



# **Mistertgooddeal.com**

## **Conference call**

### **16 November, 2005**





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# Investment case for Mistergooddeal.com acquisition

## ■ History / background

- ✓ 1987 : HSS pioneers Direct Response TV Shopping in France
- ✓ 1998 : HSS becomes a 100 % subsidiary of M6 Group
- ✓ 2005 : With the acquisition of Mistergooddeal.com, M6 pioneers e & t – commerce in France

## ■ Key financials

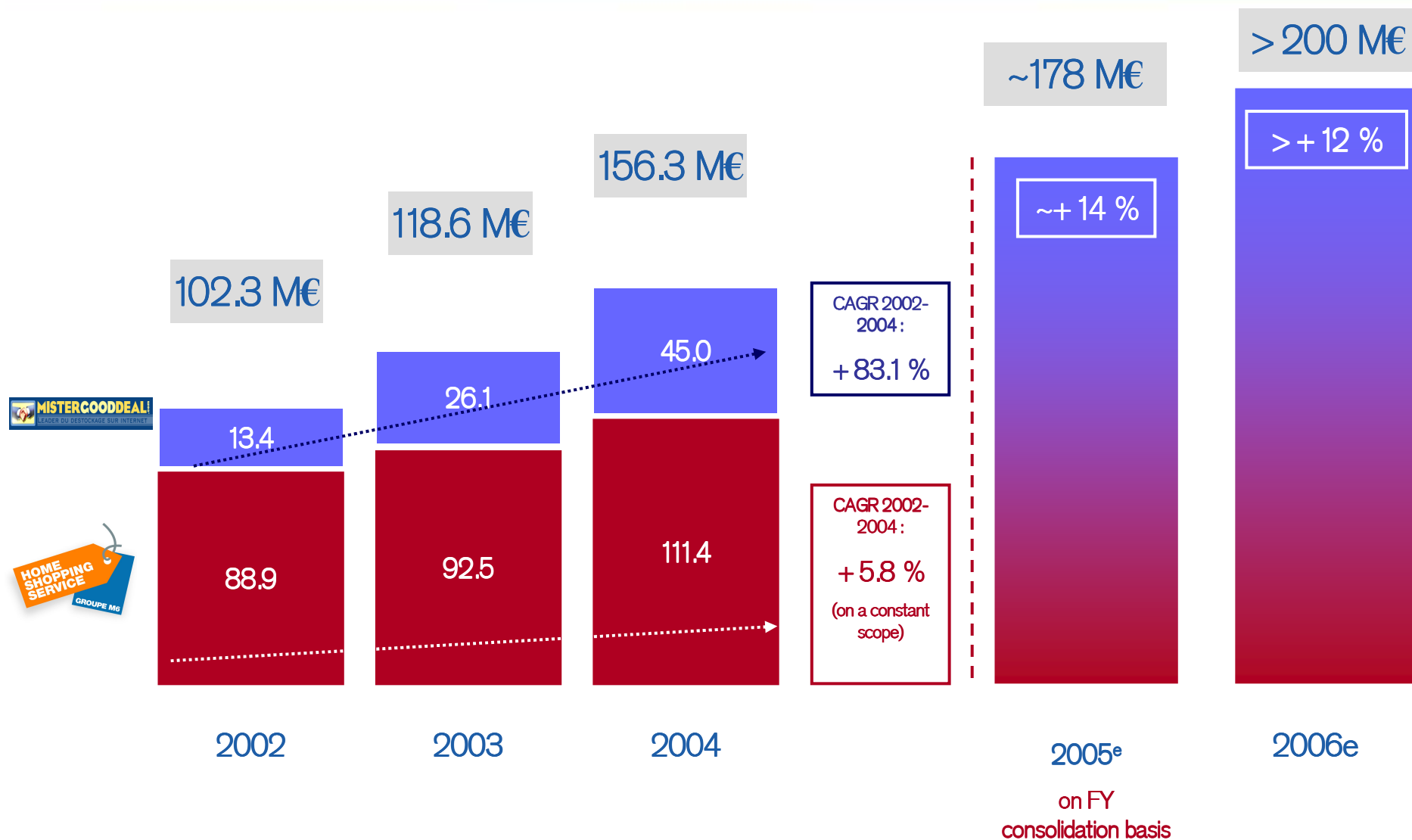
- ✓ Mistergooddeal.com : 2004 sales 45 M€, 2005<sup>e</sup> sales growth ~ + 45%, profitable since 2003
- ✓ Transaction price : < 0.7x 2005e sales, financed by cash
- ✓ Impact on M6 accounts : consolidation as from 15th of November 2005, immediately relative

## ■ Rationale

- ✓ Superior growth rates
- ✓ Creation of a multi channel distribution player
- ✓ A unique combination of Television reach & Internet efficiency
- ✓ Matches M6 Group focus on immediate profitability

