

# ANNUAL REPORT & ACCOUNTS 1993



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Ordinary General Meeting of June 14, 1994



FINANCIAL  
STATEMENTS

# CONSOLIDATED BALANCE SHEET

<b>ASSETS</b> (FF thousands)	31 Dec. 93	31 Dec. 92	31 Dec. 91
<b>INTANGIBLE FIXED ASSETS</b>	<b>111,362</b>	<b>94,186</b>	<b>87,626</b>
Films	103,364	91,492	84,693
Other intangible fixed assets	7,998	2,694	2,933
<b>GOODWILL</b>	-	-	-
<b>TANGIBLE FIXED ASSETS</b>	<b>514,631</b>	<b>558,866</b>	<b>556,551</b>
Land	37,243	37,243	53,908
Buildings	85,096	88,575	165,585
Other tangible fixed assets	392,292	433,048	337,058
<b>FINANCIAL ASSETS</b>	<b>15,380</b>	<b>20,173</b>	<b>16,983</b>
Investments and related loans	6,607	7,967	1,224
Other financial assets	8,773	12,206	15,759
<b>FIXED ASSETS</b>	<b>641,373</b>	<b>673,225</b>	<b>661,160</b>
Programmes and film rights	2,078,341	2,058,626	2,225,710
Raw materials and supplies	31,226	25,366	24,781
Trade debtors	1,768,590	1,332,925	1,319,266
Other debtors	867,068	1,178,033	1,010,400
Marketable securities	556,125	615,424	215,058
Cash at bank and in hand	120,456	232,016	205,852
<b>CURRENT ASSETS</b>	<b>5,421,806</b>	<b>5,442,390</b>	<b>5,001,067</b>
Deferred expenses	207,065	163,368	132,691
Deferred taxation	59,072	51,258	55,321
<b>TOTAL ASSETS</b>	<b>6,329,316</b>	<b>6,330,241</b>	<b>5,850,239</b>

<b>LIABILITIES</b> (FF thousands)	31 Dec. 93	31 Dec. 92	31 Dec. 91
Share capital	210,000	210,000	210,000
Revaluation reserve	30,705	30,705	30,705
Reserves	1,011,413	770,471	597,710
Profit attributable to the Group	458,804	451,219	341,072
<b>SHAREHOLDERS' EQUITY</b>	<b>1,710,922</b>	<b>1,462,395</b>	<b>1,179,487</b>
Minority interests	3,652	8,950	10,105
Government grants for investment	24,152	15,880	25,851
Provisions for liabilities and charges	107,807	70,973	72,957
Deferred taxation	181,198	169,986	152,790
Financial creditors borrowings (1)	105,728	132,267	230,036
Trade creditors	2,315,099	2,470,411	2,261,049
Other creditors	1,840,997	1,983,534	1,904,661
<b>CREDITORS</b>	<b>4,261,824</b>	<b>4,586,212</b>	<b>4,395,746</b>
Deferred income	39,761	15,845	13,303
<b>TOTAL LIABILITIES</b>	<b>6,329,316</b>	<b>6,330,241</b>	<b>5,850,239</b>

(1) Including current bank overdrafts

2,452

9,226

13,412

# CONSOLIDATED PROFIT AND LOSS ACCOUNT

(FF thousands)	1993	1992	1991
<b>TURNOVER</b>	<b>7,758,603</b>	<b>7,434,190</b>	<b>6,537,090</b>
Net advertising revenue*	6,617,435	6,329,772	5,525,599
Diversification revenue	950,033	771,112	655,968
Technical services revenue	121,647	269,034	250,643
Other revenue	69,488	64,272	104,880
<b>OPERATING EXPENSES</b>	<b>(6,966,487)</b>	<b>(6,888,361)</b>	<b>(6,010,570)</b>
External production broadcast	(2,357,660)	(2,373,938)	(1,987,878)
Variation of in-house production stock	32,641	65,183	79,821
Staff expenses	(994,185)	(1,008,432)	(1,001,004)
Other operating expenses	(3,400,646)	(3,371,205)	(2,992,013)
Depreciations & Provisions (net value):			
- Depreciations	(197,783)	(201,603)	(171,207)
- Provisions	(48,854)	1,634	61,711
<b>OPERATING PROFIT</b>	<b>792,116</b>	<b>545,829</b>	<b>526,520</b>
Financial revenue	32,269	75,396	64,359
Financial expenses	(62,826)	(47,881)	(34,635)
<b>FINANCIAL PROFIT</b>	<b>(30,557)</b>	<b>27,515</b>	<b>29,724</b>
<b>PROFIT OF INTEGRATED COMPANIES</b>	<b>761,559</b>	<b>573,344</b>	<b>556,244</b>
Extraordinary items	(50,036)	52,061	13,843
Profit sharing	(18,458)	(9,079)	(14,031)
Income tax	(232,441)	(160,958)	(210,690)
<b>NET PROFIT OF INTEGRATED COMPANIES</b>	<b>460,624</b>	<b>455,368</b>	<b>345,366</b>
Minority share of profit	(1,820)	(4,149)	(4,294)
<b>NET PROFIT ATTRIBUTABLE TO THE GROUP</b>	<b>458,804</b>	<b>451,219</b>	<b>341,072</b>

\* Including Eurosport advertising revenue

# CONSOLIDATED CASH FLOW STATEMENT

(FF thousands)	31 Dec. 93	31 Dec. 92	31 Dec. 91
<b>1- OPERATING ACTIVITIES</b>			
Net profit	460,624	455,368	345,366
Depreciation and provisions	234,156	178,302	167,740
Investment grants released to revenue	(32,448)	(35,439)	(17,413)
Expenses to amortise	(40,241)	(64,575)	(49,828)
Capital gains (losses) on disposal of fixed assets	6,664	(141,830)	2,652
<b>Cash flow</b>	<b>628,755</b>	<b>391,826</b>	<b>448,517</b>
Increase (decrease) in working capital needs			
• Stocks	(25,575)	166,499	(552,267)
• Trade debtors	(175,035)	(212,829)	(488,025)
• Trade creditors	(261,264)	392,195	704,500
• Net advances from third parties	545	18,198	(7,893)
<b>NET INFLOW FROM OPERATING ACTIVITIES</b>	<b>167,426</b>	<b>755,889</b>	<b>104,832</b>
<b>2- INVESTING ACTIVITIES</b>			
• Purchase of intangible fixed assets	(78,046)	(64,418)	(65,788)
• Purchase of tangible fixed assets	(50,488)	(294,805)	(303,164)
• Purchase of investments	(6,020)	(6,744)	(6,385)
• Proceeds from sales of fixed assets	7,199	362,994	31,058
• Increase (decrease) in payables to fixed assets suppliers	(12,188)	(80,469)	75,440
	<b>(139,543)</b>	<b>(83,442)</b>	<b>(268,839)</b>
Consolidation adjustments	(702)	(557)	(2 143)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(140,245)</b>	<b>(83,999)</b>	<b>(270,982)</b>
<b>3- FINANCING ACTIVITIES</b>			
Increase in shareholders' equity	40,720	25,581	21,682
Increase (decrease) in borrowings	(19,766)	(93,583)	183,079
Dividends paid	(212,220)	(173,172)	(148,096)
<b>NET CASH FLOW (OUTFLOW) FROM FINANCING</b>	<b>(191,266)</b>	<b>(241,174)</b>	<b>56,665</b>
<b>TOTAL INCREASE (DECREASE) IN CASH</b>	<b>(164,085)</b>	<b>430,716</b>	<b>(109,485)</b>
Cash at beginning of period	838,214	407,498	516,983
Net inflow (outflow)	(164,085)	430,716	(109,485)
Cash at closing of period	674,129	838,214	407,498

# NOTES TO THE CONSOLIDATED ACCOUNTS

## 1. THE TF1 GROUP

### 1-1 Presentation of TF1

TF1 is operating under a 10-year broadcasting licence, effective from 16 April 1987, enabling it to broadcast on the frequencies previously allocated to it as a state-owned channel.

Also, article 28.1 of Law 94-88 of February 1st, 1994 stipulates that licences are "renewed by the CSA (Conseil Supérieur de l'Audiovisuel), without invitation to candidates, to a limit of twice and on each occasion for a duration of five years, (...) unless the CSA considers that the penalty(ies) imposed on the licensee or claims made against the licensee justify, by reason of their seriousness, that the licence should not be renewed without invitation to candidates".

### 1-2 Consolidated accounts

The consolidated accounts have been prepared from the statutory accounts of TF1 SA and its subsidiaries and have required certain restatements. These restatements are made mostly on intangible fixed assets (films) and derogatory depreciations in TF1 SA.

### 1-3 Scope of consolidation

#### Fully-consolidated subsidiaries

	Legal structure	% holding	Share capital (FF thousands)	Activity
TF1 Publicité	SA	99.40	275	Marketing of TF1 advertising air-time
TF1 Films Production	SA	99.97	2,000	Co-production of films
Télé-Shopping	SA	84.95	1,000	Tele-shopping
La Réservée	SC	100.00	10	Financing company
TF1 Éditions	SA	99.92	500	Book publishing
TF1 Entreprises	SA	99.99	470	Video, phone-based services, TV programme sales
Une Musique	SA	99.80	250	Music and disks
Syalis	SA	99.76	250	Financing company
TF1 Publicité Belgique (*)	SA	75.00	3,300	Marketing of advertising air-time in Belgium
TF1 Publicité Production	SARL	99.41	50	Commercials and promos
Banco Production	SA	99.98	1,000	Production of programmes
TF1 Europe	SA	99.94	10,250	Financing company
Luxtel 1 (**)	SA	100.00	206	Production of programmes
Protécrea	SA	99.99	10,000	Production of programmes
Studios 107	SA	99.99	10,000	TV production studios
C.I.C.	SA	99.93	785	Video rights
TF1 Boutiques	SA	99.76	250	Distribution of spin-off products
Syalis D.A.	SA	99.97	1,500	Audiovisual rights
TF1 International	SA	99.76	250	Audiovisual technologies
TF1 Direct Marketing	SA	99.84	250	Distribution of products

(\*) Company formed under Belgium law.

