



Financial Statements

CONSOLIDATED

ASSETS (FF thousands)	31 Dec. 94	31 Dec. 93	31 Dec. 92	Notes
INTANGIBLE FIXED ASSETS	156,229	111,362	94,186	
Audiovisual rights	147,316	103,364	91,492	2-4 & 3-1
Other intangible fixed assets	8,913	7,998	2,694	2-5 & 3-2
GOODWILL	-	-	-	
TANGIBLE FIXED ASSETS	552,220	514,631	558,866	2-6 & 3-3
Land	37,243	37,243	37,243	
Freehold buildings	81,618	85,096	88,575	
Other tangible fixed assets	433,359	392,292	433,048	
FINANCIAL ASSETS	26,848	15,380	20,173	
Investments and related loans	19,643	6,607	7,967	
Other financial assets	7,205	8,773	12,206	
FIXED ASSETS	735,297	641,373	673,225	
Programmes and film rights	2,083,993	2,078,341	2,058,626	2-3 & 3-4
Raw materials and supplies	24,318	31,226	25,366	
Trade debtors	1,973,400	1,768,590	1,332,925	
Other debtors	844,570	867,068	1,178,033	3-5 & 3-12
Marketable securities	743,489	556,125	615,424	2-7 & 3-6
Cash	64,429	120,456	232,016	
CURRENT ASSETS	5,734,199	5,421,806	5,442,390	
Adjustment accounts	238,291	207,065	163,368	3-14
Deferred taxation	94,503	59,072	51,258	3-11
TOTAL ASSETS	6,802,290	6,329,316	6,330,241	

$\Delta = -1256$

+ 204 810

BALANCE SHEET

LIABILITIES (FF thousands)	31 Dec. 94	31 Dec. 93	31 Dec. 92	Notes
Share capital	210,000	210,000	210,000	
Revaluation reserve	30,705	30,705	30,705	
Reserves	1,208,218	1,011,413	770,471	
Profit attributable to the Group	541,545	458,804	451,219	
SHAREHOLDERS' EQUITY	1,990,468	1,710,922	1,462,395	3-7
Minority interests	3,665	3,652	8,950	3-8
Government grants for investment	21,446	24,152	15,880	2-8 & 3-9
Provisions for liabilities and charges	144,661	107,807	70,973	2-9 & 3-10
— Deferred taxation	194,321	181,198	169,986	2-10 & 3-11
Financial creditors and borrowings ⁽¹⁾	38,907	105,728	132,267	3-12
— Trade creditors	2,443,472	2,315,099	2,470,411	3-12
— Other creditors	1,931,765	1,840,997	1,983,534	3-12 & 3-13
CREDITORS	4,414,144	4,261,824	4,586,212	
— Adjustment accounts	33,585	39,761	15,845	
TOTAL LIABILITIES	6,802,290	6,329,316	6,330,241	

(1) Including current bank overdrafts

165

2,452

9,226

P CONSOLIDATED R PROFIT AND LOSS ACCOUNT

(in FF thousands)	1994	1993	1992	Notes																			
TURNOVER	8,424,411	7,758,603	7,434,190																				
Net advertising revenues	7,161,493	6,617,435	6,329,772																				
	<table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th style="text-align: right;">1994</th> <th style="text-align: right;">1993</th> <th style="text-align: right;">1992</th> </tr> </thead> <tbody> <tr> <td>• TF1</td> <td style="text-align: right;">7,051,531</td> <td style="text-align: right;">6,552,608</td> <td style="text-align: right;">6,237,480</td> </tr> <tr> <td>• EUROSPOORT</td> <td style="text-align: right;">98,251</td> <td style="text-align: right;">64,827</td> <td style="text-align: right;">92,292</td> </tr> <tr> <td>• LCI</td> <td style="text-align: right;">11,711</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>7,161,493</u></td> <td style="text-align: right;"><u>6,617,435</u></td> <td style="text-align: right;"><u>6,329,772</u></td> </tr> </tbody> </table>		1994	1993	1992	• TF1	7,051,531	6,552,608	6,237,480	• EUROSPOORT	98,251	64,827	92,292	• LCI	11,711	-	-		<u>7,161,493</u>	<u>6,617,435</u>	<u>6,329,772</u>		
	1994	1993	1992																				
• TF1	7,051,531	6,552,608	6,237,480																				
• EUROSPOORT	98,251	64,827	92,292																				
• LCI	11,711	-	-																				
	<u>7,161,493</u>	<u>6,617,435</u>	<u>6,329,772</u>																				
Diversification revenues	1,105,675	950,033	771,112																				
Technical services revenues	112,814	121,647	269,034																				
Other revenues	44,429	69,488	64,272																				
OPERATING EXPENSES	(7,638,128)	(6,966,487)	(6,888,361)																				
External production broadcast	(2,365,586)	(2,357,660)	(2,373,938)																				
Variation of in-house production stock	51,819	32,641	65,183																				
Staff expenses	(1,143,703)	(994,185)	(1,008,432)																				
Other operating expenses	(3,800,762)	(3,400,646)	(3,371,205)	4-1																			
Depreciations & Provisions (net value)																							
- Depreciations	(204,761)	(197,783)	(201,603)																				
- Provisions	(175,135)	(48,854)	1,634																				
OPERATING PROFIT	786,283	792,116	545,829																				
Financial revenues	67,744	32,269	75,396																				
Financial expenses	(30,848)	(62,826)	(47,881)																				
FINANCIAL PROFIT	36,896	(30,557)	27,515	4-2																			
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	823,179	761,559	573,344																				
Extraordinary items	20,181	(50,036)	52,061	4-3																			
Profit sharing	(24,154)	(18,458)	(9,079)																				
Income tax	(275,813)	(232,441)	(160,958)	4-4																			
NET PROFIT OF INTEGRATED COMPANIES	543,393	460,624	455,368																				
Minority share of profit	(1,848)	(1,820)	(4,149)																				
NET PROFIT ATTRIBUTABLE TO THE GROUP	541,545	458,804	451,219	4-5																			

CONSOLIDATED CASH FLOW STATEMENT

(in FF thousands)

31 Dec. 94

31 Dec. 93

31 Dec. 92

1- OPERATING ACTIVITIES

Net profit	543,393	460,624	455,368
Depreciations and provisions	241,689	234,156	178,302
Investment grants released to revenue	(34,441)	(32,448)	(35,439)
Expenses to amortise	(50,936)	(40,241)	(64,575)
Capital gains (losses) on disposal of fixed assets	11,928	6,664	(141,830)

Cash flow	711,633	628,755	391,826
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Increase (decrease) in working capital needs

• Stocks	1,256	(25,575)	166,499
• Trade debtors	(146,685)	(175,035)	(212,829)
• Trade creditors	162,683	(261,264)	392,195
• Net advances from third parties	(38,989)	545	18,198

NET CASH FLOW FROM OPERATING ACTIVITIES	689,898	167,426	755,889
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2- INVESTING ACTIVITIES

• Purchase of intangible fixed assets	(120,415)	(78,046)	(64,418)
• Purchase of tangible fixed assets	(141,315)	(50,488)	(294,805)
• Purchase of financial assets	(16,984)	(6,020)	(6,744)
• Proceeds from sales of fixed assets	12,163	7,199	362,994
• Increase (decrease) in payables to fixed assets suppliers	5,827	(12,188)	(80,469)

	(260,724)	(139,543)	(83,442)
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Consolidation adjustments	1,400	(702)	(557)
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NET CASH FLOW FROM INVESTING ACTIVITIES	(259,324)	(140,245)	(83,999)
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3- FINANCING ACTIVITIES

Increase in shareholders' equity	31,735	40,720	25,581
Increase (decrease) in borrowings	(64,510)	(19,766)	(93,583)
Dividends paid	(264,150)	(212,220)	(173,172)

NET CASH FLOW FROM FINANCING	(296,925)	(191,266)	(241,174)
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TOTAL INCREASE (DECREASE) IN CASH	133,649	(164,085)	430,716
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Cash at beginning of period	674,129	838,214	407,498
Net inflow (outflow)	133,649	(164,085)	430,716
Cash at closing of period	807,778	674,129	838,214

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1. THE TF1 GROUP

1-1 PRESENTATION OF TF1

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

Also, article 28.1 of Law 94-88 of February 1st, 1994 stipulates that licences are «renewed by the CSA (Conseil Supérieur de l'Audiovisuel), without invitation to candidates, to a limit of twice and on each occasion for a duration of five years, (...) unless the CSA considers that the penalty(ies) imposed on the licensee or claims made against the

licensee justify, by reason of their seriousness, that the licence should not be renewed without invitation to candidates».

1-2 CONSOLIDATED ACCOUNTS

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

Companies consolidated under the equity method

Following the restructuring of the capital of SFP in 1990 in which TF1 did not par-

ticipate, TF1's holding has been reduced from 22.51% to 4.4%. SFP is consequently no longer consolidated. The value of this financial participation is taken as null.

