transacts in currencies other than Euros. These transactions primarily concern the purchase in \$US of programmes from international suppliers.

(€ millions)	\$US	Other Currencies	Total
FOREX assets	8.6	0.2	8.8
FOREX liabilities	(32.4)		(32.4)
Net exposed FOREX position before coverage	(23.8)	0.2	(23.8)
Coverage provided by Off-Balance Sheet FOREX short term purchase contracts ⁽¹⁾	21.8		21.8
Net exposed FOREX position - after coverage	(2.0)	0.2	(1.8)

⁽¹⁾ Forward outright contract

At 31 December 2002, M6 Group had a net exposed liability position after coverage of € 1.8 million.

An unfavourable movement of € 1 cent against all currencies comprising this position would result in an aggregate foreign exchange loss of € (0.2) million.

However, short-term currency hedge contracts entered into during the first weeks of January 2003 have eliminated this risk.

Shareholders Risks

TPS: Litigation regarding the awarding of broadcast rights for the French Premier League matches

On 14 October 2002, the French Professional Football League (FPFL) launched a consultation process with television networks with a view to renegotiating the television broadcast rights concerning the broadcast of French Premier League and Division 1 matches over 3 seasons (2004-2005, 2005-2006 and 2006-2007), as well as the League Cup for the 2003 to 2006 seasons.

Under the terms of this consultation, the deadline date for submitting bids was 12 November 2002. The Canal+ Group submitted a bid for € 480 million, including an exclusive broadcast premium of € 290 million for lots 1, 2 and 3. TPS submitted a bid of € 420 million allocated over the 3 lots.

On 15 November 2002, the FPFL Board of Directors indicated its preference for the Canal+ offer.

On 14 December 2002, the FPFL Board decided to award the rights exclusively to Canal+ for € 480 million per season for lots 1, 2 and 3 in full.

On 18 November 2002, TPS Group filed a claim with the Competition Authority against the FPFL and the Canal+ and Kiosque for abuse of dominant position and requested the issuance of a protective measures injunction. In its ruling of 23 January 2003, the Competition Authority issued protective measures obliging the LFP and Canal+ Group:

- to suspend the decision to allocate the broadcast rights of French Premier League Football matches to Canal+ Group;
- to abstain from all communications that gives any impression that the decision to allocate the broadcast rights to Canal+ is final, notably for advertising and commercial purposes;
- until a final ruling by the Competition Authority is issued.

These protective measures arise from significant injury being caused to TPS, the television sector and consumers, given that:

- taking into account the behaviour of existing and prospective subscribers, the announcement of the exclusive allocation of the broadcast rights to Canal+ caused serious and immediate injury to TPS in relation to its subscription commercialisation terms, in terms of their subscription decisions,
- the exclusivity granted to Canal+ may translate in higher subscription prices, causing injury to consumers,
- the disappearance of one of the two operators will have consequences for many downstream markets and for programme providers, limiting the offer available to consumers.

Canal+ and the FPFL have appealed the Competition Authority's decision, and will plead their cases before the Paris Appeal Court on 14 February 2003. The Appeal Court has proposed to the different protagonists an amiable resolution of this litigation through legal mediation. The FPFL, Canal+ and TPS have accepted this offer of mediation, which does not in anyway prejudice TPS's claim before the Competition Authority nor the protective measures issued by the latter. A compromise is sought that will be acceptable to the Appeal Court.

The Competition Authority's ruling is expected some time during the last quarter of 2003.

Legal Risks

■ Regulatory risks

M6 operates a private terrestrial TV network, whose signals are broadcast unscrambled throughout continental France. It was initially awarded a 10-year broadcasting licence on 1 March 1987, with an expiry date of 28 February 1997, within the framework of Article 30 of the Law of 30 September 1986, that was subsequently modified pursuant to freedom of communication.

Primarily financed by advertising revenues, M6 is bound by the general obligations arising from this legal category and from the particular obligations arising from its licence agreement.

M6's initial licence was renewed in July 1996 and July 2001 for two successive 5-year terms, from 1 March 1997 and 1 January 2002, respectively.

These renewals were the object of, negotiations with the CSA, in accordance with the provisions of the Law of 30 September 1986.

The agreement of 24 July 2001, which expires on 1 January 2007, may cover a period of 5 additional years in the event M6 wishes to avail itself of its right of priority as prescribed by the modified Law of 1986, regarding the offering of a digital terrestrial TV service.

The most serious consequences regarding a possible non-adherence by M6 to its commitments concerns the renewal of its broadcasting licence. Article 28-1-1-2° of the Law of 30 September 1986 prescribes that a broadcasting licence may not be renewed, outside a call for tenders, if a sanction imposed on the broadcaster is of such a nature as to justify this non-renewal, without prejudice to a call for tenders.

M6 Group believes that infractions that could lead to such a renewal refusal would be a repeated non-adherence of the network's different quotas, as well as a lack of control at the network.

In this regard, M6 has put into place a set of control systems that monitors on a daily basis its prescribed production and broadcast quotas. As well, one of these systems is exclusively focused on monitoring the network, ensuring on a daily basis that all programme contents are in accordance with regulations in force.

M6 Group therefore believes that there is only a theoretical risk of non-renewal of its broadcast licence pursuant to Article 28-1-1-2° of the Law of 30 September 1986.

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■ Intellectual property, freedom of the press and key person risks

M6 Group's broadcast of audiovisual programmes, whether produced in-house or by third parties, are susceptible to claims of various nature concerning the violation of provisions relating to laws on intellectual property rights, press rights and personal privacy rights.

No contractual provision can provide M6 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, M6 Group Brand Diversification activities may generate claims regarding the infringement of the aforementioned rights.

Nevertheless, procedures have been implemented within M6 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, pre-screening and guidelines, which will enable this risk to be considerably reduced.

Industrial and Environmental Risks

M6 Group's operations do not structurally generate any significant environmental impacts, and as a result it does not incur any industrial or environmental risks in light of existing regulations.

Nevertheless, M6 Group does take its environmental protection responsibilities seriously, particularly with regard to the recycling of waste produced by its activities, including the recycling of batteries, laser cartridges, neon lights and videocassettes through a recycling unit.

Insurance coverage

M6 Group has adopted a prudent risk analysis and prevention policy in order to limit the occurrence and financial impact of such risks. In order to complement these efforts, M6 Group has put into place an insurance policies plan focusing on the coverage of major risks thereby providing for adequate coverage according to risk assessment, its own capabilities and the insurance market conditions.

The 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 and cannot be substituted for a detailed reading of the policies).

Property Damage Insurance

Policy: Industrial and professional block policy
Insured Parties: Métropole Télévision, its subsidiaries and/or related companies

Coverage: Monetary damages up to a maximum of € 53,357,156 per disaster per year

Policy: Comprehensive technical and computer equipment

Insured Parties: Métropole Télévision its subsidiaries and/or related companies

Coverage: monetary damages arising from all direct material losses and all direct material damages caused to equipment, without any contractual indemnity limitations.

General Liability Insurance

Policy: "Professional and civil liability"
Insured Parties: Métropole Télévision, its subsidiaries and/or related companies, groups created by or for personnel, legal representatives and servants of the insured

Coverage: monetary damages arising from damages caused to others up to a maximum of € 10,671,431 per disaster for all professional liability type damages and up to a maximum of € 762,245 per disaster per year for all civil liability type damages.

Policy: "Professional and civil liability"
Insured Parties: Home Shopping Service, its subsidiaries and/or related companies, groups created by or for personnel, legal representatives and servants of the insured

Coverage: monetary damages arising from damages caused to others up to a maximum of € 6,097,961 per disaster for all professional liability damages and up to a maximum of € 762,245 per disaster per year for all civil liability type damages.

Board Members and Senior Management

General Liability Insurance

Insured Parties: Métropole Télévision, its senior managers⁽¹⁾ (by law or fact) and Board members of Métropole Télévision SA and its subsidiaries

Coverage: monetary damages arising from Board members and senior management civil liability up to a maximum of € 11,500,000 per insured period.

⁽¹⁾ Senior managers and administrators: individuals, past, present or future, ordinarily invested with company powers pursuant to the laws or bylaws of the parent company and its subsidiaries

9. Human resources

9.1 M6 Group Workforce (excluding Girondins de Bordeaux Football Club)

M6 Group employed an average full time workforce of 898 during 2002, in line with its average workforce of 903 for 2001 (parent company and subsidiaries accounted for under the full consolidation method). Reduced numbers at its Internet operations offset higher employee numbers at M6 Interactions SA.

Freelance journalists and non-regular performers full-time equivalents increased to 315 from 299 for 2001.

At 31 December 2002, M6 Group employed 907 full time staff, of which 438 were employed with the parent company and 469 at its subsidiaries.

Workforce size and movements / permanent and fixed-term employees / gender equality / outsourced functions

M6 Group's full time workforce decreased to 898 from 903 for 2001, reflecting 114 permanent and 111 fixed term hirings in 2002 offset by 212 redundancies (16.51% employee turnover rate).

At 31 December 2002, the Group had 907 full time employees, including 42 on fixed term contracts, with more than 50% (469 persons) employed at the Group's subsidiaries.

Freelance journalists and TV show irregulars full-time equivalents increased to 315 from 299 for 2001. Group employees had an average age of 33, with the majority (56%), women.

M6 Group outsources to sub-contractors primarily its security, facilities cleaning and maintenance, company restaurant and information systems maintenance projects activities, with M6 Group subcontractors employing 114 persons to deliver these services.

Workweek organisation / full time and part time employees distribution / Absenteeism

All of the Group's employees benefit from a reduction in their workweek since February 2000, in the form of reduced hours or days according to their categories.

Part-time employees account for less than 5% of the Group's workforce.

The Group's absenteeism rate for 2002 was 17%, including maternal, parental and other leaves.

Remuneration evolution / Social security / M6 Group Profit Sharing Agreement and M6 Company Savings Plan / Gender equality

The average wage of full time employees (payroll/average workforce size) was € 44,116 compared with € 43,698 for 2001. Social security charges as a percentage of payroll rose to 47% from 44.3% for 2001.

Employees at the Group's parent company, Métropole Télévision SA, and its subsidiaries as well as those at its home shopping operations, benefit from a Group Profit Sharing Agreement.

A Company Savings Plan (CSP) was launched in December 2002, with the Group matching employee's contributions on a 2 to 1 basis up to a maximum of € 800 per 12-month period. 54% of the Group's 1,336 employees have subscribed to this plan.

Employee relations and collective agreements

Four agreements were concluded in 2002, regarding mandatory negotiations (notably salaries and 2003 CSP), company negotiations, full-time status for maintenance technicians and the application of Articles 22 and 23 of the journalists' national collective agreement.

Health and safety conditions

Health and safety conditions are periodically monitored, notably within the framework of the Health and Safety Committee.

Training

Training expenses amounted to € 379,099 in 2002, of which 76% related to professional development.

11 employees benefited from secondment contracts in 2002 (qualification contracts, job exchange contracts, apprenticeship contracts). 212 Group employees benefited from training programmes during 2002 (compared with 287 for 2001), amounting to 1.1% of payroll (1% for 2001).

Employment of the disadvantaged

M6 Group has for many years outsourced to workshops for the disadvantaged the performance of repetitive administrative tasks, such as mail sorting.

Charitable works contributions

Métropole Télévision SA allocates 0.66% of its employee payroll for charitable works contributions, which are managed by the Company's Works Council. Subsidiaries allocate 0.50% of their payroll for the same purposes.

9.2 Girondins de Bordeaux Football Club Workforce

The Girondins de Bordeaux Football Club employed a workforce of 149 full time employees in 2002, accounting for 14% of the Group's full time employees. The Club also employed temporary employees equivalent to 16 full time employees during 2002, exclusively for home matches. The Club's payroll increased by 5.05% during 2002.

9.3 Remuneration of 10 highest paid staff during 2002

	(€ thousands)
Total remuneration paid ⁽¹⁾	3,614

⁽¹⁾ Includes Management Board and Supervisory Board members but excludes Girondins de Bordeaux Football Club players.

10. Investment policy

Investments realised in France amounted to € 139.8 million for 2002, € 79 million for 2001 and € 91 million for 2000, relating primarily to co-productions, other than the following financial investments:

-€ 53.8 million acquisition of an increased ownership interest in TPS

-€ 2.5 million acquisition of the Mandarin company, which specialises in the production of box office films

All these investments were internally financed.

11. Off-balance sheet commitments

M6 Group had given Off-Balance Sheet commitments of € 960.8 million at 31 December 2002, primarily consisting of:

-€ 186 million representing amounts remaining to be paid on contracts for co-production of films and audiovisual programming as well as amounts relating to rights acquisition contracts;

-€ 249.4 million relating to the transmission of images and the rental of satellites and transponders;

-€ 467.7 million in commitments given regarding partnerships (Sociétés en Nom Collectif) it is involved in.

Commitments received amounted to € 483.6 million and relate primarily to commitments received concerning partnerships in which it is involved in (€ 471 million).

12. 2003 Outlook

In 2003, M6 will continue to pursue its programming policy by broadcasting powerful events programming and magazines and dramas that can attract large audiences and increase the network's advertising revenues share.

Brand Diversification operations should benefit from the many synergies developed with terrestrial free TV in the areas of publications, music and interactive operations.

Through TPS and its bid submission for a Terrestrial Digital TV licence, M6 will pursue the development of its specialty channels.

In February 2003:

-M6 Evolution, a 100%-owned (by the parent company Métropole Télévision SA) Group programme production subsidiary specialising in contemporary programming, was renamed W9 Productions.

W9 Productions is presently in the process of developing the French adaptation for 2003 of the successful TV series The Bachelor.

-M6 Projets, a 100%-owned (by the parent company Métropole Télévision SA) Group a box office film production subsidiary, was renamed M6 Studio.

In March 2003:

-M6 Conseils, a 100%-owned (by Fun TV) Group entertainment programme production subsidiary, was renamed Studio 89 Productions.

13. Exceptional events and litigation

Tax Audits

During 2002, a Group companies was subject to a tax audit that did not result in any significant adjustments.

The Group is unaware of any exceptional events or litigations that could have an impact on the net assets, results, operations or future prospects of its parent company or subsidiaries.

14. Statutory auditors' remuneration for 2002

Fees	(€ thousands)	BFA	KPMG	PERONNET	AMYOT	Total
Financial Audit						
Statutory audit planning, execution and reporting work		242	114	43	27	426
Other audit work		93	-	-	-	93
Subtotal		335	114	43	27	519
Autres prestations						
Tax, legal and administrative		82	-	-	-	82
Information technologies		-	-	-	-	-
Internal audit		-	-	-	-	-
Other (> 10% of audit fees)		-	-	-	-	-
Subtotal		82	-	-	-	82
Total		417	114	43	27	601

BFA: Barbier Frinault & Autres (Ernst & Young)

Consolidated financial statements

Consolidated balance sheet				Assets (€ millions)		
At 31 December		2002			2001	2000
	Notes	Gross	Acc Dep & Amort/Prov	Net	Net	Net
Acquisition goodwill	3.1	25.4	10.3	15.1	23.9	26.9
Audiovisual rights		192.9	153.1	39.8	37.4	129.8
Business goodwill		91.8	-	91.8	0.8	0.3
Other intangible assets		194.2	166.5	27.7	16.9	15.4
Advances on non-current assets		22.0	-	22.0	25.6	36.5
Intangible assets	3.2	500.9	319.6	181.3	80.7	182.0
Land		7.8	-	7.8	6.0	6.0
Buildings		56.2	14.2	42.0	44.6	46.3
Facilities and Equipment		33.5	26.7	6.8	8.1	9.3
Other property, plant and equipment		115.0	75.1	39.9	7.1	5.2
Property, plant and equipment in progress		1.5	-	1.5	0.7	0.6
Property, plant and equipment	3.2	214.0	116.0	98.0	66.5	67.4
Equity investments	3.3	3.4	2.6	0.8	0.8	21.4
Investment receivables	3.4	16.7	-	16.7	57.3	47.0
Other investments	3.5	1.0	-	1.0	2.0	0.9
Investments		21.1	2.6	18.5	60.1	69.3
Total non-current assets		761.4	448.5	312.9	231.2	345.6
Broadcast rights inventory	3.6	276.0	57.6	218.4	188.3	47.1
Commercial inventory	3.6	11.4	5.4	6.0	6.1	6.5
Trade receivables	3.7	270.6	12.2	258.4	194.0	172.2
Other receivables	3.7	161.7	1.5	160.2	121.4	101.8
Cash and marketable securities	3.8	259.5	-	259.5	248.3	166.0
Total current assets		979.2	76.7	902.5	758.1	493.6
Deferred tax assets	3.9	23.7	-	23.7	26.8	19.8
Total assets		1,764.3	525.2	1,239.1	1,016.1	859.0

Consolidated balance sheet		Equity and liabilities (€ millions)		
At 31 December	Notes	2002	2001	2000
Share capital		52.8	52.8	52.8
Share premium		24.2	24.2	24.2
Reserves		173.3	131.8	94.7
Net profit		111.8	116.2	103.5
Net profit	3.10	362.1	325.0	275.2
Investment grants		0.6	1.7	1.7
Other equity		0.6	1.7	1.7
Total equity		362.7	326.7	276.9
Minority interest	3.11	(0.4)	(0.6)	1.3
Provisions for liabilities and charges	3.12	90.2	178.0	137.6
Borrowings	3.13	90.5	-	-
Trade payables		433.3	309.4	177.2
Income tax and social security liabilities		114.8	95.3	114.5
Operating liabilities	3.14	548.1	404.7	291.7
Liabilities relating to non-current assets	3.15	63.6	52.4	123.2
Other liabilities and accruals		76.8	49.0	27.6
Other liabilities	3.14	140.4	101.4	150.8
Deferred tax liabilities	3.9	7.6	5.9	0.7
Total equity and liabilities		1,239.1	1,016.1	859.0

Consolidated financial statements

Consolidated income statement		(€ millions)		
Financial year ending 31 December	Notes	2002	2001	2000
Sales	4.1	948.5	845.3	742.5
Other operating revenues	4.2	41.3	28.1	4.6
Total operating revenues		989.8	873.4	747.1
Cost of sales	4.3	455.9	363.5	242.2
Personnel costs including profit sharing contributions	4.4	128.9	104.0	83.1
Other operating expenses	4.5	79.9	55.7	46.8
Taxes and royalties		51.2	47.1	43.3
Depreciation, amortisation and provision net charges	4.6	80.8	89.9	119.2
Total operating expenses		796.7	660.2	534.6
Operating profit	4.7	193.1	213.2	212.5
Net finance income	4.8	1.0	7.2	3.5
Profit on ordinary activities before tax		194.1	220.4	216.0
Net exceptional income/(expenses)	4.9	(14.9)	0.4	(11.5)
Income tax	4.10	58.2	70.4	66.6
Net profit before share of associates' results		121.0	150.3	137.9
Share of associates' results	4.11	(6.9)	(30.0)	(31.6)
Net profit before minority interest & goodwill amortisation		114.1	120.3	106.3
Acquisition goodwill amortisation		3.3	5.1	3.5
Minority interest	3.11	(1.0)	(0.9)	(0.7)
Net profit		111.8	116.2	103.5
Number of shares in circulation (thousands)		131,889	131,889	131,889
Earnings Per Share - basic (€)		084.7	088.1	078.4
Earnings Per Share - diluted (€)		084.8	088.1	078.4

Consolidated cash flow statement		(€ millions)		
Financial year ending 31 December	2002	2001	2000	
Operating activities				
Financial year net profit	111.8	116.2	103.5	
Minority interest's share of subsidiaries' net loss	(1.0)	(0.9)	(0.7)	
Quote part dans le résultat des sociétés mises en équivalence	6.9	30.0	31.6	
Elimination of items not impacting on Cash and Cash Equivalents				
Depreciation, amortisation and provision charges	105.2	112.8	136.2	
Net losses from non-current asset disposals	6.2	(23.3)	(0.3)	
Other items not impacting on cash and cash equivalents	2.9	(2.7)	(6.4)	
Cash flow from operations	232.0	232.1	263.9	
Movements in working capital requirements				
Inventories	(4.8)	(47.0)	(8.3)	
Trade receivables	(23.0)	(1.9)	(91.7)	
Operating liabilities	19.2	9.4	120.9	
Transfer of expenses to deferred expenses	(15.6)	-	(0.2)	
Net movement in working capital requirements	(24.2)	(39.5)	20.7	
Net cash from operating activities	207.8	192.6	284.6	
Investing activities				
Intangible asset acquisitions	(56.3)	(53.6)	(132.4)	
Property, plant and equipment acquisitions	(17.9)	(7.0)	(10.0)	
Investment acquisitions	(8.9)	(12.3)	(17.4)	
Cash and cash equivalents arising from acquisitions/disposals of subsidiaries	(26.4)	26.6	(6.0)	
Intangible assets' and property, plant and equipment disposals	-	1.4	1.2	
Investment disposals/writedowns	0.1	(0.4)	1.0	
Net cash used in investing activities	(109.4)	(45.3)	(163.6)	
Financing activities				
Amounts received from shareholders arising from share capital increase	-	-	-	
Other equity increases	0.4	0.9	1.5	
New borrowings/(borrowings repayments)	(14.6)	-	-	
Dividends paid to Parent Company shareholders and minority interest	(73.0)	(65.9)	(52.2)	
Net cash used in financing activities	(87.2)	(65.0)	(50.7)	
Net cash used in financing activities	11.2	82.3	70.3	
Cash and cash equivalents - start of year	248.3	166.0	95.7	
Cash and cash equivalents - end of year	259.5	248.3	166.0	

Notes to the consolidated financial statements

1. Notes to the consolidated financial statements

1.1 Summary of Significant Accounting Principles, Policies and Methods

M6 (Métropole Télévision) Group consolidated financial statements are prepared in accordance with legal and regulatory requirements currently in force (Regulation 99-02) of the French Accounting Regulatory Committee (CRC).

