

ANNUAL REPORT & ACCOUNTS 1993



The French version of this document was filed
by the Commission des Opérations de Bourse
(French Stock Exchange Commission) on May 9, 1994
under the number R 94-019

Ordinary General Meeting of June 14, 1994

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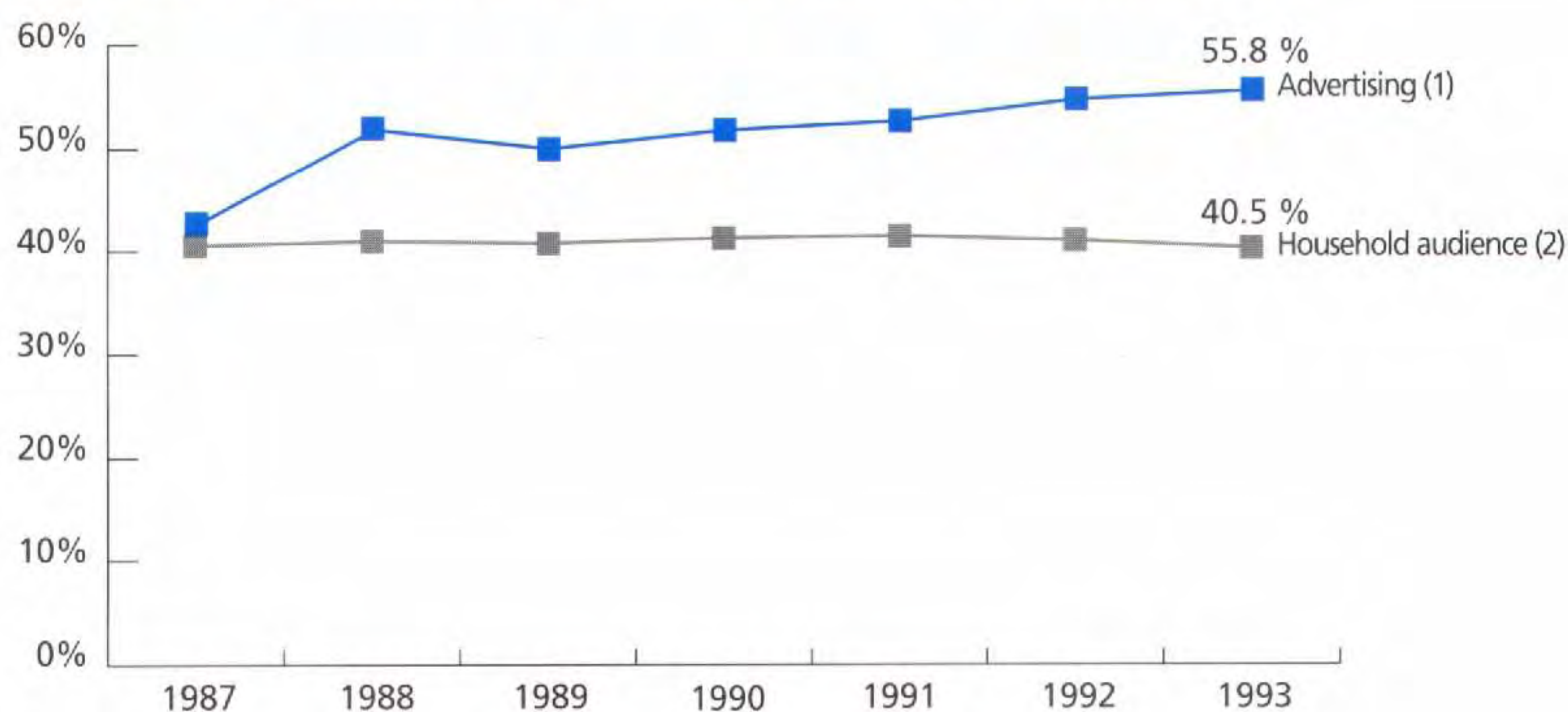
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TF1 HIGHLIGHTS

KEY FIGURES CONSOLIDATED

(FF million)	1993		1992		1991	
TF1 Advertising	6,553	84%	6,237	84%	5,498	84%
Diversification & other revenue	1,206	16%	1,197	16%	1,039	16%
Consolidated turnover	7,759	100%	7,434	100%	6,537	100%
Operating profit	792		546		527	
Net profit attributable to the Group	459		451		341	
Shareholders' equity	1,711		1,462		1,179	
Cash flow	629		392		449	
Investment in French speaking production	1,345		1,204		1,140	
Programmes and film rights in stock	2,078		2,058		2,226	
Net cash	674		838		408	
Market capitalization	10,311		7,707		6,300	

MARKET SHARES: AUDIENCE AND ADVERTISING



Sources: (1) SECODIP - (2) Médiamétrie: ratio = $\frac{\text{households watching TF1}}{\text{households watching TV}}$

BREAKDOWN OF PROGRAMMING COSTS AND AIR-TIME

	(FF million)	Costs (1)			Air-time (3)		
		1993	1992	1991(2)	1993	1992	1991
Total		3,924	3,902	3,516	7,789 hrs	7,858 hrs	7,904 hrs
Variety/game shows/							
documentaries/magazines		30%	31%	32%	28%	28%	29%
News		17%	18%	21%	13%	13%	16%
Dramas		17%	18%	18%	30%	33%	31%
Sport		14%	14%	12%	4%	5%	4%
Films		11%	10%	10%	4%	4%	4%
Children		11%	9%	7%	21%	17%	16%

(1) In 1993, several programmes previously recorded under "Variety" were included in "Children". In order to allow comparison, 1991 and 1992 were restated.

(2) Restated (see "Significant elements of the notes to prior accounting periods" in the Notes to the Company Accounts).

(3) In 1993, air-time volume does not include commercial breaks. 1991 and 1992 figures were restated in order to allow comparison between air-time volume and programming costs.

BOARD OF DIRECTORS

(APRIL 1994)

Patrick LE LAY

Chairman & Managing Director of TF1
Director, appointed April 17, 1987

Martin BOUYGUES

Chairman & Managing Director of Bouygues
Director, co-opted September 1, 1987

Corinne BOUYGUES

Administration & Finance Managing Director of TF1 Publicité
Director, appointed June 10, 1993

Nicholas CLIVE-WORMS

General Partner of Worms & Cie
Director, co-opted October 18, 1991

CRÉDIT LYONNAIS

Represented by Sylvain Carnot, Executive Vice-President of Crédit Lyonnais
Director, co-opted April 11, 1991

François DALLE

Honorary Chairman of l'Oréal
Director, co-opted September 1, 1987

Michel DERBESSE

Director of Bouygues' Construction Department
Director, co-opted January 19, 1994

Etienne MOUGEOTTE

Vice-Chairman of TF1
Director, appointed June 12, 1991

Olivier POUPART-LAFARGE

Director Economics & Finance of Bouygues
Director, appointed April 17, 1987

SOCIÉTÉ GÉNÉRALE

Represented by Marc Vienot
Chairman & Managing Director of Société Générale
Director, co-opted October 18, 1991

Jean-Pierre PERNAUT

Director, Employee Representative elected April 24, 1990

Liliane THOLOMET-NOEL

Director, Employee Representative elected May 22, 1992

AUDITORS

STATUTORY AUDITORS

SALUSTRO-REYDEL (1)

Represented by Edouard Salustro
2, avenue Hoche
75008 Paris

Dominique LEDOUBLE (2)

98 bis, boulevard Haussmann
75008 Paris

ALTERNATE AUDITORS

Jean-Louis MULLENBACH (1)

2, avenue Hoche
75008 Paris

Jean-Pierre CROUZET (2)

2, avenue Hoche
75008 Paris

(1) Salustro-Reydel and Jean-Louis Mullenbach were re-appointed by the General Meeting of June 10, 1993 for another 6 years.

