

2014 HALF-YEAR RESULTS

29 July 2014



DISCLAIMER



Statements contained in this document, particularly those concerning forecasts on future M6 Group performance, are forward-looking statements that are potentially subject to various risks and uncertainties.

Any reference to M6 Group's past performance should not be interpreted as an indicator of future performance.

The content of this document must not be considered as an offer document nor as a solicitation to buy or sell M6 Group shares.

The information, tables and financial statements included in this document, especially in the appendices, are currently undergoing audit and are awaiting AMF registration (half-year financial report).

2014 HALF-YEAR RESULTS

M6 GROUPE



KEY FIGURES

TELEVISION

PRODUCTION AND AUDIOVISUAL RIGHTS

DIVERSIFICATION

FINANCIAL STATEMENTS

APPENDICES

KEY FIGURES

KEY FIGURES

Stable revenues

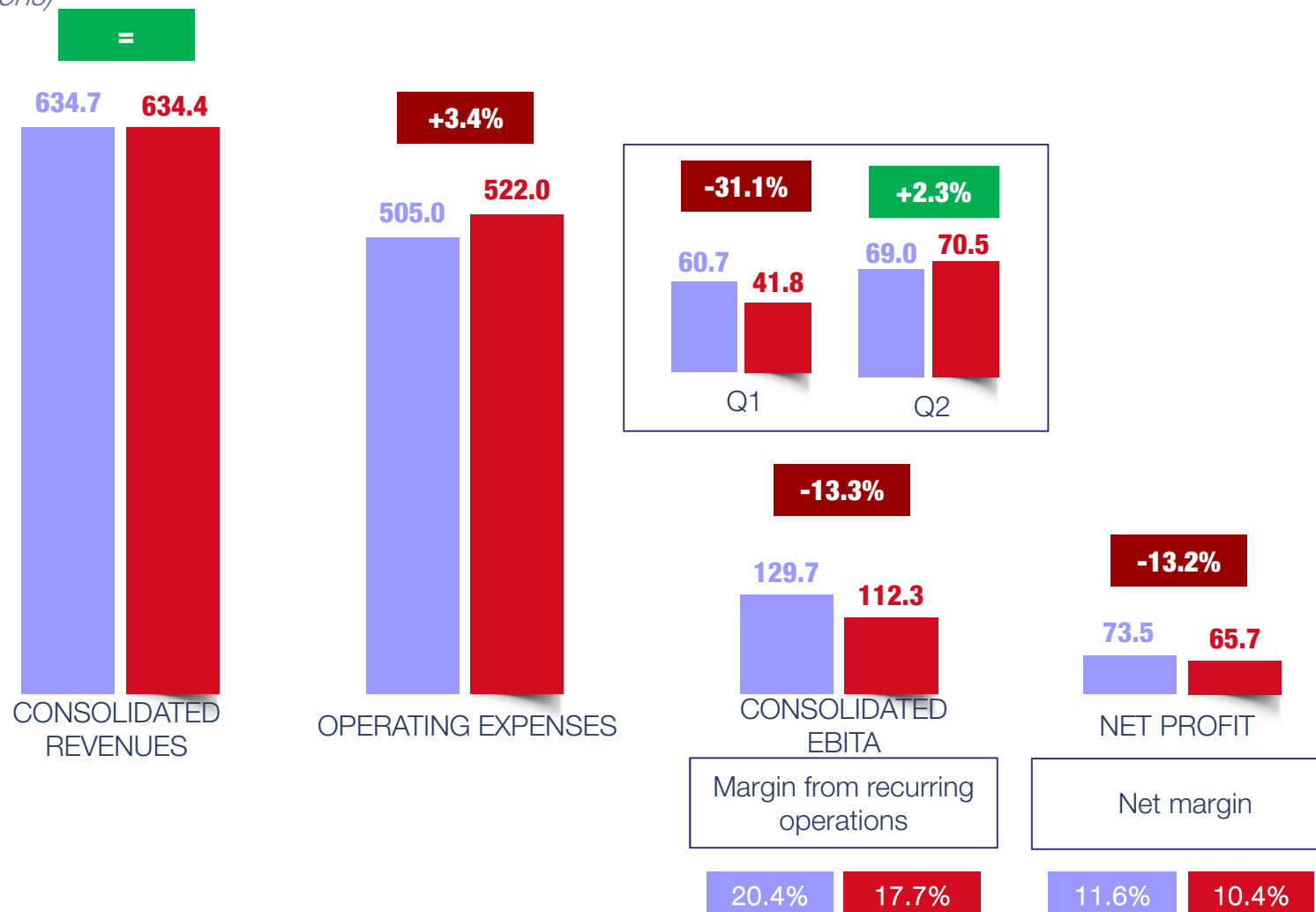
EBITA growth in Q2 following a Q1 in decline



Key figures (€ millions)

HY1 2013

HY1 2014



KEY FIGURES

HY1 2014 Highlights



- Stable consolidated revenues
- Decline in advertising revenues
- Cost control
- Divestment of Mistergooddeal / Investment in Best of TV

KEY FIGURES

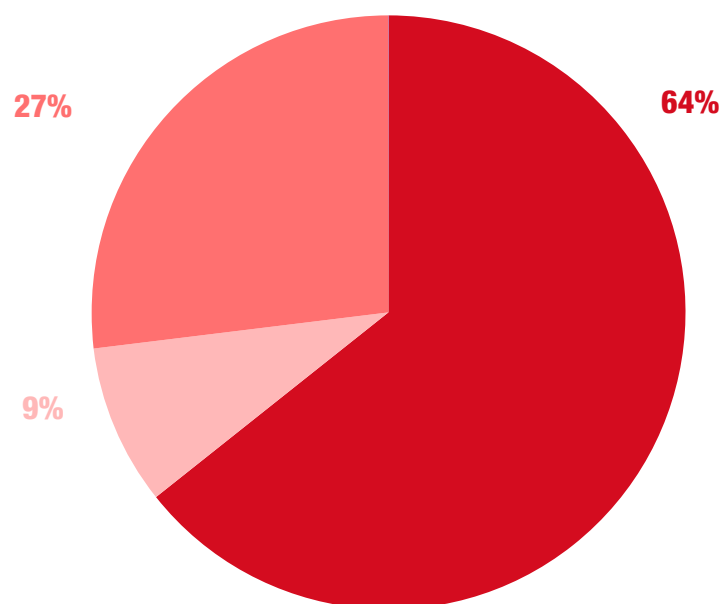
Breakdown of revenues and EBITA by segment



