TF1 GROUP

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015

DISCLAIMER

This amended version dated September 14th, 2016 includes an adjustment made on page 40 regarding TF1's holding in theTEADS group.

The consolidated financial statements of the TF1 group for the year ended December 31, 2015 should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014 and the year ended December 31, 2013, prepared in accordance with international financial reporting standards, as presented in the 2014 French-language *Document de Référence* filed with the *Autorité des Marchés Financiers* (AMF) on March 10, 2015 under reference number D.15-0115. An English-language version of the audited consolidated financial statements for the year ended December 31, 2014 is included in the TF1 Registration Document, available on the TF1 corporate website at: http://medias.groupe-tf1.fr/documents/finance/document-de-reference/2014/DDR_2014_VDEF.pdf.

CONSOLIDATED INCOME STATEMENT

(€m)	*Note*	**FY 2015**	**FY 2014**
Advertising revenue		1,554.2	1,575.5
Other revenue		450.1	516.3
Revenue	*4.3*	**2,004.3**	**2,091.8**
Other income from operations		-	0.3
Purchases consumed and changes in inventory	*4.4*	(1,017.6)	(1,119.1)
Staff costs	*5.1*	(327.4)	(332.4)
External expenses	*5.2*	(341.0)	(362.4)
Taxes other than income taxes	*5.3*	(124.0)	(126.2)
Depreciation and amortisation, net		(56.5)	(55.4)
Provisions and impairment, net		11.7	10.0
Other current operating income	*5.4*	106.3	120.8
Other current operating expenses	*5.4*	(97.8)	(110.9)
Current operating profit/(loss)		**158.0**	**116.5**
Non-current operating income		-	-
Non-current operating expenses	*5.5*	(16.8)	-
Operating profit/(loss)		**141.2**	**116.5**
Income associated with net debt		1.2	1.2
Expenses associated with net debt		(0.1)	(0.1)
Cost of net debt	*5.6*	**1.1**	**1.1**
Other financial income	*5.7*	0.8	0.6
Other financial expenses	*5.7*	(4.0)	(0.3)
Income tax expense	*5.9*	(42.3)	(29.8)
Share of profits/(losses) of joint ventures and associates	*7.3.4*	6.5	15.0
Net profit/(loss) from continuing operations		**103.3**	**103.1**
Net profit/(loss) from discontinued or held-for-sale operations	*5.10*	**-**	**315.9**
Net profit/(loss)		**103.3**	**419.0**
attributable to the Group:		***99.9***	***412.7***
Net profit/(loss) from continuing operations		*99.9*	*99.9*
Net profit/(loss) from discontinued or held-for-sale operations		-	*312.8*
attributable to non-controlling interests:		***3.4***	***6.3***
Net profit/(loss) from continuing operations		*3.4*	*3.2*
Net profit/(loss) from discontinued or held-for-sale operations		-	*3.1*
Weighted average number of shares outstanding (in '000)		210,786	211,396
Basic earnings per share from continuing operations (€)	*7.4.2*	0.47	0.47
Diluted earnings per share from continuing operations (€)	*7.4.2*	0.47	0.47
Basic earnings per share from held-for-sale operations (€)	*7.4.2*	-	1.48
Diluted earnings per share from held-for-sale operations (€)	*7.4.2*	-	1.47

STATEMENT OF RECOGNISED INCOME AND EXPENSE

(€m)	FY 2015	FY 2014
Consolidated net profit/(loss) for period	**103.3**	**419.0**
Items not reclassifiable to profit or loss		
Actuarial gains and losses on employee benefits	(3.5)	(6.3)
Net tax effect of equity items not reclassifiable to profit or loss	1.2	2.2
Share of non-reclassifiable income and expense of joint ventures and associates recognised in equity	-	-
Items reclassifiable to profit or loss		
Remeasurement of hedging instruments (1)	(2.2)	6.9
Remeasurement of available-for-sale financial assets	-	**-**
Change in cumulative translation adjustment of controlled entities	-	
Net tax effect of equity items reclassifiable to profit or loss	0.8	(2.5)
Share of reclassifiable income and expense of joint ventures and associates recognised in equity	0.6	0.7
Income and expense recognised directly in equity	**(3.1)**	**1.0**
Total recognised income and expense	**100.2**	**420.0**
attributable to the Group	96.8	413.7
attributable to non-controlling interests	3.4	6.3

(1) *Includes amounts reclassified to profit or loss: -€6.5 million in 2015, -€0.4 million in 2014*

CONSOLIDATED CASH FLOW STATEMENT

(€m)	Note	FY 2015	FY 2014
Net profit/(loss) from continuing operations (including non-controlling interests)		103.3	103.1
Depreciation, amortisation, provisions & impairment (excluding current assets)	*6.2.1*	54.1	50.1
Net (gain)/loss on asset disposals		(32.4)	(31.0)
Share of (profits)/losses and dividends of joint ventures and associates		7.9	(8.3)
Other non-cash income and expenses	*6.2.2*	(10.1)	(14.1)
Sub-total		**122.8**	**99.8**
Cost of net debt		(1.1)	(1.1)
Income tax expense (including deferred taxes)		42.3	29.8
Operating cash flow		**164.0**	**128.5**
Income taxes (paid)/reimbursed		(35.1)	(33.1)
Change in operating working capital needs		8.4	12.7
Net cash generated by/(used in) operating activities		**137.3**	**108.1**
Cash outflows on acquisitions of property, plant & equipment and intangible assets		(57.6)	(36.9)
Cash inflows from disposals of property, plant & equipment and intangible assets		0.2	0.4
Cash outflows on acquisitions of financial assets		(6.2)	(9.3)
Cash inflows from disposals of financial assets		-	-
Effect of changes in scope of consolidation	*6.3.1*	494.5	306.0
Purchase price of investments in consolidated activities		*-*	*-*
Proceeds from disposals of consolidated activities		*526.9*	*307.5*
Net liabilities related to consolidated activities		*-*	*-*
Other cash effects of changes in scope of consolidation		*(32.4)*	*(1.5)*
Dividends received	*6.3.2*	0.2	30.4
Other cash flows from investing activities	*6.3.3*	1.7	25.5
Net cash generated by/(used in) investing activities		**432.8**	**316.1**
Cash received on exercise of stock options	*7.4.6*	4.5	1.6
Purchases and sales of treasury shares	*6.4.1*	(40.0)	-
Other transactions between shareholders	*6.4.2*	(14.6)	-
Dividends paid during the period	*7.4.5*	(317.3)	(117.2)
Cash inflows from new debt contracted		0.1	-
Repayment of debt (including finance leases)		(1.3)	(2.6)
Net interest paid (including finance leases)		1.1	1.1
Net cash generated by/(used in) financing activities		**(367.5)**	**(117.1)**
CHANGE IN CASH POSITION – CONTINUING OPERATIONS		**202.6**	**307.1**
Cash position at start of period – continuing operations		**498.2**	**191.1**
Change in cash position during the period – continuing operations		202.6	307.1
Cash position at end of period – continuing operations		**700.8**	**498.2**

CHANGE IN CASH POSITION – DISCONTINUED/HELD-FOR-SALE OPERATIONS:		**FY 2015**	**FY 2014**
Cash position at start of period – Discontinued or held-for-sale operations	*3.3*	**-**	**69.6**
Change in cash position – Discontinued or held-for-sale operations [(a)]	*3.3*		(34.5)
Deconsolidation of held-for-sale operations	*3.3*		(35.1)
Cash position at end of period – Discontinued or held-for-sale operations	*3.3*	**-**	**-**

CONSOLIDATED BALANCE SHEET

ASSETS (€m)	*Note*	**Dec. 31, 2015**	**Dec. 31, 2014**
Goodwill	*7.3.1*	**431.6**	**473.8**
Intangible assets		**125.2**	**108.3**
Audiovisual rights	*7.1.1*	65.0	46.8
Other intangible assets	*7.3.2*	60.2	61.5
Property, plant and equipment	*7.3.3*	**170.1**	**176.3**
Investments in joint ventures and associates	*7.3.4*	**84.8**	**581.8**
Non-current financial assets	*7.3.5*	**30.1**	**29.2**
Non-current tax assets		**-**	**-**
Total non-current assets		**841.8**	**1,369.4**
Inventories		**726.9**	**694.3**
Programmes and broadcasting rights	*7.1.2*	713.4	678.5
Other inventories		13.5	15.8
Trade and other debtors	*7.2.1*	**937.4**	**1,136.6**
Current tax assets		**-**	**15.0**
Other current financial assets		**4.5**	**7.3**
Cash and cash equivalents	*7.5.1*	**703.1**	**501.4**
Total current assets		**2,371.9**	**2,354.6**
Assets of held-for-sale operations		**-**	**-**
TOTAL ASSETS		**3,213.7**	**3,724.0**
Net surplus cash (+) / Net debt (-)	*7.5.1*	**700.8**	**497.0**

CONSOLIDATED BALANCE SHEET (continued)

SHAREHOLDERS' EQUITY AND LIABILITIES (€m)	*Note*	**Dec. 31, 2015**	**Dec. 31, 2014**
Share capital	*7.4.1*	42.1	42.3
Share premium and reserves		1,599.7	1,548.4
Net profit/(loss) for the period attributable to the Group		99.9	412.7
Shareholders' equity attributable to the Group		**1,741.7**	**2,003.4**
Non-controlling interests		20.1	36.5
Total shareholders' equity		**1,761.8**	**2,039.9**
Non-current debt		**-**	**-**
Non-current provisions	*7.3.6*	**51.3**	**48.4**
Non-current tax liabilities	*5.9.2*	**11.8**	**31.5**
Total non-current liabilities		**63.1**	**79.9**
Current debt	*7.5.1*	**2.3**	**4.4**
Trade and other creditors	*7.2.2*	**1,339.7**	**1,566.5**
Current provisions	*7.2.3*	**36.6**	**33.3**
Current tax liabilities		**10.2**	**-**
Other current financial liabilities		**-**	**-**
Total current liabilities		**1,388.8**	**1,604.2**
Liabilities of held-for-sale operations		**-**	**-**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**3,213.7**	**3,724.0**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€m)	Share capital	Share premium	Treasury shares	Reserves	Income & expense recognised directly in equity	**Shareholders' equity attributable to the Group**	Non-controlling interests	**Consolidated shareholders' equity**
BALANCE AT DECEMBER 31, 2013	**42.2**	**5.8**	**-**	**1,661.5**	**(5.8)**	**1,703.7**	**130.5**	**1,834.2**
Capital increase (stock options exercised)	0.1	1.5	-	-	-	**1.6**	-	**1.6**
Share-based payment	-	-	-	0.6	-	**0.6**	-	**0.6**
Purchase of treasury shares	-	-	-	-	-	**-**	-	**-**
Cancellation of treasury shares	-	-	-	-	-	**-**	-	**-**
Dividends paid	-	-	-	(116.2)	-	**(116.2)**	**(8.7)**	**(124.9)**
Other transactions with shareholders	-	-	-	-	-	**-**	**-**	**-**
Total transactions with shareholders	**0.1**	**1.5**	**-**	**(115.6)**	**-**	**(114.0)**	**(8.7)**	**(122.7)**
Consolidated net profit/(loss) for period	**-**	**-**	**-**	**412.7**	**-**	**412.7**	**6.3**	**419.0**
Income and expense recognised directly in equity	**-**	**-**	**-**	**-**	**1.0**	**1.0**	**-**	**1.0**
Other movements (changes in accounting policy and scope of consolidation, other items)	-	-	-	-	-	**-**	**(91.6)**	**(91.6)**
BALANCE AT DECEMBER 31, 2014	**42.3**	**7.3**	**-**	**1,958.6**	**(4.8)**	**2,003.4**	**36.5**	**2,039.9**
Capital increase (stock options exercised)	0.1	4.4	-	-	-	**4.5**	-	**4.5**
Share-based payment	-	-	-	1.3	-	**1.3**	-	**1.3**
Purchase of treasury shares	-	-	(40.0)	-	-	**(40.0)**	-	**(40.0)**
Cancellation of treasury shares	(0.3)	-	-	-	-	**(0.3)**	-	**(0.3)**
Dividends paid	-	-	-	(317.3)	-	**(317.3)**	-	**(317.3)**
Other transactions with shareholders	-	-	-	(9.6)	-	**(9.6)**	(5.0)	**(14.6)**
Total transactions with shareholders	**(0.2)**	**4.4**	**(40.0)**	**(325.6)**	**-**	**(361.4)**	**(5.0)**	**(366.4)**
Consolidated net profit/(loss) for period	**-**	**-**	**-**	**99.9**	**-**	**99.9**	**3.4**	**103.3**
Income and expense recognised directly in equity	**-**	**-**	**-**	**-**	**(3.1)**	**(3.1)**	**-**	**(3.1)**
Other movements (changes in accounting policy and scope of consolidation, other items)	-	-	-	**2.9**	-	**2.9**	**(14.8)**	**(11.9)**
BALANCE AT DECEMBER 31, 2015	**42.1**	**11.7**	**(40.0)**	**1,735.8**	**(7.9)**	**1,741.7**	**20.1**	**1,761.8**

Refer to Note 7-4, "Consolidated shareholders' equity", for an analysis of these changes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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1 Significant events of the year

1-1. Acquisition of Newen

On November 9, 2015, TF1 signed an agreement with Newen Studios with a view to the acquisition by TF1 of a 70% equity interest in Newen Studios (the parent company of the Newen group). The existing shareholders, including the management team, are retaining a 30% interest as part of a medium/long-term partnership.

The acquisition was completed on January 26, 2016 (see Note 9-6, "Events after the reporting period"), and has no material impact on the 2015 consolidated financial statements.

1-2. Agreement to sell the 49% equity interest in the Eurosport group

On July 22, 2015, pursuant to the agreements dated May 30, 2014, the TF1 and Discovery Communications groups mutually agreed that TF1 would:

- exercise its put option over its 49% interest in the Eurosport group for €490.5 million;
- buy back from Discovery earlier than initially planned the latter's 20% interest in the pay-TV channels TV Breizh, Histoire and Ushuaïa for €14.6 million.

Completion of these transactions took place on October 1, 2015 and had no material impact on the income statement for the year ended December 31, 2015.

This new agreement extinguished, with effect from July 22, 2015, the previous reciprocal commitments between the two groups.

1-3. Sale of Eurosport France

On March 31, 2015, in accordance with the agreements between TF1 and Discovery Communications signed in January 2014 and following the surrender of Eurosport France's DTT pay-TV licence at the start of 2015, the TF1 group sold the whole of its remaining 80% equity interest in Eurosport France to Eurosport SAS.

This loss of control resulted in the deconsolidation of the contribution from Eurosport France in the consolidated financial statements for the year ended December 31, 2015, generating a gain that was reported in "Other current operating income" as part of the operating profit of the Pay-TV segment.

2 Accounting principles and policies

Accounting policies

Accounting policies are described in text boxes within the relevant notes to the financial statements.

2-1. Declaration of compliance and basis of preparation

The consolidated financial statements of the TF1 group for the year ended December 31, 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, as required under EC Regulation 1606/2002 of July 19, 2002.

They include the financial statements of TF1 SA and its subsidiaries and joint ventures, and the TF1 group's interests in associated undertakings. They comply with recommendation no. 2009-R-03 on the presentation of financial statements, as issued by the CNC (the French national accounting standard-setter, now known as the ANC) on July 2, 2009.

The consolidated financial statements are presented in millions of euros.
They were adopted by the Board of Directors on February 17, 2016, and will be submitted for approval by the shareholders at the forthcoming Ordinary General Meeting to be held on April 14, 2016.

2-2. New and amended IFRS accounting standards and interpretations

2-2-1. New standards, amendments and interpretations effective within the European Union and mandatorily applicable or permitted for early adoption in periods beginning on or after January 1, 2015

In preparing its consolidated financial statements for the year ended December 31, 2015, the TF1 group applied the same standards, interpretations and accounting policies as those used in the preparation of its consolidated financial statements for the year ended December 31, 2014, plus any new standards, amendments and interpretations applicable from January 1, 2015.
The principal new IFRS standards, amendments and interpretations effective within the European Union and mandatorily applicable or permitted for early adoption with effect from January 1, 2015 are:

IFRIC 21 – Levies: effective date January 1, 2015; endorsed by the European Union on June 13, 2014. IFRIC 21, which is mandatorily applicable from January 1, 2015, has no material effect on the shareholders' equity of the TF1 group, but affects the timing of the recognition of certain levies (such as C3S and land taxes) during interim accounting periods.

The effects of first-time application of IFRIC 21 during 2015 were disclosed in Note 2.2.1 to the 2014 consolidated financial statements as published in the 2014 Registration Document, and are reproduced below:

(€m)	**Operating profit**		**Net profit**		**Effects of IFRIC 21**	
	2014 published	**2014 restated**	**2014 published**	**2014 restated**	**Operating profit**	**Net profit**
First quarter	10.9	6.9	16.4	13.9	4.0	2.5
First half	24.2	21.7	327.3	325.7	2.5	1.6
9 months	31.8	30.7	347.7	347.0	1.1	0.7
Full year	116.5	116.5	419.0	419.0	N/S	N/S

The TF1 group has decided not to early adopt any of the pronouncements issued by the IASB and endorsed by the European Union that are permitted for early adoption with effect from January 1, 2015.

2-2-2. New standards, amendments and interpretations effective within the European Union and mandatorily applicable or permitted for early adoption in periods beginning on or after January 1, 2016

Amendment to IAS 16 and IAS 38 (clarification of acceptable methods of depreciation and amortisation): endorsed by the European Union on December 2, 2015, analysis currently being finalised, no material impact on the financial statements at this stage.

2-2-3. New standards, amendments and interpretations issued by the IASB but not yet endorsed by the European Union

Standard	IASB effective date	Expected impact on the TF1 group
IFRS 15: Revenue from Contracts with Customers	January 1, 2018	On May 28, 2014, the IASB issued a new standard on revenue recognition intended to replace most of the current IAS 18 and IAS 11. The new standard, which has not yet been endorsed by the European Union, is applicable from January 1, 2018 with early adoption permitted. The impact of this standard is currently under review.
IFRS 9: Financial Instruments: Classification and Measurement	January 1, 2018	On July 24, 2014, the IASB issued a new standard on financial instruments intended to replace most of the current pronouncements on this subject, especially IAS 39. The new standard, which has not yet been endorsed by the European Union, is applicable from January 1, 2018.
IFRS 16: Leases	January 1, 2019	The impact of this standard is currently under review.

2-3. Changes in accounting policy

TF1 did not make any changes in accounting policy during 2015, other than those required to comply with IFRS requirements applicable on or after January 1, 2015 (see Note 2-2-1), which have no material impact on the financial statements.

2-4. Exercise of judgment and use of estimates

Preparation of the consolidated financial statements requires TF1 management to exercise judgement in the selection of accounting treatments. In addition, the Group uses estimates and assumptions, regarded as realistic and reasonable, for the remeasurement of assets, liabilities, income and expenses; those estimates and assumptions may have a material impact on the amounts reported in the financial statements. Subsequent events or circumstances may result in changes to these estimates or assumptions, which could affect the value of the Group's assets, liabilities, equity or net profit.

Accounting policies applied to balance sheet items that require the use of estimates are indicated in the relevant notes to the financial statements. Estimates are used in particular for goodwill, audiovisual and broadcasting rights, and revenue recognition.

3 Scope of consolidation: significant changes and held-for-sale operations

Accounting policy: business combinations, divestments and goodwill

Business combinations are accounted for using the acquisition method in accordance with IFRS 3. A revised version of IFRS 3 became effective on January 1, 2010 without retrospective effect. The main effects of the revision were a tightening of the "control" criterion in accounting for a business combination, and broader use of fair value accounting. The treatment applied by TF1 to business combinations with effect from January 1, 2010 is as follows:

The cost of a business combination is the fair value, at the date of exchange, of the assets transferred, the liabilities incurred or assumed, and the equity instruments issued by the Group, in exchange for control over the acquiree.

The identifiable assets, liabilities and contingent liabilities of the acquiree that satisfy the IFRS recognition criteria are recognised at their fair value at the acquisition date, except for non-current assets held for sale which are recognised at fair value less costs to sell in accordance with IFRS 5.