(\*\*) Company formed under Luxembourg law.

*Company consolidated under the proportional method*

- The companies participating in EUROSPORT's activity are consolidated under the proportional method:

- TF1 has a 34% holding in the equity share capital of ESO. ESO is in charge of the marketing of the EUROSPORT programme, except in France.

- TF1 has a 31% stake in TV SPORT, a public limited company. TV SPORT is in charge of the marketing of the EUROSPORT FRANCE programme.

- ESO has a 100% stake in EUROSPORT GmbH, a company formed under German law, in charge of the marketing of the EUROSPORT programme in Germany.

- TF1 has a 34% stake in SAGAS, a public limited company, whose purpose is to manage ESO.

- TF1 has a 37.5% stake in LEGENDE DISTRIBUTION, a public limited company. Its purpose is to purchase and sell feature films rights.

*Companies consolidated under the equity method*

Following the restructuring of the capital of SFP in 1990 in which TF1 did not participate, TF1's holding has been reduced from 22.51% to 4.4%. SFP is consequently no longer consolidated. The value of this financial participation is taken as null.

MERCURY International and TRICOM, in which TF1 has 50% and 33.33% holdings respectively, are consolidated under the equity method.

*Subsidiaries not consolidated*

Certain subsidiaries which are not significant to Group accounts (Médiamétrie, Télé Europe, Mery Productions, Média Congrès, SNC Services et Gestion, SETS, MT SPOT Limited) and the subsidiary under liquidation (TF01) have not been consolidated.

## 2. ACCOUNTING PRINCIPLES AND METHODS

### 2-1 General principles

The group accounts have been prepared in accordance with Generally Accepted French Accounting Principles, notably those prescribed by the French Law of January 3, 1985 and the decree of February 17, 1986.

They have been prepared under the historical cost accounting method except for the revaluation of tangible fixed assets at December 31, 1986.

### 2-2 Comparability of accounts

The financial year ending December 31, 1993 is a 12-month accounting period comparable to the previous period without restatements.

### 2-3 Programmes and film rights

The principles used for the valuation, accounting and presentation of programmes are as follows:

a) Programmes are reported under "Programmes and film rights".

b) "Programmes and film rights" covers:

- TF1 in-house productions,
- external productions, including broadcasting rights acquired by the station as well as co-productions.

c) Elements reported under "Programmes and film rights" at the close of the financial year refer to:

- in-house productions, or co-productions ready for broadcasting that have not yet been transmitted for the first time; these are valued at their overall production cost (direct costs plus attributable production overheads) or purchase cost;

- purchased broadcasting rights once TF1 has given technical approval for the copy received from the supplier, and as long as the right has not expired. These rights are valued at the closing of each financial year on the basis of their purchase cost less their "consumption" values as indicated under section "d";

- programmes in progress, the copies of which have not received TF1 technical approval. These programmes are valued according to the investment outlay at the closing of accounts.



d) Programmes are deemed "consumed" at the moment of transmission.

d.1 Purchased TV rights and co-produced programmes.

(Children - Variety - Theatre - Magazines/Documentaries - News and Sport)

Possible transmissions	1	2 or more
1 <sup>st</sup> transmission	100%	100%
2 <sup>nd</sup> transmission	-	-

d.2 Co-productions of a duration not exceeding 60 minutes

Possible transmissions	1	2 or more
1 <sup>st</sup> transmission	100%	100%
2 <sup>nd</sup> transmission	-	-

d.3 Purchased TV rights for drama, series and delegated co-productions of a duration equal to or exceeding 60 minutes

Possible transmissions	1	2 or more
1 <sup>st</sup> transmission	100%	80%
2 <sup>nd</sup> transmission	-	20%

d.4 Purchased rights for full-length feature films.

Possible transmissions	1	2 or more
1 <sup>st</sup> transmission	100%	50%
2 <sup>nd</sup> transmission	-	50%

d.5 All other programmes are fully written off at first transmission, and therefore do not appear under assets whatever the duration of the owner's rights.

Provision is made in the event of a given programme not being broadcast.

e) Tax allowances for depreciation have been restated in order to eliminate their impact on the consolidated accounts; they constitute part of consolidated equity.

## 2-4 Audiovisual rights

Films co-produced by TF1 Films Production SA are accounted for as intangible fixed assets from the contract date and for the total amount of the commitment. The date the film is declared to be "in the can" determines the date at which the films are recorded under fixed assets.

In accordance with current tax methods, films are written off in two ways:

- either to the amount of box-office revenues,

- or in the absence of box-office revenues, at a straight line rate over three years from the issue of the certificate.

The method applied is the one which enables to fiscally amortize films as fast as possible. It can thus differ from film to film.

## 2-5 Research and development

As research and development costs relate essentially to data processing development, they are written off during the accounting period they were incurred.

## 2-6 Tangible fixed assets

Depreciation methods are the following:

Buildings	Straight line	40 years*
Technical facilities (before 1992)	Reducing balance	3 to 5 years
Technical facilities (after 1992)	Straight line	5 years
Other	Straight line or reducing balance	3 to 10 years

\* As of the date of its becoming TF1 property (prior to December 31, 1986: 12 to 20 years)

## 2-7 Marketable securities

The value of marketable securities is calculated as of their date of acquisition. When the inventory value turns out lower than the acquisition cost, a provision is registered.

## 2-8 Government grants for investment

If established for good, government grants for investment are credited to a deferral account and released to revenue as and when the assets funded by these grants are depreciated.

Grants received by TF1 Films Production, Banco Production and Protécra from the CNC (National Cinema Council) are released to revenue for the financial year during which the relevant films are completed.

### 3. NOTES TO THE CONSOLIDATED BALANCE SHEET

#### 2-9 Provisions for liabilities and charges

The amount provided for identified losses is the best estimate that can be made of such losses at the balance sheet closing date. Losses in respect of subsidiaries under liquidation are fully provided for.

#### 2-10 Deferred taxation

For TF1 and its subsidiaries, deferred taxation refers to:

- items restated in order to eliminate effects of entries resulting from fiscal allowances;
- the difference in time between the accounting of revenue and expenses, and their inclusion in later tax declarations.

Deferred items are recognized under the accrual method of tax allocation.

#### 2-11 Advertising

Income from advertising is reported net of fees and commissions paid to agents.

#### 2-12 Off-balance sheet commitments

Purchased programmes and film rights, and co-productions which have acquired the station's firm commitment prior to the closing of the accounting period, but for which technical approval has not yet been granted, are reported as commitments for their full contractual amount, after deduction of any amounts already capitalized and reported under "Programmes and film rights".

#### 3-1 Audiovisual rights

Defined as indicated under section 2.4, the movements for the financial year concerning films co-produced by TF1 Films Production SA break down as follows:

(FF million)	1 Jan. 93	Increase	Decrease	31 Dec. 93
Gross value	407	71	22	456
Depreciation	316	59	22	353
<b>Net value</b>	<b>91</b>	<b>12</b>	<b>-</b>	<b>103</b>

#### 3-2 Other intangible fixed assets

(FF million)	1 Jan.93	Increase	Decrease	31 Dec. 93
Gross value	5	7	-	12
Depreciation	2	2	-	4
<b>Net value</b>	<b>3</b>	<b>5</b>	<b>-</b>	<b>8</b>

#### 3-3 Tangible fixed assets

Movements of tangible fixed assets, as well as the corresponding depreciation are summarized as follows:

<i>Gross value</i>				
(FF million)	1 Jan.93	Increase	Decrease	31 Dec. 93
Lands	37	-	-	37
Buildings	111	-	-	111
Technical facilities	208	21	8	221
Other	395	30	27	398
Work in progress	-	-	-	-
<b>Total</b>	<b>751</b>	<b>51</b>	<b>35</b>	<b>767</b>

<i>Depreciation</i>				
(FF million)	1 Jan.93	Increase	Decrease	31 Dec. 93
Buildings	22	4	-	26
Technical facilities	88	35	7	116
Other	82	47	19	110
<b>Total</b>	<b>192</b>	<b>86</b>	<b>26</b>	<b>252</b>

As there are no significant leased properties, the corresponding optional restatement is not made.

### 3-4 Programmes and films rights

The table hereafter provides a breakdown of stocks of programmes and film rights, as defined under section 2-3, after deduction of provisions and depreciation.

(FF million)	1993	1992	1991
Advances on programmes in progress	585	635	639
Programmes ready for broadcasting	1,394	1,368	1,557
Rights available for broadcasting	267	198	181
Gross value	2,246	2,201	2,377
Provisions	(168)	(143)	(151)
<b>Net value</b>	<b>2,078</b>	<b>2,058</b>	<b>2,226</b>

### 3-5 Other debtors

These amounted to FF 867 million, including FF 769 million of debtors related to value-added-tax.

### 3-6 Marketable securities

These consist of FF 556 million in "SICAV" unit trusts. All capital gains have been taken on December 31, 1993.