TV

Production & Audiovisual rights

Diversification

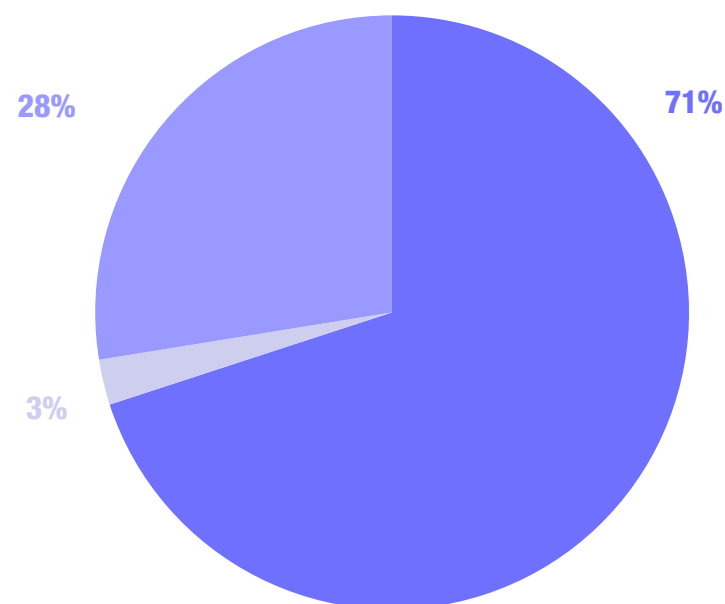


CONSOLIDATED
REVENUES

TV

Production & Audiovisual rights

Diversification



CONSOLIDATED
EBITA

KEY FIGURES

Limited decline in EBITA thanks to good cost control



HY1 2013

129.7



EBITA



-15.8
Advertising
revenues



-2.3
Programming
costs
free-to-air
channels



+2.1
Other TV
costs



-3.0
Production &
Audiovisual rights



+3.3
Diversification



-1.7
Other

HY1 2014

112.3



EBITA



TELEVISION

Audience Ratings

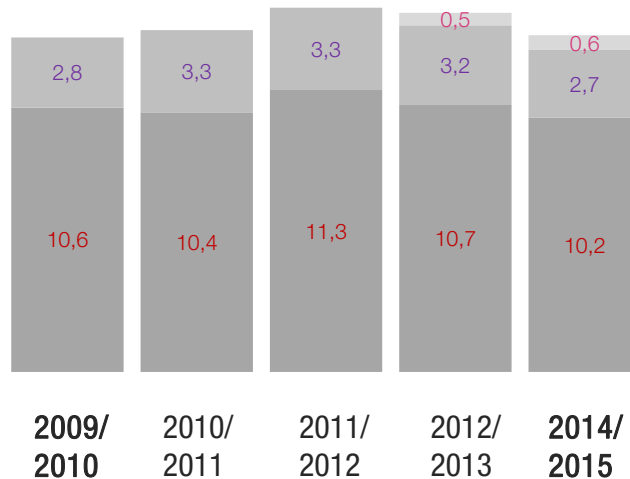
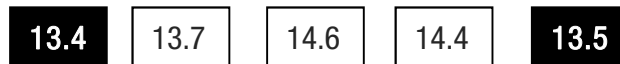
TELEVISION - Audience Ratings

Pressure on the Group's audiences for free-to-air channels in an increasingly fragmented audiovisual landscape

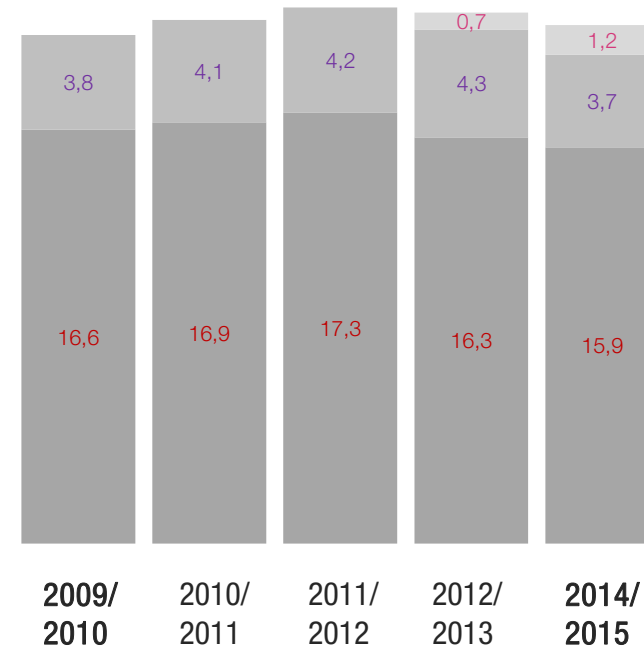
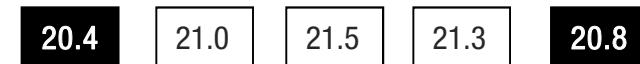


2013-2014 / 2009-2010 SEASONS

4+ audience share (%)



Hws < 50 audience share (%)

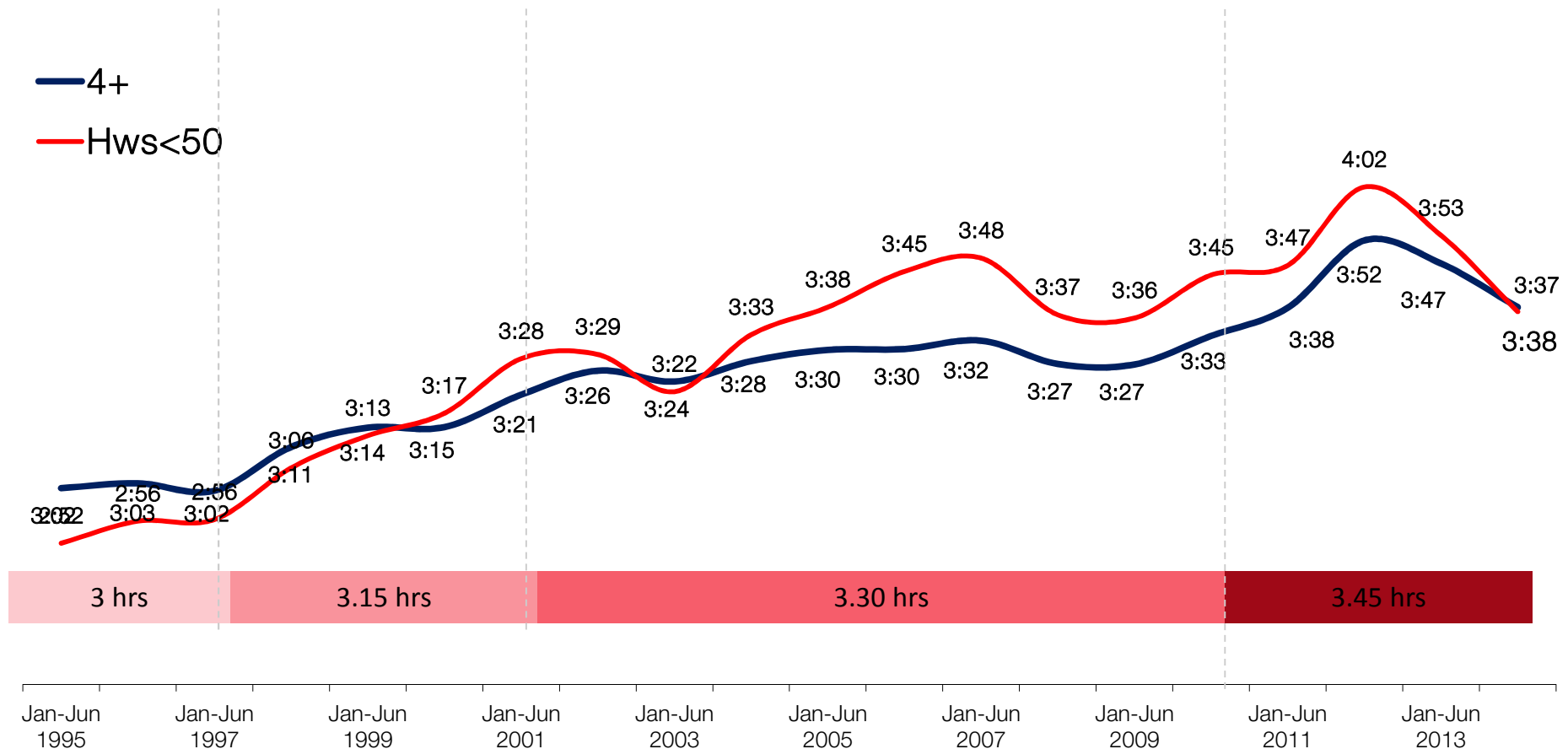


TELEVISION - Audience Ratings

The viewing time declined in 2014 but returned to 2011 level for 4+ year olds



Change in IVT (individual viewing time) over the first half of each year since 1995