Any excess of the cost of a business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at the acquisition date is recognised as goodwill. Non-controlling interests may also be measured at fair value (the "full goodwill" method), giving rise to additional goodwill; this option may be elected separately for each business combination.

Subsequent changes in percentage interest with no loss of control over the acquiree are accounted for as transactions between shareholders, with the difference between the purchase price (or sale price) and the carrying amount of the interest acquired (or sold) recognised in equity.

In the case of step acquisitions, equity interests held prior to acquisition of control are remeasured at fair value, with the effect of the remeasurement recognised in profit or loss. The same applies to equity interests retained after loss of control.

Costs directly incurred to effect a business combination are recognised in profit or loss.

If the initial accounting for a business combination can be determined only provisionally by the end of the period in which the combination is effected, the TF1 group recognises any adjustments to the provisional values within twelve months following the acquisition date. If the adjustment between provisional and final fair value accounting materially affects the presentation of the financial statements, the comparative information for the period preceding the final accounting for the combination is restated as though the final accounting had been completed at the acquisition date.

If the share of the fair value of the identifiable assets and liabilities acquired exceeds the cost of the combination, the excess is recognised immediately in the income statement as negative goodwill (i.e. gain from a bargain purchase).

Subsequent to initial recognition, goodwill is measured at cost less any impairment losses, determined using the method described in Note 7-3-1. Any impairment losses are charged as an operating item in the income statement, and may not be subsequently reversed.

In the event of a partial sale of the component operations, or if a CGU is split up, the TF1 group usually allocates the goodwill of the CGU in proportion to the relative values (as defined in the IFRS 7 hierarchy of valuation methods, see Note 7-3-5-) of the divested, retained or split operations at the sale/split date, unless it can be demonstrated that another method better reflects the goodwill of the divested operation, in accordance with paragraph 86 of IAS 36.

The consolidated financial statements of the TF1 group for the year ended December 31, 2015 include the financial statements of the companies listed in Note 9-5.

3-1. Significant changes in scope of consolidation in current year

- ✓ Eurosport group: following the sale on October 1, 2015 of the 49% stake in the Eurosport group, that investment (previously accounted for as an associate by the equity method) has been deconsolidated; see Note 1, "Significant events of the year".

- ✓ Eurosport France:Following the sale of the TF1 group's entire 80% equity interest in Eurosport France (see Note 1, "Significant events of the year"), that entity has been deconsolidated with effect from March 31, 2015.

- ✓ Prefas 18 and the pay-TV channels TV Breizh, Histoire and Ushuaia TV: these entities are now 100% owned by the TF1 group following the buyout on October 1, 2015 of the 20% interest held by the Discovery group. This transaction generated a loss of €9.3 million, recognised in consolidated shareholders' equity.

3-2. Significant changes in scope of consolidation in prior year

✓ **Eurosport SAS**

Following the sale of a 31% interest in Eurosport SAS on May 30, 2014, the TF1 group ceased to exercise exclusive control over Eurosport SAS and its international subsidiaries. Consequently, those entities were deconsolidated with effect from that date.
The TF1 group retained a 49% interest in Eurosport SAS, giving it significant influence over that entity. Consequently, the Eurosport International group has been accounted for by the equity method with effect from that same date (see Note 7-3-4, "Investments in joint ventures and associates").

✓ **OneCast**

On October 30, 2014, the TF1 group completed the sale of 100% of the share capital of its subsidiary OneCast to the ITAS group. OneCast, previously accounted for by the full consolidation method, was deconsolidated with effect from that date.
OneCast generated revenue of €8.2 million in the first ten months of 2014 (versus €9.1 million for the year ended December 31, 2013), and operating profit of €2.2 million in the same period (versus €1.9 million for the year ended December 31, 2013).

3-3. Held-for-sale operations

Accounting policy:

A non-current asset or a group of assets and liabilities is classified as "held-for-sale" if its carrying amount will be recovered principally through a sale transaction rather than through continuing use, and a sale is highly probable.
If material, such assets and asset groups are reported separately from other assets or asset groups, and are measured at the lower of their carrying amount or fair value less costs to sell.

An operation is treated as discontinued or held-for-sale when it is a separate line of business that is material to the Group, and either (i) the criteria for classification as a held-for-sale asset are met or (ii) it has been sold by the TF1 group.
Discontinued or held-for-sale operations are reported on a single line in the income statement for all the periods presented, comprising:

- the net profit (or loss) after tax of discontinued or held-for-sale operations until the date of disposal;
- any impairment of net assets held for sale, based on their fair value less costs to sell, at the time of initial classification of those net assets as held-for-sale; and
- the net gain (or loss) after tax arising from the disposal.

If material, cash flows relating to discontinued and held-for-sale operations are shown separately from the consolidated cash flow statement for all the periods reported; details are provided in the notes to the financial statements (see below).

In line with the accounting treatment applied from December 31, 2013 until May 30, 2014 – the date when the TF1 group sold an additional 31% interest in Eurosport International (Eurosport group excluding Eurosport France) to Discovery Communications – the activities of Eurosport International have been presented as a held-for-sale operation.

- **Income statement of Eurosport International, treated as a held-for-sale operation until May 30, 2014:**

(€m)	**5 months 2014**
Revenue	**159.5**
Operating expenses	**(133.7)**
Operating profit	**25.8**
Cost of net debt	**0.1**
Other financial income and expenses	-
Income tax expense	(9.3)
Net profit	**16.4**

- **Cash flows of Eurosport International, treated as a held-for-sale operation until May 30, 2014:**

	5 months 2014
Net cash generated by/(used in) operating activities – held-for-sale operations	5.0
Net cash generated by/(used in) investing activities – held-for-sale operations	(1.6)
Net cash generated by/(used in) financing activities – held-for-sale operations	(37.9)
Total change in cash position of held-for-sale operations	**(34.5)**
CHANGE IN CASH POSITION – DISCONTINUED/HELD-FOR-SALE OPERATIONS:	
Cash position at start of period – Discontinued or held-for-sale operations	**69.6**
Change in cash position – Discontinued or held-for-sale operations	(34.5)
Cash position at end of period – Discontinued or held-for-sale operations	**35.1**

4 Segment information

TF1 organises its operating activities into strategic business units, each of which is managed appropriately to the nature of the products and services sold. This segmentation serves as the basis for the presentation of internal management data, and is also used by the Group's operational decision-makers to monitor performance. The operating segments reported by the Group are those reviewed by the chief operational decision-maker; they are not aggregated for segment reporting purposes.

Management assesses segmental performance on the basis of current operating profit. Segmental results, assets and liabilities include items directly or indirectly attributable to the relevant segment. Segmental capital expenditure represents total acquisitions of property, plant and equipment and intangible assets as recognised in the corresponding balance sheet line items. Inter-segment sales and transfers are conducted on an arm's length basis.

The TF1 group reports the following operating segments:

Broadcasting and Content

The Broadcasting and Content segment includes all services that are accessible to consumers free of charge. These activities generate revenue primarily from the sale of advertising space on broadcast media and the internet, and (until July 3, 2015, when this activity was discontinued) on print media.

This segment also includes activities that generate non-advertising revenue derived directly from programmes broadcast on the Group's free-to-air channels, such as interactivity between viewers and programmes.

Finally, this segment includes content subsidiaries whose activities are primarily intended to produce content for another subsidiary in the Broadcasting and Content segment, such as the acquisition and exploitation of audiovisual rights, in-house production of programmes, or advertising airtime sales.

Consumer Products

The Consumer Products segment includes all paid-for products and services sold by the Group to consumers, either directly or via an intermediary:

- ✓ distance selling via internet or telephone and in-store sales by the Home Shopping business (Téléshopping group);
- ✓ the activities of the TF1 Entreprises business, including sales of card/board games and exploitation of licences;
- ✓ the acquisition and distribution of video products on physical and digital media.

Pay-TV

This segment includes all paid-for services accessible via third-party operators. Revenues from these activities are generated mainly by the fees negotiated with and collected from cable, satellite and ADSL operators for access to the pay-TV channels produced by the TF1 group. The customer is an operator with whom the revenue is negotiated; the operator is responsible for relations with the end user, and in particular for collecting the price for the provision of the service to the end user. This segment included the LCI channel up to and including December 31, 2015.

Holding company and other

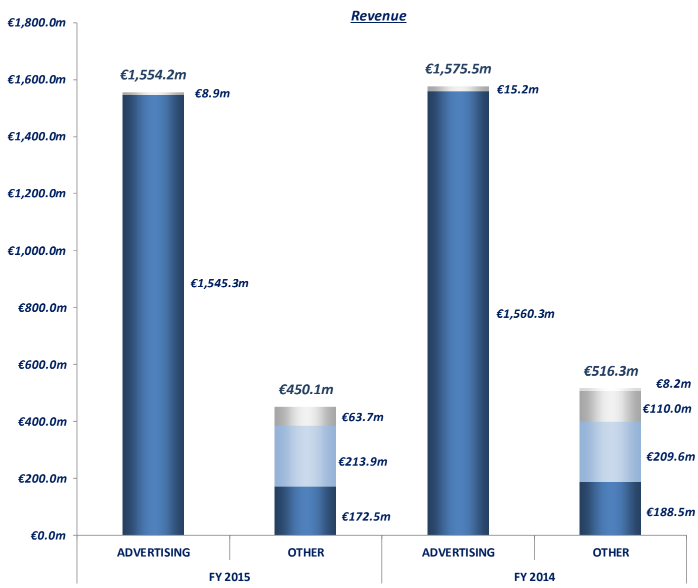
This segment contains entities with no operational activities and entities that carry the Group's property assets.

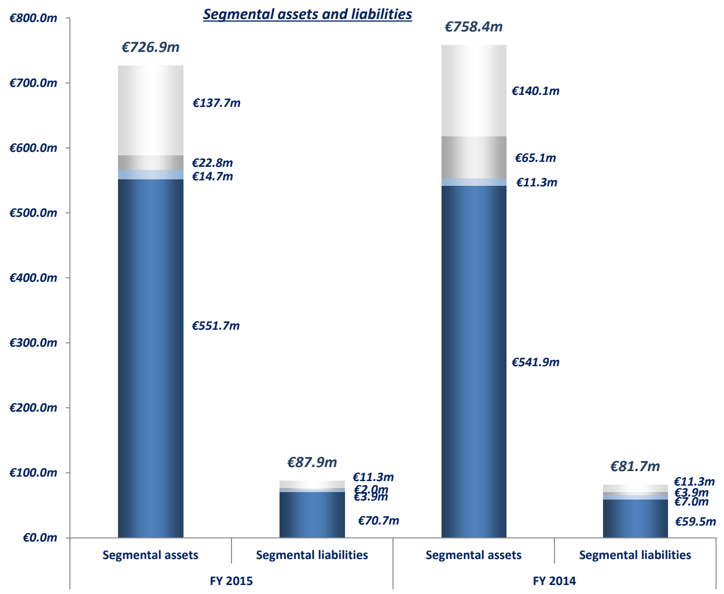
4-1. Information by operating segment

(€m)	BROADCASTING & CONTENT		CONSUMER PRODUCTS		PAY-TV		HOLDING COMPANY & OTHER		TOTAL TF1 GROUP	
SEGMENTAL INCOME STATEMENT	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
Segment revenue	1,744.5	1,783.5	216.4	210.9	94.0	140.9	21.1	34.6	2,076.0	2,169.9
Elimination of inter-segment transactions	(26.7)	(34.7)	(2.5)	(1.3)	(21.4)	(15.7)	(21.1)	(26.4)	(71.7)	(78.1)
GROUP REVENUE CONTRIBUTION	**1,717.8**	**1,748.8**	**213.9**	**209.6**	**72.6**	**125.2**	**0.0**	**8.2**	**2,004.3**	**2,091.8**
of which Advertising revenue	*1,545.3*	*1,560.3*	*0.0*	*0.0*	*8.9*	*15.2*	*0.0*	*0.0*	*1,554.2*	*1,575.5*
of which Other revenue	*172.5*	*188.5*	*213.9*	*209.6*	*63.7*	*110.0*	*0.0*	*8.2*	*450.1*	*516.3*
OPERATING PROFIT/(LOSS)	**93.9**	**51.7**	**15.7**	**14.8**	**33.7**	**1.5**	**14.7**	**48.5**	**158.0**	**116.5**
% operating margin on Group contribution	*5.5%*	*3.0%*	*7.3%*	*7.1%*	*46.4%*	*1.2%*	*N/S*	*N/S*	*7.9%*	*5.6%*

Key:

BROADCASTING &CONTENT — *CONSUMER PRODUCTS* — *PAY-TV* — *HOLDING COMPANY & OTHER*





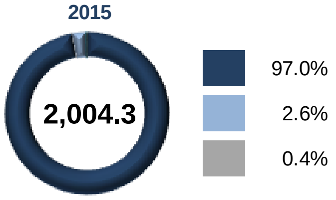
Segmental assets include audiovisual rights, other intangible assets, goodwill, and property, plant and equipment.

Segmental liabilities include current and non-current provisions.

The year-on-year change in operating profit for the Pay-TV segment is mainly due to the gain on the disposal of the interest in Eurosport France in 2015, while the year-on-year change in operating profit for the “Holding company and other” segment is mainly due to the gain recognised in 2014 on the sale of OneCast.

4-2. Information by geographical segment

Revenue is generated mainly in France (see chart below); there was no significant year-on-year change in the geographical split of sales.



	Revenue	
(€m)	2015	2014
France (excluding non-European territories)	1,944.3	2,021.9
Continental Europe	53.1	57.2
Other countries	6.9	12.7
TOTAL	**2,004.3**	**2,091.8**

France accounts for the vast majority of the Group’s assets and capital expenditure; the amounts for other geographical segments are immaterial.

4-3. Operating revenues

Accounting policy:

The TF1 group recognises revenue when:

- it is probable that the economic benefits associated with the transaction will flow to the Group;
- the amount of revenue can be measured reliably;
- at the transaction date, it is probable that the amount of the sale will be recovered.

The specific revenue recognition policies applied to each business line are as follows:

- Sales of advertising airtime are recognised on transmission of the advertisement or commercial.
    - For sales of advertising airtime on media not owned by the Group, TF1 recognises the agency commission as revenue unless it has offered the media owner a recovery guarantee for selling the airtime, in which case TF1 recognises as revenue the gross amount of airtime sales invoiced to the advertisers.
    - The TF1 group makes marginal use of barter transactions involving advertising with media other than television, such as radio or print media. Such transactions, which are exchanges of dissimilar services within the meaning of SIC 31, are reported on a non-netted basis, with matching amounts recognised as income in “Revenue” and as expenses in “External expenses”.
- Fees charged by theme channels to cable and satellite operators that broadcast them are calculated on a per subscriber basis or as a fixed annual fee invoiced to the operator. Subscriber-based fees are recognised monthly on the basis of statements received from the operator. Fixed annual fees are recognised as revenue on a straight-line basis over the course of the year.
- Sales of audiovisual rights under licence are recognised when the licensee has acknowledged that the programme conforms with the terms of the licence (technical acceptance).
- Revenue from sales of merchandise and products by the Group’s publishing and distribution activities is reported net of (i) provisions for expected goods returns and (ii) paybacks made in connection with some distribution contracts.

- In the case of services that require recourse to technical service-providers, the Group recognises as revenue the cost of the service borne by the end user if the Group bears the financial, after-sales and legal risks associated with the service. In other cases, where the Group regards itself as acting purely as agent, only the net fee collected is recognised as revenue.

Other operating revenues mainly comprise sales-based royalties invoiced under licence agreements.

The activities carried on by the TF1 group do not to any material extent include sales comprising separately identifiable components within the meaning of IAS 18.

Operating revenues comprise:

2015	*(€m)*	2015	2014
77.5%	Advertising revenue	1,554.2	1,575.5
10.6%	Distribution of consumer products	213.2	209.6
4.0%	Cable and satellite revenue	80.6	122.0
4.0%	Production/distribution of audiovisual rights	79.7	78.5
3.9%	Revenue from other activities	76.6	106.2
	Revenue	**2,004.3**	**2,091.8**
	Royalty income	-	0.3
	Operating revenues	**2,004.3**	**2,092.1**

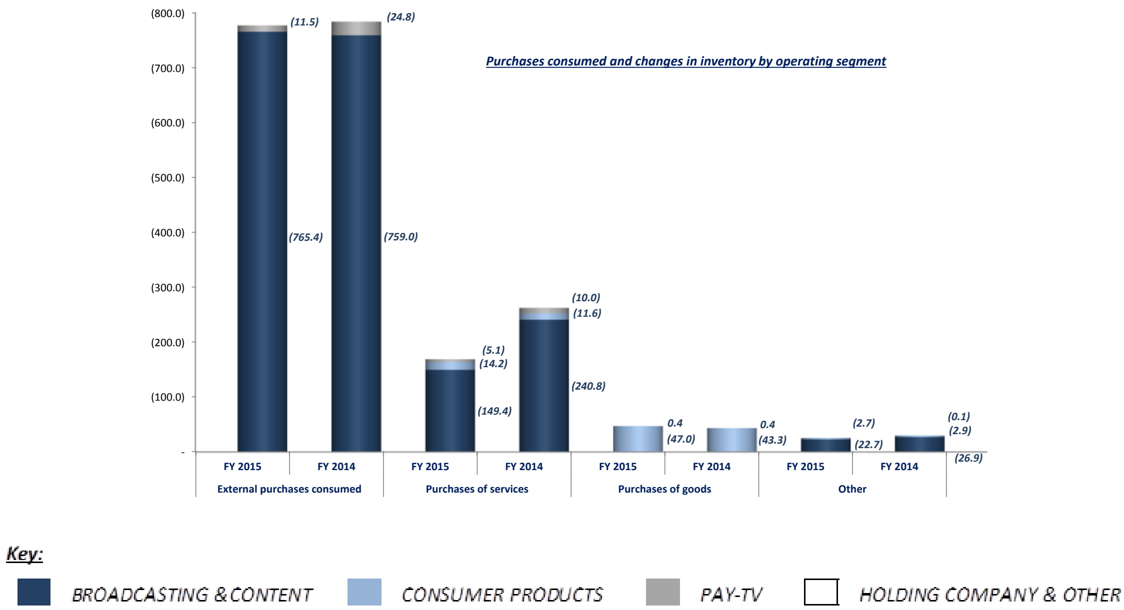
4-4. Purchases consumed and changes in inventory

This item breaks down as follows:

(€m)	2015	2014
External production consumed [(1)]	(776.9)	(783.8)
Purchases of services [(2)]	(168.7)	(262.5)
Purchases of goods	(46.6)	(42.9)
Other items	(25.4)	(29.9)
Other purchases consumed and changes in inventory	**(1,017.6)**	**(1,119.1)**

(1) "External production consumed" relates to programmes acquired from third parties and broadcast by TF1, TMC, NT1 and HD1, and by the theme channels TV Breizh, Histoire, Ushuaïa TV, Sérieclub, TF6 and Stylía (in 2014).

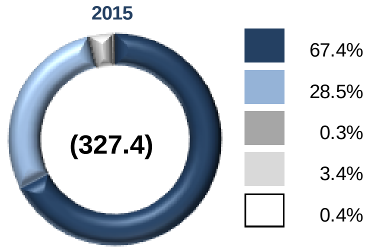
(2) The "Purchases of services" line includes the cost of the broadcasting rights for the FIFA World Cup in 2014, and the Rugby World Cup in 2015.



5 Notes to the consolidated income statement

5-1. Staff costs

Staff costs break down as follows:



(€m)	2015	2014
Staff remuneration	(220.7)	(227.8)
Social security charges	(93.3)	(97.2)
Other staff costs	(1.0)	(2.0)
Statutory employee profit-sharing	(11.1)	(4.8)
Share-based payment expense	(1.3)	(0.6)
Staff costs	**(327.4)**	**(332.4)**

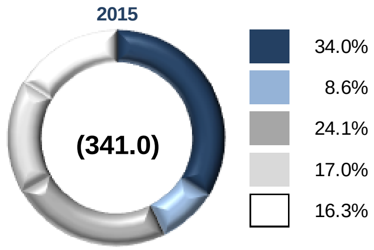
Defined-contribution plan expenses are included in "Social security charges", and totalled €28 million in 2015 (2014: €32 million).