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

Subsidiaries not consolidated

Certain subsidiaries which are not significant to Group accounts (Médiamétrie, Télé Europe, Telcarte, Média Congrès, SETS) and the subsidiary under liquidation (TF01) have not been consolidated.

1-3 SCOPE OF CONSOLIDATION

	LEGAL STRUCTURE	SHARE CAPITAL ⁽¹⁾	CURRENCY	NATIONALITY	ACTIVITY	% HOLDING
FULLY - CONSOLIDATED SUBSIDIARIES						
TF1 PUBLICITÉ	SA	15,000	FRF	French	Marketing of TF1 advertising airtime	99.98
TF1 FILMS PRODUCTION	SA	2,000	FRF	French	Co-production of films	99.97
TELE-SHOPPING	SA	1,000	FRF	French	Homeshipping	84.96
SYALIS SA	SA	250	FRF	French	Financing company	99.76
TF1 ÉDITIONS	SA	500	FRF	French	Book publishing	99.90
UNE MUSIQUE	SA	250	FRF	French	Music and Disks	99.80
TF1 EUROPE	SA	1,000	FRF	French	Financing company	99.94
LUXTEL 1	SA	1,250	LUF	Luxemburg	Production of programmes	100.00
TF1 PUB PRODUCTION	SARL	50	FRF	French	Commercials and promos	100.00
BANCO PRODUCTION	SA	3,000	FRF	French	Production of programmes	99.98
PROTECREA	SA	10,000	FRF	French	Production of programmes	99.99
TF1 ENTREPRISES	SA	52,000	FRF	French	Video, phone-based services, TV programme sales	100.00
STUDIOS 107	SA	10,000	FRF	French	TV production studios	99.99
C.I.C.	SA	785	FRF	French	Video distribution	99.92
MERY PRODUCTION	SA	500	FRF	French	Production, acquisition and sales of programmes	99.94
TF1 BOUTIQUES	SA	250	FRF	French	Spin-off products distribution	99.76
LA CHAÎNE INFO	SCS	1,500	FRF	French	Exploitation of "La Chaîne Info"	100.00
SYALIS DA	SA	25,000	FRF	French	Audiovisual rights	100.00
TF1 INTERNATIONAL	SA	250	FRF	French	Audiovisual technologies	99.76
TELE ACHAT CABLE	SA	250	FRF	French	Distribution of products	99.72
TF1 PUB BELGIQUE	SA	20,000	BEF	Belgian	Marketing of advertising airtime in Belgium	75.00
COMPANIES CONSOLIDATED UNDER THE PROPORTIONAL METHOD						
EUROSPORT						
ESO	SCS	3,000	FRF	French	Commercialisation of the Eurosport's programme outside France	34.00
TV SPORT	SA	15,000	FRF	French	Commercialisation of the Eurosport's programme in France	31.00
MT ZURICH	SA	600	CHF	Swiss	Commercialisation of the Eurosport's programme in Switzerland	34.00
MT AMSTERDAM	SA	30	NLG	Dutch	Commercialisation of the Eurosport's programme in Holland	34.00
MT MUNICH	SA	43	DEM	German	Commercialisation of the Eurosport's programme in Germany	34.00
MT LONDRES	SA	22	GBP	English	Commercialisation of the Eurosport's programme in the UK	34.00
TÉLÉVISION NORDIC AB	SA	50	SEK	Swedish	Commercialisation of the Eurosport's programme in Sweden	34.00
EUROSPORT GMBH	SA	50	DEM	German	Commercialisation of the Eurosport's programme in Germany	34.00
SAGAS	SA	250	FRF	French	ESO's manager	33.92
EUROSALES	SA	1,500	FRF	French	ESO's advertising agency	34.00
LÉGENDE DISTRIBUTION	SA	4,000	FRF	French	Distribution of films	37.50

(1) Local currency (in thousands)

CONSOLIDATED ACCOUNTS

2. ACCOUNTING PRINCIPLES AND METHODS

2-1 GENERAL PRINCIPLES

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

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

2-2 COMPARABILITY OF ACCOUNTS

The financial year ending December 31, 1994 is a 12-month accounting period comparable to the previous period without restatements.

2-3 PROGRAMMES AND FILM RIGHTS

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

- a) Programmes are reported under «Programmes and film rights».
- b) «Programmes and film rights» covers:
- TF1 in-house productions,
 - external productions, including broadcasting rights acquired by the station as well as co-productions.
- c) Elements reported under «Programmes and film rights» at the close of the financial year refer to:
- in-house productions, or co-productions ready for broadcasting that have not yet been transmitted for the first time; these are valued at their overall production cost (direct costs plus attributable production overheads) or purchase cost;

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

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

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

d.1 Purchased TV rights and co-produced programmes

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

Possible transmissions	1	2 or more
1 st transmission	100%	100%
2 nd transmission	-	-

Some purchases of audiovisual rights regarding children's programmes are depreciated according to the valuation of each transmission as contractually defined.

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

Possible transmissions	1	2 or more
1 st transmission	100%	100%
2 nd transmission	-	-

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

Possible transmissions	1	2 or more
1 st transmission	100%	80%
2 nd transmission	-	20%

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

Possible transmissions	1	2 or more
1 st transmission	100%	50%
2 nd transmission	-	50%

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

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

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

2-4 AUDIOVISUAL RIGHTS

Audiovisual rights relate to shares of films co-produced by TF1 FILMS PRODUCTION, audiovisual rights of SYALIS DA devoted to either distribution or trading and finally, musical rights held by UNE MUSIQUE.

The date from which these rights are accounted for as intangible assets and their depreciation methods are defined as follows:

Date of recording in tangible assets	Depreciation method			
	Co-production Share	Audiovisual Rights Distribution	Audiovisual Rights Trading	Musical Rights
End of shooting date	in line with revenues			
Censors' certificate	straight-line rate over 3 years			
Signing of contract		straight-line rate over 3 years	straight-line rate over 5 years	
Signing of contract				2 years 75% 1 st year 25% 2 nd year

For films co-produced by TF1 FILMS PRODUCTION, the method applied is the one which enables to fiscally amortize films as fast as possible. It can thus differ from film to film.

2-5 OTHER INTANGIBLE FIXED ASSETS

Other intangible assets relate essentially to acquisition of trade marks and TF1 BOUTIQUES' fixed assets.

2-6 TANGIBLE FIXED ASSETS

Depreciation methods are the following:

Buildings	straight line	40 years*
Technical facilities (before 1992)	reducing balance	3 to 5 years
Technical facilities (after 1992)	straight line	5 years
Other tangible fixed assets	straight line or reducing balance	3 to 10 years

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

Leasing operations do not require specific restatements. They are indicated on note 6-1.

2-7 MARKETABLE SECURITIES

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

2-8 GOVERNMENT GRANTS FOR INVESTMENT

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

Grants received by TF1 FILMS PRODUCTION, BANCO PRODUCTION and PROTECREA from the CNC (National Cinema Council) are released to revenue for the financial year during which the relevant films are completed.

2-9 PROVISIONS FOR LIABILITIES AND CHARGES

The amount provided for identified losses is the best estimate that can be made of such losses at the balance sheet closing date.

Losses in respect of subsidiaries under liquidation are fully provided for.

3. NOTES TO THE CONSOLIDATED BALANCE SHEET

2-10 DEFERRED TAXATION

For TF1 and its subsidiaries, deferred taxation refers to:

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

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

2-11 ADVERTISING

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

2-12 OFF-BALANCE SHEET COMMITMENTS

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



3-1 AUDIOVISUAL RIGHTS

Defined as indicated under section 2-4, the movements for the financial year concerning films co-produced by TF1 FILMS PRODUCTION, rights acquired by SYALIS DA and rights held by UNE MUSIQUE break down as follows:

(FF million)	01 Jan. 94	Increase	Decrease	31 Dec. 94
Gross value	456	173	82	547
Depreciation	353	60	13	400
Net value	103	113	69	147

3-2 OTHER INTANGIBLE FIXED ASSETS

(FF million)	01 Jan. 94	Increase	Decrease	31 Dec. 94
Gross value	12	3	-	15
Depreciation	4	2	-	6
Net value	8	1	-	9

3-3 TANGIBLE FIXED ASSETS

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

Gross values

(FF million)	01 Jan. 94	Increase	Decrease	31 Dec. 94
Lands	37	-	-	37
Buildings	111	-	-	111
Technical facilities & equipment	221	96	22	295
Other	398	44	16	426
Work in progress	-	1	-	1
Total	767	141	38	870

Depreciations

(FF million)	01 Jan. 94	Increase	Decrease	31 Dec. 94
Buildings	26	3	-	29
Technical facilities & equipment	116	42	14	144
Other	110	49	14	145
Total	252	94	28	318

$$60 + 2 + 94 = 156$$

$$\text{Dep et prov/AC} = 782$$

$$242$$

3-4 PROGRAMMES AND FILMS RIGHTS

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

3-5 OTHER DEBTORS

These amounted to FF 845 million, including FF 764 million of debtors related to value-added-tax.

