

## 8.3 REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS SUBMITTED

Ladies, Gentlemen, Shareholders,

This report is part of the management report of the Board of Directors on the resolutions submitted to the Combined General Meeting of April 16, 2015.

### EARNINGS FOR THE YEAR

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The consolidated and individual financial statements are included in this registration document and Annual Financial Report in chapter 4, page 111.

### INFORMATION ON THE SHARE CAPITAL

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See chapter 6, page 221, of this registration document and annual financial report.

### ACQUISITIONS AND DISPOSALS OF HOLDINGS

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See chapter 3, page 107 of this registration document and annual financial report.

### RESOLUTIONS SUBMITTED BY THE BOARD OF DIRECTORS TO THE GENERAL MEETING – ORDINARY BUSINESS

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Your Statutory Auditors will provide you with their reports on the accounts for 2014 and on agreements and undertakings relative to Article L. 225-38 of the French Commercial Code. See chapter 5, page 201 of this registration document and annual financial report.

In the resolutions that are submitted to you, we propose that you:

- **approve the individual and consolidated financial statements for 2014 as well as the transactions recorded in the statements;**

The results of TF1's activities and its financial results over the past five years are presented in the Board of Directors' management report in this registration document and annual financial report, chapter 3, page 109. Market trends are presented in chapter 1, page 7. In the 1<sup>st</sup> and 2<sup>nd</sup> resolutions submitted to you for approval, we propose that you approve the individual and consolidated financial statements for 2014.

- **approve related-party agreements and undertakings;**

The 3<sup>rd</sup> and 4<sup>th</sup> resolutions concern the approval of the related-party agreements and undertakings described in Article L. 225-38 of the Commercial Code and mentioned in the Statutory Auditors' special

report, excluding routine operations, decided by the Board and in particular those concluded between the company and other companies with Directors or officers in common with it, or between the company and shareholders owning more than 10% of the share capital.

Related-party agreements and undertakings submitted to the vote of the Combined General Meeting of April 16, 2015 are covered by separate resolutions. One concerns related-party agreements and undertakings between TF1 and Bouygues and the other, related-party agreements and undertakings to which Bouygues is not a party.

#### **PROCESS FOR AUTHORISING RELATED-PARTY AGREEMENTS AND UNDERTAKINGS**

French legislation on related-party agreements, which covers both agreements and undertakings, is intended to prevent any conflicts of interest for a Director and/or a major shareholder entering into agreements with the company.

These agreements are subject to prior authorisation by the Board of Directors under the conditions provided by law. The Board of Directors takes note of the agreements between the company and its corporate officers, between the company and other companies with Directors or officers in common with it, and between the company and shareholders owning more than 10% of the share capital. Related-party transactions covered by the law are reviewed by the TF1 Board of Directors, which considers the benefit of each agreement to TF1 and its group and its financial terms and conditions. The preceding provisions do not apply to agreements relating to routine transactions carried out under conventional terms and conditions.

The TF1 Board of Directors decides in principle whether to sign or renew such agreements at its Meeting in the fourth quarter of the year. Each year it reviews ongoing related-party agreements including the commercial lease agreements between TF1 and Aphélie and Firélie, which manage its real estate holdings. Directors concerned by the agreements do not take part in the vote, thus protecting the interests of all shareholders. The Statutory Auditors are informed of new agreements concluded during the year and of ongoing agreements authorised in previous years.

These agreements are then submitted to the General Meeting for approval after the reading of the Statutory Auditors' special report. In accordance with proposal No. 29 of AMF Recommendation No. 2012-05, any significant related-party agreement authorised and concluded after the close of the financial year must be submitted to the next General Meeting for approval, on condition that the Statutory Auditors have been able to review this agreement in time to include it in their report. When the General Meeting votes on the corresponding resolutions, the number of shares held by the parties concerned by the agreements is not included in the calculation of the quorum and majority.

Agreements between the company and its wholly owned subsidiaries are not subject to this authorisation process.

## **TYPES OF RELATED-PARTY AGREEMENTS AND UNDERTAKINGS**

Most of the agreements mentioned below and in the Statutory Auditors' special report are service agreements. TF1 Directors considered it appropriate and financially advantageous for TF1 to use the expert services of Bouygues. Similarly, they deemed it advisable that TF1 subsidiaries benefit from TF1's corporate services.

All related-party agreements and undertakings approved by TF1 are covered by the Bouygues group's Internal Charter on Regulated Agreements, which defines the scope of application of regulations on such agreements in the Group. With respect to the concept of indirect interest, this charter refers to the definition suggested by the Chamber of Commerce and Industry of Paris: "A person is considered to be indirectly concerned by an agreement to which he is not a party where, due to his connections with the parties and the powers he has to influence their behaviour, he derives benefit from the agreement."

This charter is found at: <http://www.bouygues.com/en/finance-shareholders/corporate-governance/bouygues-group-internal-charter-on-regulated-agreements/>

To clarify the nature and objectives of the related-party agreements and undertakings involving TF1, in particular for the Group's shareholders, and to comply as fully as possible with the proposals in the AMF Recommendation No. 2012-05, the paragraphs below describe these related-party agreements and undertakings in detail. An assessment of each one is also included in the Statutory Auditors' report.

The agreements that will be submitted to shareholders for approval at the General Meeting of April 16, 2015 are indicated in the column "Status of Agreements".

## DESCRIPTION OF AGREEMENTS AND UNDERTAKINGS BETWEEN TF1 AND ITS SUBSIDIARIES

### WITH TF1 GROUP SUBSIDIARIES NOT IN WHOLLY OWNED

The related-party agreements between TF1 and its subsidiaries, described in the Statutory Auditors' special report on such agreements, pertain to:

#### Agreements on corporate services

**Authorisation:** On October 29, 2014, the Board of Directors approved the renewal for one year, starting January 1, 2015, of support function agreements with its subsidiaries TMC, TV Breizh, Histoire and Ushuaïa TV under which TF1 provides services to them, notably in the areas of management, human resources, consulting, finance and strategy.

#### Parties concerned:

- TMC: Nonce Paolini (Director);
- TF1 is a shareholder.

**Benefit:** The purpose of the support function agreements is to enable the subsidiaries to benefit from services provided by the parent company and to divide the corresponding expenses among the TF1 companies using these services.

For example, the internal communications services provided by the Group (an online site for employees, communications media, etc.) are intended for all employees. These services are reinvoiced to the subsidiaries in proportion notably to the number of employees concerned.