Expenses relating to retirement benefits under the collective agreements applicable to TF1 group companies are recognised as part of the net change in non-current provisions (see Note 7-3-6). Retirement benefits paid during the period are recorded in "Staff remuneration".

Share-based payment expense includes the cost of stock option plans and free share allotment plans, calculated in accordance with IFRS 2 (see Note 7-4-6-3).

5-2. External expenses

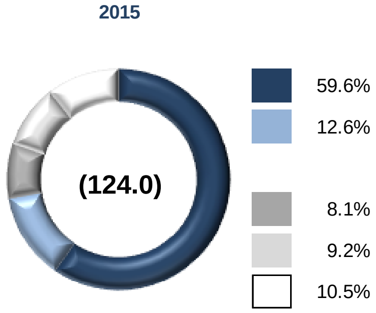
External expenses break down as follows:



(€m)	2015	2014
Subcontracting	(116.0)	(138.4)
Rent and associated charges	(29.4)	(30.9)
Agents' fees and professional fees	(82.3)	(70.0)
Advertising, promotion and public relations	(58.0)	(53.6)
Other external expenses	(55.3)	(69.5)
External expenses	**(341.0)**	**(362.4)**

5-3. Taxes other than income taxes

Taxes other than income taxes break down as follows:



(€m)	2015	2014
Audiovisual taxes	(89.5)	(90.1)
- National Centre for Cinematography (CNC) taxes	*(73.9)*	*(74.5)*
- Other audiovisual taxes	*(15.6)*	*(15.6)*
Other taxes	(34.5)	(36.1)
- Local business taxes	*(10.1)*	*(10.7)*
- Payroll-based taxes	*(11.4)*	*(12.3)*
- Miscellaneous taxes	*(13.0)*	*(13.1)*
Taxes other than income taxes	**(124.0)**	**(126.2)**

5-4. Other current operating income and expenses

Other current operating income and expenses consist of the following items:

(€m)	2015	2014
Reversals of unused provisions	8.2	9.1
In-house production capitalised, and cost transfers	19.9	24.1
Operating grants	0.8	0.3
Investment grants	10.5	8.8
Foreign exchange gains	28.4	15.0
Other income *(including proceeds from divestments of consolidated entities)*	38.5	63.5
Other current operating income	**106.3**	**120.8**
Royalties and paybacks to rights-holders	(71.0)	(74.9)
Bad debts written off	(5.8)	(4.7)
Foreign exchange losses	(14.6)	(20.8)
Other expenses *(including carrying amount of divested consolidated entities)*	(6.4)	(10.5)
Other current operating expenses	**(97.8)**	**(110.9)**

5-5. Non-current operating income and expenses

Accounting policy: These line items contain a very limited number of income and expense items, which are unusual and occur infrequently but are material to the consolidated financial statements. TF1 reports these items separately in its income statement in order to give users of the financial statements a better understanding of the Group's ongoing operational performance.

The non-current operating expenses of €16.8 million reported in the income statement represent restructuring costs relating to the Group's news operations. Most of this relates to the discontinuation of the print edition activities of Publications Metro France.

5-6. Cost of net debt

Accounting policy:

"Cost of net debt" represents "Expenses associated with net debt", net of "Income associated with net debt".

"Expenses associated with net debt" comprise:

- interest expense on current and non-current debt;
- amortisation of financial assets and liabilities measured at amortised cost;
- expenses arising from interest rate hedges;
- expenses arising from the use of fair value accounting for financial assets and financial liabilities, such as changes in the fair value of interest rate derivatives, cash equivalents and financial assets used for treasury management purposes;
- expenses arising on the disposal of assets used for treasury management purposes.

Interest expense is recognised in the income statement in the period in which it is incurred.

"Income associated with net debt" comprises:

- interest income associated with cash and cash equivalents and with financial assets used for treasury management purposes;
- income arising from interest rate hedges;
- other revenues generated by cash equivalents and financial assets used for treasury management purposes;
- income arising from the use of fair value accounting for financial assets and financial liabilities, such as changes in the fair value of interest rate derivatives, cash equivalents and financial assets used for treasury management purposes;
- income generated by the disposal of assets used for treasury management purposes.

Cost of net debt breaks down as follows:

(€m)	2015	2014
Interest income	1.2	1.1
Income and revenues from financial assets	-	0.1
Income associated with net debt	**1.2**	**1.2**
Interest expense on debt	(0.1)	(0.1)
Expenses associated with net debt	**(0.1)**	**(0.1)**
Cost of net debt	**1.1**	**1.1**

5-7. Other financial income and expenses

Other financial income and expenses break down as follows:

(€m)	2015	2014
Dividend income	0.2	0.2
Gains on financial assets	0.1	0.1
Gains arising from changes in value of forward currency purchase contracts	-	0.2
Gains arising from the effect of discounting on assets and liabilities	0.4	-
Other income	0.1	0.1
Other financial income	**0.8**	**0.6**
Losses on financial assets	(2.9)	(0.2)
Losses arising from changes in value of forward currency purchase contracts	(0.2)	-
Losses arising from the effect of discounting on assets and liabilities	(0.7)	-
Other expenses	(0.2)	(0.1)
Other financial expenses	**(4.0)**	**(0.3)**

5-8. Net income and expense on financial assets and financial liabilities

The table below shows income, expenses, gains and losses arising on financial assets and liabilities by category, split between items affecting financial income/expense and items affecting operating profit:

(€m)	Financial 2015	Financial 2014	Operating 2015	Operating 2014
Net income/(expense) on loans and receivables at amortised cost	1.3	1.2	15.7	(6.0)
Net income/(expense) on financial assets at fair value	-	0.2	-	-
financial assets designated at fair value through profit or loss	-	-	-	-
financial assets held for trading	-	*0.2*	-	-
Net income/(expense) on available-for-sale financial assets	(2.7)	-	(1.9)	0.2
Net income/(expense) on financial liabilities at amortised cost	(0.5)	(0.2)	-	-
Net income/(expense) on derivatives	(0.2)	0.2	(0.4)	3.9
Net income and expense on financial assets and financial liabilities	**(2.1)**	**1.4**	**13.4**	**(1.9)**

5-9. Income taxes

Accounting policy:

Deferred taxation is recognised using the liability method on all temporary differences existing at the end of the reporting period between the carrying amount of assets and liabilities in the consolidated balance sheet and their tax base, except in the specific cases mentioned in IAS 12 (primarily goodwill).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets arising on deductible temporary differences and on the carry-forward of unused tax losses are recognised only to the extent that it is probable that they can be offset against future taxable profits.

Taxes on items recognised directly in equity are taken to consolidated reserves.

Deferred taxes are presented in the balance sheet in non-current assets or liabilities, after offset of assets and liabilities in each tax jurisdiction.

5-9-1. Current and deferred taxes

5-9-1-1. Income statement

(€m)	2015	2014
Current taxes	(60.2)	(25.9)
Deferred taxes	17.9	(3.9)
Income tax expense	**(42.3)**	**(29.8)**

A current tax rate of 38% was used for both 2015 and 2014.

The tax rate used to measure deferred tax assets and liabilities is 34.43%.

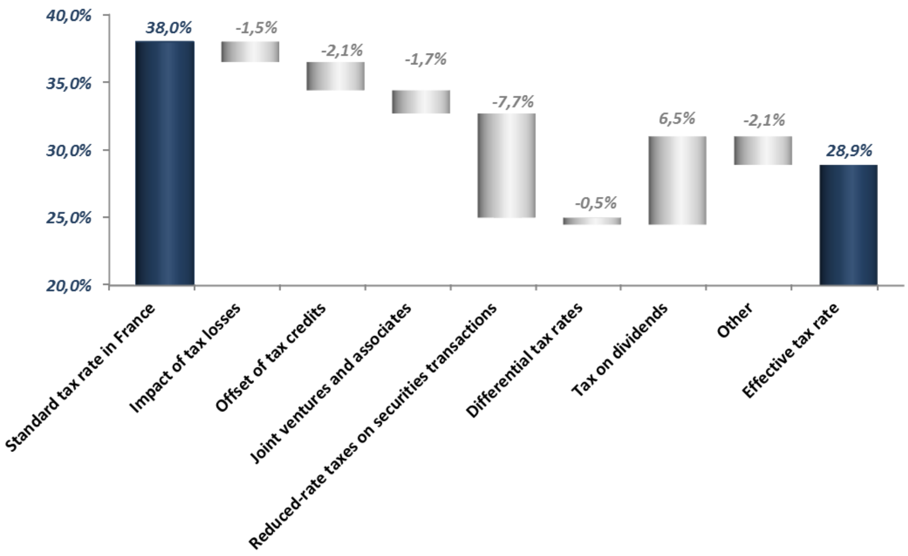
5-9-1-2. Tax proof

(€m)	2015	2014
Net profit attributable to the Group	**99.9**	**412.7**
Income tax expense	42.3	29.8
Net profit from discontinued operations	-	(315.9)
Non-controlling interests	3.4	6.3
Net profit from continuing operations before tax and non-controlling interests	**145.6**	**132.9**
Standard tax rate in France	**38.0%**	**38.0%**
Impact of fair value adjustments not recognised for tax purposes	0.0%	0.0%
Impairment of goodwill	0.0%	0.0%
Impact of tax losses	(1.5%)	(1.1%)
Offset of tax credits	(2.1%)	(1.8%)
Share of profits and losses of joint ventures and associates	(1.7%)	(4.6%)
Reduced-rate taxes on securities transactions (1)	(7.7%)	(7.6%)
Tax rate differential (change in tax rate, and rates applicable to foreign subsidiaries)	(0.5%)	(0.5%)
Tax on dividends	6.5%	2.6%
Other differences, net	(2.1%)	(2.6%)
Effective tax rate	**28.9%**	**22.4%**

(1) Includes the effects of the sale of Eurosport France in 2015 and OneCast in 2014.

TF1 made a group tax election on January 1, 1989, and has renewed this election regularly since that date.

Tax proof



5-9-2. Deferred tax assets and liabilities

5-9-2-1. Change in net deferred tax position

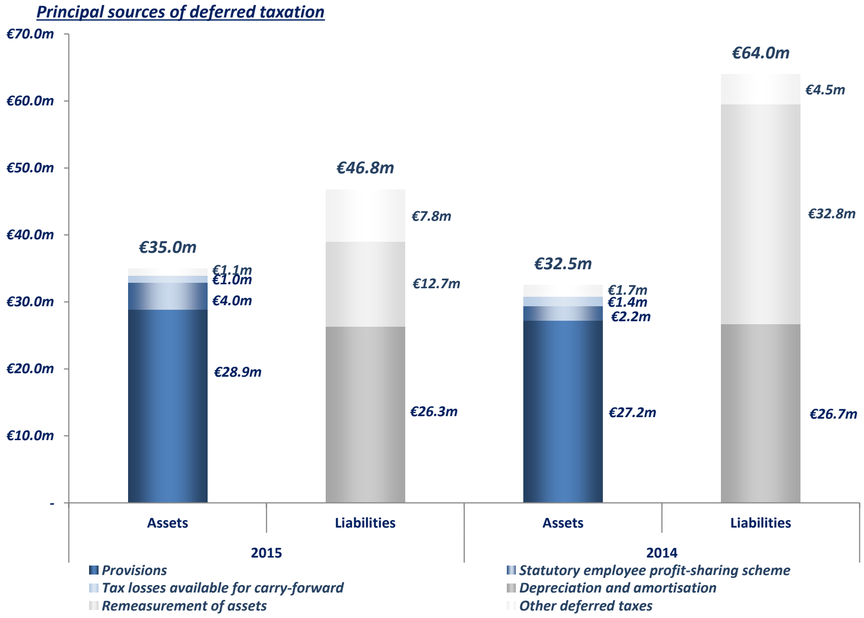
(€m)	2015	2014
Net deferred tax asset/(liability) at January 1	**(31.5)**	**(9.2)**
Recognised in equity	2.0	(0.3)
Recognised in profit or loss	17.9	(3.9)
Held-for-sale operations	-	(18.0)
Changes in scope of consolidation and other items	(0.2)	(0.1)
Net deferred tax asset/(liability) at December 31	**(11.8)**	**(31.5)**

5-9-2-2. Principal sources of deferred taxation

The principal sources of deferred taxation are as follows:

(€m)	2015	2014
Provisions		
Provisions for programmes	1.5	2.2
Provisions for retirement benefit obligations	13.2	11.3
Provisions for impairment of audiovisual rights	0.6	0.6
Provisions for trade debtors	0.9	0.8
Other provisions	12.7	12.3
Employee profit-sharing	4.0	2.2
Tax losses available for carry-forward	1.0	1.4
Other deferred tax assets	1.1	1.7
Offset of deferred tax assets and liabilities	(35.0)	(32.5)
Deferred tax assets	**-**	**-**
Accelerated tax depreciation	(17.7)	(18.2)
Depreciation of head office building	(8.6)	(8.5)
Remeasurement of assets	(12.7)	(32.8)
Other deferred tax liabilities	(7.8)	(4.5)
Offset of deferred tax assets and liabilities	35.0	32.5
Deferred tax liabilities	**(11.8)**	**(31.5)**
Net deferred tax asset/(liability) at December 31	**(11.8)**	**(31.5)**

Unrecognised deferred tax assets totalled €16.3 million (versus €18.6 million as of December 31, 2014), and comprised tax losses and deferred tax depreciation available for indefinite carry-forward, the recovery of which is not sufficiently probable to justify recognition.



5-9-2-3. Period to recovery of deferred tax assets

(€m)	Less than 2 years	2 to 5 years	More than 5 years	Offset of deferred tax assets and liabilities	Total
Deferred tax assets	**21.8**	**-**	**13.2**	**(35.0)**	**-**

Deferred tax assets recoverable after more than five years relate to temporary differences on provisions for retirement benefit obligations.

5-10. Net profit from discontinued/held-for-sale operations

(€m)	2014 5 months
Net profit from the operations of Eurosport International, before taxes	25.7
Income taxes on the operations of Eurosport International	(9.3)
Net profit from the operations of Eurosport International	**16.4**
Gain on disposal and remeasurement, before taxes	328.5
Current and deferred taxes on gain on disposal and remeasurement	(29.0)
Net gain on disposal and remeasurement	**299.5**
Net profit from held-for-sale operations	**315.9**

In 2014, net profit from held-for-sale operations consisted of (i) the net profit from the operations of Eurosport International for the five months from January to May 2014 (€16.4 million) and (ii) the gain arising on disposal and remeasurement (€299.5 million).

6 Notes to the consolidated cash flow statement

6-1. Definition of cash position

The cash flow statement analyses changes in the cash position of continuing operations only. Changes in the cash position of discontinued and held-for-sale operations are presented in Note 3-3.

The cash position analysed in the cash flow statement comprises cash and cash equivalents, treasury current accounts (debit and credit balances), and bank overdrafts. A reconciliation between the cash position in the cash flow statement and the "Cash and cash equivalents" line in the balance sheet is presented below:

(€m)	2015	2014
Cash and cash equivalents in the balance sheet	703.1	501.4
Cash relating to held-for-sale assets	-	
Treasury current account credit balances	(2.3)	(3.2)
Bank overdrafts	-	-
Closing cash position per the cash flow statement	**700.8**	**498.2**

6-2. Net cash generated by/used in operating activities

6-2-1. Depreciation, amortisation, provisions and impairment

An analysis of depreciation, amortisation, provisions and impairment is provided below:

(€m)	2015	2014
Intangible assets and goodwill	36.1	31.5
Property, plant and equipment	15.4	17.8
Financial assets	2.8	(0.5)
Non-current provisions	(0.2)	1.3
Total depreciation, amortisation, provisions & impairment, net	**54.1**	**50.1**

6-2-2. Other non-cash income and expenses

Other non-cash income and expenses comprise the following items:

(€m)	2015	2014
Effect of fair value remeasurement	0.9	(4.1)
Share-based payment	1.3	0.6
Dividend income from non-consolidated entities	(0.2)	(0.2)
Grants released to profit or loss	(12.1)	(10.4)
Total other non-cash income and expenses	**(10.1)**	**(14.1)**

6-3. Net cash generated by/used in investing activities

6-3-1. Cash effect of changes in scope of consolidation

The "Effect of changes in scope of consolidation" line consists of the following items:

(€m)	2015	2014
Net cash outflows on acquisitions	-	-
Net cash inflows from disposals	494.5	306.0
Effect of changes in scope of consolidation	**494.5**	**306.0**

The table below shows the cash flow effects of disposals of subsidiaries:

(€m)	2015	2014
Cash received	526.9	307.5
Cash divested	(32.4)	(1.5)
Subscriptions to capital increases carried out by subsidiaries	-	-
Net cash inflow	**494.5**	**306.0**

In 2015, cash received relates to the Eurosport group: the €490.5 million proceeds from the sale of the 49% equity interest, and the €36.4 million proceeds from the deferred portion of the consideration for the sale of a 31% equity interest in May 2014. Cash divested consists of the cash held by Eurosport France, which was sold and deconsolidated on March 31, 2015.

In 2014, cash received consisted of the proceeds from the disposals of the Eurosport group and OneCast, and the balance of the sales proceeds for Place des Tendances. Cash divested related to the deconsolidation of OneCast.

6-3-2. Dividends received

In 2014, dividends received comprised the dividends paid by Eurosport SAS.

6-3-3. Other cash flows from investing activities

In 2014, "Other cash flows from investing activities" included the effects of the capital redemption carried out by Groupe AB.

6-4. Net cash generated by/used in financing activities

6-4-1. Purchases and sales of treasury shares

Under the new share buyback programme approved by the Annual General Meeting of April 16, 2015, TF1 repurchased 2,969,765 of its own shares during the third quarter of 2015 for a total amount of €40.0 million.

6-4-2. Other transactions between shareholders

"Other transactions between shareholders" represents the repurchase from Discovery Communications, earlier than initially planned, of the latter's 20% interest in the pay-TV channels TV Breizh, Histoire and Ushuaïa for €14.6 million (see Note 1, "Significant events of the year").

7 Notes to the consolidated balance sheet

7-1. Audiovisual rights and broadcasting rights

7-1-1. Audiovisual rights

Accounting policy:

This item primarily includes shares in films and audiovisual programmes produced or co-produced by TF1 SA, TF1 Films Production, TF1 Vidéo and TF1 Production; distribution and trading rights owned by TF1 DA and TF1 Entreprises; and music rights owned by Une Musique.

Audiovisual rights are recognised as an asset in the balance sheet at historical cost under "Audiovisual rights" on the following dates:

- date of end of shooting or censor's certificate for film co-productions;
- date of signature of contract for acquired audiovisual distribution and/or trading rights and music rights.

Amortisation methods for these categories of audiovisual rights are as follows:

- producer shares in French drama productions: amortised on a straight-line basis over their expected useful lives;
- shares in film co-productions: amortised in line with revenues over 8 years;
- audiovisual distribution rights: amortised in line with revenues, with a minimum of 3 years straight-line;
- audiovisual trading rights: straight-line basis over 5 years;
- music rights: amortised over 2 years, 75% of gross value in the first year and the remaining 25% in the second year.
- films co-produced by TF1 Films Production: amortised in line with revenues over a limited time-frame, taking account of the timing of revenue sources; this policy is consistent with industry practice.

A provision for impairment is recorded individually if estimated future revenues do not cover the net carrying amount.

Use of estimates and judgment

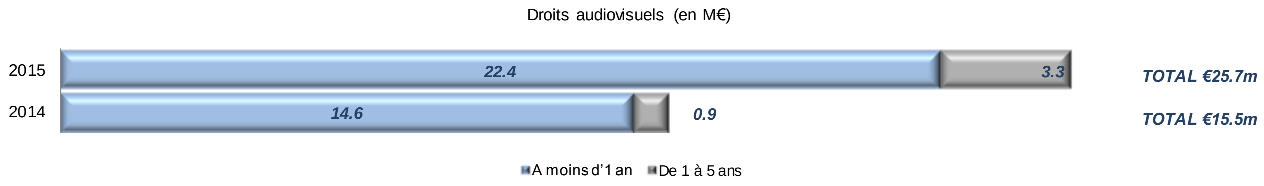
Impairment of audiovisual rights: impairment testing of audiovisual rights is based on an analysis of projected future revenues.

