

# H1 2006 RESULTS

## NET PROFIT – GROUP SHARE : 100.5 M€, up by + 15.4 %



The Supervisory Board has reviewed on the 28th of August the H1 2006 financial statements approved by the Management Board.

In M€	30-Jun-06	30-Jun-05	% change
<b>Consolidated sales (continuing activities)</b>	<b>663.8</b>	<b>547.0</b>	<b>21.4%</b>
M6 Advertising	351.4	334.5	5.1%
Other activities	312.4	212.5	47.0%
<b>Profit from operations (continuing activities)</b>	<b>121.8</b>	<b>132.3</b>	<b>-7.9%</b>
Net profit from continuing activities	90.5	86.3	4.9%
Net profit from discontinuing activities (TPS)	10.5	1.2	n.s
Minority Interest	(0.5)	(0.3)	n.s
<b>Net Profit - Group Share</b>	<b>100.5</b>	<b>87.2</b>	<b>15.4%</b>

In H1 2006, M6 group has continued its expansion on all its activities.

**Confirming its high levels of audiences in spite of an accrued competitive environment**, M6 channel has registered an audience share of 12.8% on 4 years and over individuals, and 20.0 % on housewives under 50 years old, stable compared to H1 2005 (20.1%). Moreover, the channel has posted in June a new record of audience, with a 14.7% audience share on 4 years and over, notably thanks to the successes of the FIFA Football World Cup broadcasting and other programmes, among which *Laura*, the summer saga.

**M6 Group's other activities have achieved significant growth in terms of both sales and operating profit contribution, mainly with :**

- the good performances of Audiovisual rights activities, positively contributing to the Group operating profit, thanks to *Asterix and the Vikings* movie release and to *Mr. and Mrs Smith* video distribution,
- interactive activities' dynamic development, i.e. M6 Web and M6 Mobile by Orange, with 220 000 additional subscribers in H1 2006,
- digital channels' positive contribution to the group operating profit, in spite of significant investments in W9, M6 group's channel on free DTT. During H1 2006, W9 has registered a steady increase in its audience share, reaching in the latest measurement (Q2 2006) an audience share of 3.5% on 4 years and over individuals, thus standing as the 2<sup>nd</sup> channel in free DTT. In the fast-growing free DTT environment, M6 Group has asserted its power by achieving a combined 15.3% audience share (Q2 2006).

In H1 2006, **M6 Group has posted a 21.4% increase in its consolidated sales (+ 13.2 % on a constant scope)**, reaching 663.8 M€, driven by M6 channel's advertising revenues growth (+5.1% to 351.4 M€) and by revenues from other activities (+47.0% to 312.4 M€).

**The Group's operating profit (continuing activities) was maintained at a high level, at 121.8 M€, with :**

- **M6 FTA's** contribution marked by the investment in the FIFA Football World Cup broadcasting rights, which cost is almost fully booked in H1. Excluding the Football World Cup, cost of programming increased by +4.8%, i.e. and including the Football World Cup + 27.6% to 162.4 M€.
- a strong increase in **other activities** contribution, reaching 21.3 M€ in H1 2006 compared to 5.8 M€ in H1 2005.

When using the same method of accounting for both 2005 and 2006 (i.e. TPS's revenues consolidated at 34%, and depreciation of non-current assets), H1 2006 **group operating profit** would have reached 133.2 M€ compared to 135.3 M€ in H1 2005, with total revenues of 759.2 M€ in H1 2006 compared to 643.6 M€ in H1 2005.

Net profit from continuing activities grew by 4.9 % to 90.5 M€, with a decrease in income tax charges.