(2) The terms of office of Dominique Ledouble and Jean-Pierre Crouzet will expire in 1995, at the close of the General Meeting approving the 1994 annual accounts.

All directors were appointed or re-appointed, for 2 years, by the General Meeting of June 10, 1993, except:

– Nicholas Clive-Worms, whose term of office expires at the close of the General Meeting of June 14, 1994, approving the 1993 annual accounts and deciding on M. Clive-Worms mandate renewal.

– Michel Derbesse, co-opted in place of Francis Bouygues, whose term of office was renewed for 2 years by the General Meeting of June 10, 1993.

– Liliane Tholomet-Noël and Jean-Pierre Pernaut, whose terms of office expire when results of the next election of Directors, Employee Representatives are announced on May 27, 1994, according to the clauses of Article 10 of the corporate charter.

GROUP MANAGEMENT

EXECUTIVE MANAGEMENT

Patrick LE LAY
Chairman & Managing Director

Etienne MOUGEOTTE
Vice-Chairman

PROGRAMMES

Christian DUTOIT
Programmes
Deputy General Manager

Gérard CARREYROU
News Director

Robert NAMIAS
Editorial Director

Guillaume de VERGES
Production, Cinema, Acquisitions and
International Co-productions
Director

Dominique CANTIEN
Artistic Director

Pascale BREUGNOT
Magazines and
Documentaries Director

Francis WILLIAUME
Production Department
Administration & Finance Director

Jean-Claude DASSIER
Sports and Special Operations
Director

Jean MINO
Game Shows Director

DOROTHÉE
Children and Family Programmes
Director

ADVERTISING

Corinne BOUYGUES
Administration & Finance
Managing Director

Claude COHEN
Sales Managing Director

GENERAL MANAGEMENT

Jean-Pierre MOREL
Deputy General Manager
Chief Financial Officer

Pierre MARFAING
Technical and New Technologies
Director

Nonce PAOLINI
Human Resources Director

René TÉZÉ
Communication Director

MAIN SUBSIDIARIES

TF1 ENTREPRISES

Patrick LE LAY

Chairman & Managing Director

Pierre BROSSARD

TF1 Vidéo Director

Martine TOURNIER

Phone-based services Director

Jean-Pierre DESCHATEAUX

International Distribution Director

UNE MUSIQUE

Corinne BOUYGUES

Chairwoman & Managing Director

Nadine LAIK-BLANCHARD

Managing Director

TÉLÉ-SHOPPING

Corinne BOUYGUES

Chairwoman & Managing Director

Robert LENS

Managing Director

TF1 BOUTIQUES

Alain ROYER

Chairman & Managing Director

TF1 EDITIONS

Patrick LE LAY

Chairman & Managing Director

Laurent FONNET

Managing Director

TF1 FILMS PRODUCTION

Etienne MOUGEOTTE

Chairman & Managing Director

Guillaume de VERGES

Managing Director

SYALIS DROITS AUDIOVISUELS

Patrick LE LAY

Chairman & Managing Director

PROTÉCRÉA

Pierre WIEHN

Chairman & Managing Director

Jean MINO

Managing Director

BANCO PRODUCTION

Patrick LE LAY

Chairman & Managing Director

Pascale BREUGNOT

Managing Director

STUDIOS 107

Francis WILLIAUME

Chairman & Managing Director

Jean ADAM

Managing Director

EUROSPORT

SAGAS

Jean-Pierre MOREL

Chairman & Managing Director

Jean-Claude DASSIER

Vice-Chairman

ESO

Gérant (managing company): SAGAS

Emmanuel FLORENT

Managing Director

SETS

Patrick LE LAY

Chairman & Managing Director

Jean-Claude DASSIER

Vice-Chairman

Emmanuel FLORENT

Managing Director

LA CHAÎNE INFO

Gérant (managing company):