Movements during 2015 and 2014 were as follows:

(€m)	Gross value	Amortisation	Impairment	Total audiovisual rights
January 1, 2014	**1,154.2**	**(1,077.6)**	**(28.6)**	**48.0**
Increases	25.6	(32.8)	(6.0)	(13.2)
Decreases	(0.4)	0.1	12.3	12.0
Changes in scope of consolidation and reclassifications	-	-	-	-
December 31, 2014	**1,179.4**	**(1,110.3)**	**(22.3)**	**46.8**
Increases[1]	49.6	(35.4)	(6.8)	7.4
Decreases	(0.1)	0.1	11.8	11.8
Changes in scope of consolidation and reclassifications	5.5	-	(6.5)	(1.0)
December 31, 2015	**1,234.4**	**(1,145.6)**	**(23.8)**	**65.0**

(1) Further to the introduction in 2015 of new regulations on French co-production shares, these movements now include changes related to such rights.

The chart below shows the maturities of audiovisual rights acquisition contracts entered into by the Group to secure future programming schedules:



7-1-2. Programmes and broadcasting rights

Accounting policy:

✓ Initial recognition:

In order to secure programming schedules for future years, the Group enters into binding contracts, sometimes for a period of several years, under which it acquires (and the other party agrees to deliver) programme rights and sports transmission rights.

A programme is treated as ready for transmission and recognised in inventory under "Programmes and broadcasting rights" when the following two conditions are met: technical acceptance (for in-house and external productions), and opening of rights (for external productions).

In the case of rights and programmes for which these two criteria have not been met (programmes not yet delivered, sports rights for which the right to broadcast is not activated until the date of the event, etc.), the Group takes the view that it does not control the asset, since it has neither the right nor the ability to broadcast the programme. Consequently, such rights are not recognised in the balance sheet.

However, any advance payments made to acquire such rights are recognised as supplier prepayments.

The balance sheet line item "Programmes and broadcasting rights" includes:

- in-house productions, made by TF1 group companies for TF1 channels;
- external productions, comprising broadcasting rights acquired by the Group's channels and co-production shares of broadcasts made for the Group's channels.

The value of programmes and broadcasting rights is measured as follows:

- in-house production: at overall production cost (direct costs plus a portion of indirect production costs);
- broadcasting rights and co-productions: at purchase cost, less consumption for the year calculated at the end of each reporting period.

✓ Accounting for consumption of programmes:

TF1 SA programmes (which account for most of the Group's programme inventory) are deemed to have been consumed as transmitted. If they are acquired for a single transmission, they are regarded as having been consumed in full at the time of that transmission. If they are acquired for two or more transmissions, consumption is calculated according to the type of programme using the rules described below, unless otherwise specified in the acquisition contract:

Rules by type of programme			
	Dramas with a running time of at least 52 minutes	Films, TV movies, serials and cartoons	Other programmes and broadcasting rights
1st transmission	80%	50%	100%
2nd transmission	20%	50%	-

"Other programmes and broadcasting rights" in the table above refers to children's programmes (other than cartoons), entertainment shows, plays, factual and documentary programmes, news, sport, and dramas with a running time of less than 52 minutes.

✓ Impairment and write-offs:

A provision for impairment is recorded once it becomes probable that a programme will not be transmitted, or if the contractual value at which it was recognised in inventory exceeds the value attributable to it using the rules described above.

Use of estimates and judgment: Probability of transmission is assessed on the basis of the most recent programming schedules approved by management. If rights are resold, a provision is recorded once the sale is probable to cover any excess of the value at which the rights were initially recognised in inventory (or the amount of advance payments) over the actual or estimated selling price.

Programmes that have not been transmitted and the rights to which have expired are written off as a component of current operating profit, and any previously-recognised provisions are reversed.

✓ Rights acquired to secure future programming schedules:

Rights ordered under irrevocable contracts but not yet available for transmission (see above) are disclosed below in the section relating to contracts entered into by TF1 to secure future programming schedules, and are priced at the contractual amount (or the estimated future cash outflow in the case of output deal contracts) less any advance payments made.

The table below shows the movement in programme and broadcasting rights inventory, valued in accordance with the accounting policy described above.

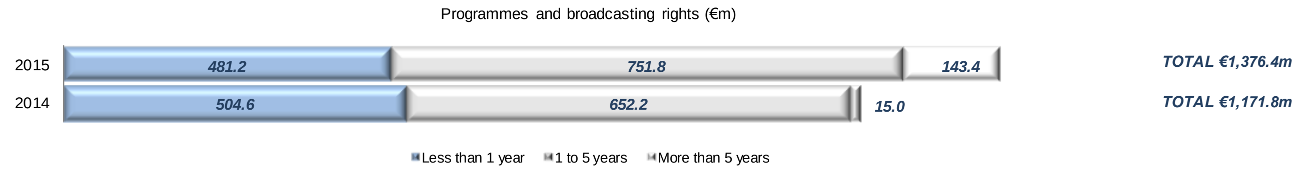
(€m)	Gross value	Impairment		Inventories
January 1, 2014	**791.7**	**(128.6)**		**663.1**
Net movement	7.7	7.7	(1)	**15.4**
Changes in scope of consolidation and reclassifications	-	-		**-**
December 31, 2014	**799.4**	**(120.9)**		**678.5**
Net movement	28.6	6.3	(2)	**34.9**
Changes in scope of consolidation and reclassifications	-	-		**-**
December 31, 2015	**828.0**	**(114.6)**		**713.4**

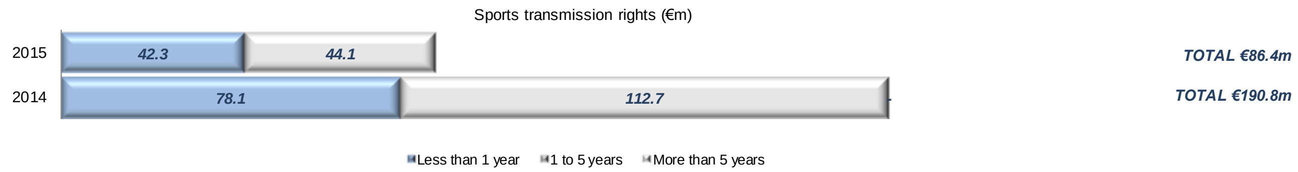
(1) *Includes €53.1 million of impairment losses charged, €60.8 million of impairment losses reversed*

(2) *Includes €56.7 million of impairment losses charged, €63.0 million of impairment losses reversed*

The programme and broadcasting rights inventory reported above is owned primarily by TF1 SA and the TF1 Acquisition de Droits economic interest grouping.

The charts below show the maturities of broadcasting and sports transmission rights acquisition contracts entered into by the Group to secure future programming schedules.





Some of those broadcasting and sports transmission rights contracts are expressed in U.S. dollars; the amounts involved were the U.S. dollar equivalent of €156.5 million in 2015 andthe U.S. dollar equivalent of €156.1 million in 2014.

In 2015, programmes and broadcasting rights related mainly to TF1 SA (€274.5 million, versus €261.9 million in 2014) and to the Acquisition de Droits economic interest grouping (€1,023.3 million, versus €828.5 million in 2014).
Sports transmission rights commitments related mainly to TF1 SA and TF1 DS (€86.4 million in 2015, €134.0 million in 2014).

7-2. Current assets and liabilities

7-2-1. Trade and other debtors

Accounting policy:

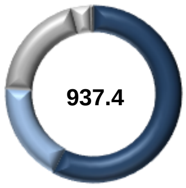
These financial assets are initially recognised at fair value plus directly attributable transaction costs. At the end of each subsequent reporting period, they are measured at amortised cost using the effective interest method.

This category includes trade debtors, other debtors, loans receivable, deposits and caution money, loans and advances to non-consolidated equity investments, cash, and current account advances to joint ventures, associates and non-consolidated entities.

Loans and receivables are assessed individually for objective evidence of impairment, and are regarded as impaired if the carrying amount is greater than the estimated recoverable amount as determined in impairment tests.

Impairment losses are recognised in profit or loss, but may be reversed if the recoverable amount increases in subsequent periods.

Carrying amount 2015



	(€ million)	Gross value 2015	Impairment 2015	Carrying amount 2015	Carrying amount 2014
57.6%	Trade debtors	552.0	(12.2)	539.8	637.8
18.4%	Supplier prepayments [1]	173.4	(0.7)	172.7	193.1
19.9%	Other operating debtors [2]	186.1	-	186.1	217.2
3.5%	Other debtors	150.8	(117.8)	33.0	78.1
0.6%	Prepayments	5.8	-	5.8	10.4
	Trade and other debtors: continuing operations	**1,068.1**	**(130.7)**	**937.4**	**1,136.6**

[1] This line includes advance payments in respect of acquisitions of programmes and sports transmission rights.

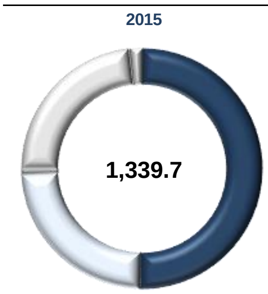
[2] Primarily amounts due to the government, local authorities, employees and social security bodies.

(€m)	2015	2014
Impairment as of January 1	**(138.3)**	**(149.2)**
Additional provisions booked during the year	(13.9)	(31.6)
Reversals for debts written off during the year	21.7	39.6
Recovered during the year	1.8	6.3
Held-for-sale operations	-	-
Changes in scope of consolidation and reclassifications	(2.0)	(3.4)
Impairment as of December 31 - continuing operations	**(130.7)**	**(138.3)**

7-2-2. Breakdown of trade and other creditors

Accounting policy – treatment of cinematography grants:

Grants received by the TF1 group mainly comprise grants received by the Group's production companies from funds set up to support the audiovisual industry, in particular grants awarded by the French National Centre for Cinematography (CNC). Grants awarded by audiovisual industry support funds are initially recorded as deferred income in "Trade and other creditors" on the liabilities side of the balance sheet once the grant has been definitively awarded. They are taken to the income statement under "Other current operating income" in line with the amortisation of the productions to which they relate, starting from the date on which the production is completed or licensed for distribution.



	(€ million)	2015	2014
50.2%	Trade creditors	672.4	738.0
0.2%	Advance payments received	2.8	4.1
23.7%	Tax and employee-related liabilities [1]	318.0	352.5
0.8%	Creditors related to acquisitions of non-current assets [2]	10.8	102.5
23.2%	Other creditors	310.7	341.7
0.4%	Audiovisual industry support fund grants [3]	4.7	8.1
	Current accounts with credit balances	-	-
1.5%	Deferred and prepaid income and similar items [4]	20.3	19.6
	Trade and other creditors	**1,339.7**	**1,566.5**

[1] Mainly comprises VAT payable, and amounts owed to employees and social security bodies.

[2] In 2014, includes the €90.3 million liability to Eurosport SAS relating to the holding in Eurosport France.

[3] Audiovisual industry support fund grants included in creditors mainly comprise grants awarded by the CNC to TF1 Films Production, TF1 Production and TF1 Droits Audiovisuels.

[4] Mainly comprises prepaid income.

7-2-3. Current provisions

<u>*Accounting policy:*</u>

A provision is recorded when a legal or constructive obligation to a third party arising from a past event will certainly or probably result in an outflow of resources that can be measured reliably. Provisions are reviewed at the end of each reporting period, and adjusted where necessary to reflect the best estimate of the obligation as of that date.

- Contingent liabilities are obligations whose existence will be confirmed only by the occurrence of future events or for which the outflow of resources cannot be measured reliably. No provision is recorded for contingent liabilities.
- ***Use of estimates and judgement:*** provisions established to cover probable outflows of resources to third parties with no corresponding inflow of resources for the Group. These include provisions for all kinds of litigation and claims, the amount of which is estimated based on assumptions regarding the most likely outcomes. In determining those assumptions, TF1 management may rely on the assessments of external advisors.

Current provisions mainly comprise provisions for litigation and claims arising in the normal operating cycle and for which settlement will probably occur within twelve months. They are determined in the same way as non-current provisions (see Note 7-3-6).

The table below shows movements in current provisions during 2015:

(€m)	Litigation and claims: employees	Litigation and claims: commercial	Other contractual litigation, claims, and risks	Other	TOTAL CURRENT PROVISIONS
January 1, 2015	**3.6**	**10.7**	**12.6**	**6.4**	**33.3**
Charges	3.4	1.8	-	9.2	**14.4**
Reversals: used	(1.3)	(1.0)	(0.3)	(2.5)	**(5.1)**
Reversals: unused	(0.4)	(2.8)	-	(0.4)	**(3.6)**
Changes in scope of consolidation and reclassifications	-	(2.1)	-	(0.3)	**(2.4)**
December 31, 2015	**5.3**	**6.6**	**12.3**	**12.4**	**36.6**

No material contingent liabilities had been identified as of the date of preparation of the financial statements.

Provisions for commercial litigation and claims mainly relate to ongoing disputes with customers, producers and rights-holders.

Provisions for other contractual litigation, claims and risks are intended to cover risks of claims from other third parties with contractual relations with TF1, including guarantees given by TF1 in connection with divestments of equity interests.

Competition law risks:

- ✓ Alleged abuse of dominant position in the advertising market:

Canal+, M6 and NextRadioTV have each filed a complaint with the French Competition Authority against the TF1 group alleging abuse of dominant position in the French television advertising market.
The Competition Authority appointed a rapporteur to investigate the complaints, and TF1 Publicité presented its case in January 2015. The TF1 General Counsel's department has submitted an economic study to the Competition Authority and the CSA, commissioned from the accountancy and consultancy firm RBB, that demonstrates the pro-competitive impact of TF1's position in the advertising market.

- ✓ Alleged restraint of trade:

The Canal+ group has filed a complaint with the French Competition Authority against the TF1 group alleging restraint of trade as regards the rights of first and last refusal and pre-emptive rights enjoyed by TF1 Films Production in respect of the films that it finances.
The Competition Authority appointed a rapporteur to investigate the complaint, and TF1 presented its case in March 2015..

These risks are not at present covered by any provision in the TF1 consolidated financial statements.

7-3. Non-current assets and liabilities

Accounting policy:

The recoverable amount of an asset is the higher of value in use or fair value less costs to sell. If fair value less costs to sell cannot be reliably measured, the recoverable amount of an asset is its value in use.

The value in use of assets to which independent cash flows can be directly allocated is determined individually. All other assets are grouped within cash-generating units (CGUs) to determine their value in use. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The value in use of an asset or a CGU is measured using the discounted cash flow (DCF) method, based on 3-year cash flow projections in business plans approved by TF1 management and the Board of Directors plus a standard annual cash flow figure for the time horizon beyond the 3-year business plan. The cash flows used are determined on an after-tax basis.
These cash flow projections are discounted using an after-tax discount rate, determined on the basis of the weighted average cost of capital (calculated using market parameters, such as beta and capitalisation) of a sample of companies representative of the business sector to which the asset being tested belongs.

The fair value less costs to sell of an asset or CGU is measured, where possible, by reference to the price in a binding sale agreement in an arm's length transaction.

Use of estimates and judgment:

The carrying amount of goodwill in the TF1 consolidated financial statements is reviewed at least annually. These impairment tests are sensitive to medium-term financial forecasts and to the discount rates used to estimate the value in use of cash-generating units (CGUs).

Impairment:

At the end of each reporting period, the Group assesses whether there are internal or external events or circumstances which indicate that a non-current asset may have been impaired. If there is such an indication, or if the asset is required to be tested for impairment annually (goodwill, and intangible assets with indefinite useful lives), the recoverable amount of the asset is estimated.

An impairment loss is recognised where the recoverable amount of an asset or CGU is less than its carrying amount. Impairment losses on finite-lived and indefinite-lived items of property, plant and equipment and intangible assets may be reversed subsequently if the recoverable amount of the asset becomes greater than its carrying amount again. The only impairment losses that may not be reversed are those taken against goodwill.

7-3-1. Goodwill

Goodwill is allocated to cash generating units (CGUs) as follows:

(€m)	Broadcasting & Content	Consumer Products	Pay-TV	Holding company & other	TOTAL
Goodwill at January 1, 2014	**408.9**	**-**	**64.9**	**-**	**473.8**
Acquisitions	-	-	-	-	-
Disposals	-	-	-	-	-
Reclassifications	-	-	-	-	-
Impairment	-	-	-	-	-
Goodwill at December 31, 2014	**408.9**	**-**	**64.9**	**-**	**473.8**
Acquisitions	-	-	-	-	-
Disposals	-	-	(42.2)	-	(42.2)
Reclassifications	-	-	-	-	-
Impairment	-	-	-	-	-
Goodwill at December 31, 2015	**408.9**	**-**	**22.7**	**-**	**431.6**
Gross value	*408.9*	*-*	*22.7*	*4.5*	*436.1*
Accumulated impairment	*-*	*-*	*-*	*(4.5)*	*(4.5)*

The €42.2 million reduction in goodwill during 2015 is explained by the deconsolidation of Eurosport France (see Note 1, "Significant events of the year").

Based on impairment tests conducted using the method described below, no impairment of goodwill was identified as of December 31, 2015.

Impairment testing of goodwill

The recoverable amounts of each CGU were determined by calculating the value in use using the discounted cash flow (DCF) method, based on three-year cash flow projections compiled from plans and budgets approved by the TF1 Board of Directors. Cash flows beyond the projection time horizon were extrapolated at a perpetual growth rate that reflects past experience and incorporates prudent assumptions about the growth potential of the markets in which each CGU operates, and their competitive positions in those markets.

The business plans used in the tests were prepared on the basis of revenue growth rates and operating margins consistent with actual performances over the previous five years. Those business plans take account of factors including:

- the impacts of the economic situation on advertising spend, in the particularly difficult current environment;
- the impacts of the freeview switchover of the LCI channel, the future cash flows from which are included in the Broadcasting and Content CGU;
- the expansion of the freeview offer across all media, in particular the Group's free-to-air DTT channels and digital activities (MYTF1) driven by new technologies;
- the effects of the adaptation of the TF1 channel business model, in particular those obtained through the optimisation plans implemented since 2007;
- future major sporting events.

The perpetual growth rate used for impairment testing as of December 31, 2015 was 2% for all CGUs; the same rate was used as of December 31, 2014. The after-tax discount rate used as of December 31, 2015 was 6.81% (versus 8.32% as of December 31, 2014); it was determined on the basis of external data sources using the method described in Note 7-3 above.

For the Broadcasting & Content and Pay-TV CGUs, analyses were performed of the sensitivity of the calculations to key assumptions (discount rate, growth rate, normative cash flows), individually and in combination, including reasonably possible changes in those assumptions.

For those CGUS, recoverable amount would equal the carrying amount of the assets tested if the following assumptions (taken individually) were to be applied:

	Change in discount rate	Change in normative cash flows
Broadcasting and Content CGU	+570 bp	-62%
Pay-TV CGU	+449 bp	-55%

For the Broadcasting and Content CGU, in the event of a 10% reduction in normative cash flows combined with an increase of 50 basis points in the discount rate, the recoverable amount would exceed the carrying amount by €900 million.

For the Pay-TV CGU, in the event of a 10% reduction in normative cash flows combined with an increase of 50 basis points in the discount rate, the recoverable amount would exceed the carrying amount by €25 million.

7-3-2. Intangible assets (other than audiovisual rights, see Note 7-1-1)

Accounting policy:

Intangible assets other than audiovisual rights mainly comprise user rights (other than broadcasting licences and audiovisual rights), trademarks and similar rights, and software. They are initially recognised by the Group on the acquisition date, on the following basis:

- at acquisition cost less accumulated amortisation and impairment losses; or
- at fair value as of the acquisition date, if acquired in a business combination.

Subsequent to the acquisition date, intangible assets are measured at initial recognition cost less accumulated amortisation and impairment losses.

Intangible assets with finite useful lives are amortised over their expected useful lives.

Intangible assets with indefinite useful lives, such as trademarks owned by the Group, are not amortised. However, trademarks are tested forimpairment (see Note 7.3).