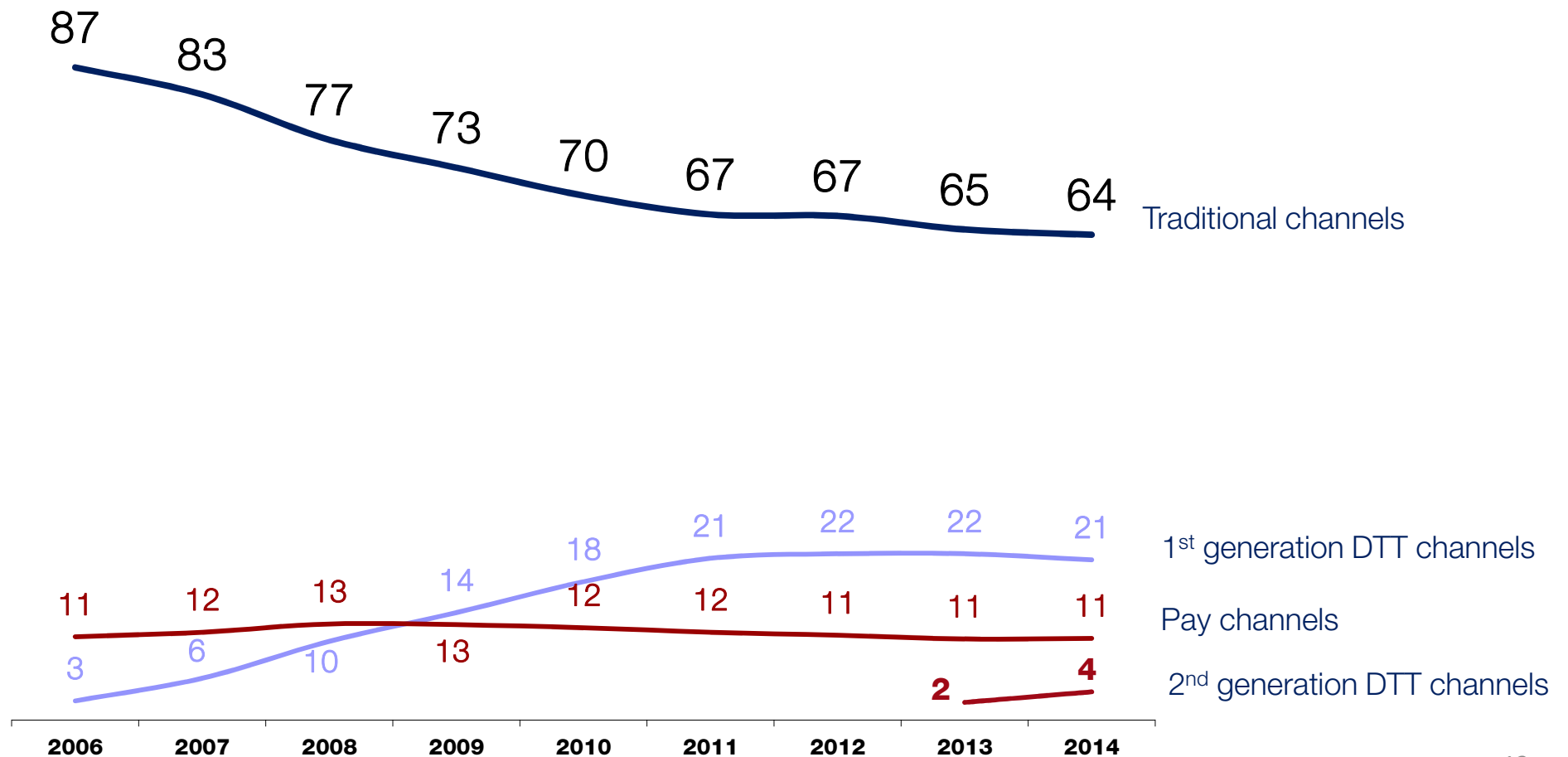


TELEVISION - Audience Ratings

Since 2013, all channels have lost ground to 2nd generation DTT channels



Year-on-year change in 4+ audience share (%)
in major channel aggregates



Sources: MMW full years except for 2014 (from Monday 30 December 2013 to Sunday 20 July 2014)

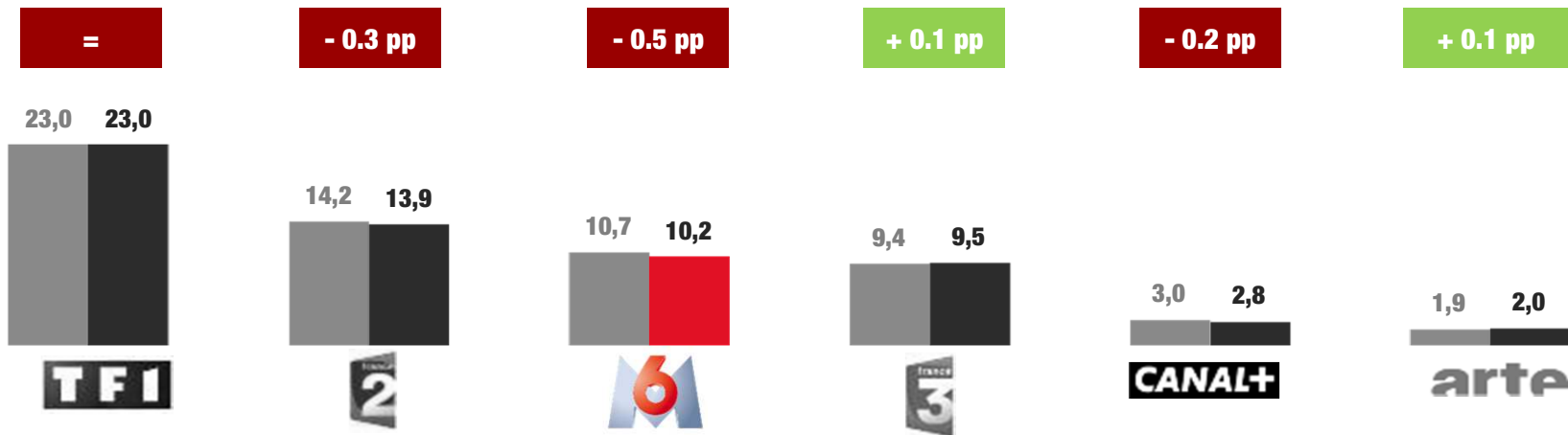
TELEVISION - Audience Ratings

Decline of traditional channels, primarily on the commercial target
(impact of the sportive events)

