

CONSOLIDATED RESULTS AT 31 DECEMBER 2020

2020: M6 MODEL SUCCESSFULLY ADJUSTED IN RESPONSE TO THE COVID-19 CRISIS

TV business: EBITA stable (€225.6m vs. €223.6m in 2019)

Group EBITA: €270.7m – 2nd highest ever

Operating margin: 21.3% (up 1.7pp)

Net profit: €276.6m – 2nd highest ever

(€ millions)	2020	2019 restated ¹	% change
Consolidated revenue²	1,273.6	1,456.1	-12.5%
Group advertising revenue	980.5	1,107.9	-11.5%
- of which TV advertising revenue	829.5	930.4	-10.8%
- of which other advertising revenue	151.0	177.5	-14.9%
Group non-advertising revenue	293.1	348.2	-15.8%
Consolidated profit from recurring operations (EBITA)³	270.7	284.4	-4.8%
Operating margin from recurring operations	21.3%	19.5%	1.7pp
Capital gains and losses on asset disposals	123.5	1.0	n.a
Operating income and expenses related to business combinations	(13.2)	(10.5)	+25.2%
Operating profit (EBIT) from continuing operations	381.0	274.9	+38.6%
Net financial income/(expense)	(4.9)	(4.6)	n.a
Share of profit/(loss) of joint ventures and associates	(11.1)	4.5	n.a
Income tax	(88.5)	(101.5)	-12.8%
Net profit from continuing operations	276.6	173.3	+59.6%
Net profit/(loss) from discontinued operations	0.0	(1.4)	n.a
Net profit for the period	276.6	171.9	+60.9%
Net profit for the period - Group share	276.7	171.9	+61.0%

In 2020, M6 Group recorded **consolidated revenue of €1,273.6 million**, a decline of €182.5 million (12.5%). This change reflects:

- The fall in advertising revenues (down €127.4 million or 11.5%), very severely impacted last spring by the near total shutdown of the French economy as a result of the lockdown of the population, which however posted growth of 1.6% over the fourth quarter, driven by Television (up 3.2%) which confirmed its key role in the economic recovery.
- The impact of the pandemic on non-advertising revenues (down €55.1 million or 15.8%).

Within this context, the Group successfully and rapidly adjusted its level of operating expenditure, which fell by €168.9 million, comprising net savings of €67.6 million across programmes and €101.3 million in other costs, thus successfully offsetting 93% of the decline in revenues through cost savings.

The Group once again demonstrated its agility, posting **consolidated profit from recurring operations (EBITA) of €270.7 million**, compared with €284.4 million in 2019, representing a decline of 4.8%.

The Group's operating margin was 21.3% (up 1.7pp on 2019), achieving its highest level in 20 years.

In addition, the Group successfully completed three major transactions over the course of this turbulent year:

- The merger of iGraal with Global Savings Group, which strengthens its position in digital marketing by becoming the leading shareholder in the new structure,
- The opening up of the capital of its technology subsidiary Bedrock to RTL Group, to accelerate its innovation capacity in streaming for on-demand television,
- The disposal of the home shopping operating activity.

These transactions generated capital gains of €123.5 million over the year. **Net profit for the period thus stood at €276.6 million** (up 60.9%).

In accordance with IFRS 8, the segment reporting of the Group is based on 4 operating segments, whose contribution to consolidated revenue and EBITA was as follows:

(€ millions)	9 months			Q4			FY		
	2020	2019	%	2020	2019	%	2020	2019	%
TV	597.8	695.2	-14.0%	330.1	318.4	+3.7%	927.9	1,013.6	-8.5%
Radio	97.1	118.5	-18.0%	49.5	52.5	-5.6%	146.6	171.0	-14.2%
Production & Audiovisual Rights	46.1	52.1	-11.5%	16.2	23.0	-29.5%	62.4	75.1	-17.0%
Other diversification	114.4	143.1	-20.0%	21.3	53.0	-59.7%	135.8	196.1	-30.8%
Other revenue	0.6	0.2	n.s	0.3	0.1	n.s	0.9	0.3	n.s
Consolidated revenue	856.1	1,009.1	-15.2%	417.5	446.9	-6.6%	1,273.6	1,456.1	-12.5%
TV	-	-	-	-	-	-	225.6	223.6	+0.9%
Radio	-	-	-	-	-	-	21.9	30.1	-27.3%
Production & Audiovisual Rights	-	-	-	-	-	-	13.8	14.8	-7.3%
Other diversification	-	-	-	-	-	-	13.0	25.3	-48.7%
Eliminations and unallocated revenues	-	-	-	-	-	-	(3.4)	(9.4)	n.a
Consolidated profit from recurring operations (EBITA)	138.3	182.4	-24.2%	132.4	102.0	+29.9%	270.7	284.4	-4.8%

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Television

In 2020, TV viewing time grew **18 minutes** to reach its highest ever level at an average of **3 hours 58 minutes** per day.

