



M6 Group

Merrill Lynch TMT Conference

7 June 2006





Overview

2005 Reminder

Jan – May 2006 Audiences

Q1 2006 Revenues and advertising trends

DTT

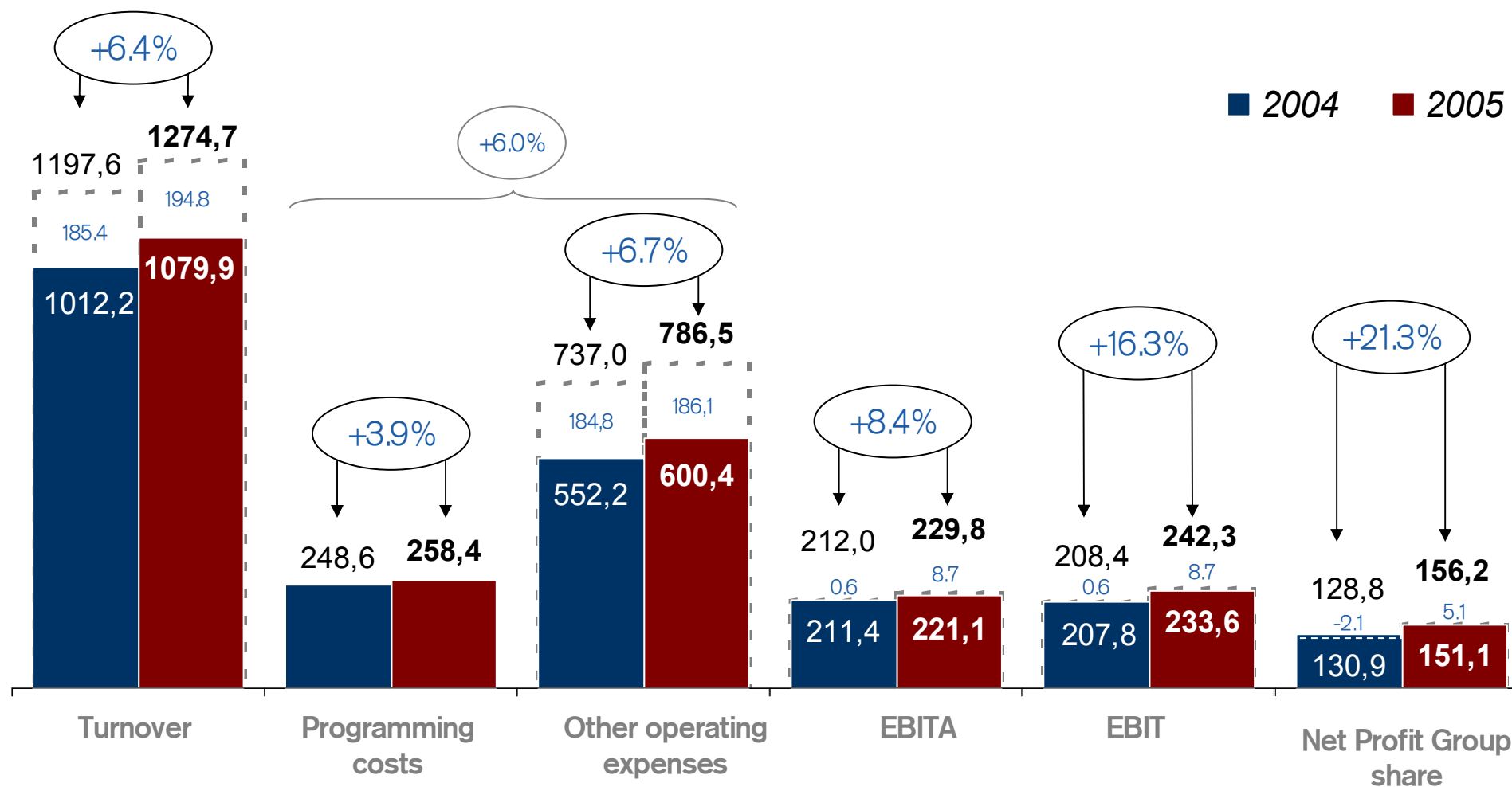
New growth drivers

Conclusion



2005 key Group financial results

€M





2005 financial year highlights

Record audiences

19.1%

< 50 y.o housewives
audience share

12.6%

4 + y.o. individuals
audience share

M6 progresses in its commercial targets

+ 0.5 pt

< 50 y.o housewives

+ 0.1 pt

4 + y.o. individuals

+ 0.9 pt

15-34 y.o individuals

Controlled programming costs

€M 258.4

Progression limited to + 3.9%
with record audience increases

Thematic channels

Launch of new



channels



Pay TV

TPS – Canal+ Group agreement

Net cost of DTT (excl TPS)

13.0 €M in 2005 (incl. W9 result) vs. **1.3 €M** in 2004

2006^e costs : 16 €M

Advertising performance

in a stable market at + 0.3 %
(gross data)

+ 4.0 %

Advertising revenues growth

23.2%

Market share
(gross data)

M6 market share gain

+ 1.1 basis points

Launch



Commercial success

with **300,000** subscribers
(at 21 February 2006)

EBITA 2005

+ €M 1.8

Acquisitions

Mistergooddeal

Internet destocking site

Citato

Free monthly aimed at 15 -25 y.o

SNC

Films catalogue



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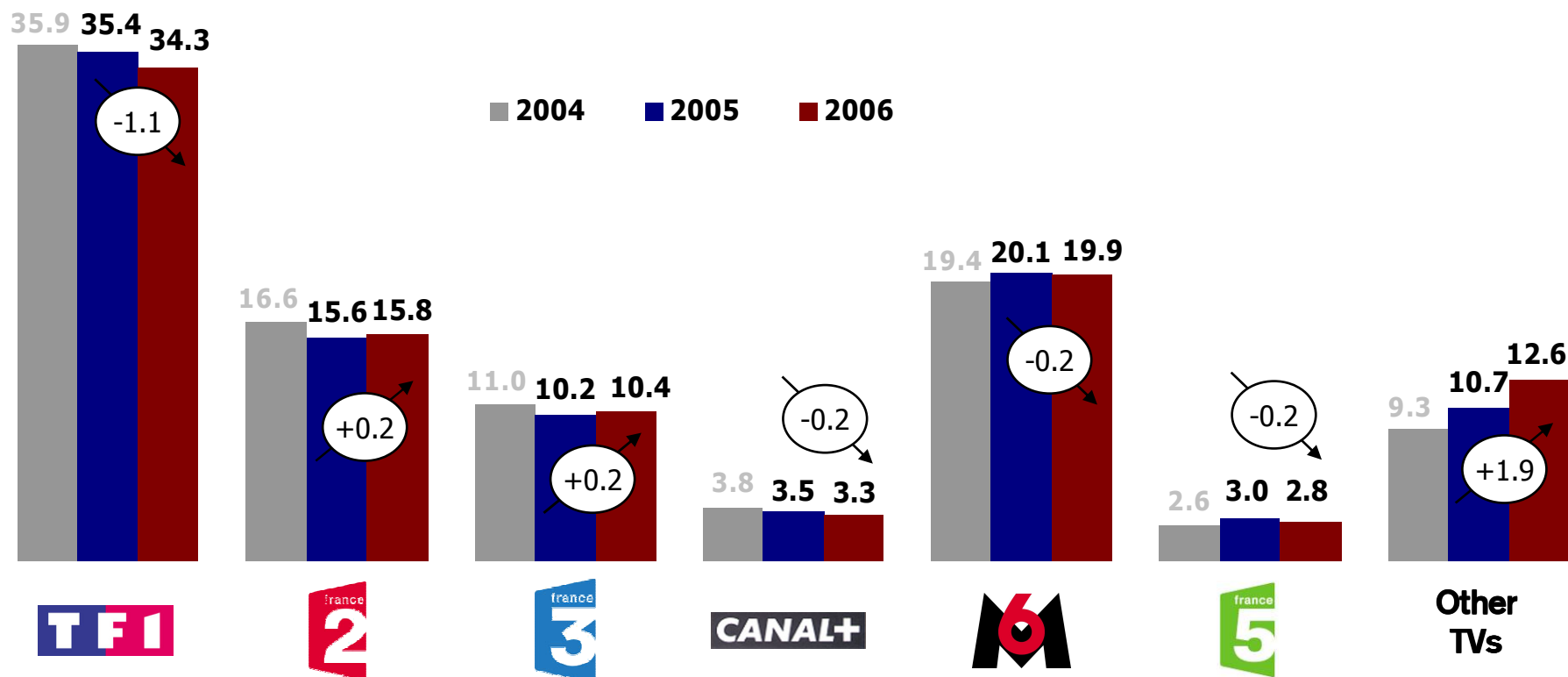
Conclusion



M6 : Housewives<50 audience share still at a very high level after 2005 records

Weeks 1 to 21

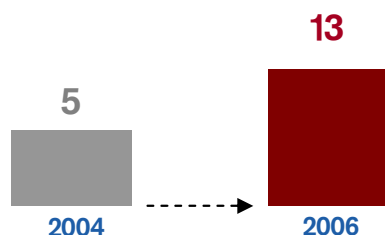
Hwives <50 years old audience share in %