3-6 MARKETABLE SECURITIES

These consist of FF 743 million in «SICAV» unit trusts. All capital gains have been taken on December 31, 1994.

3-7 SHARE CAPITAL AND RESERVES

Movements were as indicated in the opposite table:

3-8 MINORITY INTERESTS

Movements were as indicated in the opposite table:

3-9 GOVERNMENT GRANTS FOR INVESTMENT

These relate to grants obtained by TF1 FILMS PRODUCTION from the National Cinema Council (CNC). The amount released to revenue in 1994 was FF 34 million as against FF 33 million in 1993.

3-10 PROVISIONS FOR LIABILITIES AND CHARGES

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

Out of a total of FF 145 million of «Provisions for liabilities and charges», FF 135 million are related to risks with private companies and individuals and FF 10 million are related to risks with administrations.

On December 31, 1994, «Other provisions» essentially included TF1's share in the risk of the non-collection of TF1 PUBLICITE receivables.

(FF million)	1994	1993	1992
Advances on programmes in progress	583	585	635
Programmes ready for broadcasting	1,503	1,394	1,368
Rights available for re-broadcasting	299	267	198
Gross value	2,385	2,246	2,201
Provisions	(301)	(168)	(143)
Net value	2,084	2,078	2,058

(FF million)	01 Jan. 94	Dividends	Other	Profit of the year	31 Dec. 94
Share capital	210	-	-	-	210
Revaluation reserves	31	-	-	-	31
Other reserves	1,470	(262)	(1)	542	1,749
Total	1,711	(262)	(1)	542	1,990

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

(FF million)	01 Jan. 94	Dividends	Change in the scope of consolidation	Profit of the year	31 Dec. 94
Minority interests	4	(2)	-	2	4

(FF million)	01 Jan. 94	Increase	Decrease	31 Dec. 94
Claims	66	34	35	65
Associated companies	11	3	7	7
Other	31	59	17	73
Total	108	96	59	145

3-11 DEFERRED TAXATION

Deferred income tax is calculated at the 33.33% rate prevailing at December 31, 1994, and recognized using the accrual method of tax allocation.

a) Deferred tax liabilities may be analyzed as follows:

(FF million)	1994	1993	1992
TF1	170	162	138
Subsidiaries	24	19	32
Total	194	181	170

Deferred tax liabilities relate essentially to special depreciation allowed for tax purposes on films.

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

3-12 DUE DATES FOR DEBTORS AND CREDITORS

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

(FF million)	Less than one year	Between one and five years	Over five years	Total
Other debtors	766	24	55	845
Financial creditors and borrowings	39	-	-	39
Trade creditors	2,443	-	-	2,443
Other creditors	1,932	-	-	1,932

3-13 OTHER CREDITORS

The breakdown of "Other creditors" is as follows:

(FF million)	1994	1993	1992
Personnel, taxes and social security	1,068	1,192	900
Payables to fixed assets suppliers	52	39	51
Other creditors	812	610	1,033
Total	1,932	1,841	1,984

The variation in other creditors essentially stems from the variation of value-added-tax and from the variation of liabilities on fixed assets in newly created subsidiaries, LCI and SYALIS DA.

3-14 ADJUSTMENT ACCOUNTS

Adjustments accounts, which amount to FF 238 million, essentially relate to:

- expenses to be amortised over several periods (products for sale) or prepaid expenses (products to be sold) for FF 41 million.
- prepaid sports broadcasting expenses for FF 179 million.

4. NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

4-1 OTHER OPERATING EXPENSES

Other operating expenses include the following items:

(FF million)	1994	1993	1992
Transmission costs (TDF)	502	496	483
Subcontracting and production costs	1,279	1,021	1,045
Sundry contributions	644	624	587
Taxes and levies	101	77	105
Other	1,275	1,183	1,151
Total	3,801	3,401	3,371



4-2 FINANCIAL REVENUES AND EXPENSES

The financial result for 1994 split up as follows:

(FF million)	
Net profits on the sale of marketable securities	42
Provisions for contingency and financial investments	4
Interest expenses	(11)
Other	2
Financial profit	37

4-3 EXTRAORDINARY ITEMS

The extraordinary items for 1994 split up as follows:

(FF million)	
Expenses related to the use of two buildings	(5)
Portion of investment grants reported as income	21
Lawsuits and fines	12
Other	(7)
Extraordinary items	21

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

4-4 CORPORATE INCOME TAX

(FF million)	1994	1993	1992
Current taxation	298	229	140
Deferred taxation	(22)	3	21
Total	276	232	161

The deferred tax rate has been stated at 33.33% for the 1994 financial year.

The reported tax rate of 33.7% essentially relates to the FF 276 million of total income tax on pre-tax profit.

Since January 1st, 1989, TF1 has chosen the tax consolidation. The subsidiaries concerned are TF1 Publicité, Une Musique, TF1 Films Production, TF1 Entreprises, Protécréa, TF1 Europe, Syalis, TF1 Publicité Production, TF1 Boutiques, TF1 International, Syalis Droits Audiovisuels, Télé Achat Câble, Compagnie Internationale de Communication and Banco Production.

4-5 TRANSITION FROM TF1 SA COMPANY PROFIT TO CONSOLIDATED PROFIT

(FF million)	31 Dec. 94
TF1 SA profit	576
Profit from consolidated subsidiaries	(97)
	479
Restatements	
- Provisions for depreciation of programmes (net balance) ⁽¹⁾	(42)
- Elimination of impact of tax allowances	11
- Elimination of inter-group provisions	149
- Deferred taxation	22
- Dividends received from subsidiaries	(72)
- Other	(3)
Consolidated profit	544
Minority interests	(2)
Net profit attributable to the group	542

(1) The provision for depreciation of programmes, which will not be broadcast and are already written off (in accordance with section 1.7 of the notes to TF1 SA accounts) amounts to FF 133 million at 31 Dec. 94.

5. NOTES TO THE CASH FLOW STATEMENT

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

6. OTHER INFORMATION

6-1 OFF-BALANCE SHEET COMMITMENTS

As described in the section 2-12, their due dates are displayed at December 31, 1994 in the following table:

(FF million)	Less than one year	Over one year	Total
Programmes and broadcasting rights	1,403	686	2,089
Sports transmission rights	565	1,361	1,926
Video selling rights	16	-	16
Real-estate leasing	93	1,629	1,722
Other	90	82	172
Total	2,167	3,758	5,925

The «Programmes» item includes long-term contracts relating to variety shows for an amount of FF 463 million.

The «Broadcasting Rights» item includes TF1's commitment to SOGEDIF for FF 299 million. TF1 is indeed committed to purchasing from GIE SOGEDIF feature film rights acquired by SOGEDIF at TF1's request, up to a maximum of FF 400 million.

Group's commitments regarding real-estate leasing contracts

In June 1994, TF1 leased its office building, 1 quai du Point du Jour in Boulogne, that it has been occupying since 1992. This contract has a 15 year duration and amounts to FF 1,080 million (excl. interest charges) :

- land: FF 300 million
- building: FF 380 million
- technical facilities: FF 400 million

TF1 has a purchase option from the seventh year at net accounting value. This financial lease contract replaces the commercial lease originally contracted between TF1 and GAN.

Original value	1,080
Lease payments	40
- accumulated	-
- financial year	40
"Theoretical" depreciation charges ⁽¹⁾	28
- accumulated	-
- financial year	28
Estimated remaining future lease payments ⁽²⁾	
- less than one year	93
- between one and five years	373
- more than five years	1,079

(1) Depreciation charges that would have been accounted for if the building was possessed by the company.

(2) Lease payments calculated using a theoretical interest rate of 6.25%.

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

6-2 USE OF HEDGING FINANCIAL INSTRUMENTS

As TF1 SA and several subsidiaries are partly paid in foreign currency, they use forward exchange contracts to protect themselves from rate fluctuations. These operations are made on the currency markets. On December 31, 1994, exchange value of the global amount of these contracts amounted to FF 34 million, in US dollars.

In 1994, TF1 did not use hedging instruments against interest rate risks.

6-3 PERSONNEL OF CONSOLIDATED COMPANIES

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

	1994	1993	1992
Collège 1 - Workers and clerical employees	178	222	222
Collège 2 - Technical staff	604	549	546
Collège 3 - Managerial and executives	773	647	564
Collège 4 - Journalists	308	250	241
Total	1,863	1,668	1,573

6-4 GROUP MANAGEMENT'S REMUNERATION

The Group management comprises the 26 managers and directors listed on page 6 of this document. Total remuneration of Group management for the 1994 financial year amounted to FF 54,973,048.