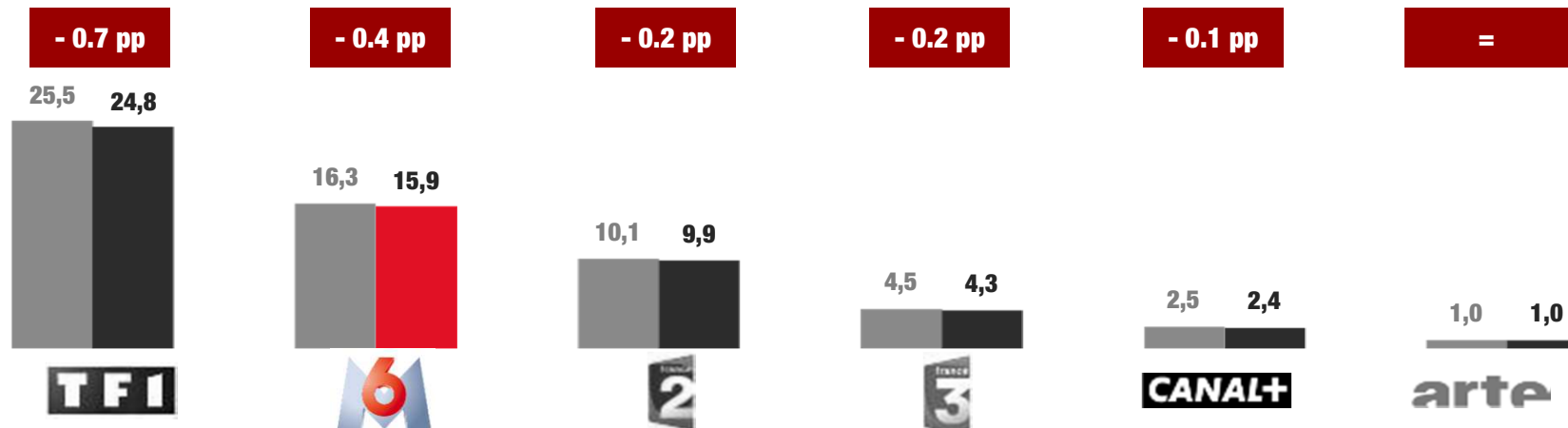


4+ audience share (%)

2012-2013 SEASON 2013-2014 SEASON



Hws < 50 audience share (%)



TELEVISION - Audience Ratings

Prime-time entertainment and lifestyle magazines offset the weakness of some of M6's prime-time programmes



Good performance of entertainment and lifestyle magazines



5.5 M°

M6 on average the leading channel on Mondays



3.8 M°

Improved to record levels



3.7 M°

Improved to record levels

Certain programmes lacked appeal



2.4 M°



2.1 M°

TELEVISION - Audience Ratings

Access prime-time : a progressive change



Access prime-time drivers
in 2014



4.0M°

Most watched programme
at 8pm by Hws<50



3.2M°

2nd most popular weekday
news bulletin with Hws<50



0.9M°

Up 220,000 viewers in 1 year
(June 2014 vs June 2013)

Formats on air since 2007-2008
are losing momentum



1.4M°

Down 300,000 viewers
compared with HY1 2013



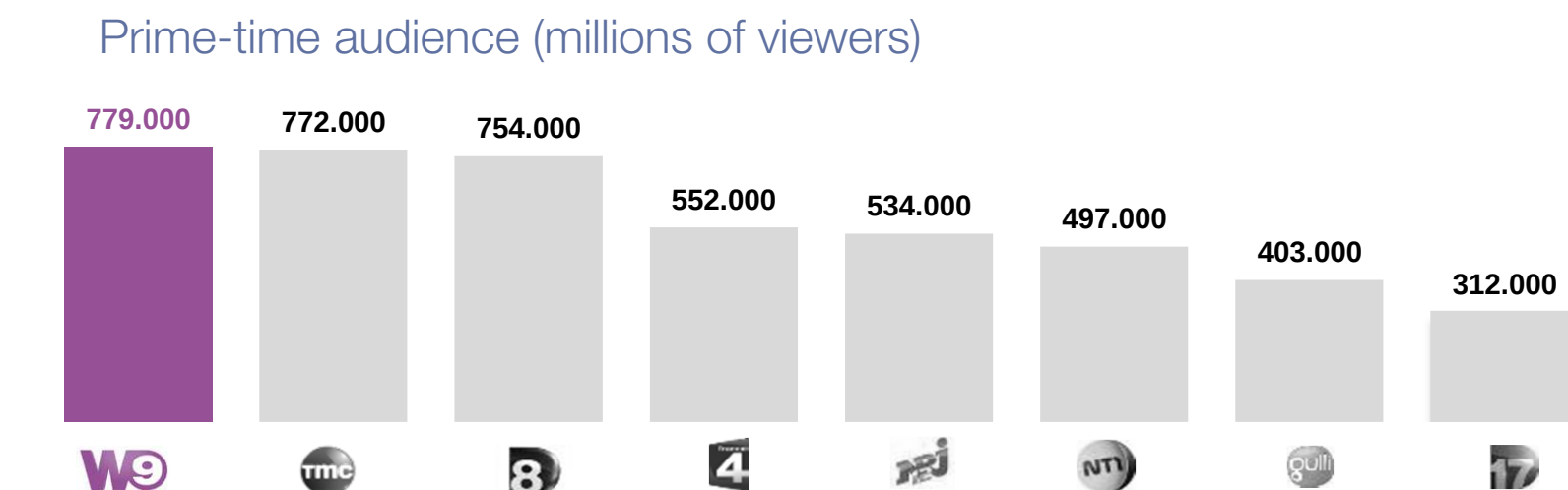
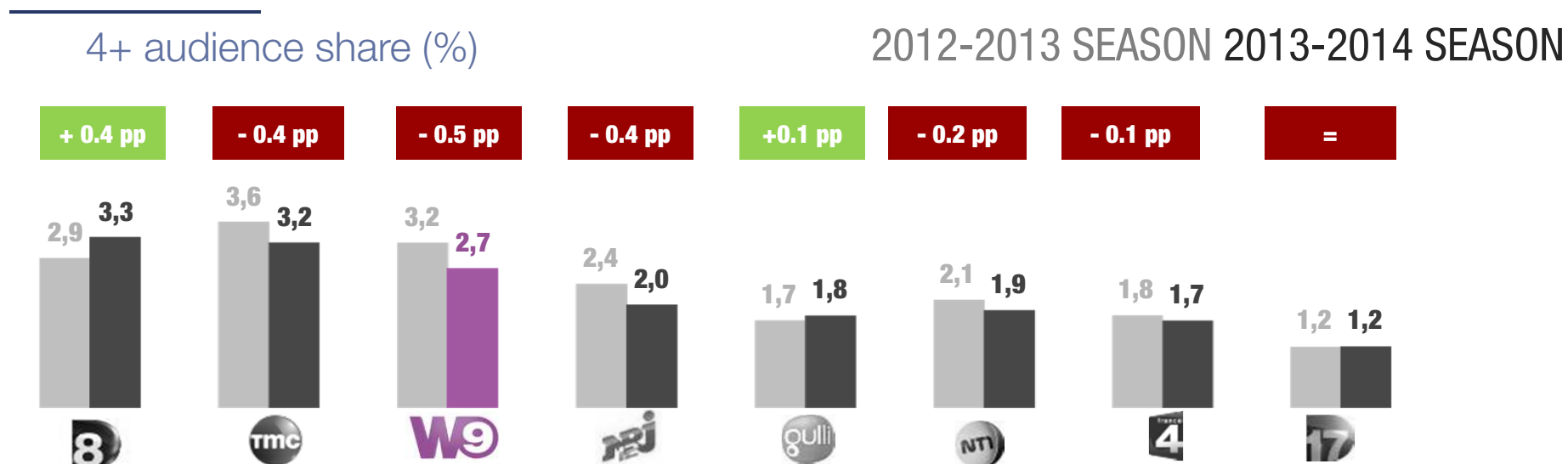
1.2M°

Down 200,000 viewers
compared with HY1 2013

Ended 18/04/2014

TELEVISION – DTT Audience Ratings

2013-2014 season: W9 maintained its prime-time leadership



TELEVISION - Audience Ratings

Good performance of W9's flagship programmes



Prime time



2.2M° viewers for the LYON vs. TURIN match

All-time record audience for W9
Record for a prime-time football match on DTT



0.8M°

Most popular DTT magazine programme this season
W9 the leading DTT channel for 4+ on Fridays



RENAUD, LE ROUGE ET LE NOIR

1.4M°

Best rating in this slot since June 2013

Access prime time



0.9M°

W9 the leading DTT channel for 4+ and the leading nationwide channel among 15-24 y.o.