TF1 represented by

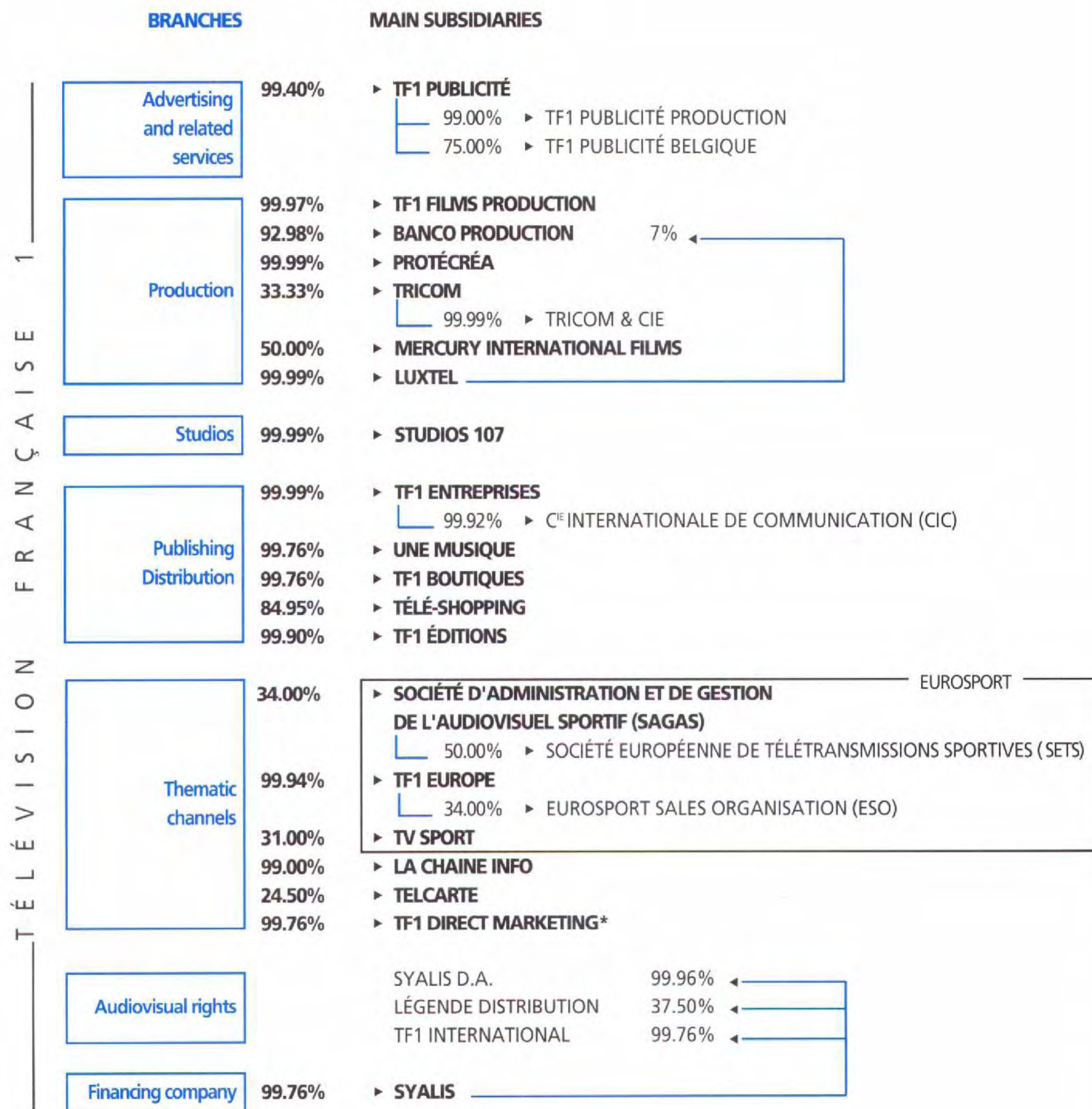
Etienne MOUGEOTTE

Christian DUTOIT

Managing Director

TF1 GROUP: ORGANISATION CHART

April 1994



* New business name: TÉLÉCHAT CÂBLE

Postal addresses of main subsidiaries

1, quai du Point du Jour - 92100 Boulogne

TF1 PUBLICITÉ

TF1 PUBLICITÉ PRODUCTION

TF1 FILMS PRODUCTION

TF1 ÉDITIONS

305, avenue le Jour se Lève - 92100 Boulogne

TF1 ENTREPRISES

UNE MUSIQUE

TÉLÉ-SHOPPING

3, rue de l'Arrivée - 75015 Paris

BANCO PRODUCTION

221 bis, boulevard Jean-Jaurès - 92100 Boulogne

PROTÉCRÉA

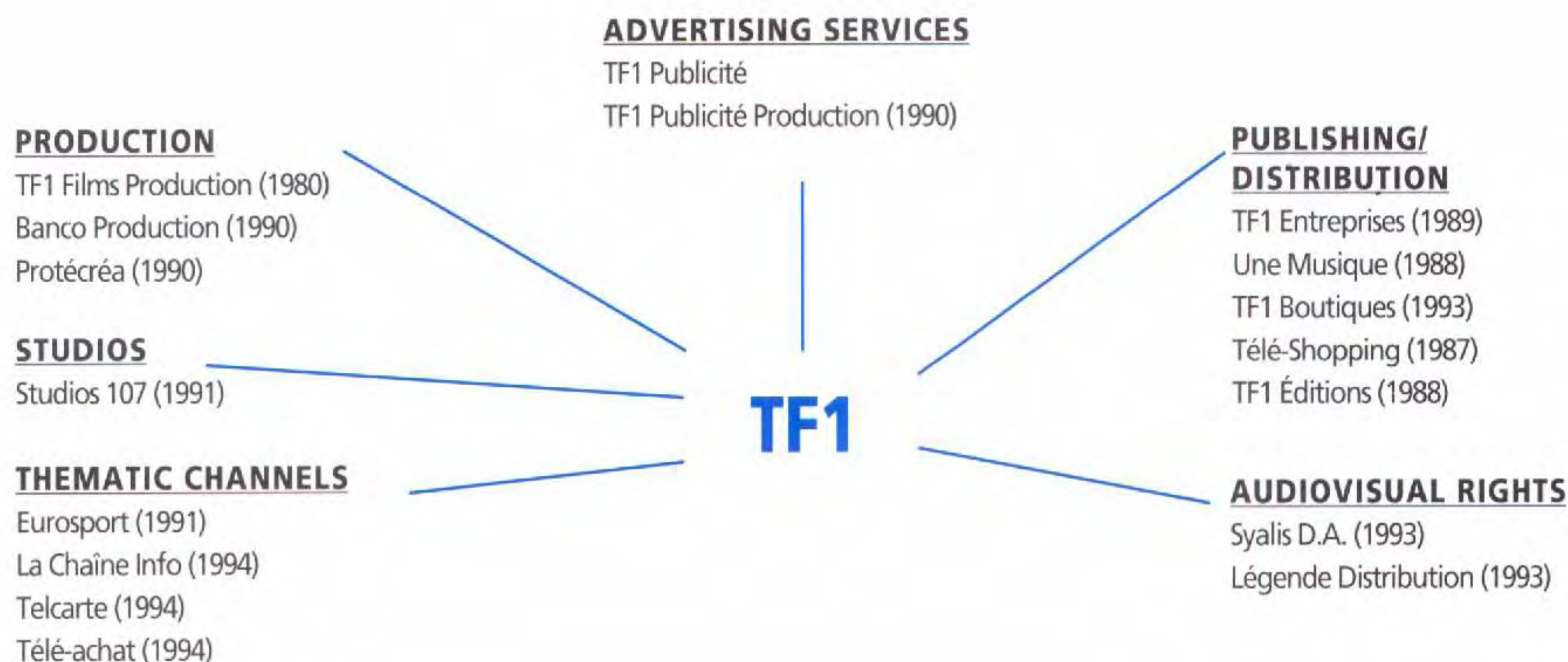
30 - 32, rue Proud'hon - 93210 La Plaine Saint-Denis

STUDIOS 107

54, avenue de la Voie Lactée - 92100 Boulogne

EUROSPORT: TF1 EUROPE, SETS, ESO

BUSINESSES OF THE GROUP



(Date of constitution or acquisition)

TF1 TELEVISION

TÉLÉVISION FRANÇAISE 1 (TF1)'s core business is producing and broadcasting television programmes. The network broadcasts 24 hours a day on over-the-air and covers 99.9% of the French territory. TF1 is the French channels' leader in terms of advertising and audience market shares.

ADVERTISING

Under a management contract, TF1 sells advertising air-time to advertisers and publicity agencies through its station representative TF1 Publicité. In return for its services, TF1 Publicité benefits from a discount on the price that TF1 charges for its advertising air-time.

TF1 Publicité Production produces the channel billboards as well as advertising spots, either for commercial breaks or sponsored shows.

Since its privatisation in 1987, TF1 has diversified its activities and developed in sectors such as:

- production and purchase of TV rights,
- publishing and distribution,
- thematic channels.

AUDIOVISUAL PRODUCTION

By law, TF1 is required to invest:

- 3% of its net advertising turnover in the co-production of French-speaking features for the cinema. Those investments are made by TF1 Films Production whose status of co-producer enables TF1 to generate box-office returns and to broadcast their films on TV.
- 15% of its net advertising turnover in the production of French-speaking audiovisual programmes, of which up to 5% through TF1's own production subsidiaries. Banco Production and Protécra are thus producing quality dramas and series for the channel.

STUDIOS

Studios 107, a subsidiary specialised in technical services, operates two audiovisual production studios (9,800 and 10,800 square feet), located at Porte de la Chapelle near Paris.

PUBLISHING / DISTRIBUTION

- TF1 Entreprises has four activities: publishing and distribution of videocassettes under the brand name TF1 Vidéo, phone-based services, sales of audiovisual productions and exploitation of TF1 Television derived activities. TF1 Vidéo's publishing policy relies on releases of box-office hits and non-film videos (documentaries, cartoons, concerts, sporting events...).

- Since 1992, Une Musique, in association with major record labels, has strongly expanded its activities, launching out into the music recording and publishing business (CD, tapes). In 1993, Une Musique started investing in the production of young French artists to build up its own catalogue of rights.

- Télé-Shopping's main activity is home-shopping. As the broadcast of homeshopping programmes (Télé-shopping and Télé-vitrine) is limited by law to 120 minutes a week, the firm continues to develop by exploiting its client database through three other types of mediasales: catalogues, phone-based homeshopping and shops.

- TF1 Editions publishes a limited amount of titles, with a high print-run. It also uses the strong editorial value of the channel's programmes to write and publish books based on highly watched TV dramas, series and thematic productions.

- In October 1993, TF1 opened its first shop called "Studio TF1". The shop sells products under the TF1 brand name or derived from the channel's leading programmes (Club Dorothée, Ushuaïa...). Products of TF1 subsidiaries such as TF1 Vidéo, Télé-Shopping, Une Musique and TF1 Editions are also available in this shop.

AUDIOVISUAL RIGHTS

At the end of 1993, TF1 created SYALIS DROITS AUDIOVISUELS and LEGENDE DISTRIBUTION which buy and market audiovisual rights for exploitation in movie theatres, videocassette and television on over-the-air, cable and satellite.

THEMATIC CHANNELS

- EUROSPORT was initiated by the European Broadcasting Union (EBU) which purchases sports broadcasting rights for its members. In 1988, 17 EBU members set up a Consortium so as to improve the use of rights and SKY TV was chosen to operate EUROSPORT. In May 1991, SKY TV stopped running the programme. In just ten days, TF1 relaunched EUROSPORT.