They conform to the consolidation principles and methods described below.

Unless otherwise indicated, all amounts stated in the Notes are in millions of Euros (€).

Methods used

Companies exclusively controlled by M6 Group are fully consolidated.

Companies jointly controlled are proportionally consolidated.

Other companies over which M6 Group exercises significant influence are equity accounted.

Dormant companies and companies in which M6 Group exercises no significant influence are accounted for under the cost method.

Financial year-end

All companies have a 31 December financial year-end.

Financial statements comparability

The 31 December 2002 consolidated financial statements were prepared using the same methods as those used to prepare the 31 December 2001 consolidated financial statements.

On 2 October 2002, M6 Group increased its ownership interest in TPS Group from 25% to 34%, resulting in a change in the accounting for its investment in TPS Group to the proportional consolidation method from the equity method as of this date.

In order to provide comparable financial information, the M6 Group consolidated financial statements for the financial years ending 31 December 2001 and 31 December 2002 have also been presented on a proforma basis, as if the Group had proportionally consolidated a 34% ownership interest in TPS Group from 1 January 2001.

Consolidated balances and results prepared from historical data are discussed and analysed in the [3. Notes to the Consolidated Balance Sheet](#) and [4. Notes to the Consolidated Income Statement](#). Major highlights concerning proforma consolidated balances and results are discussed in [Note 7. Proforma Consolidated Financial Statements](#).

Périmètre de consolidation

Company	Legal Form	Legal Form	% Owned	Method*	Method
Métropole Télévision - M6	SA	Parent company	-	FC	France
M6 Publicité	SAS	Advertising sales agency	99.97%	FC	France
M6 Publicité Interactive	SAS	Advertising sales agency – Web site	100%	FC	France
M6 Bordeaux	SAS	Local TV station	100%	FC	France
M6 Toulouse	SAS	Local TV station	100%	FC	France
M6 Diffusion	SA	Holding company – digital operations	100%	FC	France
M6 Droits Audiovisuels	SA	Sale of broadcast rights	99.94%	FC	France
M6 Éditions	SA	Print publications	99.98%	FC	France
M6 Événements	SA	Staging of shows and events	100%	FC	France
M6 Films	SA	Co-production of films	99.98%	FC	France
M6 Foot	SAS	Holding company – sports operations	99%	FC	France
M6 Interactions	SAS	Secondary rights usage	100%	FC	France
Édi TV - M6 Music	SNC	Music channel	100%	FC	France
M6 Numérique	SNC	Holding company – digital operations	100%	FC	France
M6 Thématique	SA	Holding company – specialty channels	99.96%	FC	France
M6 Web	SA	Internet content and access provider	100%	FC	France
Métropole Production	SA	Production of audiovisual programming	99.98%	FC	France
C.Productions	SA	Production of news broadcasts	99.98%	FC	France
Club Téléachat	SNC	Specialty channel	100%	FC	France
Culture Mag Éditions	SNC	Publication of print magazine	90%	FC	France
Fun TV	SNC	Music channel	100%	FC	France
FC Girondins de Bordeaux	SASP	French Premier League Football Club	98.76%	FC	France
HSS Sub-Group :					
Home Shopping Service	SA	Home shopping broadcasts	99.8%	FC	France
HSS Belgique	SA	Home shopping broadcasts	99.8%	FC	Belgium
Télévente promotion	SA	Home shopping broadcasts	99.8%	FC	France
Unité 15 France	SA	Management and promotion of home shopping	99.8%	FC	France
Unité 15 Belgique	SA	Customer services	99.8%	FC	Belgium
Tecipress	SA	Audiovisual programmes production/realisation	99.8%	FC	France
HSS Hongrie	SA	Home shopping broadcasts	99.8%	FC	Hungary
SETV Belgique	GIE	Home shopping sales office	99.8%	FC	Belgium
Club Téléachat	SNC	24-hour channel	99.8%	FC	France
TV Store	SA	Home shopping programmes acquisition and broadcasts	50%	PC	France
HSS Canada	SA	Home shopping programmes	50%	PC	Canada
Home Travel Services	SARL	Travel sales	50%	PC	France
RTL Shop	GMBH	Home shopping programmes production and broadcasts	20%	EA	Germany
Immobilière M6	SA	Neuilly building	100%	FC	France
SCI du 107	SCI	Neuilly building	100%	FC	France
Sedi TV - Téva	SNC	Téva specialty channel	51%	FC	France
Sté Nelle de Distribution	SA	Distribution of films to movie theatres	100%	FC	France
Mandarin	SAS	Production of feature films	100%	FC	France
ExtensionTV - Série Club	SA	Série Club specialty channel	50%	PC	France
TCMDA	SNC	Broadcast rights portfolio	50%	PC	France
TF6	SCS	TF6 specialty channel	50%	PC	France
TF6 Gestion	SA	TF6 management company	50%	PC	France
TPS Sub-Group					
TPS	SNC	Broadcaster of digital channels	34%	PC	France
TPS Cinéma	SNC	Film specialty channel	34%	PC	France
Multivision	SNC	Pay-per-view specialty channel	34%	PC	France
TPS Jeunesse	SNC	Youth specialty channel	34%	PC	France
TPS Sport	SNC	Sports specialty channel	34%	PC	France
TPS Interactif	SNC	Production and commercialisation of services	34%	PC	France
TPS Entreprises	SNC	Communication projects	34%	PC	France
TPS Foot	SNC	Football specialty channel	34%	PC	France
Sent	SNC	Operation of experimental platforms	34%	PC	France
TPS Motivation	SA	Management of securities	34%	PC	France
TPS Terminaux	SNC	Management of equipment fleet	34%	PC	France

* FC = Full consolidation

PC = Proportional consolidation

EA = Equity accounted

Notes to the consolidated financial statements

The following changes to the Group structure occurred during 2002:

- Mandarin and TF6 Gestion were consolidated for the first time,
- the Group's 33% proportionally accounted investment in Ticketnet was disposed of in May 2002,
- Métropole Télévision Group simultaneously increased its investment in:
 - the TPS Group, from 25% to 34%, resulting in a change of accounting from equity method to proportional consolidation, reflecting M6's joint control of TPS Group with the TF1 Group.
 - TCM-DA, from 41.25% to 50%, resulting in no change to its accounting under the proportional consolidation method, reflecting its joint control of TCM-DA with the TF1 Group).

Intercompany transactions and balances

All significant intercompany transactions and balances between consolidated companies have been eliminated.

1.2 Valuation policies and methods

Co-production costs supplementary amortisation and audiovisual rights provisions included in the parent company's provisions for liabilities and charges are reclassified as a reduction of other intangible assets in the consolidated financial statements.

The application of CRC 2000-06 regulation concerning liabilities had no impact on the consolidated financial statements of M6 Group.

1.2.1 Acquisition goodwill

At the time of an acquisition, the difference between the acquisition cost and the corresponding share in the net assets at the date of the acquisition, after allocating specific valuation differences (excess fair market values), is classified as an 'Acquisition Goodwill' asset on the Balance Sheet.

M6 Group continues to apply the partial revaluation method, in accordance with the option allowed in section 230 of CRC regulation 99-02.

Acquisition goodwill is ordinarily amortised on a straight-line basis over 10 years, but may be the subject of accelerated amortisation where the financial situation of the subsidiary justifies it.

1.2.2 Intangible assets

Intangible assets primarily comprise:

- advances and payments on account,
- audiovisual rights held for commercialisation by companies with such a mandate
- co-production share of drama and feature film costs,
- business goodwill,
- computer software.

Advances and payments on account

Advances and payments on account on intangible assets comprise unused audiovisual rights and co-production rights awaiting receipt of technical acceptance or exploitation visa.

Audiovisual rights

Audiovisual rights, comprising rights to films for movie theatre distribution, as well as television and videographic rights, purchased with or without a minimum guarantee, are classified as an intangible asset and amortised on a straight-line basis over the life of the contract or the following upper limits, whichever is the lesser:

- 3 years, if the company is a distributor of these rights;
- 5 years, if the company is a dealer in these rights.

An additional provision may be established, on a case-by-case basis, according to the rights' future cash receipts prospects.

This provision appears in the consolidated financial statements as incremental amortisation.

Co-Production costs – films for movie theatre distribution, dramas and other

Co-production costs are also capitalised as non-current assets and are amortised on the basis of their receipts or straight-line over three years where their receipts are judged to be insufficient. A supplementary provision may be established when it appears that the present value of future receipts will be insufficient.

Business goodwill

Business goodwill primarily comprises market shares relating to ownership interests acquisition.

These intangible assets are subject to periodic valuations in order to justify the maintenance of their value, and are written down to their fair market values when these are below net book value.

Computer software

Computer software is amortised on a straight-line basis over one to five years.

1.2.3 Property, plant and equipment (PPE)

Property, plant and equipment assets are recorded at their acquisition cost, and are depreciated on a straight-line basis over the following useful lives:

Buildings	25 years
General-purpose facilities, office furniture	10 years
Satellite TV boxes	5 years
Computer hardware	4 years
Office and technical equipment	3 to 5 years

1.2.4 Investments

Non-consolidated investments are recorded at their purchase cost. A write-down provision is established when their current market value justifies it.

1.2.5 Inventories

Inventories are primarily comprised of broadcast rights and to a lesser extent commercial inventories.

Broadcast rights

Broadcast rights are accounted for as inventory from 1 January 2001.

Broadcast rights are transferred from inventory and charged to cost of sales as the programmes they relate to are broadcast on TV, in accordance with the following rules:

- rights acquired for a single broadcast and various rights (documentaries, concerts etc.):
100% expensed on first broadcast
- rights acquired for multi-broadcasts:
 - 1st broadcast: 67%
 - 2nd broadcast: 33%.

A provision for writedown is established for broadcast rights relating to programmes that are not likely to be broadcast.

Commercial inventories

These inventories comprise derivative products and home shopping products, relating to the Brand Diversification activities of M6 Group.

Inventory acquisitions are recorded at their purchase cost, net of any trade discounts and rebates earned, but excluding the effect of any possible settlement discounts

Cost of sales is recorded at purchase cost.

A writedown provision is established whenever the replacement or production cost is less than the purchase cost.

1.2.6 Receivables and liabilities

Receivables and liabilities are valued at their nominal values.

A provision for receivables writedown is established based on the risks of non-collection.

1.2.7 Translation of foreign exchange denominated transactions

Foreign currency denominated receivables and liabilities are recorded at their Balance Sheet date exchange rate.

Only deferred exchange losses are recognised in the Income Statement.

1.2.8 Marketable securities

Marketable securities are recorded at their gross value. A provision is established whenever the market value is less than the acquisition cost.

1.2.9 Treasury shares

The Métropole Télévision company holds treasury shares for the purpose of distribution to employee beneficiaries who exercise their stock options.

They are recorded at their gross book value as marketable securities. A provision for writedown is established when their market price or exercise price is less than their gross book value.

1.2.10 Deferred tax

Deferred tax is calculated using the liability method, without any discounting.

Deferred tax net assets are only recorded if the companies have a reasonable assurance of being able to use them in future years.

1.2.11 Investment grants

Investment grants received from the French Centre National de la Cinématographie (CNC) are recorded as an equity item and transferred to operating revenues on the date of complementary certification of the film for which they were allocated.

1.2.12 Provision for retirement benefits

The provision for retirement benefits was calculated in accordance with IAS 19, using an actuarial method that takes into account the acquired rights of all Group's employees and their most recent salary.

1.2.13 Financial instruments

The Group avails itself of futures contracts to reduce its exposure to foreign exchange fluctuations.

Contracts that have not yet been exercised are treated as Off-Balance Sheet commitments at their nominal value.

1.2.14 Advertising revenues

Advertising revenues are recorded net of commercial discounts.

1.2.15 Exceptional income and expenses

Exceptional income and exceptional expenses arise from activities other than those concerning the ordinary activities of the business, as well as those arising from infrequent events that are unusual in their nature or value.

1.2.16 Consolidated Cash Flow Statement

The Consolidated Cash Flow Statement presents the cash and cash equivalents movements that occurred for all the Group's consolidated companies during the financial year.

The impact on cash and cash equivalents of subsidiaries being included or excluded from the Group structure as a result of their recent acquisition or disposal is identified as "Cash and cash equivalents arising from acquisitions/disposals of subsidiaries". Cash and cash equivalents comprise the Group's cash and marketable securities, including treasury shares

Notes to the consolidated financial statements

2. 2002 Financial Year Significant Events

2.1 Increased investment in TPS Group and TCM

In October 2002, M6 Group increased its investments in TPS and TCM, from 25% to 34% and from 41.25% to 50% respectively.

2.1.1 TPS

M6 Group invested € 53.8 million in TPS, resulting in € 83.2 million in business goodwill (market share), following its decision to increase its investment interest in this company by a further 9%. When added to the € 7.8 million in acquisition goodwill arising from the Group's initial investment in TPC, the net book value of business goodwill at 31 December 2002 amounted to € 91 million.

The valuation of business goodwill was based on an assessment of discounted future cash flows and comparable market valuations.

2.1.2 TCM

M6 Group invested € 0.3 million in TCM, resulting in € 0.2 million in acquisition goodwill, following its decision to increase its investment interest in this company by a further 8.75%.

2.2 Acquisition and consolidation of Mandarin company

M6 Group acquired in full the Mandarin company in November 2002 for € 2.5 million, resulting in € 2.1 million in acquisition goodwill.

Pursuant to regulations in force in France, the allocation of the acquisition price may be revised during a transition period expiring at the end of the fiscal year following the year of acquisition.

2.3 Disposal of 33% holding in Ticketnet

M6 Group recorded as exceptional income the capital gain arising from the disposal of its investment in Ticketnet in May 2002.

In order to ensure the transparency of our financial information, the increases in Balance Sheet accounts arising from these movements are reported as 'Changes in Group Structure' in the Balance Sheet notes

3. Notes to the Consolidated Balance Sheet

3.1 Acquisition Goodwill

The decrease in acquisition goodwill during 2002 arises from the transfer of € 7.8 million in TPS acquisition goodwill net book value to business goodwill.

Analysis of acquisition goodwill by company

(€ millions)	31 December 2002			31 December 2001	
	Gross	Acc. Amortisation	Net		Net
HSS	10.4	5.4	5.0		6.0
Unité 15	0.2	0.2	-		-
TPS	-	-	-		9.0
TPS Multivision	1.6	1.6	-		-
TCM	0.6	0.2	0.4		0.3
Fun TV	8.4	2.6	5.8		6.6
M6 Foot	0.7	0.1	0.6		0.7
SND	1.1	0.2	0.9		1.0
Culture Mag Éditions	0.3	-	0.3		0.3
Mandarin	2.1	-	2.1		-
Total	25.4	10.3	15.1		23.9

Notes to the consolidated financial statements

3.2 Intangible Assets and Property, Plant and Equipment

3.2.1 Intangible Assets

(€ millions)	31 Dec. 2001	Additions	Disposals	Changes in Group Structure	31 Dec. 2002
Gross book value					
Audiovisual rights	141.5	16.1	4.4	39.7	192.9
Business goodwill	0.8	-	-	91.0	91.8
Other intangible assets	146.6	39.9	0.3	8.0	194.2
Advances on intangible assets	25.6	26.0	33.3	3.7	22.0
Total	314.5	82.0	38.0	142.4	500.9
Accumulated amortisation					
Audiovisual rights	104.1	24.0	8.3	33.3	153.1
Other intangible assets	129.7	31.0	0.6	6.4	166.5
Total	233.8	55.0	8.9	39.7	319.6
Net book value					
Audiovisual rights	37.4	(7.9)	(3.9)	6.4	39.8
Business goodwill	0.8	-	-	91.0	91.8
Other intangible assets	16.9	8.9	(0.3)	1.6	27.7
Advances on intangible assets	25.6	26.0	33.3	3.7	22.0
Total	80.7	27.0	29.1	102.7	181.3

The changes in Group structure relating to audiovisual rights arise from the inclusion of Mandarin in the consolidation scope and the Group's increased ownership interest in TCM.

The increase in business goodwill is explained in Note 2.1

Advances on intangible assets comprise unused audiovisual rights and co-production rights awaiting receipt of technical acceptance. They are subsequently reclassified as Audiovisual rights and Other intangible assets.

3.2.2 Property, Plant and Equipment (PPE)

(€ millions)	31 Dec. 2001	Additions	Disposals	Changes in Group Structure	31 Dec. 2002
Gross book value					
Land	6.0	1.8	-	-	7.8
Buildings	56.3	0.9	1.0	-	56.2
Buildings	32.4	1.5	0.5	0.1	33.5
Other PPE assets	15.2	16.2	10.9	94.5	115.0
Advances on PPE	0.7	0.2	1.8	2.4	1.5
Total	110.6	20.6	14.2	97.0	214.0
Accumulated depreciation					
Buildings	11.7	2.5	-	-	14.2
Technical facilities and equipment	24.2	2.8	0.5	0.2	26.7
Other PPE assets	8.1	6.7	2.0	62.3	75.1
Total	44.0	12.0	2.5	62.5	116.0
Net book value					
Land	6.0	1.8	-	-	7.8
Buildings	44.6	(1.6)	1.0	-	42.0
Technical facilities and equipment	8.2	(1.3)	-	(0.1)	6.8
Other PPE assets	7.1	9.5	8.9	32.2	39.9
Advances on PPE	0.7	0.2	1.8	2.4	1.5
Total	66.6	8.6	11.7	34.5	98.0

Other PPE assets at 31 December 2002 comprised € 29 million in TPS satellite TV boxes.

