

CONSOLIDATED RESULTS AT 31 DECEMBER 2016

Profit from recurring operations (EBITA): €245.5 m (up 22.6%)

Advertising revenue: €553.3 m (up 4.8%)

FTA TV commercial target audience share (WRP-50): 22.2%

(€millions)	2016	2015	% change
Consolidated revenue	1,278.7	1,249.8	+2.3%
Group advertising revenue	853.3	813.9	+4.8%
- of which free-to-air channels advertising revenue	792.9	762.0	+4.1%
- of which other advertising revenue	60.4	52.0	+16.3%
Group non-advertising revenue	425.4	435.9	-2.4%
Consolidated profit from recurring operations (EBITA)	245.5	200.2	+22.6%
Operating income and expenses related to business combinations	(1.2)	(1.1)	n.s
Operating profit (EBIT) from continuing operations	244.3	199.1	+22.7%
Net financial income	0.8	2.0	n.s
Share of profit from joint ventures and associates	1.7	0.9	n.s
Income tax	(94.0)	(87.1)	+7.8%
Net profit from continuing operations	152.8	114.9	+32.9%
Net profit from discontinued operations	0.0	0.0	n.s
Net profit	152.8	114.9	+32.9%
Net profit - Group share	152.7	115.0	+32.8%

In 2016, M6 Group recorded a **4.8% increase in its advertising revenue**, including 6.2% over the fourth quarter, **reflecting the growth in its TV and online audiences** and reaching a historic high for the Group. The improvement in film and music related operations failed to offset the end of the marketing of M6 mobile by Orange and F.C.G.B's absence from the Europa Cup. This impacted the Group's non-advertising revenue, which totalled €425.4 million, a fall of 2.4% over the year. Consolidated Group revenue thus stood at €1,278.7 million (up 2.3%).

Profit from recurring operations (EBITA) reached €245.5 million, a historic high for the Group. It grew €45.3 million, incorporating the non-recurring income of €42.0 million related to the contractual compensation received as part of the gradual termination of the M6 mobile contact. Excluding this compensation, profit from recurring operations (EBITA) stood at €203.5 million compared with €200.2 million in 2015, and included the additional expenditure related to Euro 2016.

Net financial income totalled €0.8 million (compared with €2.0 million at 31 December 2015), mainly reflecting the fall in returns on cash investments as well as the drop in the average amount invested.

Income tax totalled €94.0 million, an increase of €6.8 million as a result of the growth in profit from recurring operations.

Net profit for the period was €152.8 million compared with €114.9 million in 2015.

In accordance with IFRS 8, the segment reporting of the Group is based on 3 operating segments, whose

¹ The information provided is intended to highlight the breakdown of consolidated revenue between advertising and non-advertising revenue. Group advertising revenue includes the advertising revenue of free-to-air channels M6, W9 and 6ter, the share of advertising revenue from pay channels and the share of advertising revenue generated by diversification activities (mainly Internet).

Profit from recurring operations (EBITA) is defined as operating profit (EBIT) before amortisation and impairment of intangible assets (excluding audiovisual rights) related to acquisitions and capital gains and losses on the disposal of financial assets and subsidiaries.

contribution to consolidated revenue and EBITA was as follows:

(€millions)	9 months			4 th quarter			Full-Year		
	2016	2015	%	2016	2015	%	2016	2015	%
TV	602.7	581.7	+3.6%	253.1	240.4	+5.3%	855.8	822.1	+4.1%
Production & audiovisual rights	75.5	70.5	+7.1%	22.1	23.1	-4.6%	97.6	93.6	+4.2%
Diversification	228.7	242.8	-5.8%	96.2	91.0	+5.8%	325.0	333.7	-2.6%
Other revenue	0.3	0.3	n.s.	0.1	0.1	n.s.	0.3	0.4	n.s.
Consolidated revenue	907.2	895.2	+1.3%	371.5	354.6	+4.8%	1,278.7	1,249.8	+2.3%
TV	-	-	-	-	-	-	159.3	155.7	+2.3%
Production & audiovisual rights	-	-	-	-	-	-	8.4	7.0	+19.5%
Diversification	-	-	-	-	-	-	89.3	42.8	+108.7%
Eliminations and unallocated items	-	-	-	-	-	-	(11.5)	(5.3)	n.s.
Consolidated profit from recurring operations (EBIT)	167.1	133.1	+25.5%	78.4	67.1	+16.8%	245.5	200.2	+22.6%

■ TELEVISION

In 2016, within an increasingly fragmented environment (the six new DTT channels gained a further 1.8-point audience share over the year), the Group continued to invest in programmes for both its free-to-air and pay TV channels. Programming costs for its free-to-air channels therefore rose by €33.4 million to €451.9 million, including the Euro 2016 matches broadcast in both June and July.

