

2015

REGISTRATION DOCUMENT
INCLUDING THE ANNUAL FINANCIAL REPORT



Contents

CHAIRMAN'S MESSAGE.....	5	6.4	Parent company financial statements at 31/12/2015.....	248	
1 M6 GROUP PRESENTATION.....	7	6.5	Notes to the parent company financial statements	251	
1.1	Key figures	8	6.6	Statutory Auditors' report on the parent company financial statements.....	269
1.2	Group structure	14	6.7	Summary of financial results of the last 5 years	271
1.3	Consolidation scope	14	6.8	Parent company cash flow statement	272
1.4	Highlights	15	6.9	Statutory Auditors' special report on regulated agreements and commitments	273
1.5	Group markets and operations.....	18	7 SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY	277	
1.6	Bylaws and regulatory information.....	44	7.1	Methodology note regarding non-financial reporting.....	279
2 CORPORATE GOVERNANCE..	67	7.2	Corporate responsibility	281	
2.1	Supervisory Board.....	68	7.3	Social responsibility.....	300
2.2	Executive Board.....	83	7.4	Environmental responsibility.....	316
2.3	Corporate Officers' remuneration and benefits	88	7.5	Cross-reference table with Decree 2012-557 of 24 April 2012 (Article 225 of the Grenelle II Law)	325
2.4	Additional information on corporate governance.....	107	7.6	Report of the independent third party body on the corporate, environmental and social information included in the Management Report	326
2.5	Statutory Auditors.....	109	8 COMBINED GENERAL MEETING OF 26 APRIL 2016.....	331	
2.6	Report of the Chairman of the Supervisory Board on corporate governance and internal control and risk management procedures.....	110	8.1	Proceedings and Agenda of the Annual Combined General Meeting of 26 April 2016332	
2.7	Statutory Auditors' report on the report by the Chairman of the Supervisory Board.....	130	8.2	Report of the Executive Board to the Combined General Meeting of 26 April 2016334	
3 SHARE CAPITAL	133	8.3	Observations of the Supervisory Board to the Combined General Meeting of 26 April 2016346		
3.1	Share listing.....	134	8.4	Resolutions submitted to the Combined Annual General Meeting	349
3.2	Information policy and documents available to the general public.....	135	8.5	Statutory Auditors' special report on the share capital reduction provided for by the 13 th resolution to the Combined General Meeting of 26 April 2016	354
3.3	M6 share price and trading volume	136	8.6	Statutory Auditors' report on the authorisation to be given to the Executive Board to allocate free shares as provided by the 14 th resolution to the Combined General Meeting of 26 April 2016	355
3.4	Dividend policy	138	9 ADDITIONAL INFORMATION	357	
3.5	Main shareholders at 31 December 2015	138	9.1	Statutory Auditors' fees.....	358
3.6	Buyback by the Company of its own shares	140	9.2	Changes in accounting principles.....	358
3.7	Treasury shares	143	9.3	Other information in respect of the parent company financial statements.....	358
3.8	Share subscription option plans	144	9.4	Person responsible for the Registration Document.....	359
3.9	Free share allocation plans	148	9.5	Provisional calendar	359
3.10	General information on the share capital	149	9.6	Information included by reference	360
4 RISK FACTORS AND MANAGEMENT	153	9.7	Persons responsible for financial information	360	
4.1	Business risks.....	154	9.8	Cross-reference table.....	361
4.2	Market risks	158			
4.3	Credit and counterparty risk	159			
4.4	Liquidity risk	159			
4.5	Legal risks	160			
4.6	Major operating risks	163			
4.7	Industrial and environmental risks	166			
4.8	Insurance cover	167			
5 2015 FINANCIAL REPORT	169				
5.1	2015 results.....	170			
5.2	Group financial position and cash flow statement	175			
5.3	Financial position of the parent company and agreements between M6 and its subsidiaries179				
5.4	Outlook and strategic direction.....	183			
6 2015 FINANCIAL STATEMENTS AND RELATED NOTES.....	187				
6.1	Consolidated financial statements at 31/12/2015	188			
6.2	Notes to the consolidated financial statements.....	192			
6.3	Statutory Auditors' report on the consolidated financial statements	246			



Registration document

2015

**Including the Annual Financial
Report**



The French version of this Registration Document was filed with the French Financial Market Authority (AMF) on 15 March 2016 in accordance with Article 212-13 of the AMF General Regulations. It may be used for the purpose of a financial transaction if completed by an information notice approved by the AMF. This document has been prepared by the issuer and is the responsibility of the signatories.

Disclaimer

This report is an English translation of the French version of such report and is provided for informational purposes. This translation is qualified in its entirety by the French version which is available on the company's web site (www.groupem6.fr). In the event of any inconsistencies between the French version of this report and the English translation, the French version will prevail



MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD

As it turns 30, M6 Group is ready for action.

2015 was a good year for M6 Group, in the face of an increasingly fragmented audiovisual environment.

Our TV channels recorded the best full-year growth of all the traditional audiovisual groups on both the commercial target (21.3% audience share, an increase of 0.5 percentage points) and amongst the under 50's (up 0.6 points).

Established as a channel of choice for French viewers, M6 maintained its position as the 2nd placed national channel amongst the under 50's, grew its major brands and created new hit programmes. W9 was the leading DTT channel for the under 50's and was ranked as the 3rd largest national channel amongst the under 25's with a 7.0% audience share. 6ter posted the best full year growth out of all channels, both with the audience as a whole (up 0.4 points) and on the commercial target (up 0.8 points). In addition, Paris Première, Téva, Série Club and M6music all achieved impressive loyalty from their audiences and should not be forgotten.

M6 modernised its news programmes by incorporating augmented reality, enabling the Group's editorial office to remain one step ahead. Our aim is to harness new technologies to serve news in order to be ever closer to our audience.

With M6 Web, the Group continued to innovate in the digital era and make significant advances within the digital field, as evidenced by the new 6play service. Thanks to a powerful algorithm, the Group's programmes can be enjoyed according to viewer preferences. In this way, 6play has become a genuine entertainment platform, a life enhancer.

From *Petit Prince (The Little Prince)* to *Aladin*, via *Les Huit Salopards (The Hateful Eight)* and *Chocolat*, M6 Group is now a major player in both the French and international film industry. Our films have generated almost 28 million cinema admissions thanks to our two subsidiaries M6 Films, which achieved its best year historically in terms of box office admissions, and SND. Our ambition is to support the emergence of new talents like *Les Dissociés*, the first 2.0 film produced by Golden Moustache, successfully distributed free of charge on YouTube. Diversification, music and shows also posted excellent results and are a major economic driver of the Group's activities.

In 2015, M6 Publicité reaffirmed its creative ability with the emergence of Smart 6TEM, the first 360° TV/online platform enabling the effectiveness of advertising to be optimised and the relevance of content to be improved.

For 2016, there is no shortage of challenges. As it turns 30, M6 Group is ready for action. Our ability to integrate new technologies in the face of ever changing competition and regulatory restrictions will make the difference. We will continue to fight tirelessly to provide the best to our audience and to our customers. Euro 2016 will also be a high point for the M6 channel, with the broadcast of 11 matches from the competition including the final and the closing ceremony.

It is by maintaining a high degree of stability in its management and its business model, which has a proven track record since it was created, that M6 Group will continue to progress in 2016. So, as was the case with our recent M6 brand campaign, let's continue growing together!

Nicolas de TAVENOST





1 M6 GROUP PRESENTATION

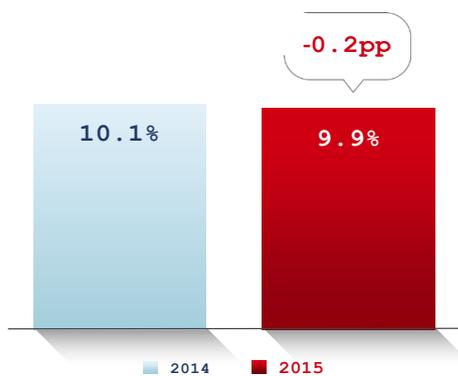
1.1 Key figures	8	1.5 Group markets and operations	18
1.1.1 Management indicators	8	1.5.1 Television	18
1.1.2 Financial indicators	9	1.5.2 Production and audiovisual rights ..	31
1.1.3 Stock market indicators	11	1.5.3 Diversification.....	35
1.1.4 Non-financial indicators	13	1.6 Bylaws and regulatory information.....	44
1.2 Group structure	14	1.6.1 Bylaws.....	44
1.3 Consolidation scope	14	1.6.2 Legal and regulatory environment ..	60
1.4 Highlights.....	15		
1.4.1 History of key dates	15		
1.4.2 2015 highlights	15		
1.4.3 Main legal and regulatory developments.....	16		



1.1 Key figures

1.1.1 Management indicators

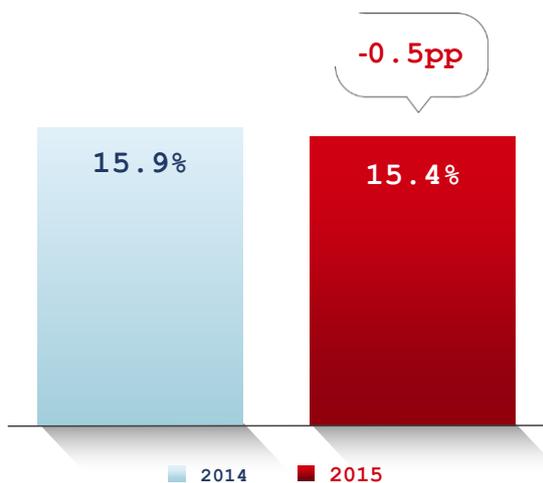
4+ AUDIENCE SHARE M6 CHANNEL



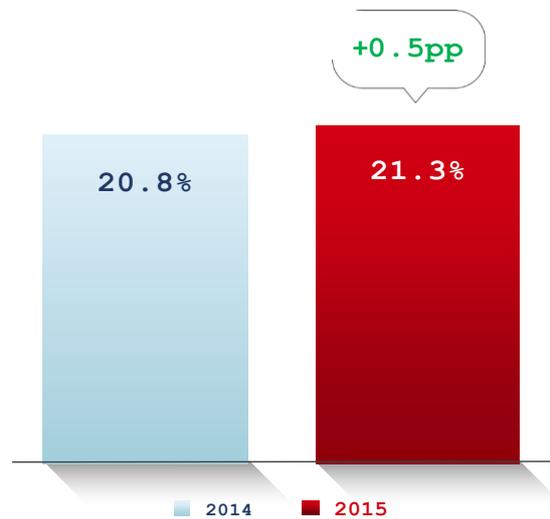
4+ AUDIENCE SHARE FREE-TO-AIR CHANNELS



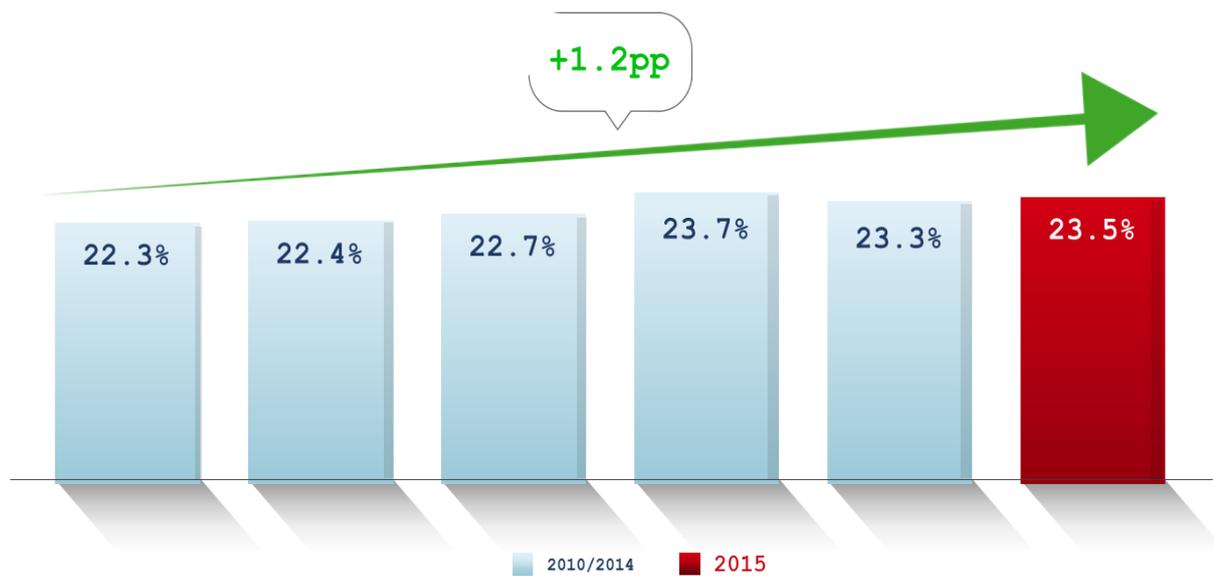
AUDIENCE SHARE WRP < 50 M6 CHANNEL



AUDIENCE SHARE WRP < 50 FREE-TO-AIR CHANNELS



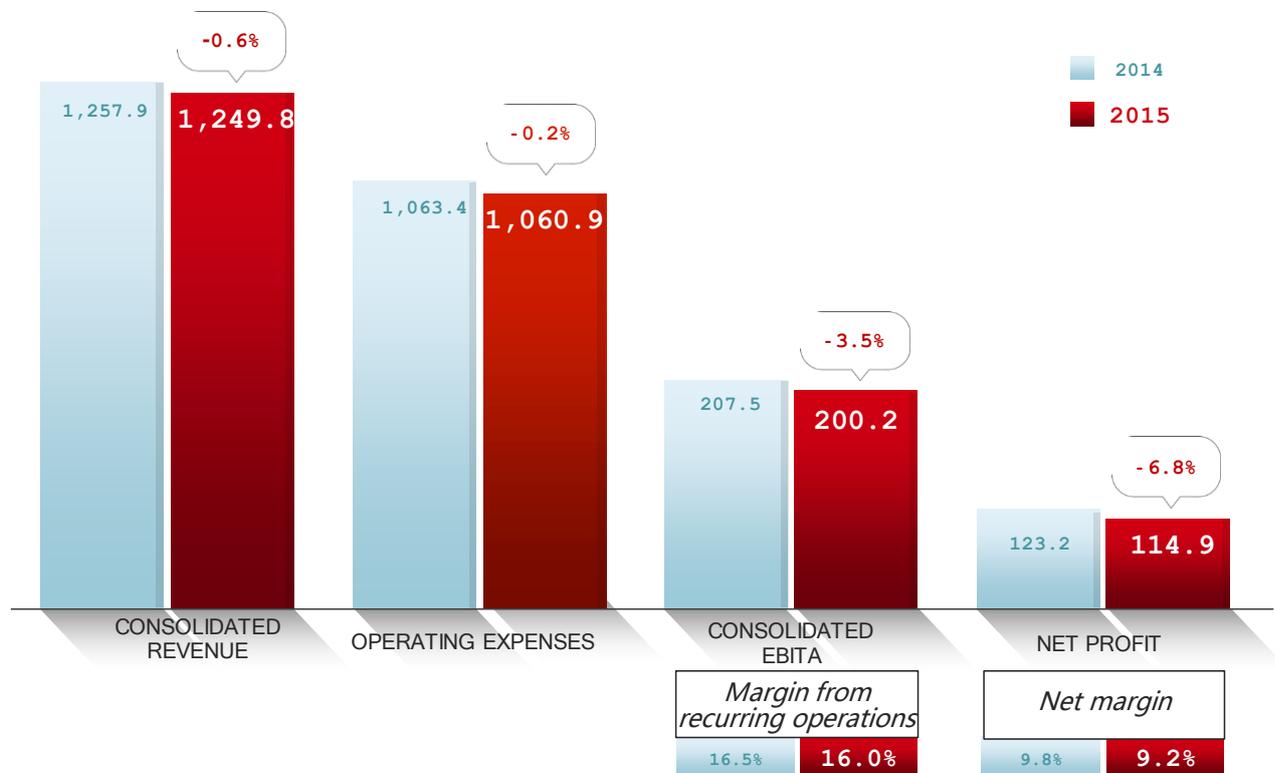
NET ADVERTISING MARKET SHARE OF FREE-TO-AIR CHANNELS



* Estimates based on IREP data dated 29/01/2016 - Source: M6

1.1.2 Financial indicators

REVENUE, EBITA AND NET PROFIT

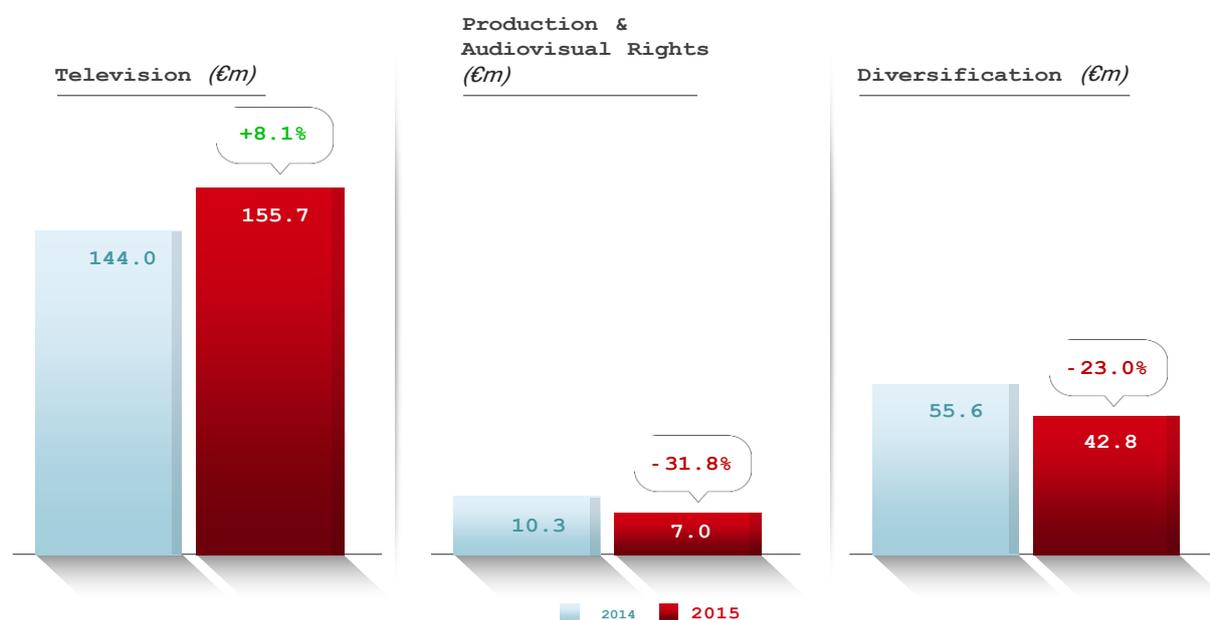


EBITA is defined in section 5.1.1.1 of this management report

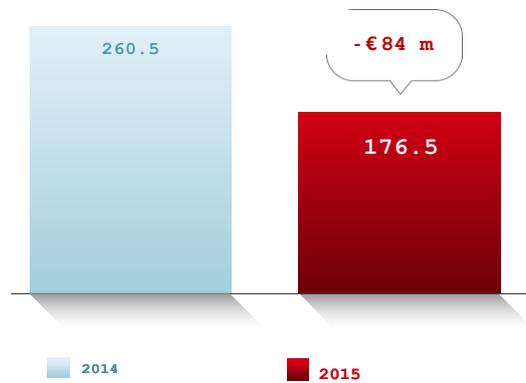
REVENUE ANALYSIS, BY SEGMENT



EBITA ANALYSIS, BY SEGMENT



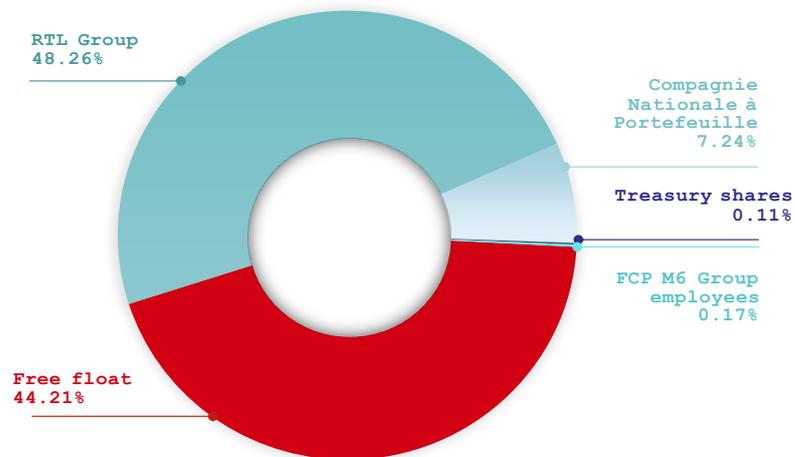
NET CASH POSITION (€ M)



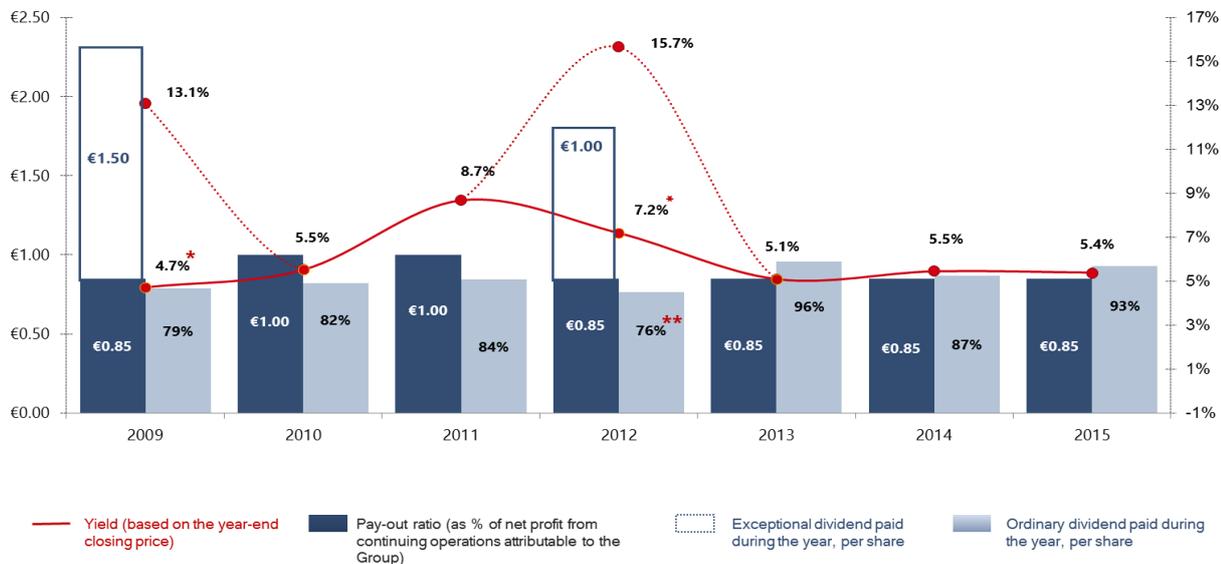
The net cash position is defined in section 5.2.2 of this management report.

1.1.3 Stock market indicators

SHAREHOLDING STRUCTURE AT 31 DECEMBER 2015



DIVIDENDS PAID



* Pay-out ratio excluding exceptional dividend

** 79% excl. Summit

A dividend of €0.85 will be proposed for the financial year 2015.

STOCK MARKET PERFORMANCE



1.1.4 Non-financial indicators

TALENT MANAGEMENT



39% of employees

(including Ventadis and F.C.G.B, excluding Oxygem) received training in 2015



12,271 hours'
training
were provided

AUDIENCE RESPECT AND RESPONSIBILITY TO SOCIETY



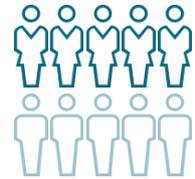
7,721 replies
to viewers



€2.9 m donated
to charitable works

NON-DISCRIMINATION

51%
of the workforce
is female



42%
of Supervisory Board
made up of women

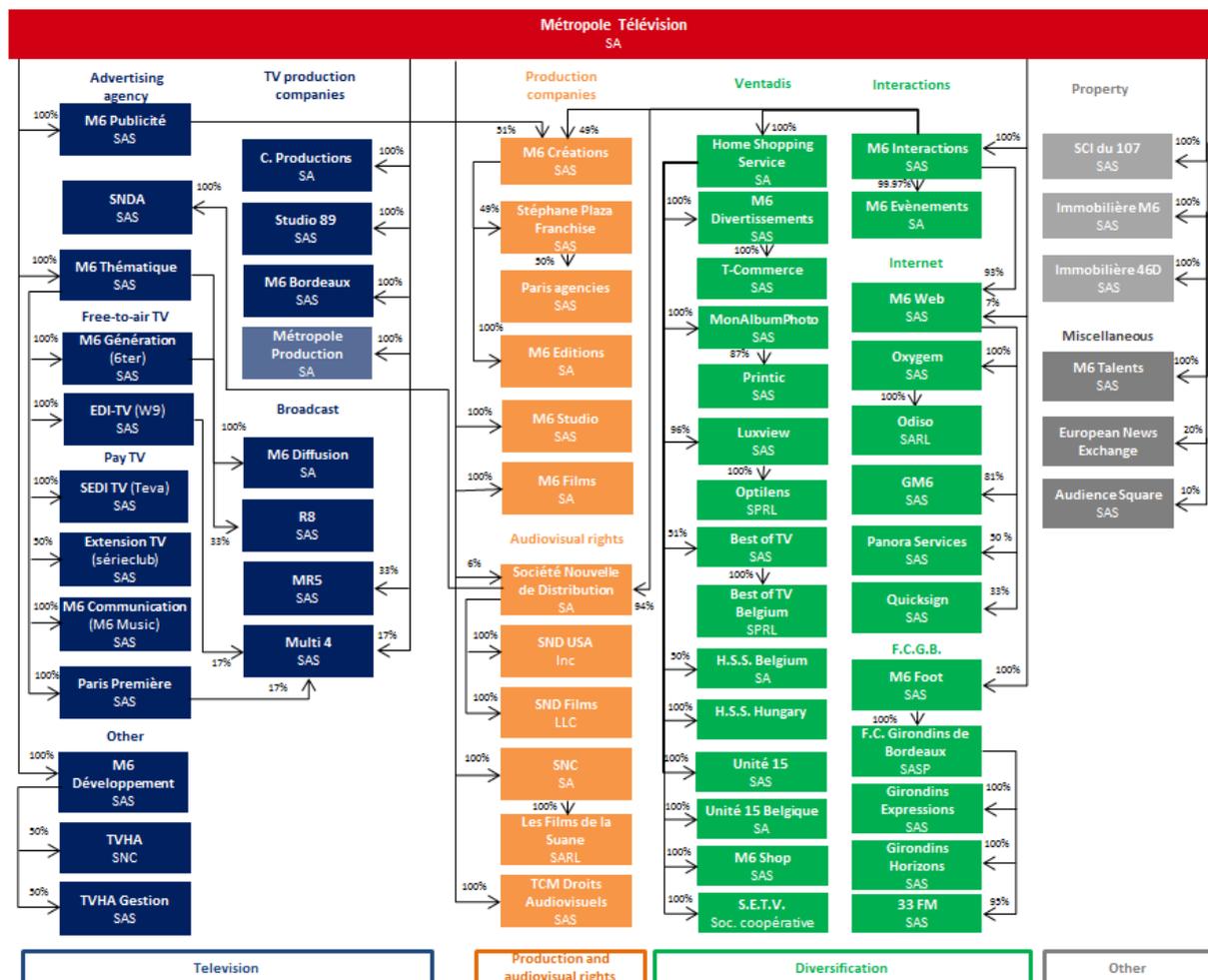


100%
of programmes
subtitled on M6 and W9



60%
of programmes
subtitled on 6Ter

1.2 Group structure (% of share capital)



1.3 Consolidation scope

On 9 January 2015, M6 Group, via its subsidiary M6 Web, acquired the entire share capital of Oxygem, the French website publishing and e-marketing services company.

On 30 July 2015, the M6 Group subscribed to 50% of the share capital of both TVHA Gestion, a French Simplified Joint Stock Company, and TVHA, a general partnership.

The Group also continued its efforts to streamline its organisational structure. As such, Live Stage was absorbed by M6 Évènements on 9 August 2015.

Furthermore, the Group increased its interest in Printic from 80% to 86.7% on 31 December 2015 via its MonAlbumPhoto subsidiary.

1.4 Highlights

1.4.1 History of key dates

1987: Authorisation to operate France's 6th analogue channel. Launch of the channel on 1 March 1987 at 11.15 am.

1992: Creation of M6 Interactions, the first step to business diversification.

1993: Launch of the *sérieclub* channel, the first thematic channel. Creation of the *Zone Interdite* and *Capital* magazines.

1994: M6 shares listed on the Second Marché of the Paris Stock Exchange.

1996: M6 Group took part in the launch of TPS, making a 20% investment, and acquired 10% of Paris Première. Creation of the m6.fr website.

1997: The Group transferred to its new head office in Neuilly.

1999: The Group took over Football Club des Girondins de Bordeaux (F.C.G.B.) and extended its range of pay channels with the creation of TF6.

2000: Creation of the M6 Web subsidiary.

2004: Launch of the M6 Boutique teleshopping channel. The Group made the full acquisition of Paris Première. Suez Group disengaged from M6, maintaining a 5% shareholding, thus increasing the percentage of shares held by the general public.

2005: Acquisition of Mistergooddeal. Launch of W9 on free DTT. Launch of the M6 Mobile By Orange package. Announced merger of TPS and Canal+ Group pay-TV operations in France.

2007: The Group acquired the entire share capital of Téva and transferred its TPS shareholding to the new Canal Plus France pay-TV business. SND became a shareholder of the US producer and distributor Summit Entertainment L.L.C.

2008: The M6 channel topped the 100 best audiences of all the channels for the year, with the France – Italy Euro football match. Acquisition of Cyréalys Group and launch of M6Replay, the first catch-up TV service in France.

2009: F.C.G.B. crowned French Ligue 1 champion for the 2008-2009 season. M6 aired *Le 19'45*, the channel's new hosted newscast, for the first time.

2010: M6 Group sold its 5.1% shareholding in Canal+ France to Vivendi. The Group acquired MonAlbumPhoto.fr.

2011: M6 mobile By Orange passed the 2 million customer mark.

2012: M6 celebrated its 25th anniversary. The Group transferred its equity investment in Summit Entertainment LLC to Lions Gate. Launch of 6ter, the Group's third free-to-air channel, on DTT channel 22.

2013: Girondins de Bordeaux won the French Cup Final. Launch of 6play.

2014: M6 Group acquired 51% of the share capital of Best of TV. M6 Group transferred Mistergooddeal to Darty Group. TF6 stopped broadcasting.

1.4.2 2015 highlights

January

9: M6 Group acquired the French media group Oxygem, which operates various websites (CuisineAZ.com, Passeportsante.net, Radins.com, Metecocity.com and Fourchette-et-bikini.fr).

13: M6 Group renewed its multi-year agreements with telecoms operators in relation to the distribution of all its channels and services.

February

9: Launch on 6play of the new on-demand channel Home Time, dedicated exclusively to the home.

20: At the 40th Césars ceremony, Pierre Niney won the award for Best Actor for his role in *Yves Saint Laurent*, distributed and co-produced by SND, and Louane Emera won the Best Female Newcomer award for her role in *La Famille Bélier*, co-produced by M6 and distributed internationally by SND.



May

1: Clubic celebrated its 15th anniversary.

17: 6ter achieved its best audience figures of the year with the broadcast of the film *Iron Man*, watched by more than 800,000 viewers.

23: Girondins de Bordeaux unveiled their new stadium.

June

19: M6 Mobile celebrated its 10th anniversary. The brand has 2.8 million customers.

25: Karine Le Marchand was voted France's favourite presenter and Stéphane Plaza was the most popular presenter amongst 18-34 year olds, according to a survey conducted by OpinionWay and published by TV Magazine.

26: W9 achieved the best ever audience for a DTT channel for the broadcast of the Women's World Cup quarter final between France and Germany, watched by 4.1 million viewers.

August

4: 6ter achieved its best day historically, with an average audience share of 2.1% across the entire viewing public.

28: Girondins de Bordeaux qualified for the group phase of the Europa League.

October

7: The video produced by Golden Moustache to promote the COP 21 climate change conference was viewed more than 3.5 million times in less than 24 hours.

8: The CSA authorised W9 to broadcast in HD from 5 April 2016.

November

4: M6 won at the SMA Awards 2015 in the category "Best Social TV activity during a prime-time programme" for the game *Qui est la taupe ? L'enquête digitale*.

24: The feature film *Les Dissociés* is made freely available and at no charge on the website Golden Moustache.com as well as on YouTube, and registered 1 million views in two days.

December

1: Launch of the new 6play service, which, with more than 3,000 hours of programmes, offers the first fully personalised and free range of programming.

21: The M6 channel achieved its highest audience of the year for the broadcast of the film *Belle & Sébastien*, co-produced by M6 Films, with viewing figures of 6.3 million.

1.4.3 Main legal and regulatory developments

By virtue of its corporate purpose and status as an operator of a digital and analogue free-to-air television broadcasting licence, the Company is governed by a specific legal and regulatory regime which applies in addition to ordinary provisions, as specified in section 1.6.2 of this document. The main legal and regulatory developments introduced in 2015 are set out below.

1.4.3.1 Development of digital terrestrial television

The Government set the timetable for the new digital dividend allocating the UHF band, 694-790 MHz, to telecoms operators in 2014 and providing for the actual transfer of frequencies to take place in April 2016 for the Ile de France region, and between 1 October 2017 and 30 June 2019 for the rest of the country. Pursuant to Law n°2015-1267 of 14 October 2015 relating to the second digital dividend, the future costs of reshuffling the frequencies will be borne by the beneficiaries of these new frequencies.

Furthermore, the compression standard MPEG-4 will be widely rolled out in April 2016, leading to an optimisation of broadcast quality and an increase in the number of channels available in high definition at the end of the tendering process launched by the CSA on 29 July 2015. Following this selection and the technical readjustments that have been defined, a public information campaign,

ahead of the switch off of MPEG-2 broadcasting was implemented by the public authorities in 2015 and early 2016.

1.4.3.2 [Amendment to the decrees setting out production obligations](#)

Law n°2013-1028 of 15 November 2013 relating to the independence of public service broadcasting reinstated the possibility for producers of television channels to hold shares in the production of independent works. The Government has detailed the arrangements for implementing this new provision in Decree n°2015-483 of 27 April 2015 which specifically provides for the signature of cross industry agreement between broadcasters and producers.

1.5 Group markets and operations

Developed in 1987 around the M6 channel, over the years Métropole Télévision Group has become a powerful multimedia group, offering a wide range of programmes, products and services available on a wide variety of media: television, Internet, smartphones, etc.

The second largest commercial channel in the market, M6's output is complemented by W9 and 6ter. The family of pay TV channels (Paris Première, Téva, SerieClub, M6Music, M6 Boutique&Co and Girondins TV) enhances the Group's range of programming, with extensive presence across all broadcast platforms.

With its brands and content, M6 Group gradually expanded its operations, with its diversification activities now representing almost half of its revenues. Conscious of developing synergies in its programmes, and of responding to and anticipating the expectations of its various audiences as well as their new viewing patterns, it has emerged as a content publisher firmly anchored in the new technology era.

1.5.1 Television

1.5.1.1 Business presentation

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

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

**METROPOLE
TELEVISION**
SA

Métropole Télévision, parent company of M6 Group, broadcasts the M6 channel. It decides its programming strategy, its acquisition and production policies, and its schedule structure. It also collects the revenues from the advertising and sponsorship broadcast on the channel.

Moreover, Métropole Télévision defines the policy directions pursued by the various Group entities and manages the cross-company administrative and support functions. The entire Group's strategic financial assets are predominantly held by the parent company.

EDI TV
SAS

EDI TV produces W9, the Group's second free-to-air channel.

M6 GENERATION
SAS

M6 Génération produces 6ter, the Group's third free-to-air channel.

*Pay
channels*

M6 PUBLICITE
SAS

The Group broadcasts channels that complement its offering via cable and satellite: **Téva, Paris Première, SérieClub, M6 Music and Girondins TV.**

The M6 channel's historical advertising agency, whose development it has



supported, **M6 Publicité** is currently responsible for marketing the advertising space for 8 television channels.

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

C PRODUCTIONS
SA

C Productions is the second pillar of this division, and mainly produces the M6 channel's news magazines such as *Capital*, *Zone Interdite*, *Enquête Exclusive*, *66 Minutes*, as well as *Enquêtes criminelles* for W9.

STUDIO 89
SAS

Studio 89 Productions produces a significant number of formats both for M6 and for other Group channels, including *Top Chef* and *Cauchemar en cuisine* for M6, *Enquête d'action* and *Les Princes de l'Amour* for W9, and *Norbert*, *Commis d'office* for 6ter.

1.5.12 Market trends in the TV business and Group positioning

a) Structural changes in the TV market

▶ Constantly improving household equipment

Today, practically all French households have a television (94.4% in the third quarter of 2015 according to Observatoire de l'équipement audiovisuel des foyers). Furthermore, more than 8 out of 10 households are equipped with a 16/9 HD compatible flat screen. This trend has been fuelled in particular by the development of the range of HD programming and the drop in the price of televisions. More than half of households even own a connected television.

According to the CSA, in a study published on 22 December 2015, 5.6% of households with at least one television receive programmes exclusively through the TV aerial and do not possess an internal or external DTT HD adapter, and may therefore be affected by the complete switchover to MPEG-4.

Moreover, although the penetration rate for televisions dipped in 2015 (down 1.8% in one year), it remains the main screen in households, ahead of computers, smartphones and touch screen tablets, which are found in 43% of homes. French people are also equipped with increasing numbers of screens, with an average of 6.4 per household.

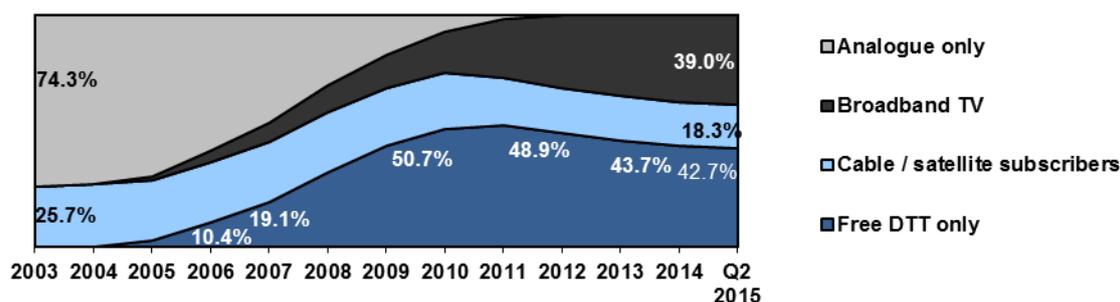
Sales of televisions also dipped slightly in 2015 since 5.1 million televisions were sold in France, representing 700,000 fewer units than in 2014. But an increase in sales is expected in 2016 thanks to Euro 2016 and the switch to DTT being completely Mpeg-4 (source: GfK 2015 assessment of technological goods in France).

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

Since 2011, all households equipped with a TV set have had access to digital television. Whilst terrestrial remains the main system for both analogue and digital television reception, it is increasingly associated with other reception systems within the same household. The CSA thereby estimates that one third of households have two modes of television reception. ADSL/fibre broadband is now the second most common mode of reception (Source: CSA – Monitoring household audiovisual equipment – 2nd quarter of 2015).

Equipment of households by reception system:





Growth in digital has also enabled widespread access to a multi-channel package. Virtually all households equipped with a television receive 25 channels or more, compared with just 40% in 2006.

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

- Cable and satellite pay channels, whose nationwide 4 plus year old audience share was 10.0% in 2015, compared with 11.2% in 2005;
- Free DTT channels, whose nationwide 4 plus year old audience share was 27.1% in 2015, compared with 0.9% in 2005.;

Overall in 2015, changes in TV audience shares on the 4 plus year old target (i.e. all audiences) were as follows, reflecting the so-called “audience fragmentation” phenomenon: traditional channels attracted 62.9% of the nationwide TV audience, compared to 37.1% for “Other TV”.

Nationwide audience share (4+ year olds):

Nationwide audience ratings (4+ year olds)											
%	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
M6	9.9%	10.1%	10.6%	11.2%	10.8%	10.4%	10.8%	11.0%	11.5%	12.5%	12.6%
TF1	21.4%	22.9%	22.8%	22.7%	23.7%	24.5%	26.1%	27.2%	30.7%	31.6%	32.3%
France 2	14.3%	14.1%	14.0%	14.9%	14.9%	16.1%	16.7%	17.5%	18.1%	19.2%	19.8%
France 3	9.2%	9.4%	9.5%	9.7%	9.7%	10.7%	11.8%	13.3%	14.1%	14.7%	14.7%
Canal+	2.6%	2.6%	2.8%	2.9%	3.1%	3.1%	3.1%	3.3%	3.4%	3.4%	3.6%
France 5	3.4%	3.2%	3.3%	3.5%	3.3%	3.2%	3.1%	3.0%	3.3%	3.1%	3.1%
Arte	2.2%	2.0%	2.0%	1.8%	1.5%	1.6%	1.7%	1.7%	1.8%	1.7%	1.8%
TOTAL traditional channels audience share **	62.9%	64.5%	65.0%	66.8%	65.2%	68.1%	72.1%	76.3%	82.5%	86.2%	87.9%
W9	2.6%	2.6%	2.9%	3.2%	3.4%	3.0%	2.5%	1.8%	1.0%	0.4%	0.1%
TMC	3.1%	3.1%	3.4%	3.6%	3.5%	3.3%	2.6%	2.1%	1.3%	0.8%	0.3%
NT1	2.0%	1.8%	2.1%	2.1%	1.9%	1.6%	1.4%	1.0%	0.6%	0.3%	n.a
NRJ 12	1.8%	1.9%	2.2%	2.4%	2.3%	1.9%	1.5%	1.0%	0.4%	0.2%	n.a
Virgin 17 / Direct Star / D17	1.2%	1.2%	1.3%	1.2%	1.2%	1.0%	0.7%	0.5%	0.4%	0.2%	n.a
Gulli	1.6%	1.8%	1.7%	1.9%	2.1%	2.2%	1.8%	1.5%	0.8%	0.4%	n.a
France 4	1.7%	1.6%	1.8%	2.1%	2.0%	1.6%	1.1%	0.9%	0.4%	0.1%	0.1%
Direct 8 / D8	3.4%	3.3%	3.2%	2.3%	2.3%	2.0%	1.4%	0.7%	0.3%	n.a	n.a
i>Télé	1.0%	0.9%	0.8%	0.8%	0.8%	0.7%	0.5%	0.3%	0.3%	0.2%	n.a
BFM TV	2.2%	2.0%	1.9%	1.8%	1.4%	0.9%	0.7%	0.4%	0.2%	n.a	n.a
6ter	1.1%	0.7%	0.5%	0.0%	n.a						
HD1	1.2%	0.9%	0.6%	0.0%	n.a						
RMC Découverte	1.3%	1.0%	0.5%	0.0%	n.a						
Numéro 23	0.6%	0.5%	0.3%	0.0%	n.a						
Chérie 25	0.7%	0.3%	0.2%	0.0%	n.a						
L'Equipe 21	0.6%	0.4%	0.2%	0.0%	n.a						
TOTAL DTT channels audience share	27.1%	24.7%	24.3%	22.0%	23.1%	19.7%	15.2%	10.4%	5.9%	2.7%	0.9%*
TOTAL cable and satellite channels audience share **	10.0%	10.8%	10.7%	11.1%	11.7%	12.2%	12.7%	12.7%	11.6%	11.0%	11.2%
TOTAL	100%										

*M6 estimate

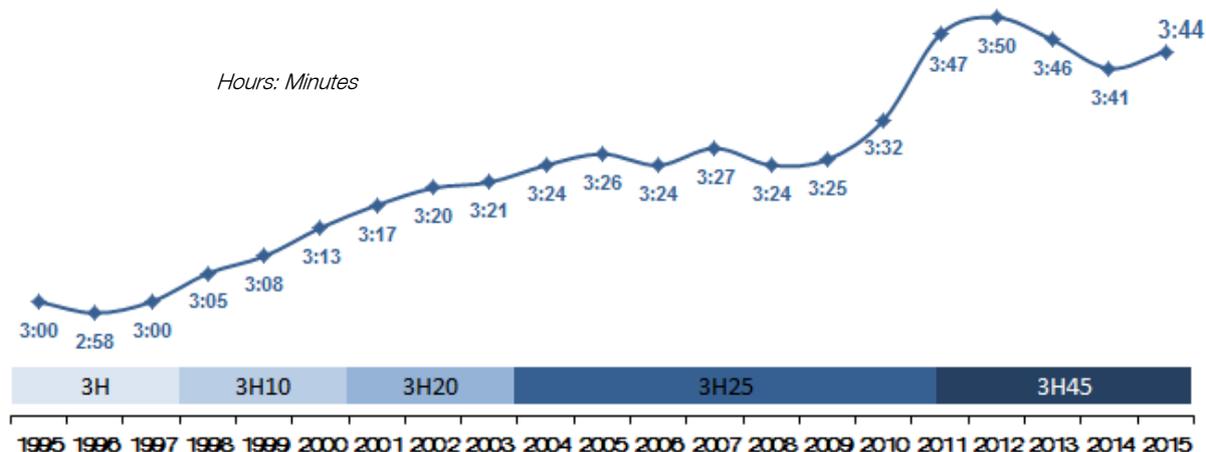
** Until 2011 inclusive, France 5 was considered a traditional channel before 7pm and a DTT channel after 10pm, whilst Arte was considered a traditional channel after 7pm and as a DTT channel before 7pm.

Source: Médiamétrie

► Changes in TV viewing patterns caused by new media

The advent of new media and the rapid development of the internet, supported by the rollout of the telecom operators' high-speed broadband, very high speed through optic fibre and triple play (Internet, television, landline) packages had an influence on TV viewing patterns. These developments improve viewers' experience, who benefit from better picture quality (HD) and can now have access to on demand formats (catch-up TV platforms) or as mobile TV (3G reception). However, the growing penetration of new media did not prevent the Individual Viewing Time (IVT) of television from increasing over the last ten years, with consumption peaking in 2012.

Individual Viewing Time (4+ year olds):



Source: Mediamat / Médiamétrie

Since 2014, Individual Viewing Time has included the viewing of catch-up TV on television screens. This new usage has grown rapidly. As such, in December 2015 8.7 million viewers watched programmes in this way, either pre-recorded or via catch-up.

But television usage is also expanding via other media. Thus, in 2015 almost 3 million individuals aged 15 and above watched TV programmes on screens other than televisions, compared with 2 million in 2014, according to the study The 2015 TV Year published by Médiamétrie.

Television nevertheless remains a very powerful medium: in this way 92% of French people watch this screen on a weekly basis.

The link between viewers and audiovisual content is also being strengthened as a result of social TV, which allows a new kind of interaction to be created, notably via social networks. Médiamétrie points out that those who use social TV watch more television, and sometimes via other media.

b) Advertising market

► Changes in the multimedia and TV advertising market

Advertising expenditure (gross) – Multimedia:

	2015		2014		2013
	€ millions	% change	€ millions	% change	€ millions
Total All TV*	11,924.4	4.6%	11,396.4	9.2%	10,434.3
<i>incl. traditional channels</i>	6,847.6	3.3%	6,626.6	4.8%	6,321.9
<i>incl. DTT channels</i>	5,194.3	32.6%	3,917.1	18.1%	3,315.8
<i>incl. Cab/Sat channels</i>	882.6	3.5%	852.6	7.0%	796.6
Press	6,799.2	-6.6%	7,282.6	-2.3%	7,453.9
Radio	4,831.6	1.9%	4,742.0	2.5%	4,627.4
Internet **	4,454.9	-3.3%	4,607.9	NS	2,750.8
Outdoor advertising	2,673.9	-0.2%	2,679.0	-0.6%	2,696.0
Cinema	431.3	5.5%	408.8	-2.7%	420.0
TOTAL	31,115.3	0.0%	31,116.7		28,382.4

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

- Gross advertising expenditures remained stable.

This figure however masks mixed trends amongst the various media: television, radio and cinema saw their gross advertising revenues increase, whilst press and internet (display) revenues fell.

According to the online advertising watchdog, the net market for online advertising was worth €3.2 billion, and now comprises 27.7% of the multimedia advertising market, with full year growth of 6%. Video (35% increase in revenues to €309 million) is one of the major growth drivers in online advertising.

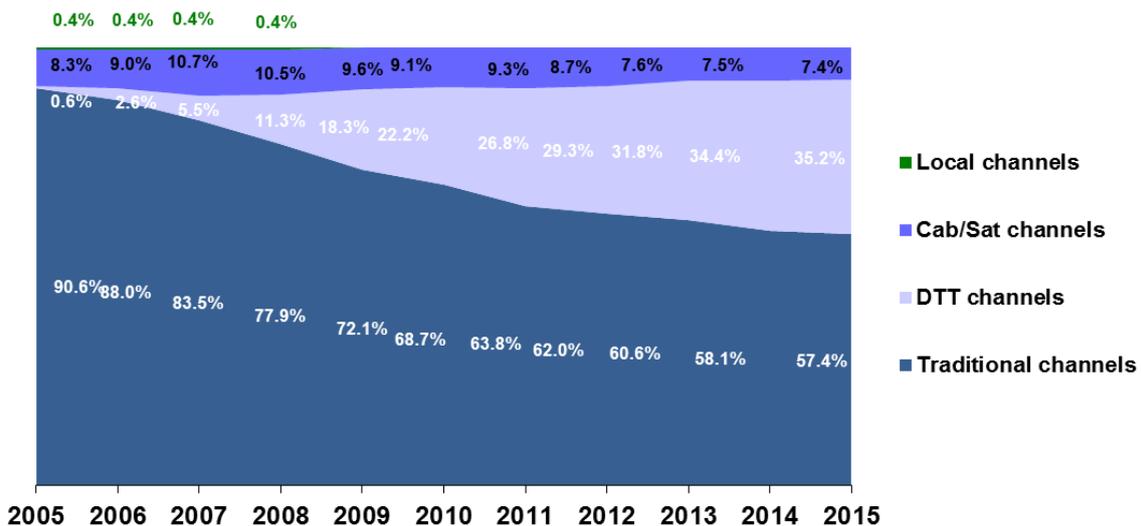
- Television had a greater market share over the year, and in 2015 represented 38.3% of multimedia investments (gross data). Television reaffirmed its position as the leading advertising medium and the benchmark medium in France.

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

According to estimates published by IREP in February 2015, net advertising investments in television grew by 0.5% in 2015, within a multimedia advertising market that decreased by 0.6% and was marked by a decline of press, outdoor advertising and radio.

The different types of channels developed differently. Traditional channels represented 57.4% of the gross advertising investments in television, a lower figure in comparison to the previous year (88.0% in 2006 and 58.2% in 2014). DTT channels generated 35.2% of the gross investments in television (compared to 2.6% in 2006 and 34.3% in 2014). Their market share therefore continued to grow in 2015, but this increase primarily resulted from the contribution of the six new free-to-air channels launched in December 2012. In addition, the cable and satellite channels represented 7.4% of the gross television advertising investments in 2015.

Advertising expenditure (gross) – TV: market share analysis by segment (2005 -2015):



Source: M6 / Kantar Media estimates



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

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

	2015		2014		2013		2012		2011
	€ millions	% change	€ millions	% change	€ millions	% change	€ millions	% change	€ millions
M6	1,834.8	+4.8%	1,751.0	+4.7%	1,672.3	+10.2%	1,517.1	+2.9%	1,474.7
TF1	3,576.3	+2.1%	3,502.6	+3.9%	3,370.1	+2.6%	3,283.6	+2.2%	3,212.7
France 2	330.1	+17.8%	280.2	+12.7%	248.7	-5.8%	263.9	-14.3%	307.8
France 3	137.5	-4.9%	144.6	+5.3%	137.3	-0.7%	138.2	-10.7%	154.9
France 5	37.2	+16.1%	32.1	+4.7%	30.6	-3.8%	31.8	+3.8%	30.7
Canal+	206.0	-4.0%	214.6	+15.7%	185.6	5.9%	175.2	+1.1%	173.3
TOTAL	6,121.9	3.3%	5,925.1	5.0%	5,644.5	4.3%	5,409.8	1.0%	5,354.0

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

Historical data may have been adjusted

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

	2015		2014		2013		2012		2011
	Market share	% change	Market share						
M6	30.0%	+0.4pp	29.6%	-0.1pp	29.6%	+1.6pp	28.0%	+0.5pp	27.5%
TF1	58.4%	-0.7pp	59.1%	-0.6pp	59.7%	-1.0pp	60.7%	+0.7pp	60.0%
France 2	5.4%	+0.7pp	4.7%	+0.3pp	4.4%	-0.5pp	4.9%	-0.9pp	5.7%
France 3	2.2%	-0.2pp	2.4%	+0.0pp	2.4%	-0.1pp	2.6%	-0.3pp	2.9%
France 5	0.6%	+0.1pp	0.5%	-0.0pp	0.5%	-0.0pp	0.6%	+0.0pp	0.6%
Canal+	3.4%	-0.3pp	3.6%	+0.3pp	3.3%	+0.0pp	3.2%	+0.0pp	3.2%
TOTAL	100%		100%		100%		100%		100%

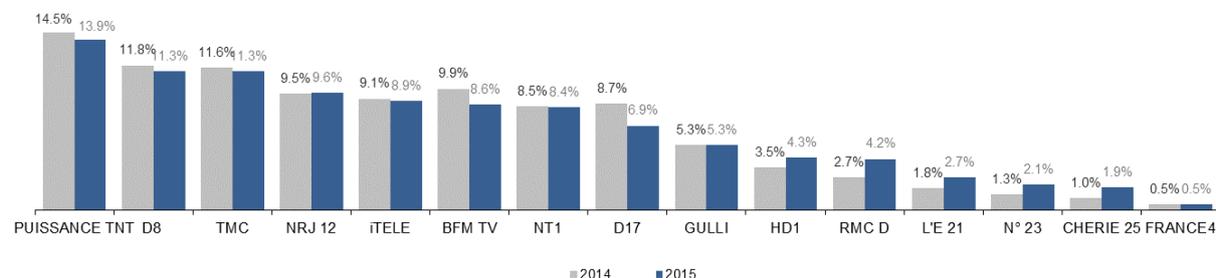
Source: Kantar Media, gross data for TF1, M6 and Canal+, net for FTV

Historical data may have been adjusted

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

The breakdown of the gross advertising market for DTT channels, which totalled €4,021 million (excluding self-promotion) in 2015, an increase of 6.9%, reflects the breakdown of the audience share of each of the channels, as well as the strength of the Puissance TNT advertising offer, the advertising medium that delivers the highest GRP on DTT.

It was as follows:



Source: Kantar Media, DTT channels excluding self-promotion

► Cable and satellite channels: distribution of advertising market shares (gross data)

The distribution of the gross advertising market of cable and satellite channels, which totalled €882.5 million in 2015, potentially involves more than a hundred channels.

1.5.13 M6 Group TV market positioning and strategy in 2015

Overall, the Group's advertising agency, M6 Publicité, achieved a total market share of 22.7% in 2015 (gross advertising market share, measured by adding terrestrial, DTT, cable and satellite revenue, source: Kantar Media) of the whole TV advertising market, thus strengthening its position as the second advertising agency in France.

In addition, in 2015 M6 Group recorded the highest audience growth on the commercial target (up 0.4 percentage points, 21.2% audience share) and amongst the under 50's (up 0.8 percentage points in the 15-49 age range) of the traditional audiovisual groups.

a) Free-to-air television

► M6 channel

In 2015, within a context of ever increasing fragmentation, M6 maintained its position as the second largest channel amongst the under 50's, and grew its major brands and created new popular programmes.

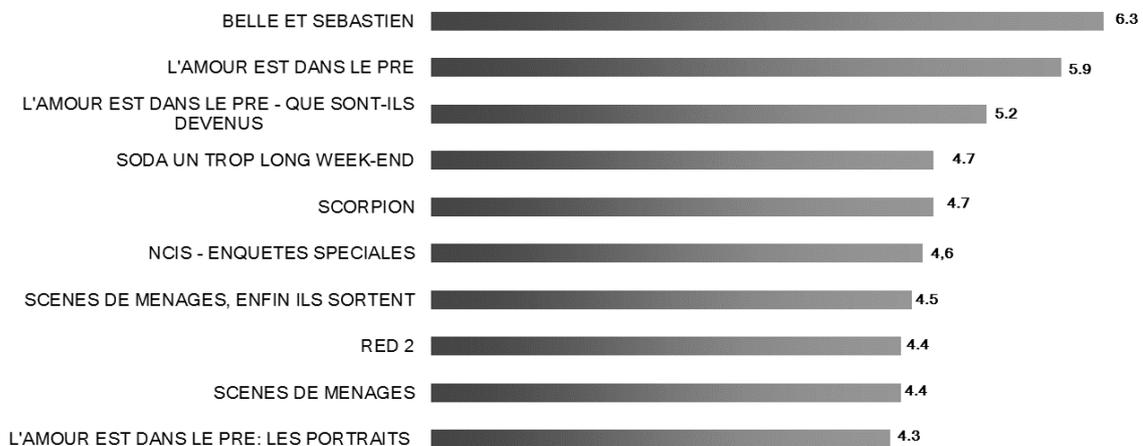
Across all viewers, M6 consolidated its status as the 3rd biggest national channel with a 9.9% audience share. M6 was even voted French viewers' favourite free-to-air channel (*IFOP study carried out between 22 and 28 December 2015*).

These results are due to the strategy implemented by M6:

- Successful launches of new programmes (*The Island, Scorpion, Chasseur d'appart, etc.*);
- Key brands achieving further growth (*Le Meilleur Pâtissier, Top Chef, l'Amour est dans le Pré, Patron Incognito, Les Reines du shopping, Scènes de Ménages, NCIS, etc.*);
- Continued popularity of major news programmes (*Capital, Zone Interdite, Enquête exclusive, news bulletins, etc.*).

The top ten M6 audience ratings in 2015 testified to this success in all types of programmes.

Top ten M6 audience ratings in 2015 (millions of viewers, source: Médiamétrie, 1 programme per format):



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



and 90% of daily audience levels.

► W9 channel

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

In 2015, W9 retained its DTT leadership in the under 50's segment and was ranked as the top DTT channel and third largest national channel for under 25's with a 7.0% audience share.

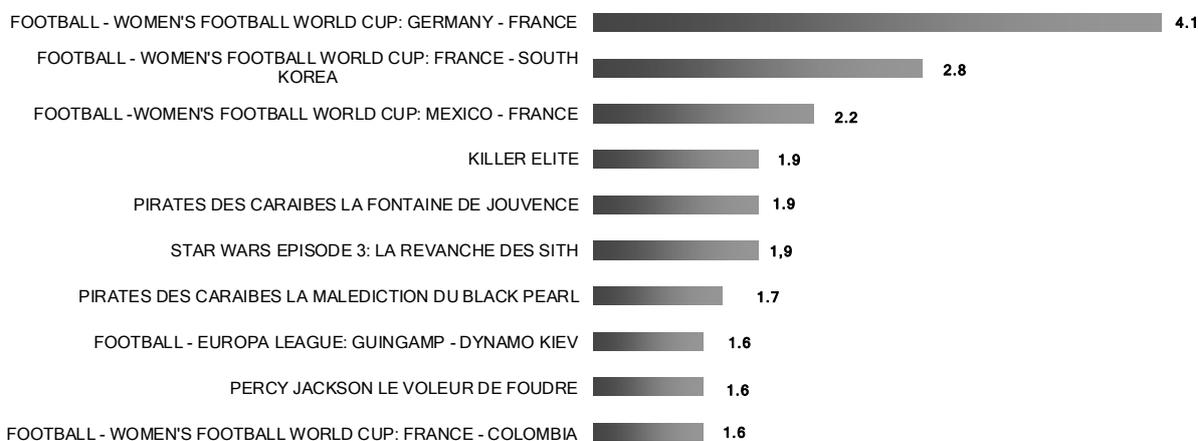
Over the full year, W9 achieved a 2.6% audience share (4+ year olds) and a 3.8% share on the target women under 50 responsible for purchases (up 0.2 pps).

These performances are the result of a significant production policy regarding original access prime-time programming (*Les Chtis*, *Les Marseillais*, *Les Princes de l'amour*, *Soda*, *La Petite Histoire de France*) as well as a varied and powerful range of programmes in early prime time (*Enquête d'action*, *Enquêtes Criminelles*, Europa League, Cinema).

W9 continued to attract viewers in early primetime, and over 2015 as a whole was the DTT channel that:

- achieved a prime time audience of more than 1.5 million viewers most regularly,
- beat the new historical DTT record with the broadcast of the Women's Football World Cup (4.1 million viewers for the France vs. Germany quarter final, a new historical record audience for DTT, meaning W9 was ranked as the top national channel across all audiences on that evening with a 26% audience share).

Top ten W9 audience ratings in 2015 (millions of viewers, source: Médiamétrie, 1 programme per format):



In 2015, W9 continued to develop its programme offering in the following five fields: music, series, cinema, entertainment magazines and sport, which made it the undisputed leader among DTT channels for under 50 year-old viewers.

Music represents a significant part of airtime and is a major feature of W9, which puts it forward in all its forms: videos, concerts, event-based programmes, rankings and music gameshows.

W9 also broadcasts prestigious sporting events, including the Women's Football World Cup, the Paris Bercy and London Tennis Masters Series, entertainment shows, magazines and reality TV shows, as well as series and films.

W9 has developed an ambitious policy in the production of innovative entertainment, such as the reality series "*Les Marseillais*", and a significant effort in the production of original investigative

reports to strengthen major prime time magazines (*Enquête d'action*, the factual magazine, and *Enquête Criminelle*, the magazine of everyday news items).

► 6ter channel

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

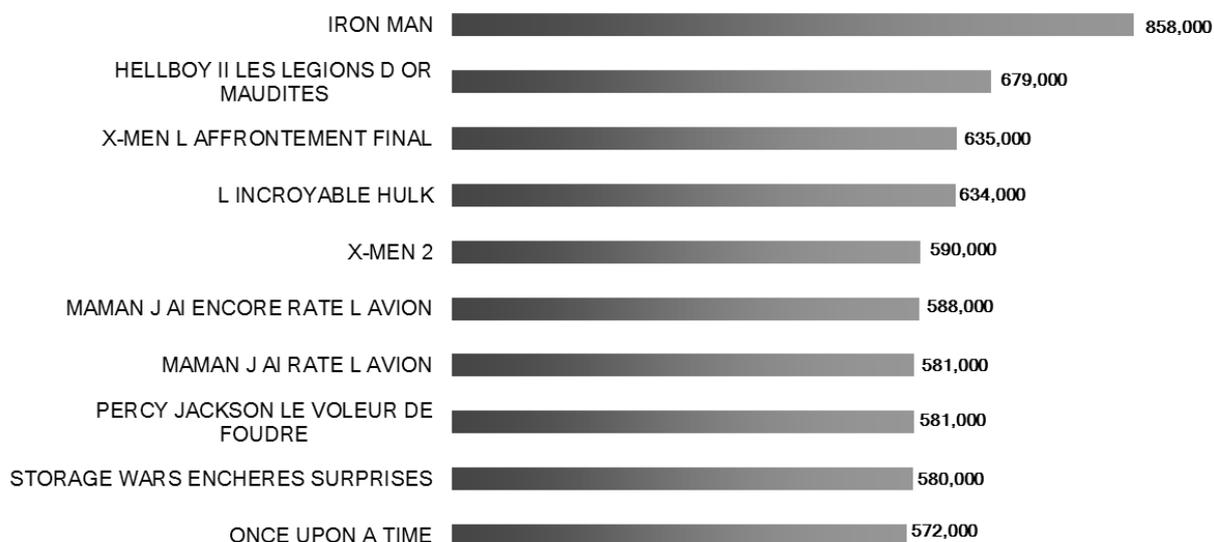
6ter is a channel designed to be watched by all the family at any time of the day, based on the idea of collective viewing. Its varied programming is structured around several key genres: family dramas, magazine programmes, documentaries, entertainment and youth programmes.

6ter proved to be the winning channel in 2015, posting the strongest full year growth of all channels, both in the 4+ years old segment (1.1% or 0.4 percentage points) and on the commercial target (2.1%, or 0.7 percentage points).

6ter was the top ranked of the six HD DTT channels on the commercial target for the third consecutive year, and also across all the strategic timeslots (prime time, access prime time and lunchtime).

With more than 40 new programmes since its creation, 6ter continued to build its identity in 2015 with original magazines such as *Norbert*, *Commis d'office*, and *Storage Wars France*, new series like *Once upon a time*, entertainment shows and a schedule of blockbuster family films.

Top ten 6ter audience ratings in 2015 (millions of viewers, source: Médiamétrie, 1 programme per format):



► Puissance TNT

Early in 2014, M6 Publicité introduced synchronised advertisements on its two free-to-air DTT channels - W9 et 6ter – through its “Puissance TNT” offer, thereby successfully positioning itself as the leader in this category of channels by offering the most powerful advertisements on DTT;

Over 2015 as a whole, Puissance TNT also achieved the highest audience for bundled TV offers on the commercial target.

b) **Digital pay channels**

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

Summary table of broadcasting network by channel (at 31 December 2015):

	Free DTT	Pay DTT	Cable	Satellite	Broadband	Mobile/Internet**
Paris Première	unscrambled					
Téva						
M6 Music						
Série Club*						
Girondins TV						

* Broadband via CanalSat

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

Source: M6

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

	Number of households equipped to receive M6 Group's pay channels *					
	Dec -15		Dec-14		Dec-13	
	Equipped households (millions)	% of households equipped with TV	Equipped households (millions)	% of households equipped with TV	Equipped households (millions)	% of households equipped with TV
Téva	12.5	47%	13.1	49%	11	41%
Paris Première**	8.5	32%	9.2	35%	8.7	32%
M6 Music	6.8	26%	6.9	26%	6.2	23%
M6 Music Club / M6 Music Black			3.8	14%	3.3	12%
TF6			4.3	16%	4.7	17%
Série Club	4.0	15%	4	15%	4.2	15%
Girondins TV	3.5	13%	3.6	13%	3.2	12%

* Estimate of households (Mainland France) effectively connected, restated for subscribers to several packages

** Excluding Paris Première's unscrambled slots

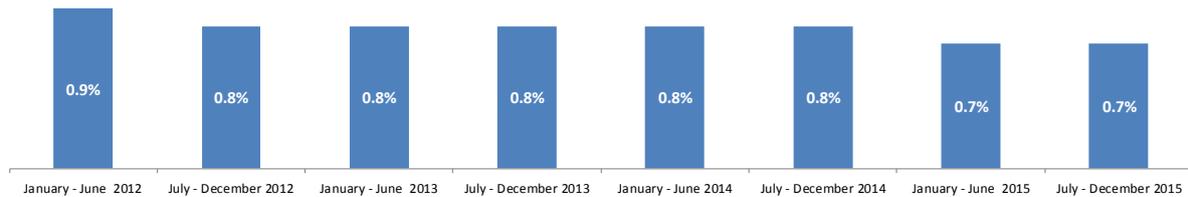
Source: distributor data / M6 estimates

According to Kantar Media data, the cumulative advertising market share of the M6 Group's pay channels (Paris Première, Téva, M6 Music and 50% of Série Club, as well as the M6 Music channels) totalled 12.1% in 2015, an increase of +0.3 pp compared to 2014.

► Paris Première

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

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



Source: Médiamétrie / MédiaCabSat, subscribers to a pay package

Paris Première features a rich and diverse editorial line based on live performance, discussion programmes and culture. The channel dedicates a significant portion of its budget to the production and acquisition of original formats. The channel's flagship magazines in 2015 were "Très très bon", "Zemmour et Naulleau", "La mode la mode la mode", "Paris Dernière", and the new magazine "Polonium".

The channel confirmed the depth of its event-based programming in 2015, notably via the live broadcast of theater plays (such as "Pour combien tu m'aimes", "Des gens intelligents", winner of the Molière drama award in 2015, "Mes parents sont des enfants comme les autres", etc.), as well as via themed evenings, film seasons and a number of comedy shows (in particular shows by Camille Chamoux and Stéphane Rousseau, La Nuit de la Bretagne, Miss World, The Baftas, etc.).

Paris Première is currently the most well-known pay TV channel amongst all audiences (source – CSA awareness study - April 2015), as well as the most watched pay TV channel with a monthly audience of 12 million viewers. It is also the second most popular general interest channel in the upper socio-economic segment, its core target, with an audience share of 0.5% (source - Médiamétrie).

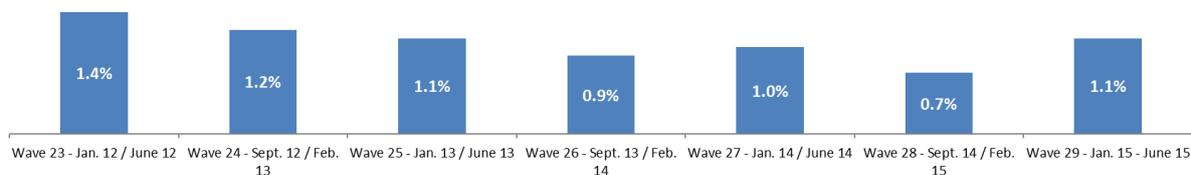
► Téva

Téva, which was launched on 6 October 1996 and became a wholly-owned subsidiary of M6 Group in January 2007, is primarily geared towards women.

In 2015 and for the last 5 years, it became the leading pay channel amongst female audiences as a whole.

Highly diversified programming primarily combines magazines, series, documentaries and feature films. The ambitious policy of co-producing original documentaries launched by the channel continued in 2015 with programmes such as "1 semaine chez papa 1 semaine chez maman" and "Mon enfant mange mal". 2015 saw the continued success of daily magazines such as "Téva Déco" and "Magnifique By Cristina", and the launch of "Sucrement bon", Téva's new baking format. Lastly, series are still accorded pride of place on Téva, with the broadcast of original series, such as "Jane the Virgin" and "Mistresses", as well as new series of successful programmes like "The Good Wife".

Téva is the leading pay channel for women under 50 responsible for purchases with a nationwide audience share of 0.94% and 1.1% among households equipped to receive it:



Source: Médiamétrie / MédiaCabSat, subscribers to an extended package

► Série Club

Série Club, which is 50% held by M6 (and 50% by TF1), was created in 1993 and has ever since occupied a clearly identified position in the complementary TV offering. The channel asserted its positioning as the “series channel”, with a complete range of never shown-before series and full broadcasts of cult series. It also offers full digital and widescreen broadcasting. Série Club is also available on catch-up TV.

Série Club audience share of women under 50 responsible for purchases:



Source: Médiamétrie / MédiaCabSat, subscribers to a pay package

► M6 Music

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

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

c) Comprehensive advertising package

In 2015, M6 Publicité continued its drive to offer clients innovative devices.

This ambition took shape at the beginning of the year with the creation of M6 Unlimited, a special operations department offering advertisers customised packages enhanced by the variety and power of the Group’s assets.

2015 also provided M6 Publicité with the opportunity to launch a great many innovations, including in particular:

- **L'ADAPTIVE by M6 Publicité**, a new advertising format enabling the real time updating of commercials. The advertiser has the option of enhancing these adverts with any kind of topical message (related to the date, weather or a brand event), executed by M6 UNLIMITED STUDIOS;
- **METEO PLANNING service**. M6 Group's advertising agency has developed extensive expertise in analysing the impact of the weather on TV viewing and advertising effectiveness. In practical terms, M6 Publicité offers advertisers whose activities are weather sensitive to optimise their campaigns based on two essentials: scheduling their campaign at the right time and broadcasting the most relevant advert;
- **MID-BREAKS service**: in an ongoing quest for efficiency, in 2015 M6 Publicité developed pioneering advertising efficiency generators. These four second jingles, inserted into the middle of access prime time or prime time commercial breaks, grab the attention of viewers and aid their advertising recall;
- **Smart 6TEM**, M6 Group's data ecosystem, and the first 360° TV/online web platform enabling the effectiveness of advertising to be optimised and the relevance of content to be improved. It is made up of three service levels:
 - *Smart Target*, M6 Group's advertising agency's targeted advertising offer, which provides a wide range of complementary targets for the activation of digital campaigns across all daily verticals and the entire M6 network;
 - *Smart Insights*, which combines all M6 Publicité's expertise in data-mining analysis to measure the TV/online effectiveness on screen and per programme. In addition to the impact of campaigns on sales, the solution takes into account several indicators, such as the impact on image and awareness;
 - *Smart Context*, M6 Publicité's advertising offer that provides real time contextualisation, which includes the Adaptive and Météo Planning services;

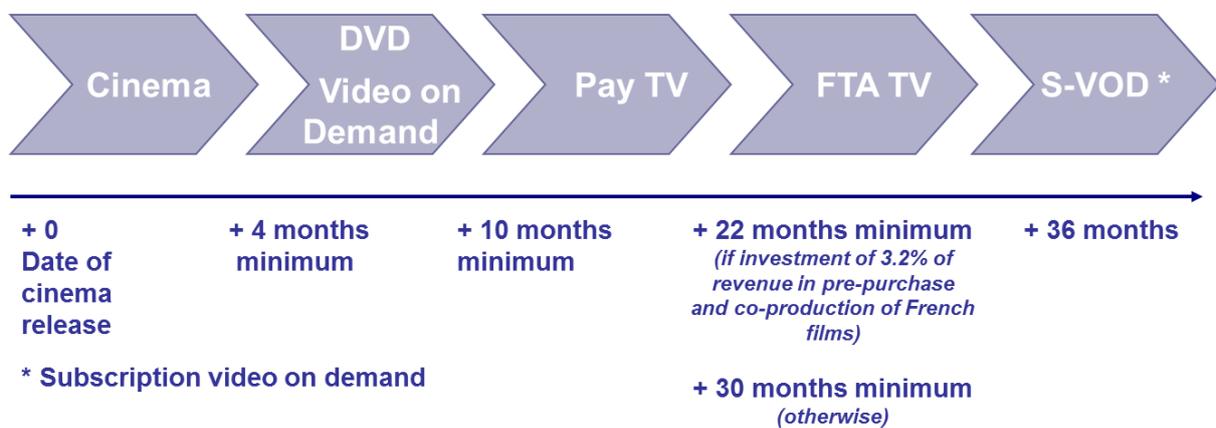
These many innovations have enabled the advertising agency to offer its advertisers custom made, 360° packages combining the firepower of all its media.

1.5.2 Production and Audiovisual Rights

1.5.2.1 Business presentation

The Group's Production & Audiovisual Rights business operates in the production and audiovisual rights distribution markets throughout their operating cycle, primarily to the general public (cinemas, selling of physical and on-demand videos) and subsequently to professionals (distribution of the rights portfolio to nationwide free-to-air and pay channels and international distribution), in accordance with a cycle defined by media chronology which operates under the timeframe below. This activity primarily addresses the need for M6 to provide the channels with quality content, whilst limiting the Group's reliance on the advertising market.

Media chronology:



M6 FILMS
SA

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

M6 STUDIO
SAS

M6 Studio, created in 2003, is dedicated to the development and production of animated feature films and series. In 2006, the company thus produced the first and second series of the cartoon *Le Petit Nicolas* (52x13 minutes) and in 2014 the animated film *Astérix et le Domaine des Dieux*.

M6 CRÉATIONS
SAS

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

**Société Nouvelle
de Distribution**
SA

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

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

SNC
SA

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

**TCM Droits
audiovisuels**
SAS

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

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

1.5.2.2 Market trends and Group positioning

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

► The cinema market in 2015

In 2015, cinema attendance remained high with 206 million admissions, representing a slight dip of 1.4% in relation to 2014. This result was above the average level over the past ten years (199.6 million). Cinema attendance in France remained the highest in Europe in 2015 (*source - CNC*).

2015 distributor ranking				
Ranking	Distributors	Number of films released in 2015	French box office*	Market share
1	Universal Pictures	22	28,061,866	13.6%
2	Walt Disney Studios	12	24,540,344	11.9%
3	20th Century Fox	23	17,918,404	7.6%
4	Mars Distribution	21	13,178,985	6.4%
5	Warner Bros.	20	13,172,413	6.4%
6	Pathé Distribution	15	11,951,571	5.8%
7	Paramount Pictures	10	9,576,957	5.4%
8	Sony Pictures	10	9,283,875	5.0%
9	SND	13	8,062,463	3.9%
10	UGC Distribution	8	7,080,604	4.9%

**Excluding continued screening of films released in 2014. Screenings between 01/01/2015 and 31/12/2015

Source: 2015 distributor ranking (source CBO-Box Office)

With 13 releases in 2015, SND recorded more than 8 million cinema admissions, and ranked as the 9th largest distributor and the 3rd largest in France in 2015 (*source cbo-boxoffice.com*).

Released in March 2015, “*Divergente 2*”, achieved more than 2.4 million admissions, thus generating 61% more admissions than the original work, confirming the performance of this franchise.

“*Prémonitions*”, with Anthony Hopkins and Colin Farrell in particular attracted more than one million cinema goers, “*La rage au ventre*”, starring Jake Gyllenhaal, achieved 720,000 admissions, and “*Le dernier chasseur de sorcières*” achieved 560,000.

In terms of critical acclaim, the French film “*L’affaire SK1*” won the Jacques Deray award.

In addition in 2015, investments related to the commitment to dedicate 3.2% of revenue to French and European cinema production totalled €17.8 million, virtually stable compared with 2014 (€18.1 million).

2015 French films ranking

Ranking	Film		French box office
1	Les Nouvelles aventures d'Aladin	Co-produced by M6 Film	4,426,153
2	Les Profs 2		3,489,537
3	Babysitting 2	Co-produced by M6 Film	3,135,399
4	Papa ou maman	Co-produced by M6 Film	2,886,967
5	Taken 3	Co-produced by M6 Film	2,614,008
6	Pourquoi j'ai pas mangé mon père	Co-produced by M6 Film	2,409,970
7	Le Petit Prince	Co-produced by M6 Film	1,816,320
8	Belle et Sébastien, l'aventure continue	Co-produced by M6 Film	1,720,458
9	Bis		1,512,945
10	Le dernier loup		1,277,584

Source: 2015 film ranking (source CBO-Box Office)

After an already strong year in 2014, 2015 more than confirmed this trend with in excess of 20 million cinema admissions for films that were co-produced by M6.

These films included seven that were ranked in the top ten French films of the year, five of which achieved more than two million admissions: *Pourquoi j'ai pas mangé mon père*, *Taken 3*, *Papa ou maman*, *Babysitting 2* and *Les nouvelles aventures d'Aladin*, which, with almost 4.5 million admissions, was the most seen French film of 2015.

With this performance, M6 Films was thus the channel's leading subsidiary at the 2015 box office.

In addition, over 2015 as a whole, M6 Films invested in eight films, once more promoting mainstream and event driven cinema.

M6 Films continued to back its well established franchises, to which it is very committed: Kev Adams, with *Amis publics*, Jean Dujardin with *Un homme à la hauteur* and *Brice de Nice 3* as well as Omar Sy with *Chocolat*.

► The video sales market in 2015

In 2015, the French market for retail physical video (DVD and High Definition formats) amounted to €680 million, a decline of 14.8% compared with 2014. This decline results from the decrease in DVD sales (down 8.9% in volume and 15.7% in value) and high definition formats (down 1.6% in volume and 11.9% in value). Since 2004, this market has lost almost two thirds of its value (approximately €1.3 billion).

Video format consumption in value

(€millions)	2015	2014	% change	Market share	2015	2014	% change
DVD	514	610	-15.7%	DVD	75.6%	76.4%	-0.8pp
High definition formats	166	188	-11.9%	High definition formats	24.4%	23.6%	+0.8pp
TOTAL	680	799	-14.8%		100%	100%	

Source : Baromètre Vidéo CNC- GFK 2015

Video format consumption in volume

(millions of units)	2015	2014	% change	Market share	2015	2014	% change
DVD	70	77	-8.9%	DVD	84.5%	85.5%	-1.0pp
High definition formats	13	13	-1.6%	High definition formats	15.5%	14.5%	+1.0pp
TOTAL	83	90	-7.9%		100%	100%	

Source : Baromètre Vidéo CNC- GFK 2015



In 2015, SND's market share totalled 3.6% on physical media (*source - GFK*).

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

The catalogue contains a wealth of diverse works, representing all genres and film eras, from the saga *Divergente*, to the *Astérix* franchise, from the classics of French and Italian cinema (Renoir, Cocteau, Risi, Pasolini, etc.) to recent American blockbusters (*Renaissances*, *La Rage au ventre*, etc.) and to the recent successes of French cinema, such as *Bon Rétablissement* and *Antigang*.

The top sellers of 2015 included the second opus in the *Divergente* saga, *Astérix et le Domaine des Dieux*, *Bon Rétablissement*, *L'affaire SK1* and *Antigang*. Outside films, the latest *Les Chevaliers du Fiel* show and box sets of M6 and W9 TV series such as *Scènes de Ménages* and *Soda* may be noted.

► The TV rights transfer market

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

Thanks to its significant and varied catalogue of cinematic works, SND provides its films to all French television channels (both private and public). As such, in 2015, the following films could be seen on television: "*Red 2*" on M6, "*Les femmes du 6ème étage*" on France 2, "*The Reader*" on France 3, "*Lord of War*" on Arte, "*Divergente*" on Canal+, "*Démineurs*" on France 4, "*Mr & Mrs Smith*" on W9, "*Iron Man*" on 6ter, "*Looper*" on D8, "*D'Artagnan*" on NRJ12, "*La cité interdite*" on France Ô, etc.

1.5.3 Diversification

1.5.3.1 Interactions

a) Business presentation

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

This division is broken down in two product lines:

- **Music:** production, co-production or co-distribution of short and long playing formats (singles and albums) and compilations on physical and digital formats;
- **Events and shows:** production, co-production or co-distribution of shows (plays, stand-up comedians, musical shows, etc.).

b) Market and change in business positioning

In 2015, the recorded music retail market posted figures of €426 million, a fall of -7.0% compared with 2014 (Source: SNEP, digital and physical market).

The market share of digital formats continued to increase, with growth of 14.7%, reaching 33% in value. Moreover, as in 2014, 75% of market revenues were due to the success of French language production.

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

Physical market	2015	2014	Change
Disc sales	273.7	325.3	-15.86%
Digital market			
Internet downloading	42.8	53.8	-20.45%
Mobile telephony	5.3	7	-24.29%
Streaming subscriptions	82.2	48	71.25%
Streaming financed by advertising	22.1	24.1	-8.30%
Total Market	426.1	458.2	-7.01%

Source: SNEP

Following a 2014 that was extremely positive, M6 Interactions had a good year of musical co-productions, with many successes including in particular *Chambre 12*, the debut album by Louane, which topped the 2015 album charts selling more than 773,000 copies or Marina KAYE's album, which also appeared in the top 20 albums of the year selling more than 156,000 copies.

On the co-productions side, despite a negative base effect, M6 Interactions ended 2015 with the success of the album *Un Monde Meilleur* by Kids United, in partnership with Unicef, which sold more than 102,000 copies in under six weeks in 2015 and which continued its excellent performance at the start of 2016 (in the top five sales in France).

The entertainment shows activity suffered from lower attendances at venues in Paris as a result of the events of January and November.

The year was however notable for the success of *Holiday On Ice 2015*, seen by almost 200,000 spectators as well as for the success of the first one man show by Norbert TARAYRE, one of M6 Group's celebrity chefs (full M6 Evénements production) as well as for the co-production of the show by Enzo WAYNE (a magician and illusionist discovered by the programme *La France a un Incroyable Talent* on M6) whose first shows in October ended with huge public and critical acclaim.

1.5.3.2 M6 Web

a) Business presentation

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

▶ New media services

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

- All the available videos related to Group programmes: Live, Replay, Excerpts & exclusive videos. In 2015, more than 1.2 billion videos were viewed across all the Group's sites (1 billion in 2014);
- Channel websites and programmes to enhance the viewing experience: surveys, slideshows, quizzes, profiles, etc.;
- Innovative interactive experiences with the Connect function which enables real-time reaction to and participation in programmes;
- 6 online channels: Sixième Style, Crazy Kitchen, Comic, Stories, Home Time and Bruce, with the last two channels launched in 2015.

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



on M6 Group channels;

▶ **Thematic sites**

The editorial offering of these sites is based on topics that attract a broad spectrum of visitors, such as high-tech (clubic.com), home (deco.fr) and cars (turbo.fr). It received a boost during 2015 with the acquisition of Oxygem and its websites focused on mainstream topics: cookery (cuisineaz.com), slimming (fourchette-et-bikini.fr), good deals (radins.com), health (passeportsante.net) and the weather (meteocity.com). 2015 was also notable for the integration of Jeuxvideo.fr into Clubic. Combining the entities M6 Web and Oxygem led to the implementation of measures to promote synergies to increase revenues and pool resources.

▶ **Short videos**

In 2015, M6 Group continued to expand into the creation of short video content through the entity M6 DIGITAL STUDIO. The purpose of this entity, which includes the brands MinuteFacile, Golden Moustache, Rosecarpet, CoverGarden and No Pain No Game, is to accelerate the development of the M6 MCNs (Multi Channel Networks) as well as the launch of new brands based on popular topics (cookery, fashion, gaming, etc.).

▶ **Mobile telephony**

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

b) **Market trends and Group positioning**

▶ **Internet**

The internet market, now well established in France, has reached maturity with more than 30.2 million high speed connections in the 3rd quarter of 2015 (Source: Arcep).

As a result of constant developments in reception technologies (broadband/fibre, 3G/4G, Wifi) and terminals (tablets, smartphones, connected TV sets, IPTV decoders), viewers now have many ways of consuming audiovisual content. Linear programme consumption is enhanced by many on-demand consumption modes (catch-up TV, VOD per view or on subscription and digital channels).

Thus, according to the CNC, online television consumption totalled 2.72 billion videos viewed over the first 6 months of 2015. According to a survey conducted by Harris Interactive, 72.9 % of Internet users over the age of 15 questioned in September 2015 said they had watched programmes via catch-up television over the previous 12 months, a proportion that was up 1.6 percentage points in relation to September 2014.

Similarly, the use of mobile internet is therefore developing rapidly due to flat-rate packages now featuring unlimited data and the widespread use of smartphones and tablets: in the 3rd quarter of 2015, the former’s penetration rate was 68%. Where tablets are concerned, the installed base is estimated to be 15 million units (Mobile Marketing Survey – ComScore, Médiamétrie, GfK).

Moreover, the expansion of 4G accelerated in France and numbered more than 15.5 million subscribers during the 2nd quarter of 2015, an increase of 186% compared with the 2nd quarter of 2014 (Source - Arcep).

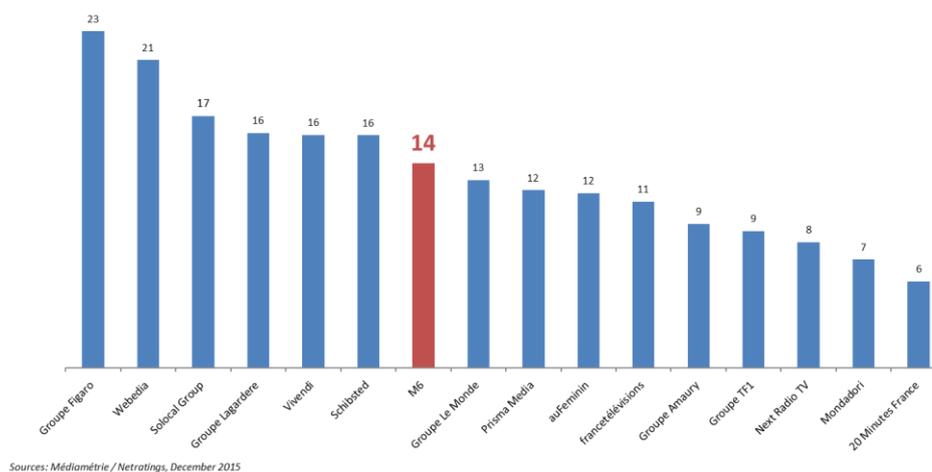
The permanent presence of internet in the life of French people has led advertisers to increasingly invest in this media. A pioneer and an expert in the marketing of in-stream video commercials, M6 Publicité Digital offers a user-friendly and powerful multi-screen service (PC, IPTV, Mobile, Tablet, connected TV) which allows advertisers to free themselves from the consumption mode of programmes by broadcasting their commercials on all types of screens, selecting programmes with which their targets have affinity.