Notes to the consolidated financial statements

3.3 Equity Investments

(€ millions)	31 Dec. 2001	Additions	Disposals	Changes in Group Structure	31 Dec. 2002
Investments in non-consolidated companies ⁽¹⁾	0.5	-	-	-	0.5
Other equity investments ⁽²⁾	2.9	-	-	-	2.9
Subtotal – gross value	3.4	-	-	-	3.4
Provision for write-downs ⁽²⁾	(2.6)	-	-	-	(2.6)
Total	0.8	-	-	-	0.8

⁽¹⁾ These are investments whose long-term holding is useful for group operating purposes but which are not of significant importance for the Group at 31 December 2002.

⁽²⁾ These are investments in which the Group has less than 20% voting rights.

3.4 Investment Receivables

(€ millions)	31 Dec. 2001	Additions	Disposals	Changes in Group Structure	31 Dec. 2002
TCMDA	2.4	2.2	-	-	4.6
TPS	47.3	3.6	49.4	-	1.5
TF6	4.4	0.2	-	-	4.6
RTL Shop	3.2	2.8	-	-	6.0
Other	-	-	-	-	-
Total	57.3	8.8	49.4	-	16.7

The investment receivables disposal relates to the allocation of TPS losses.

3.5 Other Investments

(€ millions)	31 Dec. 2001	Additions	Disposals	Changes in Group Structure	31 Dec. 2002
Deposits and sureties	2.0	0.1	1.2	0.1	1.0
Other	-	-	-	-	-
Total	2.0	0.1	1.2	0.1	1.0

3.6 Broadcast Rights and Commercial Inventories

(€ millions)	31 Dec. 2001	Increases	Decreases	Changes in Group Structure	31 Dec. 2002
Broadcast rights – gross value	236.0	125.8	(114.7)	28.9	276.0
Provision for writedown	(47.7)	(24.7)	14.8	-	(57.6)
Broadcast rights – net value	188.3	101.1	(99.9)	28.9	218.4
Commercial inventory – gross value	9.9	6.2	(4.7)	-	11.4
Provision for writedown	(3.8)	(4.1)	2.5	-	(5.4)
Commercial inventory – net value	6.1	2.1	(2.2)	-	6.0

Increases arise from the purchase of broadcast rights during 2002, while decreases relate to the broadcasting of the related programmes. The Changes in Group Structure increase reflects the Group's acquisition of a further ownership interest in TPS.

3.7 Trade and Other Receivables

3.7.1 Changes during the financial year

(€ millions)	31 Dec. 2001	2002 Movements	Changes in Group Structure	31 Dec. 2002
Trade receivables				
Advances and payments on account	5.5	1.9	5.8	13.2
Trade receivables	196.7	18.5	42.2	257.4
Subtotal – gross value	202.2	20.4	48.0	270.6
Provision for writedown	(8.2)	(1.6)	(2.4)	(12.2)
Total	194.0	18.8	45.6	258.4
Other receivables				
State receivables	57.1	0.9	16.3	74.3
Deferred charges	21.6	5.5	11.3	38.4
Other	44.2	2.6	2.2	49.0
Subtotal – gross value	122.9	9.0	29.8	161.7
Provision for writedown	(1.5)	-	-	(1.5)
Total	121.4	9.0	29.8	160.2

Deferred charges movements relate primarily to FC Girondins de Bordeaux players transfer costs allocated over the duration of their contracts and prepaid charges concerning TPS sports events retransmissions.

Notes to the consolidated financial statements

3.7.2 Analysis by Maturity

(€ millions)	Total	Within 1 Year	1 to 5 years	After 5 years
Trade receivables				
Advances and payments on account	13.2	13.2	-	-
Trade receivables	257.4	247.6	9.8	-
Subtotal – gross value	270.6	260.8	9.8	-
Provision for writedown	(12.2)	(12.2)	-	-
Total	258.4	248.6	9.8	-
Other receivables				
State receivables	74.3	73.2	1.1	-
Deferred charges	38.4	15.7	22.7	-
Other	49.0	37.4	11.6	-
Subtotal – gross value	161.7	126.3	35.4	-
Provision for writedown	(1.5)	(1.5)	-	-
Total	160.2	124.8	35.4	-

3.8 Cash and Marketable Securities

Treasury shares	69.3	70.4
Investment funds, SICAV and certificates of deposit	190.2	177.9
Total	259.5	248.3

The parent company, Métropole Télévision, held 1,650,002 of its own shares at 31 December 2002.

3.9 Deferred Tax Assets and Liabilities

Deferred Tax Assets

Temporary differences	23.6
Tax credits	0.1
Tax loss benefits	-
Total	23.7

Deferred Tax Liabilities

Temporary differences	7.6
Total	7.6

3.10 Group Equity

(€ millions)	Share Capital	Share Premium	Group Reserves	Group Net Profit	Total
At 31 December 2000	52.8	24.2	94.7	103.5	275.2
Group net profit for year				116.2	
Allocation of 2000 net profit to reserves			103.5	(103.5)	
Parent company dividend distribution			(66.3)		
Other movements			(0.1)		
At 31 December 2001	52.8	24.2	131.8	116.2	325.0
Group net profit for year				111.8	
Allocation of 2001 net profit to reserves			116.2	(116.2)	
Parent company dividend distribution			(74.2)		
Other movements			(0.5)		
At 31 December 2002	52.8	24.2	173.3	111.8	362.1

The company's share capital at 31 December 2002 amounted to € 52,755,476, consisting of 131,888,690 fully paid-up shares, each with a nominal share value of € 0.40.

3.11 Minority Interest

Opening balance – 1 January 2002	(0.6)
Minority interest share of subsidiaries' net losses ⁽¹⁾	(1.0)
Dividends paid to minority interests by subsidiaries	-
Minority interest share of partnerships' net income	1.2
Total	(0.4)

⁽¹⁾ Allocation

Sedi TV	(0.9)
FC Girondins de Bordeaux	(0.1)
Total	(1.0)

Notes to the consolidated financial statements

3.12 Provisions for Liabilities and Charges

(€ millions)	31 Dec. 2001	Charges	Uses	Reversals	All Other Changes	31 Dec. 2002
Provisions for liabilities						
Provisions for litigation ⁽¹⁾	14.8	2.5	2.4	2.6	(1.7)	10.6
Provisions for M6 Films liabilities	7.2	-	7.2	-	-	-
Provisions for exchange losses	1.0	0.9	0.4	-	0.2	1.7
Equity accounted investments	128.0	-	-	-	(122.4)	5.6
Other provisions for liabilities ⁽²⁾	20.5	23.0	4.1	4.5	20.3	55.2
Subtotal	171.5	26.4	14.1	7.1	(103.6)	73.1
Impact on profitability						
Provisions for retirement benefits	5.3	2.4	0.2	-	0.2	7.7
Other provisions for charges	1.2	6.3	1.0	-	2.9	9.4
Subtotal	6.5	8.7	1.2	-	3.1	17.1
Total	178.0	35.1	15.3	7.1	(100.5)	90.2
Impact on profitability						
Operating profitability		(10.6)		7.1		
Net finance income		(5.0)		-		
Net exceptional expense		(19.5)		-		

(€ millions)	2002
⁽¹⁾ Breakdown of provisions for litigation	
- provisions for court litigation	3.9
- provisions for various TPS litigation	4.3
- provisions for other litigation	2.4
Total	10.6

(€ millions)	2002
⁽²⁾ Breakdown of other provisions for liabilities	
- provisions for treasury share acquisition	42.2
- provisions for various liabilities at TPS	5.5
- other	7.5
Total	55.2

The following equity accounted investments reported a net deficit at 31 December 2002 and were accordingly classified as provisions for liabilities and charges

The significant decrease in 2002 arises from the disposal of Ticketnet and the proportional consolidation of TPS, which was previously accounted under the equity method.

	31 December 2001			31 December 2002			
	Reserves	Net Loss	Total	Reserves	Net Loss	Changes in Group Structure	Total
TPS	(97.2)	(24.6)	(121.8)	(121.8)	(4.6)	126.4	-
Ticketnet	(0.9)	(2.0)	(2.9)	(2.9)	-	2.9	-
RTL Shop	-	(3.3)	(3.3)	(3.3)	(2.3)	-	(5.6)
Total	(98.1)	(29.9)	(128.0)	(128.0)	(6.9)	129.3	(5.6)

3.13 Borrowings

M6 Group borrowings result from its 34% share of TPS borrowings.

When all interest rate hedge transactions have been taken into account, TPS's borrowings are comprised of the following types of fixed interest borrowings:

(€ millions)	Variable Rate	Fixed Rate
Bank loans	-	80.6
Capital lease related debts		9.7
Interest payables	-	0.2
Total	-	90.5

3.14 Operating and Other Liabilities

(€ millions)	31 Dec. 2001	Net Change	Changes in Group Structure	31 Dec. 2002
Operating Liabilities				
Advances and payments on account ⁽¹⁾	8.1	8.5	37.5	54.1
Trade liabilities	301.3	11.7	66.2	379.2
Tax and social security liabilities ⁽²⁾	95.3	7.2	12.3	114.8
Total	404.7	27.4	116.0	548.1
Other Liabilities				
Liabilities relating to non-current assets ⁽³⁾	52.4	10.1	1.1	63.6
Deferred revenues ⁽¹⁾	14.3	0.8	19.0	34.1
Other	34.7	4.6	3.4	42.7
Total	101.4	15.5	23.5	140.4

⁽¹⁾ Changes in Group Structure net increases for advances and payments on account and deferred revenues relate to TPS and concern guarantee deposits and prepaid subscription receipts, respectively.

⁽²⁾ At 31 December 2002, tax and social security liabilities comprise an income tax and VAT liability of € 75.1 million.

⁽³⁾ Liabilities relating to non-current assets comprise the remaining € 27.2 million owed relating to the TPS 9% ownership interest acquisition.

3.15 Liabilities Relating to Non-Current Assets

Analysis by maturity

Total	63.6	62.3	1.3	-
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Notes to the consolidated financial statements

4. Notes to the Consolidated Income Statement

4.1 Sales

4.1.1 Analysis of Sales by Business Segment

(€ millions)	2002	2001	% Change
Terrestrial Free TV	578.1	576.7	0.2
Brand Diversification	302.3	235.9	28.1
Digital Pay TV	68.1	32.7	108.3
Total	948.5	845.3	12.2

4.1.2 Analysis of Sales by Geographic Region

France	917.5	799.4	14.8
Europe	26.2	34.4	(23.8)
Rest of World	4.8	11.5	(58.3)
Total	948.5	845.3	12.2

4.2 Other Operating Revenues

Other operating revenues include various services fees, various TPS activity revenues and Girondins de Bordeaux Club player transfer fees.

4.3 Cost of Sales

Cost of sales is comprised primarily of broadcasting costs and costs relating to the broadcasting of programmes.

The increase in cost of sales arises primarily from the proportional consolidation of TPS and an 8.1% rise in the Group's programme scheduling costs.

4.4 Personnel Costs

(€ millions)	2002	2001
Wages and social benefits	123.9	98.9
Employee profit sharing	5.0	5.1
Charges de personnel	128.9	104.0

The increase in wages and social benefits costs arises from the proportional consolidation of TPS.

The Group's employee profit sharing plan is in accordance with the statute of 21 October 1986, codified in Articles L442-7 to 17 of the Employment Code, for which € 5 million has been provided, including € 0.4 million for HSS and Tecipress.

4.5 Other Operating Expenses

Other operating expenses amounted to € 79.9 million and consist primarily of royalty fees paid to performing rights societies.

4.6 Depreciation, Amortisation and Provision Charges

Amortisation, depreciation and operating provisions (net of releases) are analysed thus:

(€ millions)	2002	2001
Amortisation and provisions - audiovisual rights	24.0	20.5
Amortisation and provisions - co-production costs	19.2	20.2
Amortisation - other intangible assets	2.1	2.6
Depreciation - property, plant and equipment	12.0	8.6
Expensing of broadcast rights inventory	11.5	2.6
Deferred expenses charges	8.3	36.8
Provision for retirement benefits charges	0.9	0.6
Other	2.8	(2.0)
Total	80.8	89.9

Deferred expenses charges relate to the amortisation of Girondins de Bordeaux Club player transfer premiums.

4.7 Operating Profit

Analysis by Business Segment

Terrestrial Free TV	167.6	196.9	(14.9)
Brand Diversification	29.6	16.0	85.0
Digital Pay TV	(4.1)	0.3	N/A
Total	193.1	213.2	(9.4)

4.8 Net Finance Income

Investment income	5.9	7.0
Foreign exchange net losses	(0.7)	(0.2)
Net charges to provisions for liabilities and charges	(4.6)	-
Autres	0.4	0.4
Total	1.0	7.2

The net finance income amount for 2002 includes a € 4.1 million charge relating to treasury shares, reflecting the potential loss in value of shares that were to be allocated to employees who have since left the Group or for which the probability of their exercise by option holders is remote.

Notes to the consolidated financial statements

4.9 Net Exceptional Expenses

(€ millions)	2002
Intangible assets exceptional provision charges	4.5
Net charges to provisions for liabilities and charges	(15.9)
Impact of changes in Group structure	0.2
Other	(3.7)
Total	(14.9)
Note:	
Tax on net exceptional items	6.3
Net exceptional expenses after tax	(8.6)

The net exceptional expenses amount for 2002 includes a € 14.7 million charge to a provision for share buyback for employees.

4.10 Income Tax

Métropole Télévision SA has declared itself as the parent company of a tax grouping pursuant to the provisions of Articles 223-a and subsequent of the Income Tax Code, as of 1 January 1988.

	2002	2001
Income tax liability per Income Tax Code	53.5	72.3
Deferred income tax	4.7	(1.9)
Total	58.2	70.4

An income tax rate of 35.43% was used for 2002.

The deferred tax amount recorded on the Income Statement incorporates future tax savings on non-deductible provisions as well as the tax impact of consolidation restatements.

The following schedule reconciles the income tax accounting expense amount with the income tax amount arising from the theoretical tax rate for the financial year ending 31 December 2002:

(€ millions)	2002
Net profit before income tax and acquisition goodwill amortisation	172.2
Income tax expense based on a theoretical tax rate of 35.43%	61.0
Ticketnet disposal consolidated capital gain	(1.0)
Impact from permanent differences	(1.8)
Total	58.2

4.11 Share of Associates' Net Losses

This comprises the Group's share of losses of RTL Shop and those of TPS from 1 January to 30 September 2002.

5. Other Notes to the Consolidated Financial Statements

5.1 Average Workforce Size

	2002	2001	% Change
Employees	321	213	50.7
Supervisors	204	190	7.4
Managers	564	370	52.4
Reporters/programme hosts	137	130	5.4
Total full-time employees	1,226	903	35.8
Temporary employees (Full-time equivalents)	373	299	24.7

The significant increase in workforce size during 2002 reflects the proportional consolidation of TPS Group.

5.2 Management Board and Supervisory Board Remuneration

Total remuneration of €2.4 million was paid to the Chairman of the Supervisory Board and to the five members of the Management Board.

Notes to the consolidated financial statements

5.3 Off-Balance Sheet Commitments

(€ millions)	Within 1 year	After 1 year	Dec. 31 2002	Dec. 31 2001	Terms and conditions of implementation
Commitments given:	125.1	835.7	960.8	962.6	
Purchase of rights and co-production commitments ⁽¹⁾	60.8	125.2	186.0	131.1	Signed contracts
Images transmission, satellite and transponders ⁽²⁾	39.8	209.6	249.4	61.7	Signed contracts
Financial commitments ⁽³⁾	6.8	15.0	21.8	24.7	Expiry of purchase options
Responsibility for partnership liabilities ⁽⁴⁾	-	467.7	467.7	728.2	SNC liquidation
Baux non résiliables ⁽²⁾	3.0	5.0	8.0	3.3	Leases
Other	14.7	13.2	27.9	13.6	-
Commitments received:	4.4	479.2	483.6	547.7	
Responsibility for partnership liabilities ⁽⁴⁾	-	471.0	471.0	539.7	SNC liquidation
Sales commitments	2.6	3.8	6.4	7.7	Annual deadlines
Financial support granted by the Centre	1.0	-	1.0	0.3	Grant agreement date
Other	0.8	4.4	5.2	-	-

Note: These commitments incorporate potential agreements with existing shareholders.

⁽¹⁾ Comprises:

- 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.

⁽²⁾ These commitments are valued by taking into account each contract's remaining amounts until their expiry date.

⁽³⁾ These commitments relate to fixed term foreign currency purchases in the exact amount of amounts contracted to purchase foreign audiovisual rights catalogues.

⁽⁴⁾ 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 adjustments and partners' current account balances, as an off-Balance Sheet commitment given, and presents as an off-Balance Sheet commitment received the other partners share of these liabilities.

Accordingly, the Group reports € 440 million both as an off-Balance Sheet commitment given and an off-Balance Sheet commitment received, regarding the TPS share of these commitments.

None of M6 Group's non-current assets have been pledged or mortgaged.

5.4 Consolidated Cash Flow Statement

The Consolidated Cash Flow Statement is prepared in accordance with the model for cash flow statements recommended by the French professional accounting body 'Ordre des Experts Comptables'.

The principal movements concerned the following accounts:

- transfer of expenses to deferred expenses: FC Girondins de Bordeaux players' transfer premiums,
- cash and cash equivalents arising from acquisitions/disposals of subsidiaries: principal amounts concern the additional 9% acquisition of TPS shares (paid in full at the end of December 2002, from cash and marketable securities acquired),
- borrowings and other financing repayments: cash flow movements relate to the TPS Group.

6. Subsequent Events

No event, which might significantly influence the results of the Group, has occurred since the financial year-end.

7. Proforma Consolidated Financial Statements

Proforma financial statements were prepared in order to ensure the comparability of M6 Group financial statements, following the Group's 9% ownership interest increase in TPS Group that resulted in a change of its accounting from the equity method to the proportional consolidation method for the last quarter of 2002. These proforma financial statements report the Group's balances and transactions as if its 34% holding in TPS Group had been accounted for under the proportional consolidation method from 1 January 2001.

The following significant adjustments were made:

- restatement of TPS acquisition goodwill asset and amortisation amounts,
- elimination of transactions and balances between TPS Group and M6 Group,
- adjustment of M6 Group tax charge in order to take into account the realisation of an additional tax saving.