At the beginning of 1993, EUROSPORT and "The European Sport Network" (TESN) combined their interest via a TF1 / Canal + / ESPN (Capital Cities-ABC) partnership. One single programme is now broadcast all over Europe: EUROSPORT.

Initially broadcast in four languages (German, Dutch, English and French), EUROSPORT added in September 1993 a Scandinavian version to its programmes. The English-speaking broadcast is now replaced 2 to 6 hours a day by a Swedish or Finnish commentary. A programme of special interest to French-speaking viewers is also inserted daily.

- 1994 marks a new step in diversification of the TF1 Group activities. Several thematic channels on cable and satellite are currently under study:

- a continuous News channel;
- a pay-per-view channel operated by TELCARTE, a partnership between TF1, Lyonnaise Communications (Lyonnaise des Eaux-Dumez), VT COM (France Télécom) and the Compagnie Luxembourgeoise de Télédiffusion (CLT). This channel will broadcast mainly films and big events;
- a homeshopping channel.

DIRECTORS' REPORT

TO THE GENERAL MEETING OF JUNE 14, 1994

Ladies and Gentlemen,

In accordance with law and statutory requirements, we have called this General Meeting to report on management over the past financial year, to submit to the shareholders' approval the financial statements for the year 1993, and to comment on the company's current situation and future prospects.

As usual, the accounts for the year 1993 are presented both for the TF1 Group (consolidated accounts) and for TELEVISION FRANÇAISE 1 (parent company).

I - BUSINESS REVIEW 1993

1 - THE TF1 GROUP

The Group's turnover rose by 4.4% to reach FF 7,759 million in 1993, as compared to FF 7,434 million in 1992.

Advertising revenue amounted to FF 6,553 million and other revenue to FF 1,206 million, as against FF 6,237 million and FF 1,197 million in 1992. Diversification, including Eurosport, thus accounted for 16 % of consolidated turnover.

Operating profit rose from FF 546 million in 1992 to FF 792 million in 1993, a 45% increase.

Profit before tax and extraordinary items amounted to FF 761 million in 1993 as against FF 573 million in 1992, a 33% increase.

Consolidated net profit was FF 461 million, with FF 459 million attributable to the Group.

Profits attributable to the Group rose by 2% as compared to 1992, a year which included an extraordinary profit resulting from a capital gain on the sale of part of the former Cognacq-Jay headquarters building.

The share of the Group companies in the consolidated turnover was as follows:

CONTRIBUTION TO THE CONSOLIDATED TURNOVER*

(FF million)	1993	1992	1991
TF1 SA	6,614	6,302	5,628
Advertising	6,553	6,237	5,498
PUBLISHING / DISTRIBUTION	832	703	663
TF1 Entreprises	380	314	283
CIC	7	8	15
Télé-Shopping	301	282	306
Une Musique	123	66	18
TF1 Éditions	20	33	41
TF1 Boutiques	1	-	-
EUROSPORT	169	260	103
ESO	143	109	28
TV SPORT	26	-	-
SETS	-	151	75
PRODUCTION	81	108	61
TF1 Films Production	48	45	45
Banco Production	18	27	3
Protécra	15	36	13
STUDIOS 107	20	33	23
OTHERS	43	28	59
TF1 Publicité	13	23	54
TF1 Publicité Prod.	30	4	5
TF1 Publicité Belgique	-	1	-
TOTAL	7,759	7,434	6,537

* In this table, consolidated turnover integrates all of the companies' operating revenues (accounts 70 to 75) and also includes intra-group re-classifications.

CONTRIBUTION TO THE CONSOLIDATED PROFIT*

(FF million)	1993	1992	1991
TF1 SA	413	414	297
PUBLISHING / DISTRIBUTION	45	44	54
TF1 Entreprises	27	30	38
CIC	1	1	1
Télé-Shopping	10	8	9
Une Musique	6	3	3
TF1 Éditions	1	2	2
Dube	-	-	1
EUROSPORT	(49)	(61)	(45)
ESO	(38)	(61)	(45)
TV SPORT	(11)	-	-
PRODUCTION	10	7	6
TF1 Films Prod.	2	(1)	6
Banco Production	1	5	(4)
Protécra	7	3	4
STUDIOS 107	-	(6)	(11)
OTHERS	40	53	40
TF1 Publicité	-	6	4
TF1 Publicité Prod.	1	-	1
TF1 Publicité Belgique	-	-	-
Syalis SA	17	20	21
La Réservée	2	26	(1)
TF1 Europe	20	1	15
TOTAL	459	451	341

* Due to re-classification entries of derogatory depreciations, provisions and deferred tax, company profits may differ from company contributions to consolidated profit.

a. TF1 Television

Everyday, TF1, the leading French all-public channel, has to appeal to more than 50 million French men and women of all ages. But, as a commercial channel, TF1 has to please primarily the housewives-under-50-years-of-age segment. This is the advertisers' most important target, but only accounts for 20% of the population.

Thus, in September 1992, TF1 revamped its schedule to attract more young age groups in its viewership profile. This strategic move paid off in 1993:

- TF1 achieved an average 41.2% audience market share for the housewives segment mentioned above (+ 1%),
 - 50.7% for young viewers between 4 and 14 (+ 6%),
- while maintaining its 41% overall audience market share.

TF1 is now both the leading channel for all viewers, and the leading channel for the advertisers' "most wanted" audience.

1993 was, once again, a year of success:

- TF1 reached record audience ratings (12 to 13 million viewers) with films such as: "Une époque formidable", "Fatal attraction", "Les bronzés font du ski" or "Look who's talking!",
- French-speaking TV drama attracted more than 10 million faithful viewers, despite strong competition from other channels. This spectacular progress is due to a varied offer: re-occurring heroes such as "Navarro", "Moulin", "Julie Lescaut"... alternated with less crime-oriented drama such as "Une famille formidable", "Deux justiciers dans la ville" or "Le retour de Polly West",
- Saturday night's variety shows staged a successful come-back. After a rough 1992/93 season, shows orchestrated by Patrick Sébastien and Philippe Bouvard provided a menu full of laughter,

- reality shows with "Témoin N°1" and "Perdu de vue" collected 40% of viewership,

- sporting action accounted for fantastic success including TF1's best audience of 1993. 16 million fans watched the European Champions' League final, opposing Olympique de Marseille and A.C. Milan,

- magazine features offer, for the second part of the evening, was varied with "Santé à la Une", "Combien ça coûte", "Faut pas pousser" and "52 sur la Une", "Le droit de savoir", "Télé-Vision", "Ushuaïa", "Tout est possible". This offer was further enriched by Guillaume Durand's newborn "Les coulisses du destin" and "Pourquoi pas vous", dealing with employment and social change issues,

- finally, news reporting remained one of TF1's top priorities. Still way in front of the competition, TF1 kept its leadership on both the 1 p.m. lunchtime bulletin (52% of household audience) and the 8 p.m. evening bulletin (43%).

b. Advertising

TF1 accounted for 55.8% of all TV advertising expenditure. Audience performances strengthened this position. A younger viewership profile enabled TF1 to increase its competitiveness on the target groups most prized by advertisers (people under 50 years of age). This is all the more important as 75% of television advertising revenues are generated by investments on this specific target group. Thus TF1 Publicité, TF1's advertising arm, provides advertisers with the most attractive conditions on their most prized commercial breaks.

Moreover, TF1 ensures both viewer satisfaction and maximum impact for advertisers by voluntarily limiting commercial breaks to 4 minutes 20 seconds.

c. Main subsidiaries

The TF1 Group consists of five diversification branches reflecting its present activities as well as development projects and future prospects: publishing and distribution, production and studios, thematic channels, purchasing of audiovisual rights and advertising services.