Viewers become active participants by using their connectivity to enhance their television consumption. Social TV has had a significant impact in this way, with the Connect functions on 6play enjoying growing success due to increased viewer education. At the same time, TV-related social activity on Twitter became established, with more than 70 million tweets in connection with TV programmes in 2015 (Source: Médiamétrie).

In 2015, the Group continued its online development, building on the audience of previous years and achieving a monthly average of 13.8 million unique visitors (Nielsen NetRatings, January – October 2015) and was ranked as one of the most visited media groups in France.

In 2015, the Group once again passed the milestone of 1 billion videos viewed (long and short).

Ranking of major online media groups (millions / December 2015)



- **New media services**

Digital distribution of the Group's programmes also grew in 2015, with an average of almost 68 million videos viewed monthly on all broadcasting networks (PC, mobile, tablet, IPTV, etc.), a year-on-year increase of +5%.

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

Thus a new and fully personalised version of 6play was rolled out in late November 2015 across all screens.

Under their section "My Selection", each authenticated user has permanent and immediate access to their favourite programmes as well as to personalised suggestions for new programmes to discover according to their tastes and preferences.

To ensure recommendations are relevant, 6play is based on three pillars:

- M6 Group's expertise in content programming,
- The preferences entered by each user when registering on 6play,
- A smart algorithm of recommendations which continually enhances the individual user experience.

As such, 6play guarantees it will offer the right programme, to the right person, at the right time and on the right screen.

- **Thematic sites**

In 2015, the site **Clubic.com** celebrated its 15th anniversary and once again consolidated its ranking as the second placed French high-tech website, with an average of 5 million unique visitors per

month (source – Mediametrie); The integration of Jeuxvideo.fr into Clubic led to an increase in the site’s video range with almost eight million videos viewed per month.

Turbo.fr has continued to develop its range of content and valuable services for the motorist, whilst deeply upgrading its image. In 2015, the site recorded growth of 138% in its video audiences in comparison with 2014.

Deco.fr had an exceptional 2015, with all audience indicators growing. The site began investing particularly in structuring projects, to ensure its long-term growth and appeal, such as the “Photo Déco” section, and the strengthening of its editorial content dynamic.

In 2015, **Radins.com**, whose editorial commitment is to boost the purchasing power of Internet users, achieved more than two million unique visitors per month (Médiamétrie Netratings). This year the site launched a major transformation project to become the first community of online consumers in France.

CuisineAZ.com retained its place as one of the leading recipe sites for French cuisine in 2015, with an average of more than three million unique visitors each month (Médiamétrie Netratings). The site has incorporated new social functions, and in 2015, recorded more than one million Facebook fans. It has also expanded its service by offering a new site, CuisineAZ Promo, offering cookery and food-based deals and promotions.

Fourchette-et-Bikini.fr successfully completed its first year in 2015, and became one of the leading slimming sites with an average 600,000 unique visitors per month (Médiamétrie Netratings).

PasseportSanté.net provides consumers with practical, reliable, objective and independent health-based content. The site now has more than two million unique monthly visitors (Médiamétrie), making it the third largest health based website in France.

MeteoCity.com, despite increased competition this year, consolidated its position as the fifth largest weather site according to Nielsen rankings.

AchetezFacile.com experienced a challenging environment in 2015, as did all general-interest price comparison sites, as a result of changes to Google’s search engine algorithms. Conversely, the comparison engine for integrated prices in the Group’s content based websites, in particular Clubic.com (high-tech) and Deco.fr (Home and Garden), continued to grow. At the end of the year, CuisineAZ launched its shopping search engine within the cookery and household appliance sector.

- **Original content short videos:**

In 2015, **Golden Moustache** confirmed its status as the top brand for comedy and generated more than 130 million video views, thereby confirming its success. Its funny clips are accessible at goldenmoustache.com (700,000 million unique visitors every month), the eponymous YouTube channel (which passed the 2 million subscriber mark this year), Twitter, Facebook (1.1 million fans), Instagram (60,000 subscribers) and on the channel W9. Placing increasing faith in its talents, Golden Moustache has developed a brand content activity and has positioned itself as a genuine agency for advertisers. Golden Moustache also produced *“Les Dissociés”*, the first online Meerkat feature film which generated more than two million views in the two weeks following its launch.

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

Rose Carpet, launched in April 2014, has joined forces with the beauty field’s most influential talents on Youtube: EnjoyPhoenix (2M subscribers), Sandrea26 (800K subscribers), EmmaCakeUp ((530K subscribers), ClaraChannel (411K subscribers), ElsaMakeUp (560K subscribers), PerfectHonesty



(345K subscribers), and Yoko NailArt (145K subscribers). Rose Carpet is both a Youtube channel (570K subscribers), a blog (90K visits per month) and a presence across all social networks (Facebook: 50K fans, Instagram: 350K subscribers and Twitter: 90K followers).

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

No Pain No Game, launched in April 2015 on Dailymotion and YouTube, brings together the best professional online gamers on the top games (Gotaga on Call of Duty; YellowStar on League of Legends; Shox on CounterStrike; Stéphan and Dayshi on StarCraft and Brien on Fifa). Every week, they issue video tutorials on their favourite game as well as challenges to amateur YouTube gamers.

► **Mobile phone market**

The mobile phone market in France continued to increase with 72.1 million customers at the end of December 2015 (excluding M-to-M cards and including 13 million prepaid and 59.5 million bill pay), a penetration rate of more than 109.2% of the population (source: ARCEP). Orange remains the leader with a market share of 31% of mobile phones.

The market remained in a consolidation phase, although the potential merger between Orange and Bouygues Telecom could further modify the Telecoms landscape in France.

The flat-rate subscription market declined inexorably in 2015. Moreover, low-cost packages and multiple line (landline + mobile) subscriptions provided increasingly aggressive offers at extremely attractive prices.

In 2015, the M6 Mobile offer, developed in conjunction with Orange, celebrated its 10th birthday. Despite increased competition, M6 Mobile performed well, positioning itself on a trans-generational target and differentiating itself by offering a good value service. It successfully maintained its customer base, exceeding 2.7 million customers at the end of 2015.

1.5.3.3 Ventadis

a) **Business presentation**

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

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

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

HSS
SA

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

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

Due to its expertise, Ventadis develops teleshopping formats on behalf of other broadcasters, such as W9, Paris Première and Téva, and also on



behalf of Belgian TV channels for example. This division also operates in the infomercial segment, which consists of short information programmes and films demonstrating products and how to use them.

BEST OF TV
SAS

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

MonAlbumPhoto
SAS

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

PRINTIC
SAS

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

LUXVIEW
SAS

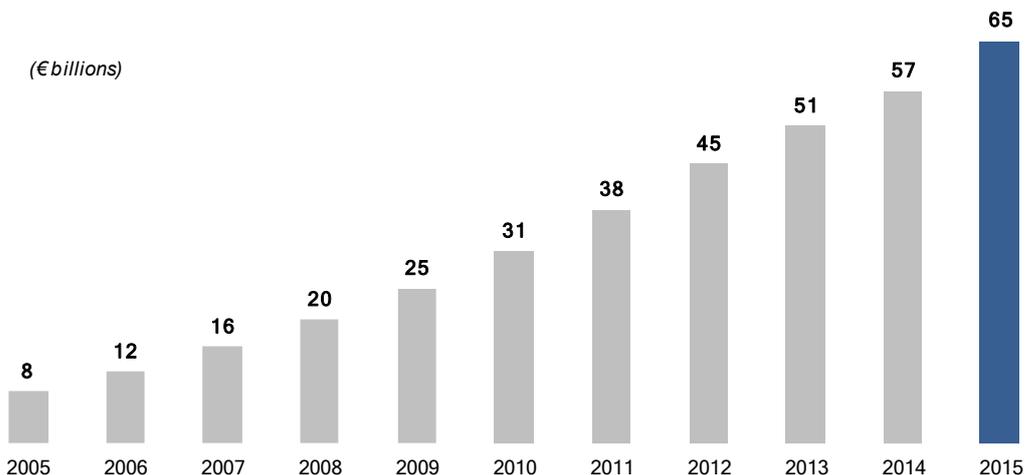
Founded in 2009, Luxview today operates two sites: www.happyview.fr, an online opticians and www.Malentille.com, a contact lens specialist site.

b) Market trends and Group positioning

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

Online spending grew by 14% in 2015 to €65 billion, according to a study published by Fevad (French E-Commerce and Distance Selling Federation).

Online sales growth in France since 2005



Source: Fevad

In addition, the number of online buyers increases substantially every year (34.7 million, up 30% since 2010).

Lastly, the behaviour of online purchasers is gradually developing towards sharing between consumers, in particular via social networks. Thus, in 2015 53% of Internet users searched for the opinions of consumers before buying online, and 45% gave their opinion after making an online

purchase.

Mobile now represents 20% of e-tailers' business, and seems to be one of the main growth drivers of online retail.

Over the past 12 months, there were 182,000 active merchant websites, a 16% increase compared with 2014. The number of e-merchants has therefore increased 10-fold between 2005 and 2015.

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

In 2015, Home Shopping Service with the brand M6 Boutique continued its multichannel dynamic within a rather sluggish consumer environment in France. The year was marked by the launches of a new store in Marseille and a mobile-specific website. Almost 50% of orders originated online, thereby demonstrating M6 Boutique's modernity in its interactions with its customers.

The development of Best Of TV in 2015 was based on an expansion of its distribution to include formats of additional, particularly local, shops as well as an increase in its sales force.

With double digit growth, the Photo/Personalised Products division continued to grow in 2015, thanks in particular to the successful launch of new segments of photo based products (silver halide prints, A3 albums), personalised products (mugs, mobile phone covers, etc.) and interfaces for mobiles and tablets, offering a comprehensive user experience across all media.

Printic complements the photo/personalised products range offered by Ventadis with exclusive products (box of photo prints, photo kits, etc.) more specifically aimed at the 18-35 age range.

Lastly, in 2015, Luxview, which groups together the two optical sites happyview.fr and malentille.com benefited from very high customer satisfaction levels and grew significantly, driven by highly effective TV advertising campaigns, which helped to develop online buying habits in relation to optical products.

1.5.3.4 F.C.G.B.

a) Business presentation

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

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

These rights are paid to the LFP by the broadcasters who have been awarded match batches following calls for tender. Canal +, Al-Jazeera and Orange all hold the broadcast rights for matches for the 2012-2016 seasons.

At the end of the tender process launched in 2014 by France's Professional Football League (LFP) for the League 1 and League 2 TV rights, the broadcast rights were allocated as follows:

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

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



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

b) **Group positioning**

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

F.C.G.B ended the 2014-2015 season in sixth place in the Ligue 1 championship, meaning it progressed to the third round of qualification for the 2015-2016 Europa League.

The professional team coach is Willy SAGNOL, former manager of the French youth teams between 2011 and 2014. In September 2014, he signed a three-year contract with F.C.G.B. The Club's team includes players able to compete on an international level and young players that have been trained at its training centre. The Club intends to continue this policy of focusing on training young players to guarantee that it will keep playing at the top level in the future and to maintain its performance level. Over the past 5 years, the training centre has produced half of the club's professional players.

Its link with supporters is ensured by an active presence on social networks. The Club has more than 650,000 fans on Facebook (fifth most popular French club).

On Twitter, growth is significant with 195,000 followers and continued double-digit growth for several months.

The Club also has a presence on Instagram, Google +, YouTube and Dailymotion to complete its visibility on the major social networks and video platforms which play a role of ensuring close links with supporters.

Lastly, F.C.G.B unveiled Bordeaux's new stadium on 23 May 2015.

The City of Bordeaux, in a desire to create a major economic development tool for the city, the district and for the region as a whole had decided to build a new stadium with the prospect of the "UEFA Euro 2016" football championship which will be organised in France. This stadium has a capacity of 42,000 (whereas the Stade Chaban Delmas only had a capacity of 34,000), with F.C.G.B as its resident club.

It was built within the framework of a public/private partnership (PPP), signed in 2011 between the City of Bordeaux and the Vinci/Fayat Group, which provides for an indirect contribution by the Club to the funding of the project from the date of delivery of the stadium, in April 2015. An initial contribution of €20 million was paid at that date and a 30-year lease signed for an annual rent of €3.8 million. In 2012, €20 million had been deposited on an escrow account in the name of the City of Bordeaux, subject to the stadium being delivered.

This new stadium will enable the club to increase its revenues, from ticket sales and sponsorship in particular.

Risks attached to the Group's activities are specified in section 4 of this Management Report, which completes the description of the Group's activities and markets.

1.6 Bylaws and regulatory information

1.6.1 Bylaws

1.6.1.1 Major legal information concerning the Company

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

Company name

MÉTROPOLE TÉLÉVISION

Registered office and head office

89, avenue Charles-de-Gaulle
92575 NEUILLY-SUR-SEINE Cedex France
Telephone: +33 1 41 92 66 66

Legal form

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

Share capital

At 31 December 2015, the share capital was €50,565,699.20, represented by 126,414,248 shares of the same class with a par value of €0.40 each.

Date of incorporation - duration

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

Trade and companies register - Siret – APE code

The Company is entered in the Trade and Companies Register under the numbers:
RCS Nanterre 339 012 452
SIRET 339 012 452 00084
APE 6020A

1.6.1.2 Bylaws updated on 06 July 2015

Article 1 - Legal form

A French public limited company (Société Anonyme) with an Executive Board and a Supervisory Board, governed by legal and regulatory provisions applicable to public limited companies and by these Bylaws.

Article 2 – Company name

The name of the Company is:
MÉTROPOLE TÉLÉVISION

Article 3 – Corporate purpose

The Company's corporate purpose is as follows:

- operation of one or more audiovisual communications service broadcast or distributed over terrestrial, cable, satellite networks or by any other means that may be authorised, as applicable, by the Conseil Supérieur de l'Audiovisuel (CSA), comprising in particular the conception, production, programming and broadcasting of television programmes, including advertisements;
- all industrial, commercial, financial and real estate transactions directly or indirectly connected to the above and any similar, related or complementary aims likely to further their achievement or

development or to any net assets, directly or indirectly, for itself or on behalf of third parties, either singly or with third parties, by way of creating new companies, contributions, sponsorship, subscription, purchase securities or rights of ownership, merger, combinations, joint venture associations or by obtaining the use of any property or rights under a lease, lease management agreement or by acceptance in lieu, or otherwise.

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

Article 4 – Duration

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

Article 5 – Registered office

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

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

Article 6 – Share capital

The share capital is set at €50,565,699.20. represented by 126,414,248 shares of the same class with a par value of €0.40 each.

Article 7 – Changes in share capital

The share capital may be increased or reduced under the conditions and in accordance with applicable legal and regulatory provisions.
It may also be amortised pursuant to Articles L. 225-198 and subsequent of the Commercial Code.

Article 8 - Paying-up of shares

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

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

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

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

Article 9 - Failure to pay up shares

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

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

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

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

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

The defaulting shareholder remains liable or benefits from the difference.

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

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

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

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

Article 10 - Form of shares

Shares may be held in registered or bearer form.

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

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

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

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

Article 11 - Form and transfer of shares

1. Shares are freely negotiable.

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

2. Any individual or legal entity, acting alone or in concert, that attains a holding of at least 1% or any multiple of 1% of the capital and/or voting rights must notify the Company of the number of shares

and/or voting rights held within a period of five stock market trading days from the moment this threshold is exceeded, by registered letter with return receipt addressed to its registered office.

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

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

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

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

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

Article 12 - Rights and obligations attached to shares

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

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

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

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

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

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

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

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

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

Whenever more than one share is required to exercise a particular right, specifically in the event of a share exchange, consolidation or allocation, or as a result of an increase or reduction in share capital, or in the event of a merger or other transaction, shareholders who own only one share or who do not own the minimum number required have no rights against the Company; shareholders must make their own arrangements to form a group or to purchase or sell the requisite number of shares or rights.

Article 13 - Other securities

The Executive Board is qualified to decide on or authorise the issue of bonds and/or debt securities conferring entitlement to the allocation of other debt securities or giving access to existing equity securities under the conditions and arrangements provided for by law. The General Meeting may also exercise this power.

Only the Extraordinary General Meeting, based on the report of the Executive Board and the report of the Statutory Auditors, has authority to decide or authorise the issue, as provided by applicable regulations, of any securities which are equity securities giving access to other equity securities or conferring entitlement to the allocation of debt securities or marketable securities giving access to the equity securities to be issued.

Article 14 - Administration of the Company - General provisions

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

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

Article 15 – Executive Board

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

The members of the Executive Board must be natural persons who do not need to be shareholders, and may even be Company employees.

If a member of the Supervisory Board is appointed to the Executive Board, his/her term on the Board ends when he/she takes office.

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

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

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

Article 16 - Term of office of Executive Board members

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

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

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

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

Article 17 - Organisation and operation of the Executive Board

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

2. The Executive Board meets as often as required in the interest of the Company, at the registered office, or any other location specified in the notice of meeting.

It is convened by the Chairman or by at least two of its members.

At least half the members must be in attendance to validate submissions, which must be approved by a majority of members in attendance. In the event of a split vote, the Chairman of the meeting shall have the casting vote.

3. Mandatory deliberations are recorded in the minutes signed by the members who took part in the session, however failure to comply with said formality does not invalidate decisions taken.

The minutes include the name of members present, represented, or absent.

These minutes are either recorded in a special register or bound.

The copies or extracts of these minutes are certified by the Chairman of the Executive Board or by one of its members, and, under liquidation, by a liquidator.

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

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

Article 18 - Powers of the Executive Board

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

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

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

Article 19 - Representation in dealings with third parties

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



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

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

Article 20 - Supervisory Board

1. The Supervisory Board comprises a minimum of three and a maximum of fourteen members, subject to the derogation provided by law in the event of a merger.

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

2. Supervisory Board members are appointed for a period of 4 years. As an exception and solely for the purpose of establishing and maintaining staggered terms of office for Supervisory Board members, the Ordinary General Meeting may appoint one or several members of the Supervisory Board for terms of one, two or three years.

The term of office of a member of the Supervisory Board expires at the end of the shareholders meeting held to approve the accounts of the previous financial year in which his/her term expires.

Members of the Supervisory Board may always be re-elected.

The Ordinary General Meeting may remove them from office at any time.

No person over the age of 70 may be appointed to the Supervisory Board should this appointment lead to one third of Board members exceeding this age. Furthermore, if the one-third proportion is exceeded as a result of a member of the Board in office reaching the age of 70, the eldest member of the Supervisory Board is deemed to have resigned after the next Ordinary General Meeting.

3. The members of the Supervisory Board may be natural persons or legal entities; the latter must, upon appointment, designate a permanent representative who is subject to the same conditions, obligations and responsibilities as if he/she were a member of the Board in his/her own name, without prejudice to the joint and several liability of the legal entity he/she represents.

The permanent representative is appointed for the same duration of term of office as the legal entity he/she represents.

If the legal entity terminates the appointment of his/her representative, he/she is bound to immediately notify the Company, by registered letter, of such termination as well as of the identity of the new permanent representative; the same shall apply in the event of death, resignation or extended incapacity of the permanent representative.

4. In the event of a vacancy, due to death or resignation of one or several of its members, the Board may appoint members on a provisional basis between two General Meetings.

Appointments made by the Supervisory Board are subject to approval from the following Ordinary General Meeting. Failing ratification, the deliberations and actions previously taken by the Board nevertheless remain valid.

A member of the Supervisory Board appointed to replace another member only remains in office for the remainder of the predecessor's term.

If the number of members of the Supervisory Board falls below three, the Executive Board must immediately convene the Ordinary General Meeting in order to appoint new members to the Supervisory Board.

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

Officer, Executive Board member, Sole Chief Executive Officer, or Director of such companies, subject to the provisions of Article L.225-95-1 of the aforementioned Code.

Article 21 - Shareholding requirements

Every member of the Supervisory Board must hold 100 shares.

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

Article 22 - Organisation and operation of the Supervisory Board

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

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

2. The Supervisory Board meets as often as required in the interest of the Company upon notice of its Chairman, or failing that, its Vice-Chairman.

The Chairman must convene the Board within fifteen days if at least one member of the Executive Board or at least one third of the members of the Supervisory Board submit(s) a reasoned request.

If the request remains without effect, its initiators may convene the Board and set the agenda.

The meetings take place at the registered office or any other place specified in the notice of meeting.

Any member of the Board may grant proxy to a colleague, even by letter or telegram, to represent him/her at a Board meeting.

At least half of Board members must be in attendance for deliberations to be valid.

Decisions are taken by a majority of the votes of attending and represented members. Each member has one vote and may not represent more than one other Board member.

In the event of a split vote, the Chairman of the meeting shall have the casting vote.

3. An attendance register is kept and signed by the Board members attending the meeting, stating the name of members of the Supervisory Board who took part in deliberations by means of video conference or telecommunications.

Minutes are drafted and copies or extracts of deliberations are issued and certified pursuant to the law.

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

Article 23 - Compensation of members of the Supervisory Board

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

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

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

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

Article 24 – Powers of the Supervisory Board

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

1. The Supervisory Board:

- appoints the members of the Executive Board and the Chairman, and if necessary the Chief executive officers from among the members of the Executive Board; it decides or may propose to the General Meeting dismissal, and sets their compensation;
- convenes the Shareholders' General Meeting if necessary, if the Executive Board fails to do so, and draws up its agenda;
- authorises the agreements referred to in Article 25 hereinafter (Article L. 225-86 of the Commercial Code);
- authorises the sale of property as well as the total or partial sale of investments and the constitution of securities on company assets; the Supervisory Board may, subject to specific individual limits, authorise the Executive Board to proceed with the above-mentioned transactions; all transactions exceeding the set amount require the authorisation of the Supervisory Board in each case;
- may authorise the Executive Board to issue securities, sureties, or guarantees during a period which may not exceed 1 year, and within the limit of a total amount fixed by its decision;
- decides the relocation of the registered office within the same French department or a neighbouring department, subject to ratification by the next Ordinary General Meeting;
- at any time of the year, carries out the verifications and controls it deems appropriate and may request any documents that it deems useful to perform its duties.

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

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

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

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

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

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

3. The following Executive Board decisions shall be subject to the Supervisory Board's prior approval:

- significant transactions which may impact Company and group strategy, changing their financial positions and scope of operations;
- investments and commitments (including equity investments) with a total investment exceeding €20 million, insofar as these investments have not been budgeted;
- divestments (including disposal of equity investments) and/or dilutions of a total amount or having an impact on the balance sheet exceeding €20 million, insofar as these divestments have not been budgeted;
- the issuance of securities of whatever kind, liable to result in changes of the share capital.

Article 25 – Regulated agreements

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

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

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

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

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

2. The provisions of 25.1 above do not apply to cases provided for by Law.

Article 26 – Statutory Auditors

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

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

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

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

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

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

Article 27 - General Meetings – Notice of Meetings

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

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

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

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

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

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

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

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

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

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

Article 28 - Agenda

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

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

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

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

Article 29 - Admittance to Meetings

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

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

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

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

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

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

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

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

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

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

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

Article 30 - General Meeting Committee

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

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

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

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

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

Article 31 - Attendance sheet

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

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

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

Article 32 - Minutes

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

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

The minutes are signed by the members of the committee.

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

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

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

Article 33 - Shareholders' information and communication rights

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

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

Article 34 - Quorum - Majority

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

Article 35 – Voting rights

Subject to the provisions below, the voting rights conferred on shares are proportional to the share capital they represent, and each share carries the right to one vote. Fully paid-up shares for which proof is provided of a nominative registration in the same name for at least two years do not benefit from double voting rights.

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

Article 36 - Jurisdiction

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

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

Article 37 - Scope of decisions of the General Meeting

The General Meeting duly constituted represents all shareholders.

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

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

Article 38 – Financial year

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

Article 39 - Annual financial statements

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

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

The annual financial statements and management report as well as the consolidated financial statements are made available to the Auditor(s) at the Registered Office at least one month before notice is given of the General Meeting held to approve the parent company and consolidated financial statements.

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

Article 40 - Allocation of profits

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

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

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

1. any amounts that the General Meeting, upon the recommendation of the Executive Board, decides to allocate to any special reserves, ordinary or extraordinary, or to carry forward.

2. any amounts necessary to give shareholders, by way of first dividend, 5% of the amount paid and not written down on their shares without entitling them to a claim on future profits, if there is an insufficient profit in a year to effect the payments.

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

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

Article 41 - Dividends - Payment

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

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

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

Article 42 - Expiry of the term

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

Article 43 - Premature dissolution

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

Should the losses recorded in the financial documents cause the equity of the Company to fall below half the share capital, the Executive Board shall, within four months following approval of the financial statements showing said losses, convene the Extraordinary General Meeting in order to decide whether to dissolve the Company prematurely.

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

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

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

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

The Commercial Court may, at the request of any party concerned, declare the dissolution of the Company if the number of shareholders is reduced to less than seven for more than one year. It may

grant the Company a maximum period of six months in which to rectify the situation. It may not declare the dissolution if the situation has been rectified on the day when it issues judgement on the substance.

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

Article 44 - Liquidation

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

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

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

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

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

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

Article 45 - Disputes

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

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

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

Article 46 - Publications

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

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

1.6.2 Legal and regulatory environment

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

1.6.2.1 Ownership of the share capital

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

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

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

1.6.2.2 Authorisations to use free-to-air frequencies

a) **M6**

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

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

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

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

In addition, M6 received a further five-year authorisation from the termination of its analogue service, as its terrestrial digital service at 30 November 2011 had been extended to 95% of Mainland France territory. This also requires that at least 91% of every district be covered.

Lastly, by a ruling of the CSA on 8 January 2013 and pursuant to Article 99 of the Law of 30 September 1986, as amended, the M6 licence was extended by a duration of five years (i.e. until 2022) owing to its participation in the public interest group established to phase out analogue broadcasting.

Authorisation for M6 Channel's high definition service was renewed on 31 October 2008 for a period of 10 years (i.e. until 2018). As part of the widespread roll-out of HD and the end of dual broadcasting in SD / HD, scheduled for 5 April 2016, the channel opted to keep its HD authorisation. On this date, the 2001 authorisation for SD broadcasting will be revoked.

b) **W9**

W9 is a privately owned free-to-air terrestrial TV network which was initially licensed to broadcast for



a duration of ten years from 10 June 2003 (tendering process of 24 July 2001) under the licensing regime set forth by Article 30-1 of the amended Law of 30 September 1986 on Freedom of Communication.

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

The CSA's decision of 7 October 2015, following the tendering process of 29 July 2015, provides that W9 is now authorised to broadcast in High Definition (HD). The channel's transition to HD will take place on 5 April 2016, with the term of its authorisation remaining unchanged.

c) **6ter**

6ter is a privately owned free-to-air terrestrial high definition TV network which was initially licensed on 3 July 2012 (tendering process of 18 October 2011) to broadcast for a duration of ten years from 12 December 2012 (until 2022) under the licensing regime set forth by Article 30-1 of the amended Law of 30 September 1986 on Freedom of Communication.

d) **Other licences**

M6 Group also holds a Digital Terrestrial Television (DTT) licence for the pay channel Paris Première. Its initial authorisation for 10 years, by ruling dated 10 June 2003 (tendering process of 24 July 2001), was extended to 2020.

1.6.23 Investment obligations in the production of audiovisual and cinematographic works and broadcasting

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

a) **Provisions applicable to M6**

The M6's channel regime for obligations in 2015 was as follows:

▶ **Audiovisual production**

- Invest 15% of net annual revenue for the previous year in the production of European audiovisual works or original French language works, at least 10.5% of which must be invested in heritage works which are defined as works relating to the following categories: drama, animation, creative documentaries, including those which are broadcast within a programme other than a newscast or entertainment programme, music videos and broadcasting or re-enactment of live shows.
- European works which are not original French language works must be eligible for the industry's support programmes and cannot represent more than 10% of the investment in heritage works.
- 9% of revenue must be invested in productions deemed independent. A production company is considered as independent from M6 as long as M6 does not directly or indirectly hold more than 15% of the share capital or voting rights in that company.
- 66.6% of the contribution to audiovisual production must be invested in European works or in new original French language works.

- At least 1% of the previous year's net annual revenue must be invested in the production of original French language and European animation works, of which 0.67% must be invested in works produced by independent producers as defined above. Investments in animation works which are not specifically directed at children may be included in this.
- - ▶ Film production
- To invest at least 3.2% of its annual revenue in the development of the production of European cinematographic works, of which 2.5% must be dedicated to the development of original French language cinematographic works, of which 75% must be dedicated to cinematographic works that are independently produced.
 - ▶ Broadcasting obligations
- To annually broadcast 120 hours of European works or of new original French language works with a starting broadcast time of between 8pm and 9pm (including 25% of repeats).
- In any 24-hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6pm and 11pm every day and between 2pm and 6pm on Wednesdays.
- To broadcast no more than 192 cinematographic works during the year, of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours, i.e. 60% of European work and 40% of original French language works.
- To broadcast, as an annual average, between 4pm and midnight, 80% of programmes in high definition in 2015.
 - ▶ Musical programming obligations
- Broadcast a minimum of 20% of musical programming per 24-hour period, in particular between 4pm and midnight;
- At least 50% of the music broadcast during these programmes must be original French work;
- Prebuy and broadcast 100 music videos dedicated to French language artists, of which 70 music videos dedicated to new talent;
- Invest €21.34 million in musical programming.

b) **Provisions applicable to W9**

The W9's channel regime for obligations in 2015 was as follows:

- ▶ Audiovisual production
- Invest 15% of net advertising revenue of the previous year in the production of European audiovisual works or original French language works, including at least 8.5% of net annual advertising revenue must be invested in heritage works which are defined as works relating to the following categories: drama, animation, creative documentaries, including those which are broadcast within a programme other than a newscast or entertainment programme, music videos and broadcasting or re-enactment of live shows.
- European works which are not original French language works may not account for more than 20% of the overall obligation and more than 20% of investment in heritage films. This

requirement applies as long as net revenue for the previous year does not exceed €100 million.

- 70% of the overall obligation and 75% of investment in heritage work must be devoted to productions deemed independent.
- 25% of the contribution to audiovisual production must be invested in European works or in new original French language works (investment in feature-length drama, music videos and animation are excluded).

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

▶ Film production

- To invest at least 3.2% of its annual revenue in the development of the production of European cinematographic works, of which 2.5% must be dedicated to the development of original French language cinematographic works, including 30% of original work,
- 75% invested in pre-purchase or co-production must be dedicated to cinematographic works that are independently produced.

▶ Broadcasting obligations

- In any 24-hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 10 am and 12.30pm between 5pm and 11pm.
- To broadcast no more than 192 cinematographic works during the year of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours (8.30pm to 10.30pm), i.e. 40% of original French language works and 60% of European origin.

▶ Musical programming obligations

W9's agreement states that its programming primarily focuses on mainstream music, aimed more specifically at young adults. W9's programming is open to diverse types of music and includes the broadcasting of at least 52 live shows per year. At least 20% of music videos broadcast by the channel are dedicated to new talents singing in French.

c) Provisions applicable to 6ter

The 6ter's channel regime for obligations in 2015 was as follows:

▶ Film production and audiovisual obligations

- Invest 15% of net annual advertising revenue in the production of audiovisual works and 9% heritage works, with a cumulative guaranteed minimum of €6 million over 2013, 2014 and 2015.
- Dedicate at least 3.2% of net annual revenue to the development of European cinematographic works, of which 2.5% to original French language works.
- Dedicate at least 1% of net annual revenue to the production of European or original French language animation.

▶ Broadcasting obligations

- In any 24-hour period, a minimum of 40% of audiovisual works broadcast must be original

French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6.30am and 9am and between 6pm and 11pm.

- To devote at least 60% of total transmission time to magazine and documentary programmes on the one hand and to drama on the other, with an equal balance between the two;
- To broadcast no more than 192 cinematographic works during the year of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours (8.30pm to 10.30pm), i.e. 40% of original French language works and 60% of European origin.
- To broadcast an average of 41 hours of programmes in high definition per week between 4pm and midnight and 45 hours between midnight and 4pm;
- Propose a minimum volume of 320 hours of original, unscrambled programming.
 - ▶ Discovery programme obligations
- To broadcast 100 hours of programmes dedicated to discovery, made up of magazines, game shows, documentaries, drama and animation.

1.6.2.4 Other obligations common to M6, W9 and 6ter

a) Accessibility of programmes

▶ Deaf and hard of hearing

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

In 2015, M6 and W9 subtitled all its programming (excluding above-mentioned exceptions). 6ter was obliged to subtitle 60% of its programmes in 2015.

▶ Blind or visually impaired

Pursuant to the provisions of Articles 28 and 33-1 of the Law of 30 September 1986 arising from the above-mentioned Law n°2005-102, on 31 January 2014 the CSA and M6 signed an amendment to the M6 and W9 agreements to include obligations for the broadcasting of programmes in audio-description. The number of original programmes to be broadcast by M6 with audio-description in 2015 was set at 70, of which 40 must be original. The stakeholders are to pay particular attention to peak viewing times and programmes aimed at children and teenagers.

The amendment to W9's agreement sets the number of original programmes to be broadcast in audio description at 17 for 2015.

6ter's licence imposed on the channel the obligation to broadcast at least 12 original programmes in audio description in 2015.

▶ Rating system

As part of its role to protect young viewers, the CSA has established a rating system for programmes and a signalling code, which M6 Group's channels must adhere to. Channels may broadcast programmes aimed at all audiences, and, depending on broadcasting time, category II (viewers must

be at least 10 years old), III (12+) and IV (16+). M6 and W9 are not authorised to broadcast programmes classified as category V (18+).

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

▶ Advertising commitments

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

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

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

Moreover, the Decree n°92-280 of 27 March 1992, amended by the Decree n° 2008-1392 of 19 December 2008, set the regulations applying to television advertising, self-promotion and teleshopping and authorised:

- an extension of the average advertising time allowable during one hour from 6 to 9 minutes, with the maximum allowable hourly advertising time remaining at 12 minutes;
- a change in the method of counting, clock time replacing moving time.

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

All three channels are liable for the following taxes:

- the tax on television services (Article 302 Bis KB of the General Tax Code), named "Cosip tax", for the benefit of the CNC. The rate is 5.5% or 5.7% of revenues from advertising, sponsorship or premium rate phone calls, following a lump sum deduction of 4% depending on whether the channel is broadcast in SD or in HD simulcast.
The amending Finance Law for 2013 broadened this taxable base to include advertising revenue and self-promotion for catch-up television services. This provision affects M6, W9 and 6ter's replay services.
- the tax on advertising broadcast by radio and television (*Article 302 bis KD of the General Tax Code*) for the benefit of the "fonds de soutien à l'expression radiophonique" (radio expression support fund). A graded scale applies, based on quarterly revenues.
- the tax on TV advertising (*Article 302 Bis KA of the General Tax Code*) for the benefit of written press. A scale based on the number and price of advertisement applies.
- tax on advertising broadcast on TV channels (*Article 302 bis KG of the General Tax Code*) for the benefit of France Télévisions. The rate was set at 0.5% of advertising revenue (where this amount exceeds €11 million).
- tax on premium rate calls as part of TV game shows and competitions (*Article L137-19 of the Social Security Code created by Article 19 of the 2010 PFLSS*). A rate of 9.5% applies to this type of revenue.



2 CORPORATE GOVERNANCE

2.1	Supervisory Board	68	2.4	Additional information on corporate governance	107
2.1.1	Composition of the Supervisory Board	68	2.4.1	Supplementary information on the composition of the Executive Board and Supervisory Board.....	107
2.1.2	Operation of the Supervisory Board	82	2.4.2	Management Committee and Executive Committee	108
2.1.3	Committees of the Supervisory Board	82	2.5	Statutory Auditors	109
2.2	Executive Board	83	2.6	Report of the Chairman of the Supervisory Board on corporate governance and internal control and risk management procedures	110
2.2.1	Composition of the Executive Board	83	2.7	Statutory Auditors' report on the report by the Chairman of the Supervisory Board	130
2.2.2	Operation of the Executive Board...	88			
2.3	Corporate Officers' remuneration and benefits	88			
2.3.1	Principles and rules determining Executive Board members' remuneration and benefits	88			
2.3.2	Amounts paid to members of the Executive Board	96			
2.3.3	Supervisory Board attendance fees	104			

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

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

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

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

2.1 Supervisory Board

2.1.1 Composition of the Supervisory Board

At the date of preparation of this report, the Supervisory Board of Métropole Télévision consisted of 12 members, including 11 individuals and 1 legal entity.

At the time the majority of the terms of office of Board members were renewed on 3 May 2012, members were appointed for a period of 2, 3 or 4 years pursuant to Article 20.2 of the Bylaws to ensure terms of office are, and remain, staggered to comply with the AFEP/MEDEF recommendation on this matter. At the end of each of these periods, each member may be reappointed for a further term not exceeding 4 years.

No member of the Supervisory Board has been elected by the employees.

In accordance with the rules of governance set by the internal rules of the Supervisory Board and based on the Code of corporate governance for listed companies issued by AFEP-MEDEF and revised in November 2015, and pursuant to addendum no 3 to the Agreement between the Company and the Conseil Supérieur de l'Audiovisuel, the Supervisory Board considered that at least one third of its members is independent after considering each of their positions.

Therefore, five (5) of the Board's members are today independent as they have no relationship with the Company, its Group or its management, of a nature to compromise their freedom of judgement, nor have they been members of the Supervisory Board for more than 12 years. The summary table regarding the status of the independent members of the Supervisory Board appears in Paragraph 1.1 of the Chairman's Report (Section 2.6 of this document).

These 5 members are:

- Delphine ARNAULT,
- Mouna SEPEHRI,
- Sylvie OUZIEL,
- Guy de PANAFIEU,
- Gilles SAMYN.

The members of the Board possess great experience which they make available to the Supervisory Board of Métropole Télévision.

In addition, it is consistent practice that any member of the Supervisory Board who has a conflict of interest must inform the Board, and should, depending on the case:

- abstain from voting on the corresponding deliberation,
- refrain from attending Board meetings during the period he/she is in conflict of interest, or
- resign his/her duties as member of the Board.

Members of the Supervisory Board include:

Members of the Board	Nationality	Age	Principal duties within the Company	Date of first appointment	Expiry date of appointment	Exit date
Guillaume de Posch	Belgian	58	Chairman	27 March 2012	2016	-
Guy de Panafieu*	French	73	Vice-Chairman	18 February 2004	2018	-
Gilles Samyn*	Belgian and French	66	Member	2 May 2007	2019	-
Philippe Delusinne	Belgian	58	Member	28 July 2009	2016	-
Vincent de Dorlodot	Belgian	51	Member	18 March 2004	2018	-
Elmar Heggen	German	48	Member	22 November 2006	2016	-
Christopher Baldelli	French	51	Member	3 May 2012	2019	-
Delphine Arnault*	French	41	Member	5 November 2009	2016	-
Mouna Sepehri*	French	52	Member	3 May 2012	2016	-
Sylvie Ouziel*	French	45	Member	28 April 2015	2019	-
Anke Schaferkordt	German	53	Member	28 April 2015	2018	-
Immobilière Bayard d'Antin represented by Catherine Lenoble	French	66	Member	3 March 2008	2019	-
Albert Frère* **	Belgian	90	Chairman	26 May 2000	2015	2015
Rémy Sautter ***	French	70	Member	26 May 2000	2018	2015

* Independent member. Board members are independent if they have no relationship with the company, its group or its management, of a nature to compromise their freedom of judgement." (source: Corporate Code of Governance for listed companies of December 2008, updated in November 2015, prepared by the AFEP-MEDEF).

A member is considered to be independent if he/she satisfies the following criteria on the date upon which his/her status as an independent member is assessed:

- Not to be, or have been for the previous five years, an employee or a corporate officer of the Company, or an employee or a member of the Board of its parent company or a company it consolidates;
- Not to be a corporate officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office for less than five years) is a member of the Supervisory Board;
- Not to be a customer, supplier, investment banker or commercial banker:
o that is material to the Company or its group,
o or for which the Company or its group accounts for a significant part of its business.
- Not to have been a Statutory Auditor of the Company within the previous five years;
- Not to be a member of the Supervisory Board for more than twelve years;
- Not to be a member of a Company corporate officer's immediate family;
- Not to (i) represent a shareholder of the Company or its parent company, participating in the control of the Company, and (ii) the Board should question the independence of persons with a shareholding or Company voting rights in excess of a threshold of 10%, taking into consideration the composition of the Company's share capital and the potential conflict of interests.

** Albert Frère did not wish his term of office to be renewed at the General Meeting of 28 April 2015

*** Rémy Sautter tendered his resignation to the Supervisory Board with effect from the close of the Annual General Meeting of 28 April 2015.

The Supervisory Board meets as often as required in the interests of the Company and at least quarterly. It met five (5) times in 2015. The overall attendance rate of the members of the Supervisory Board is calculated for the effective period of the term of office in 2015. This rate was 80.0% and may be analysed as follows:

Members of the Board	Meetings of the Supervisory Board				
	17 February 2015	28 April 2015	18 June 2015	28 July 2015	3 November 2015
Guillaume de Posch	✓	✓	✓	✓	✓
Guy de Panafieu	✓	✓	x	✓	✓
Gilles Samyn	✓	✓	✓	✓	✓
Philippe Delusinne	✓	x	✓	✓	✓
Vincent de Dorlodot	x	✓	✓	✓	✓
Elmar Heggen	✓	✓	✓	x	✓
Christopher Baldelli	✓	✓	✓	x	✓
Delphine Arnault	✓	x	✓	x	x
Mouna Sepehri	✓	✓	✓	✓	✓
Anke Schaferkordt		✓	x	✓	✓
Sylvie Ouziel		✓	x	x	✓
Immobilière Bayard d'Antin represented by Catherine Lenoble	✓	✓	✓	✓	✓
Albert Frère	x				
Rémy Sautter	✓				



Guillaume de POSCH

Number of company shares held: 100

Biography and principal duties outside the Company

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

Other appointments and duties

- Co-CEO of RTL Group S.A. (listed group, Luxembourg)
- CEO of CLT-UFA S.A. (Luxembourg)
- Chairman of the Board of Directors of de RTL BELUX S.A. (Luxembourg)
- Director of Broadband TV Corp. (Canada), Style Haul Inc. (USA), SpotXchange Inc (USA), BroadbandTV (USA) Inc (USA), Viso Online Video Productions Inc. (Canada), TGN Game Communities Inc. (Canada) and 0971999 BC Ltd (Canada).
- Member of the Supervisory Board of RTL Television GmbH (Germany)
- Director and Chairman of the Board of Directors of RTL Belgium S.A. (Belgium)
- Chairman of the Supervisory Board of RTL Nederland Holding BV (Netherlands)
- Chairman of the Board of Directors of Ediradio S.A. (France)
- Director of Brussels Beer Project SA (Belgium)

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

- Director of BeProcurement S.A. (Luxembourg)

Business address

RTL Group
45, boulevard Pierre Frieden
L - 1543 Luxembourg



Guy de PANAFIEU

Number of company shares held: 1,600.

Biography and principal duties outside the Company

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

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

former student of ENA and a former finance inspector general.

Other appointments and duties

- Manager of Boileau Conseil
- Director of SANEF SA, Chairman of the Audit Committee, Member of the Appointments and Remuneration Committee.
- Director of Korian (formerly Médica) SA, a listed company (France), Chairman of the Audit Committee, Member of the Appointments and Remuneration Committee.

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

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

Business address

Chambre nationale des Conseils en Gestion de Patrimoine
4 rue de Longchamp
75016 Paris



Sylvie OUZIEL

Number of company shares held: 1,000.

Biography and principal duties outside the Company

A graduate of the Ecole Centrale de Paris and holder of an Executive MBA from Northwestern (Kellogg School of Management – Accenture programme), Sylvie OUZIEL, 44, began her career with Andersen Consulting in 1992 as a strategy and organisation consultant for industrial and commercial businesses. In 2000, she was appointed partner before overseeing the health and life science operations for Northern Europe. In 2007, she became CEO - France for

Accenture Management Consulting France and Benelux. Between 2009 and 2012, she was Global Deputy CEO in charge of Accenture Management Consulting. She is currently Chair and CEO of Allianz Global Assistance and a member of the Allianz International Executive team.

Other appointments and duties

- Director and member of the Audit Committee of Foncière des Régions (France, a listed company)

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

- Director of APERAM

Business address

Königinstrasse 28
Munich 80802
Germany



Gilles SAMYN

Number of company shares held: 100.

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

Biography and principal duties outside the Company

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

Other appointments and duties

- CEO of Domaines Frère-Bourgeois SA (Belgium), Frère-Bourgeois SA (Belgium), Erbe SA (Belgium), Financière de la Sambre SA (Belgium), Investor SA (Belgium), Loverval Finance SA (formerly Compagnie Nationale à Portefeuille SA) (Belgium) and Société des Quatre Chemins SA (Belgium)
- Chairman of Compagnie Nationale à Portefeuille SA (formerly Newcor SA) (Belgium), Compagnie Immobilière de Roumont SA (Belgium), Europart SA (Belgium), Cheval Blanc Finance SAS (France), Filux SA (Luxembourg), Financière FLO SA (France), Finer (formerly Erbe Finance SA) (Luxembourg), Groupe FLO SA (France), Helio Charleroi Finance SA (Luxembourg), Kermadec SA (Luxembourg), Swilux SA (Luxembourg), Transcor Astra Group SA (Belgium) and Unifem SAS (France)
- Director of AOT Holding Ltd (Switzerland), Banca Leonardo SpA (Italy), Belholding Belgium SA (Belgium), Grand Hôpital de Charleroi ASBL (Belgium), Groupe Bruxelles Lambert SA (a listed company, but controlled by Pargesa Holding SA, a listed company, Belgium), Fidentia Real Estate Investments SA (Belgium), Société Civile du Château Cheval Blanc (France), Pargesa Holding SA (a listed company, Switzerland), Stichting Administratiekantoor Frère-Bourgeois (Netherlands) and Pernod Ricard SA (a listed company, France)
- Alternate Director of Cheval des Andes

- (formerly Opéra Vineyards SA) (Argentina)
- Representative of Société des Quatre Chemins SA, Director of ACP Belgium NV (Belgium); Société des Quatre Chemins SA, CEO of Carpar SA (Belgium); Société des Quatre Chemins SA, Chairman of the Board of Fibelpar SA (Belgium); Compagnie Immobilière de Roumont SA, Director of BSS Investments SA (Belgium); Frère-Bourgeois SA, Manager of GBL Energy Sàrl (Luxembourg) and ACP Belgium NV, Director of Antwerp Gas Terminal NV (Belgium)
- Commissaris of Parjointco NV (Netherlands)
- Manager of Gosa SDC (Belgium), Sienna Capital SARL (Luxembourg) and Sodisco SARL (France)

Gilles SAMYN has 3 terms of office in listed companies outside the Group, thereby complying with the limits regarding the number of terms of office that may be held concurrently (four within non-Group listed companies) set out by Paragraph 19 of the Afep-Medef Code.

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

- Chairman of Centre de Coordination de Charleroi SA (2010), SolvaySchoolsAlumni ASBL (2011), Groupe Jean Dupuis SA (2013), Transcor East Ltd (2014) and International Duty Free SA (2015)
- Vice-Chairman of Compagnie Nationale à Portefeuille (2011) and APG/SGA SA (2015)
- CEO of Fingen SA (2011)
- Director of Belgian Ice Cream Group NV (2013), Carsport SA (2013), Lyparis SA (2010) Starco Tielens NV (2013), Tikehau Capital Advisors SAS (2010), Entremont Alliance SAS (2011), Société Générale d’Affichage SA (2011), Newtrans Trading SA (2012), TTR Energy SA (2013), Safimar SA (2014), Segelux SA (formerly Gesecalux SA) (2014), SCP (2015), APG/SGA SA (2015) and Belgian Sky Shops SA (2015)
- Commissaris of Agescanederland NV (2014)
- Member of the Investment Committee of Tikehau Capital Partners SAS (2013)

Business address

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



Philippe DELUSINNE

Number of company shares held: 100.

Biography and principal duties outside the Company

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

Other appointments and duties

- CEO of RTL Belgium SA and Radio H SA
- Permanent representative of CLT-UFA, CEO of Cobelfra SA and Inadi SA
- CEO of RTL Belux SA & Cie SECS and CEO of RTL Belux SA
- CEO and Chairman of the Board of Directors of IP Belgium SA
- Chairman of Home Shopping Service Belgium S.A.
- Permanent representative of CLT-UFA, CEO and Chairman of New Contact SA
- Director of CLT-UFA SA
- Director of Agence Télégraphique Belge de Presse
- Director of MaRadio.be SCRL
- Director of L'Association pour l'Autorégulation de la Déontologie Journalistique
- Member of Conseil Supérieur de l'Audiovisuel (Belgium)
- President of Théâtre Royal de La Monnaie
- President of Amis des Musées Royaux des Beaux-Arts de Belgique asbl
- Independent Director of CFE SA,
- Vice-President of B19 Business Club

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

- CEO of Joker FM SA (for CLT-UFA, represented by Philippe Delusinne)
- Director of BeWeb SA
- Vice-Chairman of B.M.M.A. (Belgian Management & Marketing Association)
- Director of FRONT SA
- Chairman of Association des Télévisions Commerciales Européennes (A.C.T.) (2009/2014)

Business address

RTL Belgium
avenue Jacques Georquin, 2
1030 Brussels
Belgium





Vincent de DORLODOT

Number of company shares held: 100.

Biography and principal duties outside the Company

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

Other appointments and duties

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

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

- Director of Soparad Holding SA (Luxembourg) and RTL TV d.o.o (Serbia)

Business address

RTL Group
45, boulevard Pierre Frieden
L - 1543 Luxembourg

**Elmar HEGGEN**

Number of company shares held: 100.

Biography and principal duties outside the Company

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

Other appointments and duties

- Chief Financial Officer, Head of Corporate Center and Luxembourg Activities RTL Group SA
- Director of RTL Group S.A. (listed group, Luxembourg)
- CEO of RTL Group Central and Eastern Europe SA (Luxembourg)
- Chairman of the Board of Directors of Broadcasting Center Europe SA (Luxembourg); Média Assurances SA (Luxembourg); Audiomédia Investments SA (Belgium); Duchy Digital SA (Luxembourg), MP D S.A. (Luxembourg), MP E S.A. (Luxembourg) et de MP H S.A.

(Luxembourg),

- Member of the Supervisory Board of RTL Nederland Holding BV (Netherlands)
- Director of CLT UFA SA (Luxembourg); RTL Group Germany SA (Luxembourg); RTL 9 SA (Luxembourg); RTL Belgium SA (Belgium); Immobilière Bayard d'Antin SA (France); Atresmedia Corporacion de Medios de Comunicacion SA (Spain); RTL Belux SA (Luxembourg)
- Member of the Supervisory Board: Ediradio SA (France) as representative of Immobilière Bayard d'Antin SA
- Director of IP France SA (France) as permanent representative of Immobilière Bayard d'Antin
- Manager of RTL Group Services GmbH (Germany); UFA Film und Fernseh GmbH (Germany); RTL Group Vermögensverwaltung GmbH (Germany); RTL Group Deutschland GmbH (Germany); RTL Group Central and Eastern Europe GmbH (Germany); RTL Television GmbH (Germany), RTL Group Licensing Asia GmbH (Germany)
- Chairman of the Management Committee of Média Properties Sarl (Luxembourg)
- Independent non-executive director of Regus PLC (listed company, UK)

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

- Director of Alpha Satellite Télévision SA and Plus Productions SA (Greece), Content Union S.A. (Russia) and Bertelsmann Capital Investment (S.A.), (Luxembourg), INADI SA (Belgium).
- Director of RTL TV Doo (Serbia),
- Chairman of the Board of Directors of BeProcurement SA (Luxembourg) and MP B S.A. (Luxembourg),

Business address

RTL Group
45, boulevard Pierre Frieden
L - 1543 Luxembourg



Christopher BALDELLI

Number of company shares held: 15,437

Biography and principal duties outside the Company

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

Other appointments and duties

- Chairman of the Executive Board of EDIRADIO-RTL SA (France)
- Chairman of the Board of Directors of IP France SA, Société d'Exploitation Radio Chic "SERC" SA (France), Société De Radio Diffusion "SODERA" SA (France)
- Chairman of RTL NET SAS (France)
- Director of CLT-UFA SA
- Permanent representative of Société Immobilière Bayard d'Antin S.A. to Médiamétrie

- Permanent representative of IP France to the Board of IP Régions SA
- Co-Manager of Information & Diffusion SARL, Société Commerciale de Promotion et de Publicité SARL, RTL Special Marketing SARL

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

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

Business address

Immobilière Bayard d'Antin
22 bis rue Bayard
75008 Paris



Anke SCHAEFERKORDT

Number of company shares held: 100

Biography and principal duties outside the Company

After studying business affairs in Paderborn, Anke SCHAEFERKORDT, 53, joined Bertelsmann in 1988 via a future business leaders' programme. In 1991, she joined RTL Plus as a sales control and strategic planning consultant. The following year, she became Director of the Management Control Department, before taking over the Business Planning and Management Control Department, and in 1995, she joined VOX as Commercial Director. She was subsequently Director of Programmes and Chief Financial Officer between 1997 and 1999, and then CEO from 1999 to 2005. In February 2005, Anke SCHAEFERKORDT became Director of Operations and Deputy CEO of RTL and in September that year was appointed CEO of RTL Television. Since 2012, she has also been a Member of the Executive Board of Bertelsmann SE & Co. KGaA and Co-Chief Executive Officer of RTL Group S.A.

Other appointments and duties

- Co-CEO of RTL Group S.A. (Luxembourg, a listed group);
- Member of the Supervisory Board of BASF SE (Germany, a listed company);
- Member of the Supervisory Board of Software AG (Germany, a listed company);
- Manager of: Mediengruppe RTL Deutschland GmbH, RTL Television GmbH, UFA Film und Fernseh GmbH;
- Member of the Board of: CBC Cologne Broadcasting Center GmbH, IP Deutschland GmbH, IP Österreich GmbH, n-tv Nachrichtenfernsehen GmbH, RTL 2 Fernsehen GmbH & Co. KG, RTL Creation GmbH, RTL Disney Fernsehen GmbH & Co. KG, RTL interactive GmbH, RTL Radio Deutschland GmbH, Universum Film GmbH, VOX Television GmbH;
- Member of the Board of Directors of CLT-UFA S.A.;
- Member of the Executive Board of Bertelsmann Management SE.

Anke SCHAEFERKORDT has 2 terms of office in listed companies outside the Group, thereby complying with the limits regarding the number of terms of office that may be held concurrently (four within non-Group listed companies) set out by Paragraph 19 of the Afep-Medef Code.

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

- Member of the Supervisory Board of Software AG, Darmstadt

Business address

Mediengruppe RTL Deutschland GmbH
Picassoplatz 1
D - 50679 Köln
Germany



Delphine ARNAULT

Number of company shares held: 200

Biography and principal duties outside the Company

A graduate of EDHEC and the London School of Economics and Political Science, Delphine Arnault, 41 years old, started her career as a consultant for the McKinsey practice, before becoming Deputy CEO of Dior Couture.

She is currently Deputy CEO of Louis Vuitton Malletier.

Other appointments and duties

- Director of LVMH Moët Hennessy – Louis Vuitton SA (France, a listed company)
- Director of Christian Dior S.A (France, listed but controlled by LVMH Moët Hennessy – Louis Vuitton SA)
- Member of the Board of Directors of HAVAS (a listed company, France)
- Member of the Board of Directors of 21st Century Fox (a listed company, US)
- Member of the Supervisory Board of

- Les Echos SAS (France)
- Director of Société Civile Cheval Blanc (France)
- Director of Emilio Pucci Srl (Italy)
- Director of Loewe SA (Spain)
- Director of Société Celine (France)

Delphine ARNAULT has 3 terms of office in listed companies outside the Group, thereby complying with the limits regarding the number of terms of office that may be held concurrently (four within non-Group listed companies) set out by Paragraph 19 of the Afep-Medef Code.

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

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

Business address

Louis Vuitton
2, rue du Pont Neuf
75001 Paris

**Mouna SEPEHRI**

Number of company shares held: 100

Biography and principal duties outside the Company

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

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

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

On 11 April 2011, Mouna Sepehri joined Renault Group's Executive Committee as Executive Vice President, Office of the CEO. She oversees the following functions: Legal

Department, Public Affairs Department, Communications Department, Corporate Social Responsibility Department, Real Estate & Corporate Services Department, Prevention and Group protection Department, as well as overseeing Cross-Group Teams, the Programme for Economic Efficiency of Running Costs and the Strategy Department.

Other appointments and duties

- Member of the Executive Committee of Renault (a listed company, France)
- Director of Danone (a listed company, France)
- Director of Orange (a listed company, France and New-York)

Mouna SEPEHRI has 3 terms of office in listed companies outside the Group, thereby complying with the limits regarding the number of terms of office that may be held concurrently (four within non-Group listed companies) set out by Paragraph 19 of the Afep-Medef Code.

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

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

Business address

Renault
13-15 quai Le Gallo
92513 Boulogne-Billancourt



**IMMOBILIERE BAYARD D'ANTIN
represented by Catherine LENOBLE**

Number of company shares held by the legal entity: 61,007,371.

Number of company shares held by its representative: 97,930.

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

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

Other appointments and duties

- Member of the Supervisory Board of Hexamedics SAS

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

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

Business address

Immobilière Bayard d'Antin
22 bis rue Bayard
75008 Paris

2.1.2 Operation of the Supervisory Board

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

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

The arrangements for operation and the main topics discussed by the Supervisory Board in 2015 are reported in the Chairman's report, under section I.

In addition, the Supervisory Board's internal rules may be consulted on the Group's website www.groupem6.fr.

2.1.3 Committees of the Supervisory Board

The Supervisory Board has had the following two Committees in place since it was established in 2000:

- The Remuneration and Appointments Committee
- The Audit Committee

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

2.1.3.1 Remuneration and Appointments Committee

The internal rules of the Supervisory Board provide that the Remuneration and Appointments Committee, first set up in 2000, must be made up of a minimum of two and a maximum of five members, selected from the members of the Supervisory Board other than the Chairman of the Board, of which more than half are selected from the independent members.

At 31 December 2015, the members of the Remuneration and Appointments Committee were the following:

Members of the Remuneration and Appointments Committee		Date of first appointment	Expiry date of appointment	Exit date	Attendance rate 2015
Gilles Samyn *	Chairman of the Committee	10 March 2009		2019	100%
Guillaume de Posch	Member	3 May 2012		2016	100%
Guy de Panafieu *	Member	5 May 2014		2018	100%

* Independent member.

2.1.3.2 Audit Committee

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

At 31 December 2015, its members were the following:



Members of the Audit Committee		Date of first appointment	Expiry date of appointment	Exit date	Attendance rate 2015
Guy de Panafieu*	Chairman of the Committee	18 February 2004	2018		100%
Elmar Heggen	Member	22 November 2006	2016		67%
Gilles Samyn*	Member	3 May 2012	2019		100%
Mouna Sepehri*	Member	19 December 2013	2016		33%
Remy Sautter **	Member	26 May 2000	2018	2015	100%

* Independent member.

** Remy Sautter tendered his resignation to the Supervisory Board, with effect from the end of the General Meeting of 28 April 2015

2.2 Executive Board

2.2.1 Composition of the Executive Board

Since the Annual General Meeting of 5 May 2014, the Executive Board has been appointed for a period of three years. Moreover, at its meeting of 5 May 2014, the Supervisory Board of M6 Group decided to renew in advance the term of office of the Executive Board which was due to expire on 25 March 2015. Since the Annual General Meeting held on the same day amended the duration of the term of office of the Executive Board to 3 years effective from the next renewal date, the Executive Board was thus renewed until 25 March 2018.

Since 17 February 2015, the date of David LARRAMENDY's appointment, it has four members, all natural persons, aged less than 70 years, appointed by the Supervisory Board and compensated by Métropole Télévision Group.

Members of the Executive Board	Nationality	Age	Principal duties	Date of first appointment	Date of renewal	Date term expires
Nicolas de Tavernost	French	64	Chairman of the Executive Board	26/05/2000	05/05/2014	25/03/2018
Thomas Valentin	French	60	Vice-Chairman of the Executive Board with responsibility for Programming and Content	26/05/2000	05/05/2014	25/03/2018
Jérôme Lefébure	French	52	Member of the Executive Board in charge of Finance and Support Functions	25/03/2010	05/05/2014	25/03/2018
David Larramendy	French	41	Member of the Executive Board, Managing Director of both M6 Publicité and M6 Interactions	17/02/2015		25/03/2018



Nicolas de TAVERNOST

Chairman of the Executive Board

Nicolas de Tavernost is Chairman of the Executive Board of M6 Group.

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

Other appointments and duties

- *Outside the M6 Group and the RTL Group*
 - Director of GL Events SA, a listed company (France)
 - Director of Natixis, a listed company (France)
 - Director, on a voluntary basis, of endowment fund Raise

In accordance with the AFEP-MEDEF Code, Nicolas de Tavernost holds 2 terms of office in a personal capacity in listed companies outside the Group, thereby complying with the limits regarding the number of terms of office that may be held concurrently (two within non-Group listed companies) set out by Paragraph 19 of the Afep-Medef Code.

- *Within the M6 Group and the RTL Group*
 - Permanent representative of:
 - a. Métropole Télévision in its capacity as Chairman of: M6 Publicité SAS, Immobilière M6 SAS, M6 Bordeaux SAS, M6 Interactions SAS, M6 Web SAS, M6 Foot SAS and TCM

DA SAS.

- b. M6 Publicité in its capacity as Director of Home Shopping Service SA, M6 Diffusion SA, M6 Evénements SA and M6 Editions SA
- c. Métropole Télévision in its capacity as Director of SASP Football Club des Girondins de Bordeaux, Société Nouvelle de Distribution SA, C. Productions SA and Extension TV SAS
- d. Métropole Télévision in its capacity as Managing Partner of SCI du 107, av. Charles de Gaulle
- e. C. Productions SA in its capacity as director of M6 Films SA
 - Member of Association Football Club des Girondins de Bordeaux
 - Chairman of M6 Group's Corporate Foundation
 - Member of the Supervisory Board of Ediradio SA (RTL/RTL2/FUN RADIO) (France)
 - Representative of RTL Group to the Supervisory Board and Vice-Chairman of the Remuneration Committee of Antena 3, renamed Atresmedia in 2013, a listed company (Spain)

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

- *Within the M6 Group and the RTL Group*
 - Director of Société Nouvelle de Distribution SA, Extension TV SAS and TF6 Gestion SA
 - Permanent representative of:
 - a. Métropole Télévision in its capacity as Chairman of M6 Numérique SAS and M6 Toulouse SAS
 - b. Métropole Télévision in its capacity as Director of Paris Première SA and MisterGooddeal SA
 - c. Métropole Télévision in its capacity as Member of the Shareholders' Committee of Multi4 SAS
 - d. M6 Publicité in its capacity as Chairman of M6 Créations
 - e. Home Shopping Services in its capacity as Director of Télévente Promotion SA and MisterGooddeal SA



Thomas VALENTIN

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

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

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

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

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

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

Other appointments and duties

• *Outside the M6 Group*

Nil

• *Within the M6 Group*

- Chairman and CEO of M6 Films SA
- Chairman of C. Productions SA
- Director of C. Productions SA and Extension TV SAS
- Permanent representative of:
 - a. Métropole Télévision SA in its capacity as Chairman of M6 Studio SAS and M6 Communication SAS
 - b. M6 Thématiques SAS in its capacity as Chairman of SEDI TV SAS
 - c. Métropole Production SA in its capacity as Director of M6 Diffusion SA and Société Nouvelle de Distribution SA
 - d. M6 Films in its capacity as Director of Home Shopping Service SA and Métropole Productions SA.
- Member and Vice-Chairman of Association Football Club des Girondins de Bordeaux

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

• *Outside the M6 Group*

Nil

• *Within the M6 Group*

- Chairman of M6 Studio SAS, M6 Communication SAS and Sedi-TV SAS
- Chairman of the Board of Directors of M6 Films SA and Métropole Production SA
- - Director of Société Nouvelle de Distribution SA, Métropole Productions SA and TF6 Gestion SA
- Permanent representative of:
 - a. M6 Thématique in its capacity as Chairman of FUN TV SAS
 - b. Edi Tv and Paris Première SAS in its capacity as Member of the Shareholders' Committee of Multi 4 SAS



Jérôme LEFEBURE

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

Biography

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

Other appointments and duties

• *Outside the M6 Group*

Nil

• *Within the M6 Group*

- Chairman of Métropole Productions SA
- Chairman and CEO of M6 Diffusion SA
- Permanent representative of:
 - a. Métropole Télévision in its capacity as Chairman of SNDA SAS, M6 Talents SAS, M6 Développement SAS, M6 Génération SAS, M6 Thématique SAS and Immobilière 46D SAS
 - b. M6 Interactions in its capacity as Director of Home Shopping Service SA and Société Nouvelle de Distribution SA
 - c. M6 Diffusion SA in its capacity as Director of C. Productions SA
 - d. C. Productions SA in its capacity as director of Métropole Productions SA
 - e. M6 Thématique SAS in its capacity as

Chairman of EDI-TV SAS

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

- Director of Unité 15 Belgique SA, Société Européenne de Télévente Belgique SCARL and M6 Group's Corporate Foundation.
- Member and Director of Association Football Club des Girondins de Bordeaux

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

• *Outside the M6 Group*

Nil

• *Within the M6 Group*

- Chairman of M6 Développement SAS, M6 Génération SA, M6 Divertissements SAS, Immobilière 46D SAS, M6 Récréative SAS and M6 Thématique SAS
- Chairman and CEO of M6 Editions SA and M6 Evènements SA
- Permanent representative of:
 - a. Métropole Télévision in its capacity as Chairman of M6 Shop SAS
 - b. Métropole Télévision in its capacity as Director of M6 Editions SA
 - c. Métropole Télévision in its capacity as Manager of TCM DA SAS.
 - d. M6 Thématique in its capacity as Manager of EDI-TV SNC
 - e. M6 Diffusion in its capacity as Director of Télévente Promotion SA
 - f. M6 Interactions SAS in its capacity as Director of Mistergooddeal SA and M6 Evènements SA
 - g. M6 Evènements in its capacity as Chairman of Live Stage SAS
 - h. M6 Thématique in its capacity as Director of TF6 Gestion SA

**David LARRAMENDY**

Member of the Executive Board, Managing Director of M6 Publicité and Managing Director of M6 Interactions

Biography

A graduate of Supélec and holder of an MBA from Wharton School at the University of Pennsylvania, he began his career with Ernst & Young before joining Mistergooddeal at its inception in 2000. He then worked in the London offices of Goldman Sachs prior to joining M6 Group in 2008 as Sales Director of the Ventadis Division, of which he became CEO in 2010. Appointed CEO of both M6 Publicité and M6 Interactions in December 2014, he joined the Executive Board in February 2015.

Other appointments and duties

- *Outside the M6 Group*

Nil

- *Within the M6 Group*

- Chairman and CEO of M6 Editions SA and M6 Evènements SA

- CEO of M6 Publicité SAS and M6 Interactions SAS
- Permanent representative of M6 Publicité SAS in its capacity as Chairman of M6 Créations SAS

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

- *Within the M6 Group and the RTL Group*

- Deputy CEO of Home Shopping Service SA, Mistergooddeal SA and M6 Interactions SAS

- Chairman of Luxview SAS, MonAlbumPhoto SAS

- Permanent representative of Home Shopping Service SA in its capacity as Chairman of Best Of TV SAS

- Permanent representative of MonAlbumPhoto SAS in its capacity as Chairman of Printic SAS

- Permanent representative of M6 Évènements SA in its capacity as Chairman of Live Stage SAS

- Director of Home Shopping Service Belgique SA, Société Européenne de Télévente Belgique SCA and Unité 15 Belgique SA

- *Outside the M6 Group*

- Nil

2.2.2 Operation of the Executive Board

The Executive Board has the widest possible powers to act in all circumstances on behalf of the Company with third parties pursuant to Article 18 of the Bylaws.

However, investments and divestments whose unit cost is not provided for in the budget and has an impact exceeding €20 million on the Group's financial position require the prior approval of the Supervisory Board (Article 24.3 of the Bylaws).

The Executive Board meets as often as required in the interests of the Company. In 2015, the Executive Board met 26 times, with minutes kept for each of these meetings. The Executive Board prepares all files to be submitted to Supervisory Board meetings by providing a detailed presentation of the situation of each activity of the Group during the previous quarter. To that end, the Executive Board ensures the relevance of operating management indicators presented to the Supervisory Board in order to reflect developments affecting the various activities and businesses.

The Executive Board collectively examines and takes decisions on investment projects submitted to it by operating teams.

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

2.3 Corporate Officers' remuneration and benefits

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

2.3.1 Principles and rules determining Executive Board members' remuneration and benefits

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

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

All members of the Executive Board hold concurrently an employment contract with a term of office as Director, noting that Nicolas de TAVERNOST's employment contract has been suspended since 6 December 1990 and will remain so until his term of office as Chairman of the Executive Board expires.

At its meeting of 5 May 2014, the Supervisory Board renewed its 1990 decision to maintain the (suspended) employment contract of Nicolas de TAVERNOST.

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

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

The remuneration policy sets all fixed, variable and exceptional remuneration items, in addition to commitments of any nature undertaken by the Company for the benefit of its directors and senior executives.

It is not only based on technical performance, results achieved, level of responsibility assumed, but also on practices observed in comparable companies and remuneration paid to other operational managers of the company.

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

In 2015, Executive Board members' **fixed remuneration** comprised the following items:

- a basic salary for every member of the Executive Board, paid monthly over 12 months for Nicolas de TAVERNOST, a corporate officer, and over 13 months for others in respect of their employment contracts.
- the value of a company car as a benefit-in-kind.

The fixed remuneration of the members of the Executive Board was last revised:

- Regarding Nicolas de TAVERNOST and Thomas VALENTIN on 4 March 2010;
- Regarding Jérôme LEFEBURE on 24 July 2012;
- Regarding David LARRAMENDY, no revision was made to his remuneration upon his appointment to the Executive Board on 17 February 2015.

Variable remuneration in 2015 comprised two elements:

- additional remuneration representing 70% of this part for Nicolas de TAVERNOST, Thomas VALENTIN and Jérôme LEFEBURE, and 80% for David LARRAMENDY,
- remuneration as a corporate officer representing 30% of this part for Nicolas de TAVERNOST, Thomas VALENTIN and Jérôme LEFEBURE, and 20% for David LARRAMENDY.

Additional remuneration is based on quantitative criteria:

- for Nicolas de TAVERNOST and Jérôme LEFEBURE, the level of achievement of consolidated EBITA objectives for the Group, as defined by the Supervisory Board;
- for Thomas VALENTIN, 70% of this remuneration is calculated based on the level of achievement of consolidated EBITA objectives for the Group, as set by the Supervisory Board, and 30% based on audience criteria calculated for all channels held by the M6 Group;
- for David LARRAMENDY, this remuneration is based on the level of achievement of net annual advertising revenue for M6 Publicité, the term revenue meaning total net revenue achieved on behalf of advertising media at M6 Publicité.

The corporate officer remuneration component is determined by the Supervisory Board based on an audience criteria calculated for all channels held by the M6 Group, except for David LARRAMENDY, for whom it was calculated in relation to EBITA.

Pursuant to section 23.2.3 of the AFEP-MEDEF Code, the variable remuneration of each member of the Executive Board corresponds to a percentage of the fixed remuneration. Thus the maximum variable remuneration (that is to say where the maximum target is achieved) of each of the members of the Executive Board is as follows:

- Nicolas de TAVERNOST: 103%
- Thomas VALENTIN: 111%
- Jérôme LEFEBURE: 43%
- David LARRAMENDY: 100%

In respect of the 2015 financial year, the variable remuneration calculated, taking into account the performances achieved, represents the following individual percentages of fixed remuneration:

- Nicolas de TAVERNOST: 79% compared with 54% in 2014

2. CORPORATE GOVERNANCE

Corporate Officers' remuneration and benefits

- Thomas VALENTIN:	90% compared with 46% in 2014
- Jérôme LEFEBURE:	33% compared with 23% in 2014
- David LARRAMENDY:	87%

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

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

No **exceptional remuneration** was paid during the 2015 financial year to Executive Board members.

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

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

At the outset, it is noted that as of the date on which this document was drafted, no executive director has received any stock options.

a) Allocation limits

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

• **Collective limits**

The total amount, determined under IFRS 2, of shares allocated to all the members of the Executive Board, with effect from 1 January 2009, may not exceed 15% of the total amount authorised by the Extraordinary General Meeting, it being specified that, to date, the Executive Board has no authorisation in relation to the allocation of stock options.

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

Based on the authorisation granted by the Meeting of 5 May 2014, this amount may represent a maximum of 0.2% of the Company's share capital.

• **Individual limits**

The cumulative amount, determined under IFRS 2, of options to subscribe or to purchase shares and free shares allocated to Nicolas de TAVERNOST during a given year may not exceed 150% of his gross remuneration, fixed and variable, due in respect of the year preceding the year of allocation.

The cumulative amount, determined under IFRS 2, of options to subscribe or to purchase shares and free shares allocated to Thomas VALENTIN, Jérôme LEFEBURE or David LARRAMENDY during a given year may not exceed 100% of their gross remuneration, fixed and variable, due in respect of the year preceding the year of allocation.

b) Performance conditions

New allocations of free shares for the benefit of members of the Executive Board are now subject to the following performance conditions:

- an internal performance condition identical to that applied to all beneficiaries of each allocation plan, and set in 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014 and 2015 compared to an objective of earnings per share or consolidated net profit;



- an external performance condition based on the gross consolidated advertising market share (terrestrial, DTT, Cable & Satellite) achieved by the Métropole Télévision Group: this share must be higher than 20% in the two previous years preceding the date of exercise of the option or the date of final vesting of free shares allocated.

c) **Retention commitment**

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

d) **Long-term incentive plan (LTIP)**

As announced in its press release of 29 October 2014, during its meeting of 29 July 2014, the Supervisory Board of the Company approved the implementation of a second long-term loyalty and incentive plan for the benefit of 23 senior executives, including the Executive Board. This plan, which was effectively implemented on 15 October 2014, is subject to the achievement of cumulative performance targets for the years 2014 to 2016, based on economic value creation and their continued presence within the Group at 30 April 2019. Members of the Executive Board may be granted a maximum of 110,000 free shares out of the 382,000 shares reserved for all beneficiaries, subject to a further retention period of two years of additional presence within the Group for availability of the shares in April 2021.

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

It should be noted that no discount is applied by the Company at the time of allocation of options to subscribe or purchase shares.

In addition, the members of the Executive Board have made a formal commitment not to enter into a hedging transaction for their risk where they benefit from the allocation of options to subscribe for or purchase shares and from the allocation of free shares.

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

- For 2015:
 - from 18 January to 17 February 2015
 - from 8 April to 28 April 2015
 - from 29 June to 28 July 2015
 - from 14 October to 3 November 2015.
- For 2016:
 - from 24 January to 03 March 2016
 - from 5 April to 06 May 2016
 - from 26 June to 06 August 2016
 - from 18 October to 18 November 2016.

2.3.13 **Free share allocation plans granted to members of the Executive Board**

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

The expected level of attainment of the performance condition of shares allocated in 2015 and 2014 (attainment of a consolidated net profit level), shares acquired in 2015, and shares which became available in 2015, was prepared in a precise manner and is not made public for reasons of confidentiality.

Since the introduction of free share plans, allocated shares have been purchased on the market

rather than newly issued. Allocations of free shares have not therefore caused any dilution.

a) **Free shares allocated during the 2015 financial year**

In accordance with the authorisation granted by the Combined General Meeting of 05 May 2014 in its 18th resolution, the Executive Board decided on 28 July 2015 to grant free shares following the approval by the Supervisory Board on 28 July 2015.

This allocation plan potentially involves 480,400 shares (maximum allocation), granted to 176 beneficiaries under the conditions of the achievement of a performance target for 2015 and being members of staff on 28 July 2017.

In this respect, members of the Executive Board benefited from the allocation of free shares, after approval by the Supervisory Board and upon the proposal of the Remuneration Committee.

The performance condition for 2015 has been achieved, as duly noted by the Supervisory Board on 23 February 2016, which entitles the members of the Executive Board to the allocation of 46,500 shares, subject to their being members of staff on 28 July 2017.

The shares allocated in 2014 and 2015 to the members of the Executive Board represented 4.6% of the total amount authorised by the Extraordinary General Meeting of 5 May 2014 at the date of this document (2.2% for Nicolas de TAVERNOST, 1.1% for Thomas VALENTIN, 0.9% for Jérôme LEFEBURE and 0.4% for David LARRAMENDY), thereby complying with the decision of the Supervisory Board of 10 March 2009 and the AFEP/MEDEF recommendations, as specified in Paragraph 2.3.1.2.

b) **Free shares allocated in the previous year (2014)**

Regarding the allocation of free shares in October 2014, during its meeting of 17 February 2015, the Supervisory Board had established the attainment of performance criteria required for the 2014 financial year, and approved during its meeting of 23 February 2016 the additional performance condition required for the Executive Board which demands that the Group's gross advertising market share exceeds 20% over the financial year concerned (2014) and the following financial year (2015). This level of performance was achieved during both financial years.

c) **Free shares vested in 2015**

These shares resulted from the free share plan of 26 July 2013 which, for the Executive Board, was conditional not only on the achievement of the consolidated net profit objective, but also on the achievement of an advertising market share for 2013 and 2014. Given the figure achieved in comparison with the target, the number of shares definitively allocated represents 96.13% of the maximum number authorised.

The number of shares definitively allocated complies with the rules on maximum allocations referred to in Paragraph 2.3.1.2.

These shares already issued were thus granted on 26 July 2015, the 2013-2014 performance condition having been validated by the Supervisory Board in February 2015.

For the plans subject to performance conditions, the data presented hereafter is the reference data corresponding to the fulfilment of the target described.

The value of the allocated shares corresponds to the value of the shares on their allocation as used within the application framework of IFRS 2.

2.3.1.4 Benefits subsequent to term of office

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

Moreover, since July 2007, the members of the Executive Board have benefited, as do all of the Group's senior executives whose n-1 remuneration exceeds 4 PASS (annual Social Security ceiling),

from a supplementary and compulsory defined contributions pension scheme that enables the establishment of an individual retirement savings account to finance the payment of a life-time annuity.

Employer contributions recognised by the Company during the 2015 financial year in respect of pension commitments are detailed individually in Paragraph 2.3.2, Tables (5). In 2015, they totalled €57,717 for all members of the Executive Board.

In consideration for this amount, every member of the Executive Board and the employees involved in this scheme pay an annual sum (€34,570 for all members of the Executive Board).

2.3.15 Non-compete agreement

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

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

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

- Other members of the Executive Board, in respect of their employment contracts, notably:
 - Thomas VALENTIN for a period of 3 months and he would receive fixed-rate remuneration of 50% of his fixed remuneration received over the previous twelve months;
 - Jérôme LEFEBURE for a period of 3 months and he would receive fixed-rate remuneration of 50% of his fixed remuneration received over the previous twelve months;
 - David LARRAMENDY for a period of 12 months and he would receive fixed-rate remuneration of 50% of his remuneration received over the previous twelve months;

In accordance with Paragraph 23.2.5 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release one or more Executive Board members from this agreement.

2.3.16 Severance pay

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

This individual mechanism was the subject of an amendment to the employment contracts of Thomas VALENTIN and Jérôme LEFEBURE, duly authorised by the Supervisory Board.

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

a) **Event of payment of severance pay**

The cases in which severance pay benefiting members of the Executive Board are now limited, for Nicolas de TAVERNOST, in the event of the termination of his term of office as Chairman of the Executive Board other than by way of resignation or lack of performance (with both performance and lack of performance defined below), and for the other members of the Executive Board, in the event of the termination of their employment contract other than for dismissal for misconduct or serious offence, to resignation or lack of performance.

Severance pay is not therefore paid out in the event of a change in role within the Group.

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

Since the payment of this compensation is subject to the attainment of serious and demanding performance criteria, it may not be paid in the event of lack of performance.

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

- The concept of a change in control does not constitute a relevant criterion given the specific features of the Company, particularly the provisions governing the ownership of its capital. The provisions of Article 39 of Audiovisual Law n° 86-1067 of 30 September 1986, as amended, relating to freedom of communication, do not allow a shareholder to hold more than 49% of the share capital and voting rights;
- The concept of change in strategy is particularly multifaceted in the audiovisual field. In relation to Nicolas de TAVERNOST more specifically, the latter could be required to step down without the major strategic policies that he initiated and implemented actually being called into question. Given the length of service of the party concerned within the Group and his contribution to its development since its creation in 1987, the Board considers it inconceivable for the compensation provided for by this agreement to be subject to any uncertainty regarding its interpretation.

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

Moreover, David LARRAMENDY benefits from the provisions of the National Agreement for Advertising relating to severance pay.

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

Severance pay for members of the Executive Board is now equal to the difference between (i) twenty four (24) months of gross monthly remuneration calculated on the basis of the total gross remuneration, both fixed and variable portions, received over the twelve (12) months preceding the termination of the term of office as Chairman of the Executive Board of Nicolas de TAVERNOST or the termination of the employment contract of Thomas VALENTIN and Jérôme LEFEBURE, and (ii) the cumulative amount (x) of the legal and contractual compensation possibly due in respect of breach of employment contract of the beneficiary, and the amount (y) of the compensation due, where appropriate, in respect of the non-competition commitment.

It is specified, for the purposes of the calculation of this amount, that the remuneration as a member of the Executive Board is excluded from the basis of the calculation of compensation for Thomas VALENTIN and Jérôme LEFEBURE, to the extent that the contractual compensation for breach of contract from which they benefit is part of their employment contract.

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

c) **Maintained performance condition**

It is specified that the payment of compensation for breach of contract thus redefined by the Supervisory Board remains subject, pursuant to Article L. 225-90-1 of the Commercial Code, to the achievement of the following performance condition, introduced by the Supervisory Board on 3 March 2008:

Profit from recurring operations (EBITA) of Métropole Télévision Group for the 36 months prior to the termination of contract shall be at least equal to 80% of the budgeted objective, as approved by the Supervisory Board. The amount of severance pay shall then be calculated in proportion (between 80% and 100% of its reference amount) of the percentage of profit from recurring operations (EBITA) achieved compared to the budgeted objective. No severance pay shall be paid when profit from recurring operations (EBITA) for the past 36 months prior to the termination of contract proved lower than 80% of the budgeted objective.

Payment of severance pay is subject to prior acknowledgement by the Supervisory Board that the performance condition has been fulfilled.

It is noted that in accordance with legislation and the recommendations of the AFEP-MEDEF Code (Paragraph 24.3), the remuneration items due or allocated in respect of the financial year ended 31 December 2014 to Nicolas de TAVERNOST, as Chairman of the Executive Board, and Thomas VALENTIN, Jérôme LEFEBURE and Robin LEPROUX, as members of the Executive Board, were submitted to the advisory vote of shareholders at the Combined General Meeting of 28 April 2015, in the 14th and 15th resolutions, approved at 82.17% and 81.07% of the respective votes cast.

2.3.2 Amounts paid to members of the Executive Board

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

2.3.2.1 Nicolas de Tavernost, Chairman of the Executive Board

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

	FY 2014	FY 2015
Remuneration due in respect of the year (2)	1,433,850	1,662,724
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	434,239	279,400
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	1,868,089	1,942,124

(2) Summary of remuneration

	FY 2014		FY 2015	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	925,008	925,008	925,008	925,008
Variable remuneration	748,423	502,344	502,344	731,218
Multiyear variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Directors' fees	0	0	0	0
<i>Sub-total paid</i>	<i>1,673,431</i>	<i>1,427,352</i>	<i>1,427,352</i>	<i>1,656,226</i>
Benefits in kind	6,498	6,498	6,498	6,498
TOTAL	1,679,929	1,433,850	1,433,850	1,662,724

(3.1) Options to subscribe or purchase shares granted in 2015

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2015	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2015

N° and date of plan	Number of options exercised in 2015	Exercise price
n°: SS 0906052008	27,500	14.73

Upon being exercised, 24,830 of these options received in 2008 were sold immediately, resulting in a gross capital gain of €51,398.