Notes to the consolidated financial statements

Proforma consolidated balance sheet		Assets (€ millions)		
At 31 December	2002		2001	
	Gross	Acc Dep & Amort/Prov	Net	Net
Acquisition goodwill	25.4	10.3	15.1	14.9
Audiovisual rights	192.9	153.1	39.8	37.4
Business goodwill	91.8	-	91.8	91.8
Other intangible assets	194.3	166.5	27.8	18.9
Av. et acomptes sur immobilisations	22.0	-	22.0	36.7
Intangible assets	501.0	319.6	181.4	184.8
Land	7.8	-	7.8	6.1
Buildings	56.2	14.2	42.0	44.6
Facilities and Equipment	33.5	26.7	6.8	8.2
Other property, plant and equipment	117.0	76.1	40.9	50.8
Property, plant and equipment in progress	0.5	-	0.5	1.1
Property, plant and equipment	215.0	117.0	98.0	110.8
Equity investments	3.4	2.6	0.8	0.8
Investment receivables	16.6	-	16.6	24.8
Other investments	1.0	0.0	1.0	2.1
Investments	21.0	2.6	18.4	27.7
Total non-current assets	762.4	449.5	312.9	338.2
Broadcast rights inventory	276.0	57.6	218.4	189.2
Commercial inventory	11.4	5.4	6.0	12.6
Trade receivables	270.5	12.2	258.3	227.5
Other receivables	160.3	1.5	158.8	152.9
Cash and marketable securities	213.8	-	213.8	204.0
Total current assets	932.0	76.7	855.3	786.2
Deferred tax assets	24.0	-	24.0	27.1
Total assets	1,718.4	526.2	1,192.2	1,151.5

Proforma consolidated balance sheet	Equity and liabilities (€ millions)	
At 31 December	2002	2001
Share capital	52.8	52.8
Share premium	24.2	24.2
Reserves	159.3	133.0
Net profit	111.0	100.9
Group equity	347.3	310.9
Investment grants	0.6	1.7
Other equity	0.6	1.7
Total equity	347.9	312.6
Minority interest	(0.4)	(0.5)
Provisions for liabilities and charges	90.2	68.8
Borrowings	90.5	136.0
Trade payables	433.5	361.2
Income tax and social security liabilities	111.6	104.4
Operating liabilities	545.1	465.6
Liabilities relating to non-current assets	36.6	58.8
Other liabilities and accruals	74.7	104.3
Other liabilities	111.3	163.1
Deferred tax liabilities	7.6	5.9
Total equity and liabilities	1,192.2	1,151.5

Notes to the consolidated financial statements

Proforma consolidated income statement		(€ millions)
Financial year ending 31 December	2002	2001
Sales	1,071.3	991.1
Other operating revenues	41.8	28.4
Total operating revenues	1,113.1	1,019.5
Audiovisual rights		
Cost of sales	545.0	485.6
Personnel costs	140.2	120.5
Other operating expenses	83.1	59.1
Taxes and royalties	53.8	50.1
Depreciation, amortisation and provision net charges	100.3	119.1
Total operating expenses	922.4	834.4
Operating profit	190.7	185.1
Net finance income	(2.8)	(8.1)
Profit on ordinary activities before tax	187.9	177.1
Net exceptional income/(expenses)	(15.0)	(0.2)
Income tax	58.3	67.0
Net profit before share of associates' results	114.5	109.8
Share of associates' results	(2.3)	(5.3)
Net profit before minority interest & goodwill amortisation	112.2	104.5
Acquisition goodwill amortisation	2.1	4.5
Minority interest	(1.0)	(0.9)
Net profit	111.0	100.9

Proforma consolidated cash flow statement		(€ millions)
Financial year ending 31 December	2002	2001
Operating activities		
Financial year net profit	111.0	100.9
Minority interest's share of subsidiaries' net loss	(1.0)	(0.9)
Share of associates' results	2.3	5.3
Elimination of items not impacting on Cash and Cash Equivalents		
Depreciation, amortisation and provision charges	123.7	141.8
Depreciation, amortisation and provision charges	(2.5)	(23.0)
Other items not impacting on cash and cash equivalents	2.9	(2.9)
Cash flow from operations	236.4	221.2
Movements in working capital requirements		
Inventories	(15.5)	(33.7)
Trade receivables	(23.4)	1.3
Operating liabilities	35.5	(18.9)
Transfer of expenses to deferred expenses	(15.6)	-
Net movement in working capital requirements	(19.0)	(51.3)
Net cash from operating activities	217.4	169.9
Investing activities		
Intangible asset acquisitions	(57.0)	(62.2)
Property, plant and equipment acquisitions	(16.2)	(16.7)
Investment acquisitions	(11.4)	(12.3)
Cash and cash equivalents arising from acquisitions/disposals of subsidiaries	(27.5)	3.8
Intangible assets' and property, plant and equipment disposals	0.8	1.4
Investment disposals/writedowns	0.1	(0.3)
Net cash used in investing activities	(111.2)	(86.3)
Financing activities		
Amounts received from shareholders arising from share capital increase	-	-
Other equity increases	0.4	0.9
New borrowings/(borrowings repayments)	(23.8)	19.4
Dividends paid to Parent Company shareholders and minority interest	(73.0)	(65.9)
Net cash used in financing activities	(96.4)	(45.6)
Increase in cash and cash equivalents	9.8	38.0
Cash and cash equivalents - start of year	204.0	166.0
Cash and cash equivalents - end of year	213.8	204.0

Report of the statutory auditors on the consolidated financial statements for the financial year ending 31 december 2002

BARBIER FRINAULT & AUTRES ERNST & YOUNG

Statutory Auditors
Member of the Compagnie de Versailles
41, rue Ybry
92576 Neuilly-sur-Seine Cedex

KPMG AUDIT

Division of KPMG SA
Statutory Auditor
Member of the Compagnie de Versailles
Immeuble KPMG – 1, cours Valmy
92923 Paris-La Défense Cedex

To the shareholders of Métropole Télévision SA company,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the financial year ended 31 December 2002, on the audit of the accompanying consolidated financial statements of Métropole Télévision Group, as attached.

The consolidated financial statements have been prepared by the Management Board. Our role is to express an opinion on these consolidated financial statements based on our audit.

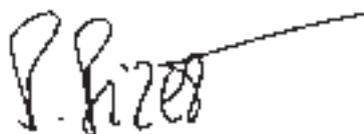
We conducted our audit in accordance with accepted professional standards in France. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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, prepared in accordance with generally accepted accounting principles in France, give a true and fair view of the consolidated financial position, assets and liabilities, and net income of Métropole Télévision and its subsidiaries for the financial year then ended.

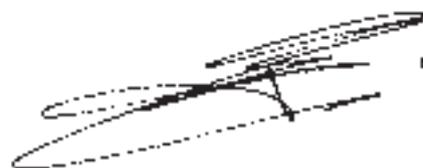
Without prejudice to our above opinion, we would like to bring to your attention the Valuation Policies and Methods section of Note 1.2 for a discussion of the change in accounting method arising from the first application of CRC 2000-06 regulation concerning liabilities, which was issued on 7 December 2000, and its impact on Consolidated Income Statement results and opening equity balances.

We have also performed, in accordance with professional standards, the specific verifications required by law regarding the information in the management report. We have no comments to make concerning the fairness of the information and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La-Défense, 28 March 2003
Statutory Auditors



BARBIER FRINAULT & AUTRES
Bruno Bizet



KPMG AUDIT
Département de KPMG SA
Frédéric Quélin

Parent company financial statements

Parent company balance sheet				Assets (€ millions)		
At 31 December	Notes	Gross	2002 Acc Dep/Amort & Provisions	Net	2001	2000
Non-current assets						
Broadcast rights, licences, concessions	3.1/3.2	-	-	-	-	126.2
Business goodwill	3.1	-	-	-	-	-
Other intangible assets	3.1/3.2	91.2	67.7	23.4	23.8	20.5
Advances on intangible assets	3.1	1.2	-	1.2	6.6	12.0
Technical facilities, equipment and tools	3.1/3.2	14.7	13.6	1.1	1.3	1.9
Other property, plant and equipment	3.1/3.2	10.7	6.9	3.9	4.0	3.6
Non-current assets in progress	3.1	-	-	-	0.1	0.4
Investments	3.1/3.3	90.6	0.1	90.5	87.7	27.0
Investment receivables	3.1/3.3/3.5	-	-	-	-	0.6
Other equity investments	3.1	-	-	-	-	-
Loans	3.1/3.5	26.6	-	26.6	29.4	33.3
Other investments	3.1/3.5	1.2	-	1.2	1.2	1.0
Total non-current assets		236.3	88.3	148.0	154.1	226.6
Current Assets						
Broadcast rights inventories	3.4	237.2	56.2	181.0	178.9	43.9
Advances & payments on account		-	-	-	-	-
Trade receivables	3.3/3.5	184.7	1.8	182.9	166.4	191.2
Other receivables	3.5	276.7	-	276.7	207.0	256.5
Marketable securities	3.6	260.8	-	260.8	225.6	179.6
Cash	3.6	35.9	-	35.9	19.8	11.4
Prepaid expenses		0.6	-	0.6	1.2	0.8
Total current assets		995.7	58.0	937.7	799.0	683.4
Deferred expenses		-	-	-	-	-
Bond redemption premium		-	-	-	-	-
Deferred translation gain		0.3	-	0.3	0.0	0.1
Total assets		1,232.3	146.3	1,086.0	953.0	910.1

Parent company balance sheet		Equity and liabilities (€ millions)		
At 31 December	Notes	2002	2001	2000
Share capital		52.8	52.8	52.8
Share premium		24.2	24.2	24.2
Legal reserve		5.3	4.0	4.0
Regulated reserves		13.1	-	-
Retained earnings		317.5	264.5	175.6
Financial year net profit		155.8	141.6	155.1
Interim dividend		-	-	-
Regulated provisions	3.3	1.0	-	11.7
Total equity		569.6	487.1	423.4
Income from share issues				
Total other equity		-	-	-
Provisions for liabilities		50.8	38.4	28.2
Provisions for charges		28.7	28.7	55.3
Total provisions for liabilities and charges	3.3	79.5	67.1	83.5
Liabilities				
Borrowings from financial institutions ⁽¹⁾	3.5	49.4	16.2	36.4
Other borrowings	3.5	-	1.0	2.3
Advance payments received	3.5	-	-	0.5
Trade payables	3.5	209.0	195.2	102.2
Income tax and social security liabilities	3.5	50.5	48.4	70.0
Liabilities on non-current assets	3.5	27.0	33.3	87.7
Other liabilities	3.5	100.6	104.6	104.0
Deferred revenues		0.5	0.3	0.1
Total liabilities		437.0	398.9	403.1
Deferred translation loss		-	-	-
Total equity and liabilities		1,086.0	953.0	910.1
Note:				
Financial Year Net Profit (in €)		155 769 370	141 585 830	155 143 917
Financial Year-End Total Assets (in €)		1 086 008 630	953 032 683	910 065 857

⁽¹⁾ short term bank overdrafts

Parent company financial statements

Parent company income statement

(€ millions)

Financial year ending 31 December	Notes	2002	2001	2000
Sales	4.1	580.7	569.0	554.4
Production capitalised as inventory		0.3	0.1	0.1
Production capitalised as non-current assets		-	0.4	0.2
Amortisation, depreciation and provisions reversals		40.5	41.0	51.5
Other operating revenues		8.9	5.7	4.1
Total operating revenues		630.5	616.2	610.3
Merchandise purchased (including customs duties)		166.3	197.8	73.4
Merchandise inventory movement		(1.0)	(48.9)	(4.0)
Other purchases and external charges		123.1	120.9	114.3
Taxes and royalties		40.9	41.3	39.6
Payroll		30.3	27.1	26.1
Employment social benefits		11.3	10.9	9.0
Non-current assets amortisation and depreciation charges		17.2	15.3	67.6
Non-current assets provision charges		21.8	23.6	50.3
Current assets provision charges		24.1	17.5	0.6
Provisions for liabilities and charges increases		3.4	0.7	11.1
Other operating expenses		32.1	29.1	30.3
Total operating expenses		469.7	435.5	418.3
Operating profit		160.7	180.7	192.0
Allocated profit/transferred loss		-	-	-
Allocated loss/transferred profit		-	-	-
Financial income from investments		35.9	37.3	33.1
Financial income from marketable securities		-	-	-
Other interest and related income		6.2	6.6	3.4
Provision reversals/expense transfers		20.8	0.1	0.4
Foreign exchange gains		-	-	0.1
Net gain on marketable securities disposal		-	-	-
Total finance income		62.8	44.0	37.0
Financial amortisation and provision charges		7.3	2.2	0.1
Interest and related expenses		20.5	1.6	2.6
Foreign exchange losses		0.4	0.4	0.1
Net loss on marketable securities disposal		-	-	-
Total financial expenses		28.3	4.2	2.8
Net financial income	4.2	34.5	39.7	34.2
profit on ordinary activities before tax		195.3	220.4	226.2
Exceptional income - operating activities		0.2	0.2	1.8
Exceptional income - investing and financing activities		0.1	0.7	1.1
Provision reversals/expense transfers		2.0	5.6	5.9
Exceptional income		2.2	6.6	8.8
Exceptional expenses - operating activities		1.6	0.1	0.6
Exceptional expenses - investing and financing activities		0.3	5.9	2.1
Exceptional amortisation and provision charges		2.4	23.2	21.0
Exceptional expenses		4.4	29.2	23.7
Net exceptional expense		(2.1)	(22.6)	(14.9)
Employee profit sharing plan contributions		2.5	2.5	2.7
Income Tax	4.4	34.9	53.7	53.5
Net profit		155.8	141.6	155.1
Note:				
Financial year total revenues and income		695.5	666.7	656.2
Financial year total expenses		539.7	525.2	501.1

Parent company cash flow statement		(€ millions)		
Financial year ending 31 December	2002	2001	2000	
Operating activities				
Financial year net profit	155.8	141.6	155.1	
Depreciation, amortisation and provision charges	18.7	36.9	93.9	
Net gains from non-current asset disposals	-	-	1.0	
Other items not impacting on cash and cash equivalents				
Cash flow from operations	174.5	178.5	250.0	
Inventories				
Stocks	(11.8)	(48.9)	(3.9)	
Trade receivables	(58.8)	69.6	(109.5)	
Operating liabilities	5.8	17.9	73.8	
Transfer of expenses to deferred expenses				
Net movement in working capital requirements	(64.7)	38.5	(39.6)	
Net cash from operating activities	109.8	217.0	210.4	
Investing activities				
Intangible asset acquisitions	(15.0)	(16.3)	(86.4)	
Property, plant and equipment acquisitions	(1.6)	(2.6)	(2.6)	
Investment acquisitions	(2.9)	(609)	(0.3)	
Net cash arising from acquisitions/disposals of subsidiaries				
Intangible assets ¹ and property, plant and equipment disposals	-	0.6	0.9	
Investments disposals/writedowns	2.8	3.2	0.5	
Net cash used in investing activities	(16.6)	(76.2)	(87.8)	
Financing activities				
Amounts received from shareholders arising from share capital increases				
Other equity increases				
Borrowings increases			2.3	
Borrowings repayments	(1.0)			
Dividends paid to Parent Company shareholders	(74.2)	(66.2)	(53.3)	
Flnet cash used in financing activities	(75.2)	(66.2)	(51.0)	
Net cash used in financing activities	18.0	74.6	71.6	
Cash and cash equivalents - start of year	229.2	154.6	83.0	
Cash and cash equivalents - end of year	247.2	229.2	154.6	

Notes to the parents company financial statements

Notes to the parent company financial statements

Métropole Télévision, henceforth also referred to as the 'Company', reported a net profit of € 155.8 million and total assets of € 1.09 billion for the 12-month financial year ending on 31 December 2002.

The parent company financial statements were approved by the Supervisory Board on 3 March 2003.

The amounts reported in the Notes are expressed in millions of Euros (€), unless otherwise indicated.

Note 1 - Financial Year Highlights

In October 2002, Métropole Télévision increased its ownership interest in TCM-DA, from 41.25% to 50%.

At the same time, the Company also increased its ownership interest in TCM Gestion to 50%.

In November 2002, the Company acquired in full the Mandarin company for € 2.5 million.

Note 2 - Summary of Significant Valuation Policies and Methods

The 2002 parent company financial statements are comparable to those of the previous financial year.

These financial statements were prepared in accordance with French Generally Accepted Accounting Principles as codified in law and set by regulation.

The application of the French CRC 2000-06 regulation concerning liabilities had no impact on the parent company financial statements of Métropole Télévision.

2.1 Intangible Assets

Intangible assets comprise:

2.1.1 Computer software

Computer software is amortised on a straight-line basis over one to five years, supplemented by accelerated amortisation where necessary.

2.1.2 Co-Production costs – dramas, documentaries, concerts, broadcasts and video-music

Co-production costs arising from contracts are treated as Off-Balance Sheet commitments, until receipt of invoices.

Co-production costs are accounted for in Other intangible assets upon receipt of technical acceptance.

Co-production costs, corresponding to the receipts arising from commercialisation of the co-production, are amortised on a straight-line basis over three years.

These costs are fully written off when it appears that the present value of future receipts will be insufficient.

2.2 Property, plant and equipment (PPE)

2.2.1 Property, Plant and Equipment assets

are recorded at their purchase cost or production cost, and are depreciated on a straight-line basis over their useful lives, as follows:

Portable technical equipment	3 years
Other portable equipment	4 years
Technical equipment	3 to 5 years
Computer hardware - PCs	4 years
Office equipment	5 years
Video equipment	6 years
General facilities	10 years
Office furniture	10 years

2.2.2 Investments

Investments are recorded at their purchase cost. A write-down provision is established when their current market value justifies it.

2.3 Broadcast rights

From 1 January 2001, broadcast rights are classified together with home shopping merchandise as inventory.

Purchases are recorded at their purchase cost, net of any trade discounts and rebates earned, but excluding the effect of any possible settlement discounts.

Broadcast rights are transferred from inventory and charged to cost of sales as the programmes they relate to are broadcast on TV, in accordance with the following rules:

1. rights acquired for a single broadcast: 100% expensed
2. rights acquired for multi-broadcasts:
 - 1st broadcast: 67% of the contract value
 - 2nd broadcast: 33% of the contract value.

A writedown provision is established for broadcast rights relating to programmes that are not likely to be broadcast and where their fair market value is below their net book value.

Costs arising from pre-purchase music video contracts are recorded on the Balance Sheet as prepaid expenses for the amount stated in the contract, based on a forecast number of broadcasts, which is then written off to expenses each time a broadcast takes place.

2.4 Receivables and liabilities

Receivables and liabilities are valued at their nominal values. A provision for receivables writedown is established based on the risks of non-collection.

Foreign currency denominated receivables and liabilities are recorded at their Balance Sheet data exchange rate. Only deferred exchange losses are recognised in the Income Statement.

2.5 Marketable securities

Marketable securities are recorded at their gross value. A provision for write-down is established whenever the market value is less than the acquisition cost.

2.6 Treasury shares

The Métropole Télévision company holds treasury shares for the purpose of distribution to employee beneficiaries who exercise their stock options.

They are recorded at their gross book value as marketable securities. A provision for writedown is established when their market price or exercise price is less than their gross book value.

2.7 Provisions pour risques et charges

Provisions for liabilities and charges are determined based on a risk exposure assessment at year-end.

2.8 Provisions for retirement benefit

The provision for retirement benefits was calculated in accordance with IAS 19, using an actuarial method that takes into account the acquired rights of all Group's employees and their most recent salary.

2.9 Advertising revenues

Advertising revenues are recorded net of commercial discounts.