**Financial conditions:** These corporate services are invoiced to each subsidiary in proportion to its headcount and individual company revenues. In 2014, the total amount invoiced for agreements with companies in which TF1 has less than 100% interest, including Eurosport from January to May, was €2.3 million. Services performed at the request of a subsidiary are invoiced at market prices. It will be recalled that under Article L. 225-39 of the Commercial Code, agreements between two companies where one of them owns, directly or indirectly, all the share capital of the other, are not subject to the authorisation process for related-party agreements and undertakings. The wholly owned subsidiaries of TF1 are thus not included in the calculation of the aforementioned amount.

#### Status of agreements

The renewal of these agreements for a period of one year, starting April 17, 2014, was approved by the General Meeting of April 17, 2014.

**Agreements approved during the previous financial year and submitted to the General Meeting of April 16, 2015 for approval.**

### WITH WHOLLY OWNED SUBSIDIARIES OF THE TF1 GROUP

The following agreements, which were concluded with wholly owned subsidiaries, are not subject to the authorisation process for related-party agreements described above:

- service agreements with the subsidiaries in the TF1 group;
- a contract with La Chaîne Info (LCI) guaranteeing news coverage of any major event;
- a leasing-management agreement with e-TF1;
- a leasing-management agreement with TF1 Entreprises.

#### Status of agreements

**Agreements settled and approved during the previous years, which continued to be executed in 2014.**

Board of Directors on October 29, 2014, reassessed the commercial leases with TF1, and maintained them.

## DESCRIPTION OF AGREEMENTS AND UNDERTAKINGS BETWEEN TF1 AND ITS MAIN SHAREHOLDER

Since TF1 was privatised in 1987, Bouygues has been the main shareholder in TF1, holding 43.5% of the capital on February 18, 2015.

The terms and condition of the agreements are decided by voting Directors. As regards agreements with Bouygues, Martin Bouygues, Olivier Bouygues and Nonce Paolini did not vote. The Statutory Auditors are informed of the Directors' decisions.

The related-party agreements and undertakings described in the Statutory Auditors' special report concern the following:

## WITH BOUYGUES

**Corporate Services Agreement**

**Authorisation:** On October 29, 2014, the Board of Directors approved the renewal for one year, starting January 1, 2015, of the corporate services agreement with Bouygues under which Bouygues provides services to TF1.

**Parties concerned:**

- Bouygues: Martin Bouygues (Chairman and CEO, Director), Olivier Bouygues and Nonce Paolini (Directors);
- Bouygues is a shareholder.

**Benefit:** Two types of services are provided: expertise and coordination of the subsidiaries.

**Expertise**

Bouygues provides companies in the Bouygues group with expert services in fields such as finance, legal affairs, human resources, administration, information systems and new technologies.

TF1 may decide to use these services in response to issues as they arise under the terms of this agreement, which is approved annually by the Board of Directors. Each subsidiary may avail itself of these services at any time to discuss an issue where its in-house expertise is limited.

**Coordination of the subsidiaries**

Besides advice and assistance, services include coordination in the corporate functions, in particular the setting up of Meetings where staff in a particular function (e.g. cash management) can exchange views, discuss technical issues and familiarise themselves with new developments (e.g. accounting standards).

Examples of these types of services in 2014 included:

- human resources: a number of TF1 group senior managers received training in Bouygues group techniques and values at the Bouygues Management Institute. Newly hired employees in the TF1 group took part in a Welcome Day organised by the Bouygues group. In addition, the TF1 group Management Committee participated in the four annual Board Meetings of the Bouygues group. Bouygues also brought together human resources experts from various areas in the Group (e.g. Employee Affairs, Training, School Relations) for discussions. Its employee Legal Affairs Departments held a one-day training session on current legal issues for TF1's HR Directors and managers. Also, the TF1 Human Relations and Organisation Department was given access to the Bouygues HR data query system;
- internal control: the TF1 group received support from Bouygues concerning internal control and risk management tools and methodologies. During 2014, this support took the following forms:

the setting up of compliance programmes and the continued updating of internal control principles:

- the updating of the internal control principles used in the businesses continued in 2014, with the focus on purchasing. Bouygues worked with the businesses to review and supplement existing principles in view of market trends and practices observed elsewhere,
- in addition, four Compliance Programmes were set up to define rules in the areas of corruption, competitive practices, conflicts of interest, and stock market practices. They were drawn up by the Corporate Secretary of the Bouygues group, in cooperation with each of the businesses and in particular the TF1 Corporate Secretary's Office and Legal Affairs Department. The internal control principles evolved as a result of these programmes.

Meetings to discuss internal control and risk mapping:

- in 2014, Bouygues continued to organise and lead Meetings at which representatives of the businesses learned about changes in regulations and shared their knowledge of best practices in internal control. At the beginning of the year, the Bouygues group gave its findings to a consulting firm tasked with identifying areas for improvement in the current system,
- these interactions also allow TF1 to benefit from contributions from outside sources: Bouygues participates in working groups made up of CAC 40 companies; what is learned about the Group's performance in light of other companies' practices is and will be regularly communicated.
- Corporate Social Responsibility (CSR): The TF1 group's CSR coordinator and other staff in charge of CSR activities in their departments draw support from initiatives implemented by the Bouygues group's department in charge of sustainable development.

**Status of the agreement**

The renewal of this agreement for a period of one year, starting January 1, 2014, was approved by the General Meeting of April 17, 2014.

**Agreement approved for the previous financial year and submitted for approval to the General Meeting of April 16, 2015.**

By participating in cross-group Meetings, information sessions, and training, they discuss experiences on specific issues (non-financial indicators, reduced energy consumption and carbon emissions, responsible purchasing and responsible communication). They also benefit from the monitoring of CSR news and legal developments as well as the sharing of tools (CSR reporting with Enablon).

In 2014, all the businesses took part in a competition on the theme of innovation related to energy and carbon.

- Information Systems Department: The TF1 group Information Systems Department benefits from synergies with Bouygues group departments, thanks to active coordination by Bouygues. As a result, TF1 belongs to a virus-warning network and enjoys more general benefits such as IT security and global purchasing for IT hardware and software.

Last, in 2014 the Bouygues group, as majority shareholder, regularly offered its support formally and/or informally in dealing with operational issues, notably in the legal and financial areas. For example, Meetings were held to discuss the obligations arising from the implementation of the European Market Infrastructure Regulation (EMIR).