The figures shown below are net carrying amounts:

(€m)	Indefinite-lived trademarks	Concessions, patents & similar rights	Other	TOTAL
January 1, 2014	**36.2**	**20.2**	**4.0**	**60.4**
Increases	-	1.8	4.4	6.2
Amortisation & impairment	-	(0.2)	(4.8)	(5.0)
Decreases	-	(0.1)	-	(0.1)
Changes in scope of consolidation and reclassifications	-	4.7	(4.7)	-
December 31, 2014	**36.2**	**26.4**	**(1.1)**	**61.5**
Increases	-	1.9	2.9	4.8
Amortisation & impairment	-	(5.6)	(0.2)	(5.8)
Decreases	-	-	-	-
Changes in scope of consolidation and reclassifications	-	3.8	(4.1)	(0.3)
December 31, 2015	**36.2**	**26.5**	**(2.5)**	**60.2**
gross value	*36.2*	*62.8*	*9.0*	***108.0***
amortisation and impairment	-	*(40.8)*	*(7.0)*	***(47.8)***

Based on impairment tests conducted using the method described in Note 7-3, no impairment of indefinite-lived trademarks was identified as of December 31, 2015.

7-3-3. Property, plant and equipment

Accounting policy:

- **Property, plant and equipment owned outright**

Property, plant and equipment is carried at acquisition cost net of accumulated depreciation and impairment losses.

Depreciation is charged on a straight-line basis over the expected useful life of the asset, taking account of any residual value of the asset:

Buildings:	25 to 50 years
Technical installations:	3 to 7 years
Other property, plant and equipment:	2 to 10 years

Land is not depreciated.

Where an asset is made up of components with different useful lives, those components are recorded as separate items within property, plant and equipment.

Gains or losses on disposals of property, plant and equipment represent the difference between the sale proceeds and the net carrying amount of the asset, and are included in "Other current operating income and expenses".

The table below shows movements in property, plant and equipment, and in depreciation and impairment, during the **years ended December 31, 2015 and 2014** (the figures shown are net carrying amounts):

(€m)	Land	Buildings	Technical facilities	Technical facilities held under finance leases	Other property, plant & equipment	Property, plant & equipment under construction	TOTAL
January 1, 2014	**60.9**	**81.5**	**20.9**	**3.2**	**22.5**	**1.0**	**190.0**
Increases	-	-	6.2	-	6.1	0.4	**12.7**
Depreciation & impairment	-	(2.4)	(8.8)	(1.1)	(7.5)		**(19.8)**
Decreases	-	0.1	-	-	(0.1)	-	**(0.0)**
Changes in scope of consolidation and reclassifications	-	-	(6.0)	0.1	0.6	(1.3)	**(6.6)**
December 31, 2014	**60.9**	**79.2**	**12.3**	**2.2**	**21.6**	**0.1**	**176.3**
Increases	-	-	3.7	-	5.2	1.2	**10.1**
Depreciation & impairment	-	(2.4)	(5.3)	(1.0)	(6.7)	-	**(15.4)**
Decreases	-	-	(0.4)	-	(0.4)	-	**(0.8)**
Changes in scope of consolidation and reclassifications	-	-	(0.1)	-	0.1	(0.1)	**(0.1)**
December 31, 2015	**60.9**	**76.8**	**10.2**	**1.2**	**19.8**	**1.2**	**170.1**
gross value	*60.9*	*101.2*	*147.7*	*10.2*	*101.4*	*1.2*	***422.6***
depreciation and impairment	-	*(24.4)*	*(137.5)*	*(9.0)*	*(81.6)*	-	***(252.5)***

7-3-4. Investments in joint ventures and associates

Accounting policy:

Because goodwill included in the carrying amount of investments in associates and joint ventures is not presented separately, this goodwill is not tested individually for impairment, in accordance with IAS 36. The total carrying amount is tested for impairment by comparing its recoverable amount to its carrying amount if there is evidence that the investment is impaired.

The table below gives details of investments in joint ventures and associates:

(€m)	Eurosport group (1)	Groupe AB (2)	Other (3)	TOTAL
January 1, 2014	**-**	80.2	**3.3**	**83.5**
Share of profit/(loss) for the period	14.6	0.6	(0.2)	**15.0**
Provision for impairment	-	-	-	**-**
Dividends paid	-	(6.7)	0.6	**(6.1)**
Changes in scope of consolidation and reclassifications	489.9	-	-	**489.9**
Provision for risks	-	-	(0.5)	**(0.5)**
December 31, 2014	**504.5**	**74.1**	**3.2**	**581.8**
Share of profit/(loss) for the period	(0.3)	(1.8)	0.9	**(1.2)**
Provision for impairment	-	-	7.7	**7.7**
Dividends paid	(14.2)	-	0.1	**(14.1)**
Changes in scope of consolidation and reclassifications	(490.0)	-	-	**(490.0)**
Provision for risks	-	-	0.6	**0.6**
December 31, 2015	**-**	**72.3**	**12.5**	**84.8**

(1) The interest in the Eurosport group was divested on October 1, 2015 (see Note 1, "Significant events of the year").

(2) The carrying amount of Groupe AB includes goodwill of €44.4 million, recognised in the consolidated financial statements of Groupe AB itself (see below).

(3) Primarily Sérieclub (Pay-TV operating segment): €10.2 million as of December 31, 2015 and €1.5 million as of December 31, 2014) and Direct Optic Participations (Consumer Products operating segment): €1.5 million as of December 31, 2015 and 2014.

No material income or expenses recognised directly in equity were reported by joint ventures or associates.

The table below gives summary information about material investments in associates:

	Groupe AB (1)	
TF1 group share	*33.5%*	*33.5%*
(€m)	**2015**	**2014**
Non-current assets (2)	81.9	100.8
Current assets	47.5	40.4
TOTAL ASSETS	**129.4**	**141.2**
Shareholders' equity	73.3	74.7
Non-current liabilities	20.4	31.5
Current liabilities	35.7	34.8
TOTAL LIABILITIES AND EQUITY	**129.4**	**141.0**
Revenue	**39.8**	**45.3**
Current operating profit	**10.0**	**9.5**

(1) Figures for 2015 and 2014 are based on financial statements to end September (the latest available).

(2) Includes goodwill of €44.4 million.

Figures relating to other joint ventures and associates are not material for 2015 or 2014.

7-3-5. Other non-current financial assets

Accounting policy:

Classification:

Financial assets may be classified in one of four categories: available-for-sale financial assets, loans and receivables, held-to-maturity investments, and assets at fair value through profit or loss. In accordance with IAS 1, financial assets are classified as either current assets or non-current assets.

Financial assets are recognised at the settlement date.

- Available for-sale financial assets are initially recognised at fair value, which corresponds to acquisition cost plus transaction costs. At the end of subsequent reporting periods, available-for-sale financial assets are remeasured at fair value. Changes in fair value are recognised in equity, and are not transferred to the income statement until the asset in question is sold.

  TF1 classifies in this category equity interests in companies over which the Group exercises neither control nor significant influence. The fair value of listed securities is determined using the fair value measurement methods described below. Unlisted securities whose fair value cannot be measured reliably are carried at cost.

  Available-for-sale financial assets are tested individually for impairment. Unrealised gains and losses are recognised in equity. If there is objective evidence of a significant or prolonged decline in value, an impairment loss is recognised in the income statement.

- Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold until maturity. They are measured and carried at amortised cost calculated using the effective interest method.

  Held-to-maturity investments are assessed individually for objective evidence of impairment and are regarded as impaired if the carrying amount is greater than the estimated recoverable amount as determined in impairment tests. Impairment losses are recognised in profit or loss.

Use of estimates and judgment:

The amended IFRS 7 establishes a three-level hierarchy of fair value measurement methods for financial instruments:

- Level I: measurement based on quoted prices in active markets
- Level II: measurement based on observable market parameters
- Level III: measurement based on non-observable market parameters

The methods used by the TF1 group are as follows:

The fair value of financial instruments is where possible measured by reference to the market price derived from trading on a national stock exchange or over-the-counter market. Where no quoted market price is available, fair value is estimated using other valuation methods such as the actual valuation of comparable transactions or the discounted cash flow method, which relies on observable (level II) or non-observable (level III) parameters.

- Other non-current financial assets:
  - Investments in non-consolidated entities are classified as available-for-sale financial assets, and are carried at cost if their fair value cannot be measured reliably.
  - Share warrants are measured using the Black & Scholes method based on available valuation parameters.
- Interest rate derivatives and currency derivatives: fair value is estimated using valuations obtained from bank counterparties or from financial models generally used in the financial markets, on the basis of market data at the end of the reporting period (level II method).
- Because of their short maturities, the carrying amount of trade and other debtors, cash, and treasury current accounts is regarded as the best approximation of their fair value.

7-3-5-1. Financial assets by category

2015 (€m)	Financial assets at fair value through profit or loss			Available-for-sale financial assets	Loans and receivables	Held-to-maturity investments	TOTAL
	Designated at fair value on initial recognition	Held for trading	Level (1)				
Other non-current financial assets	6.4	-	III	21.5	2.2	-	**30.1**
Trade and other debtors	-	-		-	937.4	-	**937.4**
Other current financial assets	-	4.5		-	-	-	**4.5**
Currency derivatives	-	*4.5*	II	-	-	-	***4.5***
Interest rate derivatives	-	-		-	-	-	**-**
Financial assets used for treasury management purposes	-	-		-	-	-	**-**
Cash and cash equivalents	-	-		-	703.1	-	**703.1**

(1) *See the "Use of estimates and judgment" section of Note 7-3-5.*

2014 (€m)	Financial assets at fair value through profit or loss			Available-for-sale financial assets	Loans and receivables	Held-to-maturity investments	TOTAL
	Designated at fair value on initial recognition	Held for trading	Level (1)				
Other non-current financial assets	6.8	-	III	18.6	3.8	-	**29.2**
Trade and other debtors	-	-		-	1,136.6	-	**1,136.6**
Other current financial assets	-	7.3		-	-	-	**7.3**
Currency derivatives	-	*7.3*	II	-	-	-	***7.3***
Interest rate derivatives	-	-		-	-	-	**-**
Financial assets used for treasury management purposes	-	-		-	-	-	**-**
Cash and cash equivalents	-	-		-	501.4	-	**501.4**

(1) *See the "Use of estimates and judgment" section of Note 7-3-5.*

In 2015 and 2014, financial assets designated at fair value through profit or loss on initial recognition mainly comprised 1,534 ITAS group share warrants. Those warrants, conditionally exercisable in four years' time, are related to the Group's entitlement to contingent consideration.

No transfers between the different levels of the fair value hierarchy were made in either 2015 or 2014.

7-3-5-2. Other non-current financial assets

Accounting policy:

Other non-current financial assets are measured at fair value, with changes in fair value recognised in profit or loss.

This category includes:

- financial assets classified as held for trading, which comprise assets acquired for the purpose of reselling them in the near term at a profit or which are part of a portfolio of financial instruments that are managed together and for which there is a pattern of short-term profit taking;
- assets designated by the Group on initial recognition as financial instruments at fair value through profit or loss.

Other non-current financial assets break down as follows:

(€m)	2015	2014
Equity investments in non-consolidated entities	21.5	18.6
Loans and advances to non-consolidated investees (1)	7.2	7.5
Loans receivable	-	-
Deposits and caution money	1.4	3.1
Other financial assets - continuing operations	**30.1**	**29.2**

(1) In 2015 and 2014, this item mainly comprised 1,534 ITAS group share warrants. Those warrants, conditionally exercisable in four years' time, are related to the Group's entitlement to contingent consideration.

- **Equity investments in non-consolidated entities**

The main equity investments in non-consolidated entities break down as follows:

(€m)	% interest at year-end	Gross value 2015	Gross value 2014	Impairment 2015	Impairment 2014	Carrying amount 2015	Carrying amount 2014
A1 International	50%	**12.8**	12.8	**(12.8)**	(12.8)	**-**	-
En Direct Avec	0%	**-**	4.0	**-**	(4.0)	**-**	-
Teads	7.2%	**3.5**	3.5	**-**	-	**3.5**	3.5
SHIP	0%	**-**	0.8	**-**	(0.8)	**-**	-
Sofica valor 7	83%	**14.0**	9.9	**-**	-	**14.0**	9.9
Soread	12%	**1.6**	1.6	**(1.6)**	(1.6)	**-**	-
Sylver	49%	**3.7**	3.7	**(2.8)**	-	**0.9**	3.7
Other		**5.2**	3.6	**(2.1)**	(2.1)	**3.1**	1.5
Equity investments in non-consolidated entities		**40.8**	**39.9**	**(19.3)**	**(21.3)**	**21.5**	**18.6**

Impairment tests were performed on all these investments, and indicated no evidence of impairment in 2015 (other than on the investment in Sylver) or in 2014.

7-3-6. Non-current provisions

Accounting policy:

The main types of non-current provisions are described below.

- **Provisions for retirement benefits**

  The Group's employees are entitled to retirement benefits under defined-contribution and defined-benefit plans, which may be partially managed via the Group's pension funds.

  The employees of TF1 group subsidiaries belong to general and supplementary French pension schemes. These are defined-contribution plans, under which the TF1 group's obligation is limited to the payment of a periodic contribution based on a specified percentage of staff costs. Those contributions are expensed in profit or loss for the period under "Staff costs".

  The Group's obligation is partially covered by an insurance contract. The provision for retirement benefits recognised in the balance sheet represents the total obligation less the value of this contract.

  Use of estimates and judgment:

  The pension cost recognised for defined-benefit plans is determined using the projected unit credit method at the expected retirement date, based on final salary, and taking account of:

  - vested benefit entitlements under collective agreements for each category of employee based on length of service;
  - staff turnover rate, calculated using historical average data for employees leaving the Group;
  - salaries and wages, including a coefficient for employer's social security charges as currently payable;
  - an annual salary inflation rate;

- life expectancy of employees, determined using statistical tables;
- a discount rate, applied to the obligation and reviewed annually.

Actuarial gains and losses arise on defined-benefit post-employment benefit plans as a result of changes in the actuarial assumptions used to measure the obligation and plan assets from one period to the next, and of differences between actual market conditions and the expected market conditions used in the assumptions. Since January 1, 2011, the TF1 group has recognised actuarial gains and loss directly in equity, in accordance with the revised IAS 19.

- **Provisions for litigation, claims and risks**

These provisions cover litigation, claims and non-recurring risks for which settlement occurs outside the normal operating cycle.

Provisions for litigation and claims include the estimated amount payable to third parties in respect of litigation and claims. They also include provisions for charges relating to disputes with tax and social security authorities; in such cases, the amount shown on reassessment notices issued by the authorities is provided for unless the company concerned regards it as highly probable that it will successfully defend its position against the authorities.

Use of estimates and judgment:

These provisions are measured as the probable outflow of resources resulting from ongoing litigation or claims arising from an event prior to the end of the reporting period.

7-3-6-1. Analysis of non-current provisions

The table below shows movements in non-current provisions during 2015 and 2014:

(€m)	**Provisions for:**		**TOTAL**
	Retirement benefits	**Commitments**	
January 1, 2014	**28.4**	**12.4**	**40.8**
Charges	3.0	1.0	4.0
Reversals: used	(0.6)	-	(0.6)
Reversals: unused	(1.3)	(0.6)	(1.9)
Actuarial gains and losses	6.3	-	6.3
Changes in scope of consolidation and reclassifications	(0.2)	-	(0.2)
December 31, 2014	**35.6**	**12.8**	**48.4**
Charges	3.1	0.1	3.2
Reversals: used	(1.7)	(0.1)	(1.8)
Reversals: unused	(1.5)	-	(1.5)
Actuarial (gains)/losses	3.5	-	3.5
Changes in scope of consolidation and reclassifications	(0.5)	-	(0.5)
December 31, 2015	**38.5**	**12.8**	**51.3**

Provisions for commitments relate to the risk of loss on audiovisual assets that the Group has committed to acquire.

7-3-6-2. Provisions for retirement benefit obligations

Accounting policy:

Use of estimates and judgement: provisions for retirement benefit obligations are calculated by the TF1 group itself using the projected unit credit method, as described in Note 7-3-6 above. This calculation is sensitive to assumptions regarding the discount rate, the salary inflation rate and the staff turnover rate.

Main actuarial assumptions

	2015	2014	2013	2012	2011
Discount rate (Iboxx A10)	2.1%	2.0%	3.2%	3.3%	5.5%
Expected rate of return on plan assets	2.1%	2.0%	3.2%	3.1%	3.4%
Expected salary inflation rate	2.0%	2.0%	2.0%	2.0%	2.0%
Life table	INSEE	INSEE	INSEE	INSEE	INSEE

The staff turnover rate used in calculating the provision at December 31, 2015 was 6.6%, unchanged from 2014.

A reduction of 50 basis points in the discount rate applied would increase the obligation by €2.5 million. Under the accounting policies applied by the Group, the resulting actuarial losses would be recognised directly in equity.

Expense recognised in the income statement for retirement benefit obligations

(€m)	2015	2014
Current service cost	(2.4)	(2.1)
Interest expense on the obligation	(0.8)	(1.1)
Expected return on plan assets	0.2	0.2
Past service cost	-	-
Expense recognised	**(3.0)**	**(3.0)**
net change in provisions	*0.1*	*(1.1)*
amount recognised in "Staff costs"	*(3.1)*	*(1.9)*
Actual return on plan assets	**0.2**	**0.2**

Amounts recognised in the balance sheet for retirement benefit obligations

The amount recognised in the balance sheet for the TF1 group's retirement benefit obligations breaks down as follows:

(€m)	2015	2014	2013	2012	2011
Present value of obligation	44.8	41.7	34.3	33.0	26.4
Fair value of plan assets	(6.3)	(6.1)	(5.9)	(5.7)	(5.5)
Unfunded obligation provided for	**38.5**	**35.6**	**28.4**	**27.3**	**20.9**

Changes in the present value of the retirement benefit obligation

(€m)	2015	2014
Defined-benefit plan obligation at start of period	**41.7**	**34.3**
Current service cost for the period	2.4	2.1
Interest cost (unwinding of discount)	0.8	1.1
Reversals of provisions	(3.1)	(1.9)
Actuarial (gains)/losses	3.5	6.3
Changes in scope of consolidation and reclassifications	(0.5)	(0.2)
Held-for-sale operations	-	-
Defined-benefit plan obligation at end of period	**44.8**	**41.7**

Changes in the fair value of plan assets

(€m)	2015	2014
Fair value of insurance policy assets at start of period	**6.1**	**5.9**
Employer's contributions	-	-
Benefits paid	-	-
Expected return on plan assets	0.2	0.2
Actuarial gains/(losses)	-	-
Fair value of insurance policy assets at end of period	**6.3**	**6.1**

Plan assets are in the form of contributions paid into "Fonds Club no.1", a mutual fund denominated in euros and managed by an independent financial institution. Based on financial information supplied by the fund manager, the gross return was 2% in 2015. As of December 31, 2015, the fund had an estimated fair value of €6.3 million.

7-4. Shareholders' equity

7-4-1. Share capital

Accounting policy:

Treasury shares acquired by the TF1 group are deducted from consolidated equity. No gains or losses arising on the purchase, sale or cancellation of treasury shares are recognised in the income statement.

As of December 31, 2015, the share capital of TF1 SA consisted of 210,521,267 fully paid ordinary shares. Movements in share capital during 2015 were as follows:

Number of shares	**Number of shares outstanding**	**Number of treasury shares**	**Total number of shares**
January 1, 2014	**211,260,013**	**-**	**211,260,013**
Capital increases	268,751	-	268,751
Purchases of treasury shares	-	-	-
Cancellation of treasury shares	-	-	-
January 1, 2015	**211,528,764**	**-**	**211,528,764**
Capital increases	474,986	-	474,986
Purchases of treasury shares [1]	(2,969,765)	2,969,765	-
Cancellation of treasury shares	-	(1,482,483)	(1,482,483)
December 31, 2015	**209,033,985**	**1,487,282**	**210,521,267**
Par value	*€0.20*	*€0.20*	*€0.20*

(1) Treasury shares: see Note 7-4-6-4 on share buybacks below

7-4-2. Earnings per share

Accounting policy:

Basic earnings per share is obtained by dividing net profit for the period by the weighted average number of shares outstanding during the period.

All shares conferring unrestricted rights upon the shareholder are included. Shares in the parent company held by the company itself or by consolidated companies are excluded from the average number of shares outstanding.