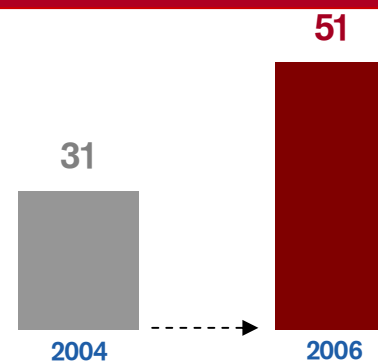


2006 : New records for M6

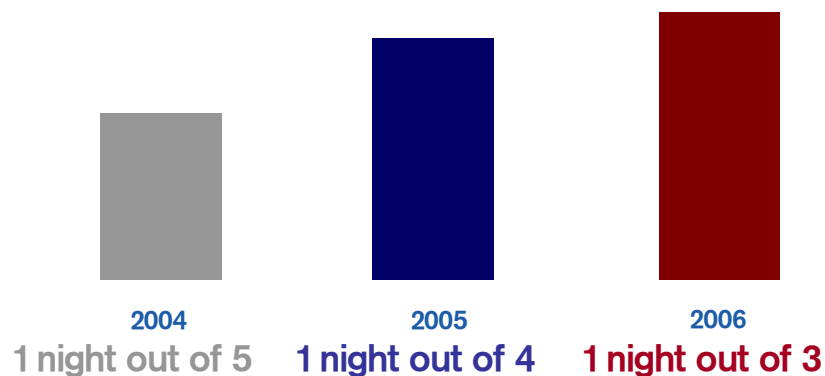
Prime Time attracting more than **5 million** viewers
(+4 y-o)



Prime Time attracting more than **4 million** viewers
(+ 4 y-o)

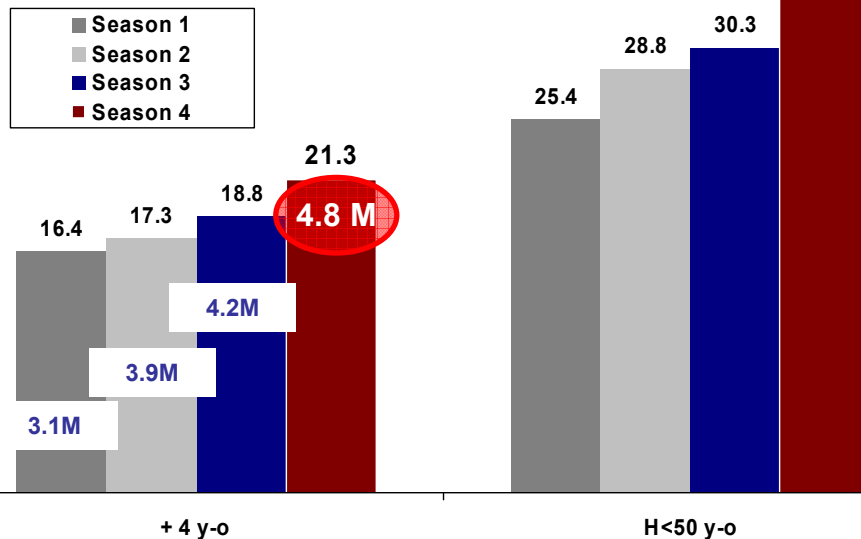


Powerful Prime Time (more than 4 million viewers) are more and more frequent





Large audience successes on all targets

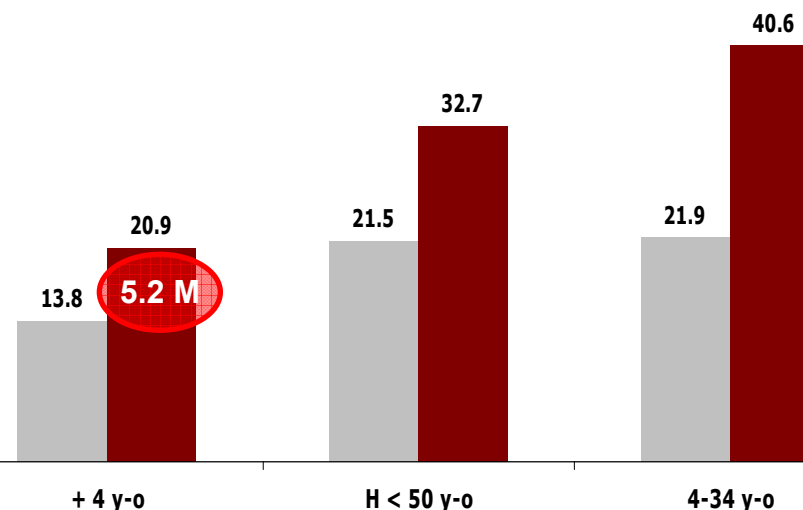


Nouvelle Star – Season 4 tops new records

- + 1.7 million viewers vs. Season 1
- + 1.1 million viewers vs. Season 2
- + 600 thd viewers vs. Season 3



■ Average audience of the time slot (2004-05)
■ DESPERATE HOUSEWIVES (first 2 weeks)



Desperate Housewives – The event (first FTA broadcast)

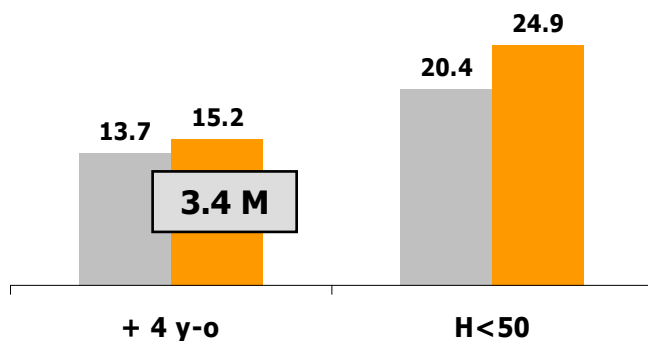
- 5.2 million viewers (average audience)
- M6 first channel on the 4 – 34 y-o target



US series : an audience driver for more powerful nights

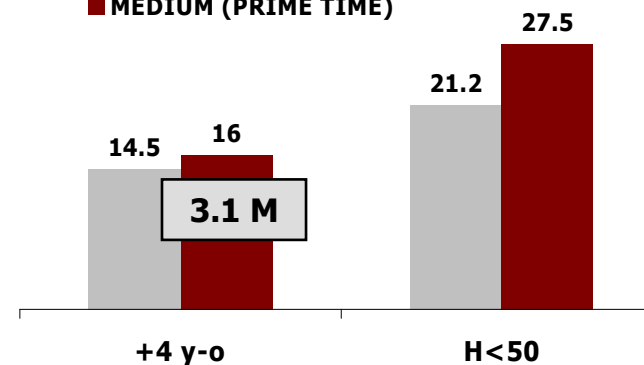
■ Season 2004-2005 average

■ NUMB3RS (PRIME TIME)



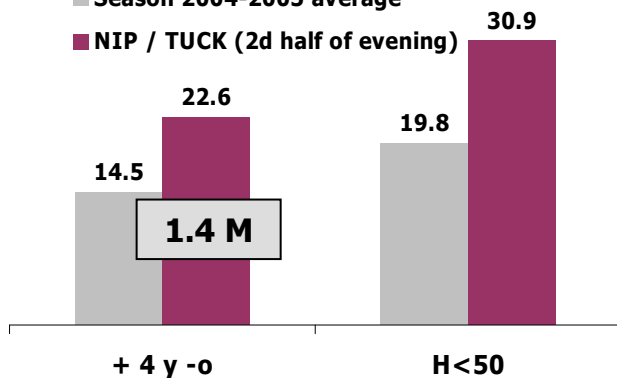
■ Season 2004-2005 average

■ MEDIUM (PRIME TIME)



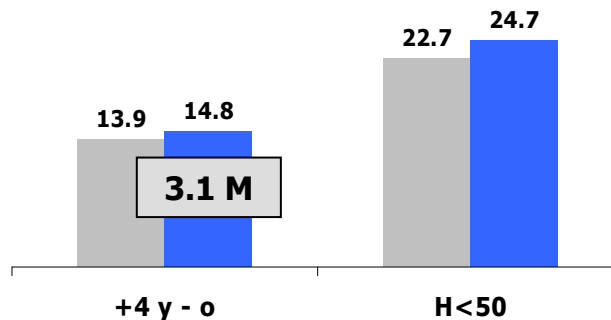
■ Season 2004-2005 average

■ NIP / TUCK (2d half of evening)



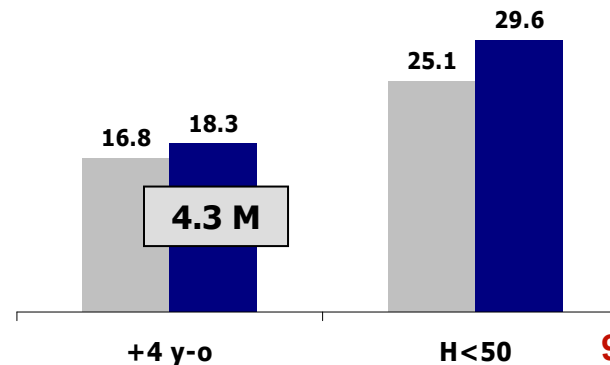
■ Season 2004-2005 average

■ SMALLVILLE (PRIME TIME)



■ Season 2004-2005 average

■ NCIS ENQUÊTES SPECIALES (PRIME TIME)