NB. In this part of the report, figures used to analyse the activity of TF1 subsidiaries are company figures (i.e. not consolidated figures). The subsidiaries' company figures are presented in table "Subsidiaries and Financial Investments" of the Notes to TF1 SA accounts (Note 4-6).

• PUBLISHING / DISTRIBUTION

With a total turnover of FF 818 million, the publishing/distribution diversification branch is TF1's largest.

- TF1 ENTREPRISES

TF1 ENTREPRISES, the Group's largest diversification subsidiary, releases and distributes "TF1 Vidéo" branded videocassettes. It also provides phone-based services, sells programmes and exploits spin-off rights from the channel's popular programmes.

The 18% increase in the company turnover (FF 378 million) mostly stems from TF1 Vidéo's strong rise (FF 256 million, including CIC and AB Vidéo). With more than 3 million videocassettes sold and a 10.7% market share (CSEA sources), TF1 Vidéo is the number three videocassette publisher on the French market. The 1993 top sales were "Indochine", "l'Amant" and "Le foot en folie". The non-film segment represents 52% of TF1 Vidéo's turnover. By the end of 1993, its library contained around 860 titles, 390 of which currently are on the market.

TF1 ENTREPRISES's other activities remained stable in 1993.

- UNE MUSIQUE

Company turnover showed a 75% increase to reach FF 121 million, due mainly to an 80% rise in the music recording business. In 1993, 50 new references were released and 4.1 million tapes and records were sold. The company was awarded 2 platinum disks ("Abba Gold" and "Vendée 93") and 6 gold disks, one of which was a double.

- TF1 BOUTIQUES

On October 28, 1993, the first Studio TF1 shop (2,100 square feet) opened its doors at La Defense's "Quatre Temps" mall. The shop sells products under the TF1 brand name or brands derived from the channel's leading programmes. It also retails other products from TF1 subsidiaries.

- TÉLÉ-SHOPPING

The company turnover rose by 6.7% (FF 301 million), due to:

- a 15.7% increase in the volume of products sold,
- a 30% increase in air-time (CSA decision October 20, 1992),
- an increase in the mail-order activity.

The company's next challenge is to use new television services and enhance its mail-order business.

- TF1 ÉDITIONS

In 1993, turnover amounted to FF 17 million as against FF 29 million in 1992. This downturn in revenue resulted from:

- a 33% drop in the number of titles published,
- a fall in the "GUINNESS Book of records" sales, due to competition from video games on this market.

"L'Année Criminelle" Volume 2 and "Les Grandes Marées" were very successful.

Since the beginning of 1994, TF1 ÉDITIONS has become a 100% subsidiary of TF1 and is operated by the TF1 SA parent company.

• PRODUCTION

In 1993, TF1 directly invested FF 1,345 million in French production. Through its three subsidiaries: TF1 FILMS PRODUCTION (feature films only), BANCO PRODUCTION and PROTÉCRÉA (TV drama and documentaries), TF1 invested FF 378 million. The balance consists of orders to independent producers and of a contribution tax for the financing of the National Cinema Council (CNC).

- TF1 FILMS PRODUCTION

In 1993, among non-encrypted channels, this company remained the number one investor in French cinema. With 17 features co-produced for a total investment of FF 172 million, TF1 is way over the 3% of its net advertising turnover required for investment in the co-production of French-speaking feature films.

- BANCO PRODUCTION AND PROTÉCRÉA

The two companies delivered around twenty dramas and around sixty magazines, documentaries or other programmes to the channel or to different partners. The same amount of audiovisual programmes is currently in production.

• **THEMATIC CHANNELS:
EUROSPORT**

In May 1991, TF1 relaunched this channel. It was initiated by a Consortium set-up by 17 European Broadcasting Union members. In 1993, EUROSPORT and "THE EUROPEAN SPORT NETWORK-TESN" combined their interest to broadcast one single programme all over Europe via cable and satellite. ESO, a subsidiary of TF1 (34%), CANAL+ (33%) and ESPN-Capital Cities/ABC (33%), runs the international programme broadcast in German, Dutch and English. TV SPORT, a subsidiary of CANAL+ (34%), TF1 (31%), LA GENERALE D'IMAGES (25%) and ESPN (10%) runs the French version of the international programme.

In 1993, EUROSPORT consolidated its position as the number one thematic channel in Europe. It extended its coverage with more than 49 million European households (11 million daily viewers as against 9 million in 1992) while increasing its audience (1.3% market share as compared to 1% in 1992). It also increased its fame and its advertising revenues. EUROSPORT revenues (advertising, cable and satellite fees...) amounted to FF 324 million in 1993. In September, a Scandinavian version was added and others are under study (Spanish, Danish, and possibly Polish, Hungarian and Hebrew).

• **AUDIOVISUAL RIGHTS**

In this fast-growing and promising sector, TF1 set up SYALIS DROITS AUDIOVISUELS SA in the fall of 1993. The purpose of SYALIS DA is to purchase and sell audiovisual rights for all media: cinema, video and television.

At the same time, TF1 created LEGENDE DISTRIBUTION, in partnership with Alain GOLDMAN and the specialized Dutch bank ING. Its purpose is to purchase and sell feature film rights for all media.

**2 - THE PARENT
COMPANY: TF1 SA**

1993 turnover amounted to FF 6,132 million, of which FF 6,072 million was advertising revenue and FF 60 million other revenue.

Net profit was FF 408 million as against FF 465 million in 1992. That year, a capital gain was made on the sale of part of the former Cognacq-Jay headquarters building.

**3 - RESEARCH
AND DEVELOPMENT
COSTS**

In 1993, research and development costs were non-significant.

**4 - EXCEPTIONAL
EVENTS
OR LAWSUITS**

Lawsuits that are under way have been fully provisioned in parent company and Group subsidiaries' accounts. To date and to TF1 SA's and to the Group subsidiaries' knowledge, no other exceptional event or lawsuit that would substantially affect their activity, their financial situation or their assets is under way.

II - PROSPECTS FOR
1994

**1 - ADVERTISING
MARKET**

Specialized institutes IP and IPSOS project a 6% and 4% rise respectively in television advertising investments for 1994.

Nevertheless, these advertising revenues might be influenced by the economic environment. They are also seasonal and are lower in July and August.

**2 - DEVELOPMENT
PROJECTS**

While remaining the over-the-air television leader, TF1 plans to launch several development projects.

**a. New television
services:
thematic channels**

• **A NEWS CHANNEL:
"LA CHAINE INFO"**

After a successful first experience as a thematic channel operator with Eurosport, TF1 is positioning itself on another strong market: News.

In 1994, relying on the know-how of its editorial staff, TF1 will launch a 24 hours-French-speaking News channel on French cable. The editorial choice consists of providing news day-in and day-out with bulletins, magazines and live coverage of big events and issues.

Estimated full year operating budget amounts to FF 150 million.

Revenues will essentially be derived from fees paid by cable operators and, also, from the sale of advertising air-time.

An agreement platform with the Conseil Supérieur de l'Audiovisuel (CSA), the regulating body of French TV industry, is under way.

**• PAY-PER-VIEW
(TELCARTE / MULTIVISION)**

In early 1994, TF1 took a 24.5% stake in TELCARTE along with LYONNAISE COMMUNICATIONS (26%), VTCOM (25%), a FRANCE TÉLÉCOM subsidiary, and LA COMPAGNIE LUXEMBOURGEOISE DE TÉLÉDIFFUSION-CLT (24.5%).

TF1's investment in TELCARTE's capital increase amounted to FF 6.3 million.

TELCARTE's purpose is to provide French cable networks with Europe's first pay-per-view channel called Multivision. Subscribers will consult, on their TV screen, a film library, with information on box-office ranks and number of screenings. They will then order their film and be automatically debited its price.