Notes to the parents company financial statements

Note 3. Notes to the Parent Company Balance Sheet

3.1 Non-Current Assets: Gross Book Values

(€ millions)	31 Dec. 2001	Additions	Disposals	31 Dec. 2002
Intangible Assets				
Business goodwill	-	-	-	-
Other intangible assets	76.2	15.0	-	91.2
Advances and payments on account	6.6	16.8	22.2	1.2
Total	82.8	31.8	22.2	92.4
Property, Plant and Equipment				
Technical facilities and equipment	14.6	0.4	0.3	14.7
Other property, plant and equipment	9.6	1.2	-	10.7
Property, plant and equipment in progress	0.1	0.2	0.2	-
Total	24.3	1.7	0.6	25.4
Investments				
Equity investments	87.8	2.8	-	90.6
Receivables relating to equity investments	-	-	-	-
Loans	29.4	-	2.8	26.6
Other investments	1.2	0.7	0.7	1.2
Total	118.4	3.5	3.5	118.4
Total Non-Current Assets	225.5	37.0	26.2	236.3

3.2 Non-Current Assets: Accumulated Depreciation and Amortisation

Intangible Assets				
Other intangible assets	52.4	15.3	-	67.7
Total	52.4	15.3	-	67.7
Property, Plant and Equipment				
Technical facilities and equipment	13.3	0.7	0.3	13.6
Other property, plant and equipment	5.6	1.3	-	6.9
Total	18.9	1.9	0.4	20.5
Total – Non-Current Assets	71.3	17.2	0.4	88.2

3.3 Provisions

(€ millions)	31 Dec. 2001	Charges	Uses	Reversals	31 Dec. 2002
Regulated Provisions					
Audiovisual rights impairment amortisation	-	1.0	-	-	1.0
Total	-	1.0	-	-	1.0
Provisions for liabilities and charges					
Provisions for litigation and share purchase	38.4	14.9	2.1	0.6	50.6
Provision for exchange losses	-	0.3	-	-	0.3
Provision for rights write-down	23.6	21.8	23.6	-	21.8
Provision for social security charges	5.1	2.3	0.5	-	6.8
Total	67.1	39.3	26.3	0.6	79.5
Provisions for write-down					
Provision for investments	0.1	-	-	-	0.1
Provision for trade accounts receivable	2.6	0.1	0.9	-	1.8
Provision for other receivables ⁽¹⁾	20.8	-	20.8	-	-
Provision for inventories	46.5	240	14.3	-	56.2
Provision for marketable securities	-	-	-	-	-
Total	70.0	241	36.0	-	58.1
Total Provisions	137.1	64.4	62.3	0.6	138.5
Analysis of charges and reversals by type					
Operating		49.4	39.7	0.4	
Financial		7.3	20.6		
Exceptional		2.4	2.0	0.2	
Charges and reversals arising from reclassifications		5.2			

⁽¹⁾ including a waiver of a receivable amounting to € 19.6 million.

3.4 Inventories

Inventories	219.0	104.4	100.8	2.6	220.0
Inventories in process	6.4	43.0	32.2	-	17.2
Total	225.4	147.4	133.0	2.6	237.2

Notes to the parents company financial statements

3.5 Receivables and Liabilities

3.5.1 Receivables

(€ millions)	Due Within 1 Year	Due Between 1 and 5 Years	Due After 5 Year
Non-Current Assets			
Receivables relating to equity investments	-	-	-
Loans	26.6	-	26.6
Other investment receivables	1.2	-	1.2
Other investment receivables	27.8	-	27.8
Current Assets			
Trade receivables	184.7	182.6	2.1
Other receivables	276.6	36.6	240.0
Total	461.3	219.2	242.1
Total Receivables	489.2	219.2	270.0

3.5.2 Liabilities

(€ millions)	Total Value	Due Within 1 Year	Due Between 1 and 5 Years	Due After 5 Years
Borrowings from financial institutions	49.4	49.4	-	-
Deposits and sureties received	-	-	-	-
Trade payables	209.0	184.7	24.3	-
Income tax and social security liabilities	50.5	50.5	-	-
Liabilities on non-current assets	27.0	25.7	1.3	-
Other liabilities	100.6	100.6	-	-
Total	436.4	410.9	25.6	-

Accrued expenses included in the above:

trade suppliers	95.2
income tax and social security	8.9
non-current assets suppliers	9.2

3.5.3 Prepaid Expenses 0.6

3.5.4 Deferred Revenues 0.5

3.6 Cash and Marketable Securities

(€ millions)	31 Dec. 2002	31 Dec. 2001
Treasury shares	72.3	70.4
Investment funds, SICAV and certificates of deposit	188.5	155.2
Cash	35.9	19.8
Total	296.7	245.4

At 31 December 2002, Métropole Télévision held 1,650,002 of its own shares.
220,000 shares were distributed to employees following the exercise of their options during 2002.

Note 4. Notes to the Consolidated Income Statement

4.1 Sales

(€ millions)	2002	2001	%
Analysis of sales by business segment			
TV advertising revenues	540.3	536.3	0.75
Events sponsorship advertising revenues	26.4	21.2	24.46
Other revenues	14.1	11.5	22.31
Total	580.7	569.0	2.07
Analysis of sales by geographic region			
France	96.54 %		
Europe	3.35 %		
Rest of World	0.11 %		

Notes to the parents company financial statements

4.2 Net Finance Income

(€ millions)	2002	2001
Dividends from subsidiaries	27.6	25.8
Income from marketable securities	6.2	6.6
Net increase in provisions for liabilities and charges ⁽¹⁾	13.7	(2.2)
Waiver of receivable	(19.6)	-
Foreign exchange loss	(0.4)	(0.4)
Other	0.8	9.9
Total	28.3	39.7

⁽¹⁾The net finance income amount for 2002 includes a € (7.1) million charge relating to treasury shares, reflecting the potential loss in value of shares that were to be allocated to employees who have since left the Group or for which the probability of their exercise by option holders is remote.

4.3 Net Exceptional Expenses

(€ millions)	2001
Net provision charges (including accelerated depreciation/amortisation)	(1.7)
Other net charges	(0.4)
Total	(2.1)

4.4 Income Tax

Métropole Télévision SA has declared itself as the parent company of a group in accordance with Articles 223A and subsequent of the Income Tax Code.

Each profitable company pays its own income tax charge.

The Company incurred an income tax charge of € 34.9 million for 2002.

4.5 Analysis of Income Tax by Activity

Profit from ordinary activities	195.3	35.6
Net exceptional expense	(2.1)	(0.7)
Profit before tax and employee savings plan charges	193.2	
Company income tax		34.9

4.6 Other Purchases and External Charges

This account comprises TDF fees and fees relating to the sale of advertising time on the Company's network.

Note 5 - Other Notes to the Parent Company Financial Statements

5.1 Balance Sheet and Income Statement Income Balances

(€ millions)	Related Companies	Connected Companies
Investments	89.5	0.8
Receivables relating to investments	-	-
Loans	26.6	-
Trade receivables	12.3	0.5
Other receivables ⁽¹⁾	229.6	5.8
Borrowings	-	-
Liabilities relating to investments	-	-
Trade payables	29.1	0.3
Non-current assets suppliers' liabilities	4.1	0.1
Other liabilities	-	0.4
Financial expenses	20.2	-
Investment income	35.7	0.1
⁽¹⁾ including subsidiary current accounts	222.5	5.8

5.2 Share Capital Composition

1. At 1 January 2002	131 888 690	€0.4
2. Shares issued during the financial year	-	-
3. Shares cancelled during the financial year		
4. Actions sociales composant le capital social en fin d'exercice	131 888 690	€0.4

5.3 Off-Balance Sheet Commitments at 31 December 2002

(€ millions)	31 Dec. 2002	Within 1 year	After 1 year	Terms and condition of implementation
Commitments given:	264.7	54.8	209.9	
Purchase of rights and co-production commitments	73.0	22.4	50.6	Signed contracts
Satellite rental and transmission contracts ⁽¹⁾	168.2	32.4	135.8	Signed contracts
Responsibility for partnership (SNC) liabilities	22.8		22.8	SNC liquidation
Financial commitments				
Others	0.7		0.7	Signed contracts
Commitments received:	22.8		22.8	
Responsibility for partnership (SNC) liabilities	22.8		22.8	SNC Liquidation

⁽¹⁾ These commitments are valued by taking into account each contract's remaining amounts until their expiry date.
 NB: Métropole Télévision did not avail itself of any financial instruments during 2002.

Notes to the parents company financial statements

5.4 Deferred Tax at 31 December 2002

(€ millions)	Deferred Tax Assets	Deferred Tax Liabilities	Total
Type of temporary differences			
Regulated provisions			
Tax on non-deductible provisions	14.6	0.3	14.3
Tax on long-term capital gains			

5.5 Management Board and Supervisory Board Remuneration

(€ millions)	2002
Total	1.6

5.6 Average Workforce Size

(€ millions)	2002
Supervisors	74
Managers	107
Reporters/programme hosts	160
Employees	86
Total full-time employees	427
Total temporary workers (full-time equivalents)	107
Total	534

Note 6 - Financial Statements Consolidation by Company Shareholders

The company's financial statements are themselves proportionally consolidated in the consolidated financial statements of both RTL Group and SUEZ.

Five-year financial summary

For the 12-month financial year ending 31 December	2002	2001	2000	1999	1998
--	------	------	------	------	------

Share Capital at Year-End (€)

Share capital	52 755 476	52 755 476	52 755 476	52 755 476	40 189 326
Number of shares:					
■ ordinary	131 888 690	131 888 690	131 888 690	13 188 8690	13 181 235
■ preference dividend (without voting right)					
Maximum number of shares to be created:					
■ conversion of bonds					7 635
■ by exercise of share subscription rights					

Financial Results (€ millions)

Sales (ex-VAT)	580,7	569,0	554,4	451,0	385,9
Profit before tax, employee profit sharing amortisation, depreciation and provisions	208,4	239,8	305,2	240,9	197,9
Income tax	34,9	53,7	53,5	35,2	52,0
Employee profit sharing	2,4	2,4	2,7	2,0	2,4
Net profit	155,8	141,6	155,1	135,6	91,0
Dividend paid	75,2	74,2	66,2	53,3	42,9

Earnings per share - basic (after tax and employee profit sharing, but before amortisation, depreciation and provisions)	1	1	2	2	11
Résultat après impôts, participation des salariés, dotation aux amortissements et provisions	1	1	1	1	7
Dividend per share	0,57	0,57	0,51	0,41	3,28

Average workforce size during the year	1 213	1 201	1 144	960	806
Montant de la masse salariale de l'exercice (en M€)	26,6	25,8	24,4	22,0	20,6
Total employment social benefits cost, including social security and medicare (€ millions)	11,3	10,9	9,2	10,5	8,8

Please note that:

the nominal value of the share decreased to FRF 20 from FRF 100 at the 6 September 1994 Extraordinary General Meeting

the nominal value of the share changed to € 4 from FRF 20 at the 4 June 1999 Combined General Meeting

the nominal value of the share decreased to € 0.4 from € 4 at the 26 May 2000 Combined General Meeting.

Subsidiaries and investments

	Siren N°	Share Capital	Reserves & Retained Earnings	Share Capital Ownership %	Book Value of Shares Held	
					Gross	Net
M6 Publicité sas 89, Avenue Charles de Gaulle - 92200 Neuilly	34094903100025	50	16	99.97	38	38
M6 Films sa 89, Avenue Charles de Gaulle - 92200 Neuilly	38072740400028	60	(16779)	99.98	106	-
Métropole Production sa 89, Avenue Charles de Gaulle - 92200 Neuilly	38247713100025	50	(784)	99.98	50	50
C. Productions sa 89, Avenue Charles de Gaulle - 92200 Neuilly	40790865600025	50	(676)	99.98	38	38
M6 Interactions sas 89, Avenue Charles de Gaulle - 92200 Neuilly	38890945900041	300	5134	99.99	229	229
M6 Thématique sa 89, Avenue Charles de Gaulle - 92200 Neuilly	40310510900025	41	13523	99.98	56450	56450
M6 Droits audiovisuels - Logoland sa 89, Avenue Charles de Gaulle - 92200 Neuilly	37991155500033	160	(9606)	99.94	2	2
Immobilière M6 sa 89, Avenue Charles de Gaulle - 92200 Neuilly	39947635700021	9600	438	99.99	9147	9147
M6 Foot sas 89, Avenue Charles de Gaulle - 92200 Neuilly	42313378400011	18360	(8)	99.00	18909	18909
SCI 107 sci 89, Avenue Charles de Gaulle - 92200 Neuilly	42169913300011	2	(384)	99.99	2	2
M6 Développement sas 89, Avenue Charles de Gaulle - 92200 Neuilly	42811522400019	40	(3)	99.99	40	40
M6 Projets sas 89, Avenue Charles de Gaulle - 92200 Neuilly	42811529900011	40	(2)	99.99	40	40
M6 Création sas 89, Avenue Charles de Gaulle - 92200 Neuilly	42881567400018	40	(3)	99.99	40	40
M6 Évolution sas 89, Avenue Charles de Gaulle - 92200 Neuilly	42881563300014	40	(3)	99.99	40	40
M6 Affaires sas 89, Avenue Charles de Gaulle - 92200 Neuilly	42881585600011	40	(2)	99.99	40	40
M6 Conseils sas 89, Avenue Charles de Gaulle - 92200 Neuilly	42889512200011	40	(3)	99.99	40	40
M6 Bordeaux sas 89, Avenue Charles de Gaulle - 92200 Neuilly	43350336400013	40	(162)	99.99	40	40
M6 Toulouse sas 89, Avenue Charles de Gaulle - 92200 Neuilly	43350341400016	40	(122)	99.99	40	40
Société Nouvelle de Distribution sa 23, rue Laugier - 75017 Paris	41485722700022	1047	(338)	99.99	1650	1650
Mandarin sas 89, Avenue Charles de Gaulle - 92200 Neuilly	40536317700024	114	72	100.00	2500	2500
Labo Productions sarl 89, Avenue Charles de Gaulle - 92200 Neuilly	42369616000013	10	8	25.50	2	2
Métropolest sa Rue Théophraste Renaudot - 54180 Houdemont	39473579900014	40	4	49.88	19	19
European News Exchange sa 45, bd Pierre Frieden 1543 - Luxembourg-kirchberg		496	(197)	20.00	100	100
TCM Droits Audiovisuels snc 3, rue du commandant Rivière - 75008 Paris	40952892400031	240	-	50.00	655	655
TCM Gestion sa 145, Quai de Stalingrad - 92130 Issy-les-Moulineaux	40952934400031	40	(1)	50.00	20	20
Athlételine sas 2, rue du chemin Vert - 92110 Clichy	42490517200039	91	758	5.60	5	5

Outstanding Loans and Advances	Value of Guarantees and Deposits Given by the Company	2001 Financial Year Sales	2002 Financial Year Sales	2001 Financial Year Net Profit (Loss)	2002 Financial Year Net Profit (Loss)	Dividends by the Company during 2002
-	-	59 193	60 479	23 032	19 844	23 019
7 635	-	1 439	2 377	(3 233)	14 597	
6 441	-	22 216	22 288	(181)	(312)	(312)
-	-	11 809	14 089	(293)	(629)	
64 825	-	101 355	145 932	7 137	8,455	4 575
72 043	-	1 509	590	13 488	(471)	
31 206	-	23 260	15 095	(9 857)	(4 557)	
26 615	-	6 193	5 947	171	415	
6 869	-	-	-	(2)	6	
8 291	-	1 275	1 173	(277)	114	
-	-	-	40	(1)	(4)	
-	-	-	-	(1)	(4)	
-	-	-	-	(2)	(2)	
-	-	-	-	(2)	(2)	
52	-	-	139	(2)	(3)	
-	-	-	-	(2)	(2)	
916	-	760	1 048	(46)	84	
926	-	879	1 020	(65)	70	
1 627	-	11 557	15 037	(338)	26	
743	-	-	1 052	-	(3)	
45	-	1 049	242	1	2	-
335	-	879	1 013	(0)	4	
-	-	4 226	4 960	19	638	
9 347	-	22 838	16 034	(1 959)	63	
-	-	107	52	-	(0)	
-	-	26	103	(1 028)	564	

Report of the statutory auditors on the parent company financial statements for the financial year ending 31 december 2002

BARBIER FRINAULT & AUTRES ERNST & YOUNG

Statutory Auditors
Member of the Compagnie de Versailles
41, rue Ybry
92576 Neuilly-sur-Seine Cedex

KPMG AUDIT

Division of KPMG SA
Statutory Auditors
Member of the Compagnie de Versailles
Immeuble KPMG – 1, cours Valmy
92923 Paris-La Défense Cedex

To the shareholders of Métropole Télévision company SA,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you for the financial year ended 31 December 2002, on:

- the audit of the accompanying parent company financial statements of the Métropole Télévision SA company,
- the specific verifications and information required by law.

The parent company financial statements have been prepared by the Management Board. Our role is to express an opinion on these financial statements based on our audit.

1. Basis of opinion

We conducted our audit in accordance with accepted professional standards in France. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 parent company financial statements give a true and fair view of the financial position, assets and liabilities, and net income of the Métropole Télévision SA company for the financial year then ended.

Without prejudice to our above opinion, we would like to bring to your attention the Valuation Policies and Methods section of Note 2 for a discussion of the change in accounting method arising from the first application of CRC 2000-06 regulation concerning liabilities, which was issued on 7 December 2000, and its impact on the Income Statement results and opening equity balances.

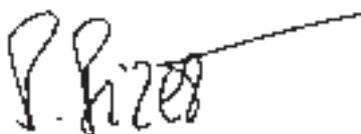
2. Specific verifications and information

We have also performed, in accordance with professional standards in France, the specific verifications required by law.

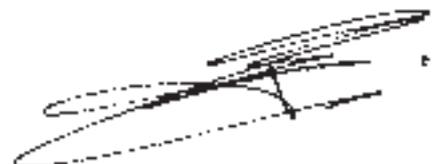
We have no comments to make concerning the fairness of the information given in the Management Board report and in the documents addressed to shareholders regarding the financial situation and financial statements of the company, and its consistency with the parent company financial statements.

In accordance with the law, we have assured ourselves that the information in respect of investments and control, and the identity of shareholders, is contained in the Management Board Report.

Neuilly-sur-Seine and Paris-La-Défense, 28 March 2003
Statutory Auditors



BARBIER FRINAULT & AUTRES
Bruno Bizet
Audit Partner



KPMG AUDIT
Division of KPMG SA
Frédéric Quélin
Audit Partner

Special report of the statutory auditors on regulated agreements for the financial year ending 31 december 2002

BARBIER FRINAULT & AUTRES ERNST & YOUNG

Statutory Auditors
Member of the Compagnie de Versailles
41, rue Ybry
92576 Neuilly-sur-Seine Cedex

KPMG AUDIT

Division of KPMG SA
Statutory Auditors
Member of the Compagnie de Versailles
Immeuble KPMG – 1, cours Valmy
92923 Paris-La Défense Cedex

To the shareholders of Métropole Télévision SA company,

As Statutory Auditors, we hereby present to you our report on the regulated agreements.

Agreements authorised during the 2002 financial year

Pursuant to Article L. 225-88 of the Commercial Code, we wish to inform you that we have been made aware of the existence of the following agreements that had received prior authorisation from your Supervisory Board.

It is not within our mandate to conduct a search in order to determine the potential existence of such agreements but to communicate to you, on the basis of information provided to us, the key details and terms and conditions of those agreements of which we have been made aware, without having to pronounce on their usefulness or propriety. It is your responsibility, pursuant to the provisions of Article 117 of the Decree of 23 March 1967, to appreciate all matters concerning the conclusion of such agreements, before your decision to approve them.

■ Persons concerned:

Thomas Valentin, Vice-Chairman of the Management Board of Métropole Télévision and Chairman of M6 Films

Jean D'Arthuys, Member of the Management Board of Métropole Télévision and Director of M6 Films

■ Nature and object:

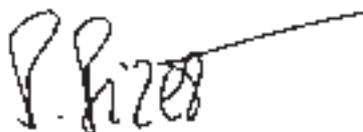
Agreement to waive a receivable, concluded on 30 December 2002 with M6 Films SA.

■ Terms and conditions:

Métropole Télévision SA has agreed to waive its financial receivable of € 19,545,279.85 from its M6 Films SA subsidiary, subject to a return to better fortune clause.

We have performed our work in accordance with applicable standards in France. These standards require that we will carry out due diligence procedures in order to verify that the information provided to us agrees with the source documents from which it arises.