(4.1) Free shares granted in 2015 and 2014

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n: AAAG15280715 Date: 28 July 2015	20,000	13.97	279,400	28 July 2017	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2015	28 July 2019
n: AAAG14151014 Date: 15 October 2014	21,000	8.37	175,770	15 October 2016	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2014	15 October 2018
n° : AAAG13300414 Date: 14 April 2014	20,628	12.53	258,469	14 April 2016	Expected performance over 2011, 2012 and 2013	14 April 2018

(4.2) Free shares definitively allocated in 2015

N° and date of plan	Number of shares vested in 2015	Vesting condition	Date of availability
n°: AAAG12260713 Date: 26 July 2013	26,868	Achievement by the Group of a level of consolidated net profit for the year ended 31 December 2013, being employed by the Group in July 2015, and Group gross advertising market share exceeding 20% for the financial year concerned (2013) and the following year (2014)	26 July 2017

(4.3) Free shares vested in 2015

N° and date of plan	Number of shares that became available in 2015	Vesting condition
n°: AAAG10260711 Date: 26 July 2011	10,000	Achievement by the Group of a level of consolidated net earnings per share for the year ended 31 December 2011, being employed by the Group on 26 July 2013, and Group gross advertising market share exceeding 20% for the financial year concerned (2011) and the following year (2012)

(5) Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		15,205	✓		✓	

(1) this amount was supplemented by a personal contribution of €9,107

2.3.2.2 Thomas Valentin, Vice-Chairman of the Executive Board

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

	FY 2014	FY 2015
Remuneration due in respect of the year (2)	729,474	949,554
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	227,895	139,700
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	957,369	1,089,254

(2) Summary of remuneration

	FY 2014		FY 2015	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	495,001	495,001	495,001	495,001
Variable remuneration	378,768	228,331	228,331	447,782
Multiyear variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Directors' fees	0	0	0	0
<i>Sub-total paid</i>	<i>873,769</i>	<i>723,332</i>	<i>723,332</i>	<i>942,783</i>
Benefits in kind	6,142	6,142	6,771	6,771
TOTAL	879,911	729,474	730,103	949,554

(3.1) Options to subscribe or purchase shares granted in 2015

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2015	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2015

N° and date of plan	Number of options exercised in 2015	Exercise price
n°: SS 0906052008	-	-

(4.1) Free shares granted in 2015 and 2014

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n: AAAG15280715 Date: 28 July 2015	10,000	13.97	139,700	28 July 2017	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2015	28 July 2019
n: AAAG14151014 Date: 15 October 2014	10,500	8.37	87,885	15 October 2016	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2014	15 October 2018
n° : AAAG13300414 Date: 14 April 2014	11,174	12.53	140,010	14 April 2016	Expected performance over 2011, 2012 and 2013	14 April 2018

(4.2) Free shares definitively allocated in 2015

N° and date of plan	Number of shares vested in 2015	Vesting condition	Date of availability
n°: AAAG12260713 Date: 26 July 2013	13,747	Achievement by the Group of a level of consolidated net profit for the year ended 31 December 2013, being employed by the Group in July 2015, and Group gross advertising market share exceeding 20% for the financial year concerned (2013) and the following year (2014)	26 July 2017

(4.3) Free shares vested in 2015

N° and date of plan	Number of shares that became available in 2015	Vesting condition
n°: AAAG10260711 Date: 26 July 2011	6,500	Achievement by the Group of a level of consolidated net earnings per share for the year ended 31 December 2011, being employed by the Group on 26 July 2013, and Group gross advertising market share exceeding 20% for the financial year concerned (2011) and the following year (2012)

(5) Other information

Employment contract	Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
	Yes	No		Yes	No	Yes	No
✓	✓		15,205	✓		✓	

(1) this amount was supplemented by a personal contribution of €9,107

2.3.2.3 Jérôme Lefébure, Member of the Executive Board

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

	FY 2014	FY 2015
Remuneration due in respect of the year (2)	497,224	538,662
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	195,944	125,730
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	693,168	664,392

(2) Summary of remuneration

	FY 2014		FY 2015	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	399,997	399,997	399,997	399,997
Variable remuneration	135,504	90,951	90,951	132,389
Multiyear variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Directors' fees	0	0	0	0
<i>Sub-total paid</i>	<i>535,501</i>	<i>490,948</i>	<i>490,948</i>	<i>532,386</i>
Benefits in kind	6,276	6,276	6,276	6,276
TOTAL	541,777	497,224	497,224	538,662

(3.1) Options to subscribe or purchase shares granted in 2015

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2015	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2015

N° and date of plan	Number of options exercised in 2015	Exercise price
n°: SS 0906052008	-	-

(4.1) Free shares granted in 2015 and 2014

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n: AAAG15280715 Date: 28 July 2015	9,000	13.97	125,730	28 July 2017	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2015	28 July 2019
n: AAAG14151014 Date: 15 October 2014	9,000	8.37	75,330	15 October 2016	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2014	15 October 2018
n° : AAAG13300414 Date: 14 April 2014	9,626	12.53	120,614	14 April 2016	Expected performance over 2011,2012 and 2013	14 April 2018

(4.2) Free shares definitively allocated in 2015

N° and date of plan	Number of shares vested in 2015	Vesting condition	Date of availability
n°: AAAG12260713 Date: 26 July 2013	10,622	Achievement by the Group of a level of consolidated net profit for the year ended 31 December 2013, being employed by the Group in July 2015, and Group gross advertising market share exceeding 20% for the financial year concerned (2013) and the following year (2014)	26 July 2017

(4.3) Free shares vested in 2015

N° and date of plan	Number of shares that became available in 2015	Vesting condition
n°: AAAG10260711 Date: 26 July 2011	5,500	Achievement by the Group of a level of consolidated net earnings per share for the year ended 31 December 2011, being employed by the Group on 26 July 2013, and Group gross advertising market share exceeding 20% for the financial year concerned (2011) and the following year (2012)

(5) Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		15,205	✓		✓	

(1) this amount was supplemented by a personal contribution of €9,107

2.3.2.4 David LARRAMENDY, Member of the Executive Board since 17 February 2015

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

	FY 2014	FY 2015
Remuneration due in respect of the year (2)	324,049	471,885
Value of options allocated during the year (3.1)	0	0
Value of performance-based shares allocated during the year (4.1)	50,220	104,775
Value of variable multi-year remuneration allocated during the year	0	0
TOTAL	374,269	576,660

(2) Summary of remuneration

	FY 2014		FY 2015	
	Amounts paid (€)	Amounts due (€)	Amounts paid (€)	Amounts due (€)
Fixed remuneration	190,622	190,622	250,003	250,003
Variable remuneration	140,000	128,800	128,800	217,199
Multiyear variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Directors' fees	0	0	0	0
<i>Sub-total paid</i>	<i>330,622</i>	<i>319,422</i>	<i>378,803</i>	<i>467,202</i>
Benefits in kind	4,627	4,627	4,683	4,683
TOTAL	335,249	324,049	383,486	471,885

(3.1) Options to subscribe or purchase shares granted in 2015

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2015	Exercise price	Period of exercise
-	-	-	-	-	-

(3.2) Options to subscribe or purchase shares exercised in 2015

N° and date of plan	Number of options exercised in 2015	Exercise price
-	-	-

(4.1) Free shares granted in 2015 and 2014

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	Value	Date of vesting	Performance conditions	Date of availability
n: AAAG15280715 Date: 28 July 2015	7,500	13.97	104,775	28 July 2017	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2015	28 July 2019
n: AAAG14151014 Date: 15 October 2014	6,000	8.37	50,220	15 October 2016	Achievement by the Group of a performance condition based on consolidated net profit for the year ended 31 December 2014	15 October 2018

(4.2) Free shares definitively allocated in 2015

N° and date of plan	Number of shares vested in 2015	Vesting condition	Date of availability
n°: AAAG12260713 Date: 26 July 2013	7,690	Achievement by the Group of a level of consolidated net profit for the year ended 31 December 2013, being employed by the Group in July 2015, and Group gross advertising market share exceeding 20% for the financial year concerned (2013) and the following year (2014)	26 July 2017

(4.3) Free shares vested in 2015

N° and date of plan	Number of shares that became available in 2015	Vesting condition
n°: AAAG08221211 Ventadis division Date: 22 décembre 2011	7,293	Achievement by the Ventadis division of a minimum profit from recurring operations for the year ended 31 December 2011 and being employed by the Group on 22 December 2013

(5) Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		12,103	✓		✓	

(1) this amount was supplemented by a personal contribution of €7,249

2.3.3 Supervisory Board attendance fees

The Board has set the apportion rules for attendance fees taking into account the nature of their duties (Chairman of the Board, Chairman or Committee members, member of the Board) and attendance of each member at Board and Committee meetings, as recommended by the AFEP-MEDEF corporate governance code. This amount is understood to be a maximum, whose payment in full is conditional on the attainment of a 100% attendance rate.

The total amount of attendance fees, set at €236,000 since 3 May 2012 (authorised by the General Meeting) was broken down as follows for 2015:

Fixed part		
	2014	2015
Chairman	€14,500	€14,500
Chairman of a Committee and member of another Committee	€13,000	€13,000
Chairman of a Committee	€11,000	€11,000
Member of one Committee	€8,000	€8,000
Simple member	€6,000	€6,000
Total fixed part	€104,555 <i>44%</i>	€101,147 <i>43%</i>
Variable part		
	2014	2015
Total variable part	€131,445 <i>56%</i>	€134,853 <i>57%</i>
Total attendance fees	€236,000	€236,000

The total variable part (€134,853) represents 57% of the total, in compliance with the AFEP-MEDEF Code which recommends that the variable portion of attendance fees is larger.

This variable portion is calculated based on attendance (€1,600 per Board meeting and €1,750 per Committee meeting).

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

Given the attendance rate of Board members and their effective terms of office, attendance fees of €211,197 were apportioned in 2015 (compared with €226,605 in 2014). Their individual allocation is set out in the following table:

Guillaume de POSCH, Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€11,752	€8,000	€19,752	€6,000	€6,250	€12,250
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	€2,000	€5,250	€7,250	€2,000	€9,100	€11,100
TOTAL	€13,752	€13,250	€27,002 *	€8,000	€15,350	€23,350 *

Delphine ARNAULT, Independent Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€3,200	€9,200	€6,000	€5,000	€11,000
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€3,200	€9,200	€6,000	€5,000	€11,000

Christopher BALDELLI, Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,400	€12,400	€6,000	€5,000	€11,000
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€6,400	€12,400	€6,000	€5,000	€11,000

Philippe DELUSINNE, Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,400	€12,400	€6,000	€6,250	€12,250
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€6,400	€12,400 *	€6,000	€6,250	€12,250 *

Vincent de DORLODOT, Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,400	€12,400	€6,000	€5,000	€11,000
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€6,400	€12,400 *	€6,000	€5,000	€11,000 *

Elmar HEGGEN, Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,400	€12,400	€6,000	€6,250	€12,250
Audit Committee	€2,000	€3,500	€5,500	€2,000	€5,200	€7,200
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€8,000	€9,900	€17,900 *	€8,000	€11,450	€19,450 *

Sylvie OUZIEL, Independent Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€4,060	€3,200	€7,260	-	-	-
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€4,060	€3,200	€7,260 *	-	-	-

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

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€6,400	€12,400	€6,000	€6,250	€12,250
Audit Committee	€5,000	€5,250	€10,250	€5,000	€5,200	€10,200
Remuneration and Appointments Committee	€2,000	€5,250	€7,250	€1,315	€5,200	€6,515
TOTAL	€13,000	€16,900	€29,900	€12,315	€16,650	€28,965

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

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€8,000	€14,000	€6,000	€6,250	€12,250
Audit Committee	€2,000	€5,250	€7,250	€2,000	€5,200	€7,200
Remuneration and Appointments Committee	€5,000	€5,250	€10,250	€3,973	€9,100	€13,073
TOTAL	€13,000	€18,500	€31,500 *	€11,973	€20,550	€32,523 *

2. CORPORATE GOVERNANCE

Corporate Officers' remuneration and benefits

Anke SCHAFFERKORDT, Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€4,060	€4,800	€8,860	-	-	-
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€4,060	€4,800	€8,860 *	-	-	-

Mouna SEPEHRI, Independent Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€8,000	€14,000	€6,000	€5,000	€11,000
Audit Committee	€2,000	€1,750	€3,750	€2,000	€5,200	€7,200
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€8,000	€9,750	€17,750	€8,000	€10,200	€18,200

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

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€6,000	€8,000	€14,000	€6,000	€6,250	€12,250
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€6,000	€8,000	€14,000	€6,000	€6,250	€12,250

Albert FRERE, Chairman of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€4,688	€0	€4,688	€14,500	€2,500	€17,000
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€4,688	€0	€4,688 *	€14,500	€2,500	€17,000 *

Remy SAUTTER, Member of the Supervisory Board

	Amounts paid in 2015			Amounts paid in 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	€1,940	€1,600	€3,540	€6,000	€6,250	€12,250
Audit Committee	€647	€1,750	€2,397	€2,000	€5,200	€7,200
Remuneration and Appointments Committee	-	-	-	-	-	-
TOTAL	€2,586	€3,350	€5,936	€8,000	€11,450	€19,450

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

	Amounts paid in 2015			Montants versés en 2014		
	Fixed	Variable	TOTAL	Fixed	Variable	TOTAL
Supervisory Board	-	-	-	€2,055	€2,500	€4,555
Audit Committee	-	-	-	-	-	-
Remuneration and Appointments Committee	-	-	-	€1,712	€3,900	€5,612
TOTAL	-	-	-	€3,767	€6,400	€10,167

* before withholding tax of 30% in 2014 and 2015

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

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

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

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

2.4 Additional information on corporate governance

2.4.1 Supplementary information on the composition of the Executive Board and Supervisory Board

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

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

- no family connection between any members of the Executive Board and of the Supervisory Board;
- no conflict of interest, as regards the issuer between the duties of any member of the Executive Board or the Supervisory Board (in their capacity as corporate officers) and their own private interests and other duties;
- no arrangement or agreement concluded between any member of the Executive Board or of the Supervisory Board (selected in this capacity) and any of the major shareholders, clients or suppliers;
- no service contract between any member of the Executive Board or Supervisory Board of Métropole Télévision with the Company and any of its subsidiaries;
- no restriction accepted by the members of the Supervisory Board or the Executive Board concerning the sale of their stake in the share capital of the Company.

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

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

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

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

These rules state that due to the nature of their position and their duties, the corporate officers of M6, namely the members of the Executive Board and the Supervisory Board, may have access to

privileged information. "Privileged information" means particular non-public information, directly or indirectly relating to one or more issuers or one or more financial instruments, which, if it became public knowledge, might affect the price of the M6 share (revenue, performance, proposals of any kind, etc.).

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

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

2.4.2 Management Committee and Executive Committee

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

2.4.2.1 Management Committee

The Management Committee, comprising the main managers responsible for operational activities and functional services, is a framework for exchange on business management. In 2015, the Management Committee met 15 times. Detailed minutes of each meeting were kept and handed out to each member.

In addition to the members of the Executive Board, the Management Committee is currently comprised of 26 members:

17 members from operational departments

- Philippe BONY, Deputy Managing Director of Programmes, responsible for film, drama, youth and sports programmes and Chairman of Paris Première;
- Guillaume CHARLES, Deputing Managing Director of M6 Publicité responsible for Marketing, Studies and Digital;
- Thierry DESMICHELLE, Managing Director of SND;
- Florence DUHAYOT, Managing Director of Studio 89;
- Jérôme FOUQUERAY, Managing Director of W9;
- Ronan de FRESSENEL, Managing Director of the Ventadis division;
- Stéphane GENDARME, Head of News for the M6 channel;
- Valéry GERFAUD, Managing Director of M6 Web;
- Eric d'HOTELANS, Chairman and Managing Director of HSS;
- Laurent de LORME, Head of Programming and Programme Marketing;
- Bernard MAJANI, Head of Acquisitions;
- Emilie PIETRINI, Head of Group Communication;
- Frédérique REFALO, Deputy Managing Director responsible for Commerce (M6 Publicité);
- Vincent REGNIER, Managing Director of C. Productions;
- Laurence SOUVETON-VIEILLE, Head of Group Productions;
- Catherine SCHOFER, Deputy Managing Director of Téva and 6Ter;
- Frédéric de VINCELLES, Deputy Managing Director responsible for M6 programmes.

9 members from functional departments

- Mathias BEJANIN, Technical Director;
- Karine BLOUET, Company Secretary of M6 Group;

- Pascale CHABERT, Deputy Head of Strategy, Development and Distribution;
- Christophe FOGLIO, Head of Human Resources;
- Henri de FONTAINES, Head of Strategy, Development and Distribution;
- Grégory LE FOULER, Deputy Chief Financial Officer;
- Nathalie-Camille MARTIN, Head of Legal Affairs;
- Michel QUINTON, Head of Broadcast Networks;
- Franck TARRAGNAT, Chief Information Officer.

2.4.2.2 Executive Committee

Certain members of the Management Committee are also members of the Executive Committee, which is composed of the most senior operational and functional executives. The Executive Committee is responsible for implementing the Executive Board's major operational and strategic decisions. In 2015, it met 14 times.

In addition to the members of the Executive Board, the Management Committee is currently comprised of another 14 members:

10 members from operational departments

- Philippe BONY;
- Guillaume CHARLES;
- Thierry DESMICHELLE;
- Jérôme FOUQUERAY;
- Valéry GERFAUD;
- Eric d'HOTELANS;
- Bernard MAJANI;
- Emilie PIETRINI;
- Laurence SOUVETON-VIEILLE;
- Frédéric de VINCELLES.

4 members from functional departments

- Karine BLOUET;
- Christophe FOGLIO;
- Henri de FONTAINES;
- Nathalie-Camille MARTIN.

2.5 Statutory Auditors

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

AGM: Annual General Meeting

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

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

Dear shareholders,

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

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

This report, prepared under my own responsibility with the support of the Group's Finance, Legal, and Audit and Risk Control Departments, was reviewed by the Audit Committee on 22 February 2016. All the procedures that enabled the preparation of this Report were presented to the Supervisory Board which approved their terms in its meeting of 23 February 2016.

The information concerning corporate governance was established based on various internal documents (Bylaws, internal rules and minutes of the Supervisory Board and its committees, etc.).

The information concerning internal control and risk management procedures was prepared with the assistance of the Audit and Risk Control Department. The authors interviewed different company bodies and departments (Senior Management, Legal Department, Finance Department, Human Resources Department, Corporate Affairs).

As regards corporate governance, the company refers to the *Corporate Code of Governance for listed companies of December 2008, updated in April 2010, June 2013 and November 2015, prepared by AFEP-MEDEF*. The AFEP-MEDEF Code can be obtained from: www.medef.com.

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

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

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

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

Justification

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

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

Recommendation §23.2.5 of the Code: Severance pay

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

Justification

The Supervisory Board decided to retain the compensation mechanism for Nicolas de TAVERNOST, Thomas VALENTIN and Jérôme LEFEBURE in the event of non-voluntary departure, i.e. not following resignation or voluntary retirement, and subject to performance conditions.

Since the payment of this compensation is subject to the attainment of serious and demanding performance criteria, it may not be paid in the event of lack of performance. The Board, acknowledging that this situation does not comply with the provisions of the AFEP-MEDEF Code whereby it is recommended that the payment of severance pay is contingent on a departure related to a change in control or strategy, considers that:

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

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

- The digital transformation of the audiovisual sector requires those within it to implement several strategic priorities for both the traditional side of the business as well as the emerging side. Within this environment, the concept of a change in strategy is not relevant for the assessment of the conditions of the departure of a director, and more specifically, that of Nicolas de TAVERNOST, who could be required to leave his role without the major strategic policies that he initiated and implemented being called into question. Given the length of service of the party concerned within the Group and his contribution to its development since its creation in 1987, the Supervisory Board considers it inconceivable for the compensation provided for by this agreement to be subject to any uncertainty regarding its interpretation.

Upgrade to comply with the recommendations of the AFEP/MEDEF Code implemented in 2015

Moreover, at its meeting of 17 February 2015, the Supervisory Board decided to amend its internal regulations in order to supplement the list of criteria for assessing the independence of its members by adding the fact of "not being a member of the Supervisory Board of the Company for more than 12 years" to the criteria used for determining the independence of a member.

The Company is therefore now in full compliance with this recommendation of the AFEP-

MEDEF Code.

Lastly, since Rémy SAUTTER, member of the Audit Committee, resigned from the Supervisory Board at the end of the Annual General Meeting of 28 April 2015, the Audit Committee now comprises four members, three of whom, representing 75%, are independent.

The Company is therefore now in full compliance with this recommendation of the AFEP-MEDEF Code under which the Audit Committee must be at least 2/3 comprised of independent members.

I - ORGANISATION AND OPERATION OF THE SUPERVISORY BOARD

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

1.1 Composition of the Supervisory Board

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

When the Supervisory Board was renewed on 3 May 2012, members were appointed for terms of 2, 3 or 4 years in accordance with Article 20.2 of the Bylaws, in order to introduce staggered terms of office and thus comply with the AFEP/MEDEF recommendation on this matter. At the end of each of these periods, each member may be reappointed for a further term of 4 years.

At the Annual General Meeting of 28 April 2015, since Albert FRERE, Chairman of the Supervisory Board since 2000, did not wish to renew his term of office, Guillaume de POSCH was appointed Chairman of the Supervisory Board during the first meeting of the Board following the General Meeting held on 28 April 2015.

At 31 December 2015, the Supervisory Board was therefore made up of the following members:

- Guillaume de POSCH, Chairman, member of the Remuneration and Appointments Committee,
- Guy de PANAFIEU, Vice-Chairman, Chairman of the Audit Committee and member of the Remuneration and Appointments Committee,
- Gilles SAMYN, Chairman of the Remuneration and Appointments Committee and member of the Audit Committee,
- Mouna SEPEHRI, member of the Audit Committee,
- Elmar HEGGEN, member of the Audit Committee,
- Delphine ARNAULT,
- Christopher BALDELLI,
- Philippe DELUSINNE,
- Vincent de DORLODOT,
- Sylvie OUZIEL,
- Anke SCHAEFERKORDT,
- Société Immobilière Bayard d'Antin, represented by Catherine LENOBLE.

Six of these members are French nationals and six are Europeans, including four Belgian nationals and two German.

The changes made to the composition of the Board during the 2015 financial year were as follows:

Name	Nature of change	Date	Impact of greater Board diversity
Albert FRERE	Term of office not renewed	28/04/2015	-
Remi SAUTTER	Resignation	28/04/2015	-
Anke SCHAEFERKORDT	Appointment	28/04/2015	Greater female representation
Sylvie OUZIEL	Appointment	28/04/2015	Greater female representation Independence

The term of office of each member is specified in the Registration Document (2.1.1).

The list of positions held by each member is disclosed in the Group's 2015 Registration Document (section 2.1).

In accordance with §19 of the AFEP/MEDEF Code, no Supervisory Board member holds more than four terms of office within non-Group listed companies, including at international level.

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

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

According to the Supervisory Board's internal regulations, a member is considered to be independent if he/she satisfies the following criteria on the date upon which his/her status as an independent member is assessed:

- Not to be, or have been for the previous five years, an employee or a corporate officer of the Company, or an employee or a member of the Board of its parent company or a company it consolidates
- Not to be a corporate officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office for less than five years) is a director;
- Not to be a customer, supplier, investment banker or commercial banker:
 - o that is material to the Company or its group,
 - o or for which the Company or its group accounts for a significant part of its business.
- Not to have been a Statutory Auditor of the Company within the previous five years;
- Not to be a member of the Supervisory Board for more than twelve years, it being specified that according to the AFEP-MEDEF recommendation, the loss of status as an independent director under this criterion should only occur at the end of the term of office during which the period of 12 years was exceeded;

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

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

At its meeting of 23 February 2016, the agenda of which included the annual review of the independence of Board members, the Board particularly focused on the concept of significant business links. It more specifically checked that the volume of advertising business done with groups with whom certain of its members have links does not contribute significantly to the Group's revenue. It also addressed the question of the potential volume of services or purchases of external services that the Group may have carried out with groups to which certain of its independent directors are connected.

To this end, it reviewed the amounts of the transactions effected with each of the groups within which independent members of the Board performed management duties during the financial year (Renault for Mouna SEPEHRI, LVMH for Delphine ARNAULT and Allianz for Sylvie OUZIEL) and compared them with the Group's revenues in 2015. The Board considers that these figures cannot not be made public, to avoid disclosing information that could prove useful to rival companies. However, it has been able to gauge that these figures did not materially differ from those of competitors to compromise independence.

In view of these elements, the Supervisory Board has found that M6 does not have a significant business relationship or any business relationship with the companies in which the independent board members hold executive positions.

At the date on which this document was drafted, it is stated that neither Gilles SAMYN nor Guy de PANAFIEU have any business relationship either directly or indirectly with the Group.

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

- Delphine ARNAULT,
- Sylvie OUZIEL,
- Guy de PANAFIEU,
- Gilles SAMYN,
- Mouna SEPEHRI.

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

Independent members of the Supervisory Board	Delphine Arnault	Sylvie Ouziel	Guy de Panafieu	Gilles Samyn	Mouna Sepehri
Not to be, or have been for the previous five years: o an employee or a corporate officer of the Company of a Group company o a corporate officer of a company in which the Company is member of a Board or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office for less than five years) holds a term of office	✓	✓	✓	✓	✓
Not to be a customer, supplier, investment banker or commercial banker that is material to the Company or its Group, or for which the Company or its group accounts for a significant part of its business	✓	✓	✓	✓	✓
Not to be a member of the corporate officer's immediate family	✓	✓	✓	✓	✓
Not to have been a Statutory Auditor of the Company within the previous 5 years	✓	✓	✓	✓	✓
Not to be a member of the Supervisory Board for more than 12 years.	✓	✓	✓	✓	✓
Not to be a shareholder of the Company or its parent company with a shareholding or Company voting rights in excess of 10%.	✓	✓	✓	✓	✓

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

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

Lastly, each new member is offered training in the form of a series of interviews with the Group's main operational directors and is also provided with detailed documentation on the Group's governance, strategy and business sectors.

▪ **Increased female representation on the Board**

As regards male and female representation on the Board, we remind you that at 31 December 2015, the Board comprised five female members (42% of the Board), which makes the Company comply early with the provisions relative to a "balanced male and female representation within boards of directors and supervisory boards and gender equality at work" introduced by the Law n°2011-103 of 27 January 2011 and the recommendation of the AFEP-MEDEF Code.

1.2 Conditions of preparation of the work of the Supervisory Board

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

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

Works Council representatives also benefit from the same information within the same time frames as Supervisory Board members.

1.3 Supervisory Board meetings

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

In 2015, the Supervisory Board met five times in compliance with the quarterly legal framework and the schedule of decisions submitted to it for approval.

The overall attendance rate of its members was 80.0 % in 2015, and at least one Works Council representative attended each meeting. A detailed table of the attendance of each Board member is provided in Paragraph 2.1 of the Registration Document. A detailed table of the attendance of each Board member is provided in Paragraph 2.1 of the Registration Document.

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

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

At each meeting and at least once each quarter, the Executive Board presented a report to the Supervisory Board on the progress of the company's activities. Within three months following the end of the financial year, the Executive Board presented the Supervisory Board with the parent company and consolidated financial statements, for verification and control, accompanied by a written report on the Company's position and activity during the course of the financial year.

Moreover, a Supervisory Board meeting took place outside the presence of the Executive Board members and Group employees in accordance with Recommendation 10.4 of the AFEP-MEDEF Code.

1.4 Statutory rules on prior approval

Pursuant to the provisions of Article 24.3 of the Bylaws, the following Executive Board decisions shall be subject to the Supervisory Board's prior approval:

- significant transactions which may impact Company and group strategy, changing their financial positions and scope of operations;
- investments and commitments (including equity investments) with a total investment exceeding €20 million, insofar as these investments have not been budgeted;
- divestments (including disposal of equity investments) and/or dilutions of a total amount or having an impact on the balance sheet exceeding €20 million, insofar as these divestments have not been budgeted;
- the issuance of securities of whatever kind, liable to result in changes in the share capital.

1.5 Supervisory Board's internal regulations

At its first meeting on 20 May 2000, the Supervisory Board adopted its own internal regulations, supplemented on 30 April 2003, 6 May 2008, 27 May 2012 and 17 February 2015, which primarily specified and supplemented the Company's Bylaws regarding its organisation and operation: in particular, arrangements for Board meetings, how the Board exercises its powers, as well as the composition, purpose and powers of its Committees.

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

- the equal representation of men and women;

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

It was formally readopted by the Supervisory Board at its meeting of 17 February 2015.

It specifies the role and the modus operandi of the Board and its Committees in accordance with the law, Métropole Télévision's Bylaws and the corporate governance rules mentioned in the AFEP-MEDEF Code and the Poupart Lafarge report on the Audit Committee dated 22 July 2010.

The first Article sets out the obligations of Board members. Their principal obligations include:

- legal and statutory obligations pertaining to their status as members of the Supervisory Board;
- attendance and expertise and independence criteria;
- equal representation of men and women;
- obligation relating to ownership of Company shares;
- obligations regarding confidentiality;
- other obligations incumbent upon Supervisory Board members and in particular the obligation for every member of the Board to inform the Board of any situation involving a conflict of interests, even a potential one, between them and the Company or the Group.

Therefore, depending on the case, they shall:

- abstain from voting on the corresponding deliberation,
- refrain from attending Board meetings during the period he/she is in conflict of interest, or
- resign his/her duties as member of the Board.

The Supervisory Board member may be held liable for their failure to comply with these rules of abstention, or withdrawal.

Moreover, the Chairman of the Supervisory Board will not be required to forward to the members, about whom he has serious grounds for suspecting they are faced with a conflict of interests, the information or documents relating to the conflicting issue and will inform the Board that he has not handed over such information.

Internal Regulations also specify the operating rules and the terms and conditions of governing Board meetings:

- convening, frequency and conditions for holding the meetings;
- Board Secretary and drafting of minutes.

They set out the principles and conditions for the Board exercising its powers:

- committee operation, expertise and role;
- access to and circulation of information and in particular quarterly information regarding the Company's financial position and cash flow as well as its commitments.

The Board's Internal Regulations also structure how the Committees operate, particularly in relation to the following:

- composition of the various Board committees (Audit Committee and Remuneration and Appointments Committee);
- the operating rules and the definition of the missions and powers of the various Board Committees.

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

1.6 Matters discussed by the Supervisory Board in 2015

The key matters discussed by the Supervisory Board during the 2015 financial year mainly concerned:

- interim and annual consolidated financial statements;
- the budget for the 2016 financial year;
- the results for the quarters ended 31 March and 30 September 2015;
- major investment projects, particularly in programming;
- the renewal of the share buyback agreement for subsequent cancellation and the treasury management agreement with RTL Group;
- the allocation of free shares to certain employees and/or corporate officers;
- the renewal of the authorisation given to the Executive Board to grant deposits, guarantees and sureties;
- the appointment of a new member to the Executive Board;
- assessment of the independence of Supervisory Board members;
- the appointment of a new Chairman of the Supervisory Board;
- amendment of the Supervisory Board's internal rules,
- self-assessment of the Supervisory Board's work;
- consultation on gender equality at work and equal pay.

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

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

1.7 Self-assessment of the Supervisory Board's work

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

This evaluation is structured into four chapters:

- Principles of Supervisory Board intervention,
- Composition of the Supervisory Board and relationship with the Management Board,
- Holding of Supervisory Board meetings,

- Supervisory Board committees.

For each item, members are asked to give a rating of between 1 (the highest rating) and 4 (the lowest rating).

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

The following emerged from the 2016 review:

- There is sufficient information available for the Board to be able to oversee the performance of the Executive Board, and more specifically, the achievement of strategic objectives;
- Members of the Board feel that they have the opportunity to contribute to discussions and have enough time to express their views;
- Members of the Board are sufficiently informed of any external development (legislative, strategic, sector-specific, etc.) likely to affect the Company and its competitors;
- meetings are carried out in a manner that promotes quality and fully transparent discussions. Supervisory Board members also consider that the Group has made progress in this area in comparison with the 2015 assessment;
- One of the areas for improvement could concern the process of integrating Supervisory Board members.

1.8 Remuneration and Appointments Committee

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

At 31 December 2015, the Committee was chaired by Gilles SAMYN, an independent member, and was made up of the following members:

- Gilles SAMYN, independent member,
- Guy de PANAFIEU, independent member,
- Guillaume de POSCH.

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

As defined in the Internal Regulations, the Remuneration and Appointments Committee meets at least once a year and has the following responsibilities:

- to make recommendations for the remuneration of members of the Supervisory Board and the Executive Board;
- to review the free share allocation plan or plans of which Executive Board members and employees are beneficiaries;
- to consider every candidate for appointment or replacement of any member of the Supervisory Board or the Executive Board.
 - to prepare in good time the recommendations for the replacement of the Chairman and members of the Executive Board, as well as of the Chairman of the Supervisory Board;
 - discuss the independence of Supervisory Board members;
 - review the balance of the composition of the Supervisory Board in particular in accordance with the shareholding and gender distribution;
 - annually evaluate the Board's work in order to help draft the Chairman of the Supervisory Board's report on corporate governance;
 - ensure the prevention of conflicts of interest that could arise within the course of corporate life.

The Remunerations and Appointments Committee also regularly reviews succession issues relating to Executive Board members in order to be able to propose solutions to

the Supervisory Board in the event of a vacancy.

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

The Committee met three times in 2015, on 17 February, 20 July and 16 December, and ruled on:

- the calculation of the Executive Board members' variable remuneration for 2014;
- the definition of objectives for the calculation of Executive Board members' variable remuneration for 2015;
- the achievement of performance conditions for releasing the free share allocation plan of 2013, with delivery on 26 July 2015, and 2014, with delivery on 15 October 2016;
- the conditions for the annual allocation of free shares;
- the authorisation of the Supervisory Board's attendance fees scale.

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

The attendance rate of its members was 100% in 2015.

1.9 Audit Committee

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

▪ Composition

At 31 December 2015, the Audit Committee comprised four members selected for their expertise. Three of the members are independent within the meaning of the criteria mentioned in Section 1.1 above.

At 31 December 2015, the Committee was chaired by Guy de PANAFIEU, an independent member, and was made up of the following members:

- Guy de PANAFIEU, independent member,
- Gilles SAMYN, independent member,
- Mouna SEPEHRI, independent member,
- Elmar HEGGEN.

The Chairman organises and structures the work of the Committee.

▪ Expertise

All members of the Audit Committee have the appropriate accounting and financial expertise, as evidenced by their past or current professional positions:

- Guy de PANAFIEU is deemed to have the relevant financial expertise due to his tenures as Chief Executive Officer or Director of several major international corporations, and as Senior Advisor to Crédit Agricole Corporate and Investment Bank and as a Director of SANEF SA and Médica SA.
- Gilles SAMYN was selected by the Board for his professional experience in the financial field, acquired in particular in his capacity as Deputy CEO of the Frère Group and Compagnie Nationale à Portefeuille.

- Elmar HEGGEN holds an MBA in finance and has held a variety of finance and strategy positions, which led to his current position as Chief Financial Officer and Head of Corporate Center of RTL Group.
- Mouna SEPEHRI was retained by the Board for her expertise, acquired within the Renault Group over the past 18 years, in major acquisitions and strategic partnerships, including the Renault-Nissan Alliance. Executive Vice-President, Office of the CEO at Renault, she oversees the corporate functions delegated to Senior Management, including the Legal Department, which also equips her with expertise in the field of internal control and risk management.

▪ **Operation**

Based on the Internal Regulations, completed with recommendations from the AMF (Final report on audit committees, dated 22 July 2010), the Audit Committee defined its Operating Charter in July 2011.

The Audit Committee meets at least twice a year and has the following responsibilities:

- In relation to the financial statements:
 - to review the annual financial statements prior to their submission to the Board;
 - to monitor the relevance and consistency of the accounting principles and rules used for the preparation of the financial statements and to prevent any potential violation of these rules;
 - to review the preliminary and interim results as well as the accompanying notes, prior to their publication, and
 - to monitor the financial reporting process and ensure the quality of the processes enables compliance with stock market regulations.
- In relation to the internal control of the Company:
 - to assess the proposed appointments and replacements of the Company's statutory auditors and their remuneration; and more specifically, to oversee the procedure for selecting statutory auditors,
 - to review each year with the statutory auditors their assignment plans, the findings thereof and their recommendations as well as the follow-up actions implemented.
- In relation to the internal control of the Company:
 - assess the Group's and its subsidiaries' internal control systems with internal control officers;
 - review with them the response and action plans in the field of internal control, the findings of these responses and measures, and the action that is required of them;
 - monitor the efficiency of internal control and risk management systems;
- In relation to risks:
 - regularly review with the Executive Board of the Company the main risks to which the business is exposed as well as the significant off balance sheet commitments.

In order to fulfil its mission, the Audit Committee is provided with all the documents it deems necessary or useful and contacts all persons it deems necessary or useful to consult to carry out its review, particularly the Statutory Auditors (including at least one meeting without the Executive Board and Finance Department in attendance), as well as the CFO and his principal assistants. A detailed file is prepared by the Company's financial staff for each Audit Committee meeting.

It may also be assisted by external consultants, at the Company's expense.

On this basis, the Audit Committee makes recommendations to the Executive Board regarding financial reporting, as well as financial, accounting or taxation issues that the

Group may have to face.

The Audit Committee presents the conclusions of its deliberations to the Supervisory Board at the meetings to discuss the interim and annual financial statements. The Committee has sufficient time to review the financial statements, as files are sent more than five working days before each meeting.

Audit Committee meetings relative to the review of full-year and interim financial statements are always held between the approval of the financial statements by the Executive Board and the subsequent meeting of the Supervisory Board.

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

The Committee met three times in 2015. Its work included:

- the review of the parent company and consolidated financial statements;
- the review of the interim consolidated financial statements at 30 June and quarterly consolidated financial statements at 31 March and 30 September;
- the review of off-balance sheet commitments;
- the 2016 budget;
- the review of the financial parts of the Registration Document;
- the review of the Group's Sustainable Development Report;
- the monitoring of the treasury position and the working capital requirements of the Group;
- a follow-up of the year's internal control assignments;
- the review of the risk-mapping;
- the review of the Group's insurance policies;
- 2015 assignments and fees of the Statutory Auditors and the 2015-2016 audit plan;
- the follow-up of financial reporting.

The Committee met without the Executive Board and members of the Company's Finance Department in attendance during the session of 23 February 2016.

The Committee reported on its work to the Supervisory Board, which was duly noted. Minutes of every meeting are prepared and approved at the following meeting.

The attendance rate of its members was 76.9% in 2015.

The Audit Committee carries out an assessment of its own operation on an annual basis by filling out the Supervisory Board's assessment questionnaire provided to all Board members, a section of which is reserved for the Audit Committee.

The 2016 assessment highlighted that:

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

II- PRINCIPLES AND RULES GOVERNING CORPORATE OFFICERS' REMUNERATION

The principles and rules for determining the remuneration of the corporate officers are set out in section 2.3 of this Registration Document.

III- PARTICIPATION OF SHAREHOLDERS IN GENERAL MEETINGS

The terms and conditions of participation of shareholders in General Meetings is described in Article 29 of the Bylaws.

IV- FACTORS LIKELY TO HAVE AN EFFECT IN THE EVENT OF A PUBLIC OFFER

It should be noted that within the framework of the provisions of Article 39 of the Law of 30 September 1986, no single private individual or entity, acting alone or in concert, may directly or indirectly hold more than 49% of the share capital or voting rights of a company holding a broadcasting licence for a national terrestrial free-to-air television service.

The Company cannot therefore be the subject of a public offering.

The items listed in the Management Report are mentioned in the correspondence table (Section 9.9 of the Registration Document).

V- INTERNAL CONTROL PROCEDURES AND RISK MANAGEMENT

This section has been prepared by the Audit and Risk Management Department and checked by the Chief Financial Officer. It was prepared on the basis of the principal conclusions arising from the work carried out in 2015 on internal control and risk management. The results of this work were reviewed in 2015, specifically at the time of Audit Committee meetings that were held throughout the year.

5.1 General organisation of internal control

5.1.1 Definition of internal control

In order to mitigate the risks the Group faces, M6's Executive Management set up an internal control system closely associated with operational management and which acts as a decision-making tool for Management.

This internal control is based on the benchmark of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the recommendations on corporate governance and internal control prepared by the AMF, which take into consideration legal and regulatory obligations as well as good professional practices.

The Métropole Télévision Group (Métropole Télévision SA and its consolidated subsidiaries) defines internal control as a process that consists of setting up and continuously revising appropriate management systems, with the aim of providing directors and senior executives with reasonable assurances that the financial information is reliable, that legal and internal regulations are complied with and that the principal business processes (IT systems, structures and procedures) operate in an effective and efficient manner. In addition, one of the objectives of an internal control system is to prevent and manage the risk of error or fraud.

As with all control systems, it cannot provide an absolute guarantee that these risks are fully eliminated or controlled. The mechanism implemented aims to reduce the probability

of their occurrence by the implementation of appropriate action and prevention plans.

5.1.2 Risk mapping

Every year, the Group prepares and updates a summary of all the operational and functional risks incurred by its various teams. Risks related to the business, major operational risks, legal risks, counterparty risks, market risks and lastly industrial and environmental risks including financial risks related to the effects of climate change are specifically recorded.

This assessment determines events that may have an adverse effect on the achievement of the Group's objectives and specifies the causes and consequences of the latter in order to implement action plans to curtail their effects and provide for their close monitoring.

This work is carried out with the support of members of the Executive Committee of the Group and the senior operating and functional executives.

This risk mapping is presented once or twice annually to the Audit Committee.

The main risks facing the Group are discussed in the current Management Report, in the section of Chapter 4 relating to risk factors and how they are managed.

5.1.3 Allocation of operating and functional executives' responsibilities

Responsibility for the control of risks is entrusted to the member of the Executive Board in charge of management operations, with the assistance of the Audit and Risk Manager who coordinates the control assignments in line with the action plan approved by the Executive Board. This member ensures continuous monitoring of the internal control mechanism and, where appropriate, calls on external assistance.

The Métropole Télévision Group internal control system is based on all the policies and procedures defined by every functional department and by all operating units on the basis of the different risks identified:

- the internal control procedures in the area of cross-group activities are defined by functional management. They concern mainly the Finance, Human Resources, Communications, Strategy and Development, Legal and Technical Departments.

- the internal control procedures specific to operational departments are defined at their respective level. Thus:

- programme management monitors the costs and risks of content;
- the advertising section seeks quality in the channels' partners and standardisation of marketing depending on the programmes;
- the management of the diversification subsidiaries (other than television) ensures the quality of their contractual partners and monitors the development of trademarks created by Group channels.

5.2 Description of internal control procedures

5.2.1 General organisation of internal control procedures

In order to attain its operational and financial goals, the Group has implemented organisational and internal controls as part of the general organisation described above.

a. Corporate governance: forms and procedures

Since 2000, Métropole Télévision has been a limited liability company with an Executive Board and Supervisory Board. This legal form facilitates the separation between company management, which is the responsibility of the Executive Board, and the supervision of that management, performed by the Supervisory Board. It therefore satisfies the regulatory constraints imposed by the agreement with the Conseil Supérieur de l'Audiovisuel (CSA), which governs the operation and broadcasting rules of the network.

The rules of corporate governance in the Métropole Télévision Group are set down in the Bylaws (Articles 14-19 for the Executive Board and Articles 20-24 for the Supervisory Board) in the 2015 annual report and in the first part of this report.

b. Operational control participants

Internal control is monitored at all levels within the Group. The Executive Board has delegated internal control powers to the following collegial organisations or functional departments:

- The Executive Committee ensures the effective implementation of the Group's internal control policy (both operational and functional), by monitoring and following up on the internal control work carried out across the Group.

It meets twice a month. It has eighteen members, including the Executive Board, and includes the main functional and operational departments of the Group: the Programming Department, managers of the diversification, audiovisual rights, distance selling and Internet divisions, as well as the Development, Finance, Strategy, Human resources, Legal, Corporate Secretary and Technical departments.

- The Management Committee is responsible for informing the Group on major decisions and communicating the internal control policy to the various entities.

It meets twice a month and comprises members of the Executive Committee as well as representatives of the main operations or departments: programming, M6 programmes, studies and digital channels.

- The Group's Finance Department

- co-ordinates and steers the weekly and monthly reporting of majority-held subsidiaries, thereby guaranteeing regular financial updates to the Group;
- co-ordinates certain financial transactions that are of importance to the Group;
- in consultation with the subsidiaries, manages the Group's cash flow and exchange risks by setting up financial indicators and hedge instruments as it considers appropriate;
- monitors the handling of direct and indirect taxation as part of tax planning;
- in collaboration with the subsidiaries, implements a network of management controllers suited to the needs of the Group's individual business units;
- strengthens the procedures covering the security of accounting information and the reporting of information for consolidation purposes.

- The Audit and Risk Management Department:

- centralises and coordinates all aspects of risk management (risk identification), internal control (definition of internal control procedures) and internal audit (implementation of an annual internal audit plan);
- reports its findings to the operational departments, the Executive Board and the Audit Committee.

- The Group's Legal Department

- issues legal opinions for all Group subsidiaries;

- liaises with the subsidiaries and other functional departments to prepare and negotiate contracts;
 - Implements a network of legal experts to monitor and manage the Group's legal risks.
- The Corporate Secretary ensures compliance with laws and provisions specific to the Group's operating activities and follows legal and regulatory developments that may have an impact on the various entities.

c. Company Internal References

In order to enable each of its employees to take part in reinforcing internal control within operations, the Company implemented the following:

- an Ethics Code which has been communicated to, and which must be observed by all employees of the Métropole Télévision Group. This Code details the Company's ethical values and defines the professional principles which Group Directors and employees must adhere to in their own conduct and which must guide the steps they undertake;
- descriptive manuals specifying the operational and administrative processes applying to all its operations of whatever nature;
- an expense control procedure backed by a system for the delegation of signatory powers. These delegations of powers are updated and formalised on a regular basis as the roles and responsibilities of delegating individuals change. At the time of each modification to delegations of power, strict compliance in relation to segregation of duties between the validation of an operating expense, its recognition and its payment is strictly ensured. The implementation of a new expense management monitoring tool, started in 2012 and continued in 2013, reinforced this process;
- procedure for artistic validation of programming content, ensuring it respects editorial and ethical values and current legislation. This procedure is enacted by preparing recommendations for the attention of Programme Management.
- a compliance programme regarding the competition rules introduced in 2013 and comprised of a Code of Conduct and practical training on the principles included in the Code.

The key Group documents are available on the Group's intranet. Functional managers are responsible for their circulation.

d. Rules governing the preparation of financial and accounting information

The internal control procedures relating to the preparation and processing of financial and accounting information are primarily implemented by the Accounting, Consolidation and Management Control divisions of the Group's Finance Department.

Most of these processes are also deployed within the subsidiaries to standardise the current modus operandi of the Group.

5.2.2 Principal internal control procedures established by the Company

The Métropole Télévision Group has a system of centralised internal control procedures with a high rate of hierarchical control based on a priori control of decisions and strict monitoring of individual objectives.

The Group's operational control procedures involve monitoring expenses, programming, content, quantity and compliance with regulations (CSA, CNC, etc.).

The main procedures applied within the Group include:

- an integrated management system, tailored to the audiovisual sector, which allows the simultaneous management of programme purchases and their broadcast, as well as the

sale of advertising space;

- a financial reporting system with an expense monitoring tool added to it in 2012 to provide for closer internal control of purchasing; Besides the operational contribution of this tool, which is recognised as the benchmark in its market (numerous automated checks, strict rules for the segregation of tasks and security), the responsibilities assigned to the various internal control players and the main internal control procedures have been both updated and strengthened. The Company took this opportunity to set up a team dedicated to purchase management. Reporting to the Group Finance Department, this team is in charge of the management of this tool as well as central order processing and monitoring.
- centralisation of cash management transactions.

The Group's internal controls for the preparation and processing of financial information comprise a number of procedures:

a. Accounting procedures

The Accounts Department records all movements and gathers all accounting documentation throughout the accounting period using financial reporting systems controlled by system administrators which ensure such systems are correctly used and monitor updates in close collaboration with the publishers.

Document validation paths prioritise the Accounts Department and internal procedures, such as dual control, exist to ensure a posteriori control of the consistency in accounting entries. Detailed reviews are conducted at each balance sheet date to check the work carried out.

Lastly, specific procedures relative to monitoring customer risk are applied in every accounting department: they relate to all stages of the commercial relationship, from initial contact with the customer (completion of solvency check) to collection of the receivables (different terms of payment, application of late penalties and procedures for recovery of unpaid invoices).

b. Consolidation procedures

The Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union on 1 January 2005.

The Consolidation Department ensures that accounting standards are consistently applied throughout the Group and are in line with IFRS developments. It also collects and monitors non-accounting data included in financial communications.

The Group publishes quarterly reports on the consolidated revenue, consolidated EBITDA and financial position, and interim reports on the results. It also issues financial documentation annually, as required for a company listed on a regulated market.

c. Reporting procedures and budgetary control

The Reporting Department is part of the Management Control Department. It collects and analyses data on a weekly or monthly basis depending on the activity in question.

The first step in this process is the preparation of a three-year strategic plan, approved by the Executive Board. The second step consists of establishing an annual budget analysed by month.

Although the budgetary process is decentralised to the level of each entity, its

organisation and coordination is carried out by the central management control. In addition, every entity or subsidiary presents its budget to the Executive Board and to the Finance Department. This budget is subject to a quarterly update to provide optimum management of Group forecasts.

Reporting is then reviewed monthly with operational staff who are in a position to monitor and explain progress towards their budget objectives.

To complete this monthly reporting, all operational entities are included on the weekly management report (revenue, programming costs, gross profit) or daily report (revenue statistics).

d. Monitoring off-balance sheet commitments

The Group has an integrated tool to manage the rights portfolios and programming of its television activities, which comprise most of the Group's off-balance sheet commitments. The other off-balance sheet commitments are summarised by the Finance Department in close collaboration with the Legal Department in a half-year report.

At the balance sheet date, the Finance Department obtains the information required to report consolidated off-balance sheet commitments from all Group departments.

e. Monitoring non-current assets

The Group's non-current assets are monitored using asset management software and a special application to manage audiovisual rights. At each balance sheet date, the information generated by this software is reconciled with the accounting records.

Regular physical inventories and asset reviews ensure that the operating assets exist and have been accurately valued.

5.3 Conclusions and outlook

During 2015, M6 Group focused on the continuous improvement of internal control processes by strengthening tools, procedures (notably those which protect the Group from possible fraud attempts) and its information systems security policy.

Furthermore, in 2015 the Audit and Risk Management Department carried out a campaign to assess the internal control procedures overseeing the main risks associated with the preparation of the Group's financial statements.

The internal audit assignments carried out in 2015 mainly related to the procedures for creating and amending the bank details of third parties, to reviewing insurance coverage for audiovisual productions, to the key processes of subsidiaries recently acquired by the Group, the organisation and efficiency of the operational procedures of production subsidiaries, the IT access to the main IT systems and to the hacking risks borne by them, the management of application financial statements and lastly to the updating of expense procedures. These assignments did not bring to light any major shortcoming or inadequacy in the internal control process. Where applicable, the recommendations issued were subject to an action plan by operational structures and were followed up by the Audit and Risk Management Department.

As is the case every year, work has been carried out to update risk-mapping and action plans have been defined to cover the main issues associated with internal control.

The Audit Committee has received regular updates on all this work.

In 2016, M6 intends to continue this risk management and continuous procedure improvement process by continuing to improve the accountability and awareness of the operational entities in relation to internal control issues.

Neuilly sur Seine, 23 February 2016

Chairman of the Supervisory Board

2.7 Statutory Auditors' report on the report by the Chairman of the Supervisory Board

PricewaterhouseCoopers Audit

63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres

1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

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

Share capital: €50,565,699.20

Financial year ended 31 December 2015

Statutory Auditors' report, prepared in application of Article L. 225-235 of the Commercial Code on the report by the Chairman of the Supervisory Board of Métropole Télévision

To the Shareholders,

As Statutory Auditors to the Métropole Télévision company and in application of the provisions of Article L.225-235 of the Commercial Code, we hereby present our report on the report prepared by the Chairman of the Supervisory Board in accordance with the provisions of Article L.225-68 of the Commercial Code for the financial year ended 31 December 2015.

It is the Chairman's responsibility to prepare a report, to be submitted for the Supervisory Board's approval, on the internal control and risk management procedures implemented within the Company and providing any other information required by Article L. 225-68 of the Commercial Code, relative notably to the area of corporate governance.

Our role is to:

- communicate any observations we may have on the information contained in the report of the Chairman concerning internal control procedures regarding the preparation and processing of accounting and financial information, and
- certify that this report includes the other information required by Article L. 225-68 of the Commercial Code, noting that we are not required to verify the accuracy of this other information.

We have performed our work in accordance with professional standards applicable in France.

Information on the internal control procedures in respect of the preparation and processing of accounting and financial information.

Professional standards require the performance of due diligence procedures to assess the fairness of information presented in the Chairman's report regarding internal control and risk management procedures for the preparation and processing of accounting and financial information. Specifically, these procedures consist of:

- becoming familiar with internal control and risk management procedures regarding the preparation and processing of accounting and financial information supporting the information provided in the Chairman's report, as well as existing documentation;
- becoming familiar with the work done to prepare this information and the existing documentation;
- establishing if major deficiencies of internal control regarding the preparation and processing of accounting and financial information that we may have identified as part of our assignment were properly supported by information provided in the Chairman's report.

On the basis of our work, we have no observations to formulate on the description of internal control and risk management procedures regarding the preparation and processing of accounting and financial information contained in the report of the Chairman of the Supervisory Board, prepared in application of the provisions of Article L. 225-68 of the Commercial Code.

Other information

We certify that the report of the Chairman of the Supervisory Board includes the other information required by Article L. 225-68 of the Commercial Code.

Neuilly-sur-Seine and Paris La Défense, 23 February 2016

The Statutory Auditors

PricewaterhouseCoopers Audit

Anne-Claire Ferrié
Partner

Ernst & Young et Autres

Bruno Bizet
Partner

2. CORPORATE GOVERNANCE

Statutory Auditors' report on the report by the Chairman of the Supervisory Board



3 SHARE CAPITAL

3.1	Share listing	134	3.8	Share subscription option plans.....	144
3.2	Information policy and documents available to the general public.....	135	3.8.1	Information on share subscription options	144
3.3	M6 share price and trading volume	136	3.8.2	Ten most significant stock option beneficiaries and ten most significant option exercise transactions by employees (excluding corporate officers)	146
3.4	Dividend policy	138	3.8.3	Share capital transactions carried out by corporate officers, senior executives and related parties during the last financial year	146
3.5	Main shareholders at 31 December 2015	138	3.9	Free share allocation plans	148
3.6	Buyback by the Company of its own shares	140	3.10	General information on the share capital	149
3.6.1	Report on the 2015 share buyback plan.....	140	3.10.1	Changes in the share capital and voting rights	149
3.6.2	Report on the previous share buyback plan.....	141	3.10.2	Potential share capital	150
3.6.3	Report on the current share buyback plan.....	143	3.10.3	Acquisition by Métropole Télévision of its own shares: current delegations, authorisations and their use	151
3.7	Treasury shares.....	143	3.10.4	Form of shares and rights attached to shares	151
			3.10.5	Employee shareholding	152

3.1 Share listing

The Métropole Télévision share is listed under Eurolist Compartment A (companies whose average market capitalisation exceeds €1 billion). The Métropole Télévision share is a component of the CAC MID 60, SBF 120, CAC Mid & Small, CAC All-Tradable, CAC All-Share, CAC Media and CAC Consumer Service indices. The Métropole Télévision share is also eligible for SRD (deferred settlement service).

The ISIN code of the company is FR0000053225 and its ticker MMT.

On the Paris stock exchange, the share price opened 2015 at €15.52 on 2 January and closed the year at €15.84 on 31 December, reaching its lowest closing trading price of €15.245 on 6 January and its highest trading price of €19.96 on 13 April. The Company's share price increased by +1.70% over the year (movement based on the last prices quoted in 2014 and 2015).

Over the same period, the CAC 40 grew by 8.53%, whilst the Stoxx Europe 600 Media, the benchmark index for European media values, rose by 12.00%.

European media sector securities (the sample used includes: Antena 3, ITV, M6, Mediaset España, Mediaset Spa, NRJ Group, NextRadioTV, Pro7Sat1, SkyDeutschland, TF1, RTL and Vivendi) had mixed fortunes during 2015, registering variations in share prices that ranged from losses of 19.42% (TF1) to gains of 49.77% (NRJ Group). NextRadioTV (up 38.59%), ProSiebenSat.1 (up 34.27%) and ITV also stood out this year, whilst the Spanish groups Mediaset España (down 3.97%) and Atresmedia (down 15.46%) were down at the end of the year.

At 31 December 2015, the Company's market capitalisation was €2,002.1 million.

The average number of shares traded daily on Euronext in 2015 was 160,191 compared with 167,976 in 2014.

Comparative trends of M6 share and the CAC 40 and DJ EuroStoxx Media indices between 1 January and 31 December 2015:



Stock market performance since 2011*

	2011	2012	2013	2014	2015
Number of shares	126,383,964	125,883,964	125,965,449	126,262,437	126,414,248
High price (€)	18.90	14.05	18.035	17.115	19.96
Low price (€)	9.38	9.57	11.40	12.03	15.245
Closing price (€)	11.53	11.82	16.65	15.58	15.84

*Data based on closing price

Sources: Bloomberg & Euronext

3.2 Information policy and documents available to the general public

In order to establish and maintain frequent communication with shareholders and the overall financial community, a large number of meetings, in addition to the Annual General Meeting of 28 April were organised in 2015, including:

- a meeting to present the annual results;
- a conference call on the occasion of the publication of the half-year results.

In addition, the Group organised frequent meetings with the financial community in France and abroad during road shows and investor conferences. Lastly, numerous individual meetings with analysts, investors and managers took place in 2015.

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

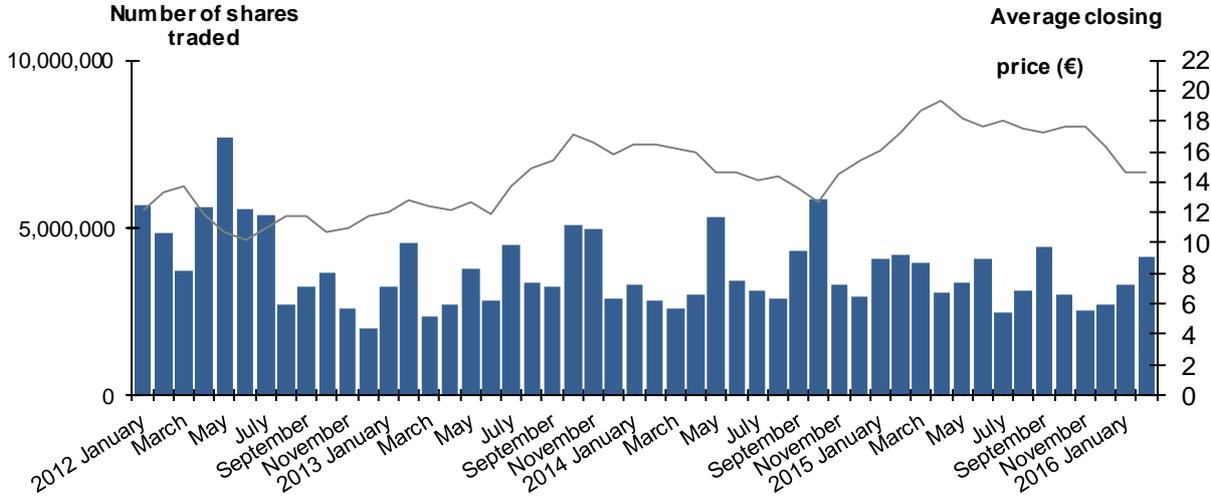
Shareholders may also contact the Company using the dedicated e-mail address: actionnaires@m6.fr.

In compliance with the Directive 2004/109/EC of the European Parliament and Council of 15 December 2004 (Transparency Directive), the website also features a section dedicated to regulatory information, which comprises all required publications. M6 Group calls on a professional publisher to ensure its effective and comprehensive publication. A notice of General Meeting is sent to all holders of registered shares on request.

The Group is also committed to developing balanced and transparent relationships with its shareholders. Measures taken to achieve this are described in section 7.3.4.3 of this document.

3.3 M6 share price and trading volume

Share price and trading volume on Euronext since January 2012:



Sources: Euronext



3. SHARE CAPITAL
M6 share price and trading volume

Date	Number of shares traded	Average closing price (€)	Monthly high (€)	Monthly low (€)	Trading value (€ millions)
2012 January	5,647,530	12.15	13.07	11.35	68.43
February	4,857,154	13.33	13.68	12.81	64.42
March	3,714,261	13.68	14.05	13.09	51.03
April	5,610,559	11.92	13.30	11.00	67.04
May	7,681,203	10.74	12.24	9.63	81.13
June	5,568,294	10.18	10.56	9.57	56.50
July	5,389,476	11.01	11.67	10.54	59.01
August	2,678,760	11.78	12.05	11.18	31.42
September	3,233,882	11.72	12.45	10.62	37.42
October	3,670,916	10.77	11.27	10.51	39.56
November	2,561,577	10.97	11.38	10.62	28.06
December	2,018,061	11.73	11.95	11.34	23.58
2013 January	3,245,676	12.07	12.44	11.59	39.24
February	4,542,038	12.80	13.51	12.30	58.29
March	2,345,044	12.48	12.72	12.13	29.19
April	2,734,351	12.15	12.71	11.68	33.10
May	3,790,939	12.64	13.68	11.83	48.34
June	2,822,537	11.93	12.56	11.40	33.71
July	4,479,438	13.69	14.96	12.55	61.85
August	3,388,426	14.87	15.39	14.24	50.40
September	3,242,958	15.41	15.92	14.57	50.11
October	5,101,017	17.09	18.04	15.51	86.71
November	4,969,274	16.63	17.23	15.73	82.20
December	2,866,438	15.80	16.65	15.20	44.80
2014 January	3,282,043	16.44	17.01	15.17	54.05
February	2,807,544	16.44	17.05	15.75	46.06
March	2,591,966	16.18	17.12	15.78	42.14
April	3,016,558	15.90	16.58	15.35	47.77
May	5,311,950	14.64	15.74	13.86	77.89
June	3,405,855	14.63	14.99	14.30	49.93
July	3,114,704	14.17	14.94	13.70	44.19
August	2,904,345	14.32	14.83	13.83	41.17
September	4,332,102	13.59	14.50	12.57	58.61
October	5,839,113	12.72	13.81	12.03	74.01
November	3,311,147	14.56	15.29	13.60	48.25
December	2,915,922	15.47	15.72	14.86	45.06
2015 January	4,050,367	16.01	16.82	15.25	64.66
February	4,203,959	17.22	18.06	16.53	73.89
March	3,980,821	18.68	19.00	18.12	74.06
April	3,051,466	19.34	19.96	18.38	58.80
May	3,356,087	18.09	18.68	17.36	60.54
June	4,093,571	17.61	18.15	17.31	71.85
July	2,458,877	17.99	18.67	16.92	44.45
August	3,093,067	17.55	18.51	16.39	53.70
September	4,435,411	17.24	17.60	16.94	76.39
October	3,029,915	17.59	18.04	16.95	53.24
November	2,536,617	17.58	17.80	17.23	44.52
December	2,731,403	16.29	17.64	15.55	44.92
2016 January	3,316,845	14.62	15.57	13.69	48.48
February	4,128,726	14.65	15.44	13.92	59.91

3. SHARE CAPITAL

M6 share price and trading volume

3.4 Dividend policy

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

	2014	2013	2012	2011	2010
Ordinary dividend	€ 0.85	€ 0.85	€ 0.85	€ 1.00	€ 1.00
Extraordinary dividend	€ -	€ -	€ 1.00	€ -	€ -
Total dividend per share	€ 0.85	€ 0.85	€ 1.85	€ 1.00	€ 1.00
Yield *	5.5%	5.1%	15.7%	8.7%	5.5%
Pay-out ratio **	86.9%	95.6%	166.1%	84.5%	82.1%

* Calculated based on the closing price of the year and the total dividend per share

** Calculated based on the Group's share of net profit from continuing operations and the total dividend per share

In light of its financial and cash flow generation position and net profit, M6 Group proposed to the Annual General Meeting of 28 April 2015 the payment of an ordinary dividend of €0.85 per share for the 2014 financial year, corresponding to a pay-out ratio of 86.9% of the Group's share of consolidated net profit, and a yield of 5.5% (calculated based on the 2014 closing price).

It will be proposed to the Annual General Meeting of 26 April 2016 to approve the payment of a dividend of €0.85 per share for the 2015 financial year, corresponding to a pay-out ratio of 93.4% of the Group's share of consolidated net profit, and a yield of 5.4% (calculated based on the 2015 closing price).

3.5 Main shareholders at 31 December 2015

	At 31 December 2015				At 31 December 2014				At 31 December 2013			
	Number of shares *	%share capital	Number of voting rights **	%voting rights	Number of shares *	%share capital	Number of voting rights **	%voting rights	Number of shares *	%share capital	Number of voting rights **	%voting rights
RTL Group	61,007,371	48.26%	42,933,118	34.00%	61,007,371	48.32%	42,895,510	34.00%	61,007,371	48.43%	42,636,678	34.00%
Gruppe												
Compagnie Nationale à Portefeuille	9,154,477	7.24%	9,154,477	7.31%	9,154,477	7.25%	9,154,477	7.31%	9,154,477	7.27%	9,154,477	7.31%
Treasury shares	140,371	0.11%	-	0.00%	99,171	0.08%	-	0.00%	563,455	0.45%	-	0.00%
FCPE M6 Group employees	220,950	0.17%	220,950	0.18%	197,480	0.16%	197,480	0.16%	175,170	0.14%	175,170	0.14%
M6 Executive Board	612,234	0.48%	612,234	0.49%	498,007	0.39%	498,007	0.40%	470,614	0.37%	470,614	0.38%
M6 Supervisory Board	116,867	0.09%	116,867	0.09%	116,557	0.09%	116,557	0.09%	116,757	0.09%	116,757	0.09%
Free float	55,161,978	43.64%	55,161,978	44.05%	55,189,374	43.71%	55,189,374	44.07%	54,477,605	43.25%	54,477,605	43.50%
in France	15,349,594	12.14%	15,349,594	12.26%	17,426,659	13.80%	17,426,659	13.92%	16,519,199	13.11%	16,519,199	13.19%
in other countries	39,812,384	31.49%	39,812,384	31.79%	37,762,715	29.91%	37,762,715	30.15%	37,958,406	30.13%	37,958,406	30.31%
Total	126,414,248	100.0%	108,199,624	86.12%	126,262,437	100.0%	108,051,405	86.03%	125,965,449	100.0%	107,031,301	85.42%

* The theoretical number of voting rights based on which threshold crossings are calculated, is the same as the number of shares

** Number of voting rights at General Meetings

At the end of 2015, 13,514 shareholders held shares in the Company, according to a Euroclear bearer share survey and the register of shares held in nominative form.

No legal threshold crossing (5%) was brought to the attention of the Company in 2015.

At 31 December 2015, after taking account of declarations of upward and downward legal threshold crossing (1% of the Company's share capital) disclosed to the Company during 2015 and preceding years:

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



The Company is not aware of any investor from the “free float” category, whether institutional or from the general public, that directly or indirectly owned more than 5% of the Company’s share capital or voting rights acting individually or in concert with other investors at 31 December 2015. The Company is not aware of any shareholder agreement currently in existence. No concerted action has been brought to the Company's attention.

RTL Group, the Group’s key shareholder, was 75.1% owned by the German group Bertelsmann at 31 December 2015.

By virtue of its corporate purpose and status as an operator of a digital and analogue television broadcasting licence, the Company is governed by a specific legal and regulatory regime, which applies in addition to the ordinary provisions, as specified in section 1.6.2 of this document. The regime particularly specifies that:

- this legal framework applies in particular to provisions in terms of shareholders and shareholdings (Article 39 of Law no. 86-1067 of 30 September 1986 as amended).
- the Conseil Supérieur de l’Audiovisuel (CSA) ensures that conditions and data that motivated the granting of the broadcasting licence are complied with. The breakdown of the share capital and governing bodies of licence holders is such data pursuant to Article 42-3 of the Law of 30 September 1986 in whose light the licence was granted. Article 42-3 of the Law of 30 September 1986 does not block any change in the capital of a business as considered by the Conseil d’Etat. Where changes that occur do not call into question the initial decision of the CSA, they are permitted without the channel having to give up its licence. This licence states that the company must inform the CSA of any substantial change in the amount or distribution of the share capital and voting rights as well as the crossing of thresholds, and that no change liable to result in a change of controlling shareholder may occur without the prior consent of the CSA.
- in application of the Bylaws revised by the General Meeting of 18 March 2004 (Article 35), following the withdrawal of Suez and the amendment to the CSA agreement signed on 2 February 2004, no shareholder or group of shareholders acting jointly can own more than 34% of voting rights. Therefore, RTL Group voting rights are limited to 34%. Subject to this provision, the voting rights conferred on shares are proportional to the share capital they represent, and each share carries the right to one vote. There are no double voting rights.

Measures undertaken to prevent unwarranted control are detailed in the report on internal control (section 2.6 of this document). Contributing to preventing any excessive control and thus preserving a balance between shareholders, the cap on the number of voting rights and the organisation of corporate governance is repeated in the Bylaws, pursuant to Article 2 of the agreement concluded with the CSA, which states that:

- Within the framework of the provisions of Article 28 and paragraph 1 of Article 39 of the Law of 30 September 1986, no shareholders or group of shareholders acting in concert may hold more than 34% of the total number of voting rights. No bylaw provision may call into question this cap, either directly or indirectly. This is a provision of the authorisation granted pursuant to Article 42-3 of the Law of 30 September 1986, as amended.
- At least one third of Supervisory Board members must be independent. A member of the Supervisory Board is deemed independent when he/she has no relationship of any kind with the Company, its Group or its management likely to compromise the exercise of his/her free judgement.

3.6 Buyback by the Company of its own shares

3.6.1 Report on the 2015 share buyback plan

During the year just ended, the company used the authorisations to purchase treasury shares that were granted to it by the General Meetings of 5 May 2014 and 28 April 2015.

These authorisations were used as part of a liquidity contract complying with the AMAFI ethics charter of 20 September 2008, approved by the AMF on 1 October 2008, with implementation by the investment service provider Natixis since 2 January 2013.

At the date of implementation of the new liquidity contract with Natixis: 128,548 Métropole Télévision shares and €1,231,657.91 were allocated to the contract.

Movement in treasury shares held during the 2015 financial year and number of treasury shares held at 31 December 2015:

Number of treasury shares held at 31 December 2014	Movement in liquidity contract	Shares bought back with a view to cancel	Shares cancelled	Shares bought back to allocate free shares	Movement in respect of free shares allocated	Number of treasury shares held at 31 December 2015
	(2)	(3)	(3)	(4)	(5)	(1)
99,171	48,839	-	-	550,000	(557,639)	140,371

(1) At the 2015 year-end, the Company held 140,371 treasury shares, primarily through the liquidity contract and also to fulfil commitments given within the framework of free share allocation plans (see section 3.7).

(2) **In respect of the liquidity contract** during 2015:

- the number of shares purchased was 1,839,894 at an average price of €17.50;
- and the number of shares sold was 1,791,055 at an average price of €17.54;

resulting in 90,811 shares and €1,477,255.57 being held as part of the liquidity contract on 31 December 2015.

Note that at 31 December 2014, the number of shares effectively held under the liquidity contract was 41,972 and the cash balance was €2,259,247.41.

The increase in the number of treasury shares held in respect of the liquidity contract was therefore 48,839 in 2015.

(3) **In respect of the share buyback for cancellation programme**, no Métropole Télévision shares were cancelled in 2015.

(4) **In respect of the free share allocation plan**, 550,000 shares were purchased during the 2015 financial year:

- 500,000 shares were purchased on 25 July 2015 via the intermediary CA-CIB at an average price of €15.5207 per share;
- 50,000 shares were purchased on 25 July 2015 via the intermediary BNP at an average price of €14.7977 per share.

(5) Lastly, 557,639 shares were transferred to the beneficiaries of the free share allocation plan in July 2015.

Book value and market value of treasury shares held at 31 December 2015:

Number of treasury shares held at 31 December 2015	Book value of treasury shares at 31 December 2015 (€)	Market value of treasury shares at 31 December 2015 (€)	Number of shares comprising the share capital at 31 December 2015	% share capital
140,371	2,186,555	2,223,477	126,414,248	0.11%

3.6.2 Report on the previous share buyback plan

The Combined General Meeting of 28 April 2015 decided in its 16th resolution to authorise the Company to implement a share buyback plan. A description of this share buyback plan is included in the Registration Document filed with the AMF under n° D.15-0189 on 23 March 2015.

This share buyback plan, authorised for a period of eighteen months, enables the Executive Board to purchase up to a maximum of 10% of the Company's share capital, in order to fulfil the following objectives:

- to stimulate the Métropole Télévision share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Code approved by the AMF,
- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions,
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers,
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations,
- to potentially cancel acquired shares, in accordance with the authorisation to be granted by this Annual General Meeting in its seventeenth resolution in extraordinary session.

The maximum purchase price was set at €25 per share. The maximum amount to be committed to this buyback programme is €315,833,217.50.

3. SHARE CAPITAL

Buyback by the Company of its own shares

Change in the number of treasury shares held as part of the 28 April 2015 share buyback programme and number of treasury shares held at 29 February 2016:

Number of treasury shares held at 28 April 2015	Movement in liquidity contract	Shares bought back with a view to cancel	Shares cancelled	Shares bought back to allocate free shares	Movement in respect of free shares allocated	Number of treasury shares held at 28 February 2016
	(2)	(3)	(3)	(4)	(5)	(1)
142,724	(42,862)	-	-	550,000	(557,639)	92,223

- (1) At 29 February 2016, the company held 92,223 treasury shares, primarily through the liquidity contract, and also to cover commitments given as part of the free share allocation plans.
- (2) **In respect of the liquidity contract** between 28 April 2015 and 29 February 2016:
- the number of shares purchased was 1,537,983 at an average price of €16.78,
 - and the number of shares sold was 1,580,845 at an average price of €16.805, and resulting in 42,663 shares and €2,193,685.86 being held as part of the liquidity contract on 29 February 2016.
- (3) **The share buyback for cancellation programme** was not used during the financial year. Consequently, no shares were bought back to be cancelled.
- (4) **In respect of the free share allocation plan**, 550,000 shares were purchased:
- 500,000 shares were purchased on 25 July 2015 via the intermediary CA-CIB at an average price of €15.5207 per share;
 - 50,000 shares were purchased on 25 July 2015 via the intermediary BNP at an average price of €14.7977 per share.
- (5) Lastly, 557,639 shares were transferred to the beneficiaries of the free share allocation plan in July 2015.

At 29 February 2016, the Company held 92,223 its own shares, representing 0.07% of the share capital, broken down as follows:

Book value and market value of treasury shares held at 29 February 2016:

Number of treasury shares held at 29 February 2016	Book value of treasury shares at 29 February 2016 (€)	Market value of treasury shares at 29 February 2016 (€)	Number of shares comprising the share capital at 29 February 2016	% share capital
92,223	1,372,372	1,423,001	126,414,248	0.07%

3.6.3 Report on the current share buyback plan

A proposal will be submitted to the Combined General Meeting of 26 April 2016 to authorise a new share buyback plan according to the following conditions:

- shares involved: ordinary Métropole Télévision shares listed under Compartment A of Euronext Paris, ISIN code FR0000053225;
 - maximum purchase price: €25 per share. The maximum amount of the transaction is thus set at €316,035,620.00;
 - maximum buyback percentage permitted: 10% of the share capital, it being specified that this cap should be considered in light of the buyback dates to take account of the potential share capital increase or reduction transactions that may occur over the term of the programme. The number of shares used to calculate this cap corresponds to the number of shares purchased, after deducting the number of shares sold back over the term of the programme as part of the liquidity contract;
 - maximum period: 18 months from the date of the General Meeting.

These shares may be purchased to fulfil the following objectives:

- to stimulate the METROPOLE TELEVISION share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Code approved by regulations,
- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions,
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers,
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations,
- to potentially cancel acquired shares, in accordance with the authorisation to be granted by this Annual General Meeting in its thirteenth resolution in extraordinary session.

Shares may be bought back by any means, including through the acquisition of blocks of shares, and at the times the Executive Board will deem fit. The Executive Board may not use this authorisation during a public offering.

The Company reserves the right to use option mechanisms or derivative instruments in accordance with applicable regulations.

3.7 Treasury shares

At 31 December 2015, M6 held a total 140,371 of its own shares, amounting to 0.11% of the share capital, which was classified on the consolidated balance sheet of Métropole Télévision as a reduction of equity at their acquisition cost of €2.19 million. The number of treasury shares includes the 90,811 shares actually held by the liquidity contract at 31 December 2015.

The table below summarises the allocation of treasury shares held at 31 December 2014 and 31 December 2015 according to each objective.

3. SHARE CAPITAL

Share subscription option plan

Treasury shares allocated to the different objectives at 31 December 2014		Total treasury shares at 31 December 2014
Allocation of free shares	Increasing share liquidity within the framework of the liquidity contract	
57,199	41,972	99,171 shares
Changes over the 2015 financial year		Changes over the financial year
Allocation of free shares	Increasing share liquidity within the framework of the liquidity contract	
(7,639)	48,839	41,200 shares
Treasury shares allocated to the different objectives at 31 December 2015		Total treasury shares at 31 December 2015
Allocation of free shares	Increasing share liquidity within the framework of the liquidity contract	
49,560	90,811	140,371 shares

3.8 Share subscription option plans

3.8.1 Information on share subscription options

No allocation of share subscription options was decided in 2015.

Share option plans in place in 2015 are analysed as follows:

Date of General Meeting	02/05/2007
Date of Board Meeting	06/05/2008
Option type	Subscription
Total number of options allocated	883,825
- of which corporate officers (*)	75,500
- of which the top ten salaried employees	116,500
Start of exercise of options	06/05/10
Expiry date	05/05/15
Subscription and purchase price (€)	14.73
Subscription and purchase options outstanding at 31/12/2014	233,061
- options allocated	-
- options exercised	151,811
- options lapsed/cancelled	81,250
Share subscription and purchase options outstanding at 31/12/2015	-

(*) Corporate officers at the allocation date

151,811 options of the plan of 6 May 2008 were exercised in the 2015 financial year, since options were in the money (exercise price below the share price) at certain times during the year.

The detailed analysis of this plan by corporate officer is as follows:

Date of General Meeting	02/05/2007
Date of Board Meeting	06/05/2008
Option type	Subscription
Start of exercise of options	06/05/10
Expiry date	05/05/15
Subscription price (€)	14,73
Total number of options allocated to corporate officers:	
Nicolas de Tavernost	27,500
Thomas Valentin	18,000
Eric d'Hotelans	15,000
Catherine Lenoble	15,000
Subscription options outstanding at 31/12/2014:	
Nicolas de Tavernost	27,500
Thomas Valentin	-
Eric d'Hotelans	15,000
Catherine Lenoble	15,000
Changes over the 2014 financial year:	
Nicolas de Tavernost	(27,500)
Thomas Valentin	-
Eric d'Hotelans	(15,000)
Catherine Lenoble	-
Subscription options outstanding and lapsed at 31/12/2015:	
Nicolas de Tavernost	-
Thomas Valentin	-
Eric d'Hotelans	-
Catherine Lenoble	15,000

The movements in the year related firstly to options being exercised and secondly to cancellations, taking account of the expiry date of the 2008 plan.

Catherine Lenoble and Eric d'Hotelans have not been corporate officers since 31 March 2012 and 25 March 2010 respectively.

Jérôme Lefébure, a corporate officer since 25 March 2010, and David Larramendy, a corporate officer since 17 February 2015, have not been granted any share subscription options since the start of their terms of office.

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

No allocation of share subscription options was decided in 2015.

Moreover, of the 151,811 options of the plan dated 6 May 2008 exercised during the 2015 financial year, the 10 largest quantities exercised represented 104,850 options in total.

Amongst the beneficiaries, 8 employees counted as senior executives (see next section).

3.8.3 Share capital transactions carried out by corporate officers, senior executives and related parties during the last financial year

During the financial year, the corporate officers and senior executives informed the Company of the following share capital transactions, carried out by themselves or related parties.

This table does not include transactions that are below the annual disclosure threshold of €5,000.

Name and position	Nature of transaction	Date	Number	Price per share	Total
Nicolas de TAVERNOST Chairman of the Executive Board	Exercise of stock options	18/02/2015	27,500	€14.73	€405,075.00
Henri de FONTAINES, Member of the Executive Committee	Exercise of stock options	18/02/2015	6,250	€14.73	€92,062.50
Nicolas de TAVERNOST Chairman of the Executive Board	Sale of shares	20/02/2015	24,830	€16.80	€417,144.00
Henri de FONTAINES, Member of the Executive Committee	Sale of shares	20/02/2015	6,250	€16.80	€105,000.00
Eric d'HOTELANS, Member of the Executive Committee	Exercise of stock options	20/02/2015	15,000	€14.73	€220,950.00
Eric d'HOTELANS, Member of the Executive Committee	Sale of shares	20/02/2015	15,000	€16.80	€252,000.00
Christophe FOGGIO, Member of the Executive Committee	Exercise of stock options	20/02/2015	10,000	€14.73	€147,300.00
Christophe FOGGIO, Member of the Executive Committee	Sale of shares	20/02/2015	10,000	€16.80	€168,000.00
David LARRAMENDY, Member of the Executive Board	Sale of shares	24/02/2015	2,000	€17.99	€35,980.00
Frédéric de VINCELLES, Member of the Executive Committee	Sale of shares	04/03/2015	7,000	€18.06	€126,427.70
Nathalie MARTIN, Member of the Executive Committee	Exercise of stock options	06/03/2015	3,811	€14.73	€56,136.03
Nathalie MARTIN, Member of the Executive Committee	Sale of shares	06/03/2015	3,811	€17.80	€67,835.80
David LARRAMENDY, Member of the Executive Board	Sale of shares	13/03/2015	3,500	€18.63	€65,191.70
Bernard MAJANI, Member of the Executive Committee	Exercise of stock options	17/03/2015	12,500	€14.73	€184,125.00
Bernard MAJANI, Member of the Executive Committee	Sale of shares	17/03/2015	12,500	€17.45	€218,125.00
Bernard MAJANI, Member of the Executive Committee	Sale of shares	18/03/2015	7,000	€18.81	€131,637.10
Valery GERFAUD, Member of the Executive Committee	Exercise of stock options	01/04/2015	10,000	€14.73	€147,300.00
Valery GERFAUD, Member of the Executive Committee	Sale of shares	01/04/2015	10,000	€17.55	€175,500.00
Jérôme LEFEBURE, Member of the Executive Board	Purchase of shares	07/04/2015	1,105	€18.28	€20,199.40
Jérôme LEFEBURE, Member of the Executive Board	Sale of shares	07/04/2015	560	€19.01	€10,643.42
Thomas VALENTIN, vice-Chairman of the Executive Board	Purchase of shares	07/04/2015	1,430	€18.96	€27,110.08
Thomas VALENTIN, vice-Chairman of the Executive Board	Sale of shares	07/04/2015	500	€18.93	€9,465.30
Pascale CHABERT, Member of the Management Committee	Exercise of stock options	29/04/2015	3,450	€14.73	€50,818.50
Pascale CHABERT, Member of the Management Committee	Sale of shares	29/04/2015	3,450	€17.47	€60,271.50
Sylvie OUZIEL, Member of the Supervisory Board	Purchase of shares	29/04/2015	1,000	€18.60	€18,600.00
Laurence SOUVETON-VIEILLE, Member of the Management Committee	Sale of shares	24/06/2015	7,000	€17.91	€125,385.40
David LARRAMENDY, Member of the Executive Board	Sale of shares	26/08/2015	1,785	€17.00	€30,352.14
Valery GERFAUD, Member of the Executive Committee	Sale of shares	05/11/2015	4,000	€17.50	€70,016.00

3.9 Free share allocation plans

Five free share allocation plans were in force in 2015, pursuant to the authorisation given by the Combined General Meetings of 4 May 2011 and 5 May 2014:

- one that matured on 26 July 2013;
- one that was decided by the Executive Board on 14 April 2014;
- one that was decided by the Executive Board on 13 October 2014;
- one that was decided by the Executive Board on 11 May 2015;
- one that was decided by the Executive Board on 28 July 2015.

The data in the table below details:

- for the plan dated 26 July 2013, the shares effectively delivered;
- for the other plans, the shares not yet allocated, taking account of the restatement owing to the company outperforming targets and individuals having left the company to date.

Date of General Meeting	04/05/2011		05/05/2014			Total
Date of Executive Board meeting	26/07/2013	14/04/2014	13/10/2014	11/05/2015	28/07/2015	
Plan date	26/07/2013	14/04/2014	15/10/2014	11/05/2015	28/07/2015	
Maximum number of shares that can be allocated	642,500	149,553	513,150	32,500	480,400	1,818,103
<i>to corporate officers ⁽¹⁾</i>	<i>71,500</i>	<i>48,304</i>	<i>40,500</i>	-	<i>46,500</i>	<i>206,804</i>
- <i>Nicolas de Tavernost</i>	<i>27,950</i>	<i>20,628</i>	<i>21,000</i>	-	<i>20,000</i>	<i>89,578</i>
- <i>Thomas Valentin</i>	<i>14,300</i>	<i>11,174</i>	<i>10,500</i>	-	<i>10,000</i>	<i>45,974</i>
- <i>Jérôme Lefébure</i>	<i>11,050</i>	<i>9,626</i>	<i>9,000</i>	-	<i>9,000</i>	<i>38,676</i>
- <i>David Larramendy</i>	-	-	-	-	<i>7,500</i>	<i>7,500</i>
- <i>Robin Leproux</i>	<i>18,200</i>	<i>6,876</i>	-	-	-	<i>25,076</i>
- <i>to other top ten salaried employees ⁽²⁾</i>	<i>74,500</i>	<i>67,213</i>	<i>65,600</i>	<i>32,500</i>	<i>63,200</i>	<i>303,013</i>
Actual number of shares to be delivered (based on performance levels projected and achieved and taking account of individuals having left the company to date)	-	142,677	491,900	32,500	480,400	1,147,477
Date of final vesting	26/07/2015	14/04/2016	15/10/2016	11/05/2017	28/07/2017	
Date retention period ends	26/07/2017	14/04/2018	15/10/2018	12/07/2019	29/07/2019	
Number of shares delivered during the financial year	557,639	-	-	-	-	557,639
Number of shares not yet allocated at 31/12/15		142,677	491,900	32,500	480,400	1,147,477
Allocated shares cancelled between 31/12/15 and 29/02/16 due to individuals leaving the Company	-	-	5,800	-	1,300	7,100

(1) Corporate officers at the allocation date

(2) Four beneficiaries for the plan of 11/05/2015

Each of these plans is subject to beneficiaries being effectively employed by the Group for the two years following the allocation.

As regards performance conditions, the plans of 26 July 2013, 13 October 2014 and 28 July 2015 require the achievement of a consolidated net profit objective for 2013, 2014 and 2015, respectively. The plan of 14 April 2014 require the achievement of a value creation objective over the cumulative 2011, 2012 and 2013 period.

The plan of 11 May 2015 require the achievement of a profit from recurring operations objective by a Group subsidiary.

The number of shares actually delivered on 26 July 2015 was 557,639 due to the performance achieved and to the fact that the financial targets attached to the plan were exceeded. The top ten employee beneficiaries (Executive Board members included) received 104,108 shares.

3.10 General information on the share capital

3.10.1 Changes in the share capital and voting rights

Any change to the share capital or rights conferred by securities that make it up must be made in accordance with the provisions of the Bylaws. Only an Extraordinary General Meeting may decide capital increases or delegate its authority to do so to the Executive Board, for a determined period and within a specific limit, based on a report by the Executive Board.

3.10.1.1 Paid-in capital, number and classes of shares

At 31 December 2014, the Company's fully paid-up share capital was €50,504,974.80. Following the implementation of a share buyback plan in 2015, at 31 December 2015, the Company's fully paid-up share capital was €50,565,699.20 represented by 126,414,248 shares of the same class with a par value of €0.40 each.

Date	Description of transaction	Share capital increase/ (reduction)	Number of shares issued/ (cancelled)	Share capital after the transaction	Total number of shares outstanding
15/09/86	Formation	FF 10,000,000.00	100,000	FF 10,000,000.00	100,000
16/05/87	Subscription	FF 190,000,000.00	1,900,000	FF 200,000,000.00	2,000,000
21/05/90	Capital reduction	FF (198,000,000.00)	(1,980,000)	FF 2,000,000.00	20,000
21/06/90	Share subscription	FF 200,000,000.00	2,000,000	FF 202,000,000.00	2,020,000
31/12/93	Exercise of share options by employees*	FF 6,900,000.00	69,000	FF 208,900,000.00	2,089,000
06/09/94	5 for 1 share split	-	-	FF 208,900,000.00	10,445,000
31/12/95	Exercise of share options by employees*	FF 4,337,000.00	216,850	FF 213,237,000.00	10,661,850
31/12/95	Conversion of bonds**	FF 50,387,700.00	2,519,385	FF 263,624,700.00	13,181,235
03/12/99	Conversion of share capital into €	€ 12,535,613.57	-	€ 52,724,940.00	13,181,235
30/12/99	Conversion of bonds**	€ 30,536.00	7,634	€ 52,755,476.00	13,188,869
26/05/00	10 for 1 share split	-	-	-	131,888,690
04/07/07	Capital reduction	€ (392,000.00)	(980,000)	€ 52,363,476.00	130,908,690
03/09/07	Capital reduction	€ (392,000.00)	(980,000)	€ 51,971,476.00	129,928,690
03/09/07	Exercise of subscription options by employees	€ 2,400.00	6,000	€ 51,973,876.00	129,934,690
15/04/08	Capital reduction	€ (392,000.00)	(980,000)	€ 51,581,876.00	128,954,690
19/05/10 to 04/10/10	Exercise of subscription options by employees	€ 1,299.60	3,249	€ 51,583,175.60	128,957,939
04/03/11 to 09/06/11	Exercise of subscription options by employees	€ 1,413.20	3,533	€ 51,584,588.80	128,961,472
19/09/11	Capital reduction	€ (392,000.00)	(980,000)	€ 51,192,588.80	127,981,472
10/10/11	Capital reduction	€ (392,000.00)	(980,000)	€ 50,800,588.80	127,001,472
22/12/11	Capital reduction	€ (247,003.20)	(617,508)	€ 50,553,585.60	126,383,964
11/06/12	Capital reduction	€ (200,000.00)	(500,000)	€ 50,353,585.60	125,883,964
10/09/13 to 24/12/13	Exercise of subscription options by employees	€ 32,594.00	81,485	€ 50,386,179.60	125,965,449
07/01/14 to 30/12/14	Exercise of subscription options by employees	€ 118,795.20	296,988	€ 50,504,974.80	126,262,437
21/01/15 to 04/05/15	Exercise of subscription options by employees	€ 60,724.40	151,811	€ 50,565,699.20	126,414,248

* Par value subscription

** Issue premium of F 158,050,720.

3. SHARE CAPITAL

General information on the share capital

3.10.12 Shareholders' agreement

To the best of the Company's knowledge, no shareholder agreement exists.

3.10.13 Pledges of the issuers' shares

Nil.

3.10.14 Alienation of shares in order to regularise cross shareholdings

(Article R.233-19 of the Commercial Code)

Nil.

3.10.15 Ownership of own shares

(Article L.233-13 of the Commercial Code)

Controlled companies holding a share in the capital of the Company: nil.

3.10.16 Capital increase reserved for employees

The General Meeting of 5 May 2014 approved a resolution authorising the Executive Board, if it deems appropriate and on its sole decision, to increase the share capital on one or more occasions by issuing ordinary shares or marketable securities granting access to the Company's capital for the benefit of the participants in one or more company or group savings plans established by the Company and/or affiliated French or foreign companies under the terms of Article L. 225-180 of the Commercial Code and Article L. 3344-1 of the Labour Code. The period of validity of this delegation has been set at 26 months.

3.10.2 Potential share capital

At 31 December 2015, there were no unexercised options outstanding due to the exercise period of options allocated under the plan of 6 May 2008 having lapsed on 5 May 2015. The maximum potential dilution induced by the exercise of share subscription options is therefore nil.