### 3-7 Share capital and reserves

Movements were as follows:

(FF million)	1 Jan. 93	Dividends	Other	Profit of the year	31 Dec. 93
Share capital	210	-	-	-	210
Revaluation reserves	31	-	-	-	31
Other reserves	1,221	(210)	-	459	1,470
<b>Total</b>	<b>1,462</b>	<b>(210)</b>	<b>-</b>	<b>459</b>	<b>1,711</b>

NB : share capital is divided in 21,000,000 shares with a face value of FF 10. Capital is fully subscribed.

### 3-8 Minority interests

Movements were as follows:

(FF million)	1 Jan. 93	Dividends	Change in the scope of consolidation	Profit of the year	31 Dec. 93
Minority interests	9	(2)	(5)	2	4

### 3-9 Government grants for investment

These relate to grants obtained by TF1 Films Production, Banco Production and Protécra from the National Cinema Council, the CNC. The amount released to revenue in 1993 was FF 33 million as against FF 35 million in 1992.

### 3-10 Provisions for liabilities and charges

Provisions, as indicated in the section 2-9 break down as follows:

(FF million)	1 Jan. 93	Increase	Decrease	31 Dec. 93
Claims	42	53	(29)	66
Associated companies	6	5	-	11
Other	23	13	(5)	31
<b>Total</b>	<b>71</b>	<b>71</b>	<b>(34)</b>	<b>108</b>

Out of a total of FF 108 million of "Provisions for liabilities and charges", FF 96 million are related to risks with private companies and individuals and FF 12 million are related to risks with administrations.

On December 31, 1993, "Other provisions" essentially included TF1's share in the risk of the non-collection of TF1 Publicité receivables.

### 3-11 Deferred taxation

Deferred income tax is calculated at the 33.33% rate prevailing at December 31, 1993, and recognized using the accrual method of tax allocation.

a) Deferred tax liabilities relate essentially to special depreciation allowed for tax purposes on films and may be analyzed as follows:

(FF million)	1993	1992	1991
TF1	162	138	133
Subsidiaries	19	32	20
<b>Total</b>	<b>181</b>	<b>170</b>	<b>153</b>

b) Deferred tax assets relate essentially to pension costs and holiday pay accrual that only become deductible for tax purposes when paid, and provisions for depreciation of programmes.

### 3-12 Due dates for debtors and creditors

All trade debtors are due within less than one year. Other debtors and creditors are due as follows:

(FF million)	Less than one year	Between one and five years	Over five years	Total
Other debtors	783	29	55	867
Financial creditors and borrowings	106	-	-	106
Trade creditors	2,315	-	-	2,315
Other creditors	1,840	1	-	1,841

Out of a total of FF 106 million of financial creditors and borrowings, FF 43 million are at a fixed rate.

### 3-13 Other creditors

The breakdown of "Other creditors" is as follows:

(FF million)	1993	1992	1991
Personnel, taxes and social security	1,192	900	885
Payables to fixed assets suppliers	39	51	135
Other creditors	610	1,033	885
<b>Total</b>	<b>1,841</b>	<b>1,984</b>	<b>1,905</b>

The variation in other creditors essentially stems from the variation of credits and rebates related to graduated tariffs to be granted.

### 3-14 Adjustment accounts

Adjustment accounts essentially relate to:

- expenses to be amortized over several periods (video, products for sale) or pre-paid expenses (video products to be sold) for FF 36 million.

- prepaid sports broadcasting expenses for FF 137 million.

## 4. NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

### 4-1 Other operating expenses

Other operating expenses include the following items:

(FF million)	1993	1992	1991
Transmission costs (TDF)	496	483	483
Subcontracting and production costs	1,021	1,045	955
Sundry contributions	624	587	495
Taxes and levies	77	105	87
Other	1,183	1,151	972
<b>Total</b>	<b>3,401</b>	<b>3,371</b>	<b>2,992</b>

### 4-2 Financial revenues and expenses

The financial result for 1993 split up as follows (in FF million):

- Net profits on the sale of marketable securities	24
- Provisions for contingency and financial investments	(8)
- Interest expenses	(48)
- Other	1
<b>Financial result</b>	<b>(31)</b>

### 4-3 Extraordinary items

The extraordinary items for 1993 split up as follows (in FF million):

- Expenses related to the use of two buildings	(20)
- Portion of investment grants reported as income	16
- Lawsuits and fines	(44)
- Other	(2)
<b>Total</b>	<b>(50)</b>

In 1992, the TF1 Group moved in the new Boulogne building. "Expenses related to the use of two buildings" resulted from leases still running on offices formerly occupied by TF1.

### 4-4 Corporate income tax

The deferred tax has been stated at 33.33% for the 1993 financial year.

The reported tax rate of 33.5% (FF 232 million of income tax on pre-tax profit) essentially relates to:

(FF million)	1993	1992	1991
Current taxation	229	140	192
Deferred taxation	3	21	19
<b>Total</b>	<b>232</b>	<b>161</b>	<b>211</b>

Since January 1, 1989, TF1 has chosen the tax consolidation. The subsidiaries concerned are TF1 Publicité, Une Musique, TF1 Films Production, TF1 Entreprises, Syalis, Protécra, TF1 Europe, TF1 Publicité Production, TF1 Boutiques, TF1 International, Syalis Droits Audiovisuels, TF1 Direct Marketing.

### 4-5 Transition from TF1 SA company profit to consolidated profit

(FF million)	31 Dec. 93
TF1 SA profit	408
Profit from subsidiaries	64
	<u>472</u>
Restatements	
- Provisions for depreciation of programmes (net balance) (1)	(6)
- Elimination of impact of tax allowances	69
- Elimination of inter-group provisions	36
- Deferred taxation	(3)
- Dividends received from subsidiaries	(107)
- Other	-
<b>Consolidated profit</b>	<b>461</b>
Minority interests	(2)
<b>NET PROFIT ATTRIBUTABLE TO THE GROUP</b>	<b>459</b>

(1) The provision for depreciation of programmes which will not be broadcast and are already written off (in accordance with section 1.7 of the notes to TF1 SA accounts) amounted to FF 91 million at 31 Dec. 93.

## 5. NOTES TO THE CASH FLOW STATEMENT

The cash flow statement has been established according to the cash flow method (recommandation 1.22 of the French National Institute of Accountants).

## 6. OTHER INFORMATION

### 6-1 Off-balance sheet commitments

As described in the section 2-12, their due dates are displayed at December 31, 1993 in the following table:

(FF million)	Less than one year	Over one year	Total
Programmes and broadcasting rights	1,368	1,403	2,771
Sports transmission rights	548	1,404	1,952
Video selling rights	23	-	23
Other	13	37	50
<b>Total</b>	<b>1,952</b>	<b>2,844</b>	<b>4,796</b>

The "Programmes" item includes long-term contracts relating to variety shows for an amount of FF 1,037 million.

The "Broadcasting Rights" item includes TF1's commitment toward SOGEDIF.

TF1 is indeed committed to purchasing from GIE SOGEDIF (a 90% subsidiary of Société Générale) feature film rights acquired by SOGEDIF at TF1's request, up to a maximum of FF 300 million.

Due dates concerning sports transmissions have been calculated using foreseeable transmission date of the given event.

### 6-2 Use of hedging financial instruments

As TF1 SA and several subsidiaries are paid in foreign currency, they use forward exchange contracts to protect themselves from rate fluctuations. These operations are made on the stock exchange market.

At December 31, 1993, exchange value of the global amount of these contracts amounted to FF 95 million, mainly in US \$ and ECU.

In 1993, TF1 decided not to hedge interest rate risks.

### 6-3 Personnel of consolidated companies

The number of employees at the closing dates, according to the standards in force under the Collective Agreement on Communication and Audiovisual Production was as follows:

	1993	1992	1991
Workers and clerical employees	222	222	217
Technical employees	549	546	502
Managerial and executives	647	564	523
Journalists	250	241	247
<b>Total</b>	<b>1,668</b>	<b>1,573</b>	<b>1,489</b>

### 6-4 Subsequent events

None

## SIGNIFICANT ELEMENTS OF THE NOTES TO THE PRIOR ACCOUNTING PERIODS

Notes to the 1993 accounts do not include any significant change in respect to prior accounting periods.

The 1992 extraordinary profit included:

- the capital gain on disposal of Cognacq-Jay's building,
- expired and retired broadcasting rights,
- double lease charges,
- fines imposed on TF1.

