

CONSOLIDATED RESULTS AT 30 June 2018

Consolidated revenue: €738.0 m (up 11.4%)

Profit from recurring operations (EBITA): €129.4 m (up 9.1%)

Margin from recurring operations: 17.5%

At its meeting held on 24 July 2018, the Supervisory Board reviewed the 2018 half-year financial statements approved by the Executive Board.

(€ millions)¹

	30-Jun-18	30-Jun-17	% change
Consolidated revenue	738.0	662.4	+11.4%
Group advertising revenue	527.1	445.3	+18.4%
- of which free-to-air channels advertising revenue	417.7	413.8	+0.9%
- of which cab-sat channels and other media advertising revenue	109.4	31.4	+248.0%
Group non-advertising revenue	210.9	217.1	-2.8%
Consolidated profit from recurring operations before depreciation and amortisation (EBITDA)	180.8	172.4	+4.9%
Consolidated profit from recurring operations (EBITA)	129.4	118.7	+9.1%
Operating income and expenses related to business combinations	(1.4)	(1.0)	n.a
Operating profit (EBIT) from continuing operations	128.0	117.7	+8.8%
Net financial income/(expense)	(1.2)	(0.8)	n.a
Share of profit of joint ventures and associates	(1.7)	1.0	n.a
Deferred and current tax	(45.6)	(48.7)	-6.5%
Net profit for the period	79.5	69.1	+15.1%
Net profit for the period - Group share	79.5	69.1	+15.1%

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Over the 1st half of the 2018 financial year, M6 Group posted **consolidated revenue of €738.0 million**, an increase of 11.4% in comparison with the 1st half of 2017. The Radio business (€77.8 million) has been consolidated since 1 October 2017.

Increasing €10.7 million, **profit from recurring operations (EBITA)² reached €129.4 million**, representing an **operating margin of 17.5%**.

The tax charge totalled €45.6 million, down €3.2 million year-on-year.

Net profit was €79.5 million, representing a net margin of 10.8%.

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 and the 6play platform, the share of advertising revenue from pay channels, the advertising revenue of radio stations RTL, RTL2 and Fun, and the share of advertising revenue generated by diversification activities (mainly Internet).

² Profit from recurring operations, or EBITA, is defined as operating profit (EBIT) before operating income and expenses from business combinations and capital gains on the disposal of financial assets and subsidiaries.



In accordance with IFRS 8, the contribution of the Group's 4 operating segments to consolidated revenue and EBITA was as follows:

(€ millions)	Q1			Q2			H1		
	2018	2017	%	2018	2017	%	2018	2017	%
TV	235.3	220.7	+6.6%	247.3	246.5	+0.3%	482.7	467.2	+3.3%
Radio	34.8	-	-	42.9	-	-	77.8	-	-
Production & Audiovisual Rights	17.7	29.8	-40.6%	14.2	19.5	-27.1%	31.9	49.3	-35.3%
Diversification	71.3	73.1	-2.5%	74.2	72.6	+2.3%	145.5	145.7	-0.2%
Other revenue	0.1	0.1	n.a	0.1	0.1	n.a	0.2	0.2	n.a
Consolidated revenue	359.2	323.7	+11.0%	378.8	338.7	+11.8%	738.0	662.4	+11.4%
TV							120.1	106.9	+12.3%
Radio							10.4	-	-
Production & Audiovisual Rights							7.1	4.6	+56.2%
Diversification							(4.2)	10.6	n.a
Unallocated revenue							(4.0)	(3.5)	n.a
Consolidated profit from recurring operations (EBITA)							129.4	118.7	+9.1%

■ TELEVISION

During the 1st half of 2018, M6 Group's free-to-air channels achieved an average audience share of 13.4% across all viewers (down 0.4 pp in comparison with 2017 H1, *source - Médiamétrie*) and of 21.1% (down 0.7 pp) on the commercial target of women under 50 responsible for purchasing, while the public group France Télévisions was the only traditional player to achieve growth.

- The **M6** channel maintained its position as the 2nd national channel for the commercial target across the entire day. With an average of 2.6 million viewers, in the 1st half of 2018 M6 delivered a solid performance in the strategic prime-time slot with a strong level on the commercial target (17% audience share). Some of its strong brands in its throwaway programme line-up continued to achieve growth, such as *Top Chef* (3.1 million viewers on average, at an audience share of 24% amongst WRP-50, representing the best season in the WRP-50 for 5 years) and *Zone Interdite* (2.7 million, at 19% amongst WRP-50, representing the best season amongst WRP-50 for 10 years). The launch of French drama *Souviens-toi* was another success with 3.4 million viewers on average, i.e. 20% audience share on the commercial target. Lastly, the final of the Europa League was watched by 6.7 million viewers, representing the largest audience for the channel over the half year;
- **W9** was the leading DTT channel for prime time (9.15pm-10.45pm) across all viewers and regained its place as the 2nd ranked DTT channel on the commercial target throughout the entire day. As a result, the channel recorded the best audience figure for a film broadcast on DTT during the 1st half-year, with 2.2 million viewers for *Indiana Jones and the Kingdom of the Crystal Skull*. In access prime time, W9's reality series attracted a wide and young audience, with an average of 1.1 million viewers across 4 screens;
- **6ter** confirmed its position as the 5th DTT channel across all generations for WRP<50, due to a varied line-up that appeals to the entire family.