As such, TV improved its positioning on the video market, increasing its lead over SVOD platforms, whose average daily viewing time stood at 27 minutes (*source: Médiamétrie*).

Within this favourable environment, M6 Group's four free-to-air channels increased their power, attracting an average 25.5 million viewers per day, representing year-on-year growth of 10%.

They achieved a 14.6% audience share amongst the over 4s (up 0.1pp) and 22.7% on the commercial target of women under 50 responsible for purchases (down 0.1pp) (*source: Médiamétrie*).

M6 maintained its position as the second largest national channel for WRP< 50, with a 14.4% audience share across the entire day (down 0.3pp). The channel stood out thanks to its growth on weekdays in the strategic access primetime slot (17.4%, up 0.9pp). It benefited from the relevance of its programme scheduling and the success of *Scènes de ménages*, France's most popular serial and most watched daily drama, with 4.0 million viewers every night of the week. The M6 channel was also very successful in the evening where its flagship programmes grew more popular: *La France a un Incroyable Talent*, *Le Meilleur*

Pâtissier, *Top Chef*, *Mariés au premier regard*, *Pékin Express* and *L'Amour est dans le pré*.

W9 consolidated its position as the second largest DTT channel on the commercial target, with an audience share of 3.8% (down 0.1pp). In particular, the channel boasts the most popular reality TV and magazine shows in its environment. W9's success in linear TV was repeated on digital and in catch-up, accounting for 98 of the 100 highest audiences of the year on online screens.

Thanks to its varied range of programming for the whole family, **6ter** recorded its best ever year with an audience share of 2.8% with WRP<50 (up 0.1pp).

Gulli, the leading children's channel for 4-10 year olds and 4-14 year olds, posted growth amongst WRP<50 (up 0.2pp). This performance illustrates the impact of initial content synergies with the Group's other channels.

6play, the on-demand hub for the Group's channels, also benefited from a dedicated range of content and thus achieved record viewing levels in 2020, with 1.3 billion videos viewed (up 10%).

With its incredible power, TV advertising recovered in the second half-year, testifying to the desire of advertisers to relaunch their activities after the first lockdown, notably during the key back to school period and the festive season.

Programming costs stood at €433.7 million compared with €501.3 million in 2019, representing **savings of €67.6 million** in response to the record slump of the advertising market in the spring.

The TV division contributed €225.6 million to EBITA, representing a year-on-year increase of €2.0 million. Within an unfavourable market environment, M6 Group's core business managed to increase its operating profit, providing further evidence of the flexibility of its model.

Radio

Over the course of 2020, impacted by the pandemic, radio maintained its popularity amongst the French, with **75% of the population tuning in every day**, equating to **more than 41 million listeners** with a still significant average daily listening time of **2 hrs 46 mins** (source: *Médiamétrie*).

Over the full year 2020, the Radio Division reaffirmed its status as **France's leading private radio group** with an audience share of 18.8% among listeners aged 13 and over, 5.2 percentage points ahead of its closest privately-owned rival (source: *Médiamétrie*).

With a 13.0% audience share (up 0.7pp), **RTL recorded its best ever year**. The schedule's flagship programme, the morning show *RTL Matin*, hosted by Yves Calvi, achieved record figures, with a 14.3% audience share and an average of more than 3.7 million listeners.

Well positioned on the market, the division's music stations performed well on the commercial targets, with **Fun Radio** ranking as the second placed music station amongst 25-49 year olds and **RTL2** second placed amongst upper socio-economic professionals.

Radio advertising, one of whose assets is to promote in-store traffic, was impacted in 2020 by the periods of lockdown. The Group's **Radio division revenues** thus fell 14.2% (€24.3 million), including a dip of 5.6% over the fourth quarter, **totalling €146.6 million**.