# TF1 SA BALANCE SHEET

ASSETS (FF thousands)	31 Dec. 93			31 Dec. 92	31 Dec. 91
	Gross Value	Depreciations & provisions	Net value	Net value	Net value
<b>INTANGIBLE FIXED ASSETS</b>	<b>2,183,938</b>	<b>80,492</b>	<b>2,103,446</b>	<b>2,065,434</b>	<b>2,274,794</b>
Research & Development expenditures	100	100	-	-	-
Brand	279	279	-	-	-
Goodwill	95	-	95	95	95
Other intangible fixed assets	4,189	2,095	2,094	2,513	2,932
Programmes ready for broadcasting	1,393,812	50,497	1,343,315	1,325,118	1,492,141
Rights available for re-broadcasting	266,872	26,573	240,299	183,073	180,970
Programmes in progress	518,591	948	517,643	554,635	598,656
<b>TANGIBLE FIXED ASSETS</b>	<b>722,319</b>	<b>238,520</b>	<b>483,799</b>	<b>549,581</b>	<b>544,803</b>
Land	37,243	-	37,243	37,243	53,908
Buildings	110,867	25,771	85,096	88,574	165,585
Technical facilities	218,926	114,632	104,294	119,849	61,859
Other tangible fixed assets	355,283	98,117	257,166	303,915	60,938
Tangible fixed assets in progress	-	-	-	0	202,513
<b>FINANCIAL ASSETS</b>	<b>571,663</b>	<b>180,303</b>	<b>391,360</b>	<b>388,301</b>	<b>386,247</b>
Investments	554,574	170,242	384,332	378,978	350,853
Related loans	10,023	10,021	2	857	857
Other capitalized securities	508	-	508	507	507
Loans	3,253	-	3,253	3,856	29,575
Other financial assets	3,305	40	3,265	4,103	4,455
<b>FIXED ASSETS</b>	<b>3,477,920</b>	<b>499,315</b>	<b>2,978,605</b>	<b>3,003,316</b>	<b>3,205,844</b>
<b>STOCKS</b>	<b>2,430</b>	<b>-</b>	<b>2,430</b>	<b>2,525</b>	<b>2,339</b>
Raw materials and supplies	1,354	-	1,354	1,508	1,590
Inventories	1,076	-	1,076	1,017	749
<b>PRE-PAID</b>	<b>10,902</b>	<b>-</b>	<b>10,902</b>	<b>8,052</b>	<b>17,142</b>
<b>DEBTORS</b>	<b>1,942,374</b>	<b>14,377</b>	<b>1,927,997</b>	<b>1,762,234</b>	<b>1,619,119</b>
Trade debtors	1,447,110	7,650	1,439,460	1,080,402	1,015,751
Other debtors	495,264	6,727	488,537	681,832	603,368
<b>MARKETABLE SECURITIES</b>	<b>540,992</b>	<b>-</b>	<b>540,992</b>	<b>542,260</b>	<b>174,009</b>
<b>CASH AT BANK AND IN HAND</b>	<b>65,953</b>	<b>-</b>	<b>65,953</b>	<b>12,653</b>	<b>36,367</b>
<b>DEFERRED EXPENSES</b>	<b>164,429</b>	<b>-</b>	<b>164,429</b>	<b>95,106</b>	<b>70,855</b>
<b>CURRENT ASSETS</b>	<b>2,727,080</b>	<b>14,377</b>	<b>2,712,703</b>	<b>2,422,830</b>	<b>1,919,831</b>
<b>FOREIGN EXCHANGE UNREALISED LOSSES/GAINS</b>	<b>276</b>	<b>-</b>	<b>276</b>	<b>389</b>	<b>429</b>
<b>TOTAL ASSETS</b>	<b>6,205,276</b>	<b>513,692</b>	<b>5,691,584</b>	<b>5,426,535</b>	<b>5,126,104</b>

<b>LIABILITIES</b> (FF thousands)	31 Dec. 93	31 Dec. 92	31 Dec. 91
Share capital	210,000	210,000	210,000
Revaluation reserve	30,705	30,705	30,705
Legal reserves	21,000	21,000	21,000
Long term capital gain reserves	163,995	-	-
Other reserves	350,000	250,000	170,000
Balance carried forward from previous year	170,475	179,847	137,676
Profit of the year	407,748	464,623	290,172
Government grants for investment	3,720	-	9,168
Regulated Provisions			
• Depreciations of programmes	485,030	417,166	391,046
<b>SHAREHOLDERS' EQUITY</b>	<b>1,842,673</b>	<b>1,573,341</b>	<b>1,259,767</b>
Provisions for liabilities	30,416	29,907	34,667
Provisions for charges	276	389	833
Other provisions	29,185	25,347	25,395
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	<b>59,877</b>	<b>55,643</b>	<b>60,895</b>
Financial creditors and borrowings (1)	36	9,176	162,662
Other financial creditors (2)	570,489	586,651	493,334
Trade creditors	1,883,999	1,937,726	1,796,611
Tax and social liabilities	756,246	512,939	542,740
Payables to fixed assets suppliers	10,545	34,433	114,934
Other creditors	547,251	715,997	694,007
DEFERRED INCOME	20,182	-	-
<b>CREDITORS AND OTHER LIABILITIES</b>	<b>3,788,748</b>	<b>3,796,922</b>	<b>3,804,288</b>
FOREIGN EXCHANGE UNREALISED LOSSES/GAINS	286	629	1,154
<b>TOTAL LIABILITIES</b>	<b>5,691,584</b>	<b>5,426,535</b>	<b>5,126,104</b>
(1) Including bank overdrafts	36	9,176	12,662
(2) Including current account with associated companies	530,829	560,519	467,691



# TF1 SA

## PROFIT AND LOSS ACCOUNT

(FF thousands)	1993	1992	1991 *
<b>OPERATING REVENUES</b>	<b>7,952,374</b>	<b>7,715,367</b>	<b>7,004,673</b>
Advertising revenue	6,072,276	5,803,012	5,080,664
Technical services	4,838	4,662	48,698
Others	54,818	27,271	49,321
In-house production	1,461,080	1,491,683	1,458,212
Depreciations & provisions recoveries	40,863	51,141	97,692
Reversals & expenses transferred	298,410	313,837	236,129
Other revenue	20,089	23,761	33,957
<b>OPERATING EXPENSES</b>	<b>(7,063,431)</b>	<b>(7,039,683)</b>	<b>(6,498,312)</b>
Purchase of raw materials and supplies	(1,947)	(2,985)	(5,183)
Variation in stocks	(96)	187	381
Other external expenses	(1,737,890)	(1,751,165)	(1,573,340)
Taxes	(355,338)	(331,569)	(288,283)
Wages & salaries paid	(497,997)	(524,941)	(570,324)
Social security charges & employment expenses	(221,478)	(217,431)	(216,152)
Depreciations & provisions			
- of broadcast programmes	(3,831,580)	(3,795,250)	(3,478,323)
- of other fixed assets	(81,045)	(88,794)	(78,766)
- provisions for intangible fixed assets & current assets	(34,388)	(36,105)	(38,068)
- provisions for liabilities and expenses	(23,476)	(3,684)	(18,330)
Other expenses	(278,196)	(287,946)	(231,924)
<b>OPERATING PROFIT</b>	<b>888,943</b>	<b>675,684</b>	<b>506,361</b>
NET PROFIT FROM JOINT OPERATIONS	0	0	0
Financial revenue	146,082	157,977	97,805
Financial expenses	(163,374)	(128,195)	(71,093)
<b>FINANCIAL PROFIT</b>	<b>(17,292)</b>	<b>29,782</b>	<b>26,712</b>
<b>PROFIT BEFORE TAX &amp; EXTRAORDINARY ITEMS</b>	<b>871,651</b>	<b>705,466</b>	<b>533,073</b>
<b>EXTRAORDINARY REVENUE</b>	<b>301,839</b>	<b>784,321</b>	<b>197,713</b>
Extraordinary revenue on operations	14,408	899	7,107
Extraordinary revenue on fixed assets operations	197,962	636,880	52,392
Cancellation of provisions	89,469	146,542	138,214
<b>EXTRAORDINARY EXPENSES</b>	<b>(557,516)</b>	<b>(879,130)</b>	<b>(262,635)</b>
Extraordinary expenses on operations	(75,626)	(111,067)	(577)
Extraordinary expenses on fixed assets operations	(324,558)	(610,205)	(88,900)
Depreciation and provisions expenses	(157,332)	(157,858)	(173,158)
<b>EXTRAORDINARY LOSS</b>	<b>(255,677)</b>	<b>(94,809)</b>	<b>(64,922)</b>
PROFIT SHARING	(12,833)	(5,210)	(10,139)
INCOME TAX	(195,393)	(140,824)	(167,840)
<b>NET PROFIT</b>	<b>407,748</b>	<b>464,623</b>	<b>290,172</b>

\* Restated (see "Significant elements of the notes to the prior accounting periods" of notes to the company accounts)

# TF1 SA CASH FLOW STATEMENT

(FF thousands)	31 Dec. 93	31 Dec. 92	31 Dec. 91 (3)
<b>1- OPERATING ACTIVITIES</b>			
Net profit	407,748	464,623	290,171
Depreciations and provisions (1) (2)	153,696	110,174	68,318
Investment grants reported as income	-	(9,169)	(2,263)
Capital gains (losses) on disposal of assets (1) (2)	126,596	(17,407)	38,969
<b>Cash Flow</b>	<b>569,540</b>	<b>419,576</b>	<b>358,739</b>
Increase (decrease) in working capital needs			
• Purchase of programmes (2)	(3,888,481)	(3,579,379)	(3,747,210)
• Depreciations & provisions of programmes (2)	3,917,912	3,814,442	3,485,179
• Stocks	96	(187)	(381)
• Trade debtors	(234,973)	(167,327)	(302,225)
• Trade creditors	40,674	132,779	407,655
• Expenses to amortise over several periods	-	-	-
• Net advances from third parties	(2,850)	9,091	(5,944)
<b>NET INFLOW FROM OPERATING ACTIVITIES</b>	<b>401,918</b>	<b>628,995</b>	<b>195,813</b>
<b>2- INVESTMENT ACTIVITIES</b>			
• Purchase of fixed assets (1) (2)	(43,860)	(289,095)	(506,737)
• Proceeds of sale of fixed assets (1) (2)	21,125	357,048	29,857
Net cash from purchase (sale) of financial invest.			
• Purchase of investments	(77,711)	(70,022)	(43,842)
• Proceeds of investments	3,737	210	2,746
Payables to fixed assets suppliers	(23,888)	(80,501)	66,501
Net variation on other financial assets	2,295	26,071	2,835
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(118,302)</b>	<b>(56,289)</b>	<b>(448,640)</b>
<b>3- FINANCING ACTIVITIES</b>			
Increase in shareholders' equity	3,720	-	-
Increase in borrowings	-	-	194,140
Decrease in borrowings	(16,164)	(56,682)	-
Dividends paid	(210,000)	(168,000)	(147,000)
<b>NET CASH INFLOW (OUTFLOW) FROM FINANCING</b>	<b>(222,444)</b>	<b>(224,682)</b>	<b>47,140</b>
<b>TOTAL INCREASE (DECREASE) IN CASH</b>	<b>61,172</b>	<b>348,024</b>	<b>(205,687)</b>
Cash at beginning of period	545,737	197,713	403,400
Net inflow (outflow)	61,172	348,024	(205,687)
Cash at closing of period	606,909	545,737	197,713

(1) Programmes not included.