In addition, non-issued authorised share capital and existing delegations (Article L. 225 100, paragraph 7 of the Commercial Code) were as follows:

	Maximum nominal amount of capital increases	Maximum nominal amount of debt securities	Term of authorisation	Remaining term (1)	Annual General Meeting	Resolution number
Allocation of free shares to members of staff and/or certain corporate officers (authorisation given to the Executive Board)	€760,000	-	38 months	14 months	AGM05/05/14	18
Share capital increase reserved for members of a company savings plan (authorisation given to the Executive Board)	1.5% of share capital	-	26 months	2 months	AGM05/05/14	19

(1) The remaining term runs from the AGM called for 26 April 2016

(2) The next General Meeting called to approve a draft resolution for the purpose of such an increase will be held in 2017, in application of Article L225-29-6-2



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

	Maximum nominal amount	Term of authorisation	Remaining term (1)	Annual General Meeting	Resolution number
Share buyback programme (2)	10% of share capital	18 months	6 months	AGM28/04/15	16
Capital reduction (2)	10% of share capital	24 months	12 months	AGM28/04/15	17

(1) With effect from the AGM of 26 April 2016

(2) The Annual General Meeting called for 26 April 2016 will decide on draft resolutions proposing a new share buyback programme for a further period of 18 months and authorising the Executive Board to reduce the share capital by cancellation of the shares bought back by the Company for a further period of 24 months.

3.10.4 Form of shares and rights attached to shares

3.10.4.1 Rights attached to shares

All shares are part of the same class and hold equal rights to the Company's profits and assets on liquidation. Each share confers the right to a single vote at shareholders' meetings, without any shareholders exercising more than 34% of the total number of voting rights. There are no double voting rights. The right to distributed dividends and interim dividends lapses after 5 years for the benefit of the French state.

3.10.4.2 Trading in shares

Shares are freely traded on Euronext Paris.

3.10.4.3 Form of shares

Since the IPO, shares are held at the option of the holder:

- in pure nominative form held in account maintained by CACEIS;
 - in administered nominative form;
 - in identifiable bearer form held in account by an authorised intermediary.
- Shares are approved for EUROCLEAR-FRANCE transactions.

3.10.4.4 Identification of shareholders

The Company is authorised to apply legal provisions to identify holders of shares giving immediate or eventual voting rights at its General Meetings.

3.10.4.5 Withholding tax on dividends

The tax treatment of dividends has been substantially amended for revenues collected from 1 January 2013. From this date, the optional flat rate withholding tax was abolished, and it is mandatory for shareholder dividends to be subject to the progressive scale for income tax.

In addition, a deduction at source, not acting as a discharge of income tax, has been introduced for all collections of dividends (excluding shares held in a PEA – French equity savings plan) effective as of 1 January 2013. The levy rate is fixed at 21% of the gross amount distributed, and will be added to social contributions deducted at source (at the overall rate of 15.5% from 1 July 2012), by the shareholder's account holding institution. This mandatory contribution is an income tax prepayment.

3. SHARE CAPITAL

General information on the share capital

It is deductible from the income tax due for the year during which the dividends were received. If it exceeds the tax liability, the overpayment is refunded. This contribution does not apply to legal entities or non-resident shareholders, who remain taxed according to the specific conditions applicable to their specific situation. Lastly, shareholders are exempt from contributions if they so request, provided they belong to a household (for tax purposes) whose average benchmark tax for the second last year was less than €50,000 for single, divorced or widowed taxpayers or €75,000 for jointly-assessed taxpayers. It is advised that shareholders contact the institution that holds their share account or their advisor, in order to discuss options and procedures regarding exemption from contribution, given that the exemption must, in principle, be requested before 30 November of the year preceding that in which the dividend was paid.

This deduction at source does not relieve the dividend of the possibility of subsequent taxation: the dividend shall be declared and taxed in accordance with the usual terms and conditions. As regards the base of the taxable dividend, the 40% rebate is maintained without amendment; conversely, the annual fixed rebate is abolished. Lastly, the CSG tax applied to the dividend is deductible from the total income in the year of its payment, at a rate of 5.1%.

3.10.5 Employee shareholding

3.10.5.1 Métropole Télévision Group savings plan

Established in September 1994 as a Fonds commun de placement (collective investment scheme), the Group savings plan invests exclusively in Métropole Télévision shares. At 31 December 2015, the savings plan had 1,061 unit holders indirectly holding 220,950 shares. The fund thus represented 0.17 % of the share capital.

3.10.5.2 Purchase of shares for allocation to employees under a profit sharing agreement

(Articles L. 225-paragraph 2 and L. 225-208 of the Commercial Code)

Nil.

4 RISK FACTORS AND MANAGEMENT

4.1 Business risks.....	154	4.4 Liquidity risk	159
4.1.1 Risks related to the Group's market structure	154	4.5 Legal risks.....	160
4.1.2 Development of technologies, changes in use	155	4.5.1 Regulatory risks	160
4.1.3 Sensitivity to the economic situation.....	155	4.5.2 Intellectual property, freedom of the press and personal privacy risks ..	161
4.1.4 Adapting the cost structure and increase in costs	155	4.5.3 Risks relating to non-observance of contractual commitments.....	161
4.1.5 Payment terms risks.....	156	4.5.4 Litigations and financial assessment	162
4.2 Market risks.....	158	4.5.5 Legal and arbitration proceedings	162
4.2.1 Foreign exchange risk	158	4.6 Major operating risks.....	163
4.2.2 Interest rate risk	158	4.6.1 Broadcasting and transmission signal risks	164
4.2.3 Share risk	158	4.6.2 Internal control failure, fraud, IT systems, concentration of purchases, etc.....	165
4.2.4 Raw material risk.....	158	4.7 Industrial and environmental risks	166
4.3 Credit and counterparty risk	159	4.8 Insurance cover	167
4.3.1 Risk of customer default	159		
4.3.2 Risk of supplier default	159		
4.3.3 Banking counterparties	159		

Investors are invited to consider the risks described below, that may have an influence on the operations, financial position, financial performance and development of the Group.

4.1 Business risks

4.1.1 Risks related to the Group's market structure

4.1.1.1 Television

The M6 Group, via its broadcasting activities, operates in a changing audiovisual market, due to digitalisation and the new DTT channels, which accelerated their market share gains in 2015 (described in paragraph 1.5.1.2 on the structural changes affecting the TV market).

The free-to-air channel offering increased from 19 channels at 31 December 2011 to 25 on 12 December 2012, following the launch on free DTT of 6 additional channels. This growth in content offering leads to audience dispersal, with a consequent fragmentation of the TV advertising market, the only source of revenue for the Group's free channels.

Since 2010 the competitive landscape of free channels has also changed in response to industry consolidation transactions:

- In 2010, TF1 Group acquired 40% of the channel TMC from AB Group (thus increasing its stake to 80%), and 100% of the channel NT1.
- The acquisition by Canal+ Group of Bolloré Group's free TV channels (Direct 8 & Direct Star) was completed in September 2012.
- The merger of NextRadio TV (producer of such channels as BFMTV, BFM Business TV and RMC Découverte) with the Altice Group took place in 2015.

Against this background, the M6 Group faces increased competition and has sought to strengthen its position by investing in the line-up of its M6 channel to consolidate its audiences, and by developing a family of channels with the W9 channel, launched in 2005, and 6ter, one of the 6 new channels launched on 12 December 2012.

The broadcasting activities of the pay channels operate in a highly competitive environment, with the development of free-to-air television and increased penetration of a multi-channel package distributed via satellite and broadband platforms.

In addition to advertising income, limited due to low audience figures, the Group's pay channels benefit from revenue from cable operators and distribution platforms. The main distribution agreements defining this revenue have been renewed for three years until the end of 2017.

4.1.1.2 Other Group markets

Concerning other operations and revenue streams, the M6 Group has developed a product and service offering mainly directed at the mass market. However, these operations, although not dependent on advertising revenue, are sensitive to the economic situation (see paragraph 1.5.2) as well as the progressive digitisation of their industry, in particular music publishing (discs) and video editing.

The digitalisation of media and the rollout of high speed internet access have generated significant growth in illegal downloading, leading to a destruction of value for these markets.

The "Hadopi" law on illegal downloading, adopted in 2009, and the interprofessional agreements signed with a view to combating illegal downloading more effectively by bringing all broadcasting windows forward and ensuring they are sequential, should restrict the opportunities and the interest in illegal downloading.

4.1.2 Development of technologies, changes in use

Recent technological developments have led to changes in television consumption. As described in paragraph 1.5.1.2. of this document, the M6 Group is involved in the implementation of all these new broadcasting technologies to support and anticipate the new methods of use, a necessary condition for the sustainability of its model.

4.1.3 Sensitivity to the economic situation

M6 Group, due to the nature of its operations, is highly sensitive to the economic situation and consumer spending. Accordingly:

- Advertising revenue depend on a level of investment in communication set by advertisers, who for the most part are major brands that operate in mass market products and services (food, health & beauty, cleaning products, finance and insurance, transport, telecommunications, publishing, etc.). This level is notably related to the growth prospects and the profitability of these businesses on the French market. Communication expenditure may represent a balancing item in the cost structure of these businesses against a deteriorated economic background. More generally-speaking, all changes that create uncertainty to the level of advertisers' income, or which constitute an additional constraint on their costs, may have an influence on the level of their television advertising expenditure, and thus be reflected in a negative impact on the Group's advertising revenue.

However:

- o due to its presence in free-to-air DTT through the W9 and 6Ter channels, M6 Group benefits from stronger exposure to the advertising market of second generation channels, whose growth was higher in 2015 than that of the overall TV advertising market.
 - o The significant number of advertisers, the constant renewal of brands and the competitive environment significantly limit M6 Group's risks connected with a possible concentration and to an excessive exposure to any given sector.
- Revenue stemming from diversification and production activities as well audiovisual rights (34% of consolidated revenue in 2015) limit the Group's dependency on the advertising market. They are nonetheless dependent on the level of consumer spending and the portion dedicated to leisure - media (TV subscription, telephone, video purchase, cinema, CDs, etc.) or to household equipment purchases (distance-selling division).

4.1.4 Adapting the cost structure and increase in costs

The Group is primarily exposed to risks of upwards movements in the purchase cost of audiovisual rights.

The growth in the cost of programmes noted in recent years has affected all categories: retransmission rights for sports competitions, broadcasts, series, and feature films.

This was reinforced by the relative scarcity of powerful and attractive programmes in a market where buyers are more numerous than before, with an increase in the strength of DTT channels, and where the number of sellers is restricted. In addition, technological (transfer to HD reception for example), regulatory, legal and contractual changes (the collective production agreement for example) may also contribute to an inflation in production and purchase costs.

However, in order to respond to this risk, a number of years ago the Group set up an “industrial platform” to manage its content purchases, like many other industries. As such, a purchasing team is tasked with identifying the best programmes for Group channels at a very early stage in the purchasing process, to participate in screenings organised by studios and to negotiate the best possible prices by using their knowledge of the market and the sellers, has been established.

In addition, the Group has developed in-house production companies, thus improving its control of the audiovisual and film production value chain:

- C. Productions for news and current affairs programmes;
- Studio 89 for entertainment programmes;
- M6 Studio and SND Films for feature films.

The audiovisual rights acquisition and distribution subsidiary SND, as well as the film catalogue and cinema co-production activities all contribute to the Group’s strategic response aimed at making broadcasting rights procurement secure and to better control its cost.

Lastly, programme management has the objective of defining the programme policy for Group channels giving them each their own identity but also enabling the sharing of resources (technical resource, studies, programmes where appropriate). Throughout the year, programme management ensures strict cost control of programmes and monitors this, as much as possible, depending on advertising revenue growth.

The FC Girondins de Bordeaux (F.C.G.B.) is exposed to the risk of inflation in the salaries of professional players and the fees to be paid for the transfer to F.C.G.B. of players under contract with other clubs, due to the European scale of the transfer market. However, for the last three years, a depressed transfer market has enabled the Club to implement a cautious salary policy. Furthermore, the efficiency of the club’s training centre ensures that part of the backbone of the team is made up of players trained by the club. In addition, F.C.G.B has demonstrated in the past and more recently its ability to attract players whose qualities were revealed in Bordeaux, resulting in the upward revision of their transfer price.

For the other Group companies, the exposure to price risk, although real, is lower to the extent that costs are more variable in the diversification activities and the number of suppliers is significantly higher.

4.1.5 Payment terms risks

The provisions of the Law for Modernisation of the Economy in respect of terms of payment between customer and supplier came into force on 1 January 2009: since that date, the period agreed upon between parties to pay amounts owing may not exceed 60 days or, exceptionally, 45 days end of month.

Any company that fails to observe the new mandatory payment periods is subject to a certain number of financial risks including late payment penalties and administrative fines.

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

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

- **Supplier payment procedures**

The Group has put into place a supplier payment procedure governed by numerous internal controls

and an IT system to process invoices received. Moreover, every supplier's payment terms to the Group are checked frequently.

- **Follow-up of late payments**

Two alert and monitoring tools are available to the Group's finance department to deal with payment terms: a summary of invoices that are due and not yet paid and a summary of every accounting department's payment terms.

The maturity of the Group's trade payables (excluding audiovisual rights and intra-group suppliers) was as follows:

(€ millions)	31/12/2014	31/12/2015
Trade payables falling due before 1 February	46.5	43.3
Trade payables falling due between 1 February and 28 February	2.7	6.8
Trade payables falling due after 1 March	0.0	0.0
TOTAL	49.2	50.1

This data is consolidated and does not include liabilities relating to the purchase of audiovisual rights, since these liabilities primarily fall due on the basis of operational milestones (including "ready to broadcast", "first broadcast", etc.) and not on calendar dates.

For the Group's main company (Métropole Télévision), the trade payables outstanding, rights excluded but including intra-group payables may be analysed as follows:

(€ millions)	31/12/2014	31/12/2015
Trade payables falling due before 1 February	46.4	38.1
Trade payables falling due between 1 February and 28 February	22.6	15.5
Trade payables falling due after 1 March	0.0	0.0
TOTAL	69.0	53.6

4.2 Market risks

4.2.1 Foreign exchange risk

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

4.2.2 Interest rate risk

The Group is naturally exposed to risks from movements in interest rates. This risk is detailed in Note 21.3 to the consolidated financial statements.

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

4.2.3 Share risk

To the extent that the Group does not own any listed financial assets, share risk exposure only relates to treasury shares.

In the consolidated financial statements, treasury shares are recorded at their acquisition cost as a reduction of equity. Therefore, M6 Group share price movements have no impact on the Group's consolidated financial statements.

In the parent company financial statements:

- the net value of treasury shares is aligned with the corresponding asset at the listed share price, except for treasury shares held with a view to funding free share allocation plans, the net value of which is written down to zero over the period of the plans, the provision being spread over the rights acquisition period;
- only shares held as part of the liquidity contract are therefore exposed to share risk. A provision for depreciation is recorded if the book value of treasury shares, equal to the average market price over the last month of the financial year, is lower than their purchase price. Their net value was €1.5 million at 31 December 2015 for 90,811 shares. A 10% movement in the M6 share price would have a €0.1 million impact on the net value of treasury shares.

4.2.4 Raw material risk

The Group has only little and indirect exposure to the risk of fluctuations in raw material prices.

Only a number of providers and suppliers (logistics, diversification product sub-contractors) may experience a variation in their operating costs as a result of changes in raw material prices (primarily petrol and paper) and if necessary pass them on their selling prices.

The effect on the Group's financial statements that would result from such price adjustments is not significant.

4.3 Credit and counterparty risk

The credit risk for the Group is the bankruptcy of a customer, a supplier or a banking counterparty.

4.3.1 Risk of customer default

Concerning customer risk, the Group applies a cautious prevention and monitoring procedure described in Note 21 to the consolidated financial statements.

It is pointed out in this note that, as regards revenue, no single customer risk is material enough to significantly impair the Group's profitability.

The Group's leading, top 5 and top 10 customers represent less than 5%, 15% and 20% of consolidated revenue, respectively.

4.3.2 Risk of supplier default

As part of the purchase and co-production of programmes, the Group has to pay advance payments which may be deemed significant over a full-year. The Group strives to pay advances or make prepayments as close to the delivery date of the programmes to be broadcast as possible. In all instances, the Group implements an active policy of selecting the most sound suppliers, or failing that, monitors the financial health of its suppliers.

4.3.3 Banking counterparties

Financial transactions are negotiated with carefully selected counterparties as described in this document in Note 21.3 to the consolidated financial statements, Market risk, in the section dedicated to the investment policy.

The Group pays particular attention to the quality of its banking counterparties, which are all "investment grade" rated.

Prudent diversification was thus undertaken for the deposits with mutual funds where surplus cash is invested.

4.4 Liquidity risk

The liquidity risk management policy is set out in Note 21.2 to the consolidated financial statements of this report.

The Group's liquidity must therefore be considered in the light of its cash position and its unused confirmed credit lines. At 31 December 2015, the Group's net cash position was €176.5 million. At 31 December 2015, the line available to the Group with its main shareholder (Bayard d'Antin) for a maximum of €50 million had not been drawn. In 2015, the Group did not introduce any new confirmed lines of credit.

4.5 Legal risks

4.5.1 Regulatory risks

4.5.1.1 Risks related to regulatory and contractual obligations

As part of its broadcasting authorisation, the main features of which are specified in section 1.6.2. of this document, M6 Group's channels are subject to legal and regulatory authorisations provided by the Law n°86-1067 of 30 September 1986 and related application decrees.

The channels are also bound to the regulatory body (CSA) in application of the Article 28 of the aforementioned Law of 30 September 1986.

These agreements set out the specific rules applicable to the channels, due to the extent of the area serviced, of the channel's share of the advertising market, of the obligation of equal treatment between all TV networks and competitive conditions specific to each of them, as well as the development of digital terrestrial radio and television.

The Conseil Supérieur de l'Audiovisuel thus ensures that the channels meet all their obligations.

Sanctions incurred in the event of non-compliance with commitments are listed in Articles 42 and subsequent of the Law of 30 September 1986: summons, suspension, reduction of the broadcasting licence to a single year, monetary sanctions limited to 3% of its revenue or 5% in case of repeat offence, cancellation of the licence.

In order to minimise risks associated with production and broadcasting quotas, M6 Group put into place a precise daily monitoring of its programming and investments in programme production. In addition, one of these systems is exclusively focused on monitoring the network, ensuring daily that all programme contents are in accordance with regulations in force.

The Group considers that within an environment where TV channels face numerous challenges and need to adapt to a changing environment (increase in the number of channels, increase in viewing media, insufficient revenue growth, competition from powerful new business players), the growing complexity of the audiovisual regulatory framework is liable to hamper the development and adaptation and innovation capacity of audiovisual groups.

M6 Group thereby noted the opportunity for a broadcaster, under the Law n°2013-1028 of 15 November 2013 relating to the independence of public service broadcasting, to hold co-production shares according to the terms specified in French decree No. 2015-483 amending decree No. 2010-747, known as the 'production' decree. In addition, the Group is taking part in the implementation discussions for these terms, which should result in an inter-professional agreement followed by amendments to channels' agreements.

4.5.1.2 Risks related to frequency management

Within the framework of managing the broadcasting spectrum between its various assignees, the Government has decided, in coordination with the other countries concerned, to allocate a new digital dividend to telecoms operators corresponding to the UHF 694-790 MHz band. The terrestrial television stations must free this band on 5 April 2016 as part of a complex implementation process. Thus some channels will change multiplex on the night of 4 to 5 April.

M6 Group is monitoring to ensure the frequency transfer does not impact the technical conditions for broadcasting its channels.

Moreover, following the April 2016 readjustments M6, W9 and 6ter will all be broadcast in High Definition via the Multi4 multiplex, whereas Paris Première will be broadcast in SD via the CNH multiplex along with the other pay DTT channels.

M6 Group is also monitoring to ensure the communication being overseen by the French National Frequency Agency is as effective as possible in informing viewers of the upgrades required to receive DTT correctly as of April 2016 (purchase of HD adaptors, TV set rescanning, etc.).

No other regulations liable to have a significant impact on the Métropole Télévision Group have been adopted since the start of 2015.

4.5.1.3 Intellectual property, freedom of the press and personal privacy

M6 Group's broadcast of audiovisual programmes is susceptible to claims of various natures concerning the violation of provisions relating to laws on intellectual property rights, personal privacy rights and freedom of the press.

No contractual provision can provide the Métropole Télévision Group with total protection against legal recourse, particularly with regard to legal action matters based on the Law of 29 July 1881 related to the freedom of the press.

In addition, Métropole Télévision Group diversification activities may generate claims regarding the infringement of the aforementioned rights.

Nevertheless, procedures have been implemented within Métropole Télévision Group to protect it from this type of risk: contract mechanisms (guarantee clauses) and internal procedures, such as assignment of legal advisors to production in-charges, guidelines, etc., which enable this risk to be considerably reduced.

4.5.2 Risks relating to non-observance of contractual commitments

Non-observance of contractual agreements by suppliers or partners is liable to affect Group operations on a once-off basis, more particularly when defaults relate to the delivery of audiovisual rights (poor quality or unavailable on the planned broadcasting date) or technical services of any kind (IT systems, technical facilities, etc.).

A break in broadcasting may thus cause the loss of advertising revenue relating to commercial breaks not or poorly broadcast.

However, the Group carries out a strict assessment of its providers and suppliers, from the point of view of technical and operational reliability and financial soundness before placing any order.

In addition, the Group ensures that it negotiates contractual provisions that guarantee compensation in case of obvious default by suppliers resulting in a loss of profit or the recognition of exceptional expenses.

In 2015 as in 2014, the Group did not record any major incident resulting from the non-observance of contractual agreements by suppliers and partners.

The only identified risk of non-observance of contractual commitments by customers relate to their solvency, as specified in the notes to the financial statements.

Lastly, the Group takes particular care to meet all its contractual commitments with third parties, considering that any failure to meet its obligations would have an adverse impact on its reputation, the proper running of its operations and the occurrence and magnitude of resulting litigations. Internal audit procedures are intended to circumscribe this risk in particular.

In 2015, as in 2014, the Group did not record any major incident resulting from its non-observance of contractual agreements with third parties.

4.5.3 Litigations and financial assessment

In compliance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, the Group recognises a provision for litigations when it is considered probable or certain that a litigation will generate costs without an at least equivalent consideration and that a reliable estimate of the latter can be made.

At 31 December 2015, the Group thus recognised €17.0 million in provisions for litigations (€23.0 million at 31 December 2014).

These provisions pertain to litigations and proceedings with third parties, thus an individual and detailed presentation of them is not possible due to trade secrets.

On the other hand, no provision is recognised for litigations for which it is improbable that an outflow of resources will occur, or for which the financial impact cannot be reliably measured. In this case, the Group recognises a contingent liability.

By ensuring compliance with both its contractual and editorial obligations as regards its TV channels, the Group strives to reduce the occurrence of litigations to the best of its ability. However, such occurrences are inherent to any business activity and when litigation occurs, the Group will strive to minimise their impact by using the best advisors.

4.5.4 Legal and arbitration proceedings

a) Requalification of employment contracts for candidates in reality television shows

To date, the M6 Group has received 40 requests to appear before a number of Labour Courts seeking to requalify contracts signed by participants in reality television shows produced or broadcast by the Group as employment contracts.

M6 Group disputes the validity of these claims:

- As of 31 December 2014, thirty-one of these requests had been concluded
- On 4 February 2015, the Supreme Court of Appeal dismissed the appeal brought by the company Studio 89 against 7 participants in the programme Pékin Express. The decision of the Versailles Court of Appeal, dated 10 September 2013, finding that the contestants were bound by an employment contract has therefore become final.
- 2 proceedings brought by former candidates of the programme Pékin Express are still on-going before the Bastia Labour Court.

Moreover, in recent years a new contracts policy has been implemented by M6.

b) Notification of complaint by the Competition Authority

On 7 January 2009, stakeholders to the CanalSat TPS merger transaction that created Canal + France received a notification of complaint from the French Competition Council, which has since become the Competition Authority, as the Committee's Reporting Secretary considered that certain clauses of the agreement entered into by the two parties could be criticised in light of Competition regulations. In its ruling of 16 November 2010, the French Competition Authority considered that it was not its role to call into question the exclusivity and non-competition clauses concluded between Canal + Distribution and M6 Group, which had been notified to the Ministry for the Economy and which was expressly authorised by the latter in its decision to authorise the merger between CanalSat and TPS.

The Authority claimed jurisdiction to examine, as part of the transfer to the examining judge, exclusivity clauses relative to optic fibre and catch-up TV services concluded between Canal + Distribution and M6 Group, which, in the Authority's opinion, were not included in the ruling of the

Ministry for the Economy. This ruling by the Competition Authority was subject to an appeal before the Court of Appeal of Paris by France Telecom. M6 Group communicated with this court at its own initiative. France Télécom finally withdrew this last claim, which was acknowledged by the Court of Appeal of Paris in its ruling of 8 December 2011. The appeals procedure remains on-going.

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

Lastly, Canal+ Group applied to the French Competition Authority, on the basis of Article L. 420-1 of the Commercial Code and Article 101 of the FEU Treaty, against practices employed by TF1, M6 and France Télévision Groups concerning rights acquisition of the EOF film catalogue. The latter are all accused of inserting pre-emptive rights into co-production contacts, which Canal+ Group considers as having a restrictive effect on competition. The appeals procedure before the Authority is on-going. M6 Group disputes the validity of this proceeding.

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

By a ruling on 17 June 2015 the Conseil d'Etat found in favour of M6 Group, who had appealed against the Conseil supérieur de l'audiovisuel's decision disallowing its broadcast of Paris Première on free-to-air DTT in 2014. The Conseil d'Etat, which had not ruled on the external legality of the CSA's rejection decision, urged the latter to rule again within six months. As Paris Première received a new refusal on 17 December 2015, M6 Group decided to lodge another appeal that will be heard in 2016.

Furthermore, M6 Group challenged the implementation terms of the French law of 15 November 2013 on co-production shares, and contested Decree No. 2015-483 of 27 April 2015 modifying the contribution regime for audiovisual production. This appeal procedure also remains on-going.

The financial risks arising from all the matters in progress, with the most significant described above, have been estimated prudently and provided for where required in the financial statements of the Group (see Note 24 to the consolidated financial statements).

To date, there are no other governmental, legal or arbitration procedures, including any procedure known to the Company, that is pending or of which it is threatened, which is likely to have or having had a significant effect in the last twelve months on the financial position or profitability of the Group.

4.6 Major operating risks

For the Group's channels, the interruption of the broadcast of their programmes constitutes a major risk.

In order to protect itself from the occurrence of such a risk, the Group has taken a number of steps to ensure continuous broadcasting of the programmes of the Group's channels. These steps relate notably to securing the electricity supply to the units, the ongoing modernisation of the broadcasting installations and the selection of recognised and reliable suppliers for services to broadcast the signals.

4.6.1 Broadcasting and transmission signal risks

The Group's methods of broadcasting are varied:

- M6 is broadcast free on the DTT network in digital mode (Digital Terrestrial Television), in standard definition (SD) or high definition (HD); the M6 signal is also included in most packages of channels offered by the satellite, cable and broadband broadcast platforms.
- W9 is broadcast free in digital mode on the DTT network in standard definition only. The W9 signal is also included by the non free-to-air broadcast platforms (cable, satellite, broadband), in standard definition (SD) and in certain cases in high definition (HD).
- 6ter is broadcast free in digital mode in high definition (HD) on the DTT network. The 6ter signal is also included by the non free-to-air broadcast platforms (cable, satellite, broadband), in high definition (HD) and in certain cases in standard definition (SD).
- Other Group channels are pay channels offered by the various non free-to-air platforms. Paris Première is nevertheless included in SD DTT pay-TV packages.

Concerning the broadcast of free-to-air digital (DTT), data compression in digital mode enables the broadcast of several DTT channels on the same frequency. As a result, the broadcast in DTT is shared by a group of three to seven associated channels in common companies, called Multiplex or MUX, whose composition is decided by the Conseil Supérieur de l'Audiovisuel (CSA). Thus:

- M6 (in relation to its SD signal), W9 and Paris Première are associated with NT1 and Arte (for its HD signal) in the R4 Multiplex. In accordance with the law, the network that has been rolled out by the R4 Multiplex is supported by 1,626 broadcasting sites and provides nationwide coverage of 95% of the population of Mainland France, with a minimum of 91% per district.
- M6 (in relation to its HD signal) is associated with TF1 and France 2 (for their HD signal) in the R5 Multiplex. As for the rollout of the R5 Multiplex, it is not yet fully complete: 1,559 sites are operational;
- 6ter is associated with RMC Découverte and Numéro 23 in the R8 Multiplex. The network deployed by the R8 Multiplex was launched on 12 December 2012 with an initial coverage of 25% of Mainland France. The deployment of this network is not fully complete; it currently covers 89% of the population with 1,340 sites.

New Multiplex compositions will be introduced after the technological developments and technical operations required for the full MPEG-4 transition planned for 5 April 2016. Generalisation of the MPEG-4 broadcast standard will allow production of high definition services, while allowing the cessation of R5 and R8 multiplexes; maintenance of the latter cannot be guaranteed due to the freeing of the 700 MHz band in favour of the electronic communications sector. The new composition will require a new channel scan and memorisation of channels for all terminals receiving DTT and compatible with this new coding standard.

For their broadcast, the channels thus depend on the quality of the services of their technical providers (free-to-air broadcast) and on the continuity of service provided by the operators of cable, satellite and broadband platforms.

- TDF for Multi 4 and MR 5 operate the **top of the network**, which consists of compressing and multiplexing the signals. M6 Group provides this service in the case of R8.
- Multi 4 uses the company Globecast to ensure the **upload** to the Eutelsat 5 West A satellite that transmits the signal to a large number of transmission sites. A terrestrial link operated by TDF is used for the multiplex signal of associated channels in MR5 to transmit from Paris to the regional transmission sites. At the end of 2014, in order to make its signal more secure, MR5 called upon Arqiva and TDF to establish an uplink to the Eutelsat 5 West A satellite. Lastly, R8 appointed the companies Arqiva and TDF to ensure the upload to the Eutelsat 5 West A satellite.
- The companies TDF, Towercast (NRJ Group), Itas-Tim and Onecast operate the **transmission sites** of the R4, R5 and R8 networks.

The damage that the channels, and first and foremost M6, may be subjected to in the event of a broadcast interruption is proportional to the viewing audience size served. For this reason, apart from the fact that transmission sites are largely secure due to the redundancy of broadcast transmitters and in certain cases the presence of generators, the Group negotiated very short intervention times from its service providers in the event of malfunction.

4.6.2 Internal control failure, fraud, IT systems, concentration of purchases, etc.

4.6.2.1 Risk of internal control failure

The Group has set up an internal control system closely associated with operational management and which acts as a decision-making tool for Management. It implements a cautious prevention and follow-up policy for the risk of internal control failure, as specified in the report of the Chairman of the Supervisory Board on corporate governance and internal control and risk management procedures (section 2.6 of this document).

However, as with all control systems, the internal control system implemented by the Group cannot provide any absolute guarantee.

4.6.2.2 Risk of fraud

The M6 Group bases its internal control system on the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and on the recommendations prepared by the AMF. One of the targets set (see paragraph 5.1.1 of the Report of the Chairman of the Supervisory Board) is to “prevent and manage the risk of error or fraud”.

In order to prevent, discourage and detect frauds, the Group has put into place:

- an Ethics Charter, which must be observed and has been communicated to all Group employees. This Code details the Company’s ethical values and defines the professional principles which Group Directors and employees must adhere to in their own conduct and which must guide the steps they undertake;
- an audit plan incorporating specific assignments in at risk areas;
- a multi-year testing programme that will complement the internal control audit.
- standards governing rules and procedures, which include many key control points that directly or indirectly target the risk of fraud;

These anti-fraud measures cannot eliminate all risks, but are intended to very significantly reduce their occurrence and magnitude.

4.6.2.3 IT systems risks

The Group depends on shared and interdependent IT applications for all its operations. The main risks relate to data confidentiality and integrity, as well as the discontinuation of IT services. Any failure affecting these applications or data communication networks may result in a cessation or slowdown in operations, delay or distort certain decision-making processes and generate primarily financial losses for the Group. Moreover, any accidental or intentional data loss, liable to be used by a third party, may have negative effects on the Group’s activities and results.

This is the reason why all IT systems are made secure by:

- physical facilities protection (access control, fire detection);

4. RISK FACTORS AND MANAGEMENT

Industrial and environmental risks

- logical network access protection (firewalls, computer access controls, protection against intrusion and identity theft attempts);
- antivirus software (on computers, web servers and internet traffic);
- daily, weekly, monthly and annual data backup;
- duplication of broadcasting control room key systems (software and hardware);
- duplication of critical IT systems (software and hardware);
- 24/7 monitoring systems (availability, security);
- frequent audits of these various systems.

The Group's Information System Security Manager (ISSM) ensures the effectiveness of this security policy, which relies on an Information Security Management System based on three goals and a methodology according to the ISO 27001 standard:

- long-term protection of corporate information and information systems;
- reinforcement of trust in the information system;
- improvement of internal IT security processes and organisation.

4.6.2.4 Purchase concentration risk

The concentration of strategic purchases from a limited number of suppliers may result in a strong dependence on the latter, causing a procurement risk.

The Group is particularly attentive to spreading its risks and limiting reliance on too few suppliers, particularly for audiovisual rights purchases, which are deemed to be the most strategic. It keeps a permanent watch in this respect in order to identify new programme concepts and alternative suppliers:

- As regards programmes in inventory, the main suppliers are the major US studios. Even though distribution contracts (output deals) have been signed with certain producers, the most significant only represents less than one third of films, made-for-TV films and series purchases and pre-purchases. The top six US studios supplying M6 represent just over two thirds of these purchases.
- As concerns flow programmes, purchases are spread over many suppliers.

Overall, the share of the Group's 2015 purchases, excluding rights inventories, from the leading supplier and top five and top ten suppliers represented 4.4%, 15.3% and 21.9%, respectively.

4.7 Industrial and environmental risks

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

Since the publication of the decree implementing Article 225 of French Grenelle 2 Law in 2012, M6 Group has conducted an inventory every year of all its corporate, social and environmental data, which are then verified by an independent third party. This process enables a better grasp of the environmental risks that it may face.

Moreover, M6 Group firmly believes that this information enables the various stakeholders involved to better assess their overall performance in the medium- and long-term, and more generally, that corporate responsibility goes hand in hand with economic performance.

M6 Group thus pursues an active CSR policy and clearly signals its commitments to all its partners, including viewers, employees, customers, shareholders, suppliers, public authorities and the civil society. This desire for transparency with all of its stakeholders allows M6 Group to be reactive to



potential sources of environmental, corporate and social risk. M6 Group can therefore better anticipate their development and thus mitigate the consequences.

In a context of transparency, M6 Group's commitments notably include curbing global warming using appropriate measures, which all staff members are made aware of (see section 7.4 Environmental Responsibility).

4.8 Insurance cover

The Group has adopted a prudent risk analysis and prevention policy in order to limit the occurrence and magnitude of such risks.

In order to complement this policy, the Group has put into place an insurance policies plan focusing on the cover of major risks, thereby providing for adequate coverage according to risk assessment, its own capabilities and the insurance market conditions.

The Group ensures the appropriateness of its insurance policies in relation to its requirements.

The major insurance policies subscribed to by the Group are listed below, followed by category of major risks covered (information below is provided purely on an indicative basis), other than those concerning F.C.G.B. and Ventadis, which have their own insurance policies (information provided below is for information only).

a) **Property damage insurance**

Policy: Industrial and professional block policy

Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies.

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

Policy: All risks for IT and technical equipment

Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies.

Cover: monetary damages arising from all direct material losses and all direct material damages caused to equipment to a maximum of €34,000,000 per loss per year of cover.

b) **General public liability insurance**

Policy: Operational and professional liability

Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies, groups created by or for personnel, legal representatives and servants of the insured;

Cover: monetary damages arising from personal injury, property damage or moral prejudice caused to third parties by the Group's operations, up to a maximum of €16,000,000 per loss for all professional liability type damages and up to a maximum of €7,000,000 per loss per year for all civil liability type damages.

c) **Board members' general liability insurance**

Insured parties: METROPOLE TELEVISION, its senior executives¹ and Board members of Métropole Télévision and its subsidiaries.

Cover: monetary damages arising from Board members and senior management civil liability up to a maximum of €200,000,000 per loss per insured period.

The annual cost of these insurance premiums for the year 2015, as well as all other contracts (particularly F.C.G.B's policies, as well as Ventadis' policies and production insurance) was approximately €1.3 million (excluding share of equity-accounted entities). All of M6 Group insurance contracts were renewed in 2016 on similar bases as those of 2015.

Furthermore, SCI du 107 subscribed to specific insurance policies from ALBINGIA for protection against the risks associated with the rebuilding programme of the property complex of which it is the owner. Damage to this complex, which was delivered on 23 July 2012, is insured for ten years. There are no captive insurance companies within the Group.

¹ Individuals, past, present or future, ordinarily invested with company powers pursuant to the laws or Bylaws.

5 2015 FINANCIAL REPORT

5.1 2015 Results	170	5.3 Financial position of the parent company and agreements between M6 and its subsidiaries	179
5.1.1 Presentation of the consolidated income statement	170	5.3.1 Financial position of the parent company	179
5.1.2 Analysis of the consolidated income statement	171	5.3.2 Shareholders' agreements.....	179
5.1.3 Significant contracts signed over the last 24 months.....	175	5.3.3 Direct shareholding interests over 5%, 10%, 20%, 33% or 50% of capital and controlling interests (Article L 233-6 of the Commercial Code) acquired during the 2015 financial year	179
5.1.4 Compliance with legal obligations and the agreement	175	5.3.4 Parent company/subsidiaries relationships.....	180
5.2 Group financial position and cash flow statement	175	5.3.5 Tax consolidation.....	183
5.2.1 Financial position	175	5.4 Outlook and strategic direction	183
5.2.2 Cash flow statement	176	5.4.1 Significant post-balance sheet events.....	183
5.2.3 Cash management policy	177	5.4.2 Television	183
5.2.4 Investment policy	177	5.4.3 Other activities	184
5.2.5 Contingent assets and liabilities ...	178		

5.1 2015 Results

5.1.1 Presentation of the consolidated income statement

5.1.1.1 Analytical consolidated income statement

The analytical consolidated income statement below is based on the segmentation of Group activities selected within the framework of IFRS 8 - *Operating segments*.

EBITA, also termed profit from recurring operations, is defined as operating profit (EBIT) before operating income and expenses from business combinations and capital gains on the disposal of financial assets and subsidiaries.

Operating income and expenses related to business combinations include the amortisation of intangible assets (brands and technologies) accounted for as part of the acquisitions of Oxygem (negative amount of €0.9 million in 2015) and Cyréal (negative amount of €0.1 million in 2015 and 2014) and other accounting entries resulting from the application of revised IFRS 3, *Business combinations* (€0.0 million in 2015 and a negative amount of €0.2 million in 2014).

(€ millions)	31/12/2015	31/12/2014	2015/2014 change	
			(€ millions)	%
TV				
Revenue - advertising	780.5	769.4	11.1	1.4%
Revenue - other operations	41.6	43.8	(2.2)	-5.0%
Profit from recurring operations (EBITA)	155.7	144.0	11.7	8.1%
Production & Audiovisual rights				
Revenue	93.6	111.4	(17.8)	-15.9%
Profit from recurring operations (EBITA)	7.0	10.3	(3.3)	-31.8%
Diversification				
Revenue	333.7	333.0	0.7	0.2%
Profit from recurring operations (EBITA)	42.8	55.6	(12.8)	-23.0%
Other revenue	0.4	0.4	(0.0)	-3.7%
Eliminations and unallocated items	(5.3)	(2.4)	(2.9)	119.0%
Revenue from continuing operations	1,249.8	1,257.9	(8.2)	-0.6%
Profit from recurring operations (EBITA) - continuing operations	200.2	207.5	(7.2)	-3.5%
Operating income and expenses related to business combinations	(1.1)	(0.3)	(0.8)	226.6%
Operating profit (EBIT) from continuing operations	199.1	207.1	(8.0)	-3.9%
Net financial income	2.0	3.7	(1.6)	-44.5%
Share of profit of associates	0.9	(0.2)	1.1	-523.5%
Profit before tax (EBT) from continuing operations	202.0	210.6	(8.6)	-4.1%
Income tax on continuing operations	(87.1)	(87.4)	0.3	-0.3%
Net profit from continuing operations	114.9	123.2	(8.3)	-6.7%
Net profit from discontinued operations	-	0.0	(0.0)	-
Net profit	114.9	123.2	(8.3)	-6.8%
Restatement of minority interests	0.1	0.2	(0.1)	-53.0%
Net profit (Group share)	115.0	123.4	(8.4)	-6.8%

5.1.12 Consolidated income statement by nature of expense

Condensed consolidated income statement		
<i>(€ millions)</i>	31/12/2015	31/12/2014
Revenue	1,249.8	1,257.9
Total operating revenues	1,261.1	1,270.8
Total operating expenses *	(1,060.9)	(1,063.4)
Profit from recurring operations (EBITA)	200.2	207.5
Amortisation and impairment of intangible assets related to acquisitions (including goodwill) and net proceeds from the disposal of subsidiaries & equity investments	(1.1)	(0.3)
Operating Profit (EBIT)	199.1	207.1
Net financial income	2.0	3.7
Share of profit of joint ventures and associates	0.9	(0.2)
Profit before tax (EBT)	202.0	210.6
Income tax	(87.1)	(87.4)
Net profit from continuing operations	114.9	123.2
Net profit from discontinued operations	0.0	0.0
Net profit for the year	114.9	123.2
Attributable to minority interests	0.1	0.2
Net profit for the year - Group share	115.0	123.4

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

5.1.2 Analysis of the consolidated income statement

5.1.2.1 Analysis of Group results

<i>(€ millions)</i> ¹	2015	2014	% change
Consolidated revenue	1,249.8	1,257.9	-0.6%
Group advertising revenue	813.9	796.9	+2.1%
- of which free-to-air channels advertising revenue	762.0	750.1	+1.6%
- of which other advertising revenue	52.0	46.9	+10.9%
Group non-advertising revenue	435.9	461.0	-5.4%
Consolidated profit from recurring operations (EBITA)	200.2	207.5	-3.5%
Operating income and expenses related to business combinations	(1.1)	(0.3)	n.s
Operating profit (EBIT) from continuing operations	199.1	207.1	-3.9%
Net financial income	2.0	3.7	-44.5%
Share of profit from joint ventures and associates	0.9	(0.2)	n.s
Income tax	(87.1)	(87.4)	-0.3%
Net profit from continuing operations	114.9	123.2	-6.8%
Net profit from discontinued operations	0.0	0.0	n.s
Net profit for the period	114.9	123.2	-6.8%
Net profit for the period - Group share	115.0	123.4	-6.8%

In 2015, M6 Group generated **consolidated revenue of €1,249.8 million**, down 0.6%, with the healthy momentum of advertising activities, whose revenue grew by 2.1%, offset by the fall in non-advertising revenue (primarily Production and Audiovisual Rights).

Other operating revenues were €11.3 million, down €1.6 million compared with 2014, of which €1.9 million was attributable to lower transfer fees for F.C. Girondins de Bordeaux players.

Operating revenues thus totalled €1,261.0 million in 2015, compared with €1,270.8 million in 2014, a decline of €9.7 million (down 0.8%).

Excluding operating expenses relating to business combinations, operating expenses decreased by €2.5 million (down 0.2%) to €1,060.9 million.

This decline was due to the following developments:

- operating expenses of the Television division decreased by €1.9 million, due in particular to controlled payroll costs and general operating expenses;
- the Production and Audiovisual Rights division's operating expenses decreased by €12.6 million, due to the impact of lower volumes in 2015;
- lastly, the Diversification division's operating expenses increased by €12.9 million, primarily due to the commissioning of the new F.C. Girondins de Bordeaux football stadium, and to the acquisition of Oxygem Group.

Analysis of expenses by nature is as follows:

- purchases consumed and other operating expenses decreased by €17.7 million (-2.7%);
- personnel costs increased by €12.3 million (up 5.2%) in 2015, due to the integration of Oxygem Group and the increase in FC Girondins de Bordeaux's payroll;
- net amortisation, depreciation and provision charges, excluding those linked to acquisition-related intangible assets, rose by €2.3 million to €122.7 million.

Over the full year, **Group EBITA totalled €200.2 million**, down 3.5%. The TV business saw its operating profit grow significantly due to a solid performance in advertising, driven by audience share gains by the Group's channels.

As a result, **the consolidated margin from recurring operations was 16.0%** (vs. 16.5% in 2014).

Net financial income totalled €2.0 million (compared with €3.7 million at 31 December 2014), reflecting the fall in returns on cash investments as well as the drop in the average amount invested.

Income tax totalled €87.1 million, down €0.3 million. The effects of the fall in operating profit were almost entirely offset by the one-off effect of deferred income tax and other taxes.

Net profit for the period was €114.9 million compared with €123.2 million in 2014.

5.1.2.2 Television

(€ millions)	31/12/2015			31/12/2014			2015/2014 change		
	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA
Total TV division	842.4	822.1	155.7	833.4	813.2	144.0	9.0	8.9	11.7

EBITA of the Television division may be analysed as follows based on the gross margin on programming of the Group's free-to-air channels:

(€ millions)	31/12/2015	31/12/2014	2015/2014 change	
			(€ millions)	%
External advertising revenues	762.0	750.1	11.9	1.6%
Intra-Group advertising revenues	10.5	11.4	(0.9)	-8.0%
Advertising agency costs, operating taxes and broadcasting costs	(186.0)	(182.0)	(4.0)	2.2%
Free-to-air net revenues	586.4	579.4	7.0	1.2%
Programming costs	(418.5)	(415.7)	(2.8)	0.7%
Gross margin on programming	167.9	163.8	4.2	2.6%
%	28.6%	28.3%		

Net advertising revenue: these consist of advertising revenue earned by the M6, W9 and 6ter channels, offset by the net cost of services provided by M6 Publicité (share of free-to-air channels), mandatory charges levied as a proportion of revenue and broadcasting costs.

Programming costs: these represent the cost of programmes broadcast on the M6, W9 and 6ter channels (purchased, produced or coproduced), including charges relating to rights that are invalid or unlikely to be broadcast.

Gross margin on programming: this represents the difference between TV net revenue and programming costs.

In 2015, M6 Group capitalised on its solid audience figures to post an increase in advertising revenue for its free-to-air channels, which grew 1.6% (up €11.9 million), outperforming an TV market which grew by an estimated 0.5% (source: IREP, 29/01/2016 estimate).

The TV division contributed €155.7 million to EBITA, an increase of €11.7 million compared with 2014, with a programming cost for the free-to-air channels of €418.5 million, a modest increase of 0.7% in spite of investment in 6ter.

The margin from recurring operations thus totalled 18.9% (vs. with 17.7% in 2014).

5.123 Production and audiovisual rights

(€ millions)	31/12/2015			31/12/2014			2015/2014 change		
	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA
Total Production & Audiovisual rights	104.9	93.6	7.0	125.0	111.4	10.3	(19.8)	(17.5)	(3.2)

Revenue from Production and Audiovisual Rights operations totalled €93.6 million in 2015, down 15.9% in comparison with 2014, **with EBITA of €7.0 million** (down €3.3 million) due to a less favourable cinema release line-up than in 2014, **(8.1 million admissions)** for films distributed by SND in 2015, compared with 12 million in 2014, which was marked by the cinema release of *Astérix, Le Domaine des Dieux*.

2015 was notable for the box office success of *Divergente 2* (2.4 million admissions), *Prémonitions* (1.0 million) and *La Rage au ventre* (0.7 million), all distributed by SND.

In addition, 2015 proved to be an exceptional year for M6 Films, with more than **20 million cinema admissions** for co-produced films. Five of these films achieved more than 2 million admissions: *Pourquoi j'ai pas mangé mon père*, *Taken 3*, *Papa ou maman*, *Babysitting 2* and *Les nouvelles*

aventures d'Aladin, which, with almost 4.5 million admissions, was the most seen French film of 2015.

5.1.2.4 Diversification

(€ millions)	31/12/2015			31/12/2014			2015/2014 change		
	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA
Interactions	9.4	7.3	3.7	13.6	10.8	6.5	(4.2)	(3.5)	(2.8)
Ventadis	163.3	157.7	16.9	181.2	175.4	22.7	(17.8)	(17.7)	(5.7)
M6 Web	106.9	104.3	32.8	94.0	91.7	33.6	12.9	12.5	(0.8)
F.C.G.B	64.8	64.4	(10.6)	55.4	55.1	(7.2)	9.4	9.4	(3.4)
Intra-Group eliminations	(8.3)		-	(8.9)		-	0.6	-	-
Total Diversification	336.2	333.7	42.8	335.2	333.0	55.6	0.9	0.7	(12.8)

Diversification revenue totalled €333.7 million in 2015 (up **0.2%** compared with 2014), with a **€42.8 million contribution to EBITA**, which fell by €12.8 million, primarily due to:

- **Ventadis**, whose EBITA fell by €5.7 million as a result of a decline in home shopping activities, in line with flat consumer spending and a product catalogue undergoing a phase of renewal;
- **F.C.G.B**, whose losses increased to €10.6 million due to investments made in the club's players;
- **M6 Web**, with profit from recurring operations of €32.8 million, compared with €33.6 million in 2014.

Revenue for M6 Web grew €12.5 million (up 13.7%), to €104.3 million due to the **integration of Oxygem**, a company acquired in early 2015 which operates various websites (CuisineAZ.com, Passeportsanté.net, Radins.com, Météocity.com and Fourchette-et-bikini.fr), and which led to the Group being positioned as the leading French TV Group online with 13.4 million unique monthly visitors (source: Médiamétrie-Nielsen Netratings, November 2015).

5.1.2.5 Unallocated items

Eliminations and unallocated income/expenses related to:

- the cost of share subscription options and cost of free share allocation plans, in accordance with IFRS 2 – Share-based payments;
- unallocated consolidation restatements primarily corresponding to the elimination of intra-Group gains on the disposal of non-current assets or inventories;
- EBITA of property companies and dormant companies (€2.9 million in 2015, €2.9 million in 2014): the Group owns 20,000 m² of offices in Neuilly-sur-Seine, which are leased to Group companies; all leasing and sub-leasing agreements provide for transparent billings of rent and related charges to each tenant, under normal market conditions, in proportion to the space occupied.

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

5.1.3 Significant contracts signed over the last 24 months

No significant contract was concluded outside the ordinary activities of the M6 Group during the last 24 months.

5.1.4 Compliance with legal obligations and the agreement

The M6, W9, 6ter and Paris Première channels, which all benefit from a terrestrial broadcasting licence and have all signed agreements with the CSA, are subject to regulatory obligations and obligations arising from these agreements. On an annual basis, the channels report on the implementation of their obligations and commitments during the previous financial year to the CSA.

In 2015, according to calculations and subject to validation by the CSA, the channels complied with all the contractual commitments and obligations for the production of audiovisual and film works, as well as their broadcasting obligations.

Details concerning the obligations of the M6, W9 and 6ter channels are set out in section 1.6. of the Legal Information part of this document.

5.2 Group financial position and cash flow statement

5.2.1 Financial position

Condensed consolidated balance sheet

<i>ASSETS (€ millions)</i>	31/12/2015	31/12/2014
Non-current assets	377.0	336.2
Current assets	830.4	926.9
Total assets	1,207.4	1,263.1
<i>EQUITY and LIABILITIES (€ millions)</i>		
Shareholders' equity	583.7	582.7
Non-current liabilities	39.9	32.4
Current liabilities	583.8	648.0
Total Equity and Liabilities	1,207.4	1,263.1

At 31 December 2015, total assets were €1,207.4 million, a decline of €55.7 million (down 4.4%) compared with 31 December 2014.

Non-current assets totalled €377.0 million, an increase of €40.8 million (up 12.1%) compared with the 2014 year-end.

This change was primarily due to:

- new goodwill generated by the acquisition of Oxygem Group (up €17.0 million);
- the increase in net intangible assets (up €10.5 million), mainly reflecting additional assets (brands, customer databases and software) recognised as part of the allocation of the acquisition cost of Oxygem Group;
- the increase in other assets (up €18.9 million) linked to the advance on future lease payments for the new Bordeaux stadium.

The remainder was due to the decrease in net property, facilities and equipment (down €3.5 million) and the increase in deferred tax assets (up €2.7 million).

Current assets, excluding cash and cash equivalents, amounted to €654.6 million, a slight decline of €11.4 million (down 1.7%) compared with 31 December 2014.

This change primarily reflects:

- the increase in inventories (up €7.2 million);
- the decrease in trade receivables (down €15.8 million)
- the decrease in current tax receivables (down €2.7 million).

Cash and cash equivalents amounted to €175.8 million, down €85.1 million compared with 31 December 2014 (see comments on the consolidated cash flow statement).

Group equity totalled €583.7 million, stable compared with the 2014 year-end (up €1.0 million).

Other liability items (current and non-current liabilities) declined by €56.7 million compared with 31 December 2014 to €623.7 million.

This 8.3% fall is primarily explained by the decreases in trade payables and related accounts (down €31.0 million), in other operating liabilities (down €13.0 million), and in liabilities relating to non-current assets (down €7.1 million).

5.2.2 Cash flow statement

Consolidated cash flow statement

<i>(€ millions)</i>	31/12/2015	31/12/2014
Self-financing capacity before tax	318.2	332.7
Movement in working capital requirements	(65.2)	(43.8)
Advances on leases	(20.0)	-
Income tax paid	(76.2)	(87.1)
Cash flow from operating activities	156.8	201.8
Cash flow from investment activities	(149.2)	(117.6)
Cash flow from financing activities	(92.9)	(108.8)
Of which dividends paid	(108.0)	(107.1)
Net change in cash and cash equivalents	(85.1)	(24.5)
Cash and cash equivalents - start of year	260.9	285.4
Cash and cash equivalents - end of year	175.8	260.9
Net cash and cash equivalents - end of year	176.5	260.5

Cash flow from operating activities was €156.8 million in 2015, lower than the level of €201.8 million achieved in 2014.

This large decrease of €45.0 million (down 22.3%) was due to the following changes:

- The self-financing capacity before tax generated by the Group decreased slightly by €14.5 million to €318.2 million. This decrease reflects the limited decline in operating profit (down €8.0 million), compounded by lower amortisation, depreciation charges on non-current assets, net of reversals, and provision charges on liabilities, net of reversals, than in the previous financial year (up €6.9 million).

- The change in working capital requirements (WCR), excluding tax receivables and payables amounted to cash usage of €65.2 million, compared with cash usage of €43.8 million in 2014. The marked decrease in operating liabilities, which primarily resulted from the decrease in amounts outstanding with suppliers of broadcasting rights for the Group's channels, explains most of this change.
- F.C. Girondins de Bordeaux paid the City of Bordeaux a €20.0 million advance on future lease payments for the new stadium.
- The payment relating to income tax amounted to €76.2 million compared with €87.1 million paid in 2014.

In 2015, **cash flows applied to investments** used cash resources of €149.2 million, compared with €117.6 million in 2014:

- Growth or non-recurring investments resulted in a €31.3 million cash usage in 2015, compared with a cash usage of €7.9 million in 2014. This change primarily reflects the acquisition of the Oxygem Group during the 2015 financial year.
- Virtually recurring investments (licencing rights purchases by SND and SNDA, purchase and sale of players by FC Girondins de Bordeaux and renewal of technical and IT equipment) increased by €8.2 million.

Cash flow applied to financing activities used cash resources of €92.9 million in 2014 compared with €108.8 million in 2014.

This €15.9 million change is primarily explained by the recovery in 2015 of an amount of €20.0 million placed in escrow as collateral as part of the new City of Bordeaux stadium project.

The 2015 financial year thus resulted in a €85.1 million decrease in cash and cash equivalents.

Cash and cash equivalents totalled €175.8 million at 31 December 2015, compared with €260.9 million at 31 December 2014.

Taking into consideration the debt position, the Group thus went from a positive net cash position of €260.5 million at the 2014 year-end to a positive €176.5 million at 31 December 2015 (the net cash position is defined as cash and cash equivalents, plus current account balances and loans granted, less bank overdrafts and financial debt).

5.2.3 Cash management policy

The cash management policy is detailed in this document in the section dedicated to the investment policy included in Note 21.3 to the consolidated financial statements.

5.2.4 Investment policy

A significant element of the M6 Group's business is the acquisition of rights and the production of programmes. These "investments" in programmes are treated as operating expenses. They are therefore not capitalised but recognised as off-balance sheet commitments before the rights are opened, and then in inventory after the rights are opened.

M6's capital expenditure policy is driven by the following:

- the concern to provide the Group with the necessary resources to develop future growth drivers that meet the challenges resulting from new broadcasting modes and media viewing patterns;

- the strategic necessity to supply existing operations with the best content and products possible in order to confirm their positioning and attractiveness;
 - the importance of providing the Group with a safe and efficient working environment, both in terms of infrastructure and equipment (offices, production resources, etc.) and information and broadcasting systems;
 - TV network obligations and contractual commitment obligations, as well as regulations that govern these activities.
- **In 2013**, the Group sold its 0.36% interest in the film production and distribution company Lions Gate Entertainment.

In addition, the Group completed the acquisition of the company Luxview, which operates the websites www.happyview.fr and www.malentille.com. Luxview holds the entire capital of Optilens SPRL, a company governed by Belgian law.

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

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

The Group also made two merger and acquisition transactions:

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

Lastly, as part of its contractual commitments and/or regulatory obligations, the Group invested a total €105 million in the production of audiovisual and film works.

- The Group performed an external growth transaction **in 2015**, when it made the full acquisition of Oxygem, the French media group, which includes website publishing and e-marketing service businesses.

Furthermore, as part of its contractual and regulatory obligations, the M6 Group's obligations in terms of the production of audiovisual and film works amounted to €129.5 million in 2015.

5.2.5 Contingent assets and liabilities

A description, a summary table and an analysis of changes in contingent assets and liabilities are included in Note 25 to the consolidated financial statements set out in this document.

5.3 Financial position of the parent company and agreements between M6 and its subsidiaries

5.3.1 Financial position of the parent company

At 31 December 2015, Métropole Télévision (M6) had total assets of €1,160.5 million, a decrease of €114.6 million (down 9.0%) compared with 31 December 2014.

Non-current assets increased by €25.4 million to €238.4 million. €28.0 million of this change related to equity investments, and is primarily explained by the subsidiaries' recapitalisation transactions to which M6 subscribed.

Current assets decreased by €140.1 million to €922.0 million. The decrease in broadcasting rights inventories (down €11.3 million), trade receivables (down €54.5 million) and other receivables (down €60.2 million, reflecting the current financing operations of Group subsidiaries) and cash and cash equivalents (down €42.5 million), partly offset by the increase in prepaid expenses (up €24.2 million), account for the majority of this movement.

On the liabilities side, debt amounted to €616.6 million, a sharp decrease of €107.2 million due to the combined effect of the decrease in trade payables (€43.9 million) and to the fall in other liabilities (€59.3 million). The latter primarily include Group subsidiaries' current funding transactions.

Shareholders' equity totalled €482.1 million, an increase of €3.0 million. This movement was primarily due to:

- the payment of dividends of €107.2 million;
- the issue of 151,811 new shares as part of the exercise of share subscription options (up €2.2 million);
- net profit for the year of €108.5 million.

At 31 December 2015, cash and cash equivalents (cash and marketable securities less bank overdrafts) were €158.9 million, down €42.5 million compared with 31 December 2014.

5.3.2 Shareholders' agreements

Métropole Télévision and its subsidiaries have entered into shareholders' agreements, in addition to the Bylaws, with a view to organising relationships with joint shareholders in jointly-controlled companies. The companies involved in these agreements at 31 December 2015 were Extension TV (Série Club), Multi 4, MR5, R8, Panora Services, Quicksign, Audience Square, Golden Moustache, TVHA Gestion, TVHA SNC, Best of TV and HSS Belgium.

5.3.3 Direct shareholding interests over 5%, 10%, 20%, 33% or 50% of capital and controlling interests (Article L 233-6 of the Commercial Code) acquired during the 2015 financial year

In accordance with legal provisions, in particular Article L. 233-6 of the Commercial Code, the table below shows the direct shareholding interests acquired by Métropole Télévision or any one of its subsidiaries during the 2015 financial year.

5. 2015 FINANCIAL REPORT

Financial position of the parent company and agreements between M6 and its subsidiaries

Name	Legal form	2015 equity investment	Interest (%)		Company	Total
			Direct M6	Indirect M6		
Oxygem	SAS	100%	-	100%	M6 Web	100%
Odiso	SARL	100%		100%	Oxygem	100%
Oxygem Media*	SAS	100%		100%	Oxygem	100%
Oxygem Publishing*	SAS	100%		100%	Oxygem	100%
Dynamic Web*	SAS	100%		100%	Oxygem	100%
Mindbaz*	SARL	100%		100%	Oxygem	100%
Meteocity*	SARL	100%		100%	Oxygem	100%
Chrysalid*	SARL	100%		100%	Oxygem	100%
GIE Oxygem IT	GIE	100%		100%	Oxygem	100%
Blue Bird**	SA	100%		100%	Oxygem	100%
Société Française d'Exploitation Publicitaire*	SAS	100%		100%	Oxygem	100%
TVHA Gestion	SAS	50%	-	50%	M6 Développement	50%
TVHA SNC	SNC	50%	-	50%	M6 Développement	50%
Printic	SAS	6.67%	-	86.66%	Mon Album Photo	86.66%

*companies merged into Oxygem during the financial year

**company liquidated during the financial year

On 9 January 2015, M6 Group, via its subsidiary M6 Web, acquired the entire share capital of Oxygem, the French website publishing and e-marketing services company.

On 30 July 2015, the M6 Group subscribed to 50% of the share capital of both TVHA Gestion, a French Simplified Joint Stock Company, and TVHA, a partnership.

The Group also continued its efforts to streamline its organisational structure. As such, Live Stage was absorbed by M6 Évènements on 9 August 2015.

Furthermore, the Group increased its interest in Printic from 80% to 86.7% on 31 December 2015 via its MonAlbumPhoto subsidiary.

5.3.4 Parent company/subsidiaries relationships

Métropole Télévision has its own business activities and also defines the strategic objectives for the Group in its capacity as Parent Company.

It sets and defines the framework for oversight of the activities of Group entities, as follows:

- through the strategic objectives defined for Group activities;
- through the specific features of its three core business lines: Television, Production & Audiovisual Rights, and Diversification;
- through the existing business-wide functional departments (Finance, Corporate Services, Human Resources, Legal Affairs, Information Systems, Internal Communications, etc.) which operate as shared services across the Group. These functional responsibilities are held by specialists from each of the business lines. The provision of these resources is formalised in Technical Assistance Agreements and is invoiced to each subsidiary.

From a financial point of view:

- the cash pooling agreement with subsidiaries enables M6 to manage and consolidate the cash resources of most Group subsidiaries to optimise its use;
- Métropole Télévision is the parent company of a tax consolidation group pursuant to the provisions of Article 223 A of the General Tax Code.



At 31 December 2015, the Métropole Télévision Group had 66 subsidiaries and affiliates as follows:

- 22 significant consolidated subsidiaries;
- 35 insignificant consolidated subsidiaries;
- 9 non-consolidated subsidiaries.

Significant consolidated subsidiaries are as follows:

Significant consolidated subsidiaries (22)	Country	Financial transactions with Métropole Télévision		% interest (rounded up)	Impact of minority interests
		Member of cash pooling agreement	Various significant transactions*		
TELEVISION					
M6 Publicité	France	yes	Advertising agency payment	100%	-
M6 Thématique	France	yes	NS	100%	-
M6 Génération - 6TER	France	yes	Technical services, rebilling of personnel costs	100%	-
Paris Première	France	yes	Technical services, rebilling of personnel costs	100%	-
EDI TV – W9	France	yes	Sales of broadcasting rights, technical services, rebilling of personnel costs	100%	-
M6 Communication - M6 Music Black - Hit - Club	France	yes	Technical services	100%	-
SediTV - Téva	France	yes	Technical services, rebilling of personnel costs	100%	-
SNDA	France	yes	Purchase and sale of broadcasting rights	100%	-
Métropole Production	France	yes	Purchase of broadcasting rights, technical services or support	100%	-
C. Productions	France	yes	Purchase of broadcasting rights	100%	-
Studio 89 Productions	France	yes	Purchase of broadcasting rights	100%	-
PRODUCTION AND AUDIOVISUAL RIGHTS					
M6 Créations	France	yes	Advertising	100%	-
M6 Films	France	yes	NS	100%	-
Société Nouvelle de Distribution	France	yes	Purchase of broadcasting rights	100%	-
Société Nouvelle de Cinématographie	France	yes	NS	100%	-
DIVERSIFICATION					
Football Club des Girondins de Bordeaux	France	no	NS	100%	-
Home Shopping Service	France	yes	Rebiling of personnel costs	100%	-
Best of TV	France	no	NS	51%	-
MonAlbumPhoto	France	no	Advertising	100%	-
M6 Interactions	France	yes	Technical services, rebilling of personnel costs	100%	-
M6 Web	France	yes	Advertising, technical services, rebilling of personnel costs	100%	-
Oxygem	France	yes	NS	100%	-

* Transactions valued in excess of €500 K

In view of the size of their individual business activities, the transactions between other companies and Métropole Télévision are insignificant.

The contributions of major Group companies in terms of non-current assets, financial debt, balance sheet cash and cash equivalents, cash flow from operations and dividends paid by subsidiaries to the parent company during the financial year are presented below, to disclose the respective scale of each company within the Group and more specifically the relative size of the parent company compared to the direct and indirect subsidiaries.

The Group's financial debt amounted to €1.7 million and primarily included bank debt, associates' current accounts and finance leases for the acquisition of technical equipment, for which the Group is liable.

5. 2015 FINANCIAL REPORT

Financial position of the parent company and agreements between M6 and its subsidiaries

Parent company - subsidiary relationships		
(€ millions)	31/12/2015	31/12/2014
<i>Non-current assets</i>	<i>337.0</i>	<i>317.2</i>
M6 Web	44.1	43.3
SCI du 107	37.7	39.5
SND	30.9	20.4
E-Commerce *	30.2	29.7
Immobilière 46D	28.2	30.1
Immobilière M6	28.0	28.1
Oxygem Groupe	25.0	0.0
SNDA	22.1	27.9
FCGB	19.6	14.7
Teleshopping *	19.5	20.4
Métropole Télévision	13.4	16.0
M6 Publicité	13.4	12.7
SNC	7.7	9.5
M6 Studio	5.7	8.1
Stephane Plaza Franchise	3.0	3.6
Métropole Production	2.0	2.3
Serie Club	1.7	0.6
M6 Thématique	0.8	1.0
M6 Films	0.6	5.3
M6 Créations	0.2	1.1
<i>Other</i>	<i>3.5</i>	<i>2.7</i>
<i>Balance sheet cash and cash equivalents</i>	<i>175.8</i>	<i>260.9</i>
Métropole Télévision	148.8	211.8
SND	15.3	23.3
Oxygem Group	3.8	0.0
Teleshopping *	3.2	13.4
M6 Publicité	1.9	7.7
FCGB	1.1	2.1
E-Commerce *	0.9	1.8
SND USA	0.9	1.2
<i>Other</i>	<i>(0.2)</i>	<i>(0.4)</i>
<i>Cash flow from operating activities</i>	<i>156.8</i>	<i>201.8</i>
SNDA	53.5	41.7
SND	41.5	36.8
M6 Publicité	36.1	33.7
M6 Web	34.6	30.6
M6 Interactions SAS	6.7	4.9
Sedi - Teva	6.5	8.9
Teleshopping *	4.8	18.7
E-Commerce *	4.4	3.6
M6 Créations	3.9	2.5
M6 Films	3.7	0.4
Métropole production	3.6	(1.8)
Métropole Télévision	3.4	32.0
Immobilière M6	3.2	3.0
Oxygem Groupe	2.4	0.0
SCI du 107	2.1	2.3
Paris Première	2.1	0.8
M6 Studio	1.9	11.0
Immobilière 46D	1.7	1.5
SNC	1.6	3.3
M6 Communication	1.1	3.8
Capital Productions	(2.0)	(0.3)
M6 Génération - 6Ter	(6.5)	(12.4)
Studio 89 Productions	(7.5)	(1.0)
Edi - W9 Tv	(12.8)	(15.0)
FCGB	(33.2)	(5.7)
<i>Other</i>	<i>(0.0)</i>	<i>(1.5)</i>
<i>Dividends paid to Métropole Télévision</i>	<i>63.9</i>	<i>74.3</i>
M6 Interactions SAS	25.5	25.5
M6 Publicité SAS	18.8	24.7
M6 Thématique SA	10.4	22.5
Immobilière M6	7.8	0.0
M6 Web SAS	0.8	1.4
SND	0.7	0.2

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

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



5.3.5 Tax consolidation

Information on the Group's tax consolidation is set out in Note 4.9 to the parent company financial statements.

5.4 Outlook and strategic direction

In 2016, the M6 Group will continue to implement its profitable growth strategy for all its activities.

Content will remain the focal point of the Group's development (see Section 5.4.2), in order to consolidate the growth of its family of channels in a rapidly changing market environment that is characterised by ongoing audience fragmentation, as well as by major concentration trends in both broadcasting and production.

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

M6 Group will operate against an economic backdrop that is showing signs of a modest recovery in 2016. Macro-economic forecasts (INSEE Economic Environment report of December 2015) show that GDP growth is apparently regaining modest strength (+0.4% per quarter in the first half). The unemployment rate is likely to fall slightly, but will nonetheless remain at a high level as a result of its regular increase during 2015. Corporate investment, which is facing clearer internal and external demand prospects, is likely to rise. Consumer spending is likely to improve slightly, especially in the electronic goods category ahead of Euro 2016. However, the sustained high underlying inflation rate and a continually rising savings rate will nonetheless put pressure on any possible increase in consumer spending.

Faced with these limited prospects for a positive economic environment, the M6 Group will pay particular attention to controlling its operating expenses, although it will continue, to the extent possible, to ensure the development of its business activities in order to maintain a satisfactory profitability level.

5.4.1 Significant post-balance sheet events

To the knowledge of the company, no other significant events have occurred since 1 January 2016 that are likely to have or have had a significant impact on the financial position, financial performance, activities and assets of the Company or the Group.

5.4.2 Television

Buoyed by the success of its programmes, in 2015 the M6 Group was the only traditional television group to see its audience share increase across the entire population aged under 50. The Group intends to continue in 2016 its strategy to bolster its audience ratings at key time slots of the day.

- M6's varied evening programmes (series, films, entertainment, and magazines) met with great success, and managed to hold up well in an environment where audiences are fragmenting, which is having a major impact on the traditional market leaders. The channel will continue to invest in major programmes, and will specifically benefit from the broadcasting of Euro 2016, which will take place in France. On this occasion, the broadcasting of the French Football Team's matches on M6 should specifically attract record audiences, and drive the remainder of the schedule.

- W9 performed particularly well in 2015, and succeeded in increasing its audience share among the commercial target of Women aged under 50 who are responsible for purchases. The channel is aiming to pursue this upward trend in 2016, and specifically to further boost the success of its access-prime-time programmes.
- 6ter, which registered an outstanding performance in 2015, when it saw the largest audience share increase across all channels, will benefit from a full launch in 2016 and will therefore be able to continue its marked progress.

Regulatory developments introduced in 2015 and having an impact on 2016 are set out in paragraph 1.4.3.

2016 will be determined by the state of the advertising market, which is difficult to predict, but on which the M6 Group will seek to turn its increased audiences into market share.

5.4.3 Other activities

The M6 Group's historical policy, which consists in developing a large number of non-TV growth drivers, will enable it to boost the momentum of its traditional business activities.

Therefore, the audiovisual rights business will continue its development initiated over the past few years to strengthen the Group's access to more secure and diversified premium content, while at the same time generating revenue that does not depend on the advertising market: particularly in the production business, which complements distribution, a strategy that allows for a more upstream positioning in the value chain (greater ownership of the negative - share, duration and geographic regions).

In 2016, M6 Group will strengthen its position as a leader in new media. The Group's video services continue to develop based on two rapidly growing pillars:

- long videos with 6Play, which once again confirmed its leadership at the end of 2015 by becoming the first catch-up television and second screen service that is capable of customising the viewing experience thanks to an identification system, and of offering its advertisers extremely accurate targeting;
- short videos and original content videos, which will magnify the huge success encountered by Golden Moustache and Rose Carpet, including the launch of new YouTube channels.

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

The acquisition of Oxygem in 2015 has enabled M6 Group to gain a decisive technological lead and to round out its publishing offer. Complementarity between audiences, content and expertise resulted in the implementation of many synergies, particularly in the fields of video content and price comparison search engines.

The transaction has enabled M6 to significantly boost its technological expertise in performance marketing, programming, and the use of data, which is a crucial challenge for 2016.

Accordingly, M6 Digital Advertising will be able to drive its progress on the internet advertising market, not only by increasing its power, but especially by benefiting from expertise and data power that are unique on the market.

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

Lastly, the Girondins de Bordeaux Football Club will be able to benefit from the full use in 2016 of the MATMUT Stadium, which was inaugurated in 2015. This new stadium, which will host the Euro 2016,

and where the F.C.G.B is the resident club, will enable it to increase its ticket sales. At the same time, the increase in the value of TV broadcasting rights as from the second half of 2016 will boost the Club's income.



6 2015 FINANCIAL STATEMENTS AND RELATED NOTES

6.1	Consolidated financial statements at 31/12/2015	188	6.6	Statutory Auditors' report on the parent company financial statements	269
6.2	Notes to the consolidated financial statements	192	6.7	Summary of financial results of the last 5 years	271
6.3	Statutory Auditors' report on the consolidated financial statements	246	6.8	Parent company cash flow statement	272
6.4	Parent company financial statements at 31/12/2015	248	6.9	Statutory Auditors' special report on regulated agreements and commitments	273
6.5	Notes to the parent company financial statements	251			

6.1 Consolidated financial statements at 31/12/2015

1. Consolidated statement of financial position

ASSETS			
(€ millions)	Note n°	31/12/2015	31/12/2014 (1)
Goodwill	15 and 16	89.7	72.7
Audiovisual rights	15	34.5	38.7
Other intangible assets	15	84.6	74.1
INTANGIBLE ASSETS		208.9	185.5
Land	17	19.3	19.3
Buildings	17	76.6	81.2
Other property, facilities and equipment	17	21.9	20.8
PROPERTY, FACILITIES AND EQUIPMENT		117.7	121.2
Financial assets available for sale	20.1	0.3	0.2
Other non-current financial assets	20.1	4.1	4.7
Equity investments in joint ventures and associates	19	6.1	5.6
FINANCIAL ASSETS		10.4	10.5
Other non-current assets	20.1	18.9	-
Deferred tax assets	11	21.1	19.0
TOTAL NON-CURRENT ASSETS		377.0	336.2
Broadcasting rights inventory	18	206.6	203.3
Other inventories	18	17.4	13.5
Trade receivables	20.1	249.1	264.9
Current tax		4.7	7.4
Derivative financial instruments	21.3	0.2	1.8
Other current financial assets	20.1	-	20.0
Other current assets	20.1	176.6	155.1
Cash and cash equivalents	20.1	175.8	260.9
TOTAL CURRENT ASSETS		830.4	926.9
TOTAL ASSETS		1,207.4	1,263.1
EQUITY AND LIABILITIES			
(€ millions)	Note n°	31/12/2015	31/12/2014 (1)
Share capital		50.6	50.5
Share premium		7.6	5.4
Treasury shares		(2.2)	(1.2)
Consolidated reserves		425.6	410.2
Other reserves		(12.6)	(5.4)
Net profit for the year (Group share)		115.0	123.4
GROUP EQUITY		583.9	583.0
Non-controlling interests		(0.3)	(0.3)
SHAREHOLDERS' EQUITY	22	583.7	582.7
Provisions	23 and 24	11.1	10.3
Financial debt	20.2	1.1	2.2
Other financial liabilities	20.2	24.7	18.9
Liabilities relating to non-current assets		-	-
Other liabilities	20.2	0.7	0.9
Deferred tax liabilities	11	2.3	-
TOTAL NON-CURRENT LIABILITIES		39.9	32.4
Provisions	24	78.7	86.2
Financial debt	20.2	0.6	0.5
Derivative financial instruments	21.3	0.1	-
Other financial liabilities	20.2	10.5	13.8
Trade payables	20.2	362.0	393.0
Other operating liabilities	20.2	40.5	53.5
Current tax		1.7	1.3
Tax and social security payable	20.2	80.0	82.9
Liabilities relating to non-current assets	20.2	9.8	16.9
TOTAL CURRENT LIABILITIES		583.8	648.0
TOTAL EQUITY AND LIABILITIES		1,207.4	1,263.1

⁽¹⁾ Includes the impact of the retrospective application at 1 January 2014 of IFRIC 21 - Levies. The balance sheet items impacted by the first-time application of this interpretation are "Tax and social security payable", "Deferred tax assets" and "Consolidated reserves" (see Note 5 - Changes in methods).

2. Consolidated statement of comprehensive income

<i>(€ millions)</i>	Note n°	31/12/2015	31/12/2014
CONSOLIDATED INCOME STATEMENT			
Revenues	7	1,249.8	1,257.9
Other operating revenues	8.1	11.3	12.9
Total operating revenues		1,261.1	1,270.8
Materials and other operating expenses	8.2	(630.2)	(647.9)
Personnel costs (including profit sharing plan contributions)	8.3	(250.4)	(238.4)
Taxes and duties		(57.5)	(56.8)
Net depreciation/amortisation/provision charges	8.4	(123.8)	(120.6)
Impairment of unamortised intangible assets	8.4 / 16	-	-
Total operating expenses		(1,061.9)	(1,063.7)
Capital gains on disposals of non-current assets		-	-
Operating profit		199.1	207.1
Income generated by cash balances		1.5	4.8
Cost of debt		(0.2)	(0.2)
Revaluation of derivative financial instruments		(0.1)	(0.2)
Proceeds from the disposal of financial assets available for sale	20.1	-	-
Other financial items		0.9	(0.7)
Net financial income	10	2.0	3.7
Share of profit of joint ventures and associates	19	0.9	(0.2)
Profit before tax		202.0	210.6
Income tax	11	(87.1)	(87.4)
Net profit from continuing operations		114.9	123.2
Net profit/(loss) from operations held for sale / sold	12	-	0.0
Net profit for the year		114.9	123.2
attributable to the Group		115.0	123.4
attributable to non-controlling interests		(0.1)	(0.2)
Earnings per share - basic (€) - Group share	13	0.911	0.983
Earnings per share from continuing operations - basic (€) - Group share	13	0.911	0.982
Earnings per share - diluted (€) - Group share	13	0.907	0.976
Earnings per share from continuing operations - diluted (€) - Group share	13	0.907	0.976
CONSOLIDATED COMPREHENSIVE INCOME			
Consolidated net profit		114.9	123.2
<i>Other items of comprehensive income transferable to the income statement:</i>			
Change in value of derivative instruments		(11.4)	(4.8)
Change in value of translation adjustment		0.2	0.1
Tax on transferable items	11	3.9	1.6
<i>Other items of comprehensive income non-transferable to the income statement:</i>			
Actuarial gains and losses		0.4	(1.7)
Tax on non-transferable items	11	(0.1)	0.6
Other items of comprehensive income	22.3	(7.0)	(4.1)
Comprehensive income for the year		107.9	119.1
attributable to the Group		108.0	119.3
attributable to non-controlling interests		(0.1)	(0.2)

3. Consolidated statement of cash flows

<i>(€ millions)</i>	Note n°	31/12/2015	31/12/2014
Operating profit from continuing operations		199.1	207.1
Non-current asset depreciation and amortisation		113.9	120.8
Capital gains (losses) on disposals		(3.1)	(5.5)
Other non-cash items		6.2	5.4
Operating profit after restatement for non-cash items		316.2	327.9
Income generated by cash balances	10	2.2	4.8
Interest paid	10	(0.2)	(0.1)
SELF-FINANCING CAPACITY BEFORE TAX		318.2	332.7
Movements in inventories	18	(7.1)	(34.1)
Movements in trade receivables	20	(6.8)	(13.3)
Movements in operating liabilities	20	(51.3)	3.6
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS		(65.2)	(43.8)
Advances on leases	20	(20.0)	-
Income tax paid	11	(76.2)	(87.1)
CASH FLOW FROM OPERATING ACTIVITIES		156.8	201.8
Investment activities			
Intangible assets acquisitions	15	(116.8)	(107.1)
Property, facilities and equipment acquisitions	17	(10.0)	(7.7)
Investments acquisitions	20	(0.3)	(2.8)
Cash and cash equivalents arising from subsidiary acquisitions		(31.3)	(7.6)
Cash and cash equivalents arising from subsidiary disposals		-	1.9
Disposals of intangible assets and property, facilities and equipment	15 / 17	8.7	5.2
Disposals of investments	20	0.0	(0.1)
Dividends received		0.5	0.6
CASH FLOW FROM INVESTMENT ACTIVITIES		(149.2)	(117.6)
Financing activities			
Share capital increases	22	-	-
Financial assets	20	19.7	(0.8)
Financial liabilities		(1.5)	(1.3)
Income from the exercise of stock options	22	6.3	0.3
Purchase and sale of treasury shares	22	(9.3)	0.0
Dividends paid to shareholders of the parent company	14	(108.0)	(107.1)
CASH FLOW FROM FINANCING ACTIVITIES		(92.9)	(108.8)
Cash flow linked to operations held for sale / sold	12	-	0.0
Translation effect on cash and cash equivalents		0.2	0.1
NET CHANGE IN CASH AND CASH EQUIVALENTS	20	(85.1)	(24.5)
Cash and cash equivalents - start of year	20	260.9	285.4
CASH AND CASH EQUIVALENTS - END OF YEAR		175.8	260.9

4. Consolidated statement of changes in equity

(€ millions)	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Consolidated reserves Group net profit	Fair value movements Foreign exchange difference	Equity Group share	Non-controlling interests	Shareholders' equity
BALANCE AT 1 JANUARY 2014 ⁽¹⁾	125,965.4	50.4	1.2	(6.9)	531.0	(2.3)	573.3	0.3	573.6
Change in value of derivative instruments						(3.1)	(3.1)	-	(3.1)
Change in value of assets available for sale						-	-	-	-
Actuarial gains and losses					(1.1)		(1.1)		(1.1)
Foreign exchange difference						0.1	0.1		0.1
Other items of comprehensive income					(1.1)	(3.0)	(4.1)		(4.1)
Net profit for the year					123.4		123.4	(0.2)	123.2
Total comprehensive income for the year					122.4	(3.0)	119.3	(0.2)	119.1
Dividends paid					(107.0)		(107.0)	(0.0)	(107.1)
Changes in consolidating company's equity	297.0	0.1	4.3				4.4		4.4
Purchases/sales of treasury shares				5.7	(3.7)		2.0		2.0
Total transactions with shareholders		0.1	4.3	5.7	(110.7)		(100.7)	(0.0)	(100.7)
Cost of stock options and free shares (IFRS 2)					5.2		5.2		5.2
Free shares allocation hedging instruments							-		-
Other movements					(14.2)		(14.2)	(0.3)	(14.5)
BALANCE AT 31 DECEMBER 2014	126,262.4	50.5	5.4	(1.2)	533.6	(5.4)	583.0	(0.3)	582.7
BALANCE AT 1 JANUARY 2015	126,262.4	50.5	5.4	(1.2)	533.6	(5.4)	583.0	(0.3)	582.7
Change in value of derivative instruments						(7.5)	(7.5)	-	(7.5)
Change in value of assets available for sale						-	-	-	-
Actuarial gains and losses					0.3		0.3	-	0.3
Foreign exchange difference						0.2	0.2		0.2
Other items of comprehensive income					0.3	(7.3)	(7.0)		(7.0)
Net profit for the year					115.0		115.0	(0.1)	114.9
Total comprehensive income for the year					115.3	(7.3)	108.0	(0.1)	107.9
Dividends paid					(108.0)		(108.0)		(108.0)
Changes in consolidating company's equity	151.8	0.1	2.2				2.2		2.2
Purchases/sales of treasury shares				(1.0)	(5.5)		(6.4)		(6.4)
Total transactions with shareholders		0.1	2.2	(1.0)	(113.5)		(112.2)		(112.2)
Cost of stock options and free shares (IFRS 2)					6.0		6.0		6.0
Free shares allocation hedging instruments					0.2		0.2		0.2
Other movements					(1.0)		(1.0)	0.1	(0.9)
BALANCE AT 31 DECEMBER 2015	126,414.2	50.6	7.6	(2.2)	540.6	(12.6)	583.9	(0.3)	583.7

6.2 Notes to the consolidated financial statements

1.	Financial year significant events	193	
2.	Company information	193	
3.	Preparation and presentation of the consolidated financial statements	193	
4.	Accounting principles, rules and methods		197
5.	Changes in methods	211	
6.	Business combinations	212	
7.	Segment reporting	213	
8.	Other operating income and expenses		215
9.	Share-based payments	216	
10.	Net financial income	218	
11.	Income tax	218	
12.	Operations held for sale / sold	220	
13.	Earnings per share	220	
14.	Dividends	220	
15.	Intangible assets	221	
16.	Goodwill impairment tests and intangible assets with an indeterminable life	222	
17.	Property, facilities and equipment	224	
18.	Inventories	225	
19.	Investments in joint ventures and associates	225	
20.	Financial instruments	226	
21.	Risks associated with financial instruments	230	
22.	Equity	234	
23.	Retirement benefits severance pay	236	
24.	Provisions	237	
25.	Engagements hors bilan et actifs / passifs éventuels	239	
26.	Related parties	240	
27.	Subsequent events	243	
28.	Consolidation scope	244	

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

1. Financial year significant events

On 9 January 2015, M6 Group, via its subsidiary M6 Web, entered into exclusive negotiations for the full acquisition of OXYGEM, the French website publishing and e-marketing services company (see Note 6 – *Business combinations*).

2. Company information

The consolidated financial statements at 31 December 2015 of the Group of which Métropole Télévision is the parent company (the Group) were approved by the Executive Board on 17 February 2016 and reviewed by the Supervisory Board on 23 February 2016. They will be submitted for approval to the next Annual General Meeting on 26 April 2016.

Métropole Télévision is a public limited company governed by an Executive Board and a Supervisory Board, registered at 89, avenue Charles-de-Gaulle, Neuilly sur Seine in France. Its shares trade on compartment A of the Euronext Paris Stock Exchange (code ISIN FR0000053225). The Company is fully consolidated into the RTL Group, which is listed on the Brussels, Luxembourg and Frankfurt stock exchanges.

3. Preparation and presentation of the consolidated financial statements

3.1. Accounting framework

The consolidated financial statements at 31 December 2015 have been prepared in accordance with the IFRS (International Financial Reporting Standards) in force within the European Union at that date. They are presented with comparative figures for 2014 prepared under the same framework.

The IFRS standards adopted by the European Union at 31 December 2015 are available in the section IAS/IFRS, SIC and IFRIC standards and interpretations adopted by the Commission on the following website: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

In relation to texts having an impact on M6 Group's consolidated financial statements, there were no differences between the texts approved by the European Union and the standards and interpretations published by the IASB.

PRINCIPLES APPLIED

The principles applied for the establishment of these financial statements result from the application of:

- all standards and interpretations adopted by the European Union, the application of which is mandatory for financial years starting on or after 1 January 2015;
- options retained and exemptions used.

NEW ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS IN FORCE IN THE EUROPEAN UNION, THE APPLICATION OF WHICH IS MANDATORY FOR FINANCIAL YEARS STARTING ON OR AFTER 1 JANUARY 2015

The adoption of the interpretation IFRIC 21 – *Levies charged by public authorities*, applicable to financial years starting on or after 1 January 2015, affects the Group's accounting rules and methods.

The main impact for the Group is the change in the recognition schedule of certain taxes during the interim period, including the *Contribution Sociale de Solidarité des Sociétés* (C3S) and the property tax.

This change is presented in detail in Note 5 - *Changes in methods*.

APPLICATION OF NEW STANDARDS PRIOR TO THE DATE ON WHICH THEIR APPLICATION BECOMES MANDATORY

The Group has chosen not to apply in advance the following texts, the application of which is not mandatory until after 1 January 2015:

- Amendments to IAS 1 – *Presentation of financial statements – Disclosure initiative*, applicable to financial years starting on or after 1 January 2016;
- Amendments to IAS 16 and IAS 38 – *Clarification of acceptable methods of depreciation and amortisation*, applicable to financial years starting on or after 1 January 2016;
- Amendments to IFRS 11 – *Accounting for acquisitions of interests in joint operations*, applicable to financial years starting on or after 1 January 2016;
- Annual improvements to IFRS (cycle 2012-2014), applicable to financial years starting on or after 1 January 2016.