**Financial conditions:** The services provided to TF1 by Bouygues are invoiced by dividing the cost among the companies using them. In 2014, Bouygues invoiced TF1 a total of €3.1 million, equivalent to 0.15% of the TF1 group's total revenues (compared with €3.4 million in 2013, or 0.14% of revenues).

The actual cost of these shared corporate functions is reinvoiced to TF1 using a formula tailored to the nature of the service: the ratio of TF1 headcount to total Bouygues group headcount for human resources, long-term capital for financial matters, and revenue for all other functions.

#### Supplementary retirement pension granted to executives of the company

**Authorisation:** On October 29, 2014, the Board of Directors approved the renewal for a period of one year, starting January 1, 2015, of the supplemental retirement pension granted to Nonce Paolini under the agreement on the collective pension plan, with benefits determined by Bouygues.

#### Parties concerned:

- Bouygues: Martin Bouygues (Chairman and Chief Executive Officer, Director), Olivier Bouygues and Nonce Paolini (Directors);
- Bouygues is a shareholder.

**Benefit:** With this agreement, a supplemental retirement pension is granted to Nonce Paolini, Chairman and Chief Executive Officer of TF1 and employee of the Bouygues group. The Board of Directors approved the renewal of the supplementary retirement pension under the agreement on the collective pension plan with defined benefits for the members of the Bouygues General Management Committee, of which Nonce Paolini is a member. Under this supplementary plan, beneficiaries accrue 0.92% of the reference salary (average of the best three years) for each year in the plan. The supplementary annual pension is capped at eight times the social security annual cap. This supplementary pension plan is outsourced to an insurance company. This agreement is intended to enable Bouygues to retain the members of its General Management Committee. TF1 also benefits from the negotiations in the Bouygues group between Bouygues and the executives in its businesses.

**Financial conditions:** Premium totalled €638,170 excluding VAT in 2014, corresponding to the share of the premiums paid to the insurance company.

#### Status of the agreement

The renewal of this agreement for a period of one year, starting January 1, 2014, was approved by the General Meeting of April 17, 2014.

**Agreement approved for the previous financial year and submitted for approval to the General Meeting of April 16, 2015.**

#### WITH THE ECONOMIC INTEREST GROUP (GIE) "32 AVENUE HOCHÉ"

##### Provision of offices

**Authorisation:** On October 29, 2014, the Board of Directors approved the renewal for a period of one year, starting January 1, 2015, of the agreement for the provision of offices on the first floor of the building at 32, avenue Hoche.

##### Parties concerned:

- Bouygues: Martin Bouygues (Chairman and Chief Executive Officer, Director), Olivier Bouygues and Nonce Paolini (Directors);
- Bouygues is a member of the Economic Interest Group (GIE).

**Benefit:** Under this agreement, the GIE "32 avenue Hoche" provides TF1 with offices for the reception of visitors and meeting rooms on the first floor located in central Paris as well as related services for receiving visitors, computers facilities and secretarial services.

**Financial conditions:** The GIE was paid €12,988 excluding VAT in 2014.

#### Status of the agreement

The renewal of this agreement for a period of one year, starting January 1, 2014, was approved by the General Meeting of April 17, 2014.

**Agreement approved for the previous financial year and submitted for approval to the General Meeting of April 16, 2015.**

## WITH AIRBY

**For the use of aircraft held by AirBy**

**Authorisation:** On October 29, 2014, the Board of Directors approved the agreement entitling TF1 to use aircraft leased or owned by Bouygues and operated by AirBy, with the airplane and all related services included in the cost.

**Parties concerned:**

- Bouygues: Martin Bouygues (Chairman and Chief Executive Officer, Director), Olivier Bouygues and Nonce Paolini (Directors);
- Bouygues is a partner.

**Benefit:** This agreement offers TF1 the use of aircraft operated by AirBy, a company owned indirectly by Bouygues and SCDM. TF1 is entitled to use AirBy's Global 5000 or an equivalent aircraft. TF1 has not used this facility since 2009.

**Financial conditions:** Use of a Global 5000 is charged at a flat rate of €7,000 per flight hour, which includes the aircraft and all related services (pilot, fuel, etc.) provided during its use. When the aircraft provided by AirBy is leased, the cost is the leasing cost plus €1,000 excluding VAT for the chartering service provided by AirBy to TF1. This amount is invoiced each time such an aircraft is provided.

No amount was invoiced in 2014.

**Status of the agreement**

The renewal of this agreement for a period of one year, starting January 1, 2014, was approved by the General Meeting of April 17, 2014.

**Agreement approved for the previous financial year and submitted for approval to the General Meeting of April 16, 2015.**

- **appropriate and distribute profits;**

In the 5<sup>th</sup> resolution, having noted the existence of distributable profits of €494,395,940.41, comprising net profit for the period of €293,720,236.14 and retained earnings of €200,675,704.27, we ask you to appropriate this sum as follows:

- distribution of a cash dividend of €317,293,146.00 (*i.e.* a dividend of €1.50 per share with a par value of €0.20);
- the balance of €177,102,794.41 to be carried forward as retained earnings.

The ex-date of the dividend on the Euronext Paris market will be April 24, 2015. The date of record (*i.e.* the day at the end of which the post-settlement positions entitled to the dividend are determined) will be April 27, 2015. The payment date of the dividend will be April 28, 2015.

This dividend is eligible for the 40% tax rebate mentioned in paragraph 2, section 3 of Article 158 of the General Tax Code.

We also ask for your authority to transfer to retained earnings the amount of dividend accruing to any of its own shares that TF1 may hold, in accordance with Article L. 225-210 of the French Commercial Code.

The amount of dividend distributed in respect of the three previous financial years was as follows:

Year ended	Dividend per share*
December 31, 2011	€0.55
December 31, 2012	€0.55
December 31, 2013	€0.55

\* For natural persons domiciled for tax purposes in France, the dividend is eligible for the tax rebate of 40% provided by Article 158.3.2 of the General Tax Code.

- **renew the Directors' terms of office that expire in 2015;**

The Board of Directors has examined its composition, organisation and functioning with regard to the governance rules set forth in the Articles of Association and Internal Procedures and the recommendations of the AFEP/MEDEF corporate governance code.

Noting that almost all the Directors' terms of office are renewed at the same time (nine are being renewed at the 2015 General Meeting), thus failing to ensure the balanced succession process recommended by the AFEP/MEDEF, the Board of Directors, on a proposal by the Director Selection Committee, has decided to stagger the terms of office. It therefore proposes to extend those of Directors not representing the personnel from two to three years by submitting the corresponding modification of the Articles of Association for approval by vote of the shareholders.