(2) In the company accounts, the purchase, the consumption, the sale of programmes and the expired rights are recorded under "intangible fixed assets". In 1993, in order to allow comparison with the consolidated accounts, all of the above were included in "Increase (decrease) in working capital needs".

(3) Restated (see "Significant elements of the notes to the prior accounting periods" of Notes to the company accounts)

# NOTES TO THE COMPANY ACCOUNTS

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*Principles of accounting and presentation of the accounts for the twelve-month financial year ended December 31, 1993.*

The accounts for the financial year have been prepared in accordance with the legal and statutory provisions currently in force in France.

## **1. ACCOUNTING PRINCIPLES AND METHODS**

### **1-1 Intangible fixed assets**

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#### **1.1.1. General principles**

Films rights relating to feature-length films are fully or 50% amortized by reduction in the purchase value at first transmission, according to whether or not rebroadcasting rights are held. The remaining 50% is amortized at second transmission.

Film rights relating to series and co-production investments of a duration equal to or exceeding 60 minutes are fully or 80% amortized by reduction in the purchase value at first transmission, according to whether or not rebroadcasting rights are held.

All other programmes are fully amortized at first transmission and therefore do not appear under assets, whatever the duration of TF1 owner's rights.

#### **1.1.2. Programmes ready for broadcasting**

The following are reported under this item:

- all non-broadcast programmes (co-productions, in-house productions, film rights) that have not yet been transmitted for the first time, recorded on the basis of their purchase cost or their overall production cost (direct costs plus attributable production overheads).
- co-productions that have been transmitted for the first time, on the basis of their net cost.

#### **1.1.3. Rights available for rebroadcasting (purchased rights)**

Feature-length films and series having already been transmitted once, and for which one or more rebroadcastings are still possible, are accounted for under "Rights available for rebroadcasting" and value at 50% or 20% of their purchase cost, according to their type.

#### **1.1.4. Programmes in progress**

Programmes that have not been delivered or are not ready for transmission (co-productions or in-house productions) by the end of the financial year, together with broadcasting rights for which the beginning of the validity period falls after the date of the closing of accounts, are reported under "Programmes under production". These programmes are valued in the amount of capital expenditures at the date of the closing of the accounts. The remaining capital expenditures are valued in the off-balance sheet commitments.

### **1-2 Tangible fixed assets**

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The tangible fixed assets were restated at December 31, 1986, resulting only in the restatement of Cognacq-Jay property assets.

Depreciation methods are set out in the table hereafter:

Buildings	Straight line	40 years*
Technical facilities (before 1 Jan. 93)	Reducing balance	3 to 5 years
Technical facilities (after 1 Jan. 93)	Straight line	5 years
Other tangible	Straight line or reducing balance	3 to 10 years

\* As of the date of its becoming part of TF1's property (prior to 31 Dec. 86: 12 to 20 years)

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### 1-3 Financial assets

Financial assets are valued at their purchase cost. Provision is made for the amortization of these assets when their current value, determined notably with respect to the proportion of equity held in the companies concerned, justifies such a provision. If necessary, a provision for liabilities and charges is made under liabilities when a risk exists for subsidiaries controlled by TF1. Provisions are evaluated according to the 1982 French Chart of Accounts.

### 1-4 Trade debtors

All trade debtors currently subject to claims, are fully provisioned.

Moreover, bad debts are covered by provisions for liabilities, as follows:

- 100% of their total amount, net of tax, for accounts receivable prior to January 1st, 1991;
- 50% of their total amount, net of tax, for accounts receivable falling due between January 1st, 1991 and December 31, 1991.

### 1-5 Marketable securities

Marketable securities are recorded on the basis of their purchase value.

Since marketable securities are systematically sold and re-purchased at the end of the year and are valued at their price of December 31st, no provision is necessary.

### 1-6 Government grants for investment

If established for good, government grants for investment are credited to a deferral account and released to revenue as and when the corresponding assets are depreciated.

### 1-7 Regulated provisions

This item essentially relates to special depreciation for tax purposes of in-house productions or co-productions that have not yet been broadcast. These depreciations are calculated from the end of shooting in accordance with the rules laid down by the French Tax Authorities on July 3, 1970, which define monthly percentages as follows:

1 <sup>st</sup> month	20%
2 <sup>nd</sup> month	15%
3 <sup>rd</sup> to 9 <sup>th</sup> month	5%
10 <sup>th</sup> to 12 <sup>th</sup> month	2%
13 <sup>th</sup> to 24 <sup>th</sup> month	2%

### 1-8 Provisions for liabilities and charges

The amount of these provisions is calculated according to the assessment of liabilities existing at the closing of each accounting period.

### 1-9 Advertising

Advertising revenue corresponds to the amount received from the sale by TF1 Publicité of advertising air-time and sponsorship, net of its fees.

### 1-10 Off-balance sheet commitments

Purchased broadcasting rights and co-productions to which the station was firmly and contractually committed prior to the closing of the accounting period, but for which technical approval has not yet been granted, are reported as off-balance sheet commitments.

## 2. NOTES TO THE BALANCE SHEET

### 2-1 Intangible fixed assets

Intangible fixed assets essentially refer to programmes and film rights; the following table provides a detailed breakdown of their movements.

### SUMMARY OF PROGRAMMES MOVEMENTS

(FF million) Items	1993			31 Dec. 92
	External production	In-house production	Total production	
Programmes in progress	550	6	556	600
Programmes ready for broadcasting	1,357	12	1,369	1,557
Rights available for rebroadcasting	198	-	198	181
<b>VALUE OF PROGRAMMES AT JAN. 1, 93</b>	<b>2,105</b>	<b>18</b>	<b>2,123</b>	<b>2,338</b>
Add:				
<b>INVESTMENTS</b>				
Jan. 1, 93 to Dec. 31, 93	2,719	1,461	4,180	3,979
Substract:				
<b>DISINVESTMENTS</b>				
Jan. 1, 93 to Dec. 31, 93				
Cost of 1 <sup>st</sup> transmission	(2,330)	(1,452)	(3,782)	(3,729)
Cost of 2 <sup>nd</sup> transmission	(50)	-	(50)	(67)
Total cost of broadcast	(2,380)	(1,452)	(3,832)	(3,796)
Rights expired	(61)	-	(61)	(32)
Rights retired	(26)	(6)	(32)	(75)
Rights sold (residual book value)	(199)	-	(199)	(291)
<b>TOTAL DISINVESTMENTS</b>				
Jan. 1, 93 to Dec. 31, 93	(2,666)	(1,458)	(4,124)	(4,194)
<b>VALUE OF PROGRAMMES AT DEC. 31, 93</b>	<b>2,158</b>	<b>21</b>	<b>2,179</b>	<b>2,123</b>
<b>BREAKDOWN</b>				
Programmes in progress	509	9	518	556
Programmes ready for broadcasting	1,382	12	1,394	1,369
Rights available for rebroadcasting	267	-	267	198
<b>TOTAL</b>	<b>2,158</b>	<b>21</b>	<b>2,179</b>	<b>2,123</b>

NB:

At 31 Dec., 93, the total provisions for depreciation of programmes ready for transmission amounted to FF 77 million, after allocations to provisions of FF 34 million and cancellation of FF 15 million over the 1993 financial year.

## 2-2 Tangible fixed assets

Movements of tangible fixed assets for the financial year, as well as the corresponding depreciation are summarized as follows:

### Gross values

(FF million)	1 Jan. 93	Increase	Decrease	31 Dec. 93
Lands	37	-	-	37
Buildings	111	-	-	111
Technical facilities	206	20	(7)	219
Other	376	30	(51)	355
Work in progress	-	-	-	-
<b>Total</b>	<b>730</b>	<b>50</b>	<b>(58)</b>	<b>722</b>

### Depreciations

(FF million)	1 Jan. 93	Increase	Decrease	31 Dec. 93
Buildings	22	4	-	26
Technical facilities	86	35	(6)	115
Other	72	42	(16)	98
<b>Total</b>	<b>180</b>	<b>81</b>	<b>(22)</b>	<b>239</b>

## 2-3 Financial assets

TF1 has subscribed shares in the equity of the following main companies:

- TF1 Éditions	FF 3.15 million	a	48.94% stake
- TV Sport	FF 4.65 million	a	31% stake
- SAGAS	FF 0.08 million	a	33.92% stake
- CD Racing	FF 0.04 million	a	15% stake
- Publication Hachette Filipacchi TF1	FF 2.45 million	a	49% stake
- Médiamétrie Expansion	FF 0.60 million	a	5% stake
- TF1 Direct Marketing	FF 0.25 million	a	99.76% stake

TF1 has subscribed to the capital increases of the following companies:

- SOREAD	FF 1.49 million	a	5.33% increase
- TF1 Europe	FF 65.00 million	a	100% increase

TF1 also sold to its subsidiary ESO 40% of the share capital of MT SPOT Ltd, at its acquisition value, i.e FF 3.74 million.

TF1 sold its total FF 0.51 million shareholding of International Developpement, for one token French Franc.