The Group does not expect any material impact from the first application of these texts on its financial position or performance.

STANDARDS PUBLISHED BY THE IASB BUT NOT YET APPROVED BY THE EUROPEAN UNION

The Group may be affected by:

- IFRS 9 – *Financial instruments*, applicable to financial years starting on or after 1 January 2018;
- IFRS 15 – *Revenue from contracts with customers*, applicable to financial years starting on or after 1 January 2018.

The consequences of the first-time application of these standards for the Group, and in particular IFRS 15, are currently being analysed. The latter is not expected however to have any material impact on the Group's financial position or performance.

OPTIONS AVAILABLE AND APPLIED BY THE GROUP IN RELATION TO THE ACCOUNTING FRAMEWORK

Some of the international accounting standards allow options relating to the valuation and accounting treatment of assets and liabilities. The options utilised by the Group are detailed in Note 3.5.

In addition, IFRS 1 - *First adoption of IFRS*, relating to the first-time application of the international reporting framework, allows options in respect of the retrospective application of IFRS at the date of transition (1 January 2004) for the Group. In this regard, the Group has used the following options:

- Business combinations prior to 1 January 2004 have not been restated in accordance with IFRS 3 – *Business combinations*;
- IAS 39 has been applied retrospectively as from 1 January 2004.

3.2. Preparation principles

The consolidated financial statements have been prepared in accordance with the historical cost principle, except for derivative instruments, financial assets available for sale and assets measured at fair value through the income statement, which have been measured at fair value. Other financial assets have been measured at amortised cost.

Except for derivatives measured at fair value, financial liabilities have been valued in accordance with the amortised cost principle. The book value of assets and liabilities recognised in the balance sheet and subject to a fair value hedge has been restated to reflect the movements in the fair value of the risks hedged against.

3.3. Use of estimates and assumptions

In order to prepare the consolidated financial statements in compliance with IFRS, Group Management makes estimates and formulates assumptions which affect the amounts presented as assets and liabilities on the consolidated balance sheet, the information provided on contingent assets and liabilities at the time of preparing this financial information, as well as the income and expenditure recognised in the income statement.

Management continually reviews its estimates and assumptions of the book value of asset and liability items, taking into account past experience as well as various other factors that it deems reasonable (such as the prevailing economic climate of the year).

The estimates and assumptions established during the finalisation of the consolidated financial statements are liable to be substantially called into question over future financial years, both as a result of changes in the Group's operations and performance and exogenous factors affecting the Group's development.

The main estimates and assumptions relate to:

- the valuation and recoverable value of goodwill and intangible assets such as audiovisual rights and the acquisition cost of sports club players; the estimation of the recoverable value of these assets effectively rests on the determination of cash flows resulting from their use (goodwill and audiovisual rights) or the known market value of the assets (notably the transfer fees of football players). It could turn out that the cash flows actually realised from these assets differ significantly from initial projections. In the same manner, the market value of assets, particularly sports club players, can vary and differ from the previously recognised values;
- the measurement, methods of usage and recoverable value of audiovisual rights recognised in inventories;
- the valuation of retirement benefits, the measurement methods of which are detailed in Note 4.14;
- the valuation of commercial discounts (Note 4.17);

- the determination of the amounts recognised as provisions for liabilities and charges given the uncertainties likely to affect the occurrence and cost of the events underlying the provisions;
- the estimate of the recognition and recoverable value of deferred tax assets;
- the valuation of the IFRS 2 charge, the measurement methods of which are detailed in Note 4.12;

Lastly, in the absence of standards or interpretations applicable to specific transactions, Group management uses its own judgement in defining and applying accounting policies which would provide relevant and reliable information, so that financial statements:

- provide a true and fair view of the Group's financial position, financial performance and cash flows;
- reflect the economic substance of transactions;
- and are complete in all material aspects.

3.4. Presentation principles

PRESENTATION OF THE INCOME STATEMENT

The Group presents the income statement based on the nature of expenses, as permitted by IAS 1 - *Presentation of financial statements*.

Operating profit is equal to consolidated net profit before taking into account:

- finance income;
- finance costs;
- income tax;
- share of profit of joint ventures and associates;
- net profit of operations held for sale.

PRESENTATION OF THE STATEMENT OF FINANCIAL POSITION

In compliance with IAS 1, the Group presents current and non-current assets and liabilities separately on the balance sheet. Considering the nature of the Group's activities, this classification is based upon the timescale in which the asset will be realised or the liability settled: "current" when this is within the operating cycle (12 months) or less than one year, and "non-current" if longer.

Pursuant to IFRS 5, assets and liabilities of operations held for sale are presented separately in the balance sheet.

PRESENTATION OF CONTINGENT ASSETS AND LIABILITIES

Commitments given in respect of purchases of rights are stated net of advances and account payments paid in this regard for the corresponding rights not yet recognised in inventories.

3.5. Options retained in relation to measurement and recognition of assets and liabilities

Some of the international accounting standards allow options relating to the valuation and accounting treatment of assets and liabilities.

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

4. Accounting principles, rules and methods

4.1. Consolidation principles

SUBSIDIARIES

A subsidiary is an entity controlled by the Group. Control exists when the Group has the power to govern the entity's financial and operating policies in order to derive benefits from its operations. Potential voting rights currently exercisable are taken into consideration to evidence the existence of control.

Companies exclusively controlled by Métropole Télévision are fully consolidated. Acquisitions or disposals of companies during an accounting period are taken into account in the consolidated financial statements from the date of taking control and until the date of effective loss of control. Acquisitions or disposals of companies during an accounting period are taken into account in the consolidated financial statements from the date of taking control and until the date of effective loss of control.

The proportion of net assets and net profit attributable to minority shareholders is presented separately as non-controlling interest in shareholders' equity in the consolidated balance sheet and in the consolidated income statement.

JOINT VENTURES AND ASSOCIATES

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

Associates are entities in which the Group has significant influence over the financial and operating policies, but does not control these policies. Significant influence is presumed when the Group holds between 20% and 50% of the voting rights of an entity but a third party has exclusive control of this entity. They are accounted for under the equity method.

Joint ventures and associates are initially recognised at acquisition cost. The Group's shareholding includes goodwill identified upon the acquisition, net of cumulative impairment charges.

Under this method, the Group accounts for its share of net assets of the joint venture or associate in the balance sheet and records in the consolidated income statement, under a specific line item entitled "Share of profit/(loss) of joint ventures and associates", its share of the net income of the entity consolidated using the equity method.

Consolidated financial statements include the Group's share of total profit and loss and equity movements recognised by equity accounted companies, taking account of restatements necessary for accounting policies to comply with those of the Group, from the date on which joint control or significant influence is exercised and until joint control or significant influence ceases.

Pursuant to the provisions of IAS 39, the Group determines whether it is necessary to recognise any impairment loss with respect to its investment in a joint venture or an associate. Where necessary, the entire book value of the investment (including goodwill) is tested for impairment as a single asset, in accordance with IAS 36, by comparing its recoverable value (higher of value in use and fair value less cost of disposal) with its book value. Any impairment loss recognised forms part of the book value of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable value of the investment subsequently increases.

If the Group's share of losses exceeds the value of its shareholding in the equity-accounted company, the book value of equity-accounted shares (including any long-term investment) is brought

down to zero and the Group ceases to recognise its share of subsequent losses, unless the Group is under the obligation of sharing in the losses or to make payments in the name of the company.

The existence and effect of potential voting rights exercisable or convertible at year end are taken into consideration when assessing whether the Group has control or significant influence over the entity.

TRANSACTIONS ELIMINATED ON CONSOLIDATION

All inter-company transactions and balances between the Group's consolidated companies have been eliminated.

DISCONTINUED OPERATIONS

An operation is qualified as discontinued or held for sale when it represents a separate major line of business for the Group and the criteria for classification as an asset held for sale have been met, or when the Group has sold the asset. Discontinued operations or operations held for sale are reported on a single line of the income statement for the periods reported, comprising the net profit of discontinued operations or operations held for sale until disposal and the gain or loss after tax on disposal or fair value measurement less the selling costs of the assets and liabilities of the discontinued operations or operations held for sale. In addition, cash flows generated by discontinued operations or operations held for sale are reported on a separate line of the consolidated statement of cash flows for the relevant periods.

FINANCIAL YEAR END

All consolidated companies have a 31 December year-end.

4.2. Translation of financial statements of consolidated foreign entities

The presentation currency of the consolidated financial statements is the Euro.

The financial statements of foreign operations are translated into Euros, the Group's financial statement reporting currency. All assets and liabilities of the entity are translated at the closing exchange rate of the financial year and income and expenses are translated at the average rate of the year just ended, corresponding to the approximate rate at the transaction date in the absence of significant fluctuations. Translation adjustments resulting from this treatment and those resulting from the translation at the year-end rate of subsidiaries' opening equity are posted to "Other reserves" under consolidated equity and to "Change in value of translation adjustment" under other items of comprehensive income.

4.3. Foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency (Euro) using the exchange rate prevailing at the date of the transaction, in application of IAS 21 – *Effects of changes in foreign exchange rates*.

At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the balance sheet date. All differences are recorded in the income statement. Non-monetary items in foreign currencies which are valued at historical cost are translated at the exchange rate at the initial date of the transaction. Exchange differences resulting from the conversion of assets and liabilities denominated in foreign currency arising from commercial transactions are accounted for in operating profit. For financial transactions, these same differences are accounted for in finance income and expense.

The treatment of foreign exchange hedges is detailed in Note 4.16.

4.4. Business combinations and goodwill

Business combinations are accounted for using the acquisition method on the acquisition date, which is the date control is transferred to the Group.

• In relation to acquisitions carried out since 1 January 2010, the Group applied revised IFRS 3 – *Business combinations*, as well as revised IAS 27 – *Consolidated and separate financial statements*.

- Business combinations are now accounted for as follows:
 - The identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date,
 - Investments that do not result in control over the company acquired (non-controlling interests) are measured either at fair value or at the non-controlling interests' proportionate share of the acquired company's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis;
 - Acquisition-related costs are recognised in profit or loss as incurred;
 - Potential restatements of the price of business combinations are measured at fair value on the acquisition date. After the acquisition date, the price restatement is measured at fair value at each balance sheet date;
 - At any time after the first year following the acquisition date, any fair value change is recognised in profit or loss. Within this first-year timeframe, fair value changes explicitly related to events occurring after the acquisition date are also recognised in profit or loss. Other changes are offset against goodwill.

On the acquisition date, goodwill is measured as the excess of:

- The fair value of the consideration transferred, increased by the value of non-controlling interests in the entity acquired and, within the framework of a staged business combination, the fair value on the acquisition date of the equity interest previously held by the acquirer in the entity acquired, thus restated through profit or loss, and
 - Over the net value of the identifiable assets acquired, and the liabilities assumed on the acquisition date.
- Commitments to repurchase non-controlling interests, granted by the Group to minority shareholders, are recognised at their fair value under other financial liabilities and offset under equity. Under equity, these are deducted from non-controlling interests at the book value of the securities subject to the commitment, with the balance being deducted from the Group share of equity, pursuant to the provisions of IFRS 10. Any subsequent change in fair value is recognised in the income statement.
 - When additional securities are acquired in an entity over which exclusive control is already being exercised, the excess of the acquisition price of the securities over the additional proportion of consolidated equity acquired is recognised under consolidated equity attributable to equity owners of the Group's parent company, with the consolidated value of identifiable assets and liabilities of the subsidiary, including goodwill, remaining unchanged.

- Pursuant to revised IAS 27 – *Consolidated and separate financial statements*, acquisitions of non-controlling equity interests are accounted for as transactions with the owners of the entity, acting in this capacity, and consequently no goodwill is recognised following this type of transaction. Restatements of the value of non-controlling interests are measured based on the share of ownership of the subsidiary's net assets.
- Business combinations carried out between 1 January 2004 and 1 January 2010 remain accounted for in accordance with IFRS 3 – *Business combinations*:
 - Within this framework, goodwill represents the difference between the acquisition price, plus related expenses, of the shares of consolidated entities and the Group share of the fair value of their net assets, less any contingent liabilities at the date of investment. The evaluation period for this fair value may be up to 12 months following the acquisition. When the acquisition price, together with related expenses, is less than the fair value of the identified assets and liabilities and contingent liabilities acquired, the difference is immediately recognised in the income statement.
 - In the specific case of the acquisition of non-controlling interests in an already fully-consolidated subsidiary and in the absence of any specific IFRS provision, the Group elected not to recognise additional goodwill and to record under equity the difference between the acquisition cost of the shares and the non-controlling interests acquired.
 - Once allocated to each of the Cash Generating Units, goodwill is not amortised. It is subject to impairment tests from the point of indication of impairment, and as a minimum, once a year (see Note 4.7).
 - In connection with its transition to IFRS in 2005, the Group adopted the option provided by IFRS 1 – *First-time adoption of IFRS* not to restate business combinations prior to 1 January 2004 which did not comply with the recommendations of IFRS 3 – *Business combinations*.
Goodwill recorded prior to 1 January 2004 has been frozen at its book value at this date and will no longer be amortised, in accordance with IFRS 3, as from this date.

Goodwill is valued at cost (on allocation of the price of the business combination), less cumulative impairment.

As for equity-accounted companies, the book value of the goodwill is included in the book value of the shareholding. In case impairment is recognised, the full investment is written down, not only goodwill. This type of goodwill impairment may be reversed.

4.5. Intangible assets

Intangible assets principally comprise:

- advances and payments on account for non-current assets;
- audiovisual rights held for commercialisation by companies with such a mandate;
- production and co-production share of drama and feature films and other programmes;
- acquisition costs of sports club players;
- acquisition costs of sports club players;
- brands.

ADVANCES AND PAYMENTS ON ACCOUNT FOR NON-CURRENT ASSETS;

Advances and payments on account comprise:

- audiovisual rights not yet open held with a view to their commercialisation,
- co-production rights awaiting receipt of technical acceptance or commercialisation visa.

AUDIOVISUAL RIGHTS

Audiovisual rights, comprising rights to films for cinema distribution, as well as television and videographic rights, purchased with or without a minimum guarantee, in view of their commercialisation (distribution, trading), produced or co-produced, are classified as an intangible asset in compliance with IAS 38 - *Intangible assets*.

The amortisation method of an asset should reflect the pattern according to which the benefits generated by the asset are used. That is why audiovisual rights:

- are amortised to match the revenue generated as a percentage of total estimated revenue, with the amortisation periods being consistent with industry practices and corresponding to the timeframe during which audiovisual rights are most likely to generate revenue and cash flow;
- are subject, in accordance with IAS 36 - *Impairment of assets* (see Note 4.7), to an impairment test, which could lead to the recognition of impairment should the book value of the right exceed its recoverable value.

COPRODUCTION OF FEATURE FILMS, DRAMA AND OTHER

Co-production costs are also capitalised as other intangible assets and are amortised as revenue is generated. In the case that revenue is insufficient in light of the book value of the production, the full shortfall is immediately amortised.

In application of IAS 20 - *Accounting for government grants and disclosure of government assistance*, grants received from the Centre National de Cinématographie (CNC) are accounted for as a reduction in the acquisition cost of financed co-production assets, and are consequently accounted for in the income statement according to the pattern of consumption of the expected economic benefits of the co-productions as previously defined.

ACQUISITION COSTS OF SPORTS CLUB PLAYERS

In application of IAS 38 - *Intangible assets*, transfer fees of sports club players are capitalised as intangible assets at their acquisition cost and are amortised on a straight-line basis over the length of their contracts. The term of these contracts may vary but it is generally from 1 to 5 years.

The recoverable value is also assessed in compliance with IAS 36 - *Impairment of assets* (see Note 4.7).

COMPUTER SOFTWARE AND E-BUSINESS WEBSITES

Computer software purchased or internally developed is reported at acquisition or production cost and amortised on a straight-line basis over its period of use, which does not exceed seven years.

Under IAS 38 - *Intangible assets*, development costs of websites must be capitalised as intangible assets from the time the Company can demonstrate the following:

- its intention and financial and technical capacity to complete the development project;
- the likelihood that future economic benefits attributable to the development costs will flow to the company;

- and the cost of this asset can be reliably measured.

BRANDS

Only the brands that are separable and well known are recognised as assets in the case of business combinations and the resulting allocation of the acquisition price.

Acquired brands are initially recognised at their fair value, which is estimated on the basis of the methods normally used to measure brands.

When such brands have a finite useful life, i.e. they are expected to be no longer usable at the end of a determined period, they are amortised on a straight-line basis over their useful lives.

Brands are tested for impairment in accordance with IAS 36 – *Impairment of assets*.

4.6. Property, facilities and equipment

Property, facilities and equipment are recorded at their acquisition cost, reduced by accumulated depreciation and impairment provisions, according to the treatment specified by IAS 16 – *Property, plant & equipment*. This cost includes costs directly attributable to the transfer of the asset to its place of operation and its adaptation to operate in the manner anticipated by Management.

DEPRECIATION

Depreciation is calculated in line with the pattern of consumption of the expected economic benefits of each individual asset, based on its acquisition cost, less its residual value.

The straight-line method is applied over the following useful lives:

- Buildings	10 to 25 years
- General purpose facilities, office furniture	10 years
- Computer hardware	3 to 4 years
- Office and technical equipment	3 to 6 years

RESIDUAL VALUE

The residual value of an asset is the estimated amount that the Group would obtain from disposal of the asset at the end of its useful life, after deducting the estimated costs of disposal.

The residual value of an asset may increase to an amount equal to or greater than the asset's book value. If it does, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's book value.

IMPAIRMENT LOSSES

Property, facilities and equipment are subject to impairment tests when indications of a loss of value are identified. Should this be the case, an impairment loss is recorded in the income statement under the caption "Net depreciation, amortisation and provision charges".

FINANCE LEASES

Assets acquired through finance leases are capitalised when virtually all risks and rewards of ownership of these assets have effectively been transferred to the Group. On their initial recognition in the balance sheet, they are recorded at the lower of their fair value and the discounted value of minimum lease payments. At year-end, they are recognised at their initial value reduced by accumulated depreciation and impairment.

These assets are depreciated over the shorter of the duration of the lease and their estimated useful lives.

Leases for which the risks and rewards are not transferred to the Group are classified as operating leases. Operating lease payments are accounted for as expenses on a straight-line basis over the duration of the lease.

4.7. Impairment of assets

- According to IAS 36 – *Impairment of assets*, the recoverable value of intangible assets and property, facilities and equipment is tested at the appearance of indications of impairment.

The recoverable value of unamortised intangible assets is tested at the appearance of indications of impairment, and at least once a year.

The recoverable value is determined on an asset by asset basis, unless the asset in question does not generate cash flows that are largely independent of those generated by other assets or groups of assets. These assets connected at operational and cash flow generation levels constitute a Cash Generating Unit (“CGU”).

A CGU is the smallest group of assets, which includes the asset and which generates cash flows that are largely independent of other assets or groups of assets.

In this case, the recoverable value of the CGU is subject to an impairment test.

- For sports club players more particularly, the recoverable value of these intangible assets is tested separately, player by player.
- Similarly, audiovisual rights recognised as intangible assets are monitored on an individual basis.
- Goodwill and intangible assets to which it is not possible to directly match independent cash flows are grouped together, at the time they are first recorded, into the Cash Generating Unit to which they belong.

Impairment is recognised when, as a result of specific events or circumstances arising during the period (internal or external criteria), the recoverable value of the asset or group of assets falls below its net book value.

The recoverable value is the higher of fair value, net of disposal costs, and value in use.

The value in use retained by the Group corresponds to the discounted cash flows of the CGU, including goodwill, and is determined within the framework of the economic assumptions and operating conditions, as provisionally established by the Management of Métropole Télévision, in the following manner:

- future cash flows stem from the medium-term business plan (5 years) drawn up by the Management;
- beyond this timescale, the cash flows are extrapolated by application of a perpetual growth rate appropriate to the potential development of the markets in which the entity concerned operates, as well as the competitive position held by the entity within these markets;
- the discount rate applied to the cash flows is determined using the rates which are most appropriate to the nature of the operations and the country. It takes into account the time value of money and risks specific to the CGU for which cash flows have not been adjusted.

Impairment recognised in respect of a cash generating unit (or group of units) is allocated firstly to reducing the book value of any goodwill associated with the cash generating unit, and subsequently to the book value of other assets of the unit (or group of units), proportionally to the book value of

each asset of the unit (or group of units). Where the book value of goodwill and other non-current assets of the cash generating unit is insufficient, a provision may be recognised for the amount of unallocated loss.

Impairment recognised in respect of goodwill may not be reversed. As for other assets, the Group assesses at each balance sheet date if there is any indication that impairment recognised in previous financial years has decreased or no longer exists. Impairment is reversed if a change has occurred in estimates used to measure the recoverable value.

The book value of an asset, increased by an impairment reversal, may not exceed the book value which would have been measured, net of amortisation and depreciation charges, if no impairment had been recognised.

4.8. Financial assets available for sale, other financial assets and financial liabilities

FAIR VALUE

The fair value is determined by reference to a quoted price in an active market where such a market price exists. Failing that, it is calculated using a recognised valuation technique such as the fair value of a similar and recent transaction or the discounting of future cash flows, based on market data. However, the fair value of short-term financial assets and liabilities can be deemed to be similar to their balance sheet value due to the short maturity of these instruments.

FINANCIAL ASSETS

In accordance with the recommendations of IAS 39 - *Financial instruments: recognition and measurement*, the shares of non-consolidated (either via full consolidation or using the equity method) companies belong to the asset category "financial assets available for sale". They are initially recognised at fair value, corresponding to their original acquisition cost, and are then revalued at fair value through items of other comprehensive income at each balance sheet date. Loans and receivables, as well as assets held until maturity are measured at fair value and then revalued at their amortised cost.

Financial assets at fair value through profit or loss comprise:

- assets that are regarded as held for trading, which comprise assets that the company intends to sell in the short term in order to realise a capital gain, which are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking (mainly cash and cash equivalents and other cash management financial assets);
- assets explicitly designated by the Group upon initial recognition as financial instruments, the changes in fair value of which are recognised in profit or loss. This designation is used when such use results in the provision of better quality financial information and enhances the consistency of the financial statements.

The following assets are tested for impairment at each period end:

- loans and receivables issued by the entity and held-to-maturity assets: when there is an objective indication of impairment, the amount of the impairment loss is recognised in profit or loss;
- assets available for sale: unrealised gains and losses on financial assets held for sale are recognised as other items of comprehensive income until the sale, collection or exit of the financial asset on any other ground or where there is an objective indication that all or part of

the value of the financial asset has been impaired. The cumulative gain or loss, which had so far been recognised under other items of comprehensive income, is transferred to the income statement on that date.

Impairment is evidenced in the case the following conditions are met simultaneously:

- the Group share of equity or an objective estimate (i.e. from experts or resulting from a transaction or planned transaction) results in a value which is less than the value of the securities;
- a business plan or other objective information demonstrates the inability of the entity in which the Group holds an equity investment to create value through the generation of cash inflows.

FINANCIAL LIABILITIES

Financial liabilities valued at fair value through the income statement result in the realisation of profit due to short-term variations in price.

Other financial liabilities are valued at amortised cost, with the exception of derivative financial instruments which are valued at fair value.

Derivative instruments relating to cash flow hedges are valued at fair value at each balance sheet date, and the change in the fair value of the ineffective portion of the hedge is recognised in the income statement and the change in the fair value of the effective portion of the hedge in other items of comprehensive income.

4.9. Income tax

Income tax includes current tax and deferred tax charges. Tax is recognised against profit and loss except where it relates to items directly recognised as other items of comprehensive income or under equity, in which case it is recognised under equity as other items of comprehensive income or under equity.

Current tax is the estimated amount of income tax payable in respect of the taxable income of a period, measured using taxation rates adopted or virtually adopted at the balance sheet date, before any adjustment of current tax payable in respect of previous periods.

Since the 2010 financial year, pursuant to the provisions of IAS 12 – Income taxes, the Group has reclassified the CVAE tax as income tax.

Deferred tax is measured and recognised according to the liability method balance sheet approach for all temporary differences between the book value of assets and liabilities and their tax base.

However, the following items do not give rise to the recognition of deferred tax:

- the initial recognition of an asset or liability as part of a transaction that is not a business combination and that affects neither book profit nor taxable profit;
- temporary differences, to the extent that they may not be reversed in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that the Group will generate sufficient taxable profit in the future against which corresponding temporary differences may be offset. Deferred tax assets are recognised to the extent that it is probable that the Group will generate sufficient taxable profit in the future against which corresponding temporary differences may be offset.

Recognised deferred tax assets reflect the best estimate of the schedule of taxable temporary difference reversal and realisation of future taxable profits in the tax jurisdictions concerned. These future taxable profit forecasts are consistent with business and profitability assumptions used in budgets and plans and other forecast data used to value other balance sheet items.

Furthermore, deferred tax is not recognised in case of a taxable temporary difference generated by the initial recognition of goodwill.

Deferred tax assets and liabilities are valued at the income tax rate expected to apply to the period in which the asset will be realised or the liability settled, based on tax regulations that have been adopted or virtually adopted at the balance sheet date.

In accordance with IAS 12 - *Income tax*, deferred tax assets and liabilities are not discounted and are offset if a legally enforceable right to offset current tax assets and liabilities exists and if it concerns income tax collected by the same tax authority, either from the same taxable entity or from different taxable entities, which intend to settle current tax assets and liabilities based on their net value or to realise the assets and pay the tax liabilities at the same time.

4.10. Inventories

Inventories consist of programmes, broadcasting rights and merchandise inventories.

PROGRAMMES AND BROADCASTING RIGHTS

In compliance with IAS 2 - *Inventories*, programmes and broadcasting rights are recorded in inventory at the date the rights are open.

Rights which are not open and not yet billed are classified as off-balance sheet commitments.

The billed portion of rights not open is recognised in advances and payments on account.

Programmes and broadcasting rights are valued at their acquisition costs, reduced at each year end by the amount consumed, as calculated according to the following methods.

Métropole Télévision programmes, which constitute the predominant part of the Group's broadcasting rights inventories, are considered to be utilised when broadcast, in accordance with the following rules:

- rights acquired for a single broadcast and various rights (documentaries, concerts, sporting events, etc.): 100% expensed on first broadcast;
- rights acquired for multi-broadcasts:
 - 1st broadcast 66%;
 - 2nd broadcast 34%

Different amortisation schedules may be considered in highly specific cases of rights acquired for 4 to 5 broadcasts, the audience potential of which is deemed particularly high for each broadcast.

On the other hand, a writedown provision is established for broadcasting rights relating to programmes that are not likely to be broadcast or whose unit cost turns out to be higher than the revenue expected to be generated within the broadcasting window, on the basis of a review, title by title, of the portfolio of broadcasting rights.

OTHER INVENTORIES

Other inventories comprise products and goods relating to the brand diversification activities of the Group. These inventories are valued at the lower of their acquisition cost and their net realisable

value, which corresponds to the estimated sales price, net of estimated costs necessary to realise their sale.

A writedown provision is established whenever their net realisable value is less than their acquisition cost, measured on a case by case basis (slow rotation, inventories for reimbursement, returns, etc.).

4.11. Operating receivables

If the maturity date is less than one year and the effects of discounting are not significant, receivables are measured at cost (nominal amount of the receivable). Conversely, receivables are measured at amortised cost, using the effective rate of interest, when their maturity date exceeds one year and the effects of discounting are significant.

A writedown provision is calculated for each receivable as soon as circumstances indicate the possibility that the customer may not pay the total of the receivable within the contracted terms. The amount of the provision equates to the difference between the discounted value at the initial effective interest rate (should the case arise) of estimated future cash flows, and the book value.

4.12. Treasury shares

Treasury shares are recorded as a reduction to shareholders' equity at their purchase cost.

When future contracts are entered into to purchase treasury shares at a given price and on a given date, the commitment is reflected by the recognition of a financial liability representative of the discounted buyback value and offset against equity. Subsequent variations in the value of this financial liability are recognised under finance income and expense.

On the disposal of treasury shares, gains and losses are recorded in consolidated reserves, net of tax.

4.13. Share-based payments

M6 Group has implemented share subscription option plans until 2008, and from 2009 free share allocation plans for the benefit of its personnel (see Note 9). In compliance with IFRS 2 - *Share-based payments*, personnel remuneration items paid in equity instruments are recognised as personnel costs in the income statement and offset against equity.

The total initial cost of the benefit was measured once and for all, using the binomial mathematical model in the case of share subscription option plans, at the date of allocation of the options and spread over the vesting period.

In the case of free share allocation plans, the total initial cost is estimated to be the market value of the M6 share on the date of allocation less dividends expected during the vesting period. This cost is posted to the income statement and spread over the same vesting period.

4.14. Retirement benefits and other employee benefits

RETIREMENT BENEFITS

The Group has retirement benefit commitments under defined benefit schemes.

A defined benefit plan is a post-employment benefit plan under which payments made to a distinct entity do not discharge the employer from its obligation to pay additional contributions.

The Group's net obligation in respect of defined benefit plans is measured using the value of future benefits acquired by personnel in exchange of services rendered during the current and previous periods. This amount is discounted to measure its present value. The discount rate is equal to the interest rate, at the balance sheet date, of top-rated bonds with a maturity date close to that of the Group's commitments and denominated in the same currency as that used to pay out benefits.

Calculations are carried out every year by a qualified actuary using the projected unit credit method.

The Group immediately recognises against other items of comprehensive income all actuarial differences arising in respect of defined benefit plans.

SEVERANCE PAY

Severance pay is recognised as an expense when the Group is obviously committed, with no real possibility to retract and as part of individually-negotiated terms, to a formal and detailed redundancy plan before the normal retirement age.

SHORT-TERM BENEFITS

Obligations arising from short-term benefits are measured on a non-discounted basis and recognised as corresponding services are rendered.

A liability is recognised for the amount the Group expects to pay in respect of employee profit-sharing plans and for bonuses paid in short-term cash when the Group has an actual obligation, legal or constructive, to make these payments as consideration for past services rendered by personnel and this obligation may be reliably assessed.

4.15. Provisions

In compliance with IAS 37 – *Provisions, contingent liabilities and contingent assets*, the Group recognises a provision when, at the balance sheet date, it has an obligation (legal or constructive) towards a third party resulting from a past event, for which it is probable that an outflow of resources embodying economic benefits will be required, and when a reliable estimate can be made of the amount of the obligation.

The amount recognised under provisions is the best estimate of the cash outflow necessary to settle the present obligation on the balance sheet date.

In the case that this liability is not probable and cannot be reliably measured, but remains possible, the Group recognises a contingent liability in its commitments.

Provisions are predominantly intended to cover probable costs of trials or litigation in process, of which the trigger event existed at the balance sheet date.

4.16. Derivative financial instruments

The M6 Group is principally exposed to foreign exchange rate risk when purchasing broadcasting rights in a foreign currency. In order to protect itself from foreign currency exchange risk, the Group uses simple derivative instruments guaranteeing it a hedged amount and a maximum exchange rate for this hedged amount.

The Group's use of derivative instruments is with the sole aim of hedging commitments arising from its activity and never for a speculative purpose.

DETERMINATION OF FAIR VALUE

In accordance with IFRS 7 - *Financial Instruments: Disclosures*, and IAS 39 - *Financial Instruments: Recognition and Measurement*, derivative financial instruments are measured at fair value, based on a valuation carried out by a third party derived from observable market data. The fair value of foreign currency purchase contracts is therefore calculated with reference to a standard forward exchange rate for contracts with similar maturity profiles. The fair value of interest rate swaps is determined with reference to the market values of similar instruments.

FINANCIAL INSTRUMENTS QUALIFYING AS HEDGES

The Group has decided to apply hedge accounting to the majority of its derivative instruments in order to reduce the impact on profit of hedges implemented.

The main hedge instruments authorised within the framework of the Group hedging policy are as follows: pure time, first generation options and swaps (currency or interest rate).

The hedging policies adopted by the Group are mainly of two types:

- Hedging the exposure to movements in the fair value of an asset or liability

All gains or losses from the revaluation of the hedging instrument to fair value are immediately recognised in the income statement.

All gains and losses on the hedged item attributable to the hedged risk adjust the book value of the hedged item and are recognised in the income statement.

This results in symmetric recognition of movements in fair value of the hedged item and the hedging instrument for the effective part of the hedge in EBITA.

The ineffective part of the hedge is recorded in finance income/expense.

- Hedging future cash flows

This involves hedging the exposure to movements in cash flow that is attributable either to a forecast transaction or to a firm commitment.

Movements in the fair value of the financial instrument, as regards the effective portion, are recognised under other items of comprehensive income until the balance sheet recognition of the asset or liability. When the hedged item is recorded and leads to the recognition of an asset or a liability, the amount recorded in equity is transferred and included in the initial value of the cost of acquisition of the asset or liability. As regards the ineffective portion, movements in value are included in finance income/expense.

For all other cash flow hedges, the amounts taken directly to other items of comprehensive income are transferred to the income statement for the year in which the forecast transaction or firm commitment affects the income statement.

FINANCIAL INSTRUMENTS NOT QUALIFYING AS HEDGES

Certain financial instruments are not treated as hedges according to the definition of IAS 39 - *Financial Instruments, Recognition and Measurement*, despite effectively being hedge instruments used to manage economic risks. Gains and losses resulting from the revaluation of financial instruments which may not be accounted for as hedges are recognised in the income statement of the period.

4.17. Revenue

In compliance with IAS 18 - *Revenue*, realised by the various Group entities is recognised when:

- it is probable that the economic benefits of the transaction will flow to the Group;

- the amount of revenue can be measured reliably;
- at the transaction date, it is probable that the amount of the sale will be recovered.

More specifically, the revenue recognition principles per activity are as follows:

- advertising revenues are recorded on the broadcast of the advertisements which are the subject of the sale; revenue is recognised net of commercial rebates;
- remuneration of digital channels granted by cable and satellite broadcast operators that broadcast them are calculated on a per subscription basis or at an annual set price;
- diversification activities revenues are recognised on the provision of the service or delivery of the products; they are recognised net of provisions for returns. Where the Group acts as an agent instead of a principal in a transaction, recognised revenue corresponds to the net value of commissions received by the Group;
- sales of audiovisual rights are recognised at the opening date of the rights, essentially within the framework of television sales; other sales (cinema, video) are recognised on admission or on delivery of the material;
- sports revenues, such as broadcasting rights paid by the organisers of competitions, are recognised as the sports season progresses, with the exception of premiums relating to future ranking which are recognised at the date on which the ranking is acquired;
 - mobile telephone revenues are recognised:
 - for the portion relating to signing up, the month of signing for a new subscription and adjusted for attrition rates;
 - and, for the portion relating to monthly operating revenues, spread over the duration of the subscription period to match the revenues received by the Group.

4.18. Earnings per share

In accordance with the recommendations of IAS 33 - *Earnings per share*, basic earnings per share is determined by dividing the net profit attributable to Group shareholders by the weighted average number of ordinary shares outstanding during the period.

The dilutive effect of non-vested stock option plans and free share allocation plans to be settled by the delivery of shares and in the process of being acquired is reflected in the calculation of diluted earnings per share.

Diluted earnings per share is calculated using net profit attributable to equity holders of the parent company and the weighted average number of outstanding shares, restated for the effects of all potentially dilutive ordinary shares.

The number of shares having a dilutive effect is determined on a plan by plan basis. This number is calculated by comparing the issue price of options or shares granted and the market value of the share during the period. The issue price corresponds, in the case of free shares, to the fair value of services still to be provided, and, in the case of subscription options, to the exercise price of options increased by the fair value of services still to be provided.

4.19. Cash and cash equivalents

Cash comprises cash in hand in the bank current account and demand deposits.

Cash equivalents are liquid investments, readily convertible into a known amount of cash, subject to an insignificant risk of change in value, with a maturity of less than 3 months.

In this respect, the FCP mutual funds held by the Group are exposed to a very limited rate risk and their volatility over 12 months is very close to that of EONIA. They are therefore recognised as cash equivalents.

4.20. Cash flow statement

The table presents actual cash flows relating to the operations of the entities within the scope of consolidation at the year end. It has been established in compliance with IAS 7 - *Cash flow statements*.

CASH FLOW FROM OPERATING ACTIVITIES

Movements in inventories and receivables are calculated net of movements in provisions against current assets.

In addition, in order to highlight the effect of taxation on the movement in cash, the tax expense is removed from the self-financing capacity, and the movement in the tax liability is removed from the change in working capital requirements (WCR). The disbursement for taxation is thus isolated as a specific line item.

CASH FLOW FROM INVESTMENT ACTIVITIES

The effects on cash of adjustments to the consolidation scope resulting from acquisitions and disposals of entities (other than discontinuing operations) are identified on the lines "Cash and cash equivalents arising from subsidiary acquisitions" and "Cash and cash equivalents arising from subsidiary disposals".

OPERATIONS HELD FOR SALE

The effects on the Group's cash of operations held for sale are shown on a separate line in the cash flow statement, "Cash flow linked to operations held for sale".

5. Changes in methods

During the 2015 financial year, the Group applied for the first time the IFRC 21 interpretation - *Levies*, which specifies the recognition of various taxes, duties and other levies within the application scope of IAS 37 - *Provisions, contingent liabilities and contingent assets*. This interpretation, applicable retrospectively from 1 January 2014, makes it mandatory in particular to recognise the liability associated with a tax only when the triggering event, as provided for by the law, occurs.

This approach differs significantly from the former recognition method used for a number of taxes.

The recognition of the liability may as a result be unrelated to the realisation of the tax base elements.

The impact for the Group is as follows:

- Property tax and the annual tax on office premises are no longer spread over year N but are recorded in full on 1 January N since the triggering event is ownership of the building concerned on 1 January N;
- A provision for the Contribution Sociale de Solidarité des Sociétés (C3S) payable in year N was, until now, established in year N-1 in proportion to the revenue generated. It is now recognised in full on 1 January N since the triggering event of the legal obligation is the existence on 1 January N of the company liable for C3S.

The application of IFRIC 21 as of 1 January 2015 requires the restatement of comparative data for 2014 in accordance with IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*.

The resulting impact on the consolidated statement of financial position at 1 January 2014 was as follows:

- a €2.5 million reduction in tax and social security liabilities;
- a €0.9 million reduction in deferred tax assets related to these liabilities;
- offset by an increase of €1.6 million in consolidated reserves.

The impact on the interim and annual financial statements for 2014 is presented below (€ millions):

2014 financial year	EBITA		Net profit for the year		IFRIC 21 impact	
	Published	Restated	Published	Restated	EBITA	Net profit
30 June	112.3	110.4	65.7	64.5	(1.9)	(1.2)
31 December	207.5	207.5	123.2	123.2	-	-

This change of method only had an impact on the comparative interim financial statements at 30 June 2014, published on 30 June 2015.

6. Business combinations

6.1. Acquisitions during the financial year

OXYGEM GROUP

On 9 January 2015, the Group, through its subsidiary M6 Web, acquired a 100% interest in the company Oxygem. This French media group, established in 1998, based in Roubaix and with more than 100 employees, operates website publishing and e-marketing services activities. Oxygem's various sites include CuisineAZ.com, Passeportsante.net, Radins.com, Meteocity.com and Fourchette-et-bikini.fr. Their editorial lines are focused on daily life: cooking, health, spending and bargains, weather, beauty and dieting, etc. primarily targeting women responsible for purchases aged under 50.

This acquisition has been treated as a business combination in accordance with revised IFRS 3.

The final allocation of the acquisition cost of Oxygem Group is analysed as follows:

	31/12/2015
Acquisition cost	19.9
Restated net book value of assets acquired *	(2.5)
Oxygem Group brands	6.8
Customer database	0.8
Software	0.7
Deferred tax liabilities linked to the assets identified above	(2.8)
Fair value adjustment of assets acquired and liabilities assumed	5.4
Goodwill	17.0

* Acquisition goodwill and business goodwill included in the financial statements of Oxygem Group at the acquisition date have been written off and offset under equity.

Brands are deemed to be amortisable over a ten-year period, the customer base over seven years and software over five years.

In the 2015 financial year, Oxygem Group's contribution to Group consolidated revenue was €14.5 million. Its contribution to Group profit from recurring operations (EBITA) was €2.5 million.

6.2. Follow-up on acquisitions carried out in 2013

PRINTIC

The Group increased its equity interest in Printic from 80.0% to 86.7% at 31 December 2015.

7. Segment reporting

The Group has applied IFRS 8 - *Operating segments* since 1 January 2009 in order to present its net profit, balance sheet and investments by relevant operating segment.

The internal management reporting prepared on a monthly basis and communicated to the principal operational decision-maker, i.e. the Executive Board, as well as to other operational decision makers is based on these segments.

Revenue and EBITA, defined as operating profit before income and expenses relating to business combinations and proceeds from the disposal of subsidiaries and investments, are the most closely monitored performance indicators. Capital employed and investments made by each segment are also analysed on a regular basis in order to assess the profitability of resources allocated to each segment and make decisions about the future investment policy.

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

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

The operating segments presented are as follows:

TELEVISION

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

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

PRODUCTION AND AUDIOVISUAL RIGHTS

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

DIVERSIFICATION

This segment includes all activities considered independent, in part or in full, from the TV channel broadcasting business. Their main features notably include the distribution of physical or intangible goods to consumers, merchandise inventory building, buying and reselling and event organisation.

Revenues primarily originate from sales to consumers and admissions. The contribution of advertising revenue from the Group's websites, although remaining marginal for this segment, is growing rapidly.

6. 2015 FINANCIAL STATEMENTS AND RELATED NOTES

Notes to the consolidated financial statements

ELIMINATIONS AND UNALLOCATED ITEMS relate to the cost of the share purchase and subscription plans, the cost of the free share allocation plans, the net profit of property companies and dormant companies, as well as unallocated consolidation restatements primarily corresponding to the elimination of intra-Group gains on the disposal of non-current assets or inventories.

INCOME STATEMENT

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

In 2014:

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

In 2015:

	Television	Production & Audiovisual Rights	Diversification	Eliminations and unallocated items	Total 31/12/2015
External revenue	822.1	93.6	333.7	0.4	1,249.8
Inter-segment revenue	20.3	11.3	2.4	(34.0)	-
Revenue	842.4	104.9	336.2	(33.6)	1,249.8
Profit from recurring operations (EBITA) - continuing operations	155.7	7.0	42.8	(5.3)	200.2
Operating income and expenses relating to business combinations			(1.1)		(1.1)
Income from disposal of subsidiaries and investments					-
Operating profit (EBIT) from continuing operations					199.1
Net financial income					2.0
Share of profit of joint ventures and associates					0.9
Profit before tax (EBT) from continuing operations					202.0
Income tax					(87.1)
Net profit from continuing operations					114.9
Net profit from operations held for sale / sold					-
Net profit for the year					114.9
attributable to the Group					115.0
attributable to non-controlling interests					(0.1)

STATEMENT OF FINANCIAL POSITION

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

In 2014:

	Television	Production & Audiovisual Rights	Diversification	Eliminations	Total
					31/12/2014
Segment assets	578.9	118.6	226.4	(84.2)	839.8
Equity investments in joint ventures and associates	0.7	3.6	1.3		5.6
Unallocated assets					417.6
TOTAL ASSETS	579.6	122.2	227.7	(84.2)	1,263.1
Segment liabilities	453.9	108.4	196.9	(84.2)	675.0
Unallocated liabilities					5.4
TOTAL EQUITY AND LIABILITIES	453.9	108.4	196.9	(84.2)	680.4
NET ASSETS/(LIABILITIES)	125.7	13.9	30.8	-	582.7
Other segment information					
Non-current asset acquisitions	61.8	34.0	15.3		111.1
Depreciation and amortisation	(54.4)	(43.8)	(12.3)		(110.4)
Impairment	(2.1)	(2.9)	(0.5)		(5.5)
Other unallocated segment reporting items					(3.8)

In 2015:

	Television	Production & Audiovisual Rights	Diversification	Eliminations	Total
					31/12/2015
Segment assets	585.8	101.6	270.1	(63.2)	894.3
Equity investments in joint ventures and associates	2.0	3.0	1.0		6.1
Unallocated assets					307.0
TOTAL ASSETS	587.8	104.6	271.1	(63.2)	1,207.4
Segment liabilities	424.6	87.8	165.1	(63.2)	614.2
Unallocated liabilities					9.5
TOTAL EQUITY AND LIABILITIES	424.6	87.8	165.1	(63.2)	623.7
NET ASSETS/(LIABILITIES)	163.3	16.9	106.0	(0.0)	583.7
Other segment information					
Non-current asset acquisitions	54.9	43.2	21.7		119.8
Depreciation and amortisation	(60.6)	(39.8)	(15.0)		(115.4)
Impairment	(2.3)	(1.4)	0.3		(3.3)
Other unallocated segment reporting items					(4.0)

Unallocated assets mainly correspond to assets of the property division, cash and cash equivalents, other financial assets and tax receivables.

Unallocated liabilities relate to debt and other Group financial liabilities, as well as tax liabilities.

The Group does not present any segmental information by geographical segment as it has no significant operations outside of mainland France.

8. Other operating income and expenses

8.1. Other operating income

Other operating income totalled €11.3 million (compared with €12.9 million in 2014), and primarily comprised:

- proceeds from the sale of football players (€3.5 million, compared with €5.4 million in 2014);
- operating grants received (€3.31 million, compared with €3.1 million in 2014);
- income tax related to the CICE (tax credit aimed at encouraging business competitiveness and employment) of €2.1 million, compared with €1.9 million in 2014;

8.2. Materials and other operating expenses

	31/12/2015	31/12/2014
Broadcasting rights consumption and programme flows (including writedown of broadcasting rights inventory)	(228.4)	(217.8)
Cost of sales	(58.9)	(66.5)
Other external services	(341.9)	(363.2)
Operating foreign exchange losses	(0.1)	(0.0)
Other expenses	(0.8)	(0.4)
Materials and other operating expenses	(630.2)	(647.9)

8.3. Employee and workforce expenses

	31/12/2015	31/12/2014
Wages and salaries	(154.2)	(144.6)
Social security charges	(67.1)	(62.5)
Profit sharing plan contributions	(9.7)	(9.6)
Other employee costs	(19.4)	(21.6)
Employee costs	(250.4)	(238.4)

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

	31/12/2015	31/12/2014
Fully-consolidated companies	2,251	2,101
Joint ventures*	2	9

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

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

8.4. Amortisation, depreciation and impairment charges

	31/12/2015	31/12/2014
Amortisation and net provisions - audiovisual rights	(81.0)	(79.4)
Amortisation and net provisions - production costs	(12.5)	(13.4)
Amortisation and net provisions - other intangible assets	(16.6)	(13.3)
Depreciation - property, facilities and equipment	(13.1)	(14.2)
Other	(0.6)	(0.3)
Impairment of unamortised intangible assets	-	-
Total amortisation and depreciation (net)	(123.8)	(120.6)

9. Share-based payments

PLANS ALLOCATED IN 2015

In accordance with the authorisation given at the Combined General Meeting of 5 May 2014, an allocation of free shares to a group of 4 beneficiaries was decided by the Executive Board on 11 May 2015, subject to a financial performance condition for the years 2015 and 2016. This plan covers a maximum of 32,500 shares, subject to beneficiaries remaining employed by the Group at 11 May 2017.

In addition, pursuant to the authorisation granted by the Combined General Meeting of 5 May 2014, an allocation of free shares was decided by the Executive Board on 28 July 2015, following approval by the Supervisory Board on 28 July 2015. This plan involves 176 beneficiaries and covers 480,400 shares, subject to beneficiaries remaining employed by the Group at 28 July 2017 and the achievement of consolidated net profit objectives in 2015.

VALUATION AT FAIR VALUE OF BENEFITS GRANTED TO EMPLOYEES

Pursuant to IFRS 2 - *Share-based payments* and IFRS 1 - *First-time adoption of IFRS*, the allocation of options to purchase and to subscribe for shares and the allocation of free shares granted since 7 November 2002 have been valued at their fair value at the date of grant.

The fair value of free shares granted is based on the value of the share at date of grant less the current value of future dividends estimated for the period of unavailability.

FEATURES OF PLANS AND FAIR VALUE OF BENEFITS GRANTED

The principal features of option plans for the purchase, the subscription or the allocation of free shares outstanding at 31 December 2015, or which expired during the year, and for which a valuation of the fair value of the benefit granted to employees was carried out pursuant to IFRS 1 - *First-time adoption of IFRS*, are as follows:

	Reference price	Exercise price	Historic volatility	Risk-free rate (*)	Expected yield	Fair value
Plans granting free shares						
26/07/2013	14.79	N/A	N/A	0.58%	6.10%	11.41
14/04/2014	16.05	N/A	N/A	0.53%	5.60%	12.53
13/10/2014	12.03	N/A	N/A	0.23%	7.60%	8.37
11/05/2015	18.62	N/A	N/A	0.16%	4.80%	13.89
28/07/2015	18.38	N/A	N/A	0.22%	4.90%	13.97

(*) Risk-free rate: specified term after 2 years

The maturity used corresponds to the vesting period (2 years) for all plans granting free shares. In addition, it is assumed, based on historical observations, that 10% of the shares will not be delivered due to the departure of beneficiaries during the vesting period. However, the cost of free share allocation plans is restated at the end of the plans based on the actual departure rate.

During the financial year, the balance of options and shares granted changed as follows:

	Allocation at plan date	Maximum allocation	Balance at 31/12/2014	Change based on performance	Allocated	Exercised	Cancelled	Balance at 31/12/2015
Share subscription plan	883,825	883,825	233,061	-	-	(151,811)	(81,250)	-
06/05/2008	883,825	883,825	233,061	-	-	(151,811)	(81,250)	-
Plans granting free shares	1,818,103	1,818,103	1,234,808	-	512,900	(557,639)	(42,592)	1,147,477
26/07/2013	642,500	642,500	578,981	-	-	(557,639)	(21,342)	-
14/04/2014	149,553	149,553	142,677	-	-	-	-	142,677
13/10/2014	513,150	513,150	513,150	-	-	-	(21,250)	491,900
11/05/2015	32,500	32,500	-	-	32,500	-	-	32,500
28/07/2015	480,400	480,400	-	-	480,400	-	-	480,400

Cancellations recorded during the year resulted either from beneficiaries leaving the Group before the end of the vesting period or from plans expiring due to market conditions preventing all rights from being exercised. They may also be due to non-achievement of financial performance targets set on allocation of the plans.

Data relating to the free share allocation plans are reference data corresponding to the achievement of performance objectives set within the context of the 2013, 2014 and 2015 plans.

The 2008 share subscription plan expired on 5 May 2015.

CHARGES RECOGNISED IN 2015

In light of the data set out above and the assessment of the charge resulting from the free share allocation plans based on the number of shares likely to be granted, this resulted in the following impact to the line "Personnel costs" in the income statement:

	Employee costs	
	31/12/2015	31/12/2014
Plans granting free shares		
27/07/2012	-	1.0
26/07/2013	1.8	3.1
14/04/2014	0.8	0.6
13/10/2014	1.9	0.4
11/05/2015	0.1	-
28/07/2015	1.3	-
Total cost	6.0	5.2

10. Net financial income

	31/12/2015	31/12/2014
Investment income	1.4	4.7
Other interest income	0.1	0.0
Revaluation of derivative financial instruments	0.2	0.0
Other financial income	1.7	4.8
Interest on loans from banks and associates	(0.2)	(0.1)
Capitalised interest on pension	(0.2)	(0.2)
Revaluation of derivative financial instruments	(0.3)	(0.2)
Financial expense	(0.7)	(0.6)
Other financial items	1.1	(0.5)
NET FINANCIAL INCOME	2.0	3.7

Investment income declined in the 2015 financial year due to lower average returns on deposits and a lower average amount invested. The EONIA benchmark rate remained negative throughout the year at an average -0.11% (compared with +0.10% in 2014).

The Group generated financial income of €1.4 million in 2015, compared with €4.7 million in 2014.

11. Income tax

Since 1 January 1988, Métropole Télévision has been the parent company of a tax consolidation group pursuant to the provisions of Article 223-a and subsequent of the General Tax Code.

All French-registered Group companies that are subject to income tax and are more than 95% continuously owned directly or indirectly by Métropole Télévision are members of the tax consolidation group.

The components of income tax are as follows:

	31/12/2015	31/12/2014
Current income tax:		
Tax charge for the year	(83.2)	(80.1)
Deferred tax:		
Creation and reversal of temporary differences	(4.0)	(7.3)
Total	(87.1)	(87.4)

With the increase in the extraordinary corporate income tax contribution from 5.0% to 10.7% (2014 Finance Act), the deferred tax rate used for 2015 was 38.0% for temporary differences that will be

reversed until 30 December 2016. After that date, temporary differences will revert to the rate of 34.43%.

Deferred tax directly taken to items of other comprehensive income was as follows:

	31/12/2015	Change	31/12/2014
Fair value revaluation of foreign exchange contracts (cash flow hedges)	(0.0)	0.6	(0.6)
Fair value revaluation of assets available for sale	-	-	-
Actuarial gains and losses	(0.1)	(0.1)	0.1
Treasury shares forward purchase	5.9	3.3	2.6
Total	5.8	3.8	2.1

The reconciliation between the income tax charge calculated by applying the applicable rate to profit before tax and the charge calculated by applying the Group's actual tax rate is as follows:

	31/12/2015	31/12/2014
Net profit - Group share	115.0	123.4
Non-controlling interests	(0.1)	(0.2)
Net profit/(loss) from operations held for sale / sold	-	0.0
Income tax	(87.1)	(87.4)
Share of profit of joint ventures and associates	0.9	(0.2)
Income and expenses related to business combinations	1.2	(0.6)
Cost of stock options and free shares (IFRS 2)	(6.0)	(5.2)
Profit of continuing operations before restated income tax	206.0	216.6
Theoretical tax rate	38.00%	38.00%
Theoretical tax charge	(78.3)	(82.3)
Reconciling items:		
C.V.A.E. tax ⁽¹⁾	(6.5)	(4.8)
3% tax on dividends ⁽²⁾	(3.2)	(3.2)
Other differences	0.9	2.9
Effective tax charge	(87.1)	(87.4)
Effective tax rate	42.29%	40.36%

⁽¹⁾ In 2010, the Group decided to reclassify CVAE (value added business tax) as income tax. This amounted to €10.5 million (€6.5 million after tax) at 31 December 2015, compared with €7.7 million (€4.8 million after tax) at 31 December 2014.

⁽²⁾ Since the 2013 financial year, the Group has been subject to an additional income tax contribution of 3% on dividends paid.

The income tax rate applicable to the companies included in the French tax consolidation was 38.0% for the 2015 financial year, unchanged from the 2014 financial year.

The sources of deferred tax were as follows:

	31/12/2015	31/12/2014
Deferred tax assets		
Intangible assets	0.4	0.7
Other assets	7.3	6.0
Retirement provisions (non-deductible)	3.8	3.6
Non-deductible provisions	17.0	18.3
Expenses payable non-deductible	4.0	3.3
Financial instruments	5.9	2.0
Losses brought forward	2.7	3.2
Other	0.7	0.9
Impact of offsetting deferred tax assets and liabilities on the balance sheet	(20.9)	(19.0)
Total	21.1	19.0
Deferred tax liabilities		
Catalogues	(5.5)	(6.2)
Brands	(2.6)	(0.2)
Accelerated depreciation and amortisation	(9.3)	(8.7)
Writedown of treasury shares	(2.7)	(2.5)
Other	(3.0)	(1.5)
Impact of offsetting deferred tax assets and liabilities on the balance sheet	20.9	19.0
Total	(2.3)	-

The deferred tax assets and liabilities of companies included in the tax consolidation were offset.

The cumulative losses brought forward of group companies were €27.6 million at 31 December 2015.

The losses that were capitalised as deferred tax assets amounted to €8.0 million at 31 December 2015.

At 31 December 2015, no deferred tax liability was recognised for taxes which may be due on the undistributed profits of certain Group subsidiaries, associated companies or joint ventures.

12. Operations held for sale / sold

At 31 December 2015, the Group had no operations held for sale.

In application of IFRS 5 – *Non-current assets held for sale and discontinued operations*, and taking account of the disposal of Mistergooddeal at 31 March 2014, this entity was presented in 2014 in the consolidated income statement, statement of cash flows and statement of financial position as an operation sold. Amounts at 31 December 2014 were not material.

13. Earnings per share

	31/12/2015	31/12/2014
Net profit attributable to shareholders	115.0	123.4
Profit / (loss) from operations held for sale attributable to shareholders	-	0.0
Net profit from continuing operations attributable to shareholders	115.0	123.4
Average weighted number of shares (excluding treasury shares) for basic earnings per share	126,280,161	125,616,965
Potential dilutive effect of share-based payments	550,274	808,498
Average weighted number of shares (excluding treasury shares) adjusted for dilutive effect*	126,830,435	126,425,463
Net earnings per share (€)	0.911	0.983
Net earnings per share from continuing operations (€)	0.911	0.982
Diluted earnings per share (€)	0.907	0.976
Diluted earnings per share from continuing operations (€)	0.907	0.976

* Only includes dilutive shares (with regard to prevailing market conditions at year-end).

The calculation of diluted earnings per ordinary share takes into account the free shares granted by the plans of 14 April 2014, 15 October 2014, 11 May 2015 and 28 July 2015.

Shares with a dilutive impact totalled 550,274, with a dilutive effect on EPS of 0.4 euro cent per share.

14. Dividends

Métropole Télévision	31/12/2015	31/12/2014
Declared and paid during the year	107.2	106.5
Number of outstanding shares (thousands)	126,162	125,352
Dividend paid per ordinary share (€)	0.85	0.85
Exceptional dividend paid per ordinary share (€)	-	-
Proposed for approval at AGM	107.3	107.2
Number of outstanding shares (thousands)	126,274	126,163
Dividend paid per ordinary share (€)	0.85	0.85

15. Intangible assets

	Audiovisual rights	Other intangible assets	Advances and prepayments	Goodwill	Total 31/12/2014
At 1 January 2014, net of amortisation and writedowns	38.4	41.5	37.0	63.4	180.3
Acquisitions	46.7	12.5	45.1	-	104.4
Change in Group structure (gross amounts)	-	0.2	-	9.4	9.5
Disposals	(1.2)	(16.4)	(0.1)	-	(17.6)
Other movements	-	-	-	-	0.0
Reclassifications	33.1	31.3	(64.4)	-	0.0
Writedowns	(5.1)	0.1	-	-	(5.0)
2014 amortisation charge	(74.2)	(26.8)	-	-	(101.0)
Change in Group structure - accumulated amortisation charge	-	(0.1)	-	-	(0.1)
Reversal of amortisation on disposals	1.1	14.0	-	-	15.0
At 31 December 2014, net of amortisation and writedowns	38.7	56.5	17.7	72.7	185.5
At 1 January 2014					
Gross value	726.9	650.0	37.8	96.6	1,511.2
Accumulated amortisation and writedowns	(688.5)	(608.5)	(0.7)	(33.2)	(1,330.9)
Net amount at 1 January 2014	38.4	41.5	37.0	63.4	180.3
At 31 December 2014					
Gross value	805.5	710.8	18.4	105.9	1,640.5
Accumulated amortisation and writedowns	(766.8)	(654.3)	(0.7)	(33.2)	(1,455.0)
Net Total at 31 December 2014	38.7	56.5	17.7	72.7	185.5

	Audiovisual rights	Other intangible assets	Advances and prepayments	Goodwill	Total 31/12/2015
At 1 January 2015, net of amortisation and writedowns	38.7	56.5	17.7	72.7	185.5
Acquisitions	44.4	14.8	51.1	-	110.2
Change in Group structure (gross amounts)	-	11.1	-	17.0	28.1
Disposals	(15.8)	(6.4)	(0.3)	-	(22.5)
Other movements	0.0	0.4	-	-	0.4
Reclassifications	32.4	11.9	(44.3)	-	(0.0)
Writedowns	(3.8)	0.2	-	-	(3.6)
2015 amortisation charge	(77.2)	(29.2)	-	-	(106.4)
Change in Group structure - accumulated amortisation charge	0.0	(3.2)	-	-	(3.2)
Reversal of amortisation on disposals	15.8	4.6	-	-	20.4
At 31 December 2015, net of amortisation and writedowns	34.5	60.5	24.1	89.7	208.9
At 1 January 2015					
Gross value	805.5	710.8	18.4	105.9	1,640.5
Accumulated amortisation and writedowns	(766.8)	(654.3)	(0.7)	(33.2)	(1,455.0)
Net amount at 1 January 2015	38.7	56.5	17.7	72.7	185.5
At 31 December 2015					
Gross value	865.6	768.6	25.2	122.9	1,782.4
Accumulated amortisation and writedowns	(831.1)	(708.1)	(1.0)	(33.2)	(1,573.5)
Net Total at 31 December 2015	34.5	60.5	24.1	89.7	208.9

Audiovisual rights include cinematographic and television rights acquired within the framework of productions or co-productions, as well as in application of distribution agreements for which a fixed amount (guaranteed minimum) was paid to the producer.

Other intangible assets consist of computer software, co-productions and assets related to the transfer fees of football players.

The main items recognised as advances and prepayments include advances paid on unopened audiovisual rights held for marketing. Amounts paid are reclassified as audiovisual rights when rights are opened.

In application of IAS 20 - *Accounting for government grants and disclosure of government assistance*, grants received from the CNC are recognised as a reduction in the value of the co-production assets.

All other intangible assets are amortisable assets.

16. Goodwill impairment tests and intangible assets with an indeterminable life

MOVEMENTS

Goodwill evolved as follows:

		31/12/2015	31/12/2014
Opening balance net of impairment		72.7	63.4
Acquisitions		17.0	9.4
Goodwill from operations held for sale / sold		-	-
Other movements		-	-
Impairment		-	-
Closing balance		89.7	72.7
Opening balance			
	Gross values	105.9	96.6
	Accumulated impairment	(33.2)	(33.2)
	Net amount	72.7	63.4
Closing balance			
	Gross values	122.9	105.9
	Accumulated impairment	(33.2)	(33.2)
	Net amount	89.7	72.7

The increase in goodwill during the 2015 financial year reflects the acquisition of Oxygem Group (see Note 6).

2014 financial year movements corresponded to the acquisition of Best of TV, Best of TV Benelux and Printic.

No impairment was recognised during the 2015 financial year on goodwill from continuing operations (see impairment tests hereafter).

ANALYSIS

Goodwill is analysed by Cash Generating Unit as follows:

Net value		31/12/2015	31/12/2014
Television		-	-
Production & Audiovisual Rights			
	Audiovisual rights	0.8	0.8
Diversification			
	Internet	54.4	37.4
	E-Commerce	22.0	22.0
	Teleshopping	12.5	12.5
Total		89.7	72.7

- Following the acquisition of Oxygem Group on 9 January 2015, M6 Group decided to revise the definition of its CGUs.

The Group's digital activities, whether long established (and grouped together until 31 December 2014 under the Cyréalix CGU) or recently acquired (Oxygem Group), share a common strategy in relation to the selling of internet advertising, technological developments (for catch-up TV and all portals), video production and marketing. They have therefore been grouped within a single internet CGU, headed by a single management team and with shared operational and support functions. The new CGU includes M6 Web, Oxygem and Golden Moustache.

- The Teleshopping CGU includes HSS, Best of TV and Best of TV Benelux due to similarities between their business models. The acquisition price allocation of the 51% stake in Best of TV was finalised during the 2014 financial year.
- The E-Commerce CGU includes Mon Album Photo, Luxview, Optilens and Printic due to similarities between their business models (single online sales channel, significant business and marketing similarities).

IMPAIRMENT TESTS

During the last quarter of 2015, the Internet, Teleshopping and E-Commerce CGUs were subject to an impairment test, in accordance with IAS 36.

The discounted cash flow method (DCF) used to measure the value in use is based on cash flow forecasts established at the beginning of the year based on the following key assumptions: EBITA, capital expenditure, WCR, competitive environment, upgrade of IT systems and level of marketing expenditure.

- Assumptions specific to the Internet CGU:

- The discount rate used was 9.91%, calculated in particular using the average of the Group's WACC applied by French brokers;
- The infinite growth rate was 2%;
- Revenue growth of 8.0% in both 2019 and 2020.

- Assumptions specific to the Teleshopping CGU:

- The discount rate used was the same as for the M6 Group, which corresponds to the average WACC applied by French brokers, i.e. 8.5%;
- A cautious approach to infinite growth was also selected (1.5%).

- Assumptions specific to the E-Commerce CGU:

- The discount rate used was the same as for the M6 Group, which corresponds to the average WACC applied by French brokers, increased by a risk premium, i.e. 10.0%;
- The infinite growth rate was 2%.

An analysis of the sensitivity of the value in use to testing factors has been conducted, as shown by the tables below:

Internet		Discount rate			
		8.9	9.4	9.9	10.4
g r o w t h	1	70.1	66.1	62.5	59.3
	1.5	73.3	68.8	64.9	61.5
	2	77.0	72.0	67.6	63.8
	2.5	81.2	75.6	70.7	66.5

net book value of CGU recognised in Group financial statements = €40.4 million

6. 2015 FINANCIAL STATEMENTS AND RELATED NOTES

Notes to the consolidated financial statements

Teleshopping		Discount rate			
		7.5	8.0	8.5	9.0
g r o u p w e i g h t	0.5	165.3	154.3	144.6	136.1
	1	174.7	162.3	151.5	142.1
	1.5	185.7	171.5	159.3	148.8
	2	198.6	182.2	168.3	156.4

net book value of CGU recognised in Group financial statements = €28.8 million

E-Commerce		Discount rate			
		9.0	9.5	10.0	10.5
g r o u p w e i g h t	1	31.1	29.1	27.3	25.8
	1.5	32.7	30.5	28.6	26.8
	2	34.6	32.1	29.9	28.0
	2.5	36.7	33.9	31.5	29.4

net book value of CGU recognised in Group financial statements = €21.3 million

Following this analysis, the Group concluded that the recoverable values of the Internet, Teleshopping and E-Commerce CGUs exceeded their net book value in the Group's financial statements at 31 December 2015.

17. Property, facilities and equipment

	Land	Buildings	Technical facilities	Other property, facilities and equipment	Assets under construction	Total 31/12/2014
At 1 January 2014, net of depreciation and writedowns	19.3	85.7	16.3	6.2	0.7	128.1
Acquisitions	-	0.5	4.3	1.9	0.4	7.0
Change in Group structure (gross amounts)	-	-	0.9	0.1	0.1	1.1
Disposals	-	(0.0)	(0.7)	(0.8)	-	(1.5)
Other movements	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
Writedowns	-	(0.2)	(0.1)	(0.2)	-	(0.5)
2014 depreciation charge	-	(4.7)	(6.5)	(2.5)	-	(13.7)
Change in Group structure - accumulated depreciation charge	-	-	(0.6)	(0.1)	-	(0.7)
Reversal of depreciation on disposals	-	0.0	0.6	0.8	-	1.4
At 31 December 2014, net of depreciation and writedowns	19.3	81.2	14.1	5.5	1.2	121.2
At 1 January 2014						
Gross value	19.3	130.3	60.3	24.1	0.7	234.7
Accumulated depreciation and writedowns	-	(44.6)	(44.1)	(17.9)	-	(106.6)
Net amount at 1 January 2014	19.3	85.7	16.3	6.2	0.7	128.1
At 31 December 2014						
Gross value	19.3	130.7	64.8	25.3	1.2	241.3
Accumulated depreciation and writedowns	-	(49.6)	(50.7)	(19.9)	-	(120.1)
Net Total at 31 December 2014	19.3	81.2	14.1	5.5	1.2	121.2

	Land	Buildings	Technical facilities	Other property, facilities and equipment	Assets under construction	Total 31/12/2015
At 1 January 2015, net of depreciation and writedowns	19.3	81.2	14.1	5.5	1.2	121.2
Acquisitions	-	0.2	3.9	3.7	2.1	9.9
Change in Group structure (gross amounts)	-	0.1	-	0.9	-	0.9
Disposals	-	(0.4)	(3.3)	(1.7)	-	(5.4)
Other movements	-	-	0.0	-	-	0.0
Reclassifications	-	0.1	0.2	2.4	(2.7)	(0.0)
Writedowns	-	0.0	0.1	0.2	-	0.3
2015 depreciation charge	-	(4.8)	(5.4)	(3.2)	-	(13.4)
Change in Group structure - accumulated depreciation charge	-	(0.1)	-	(0.6)	-	(0.7)
Reversal of depreciation on disposals	-	0.3	3.1	1.5	-	4.9
At 31 December 2015, net of depreciation and writedowns	19.3	76.6	12.7	8.6	0.6	117.7
At 1 January 2015						
Gross value	19.3	130.7	64.8	25.3	1.2	241.3
Accumulated depreciation and writedowns	-	(49.6)	(50.7)	(19.9)	-	(120.1)
Net amount at 1 January 2015	19.3	81.2	14.1	5.5	1.2	121.2
At 31 December 2015						
Gross value	19.3	130.7	63.0	31.7	0.6	245.3
Accumulated depreciation and writedowns	-	(54.1)	(50.3)	(23.1)	-	(127.5)
Net Total at 31 December 2015	19.3	76.6	12.7	8.6	0.6	117.7

18. Inventories

	Broadcasting rights inventory	Commercial inventory	Total 31/12/2014
At 1 January 2014, net of writedowns	168.5	11.6	180.1
Acquisitions	314.8	69.4	384.3
Acquisition of subsidiaries	-	2.7	2.7
Disposal of subsidiaries	-	0.0	0.0
Expensed	(274.3)	(69.9)	(344.2)
Writedown (charge)/reversal 2014	(5.7)	(0.3)	(6.0)
At 31 December 2014, net of writedowns	203.3	13.5	216.8
At 1 January 2014			
Cost or fair value	262.4	15.2	277.6
Accumulated writedowns	(93.9)	(3.6)	(97.6)
Net amount at 1 January 2014	168.5	11.6	180.1
At 31 December 2014			
Cost or fair value	302.9	18.0	321.0
Accumulated writedowns	(99.6)	(4.5)	(104.1)
Net Total at 31 December 2014	203.3	13.5	216.8
	Broadcasting rights inventory	Commercial inventory	Total 31/12/2015
At 1 January 2015, net of writedowns	203.3	13.5	216.8
Acquisitions	297.0	65.3	362.3
Acquisition of subsidiaries	-	-	-
Disposal of subsidiaries	-	-	-
Expensed	(281.7)	(61.2)	(343.0)
Writedown (charge)/reversal 2015	(12.0)	(0.2)	(12.2)
At 31 December 2015, net of writedowns	206.6	17.4	224.0
At 1 January 2015			
Cost or fair value	302.9	18.0	321.0
Accumulated writedowns	(99.6)	(4.5)	(104.1)
Net amount at 1 January 2015	203.3	13.5	216.8
At 31 December 2015			
Cost or fair value	318.2	22.1	340.3
Accumulated writedowns	(111.6)	(4.7)	(116.3)
Net Total at 31 December 2015	206.6	17.4	224.0

19. Investments in joint ventures and associates

Pursuant to IFRS 11 – Joint arrangements, in 2014 the Group changed the consolidation method of its joint ventures, which are no longer proportionally consolidated but accounted for using the equity method.

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

	% held	31/12/2015	31/12/2014
Investments in associates		3.3	3.9
<i>Quicksign</i>	25%	0.3	0.3
<i>Stéphane Plaza France</i>	49%	2.9	3.6
<i>Société des agences parisiennes</i>	25%	0.1	-
Equity investments in joint ventures		2.8	1.7
<i>Série Club</i>	50%	1.7	0.6
<i>HSS Belgique</i>	50%	0.4	0.6
<i>Panora Services</i>	50%	0.3	0.4
<i>TF6</i>	50%	0.3	-
<i>TF6 Gestion</i>	50%	0.1	0.1
Equity investments in joint ventures and associates		6.1	5.6

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

6. 2015 FINANCIAL STATEMENTS AND RELATED NOTES

Notes to the consolidated financial statements

		31/12/2015	31/12/2014
Revenue		12.1	15.6
Net profit		1.5	(0.2)
Contribution by company:			
Revenue			
	TF6 - Série Club	6.6	9.9
	HSS Belgique	4.8	5.3
	Other	0.8	0.4
		12.1	15.6
Net profit			
	TF6 - Série Club	1.3	(0.6)
	HSS Belgique	0.3	0.5
	Other	(0.1)	(0.1)
		1.5	(0.2)

The contribution of associates to the Group's consolidated net profit at 31 December 2015 was a loss of €0.6 million.

At 31 December 2015, these investments did not give rise to the recognition of any impairment in the Group's consolidated financial statements.

20. Financial instruments

20.1. Financial assets

The various categories of financial assets at 31 December 2014 and 31 December 2015 are presented by balance sheet item in the table below:

31/12/2014					Analysis by category of instruments				
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Derivative instruments
Financial assets available for sale	0.2	-	0.2	0.2	-	0.2	-	-	-
Other non-current financial assets	4.7	-	4.7	4.7	-	-	0.5	4.2	-
Other non-current assets	-	-	-	-	-	-	-	-	-
Trade receivables	286.2	(21.3)	264.9	264.9	-	-	-	264.9	-
Derivative financial instruments	1.8	-	1.8	1.8	-	-	-	-	1.8
Other current financial assets	20.7	(0.7)	20.0	20.0	-	-	-	20.0	-
Other current assets	161.0	(5.9)	155.1	155.1	-	-	-	155.1	-
Cash and cash equivalents	260.9	-	260.9	260.9	209.6	-	-	51.3	-
Assets	735.4	(27.9)	707.5	707.5	209.6	0.2	0.5	495.5	1.8
31/12/2015					Analysis by category of instruments				
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Derivative instruments
Financial assets available for sale	0.3	-	0.3	0.3	-	0.3	-	-	-
Other non-current financial assets	4.1	-	4.1	4.1	-	-	0.8	3.2	-
Other non-current assets	18.9	-	18.9	18.9	-	-	-	18.9	-
Trade receivables	267.5	(18.5)	249.1	249.1	-	-	-	249.1	-
Derivative financial instruments	0.2	-	0.2	0.2	-	-	-	-	0.2
Other current financial assets	-	-	-	-	-	-	-	-	-
Other current assets	181.9	(5.3)	176.6	176.6	-	-	-	176.6	-
Cash and cash equivalents	175.8	-	175.8	175.8	75.1	-	-	100.7	-
Assets	648.6	(23.7)	624.9	624.9	75.1	0.3	0.8	548.5	0.2

FINANCIAL ASSETS HELD FOR SALE

Financial assets held for sale comprise equity securities held by the Group in non-consolidated companies and receivables which are directly related to them.

The balance sheet position was as follows:

		31/12/2015			
	Reference currency	Fair value at 1 January	Acquisitions / Disposals	Fair value at 31 December	% held
European News Exchange	Euro (€)	0.1	-	0.1	20.0%
Other		0.1	0.1	0.2	-
TOTAL NON-CURRENT		0.2	0.1	0.3	

OTHER FINANCIAL ASSETS

During the 2015 financial year, following the delivery of the new Bordeaux stadium, the sum of €20 million deposited on an escrow account by Football Club des Girondins de Bordeaux in the name of the City of Bordeaux was definitively transferred to the latter. This sum, recognised under other current financial assets at 31 December 2014, is now recognised under other assets as advances on lease payments due by the Club over the duration of the stadium's occupancy agreement (30 years).

	31/12/2015	31/12/2014
Current accounts with joint ventures and associates	1.2	1.4
Security deposits	1.6	1.8
Other financial assets	1.3	1.5
Other non-current financial assets	4.1	4.7
Other financial assets	-	20.0
Other current financial assets	-	20.0

CASH AND CASH EQUIVALENTS

Cash and cash equivalents totalled €175.8 million at 31 December 2015, compared with €260.9 million at 31 December 2014.

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

The FCP and SICAV mutual funds do not contain any unrealised capital gains, as these were realised at 31 December 2015.

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

At 31 December 2014, a sum of €15 million was deposited with Bayard d'Antin, a related party, as part of the treasury management agreement renewed on 15 November 2014 (see Note 26.2). This sum was reimbursed during the 2015 financial year.

20.2. Financial liabilities

The various categories of financial liabilities at 31 December 2014 and 31 December 2015 are presented in the table below by balance sheet item:

6. 2015 FINANCIAL STATEMENTS AND RELATED NOTES

Notes to the consolidated financial statements

	31/12/2014		Analysis by category of instruments		
	Book value	Fair value	Fair value through profit and loss	Debt at amortised cost	Derivative instruments
Non-current financial debt	2.2	2.2	-	2.2	-
Other non-current financial liabilities	18.9	18.9	18.9	-	-
Other non-current liabilities	0.9	0.9	-	0.9	-
Current financial debt	0.5	0.5	-	0.5	-
Derivative financial instruments	-	-	-	-	-
Other current financial liabilities	13.8	13.8	-	13.8	-
Trade payables	393.0	393.0	-	393.0	-
Other operating liabilities	53.5	53.5	-	53.5	-
Tax and social security payable ⁽¹⁾	82.9	82.9	-	82.9	-
Other current financial liabilities	16.9	16.9	-	16.9	-
Total liabilities	582.5	582.5	18.9	563.6	-

⁽¹⁾ Includes the impact of the retrospective application in 2014 of IFRIC 21 - *Levies* (see Note 5).

	31/12/2015		Analysis by category of instruments		
	Book value	Fair value	Fair value through profit and loss	Debt at amortised cost	Derivative instruments
Non-current financial debt	1.1	1.1	-	1.1	-
Other non-current financial liabilities	24.7	24.7	17.5	7.2	-
Other non-current liabilities	0.7	0.7	-	0.7	-
Current financial debt	0.6	0.6	-	0.6	-
Derivative financial instruments	0.1	0.1	-	-	0.1
Other current financial liabilities	10.5	10.5	0.4	10.1	-
Trade payables	362.0	362.0	-	362.0	-
Other operating liabilities	40.5	40.5	-	40.5	-
Tax and social security payable	80.0	80.0	-	80.0	-
Other current financial liabilities	9.8	9.8	-	9.8	-
Total liabilities	530.0	530.0	17.8	512.1	0.1

FINANCIAL DEBT

Financial debt positions were as follows:

	31/12/2015	31/12/2014
Bank loans	-	1.1
Leases	-	0.1
Other	1.1	1.1
Total non-current financial debt	1.1	2.2
Bank loans	0.5	-
Leases	0.1	0.5
Total current financial debt	0.6	0.5

The Group currently does not avail of medium-term banking facilities.

The Group avails of a €50 million credit facility from its principal shareholder (Bayard d'Antin). This facility was not drawn down at 31 December 2015 and was not used during the financial year.

OTHER FINANCIAL LIABILITIES

Other financial liabilities of €35.2 million include debts of €17.9 million relating to earnouts on securities held by minority shareholders in certain Group companies and debts of €17.3 million relating to forward purchase agreements for treasury shares (see Note 22.1).

20.3. Analysis of financial assets and liabilities under the fair value hierarchy

The disclosures required by IFRS 7 are classified in accordance with a fair value hierarchy which reflects the materiality of data used in valuations. This fair value hierarchy is as follows:

Level 1: prices (unadjusted) quoted in active markets for identical assets or liabilities;



Level 2: inputs, other than the quoted prices included under Level 1, that are observable for assets and liabilities, either directly (prices for example), or indirectly (for example, elements derived from prices);

Level 3: inputs on assets or liabilities that are not based on observable market data (unobservable inputs).

31/12/2014	Level 1	Level 2	Level 3
	Quoted prices	Observable inputs	Unobservable inputs
Financial assets available for sale	-	-	0.2
Derivative financial instruments	-	1.8	-
Cash and cash equivalents:			
Mutual funds, money market funds	33.7	-	-
Term deposits	-	175.9	-
Assets	33.7	177.7	0.2
Other non-current financial liabilities	-	-	18.9
Total liabilities	-	-	18.9

31/12/2015	Level 1	Level 2	Level 3
	Quoted prices	Observable inputs	Unobservable inputs
Financial assets available for sale	-	-	0.3
Derivative financial instruments	-	0.2	-
Cash and cash equivalents:			
Mutual funds, money market funds	48.6	-	-
Term deposits	-	26.5	-
Assets	48.6	26.7	0.3
Other non-current financial liabilities	-	-	17.5
Other current financial liabilities	-	-	0.4
Derivative financial instruments	-	0.1	-
Total liabilities	-	0.1	17.8

20.4. Effect of financial instruments on the income statement

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

31/12/2014	Analysis by category of instruments						
	Effect on income statement	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost	Derivative instruments
Impact on net financial income	3.9						
Total interest income	4.8	-	-	-	4.8	-	-
Total interest expense	(0.1)	-	-	-	-	(0.1)	-
Revaluations	(0.6)	(0.4)	-	-	-	-	(0.2)
Net gains/(losses)	(0.0)	(0.0)	-	-	-	-	-
Income/(loss) on disposals	(0.1)	-	(0.1)	-	-	-	-
Impact on EBIT	(0.4)						
Net gains/(losses)	(0.0)	-	-	-	(0.0)	-	-
Impairment	(0.3)	-	-	-	(0.3)	-	-
Net income/(loss)	3.6	(0.4)	(0.1)	-	4.4	(0.1)	(0.2)

31/12/2015	Analysis by category of instruments						
	Effect on income statement	Fair value through profit and loss	Assets held for sale	Investments held until maturity	Loans and receivables	Debt at amortised cost	Derivative instruments
Impact on net financial income	2.3						
Total interest income	1.5	-	-	-	1.5	-	-
Total interest expense	(0.2)	-	-	-	-	(0.2)	-
Revaluations	1.1	1.8	-	-	-	(0.6)	(0.1)
Net gains/(losses)	0.7	0.7	-	-	-	-	-
Income/(loss) on disposals	(0.8)	-	-	-	(0.8)	-	-
Impact on EBIT	(0.5)						
Net gains/(losses)	(0.1)	-	-	-	(0.1)	-	-
Impairment	(0.4)	-	-	-	(0.4)	-	-
Net income/(loss)	1.8	2.5	-	-	0.2	(0.8)	(0.1)

21. Risks associated with financial instruments

This note presents information on the Group's exposure to each of the following risks, as well as its objectives, policy and risk assessment and management procedures.

The net book value of financial assets represents the maximum exposure to the credit risk.

21.1. Credit risk

The credit risk represents the risk of financial loss for the Group in the event a customer was to fail to meet its contractual commitments.

TRADE RECEIVABLES

Risk assessment differs across Group operations.

Advertising revenues

The main step taken by the M6 Publicité advertising agency to secure its advertising revenues is to conduct credit inquiries. These are systematically carried out with the support of specialised external companies on new customers and on an on-going basis on recurring customers.

The latter represent the large majority of advertisers. The advertiser base thus appears relatively stable, with more than 90% of revenue being generated from the same customers from one year to the next. Furthermore, it comprises a majority of quoted French companies and French subsidiaries of major international corporations.

Based on the results of credit enquiries and the amounts incurred in relation to the campaign, different payment terms are granted to customers. In particular, M6 demands that advertisers who do not meet its solvency criteria pay their campaigns in advance. These provisions are included in the terms and conditions of sale of the M6 Publicité advertising agency.

Due to this prudent policy, the risk of non-payment of advertising campaigns remained less than 0.5% of revenue (equal to the year to 31 December 2014).

In order to further curtail this risk, the M6 Publicité advertising agency imposes late payment penalties on unpaid invoices and has an internal team dedicated to recovering trade receivables.

Non-advertising revenues

As regards non-advertising revenue, no single customer risk is material enough to significantly impair the Group's profitability.

Nonetheless, the team dedicated to collecting trade receivables guarantee throughout the year that everything is done to reduce bad debts. In addition to follow-up by this dedicated team, the Group may call upon the services of specialised debt collectors.

BANKING COUNTERPARTS

The Group neither securitises, nor assigns nor factors trade receivables.

The Group pays particular attention to the quality of its banking counterparties. The Group strives to diversify its mutual fund depositories, in which excess cash is invested in accordance with the cash management policy described in Note 21.3.

The Group works with leading European banks that benefit from an investment grade rating.

MATURITY OF FINANCIAL ASSETS

The maturity dates of financial assets were as follows at the balance sheet date:

	Year end		Neither written down nor due		<= 1 month		2 - 3 months	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Other financial assets	4.9	25.4	4.1	24.7	-	-	-	-
Trade receivables - gross	267.5	286.2	155.5	185.6	48.9	49.5	23.9	14.0
Other receivables - gross	200.9	162.7	195.3	156.2	2.1	2.5	-	-
Total	473.4	474.4	354.9	366.5	50.9	51.9	23.9	14.0

	3 - 6 months		6 - 12 months		> 1 year		Gross writedowns *	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Other financial assets	-	-	-	-	-	-	0.8	0.7
Trade receivables - gross	13.0	9.3	5.5	4.4	2.4	1.0	18.4	22.4
Other receivables - gross	-	-	-	-	-	-	3.5	4.1
Total	13.0	9.3	5.5	4.4	2.4	1.0	22.8	27.2

* "Gross writedowns" include trade receivables (inclusive of VAT) for which writedowns are established on an individual basis. Writedowns of receivables (inclusive of VAT) calculated based on a statistical model are broken down by age.

Trade and other receivables comprise commercial receivables and other receivables linked to operations, such as advances and deposits.

21.2. Liquidity risk

The liquidity risk is the risk that the Group may find it difficult to meet its liabilities when they fall due. In order to manage the liquidity risk, the Group has implemented a policy of forecast cash position and financing needs monitoring, so that it always has sufficient cash to meet its current liabilities. Cash management is centralised in a cash pooling, in order to optimise financial resources.

The book value of financial liabilities posted to the balance sheet represents the maximum exposure to the credit risk at year-end.

Group debt may be analysed as follows by maturity date (excluding current tax liabilities):

	< 1 year		1 - 5 years		> 5 years		Total	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Financial debt	0.6	0.5	1.1	2.2	-	-	1.7	2.7
Derivative financial instruments	0.1	0.0	-	-	-	-	0.1	0.0
Other financial liabilities	10.5	13.8	24.7	18.9	-	-	35.2	32.7
Trade payables	362.0	393.0	-	-	-	-	362.0	393.0
Other liabilities	40.5	53.5	0.7	0.9	-	-	41.2	54.4
Tax and social security payable ⁽¹⁾	80.0	82.9	-	-	-	-	80.0	82.9
Liabilities relating to non-current assets	9.8	16.9	-	-	-	-	9.8	16.9
TOTAL	503.4	560.5	26.6	22.0	-	-	530.0	582.5

⁽¹⁾ Includes the impact of the retrospective application in 2014 of IFRIC 21 - Levies (see Note 5).

21.3. Market risk

Market risk is the risk that movements in market prices, such as foreign exchange rates, interest rates and equity instrument prices may adversely affect the Group's financial performance or the value of its financial instruments. The objective of market risk management is to define a strategy that limits the Group's exposure to the market risk, while at the same time ensuring that this strategy does not come at a significant cost.

FOREIGN EXCHANGE RISK

The Group is exposed to foreign exchange risk through audiovisual rights purchase contracts, particularly through its cinema distribution activity and purchases of goods by the distance-selling division.

These purchases are primarily denominated in US dollars.

In order to protect itself from random currency market movements that could adversely impact its financial income and the value of its assets, the Group decided to hedge all its purchases. The coverage is undertaken at the signing of supplier contracts and is weighted as a function of the underlying due date. Commitments to purchase rights are fully hedged.

Purchases of goods are hedged on a statistical basis and adjusted regularly based on orders placed. The Group only uses simple financial products that guarantee the amount covered and a set rate of coverage. These are forward purchases, for the most part.

Foreign currency purchase flows represented approximately 8.9 % of 2013 total purchases.

Foreign currency-denominated sales are not hedged as they are not significant (less than 0.1% of revenue).

Analysis of exposure to foreign exchange risk at 31 December 2015

	<i>USD</i> <i>(€ millions) (1)</i>
Assets	13.4
Liabilities	(1.2)
Off-balance sheet	(49.2)
Gross foreign exchange exposure	(37.1)
Forex hedges	43.0
Net foreign exchange exposure	5.9
<i>(1) at closing rate:</i>	<i>1.0924</i>

The Group's exposure is 116% hedged.

In order to hedge against exchange risks, the Group put into place 58 new foreign exchange hedges during the year in relation to its USD-denominated liabilities, for a total value of €115.9 million.

The Group's net exposed foreign currency position for all its activities is a put position of €5.9 million in US dollars, due to several uninvoiced and unsettled commitments.

The risk of loss on the overall net exposed position would yield a €0.5 million loss in the event of an unfavourable and consistent 10% movement of the Euro against the US dollar.