6-5 SUBSEQUENT EVENTS

None.

SIGNIFICANT ELEMENTS OF THE NOTES TO THE PRIOR ACCOUNTING PERIODS

Notes to the 1994 accounts do not include any significant change in respect to prior accounting periods.

In 1993:
None

In 1992, the extraordinary profit included the capital gain on disposal of Cognacq-Jay's building, expired and retired broadcasting rights, double lease charges and fines imposed on TF 1.

TF1 SA BALANCE

ASSETS (in FF thousands)	31 Dec. 94		Net value	31 Dec. 93 Net value	31 Dec. 92 Net value	Notes
	Gross value	Depreciations & provisions				
INTANGIBLE FIXED ASSETS	2,342,906	164,676	2,178,230	2,103,446	2,065,434	1-1 & 2-1
Franchises and other similar rights	889	813	76	-	-	
Brand	279	279	-	-	-	
Goodwill	95	-	95	95	95	
Other intangible fixed assets	4,189	2,513	1,676	2,094	2,513	
Programmes ready for broadcasting	1,502,730	132,181	1,370,549	1,343,315	1,325,118	
Rights available for re-broadcasting	299,192	27,695	271,497	240,299	183,073	
Programmes in progress	535,532	1,195	534,337	517,643	554,635	
TANGIBLE FIXED ASSETS	744,066	290,847	453,219	483,799	549,581	1-2 & 2-2
Land	37,243	-	37,243	37,243	37,243	
Freehold buildings	110,867	29,249	81,618	85,096	88,574	
Technical facilities and equipment	233,184	135,474	97,710	104,294	119,849	
Other tangible fixed assets	362,645	126,124	236,521	257,166	303,915	
Tangible fixed assets in progress	127	-	127	-	-	
FINANCIAL ASSETS	587,671	180,396	407,275	391,360	388,301	1-3 & 2-3
Investments	571,899	170,325	401,574	384,332	378,978	
Related loans	10,023	10,021	2	2	857	
Other capitalized securities	508	-	508	508	507	
Loans	2,832	-	2,832	3,253	3,856	
Other financial assets	2,409	50	2,359	3,265	4,103	
FIXED ASSETS	3,674,643	635,919	3,038,724	2,978,605	3,003,316	
STOCKS	3,235	-	3,235	2,430	2,525	
Raw materials and supplies	1,401	-	1,401	1,354	1,508	
Inventories	1,834	-	1,834	1,076	1,017	
PRE-PAID	34,279	-	34,279	10,902	8,052	
DEBTORS	2,167,194	12,103	2,155,091	1,927,997	1,762,234	2-4
Trade debtors	1,528,039	987	1,527,052	1,439,460	1,080,402	1-4
Other debtors	639,155	11,116	628,039	488,537	681,832	
MARKETABLE SECURITIES	740,506	-	740,506	540,992	542,260	1-5, 2-5 & 4-5
CASH	7,209	-	7,209	65,953	12,653	
DEFERRED EXPENSES	188,983	-	188,983	164,429	95,106	2-6
CURRENT ASSETS	3,141,406	12,103	3,129,303	2,712,703	2,422,830	
FOREIGN EXCHANGE UNREALISED LOSSES/GAINS	880	-	880	276	389	
TOTAL ASSETS	6,816,929	648,022	6,168,907	5,691,584	5,426,535	

SHEET

LIABILITIES (in FF thousands)	31 Dec. 94	31 Dec. 93	31 Dec. 92	Notes
Share capital	210,000	210,000	210,000	
Revaluation reserve	30,705	30,705	30,705	
Legal reserves	21,000	21,000	21,000	
Long term capital gain reserves	163,995	163,995	-	
Other reserves	400,000	350,000	250,000	
Balance carried forward from previous year	265,723	170,475	179,847	
Profit of the year	576,362	407,748	464,623	
Government grants for investment	2,346	3,720	-	1-6
Regulated Provisions				
• Depreciation	487,851	485,030	417,166	1-7
SHAREHOLDERS' EQUITY	2,157,982	1,842,673	1,573,341	2-7
Provisions for liabilities	38,550	30,416	29,907	
Provisions for charges	880	276	389	
Other provisions	153,128	29,185	25,347	
PROVISIONS FOR LIABILITIES AND CHARGES	192,558	59,877	55,643	1-8 & 2-8
Financial creditors and borrowings ⁽¹⁾	-	36	9,176	
Other financial creditors ⁽²⁾	607,007	570,489	586,651	
1. Trade creditors	1,951,881	1,883,999	1,937,726	
2. Tax and social liabilities	718,057	756,246	512,939	
Payables to fixed assets suppliers	9,041	10,545	34,433	
3. Other creditors	523,929	547,251	715,997	
4. DEFERRED INCOME	- 7,587	20,182	-	
CREDITORS AND OTHER LIABILITIES	3,817,502	3,788,748	3,796,922	2-9
5. FOREIGN EXCHANGE UNREALISED LOSSES/GAINS	865	286	629	
TOTAL LIABILITIES	6,168,907	5,691,584	5,426,535	

(1) including bank overdrafts

(2) including current account with associated companies

TF1 SA PROFIT AND LOSS ACCOUNT

(in FF thousands)	1994	1993	1992	Notes
OPERATING REVENUES	8,652,820	7,952,374	7,715,367	1-9 & 3-1
Advertising revenues	6,560,279	6,072,276	5,803,012	3-1
Technical services	3,573	4,838	4,662	
Others	46,706	54,818	27,271	
In-house production	1,640,995	1,461,080	1,491,683	
Depreciations & provisions recoveries	57,653	40,863	51,141	
Reversals & expenses transferred	321,027	298,410	313,837	
Other revenues	22,587	20,089	23,761	
OPERATING EXPENSES	(7,563,699)	(7,063,431)	(7,039,683)	
Purchase of raw materials and supplies	(2,277)	(1,947)	(2,985)	
Variation in stocks	806	(96)	187	
Other external expenses	(1,893,180)	(1,737,890)	(1,751,165)	
Taxes and levies	(397,061)	(355,338)	(331,569)	3-2
Wages & salaries paid	(530,608)	(497,997)	(524,941)	3-3
Social security charges & employment expenses	(231,317)	(221,478)	(217,431)	3-4
Depreciations & provisions				
- depreciations of broadcast programmes	(3,974,362)	(3,831,580)	(3,795,250)	
- depreciations of other fixed assets	(80,678)	(81,045)	(88,794)	
- provisions for intangible fixed assets & current assets	(115,111)	(34,388)	(36,105)	
- provisions for liabilities and charges	(31,915)	(23,476)	(3,684)	
Other expenses	(307,996)	(278,196)	(287,946)	3-5
OPERATING PROFIT	1,089,121	888,943	675,684	
NET PROFIT FROM JOINT OPERATIONS	-	-	-	
Financial revenues	135,974	146,082	157,977	
Financial expenses	(184,177)	(163,374)	(128,195)	
FINANCIAL PROFIT	(48,203)	(17,292)	29,782	3-6
PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	1,040,918	871,651	705,466	
EXTRAORDINARY REVENUE	372,791	301,839	784,321	
Extraordinary revenues on operations	37,662	14,408	899	
Extraordinary revenues on fixed assets	194,018	197,962	636,880	
Provisions recoveries	141,111	89,469	146,542	
EXTRAORDINARY EXPENSES	(562,077)	(557,516)	(879,130)	
Extraordinary expenses on operations	(41,338)	(75,626)	(111,067)	
Extraordinary expenses on fixed assets	(376,806)	(324,558)	(610,205)	
Depreciations and provisions expenses	(143,933)	(157,332)	(157,858)	
EXTRAORDINARY LOSS	(189,286)	(255,677)	(94,809)	3-7
PROFIT SHARING	(16,739)	(12,833)	(5,210)	
INCOME TAX	(258,531)	(195,393)	(140,824)	3-8
NET PROFIT	576,362	407,748	464,623	

A valeur de cash flow (Alliance cap)