Expected launch of this new channel is mid-1994.

• A HOMESHOPPING CHANNEL

In the course of 1994, TF1 could start a 24 hours-a-day homeshopping channel for French cable. This channel will reach a wider audience than the one watching the same programmes on over-the-air channels. The schedule will include homeshopping programmes (75% of total air-time) and general information and service magazines.

Estimated full year operating budget is relatively low. Thus, the Group profit should not be significantly affected in the first operating years.

An agreement platform with the Conseil Supérieur de l'Audiovisuel (CSA), the regulating body of French TV industry, is under way.

b. Produce, purchase... and trade audiovisual rights

SYALIS DA and LÉGENDE DISTRIBUTION, set up at the end of 1993, will really begin their activities in 1994.

c. New technologies

In the audiovisual and media sector, new technologies are surging : digital television, telecommunications ("information highways"), digital publishing (CD-ROM, digital tapes), virtual editing...

In order to master these new technologies, TF1 has put in motion the means to identify opportunities and test new markets.

III - HUMAN RESOURCES

1 - STAFF

On December 31, 1993, full-time staff of the TF1 Group numbered 1,668 broken down as follows: 1,194 in TF1 SA, 200 in TF1 PUBLICITÉ, 104 in TF1 ENTREPRISES, 88 in EUROSPORT and 82 in the other subsidiaries.

647 managerial staff, 250 journalists, 549 supervisors and 222 workers and employees made up this workforce.

	31 Dec. 93	31 Dec. 92	31 Dec. 91
TF1 SA	1,194	1,176	1,192
Subsidiaries	474	397	298
Total	1,668	1,573	1,490

2 - WAGES POLICY

In 1993, TF1 pursued a dynamic wage policy. All full-time employees are now paid on a 13-month basis.

IV - SUBSIDIARIES AND ASSOCIATED COMPANIES

3 - PROFESSIONAL TRAINING

27,681 hours were devoted to professional training in 1993, through 1,479 internships in all the Group structures.

4 - EMPLOYEE PROFIT-SHARING AND SAVINGS PLANS

In 1993, employee profit-sharing totalized FF 18 million as against FF 9 million in 1992.

By December 1993, the new Employee Savings Plan started in December 1992 totalized 714 subscribers. The Group contribution to the savings plan amounted to FF 8.4 million in 1993.

5 - 1994 GOALS

- organize mobility within the TF1 Group,
- cope with technological and professional changes by appropriate training.

1 - SUBSCRIPTIONS AND TRANSFERS IN 1993

- TF1 acquired 2,450 shares of its subsidiary TF1 ÉDITIONS, increasing its stake in the company from 51% to 100%.

- TF1 subscribed to the following:

- 375 shares with a face value of FF 100, i.e 15% ownership of the capital of CD RACING, a public limited company with a share capital of FF 250,000.

- 6,000 shares with a face value of FF 100, i.e 5% ownership in MEDIAMETRIE EXPANSION, a public limited company with a share capital of FF 12 million.

- 24,004 shares with a face value of Dirhams 100 when the capital of SOREAD was increased. TF1 maintained its 5.33% stake in the company.

- 46,500 shares with a face value of FF 100, i.e 31% ownership of the capital of TV SPORT, a public limited company with a share capital of FF 15 million. Other TV SPORT shareholders are CANAL+ (34%), GENERALE D'IMAGES (CGE) (25%) and ESPN/Capital Cities-ABC (10%).

- TF1 disposed of its 507 shares of capital detained in ID INTERNATIONAL DEVELOPEMENT SARL.

2 - CREATION OF NEW COMPANIES IN 1993

- SAGAS, a public limited company with a share capital of FF 250,000. TF1 holds a 34% stake in this company, along with CANAL+ (33%) and ESPN/Capital Cities-ABC (33%).

- TF1 DIRECT MARKETING, a public limited company with a share capital of FF 250,000. TF1's stake in the company amounts to 99.76%.

- PUBLICATIONS HACHETTE FILIPACCHI TF1, a public limited company with a share capital of FF 5 million, in which TF1's stake amounts to 49% and HACHETTE FILIPACCHI PRESSE's one to 51%.

- The following affiliates of TF1 subsidiaries were also created in 1993:

- TF1 BOUTIQUES, a public limited company with a share capital of FF 250,000, a 99% subsidiary of TF1 ENTREPRISES,

- TF1 INTERNATIONAL, a public limited company with a share capital of FF 250,000, a 99.76% subsidiary of SYALIS,

- SYALIS DROITS AUDIOVISUELS, a public limited company with a share capital of FF 1.5 million, a 99.96% subsidiary of SYALIS,

- LÉGENDE DISTRIBUTION, a public limited company with a share capital of FF 4 million. This company is a 37.5% subsidiary of SYALIS, set up in partnership with REBELS FILMS (Alain GOLDMAN) and TRIPUDIO BV (ING).

V - CAPITAL

3 - OTHER EVENTS IN 1993

- Liquidation of EURO MEDIA SHOP on December 8, 1993.

- Financial restructuring of TF1 EUROPE that implied, on June 30, a capital increase of FF 65 million, followed by a capital decrease of FF 89 million. By July 30, TF1 EUROPE's capital was reduced from FF 25 million to FF 1 million and negative available profit carried forward from FF 108.6 million to FF 19.6 million. TF1 holds a 99.94% stake in this company.

- Acquisition of a 60% stake in MT SPOT, a Swiss public limited company with a share capital of CHF 600,000. TF1 now holds 100% of this company, which is the advertising arm of EUROSPORT in Europe. In 1993, this stake was sold to ESO, which operates EUROSPORT's international programme.

4 - SUBSEQUENT EVENTS

- February 23, 1994: creation of "LA CHAÎNE INFO", a limited partnership company with a share capital of FF 1.5 million. TF1, limited partner and manager, holds 99% of this company.

- April 1994: subscription of 9,800 shares in TELCARTE, a public limited company, of which TF1 now holds 24.5% of the capital. The other shareholders in this company are LYONNAISE COMMUNICATIONS (26% of the capital), VTCOM (25%), Compagnie Luxembourgeoise de Télévision-CLT (24.5%).

- TF1 DIRECT MARKETING changed its business name to TÉLÉCHAT CÂBLE.

1 - SHARE APPRAISAL

At the end of 1993, the TF1 stock offered an annual return of 21% (including tax credits) as compared to the issue price of FF 165 on July 24, 1987.

Since 1987, TF1 has posted steady growth and rising profits. This, along with a 50% payout policy, is reflected in the share performance.

2 - SHARE ACQUISITIONS

At the Annual General Meeting of June 10, 1993, authorisation was renewed to buy the company's own shares so as to stabilise TF1's stock price. The Board of Directors has not made use of this authorisation.

3 - CAPITAL AMOUNT/ CATEGORIES OF SHARES

TF1's capital is FF 210,000,000 divided into 21,000,000 shares with a face value of FF 10.

There are no stock certificates without voting rights, no preferred shares, no shares with double voting rights.

4 - ADMINISTRATION OF TF1 SHARES

TF1 administrates all matters relating to share ownership itself.

5 - SHAREHOLDERS

At the beginning of 1994 and in accordance with article 14 of the law of February 1, 1994, BOUYGUES increased its share in TF1's capital and now holds 34% of the company, as against a previous 25%.