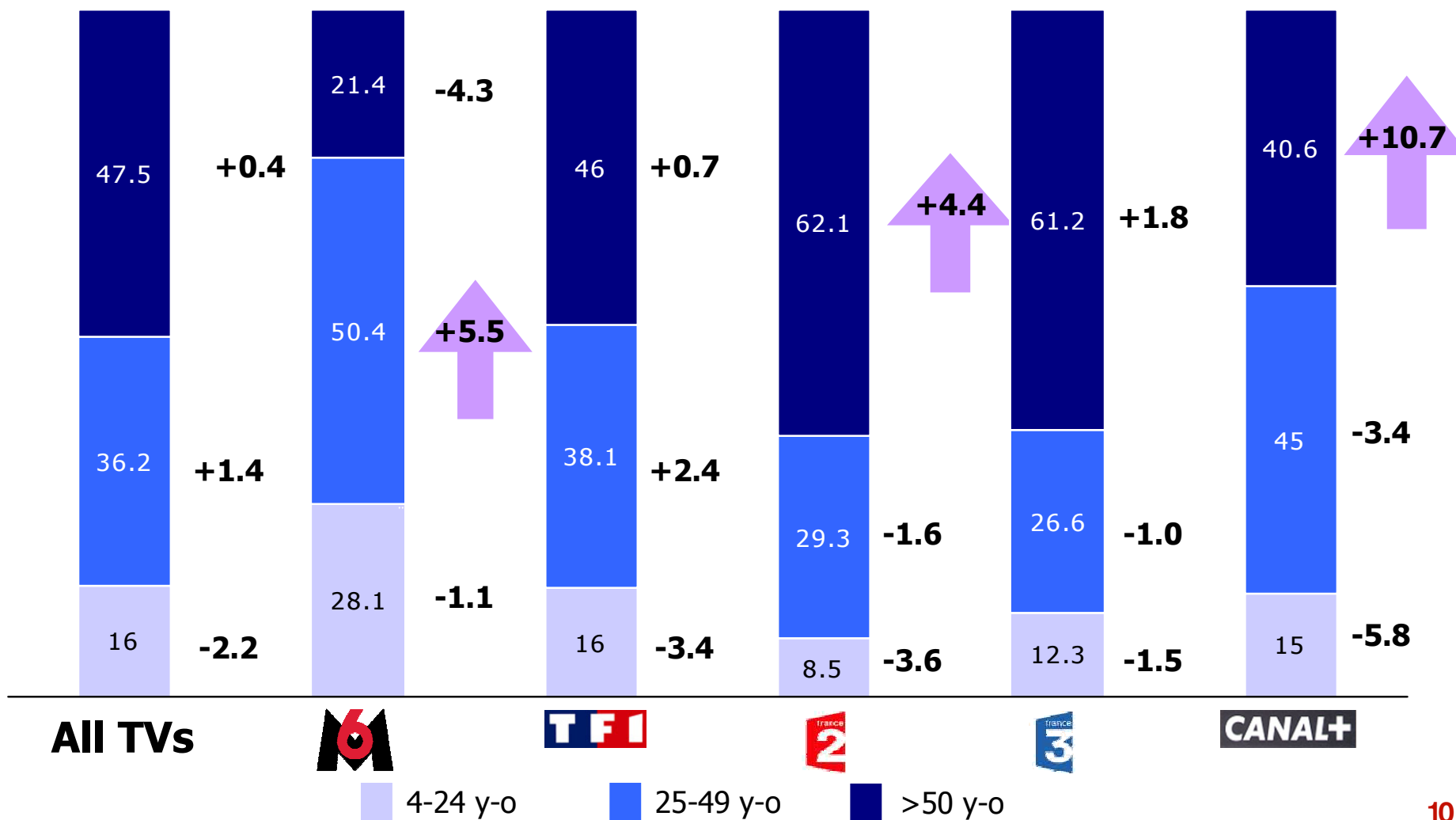




Enlargement of M6's audience

Evolution of channels' audience profile

jan-apr 2006 and point evolution (jan-apr 2006 vs jan-apr 2001)





Coming next in June ...

■ **FIFA World Cup 2006**

✓ 31 matchs live on M6 featuring :

- 3 prime-times (including Brazil-Croatia)
- 4 second round games
- 2 quarter finals



■ **The summer drama « Laura »**

✓ M6 first step in a popular programme style



 **A complementary strategy to be more federative**



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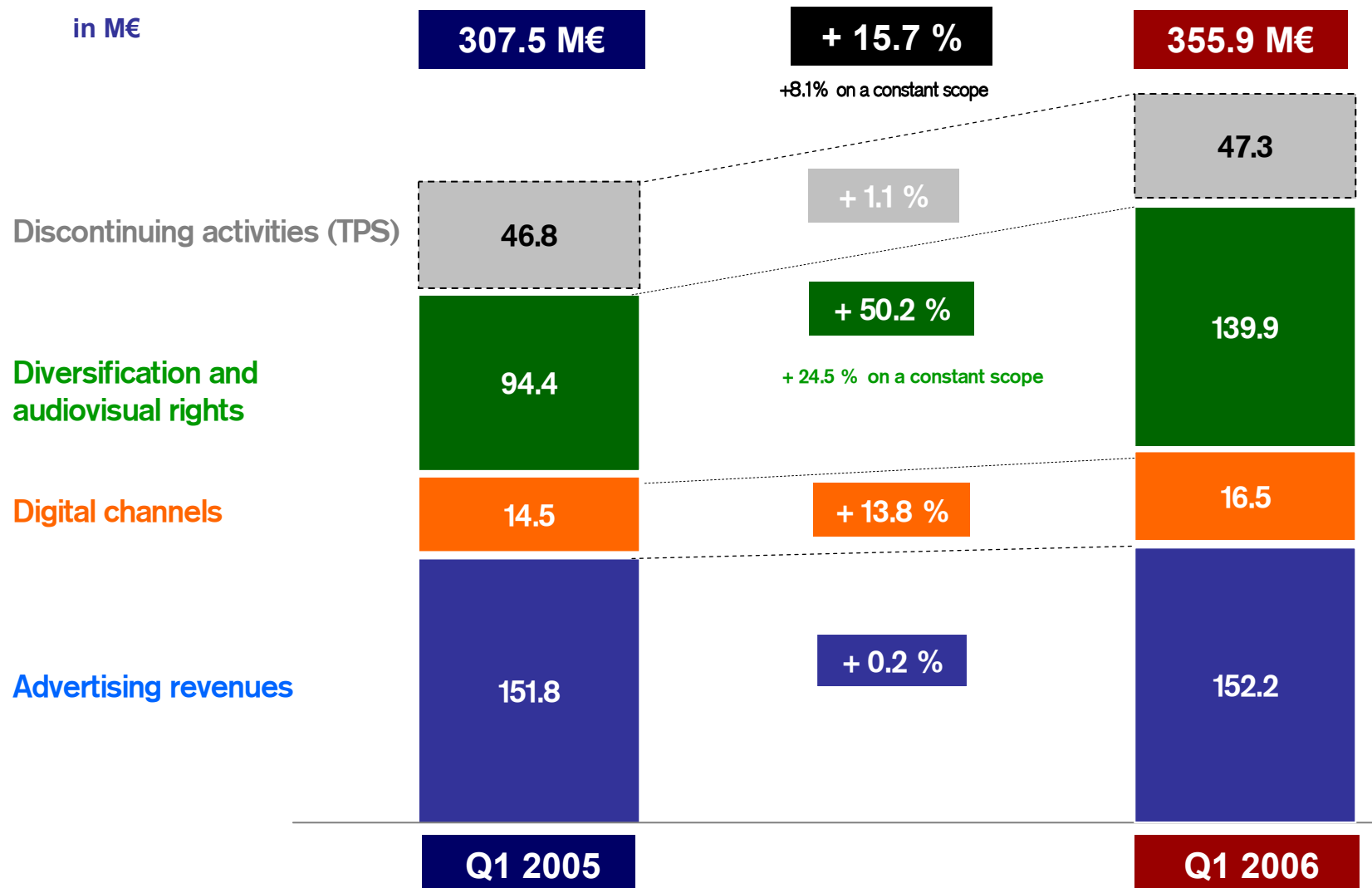
DTT : First audiences

New growth drivers

Conclusion

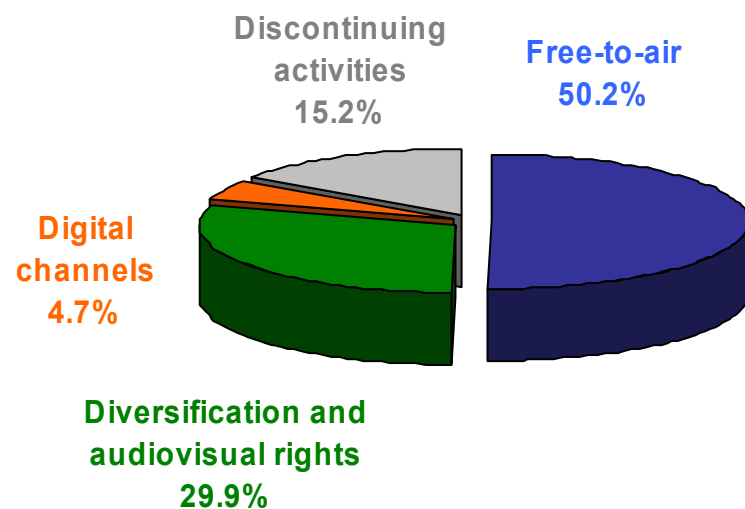


Q1 2006 sales : a strong growth +15.7%

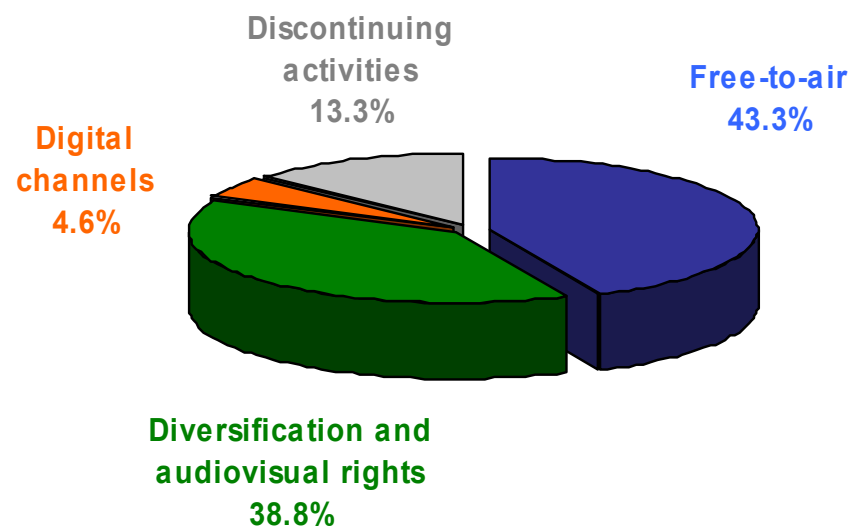




Breakdown of revenues by segment



Q1 2005



Q1 2006

The beginning of 2006 highlights :