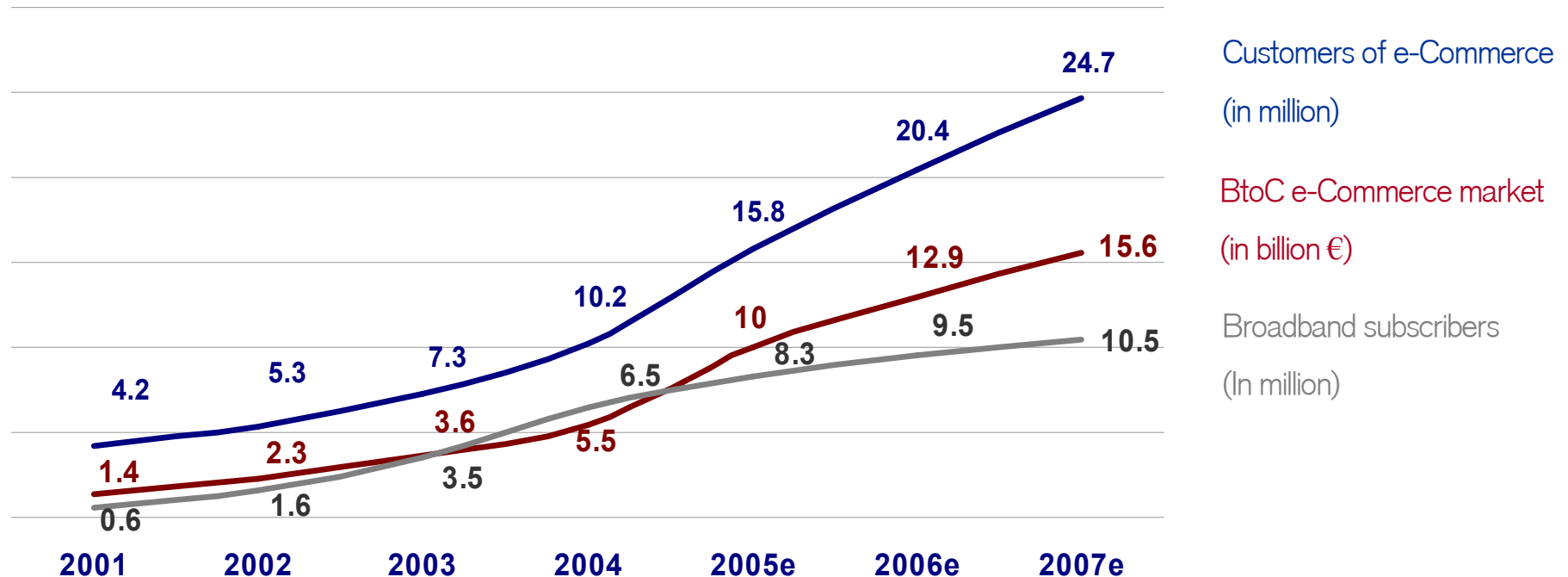


# HSS and Mistergooddeal.com





# French e-Commerce a fast-growing market



- e-Commerce is a fast-growing market, driven by
  - ✓ Increasing number of broadband subscribers,
  - ✓ Change in buying habits, increased confidence in e-commerce transactions
- In France, 1 web user out of 2, i.e 12 million people, has already made a purchase on Internet (H1 2005)
- Market size of BtoC should increase from 5.5 bn € in 2004 to 10 bn € in 2005

Source : Acsel, FEVAD, ARCEP, M6 estimates



# Mistergooddeal.com a Top 10 e-Commerce player

Top 10 of BtoC e-commerce websites  
Source : FEVAD – Mediametrie//Netratings – August 2005

Rank	Brand	Unique audience (000)	Penetration rate (%)	Unique audience growth vs. August 2004 (%)
1	eBay	4,949	26.58	30.1%
2	Fnac	3,896	20.92	54.4%
3	Cdiscount.com	3,511	18.85	12.3%
4	Alapage	2,923	15.7	73.7%
5	La Redoute	2,790	14.98	124.8%
6	Amazon	2,766	14.86	55.2%
7	PriceMinister	2,442	13.12	62.4%
8	Rue du Commerce	1,521	8.17	18.6%
9	Camif	1,491	8.01	n.d
10	Mistergooddeal	1,474	7.92	123.3%



## Key facts on Mistergooddeal.com

- BtoC website, leader in discount on best name-brands from excess inventory
- More than 6000 references in electronic household appliances, electronics, computers, telephones, gardening,...
- 100 000 to 150 000 daily unique audience
- Launched in 2000, profitable since 2003
- Know-how and professionalism in purchase, logistics, customer service
- High growth trends : +45 % in sales for 2005e



# HSS

## a pioneer in home shopping

### Key facts on HSS

- Created in 1987, HSS is a pioneer in Direct Response TV Shopping
- Leader in France & Benelux with a c.55 % market share
- 700 hours of weekly programs on more than 40 channels, in France and abroad
- Introduced in 2003 a new type of programs, the infomercials
- Dedicated 24/7 channels on cable and satellite
- More than 5 millions catalogues mailed every year, 2 million customers
- 2004 figures :
  - ✓ Revenues : 111.4 M€
  - ✓ EBIT : 4.6 M€





# Same business, complementary products, distribution channels and targets



Business Model

B to C



Know-how & experience

Products offer

Consumer products

- ▶ Innovative products
- ▶ Mainly no brands

- ▶ Discounted products
- ▶ Name-Brand products



Complementary products

Distribution channels



- ▶ Television
- ▶ Catalogues
- ▶ Internet and Mobile



- ▶ Internet



A real multi channel distribution player

Targets

- ▶ Housewives under 50 y-o

- ▶ 20 - 40 years old



Complementary targets





## Key figures & impact on M6 Group financial statements

- Acquisition of 95 % of Mistergooddeal.com by HSS
- Maximum amount for 100 % : 44 M€
  - ✓ i.e less than 0.7x 2005<sup>e</sup> sales
- Financed by cash
- Impact on M6 consolidated statements
  - ✓ Goodwill
  - ✓ Consolidation from 15th of november, 2005
- Mistergooddeal.com is
  - ✓ Net cash positive
  - ✓ Profitable since 2003
- Acquisition is relative as from 2005