

2004 RESULTS : A STRENGTHENED PROFITABILITY



ANOTHER YEAR OF NET PROFIT GROWTH : 138.7 M€ (+ 5.4 %)
PROPOSED DIVIDEND : 0.84€ PER SHARE (+ 25.4 %)

M6 Supervisory Board has reviewed the 2004 financial statements approved by the management board.

in M€	Full Year 2004	Full Year 2003	% change
Group consolidated sales	1192.8	1176.9	1.4%
incl. Advertising revenues	598.8	575.2	4.1%
incl. Digital TV & diversifications	594.0	601.7	-1.3%
Operating profit	222.5	213.3	4.3%
<i>Operating profit margin (% Group sales)</i>	<i>18.7%</i>	<i>18.1%</i>	
Net Profit	138.7	131.6	5.4%
<i>Net profit margin (% Group sales)</i>	<i>11.6%</i>	<i>11.2%</i>	

Despite an atypical advertising environment in 2004, M6 has posted a new record profit since its creation, with a 4.3 % increase in operating profit at 222.5 M€, reaching a 18.7 % operating profit margin.

This performance has been reached :

- **In free-to-air TV**, thanks to an effective programming strategy and costs controlling : increase in cost of programming is limited to +4.8 %.
- **In digital TV**, thanks to the audience and advertising revenues performances of the theme channels, combined with the acquisition of Paris Premiere. In 2004, these activities have increased their profitability, reaching a 6.4 % operating margin profit. Moreover, TPS has maintained its steady growth, with a net result almost at break-even.
- **In diversifications**, the focus on margins has allowed to maintain approx. 2003 results level, despite a 8.1 % decrease in sales (mainly due to a difficult year for the Football Club des Girondins and for SND – all audiovisual rights activity -). The operating profit margin reaches 5 % vs. 4.8 % in 2003.

The group net profit reaches 138.7 M€ up by 5.4 %, with a net profit margin of 11.6 %.

Considering these levels of profitability, reflected in the balance sheet with 222.1 M€ in net cash and 471.3 M€ in Equity, the management board will propose to the combined General Meeting of 28 April 2005 to set the 2004 financial year **dividend per share at 0.84 € per share, up by 25.4% compared to 2003**. The pay out ratio will amount to 80 % of the net group income.

Group M6 intends to continue its growth on the French television market : **The fast developing multi-channels offers through new means of distribution (mobile phone, DSL, DTT), and the opening up of new TV sectors (retail) to advertising in less than 2 years**, are two strategic priorities.

The signature of the license agreement with Orange is a first step in that direction. Besides, and without anticipating the condition of the French advertising market, still uncertain for 2005, the **historical audience levels** recorded since the beginning of the year (19.9 % audience share on housewives under 50 years old on the first nine weeks) allow M6 to be confident in its growth dynamic.

Neuilly sur Seine, 8th of march, 2005

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