Thus, among the nine terms of office to be renewed at the General Meeting, three would be renewed exceptionally for only one year, three for two years and three for three years. Once this new spacing is in place, all terms of office will be renewed for a period of three years. The terms of office of Directors representing the personnel will continue to be two years.

The Board of Directors has examined the renewals taking into account the Directors' expertise, the need to maintain the same number of independent Directors, and the policy of seating more women on the Board.

The Board of Directors looked especially closely at the expertise, experience and knowledge of the Group's businesses that each Director must possess to contribute effectively to the work of the Board and its four committees.

To implement this new system, the Board of Directors proposes to renew the terms of office of Claude Berda, Gilles Pélisson and Olivier Roussat for one year (*i.e.* until the 2016 General Meeting), those of Olivier Bouygues, Catherine Dussart and Nonce Paolini for two years (*i.e.* until the 2017 General Meeting), and those of Martin Bouygues, Laurence Danon and Bouygues for three years (*i.e.* until the 2018 General Meeting).

Among the Directors not representing the personnel, there will continue to be four independent Directors as well as three women Directors in addition to the two women Directors representing the personnel.

The Directors' *curricula vitae* are found in Part 2.1.3, pages 40 to 48, of this registration document and annual financial report.

The composition of the Board of Directors is updated regularly on the company's website ([www.groupe-tf1.fr](http://www.groupe-tf1.fr), Groupe TF1 > Investors > Governance > Board of Directors).

■ **approve the components of remuneration due or allocated in respect of FY 2014 to the Executive Director of the company;**

In accordance with the recommendations of the AFEP/MEDEF Code revised in June 2013 (Article 24.3), which is the Code to which the company

refers pursuant to Article L. 225-37 of the French Commercial Code, shareholders shall be consulted on the components of remuneration due or allocated in respect of the closed financial year to the Executive Director of the company, including:

- the fixed portion;
- the annual variable portion and where necessary the multi-year variable portion along with the objectives that contribute to the determination of this variable portion;
- extraordinary remuneration;
- stock options, performance shares, and any other component of long-term remuneration;
- benefits linked to taking up or terminating office;
- supplementary pension scheme;
- any other benefits.

The vote concerns only the remuneration due or allocated in respect of FY 2014 to the Chairman and CEO, Nonce Paolini.

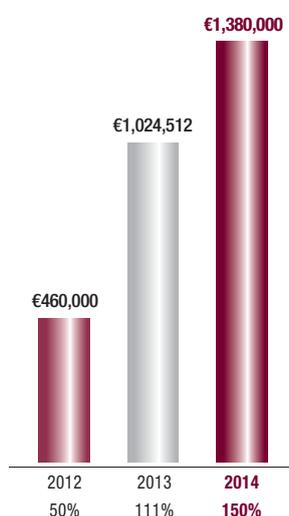
Information about remuneration is presented in the Corporate Governance report by the Chairman of the Board of Directors (see part 2.3 of this registration document and annual financial report, page 74).

The information was also posted on the company's website on February 19, 2015, at <http://www.groupe-tf1.fr/fr/investisseurs/gouvernance/remuneration-des-dirigeants>.

The TF1 Board of Directors determines Nonce Paolini's fixed and variable remuneration, in accordance with Article L. 225-53 of the French Commercial Code, after seeking the opinion of the Remuneration Committee.

When voting on the 15<sup>th</sup> resolution, we ask you to approve the components of remuneration due or allocated in respect of FY 2014 to Chairman and CEO Nonce Paolini, namely:

Components of remuneration due or allocated in respect of the closed financial year	Amounts or value put to a vote	Description
Fixed remuneration	€920,000	<p>Gross amounts due before tax No change since 2011</p> <p><b>Policy for determining fixed remuneration:</b> Criteria considered: level and complexity of the responsibilities, experience in the post and length of service with the Group, as well as the practices followed by the Group or companies carrying on similar businesses.</p> <p><b>Past years' fixed remuneration:</b></p> <ul style="list-style-type: none"> <li>■ 2013: €920,000;</li> <li>■ 2012: €920,000.</li> </ul>
Annual variable remuneration	€1,380,000 To be paid in March 2015 150% of fixed remuneration	<p><b>Quantitative criteria Gross amounts due before tax:</b></p> <ul style="list-style-type: none"> <li>■ P1 criterion: change in consolidated net profit attributable to the Bouygues group. This criterion represents 30% of fixed remuneration on achieving the objective and takes into consideration all Bouygues group financial performances;</li> <li>■ P2 criterion: change, compared with the business plan, in consolidated net profit attributable to the TF1 group. This criterion represents 35% of fixed remuneration on achieving the objective and rewards the Executive Director for meeting budget commitments;</li> <li>■ P3 criterion: year-on-year change in consolidated net profit attributable to the TF1 group. This criterion represents 35% of fixed remuneration on achieving the objective and takes into consideration the year-on-year growth performance.</li> </ul> <p><b>Qualitative criteria:</b></p> <ul style="list-style-type: none"> <li>■ P4 criterion: this criterion consists of four qualitative criteria that are not disclosed for confidentiality reasons. They represent 50% of fixed remuneration on achieving the objectives. In 2013, the Remuneration Committee decided that, for 2014, these qualitative criteria would include a qualitative criterion on CSR performance (namely TF1's continued inclusion in at least three CSR rating indices). During the year, the TF1 group remained in the previous years' indices and was also included in other indices (Euronext Vigeo France 20; listed as one of the stocks recognised by the Oekom research institute). The CSR performance recognition objective was therefore achieved from its first year of implementation.</li> </ul> <p><b>Indicators:</b></p> <ul style="list-style-type: none"> <li>■ measured with reference to significant economic indicators, which are intended to be stable and appropriate over time;</li> <li>■ annual review of the appropriateness of these indicators</li> </ul> <p><b>Cap:</b></p> <ul style="list-style-type: none"> <li>■ 150% of fixed salary.</li> </ul> <p><b>Past years' annual variable remuneration and percentage of fixed remuneration:</b></p>