TF1 made a provision of FF 68 million for its shares of the following subsidiaries:

- SOREAD	FF 1 million
- TF1 Europe	FF 64 million
- Publication Hachette Filipacchi TF1	FF 3 million

At 31 Dec., 93, the total value of the shares reported in the balance sheet of TF1 SA amounted to FF 555 million, with depreciations amounting to FF 170 million.

## 2-4 Debtors

### 2.4.1. Accounts receivable from TF1 PUBLICITÉ

Since 1 Jan. 89, TF1 Publicité buys advertising slots from TF1 SA, and then sells them to advertising agencies. The difference between the purchase and selling price allows TF1 Publicité to cover its operating costs.

The total amount payable by TF1 Publicité to TF1 SA with respect to such purchases was FF 829 million on 31 Dec. 93, as compared with FF 917 million on 31 Dec. 92.

### 2.4.2. Due dates for debtors

The debtors linked to fixed assets and current assets, totalling FF 2,577 million, essentially fall due within one year.

Only a proportion of the debtors carried under fixed assets (FF 15 million) and current assets (FF 56 million) fall due after one year.

## 2-5 Marketable securities

These consist of "SICAV" unit trusts amounting to FF 541 million. All capital gains have been taken on 31 Dec. 93.

## 2-6 Deferred expenses

Deferred expenses account for FF 164 million including FF 137 million related to prepaid sports transmissions.

## 2-7 Share capital

The share capital is divided into 21,000,000 fully paid ordinary shares each with a face value of FF 10.

The movements for the financial year were as follows:

(FF million)	at 1 Jan. 93	Allocation of profit (OM 10 Jun. 93)	Other movements	at 31 Dec. 93
Share capital	210	-	-	210
Revaluation reserve	31	-	-	31
Legal reserve	21	-	-	21
Balance carried forward	-	164	-	164
Available profit	179	(9)	-	170
Other reserves	250	100	-	350
Profit of the year	465	(465)	408	408
<b>SUB-TOTAL</b>	<b>1,156</b>	<b>(210)</b>	<b>408</b>	<b>1,354</b>
Investment grants	-	-	4	4
Regulated provisions	417	-	68 <sup>(2)</sup>	485
<b>TOTAL</b>	<b>1,573</b>	<b>(210)<sup>(1)</sup></b>	<b>480</b>	<b>1,843</b>

(1) Dividends paid on June 30, 1993

(2) Net movements of the year

## 2-8 Provisions for liabilities and charges

Defined as stated under section 1.8, these provisions break down as follows:

(FF million)	1 Jan. 93	Increase	Decrease	31 Dec. 93
Claims	30	23	(23)	30
Associated companies	6	5	-	11
Bad debts	18	1	(1)	18
Other	1	-	-	1
<b>Total</b>	<b>55</b>	<b>29</b>	<b>(24)</b>	<b>60</b>

Provisions for bad debts include TF1's share in the risk of TF1 Publicité receivables which may not be collected.

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### 3. NOTES TO THE PROFIT AND LOSS ACCOUNT

#### 2-9 Creditors

##### 2.9.1. Bank borrowings

There are no bank borrowings as of December 31, 1993.

The Company still has the possibility to draw up to FF 542 million on credit facilities in several banks. This was not used on December 31, 1993.

##### 2.9.2. Other financial creditors

Cash put at TF1's disposal by its subsidiaries in accordance with cash agreements is recorded under this item in the amount of FF 499 million.

##### 2.9.3. Tax and social liabilities

###### *Pension costs:*

Rights accrued by personnel aged 55 and over were covered in 1990 by an insurance policy and therefore no longer appear under this item.

##### 2.9.4. Other creditors

This item includes the credits and rebates to graduated tariffs to be granted by TF1.

##### 2.9.5. Due date for creditors

The creditors, totalling FF 3,789 million, essentially fall due within one year.

Creditors falling due within more than one year are as follows:

- bank borrowings
- personnel,  
taxes and social security      FF 1 million

No creditors fall due over more than five years.

#### 3-1 Breakdown of turnover

Advertising revenue amounts to FF 6,072 million and corresponds to advertising space and sponsorship sold by TF1 Publicité, less the fees enabling TF1 Publicité to cover its FF 481 million operating costs. Other revenue refers to various sales and services amounting to FF 60 million.

#### 3-2 Taxes

This item essentially records TF1's contribution to the French National Cinema Council, business tax and the ORGANIC for an amount of FF 324 million.

#### 3-3 Wages and salaries

In 1992, this item included staff expenses relating to the transfer of the new building in Boulogne.

#### 3-4 Social security charges & employment expenses

This item includes personnel benefits of FF 6 million, relating to the employer's contribution to the Company Savings Plan set up when TF1 was privatised and covers employee subscriptions for 1990, 1992 and 1993.

#### 3-5 Other expenses

This item covers payments to authors for an amount of FF 244 million.

#### 3-6 Financial expenses and revenues

Financial expenses with respect to associated companies amount to FF 46 million and financial revenues to FF 18 million.

A provision of FF 68 million has been made to cover SOREAD, TF1 Europe et Publication Hachette Filipacchi TF1 shares. A provision of FF 5 million has been made to cover financial risks for Publication Hachette Filipacchi TF1, Tricom and Média Congrès.

#### 3-7 Extraordinary items

The extraordinary items for 1993 break down as follows (in FF million):

- Capital losses on disposal and retirement of programmes	(118)
- Net provisions (including special depreciation for tax purposes)	(68)
- Capital losses on disposal of tangible fixed assets	(7)
- Expenses related to the use of two buildings	(20)
- Lawsuits	(33)
- Other	(10)

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**NET LOSS** (256)



### 3-8 Corporate income tax

Income tax also takes into account the net profit recorded by the partnership La Réservee i.e. FF 2 million corresponding to long term capital gains.

The difference between theoretical income tax rate, stated at 33.33 %, and actual income tax rate is non-significant. It results from the add-back of dividends and long term capital gains and losses.

Since 1 Jan. 89, TF1 has applied the tax consolidation system. The subsidiaries considered within the scope of tax consolidation are TF1 Publicité, Une Musique, TF1 Films Production, TF1 Entreprises, Pro-técra, TF1 Europe, Syalis, TF1 Publicité Production, TF1 Boutiques, TF1 International, Syalis Droits Audiovisuels, TF1 Direct Marketing et Compagnie Internationale de Communication.

## 4. OTHER INFORMATION

### 4-1 Off-balance sheet commitments

On 31 Dec. 1993, the various types of commitments and their fulfilment dates split up as follows:

(FF million)	Within less than one year	Over one year	Total
Programmes and film rights	1,368	1,403	2,771
Sports broadcasting rights	506	1,353	1,859
Other	9	37	46
<b>TOTAL</b>	<b>1,883</b>	<b>2,793</b>	<b>4,676</b>

The "Programmes" item includes long-term contracts relating to variety shows in the amount of FF 1,037 million.

The "Film rights" item includes TF1's commitment to SOGEDIF.

TF1 is committed to purchasing from GIE SOGEDIF, a 90% subsidiary of Société Générale, feature films rights acquired by GIE SOGEDIF at TF1's request, up to a maximum of FF 300 million.

Realisation dates of commitments relating to sports broadcasts have been broken down using the planned transmission dates of the given events.

### 4-2 Workforce

The number of employees at the closing of the accounting period, according to the standards in force under the Collective Agreement on Communication and Audiovisual Production, was as follows:

	1993	1992	1991
Workers and clerical employees	158	155	155
Technical employees	417	447	451
Managerial and executives	375	338	339
Journalists	244	236	247
<b>TOTAL</b>	<b>1,194</b>	<b>1,176</b>	<b>1,192</b>

### 4-3 Group management's remuneration

The Group management comprises the managers and directors listed on page 4 of this document. Total remuneration of Group management for the 1993 financial year amounted to FF 41,333,864.

Fees paid to Board Directors in 1993 amounted to FF 1,150,000.

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#### 4-4 Movements of provisions

(FF million)	1 Jan. 93	Increase	Decrease	31 Dec. 93
REGULATED PROVISIONS In respect of intangible fixed assets (programmes)	417	157	(89)	485
PROVISIONS FOR LIABILITIES AND CHARGES	55	29	(24)	60
PROVISIONS FOR DEPRECIATION OF FIXED ASSETS	61	34	(15)	80
PROVISIONS ON FINANCIAL ASSETS				
Long-term investments	102	68	-	170
Regulated loans	10	-	-	10
Deposits and warranties	-	-	-	-
PROVISIONS FOR DEPRECIATION OF CURRENT ASSETS	16	-	(2)	14
<b>TOTAL</b>	<b>661</b>	<b>288</b>	<b>(130)</b>	<b>819</b>

4-5 Inventory  
of investment securities  
as of 31 Dec. 93

<b>FINANCIAL INVESTMENT</b>	Number of shares	%	Inventory value in FF
SYALIS	2,494	99.76	295,969,586
TF1 ENTREPRISES	519,988	100.00	82,138,911
TF1 FILMS PRODUCTION	19,994	99.97	63,279,923
PROTÉCRÉA	99,994	99.99	19,365,849
TF1 PUBLICITÉ	994	99.40	15,170,023
TELE SHOPPING	8,495	84.95	10,844,719
TF1 ÉDITIONS	4,995	99.90	5,636,426
BANCO PRODUCTION	27,894	92.98	3,400,576
STUDIOS 107	99,994	99.99	3,315,841
MÉDIAMÉTRIE	1,000	10.75	2,277,808
TECHNISONOR	5,632	6.84	875,910
TÉLÉ EUROPE	2,621	8.73	657,805
MÉDIAMÉTRIE EXPANSION	600	5.00	600,000
MERY PRODUCTION	2,497	49.94	249,700
TF1 DIRECT MARKETING	2,494	99.76	249,400
SAGAS	848	33.92	101,017
LUXTEL 1	12,499	99.99	92,413
CD RACING	375	15.00	37,500
RCL TV	50	5.00	12,500
C I C	1	0.01	531
SYALIS DROITS AUDIOVISUELS	1	0.01	100
<b>TOTAL FINANCIAL INVESTMENT</b>			<b>504,276,538</b>