Record season for 4+ for a daily reality show on W9



0.8M°

Best season for MARSEILLAIS
W9: leading nationwide channel for 15-24 y.o.



0.7M°

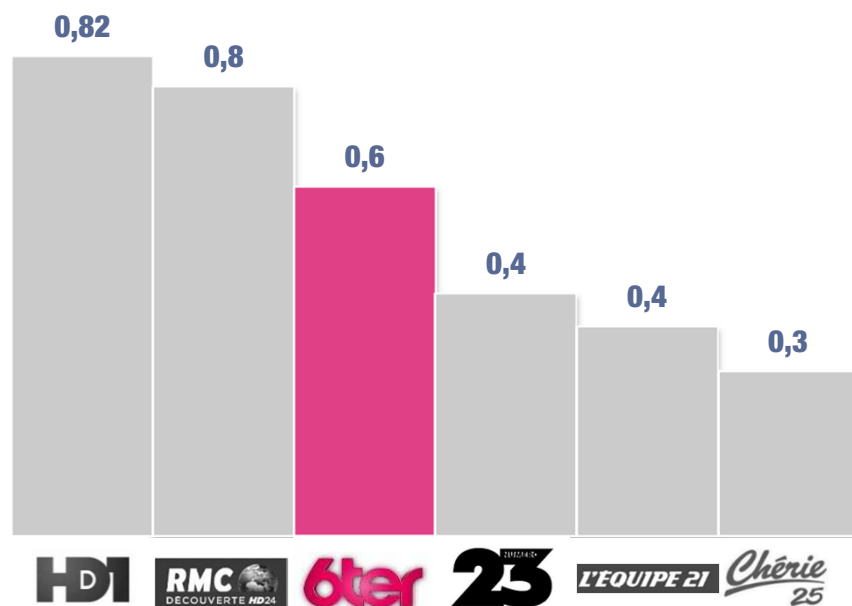
W9: leading nationwide channel for 15-24 y.o.

TELEVISION – DTT Audience Ratings

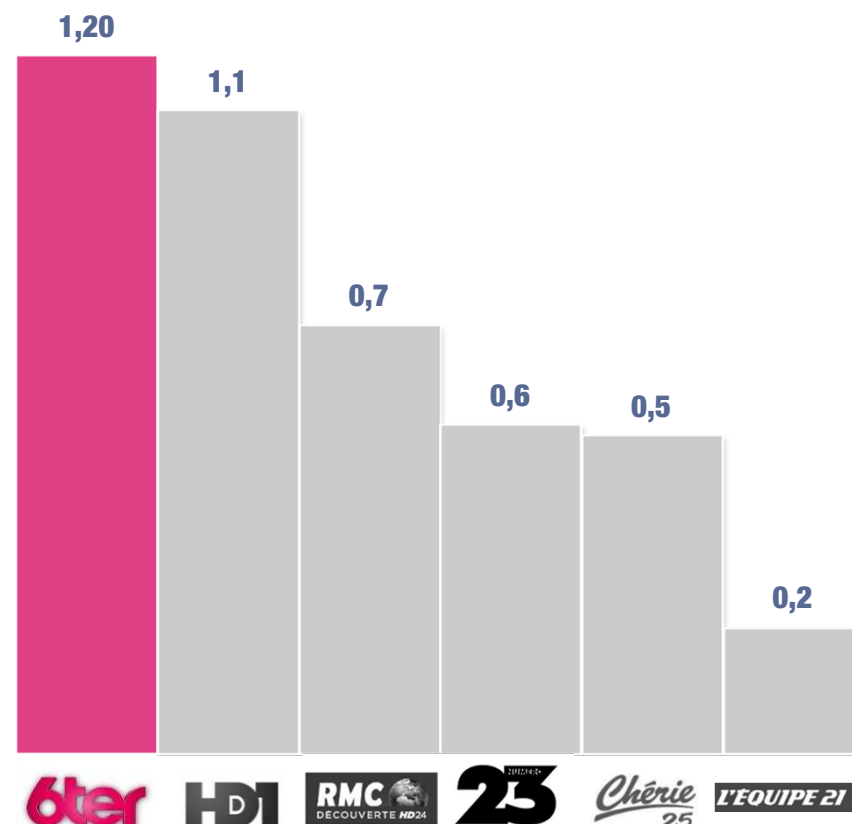
6ter leader for Hws<50 over the season



4+ audience share (%)



Hws<50 audience share (%)



TELEVISION

Advertising Market

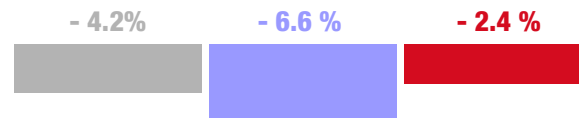
TELEVISION – Advertising Market

HY1 2014 remained challenging despite a low 2013 base

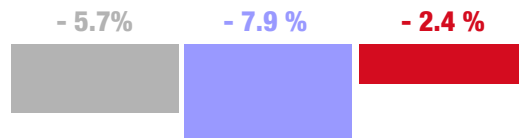


Estimated change in net advertising market per half-year (%)*

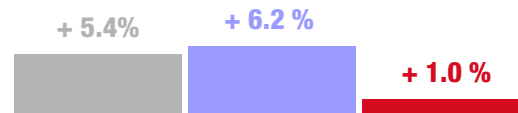
HY1 2012
HY1 2013
HY1 2014



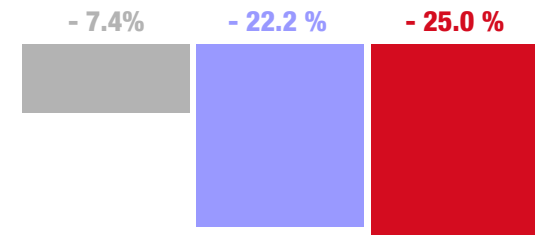
Traditional channels



DTT channels



Cab-Sat channels



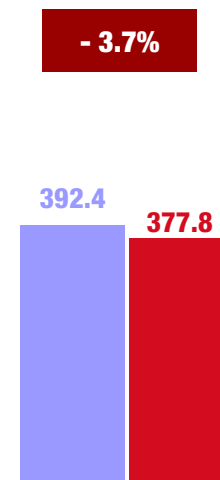
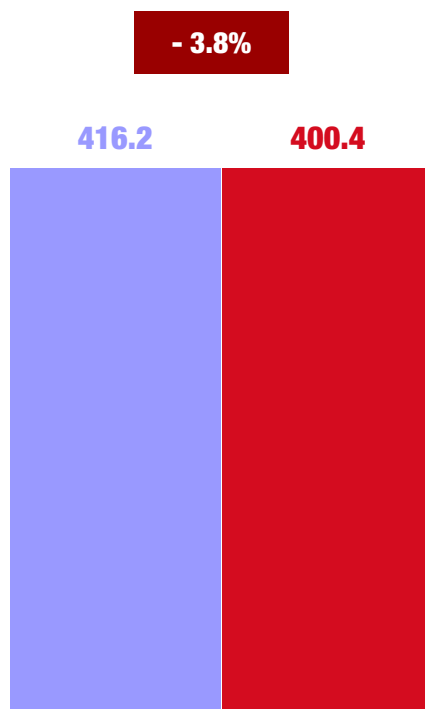
TELEVISION – Advertising Market