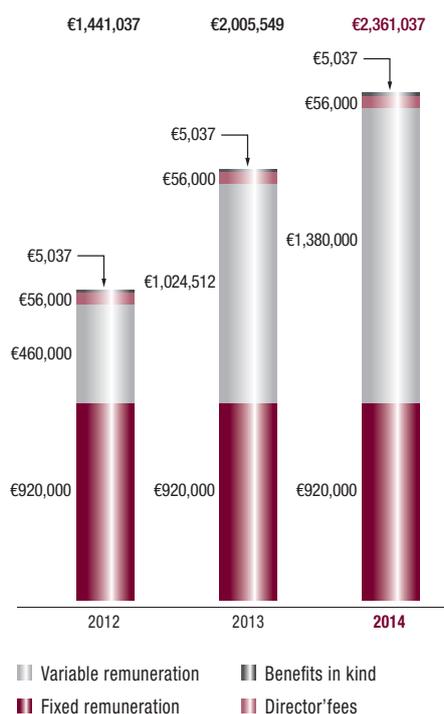


Components of remuneration due or allocated in respect of the closed financial year	Amounts or value put to a vote	Description								
Deferred variable remuneration	Not applicable	No deferred variable remuneration								
Multi-year variable remuneration	Not applicable	No multi-year variable remuneration								
Exceptional remuneration	Not applicable	No exceptional variable remuneration								
Stock options, performance shares, and any other component of long-term remuneration	Not applicable	<p><b>TF1 stock options:</b></p> <ul style="list-style-type: none"> <li>None granted in 2013 and 2014,</li> <li>Nonce Paolini has received no TF1 options since 2010,</li> <li>he was not a beneficiary of plans 12 and 13 allocated in 2011 and 2012.</li> </ul> <p><b>Bouygues stock options:</b></p> <p>Nonce Paolini was allocated:</p> <ul style="list-style-type: none"> <li>in 2013, 80,000 options that may be exercised from 2017 at an exercise price of €22.28;</li> <li>in 2014, 80,000 options that may be exercised from 2018 at an exercise price of €30.32.</li> </ul>								
Directors' fees	€56,000 Gross amount, before tax	<ul style="list-style-type: none"> <li>€18,500 in respect of his TF1 Directorship. Amount calculated in accordance with the provisions set at the 2003 General Meeting (see 2.3 of this registration document and annual financial report, page 77).</li> <li>€25,000 in respect of his Bouygues Directorship.</li> <li>€12,500 in respect of his Bouygues Telecom Directorship.</li> </ul>								
<table border="1"> <caption>Directors' fees (€)</caption> <thead> <tr> <th>Year</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>€56,000</td> </tr> <tr> <td>2013</td> <td>€56,000</td> </tr> <tr> <td>2014</td> <td>€56,000</td> </tr> </tbody> </table>			Year	Amount	2012	€56,000	2013	€56,000	2014	€56,000
Year	Amount									
2012	€56,000									
2013	€56,000									
2014	€56,000									
Value of other benefits	€5,037	<p><b>In-kind benefits:</b></p> <ul style="list-style-type: none"> <li>unchanged.</li> </ul> <p><b>Benefits provided:</b></p> <ul style="list-style-type: none"> <li>company car;</li> <li>part-time assignment of a personal assistant;</li> <li>driver-bodyguard.</li> </ul>								
<table border="1"> <caption>Value of other benefits (€)</caption> <thead> <tr> <th>Year</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>€5,037</td> </tr> <tr> <td>2013</td> <td>€5,037</td> </tr> <tr> <td>2014</td> <td>€5,037</td> </tr> </tbody> </table>			Year	Amount	2012	€5,037	2013	€5,037	2014	€5,037
Year	Amount									
2012	€5,037									
2013	€5,037									
2014	€5,037									

Components of remuneration due or allocated in respect of the closed financial year that are or have been put to a vote by the General Meeting under the procedure governing regulated agreements and commitments	Amounts put to a vote	Description
Benefits for taking up a position or termination	Not applicable	<b>Take-up, termination or change of function:</b> <ul style="list-style-type: none"> <li>■ no benefit;</li> <li>■ no benefit due or likely to be due;</li> <li>■ no commitment has been made and no promise made to grant termination benefits;</li> </ul> <b>if termination benefits were paid to Nonce Paolini, they would be charged to TF1 in proportion to the years spent as an employee or corporate officer within the TF1 group.</b>
Non-competition benefit	Not applicable	No non-competition clause.
Supplementary pension scheme	0.92% of the reference salary (average of three best years) for each year of membership, or eight times the upper earnings limit for social security contributions (currently €304,320).	<ul style="list-style-type: none"> <li>■ Under a policy governed by the French Insurance Code, Bouygues offers the members of its Senior Management Committee a supplementary pension set at 0.92% of the reference salary (average of three best years) for each year of membership. Nonce Paolini is a member of that committee. The annual supplementary pension is capped at eight times the upper earnings limit for social security contributions (currently €304,320).</li> <li>■ This entitlement is acquired after ten years of service at the Bouygues group and applies only to those who are at the Group when they take their retirement.</li> <li>■ The annual supplementary pension is subject to the procedure on regulated agreements, and Bouygues charges TF1 for the portion corresponding to premiums paid to the insurance company.</li> </ul>

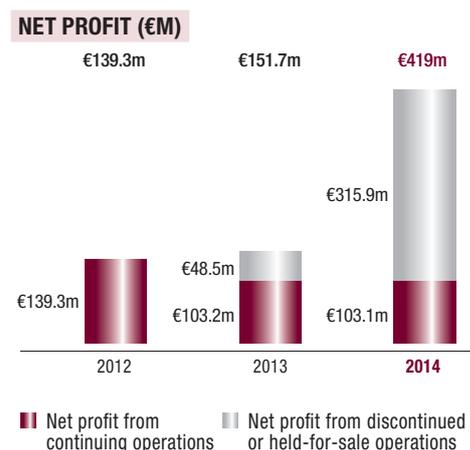
Nonce Paolini holds 4,050 TF1 shares of which 3,950 are held in regard to the retention obligation following the exercise of stock options in 2013.