The shareholder structure evolved as follows:

	23 Feb. 94	13 Apr. 93	14 Apr. 92
BOUYGUES	34.0 %	25.0 %	25.0 %
SOCIÉTÉ GÉNÉRALE	6.0 %	6.0 %	4.5 %
CRÉDIT LYONNAIS	2.1 %	8.1 %	*8.1 %
Groupe WORMS & CIE	1.5 %	5.0 %	2.2 %
François Dalle	-	-	-
Total shareholders taking concerted action	**43.6 %	44.1 %	39.8 %
Public	56.4 %	55.9 %	60.2 %
TOTAL	100.0 %	100.0 %	100.0 %

* Including Cholet-Dupont
** SBF notification n°94-600

TF1 does not own any of its shares, either directly or indirectly.

Estimated number of shareholders is more than 100,000.

VI - ALLOCATION AND DISTRIBUTION OF PROFITS (TÉLÉVISION FRANÇAISE 1, PARENT COMPANY)

In the resolutions submitted to them, shareholders are asked to receive and adopt the financial statements for the year ending December 31, 1993. Also, given that the distributable profits after tax amount to FF 578,223,269.61 including the 1993 net profit of FF 407,748,161.31 and the balance of FF 170,475,108.30 carried forward from the previous year, the Board of Directors recommends the following allocation and distribution of profits:

- Allocation to
General Reserves FF 50,000,000.00
- Distribution of a
dividend of FF 262,500,000.00
(i.e a net dividend of FF 12.50 per share with a face value of FF 10, plus a tax credit of FF 6.25)
- Balance of available
profits carried
forward FF 265,723,269.61

The dividend would be payable as of June 30, 1994.

Shareholders are reminded that the net dividends distributed for the three previous financial years ending December 31, 1990, 1991, 1992 had been FF 7, FF 8 and FF 10 respectively. The corresponding tax credits were FF 3.50, FF 4 and FF 5.

VII - RESOLUTIONS

The auditors will submit to the shareholders their report on the accounts for the 1993 financial year, and on the agreements provided for under articles 101 and following of the law of July 24, 1966.

In its resolutions, the Board of Directors proposes that shareholders:

- approve the accounts for the 1993 financial year and the distribution and allocation of profits, together with the agreements and operations in accordance with articles 101 and following of the law of July 24, 1966, referred to in the Auditors' Special Report,
- grant the Board of Directors a discharge for its management of the company,
- receive and consider the consolidated accounts,
- re-appoint Nicholas CLIVE-WORMS, whose term of office expires at the close of this meeting, as Director for a two-year period,
- ratify the co-optation of Michel DERBESSE as Director, decided by the Board of Directors on January 19, 1994. His term of office expires at the close of the General Meeting approving 1994 accounts,
- acknowledge the election and appointment, on May 27, 1994, and for two years, of Directors Employee Representatives, whose names will be passed on by the Chairman of the Board,
- renew the annual authorisation, which was granted at the Meeting of June 10, 1993, allowing the company to buy its own shares so as to stabilise its stock price. Such purchase would be limited to 10% of the share capital. The maximum purchase price shall be FF 600 per share and the minimum selling price FF 300 per share.

- cancel the five-year authorisation given to the Board of Directors by the Meeting of June 10, 1993 and which has not been used, to issue up to FF 1 billion worth in bonds and authorise the Board to issue up to FF 1.5 billion worth in bonds for a five-year period.

Find hereafter the five-year financial record of your company.

In the Extraordinary General Meeting, shareholders will be asked to renew authorisations, expiring next June, to issue different types of marketable securities with preservation or suppression of record preferential right to subscribe to new shares. By issuing these marketable securities, the Board of Directors then will be able to increase the share capital of the company of a FF 100 million face-value.

Authorisations that are to be submitted to shareholders' approval during the Extraordinary General Meeting are the subject of a Board's special report and an Auditors' special report.

Shareholders are asked to vote on the resolutions submitted to them.

THE BOARD OF DIRECTORS

FIVE-YEAR FINANCIAL RECORD

(*FF)	1989	1990	1991	1992	1993
I - CAPITAL AT THE END OF THE ACCOUNTING PERIOD					
a) Share capital*	210,000,000	210,000,000	210,000,000	210,000,000	210,000,000
b) Number of outstanding shares	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
c) Number of bonds convertible in shares	-	-	-	-	-
II - TOTAL REVENUE AND PROFIT OF THE ACCOUNTING YEAR*					
a) Turnover before tax	4,516,826,134	4,867,144,981	5,178,682,786	5,834,944,678	6,131,932,600
b) Profit before income tax, profit sharing, depreciation & provisions	436,414,154	535,045,719	545,608,419	740,943,288	854,259,386
c) Income tax	143,345,799	165,504,939	167,840,066	140,824,240	195,393,635
d) Profit sharing	9,318,817	11,012,842	10,138,529	5,210,079	12,832,718
e) Profit after income tax, profit sharing, depreciation & provisions	216,389,662	280,871,781	290,171,585	464,623,097	407,748,161
f) Total dividends	105,000,000	147,000,000	168,000,000	210,000,000	262,500,000 ⁽¹⁾
III - PROFIT PER SHARE*					
a) Net profit before depreciation & provisions	13.50	17.07	17.50	28.32	30.76
b) Net profit after depreciation & provisions	10.30	13.37	13.81	22.12	19.42
c) Dividend per share	5.00	7.00	8.00	10.00	12.50 ⁽¹⁾
IV - PERSONNEL					
a) Average number of full time employees	1,420	1,301	1,217	1,176	1,190
b) Total payroll costs*	502,535,056	480,358,433	570,324,356	524,941,319	497,997,349
c) Total of employee benefit costs*	220,176,342	179,032,239	216,151,921	217,430,643	221,477,938

(1) To be approved by the General Meeting

GENERAL REPORT OF THE STATUTORY AUDITORS

FINANCIAL YEAR ENDED DECEMBER 31, 1993

ON THE COMPANY ACCOUNTS

Gentlemen,

In accordance with the assignment for which we were appointed, we report below on:

- our examination of the financial statements of TF1 SA, as set out in this report,
- our verification of other required information prescribed by French law, for the financial year ended December 31, 1993.

1. OPINION ON THE FINANCIAL STATEMENTS

We have audited the financial statements of your Company in accordance with generally accepted auditing standards by applying such auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements present fairly the financial position of your Company at December 31, 1993, and the results of its operations for the year ended.

2. OTHER PROCEDURES AND INFORMATION

We have also carried out the other required procedures prescribed by French law, in accordance with professional standards.

On the basis of these procedures, we have no comments on the accuracy of the financial information provided in the Board of Directors' management report or in the other documents prepared for the shareholders relating to the Company's financial position and financial statements or in the consistency of this information with that in the financial statements.

In conformity with the Law of July 24, 1966 we have ensured that the required information relating to the identity of shareholders and investments made or controlling interests taken in other companies has been disclosed to you in the management report.

Paris, April 14, 1994

Dominique LEDOUBLE SALUSTRO REYDEL
Eduard SALUSTRO

ON THE CONSOLIDATED ACCOUNTS

Gentlemen,

In accordance with the assignment for which we were appointed, we report below on:

- our examination of the consolidated financial statements of the TF1 Group, as set out in this report,
- our verification of other required information prescribed by French law, for the financial year ended December 31, 1993.

1. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the consolidated accounts of your Company in accordance with generally accepted auditing standards by applying such auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated accounts present fairly the financial position of the TF1 Group, composed of the consolidated subsidiaries, at December 31, 1993, and the results of its operations for the year ended.

2. OTHER PROCEDURES AND INFORMATION

We have also carried out the other required procedures prescribed by French law, in accordance with professional standards.

On the basis of these procedures, we have no comments on the accuracy of the consolidated financial information provided in the management report or in the consistency of this information with that in the financial statements.

Paris, April 14, 1994

Dominique LEDOUBLE SALUSTRO REYDEL
Eduard SALUSTRO

GENERAL REPORT OF THE STATUTORY AUDITORS

FINANCIAL YEAR ENDED DECEMBER 31, 1993

ON REGULATED AGREEMENTS

Gentlemen,

In compliance with article 103 of the law of July 24, 1966, we draw up your attention to agreements referred to in article 101 of this law, and still operative in the current financial year.