<b>SHORT TERM INVESTMENT</b>	Number of shares	Quotation as of 31 Dec. 93	Inventory value in FF
CENTRALE MONÉTAIRE	1,960	83,115.18	162,905,753
INVESTICOURT	6,449	15,860.63	102,285,203
VALUNION	660	152,383.23	100,572,932
BTP	738	78,038.22	57,592,206
BONS SOCIÉTÉ GÉNÉRALE	9	4,940,787.00	44,467,083
OCCI 1	486	64,994.56	31,587,356
ROCHEFORT	280	79,937.83	22,382,592
CHASE MANHATTAN	284	67,600.74	19,198,610
<b>TOTAL SHORT TERM INVESTMENT</b>			<b>540,991,735</b>

**TOTAL INVESTMENT SECURITIES**

**1,045,268,273**

## 4-6 Subsidiaries and financial investments (in FF)

Companies or group of companies	Share capital(*)	Reserves	Holding	Gross book value of held shares	Net book value of held shares	Granted loans and credits not yet reimbursed	Granted guarantees & pledges	Turnover of previous account. year	Net result of previous account. year	Dividends paid during the accounting year
<b>I - SUBSIDIARIES (holding at least 50% of shares)</b>										
- TF1 PUBLICITE	275,000	14,868,550	99.40%	19,925,182	19,925,182	-	-	6,585,110,092	111,611	3,840,000
- TF01	500,000	-	99.86%	499,300	-	8,154,446	-	-	-	-
- TF1 FILMS PRODUCTION	2,000,000	3,290,534	99.97%	1,999,400	1,999,400	-	-	147,632,943	1,238,407	-
- TELE SHOPPING	1,000,000	230,000	84.95%	849,500	849,500	-	-	300,853,722	11,250,135	7,650,000
- LA RESERVEE	10,000	-	100.00%	10,002	10,002	-	-	-	1,908,406	34,079,711
- TF1 EDITIONS	500,000	1,661,177	99.90%	3,405,800	3,405,800	-	-	17,206,614	788,638	2,130,000
- TF1 ENTREPRISES	52,000,000	1,825,300	100.00%	52,001,800	52,001,800	-	-	371,922,275	26,267,465	33,279,872
- SYALIS	250,000	279,030,277	99.76%	273,401,596	273,401,596	-	-	41,361	17,374,908	20,145,000
- BANCO PRODUCTION	3,000,000	-	92.98%	2,789,400	2,789,400	-	-	48,693,720	466,552	-
- TF1 EUROPE	1,000,000	-	99.94%	89,999,400	1,000,000	-	-	-	1,072,731	-
- PROTECREA	10,000,000	309,003	99.99%	14,699,400	14,699,400	-	-	125,035,212	6,464,892	2,500,000
- LUXTEL 1	FLUX 1,250,000	-	99.99%	199,984	199,984	-	-	-	(43,496)	-
- STUDIOS 107	10,000,000	-	99.99%	19,999,400	3,312,400	-	-	30,902,490	4,437	-
- TF1 SERVICES ET GESTION	2,500,000	-	83.70%	2,092,400	2,092,400	-	-	-	-	-
- TF1 DIRECT MARKETING	250,000	-	99.76%	249,400	249,400	-	-	-	-	-
<b>II - FINANCING INVESTMENTS (holding 10% to 50% of shares)</b>										
- MEDIAMETRIE	930,000	9,093,000	10.75%	100,000	100,000	-	-	127,247,180	3,076,683	15,000
- FMI	1,000,000	-	13.33%	133,300	-	1,866,700	-	-	-	-
- MERCURY INTERN. FILM	DM 1,000,000	-	50.00%	1,673,500	1,673,500	-	-	-	-	-
- MERY PRODUCTION	500,000	-	49.94%	249,700	249,700	-	-	-	-	-
- MEDIA CONGRES	250,000	-	48.92%	122,300	-	-	-	-	-	-
- TRICOM SA	3,000,000	-	33.32%	999,800	-	-	-	2,275,614	(3,126,326)	-
- TV SPORT	15,000,000	-	31.00%	4,649,900	4,649,900	-	-	106,604,909	(34,383,407)	-
- SAGAS	250,000	-	33.92%	84,800	84,800	-	-	413,284	47,808	-
- CD RACING	250,000	-	15.00%	37,500	37,500	-	-	-	-	-
- PUBLICATION HACHETTE FILIPACCHI TF1	5,000,000	-	49.00%	2,449,800	-	-	-	-	-	-
<b>III- FINANCING INVESTMENTS (holding less than 10% of shares)</b>										
- SFP	13,821,600	-	4.40%	41,800,000	-	-	-	-	-	-
- TECHNISONOR	8,225,000	1,250,900	6.84%	562,754	562,754	-	-	50,308,046	862,557	22,528
- TELE EUROPE	6,000,000	3,619,000	8.73%	419,076	419,076	-	-	46,795,000	(2,345,000)	-
- RCL TV	250,000	-	5.00%	12,500	12,500	-	-	-	-	-
- TF1 PUBLICITE PRODUCTION	50,000	5,000	1.00%	500	500	-	-	64,538,700	611,468	4,800
- SOREAD	DH 495,000,000	-	5.33%	18,551,199	-	-	-	-	-	-
- GIE GIC	-	-	0.02%	100	100	-	-	-	-	-
- GIE CHALLENGER	-	-	0.50%	5,000	5,000	-	-	-	-	-
- CIC	784,600	24,985	0.01%	637	637	-	-	6,241,008	1,013,363	-
- SYALIS DROITS AUDIOVISUELS	1,500,000	-	0.01%	100	100	-	-	-	-	-
- MEDIAMETRIE EXPANSION	12,000,000	-	5.00%	600,000	600,000	-	-	-	-	-
<b>Total</b>				<b>554,574,430</b>	<b>384,332,331</b>					

\* In FF or foreign currency units, if indicated

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## *SIGNIFICANT ELEMENTS OF THE NOTES TO THE PRIOR ACCOUNTING PERIODS*

Except for the following restatement, notes to the 1993 accounts do not include any significant change in respect to prior accounting periods.

In 1992, new elements were included in the "in-house production" costs to make them more exhaustive. Revenue from "in-house production" and "depreciation of broadcast programmes" were increased by FF 214 million in 1991 in order to allow the comparison with 1992 accounts. This amount essentially included costs related to Foreign News Offices, the "Purchasing of broadcasting rights" Department and General Services of the News Department.

The 1992 extraordinary profit included:

- the capital gain on disposal of Cognacq-Jay's building,
- expired and retired broadcasting rights,
- double lease charges,
- fines imposed on TF1.

# TF1 STOCK: MARKET AND YIELD

## TF1 SHARES

Since privatisation in 1987, the number of outstanding shares has been 21,000,000.

Year	Dividend paid (FF)			Share price (FF)			Yield (base: last price)
	Net	Tax credit	Total	High	Low	Last	
1987	-	-	-	210	149	170	
1988	3.0	1.5	4.5	411	165	410	1.1%
1989	5.0	2.5	7.5	448	278	300	2.5%
1990	7.0	3.5	10.5	358	220	290	3.6%
1991	8.0	4.0	12.0	383	260	300	4.0%
1992	10.0	5.0	15.0	542	300	367	4.1%
1993	12.5	6.25	18.75	583	361	491	3.8%

The TF1 stock is listed on the "Second Marché" of the Paris Stock Exchange and is included in the SBF 120 index.

Dividends are at the shareholders' disposal from the date they are payable, either at TF1 for nominal securities, or at the financial institutions for bearer and registered securities.

Dividends not asked for five years after they are payable are paid to the French State.

## MARKET PRICE AND TRADING VOLUME

Share price and trading volumes for 1993 and the current financial year:

Year	Month	Share Price (FF)		Shares traded
		High	Low	
1992	October	410	300	560,903
	November	385	320	393,775
	December	382	345	348,775
1993	January	430	361	714,923
	February	489	420	906,832
	March	488	458	695,957
	April	470	416	438,795
	May	468	425	449,403
	June	464	420	488,932
	July	490	431	459,737
	August	543	479	751,718
	September	528	481	551,013
	October	573	485	577,172
	November	583	491	601,163
	December	543	477	758,800
1994	January	563	488	1,160,641
	February	572	501	578,358
	March	578	465	1,037,965
	April	493	437	1,024,157

## TF1 STOCK PRICE / SBF INDEX

from 2 jan. 91 to 29 apr. 94



# INFORMATION CONCERNING TF1 SA

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## GENERAL INFORMATION

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**Name:**

TÉLÉVISION FRANÇAISE 1 - TF1

**Registered office:**

176/180, rue de l'Université  
75007 PARIS

**Trade register:** PARIS B 326 300 159

**APE Code :** 922C

**Form:** Public limited company  
(Société anonyme)

**Date of creation:** September 18, 1982

**Date of expiry:** January 31, 2082

**Financial year:**

January 1 to December 31

## CORPORATE SCOPE (art. 2)

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TF1's scope is:

Operation of an audiovisual communications service, such as authorised by laws and regulations in force comprising notably the conception, production, programming and distribution of television broadcasts including all advertising;

All industrial, commercial, financial, investment and real estate transactions directly or indirectly connected to the above. And any related or complementary objects likely to further the development of the company's objectives or assets, notably:

- to study, to produce, to acquire, to sell, to rent and to use any recorded images and/or sound tracks, reports, films intended for television, cinema or radio broadcasting,

- to sell and produce advertising,
- to provide services of all types for sound and television broadcasting,

all of these directly or indirectly, on its own account or for a third party, alone or with others, by way of creation of new companies, contribution, limited partnership, subscription, purchase of company stock or rights, merger, alliance, association in hidden partnerships or management or in-kind exchange of all assets, entitlements or otherwise.