To summarise, Nonce Paolini's total remuneration in the last three financial years is as follows:



The Board of Directors determines this remuneration in the general interest of the company and on the basis of:

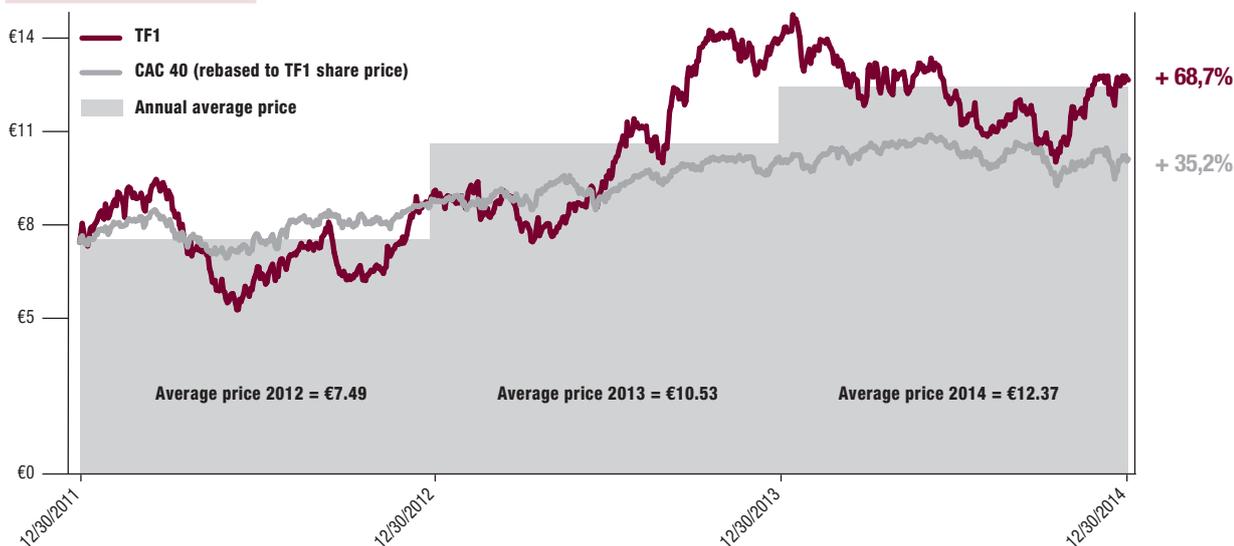
- the company's performance: the Board deemed that this remuneration reflected the work done and outcomes achieved in a highly complex economic, regulatory and competitive environment. Despite the broadcast of the 2014 FIFA World Cup (acquired for €130 million in 2005), net profit attributable to the Group from continuing operations was stable in 2014. Total net profit was €419 million in 2014: this includes the gain on the sale of a controlling interest in Eurosport to Discovery Communications and therefore reflects the value that was created;



– share price performance.

Remuneration was considered against the company's share price performance.

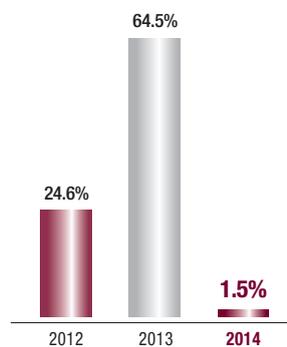
**SHARE PRICE 2012-2014**



Between January 1, 2012 and December 31, 2014, the period under consideration, TF1's share price rose by 68.7%, compared with the 35.2% rise in the CAC 40.

Remuneration was also considered against total shareholder return.

**TOTAL SHAREHOLDER RETURN**



**RETURN ON THE TF1 SHARE**

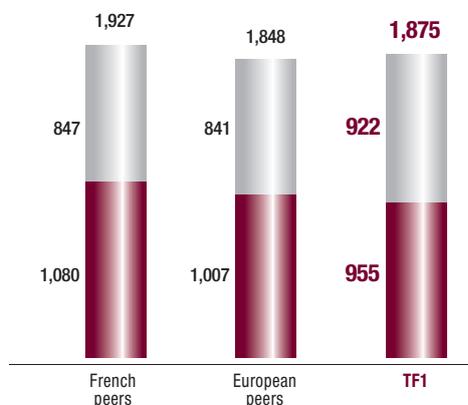


– intra-group and sector comparison: remuneration is assessed against that of other French and European senior managers in the sector. It is also determined using rules applied consistently across the Bouygues group's different business lines.

The average return (dividends received for years 2012-2013-2014 / average price for the period) was 25.7%.

Incorporating these two criteria (dividends received and capital gains realised), total shareholder return for the TF1 share was 103.1% between January 1, 2012 and December 31, 2014;

## COMPARISON OF FIXED AND VARIABLE REMUNERATION\*



■ Variable remuneration (€k)

■ Fixed remuneration (€k)

\* Average of the last three years available:

- 2011-2013 for French peers (M6, Canal+, Vivendi) and European peers (ITV, ProSieben Sat1, Mediaset Italia and Mediaset España),
- 2012-2014 for TF1.

■ **authorise your company to trade in its own shares;**

The 16<sup>th</sup> resolution authorises the company to trade in and buy back shares representing up to 10% of the company's share capital, within the limits set by the shareholders and in accordance with law. This resolution supersedes the authorisations given by the shareholders at previous General Meetings.

## DETAILS OF THE PROGRAMME SUBMITTED FOR APPROVAL

- securities concerned: shares;
- maximum percentage of the capital authorised for repurchase: 10%;
- maximum overall amount: €300 million;
- maximum price per share: €25;
- duration: 18 months.

## AIMS

The aims of the buyback programme are the same as for the previous programme. A description of the share buyback programme is provided in this registration document and annual financial report (chapter 6, page 237).

Share buybacks, which must not exceed 10% of the capital, can be used in particular to cancel shares under the authorisation set forth in the

17<sup>th</sup> resolution, in order, among others, to offset the dilutive impact on shareholders from the exercise of stock options allocated to employees and corporate officers. Buybacks can also, in accordance with a market practice accepted by the AMF (Autorité des Marchés Financiers) ensure the liquidity of and organise the market for the company's shares, through an investment service provider acting completely independently. They can also be used as a medium of payment or exchange for acquisitions, mergers, demergers or transfers of assets or upon the exercise of rights attached to securities through redemption, conversion or exchange.

The purchased shares can subsequently be disposed of under the conditions set by the AMF in its position of November 19, 2009 on the implementation of the new rules on share buybacks.

These transactions may be carried out in any manner and at any time, except during a takeover bid, a public offer of exchange or a standing market offer for the company's shares, and using derivative financial instruments, in compliance with regulatory requirements, pursuant to Article L. 225-209 of the French Commercial Code and the regulations set forth by the Autorité des Marchés Financiers (AMF). The Board of Directors wanted to expand the options for share buybacks by seeking authorisation to go through top-rated banks to use derivative financial instruments and make purchases on or off-market, on multilateral trading systems or on systematic internalisers or over the counter. The Board felt that the terms offered by this approach might be in the financial interest of the company and shareholders. The purchase price cannot exceed €25 per share. The maximum amount of funds that can be used for the share buyback programme is €300 million.