- the dynamism of existing activities (digital channels, audiovisual rights)
- and the strong growth of new activities in diversification (M6 Mobile by Orange, Distance Selling)



M6 outperforms the TV market

Gross figures : 1 January – 28 May 2006 vs 1 January - 28 May 2005





The FTA advertising market is up by :

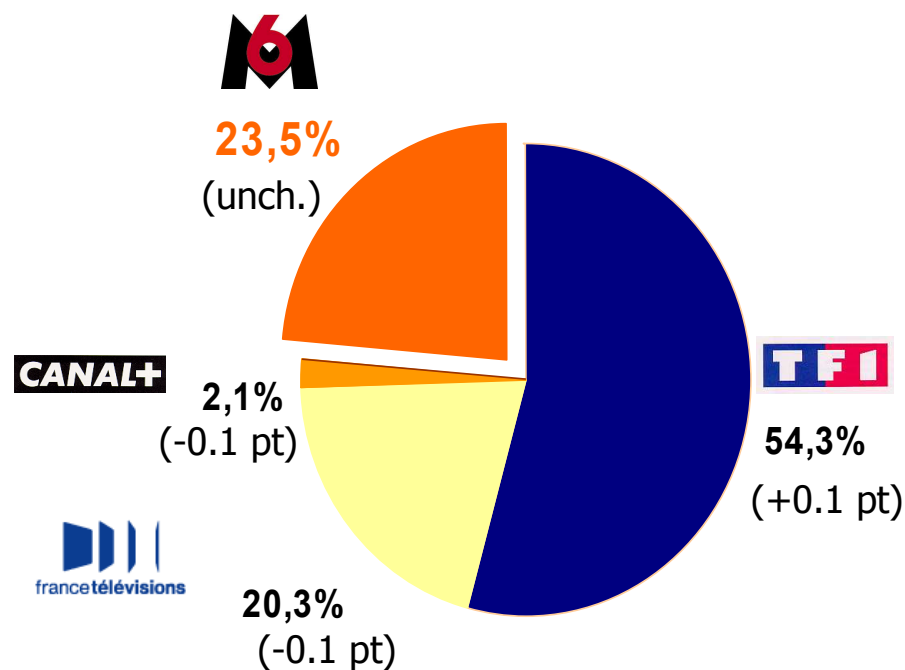
+6.5%

1 Jan - 28 May 2006 vs 1 Jan -28 May 2005

TV ad market share and changes

1 Jan – 28 May 2006 vs 1 Jan – 28 May 2005

	Gross TV ad spends 1 Jan -28 May 2006	Change 1 Jan - 28 May 06 vs 1 Jan -28 May 05
	1 226 M€	+6.6%
	456 M€	+6.0%
	47.7 M€	+4.4%
	532.2 M€	+6.8%

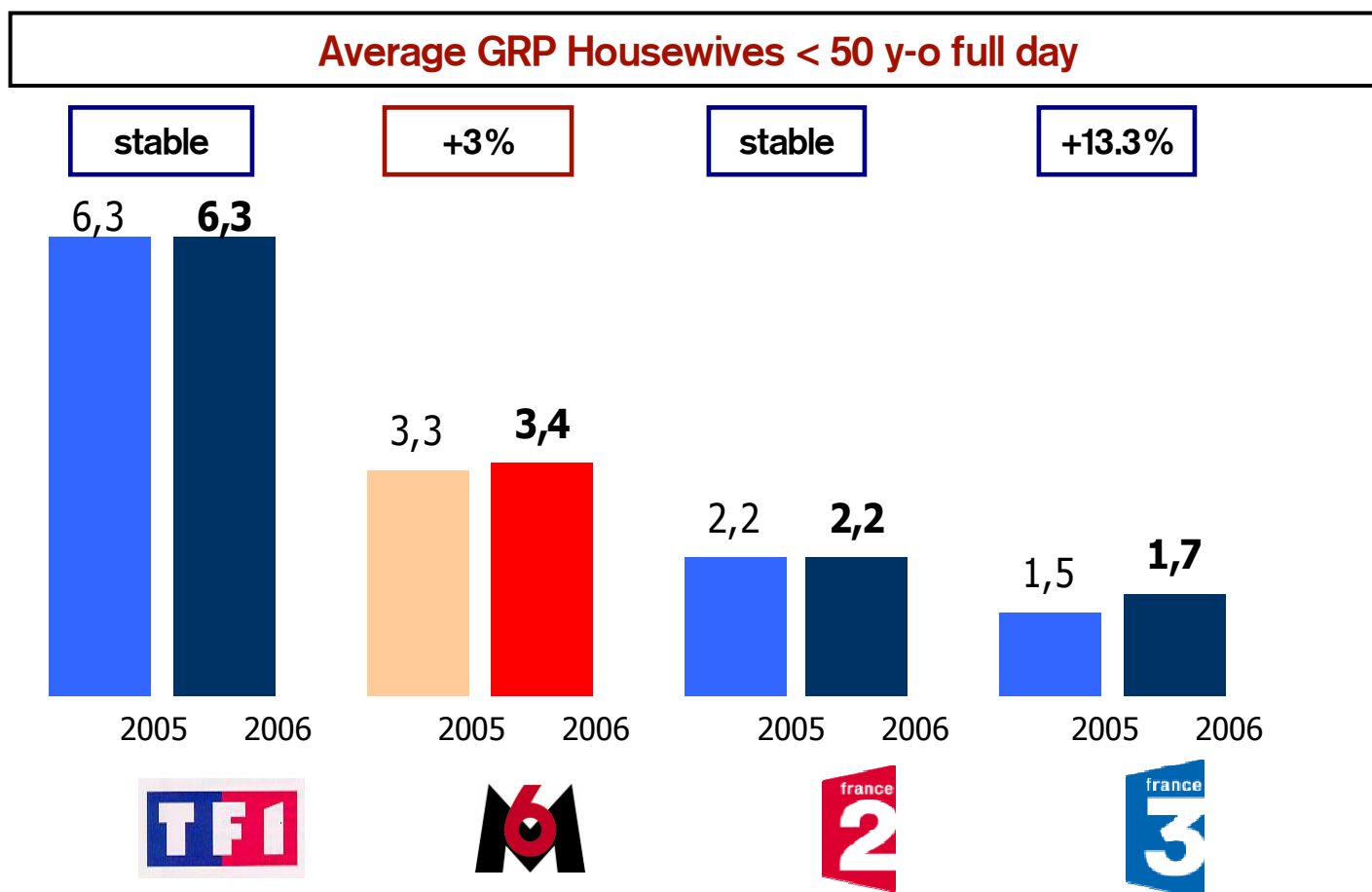




Average strength of advertising screens

1 January – 21 May 2006 vs 1 January – 21 May 2005

M6's advertising breaks average audience increases by +3% on housewives under 50 y-o





Sectors : M6 performance in line on Food & Health – Beauty, underperforms on Household products

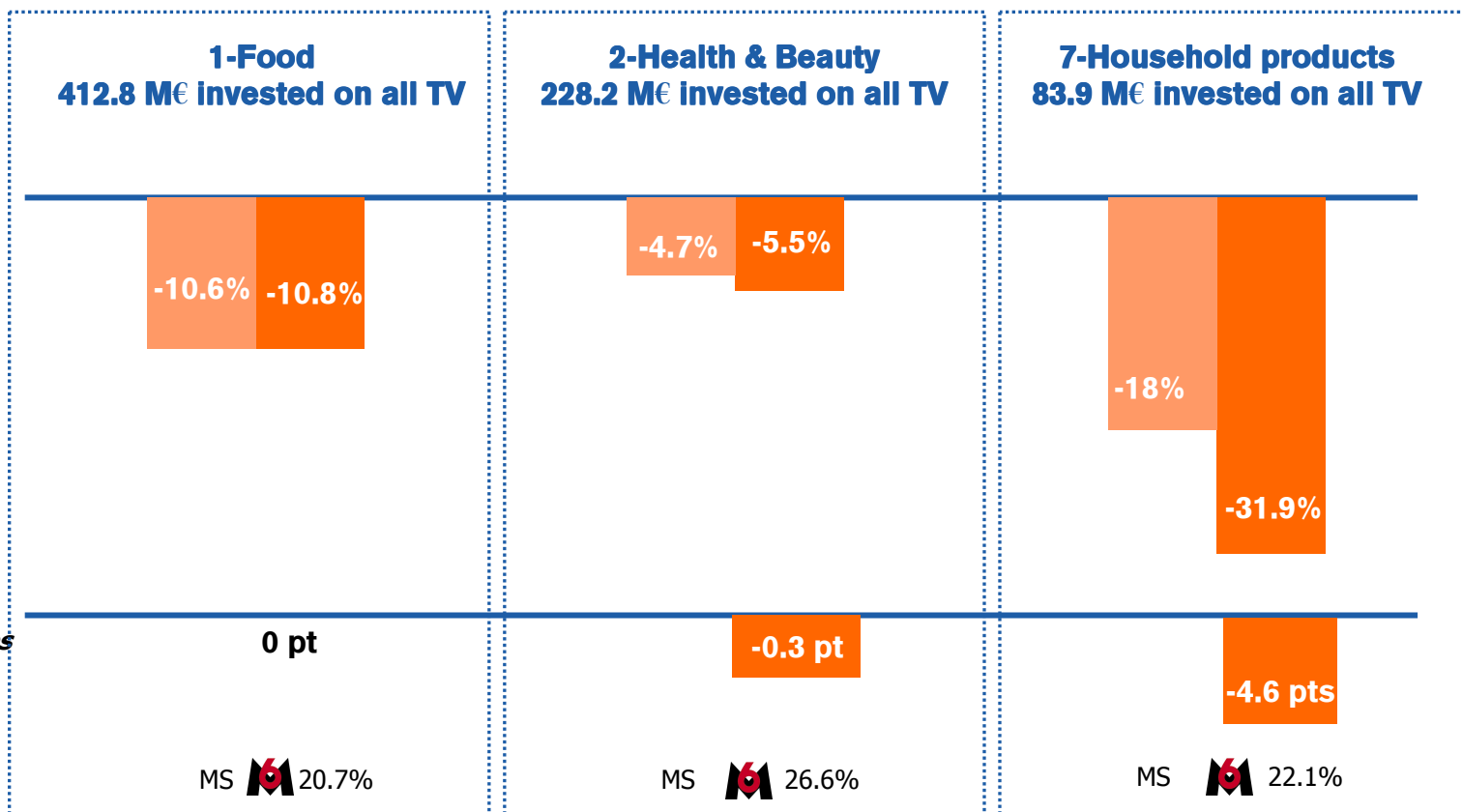
Changes in expenditures and market shares (Jan – April 2006 vs Jan – April 2005)