Neuilly-sur-Seine and Paris-La-Défense, 28 March 2003
Statutory Auditors



BARBIER FRINAULT & AUTRES
Bruno Bizet
Audit Partner



KPMG AUDIT
Division of KPMG SA
Frédéric Quélin
Audit Partner

Special report of the statutory auditors on share capital reduction through the cancellation of purchased shares combined general meeting of 30 april 2003

BARBIER FRINAULT & AUTRES ERNST & YOUNG

Statutory Auditors
Member of the Compagnie de Versailles
41, rue Ybry
92576 Neuilly-sur-Seine Cedex

KPMG AUDIT

Division of KPMG SA
Statutory Auditors
Member of the Compagnie de Versailles
Immeuble KPMG – 1, cours Valmy
92923 Paris-La Défense Cedex

To the shareholders of Métropole Télévision SA company,

As Statutory Auditors to your company and in execution of our assignment, as covered by Article L 225-209 paragraph 4 of the Commercial Code in the event of capital reduction arising from the cancellation of shares purchased, we present to you our report on the reasons for and terms and conditions of the proposed share capital reduction.

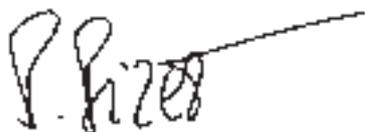
We have performed our work in accordance with applicable standards in France. These standards require that we carry out due diligence procedures in order to verify whether the reasons for and terms and conditions of the proposed share capital are regular.

This transaction arises from your company's share buyback programme, allowing it to purchase up to 10% of its share capital, in accordance with the provisions of Article L 225-209 paragraph 4 of the Commercial Code. This purchase authorisation is subject to the approval of the General Meeting and will be for a period ending on the day of the Annual General Meeting convened to consider the financial statements for the 2003 financial year.

Your Management Board proposes that you delegate to it, for the same period, all powers to cancel the shares thus purchased, up to the limit of 10% of the share capital thus purchased, by implementing the authorisation for the share buyback programme.

We have no comments to make on the reasons for and the terms and conditions of the proposed capital reduction, it being noted that this cannot be carried out unless the Meeting first of all approves the share buyback programme.

Neuilly-sur-Seine and Paris-La-Défense, 28 March 2003
Statutory Auditors



BARBIER FRINAULT & AUTRES
Bruno Bizet
Audit Partner



KPMG AUDIT
Division of KPMG SA
Frédéric Quélin
Audit Partner

1. General information on the company and its share capital

1.1 Information on the company

Company name

Métropole Télévision - acronym M6

Head office and registered office

89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex

Legal form

Public limited company (Société Anonyme) under French Law with a Management Board and Supervisory Board governed by the Commercial Code, unrepealed provisions of the decree of 23 March 1967 and subsequent texts on commercial companies.

Date established and duration

The Company was established on 13 October 1986 for a period of 99 years unless subject to early dissolution or extension.

Register of Commerce - SIRET – APE Code

The Company is registered in the Register of Commerce and Companies under the number:
339 012 452 RCS Nanterre - SIRET number 339 012 452 00084
APE Code 922D

Inspection of documents

Legal documents concerning the Company may be inspected at its registered office.

Financial year

From 1 January to 31 December.

Competent courts

The competent courts will be those of the Company's registered office in the event of litigation where the Company is the defendant and these courts will be designated in accordance with the location and nature of the litigation, unless otherwise specified by the New Code for Civil Proceedings.

Company objects (article 3 of bylaws)

The Company's objects are:

- to operate one or more audiovisual communication services broadcast or transmitted on terrestrial TV, cable TV, satellite TV or by any other means that may be authorised, as applicable, by the Conseil Supérieur de l'Audiovisuel (CSA), comprising notably the design, production, programming and broadcasting of television programmes, including all advertising and publicity;
- to undertake all industrial, commercial, financial and property transactions that relate directly or indirectly to this object or similar objects, connected to or complementary to or likely to facilitate their production or development, or to all corporate assets.

Statutory allocation of net profits (article 40 of bylaws)

5% of the profit of the year, net of any prior losses, shall be allocated to the legal reserve. This allocation ceases to be mandatory once the legal reserve amounts to 10% of the share capital.

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

As applicable, the following may be deducted from the distributable profit:

- a) The amounts declared by the General Meeting, upon the recommendation of the Management Board, to be allocated to optional ordinary or extraordinary reserves or to be carried forward.
- b) The amount necessary to give shareholders, by way of first dividend, 5% of the amount paid and not written down on their shares so that, if there is insufficient profit in a year to effect this payment, the shareholders have a claim on the profits of subsequent years.

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

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

The General Meeting considering the accounts of the year may grant shareholders, for all or part of the dividend or interim dividend payment, the option of receiving payment in cash or in shares in accordance with legal provisions.

General meetings (articles 27 to 29 of bylaws) notification, admission, voting rights

Notification requires, at least thirty days before the proposed date of the Meeting, the publication of a notice in the Bulletin des Annonces Légales Obligatoires, in accordance with the regulations in force.

Specific notifications are issued at least fifteen days before the proposed date of the Meeting. The timeframe is reduced to six days for reconvened Meetings.

Notification is by way of standard letter addressed to every nominative shareholder and by publication of a notice in a legal newspaper at the registered office, and in the Bulletin des Annonces Légales Obligatoires.

Notification will specify the place, date and time of the Meeting, as well as the purpose of the Meeting and matters included in the agenda.

A General Meeting comprises all shareholders whose shares are fully paid to date. No one may represent a shareholder unless he/she is a shareholder or the spouse of the shareholder represented.

The right to attend Meetings is subject to the nominative shares being recorded in the company records, at least five days prior to the proposed date of the Meeting or, where it relates to identifiable bearer shares, the deposit, within the same time frame, of a certificate prepared by the share registrar noting that the shares are unavailable until the date of the Meeting.

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

The holders of securities referred to in the third paragraph of Article L 228-1 of the Commercial Code may be represented by a registered intermediary in accordance with the provisions of the said Article.

The intermediary who has satisfied the provisions of the third and fourth paragraphs of Article L. 228-1 may, by virtue of the general mandate of securities management, assign for one Meeting the vote or the powers of a holder of shares as defined in paragraph three of the same Article.

Voting rights limitations (article 35 of bylaws)

Subject to the provisions below, the voting right attached to shares is proportional to the share capital they represent, and every share carries the right to one vote.

In the event that two shareholders each hold, either alone or in concert with others, over 33 1/3% of the share capital, the number of votes available to each shareholder in Meetings is restricted to 34% of the total number of shares in the Company and/or the attached voting rights.

To restrict the number of votes, all shares belonging to persons of the same group or acting in concert within the meaning of Article L

233-10 of the Commercial Code will be aggregated and will be deemed to belong to a single shareholder.

The above stated restriction will not apply to voting rights held by a shareholder acting on behalf of another shareholder; in such an event, the maximum number of votes available to the principal will be added to the maximum number available to the representative.

Crossing of equity ownership threshold (article 11 of bylaws)

The Company's bylaws allow for the following:

- Shares can be freely transferred.
- Shares are transferred by transfer from one account to another in accordance with the law in force. In the event of an increase in share capital, shares may be traded as soon as it is completed.
- All persons, whether they be individuals or corporate entities, acting alone or in concert, who come into possession of a number of shares representing at least 1% of the share capital and/or voting rights or any multiple of this percentage without restrictions, are required to declare to the Company the number of shares and/or voting rights held, within a period of eight days from the moment this threshold is crossed, by registered letter with proof of delivery addressed to the registered office.
- In the determination of the above thresholds, the following is also considered: shares and/or voting rights held indirectly and shares and/or voting rights similar to shares and/or voting rights held, such as are defined by Articles L 233-7 and subsequent of the Commercial Code.
This requirement to declare also applies in the same conditions in the event that a shareholding expressed in shares and/or voting rights falls below one of these thresholds.
- In the event of failure to make the required declaration within the terms stipulated above, the shares exceeding the fraction that should have been declared are deprived of a vote, in accordance with the provisions of the Commercial Code concerning the crossing of legal thresholds.
The intermediary registered as the holder of securities in accordance with the third paragraph of Article L. 228-1 of the Commercial Code is required, notwithstanding the obligations of the holders of these shares, to make the declarations provided for in the present Article, for all of the shares of the company for which he/she is so registered.
- The requirements of this Article are not an obstacle to the application of the provisions of the Law of 30 September 1986 on freedom of communication and in respect of the holding of share capital or voting rights in companies that are authorised to provide an audiovisual communication service, or any other provisions arising from the legislation in force.

Legal environment

Shareholders

According to the provisions of Article 39 of law no. 86-1067 of 30 September 1986, as modified, one person, individual or corporate, acting alone or in concert, cannot hold, directly or indirectly, more than 49% of the share capital or voting rights of a company that is authorised to provide a national terrestrial television service.

This provision was modified by law no. 2001-624 of 18 July 2001. This clause limits the 49% rule only to terrestrial networks whose average annual audience (terrestrial, cable and satellite) exceeds 2.5% of the total television audience. A Council of State decree shall specify the calculation method for network audiences.

Broadcasting Licence Applicable Legislation

M6 is a privately owned terrestrial free TV network, which initially was granted a broadcasting licence for a period of 10 years from 1 March 1987 to 28 February 1997, within the framework set by Article 30 of the Law of 30 September 1986 as modified in respect of freedom of communication.

Financed exclusively by advertising, it is subject to the general requirements of this legal classification and to the particular requirements of its agreement with the Conseil Supérieur de l'Audiovisuel (CSA).

M6's broadcasting licence was renewed in July 1996 and July 2001, for two consecutive terms of five years from 1 March 1997 and 1 January 2002.

These broadcasting licence renewals were the subjects of negotiations with the CSA in accordance with the provisions of the Law of 30 September 1986.

The agreement of 24 July 2001 may cover an additional term of five years, that is, until 1 January 2012, in the event that M6 elects to use its right of priority to provide digital terrestrial service, as stipulated for in the modified Law of 1986.

The new broadcasting licence sets out particular obligations for the network.

In particular, it determines its requirements to invest in the production of audiovisual programmes:

- 18% of the annual net sales of the previous year must be invested in the production of French and European audiovisual programmes, of which 13.5% must be dedicated to programmes originally produced in French.
- of this 18%, M6 must reserve two-thirds for programmes originally produced in French or in Europe.

- of this 18%, M6 must furthermore reserve two-thirds for programmes that are independently produced.
- 100 hours of audiovisual programmes must have been produced originally in French or in Europe, must not previously have been publicly broadcast on a free terrestrial TV network nationwide and must have a starting broadcast time of between 8 pm and 9 pm.
- at least 1% of the annual net sales of the previous year must be dedicated to the production of cartoons originally produced in French or in Europe.

The network's production obligations are also governed by the modified decree of 9 July 2001.

Pursuant to the application of the aforementioned decree, the network must also dedicate 3.2% of its sales to the production of European films for movie theatre distribution.

The agreement also determines the music requirements of the network (per year: broadcast of a minimum of 30% music per 24-hour period, with 50% of music broadcasts containing content originally produced in French, and the investment of € 21.34 million in music programmes and in the production and broadcast of 150 music videos dedicated to francophone artists). The network's music offer may be re-examined in light of the music offer broadcast unscrambled on terrestrial digital networks.

All of the programmes are subject to a classification system consisting of 4 categories of viewing audience, enabling one to specify the audience segment being addressed by each programme.

The general requirements relating to the broadcast quotas arise primarily from decree 90-66 as modified on 17 January 1990:

- of the audiovisual programmes broadcast over a 24-hour period, 40% must have been originally produced in French and 60% must have been produced in Europe the same requirements apply to peak viewing periods, set annually by the CSA, namely between 2 p.m. and 11 p.m. on Wednesdays and between 5 pm and 11 pm on the other days
- M6 must not broadcast more than 192 films during the year and not more than 104 films during the prime time hours of 8.30 pm to 10.30 pm, with 40% and 60% of all such films broadcast having been originally produced in French and in Europe respectively, throughout the day and at peak times.

Concerning advertising, Law No. 93-122 of 22 January 1993 (known as the Sapin law) regulates the relationship between advertisers, their agents and the advertising media.

Other regulations concerning the broadcast of advertisements arise primarily from decree 92-280 of 27 March 1992.

1.2 General information on share capital

Terms and conditions in the bylaws relative to changes in share capital and attached rights

All changes in share capital or rights attached to securities comprising the share capital are contained in the Bylaws. Only an Extraordinary General Meeting is authorised to increase the share capital, following a report by the Management Board.

If the share capital is increased by way of incorporation of reserves, profits or share premiums, a General Meeting can decide, subject to the quorum and majority requirements of Annual General Meetings.

Fully paid-up capital, share numbers and classes

At 31 December 2002, taking into account the reduction in the par value of the Company's shares to € 0.40 from € 4.00, the fully paid share capital amounted to € 52,755,476, consisting of 131,888,690 shares, each with a par value of € 0.40 and of the same class.

Shareholders Agreement	Néant
Shares Pledged	Néant
Capital authorised but not issued and commitments to increase share capital	Néant

Potential Capital

Date of General Meeting (authorisation)	26 June' 00	18 May' 01	03 May' 02
Date of Board meeting (attribution)	30 June' 00	07 June' 01	07 June' 02
Beneficiaries	88	146	158
Maximum number of shares that may be subscribed per financial year	349,500	551,800	710,500
Start date for exercise of options granted	30 June' 04	07 June' 05	07 June' 06
Expiry date for options	30 June' 07	07 June' 08	07 June' 09
Potential share capital based on options granted	€ 139,800	€ 220,720	€ 284,200
Subscription price	€ 58.58	€ 30.80	€ 28.06
Number of shares comprising the share capital social	131,888,690	131,888,690	131,888,690
Par value per share	€ 0.40	€ 0.40	€ 0.40
Share capital cial	€ 52,755,476	€ 52,755,476	€ 52,755,476
Number of shares comprising the share capital after exercise of options	132,238,190	132,440,490	132,599,190
New share capital after exercise of options	€ 52,895,276	€ 52,976,196	€ 53,039,676
Potential dilution	0.26%	0.42%	0.54%

Legal information

Share subscription options

Pursuant to the authorisation vested in it by the Combined General Meeting of 25 May 2000, the Management Board, over a 4-year period, may grant to designated staff and managers of the Company and its subsidiaries, for their benefit, share subscription options in the Company up to a maximum total of 3,000,000 shares (after taking into account the 10 for 1 share split).

Rights attached to shares

There is only one class of shares with identical rights for all shares, in both the allocation of profit and the distribution arising from liquidation.

Every share carries one vote at all Meetings. There are no shares with double voting rights.

The right to dividends and interim dividends payable lapses after 5 years to the benefit of the State.

Trading in shares

All shares may be freely traded on the Paris Stock Exchange Second Market.

Form of share registration

Since its Stock Market launch, M6 share ownership has been registered as follows:

- in a pure nominative account held by Crédit Agricole Indosuez,
- in an administered nominative account,
- as an identifiable bearer with a standard intermediary.

The shares have been approved for SICOVAM transactions.

Shareholders' identification

The Company is authorised to use the legal means provided to identify the holders of those securities that give the right, immediately or over time, to vote at its Shareholders' Meetings.

Withholding tax on dividends

a) Shareholders Residing in France

■ Individual Shareholders

Dividends:

Dividends earned from French shares are subject to the following tax considerations:

- an income tax charge at progressive rates;
- 7.5% general social security deduction (Article 1600-OE of the General Tax Code);
- 2% social contribution deduction;
- 0.5% social welfare debt repayment deduction.

In addition, dividends benefit from a total annual exemption of € 2,240 per married couple or partners, being jointly assessed to tax, and € 1,220 for single people, widow(er)s, divorcees, or spouses filing separate tax returns.

Since the taxation of income in 2000, this exemption has been cancelled for contributions taxable at the maximum level of the income tax rates.

For 2002 income tax, this exemption is re-established as to half, when the net taxable income exceeds € 47,131 for single people and € 94,262 for couples being jointly assessed to tax (married or partners). It is thus limited in this situation to € 610 or € 1,220, depending on the family situation of the contributor (2003 Finance Act, Article 6-I and II).

In addition, dividends benefit from tax credits.

Capital gains:

Capital gains arising from the disposal of the Company's securities are subject to a tax rate of 26%⁽¹⁾ comprising:

- 16% general income tax charge (Article 200A 2e of the General Tax Code);
- 7.5% general social security deduction;
- 2% social contribution deduction;
- 0.5% social welfare debt repayment deduction.

■ Corporate entities Subject to Corporate Income Taxes

Dividends received are assessed in accordance with the general law and carry the right to a tax credit.

However, a corporate entity holding more than 5% of the share capital of the Company making the distribution, and who can benefit from the parent company/subsidiary regime, may take advantage of it if they exercise the option.

b) Shareholders not residing in France

Dividends distributed by companies whose registered offices are located in France are subject, in principle, to a withholding tax of 25% where the tax domicile or registered office of the beneficiary is located outside France. The withholding tax may be reduced, even eliminated, and the right to a repayment of the tax credit may be granted, in accordance with international double-tax agreements; dividends distributed to parent companies of countries that are members of the European Community may, under certain conditions, be exempt.

⁽¹⁾ If the annual amount of the shareholder's sales of marketable securities exceeds € 7,650 for transactions taking place in 2002. If not, the capital gain is tax-exempt

Movements in share capital

Date	Share Capital Transactions	Movements in Share Capital		Revised Share Capital	
		Amount	Number of shares	Amount	Number of shares
15.09.86	Establishment of Company	FRF 10,000,000	100,000	10,000,000	100,000
16.05.87	Subscription	FRF 190,000,000	1,900,000	200,000,000	2,000,000
21.05.90	Capital reduction	FRF (198,000,000)	(1,980,000)	2,000,000	20,000
21.06.90	Share subscriptions	FRF 200,000,000	2,000,000	202,000,000	2,020,000
31.12.93	Share subscription options exercised by employees ⁽¹⁾	FRF 6,900,000.00	69,000	208,900,000	2,089,000
06.09.94	5 for 1 Share Split	-	-	208,900,000	10,445,000
31.12.95	Share subscription options exercised by employees	FRF 4,337,000	216,850	213,237,000	10,661,850
31.12.95	Conversion of bonds ⁽²⁾	FRF 50,387,700	2,519,385	263,624,700	13,181,235
03.12.99	Conversion of Share Capital into Euros	€ 12,535,613.57	-	52,724,940	13,181,235
30.12.99	Conversion of bonds	€ 30,536	7,634	52,755,476	13,188,869
26.05.00	10 for 1 Share Split	-	-	-	131,888,690

⁽¹⁾ Per value subscription ⁽²⁾ FRF 158,050,720 share premium

31 December	2002		2001		2000		
	Number	Capital	Voting Rights	Number	Capital	Number	Capital
RTL Group*	62,646,169	47.50%	34%	59,634,781	45.22%	57,751,731	43.79%
SUEZ*	49,619,098	37.62%	34%	49,242,638	37.34%	48,449,170	36.73%
Financial Institutions and General Public	17,973,421	13.63%	13.63%	21,141,269	16.02%	23,642,787	17.93%
Treasury Shares	1,650,002	1.2%		1,870,002	1.42%	2,045,002	1.55%
	131,888,690	100.00%		131,888,690	100.00%	131,888,690	100.00%

* Voting rights limited to 34 %.

At 31 December 2002, there were 14,539 shareholders.

Members of the M6 Management Board held 178,488 shares representing 0.14% of the Company's share capital.

To the Company's knowledge, no shareholder in the 'Financial Institutions and General Public' category held, either directly or indirectly, more than 5% of the share capital and voting rights.