Diluted earnings per share is calculated by including all financial instruments giving future access to the capital of the parent company, whether these instruments are issued by the parent company itself or by a subsidiary. The dilutive effect is calculated separately for each instrument, based on the conditions prevailing at the end of the reporting period. Anti-dilutive instruments are excluded.

Non-dilutive stock subscription option plans are excluded from this calculation.

Basic earnings per share is calculated on the basis of net profit for the year attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the year.

Because potentially dilutive ordinary shares have no adjusting effect on net profit for the year, diluted earnings per share is calculated on the basis of net profit for the year attributable to ordinary shareholders and of the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of all potentially dilutive ordinary shares. Diluted earnings per share takes account of the dilutive effect of free share allotment plans, and of stock subscription option plans where the exercise price is lower than the average quoted market price of TF1 shares over the period.

	2015	2014
Net profit/(loss) for the year (€m)		
Net profit/(loss) from continuing operations (attributable to the Group)	99.9	99.9
Net profit/(loss) from discontinued or held-for-sale operations	-	312.8
Net profit/(loss) attributable to the Group	99.9	412.7
Weighted average number of ordinary shares	**210,785,909**	**211,395,763**
Basic earnings per share (in euros)		
Basic earnings per share from continuing operations	0.47	0.47
Basic earnings per share from discontinued/held-for-sale operations	-	1.48
Basic earnings per share	0.47	1.95
Average number of ordinary shares after dilution	**211,775,423**	**212,262,155**
Diluted earnings per share (in euros)		
Diluted earnings per share from continuing operations	0.47	0.47
Diluted earnings per share from discontinued/held-for-sale operations	-	1.47
Diluted earnings per share	0.47	1.94

The average number of ordinary shares after dilution is obtained by taking account of the following dilutive effects:

(number of shares)	2015	2014
Weighted average number of ordinary shares for the period	210,785,909	211,395,763
Dilutive effect of stock subscription option plans	989,514	866,392
Dilutive effect of free share allotment plan	-	-
Average number of ordinary shares after dilution	211,775,423	212,262,155

In 2015, stock subscription option plans no. 11 (awarded March 20, 2009), no.12 (awarded June 10, 2011) and no. 13 (awarded June 12, 2012) had an adjusted exercise price lower than the average quoted market price of TF1 shares over the period.

In 2014, share subscription option plans no. 11 (awarded March 20, 2009) and no. 13 (awarded June 12, 2012) had an adjusted exercise price lower than the average quoted market price of TF1 shares over the period.

7-4-3. Other transactions with shareholders:

"Other transactions with shareholders" relates to the buyout by TF1 of the Discovery Group's 20% equity interest in Prefas 18 for €14.6 million (see Note 1, "Significant events of the year").

7-4-4. Other movements (changes in accounting policy and scope of consolidation, other items)

In the year ended December 31, 2015:

- The movement of €2.9 million in reserves attributable to the Group relates to the retrospective application of IFRIC 21 (see Note 2.2.1).
- The reduction of €14.8 million in non-controlling interests mainly reflects the deconsolidation of the 20% interest held by Discovery Communications in the Eurosport France subsidiary (see Note 1, "Significant events of the year").

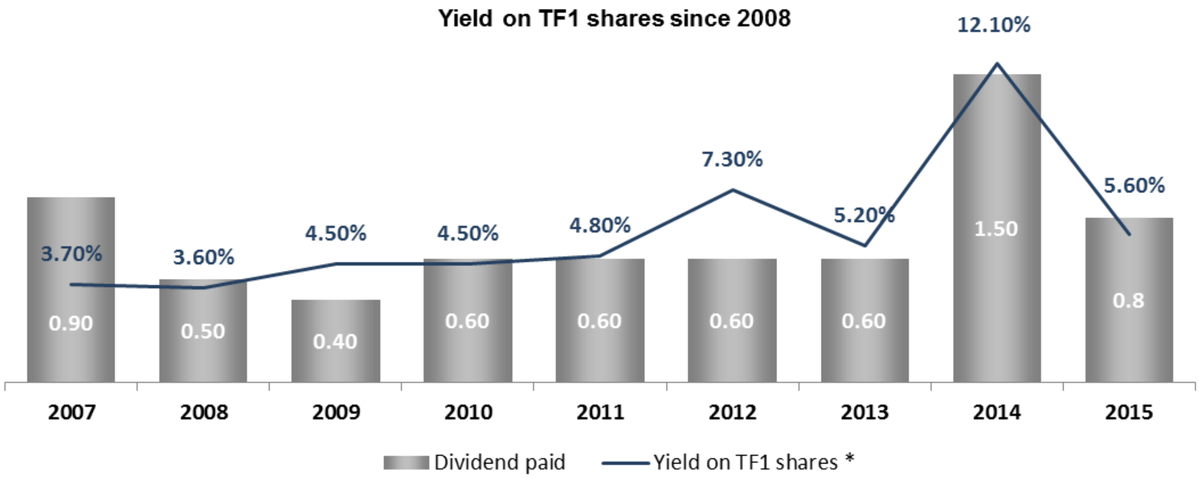
In the year ended December 31, 2014, the reduction of €91.6 million in non-controlling interests relates to the deconsolidation, effective May 30, 2014, of the 20% interest held by Discovery Communications in the Eurosport International group. This deconsolidation reflected the fact that following the acquisition of an additional 31% interest, Discovery Communications obtained control over the Eurosport International group on that date (see Note 3.2., "Significant changes in scope of consolidation in prior year").

7-4-5. Changes in equity not affecting the income statement

Dividends

The chart below shows:

- the amount of dividend paid by the Group, and the yield on TF1 shares, in respect of previous years;
- the amount of dividend in respect of the year ended December 31, 2015 that will be submitted by the Board of Directors for approval by the Ordinary General Meeting of shareholders to be held on April 14, 2016, and the yield represented by that dividend.



** dividend paid per share divided by average closing share price for the year*

The proposed dividend in respect of the year ended December 31, 2015, to be paid in 2016, amounts to €168.4 million. This comprises (i) an ordinary dividend of €0.28 per share and (ii) an exceptional dividend of €0.52 per share following the TF1 group's sale of a controlling interest in its Eurosport International subsidiary.

The dividend paid in 2015 in respect of the year ended December 31, 2014 amounted to €317.3 million, and consisted of (i) an ordinary dividend of €0.28 per share and (ii) an exceptional dividend of €1.22 per share.

Because the dividend payable in 2016 is subject to approval by the shareholders, it was not recognised as a liability in the consolidated financial statements as at December 31, 2015.

7-4-6. Share-based payment and stock option plans

7-4-6-1. Details of stock subscription/purchase option plans

	Plan no. 10	Plan no. 11	Plan no. 12	Plan no. 13	Plan no. 14
Date of Shareholders' Meeting	Apr. 17, 2007	Apr. 17, 2007	Apr. 14, 2011	Apr. 14, 2011	Apr. 17, 2014
Date of Board meeting	Feb. 20, 2008	Feb. 18, 2009	May 12, 2011 & Jul. 25, 2011	May 14, 2012	Apr. 29, 2015
Date of grant	Mar. 20, 2008	Mar. 20, 2009	Jun. 10, 2011	Jun. 12, 2012	Jun. 12, 2015
Type of plan	subscription	subscription	subscription	subscription	subscription
Total number of options granted	2,000,000	2,000,000	1,500,000	1,437,200	1,308,800
- to corporate officers	*56,000*	*56,000*	*7,200*	*7,200*	*16,000*
- to the 10 employees granted the most options	*340,000*	*340,000*	*272,000*	*302,000*	*288,000*
Total number of options granted subject to performance conditions	0	50,000	1,500,000	1,437,200	1,308,800
Start date of exercise period	Mar. 20, 2011	Mar. 20, 2012	Jun. 10, 2015	Jun. 12, 2016	Jun 12, 2018
Expiration date	Mar. 20, 2015	Mar. 20, 2016	Jun. 10, 2018	Jun. 12, 2019	Jun. 12, 2022
Subscription price	€15.35	€5.98	€12.47	€6.17	€15.46
Terms of exercise	Exercisable from 3rd anniversary of date of grant Negotiable from 4th anniversary of date of grant		Exercisable and negotiable from 4th anniversary of date of grant		Exercisable andnegotiable from 3rd anniversary of date of grant
Number of shares subscribed at December 31, 2015	-	1,517,824	244,400	-	-
Cumulative number of options cancelled, not awarded, or forfeited	2,000,000	275,000	147,200	129,200	0
Number of options outstanding at the end of the period	**0**	**207,176**	**1,108,400**	**1,308,000**	**1,308,800**

7-4-6-2. Movement in number of options outstanding

	2015		2014	
	Number of options	Weighted average subscription/ purchase price (€)	Number of options	Weighted average subscription/ purchase price (€)
Options outstanding at January 1	**4,819,862**	**11.17**	**5,157,013**	**10.87**
Options granted	1,308,000	15.46	-	-
Options cancelled, not awarded, or forfeited	(16,800)	7.97	(68,400)	8.52
Options exercised	(474,986)	9.32	(268,751)	5.98
Options expired	(1,704,500)	15.35	-	-
Options outstanding at December 31	**3,932,376**	**11.03**	**4,819,862**	**11.17**
Options exercisable at December 31	*1,315,576*	*11.45*	*2,142,262*	*13.44*

A total of 474,986 options were exercised during 2015. The average residual life of options outstanding as of December 31, 2015 was 49 months (compared with 29 months as of December 31, 2014).

7-4-6-3. Share-based payment expense

Accounting policy:

TF1 maydecide to award stock subscription option plans (see Note 7-4-6-1) and free share allotment plans to its employees.

In accordance with IFRS 2, the cost of such equity-settled share-based payment plans is recognised as an expense in “Staff costs”, with the credit entry recognised in equity.

The total expense relating to stock subscription option plans is measured at the date of grant using the Black-Scholes-Merton model, and is recognised over the vesting period.

The total expense relating to free share allotment plans is measured at the date of grant (taking into account any specific terms and conditions liable to affect fair value), and recognised over the vesting period on a straight line basis.

The matching entry for the movement in this reserve during the period is charged to “Staff costs” in the income statement (see Note 5-1).

- **Expense related to stock option plans awarded by the TF1 group**

The expense related to stock option plans, as recognised in “Staff costs”, breaks down as follows:

(€m)	Date of grant	Lock-up period	Total fair value	Staff costs	
				2015	**2014**
Plan no. 12	Jun. 10, 2011	4 years	1.8	0.1	0.4
Plan no. 13	Jun. 12, 2012	4 years	0.7	0.4	0.2
Plan no. 14	Jun. 12, 2015	3 years	3.6	0.8	-
Total				**1.3**	**0.6**

Stock option plan expense was computed using the Black-Scholes model and the following assumptions:

	Reference share price	Exercise price	Expected volatility	Average maturity	Risk-free rate	Payout ratio	Liquidity discount	Fair value per option
Plan no. 12	€12.40	€12.47	31%	5.25 years	2.61%	4.64%	-15%	€1.18
Plan no. 13	€5.72	€6.17	40%	5.18 years	1.63%	7.65%	-15%	€0.70
Plan no. 14	€15.70	€15.46	28%	5.18 years	0.41%	1.57%	-15%	€2.75

The average maturity used is less than the contractual life of the option in order to take account of exercises by grantees ahead of the contractual expiry date. The volatility assumptions used are consistent with the implied volatility reflected in the price offered at the date of grant by leading banks for TF1 stock options with the same maturity.

- **Expense related to employee benefit plans awarded by the Bouygues group**

The expense related to plans awarded by the Bouygues group to TF1 employees was not material for 2015.

7-4-6-4. Share buybacks

Under the new share buyback programme approved by the Annual General Meeting of April 16, 2015, TF1 repurchased 2,969,765 of its own shares during the third quarter of 2015 for a total amount of €40.0 million.

The Group did not repurchase any of its own shares during 2014.

7-4-6-5. Put options granted to non-controlling interests

The TF1 group had no commitments in place as of December 31, 2015 that constituted a put option exercisable by non-controlling interests.

7-4-7. Cash flow hedge reserve

(€m)	2015	2014
Reserve as of January 1	**3.3**	**(3.6)**
Cash flow hedges reclassified to profit or loss during the period [1]	(6.5)	(0.4)
Change in fair value of new cash flow hedges contracted during the period	2.2	4.5
Change in fair value of existing portfolio of cash flow hedges during the period	2.1	2.8
Reserve as of December 31	**1.1**	**3.3**

[1] *Amounts reclassified from equity to profit or loss are recognised as a component of operating profit.*

7-5. Net debt and financial liabilities

7-5-1. Net debt

Net debt as reported by the TF1 group comprises the following items:

(€m)	2015	2014
Cash and cash equivalents	703.1	501.4
Available cash	**703.1**	**501.4**
Fair value of interest rate derivatives	**-**	**-**
Current debt	(2.3)	(4.4)
Total debt	**(2.3)**	**(4.4)**
Net surplus cash (+) / Net debt (-)	**700.8**	**497.0**

7-5-1-1. Cash and cash equivalents

Accounting policy:

The line “Cash and cash equivalents” in the balance sheet comprises cash, cash equivalents, and debit balances on treasury current accounts.

Cash consists of liquidity available in bank current accounts, and sight deposits. Cash equivalents are assets held in order to meet short-term treasury needs. Investments qualify as cash equivalents if they are readily convertible into cash, are subject to an insignificant risk of changes in value, and have a maturity of less than three months. Treasury current accounts represent cash invested with non-consolidated equity investees, joint ventures or associates, and current accounts with other Bouygues group entities.

Cash and treasury current accounts are financial assets classified in the “Loans and receivables” category, and carried at amortised cost.

Cash and cash equivalents consists of the following items:

(€m)	2015	2014
Cash	11.3	23.3
Treasury current accounts [1]	691.8	478.1
Cash and cash equivalents of continuing operations	**703.1**	**501.4**

[1] *These accounts are with associates, joint ventures, non-consolidated investees, and Bouygues group companies (including €691 million with Bouygues Relais).*

7-5-2. Financial liabilities

Accounting policy:

Financial liabilities are classified in one of two categories: financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost.

- Financial liabilities **at fair value through profit or loss** comprise:
  - liabilities regarded as held for trading, comprising liabilities incurred principally with a view to their redemption in the near term;
  - liabilities designated by the Group on initial recognition as financial instruments at fair value through profit or loss.

- The Group's non-derivative financial liabilities measured **at amortised cost**mainly comprise borrowings (including credit facilities contracted with banks or with the Group), treasury current accounts with credit balances, bank overdrafts, and finance lease obligations.

Where a financial liability is wholly or partially hedged by an interest rate instrument, the hedged portion is accounted for under hedge accounting rules (see Note 8-2-2).

- **Commitments to buy out non-controlling interests:**

Commitments to buy out non-controlling interests are recognised as a financial liability, in accordance with IAS 32.

Since January 1, 2010, the effective date of the amended IAS 27, TF1 has elected to recognise such financial liabilities by debiting equity, with no impact on the recognition of non-controlling interests. Apart from discounting effects (recognised in "Expenses associated with net debt"), the effects of subsequent changes in the liability are also recognised in equity.

For commitments to buy out non-controlling interests relating to a business combination completed prior to January 1, 2010, TF1 recognised the excess of the amount of the liability over the carrying amount of the related non-controlling interests, and subsequent changes in the fair value of the liability (other than discounting effects), as goodwill.

Use of estimates and judgment: the fair value of financial instruments is determined by reference to market prices. In the case of derivatives, market prices are determined and supplied to the TF1 group by its bank counterparties. Where no quoted market price is available, fair value is estimated using other valuation methods such as the discounted cash flow method.

The table below shows financial liabilities by category:

	Financial liabilities at fair value through profit or loss				
2015 (€m)	**Designated at fair value on initial recognition**	**Held for trading**	**Level (1)**	**Financial liabilities at amortised cost**	**TOTAL**
Non-current debt	-	-		-	**-**
Current debt	-	-		2.3	**2.3**
Trade and other creditors	-			1,339.7	**1,339.7**
Other current financial liabilities	-	-		-	**-**
Currency derivatives	-	-		-	-
Interest rate derivatives	-	-		-	-

(1) *See the "Use of estimates and judgment" section of Note 7-3-5.*

2014 (€m)	Financial liabilities at fair value through profit or loss		Level (1)	Financial liabilities at amortised cost	TOTAL
	Designated at fair value on initial recognition	Held for trading			
Non-current debt	-	-		-	**-**
Current debt	-	-		4.4	**4.4**
Trade and other creditors	-			1,566.5	**1,566.5**
Other current financial liabilities	-	-		-	**-**
Currency derivatives	-	-		-	-
Interest rate derivatives	-	-		-	-

(1) *See the "Use of estimates and judgment" section of Note 7-3-5.*

- **Fair value of financial liabilities**

  Because of their short maturities, the carrying amount of bank overdrafts, trade and other creditors and current debt is regarded as an approximation of their fair value.

  The fair value of derivatives is estimated using valuations obtained from bank counterparties or from financial models generally used in the financial markets on the basis of market data at the end of the reporting period (level II method), except for the transactions described below which are measured using Level III criteria as defined in the "Use of estimates and judgment" section of Note 7-3-5.

8 Risk management

8-1. Capital management policy

The TF1 group has a policy of maintaining a stable capital base, apart from share buybacks (see the present Annual Financial Report and Registration Document).
In terms of equity capital, the Group uses various indicators, including gearing (defined as the ratio of net debt to equity). Gearing provides investors with an indication of the Group's level of indebtedness relative to the level of equity capital. It is calculated on the basis of net debt as defined in Note 7-5-1 and of shareholders' equity, including reserves used to recognise changes in the fair value of cash flow hedges and of available-for-sale financial assets.
As of December 31, 2015 and December 31, 2014, the Group had net surplus cash of €700.8 million and €497.0 million respectively, so gearing was zero.

8-2. Financial risk management policy

Liquidity risk and market risk (interest rate risk, foreign exchange risk and own equity risk) are managed centrally by the Financing, Treasury and Investor Relations department. The Group also has policies in place to limit the risk of dependence on counterparties.

8-2-1. Liquidity risk

The Banking Operations Unit and the Financing, Treasury and Investor Relations Department are responsible for ensuring that the Group has access to adequate, sustainable and appropriate sources of financing. This involves:

- daily multi-currency pooling of surplus cash held by all Group entities, to minimise the need for external funding;
- analysis and periodic updating of cash flow projections for all Group entities;
- negotiating and maintaining an adequate cushion of credit facilities, with phased maturities.

The Group assesses liquidity risk by reference to the global drawdown on its confirmed credit facilities, net of available cash.

Financing risk:

The TF1 group's financing strategy is based on its ability to cope with market fluctuations and a deteriorating economy while retaining its financial autonomy vis-à-vis the financial and banking markets. The strategy is devised so as to retain the possibility of seizing opportunities for organic growth or acquisitions, while at the same time optimizing the cost of financing by actively managing and renewing the portfolio of credit facilities. The Group's credit facilities are spread among a significant number of French and international banks. They are bilateral facilities and are not subject to covenants regarding financial ratios.

As of December 31, 2015, TF1 had access to confirmed bilateral credit facilities with banks totalling €905.0 million, backed up by a cash pooling agreement with the Bouygues group. As of December 31, 2015, nothing was drawn down under this cash pooling agreement.

The Group had no outstanding finance lease obligations as of December 31, 2015.

2015 (€m)	Authorised facilities			Drawdowns			Available facilities
	Less than 1 year	1 to 5 years	**Total**	Less than 1 year	1 to 5 years	**Total**	
Confirmed bilateral facilities	245.0	660.0	**905.0**	-	-	**-**	**905.0**
Finance leases	-	-	**-**	-	-	**-**	**-**
Bouygues cash pooling agreement	-	-	**-**	-	-	**-**	**-**
TOTAL	**245.0**	**660.0**	**905.0**	**-**	**-**	**-**	**905.0**

2014 (€m)	Authorised facilities			Drawdowns			Available facilities
	Less than 1 year	1 to 5 years	**Total**	Less than 1 year	1 to 5 years	**Total**	
Confirmed bilateral facilities	130.0	775.0	**905.0**	-	-	**-**	**905.0**
Finance leases	1.1		**1.1**	1.1	-	**1.1**	**-**
Bouygues cash pooling agreement	-	-	**-**	-	-	**-**	**-**
TOTAL	**131.1**	**775.0**	**906.1**	**1.1**	**-**	**1.1**	**905.0**

Credit rating:

The TF1 group has a credit rating from Standard & Poor's, which currently stands at BBB+/stable/A-2.