Change in expenditures
Jan – April 06 vs
Jan – April 05

Change in market shares
Jan – April 06 vs
Jan – April 05

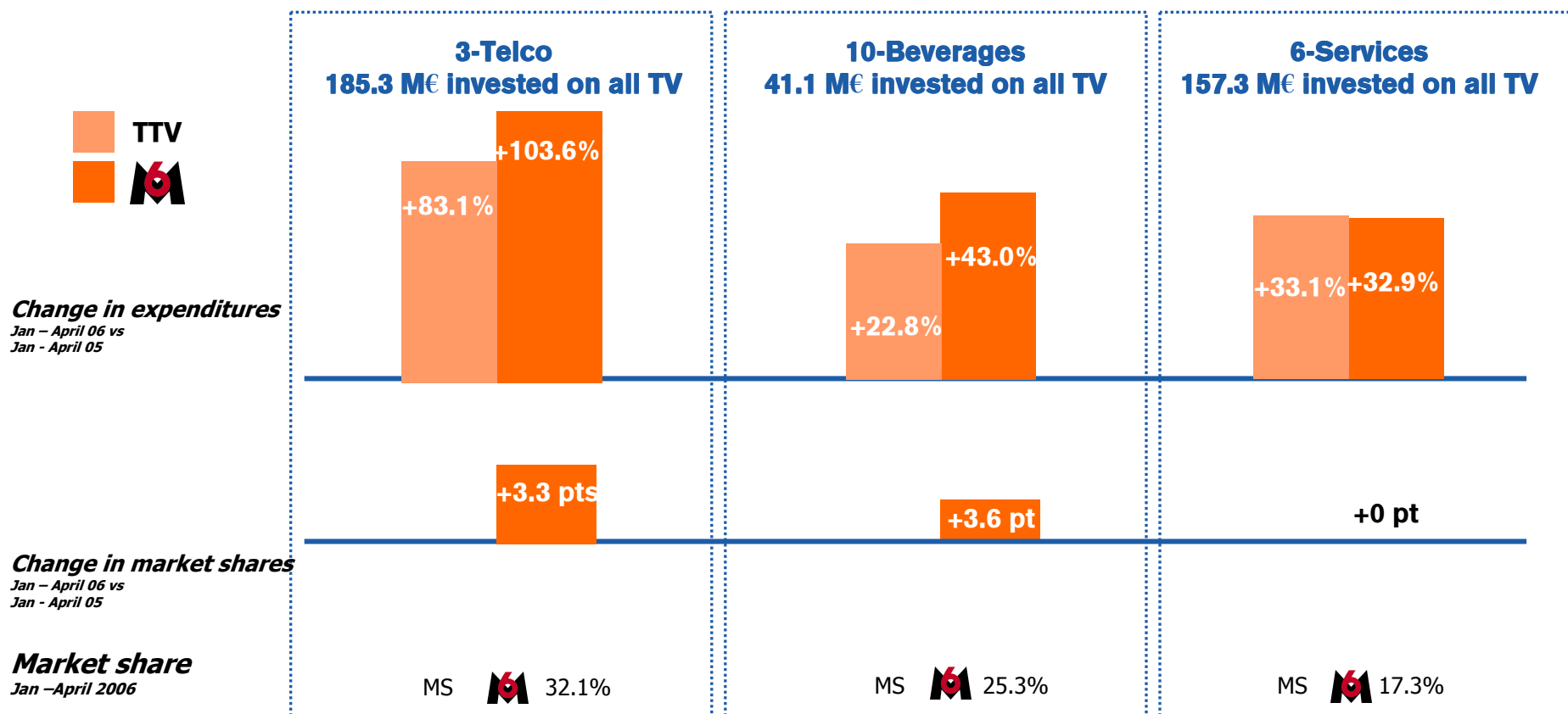
Market share
Jan – April 2006





Sectors : M6 outperforms on Telco, Beverages and in line on Services

Changes in expenditures and market shares (Jan – April 2006 vs Jan – April 2005)





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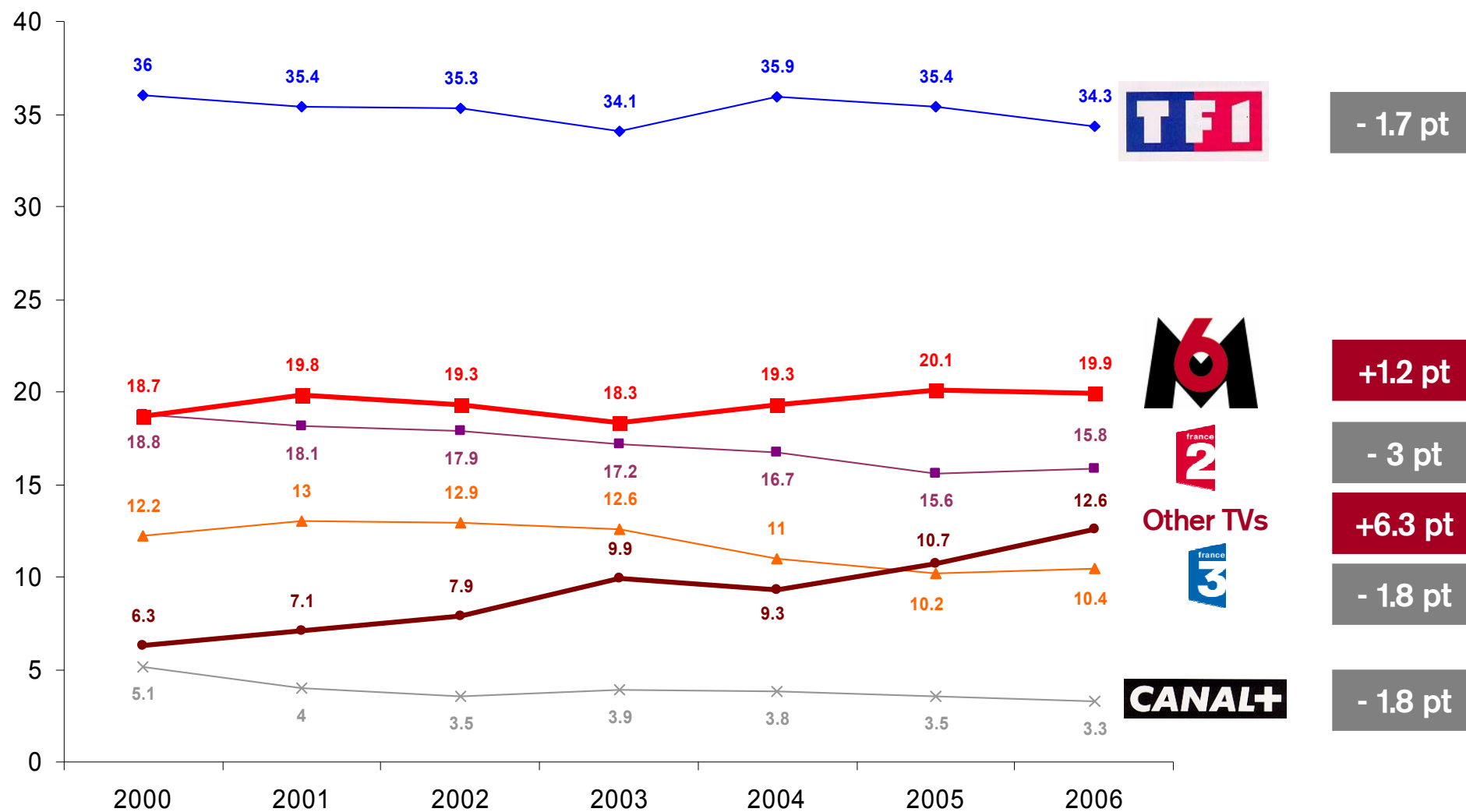
DTT