M6 Group's net advertising revenue decreased by 3.8% in HY1 2014



HY1 2013
HY1 2014

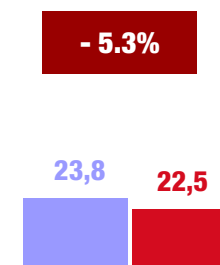
M6 Group net advertising revenue (€ millions)



Other operations



Internet



TELEVISION – Advertising Market

Puissance TNT, the major commercial innovation on the advertising market in 2014, is the leading DTT service

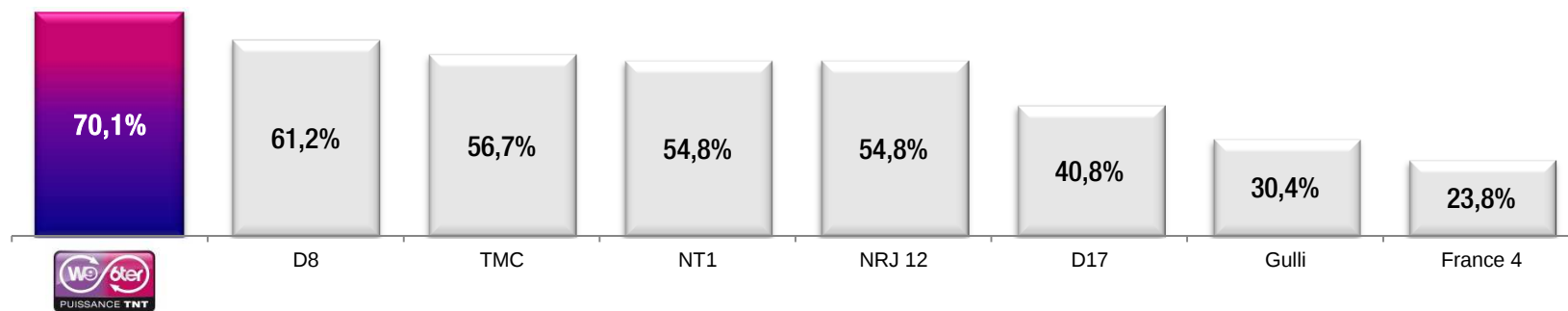


A single advertising solution with screens synchronised to the second on W9 and 6ter

- = More user-friendly media purchasing
- = The leading advertising service on DTT
- = Greater instant power and wider coverage of advertising targets

Expressed in average GRP, PUISSANCE TNT generates the most-watched advertisements on DTT

Advertisement coverage in the housewives under 50 category
% - from 06/01 to 30/06/2014



In terms of coverage, PUISSANCE TNT is the media that achieved the highest level of coverage on DTT

PRODUCTION AND AUDIOVISUAL RIGHTS

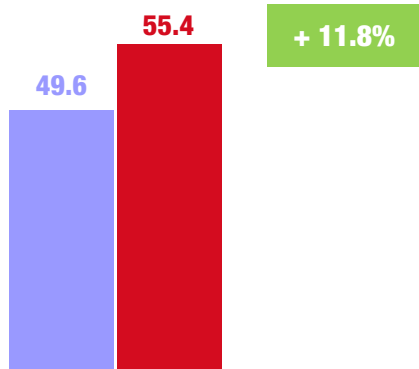
PRODUCTION AND AUDIOVISUAL RIGHTS

Seasonality differed from the first half of 2013

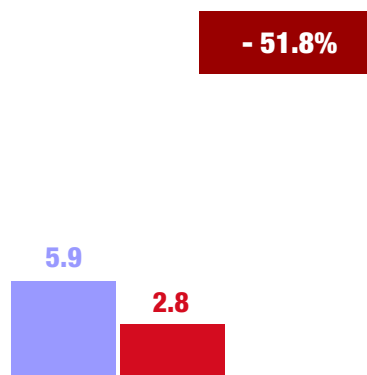


HY1 2013
HY1 2014

Revenues (€ millions)



EBITA (€ millions)



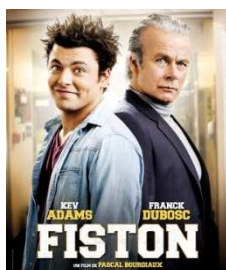
Margin

5.1 %

Key data

Cinema

Revenue growth thanks to **several** box office **successes**



coproduced &
distributed

1.9 M box
office sales



coproduced &
distributed

1.6 M box
office sales



distributed

1.5 M
box office sales



coproduced

1.2 M box
office sales

Video

Unfavourable **base effect** related to the DVD release of DVD Twilight 5 in HY1 2013 impacted divisional profitability