The authorisation for the company to buy back its own shares is subject to several legal limits, in particular:

- the company may not own, directly or through an intermediary acting in its own name but on behalf of the company, more than 10% of the total number of shares making up its share capital;
- the acquisition of shares must not reduce shareholders' equity below the amount of capital plus non-distributable reserves;
- throughout the period of ownership of the shares, the company must have reserves, in addition to the legal reserve, at least equal to the value of all the treasury shares it owns.

Treasury shares have no voting rights and dividends accruing to them are carried forward as retained earnings.

The company did not purchase any of its own shares between February 18, 2014 and February 18, 2015.

As at February 18, 2015, the company owned none of its shares.

## RESOLUTIONS SUBMITTED BY THE BOARD OF DIRECTORS TO THE GENERAL MEETING – EXTRAORDINARY BUSINESS

The financial authorisations and powers granted by the previous General Meetings are listed in a table on page 238 et seq., chapter 6 in this registration document and annual financial report.

Between February 18, 2014 and February 18, 2015, the Board of Directors did not use the financial powers granted by the General Meeting. In the resolutions that are submitted to you, we propose that you:

■ **authorise a capital reduction through the cancellation of shares;**

The purpose of the **17<sup>th</sup> resolution** is to authorise the Board of Directors to reduce the capital of the company, on one or more occasions and by up to 10% of the capital per 24-month period, by cancelling some or all of the shares acquired under the buyback programmes authorised by the General Meeting. This authorisation will be given for an 18-month period and will replace the one given at the Combined Annual General Meeting of April 17, 2014.

Cancelling repurchased shares makes it possible, if the Board deems it appropriate, to offset the dilutive impact on shareholders arising from the creation of new shares following, for example, the exercise of stock options.

TF1 did not buy back any TF1 shares in 2014 and did not cancel any of its shares. On February 18, 2015, no treasury shares were held.

■ **authorise the following financial powers to issue shares and securities;**

The financial authorisations and powers granted by the 2013 and 2014 General Meetings to issue shares and securities giving access to the capital with or without pre-emptive rights expire in 2015 and were not used by the Board. The authorisations to grant options and award performance shares that expire on June 17, 2017 remain valid.

Over the years, the General Meeting has regularly granted the Board of Directors the authorisations it needs to be able to seize opportunities on the financial market so it can carry out the transactions that best meet the company's capital needs, insofar as it has a choice of securities giving access to the capital, with or without pre-emptive rights for shareholders.

We ask you to renew the previous authorisations by delegating the General Meeting's authority to the Board of Directors for a 26-month period.

These new delegations are in the same vein as similar ones authorised by previous AGMs and are consistent with usual practice and recommendations concerning amounts, ceiling and duration (26 months).

The Board of Directors, in principle, prefers to carry out capital increases with pre-emptive rights. It may, however, prove necessary to do so without pre-emptive rights for certain financial transactions. They may only be carried out if shareholders agree to waive this right in favour of designated beneficiaries or categories of beneficiaries, or with no

designated beneficiaries if the company offers its shares to the public or to qualified investors or to a limited circle of investors in a private placement. The Board of Directors may nevertheless grant shareholders a priority right to a certain number of subscription rights (*à titre irréductible*) and/or to an additional number of subscription rights.

The individual and total amounts of authorised capital increases are covered by the **26<sup>th</sup> resolution**. The maximum nominal amount of immediate and/or deferred capital increases that can be made by virtue of authorisations to be granted would be fixed at €8.4 million ("overall ceiling" of 20% of the capital) with pre-emptive rights or €4.2 million ("sub-ceiling" of 10% of the capital) without pre-emptive rights. The corresponding issue options are limited by the overall ceiling. The maximum nominal amount of debt securities that may be issued under the authorisations would be €900 million.

The sub-ceiling applies to the following types of transactions:

- capital increases through a public offer or private placement without pre-emptive rights (20<sup>th</sup> resolution and 21<sup>st</sup> resolution);
- additional issues by application of the green-shoe clause, if the issue is organised without pre-emptive rights (23<sup>rd</sup> resolution);
- issues for in-kind contributions (24<sup>th</sup> resolution);
- issues for contributions of shares (25<sup>th</sup> resolution).

In accordance with the law, the issue price for the shares must be at least equal to the weighted average share price in the last three trading sessions prior to the date on which it is set, to which a maximum discount of 5% may be applied. However, you are asked to exempt the Board of Directors from the price-setting conditions set forth in the 20<sup>th</sup> and 21<sup>st</sup> resolutions by allowing an issue price equal to the average share price quoted on the stock exchange over a maximum period of six months prior to the issue or an issue price equal to the weighted average market price on the day prior to the issue (one-day VWAP) with a maximum discount of 10%.

In the **18<sup>th</sup> resolution**, you are asked to grant the Board of Directors the power to increase the capital with pre-emptive rights by issuing ordinary shares of the company and securities of any kind, issued against payment or allotted as bonus shares, giving immediate and/or subsequent access to new or existing ordinary shares of the company.

Shareholders will therefore have, in proportion to the number of shares they own, a pre-emptive right to a certain number of subscription rights and, if the Board so decides, to an additional number of subscription rights to ordinary shares and securities that may be issued on the basis of this resolution.

The total nominal amount of capital increases may not exceed €8.4 million, *i.e.*, approximately 20% of the current capital, and the total nominal amount of debt securities giving immediate and/or subsequent access to the capital would be capped at €900 million. These amounts count against the capital increase ceilings authorised in the 26<sup>th</sup> resolution.

In the **19<sup>th</sup> resolution**, you are asked to authorise the Board of Directors to increase capital through the incorporation of reserves, profits, issuance premiums or other amounts that may be capitalised by law and under the Articles of Association, by allotting bonus shares or increasing the nominal value of existing shares or by a combination of these two processes, up to a limit of a nominal amount of €400 million. This ceiling is separate and distinct from the overall ceiling set in the 26<sup>th</sup> resolution.

The **20<sup>th</sup> and 21<sup>st</sup> resolutions** seek to authorise the Board of Directors to increase the capital without pre-emptive rights by issuing ordinary shares of the company and securities of any kind, issued against payment or allotted as bonus shares, giving immediate and/or subsequent access to new or existing ordinary shares of the company up to a limit of 10% of the capital (€4.2 million) and €900 million for debt securities. These amounts count against the capital increase ceilings authorised in the 26<sup>th</sup> resolution.