Due to its improved range of programmes, M6 Group's family of free-to-air channels grew and achieved an average audience share of 14.1% across audiences as a whole (4+ years, source - Médiamétrie) and of 22.2%, a historic record for the Group, on the commercial target (WRP-50, source - Médiamétrie). It is the only traditional group to achieve year-on-year growth on the following two indicators:

- **The M6 channel recorded the highest growth of the traditional channels across the entire viewing public** (with a 10.2% audience share, up 0.3 points), and **the highest growth for television amongst women under 50 responsible for household purchasing** (with a 16.0% audience share, an increase of 0.6 points). M6's performance was due in particular to the success of its access primetime schedule (*La meilleure boulangerie de France*, *Chasseurs d'appart*, etc.), the relevance of its range of primetime programmes (*A l'état sauvage*, *Garde à vous*, *The Island*, *L'Amour est dans le pré*, etc.) and its event programming, notable for the broadcast of UEFA's Euro 2016;
- **W9 retained its position in the top three DTT channels amongst the under 50s** with a 3.9% audience share;
- **For the fourth consecutive year, 6ter maintained its position as the leader of the six HD DTT channels on the commercial target** (with a 2.4% audience share, a year-on-year increase of 0.3 points).

The TV advertising market, which remained volatile, posted moderate growth, driven in particular by Euro 2016. Against this background, M6 Group capitalised on its solid audience figures to gain market share and thus post an increase in advertising revenue for its free-to-air channels, which grew 4.1%, outperforming a TV market which grew by an estimated 0.7% (source: IREP, net market, early estimates).

TV operations contributed €159.3 million to EBITA, an increase of €3.6 million compared with 2015, despite the one-off costs related to the broadcast of Euro 2016.

■ PRODUCTION & AUDIOVISUAL RIGHTS

In 2016, **revenue from Production and Audiovisual Rights operations totalled €97.6 million, up 4.2% compared with 2015**, due to a more favourable cinema release schedule (15 films released in cinemas by SND, vs. 13 films in 2015), and marked by the success of *Insaisissables 2* (2.1 million admissions), *Divergente 3* (2.1 million), *Les 8 Salopards* (1.8 million) and *Adopte un veuf* (1.1 million). In total, SND recorded more than 10.5 million cinema admissions, equating to an increase of more than 30% in comparison with 2015.

2016 was also notable for the release of eight films co-produced by M6 Films (including *Chocolat*, *Brice 3*, *Papa ou Maman 2* and *Ballerina*) recording a combined 9.7 million cinema admissions.

These healthy performances helped achieve **EBITA of €8.4 million, an increase of €1.4 million**.

■ DIVERSIFICATION

Diversification revenue totalled **€301.4 million** in 2016 (up 1.3% compared with 2015), with a **€19.6 million contribution to EBITA**, which rose by €1.4 million year on year, primarily due to:

- **Ventadis**, whose range of home shopping products is undergoing renewal, and which, despite the growth in Best of TV and Monalbumphoto revenues, saw its EBITA fall to €14.3 million;
- **F.C.G.B**, whose losses totalled €8.9 million due to on-field results that remained poor and marked by its failure to qualify for the Europa League;
- **M6 Web excluding M6 mobile**, whose profit from recurring operations grew €1.4 million to €13.5 million before launch-related losses of €3.9 million for its network of online channels (*Golden Moustache*, *Rose Carpet*, etc.) were taken into account.
Revenue from M6 Web excluding M6 Mobile grew €6.4 million and reached €73.4 million (including €4.1 million for online channels) thanks to the strong growth in online video advertising revenues. The new version of 6play has proved a success: a little more than one year after its launch, it already has more than 15 million registered users (*source - Médiamétrie*). In addition, the financial year was marked by the acquisition, in December, of iGraal, the French cashback leader.

Lastly, **M6 mobile's** profit from recurring operations **grew to €69.7 million** in 2016, a year-on-year increase of €45.1 million due primarily to the contractual compensation received as part of the gradual termination of the contract.

■ UNALLOCATED ITEMS

Unallocated expenses increased by €6.2 million, mainly as a result of the automatic impact of the non-recurring M6 mobile compensation on employee savings and variable remunerations.

■ CHANGE IN FINANCIAL POSITION AND DIVIDENDS

At 31 December 2016, Group equity totalled €16.3 million, an increase of €32.4 million primarily due to growth in the net profit. The consolidated net cash position was stable at €176.4 million (vs. €176.5 million at 31 December 2015).

At the Combined General Meeting called for 26 April 2017, the Executive Board will propose the payment of a dividend of €0.85 per share, unchanged from the dividend paid in 2016. The ex-dividend date will be 17 May and dividends will be paid on 19 May 2017.

■ OUTLOOK

In order to further its development as a multimedia group, the Group has entered into exclusive negotiations regarding the acquisition of the radio division of RTL Group in France. Both the negotiations and procedures related to these negotiations are ongoing.

Neuilly sur Seine, 21 February 2017

Results will be presented to financial analysts in a webcast starting at 6.30 pm (CET) on 21 February 2017 on the Group's website at www.groupem6.fr

Details on how to access the webcast are available at www.groupem6.fr/Finances

Both the slideshow and annual consolidated financial statements will be available online at 6:00 pm (CET), it being specified that the audit procedures have been carried out and the Statutory Auditors' report on the financial statements is being prepared.

Next release: First quarter 2017 financial information: 26 April 2017 before start of trading.

*M6 Métropole Télévision is listed on Euronext Paris, Compartment A.
Ticker: MMT, ISIN code: FR0000053225*