VOD: 44% growth in revenue



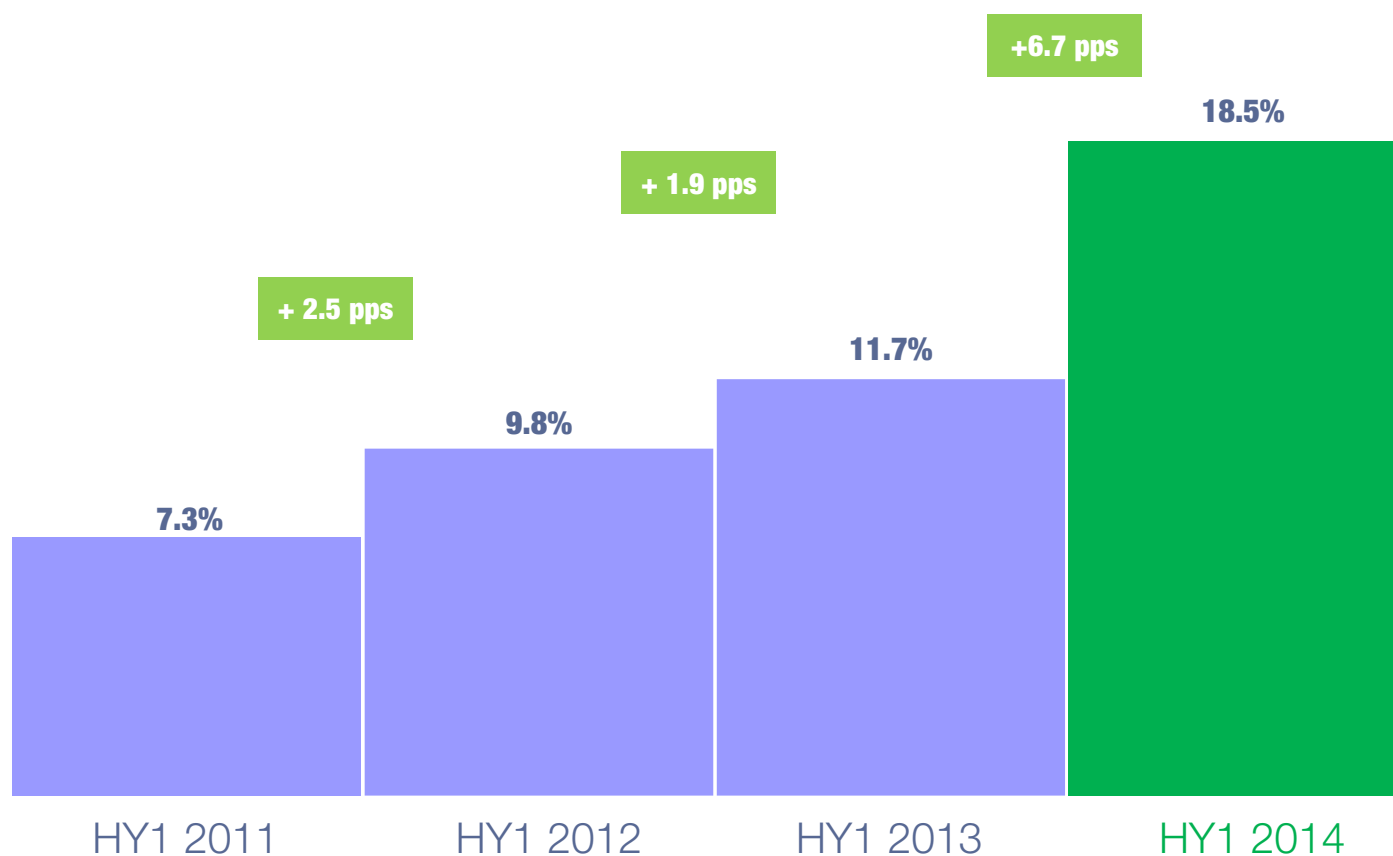
DIVERSIFICATION

DIVERSIFICATION

2011 - 2014: Increase in profitability of diversification operations



Change in operating margin of diversification activities
(including Mistergooddeal until 2013)



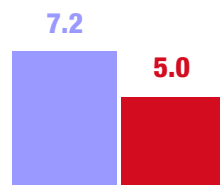
DIVERSIFICATION

M6 Interactions capitalising on its successes



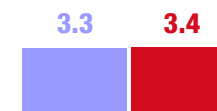
HY1 2013
HY1 2014

Revenues (€ millions)



- 30.9%

EBITA (€ millions)



+ 2.1%

Key data

Music



240,000 copies sold



90,000 copies sold
(released 9 June)

Shows



500,000 admissions



260,000 admissions

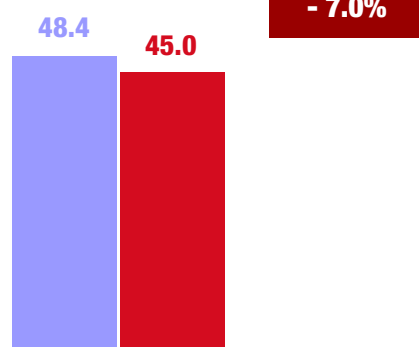
DIVERSIFICATION

M6 Web strengthened its profitability by continuing to innovate

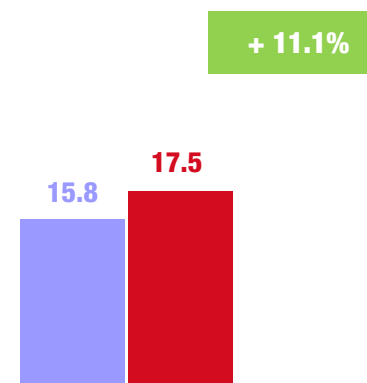


HY1 2013
HY1 2014

Revenues (€ millions)



EBITA (€ millions)



Key data

M6 Mobile



2.8M customers
at end June 2014

New media derived from TV channels



292 M videos viewed
(compared with 220 M in HY1 2013)

1M videos viewed every month for the
4 on-demand channels launched in April



Launch of the first fully interactive show

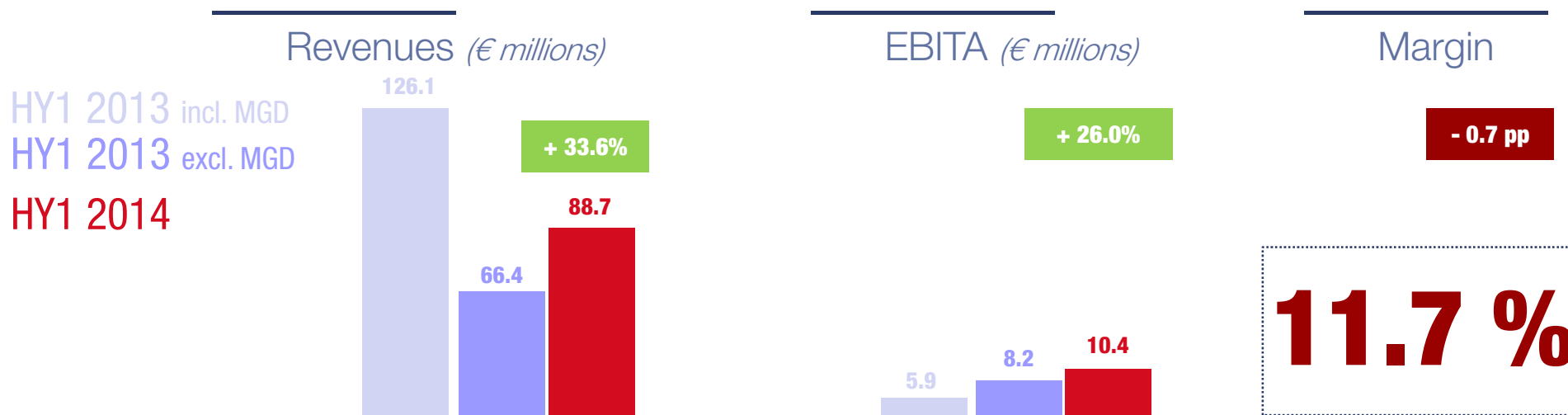
Diversification



Development of the **brand content**
production business to complement
the traditional digital advertising range

DIVERSIFICATION

Ventadis benefited from the good performance of tele-shopping and the acquisition of Best of TV



Key data

Successful refocusing of business portfolio



5% revenue growth

Thanks in particular to the opening of new points of sale



Acquisition in January 2014

Revenue **up 50%**

Strong purchasing **synergies** with the tele-shopping business

- An **investment** phase for



- Finalisation of the **disposal** of



DIVERSIFICATION

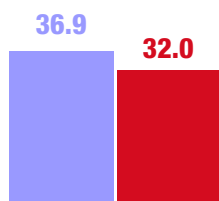
F.C.G.B: Employment costs contained



HY1 2013
HY1 2014

Revenues (€ millions)

- 13.1%



EBITA (€ millions)



Key data



2012/2013

7th

Last 16

Won

2013/2014

7th

Group stage

Last 32

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

Condensed consolidated statement of comprehensive income for the six months to 30 June 2014



Condensed consolidated statement of comprehensive income (€ millions)