Maturity of non-derivative financial liabilities

The tables below provide a schedule of undiscounted future repayments (principal and interest) of financial liabilities, based on residual contractual maturities:

	Carrying amount	**Residual contractual amount**		
2015 (€m)		Less than 1 year	1 to 5 years	Total
Finance leases	-	-	-	-
Trade and other creditors	1,339.7	1,339.7	-	1,339.7
Other financial liabilities	2.3	2.3	-	2.3
TOTAL	**1,342.0**	**1,342.0**	**-**	**1,342.0**

	Carrying amount	**Residual contractual amount**		
2014 (€m)		Less than 1 year	1 to 5 years	Total
Finance leases	1.1	1.1	-	1.1
Trade and other creditors	1,566.5	1,566.5	-	1,566.5
Other financial liabilities	3.3	3.3	-	3.3
TOTAL	**1,570.9**	**1,570.9**	**-**	**1,570.9**

Investment of surplus cash

The Group exercises great care in choosing the vehicles in which it invests temporary or structural cash surpluses. Group policy requires such investment vehicles to be:

- liquid, i.e. immediately accessible (current accounts, interest-bearing instant access accounts, etc), with a maturity of no more than 3 months;
- paid interest on the basis of money-market indices, with no capital risk other than counterparty risk, and with a floor rate of 0%;
- contracted with high-grade counterparties.

As of December 31, 2015, €691.0 million out of the €700.8 million of net surplus cash was invested with Bouygues Relais under the terms of the cash pooling arrangement between the two entities.

(€m)	2015	2014
Interest-bearing bank account	4.2	10.7
Bouygues Relais cash pooling agreement	691.0	477.0
Other treasury current accounts	7.9	13.7
TOTAL	**703.1**	**501.4**

8-2-2. Market risk

The Group manages its exposure to interest rate and exchange rate risk by using hedging instruments such as swap contracts, forward purchases and sales, and interest rate and currency options. Derivatives are used solely for hedging purposes and are never used for speculative purposes.

The Financing, Treasury and Investor Relations Department manages interest rate and currency hedges centrally for the Group. It tracks the financial markets on a daily basis, and periodically updates the positions to be hedged after netting similar types of exposures between Group entities. The department submits hedging scenarios to the Strategy/Finance/Purchasing directorate for approval; once they have been approved, it executes and administers the relevant market transactions.

Accounting policy:

Derivative financial instruments are initially recognised at fair value as of the inception date of the contract, and are subsequently measured at fair value in accordance with IAS 39.

The Group uses derivative financial instruments such as swaps, interest rate options, forward currency purchases and currency options to hedge its exposure to fluctuations in interest rates and exchange rates. Group policy is to trade on the financial markets solely for hedging purposes related to its business activities, and not to trade for speculative purposes.

- Derivative financial instruments designated as hedges

For hedge accounting purposes, a hedge may be classified into one of two categories:

- fair value hedges, which hedge the exposure to changes in fair value of a recognised asset or liability or of a firm commitment, such as a fixed-rate loan or borrowing or an asset or liability denominated in a foreign currency;
- cash flow hedges, which hedge the exposure to variability in cash flows attributable to:
  - an asset or liability such as a floating-rate loan or borrowing;
  - a highly probable forecast transaction; or
  - foreign exchange risk relating to a firm commitment.

At the inception of a hedge, the Group formally designates the financial instrument to which hedge accounting will apply, and documents:

- the hedging relationship;
- the effectiveness of the hedging relationship, by conducting effectiveness tests both at inception and throughout all the financial reporting periods during which the hedge is designated.

Hedging instruments that qualify for hedge accounting are accounted for as follows:

- fair value hedges: changes in the fair value of the hedging instrument are recognised in profit or loss for the period symmetrically with changes in the fair value of the hedged item. The hedging instrument and the hedged item are both recognised in the balance sheet at fair value;

- cash flow hedges: the gain or loss (net of taxes) arising on the effective portion of the hedging instrument is recognised in equity, and the gain or loss on the ineffective portion is recognised in profit or loss. The amounts recognised in equity are taken to profit or loss in the period in which the hedged transaction affects the income statement.

- Derivative financial instruments not designated as hedges

Gains and losses arising from changes in the fair value of derivatives not designated as hedges within the meaning of IAS 39 are recognised in the income statement.

8-2-2-1. Interest rate risk

The Group is exposed to interest rate risk as a result of its financing needs. The objective of the Group's interest rate risk management strategy is to lock in a fixed rate, or to a guarantee a maximum rate, for cost of net debt over the short and medium term.

Exposure and sensitivity to interest rate risk:

No interest rate hedges were in place as of December 31, 2015 or December 31, 2014. The schedules below analyse financial assets and financial liabilities, and the net exposure, by interest rate type and maturity.

	Financial assets		Financial liabilities		Net pre-hedging exposure		Hedging instruments		Net post-hedging exposure	
2015 *(€m)*	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Less than 1 year	4.2	698.9		(2.3)	4.2	696.6	-	-	**4.2**	**696.6**
1 to 5 years	-	-	-	-	-	-	-	-	**-**	**-**
TOTAL	**4.2**	**698.9**		**(2.3)**	**4.2**	**696.6**	**-**	**-**	**4.2**	**696.6**

	Financial assets		Financial liabilities		Net pre-hedging exposure		Hedging instruments		Net post-hedging exposure	
2014 *(€m)*	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Less than 1 year	10.7	490.7	(1.1)	(3.3)	9.6	487.4	-	-	**9.6**	**487.4**
1 to 5 years	-	-	-	-	-	-	-	-	**-**	**-**
TOTAL	**10.7**	**490.7**	**(1.1)**	**(3.3)**	**9.6**	**487.4**	**-**	**-**	**9.6**	**487.4**

The sensitivity analysis shown below measures the theoretical impact on cost of net debt of an immediate and constant movement of 1% across the entire yield curve for 2014 and 2015.
It is defined as the impact of applying this 1% movement to the net floating-rate exposure (this exposure being assumed to be constant over one year).

	2015		2014	
	Pre-tax impact on profit or loss	Pre-tax impact on equity	Pre-tax impact on profit or loss	Pre-tax impact on equity
Impact of a movement of +1% in interest rates	7.0	-	4.9	-
Impact of a movement of -1% in interest rates	N/A (1)	-	N/A (1)	-

(1) As of December 31, 2015 and 2014, the level of short-term interest rates is such that TF1 has no material exposure as a result of its positive net cash position.

Interest rate derivatives:

The TF1 group has not held any interest rate derivatives since 2011.

8-2-2-2. Foreign exchange risk

Risk of significant fluctuations in the euro/dollar exchange rate, and techniques used to manage that risk

The Group is exposed to the risk of fluctuations in the exchange rate between the euro and the U.S. dollar because it acquires American programmes and consumer products and pays for them in U.S. dollars.

Consequently, any significant appreciation in the U.S. dollar could have a negative effect on the Group's results.

Over a twelve-month time horizon, the risk is managed using appropriate hedging instruments that provide protection against a deterioration in the exchange rate position and eliminate the cash effect over the duration of the hedge.

At the same time, the Group is committed to reducing its exposure to the U.S. dollar by increasing the extent to which it uses the euro as the currency of payment in programme acquisition contracts.

Multi-currency foreign exchange risk

Accounting policy:

Foreign currency translation: transactions denominated in foreign currencies carried out by subsidiaries are initially translated into the functional currency of the subsidiary or entity using the exchange rate at the transaction date. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rate. Any resulting translation differences are taken to profit or loss. Non-monetary assets and liabilities denominated in a foreign currency are recognised at historical cost and translated using the exchange rate at the transaction date.

The Group's exposure to foreign exchange risk is of an operational nature. It derives from recurring cash flows under long-term broadcasting and sports transmission rights acquisition contracts (primarily in the U.S. dollar, pound sterling and Swiss franc).

During 2015, over 99% of the Group's cash inflows were in euros, 0.5% were in Swiss francs, and 0.2% in U.S. dollars.

As regards cash outflows, 96% (including acquisitions of audiovisual rights) were in euros, 3.7% in U.S. dollars, and 0.1% in sterling and Swiss francs.

The objective of the Group's foreign exchange risk management policy is to lock in or guarantee a maximum exchange rate on its net long position and a minimum exchange rate on its net short position in each of the currencies used, over a rolling 12-to-18-month period.

Exposure and sensitivity to foreign exchange risk.

The table below shows the Group's exposure to foreign exchange risk as of December 31, 2015:

Equivalent value in euros at 2015 closing exchange rates (€m)	**USD [1]**	**GBP [2]**	**CHF [3]**	**Other currencies**	**Total**
Assets	5.2	0.5	2.8	0.1	8.6
Liabilities	(71.8)	-	(0.9)	(0.0)	(72.7)
Off balance sheet commitments	(64.5)	-	-	-	(64.5)
Pre-hedging position	**(131.1)**	**0.5**	**1.9**	**0.1**	**(128.6)**
Forwards and futures	121.3	-	-	-	121.3
Currency swaps	0.9	2.7	2.8	-	6.4
Net post-hedging position	**(8.9)**	**3.2**	**4.7**	**0.1**	**(0.9)**

(1) Net exposure in USD: some Group entities (TF1, GIE AD, TF1 Droits Audiovisuels) enter into long-term rights acquisition contracts in the course of their ordinary activities that give rise to off balance sheet commitments. Most of the inventories purchased by Dujardin and the Home Shopping business are paid for in U.S. dollars.

(2) Net exposure in GBP: This mainly relates to the ordinary activities of TF1.

(3) Net exposure in CHF: This mainly relates to the ordinary activities of TF1.

The table below shows the Group's exposure to foreign exchange risk at December 31, 2014:

Equivalent value in euros at 2014 closing exchange rates (€m)	**USD [1]**	**GBP [2]**	**CHF [3]**	**Other currencies**	**Total**
Assets	7.8	0.5	2.9	0.1	11.3
Liabilities	(7.8)	-	(0.6)	(0.1)	(8.5)
Off balance sheet commitments	(126.7)	-	-	-	(126.7)
Pre-hedging position	**(126.7)**	**0.5**	**2.3**	**0.0**	**(123.9)**
Forwards and futures	101.4	-	-	-	101.4
Currency swaps	(0.1)	12.6	12.2	-	24.7
Net post-hedging position	**(25.4)**	**13.1**	**14.5**	**0.0**	**2.2**

[1] *Net exposure in USD: some Group entities (TF1, GIE AD, TF1 Droits Audiovisuels) enter into long-term rights acquisition contracts in the course of their ordinary activities that give rise to off balance sheet commitments. Most of the inventories purchased by Dujardin and the Home Shopping business are paid for in U.S. dollars.*

[2] *Net exposure in GBP: This mainly relates to the ordinary activities of TF1.*

[3] *Net exposure in CHF: This mainly relates to the ordinary activities of TF1.*

The sensitivity analysis shown below measures the impact on profit or loss and equity of an immediate unfavourable uniform movement of 1% in the rate of the euro against all the other currencies involved, and represents the sum total of:

- the impact of applying this 1% movement to the net pre-hedging positions presented above;
- the change in the fair value of the portfolio of foreign exchange instruments in place at the end of the reporting period, applying the accounting treatments specified in IAS 39.

	2015				**2014**			
	Pre-tax impact on profit or loss		**Pre-tax impact on equity**		**Pre-tax impact on profit or loss**		**Pre-tax impact on equity**	
(€m)	**+1%**	**-1%**	**+1%**	**-1%**	**+1%**	**-1%**	**+1%**	**-1%**
USD	0.1	(0.1)	(1.2)	1.2	0.3	(0.3)	(1.0)	1.0
GBP	-	-	-	-	(0.1)	0.1	-	-
CHF	-	-	-	-	(0.1)	0.1	-	-
Other currencies	-	-	-	-	-	-	-	-
TOTAL	**0.1**	**(0.1)**	**(1.2)**	**1.2**	**0.1**	**(0.1)**	**(1.0)**	**1.0**

As of December 31, 2015, the sensitivity of the TF1 group's equity (including net profit for the period) to changes in the net foreign-currency accounting position arising from a uniform unfavourable movement of 1% in the rate of the euro against all the currencies involved would be +€1.1 million, before taking account of the effects of such a movement on the Group's future foreign-currency cash flows. The comparable figure at end 2014 was +€0.9 million.

Analysis of foreign exchange derivative instruments by currency

The tables below analyse foreign exchange hedging instruments by currency:

December 31, 2015 (€m)	Currency	Nominal amount of hedges: Total foreign-currency amount	Amount in euros: Total	Amount in euros: Less than 1 year	Amount in euros: 1 to 5 years	Fair value (in euros): Total amount	Fair value (in euros): Of which designated as cash flow hedges
Currency swaps	USD	1.0	0.9	0.9	-	-	-
	GBP	2.0	2.7	2.7	-	-	-
	CHF	3.0	2.8	2.8	-	-	-
Forward purchases	USD	132.1	121.3	121.3	-	4.5	4.5
Forward sales	Various	-	-	-	-	-	-
TOTAL			**127.7**	**127.7**	**-**	**4.5**	**4.5**

December 31, 2014 (€m)	Currency	Nominal amount of hedges: Total foreign-currency amount	Amount in euros: Total	Amount in euros: Less than 1 year	Amount in euros: 1 to 5 years	Fair value (in euros): Total amount	Fair value (in euros): Of which designated as cash flow hedges
Currency swaps	USD	(0.1)	(0.1)	(0.1)	-	-	-
	GBP	9.8	12.6	12.6	-	0.1	-
	CHF	14.7	12.2	12.2	-	-	-
Forward purchases	USD	123.1	101.4	84.1	17.3	7.2	7.1
Forward sales	Various		-	-	-	-	-
TOTAL			**126.1**	**108.8**	**17.3**	**7.3**	**7.1**

The nominal amount represents the amount sold or purchased forward in the currency.

Fair value is the difference between (i) the nominal amount translated into euros at a forward rate recalibrated to reflect closing exchange rates and (ii) the nominal amount translated into euros at closing exchange rates.

Accounting classification and treatment

All foreign exchange instruments used by the Group are contracted to hedge its exposure to financial risks. In accordance with IAS 39, they are classified as fair value hedges or cash flow hedges depending on the strategy applied. However, some instruments are ineligible for hedge accounting because they do not meet the IAS 39 criteria, in particular where there has been a reversal of the initial strategy.

Transactions designated as cash flow hedges are used by TF1 SA to hedge sports transmission rights and audiovisual rights acquisition contracts, on which the amount and timing of payments are precisely agreed on a contractual basis.

(€m)	Ineligible for hedge accounting	Designated as fair value hedges	Designated as cash flow hedges	TOTAL Fair value of financial instruments
2015				
Foreign exchange instruments – assets	-	-	4.5	**4.5**
Foreign exchange instruments – liabilities	-	-	-	**-**
TOTAL	**-**	**-**	**4.5**	**4.5**
2014				
Foreign exchange instruments – assets	0.2	-	7.1	**7.3**
Foreign exchange instruments – liabilities	-	-	-	**-**
TOTAL – CONTINUING OPERATIONS	**0.2**	**-**	**7.1**	**7.3**

Change in fair value of foreign exchange instruments

Changes in the fair value of foreign exchange instruments that qualify for hedge accounting consist of two elements:

- ✓ an effective portion (i.e. the portion closely correlated to changes in the fair value of the hedged items), which is recognised in remeasurement reserves as a component of equity);
- ✓ an ineffective portion.

The table below shows changes in the fair value of foreign exchange instruments during 2014 and 2015:

(€m)	**Ineligible for hedge accounting**	**Designated as fair value hedges**	**Designated as cash flow hedges**	**TOTAL**
2015	(0.2)	-	(2.7)	**(2.9)**
effective portion	-	-	(3.0)	
ineffective portion	(0.2)	-	0.3	
2014	0.2	-	10.9	**11.1**
effective portion	-	-	11.2	
ineffective portion	-	-	(0.3)	

Counterparty risks:

The Group applies policies designed to limit its exposure to counterparty risk, and in particular (i) the risk of non-recovery of trade debtors in connection with its ordinary activities, (ii) the risk of being unable to recover assets held by financial counterparties and (iii) the risk that financial counterparties will default on their commitments to the Group.

The Group believes that its exposure is limited, given that the cost of such risks has historically been immaterial both in overall terms and for each business segment.

In 2015, no single customer of the Group represented more than 5% of consolidated revenue.
The five largest customers represented no more than 12% of consolidated revenue.
The ten largest customers represented no more than 18% of consolidated revenue.

In 2015, no single supplier of the TF1 group represented more than 6% of consolidated revenue.
The five largest suppliers represented no more than 20% of consolidated revenue.
The ten largest suppliers represented no more than 30% of consolidated revenue; this figure reflects the specialised nature of some suppliers within the audiovisual industry, such as copyright-holder organisations and production studios.

Risk of non-recovery of debtors

	Carrying amount	**Not past due**	**Past due**			
2015 (€m)			**Total**	**< 6 months**	**6-12 months**	**> 12 months**
Trade debtors	**552.0**	475.8	76.2	59.7	3.4	13.1
Provisions for impairment of trade debtors	**(12.2)**	-	(12.2)	(2.0)	(2.3)	(7.9)
TOTAL trade debtors, net	**539.8**	**475.8**	**64.0**	**57.7**	**1.1**	**5.2**

2014 (€m)	Carrying amount	Not past due	Past due Total	< 6 months	6-12 months	> 12 months
Trade debtors	**651.1**	550.4	100.7	72.2	5.0	23.5
Provisions for impairment of trade debtors	**(13.3)**	-	(13.3)	(2.2)	(1.7)	(9.4)
TOTAL trade debtors, net	**637.8**	**550.4**	**87.4**	**70.0**	**3.3**	**14.1**

Advertising airtime sales

TF1 Publicité sells advertising airtime on media for which it acts as agent (TV channels, radio stations and websites) to advertisers who over the years have often become regular airtime buyers, developing well-established partnerships. TF1 Publicité applies risk management policies adapted to the profile of its customer base.

The policy used to manage the underlying counterparty risk relies on the operating terms of TF1 Publicité, of which its customers are aware. Those terms include:

- upfront payment in full, in advance of broadcast, for airtime orders placed by a new advertiser;
- upfront payment for new advertising campaigns from any advertiser with a track record of payment incidents. If those payment terms are rejected, TF1 Publicité may refuse to sell airtime to the buyer;
- Payment of annual rebates in the form of "end-of-order" credit notes issued at the start of the following year, the final amount of which is contingent on the buyer paying its invoices on time.

On top of these procedures, TF1 Publicité has a Credit Management department which performs regular financial health checks on advertisers, issues preventive payment reminders to agencies and advertisers, and (in the event of late payment) systematically issues graded reminders, charges late payment interest, and prepares legal recovery proceedings.

Those procedures have helped keep the risk of non-payment by advertisers to less than 0.15% of total annual billings (inclusive of VAT).

Subscriptions to Pay-TV segment channels

There is no significant risk of non-recovery as regards revenues payable by cable operators in France.

Consumer Products activities

TF1 Entreprises and TF1 Vidéo use credit insurance to protect against the risk of non-payment by customers.

The Home Shopping business is not exposed to major non-payment risks, given that payment is usually required prior to the delivery of goods or services.

There are no other significant exposures to individual customers in other Group subsidiaries that might have a lasting adverse impact on the Group's profitability.

Financial counterparties

In investing surplus cash, the TF1 group applies a policy of selecting only high-grade banks and financial institutions that meet minimum rating criteria and with which the Group has well-established relationships, including the provision of credit facilities to the Group (see Note 8-2-1 on liquidity risk).

9 Other notes to the financial statements

9-1. Off balance sheet commitments

The off balance sheet commitments reported below comprise guarantee commitments given and received by the Group; reciprocal commitments not associated with the Group's operating cycles; and operating and finance lease commitments.
A commitment is reciprocal if the future commitment given by the Group is inseparable from the commitment given by the other party or parties to the contract. Reciprocal commitments given and received in connection with the Group's operating cycles are reported in the note relating to the relevant balance sheet item: Note 7-1-2 ("Programmes and broadcasting rights") for purchase contracts designed to secure future programming schedules, and Note 8-2-1 ("Liquidity risk") for confirmed bank credit facilities.