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M6 audience share on Housewives <50 y.o increases in spite of fragmentation



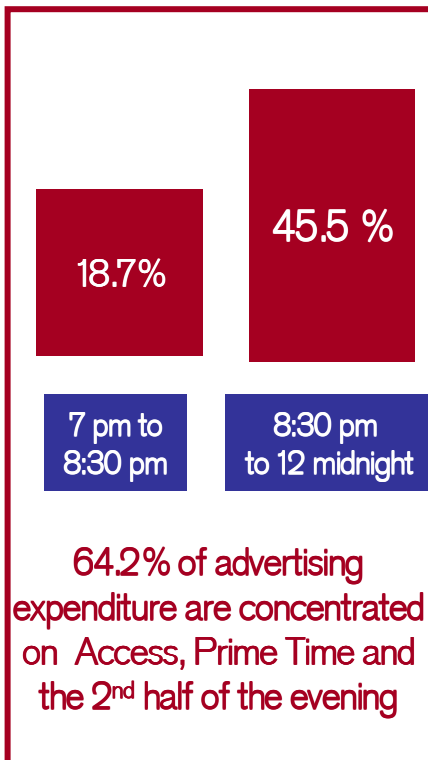
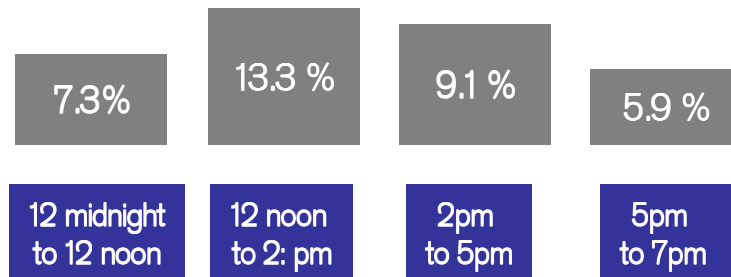
Mediametrie Weeks 1 to 21

Hwives <50 years old audience share in %

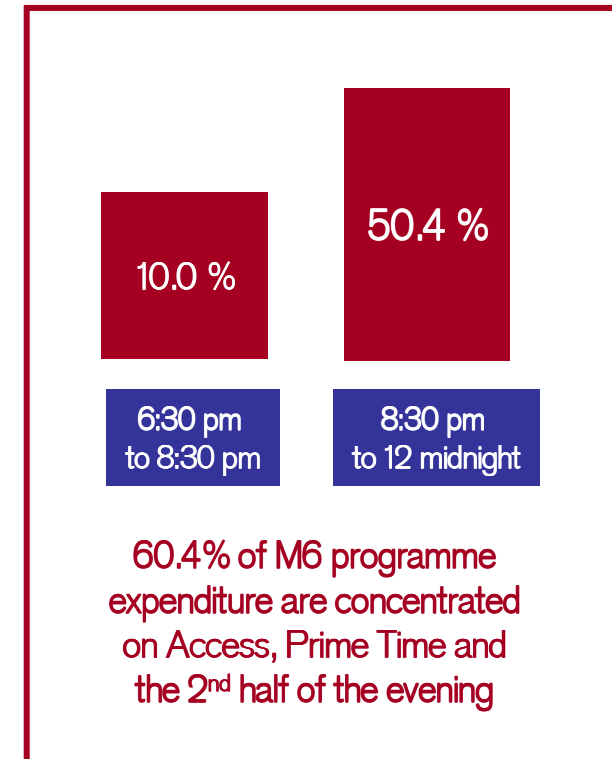


An effective strategy from 7 pm to midnight...

Breakdown of advertising expenditure by time slots *(TTV 2005 data)*



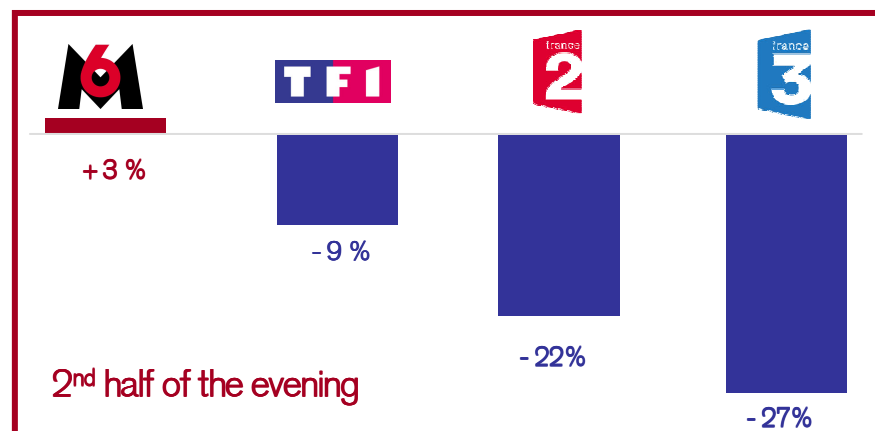
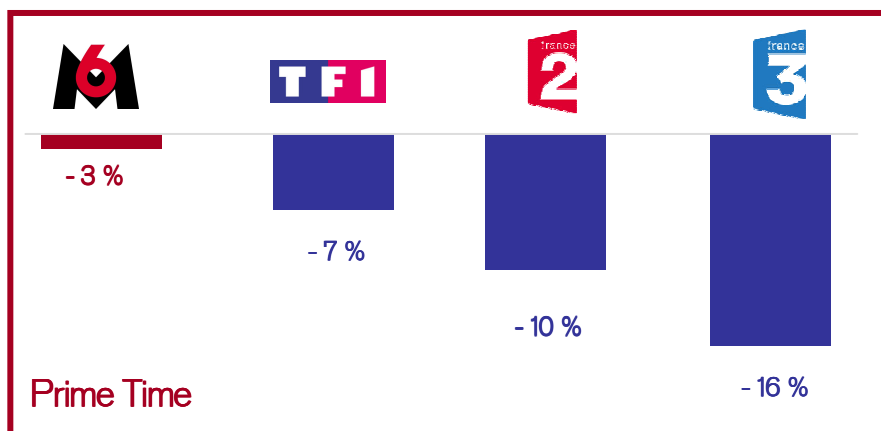
Breakdown of M6 programme expenditure by time slots



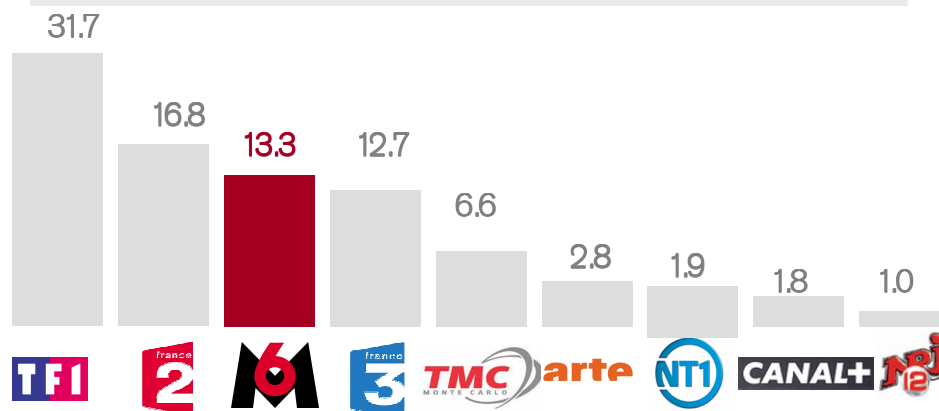


... enabling M6 to offer the best opposition in this time slot

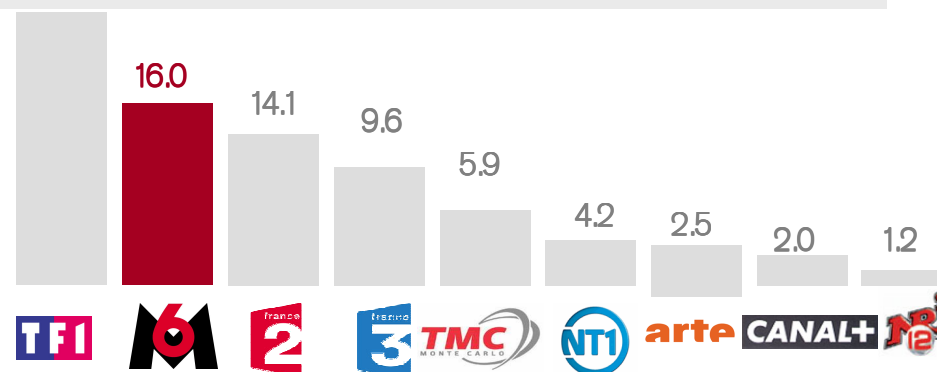
M6 offers the best opposition to the DTT offer among all the major French TV terrestrial networks in prime time and audience share gains in the 2nd half of the night



M6 posts the 3rd best prime time audience level for individuals 4+ y.o. equipped with DTT



M6 posts the 2nd best 2nd half of night audience level for individuals 4+ y.o. equipped with DTT