With **EBITA of €21.9 million**, compared with €30.1 million in 2019 (down €8.2 million), the Group managed to absorb 66% of the fall in revenues through cost savings.

Production and audiovisual rights

Revenue from Production and Audiovisual Rights operations totalled €62.4 million in 2020, down 17.0% year on year, primarily due to the closure of cinemas between 15 March and 21 June, and since 30 October.

As a result, the films distributed by **SND** only generated 4.9 million admissions, compared with 9.0 million in 2019.

Divisional EBITA was €13.8 million, a limited year-on-year decline of €1.1 million (down 7.3%). The downturn in the cinema business was partially offset by the growth in sales of catalogue films.

Diversification

Over 2020, **Diversification revenue totalled €135.8 million**, a fall of €60.3 million, €57.6 million of which was due to negative base effects related to the deconsolidation of iGraal (€30.2 million) and home shopping (€18.1 million), as well as to the termination of the M6 mobile by Orange contract (€9.4 million).

EBITA from Diversification stood at €13.0 million, against €25.3 million in 2019, which included €15.1 million for activities discontinued or sold in 2020.

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Financial position

The Group had shareholders' equity of €1,060.3 million at 31 December 2020, compared with €772.2 million at 31 December 2019, an increase of €288.2 million, primarily reflecting the net profit for the year as well as no dividend payments being made in 2020 for 2019.

Furthermore, the Group had a **net cash position of €87.2 million⁴** compared with net debt of €98.7 million at 31 December 2019.

Dividend

Against this background, at the Combined General Meeting called for 20 April 2021 the Executive Board will propose the payment of a dividend of €1.50 per share. The ex-dividend date will be 4 May and dividends will be paid on 6 May 2021.

Corporate social responsibility

Since its creation, M6 Group has always accepted the responsibility and societal role incumbent upon it as a media company, through the initiatives of its foundation, its channels and within its organisation.

M6 Group, which through the M6 Foundation helps prevent reoffending and promotes the rehabilitation of prisoners, decided to extend the mandate of the foundation for a further five years when it celebrated its tenth anniversary in 2020.

Key players in the transition to a greener future, the Group's media have also introduced "Green Week", an innovative and successful multimedia campaign featuring a range of compelling programming based on environmental issues.

Social issues are also at the heart of the Group's commitment. Mindful of the impact of the pandemic on employment opportunities for young people, in September 2020 M6 Group launched **a significant programme to recruit 100 young graduate applicants into their first permanent jobs.**

In order to better embody, manage and coordinate its CSR policy, a **Department for Engagement** was created in late 2020. Its role will be to roll out the CSR strategy in all its economic, societal, social and environmental aspects.

Governance: creation of a CSR Committee and a Strategic Committee

Having approved the report on non-financial indicators and in accordance with AMF Recommendation 2013-18, the Supervisory Board has decided to establish a CSR Committee which will be made up of four members and whose role will be to advise the Board on environmental, societal and social issues.

In order to dedicate additional time to strategy issues, the Supervisory Board has also decided to create a Strategic Committee, again comprising four members, and whose mission will be to improve understanding of the operational and competition issues associated with the Group's different activities. This Committee will be tasked with reviewing national consolidation issues as mentioned in RTL Group's communication.

Neully sur Seine, 16 February 2021

Results will be presented to financial analysts in a webcast starting at 6.30 pm (CET), 16 February 2021, on the Group's website at www.groupem6.fr

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

Both the slideshow and annual consolidated financial statements will be available online at 6 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 2021 financial information: 20 April 2021 before start of trading

M6 Métropole Télévision is listed on Euronext Paris, Compartment A

Ticker: MMT, ISIN Code: FR0000053225

¹ In accordance with IAS 1 - *Presentation of financial statements*, the financial statements published as of December 31, 2019 have been restated to take into account the final allocation of goodwill noted during the acquisition of Jeunesse TV division. This allocation has an impact of -€1.1m on EBIT (amortization over 4 months) and of -€0.8m on net income.

² The information provided is intended to highlight the breakdown of consolidated revenue between advertising and non-advertising revenue. Group advertising revenue includes TV advertising revenue (advertising revenue of free-to-air channels M6, W9, 6ter and Gulli, and the platforms 6play and Gulli Replay, as well as 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).

³ 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.

⁴ The net cash position at 1 January 2019 does not take into account lease liabilities resulting from the application of IFRS 16 – *Leases* from 1 January 2019.