DERIVATIVE FINANCIAL INSTRUMENTS

They are classified as other current financial assets when the market value of the instruments is positive and classified as current financial liabilities when their market value is negative.

IFRS 13 – *Fair value measurement*, which was applied for the first time to assets and liabilities in 2013, had no significant impact on the fair value of derivative financial instruments at 31 December 2015, unchanged from 31 December 2014.

Fair value

Net balance sheet positions of derivatives were as follows:

Forward call contracts	31/12/2015	31/12/2014
	Fair value	Fair value
Métropole Télévision	0.0	-
SND	0.2	1.8
HSS	(0.1)	(0.0)
TOTAL	0.1	1.7

The €0.1 million fair value of derivative financial instruments at 31 December 2015 reflected there being virtually difference between the year-end rate used for the valuation and the average rate of hedges in inventory at the end of December 2015.

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

Maturities

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

	31/12/2015			31/12/2014		
	Total	< 1 year	1 to 5 years	Total	< 1 year	1 to 5 years
Métropole Télévision	0.4	0.4	-	-	-	-
SND	40.4	34.1	6.3	27.9	27.9	-
HSS	1.9	1.9	-	4.8	4.8	-
TOTAL	42.7	36.3	6.3	32.8	32.8	-

INTEREST RATE RISK

The Group has little exposure to risks pertaining to interest rate movements, mainly in relation to its returns on financial assets. Interest rate risk management relating to the Group's net cash position is established based on the consolidated position and market conditions.

The main objective of the interest risk management policy is to optimise the cost of Group financing and maximise cash management income.

The main features of financial assets and financial liabilities are as follows:

Maturity schedule of financial debt and financial assets at 31 December 2015

(€ millions)	< 1 year	1 to 5 years	> 5 years	Total
Variable rate financial assets	175.8	2.8	-	178.6
Other fixed-rate financial assets	-	0.5	0.8	1.3
Total financial assets	175.8	3.2	0.8	179.9
Variable rate financial debt	-	(1.1)	-	(1.1)
Other fixed-rate financial debt	(0.6)	-	-	(0.6)
Total financial debt	(0.6)	(1.1)	-	(1.8)

The Group's variable rate position was positive by €177.5 million at 31 December 2015. This net cash position was primarily comprised of monetary cash instruments and term deposits.

The financing provided by the Group to its jointly controlled subsidiaries is treated as a financial asset.

CASH MANAGEMENT POLICY

The Group's cash management policy is designed to ensure that cash resources can be mobilised rapidly while limiting capital risk. The Group's approach is absolutely prudent and non-speculative.

All investments made by the Group meet the criteria of IAS 7 - *Cash flow statement*.

The corresponding deposits are thus considered as cash equivalents, since they are liquid, can easily be converted into a known amount of cash and are subject to a negligible risk of change in value.

The matter of counterparty risk remains topical and the Group pays particular attention to the selection process of instruments and to diversifying counterparties, depositaries and management companies.

All securities in which the Group's cash holdings are invested, as well as a list of securities in which the Group would consider investing is monitored daily. On this basis, the Group arbitrates in favour of both the most regular and the most profitable funds.

Investment yields are regularly measured and reported to management every month. A detailed analysis of the various risks of these deposits is also produced quarterly.

22. Equity

22.1. Share capital management policy

Management of the Group's shareholders' equity primarily refers to the dividend distribution policy and more generally to the remuneration of Métropole Télévision shareholders. As part of this policy, the Group strives to retain sufficient cash holdings to meet its day to day financing needs and fund acquisitions. The Group avails of substantial surplus cash, well in excess of the above-mentioned requirements, giving rise to a significant investment potential.

The Group avails of a maximum €50 million credit facility from its principal shareholder (Bayard d'Antin). At 31 December 2015, this credit facility was not drawn down.

As regards remuneration of the shareholders, the Group has for many years paid out a dividend of approximately 80% of net earnings (from continuing operations, Group share) per share, equating to an ordinary dividend of €0.85 per share for the 2015 financial year.

Furthermore, the Executive Board of Métropole Télévision was granted an authorisation to buy back its own shares by the Combined General Meeting of 28 April 2015, with the following objectives:

- to stimulate the Métropole Télévision share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Charter approved by the AMF;
- to retain the shares purchased and ultimately use them via exchange or payment within the framework of potential acquisitions, provided that the shares acquired for this purpose do not exceed 5% of the Company's share capital;
- to provide adequate coverage for share option plans and other forms of share allocations to Group employees and/or corporate officers within the conditions and according to the methods permitted by law, notably in order to share the profits of the Company, through a company savings plan or by the granting of free shares;

- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to potentially cancel the purchased shares.

During the financial year ended 31 December 2015 and pursuant to this authorisation:

- Daily market transactions were carried out by M6 as part of the liquidity contract;
- M6 bought and delivered shares to cover its free share allocation plans.

In addition, ahead of the next deliveries of free shares in 2016 and 2017, Métropole Télévision entered into several forward purchase contracts for treasury shares, with respectively:

- 150,000 shares, which will mature on 14 April 2016;
- 460,472 shares, which will mature on 15 October 2016;
- 470,000 shares, which will mature on 28 July 2017.

Furthermore, even though it has been granted authorisations by the Annual General Meeting to proceed in specified cases with share capital increases (through the issue of ordinary shares and / or marketable securities providing access to the share capital), the Company currently has no plans to issue new shares, aside from the exercise of share subscription options.

Furthermore, the Company comes within the scope of Article 39 of the Law no 86-1067 of 30 September 1986 as amended, as well as Law no 2001-624 of 17 July 2001, which state that an individual or entity, acting alone or in concert, shall not hold, directly or indirectly, more than 49% of the capital or voting rights of a company licensed to operate a nationwide television service by terrestrial transmission. Therefore, any decision liable to have a dilutive or enhancing effect on existing shareholders must be assessed in the light of this specific legal requirement.

22.2. Shares comprising Métropole Télévision's capital

<i>(thousands of shares)</i>	Ordinary shares issued	Treasury shares held	Shares outstanding
Number of shares at 1 January 2014	125,965	563	125,402
Exercised stock options	297		
Movement in treasury shares:			
- held for the purpose of allocating free shares		(463)	
- held as part of the liquidity contract		(1)	
Implementation of the share buyback programme for cancellation	-	-	
Number of shares at 31 December 2014	126,262	99	126,163
Exercised stock options	152		
Movement in treasury shares:			
- held for the purpose of allocating free shares		(8)	
- held as part of the liquidity contract		49	
Implementation of the share buyback programme for cancellation	-	-	
Number of shares at 31 December 2015	126,414	140	126,274

The shares making up the capital of Métropole Télévision are all ordinary shares with one vote each. All shares are fully paid up.

The exercise of options to subscribe by the beneficiaries resulted in 2015 in the issue of 151,811 shares, representing a share capital increase of €0.1 million and an issue premium of €2.2 million over the 2015 financial year.

Four free share allocation plans for the benefit of certain members of management and senior executives of the Group were in place at 31 December 2015 (see Note 9).

22.3. Movements in equity not recorded in the income statement

Movements in the fair value of derivative financial instruments, actuarial gains and losses and foreign exchange differences are recorded in other items of comprehensive income and added to the “other reserves” caption of equity.

Movements in actuarial gains and losses are accounted for as other items of comprehensive income and are added to the “consolidated reserves” caption.

The net impact on equity, under other reserves and consolidated reserves, was as follows:

Balance at 1 January 2014	(1.3)
New hedges	(3.9)
Previous hedge variations	0.1
Maturity of hedges	0.6
Change in value of translation adjustment	0.1
Change of retirement benefits of continuing operations	(1.1)
Change of retirement benefits of operations sold	(0.1)
Total movements of the year	(4.2)
Balance at 31 December 2014	(5.5)
New hedges	(6.3)
Previous hedge variations	(0.2)
Maturity of hedges	(1.0)
Change in value of translation adjustment	0.2
Movement in pension commitments	0.3
Total movements of the year	(7.0)
Balance at 31 December 2015	(12.5)

23. Retirement benefits severance pay

Commitments undertaken in respect of retirement benefits severance pay are not covered by any dedicated insurance contract or assets.

MAIN ACTUARIAL ASSUMPTIONS

%	31/12/2015	31/12/2014
Discount rate	2.00	2.00
Future salary increases *	2.69	2.65
Inflation rate	2.00	2.00

*median measured on the basis of age and position

The discount rate is established for an average period of 10 years by reference to the Iboxx € corporate bonds AA 10+ index.

INCOME STATEMENT EXPENSES

	31/12/2015	31/12/2014
Current service cost	(0.9)	(0.6)
Interest expense	(0.2)	(0.2)
Net expense	(1.1)	(0.9)

PROVISION AND PRESENT VALUE OF OBLIGATION

	31/12/2015	31/12/2014
Value of obligation - opening balance	10.3	7.8
Current service cost, reductions/termination	0.9	0.6
Interest expense	0.2	0.2
Benefits paid	(0.0)	(0.0)
Actuarial gain or loss - Changes in financial assumptions	-	1.4
Actuarial gain or loss - Changes in demographic assumptions	-	0.0
Actuarial gain or loss - Experience effect	(0.4)	0.3
Change in Group structure	0.1	-
Value of obligation - closing balance	11.1	10.3

The cumulative actuarial differences recognised in other items of comprehensive income totalled €0.2 million at 31 December 2015.

SENSITIVITY TO ASSUMPTIONS

Sensitivity analyses carried out on pension commitments gave the following results:

	+ 0.5%	- 0.5%
Sensitivity of obligation at year end:		
to a change in the discount rate	10.3	12.0
to a change in the rate of salary increase	12.0	10.3

24. Provisions

Provision movements between 1 January 2014 and 31 December 2015 were as follows:

	Provisions for retirement benefits	Provisions for losses of associates	Provisions for litigations	Provisions for off-balance sheet rights	Other provisions for charges	Total
At 1 January 2014	7.8	0.4	19.9	49.0	17.0	94.1
Acquisition of subsidiaries	-	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	-
Provisions of operations held for sale	(0.0)	-	-	-	-	(0.0)
Charge	0.9	-	9.3	24.1	6.5	40.8
Use	(0.0)	-	(1.8)	(28.6)	(1.8)	(32.3)
Unused reversals	-	-	(4.2)	(1.8)	(1.5)	(7.5)
Other	1.7	(0.3)	(0.1)	-	0.1	1.4
At 31 December 2014	10.3	0.1	23.0	42.8	20.3	96.6
Acquisition of subsidiaries	0.1	-	-	-	0.0	0.1
Disposal of subsidiaries	-	-	-	-	-	-
Provisions of operations sold	-	-	-	-	-	-
Charge for the period	1.1	-	5.4	26.9	5.9	39.3
Use	(0.0)	-	(5.1)	(27.4)	(4.2)	(36.6)
Unused reversals	(0.0)	-	(6.3)	(1.4)	(1.4)	(9.1)
Other	(0.4)	(0.1)	(0.0)	-	0.0	(0.5)
At 31 December 2015	11.1	-	17.0	41.0	20.6	89.7
Current at 31 December 2014	-	0.1	23.0	42.8	20.3	86.2
Non-current at 31 December 2014	10.3	-	-	-	-	10.3
Total	10.3	0.1	23.0	42.8	20.3	96.6
Current at 31 December 2015	-	-	17.0	41.0	20.6	78.7
Non-current at 31 December 2015	11.1	-	-	-	-	11.1
Total	11.1	-	17.0	41.0	20.6	89.7

Provisions at 31 December 2015 and 2014 are analysed by business segment as follows:

	31/12/2015	31/12/2014
Television	66.7	73.4
Production & Audiovisual Rights	1.7	1.6
Diversification	20.9	21.0
Other	0.5	0.5
Total	89.7	96.6

Litigations included in the “provisions for litigations” caption relate to all legal proceedings instituted against one or several Group companies, for which it is probable that the outcome will be unfavourable for the Group. In the large majority of cases, such litigations have gone beyond the pre-litigation stage and are currently being considered or are undergoing judgement or appeal by competent courts (Commercial Court, Industrial Court, Court of First Instance, Criminal Court or Supreme Court of Appeal).

Additional information in respect of litigations in progress has not been included individually as disclosure of such information could be prejudicial to the Group.

“Provisions for unlikely broadcasting” relate to the loss in value of broadcasting rights the Group is committed to purchase but are not yet included in balance sheet inventories.

The charge resulting from the likelihood that an unopened right (and as such classified in off-balance sheet commitments) will not be broadcast during the anticipated programming slot may not be accounted for by writing down a balance sheet asset, and therefore was recognised through a provision for liabilities and charges.

The writedown of an unopened right is consistent with the operation of the audiovisual rights market, since TV channels have generally entered into sourcing agreements with producers in relation to future productions, without having the certainty that the quality of the latter will be consistent and may be broadcast given their editorial policy and target audiences.

Furthermore, the channels may be committed to broadcasting a flow programme or an event whose audience or image potential will not generate sufficient advertising revenue to offset the total cost of the programme.

A writedown of the value of a right may reflect:

- the case where a broadcast is unlikely: the programme will not be broadcast for lack of audience potential;
- the case where net revenue generated during the window rights of the programme will be insufficient.

In all cases, writedowns are assessed as part of an individual review of all portfolio items, in light of the ratings and revenue targets of each programme, as defined by the management of programming of each Group channel.

“Other provisions for charges” relate to costs Métropole Télévision would have to incur to implement a contract or settle its regulatory or tax obligations, without the amounts in question being due or having been due, in particular within the framework of dispute settlement or legal proceedings.

The amounts reported for all these types of provisions are the best possible estimate of the future outflow of Company resources, taking account of plaintiffs’ claims, judgments already passed, if applicable, or the management’s appraisal of similar instances and/or calculations made by the finance department.

The Group considers that the disbursement terms attached to these provisions come within the framework of its normal operating cycle, which justifies the classification of these provisions as current provisions.

25. Off balance sheet commitments / contingent assets and liabilities

A. PURCHASE OF RIGHTS AND CO-PRODUCTION COMMITMENTS (NET)

These commitments comprise:

- purchase commitments relating to rights not yet produced or completed;
- contractual commitments relating to co-productions awaiting receipt of technical acceptance or exploitation visa, net of payments on account made.

They are expressed net of advances and deposits paid in that respect for rights that are not yet recognised as inventories.

B. IMAGE TRANSMISSION, SATELLITE AND TRANSPONDERS RENTAL

These commitments relate to the supply of broadcasting services and the rental of satellite and transponder capabilities from private companies for digital broadcasting. These commitments were measured using amounts remaining due up to the end date of each contract.

C. NON-CANCELLABLE LEASES

This item includes minimum future payments due in respect of non-cancellable operating leases on-going at the balance sheet date, which primarily comprise property leasing.

D. RESPONSIBILITY FOR PARTNERSHIP LIABILITIES

To the extent that the partners in a Partnership (Société en Nom Collectif - SNC) are liable in full and indefinitely for the liabilities of the partnership, the Group presents in full the liabilities of partnerships in which it is a partner, net of accruals and partners' current account balances, as an off-balance sheet commitment given, and presents the other partners' share of these liabilities as an off-balance sheet commitment received.

E. SALE OF RIGHTS

These commitments comprise sales contracts of broadcasting rights that are not yet available at 31 December 2015.

F. BROADCASTING CONTRACTS

These commitments relate to Group channel broadcasting contracts with Canal+ France and other distributors.

They were measured using amounts remaining due for each contract, up to the certain or probable contract end date.

6. 2015 FINANCIAL STATEMENTS AND RELATED NOTES

Notes to the consolidated financial statements

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

Off-balance sheet commitments are analysed as follows:

	< 1 year	1 - 5 years	> 5 years	Total 31/12/2015	Total 31/12/2014	Terms and conditions of implementation
Commitments given						
Rights purchase and co-productions commitments (gross)	342.6	504.2	73.7	920.5	986.4	Contracts signed
Advances paid for the purchase of rights and co-production commitments	(13.1)	(19.5)	(30.8)	(63.4)	(60.3)	
<i>Rights purchase and co-productions commitments (net)</i>	<i>329.5</i>	<i>484.7</i>	<i>42.9</i>	<i>857.1</i>	<i>926.1</i>	
Image transmission, satellite and transponder rental	23.0	60.3	3.8	87.1	84.9	Contracts signed
Non-cancellable leases	8.3	30.8	122.5	161.5	22.0	Leases
Responsibility for partnership liabilities	0.9	-	-	0.9	4.1	SNC liquidation
Other	4.9	8.6	-	13.5	10.1	
Total commitments given	366.5	584.3	169.3	1,120.1	1,047.1	
Commitments received						
Responsibility for partnership liabilities	0.9	-	-	0.9	4.1	SNC liquidation
Sales of rights	30.8	32.1	0.2	63.1	66.4	Annual maturities
Broadcasting contracts	48.9	46.9	-	95.8	-	Contracts signed
Other	3.2	-	-	3.2	2.6	
Total commitments received	83.9	79.0	0.2	163.1	73.0	

At 31 December 2015, commitments given by the Group totalled €1,120.1 million, compared with €1,047.1 million at 31 December 2014.

This €73.0 million increase in commitments given primarily originated from the following movements:

- rights purchase commitments and co-production commitments – net of advance payments made – decreased by €69.0 million compared with 31 December 2014;
- commitments related to non-cancellable leases increased by €135.9 million, as a result in particular of the thirty-year operating lease concluded by Football Club des Girondins de Bordeaux in connection with occupancy of the new Bordeaux stadium.

At 31 December 2015, commitments received by the Group totalled €163.1 million, compared with €73.0 million at 31 December 2014.

The change resulted from a €95.8 million increase in broadcasting commitments following the renewal in January 2015 of the multi-year agreements between M6 Group and telecom operators regarding the distribution of all the Group's TV channels and services.

26. Related parties

26.1. Identification of related parties

Related parties to the Group comprise joint ventures and associates, RTL Group – 48.26% Group shareholder, Bertelsmann AG – RTL shareholder, corporate officers and members of the Supervisory Board.

26.2. Transactions with shareholders

LOANS TO SHAREHOLDERS

At 31 December 2015, no cash was deposited with Bayard d'Antin.

According to a treasury management agreement concluded between Bayard d'Antin SA and Métropole Télévision, first implemented on 1 December 2005, Métropole Télévision may deposit surplus cash with Bayard d'Antin either on a day to day basis, or by depositing part of it for a period not exceeding 3 months. The remuneration provided by this agreement is in line with the market. M6 also retains the option of borrowing funds from Bayard d'Antin, as long as the amount borrowed does not exceed 48% of that borrowed from banking institutions for periods ranging from 1 week to 3 months; the terms and conditions being consistent with those of the market.

The renewal of this agreement for a further period of 12 months was authorised by the Supervisory Board on 03 November 2015.

In order to adhere to the cash depositing policy of Métropole Télévision (described in Note 21.3), the deposit with Bayard d'Antin may not exceed a given ratio of the cash resources of the Métropole Télévision Group.

CURRENT TRANSACTIONS

	31/12/2015		31/12/2014	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Sales of goods and services	9.7	-	6.3	-
Purchases of goods and services	(20.9)	(0.7)	(20.1)	(0.8)

Day-to-day transactions with shareholders have been conducted at arms' length, it being specified that purchases primarily include the purchase of programmes from production companies owned by the RTL Group.

The outstanding balances arising from these sales and purchases are the following:

	31/12/2015		31/12/2014	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Receivables	6.8	-	8.4	-
Liabilities	8.0	0.1	11.2	0.3

SPECIFIC TRANSACTIONS

No specific transactions were concluded by the Group with its shareholders during the 2015 financial year.

26.3. Transactions with joint ventures

The following transactions have taken place between Group subsidiaries and joint ventures:

At 100%	31/12/2015	31/12/2014
Sales of goods and services	8.5	9.4
Purchases of goods and services	(0.1)	(0.7)

Sales and purchase transactions with joint ventures have been conducted at arms' length.

The net balance sheet positions were as follows:

At 100%	31/12/2015	31/12/2014
Receivables	6.1	9.8
<i>relating to financing</i>	<i>1.1</i>	<i>6.6</i>
Liabilities	6.2	0.6
<i>relating to financing</i>	<i>5.9</i>	<i>0.1</i>

Receivables relating to financing comprise profit of partnerships due to be transferred to the parent company.

Over the course of the 2015 financial year, dividends received from joint ventures totalled €0.5 million.

26.4. Transactions with associates

The following transactions have taken place between Group subsidiaries and associates:

At 100%	31/12/2015	31/12/2014
Sales of goods and services	0.4	0.1
Purchases of goods and services	-	-

Sales and purchase transactions with associates have been conducted at arms' length.

The net balance sheet positions were as follows:

At 100%	31/12/2015	31/12/2014
Receivables	0.1	0.1
<i>relating to financing</i>	<i>0.1</i>	<i>0.1</i>
Liabilities	1.3	1.5
<i>relating to financing</i>	<i>-</i>	<i>-</i>

26.5. Transactions with corporate officers

The remuneration paid in 2015 to the members of the Executive Board amounted to €3,044,663, of which €2,094,237 was fixed and €950,426 variable.

However, 46,500 free shares were allocated to members of the Executive Board in July 2015.

51,237 free shares were transferred over the same period to Executive Board members as part of the plan of 26 July 2013 (members at the allocation date).

In addition, in this respect and in accordance with the same conditions as Group employees, the members of the Executive Board are entitled to a legally binding end of career payment (see Note 4.14).

Members of the Supervisory Board were paid attendance fees amounting to €211,197. Moreover, private individual members of the Supervisory Board or representing a legal entity member of the Supervisory Board held 116,867 Group shares in a personal capacity at 31 December 2015.

Total remuneration paid to the main corporate officers in respect of their duties within the Group, as referred to by IAS 24.17, was as follows:

<i>(€ millions)</i>	31/12/2015	31/12/2014
Short-term benefits		
Remuneration items	3.6	3.1
Other short-term benefits	0.0	0.0
Long-term benefits	-	-
Severance pay	-	0.2
Share-based payments	0.6	0.9
Directors' fees	0.2	0.2
Total	4.5	4.5

Furthermore, detailed disclosure of remuneration is provided in Note 2.3 of the Management Report.

27. Subsequent events

No other event that occurred since 1 January 2016 is likely to have a significant impact on the Group's financial position, financial performance, activities and assets.

6. 2015 FINANCIAL STATEMENTS AND RELATED NOTES

Notes to the consolidated financial statements

28. Consolidation scope

Company	Legal form	Nature of operations	31/12/2015		31/12/2014	
			% share capital	Consolidation method	% share capital	Consolidation method
TELEVISION						
Métropole Télévision - M6	SA	Parent company	-	FC	-	FC
M6 Publicité	SASU	Advertising agency	100.00%	FC	100.00%	FC
M6 Bordeaux	SAS	Local TV station	100.00%	FC	100.00%	FC
M6 Thématique	SA	Holding company - digital operations	100.00%	FC	100.00%	FC
E di TV - W9	SAS	W9 music channel	100.00%	FC	100.00%	FC
M6 Génération - 6Ter	SAS	6TER digital channel	100.00%	FC	100.00%	FC
M6 Communication	SAS	M6 Black - Rock - Hit music channels	100.00%	FC	100.00%	FC
Paris Première	SAS	Paris Première digital channel	100.00%	FC	100.00%	FC
Sedi TV - Téva	SAS	Téva digital channel	100.00%	FC	100.00%	FC
Série Club	SA	Série Club digital channel	50.00%	EA	50.00%	EA
TF6	SCS	TF6 digital channel	50.00%	EA	50.00%	EA
SNDA	SAS	Audiovisual rights distribution	100.00%	FC	100.00%	FC
C. Productions	SA	Programme production	100.00%	FC	100.00%	FC
Métropole Production	SA	Production of audiovisual works	100.00%	FC	100.00%	FC
Studio 89 Productions	SAS	Production of audiovisual works	100.00%	FC	100.00%	FC
PRODUCTION AND AUDIOVISUAL RIGHTS						
M6 Films	SA	Co-production of films	100.00%	FC	100.00%	FC
M6 Créations	SAS	Production of audiovisual works	100.00%	FC	100.00%	FC
Stéphane Plaza France	SAS	Property development	49.00%	EA	49.00%	EA
Société des Agences Parisiennes	SAS	Property development	24.50%	EA	24.50%	EA
M6 Editions	SA	Print publications	100.00%	FC	100.00%	FC
M6 Studio	SAS	Production of animated feature films	100.00%	FC	100.00%	FC
TCM DA	SNC	Broadcasting rights portfolio	100.00%	FC	100.00%	FC
Société Nouvelle de Cinématographie (formerly DISA)	SA	Audiovisual rights production/distribution	100.00%	FC	100.00%	FC
Société Nouvelle de Distribution	SA	Distribution of films to movie theatres	100.00%	FC	100.00%	FC
Les Films de la Suane	SARL	Audiovisual rights production/distribution	100.00%	FC	100.00%	FC
DIVERSIFICATION						
M6 Foot	SAS	Holding company - Sports	100.00%	FC	100.00%	FC
FC Girondins de Bordeaux	SASP	Football club	100.00%	FC	100.00%	FC
33 FM	SAS	Radio programmes editing and broadcasting	95.00%	FC	95.00%	FC
Girondins Expressions	SASU	24/7 channel dedicated to FCGB	100.00%	FC	100.00%	FC
Girondins Horizons	SASU	Travel agency	100.00%	FC	100.00%	FC
M6 Interactions	SAS	Exploitation of merchandising rights	100.00%	FC	100.00%	FC
M6 Evénements	SA	Event production	100.00%	FC	100.00%	FC
Live Stage	SAS	Event production	-	M	100.00%	FC
M6 Web	SAS	Internet content and access provider	100.00%	FC	100.00%	FC
Oxygem sub-group:						
Oxygem	SAS	Internet company	100.00%	FC	-	-
Odiso	SARL	Internet company	100.00%	FC	-	-
Oxygem IT	GIE	Internet company	100.00%	FC	-	-
QuickSign	SAS	Various specialised, scientific and technical activities	24.90%	EA	24.90%	EA
Panora Services	SAS	Online bank comparison engine	50.00%	EA	50.00%	EA
GM6	SAS	Development of an internet platform	80.50%	FC	75.00%	FC
HSS sub-group						
Home Shopping Service	SA	Teleshopping programmes	100.00%	FC	100.00%	FC
HSS Belgique	SA	Teleshopping programmes	50.00%	EA	50.00%	EA
HSS Hongrie	SA	Teleshopping programmes	100.00%	FC	100.00%	FC
SETV Belgique	GIE	Teleshopping management office	100.00%	FC	100.00%	FC
Unité 15 Belgique	SA	Customer service	100.00%	FC	100.00%	FC
Unité 15 France	SA	Management and promotion of teleshopping	100.00%	FC	100.00%	FC
MonAlbumPhoto	SAS	Distance selling with specialised catalogue	100.00%	FC	100.00%	FC
Printic	SAS	Photographic activities	86.67%	FC	80.00%	FC
M6 Divertissement	SAS	Dormant	100.00%	FC	100.00%	FC
M6 Shop	SAS	Dormant	100.00%	FC	100.00%	FC
Luxview	SAS	E-commerce	95.56%	FC	95.56%	FC
Optiliens	SPRL	E-commerce	100.00%	FC	100.00%	FC
Best of TV	SAS	Wholesale trade	51.00%	FC	51.00%	FC
Best of TV Benelux	SPRL	Wholesale trade	100.00%	FC	100.00%	FC
PROPERTY - DORMANT COMPANIES						
Immobilière 46D	SAS	Neuilly building	100.00%	FC	100.00%	FC
Immobilière M6	SA	Neuilly building	100.00%	FC	100.00%	FC
SCI du 107	SCI	Neuilly building	100.00%	FC	100.00%	FC
M6 Diffusions	SA	Holding company - digital operations	100.00%	FC	100.00%	FC
M6 Développement	SASU	Training organisation	100.00%	FC	100.00%	FC
M6 Talents	SAS	Dormant	100.00%	FC	100.00%	FC
TF6 Gestion	SA	TF6 management company	50.00%	EA	50.00%	EA
SND SA	INC	Holding Company - audiovisual rights	100.00%	FC	100.00%	FC
SND Films	LLC	Development of cinematographic works	100.00%	FC	100.00%	FC

FC: Full consolidation
 PC: Proportional consolidation
 EA: Equity accounted
 M: Merged

The Group is not a shareholder or participating stakeholder in any special purpose entities.





6.3 Statutory Auditors' report on the consolidated financial statements

PricewaterhouseCoopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine, France

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie – Paris La Défense 1

Métropole Télévision S.A.
Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,565,699.20
Financial year ended 31 December 2015

Statutory Auditors' report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you for the financial year ended 31 December 2015, on:

- the audit of the accompanying consolidated financial statements of Métropole Télévision;
- the justification of our assessments;
- the specific verification provided by law.

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

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; these standards require that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the consolidated financial statements on a test basis or other means of selection. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements for the financial year, prepared in accordance with IFRS as adopted in the European Union, give a true and fair view of the consolidated financial position, assets and liabilities, and net profit of the individuals and entities included in the consolidation.

II - Justification of assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Note 3.3 to the financial statements describes the situations in which the management of your company has used estimates and put forward assumptions within the scope of preparing the statements. Our work involved assessing the data and assumptions on which these estimates are based, and reviewing the appropriateness of the accounting principles and information provided in the notes to the consolidated financial statements provide suitable information, in particular Notes 4.5, 4.10, 4.15 and 24 relating to audiovisual and broadcasting rights and provisions.
- At least once a year, your company performs an impairment test on goodwill and intangible assets with indefinite useful lives as described in Note 4.7 to the consolidated financial statements. We examined the manner for the implementation of this impairment test as well as the consistency of data and assumptions used. We also verified that appropriate information is disclosed in Note 16.

These assessments were made within the framework of our audit, which focuses on the consolidated financial statements as a whole, and accordingly contributed to the issuance of our opinion in the first part of this report.

III - Specific verification

As required by law, we have also verified, in accordance with professional standards applicable in France, the information on the Group provided in the management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, 23 February 2016

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

6.4 Parent company financial statements at 31/12/2015

Balance Sheet - Assets

<i>(€ millions)</i>	NOTE N°	31/12/2015			31/12/2014
		Gross	Amo & depr	Net	
Other intangible assets	3.1	126.6	121.2	5.4	6.9
Technical facilities, equipment & tools	3.2	29.0	26.1	2.9	3.7
Other property, facilities & equipment	3.2	14.9	11.8	3.0	2.8
PFE under construction	3.2	0.3	-	0.3	1.0
Equity investments	3.3	294.6	70.0	224.5	196.5
Loans	3.3/3.5	0.5	-	0.5	0.5
Other investments	3.3/3.5	1.8	-	1.8	1.6
TOTAL NON-CURRENT ASSETS		467.6	229.2	238.4	213.0
Broadcasting rights inventory	3.4	248.2	92.6	155.7	167.0
Advances & prepayments on orders		68.9	-	68.9	64.5
Trade receivables	3.5	292.2	3.3	288.8	343.3
Other receivables	3.5	218.3	6.1	212.2	272.4
Marketable securities	3.6	77.3	-	77.3	197.2
Bank and cash	3.6	81.6	-	81.6	4.2
Prepaid expenses	3.7	37.7	-	37.7	13.5
TOTAL CURRENT ASSETS		1,024.1	102.0	922.0	1062.1
TOTAL EQUITY AND LIABILITIES		1,491.6	331.2	1,160.5	1,275.1

Balance Sheet – Equity and Liabilities

<i>(€ millions)</i>	NOTE N°	31/12/2015	31/12/2014
Share capital	3.8	50.6	50.5
Share premium	3.8	7.6	5.4
Legal reserve	3.8	5.3	5.3
Retained earnings	3.8	305.7	280.2
Financial year net profit	3.8	108.5	132.8
Regulated provisions	3.8	4.5	5.0
TOTAL EQUITY		482.1	479.1
OTHER EQUITY			
Provisions for liabilities	3.9	14.8	26.4
Provisions for charges	3.9	47.0	45.8
PROVISIONS FOR LIABILITIES AND CHARGES		61.8	72.2
Bank overdrafts	3.10	1.1	3.2
Trade payables	3.10	234.2	278.1
Advances and prepayments on orders	3.10	-	-
Tax and social security liabilities	3.10	56.3	59.0
Liabilities on non-current assets	3.10	-	0.1
Other liabilities	3.10	321.9	381.2
Deferred revenues		3.0	2.1
TOTAL LIABILITIES		616.6	723.8
Deferred translation loss		-	-
TOTAL EQUITY AND LIABILITIES		1,160.5	1,275.1

Income Statement

<i>(€ millions)</i>	NOTE N°	31/12/2015	31/12/2014
Revenue	4.1	643.6	641.6
Amortisation, depreciation & provision reversals		70.6	70.9
Other operating revenues		63.5	60.7
OPERATING REVENUES		777.6	773.2
Merchandise purchases and movements in inventories	4.2	300.2	311.4
Other purchases and external charges	4.3	125.8	125.3
Tax and duties	4.4	50.9	49.3
Payroll & employment benefits	4.6	82.5	76.5
Non-current asset depreciation and amortisation	3.1/3.2	6.0	6.8
Non-current asset investment writedowns	3.1	0.3	0.5
Current asset provisions charges	3.4/3.5	54.3	50.2
Provisions for liabilities and charges		26.0	25.9
Other expenses	4.5	31.6	32.7
OPERATING EXPENSES		677.8	678.4
OPERATING PROFIT		99.8	94.8
Investments financial income (excluding current account interests)		64.5	74.7
Interest and other financial income		1.2	4.5
Financial provision reversals		14.3	12.8
Foreign exchange gains		0.1	0.0
Net income from disposal of marketable securities		-	-
FINANCIAL INCOME		80.2	92.0
Interest and financial expenses		0.4	0.3
Financial depreciation, amortisation and provision charges		34.1	17.3
Foreign exchange losses		0.3	0.1
Net expense on disposal of marketable securities		-	0.1
FINANCIAL EXPENSES		34.9	17.7
NET FINANCIAL INCOME	4.7	45.3	74.3
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX		145.2	169.2
Exceptional income - investment & financing activities		4.1	3.6
Exceptional depreciation, amortisation and provision reversals		15.7	11.4
EXCEPTIONAL INCOME		19.8	15.1
Exceptional expenses - investment & financing activities		8.4	5.7
Exceptional depreciation, amortisation and provision charges		10.9	10.1
EXCEPTIONAL EXPENSES		19.3	15.8
NET EXCEPTIONAL INCOME/(EXPENSE)	4.8	0.5	(0.7)
Employee profit sharing plan contributions		3.5	3.2
Income tax	4.9/4.10	33.7	32.5
NET PROFIT		108.5	132.8

6.5 Notes to the parent company financial statements

Notes

1.	2015 financial year highlights	251
2.	Accounting rules and methods	251
3.	Notes to the parent company balance sheet	254
4.	Notes to the parent company income statement	262
5.	Other notes	265
6.	Note on the consolidation of accounts	267
7.	Statutory Auditors' fees	267
8.	Significant post-balance sheet events	267

Métropole Télévision reported a net profit of €108.5 million with total assets of €1,160.5 million for the 12-month financial year ended 31 December 2015.

These annual financial statements were approved by the Executive Board on 17 February 2016 and reviewed by the Supervisory Board on 23 February 2016.

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

1. 2015 financial year highlights

Métropole Télévision subscribed to the recapitalisation of several of these subsidiaries, which were structurally loss-making and had negative net assets, during the 2015 financial year. Métropole Télévision's additional investment in these companies' equity capital amounted to €56.8 million.

2. Accounting rules and methods

The financial statements for the financial year are presented in accordance with the French Chart of Accounts and applicable legal and regulatory provisions.

Generally-accepted accounting practices were applied in compliance with the principles of prudence, true and fair presentation and consistency, in accordance with the following basic assumptions:

- going concern,
- consistency of accounting policies,
- independence of the accounting periods,

and according to the general rules of preparation and presentation of annual financial statements.

2.1 Intangible assets

Intangible assets principally comprise computer software and co-production rights.

COMPUTER SOFTWARE

Computer software is amortised on a straight-line basis over a period of between 1 to 5 years, supplemented by accelerated amortisation.

COPRODUCTION OF DRAMA, DOCUMENTARIES, CONCERTS, PROGRAMMES AND MUSIC VIDEOS

Once contracts have been signed, co-productions are disclosed as off-balance sheet commitments with regard to outstanding net payments.

The payments made for co-productions awaiting technical approval or whose broadcasting licence is pending are recorded as advances and payments on account upon receipt of corresponding invoices.

Co-productions are recognised as intangible assets upon receipt and technical acceptance.

Co-production costs are amortised on a straight-line basis over 3 years and may be written-off, based on future revenue forecasts.

2.2. Property, facilities and equipment

Property, facilities and equipment are recorded at their acquisition cost. This cost includes expenses directly attributable to the transfer of the assets to their operational location and the commissioning costs incurred to enable assets to be operated in the manner intended by Management.

They are depreciated on a straight-line or reducing balance basis. The key periods of depreciation are as follows:

Mobile technical equipment:	3 years
Other mobile equipment:	4 or 5 years
Technical equipment:	3 or 4 years
Computer hardware - PCs:	3 or 4 years
Office equipment:	5 years
Video equipment:	6 years
General facilities:	10 years
Office furniture:	10 years

2.3. Investments

Assets defined as investments are:

- equity securities,
- deposits and guarantees,
- loans granted to Group companies.
- FCPR (mutual fund) shares the Company will hold over the long term.

Financial investments are valued at their purchase cost, and may be impaired if their carrying value justifies it. The carrying value of the subsidiaries is determined by comparing the net book value of equity investments with their share of net assets, and by taking their future prospects into account.

The acquisition cost of investments acquired with effect from 2007 comprises the purchase cost and the acquisition costs (transfer taxes, fees, commissions and legal costs). These acquisition costs are subject to an accelerated amortisation over 5 years.

In the case that the equity of the company whose securities are being written down is negative, and in the absence of any future prospects, a provision for writedown of the current accounts potentially owed by this subsidiary is recognised for an amount not exceeding the negative equity. In the case that the negative equity of this subsidiary exceeds the value of the current accounts, an additional provision for liabilities and charges is recognised.

2.4. Broadcasting rights inventories

Broadcasting rights are classified as inventory with effect from their opening date, which is when the channel is contractually authorised to broadcast the corresponding programmes.

The contracted but not yet invoiced value of broadcasting rights that are not open is reported under off-balance sheet commitments. Rights invoiced but not open are recorded as payments on account to suppliers.

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

Broadcasting rights are charged to cost of sales according to the number of broadcasts, in the following manner:

- Rights acquired for a single broadcast: 100% of the contract value
- Rights acquired for multiple broadcasts:
 - o The first broadcast is valued at 66% of the contract value;
 - o The second broadcast is valued at 34% of the contract value.

Different amortisation schedules may be considered in the highly specific cases of rights acquired for 4 to 5 broadcasts, the audience potential of which is deemed particularly high for each broadcast.

Conversely, a writedown provision is recorded when:

- the value in use of a right, assessed in the light of the revenue expected to be generated during the broadcast window of the programme, is lower than its acquisition cost;
- its broadcast is considered unlikely.

2.5. Receivables and liabilities

Receivables and liabilities are recorded at their nominal value.

A provision for writedowns is established where their recoverable value is lower than their book value.

Foreign currency denominated receivables and liabilities which are not the subject of a financial hedge are translated at the balance sheet date exchange rate. Only unrealised exchange losses are recognised in the income statement.

2.6. Marketable securities

Marketable securities are recorded at their gross value.

A provision for writedown is established whenever the market value is less than the acquisition cost.

2.7. Treasury shares

Pursuant to the authorisation granted by the General Meeting of 28 April 2015, Métropole Télévision holds treasury shares:

- as part of a liquidity contract,
- to cover the exercise of plans to allocate free shares granted to employee beneficiaries.

These treasury shares are recorded at their gross value as marketable securities.

As regards treasury shares held as part of a liquidity contract, a provision for writedown is established when the book value of these treasury shares, corresponding to the average price of the last month of the financial year, is lower than their acquisition cost.

For treasury shares to be used to service plans to allocate free shares, a provision for liabilities and charges equal to the gross value of these shares is recognised (see Note 2.11).

2.8. Regulated provisions

Regulated provisions comprise accelerated amortisation in respect of computer software and acquisition costs of investments.

2.9. Provisions for liabilities and charges

Métropole Télévision recognises a provision when, at the balance sheet date, it has an obligation (legal or constructive) towards a third party resulting from a past event, for which it is probable that an outflow of resources embodying economic benefits will be required, and where a reliable estimate can be made of the amount of the loss or liability.

The amount recognised as a provision is the best estimate of the cash outflow necessary to settle the present obligation on the balance sheet date.

In the case this liability is not probable and cannot be reliably measured, but remains possible, the Group recognises a contingent liability in its commitments.

2.10. Provision for retirement benefits

Pension commitments have been calculated in accordance with the same method as IAS 19R, using an actuarial method that takes into account the vested rights of employees, their most recent salary and their average probable residual service period. Actuarial gains and losses and past service costs are recognised through profit and loss immediately and in full.

2.11. Provision for plans granting free shares

In application of CNC opinion n° 2008-17 of 6 November 2008, a provision for liability and charges corresponding to the outflow of resources liable to be caused by the obligation to transfer shares to employees is recognised in the financial statements.

This provision was measured based on the number of shares that should be allocated due to the terms and conditions of the allocation plans, valued at the year-end date and at cost, i.e.:

- for shares held by the company, their net book value;
- for shares acquired as part of a forward purchase transaction, their future price;
- for shares that had not been acquired at year end, their year-end share price.

The final vesting of the shares is subject to the beneficiary remaining employed by the Company for the entire acquisition period. This provision is spread out over the entire rights acquisition period.

2.12. Advertising revenues

Advertising revenues are recorded net of commercial discounts, at the time of broadcast of the relevant advertising.

2.13. CICE tax credit

In accordance with the ANC Circular of 28 February 2013, accrued income from the CICE (tax credit aimed at encouraging business competitiveness and employment) has been recognised as a reduction of payroll costs.

2.14. Off-balance sheet commitments

Off-balance sheet commitments essentially comprise:

- acquisitions of broadcasting rights that are not open and invoiced;
- co-production costs for which technical approval has not yet been granted;
- technical broadcasting costs invoiced but not yet executed (image transmission) on the basis of contracts with technical broadcasters.

2.15. Financial instruments

The only financial instruments implemented by Métropole Télévision concern foreign exchange and share risk hedging.

Métropole Télévision hedges against the main foreign currency-denominated transactions, using simple financial instruments, primarily forward purchases. Hedged transactions are accounted for at their agreed exchange rate.

3. Notes to the parent company balance sheet

3.1. Intangible assets

Intangible assets essentially comprise shares of co-production programmes.

The movements in intangible assets were as follows:

	Business goodwill	Other intangible assets	Advances and payments on account	Total
Amount net of writedowns and amortisation at 31/12/2014	0.0	6.9	-	6.9
Acquisitions during the year	-	1.3	-	1.3
Reclassification to intangible assets	-	-	-	-
Disposals during the year	-	-	-	-
Depreciation charge for the year	-	(3.0)	-	(3.0)
Reversal of amortisation on disposals	-	-	-	-
Charges to provisions for writedowns	-	(0.3)	-	(0.3)
Reversal of provisions for writedowns	-	0.5	-	0.5
Amount net of writedowns and amortisation at 31/12/2015	0.0	5.4	-	5.4
Gross value at 31/12/2014	-	125.3	-	125.3
Accumulated amortisation and writedowns	-	(118.4)	-	(118.4)
Net value at 31/12/2014	0.0	6.9	-	6.9
Gross value at 31/12/2015	-	126.6	-	126.6
Accumulated amortisation and writedowns	-	(121.2)	-	(121.2)
Net value at 31/12/2015	0.0	5.4	0.0	5.4

Increases in the gross value of intangible assets were primarily due to the acquisition of software.

Charges to and reversal of provisions for writedowns relate to coproduction shares with no future prospects of generating revenues.

3.2. Property, facilities and equipment

The movements in property, facilities and equipment during the year were as follows:

	Technical facilities	Other property, facilities & equipment	Assets under construction	Total
Amount net of writedowns and depreciation at 31/12/2014	3.7	2.8	1.0	7.5
Acquisitions during the year	0.1	1.5	0.2	1.8
Reclassification to property, facilities and equipment	0.9	-	(0.9)	-
Disposals during the year	(0.7)	(0.2)	-	(0.9)
Depreciation charge for the year	(1.7)	(1.3)	-	(3.0)
Reversal of depreciation on disposals	0.6	0.2	-	0.8
Charges to provisions for writedowns	-	-	-	-
Reversal of provisions for writedowns	-	-	-	-
Amount net of writedowns and depreciation at 31/12/2015	2.9	3.0	0.3	6.2
Gross value at 31/12/2014	28.7	13.5	1.0	43.2
Accumulated depreciation and writedowns	(25.0)	(10.7)	-	(35.8)
Net value at 31/12/2014	3.7	2.8	1.0	7.4
Gross value at 31/12/2015	29.0	14.9	0.3	44.1
Accumulated depreciation and writedowns	(26.1)	(11.8)	-	(37.9)
Net value at 31/12/2015	2.9	3.0	0.3	6.2

3.3. Investments

The movements in the various investments were as follows:

	Equity investments	Loans	Other investments	Total
Amount net of writedowns at 31/12/2014	196.5	0.5	1.6	198.6
Acquisitions during the year	56.8	-	0.6	57.4
Disposals during the year	-	-	(0.4)	(0.4)
Charges to provisions for writedowns	(30.0)	-	-	(30.0)
Reversal of provisions for writedowns	1.1	-	-	1.1
Amount net of writedowns at 31/12/2015	224.4	0.5	1.8	226.7
Gross value at 31/12/2014	237.8	0.5	1.6	239.9
Accumulated writedowns	(41.2)	-	-	(41.2)
Net value at 31/12/2014	196.6	0.5	1.6	198.7
Gross value at 31/12/2015	294.6	0.5	1.8	296.8
Accumulated writedowns	(70.0)	-	-	(70.0)
Net value at 31/12/2015	224.5	0.5	1.8	226.8

“Acquisitions” of equity interests correspond to the transactions aimed at recapitalising the subsidiaries to which Métropole Télévision has subscribed. The main recapitalisations involved the following subsidiaries:

- Métropole Production for €10.1 million;
- M6 Foot for €37.4 million;
- M6 Films for €6.5 million.

The impairment charges for equity investments have therefore been updated by taking these recapitalisations into account. Accordingly, additional charges have been recorded specifically for the investments where the net amounts relate to:

- Métropole Production for €10.1 million;
- M6 Foot for €11.3 million;
- M6 Films for €5.3 million.

Where the other financial investments are concerned, “disposals” correspond to the repayment of guarantee deposits relating to office lease agreements that have expired. “Purchases” are explained as follows:

- the payment of a €0.2 million guarantee deposit for a new lease agreement,
- a further call to subscribe to units in venture capital funds amounting to €0.4 million.

3.4. Inventory and work in progress

This comprises broadcasting rights that are open and not consumed, as well as in-production programmes.

The movements in the year were as follows:

	Balance at start of year	Acquisitions	Decreases/ transfers	Invalid rights / rights sold	Balance at end of year
Inventories	241.2	209.0	(186.0)	(17.9)	246.3
Work-in-progress	4.9	61.2	(64.2)	-	1.9
Total	246.1	270.3	(250.2)	(17.9)	248.1

Rights for which there is a risk of no broadcast and rights, where the value in use is lower than their book value, were the subject of a provision of €92.6 million at 31 December 2015.

This provision can be analysed as follows:

	Balance at start of year	Increases	Reversals	Balance at end of year
Provision for inventory writedowns	77.9	51.8	(37.8)	91.8
Provision to writedown work-in-progress	1.2	0.1	(0.5)	0.8
Total	79.1	51.8	(38.3)	92.6

3.5. Receivables

The change in other receivables primarily reflects the day-to-day financing transactions of the Group’s subsidiaries.

The maturity of all receivables is as follows:

	Gross value	Due within 1 year	Due after 1 year
Non-current assets			
Loans	0.5	-	0.5
Other investments	1.8	-	1.8
Total	2.3	-	2.3
Current assets			
Trade receivables	292.2	291.2	1.0
Other receivables (1)	218.3	218.3	-
Total	510.5	509.5	1.0
Total receivables	512.8	509.5	3.3

(1) Other receivables include the debit current accounts of Group subsidiaries of €193.2 million.

Accrued income relating to trade receivables was €135.3 million.

Trade and other receivables in current assets were the subject of writedown provisions as follows:

	Balance at start of year	Increases	Reversals (used)	Reversals (unused)	Balance at end of year
Provision for writedown of trade receivables	4.7	2.5	(0.7)	(3.2)	3.3
Provision for writedown of other receivables	5.7	4.1	(3.7)	-	6.1
Total	10.4	6.6	(4.4)	(3.2)	9.4

The provision to writedown other receivables relates to a writedown of current accounts with the following companies:

- Métropole Production for €0.2 million;
- M6 Studio for €6.0 million.

Following the recapitalisation of the M6 Foot and Métropole Production subsidiaries, the current account impairment charges shown in the financial statements at 31.12.2014 have been written back in an amount equivalent to the amount reinvested in these subsidiaries by Métropole Télévision during the 2015 financial year (see Note 2.3).

The equity securities of these companies have also been written down in full. Concerning Métropole Productions, the €9.5 million provision for financial risk recognised in the financial statements at 31 December 2014, equating to the negative equity of this subsidiary, was also reversed in full (see Note 3.9).

3.6. Cash and marketable securities

They are broken down as follows:

	31/12/2015	31/12/2014
Treasury shares	0.7	0.6
Liquidity contracts (treasury shares and other marketable securities)	2.9	2.9
Investment funds, SICAV	73.6	193.7
Bank and cash	81.6	4.2
Cash and marketable securities	158.8	201.4
Writedown of treasury shares	-	-
Net cash and marketable securities	158.8	201.4

557,639 shares were delivered in 2015 as part of the free share plan set up in 2013, 250,123 of which were granted to individuals employed by subsidiaries.

At 31 December 2015, Métropole Télévision directly held 49,560 treasury shares acquired for €0.7 million. These shares will be granted when the subsequent plans granting free shares mature.

Marketable securities do not include any unrealised gains, as these were realised at 31 December 2015.

3.7. Prepaid expenses

Prepaid expenses primarily include sports programmes and rights billed in 2015 to be broadcast at a later stage.

3.8. Equity

The movements in the year were as follows:

	31/12/2014	Dividends paid	Other movements		31/12/2015
			Additions	Reductions	
Share capital	50.5	-	0.1	-	50.6
Share premium	5.4	-	2.2	-	7.6
Legal reserve	5.3	-	-	-	5.3
Retained earnings	280.2	-	25.5	-	305.7
Financial year net profit	132.8	(107.2)	108.5	(25.5)	108.5
Equity excluding regulated provisions	474.1	(107.2)	136.3	(25.5)	477.6
Regulated provisions	5.0	-	1.1	(1.6)	4.5
Total equity	479.1	(107.2)	137.4	(27.1)	482.1

During the financial year 2015, 151,811 shares were issued following the exercise of share subscription options. These share capital increases totalling €0.1 million generated additional issue premiums of €2.2 million.

At 31 December 2015, the share capital comprised 126,414,248 ordinary shares of €0.40 each.

Regulated provisions relate to accelerated amortisation of licences and acquisition costs of investments.

3.9. Provisions for liabilities and charges

The movements in provisions during 2015 were:

	Balance at start of the year	Increases	Reversals (used)	Reversals (unused)	Balance at end of year
Provisions for liabilities:					
Provisions for litigation	8.5	2.1	(1.9)	(3.1)	5.6
Provisions for plans granting free shares	8.5	9.8	(9.0)	-	9.3
Provisions for subsidiaries' liabilities	9.5	-	(9.5)	-	-
Provisions for charges:					
Provisions for retirement benefits	4.6	0.4	-	-	5.0
Other provisions for charges	41.2	23.7	(22.1)	(0.9)	41.9
Total provisions for liabilities and charges	72.2	36.0	(42.5)	(4.0)	61.8

Litigations included in the "provisions for litigation" caption relate to all legal proceedings instituted against Métropole Télévision, for which it is probable that the outcome will be unfavourable for the Company. In the vast majority of cases, such litigations have gone beyond the pre-litigation stage and are currently being considered or are undergoing judgement or appeal by competent courts (Commercial Court, Industrial Court, Court of First Instance, Criminal Court or Supreme Court of Appeal).

Additional information in respect of litigations in progress has not been included individually as disclosure of such information could be prejudicial to the Group

The "provisions for plans granting free shares" are intended to cover the probable outflow of resources corresponding to the obligation to transfer shares to employees. In accordance with CNC opinion n°2008-17, they are spread over the vesting period of the entitlements and totalled €7.4 million at 31 December 2015 for the plans maturing in 2016 and €1.8 million for the plans maturing in 2017.

"Provisions for subsidiaries' risk" correspond to the share of subsidiaries' negative net equity, taking account of writedowns already recognised on securities and current accounts (see Notes 3.5 and 4.7).

"Other provisions for charges" primarily relate to the writedown of audiovisual rights that Métropole Télévision is committed to buy but which have not yet been posted to inventories.

The charge resulting from the likelihood that an unopened right (and as such classified in off-balance sheet commitments) in the schedule slot that was initially planned will not be broadcast may not be accounted for by writing down a balance sheet asset, and is therefore recognised through a provision for liabilities and charges.

The writedown of an unopened right is consistent with the operation of the audiovisual rights market, since TV channels have generally entered into sourcing agreements with producers in relation to future productions, without having the certainty that the quality of the latter will be consistent and may be broadcast given their editorial policy and target audiences.

Furthermore, the channels may be committed to broadcasting a flow programme or an event whose audience or image potential will not generate sufficient advertising revenue to offset the total cost of the programme.

A writedown of the value of a right may reflect:

- the case where a broadcast is unlikely: the programme will not be broadcast for lack of audience potential;
- the case where net revenue generated during the window rights of the programme will be insufficient.

In all cases, writedowns are assessed as part of an individual review of all portfolio items, in light of the ratings and revenue targets of each programme, as defined by the management of programming of each Group channel.

“Other provisions for charges” relate to costs Métropole Télévision would have to incur to implement a contract or settle its regulatory or tax obligations, without the amounts in question being due or having been due, in particular within the framework of dispute settlement or legal proceedings.

The amounts reported for all these types of provisions are the best possible estimate of the future outflow of Company resources, taking account of plaintiffs’ claims, judgments already passed, if applicable, or the management’s appraisal of similar instances and/or calculations made by the finance department.

3.10. Liabilities

The change in other liabilities reflects the day-to-day financing of the Group’s subsidiaries.

Liabilities may be analysed as follows, by maturity date:

	Gross value	Due within 1 year	Due within 1 to 5 years	Due after 5 years
Bank overdrafts	1.1	1.1	-	-
Trade payables	234.2	234.2	-	-
Tax and social security liabilities	56.3	56.3	-	-
Liabilities on non-current assets	-	-	-	-
Other liabilities (1)	321.9	321.9	-	-
Total	613.5	613.5	-	-
Accrued expenses included within the above:				
- trade payables	54.7	54.7	-	-
- income tax and social security	18.6	18.6	-	-
- liabilities on non-current assets	-	-	-	-

(1) Other liabilities include credit current accounts of Group subsidiaries of €193.0 million.

4. Notes to the parent company income statement

4.1. Revenue analysis

Advertising revenues are recorded net of commercial discounts and are analysed thus:

	2015	2014
TV advertising and sponsorship revenue	636.9	633.7
Other revenue	6.7	7.9
Total revenue	643.6	641.6

Analysis by geographic region (*)

France	88.75%
Europe	10.40%
Other countries	0.85%

(*on the basis of invoicing)

4.2. Purchases of merchandise and inventory

These rights relate to the purchase of rights to so-called “flow” programmes, primarily comprising sports programmes and events, the value of which is derived from a single broadcast. The inventory movement corresponds to the use of broadcasting rights that are recorded as inventory, as disclosed in Note 3.4.

4.3. Other purchases and external costs

This mainly comprises services of digital broadcast of the channel as well as remuneration of the advertising service.

4.4. Taxes and duties

Business taxes paid by the channel are notably recorded under this heading of the income statement. Of €44.9 million in 2015, €34.5 million related to the contribution to the support account for the Centre National de Cinématographie (National Cinematographic Centre), compared with €34.4 million in 2014.

4.5. Other expenses

This comprises payments to various copyright companies for a total of €29.6 million, compared with €31.7 million in 2014.

4.6. Payroll costs

The CICE tax credit is recognised in 2015 as a €0.6 million reduction of payroll costs. This receivable was not pre-financed.

Furthermore, the CICE tax credit receivable related to 2014 was collected in 2015; it amounted to €0.6 million and was used in particular to finance investment in the development of IT software dedicated to:

- modernising the information flows from the advertising agency,
- the development of the platform that manages processes for putting content on air and media logistics.

4.7. Net financial income

Net financial income can be analysed as follows:

	2015	2014
Dividends from equity investments	64.0	74.3
Net income/(expense) on cash pooling	0.2	0.3
Net interest and income from marketable securities	1.2	4.2
Net losses on exchange differences	(0.2)	-
Net provision for writedown of investments	(28.8)	(7.8)
Net provision for writedown of current accounts	(0.5)	12.8
Net provision for subsidiaries' financial liabilities	9.5	(9.5)
Total financial income	45.4	74.3

The net provision for subsidiaries' financial risk recognised for Métropole Production corresponded to the share of negative net equity of this company, taking account of writedowns already recognised on securities and current accounts. This provision was written back in full during the financial year, following the recapitalisation of this subsidiary (see Notes 3.5 and 3.9).

4.8. Net exceptional income/(expense)

Net exceptional income/(expense) may be analysed as follows:

	2015	2014
Provision charges net of reversals (including accelerated depreciation and amortisation) and transfer of charges	4.8	1.3
Capital gains and losses on disposal of non-current assets	0.1	-
Writedown of treasury shares	(8.3)	(5.7)
Reinvoicing to subsidiaries of cost of free shares allocated to their employees	4.0	3.6
Total net exceptional income/(expense)	0.5	(0.7)

4.9. Income tax

Since 1 January 1988, Métropole Télévision has declared itself as the parent company of a tax consolidation scheme pursuant to the provisions of Articles 223A of the General Tax Code. Métropole Télévision is solely liable for income tax due by its subsidiaries in order to determine the Group's overall performance, in accordance with the provisions of Article 223A of the General Tax Code.

No new companies were added to the Group's tax consolidation scope as from 1 January 2015. Following the absorption of Live Stage by M6 Événements, Live Stage was withdrawn from the tax consolidation scope during the financial year.

Each subsidiary therefore pays its own tax charge as if it was independent for tax purposes.

Income tax can be analysed as follows:

6. 2015 FINANCIAL STATEMENTS AND RELATED NOTES

Notes to the parent company financial statements

	2015	2014
Income tax	30.5	29.3
Supplementary tax on dividends	3.2	3.2
Total corporate income tax	33.7	32.5

The theoretical income tax charge was €39.4 million in the 2015 financial statements. This charge included a tax consolidation surplus of €8.5 million, a tax credit of €0.5 million related to sponsorship, the correction of errors in previous tax years totalling €0.1 million, whilst corporate income tax totalled €30.5 million.

Furthermore, the Company is liable for a Group tax payment of €70.1 million for 2015.

Income tax can be analysed as follows:

	Profit before tax	Income tax
Profit from ordinary activities	145.2	30.3
Net exceptional income/(expense)	0.5	0.2
Profit before tax and employee profit-sharing	145.7	-
Company income tax		30.5

4.10. Future tax liability at the end of the year

Description of temporary differences	Deferred tax assets	Future tax liability	Deferred tax liability at 31/12/2015
Regulated provisions	-	(1.5)	(1.5)
Tax on non-deductible provisions	17.9	-	17.9
Tax on long-term capital losses	-	-	-

The deferred tax rate applied was 34.43% on all temporary differences.

5. Other notes

5.1. Balance sheet items arising from transactions with related and associated companies

	Related companies	Associates
Equity investments	294.5	0.1
Loans	-	-
Advances and payments on account	-	-
Trade receivables	67.4	2.0
Other receivables (1)	197.8	-
Trade payables	38.3	-
Liabilities relating to non-current assets	-	-
Other liabilities (2)	187.3	5.7
Finance expenses	0.3	-
Finance income	0.6	-
(1) including subsidiaries' current accounts	193.2	-
(2) including subsidiaries' current accounts	187.3	5.7

Related companies are entities in which the Company owns an equity holding in excess of 50%. Associates are entities in which the Company owns an equity holding of between 10% and 50%.

5.2. Related party disclosures

All transactions carried out between related parties are intra-group transactions and have been carried out at arm's length.

5.3. Off-balance sheet commitments

At 31 December 2015, off-balance sheet commitments, by description and maturity, were as follows:

	Commitments at 31/12/2015	Due within 1 year	Due after 1 year	Commitments at 31/12/2014	Terms and conditions of implementation
Commitments given	964.4	305.8	658.6	919.5	
Purchase of broadcasting rights	665.7	185.5	480.2	785.2	Contracts signed
Co-production commitments	109.2	97.1	12.1	82.0	Contracts signed
Contracts for broadcast (1)	27.0	7.8	19.2	37.1	Contracts signed
Contracts for future purchases of shares	17.7	10.3	7.4	7.8	Contract terms
Commercial commitments (2)	10.0	1.1	8.9	4.7	Contracts signed
Donations to the corporate foundation	0.9	0.2	0.7	1.1	Bylaws signed
Commitment to subscribe to shares in a venture capital fund	1.3	-	1.3	1.6	Contracts signed
Commitments given on behalf of subsidiaries	132.7	3.9	128.8	-	Contracts signed
Commitments received	59.6	31.4	28.2	58.8	
Sales commitments (3)	56.3	28.6	27.7	58.8	Contracts signed
Distribution commitments	3.3	2.8	0.5	-	Contracts signed

(1) These contracts relate to image transfer and broadcasting services. The commitments have been measured by taking account of the balance remaining due until the maturity of each contract.

(2) The commitments have been measured by taking account of the balance remaining due until the maturity of each contract.

(3) Métropole Télévision has received audiovisual rights purchase commitments from other television services.

5.4. Directors' remuneration

	Amount in €
Directors' remuneration	2,665,956

In addition, in this respect and under the same conditions as Company employees, members of the Executive Board may benefit from legal compensation at the end of their career. No loans or advances were granted to any Director.

5.5. Average workforce

The average workforce of Métropole Télévision was made up as follows:

	2015 salaried employees	2014 salaried employees
Permanent workforce	658	632
Employees	56	48
Supervisors	161	159
Managers	338	321
Reporters	103	104
Temporary workforce (full-time equivalent)	86	93
Total	744	725

5.6. Share subscription plans and plans granting free shares

The share subscription plans are serviced through the issue of new shares.
Plans granting free shares are serviced using outstanding shares.

The main features of stock option plans, plans granting free shares and share subscription plans in force at 31 December 2015, or which lapsed during the year are as follows:

	Number of shares granted at plan date	Maximum allocation	Balance at 31/12/2014	Performance-based allocation	Granted	Exercised	Cancelled	Balance at 31/12/2015
Share subscription plan	883,825	883,825	233,061	-	-	(151,811)	(81,250)	-
06/05/2008	883,825	883,825	233,061	-	-	(151,811)	(81,250)	-
Plans granting free shares	1,818,103	1,818,103	1,234,808	-	512,900	(557,639)	(42,592)	1,147,477
26/07/2013	642,500	642,500	578,981	-	-	(557,639)	(21,342)	-
14/04/2014	149,553	149,553	142,677	-	-	-	-	142,677
13/10/2014	513,150	513,150	513,150	-	-	-	(21,250)	491,900
11/05/2015	32,500	32,500	-	-	32,500	-	-	32,500
28/07/2015	480,400	480,400	-	-	480,400	-	-	480,400

Cancellations recorded during the year resulted either from beneficiaries leaving the Group before the end of the vesting period or from plans expiring due to market conditions preventing all rights from being exercised. They may also be due to non-achievement of financial performance targets set on allocating the plans.

Data relating to the free share allocation plans are reference data corresponding to the achievement of performance objectives set within the context of the 2013, 2014 and 2015 plans.

A total of 557,639 shares was definitively vested under the plan of 26 July 2013 at a cost of €8.3 million, compared with €5.7 million in 2014. After rebilling of the shares delivered to employees of subsidiaries, Métropole Télévision incurred a charge of €4.6 million in 2015 and €3.1 million in 2014.

Taking account of the financial performances achieved or estimated and the employee departures already noted and projected, the number of shares to be permanently vested under the various outstanding plans is currently estimated as follows:

- Plan of 14 April 2014: 142,677 shares;
- Plan of 13 October 2014: 491,900 shares;
- Plan of 11 May 2015: 32,500 shares;
- Plan of 28 July 2015: 480,400 shares.

5.7. Attendance fees

The amount of attendance fees paid during the year was €211,197.

5.8. Earnings per share (€)

	31/12/2015	31/12/2014
Earnings after tax, employee profit sharing, before amortisation, depreciation and provisions	1.15	1.21
Earnings after tax, employee profit sharing, amortisation, depreciation and provisions	0.86	1.05
Ordinary dividend per share	0.85	0.85

6. Note on the consolidation of accounts

Métropole Télévision is the parent company of a consolidated group. Furthermore, its financial statements are fully consolidated into the financial statements of the RTL Group.

7. Statutory Auditors' fees

The fees paid in respect of the 2015 Statutory Auditors' assignments totalled €177,000, equally split between PriceWaterhouseCoopers Audit and Ernst and Young.

8. Significant post-balance sheet events

The winding-up of Métropole Production became effective on 1 January 2016, and resulted in the transfer of all its assets and liabilities to Métropole Télévision.

9. Subsidiaries and associates

(€ K)	Siren No	Share capital	Reserves Retained earnings	Share capital % ownership	Gross	Book value of shares owned Net	Loans and advances granted and outstanding	Guarantees and sureties given by the Company	Revenue 2014	Revenue 2015	Net profit 2014	Net profit 2015	Dividends received during the financial year
Subsidiaries													
M6 PUBLICITE sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	340949031	50	4,056	99.99	38	38	-	-	194,678	230,973	18,840	24,621	1,288
M6 FILMS sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	380727404	60	24	99.98	6,646	1,143	3,765	-	2,255	4,834	(210)	1,059	-
METROPOLE PRODUCTION sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	382477131	50	46	99.98	11,300	-	3,124	-	13,707	12,407	737	(290)	-
C. PRODUCTIONS sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	407908656	50	25	99.97	1,038	1,038	-	-	25,453	15,551	(680)	(29)	-
M6 INTERACTIONS sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	388909459	34,050	48,848	100.00	34,007	34,007	-	-	11,639	7,501	27,047	25,574	23,387
M6 THEMATIQUE sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	403105109	57,615	7,586	100.00	113,988	113,988	-	-	316	428	10,926	9,439	9,742
IMMOBILIERE M6 sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	399476357	9,600	8,710	100.00	9,147	9,147	-	-	6,133	6,129	1,154	980	-
M6 FOOT sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	423133784	38,360	34	100.00	76,485	27,098	-	-	-	-	(2,701)	(11,166)	-
SCI 107 sci 89, Avenue Charles de Gaulle - 92200 NEUILLY	421699133	5,002	(2,535)	99.90	5,002	5,002	36,507	-	3,336	3,332	190	299	-
M6 DEVELOPPEMENT sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428115224	40	5	99.99	140	75	369	-	813	885	(11)	(18)	-
M6 STUDIO sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428115299	45	(2,741)	99.99	45	-	8,488	-	11,593	9,201	1,523	(3,259)	-
IMMOBILIERE 46 D sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	493897516	26,040	(5,030)	100.00	26,040	26,040	7,824	-	2,270	2,285	(387)	(293)	-
M6 BORDEAUX sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	433503364	40	24	100.00	40	40	158	-	378	363	3	1	-
M6 TALENTS sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	493869002	40	4	100.00	100	40	-	-	-	-	(7)	(11)	-
SNC sa (formerly DIEM2) 89, Avenue Charles de Gaulle - 92200 NEUILLY	400372512	3,330	726	100.00	3,383	3,383	-	-	5,350	3,589	2,101	1,185	-
TCM DROITS AUDIOVISUELS snc 89, Avenue Charles de Gaulle - 92200 NEUILLY	409528924	240	255	100.00	775	775	-	-	1,489	156	134	59	-
STUDIO 89 sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	428895122	1,040	5	100.00	4,583	896	13,427	-	40,708	29,249	(1,075)	(560)	-
Equity investments													
SOCIETE NOUVELLE DE DISTRIBUTION sa 89, Avenue Charles de Gaulle - 92200 NEUILLY	414857227	18,271	11,938	7.12	1,650	1,650	-	-	91,479	76,800	14,123	2,606	-
M6 WEB sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	414549469	740	39,833	6.75	50	50	-	-	91,699	82,429	21,650	16,457	-
EUROPEAN NEWS EXCHANGE sa 45 bld Pierre Frieden 1543 LUXEMBOURG-KIRCHBERG		496	NC	20.00	100	100	-	-	NC	NC	NC	NC	-
MULTIPLIX R4 (MULTI 4) sas 89, Avenue Charles de Gaulle - 92200 NEUILLY	449753979	62	13	16.75	10	10	-	-	56	NC	NC	-	-
MULTIPLIX R6 sas 1, quai Point du Jour - 92100 BOULOGNE	505128777	38	-	33.33	13	13	-	-	146	53	5	(38)	-

2015 data included in this table is provisional (not yet approved by the relevant governing bodies).

6.6 Statutory Auditors' report on the parent company financial statements

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France

Métropole Télévision S.A.

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

Share capital: €50,565,699.20

Financial year ended 31 December 2015

Statutory Auditors' report on the parent company financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you for the financial year ended 31 December 2015, on:

- the audit of the accompanying financial statements of the Métropole Télévision company;
- the justification of our assessments;
- the specific verifications and information required by law.

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

1. Opinion on the parent company financial statements

We conducted our audit in accordance with professional standards applicable in France; these standards require that we plan and perform the audit to obtain reasonable assurance as to whether the parent company financial statements are free from material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the financial statements on a test basis or other means of selection. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion, in light of French accounting principles and methods, the parent company financial statements provide a true and fair view of the financial position, assets and liabilities, and net profit of the company from the transactions for the financial year then ended.

2. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Notes 2.1.2 and 2.4 disclose the Company's principles and methods for accounting for its co-productions and broadcasting rights,

- Note 2.3 relating to accounting rules and methods discloses the Company's methods for accounting for its financial assets at the end of the financial year,
- Note 2.9 discloses the Company's method for the assessment and recognition of provisions for liabilities and charges.

Our work consisted in assessing the data and assumptions relating to these elements on which the estimates are based and to verify the appropriateness of the accounting policies and disclosures in the notes to the financial statements.

These assessments were made within the framework of our audit, which focuses on the financial statements as a whole, and accordingly contributed to the issuance of our opinion in the first part of this report.

3. Specific verifications and information

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

We have no comments to make concerning the fairness and consistency with the annual financial statements of the information given in the management report and in the documents sent to the shareholders concerning the financial situation and the parent company financial statements.

Concerning the information provided in accordance with provisions of Article L. 225-102-1 of the Commercial Code on remuneration and benefits paid to Directors as well as commitments given in their favour, we have verified their consistency with the financial statements or with the data used in the preparation of these financial statements and if necessary, with data collected by your company from its parent company or subsidiaries. On the basis of this work, we confirm the accuracy and the fairness of this information.

Neuilly-sur-Seine and Paris La Défense, 23 February 2016

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

6.7 Summary of financial results of the last 5 years

Five-year financial results summary

FINANCIAL YEAR END NUMBER OF MONTHS	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months	31/12/2012 12 months	31/12/2011 12 months
Closing financial year capital (€)					
Share capital	50,565,699	50,504,975	50,386,179	50,353,586	50,553,586
Number of shares:					
- Number of ordinary shares outstanding	126,414,248	126,262,437	125,965,449	125,883,964	126,383,964
Revenue and results (€ millions)					
Revenue (ex-VAT)	643.6	641.6	653.9	658.7	687.2
Profit before tax, employee profit sharing and amortisation, depreciation and provision charges	181.9	188.4	181.2	157.5	207.5
Income tax	33.7	32.5	40.2	19.0	33.5
Employee profit sharing plan	3.5	3.2	5.0	3.1	3.0
Basic earnings per share – after tax, employee profit sharing and amortisation, depreciation and provision charges	108.5	132.8	114.6	116.3	171.9
Dividends paid	107.4	107.3	106.6	231.9	126.2
Earnings per share (€)					
Basic earnings per share – after tax, employee, profit sharing, before amortisation, depreciation and provision charges	1.15	1.21	1.08	1.08	1.35
Basic earnings per share – after tax, employee profit sharing and amortisation, depreciation and provision charges	0.86	1.05	0.91	0.92	1.36
Ordinary dividend per share	0.85	0.85	0.85	0.85	1.00
Exceptional dividend per share	-	-	-	1.00	-
Workforce					
Average workforce size	744	725	718	716	700
Total amount of payroll*	53.0	48.7	47.0	44.9	44.5
Total employment benefits costs (social security, social welfare, etc.)*	29.8	27.8	26.5	24.9	24.4

* (€ millions)

6.8 Parent company cash flow statement

Cash flow statement		
	31/12/2015	31/12/2014
. Financial year net profit	108.5	132.8
. Depreciation, amortisation & provision charges	36.3	20.1
. Gains & losses from non-current assets disposal	(0.0)	(0.0)
CASH FLOW FROM OPERATIONS	144.8	152.8
Movements in working capital requirements		
. Inventories	(2.2)	(25.9)
. Operating receivables	87.1	(90.0)
. Operating liabilities	(104.4)	5.1
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS	(19.5)	(110.8)
CASH FLOW FROM OPERATING ACTIVITIES	125.3	42.0
INVESTMENT ACTIVITIES		
. Intangible assets acquisitions	(1.3)	(4.7)
. Property, facilities & equipment acquisitions	(2.5)	(1.7)
. Investment acquisitions	(57.4)	(0.6)
. Intangible assets and property, facilities & equipment disposals	0.1	0.0
. Investments disposals/writedowns	0.4	0.1
NET CASH USED IN INVESTMENT ACTIVITIES	(60.7)	(6.9)
FINANCING ACTIVITIES		
. Share capital increase	2.2	4.4
. Other equity reductions	-	-
. Costs to be amortised over several financial years	-	-
. Proceeds from new borrowings	-	-
. Financial debt repayments	-	-
. Dividends paid	(107.2)	(106.5)
NET CASH USED IN FINANCING ACTIVITIES	(105.0)	(102.2)
Net change in cash and cash equivalents	(40.4)	(67.0)
Cash and cash equivalents - start of year	198.1	265.2
CASH AND CASH EQUIVALENTS - END OF YEAR	157.7	198.1

6.9 Statutory Auditors' special report on regulated agreements and commitments

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Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,565,699.20
Financial year ended 31 December 2015

Statutory Auditors' special report on regulated agreements and commitments

To the Shareholders,

As Statutory Auditors of your Company, we hereby present our report on the regulated agreements and commitments.

Our role is to provide you, on the basis of the information given to us, with the characteristics and essential terms and conditions of the agreements and commitments brought to our attention, without having to issue an opinion on whether or not these agreements or commitments are useful or warranted. Pursuant to the provisions of Article R. 225-58 of the Commercial Code, it is your role to assess the interest in concluding these agreements and commitments, with a view to approving them.

It is also our role, if applicable, to inform you of disclosures required by Article R. 225-58 of the Commercial Code relative to the implementation during the year just ended of agreements and commitments approved by the General Meeting in prior years.

We have performed the due diligence we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative to this assignment. Such due diligence consisted in verifying that the information we were given was consistent with the information disclosed in their source documents.

Agreements and commitments submitted for approval by the Annual General Meeting

In application of Article L. 225-88 of the French Commercial Code, we have been notified of the following agreements and commitments that received prior approval from your Supervisory Board.

1. Agreement with the company RTL Group

Persons concerned:

Guillaume de Posch, Joint Chief Executive Officer of the company RTL Group; Elmar Heggen, Director of RTL Group; Catherine Lenoble, representative of Immobilière Bayard d'Antin S.A.; Philippe Delusinne, Vincent de Dorlodot, Christopher Baldelli and Anke Schäferkordt.

Agreement with the company RTL Group, a shareholder of your company, to buy back shares to a maximum of 48.26%, acting on behalf of the company Immobilière Bayard d'Antin S.A.

Nature and purpose

Your Company concluded an agreement with RTL Group S.A., acting on behalf of Immobilière Bayard d'Antin S.A., in respect of the acquisition of blocks of shares in your Company, up to 10 % of the share capital, in particular with a view to cancelling them.

Terms and conditions

This agreement, which was signed on 11 May 2015, following authorisation by the Supervisory Board on 28 April 2015, is part of the share repurchase programme pursuant to Article L. 225-209 of the Commercial Code of up to 10 % of its share capital, authorised by the Combined General Meeting of 28 April 2015, and according to which the Executive Board may proceed with the acquisition of blocks of shares in your Company using an investment services provider, on and off the market, from RTL Group, S.A.

In 2015, no shares were bought back under this agreement.

This agreement expires on 11 May 2016.

2. With Immobilière Bayard d'Antin S.A.

Persons concerned:

Guillaume de Posch, Joint Chief Executive Officer of the company RTL Group; Elmar Heggen, Director of RTL Group; Catherine Lenoble, representative of Immobilière Bayard d'Antin S.A.; Philippe Delusinne, Vincent de Dorlodot and Christopher Baldelli.

Cash management agreement between Bayard d'Antin S.A. and your Company, renewed on 13 November 2015

Nature and purpose

Your Company entered into a cash management agreement on 19 February 2010, which was renewed on 15 November 2010, 2011, 2012, 2013, 2014 and 13 November 2015.

Terms and conditions

Your Company may loan its surplus cash to Bayard d'Antin S.A. and borrow a maximum of €50,000,000 from Bayard d'Antin, providing this amount does not exceed 48% of amounts borrowed from banking institutions. In order to comply with your Company's cash management policy, the aggregate amount that may be invested by your Company with Bayard d'Antin S.A. shall never exceed more than 20% of the cash resources of Métropole Télévision Group.

Your Company may make deposits or borrow funds for periods of 1, 2 or 3 weeks or of 1, 2 or 3 months. The amount deposited or borrowed shall be a multiple of €1,000,000, with a minimum of €5,000,000 for each loan. The remuneration provided by this agreement is in line with market conditions.

During the year ended 31 December 2015, €15,000,000 was deposited under this agreement. At 31 December 2015, no funds were deposited under this agreement.

The renewal of the agreement dated 13 November 2015 and relative to the 2016 financial year was authorised by the Supervisory Board on 3 November 2015.

Unless it is renewed, this agreement will expire on 13 December 2016.

Taking into account the financial terms and conditions appended to this agreement which are in strict compliance with what your Company practises with its subsidiaries and the limitations attached thereto, the Supervisory Board considers the agreement to be consistent with the corporate interest of your Company.

3. With David Larramendy, member of the Executive Board

Supplementary pension scheme of Executive Board members

Nature, purpose and terms and conditions

At its meeting of 7 March 2006, your Supervisory Board approved the implementation of a defined contributions pension scheme intended for the benefit of a group of executives, including Executive Board members, co-financed by the Group and by each of the beneficiaries. David Larramendy, a member of the Executive Board as of 17 February 2015, benefits from this pension scheme which permits the creation of an individual pension account for the purposes of financing a lifetime annuity.

In addition, he is bound by a non-compete clause in his employment contract.

Agreements and commitments already approved by the Annual General Meeting

a) whose execution continued during the financial year just ended

We were not made aware of any agreement or commitment, previously approved by the General Meeting and which continued to be executed during the financial year just ended.

b) that were not executed during the financial year just ended

In addition, we were informed of the following agreements and commitments already approved by the General Meeting in previous years, which were not implemented during the financial year.

1. With Nicolas de Tavernost, Chairman of the Executive Board

Non-compete covenant and severance pay of Nicolas de Tavernost in the event of the termination of his term of office

Nature, purpose and terms and conditions

During its meeting of 5 May 2014, your Supervisory Board authorised the implementation, as of that date, of a non-compete covenant for Nicolas de Tavernost, which would apply in all cases of termination of his duties effective from 25 March 2015.

In the event of this covenant being implemented, Nicolas de Tavernost will, for twelve months, receive fixed compensation equal to 50% of the fixed monthly remuneration received over the course of the previous twelve months.

Moreover, at its meeting of 5 May 2014, your Supervisory Board authorised the retention of a compensation mechanism for Nicolas de Tavernost in the event of non-voluntary departure, i.e. not following resignation or retirement, and subject to performance conditions. This commitment was approved by the General Meeting of 28 April 2015.

2. With Thomas Valentin and Jérôme Lefébure, members of the Executive Board.

Commitments made for the benefit of members of the Executive Board in the event of termination of their duties

Nature and purpose

Upon the reappointment of Thomas Valentin and Jérôme Lefébure as members of the Executive Board by the Supervisory Board on 5 May 2014, your Annual General Meeting of 28 April 2015 renewed its

authorisation, granted in 2008 and 2010, in the event of termination of their duties, in favour of the members of the Executive Board.

Terms and conditions

The compensation for the termination of Thomas Valentin and Jérôme Lefébure's employment contract is now equal to the difference between twenty four months of gross monthly remuneration calculated on the basis of the total of their individual remuneration, including fixed and variable items, received over the last twelve months preceding the termination of their employment contract and the cumulative legal and statutory compensation potentially due to them in respect of the termination of their employment contract and, if applicable, the amount due as consideration for their non-competition commitment. In this respect, it should be noted that they are contractually bound by a non-compete covenant. These agreements were initially authorised by the Supervisory Board on 25 March 2010.

3. With Nicolas de Tavernost, Chairman of the Executive Board and Thomas Valentin and Jérôme Lefébure, members of the Executive Board

Supplementary pension scheme of Executive Board members

Nature, purpose and terms and conditions

At its meeting of 7 March 2006, your Supervisory Board approved the implementation of a defined contributions pension scheme intended for the benefit of a group of executives, including Executive Board members, co-financed by the Group and by each of the beneficiaries. This scheme was established in July 2017 and provides for the setting-up of an individual pension fund to finance the payment of a life annuity.

Neuilly-sur-Seine and Paris La Défense, 23 February 2016

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

7 SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY

7.1 Methodology note regarding non-financial reporting	279	7.4 Environmental responsibility	316
7.2 Corporate responsibility	281	7.4.1 Environmental indicators	316
7.2.1 Group workforce	281	7.4.2 Waste production, paper management and recycling	318
7.2.2 Group remuneration	285	7.4.3 Environmental buildings management	319
7.2.3 Development of talent	289	7.4.4 Transport and business travel	321
7.2.4 Commitment to the integration of disabled workers	292	7.4.5 Community awareness	323
7.2.5 Commitments to gender equality ..	292	7.5 Cross-reference table with Decree 2012-557 of 24 April 2012 (Article 225 of the Grenelle II Law)	325
7.2.6 Social dialogue	293	7.6 Report of the independent third party body on the corporate, environmental and social information included in the Management Report.....	326
7.2.7 Health and safety at work	295		
7.2.8 Professional ethics	297		
7.2.9 Work environment	299		
7.3 Social responsibility	300		
7.3.1 A framework that guarantees a high level of commitment to French society	300		
7.3.2 Programmes - the Group's main responsibility	303		
7.3.3 M6 Group, playing an active part in society	308		
7.3.4 Balanced and transparent relations with stakeholders	313		

Corporate Social and Environmental Responsibility took on a new dimension in 2012 following the publication of the decree to implement Article 225 of the Grenelle II Law. The verification of corporate, social and environmental data by an independent third party has become mandatory for French companies. M6 Group was already committed to this new obligation and is therefore continuing its drive for action and transparency within these three areas.

M6 Group firmly believes that this information enables the various stakeholders involved to better assess their overall performance in the medium- and long-term, and more generally, that corporate responsibility goes hand in hand with economic performance.

M6 Group thus pursues an active CSR policy and clearly signals its commitments to all its partners, including viewers, employees, customers, shareholders, suppliers, public authorities and the civil society.

Faced with various social, corporate and environmental challenges, and as a commitment to all its stakeholders, the Group has developed a CSR approach structured around three priorities which are directly linked to its activities:

- **Talent management:** the Group firmly believes that its employees are the cornerstone of its success. It is for this reason that the Human Resources Department places employee selection and subsequent loyalty building at the heart of its concerns, and endeavours to promote employee development in all aspects of their professional life.
- **Respect for the public and responsibility towards society:** since the Group's activity is primarily intangible and cultural, the societal impact is the unifying thread of its commitment. Through its programmes, the Group actually enters into peoples' homes and must therefore put respect for viewers at the heart of what it does.
- **Non-discrimination:** taking diversity into account is a key concern for the Group, both in relation to audiovisual content and the audience it addresses. This is reflected notably by a cross-organisational and acknowledged commitment to promote equality and better representation of women and minorities in the media.

The actions taken in 2013 are detailed within this chapter. A cross-reference table available at the end of this chapter provides a link between the text and figures published in this document and the information listed in Article R. 225-105-1 of the French Commercial Code.

Together with the independent third party body responsible for verifying the CSR data, M6 Group has identified 12 key indicators that relate directly to its main challenges:

- Workforce;
- Recruitment and redundancies;
- Organisation of working time;
- Training policies implemented;
- Total number of training hours;

- Basis for dialogue with stakeholders;
- Measures taken to promote consumer health and safety;
- Supportive, partnership or sponsorship actions;
- Action taken to prevent all forms of corruption;

- Measures taken to promote gender equality;
- Measures taken to promote the employment and integration of disabled people;
- Anti-discrimination policy.

7.1 Methodology note regarding non-financial reporting

Framework

The reporting of non-financial indicators is based on national and international guidelines. Corporate, social and environmental indicators refer in particular to the provisions of the Decree of 24 April 2012 passed in application of the Law of 12 July 2010 on national environmental commitment.

M6 Group has also referred to GRI (Global Reporting Initiative) guidelines as well as the principles set out in the *United Nations' Global Compact* for the implementation of its non-financial reporting and communication.

Indicators

The indicators presented in this section have been subject to verification by the firm KPMG as required by legislation, including detailed tests on the most relevant indicators. Particular emphasis has been placed on the social and corporate indicators related to the Group's strategic challenges.

Reporting scope

The reporting scope has been set in accordance with the provisions of Articles L.233-1 and L.233-3 of the French Commercial Code and covers subsidiaries and controlled companies.

Certain indicators relate to specific scopes excluding certain entities; in that case the scope to be considered is specified beside the information.

The scope of environmental information includes:

- Neuilly-sur-Seine (which corresponds to the total consumption of the buildings at 89 and 107 avenue Charles de Gaulle, 46 rue Jacques Dulud, and the exclusive electricity consumption of the premises occupied at 114 avenue Charles de Gaulle).
In terms of activities, the Neuilly-sur-Seine site includes all the Group's television activities except the regional offices of the national editorial office, due to the small size of their individual teams (3 or 4 employees) as well as the following diversification activities: M6 Interactions, Production & Audiovisual Rights and M6 Web excluding activities located in Lyon (primarily the subsidiary's Technical Department);
- Rungis, which includes the main production activities of Ventadis;
- Nanteuil-le-Haudouin, the production site of MonAlbumPhoto;
- Roubaix, which corresponds to the premises used by Oxygem, a subsidiary of M6 Web
- Boissy, where the Best of TV teams are located
- Bordeaux, where all activities related to the F.C.G.B. activities are located.

In addition, the corporate reporting scope is based on the financial consolidation scope, with the exception of certain indicators for which the data for Girondins de Bordeaux, or just its players, (F.C.G.B) has been excluded. The indicators affected by this exclusion are those related to the organisation of working time, and some of the indicators related to remuneration and the development of talent, due to the specific features of a football club.

Data for the Oxygem subsidiary have also been excluded from certain corporate reporting indicators due to the recent date of its acquisition. Information relating to the absenteeism rate, average annual remuneration and to the internal promotion and mobility of Oxygem employees will be integrated in the future. Similarly, inclusion of Oxygem employees in the Group's current training and social dialogue processes is taking place gradually and cannot therefore be incorporated into this reporting.

It should be noted that reporting includes changes in scope, as a result of the acquisitions made between 1 January and 31 December 2015: 2015 data will be integrated in full during 2016 reporting unless the incoming entity can collect all the data prorata temporis. However, calculation of the workforce of subsidiaries entering the scope is integrated into the 2015 scope for the purposes of reporting corporate data.