+ Deprecia^o
EBIT



TF1 SA CASH FLOW STATEMENT

(in FF thousands)	31 Dec. 94	31 Dec. 93	31 Dec. 92
1. OPERATING ACTIVITIES			
Net profit	576,362	407,748	464,623
Depreciations and provisions ^{(1) (2)}	213,515	153,696	110,174
Investment grants reported as income	(2,304)	-	(9,169)
Capital gains (losses) on disposal of assets	1,121	8,096	(146,052)
Cash Flow	788,694	569,540	419,576
Increase (decrease) in working capital needs			
• Purchase of programmes ⁽²⁾	(4,132,541)	(3,888,481)	(3,579,379)
• Depreciations & provisions of programmes ⁽²⁾	4,060,236	3,917,912	3,814,442
• Stocks	(806)	96	(187)
• Trade debtors <i>Δ net (1+2+3) actif</i>	(252,253)	(234,973)	(167,327)
• Trade creditors <i>Δ (1+2+3+4+5) passif</i>	(5,645)	40,674	132,779
• Expenses to amortise over several periods	-	-	-
• Net advances from third parties	(23,377)	(2,850)	9,091
NET CASH FLOW FROM OPERATING ACTIVITIES	434,308	401,918	628,995
2 - INVESTMENT ACTIVITIES			
• Purchase of fixed assets ^{(1) (2)}	(58,902)	(43,860)	(289,095)
• Proceeds of sale of fixed assets ^{(1) (2)}	7,962	21,125	357,048
Net cash from purchase (sale) of financial investments			
• Purchase of investments	(19,427)	(77,711)	(70,022)
• Proceeds of investments	2,102	3,737	210
Payables to fixed assets suppliers	(1,504)	(23,888)	(80,501)
Net variation on other financial assets	1,318	2,295	26,071
NET CASH FLOW FROM INVESTING ACTIVITIES	(68,451)	(118,302)	(56,289)
3 - FINANCING ACTIVITIES			
Increase in shareholders' equity	930	3,720	-
Increase in borrowings	36,519	-	-
Decrease in borrowings	-	(16,164)	(56,682)
Dividends paid	(262,500)	(210,000)	(168,000)
NET CASH FLOW FROM FINANCING	(225,051)	(222,444)	(224,682)
TOTAL INCREASE (DECREASE) IN CASH	140,806	61,172	348,024
Cash at beginning of period	606,909	545,737	197,713
Net inflow (outflow)	140,806	61,172	348,024
Cash at closing of period	747,715	606,909	545,737

(1) Programmes not included.

(2) In the company accounts, the purchase, the consumption, the sale of programmes and the expired rights are recorded under "intangible fixed assets". In 1993 and 1994, in order to allow comparison with the consolidated accounts, all of the above were included in "Increase (decrease) in working capital needs".



N NOTES TO THE COMPANY ACCOUNTS

Principles of accounting and presentation of the accounts for the twelve-month financial year ended December 31, 1994.

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

1. ACCOUNTING PRINCIPLES AND METHODS

1-1 INTANGIBLE FIXED ASSETS

1.1.1. General principles

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

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

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

1.1.2. Programmes ready for broadcasting

The following are reported under this item:

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

1.1.3. Rights available for rebroadcasting (purchased rights)

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

1.1.4. Programmes in progress

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



1-2 TANGIBLE FIXED ASSETS

The tangible fixed assets were restated at December 31, 1986, resulting only in the restatement of property assets in rue de l'Université.

Depreciation methods are set out in the table hereafter:

Buildings	Straight line	40 years*
Technical facilities & equipment (before 1 Jan. 92)	Reducing balance	3 to 5 years
Technical facilities & equipment (after 1 Jan. 92)	Straight line	5 years
Other tangible	Straight line or reducing balance	3 to 10 years

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

1-3 FINANCIAL ASSETS

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

1-4 TRADE DEBTORS

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

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

- 100% of their total amount, net of tax, for accounts receivable prior to January 1st, 1992;
- 50% of their total amount, net of tax, for accounts receivable falling due between January 1st, 1992 and December 31, 1992.

1-5 MARKETABLE SECURITIES

Marketable securities are recorded on the basis of their purchase value. Since marketable securities are systematically sold and re-purchased at the end of the year and are valued at their price of December 31, no provision is necessary.

1-6 GOVERNEMENT GRANTS FOR INVESTMENT

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

1-7 REGULATED PROVISIONS

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

1st month	20%
2nd month	15%
3rd to 9th month	5%
10th to 12th month	2%
13th au 24th month	2%

1-8 PROVISIONS FOR LIABILITIES AND CHARGES

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

1-9 ADVERTISING

Advertising revenue corresponds to the amount received from the sale by TF1 PUBLICITE of advertising space and sponsorship, net of its fees.

1-10 OFF-BALANCE SHEET COMMITMENTS

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

2. NOTES TO THE BALANCE SHEET

2-1 INTANGIBLE FIXED ASSETS

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

SUMMARY OF PROGRAMME MOVEMENTS

(FF million)	31 Dec. 94			31 Dec. 93
	External Production	In-house production	Total production	
Programmes in progress	509	9	518	556
Programmes ready for broadcasting	1,382	12	1,394	1,369
Rights available for rebroadcasting	267	-	267	198
VALUE OF PROGRAMMES AT JAN. 1, 94	2,158	21	2,179	2,123
Add:				
INVESTMENTS				
Jan. 1, 94 to Dec. 31, 94	2,857	1,641	4,498	4,180
Subtract:				
DISINVESTMENTS				
Jan. 1, 94 to Dec. 31, 94				
Cost 1 st transmission	(2,302)	(1,612)	(3,914)	(3,782)
Cost 2 nd transmission	(60)	-	(60)	(50)
Total cost of broadcast	(2,362)	(1,612)	(3,974)	(3,832)
Rights expired	(80)	-	(80)	(61)
Rights retired	(80)	(28)	(108)	(32)
Rights sold (residual book value)	(178)	-	(178)	(199)
TOTAL DISINVESTMENTS				
Jan. 1, 94 to Dec. 31, 94	(2,700)	(1,640)	(4,340)	(4,124)
VALUE OF PROGRAMMES AT DEC. 31, 94	2,315	22	2,337	2,179
BREAKDOWN				
Programmes in progress	522	14	536	518
Programmes ready for broadcasting	1,494	8	1,502	1,394
Rights available for rebroadcasting	299	-	299	267
Total	2,315	22	2,337	2,179

NB:

At December 31, 94, the total provisions for depreciation of programmes ready for transmission amounted to FF 160 million, after allocations to provisions of FF 110 million and cancellation of FF 27 million over 1994 financial year.

2-2 TANGIBLE FIXED ASSETS

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

Gross values

(FF million)	1 Jan. 94	Increase	Decrease	31 Dec. 94
Lands	37	-	-	37
Buildings	111	-	-	111
Technical facilities & equipment	219	32	(18)	233
Other	355	21	(14)	362
Work in progress	-	6	(5)	1
Total	722	59	(37)	744

Depreciations

(FF million)	1 Jan. 94	Increase	Decrease	31 Dec. 94
Buildings	26	3	-	29
Technical facilities & equipment	115	36	(15)	136
Other	98	41	(13)	126
Total	239	80	(28)	291

2-3 FINANCIAL ASSETS

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

- SOREAD	FF 10.65 million	a	3.03%	stake
- BANCO PRODUCTION	FF 0.21 million	a	7.00%	stake
- UNE MUSIQUE	FF 0.25 million	a	100.00%	stake
- TF1 BOUTIQUES	FF 0.25 million	a	100.00%	stake
- MERY PRODUCTION	FF 0.25 million	a	50.00%	stake
- LA CHAINE INFO	FF 1.49 million	a	99.00%	stake
- TELCARTE	FF 6.33 million	a	24.50%	stake

Following the winding-up of the subsidiaries, TF1 Services et Gestion and "Société Civile (SC)" La Réservée, TF1 recouped its original FF 2.1 million investment.

At December 31, 1994, the total value of the shares reported in the balance sheet of TF1 S.A. amounts to FF 572 million, with depreciations amounting to FF 170 million.

2-4 DEBTORS

2.4.1. Accounts receivable from TF1 PUBLICITE

Since January 1st, 1989, TF1 PUBLICITE buys advertising slots from TF1 S.A., and sells them to advertising agencies. The difference between the purchase and selling price allows TF1 PUBLICITE to cover its operating costs.

The total amount payable by TF1 PUBLICITE to TF1 S.A. with respect to such purchases was FF 986 million at December 31, 1994, as compared with FF 829 million at December 31, 1993.

2.4.2. Due dates for debtors

The debtors linked to fixed assets and current assets, totalling FF 2,965 million, essentially fall due within one year.

Only a proportion of the debtors carried under fixed assets (FF 14 million) and current assets (FF 41 million) fall due after one year.



2-5 MARKETABLE SECURITIES

These consist of «SICAV» unit trusts amounting to FF 741 million. All capital gains have been taken on December 31, 1994.

2-6 DEFERRED EXPENSES

Deferred expenses account for FF 189 million including FF 179 million related to prepaid sports transmissions.