With an audience share of 6.5% on the commercial target, Puissance TNT reaffirmed its position as the leading DTT advertising service and extended its lead with its main competitors.

Within a sluggish advertising market, M6 Group's free-to-air channels saw their advertising revenue grow 0.9% over the 1st half-year.

6play's advertising business continued to grow, driven by the dynamism of the platform which currently has almost 22 million registered users.



Distribution agreements signed in the early part of the year, which secure the broadcast of pay-TV channels by linking them to the payment for free-to-air channels and their related services, had a significant impact on EBITA over the course of the 1st half-year.

Moreover, M6 Group's pay channels consolidated their positions amongst the leading pay channels. At the end of its best historical wave, **Paris Première** confirmed its status as the most watched pay-TV channel, with 10.5 million viewers each month. With an audience share of 1% amongst WRP<50, **Téva** was the top-ranked pay channel on the commercial target for the 15th consecutive wave (*source - Médiamétrie Médiamat Thématik, 1 January 2018 to 17 June 2018*).

The TV division thus contributed €120.1 million to consolidated EBITA, against €106.9 million for the six months to 30 June 2017. With programming costs of €224.5 million (up €3.4 million), the Group's margin from recurring operations for its core business was 24.9%.

■ RADIO

Over the 1st half of 2018, the RTL Radio Division reaffirmed its status as France's leading private radio group with an audience share of 19.8% among 13+ year-old listeners (up 1.0 pp year-on-year, *source Médiamétrie*), its best performance in 10 years:

- **RTL**, France's top radio station, achieved an audience share of 12.9%, a year-on-year increase of 0.4 pp, extending its lead on its nearest competitor, France Inter, to almost 2 pp;
- **Fun Radio** was stable, with an audience share of 3.9%;
- **RTL2** achieved an audience share of 3.0%, a marked increase of 0.5 pp year-on-year, enabling it to overtake its competitors Virgin Radio and Chérie.

Over the entire 2017/2018 season, M6 Group's radio stations achieved an audience share of 19.7% (up 0.7 pp year-on-year), a 10-year record. RTL Radio was the only private radio group to grow continuously over the last 4 seasons. All 3 stations grew at peak radio listening time. Yves Calvi's *RTL Matin* gained 0.5 pp audience share and reclaimed its position as leader. *Bruno dans la radio*, Fun Radio's morning show, set a 15-year audience share record. RTL 2, with *Double Espresso*, gained 0.2 pp audience share.

Over the first six months of the year, **Radio revenue totalled €77.8 million**. **EBITA totalled €10.4 million**, reflecting the implementation of the first synergies.

■ PRODUCTION & AUDIOVISUAL RIGHTS

In the 1st half of 2018, revenue from Production and Audiovisual Rights operations totalled €31.9 million, down €17.4 million year-on-year, mainly due to a less attractive cinema release schedule. The films distributed by **SND** achieved 2.9 million admissions against 6.3 million admissions over the 1st half of 2017.

The 1st half-year was also notable for the release of 4 films financed by **M6 Films**, recording a combined 2.9 million cinema admissions.

EBITA was €7.1 million, compared with €4.6 million for the 1st half of 2017. This growth was primarily due to improved business at production companies, **Golden Network** in particular.

■ DIVERSIFICATION

Over the 1st half of 2018, **Diversification revenue totalled €145.5 million** (down 0.2%), with a **negative contribution to EBITA of €4.2 million**. Over the course of the half-year,

- **Ventadis** saw its revenue fall as a result of its range of products currently being renewed. This effect was offset by the success of specific programmes and campaigns created to celebrate M6boutique's 30th anniversary;



- **M6 Web**'s revenue grew, benefiting from the dynamism of iGraal. Within a highly competitive display advertising market, the advertising activity of the portals proved resilient;
- **F.C.G.B** ended the French League 1 Championship in 6th place (compared with 6th in the 2016/17 season), qualifying for the 2nd preliminary round of the Europa League. The club's losses stood at €17.6 million as a result of the replacement of the technical staff in January and the transfer of players not being completed until the 2nd half.

■ CHANGE IN FINANCIAL POSITION

The Group had shareholders' equity of €625.8 million at 30 June 2018, compared with €575.8 million at 30 June 2017.

Net financial debt stood at €115.2 million (compared with net cash of €63.6 million at the end of 2017), primarily due to the external financing of the RTL Radio acquisition.

Neuilly sur Seine, 24 July 2018

A conference call will be held on 24 July 2018 at 6.30pm (CEST). A webcast will be broadcasted on the site www.groupem6.fr (Finance section). Details on how to access the conference call are available at the same address. Both the slideshow presentation and the consolidated half-year financial statements will be accessible online from 6.00 pm, it being specified that the Statutory Auditors have completed a limited review of the financial statements and issued an unqualified report.

Next release: Third quarter financial information on 5 November 2018 after close of trading

*M6 Métropole Télévision is listed on Euronext Paris, Compartment A.
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