1. WITH TF1 PUBLICITÉ

Since January 1, 1989, TF1 and TF1 PUBLICITÉ work together within the framework of two contracts:

- A management contract, under which TF1 PUBLICITÉ exclusively is responsible for selling all advertising on the channel. TF1 PUBLICITÉ carries the cost of prospection and therefore benefits from a discount on the purchase of advertising air-time. This discount is calculated on the basis of the management fee negotiated before deduction of advertising agency fees, i.e FF 480.3 million for the 1993 financial year.

- An agent agreement, under which TF1 PUBLICITÉ and TF1 agreed to share the cost of certain administrative services and other necessary expenses, particularly the promotion of the channel. In application of this agent agreement, TF1 invoiced TF1 PUBLICITÉ a total of FF 95.5 million in 1993.

Directors concerned:

Messrs Patrick LE LAY and Etienne MOUGEOTTE, Mrs Corinne BOUYGUES (since June 10, 1993).

2. WITH TF1 ENTREPRISES

Since October 2, 1989, TF1 and TF1 ENTREPRISES work together within the framework of two contracts:

- A rental management agreement, under which TF1 ENTREPRISES exploits all rights (broadcasting, video, phone-based services). These rights are given to TF1 within the scope of co-production contracts. Under this agreement, TF1 invoiced TF1 ENTREPRISES a rental management fee of FF 6 million in 1993 equal to 5% of amounts received.

- An agent agreement, under which TF1 ENTREPRISES markets broadcasting rights acquired by TF1 and not used in full or in part. TF1 ENTREPRISES carries the marketing costs and therefore is paid by TF1 35% of the selling price of these rights. Under this agreement, TF1 ENTREPRISES invoiced TF1 a total of FF 6 million in 1993.

Directors concerned:

Messrs Patrick LE LAY and Etienne MOUGEOTTE, Mrs Corinne BOUYGUES (since June 10, 1993).

3. WITH BOUYGUES

On October 21, 1992, TF1 and BOUYGUES entered an agreement of assistance for administrative, financial, legal and general management.

In 1993, under the terms of this agreement, TF1 agreed to pay to BOUYGUES the sum of FF 34.7 million, representing 0.45% of TF1's turnover exclusive of tax.

Directors concerned:

Messrs Martin BOUYGUES, Patrick LE LAY and Olivier POUPART-LAFARGE.

Paris, April 14, 1994

Dominique LEDOUBLE

SALUSTRO REYDEL
Edouard SALUSTRO

RESOLUTIONS

SUBMITTED TO THE ORDINARY MEETING OF JUNE 14, 1994

FIRST RESOLUTION

(Approval of accounts)

The General Meeting, after hearing the Directors' management report, and the Auditors' general report, approves them together with the accounts for the financial year ended December 31, 1993 including the balance sheet, the profit and loss account and the notes to the accounts, as submitted to them.

The General Meeting grants discharge to the Directors for their management.

SECOND RESOLUTION

(Auditors' special report)

The General Meeting, after hearing the Auditor's special report on the regulated agreements provided for in Articles 101 and following of the Law of July 24, 1966, approves said agreements and operations.

THIRD RESOLUTION

(Allocation of profits)

The General Meeting, after noting that the distributable profits amount to FF 578,223,269.61, including the 1993 net profit of FF 407,748,161.31 and the balance of FF 170,475,108.30 carried forward from the previous financial year, approves the following allocation and distribution of profits recommended by the Board of Directors:

- Allocation
to General Reserves FF 50,000,000.00
- Distribution
of a dividend of FF 262,500,000.00
(i.e a net dividend of FF 12.50 per share with
a face value of FF 10, plus a tax credit of
FF 6.25)
- Balance of distributable
profits carried
forward FF 265,723,269.61

Dividend will be payable as of June 30, 1994.

The General Meeting notes that the dividends paid for the three preceding financial years ended December 31, 1990, December 31, 1991 and December 31, 1992 had been FF 7, FF 8 and FF 10 respectively; the corresponding tax credits were FF 3.5, FF 4 and FF 5.

FOURTH RESOLUTION

(Presentation of consolidated accounts)

The General Meeting notes that the consolidated accounts at December 31, 1993 were submitted to them and that the Directors' report on the Group management is included in the management report.

FIFTH RESOLUTION

(Re-appointment of a Director)

The General Meeting re-appoints Mr Nicholas CLIVE-WORMS whose term of office expires at the close of this meeting, as a Director for two years.

SIXTH RESOLUTION

(Ratification of the co-optation of a Director)

The General Meeting ratifies the co-optation of Mr Michel DERBESSE as Director, decided during the Board Meeting of January 19, 1994. The term of his office expires at the close of the General Meeting approving the 1994 annual accounts.

SEVENTH RESOLUTION

(Acknowledgment of the election of Directors Staff Representatives)

The General Meeting, after having noted the names of Directors Employee Representatives elected on May 27, 1994, and passed on by the Chairman of the Board, acknowledges their election and designation as Directors, Employee Representatives.

The term of their office will expire in two years, after the results of the next Employee Representatives' election, according to Article 10 of the statutes.

EIGHTH RESOLUTION

(Authorisation to purchase own shares to stabilise the price)

The General Meeting, in accordance with Article 217-2 of the Law n° 66-537 of July 24, 1966, as amended by Law n° 81-1162 of December 30, 1981, authorises the Company to purchase its own shares on the Stock Exchange up to 10% of the share capital, in order to stabilise their price on the market under the conditions laid in the Law.

The maximum purchase price shall not exceed FF 600 per share and the minimum selling price FF 300 per share.

The present authorisation is granted to the Board of Directors for a duration of eighteen months. The Board may delegate it to place any stock exchange orders, conclude any agreements, especially with a view to keeping the shareholders' register, make all statements to the Commission des Opérations de Bourse and any other regulating body, and generally take all other measures.

NINTH RESOLUTION

(Issue of one or more mandatory loans)

The General Meeting, after hearing the management report of the Board of Directors:

- cancels the authorisation to issue one or more debenture bonds of a maximum FF 1 billion given to the Board of Directors by the Ordinary General Meeting of 10 June 1993, in the eighteenth resolution;

- authorises the Board of Directors to proceed, on its own decisions, with one or several creations and issues in France and/or overseas of bonds, subordinated or not, particularly in the form of subordinated securities subject to unspecified maturity dates, with or without warrants with rights to subscribe to other bonds, up to a nominal value of one thousand and five hundred million French Francs or the exchange value of this sum in foreign currencies, or in ECU, with or without mortgage or other security, in the proportions, in the forms and at the times, rates and conditions of issue and depreciation which it thinks fit.

The General Meeting grants all powers to the Board of Directors to arrange this or these loans and specifies that it will be at liberty to fix the types of bonds described above and which may include particularly a variable rate of interest and a redemption premium above par, fixed or variable, the said premium adding to the maximum amount proposed above.

In the event of issue of bonds with warrants in French Francs, the amount to be charged to this authorisation shall be that corresponding to the nominal value of bonds likely to be issued on account of the exercises of rights linked with the warrants.

In the event of issue of bonds with warrants in foreign currencies, the exchange value in French Francs to be retained shall be that corresponding, on the day of the issue of bonds with warrants, to their nominal value as well as the nominal value of bonds likely to be issued on account of the exercises of rights linked with the warrants.

According to the law, this authorisation is valid for five years counting from the date of the approval of the present resolution.

TENTH RESOLUTION

(Powers)

The General Meeting gives all powers to the holder of a copy or extract of the minutes of the present meeting to accomplish all legal publication formalities or take all measures when required.