Its activity is to comply with its charter and the standards and legal provisions in force.

## STATUTORY APPROPRIATION OF INCOME (art. 26)

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5% of the income of a financial year as reduced by previous losses, if the situation arises, shall be deducted to constitute legal reserve funds. This deduction ceases to be obligatory when the reserve funds reach one tenth of the company's registered capital. This process shall resume when, for whatever reason, the legal reserve falls below this one tenth.

Distributable income is comprised of:

- the income of the financial year less previous losses and amounts credited to reserve, in application of the law and statutes,
- the income carried forward from previous financial year.

This profit is distributed between all shareholders proportionally to the number of shares held by each one of them.

## GENERAL MEETINGS (art. 7 and 21)

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All shareholders may participate in the General Meetings, irrespective of the number of shares they own.

Any person, acting alone or with others, who attains a holding of at least 0.5%, 1%, 2%, 3% and 4% of capital or of voting rights, shall, within five days of registration of the stock enabling him/her to reach or to exceed this threshold, declare to the Company by return-receipted registered mail, to the registered office, the total number of shares and voting rights he/she possesses.

This declaration must be made within the conditions above each time the threshold of 0.5%, 1%, 2%, 3% and 4% is crossed upward or downward.

If not declared under the above conditions, the shares exceeding the fraction which ought to have been declared are deprived of the right to vote under the conditions laid down by law, if requested at a shareholders' meeting by one or more shareholders possessing 5% at least of the registered capital.

## STRUCTURE SERVICING STOCK AND PROVIDING FINANCIAL SERVICES

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TF1 as issuing company.

## CAPITAL (art. 6)

### Composition of capital

On April 12, 1994, the capital of TF1 amounted to FF 210,000,000, fully paid, divided into 21,000,000 shares each of FF 10 nominal value.

There are no founder shares, dividend-right certificates, convertible or exchangeable bonds or other securities giving access to the capital, nor voting rights certificates, or double voting rights.

The company is authorised to make use of the legal provisions allowed to identify shareholders possessing voting rights in its own shareholders' meetings. In order to keep informed as to the breakdown of its capital, TF1 draws up from time to time lists of holders or bearers of registered shares via SICOVAM (Société Interprofessionnelle pour la Compensation des Valeurs Mobilières).

Furthermore, the company is authorised, in accordance with the resolution of the Ordinary General Meeting on June 10, 1993 valid for a duration of five years, to issue one or more bond debentures for a total nominal sum of one thousand mil-

lion French Francs. Following the Ordinary General Meeting of June 14, 1994, and if this meeting grants it the authority, the Board will be enabled to issue one or more bond debentures for a total nominal sum of one thousand five hundred million French Francs.

The table below details the different issues of securities that can be made by the company, if authorisations are renewed by the Extraordinary General Meeting (EGM) of June 14, 1994.

Operation	Maximum nominal amount authorised for issues (FF million)		Maximum nominal amount authorised for capital increases (FF million)		Duration of issues as of the EGM of June 14, 1994	
	with PSR*	without PSR*	with PSR*	without PSR*	with PSR*	without PSR*
Issue of shares**	100	100	100	100	5 years	3 years
Issues of shares with equity warrants**	100	100	100	100	5 years	3 years
Issue of equity warrants**	-	-	100	100	5 years	1 year
Issue of bonds convertible into shares	1,500**	1,000	100	100	5 years	1 year
Issue of bonds with equity warrants	1,500**	1,000	100	100	5 years	1 year
Issue of bonds redeemable in shares	1,000	1,000	250	250	2 years	1 year
Issue of composite securities	1,000	1,000	250	250	2 years	1 year
Issue of shares reserved to employees**	non-applicable	10 % of capital	non-applicable	10 % of capital	non-applicable	5 years

\* PSR: Preferential Subscription Rights.

\*\* Authorisation submitted to the approval of the EGM of June 14, 1994.

Operations other than issue of shares reserved for employees can also be used in take over bid or tender offer periods. Any capital increase occurring in the periods mentioned above will not be allocated to the maximum amount resulting from the authorisation allowed in any other period of time.



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## LEGAL FRAMEWORK

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### *Shareholding*

Under the terms of article 14 of law # 94-88 of February 1, 1994 amending article 39 of law # 86-1067 of September 30, 1986, an individual or entity, acting alone or with others, shall not hold, directly or indirectly, more than 49% of capital or voting rights of a company licenced to operate a national television service by terrestrial Hertzian route.

### *Licencing conditions*

TF1 is an audiovisual communications service subject to licence. The initial period of licence for use of frequencies issued to the group responsible for 50% of capital, led by BOUYGUES, by decision # 87-26 of April 4, 1987 is for ten years. Article 28.1 of the above law of February 1, 1994 stipulates that licences are "renewed by the CSA (Conseil Supérieur de l'Audiovisuel), without invitation to candidates, limited to twice and on each occasion for a duration of five years (...) unless the CSA considers that the penalty(ies) imposed on the licensee or claims made against the licensee justify, by reason of their seriousness, that the licence should not be renewed without invitation to candidates." The CSA gives a verdict on renewal without invitation to candidates, one year before the expiry date of the licence for the service under consideration.

### *Main legal provisions and obligations*

Texts:

- Contract conditions set forth by Decree # 87-43 of January 30, 1987 and the Decision regarding licencing use of frequencies # 87-26 of April 4, 1987,
- Law # 86-1067 of September 30, 1986 as amended,
- Law # 94-88 of February 1, 1994,
- E.C. Directive on Transnational Television of October 3, 1989,
- Decree # 90/67 of January 17, 1990, as amended by Decree # 92-281 of March 27, 1992 (production obligations),
- Decree # 90-66 of January 17, 1990, as amended by Decree # 92-279 of March 27, 1992 (broadcasting obligations),
- Decree # 92-280 of March 27, 1992, repealing the decree of January 26, 1987 (obligations relating to advertising and sponsorship).

In terms of general broadcasting obligations and of investment in production, the principal legal provisions current in the month of March 1994 are the following:

- a maximum of 170 cinema films per year may be broadcast, of which a maximum of 104 shall begin between 8.30 p.m and 10.30 p.m. No cinema film shall be broadcast on Wednesday and Friday evenings, Saturday all day, Sunday before 8.30 p.m.,
- broadcasting quotas apply for the whole broadcasting time and to peak viewing hours, to cinema and audiovisual works. 60% of broadcast material shall be of European origin and 40% of French origin,
- obligation to broadcast annually 670 hours of television news bulletins and 405 hours of television news magazines,

- obligation to earmark 15% of net turnover for the commissioning of French-speaking audiovisual works, of which 10% from independent producers, and to broadcast 120 hours of French-speaking or European unreleased audiovisual works, starting between 8 and 9 p.m.,

- obligation to commission SFP (Société Française de Production) with a minimum annual volume of orders generating a turnover of FF 360 million for the years 1994 to 1996, under the terms of the memorandum of understanding signed with SFP on October 28, 1993,

- prohibited use of own means of production for programmes other than news and for up to 50% of annual volume of non-fiction programmes,

- obligation to invest 3% of net annual turnover in the co-production of French-speaking cinema works. This investment is to be achieved through a subsidiary of the broadcaster (TF1 FILMS PRODUCTION) operating as a minority. Its co-production part in its investment has to remain smaller than the part of the broadcasting right.

Compliance with legal obligations is controlled and financially sanctioned by the CSA, pursuant to the provisions of articles 42 to 42.11 of the above law of September 30, 1986.

# FINANCIAL INFORMATION

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## *PEOPLE ASSUMING THE RESPONSIBILITY OF THE ANNUAL REPORT*

### *TF1*

To our knowledge, the information found in this document give a true and fair view of the Group; they include all the statements necessary for the investors to make their judgement on the assets, the activity, the financial situation, the results and the prospects of TF1; there are no omissions susceptible to alter the significance of those statements.

Patrick LE LAY

Chairman & Managing Director

### *AUDITORS*

We have audited the financial statements reported in this document in accordance with generally accepted auditing standards by applying such auditing procedures as we considered necessary in the circumstances.

We have also audited the company accounts and consolidated accounts of 1991 to 1993 accounting periods.

We have no comments on the accuracy of the financial information provided in the present report.

Auditors

SALUSTRO-REYDEL,  
represented by Edouard Salustro

Dominique LEDOUBLE

## *INFORMATION AND INVESTOR RELATIONS*

Jean-Pierre MOREL

Deputy General Manager  
Chief Financial Officer  
Tel.: 41 41 21 76  
Fax: 41 41 29 10

Christian LEMAIRE

Financing and  
Investor Relations Director  
Tel.: 41 41 27 32  
Fax: 41 41 29 10

Legal documents can be consulted at:  
TF1  
Legal Affairs Department  
1, Quai du Point du Jour  
92100 BOULOGNE

You can also receive information on the TF1 Group by:

### *Mail:*

TF1  
Financing and  
Investor Relations Department  
1, Quai du Point du Jour  
92656 BOULOGNE Cedex

### *Minitel (phone-based services):*

3615 TF1, option "BOURSE - ACTIONNAIRES"