The main entry into the scope relates to the acquisition on 9 January 2015 of Oxygem, whose data has been included in most of the HR indicators.

Reporting period

Corporate, social and environmental data is reported annually and relates to the period from 1 January to 31 December 2015.

Methodological clarification and limits

The methodologies used for certain corporate, environmental and social indicators may present limitations due to changes in definition that may affect their comparability, changes in the scope of activities from one year to the next, as well as changes in the way in which this information is collected and input.

Further clarification regarding environmental indicators:

To facilitate internal accounting related to invoicing electricity use, the consumption recorded for a given month corresponds to the actual consumption for the previous month.

➤ The CO₂ emissions contained in Part 7.4.1 are direct greenhouse gas emissions related to the use of natural gas and heating oil in the Group's premises in Neuilly, Rungis, Nanteuil, Roubaix and Bordeaux. In 2015, the Group included the electricity use of the aforementioned sites in the calculation of emissions, and did so retrospectively to 2013. The emission factors used for the calculation are derived from ADEME's carbon base.

➤ The emission factor used for the CO₂ emissions reported and related to business travel by train, included in section 7.4.4 of this report, is supplied by SNCF. The emission factor used for the CO₂ emissions reported related to business travel by plane is provided by the supplier responsible for the handling of business travel (Neuilly) or by the airline (FCGB).

Further clarification regarding social indicators:

➤ The hours of training included relate to training provided by M6 Campus as well as external training organisations. The hours of e-learning training are included in the data recorded. The training time spent in school for employees on apprenticeship or work/study contracts is excluded. The hours of BTS (advanced vocational diploma) training followed by certain F.C.G.B employees are also excluded from the total number of hours' training included.

➤ Days of absence recognised correspond to all absences of permanent Group employees which began during the financial year, thereby including absences in 2016. Days of absence in 2015 corresponding to absences which began during the course of the previous financial year are not taken into account.

Reporting tools, consolidation and control

Collection tools, developed by the Group's IT Department, allow all consolidated and verified data to be reported at different levels:

➤ For corporate data, collection is made by a dedicated tool, developed by the Group's IT Department, and automatic consistency checks are made by the IT tool during data input. Other controls and validation are performed by M6 Group's Human Resources Department. Lastly, a general control ensures the overall consistency of the flows of staff between the year N-1 and the year N;

➤ For social data, information is collected by the Group's Corporate Affairs and the Financial Communication Department, due in particular to the social information required by the CSA in relation to television;

➤ For environmental data, collection is made by the Group's Corporate Services, and an internal consistency check is made by the person responsible for the input of information. A further check is made during consolidation.

Lastly, the Financial Communication Department collates the data and performs consistency checks.

7.2 Corporate responsibility

7.2.1 Group workforce

7.2.1.1 Workforce

Breakdown of M6 Group workforce by type of contract

	2013	2014	2015
Permanent contracts	1,613	1,564	1,695
Fixed-term contracts*	248	237	255
Total workforce	1,861	1,801	1,950

* The 255 fixed-term contracts include the 102 F.C.G.B. sports contracts.

At 31 December 2015, M6 Group's total workforce was 1,950 people, compared with 1,801 at 31 December 2014, including 1,695 on permanent contracts in 2015, compared with 1,564 in 2014. In total, there was a net addition of 131 employees on permanent contracts to the workforce in 2015, broken down as follows:

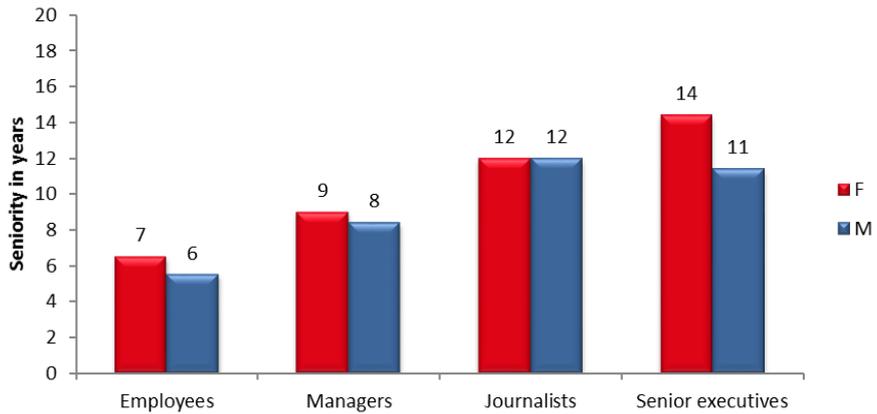
Workforce at end December 2014		1,564
External recruitments		102
Integration of OXYGEM		99
Event contract workers made permanent		23
Fixed-term contracts made permanent		20
Departures		
- Resignation		-66
- Redundancy		-15
- Termination by mutual agreement		-23
- Retirement		-7
- Other (end of trial period, etc.)		-2
Workforce at end December 2015		1,695

In order to ensure gender equality, M6 Group pays particular attention to balancing its workforce. At 31 December 2015, including the FCGB's 102 sports contracts, the Group's workforce was made up of 48% women and 52% men, distributed as follows:

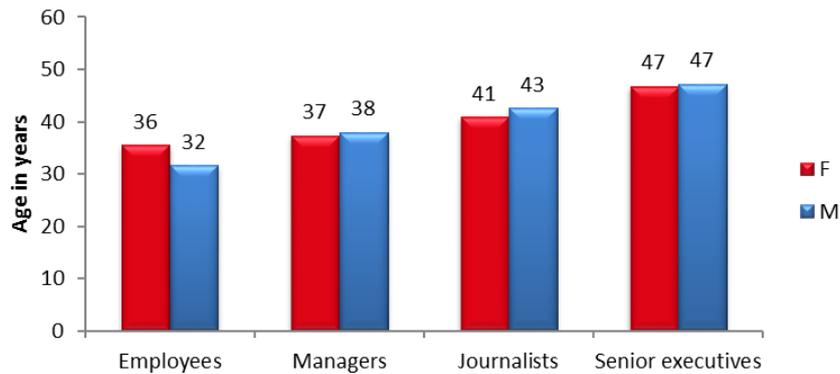
Breakdown of M6 Group workforce by category and by gender

	2015	Male	Female
Employees	736	384	352
Managers	995	478	517
Journalists	146	95	51
Senior executives	73	52	21
TOTAL	1,950	1,009	941

Average length of service of M6 Group permanent workforce by category and gender

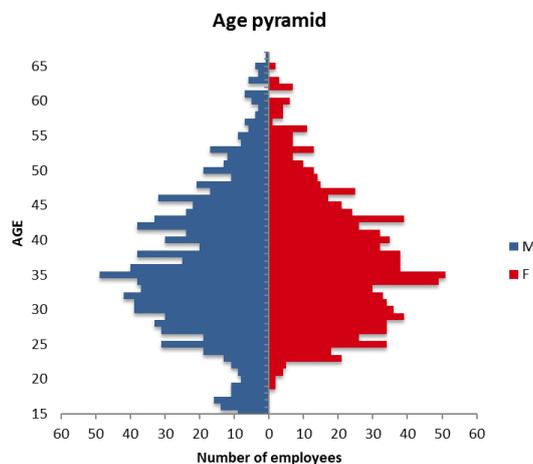


Average age of M6 Group permanent workforce by category and gender

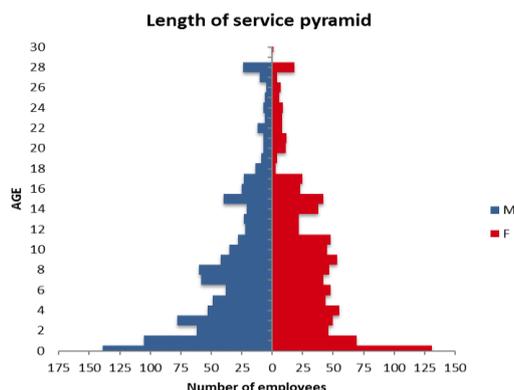


Age pyramid

A concentration can be seen in young employees in the men under 25 category, corresponding to F.C.G.B. Players (5.2% of the total workforce of M6 Group). The average age of Group employees is 37 years, with an equal balance between men (37 years) and women (37 years).



Length of service pyramid



The average length of service within the Group is 8 years for both men and women.

The total permanent workforce of 1,950 at 31 December 2015 can be broken down as follows:

Breakdown of permanent workforce by division

	2013	2014	2015
TV	909	941	967
Production & Audiovisual Rights	86	89	91
Diversification	866	771	892
TOTAL	1,861	1,801	1,950

The increase in the number of permanent staff in the Television Division, including the advertising agency (an additional 26 permanent/fixed-term contracts) was primarily due to event contract workers and former OXYGEM employees moving into permanent positions.

The increase within the Diversification Division (an additional 121 permanent/fixed term contracts) was particularly due to the integration of OXYGEM (an additional 99 permanent employees) and the growth in the number of permanent employees within BEST OF TV and MONALBUMPHOTO, related to an increase in business.

Breakdown of fixed-term contracts

	2013	2014	2015
Fixed-term contracts	199	188	195
Work experience contracts	33	33	43
Apprenticeships	16	16	17
Total fixed-term contracts	248	237	255

The net increase of 7 fixed-term contracts at the end of December 2015 was mainly due to the integration of OXYGEM.

In November 2010, as part of the Contrat de Génération (cross-generation contract), the ESU (M6, M6 BORDEAUX, METROPOLE PRODUCTION and M6 FILMS) set itself the target of employing 5% work/study students within its workforce in November 2016, the date on which the cross-generation contract ends. This percentage is currently 6.1%, vs. 4.8% at the end of 2014).

Event contract workers

	2013	2014	2015
FTE event contract workers and freelancers	440	400	415

M6 Group posted 3.8% growth in FTE event contract workers and freelancers, reflecting the increase in F.C.G.B.'s steward staff (safety officers outside and within the stadium, refreshment areas, etc.).

Conversely, excluding F.C.G.B, a fall of 3.5% can be seen within M6 Group and specifically within METROPOLE TELEVISION in line with temporary workers being taken on permanently.

7.2.12 Organisation of working time

Since the signing of a company-wide agreement in 2000, Group employees benefit from an organisation of their working time calculated in hours or days according to their categories.

Main working time arrangements by category		
	Average annual working time (excluding Girondins)	35-hour week overtime
Employees	1,575 hours	22 days
Managers	215 days	13 days
Journalists	205 days	11 days
Senior executives	Not applicable	Not applicable
	Average annual working time (Girondins)	35-hour week overtime
Employees	1,568 hours	11 days
Managers	215 days	13 days
Journalists	205 days	11 days
Senior executives	Not applicable	Not applicable

M6 Group firmly believes that providing its employees with a good work/life balance contributes to the Company's performance and has no hesitation in offering flexible working hours:

Part-time work

At 31 December 2015, 124 employees were on a part-time permanent contract, of which 77.4% were women and 22.6% were men. In total, they represented 94.3 FTEs.

Absenteeism (excl. OXYGEM)

Total absenteeism, excluding paid holiday, represented 5.7% of theoretical hours worked in 2015, a decrease of 0.4% compared to 2014.

Reasons for absence (excl. F.C.G.B. football players and OXYGEM)		
Types of absence (<i>in working days</i>)	2014	2015
No of sick days	9,357	9,964
No of days absent for maternity/paternity/parental leave	10,467	10,408
No of days absent due to work and travel related accidents	1,381	732
No of unpaid days absent	2,853	1,772
No of days absent due to exceptional holidays	2,635	2,516
TOTAL	26,693	25,391
Absenteeism rate	6.3%	5.7%

Days of absence recognised correspond to all absences of permanent Group employees which began during the financial year, thereby including absences in 2016. Days of absence in 2015 corresponding to absences which began during the course of the previous financial year are not taken into account.

In addition, during the 2015 financial year, 8,787 hours of overtime were worked by M6 Group employees compared with 12,425 hours in 2014. Overtime hours were primarily due to VENTADIS, which recorded 5,949 hours of overtime in 2015 compared with 8,113 in 2014, representing a fall of 27%. This change was related to the ongoing standardisation of the MONALBUMPHOTO website and the decline in business of the VENTADIS Division's other subsidiaries.

On 20 July 2015, a system of recording working hours was introduced (excluding VENTADIS, F.C.G.B. and OXYGEM) in order to regularly summarise the number of days or half-days worked and to ensure compliance with daily and weekly rest periods.

7.2.2 Group remuneration

The pay packages of M6 Group employees are reviewed on an annual basis as part of the annual salary review. Employees may benefit from individual performance-based increments. An across-the-board pay rise is granted to employees whose salary is less than the Social Security cap and who have been employed for more than one year. In 2015, this rise was 0.8%.

Excluding F.C.G.B and OXYGEM, the annual remuneration package of an employee includes a basic monthly salary paid in 13 monthly instalments, supplemented, for 419 employees in 2015 (compared with 406 in 2014) by variable remuneration primarily based on performance indicators (financial indicators, revenue, audience share, box office ticket sales, etc.). This increase reflects the Group's commitment to encouraging better individual and collective performance by as many employees as possible.

The annual remuneration of F.C.G.B. employees is also comprised of a basic monthly salary paid over 13 months, excluding SASP players under the Collective Agreement for Administrative and Related Support Staff in Football, supplemented, for sales staff, by variable remuneration based on revenue.

In 2015, the annual remuneration of an OXYGEM employee was made up of a basic monthly salary paid over 12 months, to be supplemented by variable remuneration subject to performance indicators. In 2016, OXYGEM employees are joining M6 Group's system and will receive an end-of-year bonus known as the "13th month".

7.2.2.1 Change in average remuneration

The average annual remuneration of permanent Group employees (excluding F.C.G.B. players and OXYGEM) in 2015 amounted to €57,100, compared with €56,351 in 2014 (up 1.3%).

7.2.2.2 Employee savings

Profit-sharing agreement

Three profit-sharing agreements have been signed within M6 Group encompassing the following segments:

- M6 Group,
- Ventadis division,
- F.C.G.B.

The Group's results, VENTADIS included, made it possible to establish a special reserve for profit-sharing for 2014, and paid in 2015, totalling €7,491 K, compared with €7,883 K paid in 2014 for 2013; 2,064 employees benefited, compared with 2,068 employees the previous year.

The financial performance of F.C.G.B. did not allow for the establishment of a special profit-sharing reserve for 2014.

Bonus scheme

A Group-wide bonus scheme (excluding VENTADIS and F.C.G.B.) was concluded on 27 June 2014 with the various representative groups for the next three financial years, i.e. until 31 December 2016.

This agreement adopted the same formula used under the bonus scheme concluded in 2011, which provided for the bonus to be calculated based on growth in Group EBITA compared with the previous year.

By amendment of 23 June 2015, OXYGEM employees expressed their wish to join the Bonus Agreement concluded on 27 June 2014 by M6 Group companies. They will therefore benefit from the bonus which will be paid in 2016 for 2015.

Total bonuses (excluding VENTADIS, F.C.G.B. and OXYGEM) paid in 2015 for 2014 were €900 K, i.e. €445 per individual employed throughout 2014.

F.C.G.B. employees received no bonus payments for 2014.

Conversely, bonuses totalling €421 K were paid to 369 employees in the VENTADIS division.

Group savings plan (excluding F.C.G.B.)

In 2015, M6 Group renewed its Group savings plan under which the Group matches the individual contributions of each employee. This year, the amount paid in respect of this contribution was €899 K.

In total, the amounts paid by the Group in respect of employee savings (Bonus Scheme, Profit-Sharing and Contribution to the Group Savings Plan) were €9,711 K, compared with €9,769 K in 2014.

Lastly, the management of employee savings was entrusted to an external organisation, which offers employees the following seven funds, which vary in terms of yield and risks:

- FCPE Diversifié Actions (70% shares, 30% bonds), high yield but high risk;
- FCPE Diversifié Taux (20% shares, 80% bonds) modest yield but lower risk;

- FCPE Monétaire (100% money market), low yield and risk free;
- FCPE "M6 Group", 100% METROPOLE Télévision shares;
- FCPE Impact ISR rendement solidaire, a diversified FCPE, invested in European markets, of which between 5 and 10% in socially responsible shares;
- FCPE Avenir sélection patrimoine (50% shares, 50% bonds);
- FCPE Perspective conviction Europe (100% external institutional funds).

7.2.2.3 Mutual health insurance and provident fund

Permanent employees of M6 Group benefit from a private healthcare costs scheme and a provident fund, providing a higher rate of reimbursement for healthcare costs and covering employees against the risk of disability, incapacity and death.

Private health scheme

The main purpose of the private health scheme is to supplement the amounts reimbursed by the state social security system for medical costs (hospital admissions, medicines, dental and optical charges, health checks).

For Group employees, excluding VENTADIS, F.C.G.B. and OXYGEM, membership of the private health scheme is mandatory and must correspond to the individual's family circumstances. In 2015, the monthly contribution was €149.70, with payment split between employee and employer as follows:

- family contribution: employee and employer each pay 50% of the contribution,
- individual contribution: the employee pays 40% of the contribution and the employer pays 60%, in order to make the scheme attractive to young employees.

Permanent employees of VENTADIS (excluding LUXVIEW) also benefit from a private health scheme, membership of which is mandatory. Employees (excluding LUXVIEW and BEST OF TV) may choose between the individual scheme and the family scheme, as well as between the basic scheme and the optional scheme. Annual contributions range from €48.10 for the basic individual scheme to €75.05 for the optional family scheme. The employer pays €60, regardless of the package. For F.C.G.B employees, only administrative staff are covered by the collective agreement (athletes have individual cover with the exception of professional coaches and coaching staff on permanent contracts who are covered in the same manner as administrative staff). For non-managerial staff, the monthly contribution is €93.96 and is funded in equal parts by employer and employee, regardless of their marital status. For managerial staff, the monthly contribution is €158.97 and is 2/3 funded by the employer and 1/3 by the employee, regardless of their marital status. Cover is different for managerial and non-managerial staff.

For OXYGEM employees, membership of the private health scheme is mandatory and must correspond to the individual's family circumstances.

- In 2015, the family contribution was €93.50, with payment split between employee and employer as follows: the employee pays 41% of the contribution and the employer pays 59%,
- In 2015, the individual contribution was €46.76, with payment split between employee and employer as follows: the employee pays 26 % of the contribution and the employer pays 74 %,

Provident fund

The scheme provides:

- Incapacity cover, supplementary payments in addition to the benefits in kind provided under the state social security insurance schemes for health, maternity, work-related accidents and occupational-illness,
- Life insurance cover,
- Disability cover.

For Group employees, excluding F.C.G.B., VENDADIS and OXYGEM, all employees on a permanent or fixed-term contract benefit from this cover from the start of their employment. Subscription is mandatory. Payment of contributions is split between employee and employer. All Group employees belong to a single scheme, regardless of status (with the same percentage contribution and the same division of contribution payments between employer and employee).

In 2015, all VENTADIS employees benefited from an insurance scheme, which varied depending on the companies and involved different contributions according to status.

For F.C.G.B. employees, excluding football players, all employees on a permanent or fixed-term contract benefit from this cover from the start of their employment. Contributions and cover are 60% funded by the employer and 40% by the employee for managerial staff. For non-managerial staff, the funding contribution is equally split between the employer and the employee.

For professional players as well as for the training centre's players and coaches, the scheme covers death and permanent disability and is 100% funded by the employer.

A so-called "savings" insurance scheme is also provided for professional players exclusively to which the employee contributes 61.5% and the employer 38.5%.

7.2.2.4 Total remuneration of 10 highest paid employees

In 2015, a total amount of €5,064 K was paid to the 10 highest paid Group employees (excluding Nicolas de TAVERNOST, a corporate officer, and F.C.G.B. professional players) compared with €5,383 K in 2014, of which €839 K was variable remuneration in 2015, compared with €1,772 K in 2014.

7.2.2.5 Supplementary defined contributions retirement scheme

In 2007, marking its desire to improve loyalty among senior executives and to meet their expectations in enhancing their pension cover, a supplementary and compulsory defined contributions retirement scheme was put in place for this category of personnel.

This scheme enables the creation of an external individual retirement account whose objective is the payment of a life annuity. Management of this account was entrusted to an insurance company that is recognised on the Paris stock exchange.

In accordance with Decree n° 2012-25 of 9 January 2012 confirmed by Circular n°2013-344 of 25 September 2013, employees with remuneration paid in n-1 equal to or higher than 4 PASS* (annual social security ceiling) are beneficiaries of the supplementary pension scheme.

At 1 January 2016, 46 M6 Group employees benefited from this scheme.

In 2015, F.C.G.B and OXYGEM employees were not affected by this scheme.

7.2.3 Development of talent

7.2.3.1 Promotion and career development

Promotion and in-house mobility

	2014	2015
Number of employees who were promoted during the period*	56	81
% of employees who were promoted during the period	3.6%	4.7%
Number of employees who benefitted from in-house mobility during the period	58	75
% of employees who benefitted from in-house mobility during the period	3.8%	4.4%
Number of employees who received training during the period*	794	698
% of employees who received training during the period*	49%	39%

**Including VENTADIS Group, F.C.G.B. and OXYGEM figures*

Integration of new hires and discovery of Group career opportunities

Throughout the year, the HR Department organises several induction meetings for employees who have joined the Group. During these meetings, the way the Group works is explained to them, and practical information, particularly related to safety, is provided to them.

Throughout the year, employees have multiple opportunities to shape their understanding of the Group's operations and career opportunities.

Annual review and career development

Every year, all employees have an annual review with their manager. Assessment criteria go beyond results achieved during the year just ended, and focus on the skills specific to each position. This also provides the opportunity to assess the efficiency of training programmes undertaken and professional balance (work load and organisation, work/life balance).

The annual summary of annual reviews since 2008 can be accessed confidentially by all employees via the Intranet and Extranet.

Since 2015, employees have also benefited from the professional review with their manager. This second meeting with the manager will take place a maximum of once every two years and upon an employee's return after any long-term absence (maternity leave for example).

A new review medium has been introduced, based on the employee's professional career and enabling the manager to qualify the employee's acquired skills. It then allows the identification of reciprocal actions to be implemented by each party for the employee's professional development. During these reviews, employees discuss their wishes regarding promotion and training.

The summary of this review may also be accessed confidentially by each employee via the Intranet and Extranet and it is archived for the years to come. It will serve as a basis for the next review, notably to measure the progress made.

The wishes expressed during all interviews are systematically analysed by the Human Resources Department so that they can be acted upon. They include training programmes, professional development and requests for work/life balance reviews with the Human Resources Manager.

Support for employees aged 45 and over

The professional review, which takes place a maximum of once every two years, also applies to employees aged 45 and over (compared with the later career review every five years previously) and upon request, they can also have a specific review with their Human Resources Manager when they

so wish. The purpose of this review is to define their mid-term career path and establish the necessary steps to support it.

Employees who reach the age of 45 during the year are notified of their priority access to a Skills Assessment and training (in particular, professional development sessions as part of the statutory "Périodes de Professionnalisation" scheme).

In addition, as part of the implementation of a "Contrat de Génération" or cross-generation contract, employees aged 45 and over are offered a pension rights review. 24 employees attended the retirement meeting (Sept 2015); and 18 of them sought an individual interview with our partner AUDIENS.

As is the case for all employees, they have access to the new Professional Development Advice offered by AFDAS (OPACIF adviser in relation to professional careers in the audiovisual profession). It involves individual support (based on a detailed questionnaire) offering personalised advice from contemplation of the professional project through to its implementation.

In-house mobility and promotion

The internal development of employees (via mobility and/or promotions) is given special attention by teams within the Human Resources Department, in collaboration with operational managers.

All vacancies are posted on the Group's intranet in order to give priority to internal candidates.

Furthermore, for the last 4 years, Group employees have the option of undertaking work placements lasting from half a day up to two days over a period of 2 weeks as part of an initiative called "Dans la peau de..." ("In the shoes of...").

For those who wish to take part, these placements are a chance to find out about different job roles in the company in the interests of career mobility, complementary skills, or simply out of curiosity. 70 employees benefited from this experience in 2015. Several new initiatives have been offered this year: new placements, custom placements, manager specific placements, etc.

Lastly, movements (mobility and promotions) are regularly published on the Intranet.

Training*

*Group figures (including VENTADIS, F.C.G.B. and OXYGEM)

M6 Group develops the skills of its employees with a policy of continuous training, which is based on training in its businesses, processes, management and Group culture.

2015 was a year of transition in terms of training, against a background of the implementation of the Law of 5 March 2014 initiating two major changes:

- Firstly, the CFP, *Congé de Formation Professionnelle* or professional training leave (which replaced the DIF, *Droit individuel à la formation* or individual training right, which had represented 3,280 hours of training for 184 employees in 2014), the rules of which took shape throughout the year;
- Secondly, the reduction in training budgets (although the Group made the decision to invest more than its legal obligation).

In 2015, the Group Training Plan budget totalled €605 K (compared with a legal obligation of €447 K) enabling 949 training initiatives to be financed, equating to 13,339 hours' training (corresponding to 1,906 days).

In total, 698 employees benefited from training in 2015, representing 39% of the workforce, of whom 44% were men and 56% women.

Each employee can transfer the number of "DIF" (individual training right) hours unused at the end of 2014 to the "CPF" (individual training account) and may use them towards training until 2020. Hours to be acquired under the CPF as of 2015, equating to 24 hours per year up to a limit of 120 hours, then 12 hours per year up to a maximum of 150 hours, will now be counted within the same account.

M6 CAMPUS, the Group's own training organisation, which provides in-house training in management, Group culture, new media and technical skills, provided training to 243 employees in 2015.

Lastly, seven careers conferences were offered in this way in 2015, led by experts from the Group. For example, in 2015: “CLUBIC presents the 2015 technology innovations”, “M6 PUBLICITE presents the trends for 2015”, “New 6PLAY: come and test it and ask the web team your questions! ”. These conferences took place in our auditorium and are available on the Intranet both live and on demand.

7.2.3.2 Trainee policy

	2014	2015
Number of trainees received during the period, for a period of 3 to 6 months	297	254
% of trainees hired at the end of their training period (permanent or fixed-term)	7%	9%
Number of work/study students received in 2015	49	60
- Apprenticeships	16	17
- Work-based learning	33	43

Group figures (including VENTADIS, F.C.G.B. and OXYGEM)

In accordance with the French national trainee charter, the Group ran a number of initiatives for the benefit of student trainees:

- **Developing partnerships with schools** through the Group’s participation in student forums, hosting student promotional activities within the Group, the participation in examination panels and the organisation of “job dating” (short job interviews).
- **Organising the second Work-Based Learning Day** aimed at research students (225 students received by 45 mobilised supervisors in this way), to present our careers and opportunities for the autumn of 2015. In total, 15 work-based learning students (up 6 in comparison with 2014) were thereby recruited for an apprenticeship or skills training contract, representing a third of the vacancies.
- **Ensuring work placements are successful**
In 2015, all trainees received by the Group were covered by contract and paid for periods mainly ranging from 3 to 6 months.
In addition, M6 Group (excluding F.C.G.B.) received 146 pupils aged 14-16 for week-long periods of observation of the business.
- **Preparing for the Group future recruitment and encouraging loyalty among trainees**
Before the end of their training period, the young people have an assessment interview with their supervisor, their choice of professional direction as well as their potential and motivation for the Group to be validated. Their job applications are given priority for filling junior roles immediately following the end of their training period or subsequently.
In 2015, 45 former trainees were recruited in this way on permanent/fixed term contracts, including 24 following a placement completed in 2015.
Moreover, 48 former trainees have been recruited on a freelance basis or on event worker contracts.

7.2.4 Commitment to the integration of disabled workers

	2014	2015
Number of disabled workers	13	16

The Group's commitment to disability rights and the measures it has undertaken in this regard are described in paragraph 7.3.2.1 of this document.

7.2.5 Commitments to gender equality

The Group is committed to its gender-equality action plan guaranteeing equal treatment of men and women during the recruitment process.

In the light of this commitment, since 2012, all the Group's HR recruitment personnel, as well as all employees recruited since that date, have been trained in non-discrimination in employment and occupation during interviews.

Indicators

	2014	2015*
% of women in total workforce	52%	51%
% of female managers/executives	53%	51%

* Excluding FCGB sports contracts

	2014	2015
% of female Management Committee members	26%	27%
% of female senior executives	30%	29%

	2014	2015
% of women who received training	59%	56%
% of women recruited	53%	49%

Excluding F.C.G.B.'s sports contracts, women represented 51% of the workforce in 2015 (stable in comparison with 2014). The proportion of women in management roles fell slightly to 51%, which was related to the integration of OXYGEM. It may be noted that the Management Committee included eight women out of 30 members, an increase of one in comparison with 2014.

This overall parity is the result of the values developed by the Group since its inception. It was strengthened by the conclusion of an initial three-year action plan (2012-2014) relating to gender equality for the entire Group (excluding the VENTADIS Division and F.C.G.B), and again confirmed by the conclusion of an initial agreement on 15 July 2015, for a further period of three years. This agreement also applies to the Group's subsidiaries.

Based on the balanced results seen at the end of the first action plan, the agreement, concluded with management and unions, renews the Group's commitments, particularly in relation to recruitment, career development, training, work/life balance and remuneration.

Confirming the policy of equality practised within the Group, of particular importance is:

- **Work/life balance:** Management renewed the protection process for pregnant women by organising interviews in particular with the HR Department and the employee's manager, subject to the employee's agreement, in the month before their maternity leave is due to begin and during the month before their return to work. It has been decided to facilitate the relationship with the employee during the period of maternity leave, enabling her to keep up to date with Group activities by providing her with online access to internal communications. Moreover and more generally, management has made a commitment as part of the structure of working hours, to promote respect for personal life, for example with meetings to be set for times during working hours, flexible working time to match school term, etc. An innovative

step has also been taken to extend the parental leave period to incorporate part time working for a maximum of 80% of working hours until the child is six years old.

- **Remuneration:** Management is now committed to ensuring a maximum gap of 5 points between the access rates of men and women to the individual increases over a three-year period. Similarly, Management will track the average percentage of individual increase of men and women.

At the end of the first three years of implementation (2013, 2014 and 2015), performance indicators that were assessed and presented to the elected representatives of the various companies showed that the commitments undertaken as part of this action plan, notably in relation to remuneration, have been complied with as they already were previously. As a result, the difference in average salaries by gender and by level of responsibility is between + and -5% variance from the target set.

Lastly and as a reminder, the action plans related to the cross-generation contract launched within the Group in 2013 support the commitments made to gender equality in the workplace.

Thus, having achieved 35th place in 2014, the Group was ranked 32nd in 2015 in the Female Representation on Leadership Bodies Rankings carried out by ETHICS & BOARDS for the Ministry of Social Affairs and Women's Rights.

7.2.6 Social dialogue

M6 Group complies with the Labour Code and applicable collective agreements with regard to social dialogue, the exercise and protection of trade union rights and employee representation.

M6 Group also complies with the provisions of the International Labour Organisation's fundamental conventions on the freedom of association and the right to collective bargaining, and in particular the ILO's conventions C87, C98 and C135.

Various unions are represented within M6 Group:

- Within the ESU (Social and Economic Unit) comprised of the companies METROPOLE TELEVISION, METROPOLE PRODUCTION, M6 FILMS and M6 BORDEAUX, and made up of 677 employees, the unions CFE-CGC and CFDT are each represented by a union representative and they secured 71% and 29% respectively of the votes at the last employee representative elections;
- Within M6 PUBLICITE, the CFE-CGC is represented by a union representative, and it secured 96% of the votes in the last union elections against the CFDT;

In relation to the VENTADIS division:

- Within the company HOME SHOPPING SERVICE, the CFDT and CFTC unions are both represented by a union representative and they secured 44% and 56% respectively of the votes at the last union elections;
- Within the company UNITE 15, the CGT is represented by a union representative and it secured 56% of the votes at the last union elections;

In relation to F.C.G.B.:

- Within the company, the SNAAF UNECATEF CFDT f3c union is represented by a union representative and it secured 73% of the votes at the last union elections against the FNASS UNFP union.

At 31 December 2015, M6 Group had 28 employee representation committees and 158 elected representatives (all representative bodies combined and taking into account those who hold multiple offices):

- 8 committees of employee representatives, with 46 elected members,

- 3 works councils, with 34 elected members,
- 7 single employee delegations, with 49 elected members,
- 10 health, safety and working condition committees, with 29 elected members.

These various employee representative institutions promote regular and active social dialogue. In 2015, on average 21 ordinary and extraordinary meetings took place every month with employee representatives (across the various bodies).

Within the ESU (METROPOLE TELEVISION, METROPOLE PRODUCTION, M6 BORDEAUX, M6 FILMS), works council committee meetings (housing committee, catering, gender equality, training, etc.) were held regularly in order to have a close understanding of employee concerns.

The key points raised during works committee meetings or by single employee delegations during 2015 were as follows:

- Monthly topics: operation of Group companies;
- Quarterly topics: workforce monitoring;
- Ad-hoc or annual topics:
 - 2014 annual financial statements
 - comparison of the general employment and training conditions of women and men within the ESU in 2014,
 - review of the action plan for gender equality at work,
 - 2014 review of the body in charge of the "1% logement" scheme (employer-sponsored housing assistance fund),
 - review of the works council's welfare activities in 2014,
 - 2014 annual appraisals,
 - Group savings plan for 2015,
 - mandatory annual salary negotiations,
 - preliminary annual review of the private health scheme,
 - sabbatical leave and business creation leave,
 - review of the 2014 training plan,
 - preliminary review of the 2015 training plan,
 - provisional training plan for 2016,
 - amendment of the Works Committee's internal rules,
 - office layout plans,
 - day of solidarity,
 - new season programmes,
 - Works Council Christmas tree,
 - Proposed collective agreement regarding the granting of "carer" days,
 - Proposed collective agreement relating to the application of Articles 22 and 23 of the Collective Agreement of Journalists,
 - Introduction of the clocking-in machine in accordance with the provisions of Article L2323-32 of the French Labour Code,
 - Disability within the Group,
 - Implementation of professional reviews,
 - Paperless restaurant vouchers as of 1 January 2016 (Decree of 7 March 2014),
 - Information on the demanding nature of the work (addition to the 2015 annual programme on preventing occupational risks).

The main topics on which the health and safety committees were consulted or on which they gave advice were as follows:

- appointment of a new Secretary and Deputy Secretary of the Health, Safety and Working Conditions Committee,
- appointment of a "Specialist" employee for the prevention of occupational risks,
- plans to refurbish offices,
- analysis of work-related accidents in 2015,

- request for accreditation in OHS training offered by the nurse,
- review of the general health, safety and working conditions in 2014,
- update of the 2015 Comprehensive Occupational Risk Assessment Inventory,
- 2015 Occupational Risk Prevention Programme,
- occupational health activity report for 2014,
- 2014 review of psycho-social risks,
- Introduction of the automated time system in accordance with the provisions of Article L2323-32 of the French Labour Code,
- amendment of the ESU's internal rules,
- safety policy within the Group's buildings,
- increasing awareness of psychosocial risks within the Group,
- use of a transmission vehicle using KaSat technology,
- demanding nature of the work (addition to 2015 annual programme on preventing occupational risks),
- visit to the Marseille and Bordeaux offices and the premises at Neuilly,
- monitoring and health recommendations within the framework of international missions by the medical office,
- on the Health and Safety and Working Conditions Committee's internal rules.

An agreement relating to the Group savings plan was concluded.

The following were signed by the METROPOLE TELEVISION, METROPOLE PRODUCTION, M6 FILMS and M6 BORDEAUX ESU:

- an Agreement relating to gender equality at work,
- an Agreement relating to the granting of "carer" days,
- an Agreement on the application of Articles 22 and 23 of the Collective Agreement of Journalists.

The following were signed by M6 PUBLICITE:

- an Agreement relating to gender equality at work,
- an Agreement relating to the granting of "carer" days,
- an Agreement on Mandatory Annual Salary Negotiations.

The following were signed within the VENTADIS Division:

- a Savings Plan;
- a Bonus Scheme Agreement;
- an additional retirement Agreement on HSS and MONALBUMPHOTO;
- an Agreement regarding on-call IT staff on HSS and U15.

The following were concluded by F.C.G.B:

- an Agreement relating to the increase in salaries as part of the Mandatory Annual Salary Negotiations;
- an Agreement relating to gender equality at work.

A health procedure has been implemented within the Group for journalists and engineers travelling abroad (health recommendations, reminder of vaccinations to be administered prior to travelling abroad, first aid kit, etc.).

7.2.7 Health and safety at work

Health and safety at work

Employee safety and working conditions are the main priority for the 29 elected individuals of the Group's 10 health, safety and working conditions committees.

Health and safety conditions are monitored on a regular basis, in particular through regular or extraordinary meetings.

Following the terrorist attacks of January and November 2015 in Paris, security measures have been implemented across all M6 Group's sites. In collaboration with the company doctor and AUDIENS

(our pensions and insurance provider), the Human Resources Department very rapidly set up a psychological support unit, specifically for employees who were affected, either directly or indirectly, by the attacks.

Security at the entrances to all buildings has been strengthened, including at local level (checking of badges and identities of people from outside the Group, limited access to certain buildings and to parking areas).

The Secretaries of the Group's Health, Safety and Working Conditions Committees, the Secretaries of the Works Council and Single Employee Delegations, and employee and union representatives have been informed of all the measures implemented.

In 2015, this body helped to prepare for the relocation of 768 workstations.

As part of the policy relating to prevention of psychosocial risks, the Group continued to offer specific training to raise awareness among various company stakeholders: staff representatives, managers and human resources managers to ensure they identify risks and respond accordingly.

A more comprehensive mechanism has been proposed as part of the "Quality of Life at Work Process". The most experienced managers will be trained in the Communication Process technique (understanding oneself more, understanding one another more and adjusting how we communicate).

A half-day awareness course will be offered to non-managerial employees as well as to the most junior managers as soon as they begin their management training. It will be implemented in 2016.

In 2015, 35 managers attended a half-day training session to raise awareness of psychosocial risks (excl. VENTADIS, F.C.G.B. and OXYGEM).

In addition, as part of their annual appraisal, each employee is encouraged to consider their work-life balance. These indicators are then considered alongside the employee's manager and the Human Resources Department in order to ascertain the need to implement, where necessary, an action plan to ensure this balance.

In application of the law relating to professional training, all Group employees have been offered a professional review. The purpose of this interview is to review the employee's professional career and discuss with them their professional development (skills, training, etc.).

Safety, hygiene and health training

In 2015, 100 people underwent safety standards training (evacuation, use of fire-fighting equipment, etc.), 25 of whom were trained as workplace first aiders.

Occupational Health

The daily presence of the qualified nurse in the medical room, in conjunction with internal communication, led to the repeat of the two annual blood donation campaigns, with 134 volunteers offering their blood for donation in 2015 and 111 actual blood donations.

375 employees also attended sophrology sessions organised by the nurse.

The nurse gives preventive advice to employees on various subjects notably via the Intranet, by indicating the positions to adopt for sedentary work, recommendations in the event of a heatwave, etc.

ACMS has been the new occupational healthcare service provider within M6 Group since 1 January 2015.

Work related accidents and illnesses:

The number of work-related accidents involving permanent employees and event workers that led to a work stoppage was 5 in 2015, compared with 11 in 2014, with a frequency rate (number of

accidents per year resulting in a work absence of more than one day, per million hours worked) of 1.318, compared with 2.985 in 2014, and a severity rate (number of days of absence for which sickness benefits were paid per 1,000 hours worked) of 0.067, compared with 0.031 in 2014.

As well as complying with its legal and contractual obligations, M6 Group has set out a code of ethical and professional standards that all employees must observe in their own behaviour and to guide them in the actions they undertake. These standards apply to all employees regardless of status or position, including those at the highest level. Individuals must be guided by principles of professionalism and trustworthiness at all times, not only towards M6 Group, but also towards the public, customers and suppliers. They must abide by the laws and regulations in force and adhere to the standards of professional ethics set out by the Group.

Each new recruit is provided with a copy of M6 Group's professional ethics code, which also sets out the behaviour expected of employees with regard to personal conflicts of interest, sensitive data, gifts and invitations, and the periods during which employees must refrain from dealing in the company's shares. A copy of this code is also available on the Group's intranet.

7.2.8 Professional ethics

7.2.8.1 General standards of behaviour

Compliance with the law

M6 Group conducts its business in full compliance with the laws and regulations of the legal framework within which it operates. Group employees are required to adhere strictly to all laws and regulations relating to commercial companies in general, and the audiovisual and film sectors in particular. Under no circumstances should they disregard these statutes nor should they interpret them in a way that will damage companies in the Group.

Conflicts of interest

When, during the normal course of their work, employees are confronted with a situation in which a decision deemed to be in the best interests of the company conflicts with their personal interest, they are encouraged to inform their line manager or a company manager in order to resolve the conflict of interest as soon as possible.

Fraud prevention

M6 Group ensures that all the company's tangible and intangible assets are used and treated responsibly, including its products, business equipment, information systems and intellectual property. To this end, all employees are made aware of the fact that the company's assets must be used exclusively for the business purposes for which they are intended and not put to improper personal use or used for illegal or other illicit purposes.

The Group has implemented appropriate control measures (described in Paragraph 4.6.2 of this document) to prevent any form of fraudulent activity.

Freedom of expression and social networks

A policy on the use of social networks is issued to the Group's employees as a reminder of certain principles. In exercising their right to free expression, inside or outside the company, employees are required to avoid expressing publicly any opinion that may be taken to represent the position of M6 Group or its managers, to respect their obligation of professional discretion and loyalty towards the Group and to refrain from disclosing confidential information. These principles apply to all employees but especially individuals who may have a high public profile due to their role, their level of responsibility, their degree of public exposure or their prominent position on social networks.

7.2.8.2 Relations with our commercial partners and third parties

Relations with our commercial partners

M6 Group acts with integrity in its joint business activities and expects its commercial partners to comply with the law.

Relations with government bodies and regulatory authorities

Responsibility for M6 Group's institutional relations rests with the Corporate Affairs Department where a dedicated team is in constant dialogue with the various stakeholders and regulators. The Group maintains statutory links with all relevant regulatory bodies and government institutions.

Anti-corruption policy

Employees must refuse gifts of any kind if they are of a higher value than would be deemed reasonable by the Group if it had to pay for them. As a general rule, the Group considers any gift or invitation to be unacceptable if it could be regarded as likely to influence the behaviour of the recipient towards the donor.

Competition

The Group complies with anti-trust legislation and competition regulations. Members of the Management Committee and Group employees who are particularly exposed to issues surrounding competition law are provided with a code of good conduct and, in addition, practical training was provided last year on the principles contained in the code.

7.2.8.3 Content and programming

Agreement signed with the CSA

M6 Group is committed to ensuring its networks comply with the codes of conduct and professional ethics set out in agreements signed with the CSA.

Code of professional conduct for journalists

In France, the main journalists' trade unions have adopted the Code of Professional Conduct for journalists. In addition, the "Convention Collective Nationale de Travail des Journalistes" (CCNTJ), a national collective agreement for journalists which applies to all journalists holding a press card in France, also sets out a number of ethical principles. This agreement is therefore applicable to journalists working within the Group, mainly in the National Editorial Service and at C. Productions, the subsidiary responsible for producing news magazines such as "Capital" and "Zone Interdite".

Independence and responsibility towards the media

The Group maintains total editorial and journalistic independence in its news gathering and broadcasting. Editorial and journalistic independence is fundamental to its news reporting and broadcasting activities. The Group is conscious of its responsibility towards the general public as a leader of opinion and acts accordingly.

Consequently, the Group refrains from exercising external influence of any kind on journalistic investigations and refuses to let itself be influenced by external political or economic forces.

Furthermore, the Group complies with all laws, regulations and business principles relating to the separation of editorial content from commercial advertising.

Protection of intellectual property

M6 Group respects and protects intellectual property and protected content in all its forms. As a media company, the Group is fully aware of the particular importance of protecting intellectual property in its business activities.

7.2.8.4 Insider trading

The Group has adopted an ethical trading code of conduct intended to prevent insider misconduct. This code complies with recommendation No. 2010-07 of the AMF (French markets regulator), dated 3 November 2010, and applies to anyone who has access, or may potentially have access, to insider information. It prescribes the rules applicable to all Group employees and is available on the intranet.

7.2.9 Work environment

7.2.9.1 Benefits and services of the Works Council

The Group budget for social activities is:

- for the ESU, 0.95% of total payroll of the previous year, being €454,865 (compared with €446,186 in 2014);
- for the subsidiaries, 0.76% of total payroll, being €340,319 (compared with €340,768 in 2014); and for cross-group activities, 0.19% of total payroll being €84,809;
- for VENTADIS, 0.80% of total payroll, being €115,312.51 (compared with €102,562.43 in 2014);
- for F.C.G.B, no payment was made in relation to welfare activities, but 0.2% of the payroll was paid in respect of operating costs. F.C.G.B management bore the cost of the welfare activities of subsidiaries and the association.

The Group's Works Councils offer a number of benefits to employees: gift-vouchers for births, contribution towards costs incurred by employees in sporting or cultural activities, organisation of holidays, sporting or tourist weekends in France or abroad, etc.

7.2.9.2 Internal communication

Involve employees in the Group's major projects and advertise work opportunities

Improving awareness of the Group's activities and career opportunities, in order to develop both internal mobility and synergies, is one of the main aims of internal communication. Strengthening ties and the sense of belonging to M6 Group are also major issues.

The Group's employee ambassadors

For the second consecutive year, M6 Group opened its doors to the public and its viewers on 19 and 20 September 2015 for the European Heritage Days. Almost 1,000 visitors who came to have a look behind the scenes also discovered what we do and met our presenters. They were given a warm welcome by 85 staff volunteers who acted, with energy and enthusiasm, as their guides throughout the visit. During the 2015 event, one of the Group's employees, himself deaf, acted as a volunteer to lead a visit in sign language for deaf and hearing impaired viewers, an act appreciated by employees and visitors alike.

Developing understanding of careers

One of the major objectives of internal communication is to develop the understanding of professions:

- Throughout the year, employees have multiple opportunities to shape their understanding of the Group's operations and career opportunities: seven careers conferences were also offered in 2015, led by experts from the Group: "CLUBIC presents the 2015 technology innovations", "M6 PUBLICITE presents the trends for 2015", "New 6PLAY: come and test it and ask the web team your questions!". These conferences took place in our auditorium and are available on the Intranet both live and on demand.
- In 2015, for the fourth consecutive year, the operation "Dans la Peau de..." ("In the Shoes of...") enabled 70 employees to spend a day completely immersed in a different team, whatever their objective - mobility, synergy or curiosity. Several new initiatives have been offered this year: new placements, custom placements, manager specific placements, etc.

In a continual drive to fulfil its objectives, and in particular to strengthen the relationship with employees and give them a voice, late last year the Group began a corporate social network project. Its purpose is to replace the Intranet, and allow all employees to share their knowledge by facilitating collaboration on cross-company projects bringing them together.

The policy of a close relationship with employees developed by the HR Department along with the remarkable ability of teams to work together, a hallmark of the Group for almost 30 years, was recognised in 2015 when it won two awards at the "Victoires des leaders du Capital Humain" organised by Décideurs magazine:



- Gold Award in the TMT (Technologies, Medias and Telecommunications) sector
- Silver Award for its corporate culture, employer brand and internal communication.

Providing a framework for staff to be involved in the Group's latest activities and successes

- 15 previews of Group films reserved for employees with an average of 50 participants for each,
- 7 conferences based on Group and/or Human Resources activities, available live and/or on demand via the Intranet,
- 10 employees attended the inaugural match at the new Bordeaux stadium – 130 employees took part in the prize draw.
- Numerous invitations reserved for employees to attend live programmes (Prix Talent W9, PARIS PREMIERE press review) or to M6 EVENEMENTS shows (Norbert Show Patate, etc.),
- To celebrate 10 years of M6 MOBILE, employees received a 30% off offer for any one year subscription package,
- 21 Intranet games were used by an average 80 participants, giving them the chance to win cinema tickets, M6 EDITIONS' latest releases, etc.

7.3 Social responsibility

The responsibilities and commitments of M6 Métropole Télévision come from the general principles set out in the Law of 30 September 1986 as amended. Additional provisions were added to the agreement concluded with the Conseil Supérieur de l'Audiovisuel (CSA) following the decision n° 2001-107 of 27 February 2001 which ruled in favour of the renewal of the authorisation held by Métropole Télévision without launching a call for candidates.

7.3.1 A framework that guarantees a high level of commitment to French society

7.3.1.1 Excerpts of the agreement between the Conseil Supérieur de l'Audiovisuel and M6 Métropole Télévision in terms of general and professional ethics obligations

These obligations, mentioned in the Agreement concluded with the CSA, notably include general and professional ethics obligations that guarantee a major commitment to French society, in relation to the following (please find below excerpts of the M6 Channel's Agreement with the CSA, available in full at www.csa.fr):

- The Company is responsible for the content of the programmes that it broadcasts. Pursuant to the constitutional freedom of speech and communication, as well as the company's editorial freedom, the latter monitors compliance with the principles enacted in the following articles.
- The Company ensures that the programmes it broadcasts are selected, designed and produced under conditions that guarantee its editorial independence, particularly in relation to the business interests of its shareholders (...)
- The Company undertakes to refrain from establishing any business or financial relationship between companies of the Métropole Télévision Group and that of the principal shareholder or controlling shareholders that would diverge from usual business conditions noted in the market (...).

In relation to the plurality of expression of schools of thought and opinion

- The Company guarantees the plurality of expression of schools of thought and opinion.

In relation to public life

- Pursuant to the right to information, the Company ensures compliance with the presumption of innocence, respect for privacy and the anonymity of juvenile offenders.
- Programme content must not encourage criminal or uncivil behaviour, it must respect the general

public's various political, cultural and religious sensitivities, it must not encourage discriminatory behaviours based on race, gender, religion or nationality, it must promote the French Republic's values of integration and solidarity and take into consideration, in on-air representation, the diversity of the origins and cultures of the French community.

- Every year, the channel informs the CSA of its commitments to promote the representation of the diversity of French society in its programmes for the coming year.

In relation to individual rights

- The Company must guarantee personal dignity and individual rights relating to privacy, image, honour and reputation, and ensure restraint is shown in the broadcast of images or testimonials liable to humiliate people, to avoid complacency in reporting human suffering, and ensure that individuals' testimonies on facts regarding their private lives are only collected with their informed consent.

In relation to the protection of children and adolescents

- The family-friendly nature of the Company's programming should be reflected at times where a younger audience is most likely to be watching TV, i.e. between 6am and 10pm. Within these time slots, and all the more so in the portion devoted to youth programmes, violence, even psychological, should not be perceived as continuous, omnipresent or presented as the sole solution to conflicts. The Company complies with the classification of programmes in accordance with five degrees of assessment of their acceptability in light of the protection of children and adolescents and applies the rating system accordingly.

In relation to the integrity of information and programmes

- The integrity requirement applies to all programmes. The Company verifies the validity and sources of information. Its origin must be specified wherever possible. Uncertain information must be qualified when presented. It should be impossible to identify people and places, except where the individuals involved have given their consent before the programme is broadcast.
- When the Company presents on air, outside advertising slots, audiovisual communication service editing or distribution activities developed by a legal entity with which it has a significant capital relationship, it should strive to give a strictly informative character to the presentation, in particular by moderating the tone and restraining the significance attached to the topic. It should point out the nature of this relationship to the audience on this occasion.

In relation to defending and illustrating the French language

- The Company ensures the correct use of the French language in its programmes, as well as in adaptation, dubbing and subtitling of foreign programmes. The Company must strive to use French in the titles of its programmes. A French language consultant must be appointed by the channel.

The Group's other channels must also comply with these standard obligations.

Monitoring the compliance of programmes is overseen by a specific department within M6 Group.

7.3.12 Compliance of advertisements

The Group's advertising agency, M6 Publicité, has entrusted ARPP (*Autorité de régulation professionnelle de la publicité*), by way of an inter-professional agreement, with a consulting role in guaranteeing the compliance of advertisements with general audiovisual advertising and communication rules. The current procedure, at the expense of agencies and/or advertisers, provides for prior disclosure to the ARPP before the first broadcast. This disclosure is given an order number that must always be communicated to M6 Publicité before broadcast.

As mentioned in its General Terms and Conditions of Sales, M6 Publicité reserves the right to refuse to broadcast or suspend the broadcast of any advertisement, if it considers that it fails to comply with the laws, regulations and practices governing audiovisual advertising and communication, or if it is contrary to the channel's interests or those of its subsidiaries, or if the CSA subsequently deems that an advertisement is non-compliant and bans any further broadcast and/or demands that the film is

withdrawn from air. The editorial quality and legal control aspects are managed by the agency's advertising broadcast department.

In addition, M6 is a signatory to the advertisers' charter on responsible communication. As part of this, M6 is specifically committed to promoting, across all Group audiences, responsible behaviour and the respectful use of information relating to the private lives of its stakeholders in advertising and communication campaigns.

The Group does not broadcast any advertising in relation to firearms, or any pornographic material.

7.3.13 Sound level compliance of TV programmes

M6 Group pays particular attention to the comfort of viewers and complies with the provisions of Decree No. 92-280 of 27 March 1992, which notably made it compulsory for TV channels to make the sound levels of programmes consistent with those of advertising breaks. Moreover, M6 Group participated in the consultation, after and on which the CSA based its ruling No. 2011-29 of 19 July 2011 that enabled editors to comply with these provisions by defining technical parameters relating to the sound intensity of advertising breaks.

7.3.14 Programmes accessible to all

To M6 Group, and in accordance with the Law of 11 February 2005 on equal rights and opportunities, accessibility not only means the participation and citizenship of people with disabilities, but also taking account of disabilities, first and foremost by subtitling its programmes for the benefit of the deaf and hard-of-hearing.

Since 2010, M6 has made all its programmes accessible to people with hearing difficulties (excluding commercial breaks, self-promotion, trailers, songs performed live and instrumental music, teleshopping and live broadcasts of sporting events between 12am and 6am).

Since 2011, W9 has also been obliged to subtitle all its programmes.

Lastly, 6ter was obliged under its agreement to subtitle 60 % of its programmes in 2015.

In addition, since 2009, the new broadcasting control room enables all Group channels to broadcast specific subtitles and thus provide access to the greatest number of broadcasts by Paris Première, Téva and M6 Music.

In November 2013, M6 Group actually strengthened its commitments in relation to the accessibility of programmes to blind or visually impaired people for the years to come.

	M6	W9	6ter
Accessibility of programmes to the deaf and hard of hearing (subtitling)			
2013	100%	100%	40%
2014	100%	100%	50%
2015	100%	100%	60%
Accessibility of programmes to the blind and partially sighted (audio-description)			
2013	52 programmes including 20 new with audio- description	12 new programmes with audio- description	1 new programme with audio- description
2014	60 programmes including 30 new with audio- description	14 new programmes with audio- description	6 new programmes with audio- description
2015	70 programmes including 40 new with audio- description	17 new programmes with audio- description	12 new programmes with audio- description

7.3.1.5 Fit-for-purpose governance structure

M6 corporate governance principles are governed by all the standards and laws applicable in France. Since 2000, Métropole Télévision has been a limited liability company with an Executive Board and a Supervisory Board, which offers a clear separation between Group operational management and the supervision of that management.

In addition, the cap on the number of voting rights and the organisation of corporate governance is repeated in the Bylaws, in accordance with French legislation and the CSA, which states that:

- Within the framework of the provisions of Article 39 of the Law of 30 September 1986, no natural person or legal entity, acting alone or in concert, may directly or indirectly hold more than 49% of the share capital or voting rights of a company holding a broadcasting licence for a national terrestrial free-to-air television service;
- As part of the divestment of Suez Group agreed with the regulator, in a ruling dated 20 November 2003, Article 2 of the M6 channel's agreement with the CSA was amended to state that no shareholder or group of shareholders acting in concert may hold more than 34% of the total number of shares in the company and/or voting rights attached to them, and that at least a third of Supervisory Board members must be independent.

Lastly, within M6 Group, there is an internal control mechanism aimed at ensuring:

- compliance with laws and regulations,
- application of the instructions and guidelines set by the General Management or the Executive Board.
- the proper functioning of the Company's internal procedures, especially those contributing to the protection of its assets,
- the reliability of financial information,

and generally, contribute to control and efficiency of operations and the efficient use of resources.

By helping to prevent and control the risk of not achieving the objectives set by the Company, the internal control mechanism plays a key role in managing and steering the various operations.

This mechanism is detailed in the Report of the Chairman of the Supervisory Board on corporate governance, and internal control and risk management procedures, in Section 2.6 of this document.

7.3.2 Programmes - the Group's main responsibility

7.3.2.1 Representing French diversity

One of the main objectives of M6 Group is to represent diversity in French society as accurately as possible in its programmes.

In addition to its contractual commitment in relation to representing the diversity of French society, the M6 channel is duty bound, as a broadcaster, to reflect on its channel the image of multicultural France both by the promotion of the values of integration and solidarity and by the presence of minorities in its programmes. This mindset also applies to W9 and 6ter. The CSA sees that commitments made by the channels each year are honoured, basing themselves on the results of diversity scales, whose results are satisfactory for all Group channels.

The three themes used in 2014 by the Conseil Supérieur de l'Audiovisuel on its diversity scale are as follows:

- socio-professional categories,
- visible minorities,
- disability.

Gender equality is now subject to particular scrutiny, since the competence of the CSA in this field was strengthened by Law n°2014-873 of 4 August 2014 for true gender equality.

M6 is also committed to combatting all other forms of discrimination (based on sexual orientation, against pregnant women, people suffering illness, etc.).

a) Integration and diversity

M6 Group represents all socio-professional categories in its programmes, both in the choice of subject matter (Capital on 8 February 2015 dealt with the history of the Relais-Emmaüs charity), and in the participants in programmes (*L'amour est dans le pré*, *Un dîner presque parfait*, *Les Reines du shopping*, *La France a un incroyable talent*, *Top Chef*). M6 Group pays particular attention to professional integration – the Group's channels, for the fifth consecutive year, partnered with the organisation "Our Areas Have Talent" and supported it on various channels. This organisation is a genuine facilitator of professional integration, committed to equality of opportunity. Since its launch, it has organised an initiative intended to promote the professional integration of young graduates under the age of 30 from deprived areas or disadvantaged social backgrounds, thanks to a system of sponsorship by business managers and executives experienced in the sector. Since 2014, the Group has been a signatory to the Charter promoting the training and professional integration of students with disabilities.

The promotion of visible minorities is also a real priority for M6 Group. Represented in all its aspects, diversity can be seen within the channel's teams of presenters (Kareen Guiock, Karine Lemarchand, Anicet Mbida, Laurence Roustandjee, Derka, etc.), in the actors and artists (*Marrakech du rire*, *Malik Benthala se la raconte*, etc.), as well as in the choice of subject matter in the reports (for example, on 25 October 2015 *Zone Interdite* broadcast a report on mixed marriages, *Quand l'amour triomphe des préjugés*) and in drama series (both French - *En Famille*, *Scènes de ménages* – and foreign, such as *Empire* and *Murder*). Similarly, M6 Group broadcast a promotional piece on diversity on 14 July 2015 for no payment. Lastly are examples of productions of films in which the Group was involved, such as *Chocolat* and *Nous trois ou rien*, about the true story of a young Iranian lawyer who, after spending many years in the prisons of the Shah, decides to flee the country with his wife and son during the Revolution.

Finally, gender equality remains central to the commitments of Group channels, both in the structure of the Group (see Section 7.2.5 of this document on the Group's commitments to gender equality) and programming. Thus, by way of illustration:

- Current affairs and news bulletins are pursuing their aim of significantly increasing the airtime of female experts;
- All the juries of talent quests are mixed (*Incroyable talents*, *Top Chef*, *Le meilleur pâtissier de France*);
- M6 is combatting stereotypes by broadcasting programmes such as the Festival des Musik'elles de Meaux, the Aïcha des Gazelles rally, the Cap Fémina Aventure awards as well as the incredible success of the Women's World Cup;
- M6 Group took part in the second edition of 24 hours of women's sport organised by the CSA on 24 January 2015 (reports in news programmes, broadcast of a special clip, documentaries, posting on the 6play site, etc.) and in 2016 will be involved in four seasons of women's sport;
- W9 broadcast all France's matches in the Women's Football World Cup in Canada in June 2015. In addition, 4.1 million viewers watched France's final match in the competition on the channel, thereby achieving a record audience for DTT.
- M6 Group pays particular attention to the depiction of women in music videos broadcast across all its channels.

b) A strong commitment to disabled people

Here again, M6 Group's mission is not just to tackle the daily life of disabled people in its reports, but also to allow them to participate in the programmes and games, just like the other contestants (*Un diner presque parfait, La France a un incroyable talent, etc.*).

In addition, M6 highlights the work and the actions of organisations for the disabled in most of the topics dedicated to this theme. In 2015 and for the ninth consecutive year, M6 Group mobilised its employees for the disability employment week which took place between 16 and 22 November 2015. On this occasion, M6, W9 and 6ter broadcast six pieces throughout the week called "Différents et alors ?!", with each piece in which a disabled sports champion meets a Group presenter and introduces them to their sport. These videos were made by Promo JARIS 2015 of the Act'Pro charity – JARIS Productions, an organisation that offers training in the journalism and audiovisual fields to people with disabilities or from ethnically diverse backgrounds. W9 also broadcast a message from W9 presenters in sign language, encouraging us to abandon our misconceptions about disability. Louise Ekland, Nathalie Renoux, Marie-Ange Casalta and Jérôme Anthony appear in this message.

During this national week encouraging the employment of disabled people, the M6, Deloitte and Prisma Media Groups all mobilised, with the support of Adecco France, to promote access to jobs for people with disabilities.

The purpose of the programme christened "One Day, One Job in Action" was to enable job seekers with disabilities, recruited and supported by Adecco, to spend a day within the M6, Deloitte and Prisma Media Groups.

Each participant was offered a placement in line with their professional aspirations within the 3 Groups and was supported throughout the day by an employee who introduced them to their job (human resources, finance, sales administration, general services, personal assistant, etc.).

Since 31 March 2012, the M6 channel has broadcast a report in sign language every week in the children's module "M6 Kid", with the translation overseen internally by a deaf employee.

7.3.2.2 Child and youth protection

This cause is one of the anchors of M6 Group's social commitment, which each year is involved in a number of initiatives in this area to support sick children, provide remedial courses and prevent hazards.

a) Television, a powerful media

The M6 network is a powerful contributor to the Alerte Enlèvements system, implemented in 2005 by all main radio stations and television channels that are signatories to a memorandum of understanding in relation to the Amber Alert mechanism, which had been successful in the United States for a number of years. It involves the mobilisation of maximum media power during the first 24 hours after a child has been kidnapped, and to broadcast over as wide an area as possible information that could lead to the child's rescue. This commitment by the Group consists of communicating essential information to as many people as possible, such as a description of the child or the abductor, as well as the circumstances of the kidnap, using tickers passing at the bottom of TV screens, programme interruptions, or the repeated showing of photographs to help identification.

b) Protecting our youngest viewers

Reviewing content

M6 Group has formally set out a procedure to review its programmes, which varies according to the type of content. The content of news broadcasts therefore falls under the responsibility of editorial staff. Conversely, news magazines such as Capital and Zone Interdite are viewed by a dedicated committee under the control of the General Secretary.

Rating system

Concerning programming, the protection of children has been guaranteed since 1989, when M6 took the initiative to create a rating system stating the target audience of films. It was finally imposed on other channels by the Conseil Supérieur de l'Audiovisuel in 1996. However, the commitment of M6 in this area has not weakened and the Group also ensures that its programmes do not contain violence, vulgarity, or anything likely to shock young viewers. To this end, the Group closely monitors the development of co-produced series, from concept to delivery of the final episode. Dubbing of foreign films is also done with the greatest care. Thus, all the youth programmes, films, series, made-for-TV films, or music videos are viewed and validated by a Viewing Committee that gives its recommendations to the Ratings Committee, the final arbitrator of the allocation of the 4 categories (all viewers, under 10 years, under 12 years and under 16 years).

Once again this year, M6 Group channels supported and broadcast the ratings campaign proposed by the CSA between 20 November and 10 December 2015, and the specific campaign for the protection of children under three to be held from 18 to 20 February 2016.

In addition, pursuant to the terms of the CSA deliberation dated 17 April 2007, M6 has drafted a charter governing the participation of minors in its TV shows, with a view to protecting them and establishing specific conditions for participation.

Food charter and combatting childhood obesity

Under the auspices of the Health Minister and the Minister for Culture and Communication, on 18 February 2009 TV channels, producers and advertisers signed a charter devoted to fighting childhood obesity in France. This charter, with a duration of 5 years and controlled by the CSA, grants preferential prices to the National Institute for Prevention and Education in Health, "*Institut national de prévention et d'éducation pour la santé*", to broadcast its prevention messages aimed at encouraging a balanced diet and physical activity. It includes editorial commitments by channels to promote and educate young audiences, in particular by promoting balanced eating behaviours.

M6 Group renewed its commitment to promote a healthy and balanced diet and physical activity in programmes and advertising, by signing, on 23 May 2013, a renewal of the food charter for a period of five years.

M6 Group supported and reported on the European Anti-Obesity Days on 22 and 23 May 2015 via special programming on the channels M6, W9 and 6ter (including, for example, an edition of Zone Interdite devoted to diets, broadcast on 24 May 2015).

Control

M6 Group is responsible for the information broadcast on its websites. Concerning its community sites, a service provider is responsible for moderation and, once the messages have become public, verifies those which are insulting, defamatory, racist or that represent any other incitement to violence or hatred and, where appropriate, removes them from the websites.

Over the last eight years, M6 Group has also been a partner of Action Innocence, a charity that campaigns for the prevention of risks to children posed by the internet. This support involves the broadcasting free of charge of their campaign via TV, online and mobile.

Lastly, M6 Mobile offers capped tariffs with unlimited evening and weekend calls with its package targeting 15-25 year olds. Since November 2007, members of AFOM (French Association of Mobile Phone Operators), of which M6 mobile is a member due to its M6 Mobile by Orange offer, signed an agreement committing to automatically offering parental control when the line is activated.

7.3.2.3 Raising public awareness of worthy causes

M6 is highly committed to promoting a more socially responsible television service and broadcasts messages and short films with a social content free of charge.

M6 intends to assist and to encourage not-for-profit and charitable actions and to increase the



general public's awareness of them. In 2015, many campaigns from humanitarian, non-governmental and charitable organisations thus broadcast free of charge on M6 and on the Group's digital channels, supporting causes in the fields of solidarity (Action Contre la Faim, Croix-Rouge Française, France Bénévolat, Les Petits Frères des Pauvres, l'Ordre de Malte, etc.), health (the fight against AIDS, the fight against cancer, research into rare diseases, Fondation pour la recherche sur le cerveau, Médecins du Monde, the fight against cystic fibrosis, the fight against autism, etc.) and education/culture (Les amis du projet Imagine, Plan International France, etc.), as well as Reporters Sans Frontières.

Programmes from the Group's channels are also an opportunity to raise public awareness of certain difficult situations and to bring the support of teams to improve the daily lives of those concerned. Examples include the project launched with Unicef, *Kids United*, whose music videos were broadcast many times on the Group's channels, and in particular on M6 and W9, throughout the day, from 20 to 24 November 2015 to support the World Day for the Promotion and Protection of Children's Rights.

During this difficult year, M6 Group supported the government's "Stop Jihadism" campaign, by broadcasting pieces encouraging families affected by this phenomenon to talk about it, and the Abbé Pierre Foundation, by producing and broadcasting a clip devoted to the International Day for the Eradication of Poverty and announcing the "Abbé Road" charity concert on 17 October 2015.

7.3.2.4 Prevent, act and increase awareness of public health challenges

For many years, a Group mechanism, set up both on Group channels and on the Internet, has been in place to support the Sidaction campaign against AIDS. The Group's channels, supported by presenters, have made Sidaction the keynote of a number of programmes, featuring trailers for the campaign, prevention information, special shows, awareness raising programmes, broadcasting of fundraising advertisements and production of pieces by W9.

M6 strives to warn viewers of risks associated with alcohol and drugs in its many magazines and reports.

Lastly, M6 supports numerous other causes, including France Alzheimer, the Institut Pasteur, the Foundation for Medical Research and HF Prevention.

7.3.2.5 Encourage a better understanding of the world

M6 Group seeks to deliver the most complete and most diverse information possible and, as stated in Article 33 of its agreement, "expand its programming of magazines and documentaries promoting understanding of the contemporary world, by dealing with diverse subjects such as employment, integration, the economy, science, ecology and the consumer society."

Capital, Zone Interdite, 66 Minutes, E=M6, Enquête Exclusive, le 12.45 and le 19.45 are programmes and magazines that illustrate, via the subjects dealt with, the M6 channel's commitment to inform and increase awareness of current and social issues and its expertise in deciphering major challenges.

7.3.2.6 Supporting creation and new talents

As part of its production and broadcasting obligations, M6 is committed to developing artistic creation and to valuing its diversity by focusing on young talent in cinema, audiovisual works and music.

The Group thus shares its cinematic investments carried out by its subsidiary M6 Films between established producers and young talent. Over the past 10 years, 50% were either first or second films. In 2015, M6 Films supported the cinema release of Kheiron's first film, *Nous trois ou rien*, starring Leïla Bekhti. M6 Films also supported young actors, such as Kev Adams and William Lebghil

in *Les Nouvelles aventures d'Aladin* and *Amis Publics*, which will be released in 2016.

On air, the Group is strongly committed to discovering new talent, including young actors in its audiovisual co-productions (*Soda*, *Scènes de ménages*, *Peplum*, *La Petite Histoire de France*), presenters and hosts (Kareen Guiock, Alex Goude, Derka, Chris Carvillo, etc.) and programme participants (Norbert Tarayre, Xavier Koenig, Juliette, winner of *Incroyable Talent 2015*, etc.). This desire is the Group's trademark, which is accompanied by loyalty to the talents discovered, as shown by the Group's support for their shows, record production, recipe books, new films, etc.

7.3.3 M6 Group, playing an active part in society

7.3.3.1 The M6 Corporate Foundation

In 2010, M6 Group created its own corporate foundation, having decided to get involved in the sensitive issue of prison life.

The Group exercises its responsibility for a cause that unites its employees around a project financed by all Group companies. The Foundation, which has a €2.5 million budget over five years, has set itself the target of supporting individuals who have spent time in prison at some point in their life, in order to combat reoffending and thereby support their reintegration into society.

a) Helping and improving the quality of life of inmates: a social necessity

M6 Group is the first company to decide to dedicate its Foundation to issues concerning the prison environment. Although life in prison and professional reintegration continue to attract little media attention, the Group's project deals with a genuine social issue. In fact, the results of the latest statistical study on reoffending (Infostat Justice - April 2014) conducted between 2004 and 2012 have revealed the fact that 45% of those convicted reoffended during that 8-year period. Faced with this finding and the high demand from charities and prisoners themselves, the Foundation has been developed in partnership with the prison authorities.

The unusual choice of this cause may sometimes be questioned, but it is perfectly in line with the Group's core business, since:

- Television, only authorised in prison since 1985, is, for most inmates, their only window to the outside world. The channel and M6 Group by extension are legitimate stakeholders due to their role as content editors and use their expertise in an often forsaken environment,
- Beyond prison, an offender's "reintegration" into civil society is a real issue for society, deserving of both human and financial resources, so that, apart from its punitive element, prison is a time for reflection and rebuilding for the offender with a view to their reintegration,
- It is a difficult issue that can only be carried by a Foundation instigated by a channel which intends to stand out from the rest and distinguish itself by its ambition and audacity.

b) Activities implemented by the Foundation

The Foundation's activities aim to enable inmates to become stakeholders in their rehabilitation. Throughout its 6 years of prison-based intervention, the M6 Foundation has been able to highlight the different needs of inmates and to develop appropriate projects. It has chosen to concentrate on three main themes: help with reintegration, improvement in the quality of life of prisoners and the support to specialised organisations.

▶ Promoting the future reintegration of offenders

- **It leads several programmes aimed at combatting illiteracy:**

✓ More than 1,000 books distributed to five prisons (Fresnes, Nice, Villepinte, Nanterre and Bois d'Arcy) to supply libraries, alongside the charity Sauvons les Livres (Let's Save Books).



✓ Prisons received more than 70 subscriptions to the magazine “*Vite lu*”, from the charity Lilavie, which simplifies the news for people with reading difficulties.

✓ Scholarships for destitute people (11% of prisoners in France have literacy problems, and 25% of them are almost completely illiterate).

The French Ministry of Education teachers’ priority is the acquisition of basic knowledge and preparation for the *Certificat de Formation Générale* (certificate of general education – first official qualification of France’s national education system). Lessons are offered free of charge and are unpaid. Certain prisoners must on occasion choose to leave the school in order to improve their living conditions by taking up an employed position. Further studies and sometimes basic skills training are not therefore possible for the most disadvantaged.

For this reason, a scholarship system based on merit (particularly attendance) worth € 40 per month has been introduced for the poorest prisoners.

➔ More than 400 scholarships were awarded to just over 150 prisoners in the Nord-Pas de Calais region during 2015.

✓ Basic knowledge and jobs at Tours Remand Centre, with Affic Cria 37, an organisation whose mission in particular is to coordinate measures to create a genuine training programme to provide access to professional training and/or employment whilst combatting illiteracy.

➔ A little more than 43 skills assessments were completed and 23 people took part in the workshops.

- **It supports reintegration programmes via jobs and training**

✓ **Ensemble contre la récidive:** The M6 Foundation supports this organisation in its halfway house project. A workshop providing training in chocolate production was opened in spring 2015 in partnership with the company Bernachon.

✓ **“Fabrique ta Brique – Former Pour Donner un Toit” (“Building Bricks – Training for a Roof Over Your Head”)** project In partnership with the organisation Inserxo, eight inmates from Liancourt Prison will attend a CPQ (Certificate of Professional Qualification) training course to qualify as metalwork technicians, with remuneration of 52% of the minimum wage and support in finding a work project upon their release with a link to this industry.

✓ **It provides training in the subtitling of programmes for the deaf and hard of hearing** at Bourg-en-Bresse Prison. This paid work, for which the prisoners have undergone prior training, is provided by professionals with recognised expertise and experience within this field.

➔ Eight training positions are available each year to Bourg-en-Bresse inmates.

✓ **It contributes to training prisoners in culinary/bakery skills.** As the food industry is a sector under pressure and is structurally a creator of jobs, in May 2012 the Panorama organisation and Thierry MARX created a catering skills training centre in Paris’s 20th arrondissement, Cuisine Mode d’Emploi(s). The M6 Foundation became a partner in this project to enable individuals under legal restraint as part of a criminal mediation, to access skills training (validated by a certificate of professional qualification). This training, which is short-term and totally free of charge, supports the drive to reintegrate prisoners and provide them with social skills, whilst in a general sense attempting to prevent the reoffending of individuals already within the justice system.

➔ Following the creation of a new kitchen financed by the Foundation (purchase of material), 18 new trainees were received, in addition to the 12 trainees already received each year.

Of the 12 trainees involved in the 2014/2015 initiative, six are on permanent contracts, two are on fixed term contracts, one is on a placement, one has been dismissed, one has withdrawn and one has been sent back to prison.

▶ Improving the quality of life of prisoners

The Foundation has set itself the objective of lending its cultural assistance to reintegration programmes launched by the Ministry of Justice through:

- **Film- and music-based initiatives**

✓ **Screenings:** Two screenings took place in 2015, with the films *“Libre et assoupi”* at Osny Remand Centre and *“Papa ou Maman”* at Réau Prison. Psychiatrist Catherine AIMELET came to lead a debate with inmates following the screening of the film.

➡ 150 inmates were involved in these screenings.

✓ **Shows:** in Northern France, the M6 Foundation relies on non-profit organisations to put on shows in prisons. Programming covers a broad repertoire: from rap concerts to jazz bands, via the reading of literary science fiction works, etc.

➡ Almost 350 male and female prisoners were able to enjoy these 4 concerts.

In addition, in the Ile de France region, a partnership was set up with the Paris Chamber Orchestra and the Divertimento orchestra. Although classical music is not the most frequently listened to within the walls of a prison, at concerts the prisoners were able to discuss this genre, which was new to them, with the musicians. Through this type of initiative, the musicians do not only perform, they talk, explain, comment on, and create a bond.

➡ Approximately a hundred prisoners attended these classical music concerts.

Moreover, in the PACA region, artists went to meet inmates in two prisons during four concerts which took place during 2015 (Bénabar in Toulon, Imany in Toulon and Nice, and Faada Freddy in Toulon).

➡ Approximately 300 inmates were involved.

- **sports activities:**

✓ **Sailing as a tool for reintegration:** Following five days of training in basic navigation at a leisure complex and five days' navigation at sea, inmates were able to take advantage of a life project supported by five structures (back to work programme, training, first aid, knowledge base, etc.).

The advantages of the sailing exercise translated into learning about managing the risk/safety balance, promoting communication and mutual support, better self-knowledge, notions of citizenship and community through responsibility for one's actions and respect for common standards.

➡ Eight individuals attended just over 10 days of sailing training combined with two months of support from integration organisations.

✓ **With the French Boxing Federation through boxing galas and meetings with boxers.**

These events make a change from the monotony of the prison world and forge links with the outside world through reintegration projects. Each inmate boxes demonstrating that they are in control of their behaviour and are channelling their aggression. The Foundation has supported three institutions (Poitiers/Vivonnes, involving the participation of 30 inmates, Poissy Prison, with educational bouts between 10 inmates and external amateur boxers, and the Moulins/Yzeure prison during a gala attended by about 30 inmates).

✓ **First national prison boxing challenge:** 25 inmates from nine prisons were on release for three days to fight each other and to discuss boxing values. The aims of this projects were to enable them to:

- Fully commit to long-term training prior to their release,
- Think differently and no longer think about the person in front of you,
- Channel their emotions and cope whilst respecting the rules.

▶ Financial support for several associations

a) The **Relais Enfants Parents** charity

The purpose of these organisations, which are found across the whole of France and are independent of the prison authorities, is to help maintain the relationship between a child and their parent during imprisonment. They have tasked themselves with creating reflection and meeting spaces, where children and parents will be able to experience a relationship and emotional interaction.

☞ 900 children were supported during access; 430 children were able to spend a few hours for Christmas with their parents who were in prison.

b) **Mouvement de Réinsertion Sociale** (MRS), a charity that seeks to prevent reoffending through social and professional reintegration of people leaving prison. This follow-up is initiated in prison and continued on release through the offer of temporary housing until the individual is able to support him/herself. Since the lack of proper support for prisoners on their release was an aggravating factor in reoffending, MRS applied itself to building a team of volunteers from the private, public and social sectors in order to support prisoners on their release.

☞ Nine people were able to benefit from funding to take their driving test.

☞ Just over eight men benefited from housing on their release.

c) **L'Oustal**, a charity that helps people released from prison find accommodation and work, and reintegrates them into the reality of administrative formalities (social security, tax, etc.).

d) **Arapej**, the programme created by the organisation is a free, anonymous and confidential telephone service for prisoners and their families to provide them with access to information (legal, social and administrative) to combat isolation and to maintain links with the aim of preparing for release from prison. The purpose of this project is to combat the social isolation of prisoners, to empower them whilst they serve their sentence and to prepare for their release to give them a better chance of reintegrating into society.

☞ More than 13,500 calls to this number are handled each year.

c) [A uniting project for employees](#)

The M6 Foundation motivates Group employees and brings them together around a rewarding and uniting project, which testifies to our Company's growing awareness of its role in society as a corporate citizen.

About one hundred Group employees thus contribute their expertise. They give time and share their expertise and experience in their respective fields to develop and put into place specific activities (IT, film discussions, culinary workshops, etc.) and support the 2 employees who work full time for the M6 Foundation.

Furthermore, for the sixth consecutive year in 2015, 40 M6 Group employees have agreed on a voluntary basis to take children to visit their parents who are in several prisons in the Paris region for Christmas parties, and Mother's and Father's Days organised by the charity Relais Enfants Parents.

In addition, almost 50 employees dared to don boxing gloves and enter a ring to square up to an ex-inmate now reintegrated thanks to boxing.

In the second half of 2015, the Foundation also launched a round of meetings called "Changing Perceptions of Prison" enabling employees to have discussions with prison governors, vocational and probation advisers, to talk about restorative justice and thereby better understand the challenges of prison.

7.3.3.2 Support for numerous other initiatives

M6 Group is a member of the organisation Neuilly Nouveaux Médias, a “1901 association” created in September 2010 by Jean-Christophe Fromantin, Mayor of Neuilly and Member of Parliament for Hauts de Seine, and consisting of the city of Neuilly-sur-Seine and the large companies located there.

The organisation’s aim is to promote the development of innovative new media start-ups (selected via competitive selection) by providing them for a minimum of 23 months with premises made available by large companies.

Thus in 2015, M6 Group welcomed the start-up Bird Office to its Neuilly premises, and provided it with an office and 5 workstations.

In addition, the Group chose to donate receptionists’ old uniforms to a clothing collection charity.

7.3.3.3 Steps to uphold respect of intellectual property

At a time where increased digitalisation of media necessitates new measures to protect works, M6 Group, a producer and broadcaster of content, is helping to develop an effective policy to combat piracy and to uphold intellectual property.

This policy is based on two principal areas:

- reduction in the timeframe for broadcasting works, an issue addressed by the adoption of the Creation and Internet law and the signing of the interprofessional agreement;
- the development of catch-up television and Video on Demand, that gives viewers access to a varied range of programmes.

7.3.3.4 Value and preservation of cultural heritage

The audiovisual rights subsidiaries of the Group contribute to the preservation of leading European films through the restoration of classic films.

This major restoration work was initiated in 2005 with the purchase of SNC’s catalogue of over 400 classic films by M6 Group. A total of 137 films had been fully restored by the end of 2015.

In 2015, an extract from the film *Les Aventuriers* by Robert Enrico was used by Parfums Christian Dior for the advertisement film for one of their flagship products, Eau Sauvage. Another film from SNC’s catalogue, *La Piscine*, was remade into the film *A Bigger Splash*, which was part of the official selection at the Venice Film Festival. There was also a partnership with the future Musée de la Gendarmerie et du Cinéma in St Tropez in relation to the six *Les Gendarmes* films.

7.3.4 Balanced and transparent relations with stakeholders

The role of M6 Group with everyone it deals with, such as shareholders, advertisers, viewers, customers or suppliers, is to maintain balanced and transparent relations with them.

7.3.4.1 Viewers

In order to strengthen dialogue with viewers and to reply to their queries as soon as possible, M6 Group has set up a fully dedicated service for each channel.

In 2015, the 3 websites “M6 et vous.fr”, “W9 et vous.fr” and “6ter et vous”, devoted to viewers, recorded more than 6 million hits, an increase of 13.5% compared with 2014.

This procedure is used by the Group to improve its programming service and each day a summary of the various comments is created and distributed to the teams, who are dedicated to reviewing these expectations and viewer feedback.

In addition, more than 7,000 viewer queries were processed by e-mail. The number of queries dropped by about 42% between 2014 and 2015, a decline that began in 2011, clearly demonstrating the change in viewer behaviour since the dedicated sites were created.

M6 Group closely monitors online developments in terms of its relationship with viewers. In particular, it has a significant presence on social networks:

	Dec. 14	Dec. 15
M6 – Facebook – Fans	2,133,218	2,079,417
M6 – Twitter – Subscribers	959,673	1,925,438
W9 – Facebook – Fans	1,352,211	1,301,737
W9 – Twitter – Subscribers	172,803	386,386
6ter – Facebook – Fans	91,533	101,815
6ter – Twitter – Subscribers	8,813	12,254

Today, the primary challenge for a media group is to encourage innovation in order to adapt to technological developments and changes in viewing habits and the use of its services. According to a Médiamétrie study (L’année TV (The TV Year) 2015), “3 million people aged 15 and above watch television via another screen on a daily basis”. This figure grew by one million in comparison with 2014. Furthermore, the French have an average of 6.4 screens per household, increasing opportunities for watching TV programmes. Lastly, this study also found that, in December 2015, 8.7 million viewers thus watched programmes either pre-recorded or via Catch Up.

These developments have led the Group to widen the distribution and availability of its content over the past few years, necessitating investment in both networks and digitalisation as well as ascertaining the existence and development of a viable business model for these new uses.

Mindful of not encouraging viewers to gamble, the Group does not offer any online betting services either via the Internet or on its channels.

7.3.4.2 At the service of consumers

M6 Group, with the development of its Ventadis business (Distance Selling) has acquired real expertise in customer relationship management, from the original order to customer service, to deal with all calls and requests in the best timeframes and conditions.

In 2013, Ventadis achieved renewal of the AFAQ ISO 9001 Quality Certification, initially obtained in 2010, for its "Mistergooddeal and Home Shopping Service" supply chain activities, including customer relations, logistics, stores and collection points. The renewal of this certificate valid for 3 years, confirmed that Ventadis does everything in its power to provide the best possible service when dealing with each of the parcels shipped annually.

7.3.4.3 Shareholders

M6 Group places strong emphasis on financial communication in order to deliver exact, precise and fair information to all shareholders, in accordance with applicable French standards and regulations. Seeking to be attentive to the financial community and its shareholders in this matter, the Group set up new information formats for individual and institutional shareholders, via a website dedicated to current finances in French and English: [www.groupeM6.fr/rubrique Finances](http://www.groupeM6.fr/rubrique_Finances)
Shareholders may contact the Company using the dedicated e-mail address: actionnaires@m6.fr.

The information policy regarding shareholders and the financial community is detailed in Section 3.2 of this document.

Shareholders are particularly invited each year to attend or be represented at the Group's General Meeting. They are also regularly invited to visit sets and production rooms, and to watch filming of television news programmes.

In addition, M6 regularly responds to questionnaires from non-financial rating agencies and maintains direct relations with socially responsible investors (SRIs) who can therefore underpin their assessments on the basis of in-depth discussions held in full transparency.

In 2015 and for the 3rd consecutive year, M6 shares were selected in the composition of the Gaïa index comprising the 70 securities posting the best 2013 performances out of 230 companies analysed. This index, established by Ethifinance with the backing of the SFAF and MiddleNext, is an index devoted to midcaps based on non-financial data.

This index measures the depth of involvement of the companies assessed in challenges related to sustainable development and corporate responsibility. The rating is calculated according to 119 criteria of which 22 in particular cover the environment, 31 corporate aspects, and 44 others governance.

Considered to be a benchmark database in the world of SRI (Socially Responsible Investments), the Gaïa index enables management and analysts to discover the most responsible companies and to integrate non-financial concerns into their analysis processes and investment decisions. The sample examined represents more than €150 billion in revenue and more than one million jobs.

Lastly, the Group was an award winner in 2014 at the Cérémonie des Grands Prix de la Transparence, organised by Labrador, which recognises the best regulatory practices in listed companies.

During this event, M6 Group won the major award for progress, a distinction which recognised the best progress amongst companies in the SBF120 segment, and thus acknowledges the Group's efforts to provide its shareholders with high quality information which meets the expectations of each of them.

7.3.4.4 Advertisers

Relations with advertisers and advertising agencies are governed by the Law of 29 January 1993, which came into force on 31 March, the so-called "Loi Sapin", which guarantees a completely

transparent advertising market.

7.3.4.5 Suppliers

Relations with suppliers, particularly programme producers are set out by multi-year contracts as regards US studios (films, series), that ensure the smooth exchange of content. In addition, M6 Group plays a major role in creating French and European audiovisual and cinematic works, by dedicating a significant part of its advertising revenue to numerous co-productions and by reserving part of its investments for independent producers.

More generally, M6 Group is pursuing a policy that aims to develop sustainable and balanced relations with its suppliers and sub-contractors: for all of its purchases, M6 follows an approach that aims to take into account not only economic factors but also social, corporate and environmental factors. This policy is used by the purchasing divisions of the various entities and subsidiaries of the Group.

By way of illustration, the Group's Production and Legal Departments have introduced into pre-purchasing contracts for animated programmes a clause requiring the supplier to comply with International Labour Organisation conventions, in particular those relating to forced labour and child labour. Should the contractor fail to comply with any of these provisions whatsoever, M6 will be entitled to request the automatic termination of the contract.

Similarly, as part of its major purchasing of services or products, SND, the Group subsidiary responsible for the distribution of audiovisual rights, is very mindful of the environmental and corporate commitments undertaken by its suppliers. The measures taken by each provider such as the recycling of waste, use of CAT (centres providing sheltered employment), equal pay for men and women, compliance with competition rules, etc. are also transmitted to SND and taken into account in the choice of suppliers during tendering.