2-7 SHARE CAPITAL

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

The movements for the financial year were as shown in the opposite table:

(FF million)	at 1 Jan. 94	Allocation of profit (General Meeting of June 14, 94)	Other movements	at 31 Dec. 94
Share capital	210	-	-	210
Revaluation reserve	31	-	-	31
Legal reserve	21	-	-	21
Long term capital gain reserves	164	-	-	164
Balance carried forward	170	96	-	266
Other reserves	350	50	-	400
Profit of the year	408	(408)	576	576
Sub-total	1,354	(262)	576	1,668
Investment grants	4	-	(2)	2
Regulated provisions	485	-	3 ⁽²⁾	488
Total	1,843	(262)	577	2,158

(1) Dividends paid on June 30, 1994

(2) Net movements of the year

2-8 PROVISIONS FOR LIABILITIES AND CHARGES

Defined as stated under section 1-8, these provisions break down as shown in the opposite table:

(FF million)	1 Jan. 94	Increase	Decrease	31 Dec. 94
Claims	30	32	(23)	39
Associated companies	11	130	(7)	134
Bad debts	18	1	-	19
Other	1	-	-	1
Total	60	163	(30)	193

The provision for bad debts includes TF1's share in the risk of TF1 PUBLICITÉ receivables which may not be collected.

3. NOTES TO THE PROFIT AND LOSS ACCOUNT

2-9 CREDITORS

2.9.1. Bank borrowings

There are no bank overdrafts as of December 31, 1994.

The Company still has the possibility to draw up to FF 560 million on credit facilities in several banks. This was not used on December 31, 1994.

2.9.2. Other financial creditors

Cash put at TF1's disposal by its subsidiaries in accordance with cash management agreements is recorded under this item in the amount of FF 590 million.

2.9.3. Tax and social liabilities

Pension costs:

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

2.9.4. Other creditors

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

2.9.5. Due dates for creditors

The creditors, totalling FF 3,817 million, fall due within one year.

3-1 BREAKDOWN OF TURNOVER

Advertising revenues amount to FF 6,560 million and correspond to advertising space and sponsorship sold by TF1 PUBLICITE, less the fees enabling TF1 PUBLICITE to cover its FF 492 million operating costs.

Other revenues refer to various sales and services amounting to FF 50 million.

3-2 TAXES AND LEVIES

This item essentially records TF1's contribution to the French National Cinema Council, business tax and the ORGANIC for an amount of FF 366 million.

3-3 WAGES AND SALARIES

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

3-4 SOCIAL SECURITY CHARGES & EMPLOYMENT EXPENSES

This item includes FF 7 million of personnel benefits, relating to the employer's contribution to the Company Savings Plan set up when TF1 was privatised and covers employee subscriptions for 1990, 1992, 1993 and 1994.

3-5 OTHER EXPENSES

This item covers payments to authors for an amount of FF 268 million.

3-6 FINANCIAL EXPENSES AND REVENUES

Financial expenses with respect to associated companies amount to FF 33 million and financial revenues to FF 12 million.

A provision of FF 130 million has been recorded to cover financial risks for LA CHAINE INFO, TF1 BOUTIQUES and MEDIA CONGRES.

3-7 EXTRAORDINARY ITEMS

The extraordinary items for 1994 break down as follows:

(in FF million)

Capital losses on disposal and retirement of programmes	(187)
Net provisions (including special depreciation for tax purposes)	(3)
Capital gains on disposal of tangible fixed assets	1
Expenses related to the use of two buildings	(5)
Other	5

Net loss (189)



3-8 CORPORATE INCOME TAX

Income tax also takes into account the net loss recorded by the limited partnership LA CHAINE INFO i.e. FF 116 million.

The difference between theoretical income tax rate, stated at 33.33% and actual income tax rate also results from dividends deduction (FF 71 million) and add-back of non deductible charges (FF 22 million).

Since January 1st, 1989, TF1 has applied the tax consolidation system. The subsidiaries considered within the scope of tax consolidation are TF1 Publicité, Une Musique, TF1 Films Production, TF1 Entreprises, Protécra, TF1 Europe, Syalis, TF1 Publicité Production, TF1 Boutiques, TF1 International, Syalis Droits Audiovisuels, Télé Achat Câble, Compagnie Internationale de Communication and Banco Production.

4. OTHER INFORMATION

4-1 OFF-BALANCE SHEET COMMITMENTS

On December 31, 1994, the various types of commitments and their fulfilment dates split up as follows:

(FF million)	Within less than one year	Over one year	Total
Programmes and broadcasting rights	1,494	686	2,180
Sports broadcasting rights	516	1,328	1,844
Real-estate leasing	93	1,629	1,722
Other	63	16	79
Total	2,166	3,659	5,825

The «Programmes» item includes long-term contracts relating to variety shows in the amount of FF 463 million.

The "broadcasting rights" item includes a TF1's FF 299 million commitment to SOGEDIF.

TF1 is committed to purchasing from GIE SOGEDIF, feature films rights acquired by GIE SOGEDIF at TF1's request, up to a maximum of FF 400 million.

Group's commitments regarding real-estate leasing contracts

In June 1994, TF1 leased its office building, 1 quai du Point du Jour in Boulogne, that it has been occupying since 1992. This contract has a 15 year duration and amounts to FF 1,080 million (excl. interest charges):

- land:	FF 300 million
- building:	FF 380 million
- technical facilities:	FF 400 million

TF1 has a purchase option from the seventh year at net accounting value. This financial lease contract replaces the commercial lease originally contracted between TF1 and GAN.

Original value	1,080
Lease payments	40
- accumulated	-
- financial year	40
"Theoretical" depreciation charges ⁽¹⁾	28
- accumulated	-
- financial year	28
Estimated remaining future lease payments ⁽²⁾	
- less than one year	93
- between one and five years	373
- more than five years	1,079

(1) Depreciation charges that would have been accounted for if the building was possessed by the company.

(2) Lease payments calculated using a theoretical interest rate of 6.25%.

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

4-2 WORKFORCE

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

	1994	1993	1992
Collège 1 - Workers and clerical employees	128	158	155
Collège 2 - Technical staff	430	417	447
Collège 3 - Managerial and executives	393	375	338
Collège 4 - Journalists	236	244	236
Total	1,187	1,194	1,176

4-3 DIRECTORS' FEES

Directors' fees paid in 1994 amounted to FF 1,200,000.



4-4 MOVEMENTS OF PROVISIONS

(FF million)	1 Jan. 94	Increase	Decrease	31 Dec. 94
REGULATED PROVISIONS				
In respect of intangible fixed assets (programmes)	485	144	(141)	488
PROVISIONS FOR LIABILITIES AND CHARGES	60	163	(30)	193
PROVISIONS FOR DEPRECIATION OF FIXED ASSETS	80	112	(28)	164
PROVISIONS ON FINANCIAL ASSETS				
Long-term investments	170	1	(1)	170
Related loans	10	-	-	10
Deposits and warranties	-	-	-	-
PROVISIONS FOR DEPRECIATION OF CURRENT ASSETS	14	5	(7)	12
Total	819	425	(207)	1,037

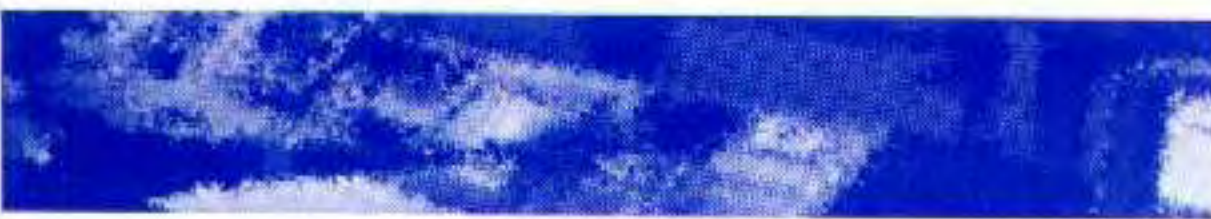
4-5 INVENTORY OF INVESTMENT SECURITIES AS OF 31 DEC. 1994

FINANCIAL INVESTMENTS	Number of shares	%	Inventory value in FF
SYALIS	2,494	99.76	289,681,344
TF1 ENTREPRISES	519,988	100.00	77,712,434
TF1 FILMS PRODUCTION	19,994	99.97	72,450,398
TF1 PUBLICITÉ	29,994	99.98	22,992,980
PROTECREA	99,994	99.99	14,226,123
TELE SHOPPING	8,496	84.96	11,571,700
UNE MUSIQUE	2,494	99.76	7,412,976
BANCO PRODUCTION	29,994	99.98	6,471,423
MEDIAMETRIE	1,000	10.75	2,287,334
TF1 EDITIONS	4,994	99.88	2,249,844
STUDIOS 107	99,994	99.99	1,282,946
TECHNISONOR	5,632	6.84	906,053
MEDIAMETRIE EXPANSION	600	5.00	600,000
TELE EUROPE	2,621	8.73	526,821
MERY PRODUCTION	4,994	99.88	499,400
TELE ACHAT CABLE	2,493	99.72	245,236
SAGAS	848	33.92	110,464
LUXTEL 1	12,499	100.00	53,529
CD RACING	375	15.00	37,500
RCL TV	50	5.00	12,500
C.I.C.	1	0.01	627
SYALIS DROITS AUDIOVISUELS	1	0.01	105
TOTAL FINANCIAL INVESTMENTS			511,331,737