Off balance sheet commitments are stated at the amount of the outflow or inflow of resources specified in the contract. In the case of renewable contracts, the commitment is measured on the basis of the period until the next renewal date.
In the case of reciprocal commitments, the commitment given and the commitment received are measured on the basis of the net cash outflow or inflow for the Group.

The various types of commitments given and received by the Group are described below:

- Guarantee commitments:
This item comprises guarantees provided in connection with commercial contracts or leases.
None of the non-current assets held by TF1 (intangible assets, property, plant and equipment or financial assets) is subject to any pledge or mortgage.

- Reciprocal contractual commitments:

Image transmission:
Image transmission commitments relate to the supply of television transmission services (Télédiffusion de France), and to the leasing of satellite capacity and transponders from private-sector companies.

Commitments relating to equity interests:
This item comprises firm or optional commitments to deliver or receive securities.

Other reciprocal contractual commitments:
This comprises commitments given or received under various contracts not associated with the recurring operations of Group companies.

Operating leases:
This item shows (in both commitments given and commitments received) the minimum future lease payments under non-cancellable operating leases in place at the end of the reporting period. Only leases that are material to the Group are included. Most of the leases included relate to property, in particular the premises occupied by TF1 subsidiaries.

Finance leases:
This item shows the minimum future lease payments under finance leases outstanding at the end of the reporting period.

No material off balance sheet commitments, as defined in the applicable accounting standards, are omitted from the disclosures below.

9-1-1. Guarantee commitments:

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2015	Total 2014
Guarantee commitments					
Pledges, mortgages and collateral	-	-	-	-	-
Guarantees and endorsements given	3.8	-	-	3.8	3.1
Guarantee commitments given [1]	**3.8**	**-**	**-**	**3.8**	**3.1**
Pledges, mortgages and collateral	-	-	-	-	-
Guarantees and endorsements received	-	-	-	-	0.1
Guarantee commitments received [2]	**-**	**-**	**-**	**-**	**0.1**
Guarantee commitments, net	**3.8**	**-**	**-**	**3.8**	**3.0**

9-1-2. Reciprocal contractual commitments

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2015	Total 2014
Miscellaneous contractual commitments					
Image transmission	37.1	105.8	7.0	149.9	115.7
Commitments relating to equity interests [1]	145.0	31.8	-	176.8	640.3
Other commitments	5.4	3.8	-	9.2	7.5
Miscellaneous contractual commitments given	**187.5**	**141.4**	**7.0**	**335.9**	**763.5**
Image transmission	37.1	105.8	7.0	149.9	115.7
Commitments relating to equity interests [1]	145.0	31.8	-	176.8	640.3
Other commitments	5.4	3.8	-	9.2	7.5
Miscellaneous contractual commitments received	**187.5**	**141.4**	**7.0**	**335.9**	**763.5**
Miscellaneous contractual commitments, net	**-**	**-**	**-**	**-**	**-**

[1] In 2015, commitments relating to equity interests include commitments relating to the acquisition of an equity interest in Newen Studios (see Note 1, "Significant events of the year"), and commitments vis-à-vis the ITAS group associated with the share warrants held by TF1 (see Note 7-3-5, "Other non-current financial assets")that were initially recognised in the fourth quarter of 2014. In 2014, commitments relating to equity interests related mainly to the agreements with the Discovery group that were executed during 2015 (see Note 1, "Significant events of the year").

9-1-3. Operating leases

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2015	Total 2014
Operating leases					
Operating lease commitments given	11.3	11.9	0.1	**23.3**	31.5
Operating lease commitments received	11.3	11.9	0.1	**23.3**	31.5
Operating lease commitments, net	**-**	**-**	**-**	**-**	**-**

9-1-4. Finance leases

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2015	Total 2014
Finance leases (already recognised in the balance sheet)	**-**	**-**	**-**	**-**	**1.2**

9-2. Related party information

9-2-1. Executive remuneration

Total remuneration paid during 2015 to key executives of the Group (i.e. the 13 members of the TF1 Management Committee mentioned in the Registration Document) was €9.3 million, comprising:

(€m)	2015	2014
Fixed remuneration	5.8	5.8
Variable remuneration and benefits in kind	3.5	2.8

Additional information:

- the portion of expenses relating to stock options and free shares awarded to these key executives was €0.2 million for the year ended December 31, 2015;
- the portion of the total obligation in respect of retirement and other post-employment benefits relating to those key executives was €3.9 million.

The Bouygues group offers the members of its Executive Committee, who include Nonce Paolini, a supplementary pension of 0.92% of the reference salary for each year of service in the scheme, which represents a post-employment benefit. The expense (invoiced to TF1 by Bouygues) relating to the contribution paid in 2015 to the investment fund of the insurance company which manages the scheme was €0.7 million.

Apart from loans of shares made to key executives who are also members of the Board of Directors in connection with their duties, no material loans or guarantees were extended to key executives or members of the Board of Directors.

Excluding corporate officers, remuneration paid to key executives of the TF1 group increased by 5.5%in 2015.

9-2-2. Transactions with other related parties

Transactions with other related parties are summarised in the table below:

	Income		Expenses		Debtors		Creditors	
(€m)	2015	2014	2015	2014	2015	2014	2015	2014
Parties with an ownership interest	41.2	48.0	(13.2)	(12.6)	703.7 [(1)]	493.8 [(1)]	6.7	5.7
Joint ventures	0.5	1.7	-	(2.8)	0.6	1.2	2.3	4.3
Associates	7.0	7.3	(12.2)	(11.1)	8.1	9.2	11.3	8.0
Other related parties	-	-	-	-	-	-	-	-
TOTAL	**48.7**	**57.0**	**(25.4)**	**(26.5)**	**712.4**	**504.2**	**20.3**	**18.0**

[(1)] *Primarily the Bouygues Relais cash pooling agreement (see Note 8-2-1).*

Agreements entered into with joint ventures and associates relate primarily to operational transactions in the ordinary course of business in the audiovisual sector, recharges of head office administrative expenses, and income and expenses arising from short-term cash pooling transactions.

Agreements entered into with parties with an ownership interest comprise agreements with Bouygues SA and with other Bouygues group companies that are subsidiaries of Bouygues SA. Those agreements are of an ordinary commercial nature, except in the case of transactions with Bouygues Relais under the short-term cash pooling agreement.

The off balance sheet commitments reported in Note 9-1 do not include any material commitments to related parties.

9-3. Auditors' fees

The table below shows fees paid by the Group to its auditors:

	Mazars				KPMG				Other audit firms			
	Amount		%		Amount		%		Amount		%	
(€ '000)	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Audit of consolidated and individual company financial statements	**(735)**	**(778)**	**100%**	**100%**	**(512)**	**(555)**	**96%**	**99%**	**(60)**	**(63)**	**60%**	**62%**
- TF1 SA	*(210)*	*(214)*			*(212)*	*(214)*			-	-		
- Subsidiaries	*(525)*	*(564)*			*(300)*	*(341)*			*(60)*	*(63)*		
Other procedures and services directly related to the audit engagement	**-**	**(3)**	**0%**	**0%**	**(15)**	**(5)**	**4%**	**1%**	**(40)**	**(39)**	**40%**	**38%**
- TF1 SA	-	-			*(15)*	-			*(40)*	*(39)*		
- Subsidiaries	-	*(3)*			-	*(5)*			-	-		
Audit-related fees	**(735)**	**(781)**	**100%**	**100%**	**(527)**	**(560)**	**100%**	**100%**	**(100)**	**(102)**	**100%**	**100%**
Other services provided by audit firms to fully consolidated subsidiaries												
Company law, tax and employment law	(1)	-	-	-	(2)	-	0%	0%	-	-	0%	0%
Other (if > 10% of audit-related fees)	-	-	-	-	(2)	-	0%	-	-	-	0%	0%
Other fees	**(1)**	**-**	**-**	**-**	**(4)**	**-**	**0%**	**0%**	**-**	**-**	**0%**	**0%**
TOTAL AUDITORS' FEES	**(736)**	**(781)**	**100%**	**100%**	**(531)**	**(560)**	**100%**	**100%**	**(100)**	**(102)**	**100%**	**100%**

9-4. Dependence on licences

TF1 requires a licence to carry on its activities as a broadcaster.

The law of September 30, 1986, as amended by Law 2007-309 of March 5, 2007, stipulates that subject to certain conditions, a company's broadcasting licence may be automatically renewed. TF1 has signed the necessary agreements and provided the necessary undertakings to retain its broadcasting licence until 2022.

In addition, the following subsidiaries or joint ventures were awarded a digital terrestrial broadcasting licence for a 10-year period on June 10, 2003: LCI, TMC and NT1. That period was extended for a further five years following an undertaking by the channels to extend their DTT coverage to more than 95% of the population, in accordance with Article 97 of the law of September 30, 1986.

9-5. Detailed list of companies included in the consolidation

Consolidation methods:

Subsidiaries

Subsidiaries are companies over which TF1 exercises control. Control is presumed to exist where the parent company has the power directly or indirectly to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. Subsidiaries are included in the consolidation from the date on which control is effectively transferred to the Group. Divested subsidiaries are excluded from the consolidation from the date on which the Group ceases to have control.

The Group accounts for investees over which it exercises exclusive control using the full consolidation method. Under this method, all assets, liabilities, equity, income and expenses of each subsidiary are combined on a line-by-line basis in the consolidated financial statements. Non-controlling interests in equity and in net profit are identified separately under "Non-controlling interests" in the consolidated balance sheet and the consolidated income statement.

Joint arrangements

Joint arrangements, which may be either joint operations or joint ventures, arise where the power to govern the financial and operating policies of an investee is contractually shared by TF1 with one or more other parties, none of which exercises control.

- In the case of joint operations, which give each of the parties direct rights to the assets and obligations for the liabilities, the assets and liabilities (and income and expenses) are recognised in proportion to the interests held by TF1 in the joint operation.
- Joint ventures, which give the parties rights to the net assets, are accounted for by the equity method.

Associates

An associate is an entity over which the Group exercises significant influence, which means that it has the power to participate in the financial and operating policy decisions of the investee without exercising control. Significant influence is presumed to exist if the parent company holds, directly or indirectly, 20% or more of the voting power of the investee. This presumption is reviewed in light of the way in which the investee is actually governed and managed.

The Group accounts for investments in associates using the equity method. Under this method, the investment in the associate is initially recorded in the balance sheet at acquisition cost. The carrying amount is then increased or decreased by the Group's share of the associate's profits or losses and of other changes in the equity of the associate subsequent to the acquisition date.

***Translation of the financial statements of foreign entities*:**

The financial statements of foreign operations are translated into euros, the reporting currency of the TF1 group. All assets and liabilities of foreign entities are translated at the closing exchange rate; income and expenses are translated at the average rate for the period. Translation differences arising from this treatment, and from retranslating the opening equity of foreign entities at the closing exchange rate, are taken to equity under "Share premium and reserves". On disposal of a foreign entity, these differences are taken to profit or loss as part of the gain or loss on disposal.

			December 2015		December 2014	
COMPANY	COUNTRY	ACTIVITY	% CONTROL (1)	METHOD	% CONTROL (1)	METHOD
Broadcasting and Content						
TF1 SA	***France***	***Broadcasting***	***Parent company***		***Parent company***	
TELE MONTE CARLO	Monaco	Theme channel	80.00%	Full	80.00%	Full
NT1	France	Theme channel	100.00%	Full	100.00%	Full
HD1	France	Theme channel	100.00%	Full	100.00%	Full
e-TF1	France	Content/broadcasting: internet and TV services	100.00%	Full	100.00%	Full
WAT	France	Internet content & services	-	-	100.00%	Full
METRO FRANCE PUBLICATIONS	France	Digital news media	100.00%	Full	100.00%	Full
TMC REGIE	France	TMC advertising airtime sales	100.00%	Full	80.00%	Full
TF1 PUBLICITE	France	TF1 advertising airtime sales	100.00%	Full	100.00%	Full
LA PLACE MEDIA	France	Advertising airtime sales	24.70%	Equity	24.70%	Equity
OUEST INFO	France	TV news images agency	100.00%	Full	100.00%	Full
TF1 FILMS PRODUCTION	France	Movie co-production	100.00%	Full	100.00%	Full
TF1 PRODUCTION	France	Programme production	100.00%	Full	100.00%	Full
GIE TF1 Acquisitions de droits	France	Acquisition/sale of audiovisual rights	100.00%	Full	100.00%	Full
TF1 DS	France	Acquisition/sale of audiovisual rights	100.00%	Full	100.00%	Full
CIBY 2000	France	Exploitation of audiovisual rights	100.00%	Full	100.00%	Full
TF1 DROITS AUDIOVISUELS	France	Exploitation of audiovisual rights	100.00%	Full	100.00%	Full
TF1 INTERNATIONAL	France	Exploitation of audiovisual rights	66.00%	Full	66.00%	Full
TF1 EVENTS	France	Event management	100.00%	Full		
UGC DISTRIBUTION	France	Exploitation of audiovisual rights	34.00%	Equity	34.00%	Equity
Consumer Products						
TELESHOPPING	France	Home shopping	100.00%	Full	100.00%	Full
TOP SHOPPING	France	Retail distribution	100.00%	Full	100.00%	Full
DIRECT OPTIC PARTICIPATIONS	France	e-commerce	47.85%	Equity	47.85%	Equity
TF1 VIDEO	France	Exploitation of video rights	100.00%	Full	100.00%	Full
TF1 ENTREPRISES	France	Telematics, spin-off rights	100.00%	Full	100.00%	Full
DUJARDIN	France	Producer of board/card games	100.00%	Full	100.00%	Full
SF2J	France	Producer of board/card games	-	-	100.00%	Full
UNE MUSIQUE	France	Publishing of music & sound recordings	100.00%	Full	100.00%	Full
STS EVENEMENTS	France	Commercial operation of live venues	55.00%	Full		

COMPANY	COUNTRY	ACTIVITY	December 2015 % CONTROL (1)	December 2015 METHOD	December 2014 % CONTROL (1)	December 2014 METHOD
Pay-TV						
EUROSPORT France SA	France	Theme channel	-	-	80.00%	Full
EUROSPORT GROUP	France	Audiovisual production, scheduling & broadcasting	-	-	49.00%	Equity
TV BREIZH	France	Theme channel	100.00%	Full	80.00%	Full
TF6	France	Theme channel	50.00%	Equity	50.00%	Equity
LA CHAINE INFO	France	Theme channel	100.00%	Full	100.00%	Full
TF6 GESTION	France	TF6 management company	50.00%	Equity	50.00%	Equity
SERIE CLUB	France	Theme channel	50.00%	Equity	50.00%	Equity
STYLIA	France	Theme channel	-	-	80.00%	Full
HISTOIRE	France	Theme channel	100.00%	Full	80.00%	Full
USHUAIA TV	France	Theme channel	100.00%	Full	80.00%	Full
TF1 DISTRIBUTION	France	Distribution of TV channels	100.00%	Full	100.00%	Full
Holding company and other						
TF1 THEMATIQUES	France	Theme channels holding company	100.00%	Full	100.00%	Full
MONTE CARLO PARTICIPATIONS	France	TMC holding company	100.00%	Full	100.00%	Full
PREFAS 18	France	Holding company	100.00%	Full	80.00%	Full
TF1 EXPANSION	France	Holding company	100.00%	Full	100.00%	Full
APHELIE	France	Real estate company	100.00%	Full	100.00%	Full
FIRELIE	France	Real estate company	100.00%	Full	100.00%	Full
PERELIE	France	Real estate company	100.00%	Full	100.00%	Full
GROUPE AB	France	Audiovisual production, scheduling & broadcasting	33.50%	Equity	33.50%	Equity

(1) *There is no difference between the percentage control as shown here and percentage interest for any entity included in the consolidation.*

9-6. Events after the reporting period

✓ Newen Studios acquisition

On January 26, 2016, having obtained the necessary clearances from the regulatory authorities, TF1 and the shareholders of the Newen group finalised the implementation of the sale agreement of November 9, 2015 under which TF1 was to acquire a 70% equity interest in Newen Studios, the parent company of the Newen group.

The vendors and TF1 have entered into a shareholder agreement which specifies the terms of exercise of the reciprocal undertakings whereby the vendors have an option to sell to TF1, and TF1 has an option to acquire, the residual 30% equity interest during a five-year period starting in 2018.

✓ LCI

On January 8, 2016, NextRadio TV and BFM TV filed a substantive appeal with the *Conseil d'État* against the CSA decision of December 17 authorising the switchover of the LCI channel to freeview.

9-7. Correspondence table of notes to the consolidated financial statements 2015 vs. 2014

Title	2015 notes	2014 notes
Significant events of the year	**Note 1**	**Note 1**
Accounting principles and policies	**Note 2**	**Note 2**
Declaration of compliance and basis of preparation	Note 2-1	Note 2-1
New and amended IFRS accounting standards and interpretations	Note 2-2	Note 2-2
Changes in accounting policy	Note 2-3	Note 2-3
Exercise of judgment and use of estimates	Note 2-4	Note
Scope of consolidation: significant changes and held-for-sale operations	**Note 3**	**Notes 2, 3 & 4**
Significant changes in scope of consolidation in current year	Note 3-1	Note 3-1
Significant changes in scope of consolidation in prior year	Note 3-2	Note 3-2
Held-for-sale operations	Note 3-3	Note 4
Segment information	**Note 4**	**Notes 2, 5, 16 & 17**
Information by operating segment	Note 4-1	Note 5-1
Information by geographical segment	Note 4-2	Note 5-2
Operating revenues	Note 4-3	Notes 2-20 & 16
Other purchases consumed and changes in inventory	Note 4-4	Note 17
Notes to the consolidated income statement	**Note 5**	**Notes 2, 18, 19, 20, 21, 22, 23, 24, 25 & 26**
Staff costs	Note 5-1	Note 18
External expenses	Note 5-2	Note 19
Taxes other than income taxes	Note 5-3	Note 20
Other current operating income and expenses	Note 5-4	Note 21
Non-current operating income and expenses	Note 5-5	Note 2-22
Cost of net debt	Note 5-6	Notes 2-23 & 22
Other financial income and expenses	Note 5-7	Note 23
Net income and expense on financial assets and financial liabilities	Note 5-8	Note 24
Income taxes	Note 5-9	Notes 2-24 & 25
Net profit from discontinued/held-for-sale operations	Note 5-10	Note 26
Notes to the consolidated cash flow statement	**Note 6**	**Note 28**
Definition of cash position	Note 6-1	Note 28-1
Net cash generated by/used in operating activities	Note 6-2	Not included in 2014 financial statements
Net cash generated by/used in investing activities	Note 6-3	Note 28-2
Net cash generated by/used in financing activities	Note 6-4	Note 28-3
Notes to the consolidated balance sheet	**Note 7**	**Notes 2, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 27 & 30**
Audiovisual rights and broadcasting rights	Note 7-1	Notes 2-4-2, 2-8-1, 2-10, 7 & 10
Current assets and liabilities	Note 7-2	Notes 2-4-2, 2-11-2, 2-19-2, 2-21, 11, 13-3 & 15-2
Non-current assets and liabilities	Note 7-3	Notes 2-4-2, 2-8-2, 2-9, 2-10, 2-11, 2-19, 6, 7, 8, 9, 11 & 15
Shareholders’ equity	Note 7-4	Notes 2-25, 2-26, 12, 18, 27 & 30
Net debt and financial liabilities	Note 7-5	Notes 2-4-2, 2-14, 2-17, 13 & 14
Risk management	**Note 8**	**Note 29**
Capital management policy	Note 8-1	Note 29-1
Financial risk management policy	Note 8-2	Note 29-2
Other notes to the financial statements	**Note 9**	**Notes 2, 31, 32, 33, 34, 35 & 36**
Off balance sheet commitments	Note 9-1	Note 31
Related party information	Note 9-2	Note 32
Auditors’ fees	Note 9-3	Note 33
Dependence on licences	Note 9-4	Note 34
Detailed list of companies included in the consolidation	Note 9-5	Notes 2-5 & 36
Events after the reporting period	Note 9-6	Note 35