M6 Group	30 June 2013	30 June 2014	H1 2014 / 2013 change (€ millions)
Revenue	634.7	634.4	(0.2)
Other operating revenues	5.7	4.0	(1.7)
Total operating revenues	640.3	638.4	(1.9)
Materials and other operating expenses	(307.4)	(330.6)	(23.2)
Personnel costs (including profit-sharing contributions)	(122.8)	(117.3)	5.5
Taxes and duties	(30.3)	(28.6)	1.7
Net depreciation/amortisation/provision charges	(50.1)	(49.5)	0.6
Profit from recurring operations [EBITA]	129.7	112.4	(17.3)
Capital gains on disposals of non-current assets	-	-	-
Operating income and expenses related to business combinations	(0.1)	(0.2)	(0.2)
Operating profit [EBIT]	129.6	112.1	(17.5)
Net financial income	3.9	1.8	(2.0)
Share of profit of joint ventures and associates	(0.0)	0.0	0.1
Profit before tax	133.5	114.0	(19.5)
Income tax	(57.7)	(48.3)	9.4
Net profit of continuing operations	75.8	65.7	(10.1)
Profit/(loss) of discontinued operations / operations held for sale	(2.3)	0.0	2.3
Net profit for the period	73.5	65.7	(7.8)

FINANCIAL STATEMENTS

Condensed balance sheet at 30 June 2014



Condensed consolidated balance sheet

M6 Group	30 June 2013	31 December 2013	30 June 2014	H1 2014 / 2013 change (€ millions)
Goodwill	45.2	63.4	71.9	8.5
Non-current assets	284.6	293.0	285.1	(7.9)
Current assets	639.5	574.7	674.4	99.7
Cash and cash equivalents	193.9	285.4	176.2	(109.2)
Assets related to discontinued operations	36.5	31.9	-	(31.9)
TOTAL ASSETS	1,199.7	1,248.4	1,207.5	(40.8)
Group equity	533.8	571.7	517.0	(54.7)
Non-controlling interests	0.2	0.3	(0.1)	(0.4)
Non-current liabilities	8.5	10.2	35.9	25.7
Current liabilities	634.3	638.7	654.7	16.1
Liabilities related to discontinued operations	22.9	27.5	-	(27.5)
TOTAL EQUITY AND LIABILITIES	1,199.7	1,248.4	1,207.5	(40.9)

FINANCIAL STATEMENTS

Consolidated cash flow statement for the six months to 30 June 2014



	30/06/2013	30/06/2014	Change (€ millions)
Self-financing capacity from operations	185.4	159.7	(25.7)
WCR movements	(14.4)	(58.5)	(44.1)
Taxes	(34.3)	(39.4)	(5.0)
Cash flow from operating activities	136.6	61.8	(74.8)
Cash flow used in investment activities	(32.4)	(63.9)	(31.5)
<i>Recurring items</i>	<i>(35.2)</i>	<i>(58.6)</i>	<i>(23.4)</i>
<i>Non-recurring items</i>	<i>2.7</i>	<i>(5.3)</i>	<i>(8.0)</i>
Cash flow used in financing activities	(232.5)	(107.1)	125.4
<i>Recurring items</i>	<i>(104.8)</i>	<i>(107.1)</i>	<i>(2.4)</i>
<i>Non-recurring items</i>	<i>(127.7)</i>	<i>-</i>	<i>127.7</i>
Cash flow of discontinued operations / held for sale	(3.7)	-	3.7
Effect of translation adjustment on cash and cash equivalents	-	-	-
Net change in cash and cash equivalents	(132.0)	(109.2)	
ReReclassification of cash and cash equivalents of discontinued operations / held for sale	12.6	-	(12.6)
Cash and cash equivalents - opening balance	313.3	285.4	(27.9)
Cash and cash equivalents - closing balance	193.9	176.2	(17.7)
<i>Net cash and cash equivalents - closing balance</i>	<i>195.2</i>	<i>174.7</i>	<i>(20.5)</i>

APPENDICES

APPENDICES

Analytical consolidated income statement M6 Group



(€ millions)	30/06/2014	30/06/2013	2014/2013 change	
			(€ millions)	%
TV				
Revenue - Free-to-Air TV advertising	377.8	392.4	(14.5)	-3.7%
Revenue - Other TV	30.3	33.6	(3.4)	-10.0%
EBITA	80.1	96.0	(16.0)	-16.6%
Production and Audiovisual Rights				
Revenue	55.4	49.6	5.8	11.8%
EBITA	2.8	5.9	(3.0)	-51.8%
Diversification				
Revenue	170.7	158.9	11.8	7.4%
EBITA	31.5	28.2	3.3	11.8%
Other revenues	0.2	0.2	0.0	0.5%
Eliminations and unallocated items	(2.1)	(0.4)	(1.6)	396.9%
Revenue of continuing operations	634.4	634.7	(0.2)	0.0%
EBITA of continuing operations	112.3	129.7	(17.3)	-13.4%
Operating income and expenses related to business combinations	(0.2)	(0.1)	(0.2)	212.7%
Capital gains on the disposal of subsidiaries and equity investments				
Operating profit (EBIT) of continuing operations	112.1	129.6	(17.5)	-13.5%
Net financial income	1.8	3.9	(2.0)	-52.7%
Share of associates' net profit	0.0	(0.0)	0.1	-334.6%
Profit before tax (EBT) of continuing operations	114.0	133.5	(19.5)	-14.6%
Income tax on continuing operations	(48.3)	(57.7)	9.4	-16.2%
Net profit of continuing operations	65.7	75.8	(10.1)	-13.3%
Net profit/(loss) of discontinued operations	0.0	(2.3)	2.3	
Net profit	65.7	73.5	(7.8)	-10.6%
Minority interests	(0.1)	0.0	(0.1)	(2.9)
Net profit - Group share	65.8	73.5	(7.7)	-10.5%

APPENDICES

Segment contribution analysis



Television

(€ millions)	30/06/2014			30/06/2013			2014/2013 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	417.8	408.1	80.1	436.1	426.0	96.0	(18.3)	(17.9)	(16.0)

Production and audiovisual rights

(€ millions)	30/06/2014			30/06/2013			2014/2013 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 division	62.4	55.4	2.8	53.8	49.6	5.9	8.7	5.8	(3.0)

Diversification

(€ millions)	30/06/2014			30/06/2013			2014/2013 change		
	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA	Business segment total revenue	External revenue	EBITA
Interactions	6.6	5.0	3.4	8.8	7.2	3.3	(2.1)	(2.2)	0.1
Ventadis	90.8	88.7	10.4	66.5	66.4	8.2	24.3	22.3	2.1
M6 Web & Filiales	46.3	45.0	17.5	49.4	48.4	15.8	(3.1)	(3.4)	1.8
FCGB	32.2	32.0	0.2	37.1	36.9	0.9	(4.9)	(4.8)	(0.6)
Intra-Group eliminations	(4.0)			(1.8)			(2.2)	-	-
Total Diversification	171.9	170.7	31.5	160.1	158.9	28.2	11.9	11.8	3.3

APPENDICES

Analytical presentation of segment contributions Free-to-air TV



	(€ millions)	30/06/2014	30/06/2013	2014/2013 change	
				(€ millions)	%
Advertising revenue - non-Group		377.8	392.4	(14.5)	-3.7%
Advertising revenue - Group		5.8	6.3	(0.4)	-6.8%
Advertising agency cost, taxes and broadcasting costs		(75.1)	(72.3)	(2.8)	3.9%
Free-to-Air net revenue		308.6	326.4	(17.8)	-5.5%
Programming costs		(205.3)	(203.0)	(2.3)	1.1%
Gross margin on programming		103.3	123.4	(20.1)	-16.3%
%		33.5%	37.8%		

QUESTIONS & ANSWERS