The 20<sup>th</sup> resolution would authorise capital increases through a public offer; the 21<sup>st</sup> through a private placement. The aim is for the company to optimise its access to the capital markets and thus enjoy more favourable market conditions.

Unlike public share offers, capital increases through private placement are intended for persons who provide third-party asset management investment services, or qualified investors or a limited circle of investors, provided these investors are acting on their own behalf. In that case, they would be capped at 10% of the capital over a 12-month period.

The issue price for ordinary shares and securities must be such that the amount received immediately by the company, plus any amount it may subsequently receive, for each ordinary share issued, is at least equal to the minimum amount required by law, unless the provisions of the 22<sup>nd</sup> resolution, granting the Board of Directors the power to establish other price-setting methods under certain conditions, up to a limit of 10% of the capital, apply.

The **22<sup>nd</sup> resolution** seeks, in accordance with Article L. 225-136 paragraph 1 of the French Commercial Code, to exempt the Board of Directors from the price-setting conditions provided for by applicable regulation (Article R. 225-119 of the French Commercial Code) for issues carried out through a public offer or private placement, and to authorise it to set, based on methods to be determined by the General Meeting, the issue price of shares to be issued immediately or at a later date, up to a limit of 10% of the capital over a 12-month period.

The issue price would be set as follows:

- for securities to be issued immediately, the Board may choose between the following two methods:
  - issue price equal to the average share price quoted on the stock exchange over a maximum period of six months prior to the issue,

- issue price equal to the weighted average market price on the day prior to the issue (one-day VWAP), with a maximum discount of 10%;

- for securities to be issued at a later date, the issue price will be such that the amount received immediately by the company plus the amount that may subsequently be received by the company for each share is at least equal to the amount indicated above.

The **23<sup>rd</sup> resolution** would give the Board of Directors the option, for any capital increase with or without pre-emptive rights, to increase the number of shares to be issued, during a 30-day period after the subscription closes, up to a limit of 15% of the initial issue, and up to the ceiling provided for in the resolution under which the capital increase will be decided, and at the same price as for the initial issue.

The **24<sup>th</sup> resolution** seeks to authorise the Board of Directors to carry out, based on the Merger Auditor's report, one or more capital increases, up to a limit of 10% of the capital (€4.2 million) and €900 million for debt securities, as payment for in-kind contributions to the company and consisting of shares or securities giving access to the capital of another company, excluding public offers. Transactions carried out under this authorisation will count against the ceilings for capital increases and issues of debt securities stipulated in the 26<sup>th</sup> resolution.

In the **25<sup>th</sup> resolution**, you are asked to authorise the Board of Directors to decide, in light of the Statutory Auditors' opinion on the conditions and consequences of the issue, to carry out one or more capital increases, up to a limit of 10% of the capital (€4.2 million) and €900 million for debt securities, to remunerate securities tendered as part of a public exchange offer initiated by the company for securities of a company whose shares are admitted to trading on a regulated market. Transactions carried out under this authorisation will count against the ceilings for capital increases and issues of debt securities stipulated in the 26<sup>th</sup> resolution.

- **authorise a capital increase for employees and corporate officers participating in a company savings plan;**

The purpose of the **27<sup>th</sup> resolution** is to authorise the Board of Directors to carry out capital increases reserved for employees of the TF1 group participating in a Group company savings plan, as the previous authorisation granted at the Combined Annual General Meeting of April 18, 2013 (28<sup>th</sup> resolution), which the Board did not use, expires in 2015.

At December 31, 2014, 75.5% of eligible employees participated in TF1's group savings scheme. Through the "FCPE TF1 Actions" company savings plan, employee shareholders owned 6.8% of the capital and voting rights. The FCPE TF1 Actions management company buys TF1 shares held finally by employees on the market at no discount.

The company firmly believes that it is important to enable employees to benefit from the Group's success, to which they are key contributors. Employee savings transactions and capital increases reserved for employees enable them to build their savings and be directly rewarded and involved in the Group's current operations, which helps to enhance their motivation and commitment to the company.

We ask you to renew the authorisation granted to the Board of Directors, for a period of 26 months, to decide to carry out, in the proportions and at such times as it shall determine, one or more capital increases reserved for employees and corporate officers of the company and associated companies as defined by Article L. 225-180 of the French Commercial Code, up to a maximum limit of 2% during the validity period of 26 months, by issuing new shares to be paid up in cash and, where appropriate, through the incorporation into the capital of reserves, profits or issuance premiums and the grant of bonus shares or other securities giving access to the capital. In accordance with Article L. 3332-19 of the French Labour Code, the subscription price will be equal to the average of the opening share prices quoted on the Euronext Paris market for the 20 trading sessions prior to the day of the Board of Directors' decision setting the opening date for subscription, with a maximum discount of 20%.

■ **amend the company's Articles of Association;**

The **28<sup>th</sup> and 29<sup>th</sup> resolutions** seek to amend TF1 SA's Articles of Association.

The **28<sup>th</sup> resolution** seeks to remove the double voting right provided for in Article 225-123 of the French Commercial Code from all fully paid-up shares proven to have been registered in the name of the same shareholder for at least two years.

The Board of Directors considered that this double voting right mechanism could, in practice, present difficulties for a company licensed to operate a domestic television service due to the maximum ownership percentages set by Act no. 86-1067 as amended on September 30, 1986.

The **29<sup>th</sup> resolution** seeks to increase the term of office of Directors who are not employee representatives from two to three years and to

amend the first three paragraphs of point III of Article 10 of the Articles of Association accordingly.

The terms of office of nine Directors who are not employee representatives will expire at this General Meeting. To stagger the reappointments of Directors who are not employee representatives, the Board of Directors, on the recommendation of the Selection Committee, asks you to decide to increase the length of their terms of office from two to three years, it being specified that, on an exceptional basis for the reappointments made at this General Meeting, the term of office will be limited to one year for three of the Directors and to two years for three other Directors. The length of the term of office of Directors who are employee representatives remains two years.

The purpose of the **30<sup>th</sup> resolution** is to harmonise the Articles of Association with legal and regulatory requirements regarding the representation of shareholders at General Meetings by removing an old reference by deleting the second paragraph of Article 21, titled "Access to General Meetings – Powers".

■ **delegate powers to carry out corporate formalities;**

The purpose of the **31<sup>st</sup> resolution** is to allow all legal and administrative formalities, filings and disclosures provided for by prevailing law to be carried out.

Information on the company's operations, to be provided under the law, is included in the management report that you received.

You are asked to vote on the proposed resolutions.

The Board of Directors