Short term investments	Number of shares	Quotation as of 31 Dec. 94	Inventory value in FF
OCCI 1	2,444	68,849.82	168,268,960
UNION PLUS	931	161,409.26	150,272,021
BIP	1,020	104,794.40	106,890,288
PRIMA CIC	95	1,122,640.33	106,650,831
CENTRALE MONETAIRE	1,127	88,044.24	99,225,858
INVESTICOURT	3,502	16,795.17	58,816,685
CF JOUR	2,484	20,282.42	50,381,531
TOTAL SHORT TERM INVESTMENTS			740,506,174
TOTAL INVESTMENT SECURITIES			1,251,837,911

4-6 Subsidiaries and financial investments (in thousands of FRF or foreign currency units if indicated)

Companies or group of companies	Currency	Share capital	Reserves	Holding	Gross book value of held shares	Net book value of held shares	Granted loans and credits not yet reimbursed	Granted guarantees & pledges	Turnover of last account. year	Net result of last account. year	Dividends paid during the accounting year
I - SUBSIDIARIES (holding at least 50% of shares)											
- TF1 PUBLICITE		15,000	144	99.98%	19,925	19,925	-	-	7,093,502	7,736	-
- TF01		500	-	99.86%	499	-	8,154	-	-	-	-
- TF1 FILMS PRODUCTION		2,000	3,291	99.97%	1,999	1,999	-	-	165,456	279	-
- TÉLÉ-SHOPPING		1,000	230	84.96%	850	850	-	-	285,223	11,854	9,350
- TF1 EDITIONS		500	1,661	99.88%	3,406	3,406	-	-	17,807	10	3,400
- TF1 ENTREPRISES		52,000	3,139	100.00%	52,002	52,002	-	-	412,949	22,094	26,520
- SYALIS		250	279,030	99.76%	273,402	273,402	-	-	-	11,072	17,375
- BANCO PRODUCTION		3,000	-	99.98%	2,999	2,999	-	-	127,256	2,875	-
- TF1 EUROPE		1,000	-	99.94%	89,999	1,000	-	-	-	(9,608)	-
- PROTECREA		10,000	632	99.99%	14,699	14,699	-	-	156,896	3,397	6,400
- LUXTEL 1	LUF	1,250	-	100.00%	200	200	-	-	-	(42)	-
- STUDIOS 107		10,000	-	99.99%	19,999	3,312	-	-	38,187	(2,033)	-
- TELE ACHAT CABLE		250	-	99.72%	249	249	-	-	-	(4)	-
- MERY PRODUCTION		500	-	99.88%	499	499	-	-	-	-	-
- UNE MUSIQUE		250	25	99.76%	249	249	-	-	152,788	6,921	5,986
- TF1 BOUTIQUES		250	25	99.76%	249	-	-	-	4,664	(12,602)	-
- LA CHAINE INFO		1,500	-	99.95%	1,485	1,485	-	-	29,962	(116,739)	-
II - FINANCING INVESTMENTS (holding 10% to 50% of shares)											
- MEDIAMETRIE		930	9,093	10.75%	100	100	-	-	143,860	1,517	60
- FMI		1,000	-	13.33%	133	-	1,867	-	-	-	-
- MERCURY INTERN. FILM	DEM	1,000	-	50.00%	1,674	1,674	-	-	-	-	-
- MEDIA CONGRES		250	-	48.92%	122	-	-	-	-	-	-
- TRICOM SA		3,000	-	33.32%	1,000	1,000	-	-	8,231	8,066	-
- TV SPORT		15,000	-	31.00%	4,650	4,650	-	-	141,859	(10,359)	-
- SAGAS		250	25	33.92%	85	85	-	-	674	28	-
- CD RACING		250	-	15.00%	38	38	-	-	-	-	-
- PUBLICATION HACHETTE FILIPACCHI TF1		5,000	-	49.00%	2,450	-	-	-	-	-	-
- TELCARTE		4,005	-	24.50%	6,331	5,498	-	-	-	-	-
III - FINANCING INVESTMENTS (holding less than 10% of shares)											
- SFP		13,822	-	4.40%	41,800	-	-	-	-	-	-
- TECHNISONOR		8,225	1,251	6.84%	563	563	-	-	49,043	1,263	56
- TELE EUROPE		6,000	3,619	8.73%	419	419	-	-	39,795	(1,500)	-
- RCL TV		250	-	5.00%	13	13	-	-	-	-	-
- TF1 PUBLICITE PRODUCTION		50	5	1.00%	1	1	-	-	75,710	786	6
- SOREAD	MAD	495,000	-	8.36%	29,204	10,653	-	-	-	-	-
- GIE GIC		-	-	0.02%	0	0	-	-	-	-	-
- GIE CHALLENGER		-	-	0.50%	5	5	-	-	-	-	-
- CIC		785	61	0.01%	1	1	-	-	4,723	855	-
- SYALIS DROITS AUDIOVISUELS		25,000	-	0.01%	0	0	-	-	28,587	1,253	-
- MEDIAMETRIE EXPANSION		12,000	-	5.00%	600	600	-	-	-	-	-
TOTAL					571,899	401,576					




**SIGNIFICANT ELEMENTS
OF THE NOTES
TO THE PRIOR
ACCOUNTING PERIOD**

Except for the following restatement, notes to the 1994 accounts do not include any significant change in respect to prior accounting periods.

In 1993:
None.

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

The 1992 extraordinary profit included the capital gain on disposal of Cognacq-Jay's building, expired and retired broadcasting rights, double lease charges and fines imposed on TF1.



TF1 STOCK: MARKET AND YIELD

DIVIDEND AND YIELD

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

Year	Dividend paid (FF)			Share price (FF)			Yield (base: last price)
	Net	Tax Credit	Total	High	Low	Last	
1987	-	-	-	210	149	170	-
1988	3.0	1.5	4.5	411	165	410	1.1%
1989	5.0	2.5	7.5	448	278	300	2.5%
1990	7.0	3.5	10.5	358	220	290	3.6%
1991	8.0	4.0	12.0	383	260	300	4.0%
1992	10.0	5.0	15.0	542	300	367	4.1%
1993	12.5	6.25	18.75	583	361	491	3.8%
1994	15.0 ⁽¹⁾	7.5	22.5	572	437	484	4.6%

(1) To be approved by the General Meeting

The TF1 stock is listed on the «Second Marché» of the Paris Stock Exchange and is part of the SBF 120 index.

TF1's market capitalisation amounted to around FF 10,200 million on December 30, 1994.

No application for admission to quotation on another market is under way.

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

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

TAX STATUS

In the present state of the French Law, the tax status for stocks applies to:

* **Individual shareholders, French residents:**

Dividends from French stocks are part of securities revenues in order to determine the taxpayer's global income.

They will consequently be liable to income tax on top of:

- additional contribution of 1%
- CSG of 2,4%,
- social levy of 1%.

These dividends will also benefit from the same annual allowance as bonds' revenues: FF 16,000 for married couples and FF 8,000 for unmarried, widows or divorced people.

* **Legal entities liable to corporation tax and French residents:**

Dividends paid are liable to common law conditions.

Shareholders are likely to benefit from the parent companies' status if they hold more than 10% of the share capital of the distributing company or if the cost of their stake is higher than FF 150 million.

* **Shareholders from foreign countries:**

Dividends distributed by companies whose head office is in France are liable to a 25% withhold when tax payer's head office or fiscal address is outside France. This withhold is likely to be reduced or abolished should international tax agreements take place.