Moreover, since the end of 2014, all cinemas in France were fitted with digital equipment. France now has the largest number of digitised cinemas in Europe. SND helped this digital switchover by offering all its films in digital format, as well as helping to finance the digital equipment by contributions made to cinemas as part of the broadcast of SND films.

Lastly, on DTT, M6 Group's channels are aired thanks to a network of 1,626 broadcast sites, whose operation is guaranteed by various broadcasters, following invitation to tender. During procedures to award these sites, and given the high levels of electrical power required for the operation of the network, M6 Group encourages broadcasters to give priority to solutions offering the best energy efficiency.

This document refers to social indicators to which particular attention has been accorded and which are relevant to the Group. The following additional indicators are less or are not relevant to our activity:

- Other measures taken to promote human rights,
- Compliance with ILO conventions regarding forced or compulsory labour and the abolition of child labour.

7.4 Environmental responsibility

The Métropole Télévision Group does not carry out activities that structurally present a significant impact on the environment, particularly on climate change. The Group is nevertheless mindful that preserving natural resources is a key issue for the 21st century, and is therefore involved in safeguarding the environment at its own level. The Group is attentive to its own consumption and seeks to take initiatives in this area, both in terms of recycling and making the public at large aware of the challenges of sustainable development.

As an example, on the occasion of the Climate Conference in Lima, Golden Moustache, M6 Group's humorous videos channel on YouTube allowed Nicolas HULOT to launch an appeal asking Internet users to sign a petition calling on heads of state to address the issue of climate change. This video, called *Break the Internet*, was viewed almost two million times and the petition received 600,000 signatures.

More generally, to demonstrate its commitment, M6 Group has adopted an approach in line with the charter proposed in 2007 by the Minister for Ecology, Jean-Louis Borloo, and addresses many of the issues raised by this charter. In fact, the Group has already carried out an assessment of its CO₂ emissions and broadcasts more environmental information.

M6 Group also strives to inform employees of the challenges of sustainable development and the relevant initiatives implemented within the Company. The internal communication department thus organises awareness-building activities regarding issues such as reducing printing, etc., via various communication media (emails, intranet, screen displays, etc.).

7.4.1 Environmental indicators

For several years, the Group has continued its efforts to reduce its impact on the environment in all areas of the company: travel, mail handling, vehicle fleet, paper, press subscriptions etc. Instead of a quantitative objective, the Group preferred a pragmatic approach with annual adjustments of requirements relating to key environmental indicators.

None of M6 Group's sites is subject to the EU Directive on greenhouse gas emission allowances. However, the CO₂ emissions caused by the energy consumption of the Neuilly building, which is owned by M6 Group, and of Rungis and Bordeaux, as well as the business travel of employees, are all monitored annually as part of the environmental impact. The assessment of these emissions over the last three years is presented below.

Mindful of adapting to the latest legislative developments in relation to environmental safety, M6 Group keeps an up to date record of audits to be carried out in this field.

The COP21 also was the opportunity to initiate a review on the improvement of the energy performance of the three Neuilly sites, beginning with an energy audit of these three sites under the NF EN 16247-2 standard, which was entrusted to an independent research unit. The findings of these audits will be analysed to initiate measures aimed at limiting the energy consumption of these buildings and consequently their greenhouse gas emissions.

This audit satisfies the requirements of Decree n° 2014-1393 of 24 November 2014 which compels businesses to carry out such a review. The Group has also committed itself to raising awareness among all its employees of its current energy use in order to make savings.

In addition, pursuant to Article R224-59-1 of the French Environmental Code, M6 Group has carried out regular audits of certain air conditioning systems, with the latest checks finding no anomalies.

The consumption of water, raw material and energy resources is monitored and controlled by the Group's General Services, as part of an approach aimed at reducing consumption and using equipment to improve energy efficiency.

A complete modern management system has been installed to deal with energy consumption, enabling the temperature and lighting of premises to be regulated according to a number of criteria, such as for example their occupancy rate. This centralised technical management of energy is intended to provide better control by the Group of its consumption. In addition, the Neuilly buildings are all equipped with air/water heat pumps which use free air energy to provide heating and hot water as well as to cool the technical rooms.

The latter is very regularly monitored in all areas. Water and energy consumption and CO₂ emissions of the Neuilly buildings – owned by M6 Group – and the Rungis, Nanteuil, Roubaix and Bordeaux buildings were as follows in 2015:

	2013	2014	2015
Water consumption (in thousands of m ³)	30.883	33.604	47.954
Gas consumption (kWh)	1,738,625	1,449,672	1,671,891
Electricity consumption (kWh)	14,232,145	14,246,321	15,013,668
CO ₂ emissions related to direct and indirect energy consumption (in tonnes)	402	357	383
Fuel purchasing (in litres)	3,456	2,034	4,096

M6 Group was faced with an increase in its water consumption in 2015 as a result of unexpected deposits needing to be flushed from the air-conditioning hydraulic network in one of the Neuilly buildings. These malfunctions have been resolved and should not reoccur in the future thanks to new and appropriate technical installations.

Moreover, the modernisation of the lighting system with the fitting of light emitting diode systems led to a fall in electricity consumption in 2015.

7.4.2 Waste production, paper management and recycling

M6 Group is especially committed to promoting the circular economy, and is keen to encourage the conservative and responsible use of natural resources via the prevention of waste, and through the reuse of products and their recycling.

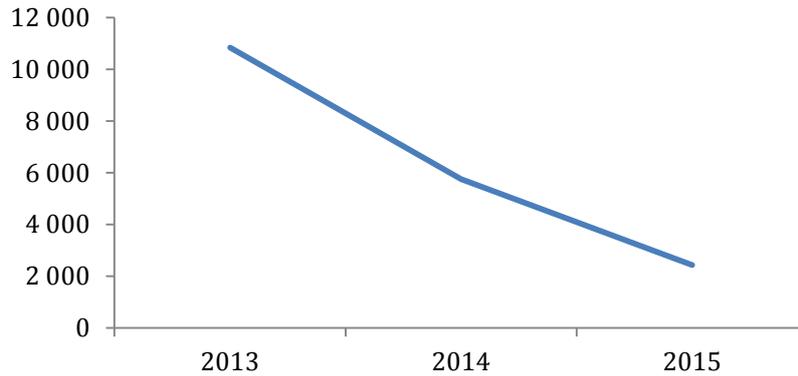
	2013	2014	2015
Paper and cardboard waste (tonnes collected in bins)	249	284	339
Non-hazardous industrial waste, including food waste (in tonnes collected from bins, including glass)	732	730	576
Batteries (in kilos)	576	444	546
Office waste paper (in tonnes purchased) **	48	40	31

In 2015, the Group decided to set itself a target regarding ink cartridge consumption by asking teams at the Neuilly sites to reduce their use of colour copies by 30% per year.

In a business like M6 Group's, paper is the main raw material used. In recent years, the Group has been actively engaged in reducing the amount of paper used within the company:

- Introduction of multifunction copiers to replace the Group's individual printers: by systematising double sided printing and by requiring swiping to print, paper consumption thus fell by one third between 2012 and 2014 and by a further 10% between 2014 and 2015. In addition, all paper used carries an ecolabel.
- To date, 49.5% of permanent Group employees have opted for the electronic monthly payslip, introduced in 2011, in place of paper slips, which they receive in a secure personal inbox.
- Since 2012, M6 Publicité has given its customers and media agencies the option of receiving their invoices in electronic format. To date, 27 agencies have already opted to go paperless, which represents 13,111 invoices out of a total of 23,459, meaning a volume of 56% and an increase of 75% compared with 2014.
- In May 2012, in conjunction with the Group's courier-service provider, the decision was taken to stop using paper courier docketts, resulting in an annual saving of around 20,000 docketts since 2013.
- Similarly, the Group decided to phase out hard-copy press subscriptions, replacing them with electronic versions. In 2015, 29% of newspapers and magazines were delivered in electronic format, compared with 12% in 2014.

In parallel with this desire to control utilities (water, energy, etc.) and reduce paper consumption, M6 Group also has an active policy of recycling waste arising from its operations (batteries, neon lights, IT hardware, toner cartridges, fluorescent bulbs, refrigerating machine oil, etc.). For example, this approach meant that 58% fewer new tapes were used for programmes in 2015 compared with 2014.

Number of new tapes purchased:

Data based on consumption at sites in Neuilly-Sur-Seine

In addition, as part of the recycling of Electrical and Electronic Waste (WEEE or W3E), the Ventadis (distance selling) division collected from its customers a contribution over and above the price of devices with electrical or electronic components. This eco-contribution, which is passed on in full to suppliers, is intended to finance the recycling of old appliances by specialised bodies. In 2015, the amount collected by HSS amounted to €0.1 million, the same as in 2014.

Lastly, a process is in place at MonAlbumPhoto.fr, confirmed by the French standard "Imprim' vert", recognised by all the operators in the graphic industry, certifying that all waste is recycled and that no toxic materials are used.

Consequently, MonAlbumPhoto.fr is committed to:

- ensuring its waste is collected and disposed of by approved waste collectors in accordance with regulations;
- providing secure storage for new stocks of hazardous liquids and also for waste liquids when in and not in use;
- avoiding the use of products labelled "toxic";
- implementing environmental awareness measures;
- establishing a procedure to monitor energy consumption every three months and to make this information available each time the trademark is renewed.

Lastly, in each of the Group's sectors, thought is being given to reducing the environmental impact of activities: the IT Department opted to make 95% of its servers virtual, making them more energy efficient than the more traditional physical servers. The Group's teams are also working on storing contracts digitally and have implemented the digital validation of invoices in internal processes.

7.4.3 Environmental buildings management

► Building at 107 avenue Charles de Gaulle à Neuilly

Construction of the office building at 107 Avenue Charles de Gaulle has been subject to a HQE (High Environmental Quality) process aimed at user comfort and quality of life as well as respecting the environment.

In this way, the operation obtained HQE certification in 2012 for the Design and Programme phase: equipment and materials have therefore been chosen for increasing the comfort of people and to reduce the environmental footprint of the building, including:

- a high-performance and energy efficient air-conditioning system, through the use of heat pumps and a heat recovery ventilation system,
- an acoustic atmosphere tailored to the various premises,
- optimal use of natural light for offices and shared areas,

- optimal use of ventilation outflows and state-of-the-art research on interior finishing materials to ensure good air quality,
- terraces and patios partially planted with trees to conserve biodiversity.

In 2013, during its construction phase, the building was awarded the THPE (*Très Haute Performance Energétique*) label for Very High Energy Efficiency. The many enhancements put in place have earned the building a *Passeport Bâtiment Durable* (Sustainable Building Passport) with a rating of "Excellent".

The certification body classed the following elements as "Highly Efficient":

- olfactory comfort in the building,
- air cleanliness,
- energy management,
- sustainability of environmental performance during maintenance.

For example, M6 has elected to improve energy consumption and support the environment including:

- widespread use of low-energy light bulbs,
- installation of motion sensors in lavatories, lifts, etc.,
- creation of green terraces encouraging biodiversity.

The Group still complies with the government circular of 5 June 2013 requiring exterior building lights to be switched off between 1 a.m. and 7 a.m.

▶ The Matmut Atlantique Stadium in Bordeaux

The Group ensured that environmental considerations were taken into account in both the design and construction of the new stadium in Bordeaux, delivered in April 2015 and which is home to the Girondins de Bordeaux football club.

Consequently, the consortium entered into an official undertaking to build the stadium with the least possible impact on the environment, signing a "green construction site" charter which forms part of the contract and is signed by all companies working on the site. The charter covers:

- site management,
- optimisation of waste management processes,
- restriction of nuisance factors,
- minimisation of pollution and the use of resources on the construction site.

This commitment translated into a series of objectives aimed not only at limiting the environmental footprint of construction works, but also at keeping the resulting waste production and nuisance factors (noise, visual impact, smell) to a minimum.

The main keys to achieving these objectives were the choice of manufacturing and building processes and the overall management of logistical issues relating to the building of the new stadium. In order to evaluate if the appropriate measures were put in place, and to ensure compliance with the stated objectives, the actual assessment submitted to the City Council upon delivery of the stadium will be compared with the carbon footprint estimated during the project's preparation.

By way of example, the measures put in place to protect fauna and flora were as follows:

- creating a commission to implement the necessary procedures and monitor the overall impact,
- re-establishing paths and crossings for semi-aquatic animals,
- monitoring by an ecologist of the conditions laid down by the Prefecture of the Gironde district.

▶ F.C.G.B pitches

Following the work undertaken since 2009 to reduce the volume of water required to water the pitches (down 40% since 2011), as well as the rollout of the “0 plant-care products” at F.C.G.B’s sports grounds, 2014 was notable for the five training grounds at the Haillan site being designated “Eco Sports Grounds” by the Union of European Football Associations (UEFA) and the Ligue Française de Football (LFP). In 2015, the pitches at the Haillan site once again received this label. The specifications for the label (108 items) were monitored at each site by Bureau Veritas, and particularly involved:

- Physicochemical soil analysis;
- Traceability of turf cultivation, nutrition and protection practices;
- Waste management.

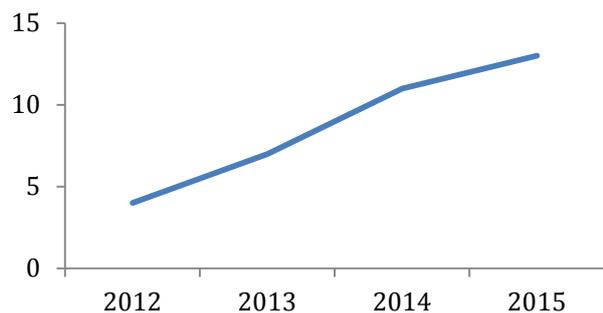
Maintaining the pitch at the Matmut Atlantique stadium, which was opened in 2015, also falls under this policy of the managing resources responsibly, and the collection of rainwater helps in its watering.

7.4.4 Transport and business travel

As early as 1997, M6 Group took the decision to establish its headquarters close to public transport, both for the convenience of its employees and to reduce commuting time. Today, the majority of the Group’s employees are still based at the site opposite the Sablons Métro station in Neuilly-sur-Seine. At 31 December 2015, 725 employees, or 45% of the Group’s workforce (excluding F.C.G.B.), used public transport for their daily commute.

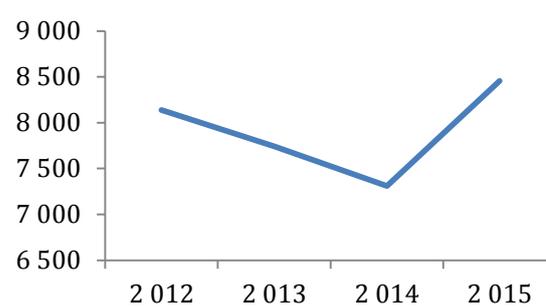
In addition, M6 Group has deliberately chosen a digital route in order to cut down on the number of business trips, even though reducing travel can be difficult for some activities (particularly reporting and production). As a result, the number of rooms equipped with video-conferencing facilities at Group sites has increased from 4 to 13 in the space of four years. Between 2012 and 2014, the amount of business travel fell, with the exceptional increase seen in 2015 being the result of the many trips caused by the acquisition of Oxygem, a subsidiary with offices located in Roubaix.

Number of rooms equipped for video-conferencing:



Group data

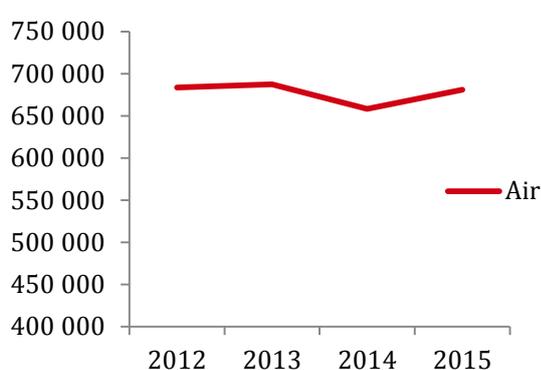
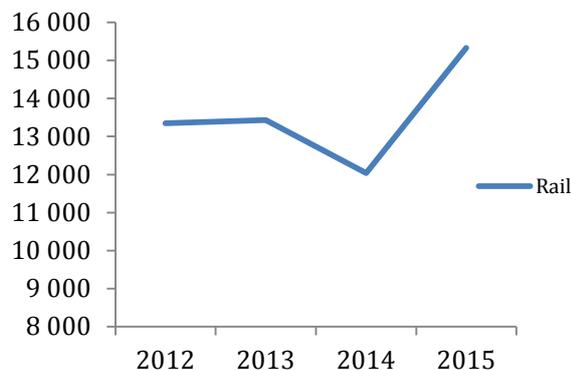
Number of business trips:



Neuilly data

Having fallen consistently between 2012 and 2014, CO₂ emissions rose in 2015 as a result of the travel caused by the acquisition of Oxygem. In terms of air and rail journeys, the Group's emissions are as follows:

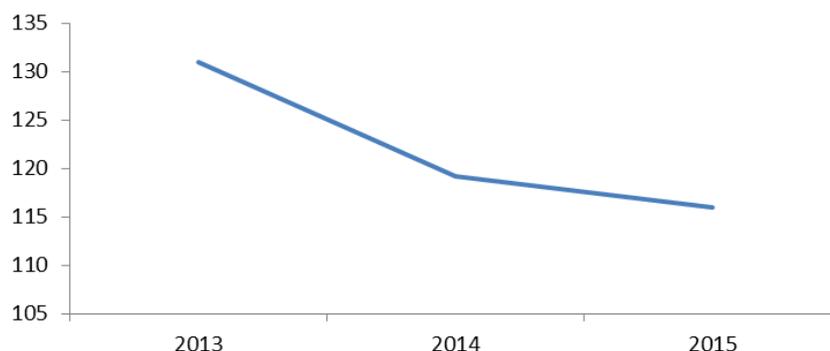
CO₂ emissions (kg) for business travel:



Data based on consumption at sites in Neuilly-Sur-Seine

Finally, M6 Group follows a very stringent policy with regard to the CO₂ emissions of its managers' company cars and the company vehicle fleet. As a result, average vehicle emissions have decreased over the last three years from 131 to 116 grams per kilometre. In 2014, the Group decided to further reduce CO₂ emissions to 130 g/km or lower for all vehicles purchased or hired.

It is also worth pointing out that all company vehicles are dry-cleaned by the service provider responsible.

Average emissions of the vehicle fleet (in g/km):

Data based on consumption at sites in Neuilly

7.4.5 Community awareness

The responsibility of a group producing and broadcasting content is also based on its desire to make the general public aware of the challenges of sustainable development.

M6 decided to play an educational role via high quality documentaries presenting the current ecological issues. These magazines have become flagships for the channel and thus represent a major audience attraction for these subjects among an increasingly broad audience.

As such, C Productions, the internal company which produces news magazines and documentaries, has produced several items on ecology and sustainable development for M6, including, as part of **Capital**, “*The Great Waste of Packaging*”, “*7 billion Medicines in the Bin*”, “*San Francisco, the Zero-Waste City*” and “*Organic Eggs: the Underside of the Shell*”.

Environmental issues and related news have also been the subject of many reports in news programmes (**Le 12.45** and **Le 19.45**): the COP21, the vote on legislation to combat food waste, pollution, global warming, greenhouse gases, etc.

Newscasts also regularly bring to the fore unusual stories or innovations relating to ecology: “*Organic farmers are joining together under one label to share costs*”, “*Installation of a wind turbine on Ushant*”, “*Introduction of a hydrogen powered bike*”, “*Magpies are being trained to collect cans*”, “*Photovoltaic road surfaces*”, etc.

Finally, the Group ensures that all its programming portrays a positive image of rural life in which respect for the environment is evident, particularly in the series **L’Amour est dans le Pré**.

This document refers to the environmental indicators to which particular attention was paid and which are relevant to the Group. The following additional indicators are less or are not relevant to our activity:

- resources dedicated to the prevention of environmental risks and pollution (see Section 4.7 of this document),
- the amount of provisions and guarantees for environmental risks (see Section 4.7 of this document),
- the prevention, reduction or remediation of air, water or soil emissions having a major adverse impact on the environment (see Section 4.7 of this document),
- adapting to the consequences of climate change (natural risks related to climate change have, to date, not led to any significant interruption of activities or material damage to buildings or products),

- land use (M6 Group's activity and its land use does not to our knowledge cause any significant threat to either diversity or to water resources since the use of land is limited to the place in which our office buildings and warehouses are located.

7.5 Cross-reference table with Decree 2012-557 of 24 April 2012 (Article 225 of the Grenelle II Law)

Themes	Sub-Themes	Degree of relevance	Reference	GRI Reference	Global Compact
Labour information					
Employment	1 Total workforce and employee distribution by gender and geographic region	++	7.2.1.1	G4-10	
	2 Recruitment and redundancies	++	7.2.1.1	G4- LA1	
Work organisation	3 Compensation	+	7.2.2	G4- LA13	
	4 Organisation of working time	++	7.2.1.2	G4- LA	
	5 Absenteeism	+	7.2.1.2	G4- LA6	
Labour relations	6 The organisation of social dialogue - including regulation and procedures regarding information, consultation and negotiation with personnel	+	7.2.6	G4- LA4	
	7 Collective bargaining agreements	=	7.2.6	G4- LA4	
Health and safety	8 Health and safety at work	+	7.2.7	G4- LA6 to 8	
	9 Work accidents, particularly their frequency and seriousness, and occupational diseases	+	7.2.7	G4- LA6	
Training	10 Agreements signed with unions or employee representatives in terms of health and safety at work	=	7.2.6	G4- LA8	# 3 to 8
	11 Training policies	++	7.2.3.1	LA11	
Equal opportunity	12 Total number of training hours	++	7.2.3.1	LA10	
	13 Measures taken to promote gender equality	++	7.2.1.5	G4- LA10	
	14 Measures taken to promote the employment and integration of disabled employees	++	7.2.4/7.3.2.1	G4- LA12	
	15 Anti-discrimination policy	++	7.3.2.1	G4- LA12, G4-HR3	
Promotion of and compliance with ILO fundamental conventions	16 Relating to freedom of association and the right to collective bargaining	=	7.2.6	G4-HR4 ; G4-LA4	
	17 Relating to the elimination of employment and occupational discrimination	=	7.2.5/7.3.2.1	G4-HR3; G4-LA13	
	18 Relating to the suppression of forced or compulsory labour	=	N/A	G4-HR6	
	19 Relating to the effective abolition of child labour	=	N/A	G4-HR5	
Environmental information					
General environmental policy	20 Company organisation to take into account environmental issues and, where applicable, environmental assessment and certification processes	=	7.4		
	21 Training and employee information actions conducted in relation to environmental protection	=	7.4		
	22 Resources allocated to avoiding environmental risks and pollution	=	N/A	G4-EN31	
Pollution and waste management	23 Amount of provisions and guarantees for environmental risks, providing this information is not liable to seriously prejudice the company in an ongoing litigation	=	N/A	G4-EN31 and G4-EC2	
	24 Measures to prevent, reduce or remediate air, water and land emissions that seriously damage the environment	=	N/A	G4-EN22 to 26	
	25 Measures to reduce, recycle and dispose of waste	=	7.4.1 / 7.4.2	G4-EN23	
Sustainable use of resources	26 Taking into account noise pollution and, where relevant, all types of pollution specific to a particular activity	=	7.3.1.3/7.4.3		# 9 to 11
	27 Use and supply of water in line with local constraints	=	7.4.1	G4-EN8	
	28 Use of raw materials and measures taken to make more efficient use of them	+	7.4.1 / 7.4.2	G4-EN1, G4-EN27	
Sustainable use of land	29 Energy consumption and measures taken to improve energy efficiency and the use of renewable energy sources	+	7.4.1	G4-EN3 to EN7	
	30 Use of land	=	N/A		
Climate change	31 Emissions of greenhouse gasses	+	7.4.1	EN16, EN17, EN18, EN19, EN20	
	32 Adaptation to the consequences of climate change	=	N/A	EN18, EC2	
Biodiversity	33 Measures taken to safeguard biodiversity	=	7.4	G4-EN11 to EN14	
Corporate social information					
Territorial, economic and social impact of the Company's operations	34 Territorial impact of operations on employment and regional development in France	=	7.3.3.2	G4- EC7 and G4-EC8	# 16 to 18
	35 Impact of operations on the local population	=	7.3.3.2	G4- EC1, G4-EC5 and 6	and 21
Relationships with stakeholders	36 Conditions of dialogue with these individuals or organisations	++	7.3.4	G4-24 to 27	# 2 and 16 to 18
	37 Acts of partnership or sponsorship	++	7.3.3		
Subcontractors and suppliers	38 Purchasing policies that take into account social and environmental issues	+	7.3.4.5	G4-EC9, G4-HR4, 5, 6, 8, 10	# 2 to 11
	39 Significance of sub-contracting and its inclusion in relationships with suppliers and subcontractors regarding their corporate, social and environmental responsibilities	+	7.3.4.5	G4-EC9, G4-HR4, 5, 6, 8, 10	
Fair practices	40 Measures taken to avoid corruption	++	7.2.8	G4-SO3 to 5	
	41 Measures taken to safeguard the health and safety of consumers	++	7.3.4.1/7.4.5	G4-PR1 ; G4-PR2	# 12 to 14
Other measures taken to safeguard human rights	42 Other measures taken to safeguard human rights	=	N/A	G4-HR	# 3 to 5

7.6 Report of the independent third party body on the corporate, environmental and social information included in the Management Report

KPMG Audit
1, cours Valmy
92923 Paris La Défense Cedex
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,565,699.20
Financial year ended 31 December 2015

Report of the independent third party body on the corporate, environmental and social information included in the Management Report

To the Shareholders,

As the independent third party organisation appointed by the company Métropole Télévision, accredited by COFRAC (French Accreditation Committee) under number 3-1049, we present our report on the corporate, environmental and social information included in the Group Management Report (hereafter the “CSR Information”), prepared in respect of the financial year ended 31 December 2015 pursuant to the provisions of Article L.225-102-1 of the Commercial Code.

Corporate responsibility

The Executive Board is responsible for preparing a management report incorporating the CSR information provided for under Article R.225-105-1 of the Commercial Code, prepared in accordance with the reporting criteria used by the company (the “Reporting Criteria”), a summary of which appears in the Management Report, and which is available on request from the company’s Registered Office.

Independence and quality control

Our independence is defined by regulatory texts, the profession’s code of ethics and the provisions set out in Article L.822-11 of the Commercial Code. In addition, we have introduced a quality control system which includes documented policies and procedures aimed at ensuring compliance with the applicable ethical rules, professional standards, and laws and regulations.

Responsibility of the independent third party body

It is our responsibility, on the basis of the work we have carried out, to:

- attest that the required CSR Information is included in the Management Report or, in the event of omission, an explanation in this regard pursuant to Article R.225-105 of the Commercial Code (Statement to the presence of CSR Information);
- express a conclusion of reasonable assurance on the fact that the CSR Information, taken in its entirety, is presented in all its material respects, in a true manner in accordance with the Reporting Criteria (Considered opinion on the fairness of the CSR Information).

Our work called on the expertise of 6 people between November 2015 and February 2016 for a period of approximately two weeks. To help us in the completion of our work, we consulted our CSR experts.

We performed the work described hereafter in accordance with the professional standards applicable in France and the Decree of 13 May 2013 setting out the conditions under which the independent third party body carries out its mission and, in relation to the considered fairness opinion, with ISAE (International Standard on Assurance Engagements) 3000².

1. Statement to the presence of the CSR Information***Nature and scope of the audit***

We have reviewed, based on interviews with the managers of the departments concerned, the presentation of guidance relating to sustainable development, according to the social and economic consequences related to the company's activity and its social commitments and, where applicable, the resulting action or programmes.

We have compared the CSR Information included in the Management Report with the list provided for under Article R.225-105-1 of the Commercial Code.

Where certain consolidated information is missing, we have verified that the explanations were provided in accordance with the provisions of Article R.225-105 Paragraph 3 of the Commercial Code.

We have verified that the CSR Information covered the consolidated scope, that is to say the company as well as its subsidiaries within the meaning of Article L.233-1, and the companies that it controls, within the meaning of Article L.233-3 of the Commercial Code, with the limits specified in the methodology note included in Paragraph 7.1 of the Management report.

Conclusion

Based on this work and taking into account the limits referred to above, we attest to the presence of the required CSR Information in the Management Report.

²ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

Considered opinion on the fairness of the CSR Information

Nature and scope of the audit

We conducted six interviews with the persons responsible for the preparation of the CSR Information within the departments in charge of the information gathering processes and, where applicable, responsible for the internal control and risk management procedures, in order to:

- assess the appropriateness of the Reporting Criteria with regard to their relevance, comprehensiveness, reliability, neutrality and comprehensible character, by taking into consideration, where applicable, industry best practices;
- verify the introduction of a collection, compilation, processing and control procedure to ensure that the CSR Information is comprehensive and consistent, and to review the internal control and risk management procedures in relation to the preparation of the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information in view of the company's characteristics, the social and environmental challenges of its activities, its sustainable development guidelines and best industry practices.

For CSR information that we deemed to be the most important³:

- at consolidating entity level, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, measures); we implemented analytical processes on the qualitative information and verified, based on sampling, the calculations, as well as the consolidation, of the data and we verified their consistency and agreement with the other information included in the Management Report;
- for a representative sample of entities⁴ that we selected based on their activity, their contribution to consolidated indicators, their location and a risk analysis, we conducted interviews to verify the correct application of procedures and implemented detailed tests by means of sampling, comprised of verifying the calculations made and reconciling the data with supporting documentation. The sample thus selected represented the entire workforce and between 65% and 100% of the quantitative environmental information presented.

For the remaining consolidated CSR information, we judged their consistency in relation to our knowledge of the company.

Lastly, we judged the relevance of the explanations, where applicable, of the total or partial absence of certain information.

³ Quantitative corporate information: Total workforce (breakdown by gender and category), Proportion of female executives and managers, Number of recruitments, Number of redundancies, Total number of hours' training, Number of FTE non-permanent staff (event contract workers and freelancers)

Quantitative environmental information: Energy consumption (electricity, gas, fuel oil), Greenhouse gas emissions related to energy consumption, Greenhouse gas emissions related to business travel.

Qualitative information: Measures taken to promote gender equality, The organisation of social dialogue, Company organisation to take into account environmental issues, Emissions of greenhouse gasses, Acts of partnership or sponsorship, Conditions of dialogue with individuals or organisations having a stake in the Company's activities.

⁴ Corporate information: M6 Group head office

Environmental information: Neuilly-sur-Seine buildings (89 et 107 avenue Charles de Gaulle, 46 rue Jacques Dulud and premises occupied at 114 avenue Charles de Gaulle)

We consider that the sampling methods and the sample sizes we have selected by exercising our professional judgment allow us to draw a conclusion of reasonable assurance; a higher level of assurance would have required more extensive verification work. Owing to the use of sampling techniques as well as other limits inherent in the operation of any information and internal control system, the risk of not detecting a significant irregularity in the CSR Information cannot be totally eliminated.

Conclusion

On the basis of our work, we found no significant irregularity that would call into question the fact that the CSR Information, taken in its entirety, is presented in a true manner in accordance with the Reporting Criteria.

Paris La Défense, 23 February 2016

KPMG S.A.

Anne Garans
Partner
Partner Climate Change
& Sustainable Development

Xavier Troupel
Partner



8 COMBINED GENERAL MEETING OF 26 APRIL 2016

8.1	Proceedings and Agenda of the Annual Combined General Meeting of 26 April 2016.....	332	8.5	Statutory Auditors' special report on the share capital reduction provided for by the 13 th resolution to the Combined General Meeting of 26 April 2016.....	354
8.2	Report of the Executive Board to the Combined General Meeting of 26 April 2016.....	334	8.6	Statutory Auditors' report on the authorisation to be given to the Executive Board to allocate free shares as provided by the 14 th resolution to the Combined General Meeting of 26 April 2016	355
8.3	Observations of the Supervisory Board to the Combined General Meeting of 26 April 2016	346			
8.4	Resolutions submitted to the Combined Annual General Meeting.....	349			

8.1 Proceedings and Agenda of the Annual Combined General Meeting of 26 April 2016

The Combined Annual General Meeting of the Company has been convened for 26 April 2016 and the agenda will be as follows:

Presentation of the reports of the Executive Board:

- on the Group's activities during 2015;
- on the resolutions to be presented at the General Meeting;
- on the allocation of free shares to certain employees and/or corporate officers during the year.

Presentation of the observations of the Supervisory Board to the General Meeting

Presentation of the report of the Chairman of the Supervisory Board on corporate governance and on internal control and risk management procedures

Presentation of the Statutory Auditors' reports:

- report on the parent company financial statements for the year ended 31 December 2015;
- report on the consolidated financial statements for the year ended 31 December 2015;
- report prepared in accordance with Article L. 225-235 of the Commercial Code on the report of the Chairman of the Supervisory Board regarding corporate governance and internal control and risk management procedures;
- special report on the regulated agreements and commitments covered by Articles L. 225-86 and subsequent of the Commercial Code;
- special report on the share capital reduction, as provided for by resolution 13;
- special report on the authorisation to allocate free shares to employees and corporate officers.

Vote on resolutions

The following resolutions will be submitted for approval by the General Meeting:

Resolutions in ordinary session:

- Approval of the parent company financial statements for the year ended 31 December 2015, approval of non-tax deductible expenses and charges,
- Approval of the consolidated financial statements for the year ended 31 December 2015,
- Allocation of profits and setting of dividend
- Statutory Auditors' special report on regulated agreements and commitments and approval of these agreements,
- Reappointment of Delphine ARNAULT as member of the Supervisory Board,
- Reappointment of Mouna SEPEHRI as member of the Supervisory Board,
- Reappointment of Guillaume de POSCH as member of the Supervisory Board,
- Reappointment of Philippe DELUSINNE as member of the Supervisory Board,
- Reappointment of Elmar HEGGEN as member of the Supervisory Board,
- Advisory opinion on the remuneration components, due or allocated for the financial year ended 31 December 2015, of Nicolas de TAVERNOST, Chairman of the Executive Board,

- Advisory opinion on the remuneration components, due or allocated for the financial year ended 31 December 2015, of Thomas VALENTIN and Jérôme LEFEBURE, members of the Executive Board, and David LARRAMENDY, member of the Executive Board since 17 February 2015,
- Authorisation to be given to the Executive Board to enable the Company to buy back its own shares under Article L. 225-209 of the Commercial Code; duration of the authorisation, objectives, terms and conditions and maximum number of shares,

Resolutions in extraordinary session:

- Authorisation to be given to the Executive Board to cancel shares bought back under Article L. 225-209 of the Commercial Code; duration of the authorisation and maximum number of shares,
- Authorisation to be given to the Executive Board to allocate free shares, existing or to be issued, to salaried employees and/or corporate officers of the Company or related companies, waiver of the shareholders' pre-emption right, term of the authorisation, cap, duration of vesting period particularly in the case of invalidity, and, if applicable, retention period,
- Powers to complete formalities.

8.2 Report of the Executive Board to the Combined General Meeting of 26 April 2016

Ladies and Gentlemen,

We have convened this Combined General Meeting to submit the following resolutions for your approval:

Resolutions in ordinary session:

The **1st resolution** submits for shareholder approval the financial statements of the Company for the year ended 31 December 2015, which show a profit of €108,461,352.90.

This resolution also concerns the approval of the expenses and charges stipulated in Article 39-4 of the General Tax Code, totalling €42,440 and the corresponding tax charge.

The **2nd resolution** submits for shareholder approval the consolidated financial statements for the year ended 31 December 2015, which show a profit attributable to the Group of €115,006,316.47.

The **3rd resolution** concerns the allocation of Métropole Télévision SA's profit of €108,461,352.90 for the year ended 31 December 2015. This profit, together with the retained earnings of €305,695,700.30, thus brings the total distributable profit to €414,157,053.20. It is proposed to distribute €107,452,110.80 in dividends, leaving a balance of €306,704,942.40.

Therefore, the dividend shall be €0.85 gross per share.

If this proposal is adopted, the ex-dividend date will be 18 May 2016 and the dividend will be paid on 20 May 2016.

The **4th resolution** submits for shareholder approval the agreements and commitments, covered by Articles L. 225-86 and subsequent of the Commercial Code and concluded or renewed during 2015, as mentioned in the conclusions of the Statutory Auditors' Special Report on these agreements included in section 6.9 of the 2015 Registration Document, which are as follows:

- Agreement concluded with the RTL Group, acting on behalf of Immobilière Bayard d'Antin S.A., in respect of the acquisition of blocks of shares in M6, up to 10% of the share capital, in particular with a view to cancelling them;
- Cash management agreement between Bayard d'Antin and Métropole Télévision, signed on 19 February 2010 and renewed on 15 November 2011, 15 November 2012, 15 November 2013, 15 November 2014 and 13 November 2015;
- Agreement entered into between Métropole Télévision and David LARRAMENDY, Member of the Executive Board, and covering his defined-contribution pension scheme.

The **5th, 6th, 7th, 8th and 9th resolutions** submitted for shareholder approval relate to the terms of office of members of the Supervisory Board.

The terms of office of 5 of the 12 members comprising the Supervisory Board will expire at the next General Meeting. To introduce the strict renewal of one third of the members of the Supervisory Board, which now includes 12 members, lots were drawn in order to determine the member whose

office would be renewed for two years, and the four members whose offices would be renewed for four years.

Accordingly, the following proposals were made, on the recommendation of the Remuneration and Appointments Committee:

- renew the terms of office of 4 members, Mouna SEPEHRI, Guillaume de POSCH, Philippe DELUSINNE and Elmar HEGGEN, for four years, expiring at the close of the Annual General Meeting called in 2020 to approve the financial statements of the year just ended,
- renew the term of office of 1 member, Delphine ARNAULT, for two years, expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements of the year just ended.

It is specified that the Supervisory Board considers that Delphine ARNAULT and Mouna SEPEHRI can be deemed independent in the light of the independence criteria of the AFEP-MEDEF corporate governance code for listed companies, to which the Company refers in terms of corporate governance.

The **10th resolution** submits to the shareholders' approval, in accordance with the recommendations of Article 24.3 of the AFEP MEDEF corporate governance code of listed companies revised in November 2015 to which the Company refers, the remuneration components due or allocated for the financial year ended 31 December 2015 to Nicolas de TAVERNOST, Chairman of the Executive Board, which are detailed below.

For further information, please refer to section 2.3 of the 2015 Registration Document.

Nicolas de TAVERNOST

Remuneration elements due or granted in respect of the year ended 31 December 2015	Amounts or accounting valuation voted	Details
Fixed remuneration	€925,008 (amount paid)	Unchanged since 4 March 2010
Annual variable remuneration	€731,218 (amount due)	<p>Variable remuneration in 2015 comprised two elements:</p> <ul style="list-style-type: none"> - additional remuneration (70% of variable remuneration), based on the level of achievement of the Group's consolidated EBITA target, as defined by the Supervisory Board, - remuneration as a corporate officer (up to 30% of variable remuneration), as determined by the Supervisory Board based on an audience criterion calculated for all channels held by the M6 Group. <p>All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.</p> <p>Variable remuneration increased by 46% compared with 2014.</p>
Deferred variable remuneration	€0	Nil
Multiyear variable remuneration	€0	Nil
Exceptional remuneration	€0	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	Options = €0	Nil
	Shares = €279,400	<p><u>Number of shares allocated:</u> 20,000 (or 0.02% of the share capital)</p> <p>The performance condition target for shares granted in 2015 (achievement of a specified level of consolidated net profit at 31 December 2015) was precisely determined but is not disclosed on the grounds of confidentiality.</p> <p>Subject to being employed by the Group on 28 July 2017.</p> <p>Date authorised by the Annual General Meeting: 5 May 2014 – 18th resolution</p> <p>Date of allocation decision: 28 July 2015</p>
	Other items = NA	Nil
Directors' fees	€0	Executive corporate officers do not receive any directors' fees from the Group.
Valuation of benefits in kind	€6,498	Company car

Remuneration elements due or granted in respect of the financial year just ended which are or have been subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
<p>Severance pay</p>	<p>€0</p>	<p>Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Nicolas de TAVERNOST's term of office as Chairman of the Executive Board, and (ii) the aggregate amount (x) of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment, and the amount (y) of compensation due, where appropriate, in respect of the non-competition clause.</p> <p>At its meeting of 5 May 2014, the Supervisory Board decided to retain the compensation mechanism for Nicolas de TAVERNOST in the event of non-voluntary departure, i.e. not following resignation or voluntary retirement, and subject to performance conditions (see paragraph below). Since the payment of this compensation is subject to the attainment of serious and demanding performance criteria, it may not be paid in the event of lack of performance.</p> <p>This undertaking was approved by the General Meeting of 28 April 2015 in its fifth resolution.</p> <p>The Board, acknowledging that this situation does not comply with the provisions of the AFEP-MEDEF Code whereby it is recommended that the payment of severance pay is contingent on a departure related to a change in control or strategy, considers that:</p> <ul style="list-style-type: none"> • The concept of change in control does not constitute a relevant criterion given the specific features of the Company, particularly the provisions governing the ownership of its capital. The provisions of Article 39 of Audiovisual Law n° 86-1067 of 30 September 1986, as amended, relating to freedom of communication, do not allow a shareholder to hold more than 49% of the share capital and voting rights. • The concept of change in strategy is particularly multifaceted in the audiovisual field. Nicolas de TAVERNOST could be required to step down without the major strategic policies that he initiated and implemented actually being called into question. Given the length of service of the party concerned within the Group and his contribution to its development since its creation in 1987, the Board considers it inconceivable for the compensation provided for by this agreement to be subject to any uncertainty regarding its interpretation.
<p>Non-competition compensation</p>	<p>€0</p>	<p>At its meeting of 5 May 2014 during which the Supervisory Board decided to renew the Executive Board in advance, Nicolas de TAVERNOST agreed to a non-compete covenant in respect of his duties as Chairman of the Executive Board. This undertaking was</p>

		<p>approved by the General Meeting of 28 April 2015 in its fourth resolution.</p> <p>This agreement lasts for a period of 12 months from the date of his departure and he would receive fixed-rate remuneration of 50% of the fixed and variable remuneration (except for free shares, LTIP, options and similar benefits) received during the twelve months preceding the termination of his duties.</p> <p>The Board has provided for a stipulation authorising him to waive the implementation of this agreement upon his departure and has not ruled out the application of this agreement in the event of departure due to retirement, given the small size of the audiovisual sector and Nicolas de TAVERNOST's level of experience.</p> <p>In accordance with Paragraph 23.2.5 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release Nicolas de TAVERNOST from this agreement.</p>
Supplementary pension scheme	€0	<p>Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity.</p> <p>The contributions paid by the Company amounted to €15,205, and were supplemented by a personal payment of €9,107.</p>

The **11th resolution** submits to the shareholders' approval, in accordance with the recommendations of Article 24.3 of the AFEP MEDEF corporate governance code of listed companies revised in November 2015 to which the Company refers, the remuneration components due or allocated for the financial year ended 31 December 2015 to Thomas VALENTIN, Jérôme LEFEBURE and David LARRAMENDY, members of the Executive Board, which are detailed below.

For further information, please refer to section 2.3 of the 2015 Registration Document.

Thomas VALENTIN

Remuneration elements due or granted in respect of the year ended 31 December 2015	Amounts or accounting valuation voted	Details
Fixed remuneration	€495,001 (amount paid)	Unchanged since 4 March 2010
Annual variable remuneration	€447,782 (amount due)	<p>Variable remuneration in 2015 comprised two elements:</p> <ul style="list-style-type: none"> - additional remuneration (70% of variable remuneration), of which 70% is based on the level of achievement of the Group's consolidated EBITA target, as defined by the Supervisory Board, and 30% is based on audience criteria for all channels held by the M6 Group, - remuneration as a corporate officer (up to 30% of variable remuneration), as determined by the Supervisory Board based on audience criteria calculated for all channels held by the M6 Group. <p>All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.</p> <p>Variable remuneration increased by +96% compared with 2014.</p>
Deferred variable remuneration	€0	Nil
Multiyear variable remuneration	€0	Nil
Exceptional remuneration	€0	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	Options = €0	Nil
	Shares = €139,700	<p><u>Number of shares allocated:</u> 10,000 (or 0.01% of the share capital)</p> <p>The performance condition target for shares granted in 2015 (achievement of a specified level of consolidated net profit at 31 December 2015) was precisely determined but is not disclosed on the grounds of confidentiality.</p> <p>Subject to being employed by the Group on 28 July 2017.</p> <p>Date authorised by the Annual General Meeting: 5 May 2014 – 18th resolution</p> <p>Date of allocation decision: 28 July 2015</p>
	Other items = NA	Nil
Directors' fees	€0	Executive corporate officers do not receive any directors' fees from the Group.
Valuation of benefits in kind	€6,771	Company car

Remuneration elements due or granted in respect of the financial year just ended which are or have been subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	€0	<p>Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Thomas VALENTIN's contract of employment, and (ii) the aggregate amount (x) of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment, and the amount (y) of compensation due, where appropriate, in respect of the noncompetition clause.</p> <p>It is specified, for the purposes of calculating this amount, that remuneration as a member of the Executive Board is excluded from the basis of Thomas Valentin's compensation calculation insofar as the contractual compensation for breach of contract he receives is part of his employment contract.</p> <p>Payment to Thomas VALENTIN of compensation for breach of contract is limited to cases in which his contract of employment is terminated for reasons other than dismissal for gross misconduct or serious negligence, resignation, or failure to perform his duties satisfactorily.</p> <p>Note that this mechanism results from Supervisory Board decisions dated 3 March 2008 and 10 March 2009, submitted to the Annual General Meetings of 4 May 2010 and 28 April 2015 in their 6th resolution.</p>
Non-competition compensation	No payment made	<p>Thomas VALENTIN agreed to, in respect of his employment contract, a non-competition commitment of 3 months for compensation of 50% of his fixed remuneration received over the last twelve months.</p> <p>In accordance with Paragraph 23.2.5 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release Thomas VALENTIN from this agreement.</p>
Supplementary pension scheme	€0	<p>Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity.</p> <p>The contributions paid by the Company amounted to €15,205, and were supplemented by a personal payment of €9,107.</p>

Jérôme LEFEBURE

Remuneration elements due or granted in respect of the year ended 31 December 2015	Amounts or accounting valuation voted	Details
Fixed remuneration	€399,997 (amount paid)	Unchanged since 24 July 2012
Annual variable remuneration	€132,389 (amount due)	<p>Variable remuneration in 2015 comprised two elements:</p> <ul style="list-style-type: none"> - additional remuneration (70% of variable remuneration), based on the level of achievement of the Group's consolidated EBITA target, as defined by the Supervisory Board, - remuneration as a corporate officer (up to 30% of variable remuneration), as determined by the Supervisory Board based on audience criteria calculated for all channels held by the M6 Group. <p>All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.</p> <p>Variable remuneration increased by 46% compared with 2014.</p>
Deferred variable remuneration	€0	Nil
Multiyear variable remuneration	€0	Nil
Exceptional remuneration	€0	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	Options = €0	Nil
	Shares = €125,730	<p><u>Number of shares allocated:</u> 9,000 (or 0.01% of the share capital)</p> <p>The performance condition target for shares granted in 2015 (achievement of a specified level of consolidated net profit at 31 December 2015) was precisely determined but is not disclosed on the grounds of confidentiality.</p> <p>Subject to being employed by the Group on 28 July 2017.</p> <p>Date authorised by the Annual General Meeting: 5 May 2014 – 18th resolution</p> <p>Date of allocation decision: 28 July 2015</p>
	Other items = NA	Nil
Directors' fees	€0	Executive corporate officers do not receive any directors' fees from the Group.
Valuation of benefits in kind	€6,276	Company car

Remuneration elements due or granted in respect of the financial year just ended which are or have been subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	€0	<p>Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Jérôme LEFEBURE's contract of employment, and (ii) the aggregate amount (x) of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment, and the amount (y) of compensation due, where appropriate, in respect of the noncompetition clause.</p> <p>It is specified, for the purposes of calculating this amount, that remuneration as a member of the Executive Board is excluded from the basis of Jérôme LEFEBURE's compensation calculation insofar as the contractual compensation for breach of contract he receives is part of his employment contract.</p> <p>Payment to Jérôme LEFEBURE of compensation for breach of contract is limited to cases in which his contract of employment is terminated for reasons other gross misconduct or serious negligence, resignation, or failure to perform his duties satisfactorily.</p> <p>Note that this mechanism results from Supervisory Board decisions dated 3 March 2008 and 10 March 2009, submitted to the Annual General Meeting of 4 May 2010 in its 8th resolution and to the Annual General Meeting of 28 April 2015 in its 7th resolution.</p>
Non-competition compensation	No payment made	<p>Jérôme LEFEBURE agreed to, in respect of his employment contract, a non-competition commitment of 3 months for compensation of 50% of his fixed remuneration received over the last twelve months.</p> <p>In accordance with Paragraph 23.2.5 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release Jérôme LEFEBURE from this agreement.</p>
Supplementary pension scheme	€0	<p>Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity.</p> <p>The contributions paid by the Company amounted to €15,205, and were supplemented by a personal payment of €9,107.</p>

David LARRAMENDY

Remuneration elements due or granted in respect of the year ended 31 December 2015	Amounts or accounting valuation voted	Details
Fixed remuneration	€250,003 (amount paid)	David LARRAMENDY was appointed to the Executive Board on 17 February 2016. His remuneration was not altered at the time of this appointment. His remuneration had been increased in December 2014, at the time of his appointment as Chief Executive Officer of M6 Publicité. It previously totalled €190,622.
Annual variable remuneration	€217,199 (amount due)	Variable remuneration in 2015 comprised two elements: - additional remuneration, representing 80% of its amount, based on the level of achievement of net annual advertising revenue for M6 Publicité, the term revenue meaning total net revenue achieved on behalf of advertising media at M6 Publicité, - remuneration as a corporate officer (up to 20% of variable remuneration), as determined by the Supervisory Board based on a criterion measured based on EBITA. All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality. Variable remuneration increased by +69% compared with 2014.
Deferred variable remuneration	€0	Nil
Multiyear variable remuneration	€0	Nil
Exceptional remuneration	€0	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration elements	Options = €0	Nil
	Shares = €104,775	<u>Number of shares allocated:</u> 7,500 (or 0.01% of the share capital) The performance condition target for shares granted in 2015 (achievement of a specified level of consolidated net profit at 31 December 2015) was precisely determined but is not disclosed on the grounds of confidentiality. Subject to being employed by the Group on 28 July 2017. Date authorised by the Annual General Meeting: 5 May 2014 – 18 th resolution Date of allocation decision: 28 July 2015
	Other items = NA	Nil
Directors' fees	€0	Executive corporate officers do not receive any directors' fees from the Group.
Valuation of benefits in kind	€4,683	Company car

Remuneration elements due or granted in respect of the financial year just ended which are or have been subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	N/A	David LARRAMENDY benefits from the provisions of the National Agreement for Advertising relating to severance pay.
Non-competition compensation	No payment made	David LARRAMENDY agreed to, in respect of his employment contract, a non-competition commitment of 12 months for compensation of 50% of his fixed remuneration received over the last twelve months. In accordance with Paragraph 23.2.5 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release David LARRAMENDY from this agreement.
Supplementary pension scheme	€0	Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity. The contributions paid by the Company amounted to €12,103, and were supplemented by a personal payment of €7,249.

The **12th resolution** submitted for shareholder approval concerns the authorisation to be given to the Executive Board to enable the Company to buy back its own shares, within the limits set by the shareholders and pursuant to the provisions of Article L. 225-209 and subsequent of the Commercial Code.

This authorisation would permit the purchase of up to 10% of the share capital at a maximum price of €25 per share during a period of 18 months. The maximum amount of the transaction is thus set at €316,035,620.00; The 2015 Registration Document (Paragraph 3.6) includes the features of the buyback programme proposed this year and provides information on the use of the previous programme.

Resolutions in extraordinary session:

The **13th resolution** submits for shareholder approval the authorisation to be given to the Executive Board, for a period of 24 months, to reduce the share capital by cancellation of treasury shares within the limit of 10% of the share capital of the Company, as calculated on the day the cancellation is decided, after deducting cancellations carried out within the last 24 months.

The authorisations to be granted by resolutions 12 and 13 will supersede previous authorisations of the same nature granted to the Executive Board by the General Meeting of 28 April 2015.

The **14th resolution** submits for shareholder approval an authorisation to allow the Executive Board to allocate free Company shares, existing or to be issued, to salaried employees and/or corporate officers of the Group for a thirty-eight month period starting from the General Meeting.

After 38 months, the total number of shares allocated may not exceed 2,300,000 shares (i.e. 1.8% of the capital at the date of this report), it being specified that the allocation of free shares to members

of the Executive Board may not exceed 345,000 shares within this total allocation (this specific cap is in accordance with Article 23.2.4 of the AFEP-MEDEF Code).

The Executive Board specifies that the total amount that can be allocated is in consistent with the growth of the Group and its workforce size and is intended to provide a motivating remuneration policy to its employees.

This authorisation would enable the Executive Board to pursue an incentive policy of employee share ownership that will reinforce the Company's development.

The allocation of shares to the beneficiaries will be final at the end of a vesting period, the duration of which will be set by the Executive Board and which may not be less than one year. The beneficiaries shall, where applicable, retain the shares for a period, set by the Executive Board, at least equal to the period required for the cumulative duration of the vesting and retention periods to be no less than two years.

This authorisation, which would, if necessary, allow the provisions set out in the Macron Law to be used, would terminate the authorisation granted to the Executive Board by the General Meeting of 5 May 2014.

The **15th resolution** submitted for shareholder approval concerns the delegation of powers to complete formalities.

We trust that these proposals will receive your support.

Neuilly sur Seine, 17 February 2016.

The Executive Board

8.3 Observations of the Supervisory Board to the Combined General Meeting of 26 April 2016

To the Shareholders,

At this Combined General Meeting called in accordance with the law and the Bylaws, you have just received the reports of the Executive Board and the Statutory Auditors for the year ended 31 December 2015.

In accordance with Article L.225-68 of the Commercial Code, we bring to your attention our observations regarding the Report of the Executive Board and the financial statements for the year ended 31 December 2015.

In addition, we bring to your attention the work of the Supervisory Board.

1. Observations of the Supervisory Board

The Report of the Executive Board to the General Meeting does not call for any specific comments by the Supervisory Board.

The Board has reviewed the proposed resolutions submitted to the General Meeting and invites you to approve them in order to provide the Executive Board with the necessary means by which to implement its strategy.

The financial statements for the year ended 31 December 2015, as presented to you, after review by the Audit Committee and certification by the Statutory Auditors, do not call for any comment by the Supervisory Board.

The Report of the Executive Board to the General Meeting does not call for any specific comments by the Supervisory Board.

The Board has reviewed the proposed resolutions submitted to the General Meeting and invites you to approve them in order to provide the Executive Board with the necessary means by which to implement its strategy.

The financial statements for the year ended 31 December 2015, as presented to you, after review by the Audit Committee and certification by the Statutory Auditors, do not call for any comment by the Supervisory Board.

Renewal of Board members

In accordance with the recommendations of the AFEP-MEDEF Code, your Company has, since 2012, been implementing staggered terms of office for Supervisory Board members. For this reason, five terms of office will expire at the Annual General Meeting of 26 April 2016:

- Delphine ARNAULT,
- Mouna SEPEHRI,
- Guillaume de POSCH,
- Philippe DELUSINNE,
- Elmar HEGGEN.

To introduce the strict renewal of one third of the members of the Supervisory Board, which now includes 12 members, your Company organised the drawing of lots in order to determine the member whose office would be renewed for two years, and the four members whose offices would be renewed for four years.

Accordingly, the Executive Board is making the following proposals, on the recommendation of the Remuneration and Appointments Committee:

- renew the terms of office of 4 members, Mouna SEPEHRI, Guillaume de POSCH, Philippe DELUSINNE and Elmar HEGGEN, for four years, expiring at the close of the Annual General Meeting called in 2020 to approve the financial statements of the year just ended,
- renew the term of office of 1 member, Delphine ARNAULT, for two years, expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements of the year just ended.

As a result, the Supervisory Board will henceforth be renewed by thirds.

At the end of our General Meeting, the Supervisory Board will still include five women out of a total of twelve members, making the Company compliant in advance with Law n°2011-103 of 27 January 2011, which requires a minimum of 40% women at the end of the first General Meeting to be held in 2017, and with the relevant recommendations of the AFEP-MEDEF Code.

Independence of Supervisory Board members

In accordance with the AFEP-MEDEF Corporate Governance Code, the Supervisory Board has reviewed the independence of each of the members whose terms of office are proposed to be renewed at the General Meeting. The Supervisory Board has also reviewed the independence of its other members.

Following this review, and in light of the independence criteria defined within the Supervisory Board's internal regulations prepared in accordance with the AFEP-MEDEF Code, the Supervisory Board noted the independence of Guy de PANAFIEU, Gilles SAMYN, Delphine ARNAULT, Mouna SEPEHRI and Sylvie OUZIEL, and that Guillaume de POSCH, Philippe DELUSINNE, Vincent de DORLODOT, Elmar HEGGEN, Christopher BALDELLI, Catherine LENOBLE (representative of Immobilière Bayard d'Antin) and Anke SCHÄFERKORDT were not independent members.

It is specified that Guy de PANAFIEU will no longer fulfil the independence criterion relating to seniority (12 years) following the expiry of his current term of office (i.e. at the end of the General Meeting scheduled to be held in 2018 in order to approve the financial statements for the year just ended) in accordance with the recommendations of the AFEP/MEDEF Code.

Accordingly, the Board invites you to approve the resolutions submitted by the Executive Board.

2. Work of the Supervisory Board

In accordance with legal regulations and in addition to the review of the parent company financial statements and the Report of the Executive Board, on which the Supervisory Board has just informed you of its observations, the Supervisory Board will periodically, and at least every three months, hear reports from the Executive Board on the Company's operations. The Supervisory Board authorises major investments, the granting of security and partial or total disposals of shareholdings and property assets and rights.

Aside from these duties, the key deliberations of the Supervisory Board since the last Annual General Meeting of shareholders concerned:

- interim and annual consolidated financial statements;
- the budget for the 2016 financial year;
- the results for the quarters ended 31 March and 30 September 2015;
- major investment projects, particularly in programming;
- the renewal of the share buyback agreement for subsequent cancellation and the treasury management agreement with RTL Group;
- the allocation of free shares to certain employees and/or corporate officers;
- the renewal of the authorisation given to the Executive Board to grant deposits, guarantees and sureties;
- the appointment of a new member to the Executive Board;

- assessment of the independence of Supervisory Board members;
 - the appointment of a new Chairman of the Supervisory Board;
- amendment of the Supervisory Board's internal rules,
- self-assessment of the Supervisory Board's work;
 - consultation on gender equality at work and equal pay.

We have no further comments to make.

Neuilly sur Seine, 23 February 2016.

The Supervisory Board

8.4 Resolutions submitted to the Combined Annual General Meeting

Resolutions in ordinary session:

First resolution

Approval of the parent company financial statements for the year ended 31 December 2015 -
Approval of non-tax deductible expenses and charges,

After reviewing the report of the Executive Board and the observations of the Supervisory Board, the report of the Chairman of the Supervisory Board and the Statutory Auditors' reports on the parent company financial statements for the year ended 31 December 2015, the General Meeting approves the parent company financial statements, which show a profit of €108,461,352.90.

The General Meeting specifically approves the total of €42,440 of expenses and charges covered under Article 39-4 of the General Tax Code, as well as the corresponding tax charge.

Second resolution

Approval of the consolidated financial statements for the year ended 31 December 2015

After reviewing the report of the Executive Board and the report of the Chairman of the Supervisory Board and the Statutory Auditors' reports on the consolidated financial statements for the year ended 31 December 2015, the General Meeting approves the consolidated financial statements, as presented, which show a net profit (Group share) of €115,006,316.47.

Third resolution

Allocation of profits and setting of dividend

The General Meeting approves the allocation of the profit for the financial year ended 31 December 2015, as proposed by the Executive Board, as follows:

Source

- Net profit for the year	€108,461,352.90
- Retained earnings brought forward	€305,695,700.30

Allocation

- Dividends	€107,452,110.80
- Retained earnings brought forward	€306,704,942.40

The General Meeting acknowledges that the total gross dividend per share is set at €0.85, the full amount thus distributed being eligible for the 40% tax relief referred to in Article 158-3-2 of the General Tax Code.

The ex-dividend date will be 18 May 2016.

The payment shall be made on 20 May 2016.

In the event of a change in the number of shares conferring entitlement to a dividend compared to the 126,414,248 shares comprising the share capital as of 31 December 2015, the overall dividend amount would be adjusted accordingly, and the amount appropriated to retained earnings would be determined on the basis of dividends effectively paid.

8. COMBINED GENERAL MEETING OF 26 APRIL 2016

Statutory Auditors' report on the authorisation to be given to the Executive Board to allocate free shares as provided by the 14th resolution

Pursuant to Article 243 (ii) of the General Tax Code, the General Meeting notes that the dividends paid and the distributions made over the past three financial years were as follows:

FINANCIAL YEAR	ELIGIBLE FOR TAX RELIEF		DISTRIBUTION NOT ELIGIBLE FOR TAX RELIEF
	DIVIDENDS	OTHER DISTRIBUTIONS	
2012	€232,885,333.40* being €1.85 per share	-	-
2013	€107,070,461.65* being €0.85 per share	-	-
2014	€107,323,071.45* being €0.85 per share	-	-

* Not taking into account undistributed dividends attributable to treasury shares and allocated to retained earnings.

Fourth resolution

Statutory Auditors' special report on regulated agreements and commitments and approval of these agreements,

Deliberating on the Statutory Auditors' special report on regulated agreements and commitments submitted to it, the General Meeting approves the new agreements mentioned herein.

Fifth resolution

Reappointment of Delphine ARNAULT as member of the Supervisory Board

The General Meeting decides to renew Delphine ARNAULT's term of office as member of the Supervisory Board for a period of two years, until the close of the General Meeting called in 2018 to approve the financial statements for the year just ended.

Sixth resolution

Reappointment of Mouna SEPEHRI as member of the Supervisory Board

The General Meeting decides to renew Mouna SEPEHRI's term of office as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2020 to approve the financial statements for the year just ended.

Seventh resolution

Reappointment of Guillaume de POSCH as member of the Supervisory Board

The General Meeting decides to renew Guillaume de POSCH's term of office as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2020 to approve the financial statements for the year just ended.

Eighth resolution

Reappointment of Philippe DELUSINNE as member of the Supervisory Board

The General Meeting decides to renew Philippe DELUSINNE's term of office as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2020 to approve the financial statements for the year just ended.

Ninth resolution

Reappointment of Elmar HEGGEN as member of the Supervisory Board

The General Meeting decides to renew Elmar HEGGEN's term of office as member of the Supervisory Board for a period of four years, until the close of the General Meeting called in 2020 to approve the financial statements for the year just ended.

Tenth resolution

Advisory opinion on the remuneration components, due or allocated for the financial year ended 31 December 2015, of Nicolas de TAVERNOST, Chairman of the Executive Board,

The General Meeting, consulted pursuant to recommendation § 24.3 of the November 2015 Afep-Medef Corporate Governance Code, which is the Company's reference code pursuant to Article L.225-68 of the Commercial Code, approves the compensation due or allocated for the financial year ended 31 December 2015 to Nicolas de TAVERNOST, Chairman of the Executive Board, as presented in the Executive Board's report to the General Meeting.

Eleventh resolution

Advisory opinion on the remuneration components, due or allocated for the financial year ended 31 December 2015, of Thomas VALENTIN and Jérôme LEFEBURE, members of the Executive Board, and David LARRAMENDY, member of the Executive Board since 17 February 2015

The General Meeting, consulted pursuant to recommendation § 24.3 of the November 2015 Afep-Medef Corporate Governance Code, which is the Company's reference code pursuant to Article L.225-68 of the Commercial Code, approves the compensation due or allocated for the financial year ended 31 December 2015 to Thomas VALENTIN and Jérôme LEFEBURE, members of the Executive Board, and David LARRAMENDY, member of the Executive Board since 17 February 2015, as presented in the Executive Board's report to the General Meeting.

Twelfth resolution

Authorisation to be given to the Executive Board to enable the company to buy back its own shares under Article L. 225-209 of the Commercial Code

After reviewing the report of the Executive Board's, and in accordance with Article L. 225-209 and subsequent of the Commercial Code, the General Meeting authorises the Executive Board, for a period of eighteen months, to buy back Company shares, on one or more occasions, at the discretion of the Executive Board, up to a limit of 10 % of the share capital, based either on current share capital, or as adjusted to take account of any capital increase or reduction during the period.

This authorisation supersedes the prior authorisation granted to the Executive Board by the Ordinary General Meeting on 28 April 2015 in its sixteenth resolution in ordinary session.

These shares may be purchased to fulfil the following objectives:

- to stimulate the METROPOLE TELEVISION share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Code approved by regulations;
- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions;
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers;
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;

8. COMBINED GENERAL MEETING OF 26 APRIL 2016

Statutory Auditors' report on the authorisation to be given to the Executive Board to allocate free shares as provided by the 14th resolution

- to potentially cancel acquired shares, in accordance with the authorisation to be granted by this Annual General Meeting in its thirteenth resolution in extraordinary session.

Shares may be bought back by any means, including through the acquisition of blocks of shares, and at the times the Executive Board will deem fit.

The Executive Board may not use this authorisation during a public offering.

The Company reserves the right to use option mechanisms or derivative instruments in accordance with applicable regulations.

The maximum purchase price is set at €25 per share. In the event of a transaction on the share capital, in particular a division or consolidation of shares or allocation of shares to the shareholders, the price indicated above will be adjusted by a factor equal to the ratio between the number of shares comprising the share capital before and after the transaction.

The maximum amount of the transaction is set at €316,035,620.00.

The General Meeting confers full powers on the Executive Board to proceed with these transactions, set the terms and conditions, conclude all agreements and perform all formalities.

Resolutions in extraordinary session:

Thirteenth resolution

Authorisation to be given to the Executive Board to cancel shares bought back under Article L. 225-209 of the Commercial Code

After reviewing the report of the Executive Board and the Statutory Auditors' Report, the General Meeting:

- 1) Authorises the Executive Board to cancel, at its own discretion, on one or more occasions and within the limit of 10% of the share capital, as calculated on the day of the decision to cancel them and excluding any shares cancelled during the preceding 24-month period, shares that the Company holds or may come to hold following buybacks carried out pursuant to Article L. 225-209 of the Commercial Code, as well as reducing the share capital accordingly, in accordance with legal provisions and regulations in force,
- 2) Sets the validity of this authorisation to a period of twenty-four months from the date of this General Meeting,
- 3) Confers full powers to the Executive Board to carry out the necessary transactions for the cancellation and reduction of the share capital, amend the Company's Bylaws accordingly and carry out all necessary formalities.

Fourteenth resolution

Authorisation to be given to the Executive Board for the allocation of free shares to employees and/or certain corporate officers

After reviewing the Executive Board report and the Statutory Auditors' special report, the General Meeting authorises the Executive Board, pursuant to Articles L. 225-197-1 and L. 225-197-2 of the Commercial Code, to grant, on one or more occasions, ordinary shares in the Company, existing or to be issued, for the benefit of:

- Employees of the Company or companies directly or indirectly related to it pursuant to Article L. 225-197-2 of the Commercial Code,
- And/or corporate officers who meet the conditions set by Article L. 225-197-1 of the Commercial Code.



The total number of shares thus allocated may not exceed 2,300,000, it being specified that the allocation of free shares to members of the Executive Board may not exceed 345,000 shares within this allocation limit.

The allocation of shares to the beneficiaries will be final at the end of a vesting period, the duration of which will be set by the Executive Board and which may not be less than one year.

The beneficiaries shall, where applicable, retain the shares for a period, set by the Executive Board, at least equal to the period required for the cumulative duration of the vesting and, where appropriate, retention periods to be no less than two years.

By exception, the vesting of the shares shall be final before the end of the vesting period in case the beneficiary suffers from a disability classified in the second or third category referred to by Article L. 341-4 of the Social Security Code.

All powers are conferred to the Executive Board to:

- Set the terms and conditions, and, if applicable, the criteria and performance conditions for allocating the shares;
- Determine the identity of beneficiaries, as well as the number of shares to be granted to each of them;
- If applicable:
 - note that sufficient reserves exist and transfer to an unavailable reserve account the funds necessary to fully pay up the new shares to be granted every time shares are granted,
 - decide, in due time, share capital increases by capitalisation of reserves, premiums or profits concurrent to the issue of new shares granted free of charge,
 - proceed with buying back the shares required within the framework of the share buyback programme and allocate them to the allocation plan
 - Determine the effects of transactions modifying the share capital or liable to affect the value of shares granted on the rights of beneficiaries, carried out during the vesting period, and modify or adjust accordingly, if required, the number of shares granted to preserve the rights of the beneficiaries;
 - take all the necessary steps to ensure the beneficiaries' retention obligation, if applicable, is complied with,
 - and more generally, do everything rendered necessary by the implementation of this authorisation, in accordance with applicable legal provisions.

This authorisation shall carry by operation of law the waiving by shareholders of their pre-emption right to subscribe to new shares issued by capitalisation of reserves, premiums and profits.

It is granted for a period of thirty-eight months from the day of this General Meeting.

It invalidates any previous authorisation with the same purpose.

Fifteenth resolution

Powers to complete formalities

The General Meeting confers full powers on a bearer of copies or certified extracts of the minutes of this meeting to make all filings and advertising and to carry out any other legal and administrative formalities as required, in accordance with the law.

8.5 Statutory Auditors' special report on the share capital reduction provided for by the 13th resolution to the Combined General Meeting of 26 April 2016

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,565,699.20

Financial year ended 31 December 2015

Statutory Auditors' special report on the share capital reduction
(Annual General Meeting of 26 April 2016 – thirteenth resolution)

To the Shareholders,

As Statutory Auditors of your Company and in execution of our assignment under Article L. 225-209 of the Commercial Code in the event of a reduction in capital arising from shares bought back, we present our report with a view to providing you with our opinion on the reasons for and the terms and conditions of the proposed capital reduction.

Your Executive Board proposes that you delegate to it, for a period of 24 months starting on the date of this General meeting, all powers to cancel on one or more occasions the shares thus purchased in respect of the implementation of the authorisation for your Company to purchase its own shares in accordance with the provisions of the above-mentioned article, up to the limit of 10% of its share capital and by twenty-four month periods.

We have performed the due diligence we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative to this assignment, in order to verify whether the reasons for and the terms and conditions of the proposed share capital reduction, which is not liable to affect the equality of shareholders, are reasonable.

We have no observations to make on the reasons for and the terms and conditions of the proposed capital reduction.

Neuilly-sur-Seine and Paris La Défense, 3 March 2016

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

8.6 Statutory Auditors' report on the authorisation to be given to the Executive Board to allocate free shares as provided by the 14th resolution to the Combined General Meeting of 26 April 2016

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Ernst & Young et Autres
1/2, place des Saisons
92400 Courbevoie
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,565,699.20

Financial year ended 31 December 2015

Statutory Auditors' report on the authorisation to be given to the Executive Board to allocate free shares to employees and corporate officers

(Annual General Meeting of 26 April 2016 – fourteenth resolution)

To the Shareholders,

As Statutory Auditors of your company and in execution of our assignment, we hereby present our report on the proposed allocation of free shares already existing or to be issued for the benefit of employees and/or corporate officers of your company and companies related to it in accordance with Article L.225-197-2 of the Commercial Code, upon which you are called to vote.

Your Executive Board proposes that based on its report, you authorise it to allocate free shares already existing or to be issued for a period of 38 months.

The Executive Board must prepare a report on this proposed transaction, which it intends to implement. It is our role to make you aware, where necessary, of our observations on the information thus provided on the planned transaction.

We have performed the due diligence we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative to this assignment, in order to verify the method considered and included in the report of the Executive Board are within the provisions of the law.

We have no observations to make on the information provided in the report of the Executive Board on the planned transaction for the allocation of free shares.

Neuilly-sur-Seine and Paris La Défense, 3 March 2016

The Statutory Auditors

PricewaterhouseCoopers Audit
Anne-Claire Ferrié
Partner

Ernst & Young et Autres
Bruno Bizet
Partner

8. COMBINED GENERAL MEETING OF 26 APRIL 2016

Statutory Auditors' report on the authorisation to be given to the Executive Board to allocate free shares as provided by the 14th resolution



9 ADDITIONAL INFORMATION

9.1	Statutory Auditors' fees.....	358	9.4	Person responsible for the Registration Document.....	359
9.2	Changes in accounting principles	358	9.5	Provisional calendar	359
9.3	Other information in respect of the parent company financial statements	358	9.6	Information included by reference	360
9.3.1	Tax information	358	9.7	Persons responsible for financial information	360
9.3.2	Corporate information	358	9.8	Cross-reference table	361

9. ADDITIONAL INFORMATION

Statutory Auditors' fees

9.1 Statutory Auditors' fees

Statutory Auditors fees for 2015 and other fees billed in 2015 (amounts excl. taxes):

(<i>€ K</i>)	Ernst & Young				PWC				TOTAL			
	2015	2014	%2015	%2014	2015	2014	%2015	%2014	2015	2014	%2015	%2014
Audit												
Statutory Audit, Certification of parent company and consolidated financial statements	258	246	100%	98%	408	442	98%	100%	666	688	99%	99%
<i>Métropole Télévision</i>	90	90	35%	36%	89	123	21%	28%	179	213	26%	31%
<i>Fully-consolidated subsidiaries</i>	168	157	65%	63%	320	319	76%	72%	488	476	72%	69%
Other related assignments and other audit services	-	5	0%	2%	10	-	2%	0%	10	5	1%	1%
<i>Métropole Télévision</i>	-	-	0%	-	-	-	-	-	0	-	0%	-
<i>Fully-consolidated subsidiaries</i>	-	5	0%	2%	10	-	2%	0%	10	5	1%	1%
Sous-total	258	251	100%	100%	418	442	100%	100%	676	693	100%	100%
Other services												
Legal, fiscal, corporate	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Sous-total	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	258	251	100%	100%	418	442	100%	100%	676	693	100%	100%
TOTAL in %	38.1%	36.2%			61.9%	63.8%						

The Group may need to call in Statutory Auditors other than the two mentioned above for recently-acquired subsidiaries or whose operations are not material. Such fees totalled €63 K in 2015, representing 8.5% of services provided by the Statutory Auditors.

9.2 Changes in accounting principles

The consolidated financial statements at 31 December 2015 have been prepared in accordance with the IAS/IFRS (International Financial Reporting Standards) in force within the European Union at that date. Changes in standards in force at 31 December 2015 are set out in detail in Note 3 to the consolidated financial statements of this document.

Furthermore, the parent company financial statements at 31 December 2015 have been prepared in accordance with the French Chart of Accounts. Changes in standards in force at 31 December 2015 are set out in detail in Note 2 to the parent company financial statements of this document.

9.3 Other information in respect of the parent company financial statements

9.3.1 Tax information

FINANCIAL STATEMENTS AT 31/12/2015	(<i>€ K</i>)
Total of expenses and charges excluded from deductible expenses (Article 39-4 of the Income Tax Code)	42.4
Amount of attendance fees excluded from deductible expenses (Article 210 (vi) of the Income Tax Code)	0.0
Remunerations and other charges relating to the 10 highest paid persons	5,303.5
Gifts and reception costs	439.1
Total expenses added back to taxable profit	42.4

9.3.2 Corporate information

The Company will provide any shareholder who requests it with a copy of the corporate report provided by Articles L.2323-68 and subsequent of the Labour Code.



9.4 Person responsible for the Registration Document

I certify that, after taking all reasonable measures to this effect and to the best of my knowledge, the information set out in this Registration Document is accurate and contains no omission which could impair its meaning.

I certify that, to my knowledge, the financial statements have been prepared in accordance with professional accounting standards applicable in France and give a fair view of the assets, financial position and performance of the Company and of all companies included in the consolidation scope, and that the enclosed Management Report, indexed in the cross-reference table filed on page 361 of this document, gives a true view of the business situation, performance and financial position of the Group and of all companies included in the consolidation, as well as a description of main risks and uncertainties encountered.

I have obtained from the Auditors a letter issued upon completion of their assignment, stating that they have verified the information concerning the financial position and financial statements presented in this Registration Document and that they have read the entire Registration Document.

The consolidated financial statements for the year ended 31 December 2014 have been subject to a report issued by the Auditors, as shown on pages 241-242 of the Registration Document filed with the AMF on 23 March 2015 under number D.15-0189, which contains one observation on the first-time application of IFRS 10, 11, 12, IAS 27 revised and IAS 28 revised.

The consolidated financial statements for the year ended 31 December 2012 have been subject to a report issued by the Auditors, as shown on pages 211-212 of the Registration Document filed with the AMF on 10 April 2013 under D.13-0364, which contains observations.

Neuilly-sur-Seine, 15 March 2016
Nicolas de Tavernost
Chairman of the Executive Board

9.5 Provisional calendar

26 April 2016: Combined Shareholders' General Meeting

26 April 2016: First quarter 2016 financial information

18 May 2016: ex-dividend date for 2015 dividend

20 May 2016: payment of 2015 dividend

26 July 2016: Half-year sales and results 2016

08 November 2016: First quarter 2016 financial information

25 April 2017: Combined Shareholders' General Meeting

24 April 2018: Combined Shareholders' General Meeting

This calendar is subject to change.

9.6 Information included by reference

Pursuant to Article 28 of Regulation (EC) N° 809/2004 of the Commission, the following information is included by reference in this Registration Document:

- The consolidated financial statements for the year ended 31 December 2014 and the relevant report of the Statutory Auditors included on pages 180 to 242 of the 2014 Registration Document, registered with the AMF on 23 March 2015 under number D.15-0189, as well as the Management Report included on pages 5 to 319 of the same 2014 Registration Document.
- The consolidated financial statements for the year ended 31 December 2013 and the relevant report of the Statutory Auditors included on pages 170 to 253 of the 2013 Registration Document, registered with the AMF on 10 April 2014 under number D.14-0322, as well as the Management Report included on pages 5 to 302 of the same 2013 Registration Document.

9.7 Persons responsible for financial information

Jérôme Lefebure

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9.8 Cross-reference table

HEADINGS	SECTIONS
1. PARENT COMPANY FINANCIAL STATEMENTS	6.4 6.5
2. CONSOLIDATED FINANCIAL STATEMENTS	6.1 6.2
3. MANAGEMENT REPORT	
3.1. Information on the Company's business activities	
<ul style="list-style-type: none"> Overview of the activities (including the progress made and the problems encountered) and results of the Company, of each subsidiary and of the Group Art. L. 232-1, L. 233-6, R. 225-102 and/or L. 233-6, L. 233-26 of the Commercial Code 	1.4 1.5 5.1 5.3
<ul style="list-style-type: none"> Assessment of the business trends, financial performance and financial position, including the Company and the Group's level of debt Art. L.233-26, L. 225-100-3, L. 225-100-1 and/or L. 225-100-2 of the Commercial Code 	1.5 5.1 5.2 5.3
<ul style="list-style-type: none"> Foreseeable development of the Company and/or the Group Art. L. 232-1, R. 225-102 and/or L.233-26, R. 225-102 of the Commercial Code 	5.4
<ul style="list-style-type: none"> Key financial and non-financial indicators for the Company and the Group L. 225-100- 3/5, L. 225-100-1, L.223-26 and/or L. 225-100-2 of the Commercial Code 	1.5 5.1 5.2 7.2 7.3 7.4
<ul style="list-style-type: none"> Post-balance sheet events at the Company and the Group Art. L. 232-1 and/or L.233-26 of the Commercial Code 	5.4 1.6 6.2.27 6.5.8
<ul style="list-style-type: none"> Disclosure on the use of financial instruments, including financial risk, and pricing, credit, liquidity and cash management risks for the Company and the Group Art. L. 225-100- 6, L. 225-100-1 and/or L. 225-100-2, L. 223-26 of the Commercial Code 	4.2 1.6 6.2.20
<ul style="list-style-type: none"> Main risks and uncertainties facing the Company and the Group Art. L.225-100- 4/6, L. 225-100-1 and/or L. 225-100-2- 2/4 of the Commercial Code 	4
<ul style="list-style-type: none"> Information on R&D activities carried out by the 	N.A

9. ADDITIONAL INFORMATION

Cross-reference table

HEADINGS	SECTIONS
<p>Company and the Group</p> <p>Art. L. 232-1 and/or L.233-26 of the Commercial Code</p>	
<p>3.2. Legal, financial, and tax information regarding the Company</p>	
<ul style="list-style-type: none"> Choice made between one of the two methods of performing the general management duties in the event of an alteration <p>Art. R. 225-102 of the Commercial Code</p>	2, §1
<ul style="list-style-type: none"> Breakdown of, and changes to the shareholding structure Names of the controlled companies contributing to the Company's treasury share holdings, and percentage of the share capital that they hold <p>Art. L. 233-13 of the Commercial Code</p>	3.5 N.A
<ul style="list-style-type: none"> Material interests acquired in companies that had their registered office in France during the financial year <p>Art. L. 233-6- 1 of the Commercial Code</p>	5.3.3 1.2 1.3
<ul style="list-style-type: none"> Disclosure of interests of over 10% in the share capital of another joint-stock company, and transfer of cross-shareholdings <p>Art. L 233-29, L 233-30 and R. 233-19 of the Commercial Code</p>	5.3
<ul style="list-style-type: none"> Purchase and sale of its own shares by the Company (share buybacks) <p>Art. L. 225-211 of the Commercial Code</p>	3.6 <u>3.7</u>
<ul style="list-style-type: none"> Statement of employees' holdings in the Company's share capital, including the registered shares awarded to the latter pursuant to Article L. 225-197-1 of the Commercial Code (<i>applicable to bonus shares authorised by an EGM since 07.08.2015</i>) <p>Art. L. 225-23, L. 225-102- 1, L. 225-180 of the Commercial Code</p>	3.5 3.10.5
<ul style="list-style-type: none"> Factors likely to have an effect in the event of a public offering: Art L225-100-3 of the Commercial Code <ul style="list-style-type: none"> - The structure of the Company's share capital, - The statutory restrictions on the exercise of voting rights and on the transfer of shares, or provisions in the agreements of which the Company has been made aware pursuant to 	2.6.4 - 3.5 - 1.6.1.2

HEADINGS	SECTIONS
<p>Article L. 233-11 of the Commercial Code,</p> <ul style="list-style-type: none"> - Direct or indirect investments in the Company's share capital, of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the Commercial Code, - A list of holders of any securities that confer special control rights and a description of these rights, - The control mechanisms provided for in any potential employee-shareholding scheme, where the control rights are not exercised by the employees, - Agreements between shareholders of which the Company is aware and that may result in restrictions on the transfer of shares and the exercise of voting rights, - The rules applicable to the appointment and replacement of the members of the Executive Board, as well as to the amendment of the Company's Bylaws, - The powers of the Executive Board, specifically in terms of issuing or buying back shares, - Agreements entered into by the Company that would be altered or terminated in the event of a change in control of the Company, except where this disclosure would seriously jeopardise its interests, save in the event of a legal disclosure obligation, - Agreements providing for severance payments for members of the Executive Board or employees, if they resign or are made redundant without a genuine or serious motive, or if their employment is terminated due to a public offering 	<ul style="list-style-type: none"> - 3.5 - N.A - 3.10.1.5 - N.A - 1.6.1 3.6.2 - N.A - 2.3.1.6
<ul style="list-style-type: none"> • Table summarising the currently valid delegations of authority granted by the General Meeting in relation to capital increases <p>Art. L. 225-100- 7 of the Commercial Code</p>	<ul style="list-style-type: none"> 3.10.1.6 3.10.2 3.10.3
<ul style="list-style-type: none"> • Mention of potential adjustments: <ul style="list-style-type: none"> - for securities granting access to the equity capital, and stock options in the event of share buy-backs - for securities granting access to the share capital in the event of financial transactions <p>Art. R. 228-90, R. 225-138 and R. 228-91 of the Commercial Code</p>	<ul style="list-style-type: none"> N/A
<ul style="list-style-type: none"> • Amounts of dividends paid in respect of the three previous financial years 	<ul style="list-style-type: none"> 3.4

HEADINGS	SECTIONS
Art.243-2 of the General Tax Code	
<ul style="list-style-type: none"> Amount of non-tax deductible expenses and charges 	9.3.1
<p>Art 223-4 of the General Tax Code</p> <ul style="list-style-type: none"> Payment terms, and breakdown of the balance of trade payables and receivables by due date 	4.1.5
<p>Art. L. 441-6-1, D. 441-4 of the Commercial Code</p> <ul style="list-style-type: none"> Monetary injunctions or penalties for anti-competitive practices 	4.5.5 b)
<p>Art. L. 464-2-1- 5 of the Commercial Code</p> <ul style="list-style-type: none"> Agreements signed between a proxy or shareholder who holds over 10% of the voting rights and a subsidiary (excluding current agreements) 	N.A
<p>Art. L. 225-102-1- 13 of the Commercial Code</p> <ul style="list-style-type: none"> Amount of the inter-company loans 	N.A
<p>Art. L. 511-6-3-2 of the Monetary and Financial Code</p>	
<p>3.3 Information regarding the corporate officers</p>	
<ul style="list-style-type: none"> List of all the corporate offices and positions held in any company by each corporate officer during the financial year 	2.1.1 2.2.1
<p>Art. L. 225-102-1- 4 of the Commercial Code</p> <ul style="list-style-type: none"> Remuneration and benefits of any kind paid during the period to each corporate officer by the Company, the companies that it controls and the company controlling it. 	2.3
<p>Art. L. 225-102-1- 1/2/3 of the Commercial Code</p> <ul style="list-style-type: none"> Commitments related to the assumption, termination or change of duties. 	2.3.1.6
<p>Art. L. 225-102-1- 3 of the Commercial Code</p> <ul style="list-style-type: none"> In the event stock options are awarded, the information used by the Board to decide: <ul style="list-style-type: none"> - either to prohibit senior executives from exercising their options before the termination of their employment; - or to require them to hold all or part of the shares resulting from options already exercised in registered form until the termination of their 	2.3.1.2 d)

HEADINGS	SECTIONS
<p>employment (by specifying the percentage determined in this way)</p> <p>Art. L. 225-185- 4 of the Commercial Code</p>	
<ul style="list-style-type: none"> • In the event that bonus shares are awarded, the information used by the Board to decide: <ul style="list-style-type: none"> - either to prohibit senior executives from selling the bonus shares awarded to them until the termination of their employment; - or to determine the quantity of these shares that they must hold in registered form until the termination of their employment (by specifying the percentage determined in this way) <p>Art. L. 225-197-1-2- 4 of the Commercial Code</p>	2.3.1.2 d)
<ul style="list-style-type: none"> • Summary of dealings in the Company's securities by senior executives and related persons <p>Art. L. 621-18-2, R. 621-43-1 of the Monetary and Financial Code; Art. 223-22 and 223-26 of the AMF's General Regulations</p>	3.8.3
<p>3.4. The company's CSR information</p>	
<ul style="list-style-type: none"> • Inclusion of the social and environmental consequences of the business activities, and of the societal commitments to sustainable development, the circular economy, and the prevention of discrimination and the promotion of diversity <p>Art. L. 225-102-1- 5 to 8, R. 225-104, R. 225-105 and R. 225-105-2-II of the Commercial Code</p>	7
<ul style="list-style-type: none"> • Information on hazardous activities <p>Art. L. 225-102-2 of the Commercial Code</p>	N.A
<p>4. Statement of the persons responsible for the Annual Financial Report</p>	9.4
<p>5. Statutory Auditors' report on the parent company financial statements</p>	6.6
<p>6. Statutory Auditors' report on the consolidated financial statements</p>	6.3
<p>Supplementary documents (where the inclusion amounts to a dispensation from separate dissemination)</p>	
<p>Headings</p>	<p>Sections</p>
<p>Description of the share buyback programme</p>	3.6
<p>Disclosure regarding the fees paid to the statutory auditors of the financial statements</p>	9.1
<p>Report of the Chairman on corporate governance and internal control and risk management procedures</p>	2.6
<p>Report of the Statutory Auditors on the report of the</p>	2.7

9. ADDITIONAL INFORMATION

Cross-reference table

HEADINGS	SECTIONS
Chairman on corporate governance and internal control and risk management procedures	

MÉTROPOLE TÉLÉVISION
French public limited company (Société Anonyme)
with an Executive Board and a Supervisory Board
with share capital of €50,565,699.20

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