There was no shareholders' agreement between RTL Group and SUEZ, who did not act in concert. As regards the other shareholders, there was no action in concert, to the Company's knowledge.

Legal information

Shareholders' agreement

On 17 July 2002, TF1 and M6 signed a protocol with Suez concerning the purchase of its 25% stake in TPS. After this transaction, TF1 holds 66% of TPS, with M6 holding the remaining 34%.

This purchase relates to a shareholders' agreement stipulating that the management of TPS be undertaken by TPS Gestion (sole statutory manager). The TPS Gestion Board of Directors comprises 8 members, of which 5 are designated by TF1 and 3 by M6. The strategic decisions that are essential to the achievement of the TPS financial and operational objectives are taken by a 75% qualified majority of the Board of Directors. In particular, these decisions include the approval of the TPS annual functional budget, and investments or expenditures representing a commitment in excess of €6 million.

All the agreements that may exist concerning holdings that are not majority-held by M6, to which the Company is a party, have been reviewed within the framework of the choice of consolidation methods, as well as the establishment of the Note on Off-balance sheet commitments. There are no clauses in these agreements that might have a significant impact on the Métropole Télévision share price.

M6 Shares Mutual Investment Fund

The M6 Shares Mutual Investment Fund was created in September 1994 (value: FRF 10 (€ 1.52), corresponding to a share price of FRF 260 (€39.64). Employees were able to subscribe to the Company Savings Plan in 1999, 2000 and 2001. At 31 December 2002, the Funds' net assets, which are held exclusively by Group personnel, were € 3,037,000 (677 stakeholders). At that date, the Fund held 141,650 Métropole Télévision shares, or 0.11% of the share capital.

Analysis of Voting Rights

The allocation of voting rights is identical to the shareholdings, subject to Article 35 of the Bylaws concerning voting right restrictions. There are no shareholders' agreements.

Markets on which Issuer's Securities are traded Shares - Stock Exchange and Indices

The Métropole Télévision share has traded on the Paris Stock Exchange Second Market (RGA code 5322) since its launch there on 28 September 1994 at a price of FRF 260 per share. Since 9 February 1995, the share has been a component of the SBF 250 Index.

Since 14 November 1995, the share has also been a component of the SBF 120 Index.

At 31 December 2002, the share's closing price was € 20.89.

2. Management board and supervisory board members

Management Board

Nicolas de Tavernost,

Chairman of the Management Board

- Member of the Supervisory Board of Édiradio RTL SA
- Director - Extension TV SA; TF6 Gestion SA; Home Shopping Services SA; Société Nouvelle de Distribution SA; Antena 3 (Spain)
- Permanent representative of: M6 Thématique on the Board of Directors of Paris Première SA; M6 Publicité on the Board of Directors of Tecipress; Home Shopping Services on the Board of Directors of Télévente Promotion SA; M6 Numérique on the Board of Directors of TPS Gestion SA; Métropole Télévision on the Board of Directors of Football Club des Girondins de Bordeaux SASP; Métropole Télévision on the Board of Directors of M6 Thématique SA
- Permanent representative of: M6 Thématique as Chairman of M6 Affaires SAS; M6 Interactions as Chairman of M6 Développement SAS; M6 Interactions as Chairman of M6 Créations SAS; M6 Publicité as Chairman of M6 Publicité Interactive SAS; Métropole Télévision as Chairman of M6 Toulouse SAS; Métropole Télévision as Chairman of M6 Bordeaux SAS; Métropole Télévision as Chairman of M6 Foot SAS
- Permanent representative of: M6 Thématique as Managing Partner of Sedi TV SNC; M6 Thématique as Managing Partner of M6 Numérique SNC; M6 Thématique as Managing Partner of Édi TV SNC
- Permanent representative of Métropole Télévision as Managing Partner of SCI du 107 av. Charles de Gaulle.

Thomas Valentin,

Vice-Chairman of the Management Board

- Chairman - M6 Films SA; Métropole Production SA; C. Productions SA
- Director – Société Nouvelle de Distribution SA; TF6 Gestion SA; Extension TV SA
- Permanent representative of: Métropole Production on the Board of Directors of M6 Diffusion SA; Métropole Production on the Board of Directors of M6 Thématique SA; M6 Thématique on the Board of Directors of TPS Gestion SA
- Permanent representative of: Métropole Télévision as Chairman of: Mandarin SAS; M6 Studio SAS; W9 Productions SAS
- Director of M6 Publicité SAS
- General Manager of Marival SCI, Hugueval SCI, Arthuval SCI (personal capacity).

Laurent Agrech, Member of the Management Board

- Chairman and CEO of TCM Gestion SA
- Chairman of Société Nouvelle de Distribution SA; Home Shopping Services SA
- Director of Football Club des Girondins de Bordeaux SASP
- Permanent representative of: Métropole Télévision on the Board of Directors of: M6 Éditions SA; M6 Interactions on the Board of Directors of M6 Evenements SA; Métropole Television on the Board of Directors of Metropolest; Métropole Télévision on the Board of Directors of Tecipress SA; Unité 15 Fulfilment on the Board of Directors of Televente Promotion; Métropole Télévision on the Board of Directors of Unité 15 Fulfilment
- Director of M6 Publicité SAS
- Permanent representative of: Télévente Promotion as Managing Partner of Club Téléachat SNC; TCM Gestion as Partner of TCM Droits Audiovisuels SNC.

Jean d'Arthuys, Member of the Management Board

- Chairman and Managing Director of M6 Thématique
- Director of: Extension TV SA; TF6 Gestion SA
- Permanent representative of: Métropole Télévision on the Board of Directors of TPS Gestion; M6 Foot on the Board of Directors of Football Club des Girondins de Bordeaux SASP; Métropole Télévision on the Board of Directors of C. Productions SA; Métropole Télévision on the Board of Directors of M6 Films SA; Métropole Télévision on the Board of Directors of Métropole Production SA
- Permanent representative of: Métropole Télévision as Partner of Sedi TV SNC; M6 Thématique as Managing Partner of Fun TV S.N.C
- Permanent representative of M6 Thématique as Chairman of M6 Conseils SAS
- Partner of SCI des Mousquetaires (personal capacity).

Catherine Lenoble, Member of the Management Board

- Director of M6 Web; Novacor (personal capacity)
- Permanent representative of: Métropole Télévision on the Board of Directors of M6 Droits Audiovisuels SA; M6 Publicité on the Board of Directors of M6 Diffusion; M6 Publicité on the Board of Directors of M6 Éditions SA; M6 Publicité on the Board of Directors of M6 Evenements SA; M6 Publicité on the Board of Directors of Unité 15 Fulfilment SA; M6 Publicité on the Board of Directors of M6 Thématique SA.

Legal information

Composition of supervisory board

	Age	Principal function exercised within the Company	Date of first appointment	Expiry date of appointment
Jean Drucker	61 years	Chairman	26 May 2000	2003
Albert Frère	77 years	Vice-Chairman	26 May 2000	2003
Axel Ganz*	65 years	Member	7 March 2003	2003
Valérie Bernis	44 years	Member	26 January 2001	2003
François Jaclot	53 years	Member	26 May 2000	2003
Jean Charles de Keyser	54 years	Member	26 May 2000	2003
Yves-Thibault de Silguy**	54 years	Member	7 May 2003	2003
Xavier Moréno	54 years	Member	26 May 2000	2003
Remy Sautter	58 years	Member	26 May 2000	2003
Gérard Worms	66 years	Member	26 May 2000	2003
Gerhard Zeiler	47 years	Member	8 March 2002	2003

* coopted as replacement for Didier Bellens by the Supervisory Board on 7 March 2003

** coopted as replacement for Gérard Mestrallet by the Supervisory Board on 7 March 2003

The Supervisory Board met 7 times during 2002. The attendance rate of members of the Supervisory Board was 74%.

Corporate governance

The Supervisory Board, at its meeting of 7 March 2003, undertook a self-evaluation, and reviewed the situation of each of its members with regards to the criteria proposed in the Bouton report.

The Supervisory Board deemed the following to be satisfactory:

- the methods by which it functions,
- the preparation of important questions and the internal debating of same,
- the effective contribution of each member to the work of the Board, based on their competence and their involvement in the deliberations.

There is no independent member, according to the criteria specified in the BOUTON report, due to the very limited dispersion of the shareholders and the presence of 2 equal shareholding blocks, as per the CSA authorisation.

Supervisory Board Members' Shareholding Requirement

Each member of the Supervisory Board of Métropole Télévision is required, per the bylaws, to hold a minimum of 100 shares in the Company.

Other appointments and functions⁽¹⁾

Jean Drucker

Director of Paris Première SA; UGC SA; Suez Lyonnaise Telecom SA; Football Club des Girondins de Bordeaux SASP

Jean Drucker holds 7,535 shares in the Company in a personal capacity.

Albert Frère

- Chairman of the Board of Directors and Director of Groupe Bruxelles Lambert SA (Belgium)
 - Chairman of the Board of Directors of PetroFina SA, Frère-Bourgeois SA, ERBE SA, (Belgium)
 - Vice-Chairman, Director, and member of the Management Committee of Pargesa Holding SA (Switzerland)
 - Vice-Chairman of the Board of Directors of Suez (Paris)
 - Director of LVMH SA, Chateau Cheval Blanc SA (France)
 - Member of the International Consultative Council of Power Corporation of Canada and of the International Committee of Assicurazioni Generali S.p.A. (Italy)
 - Honorary Regent of Banque Nationale de Belgique
- Albert Frère holds 100 shares in the Company in a personal capacity.

Valérie Bernis

- Chairman and CEO of Paris Première,
 - Permanent representative of Suez Net Invest, Director of SAIP (Libération)
 - Director of Société Générale de Belgique (Belgium)
- Valérie Bernis holds 100 shares in the Company in a personal capacity.

⁽¹⁾in accordance with Articles L. 225-77 and L. 225-94 of the Commercial Code on cumulative appointments.

Axel Ganz

- Manager of Prisma Presse, Femme, PP1
- Director of Guide TV, MÉDIA Communication

Axel Ganz holds 100 shares in the Company in a personal capacity.

François Jaclot

- Chairman of the Supervisory Board of Astorg Partners
- Censor of Eurotunnel SA; France-Manche SA.
- Director of: Eurotunnel Plc (United Kingdom); The Channel Tunnel Group Plc (United Kingdom); Mercapital (Spain); Société Générale de Belgique (Belgium)

François Jaclot holds 100 shares in the Company in a personal capacity.

Jean Charles de Keyser

- Chairman of RTL / Holland; Media Groep SA; IP Belgium SA; Télésparks SA
- Director of CLT-UFA SA; Édiradio (RTL) SA; IP France SA; RTL TVI SA; Contact SA, Broadcasting Center Europe SA; Filmlux SA; Inadi SA; Société Immobilière Bayard d'Antin SA; VCF SA; IPN SA; VCB SA; Belga Films SA; Belga Home Vidéo SA; Bel RTL SA

Jean-Charles de Keyser holds 100 shares in the Company in a personal capacity.

Xavier Moreno

- Chairman of Société Polynésienne d'Eau et d'Assainissement – SPEA
- Director of Electricité de Tahiti – EDT, Marama Nui, Ondeo, Ondeo Degrémont, Ondeo Services, Sita, Vinci
- Member of the Supervisory Board of Elyo, Sofisport
- Chairman of the Board of Directors of Calédonienne des Eaux – CDE, Société des Eaux de Tontouta – SADET, (New Caledonia)
- Director of Electricité et Eau de Calédonie – EEC, Socif 4, (New Caledonia)
- Chairman of Sino French Holdings (Peoples Republic of China)
- Director of Société Générale de Belgique (Belgium), Unelco Vanuatu (Vanuatu)

Yves-Thibault de Silguy holds 100 shares in the Company in a personal capacity.

Yves-Thibault de Silguy

- Président de Société Polynésienne d'Eau et d'Assainissement – SPEA
- Administrateur de Électricité de Tahiti – EDT, Marama Nui, Ondeo, Ondeo Degrémont, Ondeo Services, Sita, Vinci
- Membre du Conseil de Surveillance de Elyo, Sofisport
- Président du Conseil d'administration de Calédonienne des Eaux – CDE, Société des Eaux de Tontouta – SADET, (Nouvelle-Caledonie)

- Administrateur de Électricité et Eau de Calédonie – EEC, Socif 4, (Nouvelle-Caledonie)
 - Président de Sino French Holdings (République Populaire de Chine)
 - Administrateur de Société Générale de Belgique (Belgique), Unelco Vanuatu (Vanuatu)
- Yves-Thibault de Silguy détient personnellement 100 actions de la Société.

Remy Sautter

- Chairman of the Supervisory Board of Édiradio/RTL
 - Chairman and CEO of Bayard d'Antin
 - Member of the Supervisory Board of Insert Communication Centre Ville
 - Director of RTL 2, FUN Radio, IP, Wanadoo
 - Chairman of SICAV Multimédia et Technologie
- Remy Sautter holds 300 shares in the Company in a personal capacity.

Gérard Worms

- Managing Partner of Rothschild & Cie Banque and Rothschild & Cie S.C.S.
 - Chairman of the specialty channel Histoire SA
 - Chairman of SGIM SA
 - Director of Mercapital S.A (Spain), Éditions Atlas SA
 - Member of the Supervisory Board of Publicis SA
 - Censor of Ondeo Degrémont SA; Paris-Orléans SA, Francarep SA; SIACI SA
- Gérard Worms holds 200 shares in the Company in a personal capacity.

Gerhard Zeiler

- Chairman and CEO of RTL Group
 - CEO of: RTL Télévision GmbH, Ufa Film und Fernsehen GmbH
 - Member of the Board of Bertelsmann Foundation
- Gerhard Zeiler holds 100 shares in the Company in a personal capacity.

Supervisory board fees

The Combined General Meeting of 26 May 2000 set at € 50,000 the total amount of fees distributable among the members of the Supervisory Board for the 2001 financial year and subsequent years, unless otherwise decided.

In 2002, the annual individual amount of fees, allocated equitably amongst the members pro-rata to their term of office, was € 4,545.

Legal information

Functioning of the board of directors, management board and supervisory board

At its first meeting on 26 May 2000, the Supervisory Board adopted an internal regulation with the objective of specifying and completing the Company's bylaws as regards its organisation and functioning, as follows:

- meetings, minutes and exercise by the Supervisory Board of its powers;
- terms of reference, missions and methods of functioning of the Audit and Remuneration Committees.

Audit committee Mission: Review the financial statements		Date first appointed	Expiry date of appointment
Xavier Moreno	Chairman of the Committee	26 May 2000	2003
François Jaclot	Member	26 May 2000	2003
Remy Sautter	Member	26 May 2000	2003
Jean Charles de Keyser	Member	8 March 2002	2003

The Committee met 4 times in 2002. The members' attendance rate was 50 %.

Remuneration committee Mission: Monitoring and development of directors' remuneration.		Date de première nomination	Date d'échéance du mandat
Gérard Worms	Chairman of the Committee	26 May 2000	2003
Didier Bellens	Member	26 May 2000	2003
François Jaclot	Member	26 May 2000	2003

The Committee met twice in 2002. The members' attendance rate was almost 100 %.

Supervisory Board Committee Reports

Audit Committee Report

The work of the Audit Committee mainly focused on:

- the review of the 2001 financial year accounts
- the review of the Group's financial structure
- the accounting principles used by, and the off-balance sheet commitments of, TPS
- the mission and fees of the statutory auditors and consultants,
- the off-balance sheet commitments of the M6 Group
- all business transactions with RTL Group and Suez,
- the financial statements of the 2002 first half year
- the consolidation methods for TPS

In order to fulfil its mission, the Audit Committee heard the views of the Statutory Auditors, the Finance Director, the Accounting Manager and the Internal Auditor.

Remuneration Committee Report

The Remuneration Committee proposed to the Supervisory Board the allocation of share subscription options and determined the list of beneficiaries on 7 June 2002.

Finally, the Remuneration Committee decided on the terms and conditions of the service contracts and remuneration of the Chairman of the Supervisory Board and members of the Management Board.

3. Métropole Télévision and controlled companies' subsidiaries and affiliates

3.1 Taking direct shareholdings in excess of a twentieth, a tenth, a fifth, one third or a half of the share capital and taking control (Article L 233-6 of the Commercial Code).

The following table contains information required to be reported by law:

Name	Legal form	Holding %		Total
		Direct	Indirect	
Mandarin 89 avenue Charles de Gaulle – 92575 Neuilly-sur-Seine Cedex	SAS	100	-	100
TPS Gestion 145 quai de Stalingrad – 92137 Issy-les-Moulineaux Cedex	SA	-	34	34
TPS 145 quai de Stalingrad – 92137 Issy-les-Moulineaux Cedex	SNC	-	34	34
TCM Gestion 3 rue du Commandant Rivière – 75008 Paris	SA	50	-	50
TCM Droits Audiovisuels 3 rue du Commandant Rivière – 75008 Paris	SNC	50	-	50

In November 2002, M6 acquired a 100% holding in the company Mandarin SAS, a cinematography production company.

In October 2002, M6 increased its stake in TPS and TPS Gestion from 25% to 34% by acquiring a holding disposed of by the TF1 group. It also increased its stake in TCM and TCM Droits Audiovisuels from 41.25% to 50% by acquiring a holding disposed of by the TF1 group.

Legal information

3.2 Information on parent company – subsidiary relationships

The company Métropole Télévision has its own economic activity.

At 31 December 2002, the subsidiaries and investments of Métropole Télévision were 55 in number.