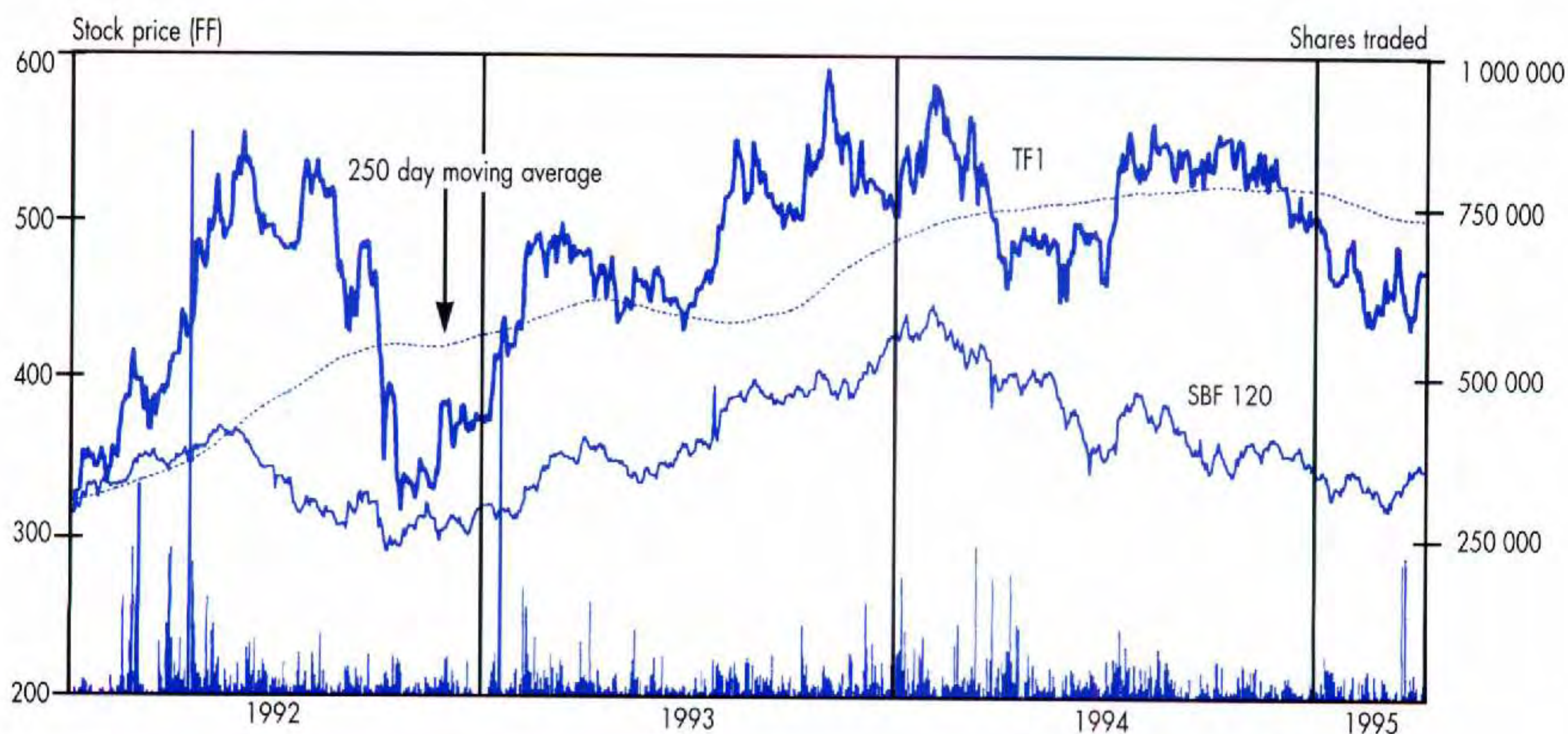
SHARE PRICE AND TRADING VOLUME

TF1's share price and trading volumes for the last 3 years and the current financial year:

Year	Month	Share price (FF)		Closing price	Share traded
		high	low		
1992	January	350	302	330	157,927
	February	410	330	390	570,232
	March	410	360	405	876,299
	April	488	403.5	480	1,759,141
	May	523	475	513	653,195
	June	542	466	477	783,438
	July	522	463	512	467,338
	August	527	445	450	475,500
	September	490	405	408.5	516,900
	October	410	300	320	556,947
	November	385	320.5	375	382,391
	December	382	345	367	346,615
1993	January	430	361	421	714,923
	February	489	420	474	906,832
	March	488	458	468	695,957
	April	470	416	427	438,795
	May	468	425	440	449,403
	June	464	420	445	488,932
	July	490	431	484.5	459,737
	August	543	479	529	751,718
	September	528	481	494	551,013
	October	573	485	564	577,172
	November	583	491	515	601,163
	December	543	477	491	758,800
1994	January	563	488	558	1,160,641
	February	572	501	515	579,815
	March	578	465	468	905,999
	April	493	437	474	1,029,603
	May	490	446	446	417,103
	June	493	440	451	627,956
	July	541	449	526	810,768
	August	547	505	530	794,638
	September	534	501	518	442,215
	October	541	510	534	453,379
	November	538	503	523	589,035
	December	529	475	484	433,066
1995	January	503	430	452	565,600
	February	478.5	410	427.5	404,090
	March	490	421.5	432	795,175
	April	473	430	449	436,041

TF1 SHARE PRICE/ SBF 120 INDEX

From 2 Jan. 92 to 28 April 95



INFORMATION CONCERNING TF1 SA

GENERAL INFORMATION

Name:

TELEVISION FRANCAISE 1 - TF1

Registered office:

176/180, rue de l'Université
75007 PARIS

Trade register: PARIS B 326 300 159

INSEE N°: 326 300 159 000 75

APE code: 922C

Form:

Public limited company
("Société Anonyme")

Date of creation:

September 18, 1982

Date of expiry:

January 31, 2082

Financial year:

January 1 to December 31

CORPORATE SCOPE (art. 2 of the corporate charter)

TF1's scope is:

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

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

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

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

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

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

STATUTORY APPROPRIATION OF INCOME (art. 26 of the corporate charter)

5% of the income of a financial year as reduced by previous losses, if the situation arises, shall be deducted to constitute legal reserve funds.

This deduction ceases to be obligatory when the reserve funds reach one tenth of the company's registered capital. This process shall resume when, for whatever reason, the legal reserve falls below this one tenth.

Distributable income is comprised of :

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

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

GENERAL MEETINGS (art. 7 and 21 of the corporate charter)

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

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

This declaration must be made within the conditions above each time the threshold of 0,5%, 1%, 2%, 3% and 4% is crossed upward or downward.

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

STRUCTURE SERVICING STOCK AND PROVIDING FINANCIAL SERVICES

TF1 as issuing company.

CAPITAL

(art.6 of the corporate charter)

On April 11, 1995, the capital of TF1 amounted to FF 210,000,000, fully paid, divided into 21,000,000 shares each of FF 10 nominal value.

The issued shares represent 100% of the share capital and existing voting rights.

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

There is no statutory clause limiting the free negociability of shares.

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

ISSUE OPERATIONS

In accordance with the resolutions of the Ordinary General Meeting of June 14, 1994 valid for a duration of five years, the company is authorised to issue one or more bond debentures for a maximum amount of FF 1,500 million.

The table below details the different issues of securities that can be made by the company, if authorisations are granted by the Extraordinary General Meeting of June 12, 1995.

The maximum nominal amount authorised for capital increases is FF 150 million.

The maximum nominal amount authorised for bond issues is FF 3,000 million.

	Extraordinary General Meeting	Duration
Issues of shares and composite securities (including equity warrants), with PSR ⁽¹⁾	June 12, 95	26 months
Issues of shares and composite securities (including equity warrants), without PSR	June 12, 95	26 months
Issues of shares and composite securities (including equity warrants) in take over bid or tender offer periods, with PSR	June 12, 95	26 months
Issues of shares and composite securities (including equity warrants) in take over bid or tender offer periods, without PSR	June 12, 95	26 months
Issues of shares reserved to employees subscribing to an Employees Savings Plan, without PSR ⁽²⁾	June 14, 94	5 years
Issues of shares for stock options plans without PSR ⁽²⁾	June 12, 95	5 years

(1) PSR: Preferential Subscription Rights

(2) Within a global limit of 10% of share capital

As of today, none of the authorisations granted by previous General Meetings has been used.

LEGAL FRAMEWORK

Shareholding

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

Licensing conditions

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

Main legal provisions and obligations

Texts:

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

In terms of general broadcasting obligations and of investment in production, the principal legal provisions current in the month of March 1995 are the following:

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

- obligation to invest 15% of net turnover for the commissioning of French-speaking audiovisual works, of which 10% from independent producers, and to broadcast 120 hours of French-speaking or European unreleased audiovisual works, starting between 8 p.m. and 9 p.m.
- obligation to commission SFP ("Société Française de Production") with a minimum annual volume of orders generating a turnover of FF 360 million for the years 1994 to 1996, under the terms of the memorandum of understanding signed with SFP on October 28, 1993.
- prohibited use of own means of production for programmes other than news and for up to 50% of annual volume of non-fiction programmes.
- obligation to invest 3% of net annual turnover in the co-production of French-speaking cinema works. This investment is to be achieved through a subsidiary of the broadcaster (TF1 FILMS PRODUCTION) operating as a minority. Its co-production part in its investment has to remain smaller than the pre-purchase part of the broadcasting right.

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



PEOPLE RESPONSIBLE FOR FINANCIAL INFORMATION

PEOPLE ASSUMING THE RESPONSIBILITY OF THE ANNUAL REPORT

TF1

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

Patrick LE LAY

Chairman & Managing Director

Auditors

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

We have also audited the company accounts and consolidated accounts of 1992 to 1994 accounting periods.

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

Auditors

SALUSTRO-REYDEL,
represented by Edouard Salustro

Dominique LEDOUBLE

INFORMATION AND INVESTOR RELATIONS

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