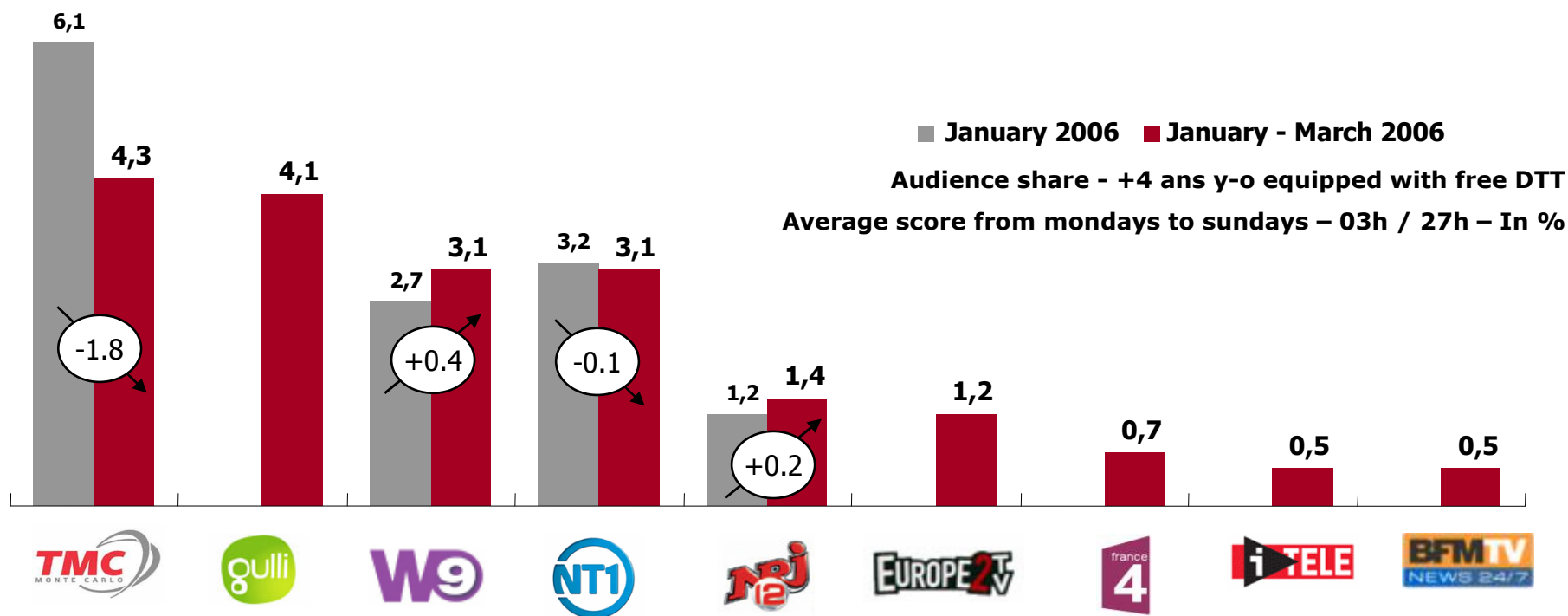


Audience shares on +4 y-o equipped with free DTT



▪ Relevant performance of W9 with an audience share of 3.1% on +4 y-o equipped with free DTT (vs 2.7% in January 2006)

→ W9 is one of the few channels in progress.



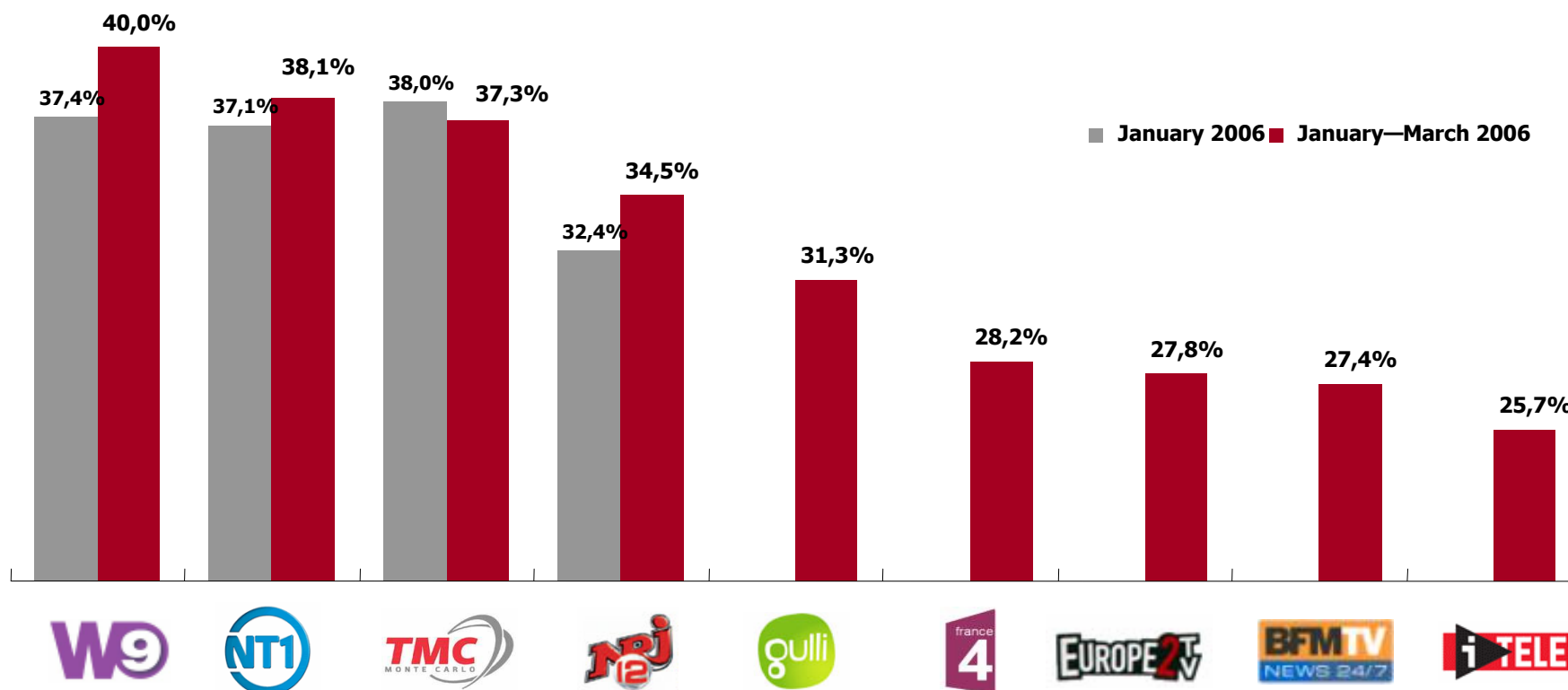
Period: 1st quarter 2006

Source : Médiamétrie 23



Cumulated audience on +4 y-o equipped with free DTT

W9 is the most attractive and popular channel among the new DTT channels.



Period: 1st quarter 2006

Source : Médiamétrie / Equipped households – threshold 1 second



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Diversification and audiovisual rights : an increased contribution to sales and EBIT

	FY 2004	FY 2005	% change	Q1 2006
Revenues	352.2	380.3	+ 8.0 %	+ 50.2 %
				+ 24.5% on a constant scope
EBITA	9.8	25.6	> 300%	
EBITA margin	2.8 %	6.7 %		

2005 highlights

- EBIT : 38.1 M€ (13.3 M€ gain on RTL Shop disposal)
- Except M6 Interactions, the contribution of all activities increased
- M6 Mobile and Mistergooddeal.com first contribution is positive

2006

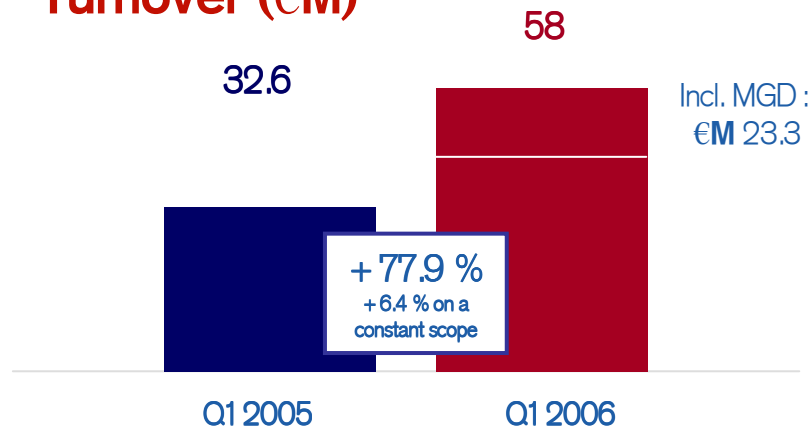
- Mistergooddeal.com,
- M6 Mobile by Orange
- and growth of other existing activities

should generate sales replacing at least 2/3 of TPS sales contribution



HSS – Mistergooddeal: a fast-growing Distance Selling player

■ Turnover (€M)



Strong growth in the e-commerce market

Average number of
online buyers in 2005
Q3

12 million

Average number of
online buyers in 2005
Q4

13.4 million
+26% vs.Q4
2004

Average number of
online buyers in 2006
Q1

15.1 million
+31% vs.Q1
2005

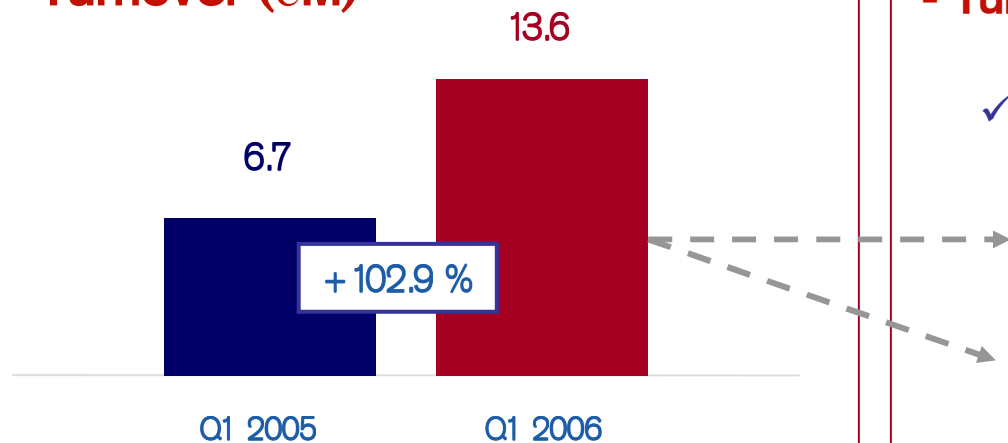
- Q1 2006 sales up 77.9 % (+6.4% on constant scope)
 - ✓ HSS revenues +6.7%
 - ✓ Pursuit of infomercials growth
- Mistergooddeal.com registers a sustained growth (+56% vs +37% for the market)
 - ✓ e-commerce growth driver
 - ✓ Creation of multi-channel player with a critical mass