Significant consolidated subsidiaries	Country	Financial transactions with Métropole Télévision (parent company)			% holding (rounded)	Impact of minority interest
		Loan / guarantee	Centralisation of treasury	Significant transactions		
C.Productions	France		oui	<ul style="list-style-type: none"> ■ purchase of rights ■ technical assistance or services ■ re invoicing and various sub-contracts 	100%	-
Édi TV	France		Yes	NS	100%	-
Extension TV	France		Yes	<ul style="list-style-type: none"> ■ technical assistance or services 	50%	-
Fun TV	France		Yes	<ul style="list-style-type: none"> ■ purchase of rights ■ technical assistance or services 	100%	-
Football Club des Girondins de Bordeaux	France		Yes	<ul style="list-style-type: none"> ■ technical assistance or services 	99.76%	No particular impact
Home Shopping Service	France		Yes	NS	100%	-
M6 Droits Audiovisuels	France		Yes	<ul style="list-style-type: none"> ■ purchase of rights ■ receipts from coproductions 	100%	-
M6 Éditions	France		Yes	NS	100%	-
M6 Événements	France		Yes	<ul style="list-style-type: none"> ■ various sub-contracts 	100%	-
M6 Films	France		Yes	<ul style="list-style-type: none"> ■ waiver of debt 	100%	-
M6 Interactions	France		Yes	<ul style="list-style-type: none"> ■ purchase of rights ■ technical assistance or services ■ advertising ■ various re invoicing 	100%	-
M6 Publicité	France		Yes	<ul style="list-style-type: none"> ■ technical assistance or services ■ payment re broadcast schedule 	100%	-
M6 Thématique	France		Yes	NS	100%	-
M6 Web	France		Yes	<ul style="list-style-type: none"> ■ advertising 	100%	-
Métropole Production	France		Yes	<ul style="list-style-type: none"> ■ purchase of rights ■ other purchases ■ external personnel ■ technical assistance or services ■ various income from management 	100%	-
Sedi TV	France		Yes	<ul style="list-style-type: none"> ■ technical assistance or services 	51%	No particular impact
TCM Droits Audiovisuels	France			<ul style="list-style-type: none"> ■ purchase of rights 	50%	-
TF6 SCS	France			NS	50%	-
TPS	France	Yes		NS	34%	-

4. Tax information concerning the parent company financial statements

Financial statements at 31 December 2002	Amount (€ thousands)
Total amount of non-deductible expenses and charges (Article 39-4 of the French General Tax Code (CGI))	21
Total amount of non-deductible fees (Article 210.6 of the CGI)	0
Remuneration and other charges relating to the highest paid staff	382.7
Gifts and hospitality expenses	352
Total amount of expenses appearing in the Special Statement of General Expenses (Article 223.5 of the CGI)	417.9
Amount of the above expenses incorporated in taxable profit	21

5. Corporate information

The Company will make available to all shareholders on request the parent company financial statements as prescribed by Articles L.438-1 and subsequent of the Labour Code

Agenda

for the Combined General Meeting of 30 April 2003

1. In Extraordinary session

- Management Report
- Statutory Auditors' Special Report
- Delegation to the Management Board to reduce share capital through cancellation of shares
- Changes to Article 20.2 of the bylaws (Supervisory Board) and Article 24.3 (powers of the Supervisory Board)

2. In Ordinary session

- Management Board Report
- Comments of the Supervisory Board
- Statutory Auditors' Report on the financial statements for the year ended 31 December 2002
- Approval of the parent company financial statements for the year ended 31 December 2002
- Statutory Auditors' Special Report on the Agreements covered by Article L225-86 of the Commercial Code
- Allocation of financial year profit and setting of dividend amount
- Approval of the consolidated financial statements for the year ended 31 December 2002
- Discharge
- Ratification of cooption of members of the Supervisory Board
- Reappointment of members of the Supervisory Board
- Authorisation to grant the Management Board powers to transact in the Company's shares
- Powers to complete formalities



Combined General Meeting April 30, 2003

Management board report to the combined general meeting

1. Management Board Report to the extraordinary session of the General Meeting Delegation to be given to the Management Board to reduce share capital through cancellation of shares (1st Resolution)

In the extraordinary session of this meeting, you are requested to authorise the Management Board to reduce the share capital by cancellation of shares acquired by the company itself. The Management Board will thus be able to proceed within the provisions of the law to reduce the share capital by up to 10% of its amount.

Changes to bylaws (2nd and 3rd Resolutions)

It is therefore proposed to change the bylaws in respect of:

- The period of office of the members of the Supervisory Board provided for in Article 20.2 of the bylaws and to adopt the new text, as follows:

“their period of office is one year”

This new text is part of the reorganisation of the powers and duties of the Supervisory Board in accordance with the recommendations of the Bouton Report of 23 September 2002 and the Commission des Opérations de Bourses on Corporate Governance.

- Certain powers of the Supervisory Board provided for by Article 24.3 of the bylaws to increase by € 5 million, from € 15 million to € 20 million, the prior approval threshold by the Supervisory Board on the following decisions by the Management Board:

■ Investments and commitments (including shareholdings), in excess of € 20 million, where such investments were not included in the budget;

■ Disposals (including the sale of shareholdings) and/or dilutions of a total value or an effect on the Balance Sheet of in excess of € 20 million, where such disposals were not included on the budget.

This new threshold is set to take account of the evolution of the company.

2. Management Board Report to the ordinary session of the General Meeting

Approval of the financial statements and transactions for the 2002 financial year (4th Resolution)

The General Meeting is requested to approve the transactions and the financial statements for the 2002 financial year as presented.

Agreements covered by Article L.225-86 of the Commercial Code (5th Resolution)

The Statutory Auditors' special report relates to regulated agreements covered by Article L.225-86 of the Commercial Code. This Special Report is attached to the Reference Document. No new agreements have been concluded since the end of the financial year.

Allocation of the financial year profit and setting of dividend amount (6th Resolution)

	€
Company net profit:	155,769,370
Retained earnings opening balance	317,536,218
Total amount distributable	473,305,588
We propose:	
A per share dividend of € 0.57 for all 131,888,690 shares comprising the share capital	75,176,554
Retained earnings closing balance	398,129,034

If the Meeting approves this proposal, the net dividend for the financial year 2002 will be set at € 0.57 per share, to which is added a tax credit of € 0.285 per share to yield a gross dividend of € 0.855 per share.

Approval of the consolidated financial statements at 31 December 2002 (7th Resolution)

The General Meeting is requested to approve the consolidated financial statements at 31 December 2002 as presented, as well as the transactions included in these statements or summarised in the Group Management Report included in the Management Report.

Discharge (8th Resolution)

It is thus proposed to discharge the members of the Management Board and the Supervisory Board for completion of their term of office for the year just ended. It also discharges the Statutory Auditors for the completion of their assignment.

Ratification of cooption of members of the Supervisory Board (9th and 10th Resolution)

Mr Yves-Thibault de Silguy and Mr Axel Ganz were coopted as members of the Supervisory Board to replace Mr Gérard Mestrallet and Mr Didier Bellens, by the Supervisory Board at its meeting of 7 March 2003, for the remainder of the term of office of their predecessors (whose term of office expires at the end of the present Annual General Meeting to approve the financial statements for 2002). The Meeting is requested to authorise these appointments.

Reappointment of members of the Supervisory Board (11th Resolution)

The terms of office of the members of the Supervisory Board:

- Jean Drucker
 - Albert Frère
 - Valérie Bernis
 - Axel Ganz
 - François Jaclot
 - Jean-Charles de Keyser
 - Xavier Moreno
 - Remy Sautter
 - Yves-Thibault de Silguy
 - Gérard Worms
 - Gerhard Zeiler
- expire at the end of the present meeting.

It is proposed to the General Meeting to reappoint the members of the Supervisory Board.

Their term of office will expire at the end of the Annual General Meeting to consider the financial statements for the 2003 financial year.

Authorisation given to the Management Board to trade in the Company's shares (12th Resolution)

L'Assemblée Générale du 3 mai 2002 a autorisé la société à opérer en bourse sur ses propres actions.

The General Meeting of 3 May 2002 authorised the Company to trade in the Company's own shares.

The Company did not acquire any of its own shares on the open market between 3 May 2002 and 28 February 2003.

Share already acquired will be used to cover share purchase options allocated to employees. Presently shares purchase plans relating to 1,650,002 shares are fully covered.

The authorisation granted to the Management Board by the General Meeting of 3 May 2002 to transact in its own shares having expired, we propose to you today that you grant the Management Board a new authorisation to transact in the shares of the Company with the following objectives, in descending order:

- purchasing and selling shares depending on market conditions and/or stabilising the stock market price of the share by continuously trading against the trend,
- cancellation of treasury shares to improve earnings per share,
- retention of shares to optimise asset and financial management of the share capital and equity,
- utilisation of shares as part of development and acquisitions or the issue of compound marketable securities to minimise the cost of an acquisition or to improve the terms of a transaction, vallocation of shares to employees and senior executives under the terms and conditions provided by law, particularly as part of sharing the benefits of the expansion of the business, share purchase options, or a business saving plan, or any other form provided by the legislation in force.

The number of shares that may be acquired represent a maximum of 10% of the Company's share capital at the date of implementation of a share buyback programme.

The acquisition, disposal, transfer or exchange of these shares can be made by every means, particularly on or off market, over-the-counter, and where appropriate, by combinations of derivative instruments (particularly options to sell) to the extent that these latter do not significant affect the volatility of the share price, with the exclusion of the purchase of options to buy: the part that may be achieved by block trading is not limited and may represent the complete programme.

These transactions may occur at any time, including a period of a public offer within the limit permitted by the stock market regulation in force.

Terms and conditions proposed:

- Purchase of shares to stabilise the price may not exceed 3% of the share capital
 - maximum purchase price: € 50
 - minimum selling price: € 10
 - maximum holding: 10% of share capital.

The maximum amount to compete the buyback programme is restricted to the amount of free reserves : € 436,344,566.74 included in the equity and liabilities section of the parent company financial statements at 31 December 2002.

This authorisation is granted for a period expiring at the end of the Meeting called to consider the financial statements for 2003, although this period of time may not exceed 18 months.

We hope these proposals will receive your support.

Combined General Meeting April 30, 2003

Comments of the supervisory board on the management board report and the 2002 financial year financial statements

We would like to bring to your attention that, pursuant to the application of Article L. 225-68 of the Commercial Code, the Supervisory Board must present to the Annual General Meeting of shareholders its observations on the annual financial statements approved by the Management Board as well as on their Management Board Report submitted to the Meeting.

We would also like to bring to your attention that the annual financial statements for the 2002 financial year, as well as the Management Board Report, have been communicated to the Supervisory Board within the time periods set by legal and regulatory provisions.

The Supervisory Board, at its 7 March 2003 meeting, reviewed the report presented by the Management Board to the General Meeting, as well as the 2002 financial year financial statements, in the presence of the Statutory Auditors.

These financial statements had been previously approved by the Management Board and certified without observations by the Statutory Auditors.

Group net profit declined by 3.8% to € 111.8 million and sales increased by 12.2% to € 948.5 million. Advertising revenues accounted for 58.7% of Group sales and enjoyed an increase of 1.0%. The Group continued to invest in digital television by acquiring 9% of the share capital of TPS to increase its holding from 25% to 34%. Group net profit on ordinary activities fell by 6.5% to € 128.3 million.

Group net exceptional expense amounted to € (8.6) million. Cash flow from operations was € 232 million. Total equity increased to € 362.1 million.

Métropole Télévision parent company financial statements reported a net profit of € 155,769,370, enabling the Company to propose a net dividend per share of € 0.57, amounting to a gross dividend per share of € 0.855

In addition, the Supervisory Board recognises that it had been informed with regard to the consolidated financial statements.

Taking into account all of the preceding items, we have no observations to formulate with regard to either the Management Report of the Management Board or the 2002 financial statements.

At all times, the Supervisory Board was fully able to exercise its mission of controlling the management of the Group by the Management Board. The Supervisory Board has been informed by the Management Board on a timely basis of all important developments occurring within the Group.

Text of resolutions

1. Submitted to the general meeting convened in extraordinary session

1st Resolution

(Delegation to be given to the Management Board to reduce share capital through cancellation of shares)

The General Meeting, having considered the Management Board report and the Statutory Auditors' Report, and pending the adoption of the 12th Resolution, authorises the Management Board to reduce the share capital by cancellation of all or some of the shares in the Company that it may hold, notably through the acquisitions effected within the framework of the 12th Resolution and within the 10% limit of the share capital of the Company.

The General Meeting grants the Management Board all powers to modify the bylaws accordingly and complete the formalities required. The Meeting also grants full powers to the Management Board to make the necessary changes to the bylaws in the event the present authorisation is used as well as to proceed with all necessary information, publication and formalities.

This authorisation expires at the end of the Meeting convened to approve the 2003 financial year financial statements.

2nd Resolution

(Organisation and operations of the Supervisory Board)

The General Meeting, having considered the Management Board, decides to revise the bylaws in respect of the term of office of members of the Supervisory Board provided for by Article 20.2 of the bylaws, as follows:

[Previous text](#)

- The period of office is three years.

[Revised text](#)

- The period of office is one year.

3rd Resolution

(Powers of the Supervisory Board)

The General Meeting, having considered the Management Board, decides to increase by € 5 million, from € 15 million to € 20 million, the prior approval threshold of the Supervisory Board regarding decisions taken by the Management Board and to revise Article 24.3 of the bylaws thus:

[Previous text](#)

■ Investments and commitments (including shareholdings), in excess of € 15 million, where such investments were not included in the budget;

■ Disposals (including the sale of shareholdings) and/or dilutions of a total value or an effect on the Balance Sheet in excess of € 15 million, where such disposals were not included in the budget;

[Revised text](#)

■ Investments and commitments (including shareholdings), in excess of € 20 million, where such investments were not included in the budget;

■ Disposals (including the sale of shareholdings) and/or dilutions of a total value or an effect on the Balance Sheet in excess of € 20 million, where such disposals were not included in the budget;

2. Submitted to the general meeting convened in ordinary session

4th Resolution

(Approval of parent company financial statements for the year ended 31 December 2002)

The General Meeting in Ordinary Session, having considered the Management Report prepared by the Management Board and the Statutory Auditors' Reports, as well as the comments of the Supervisory Board:

- approves the financial statements for the year ended 31 December 2002 as presented, and which disclose a profit of € 155 769 370;
- and by this act approves the translations reflected in these financial statements and/or summarised in these reports.

5th Resolution

(Statutory Auditors' Special Report)

The General Meeting takes note of the Statutory Auditors' Special Report on the regulated agreements covered by Article L225.86 of the Commercial Code and approves the conclusions of the said report and the new agreement reported therein.

6th Resolution

(Allocation of financial year profit and setting of dividend amount)

	€
Company net profit:	155,769,370
Retained earnings opening balance	317,536,218
Total amount distributable	473,305,588

We propose:

A per share dividend payment of € 0.57

for all 131,888,690 shares comprising the share capital

	75,176,554
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Retained earnings closing balance	398,129,034
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Resolutions

The General Meeting approves the allocation of profit as proposed by the Management Board and, as a result, sets the 2002 financial year dividend at € 0.57 per share, to which is added a tax credit of € 0.285 per share, thereby yielding shareholders a gross dividend of € 0.855 per share.

The dividend will be paid on 5 May 2003.

We bring to your attention that, in the event that the Company actually holds some of its own shares at the time of this dividend

payment, the amount corresponding to dividends, which are not payable on these shares in accordance with Article L 225-210 paragraph 4 of the Commercial Code, will be allocated to retained earnings.

In accordance with Article 47 of the law of 12 July 1965 (Article 243bis of the General Tax Code), the General Meeting notes that the dividends and related tax credits payable during the three previous financial years were as follows:

Financial Year	Number of Shares	Gross Dividend	Cash Dividend per Share	Tax Already Paid to the State
1998	13 181 235	€ 4.92	€ 3.28	€ 1.64
1999	131 888 690	€ 0.62	€ 0.41	€ 0.21
2000	131 888 690	€ 0.755	€ 0.51	€ 0.255
2001	131 888 690	€ 0.855	€ 0.57	€ 0.285
2002	131 888 690	€ 0.855	€ 0.57	€ 0.285

7th Resolution

(Approval of the consolidated financial statements for the year ended 31 December 2002)

The General Meeting, having considered the report of the Management Board on the management of M6 Group as contained in the management report, and the Statutory Auditors' report on the consolidated financial statements, approves:

- the consolidated financial statements for the year ended 31 December 2002 prepared in accordance with Articles L 357-1 and subsequent of the Commercial Code, as presented to it and which disclose a profit of € 1 11.8 million,
- as well as the transactions reflected in these financial statements or summarised in the group management report included in the Management Report.

8th Resolution

(Discharge)

The Annual General Meeting grants a discharge to members of the Management Board and Supervisory Board for the execution of their duties for the year just ended.

9th Resolution

(Ratification of the cooption of a member of the Supervisory Board)

The General Meeting ratifies the cooption to the Supervisory Board of Mr Yves-Thibault de Silguy, who was provisionally appointed by the Supervisory Board on 7 March 2003, as replacement for Mr Gérard Mestrallet, who resigned, for the remainder of the latter's term of office, that is, until the end of the Annual General Meeting convened to approve the 2002 financial year financial statements.

10th Resolution

(Ratification of the cooption of a member of the Supervisory Board)

The General Meeting ratifies the cooption to the Supervisory Board of Mr Axel Ganz, who was provisionally appointed by the Supervisory Board on 7 March 2003, as replacement for Mr Didier Bellens, who resigned, for the remainder of the latter's term of office, that is, until the end of the Annual General Meeting convened to approve the 2002 financial year financial statements.

11th Resolution

(Reappointment of all the members of the Supervisory Board)

The General Meeting, noting that the terms of office of the members of the Supervisory Board:

- Jean Drucker
- Albert Frère
- Valérie Bernis
- Axel Ganz
- François Jaclot
- Jean-Charles de Keyser
- Xavier Moreno
- Remy Sautter
- Yves-Thibault de Silguy
- Gérard Worms
- Gerhard Zeiler

have expired, decides to reappoint them for a further period of 1 year, which is until the end of the General Meeting to consider the financial statements for the year ending in 2003.

12th Resolution

(Authorisation to grant the Management Board powers to trade in the Company's shares)

The Annual General Meeting, having noted the report of the Management Board in accordance with Articles L.225-209 and subsequent of the Commercial Code, authorises the Management Board to purchase, on one or more occasions, a number of shares representing a maximum of 10% of the share capital of the Company on the day of implementation of the share buyback programme.

The General Meeting decides that the shares may be acquired specifically in light of the following objectives in descending order of priority:

- purchasing and selling shares depending on market conditions and/or stabilising the stock market price of the share by continuously trading against the trend,
- cancellation of treasury shares to improve earnings per share,
- retention of shares to optimise asset and financial management of the share capital and equity,
- utilisation of shares as part of development and acquisitions or the issue of compound marketable securities to minimise the cost of an acquisition or to improve the terms of a transaction,
- allocation of shares to employees and senior executives under terms and conditions provided by law, particularly as part of sharing the benefits of the expansion of the business, share purchase options, or a business saving plan, or any other form provided by the legislation in force.

The General Meeting decides that the acquisition, disposal, transfer or exchange of these shares can be made by every means, particularly on or over-the-counter, by mutual agreement, and where appropriate, by combinations of derivative instruments (particularly options to sell) to the extent that these latter do not significantly affect the volatility of the share price, with the exclusion of the purchase of options to buy: the part that may be achieved by block trading is not limited and may represent the complete programme.

These transactions may occur at any time, including a period of a public offer within the limit permitted by the stock market regulation in force.

As part of this authorisation, the Annual General Meeting decides that:

- the purchase of shares to stabilise the price should not exceed 3% of the share capital;
- in all cases, the unit purchase price cannot be higher than € 50, and the unit selling price cannot be lower than € 10 excluding disposal costs.

The Annual General Meeting decides that the Management Board may, however, revise the above mentioned purchase and selling price in the event, particularly, of a change in the nominal value of the share, the increase in capital by incorporation of reserves and the issue of bonus shares, the split or consolidation of shares, the write down or reduction in capital, the distribution of reserves or other assets and any other transactions relating to the equity, to take account of the effect of these transactions on the value of the share.

The maximum amount that may be used in the share purchase programme is limited to the amount of the free reserves of € 436 million included in the equity and liabilities section of the parent company financial statements at 31 December 2002.

At the time of their acquisition, these shares must be put into nominative form and be fully paid up.

On the day of acquisition, the Company must have reserves other than the legal reserve, of an amount at least equal to the value of all treasury shares it holds.

The shares thus held by the Company carry no right to dividend and are deprived of the right to vote.

In the event of an increase in share capital in cash, the Company may not exercise its pre-emption right.

The Meeting also grants powers to the Management Board, with the right to delegate in order to:

- issue instructions to trade on the Stock Market;
- adjust the purchase or selling price of shares to take account of transactions that relate to the value of the share;
- conclude all agreements;
- comply with all formalities and make every declaration to all organisms and, in general, do everything that is required.

The Management Board will also inform the Annual General Meeting of all transactions carried out under this authorisation.

This authorisation is given to the Management Board for a period that expires at the end of the Annual General Meeting called to consider the financial statements for 2003; however, this time period may not exceed eighteen (18) months.

13th Resolution

(Powers to complete formalities)

The Combined General Meeting grants all powers to a bearer of copies or certified extracts of the minutes of the current Meeting to carry out all filing and publicity and complete all legal and administrative formalities as required, in accordance with the law.



Métropole Télévision
Société anonyme
with a Management and Supervisory Board
and share capital of 52 755 476 €
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339 012 452 RCS Nanterre