M6 Web revenues more than doubled

Turnover (€M)



Turnover up 102.9%

✓ Growth driven by:

- the success of the Group's websites and interactivity business
- M6 Mobile by Orange dynamism

M6 Mobile by Orange

- ✓ 420 000 subscribers announced on the 7th of June 2006
- ✓ 1 million subscribers' goal within 3 years
- ✓ Launch of a new offer coming soon





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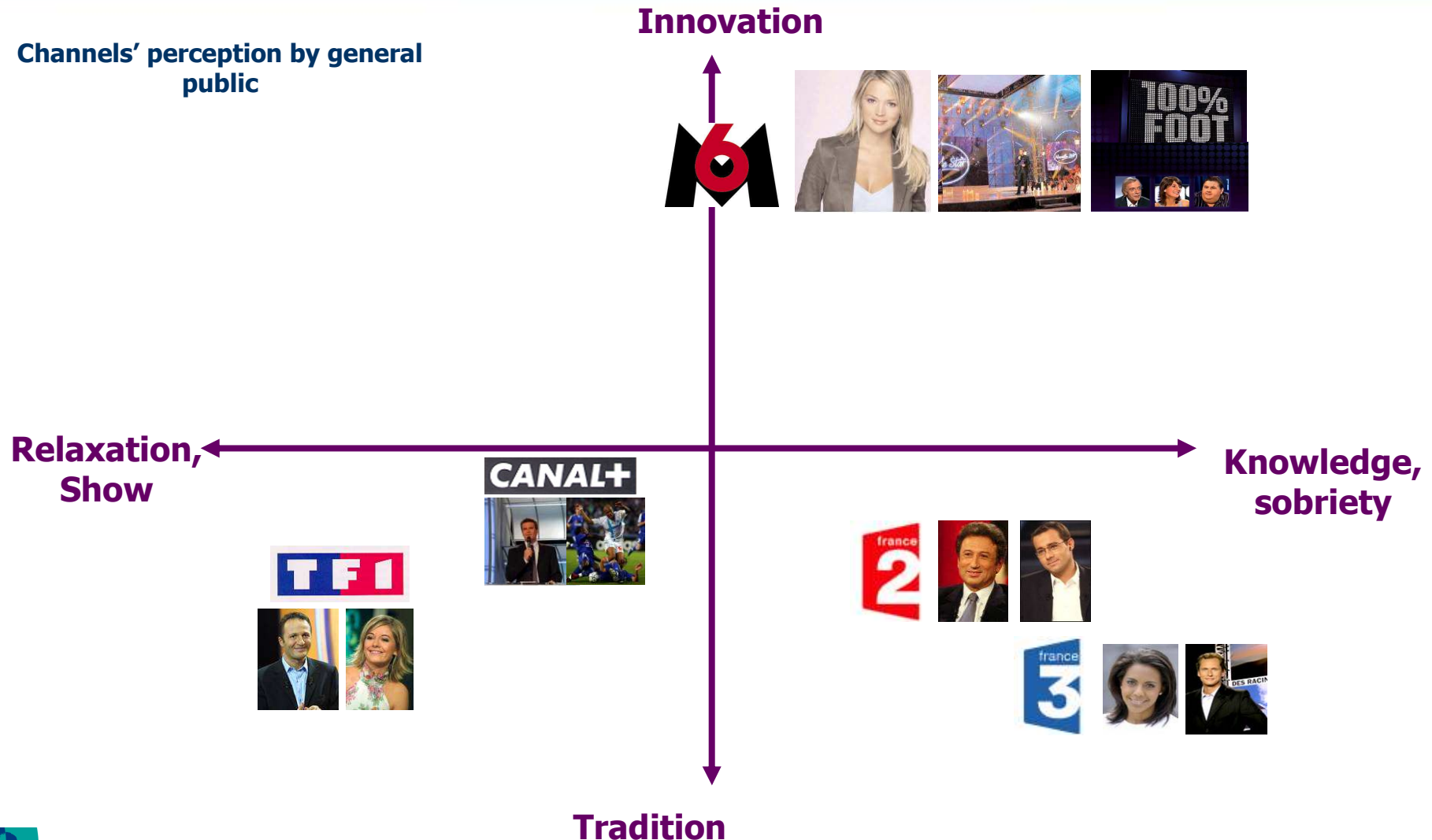
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M6, combining innovation with a generalist status

Channels' perception by general public





M6 Group strategic view



Free – to – Air

A generalist channel, with a new asset on free DTT

Increased investments in sports, fictions, news

DELIVERING MASS AUDIENCES

Digital channels

A complementary offer

Ensure the best distribution and exposure

DELIVERING TARGETED AUDIENCES

Diversification and audiovisual rights

Capitalising on a strong brand to develop complementary activities (targets, audiences, customers,...)

Organic growth and acquisitions
Secure content sourcing

DELIVERING MULTIMEDIA AUDIENCES

Control of powerful and federative contents
available on both traditional and new supports

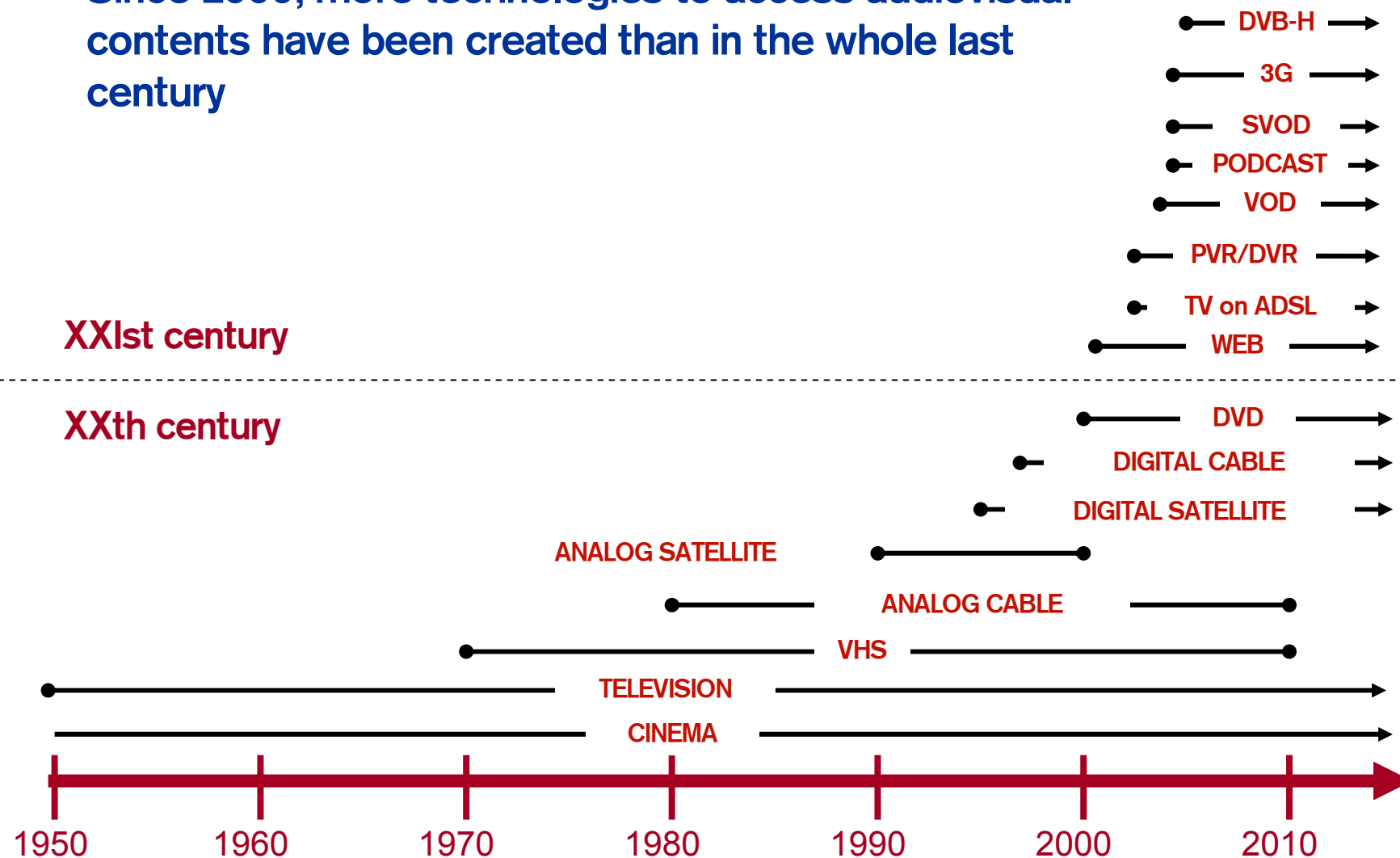
Monetisation of audience share

Increased advertising market share for incremental revenues and profits



The accelerating pace of new technologies and business models to access audiovisual contents

Since 2000, more technologies to access audiovisual contents have been created than in the whole last century





Focus on digital broadcasting

