

PARENT COMPANY INCOME STATEMENT (French GAAP)

(€ million)	<i>Note</i>	2017	2016
Operating income		1,301.8	1,326.3
TF1 channel advertising revenue	2.12 & 4.1	1,150.2	1,188.5
Revenue from other services		8.3	6.2
Income from ancillary activities		10.0	6.2
	Revenue	1,168.5	1,200.9
Inventorised production		0.4	0.1
Capitalised production		0.1	2.2
Operating grants		0.0	0.0
Reversals of depreciation, amortisation, provisions and impairment		41.4	32.4
Cost transfers	4.2	86.4	85.8
Other income		5.0	4.9
Operating expenses		(1,223.0)	(1,295.5)
Purchases of raw materials and other supplies	4.3	(504.4)	(550.4)
Change in inventory	4.3	(59.1)	(36.0)
Other purchases and external charges	4.4	(205.1)	(265.0)
Taxes other than income taxes	4.5	(86.0)	(90.0)
Wages and salaries	4.6	(144.0)	(146.1)
Social security charges	4.6	(62.4)	(61.2)
Depreciation, amortisation, provisions and impairment			
- amortisation of co-productions already transmitted		(5.7)	(4.4)
- amortisation and depreciation of other non-current assets		(27.3)	(16.3)
- impairment of non-current and current assets		(74.3)	(62.9)
- provisions for liabilities and charges		(5.0)	(11.9)
Other expenses	4.7	(49.7)	(51.3)
OPERATING PROFIT		78.8	30.8
Share of profits/losses of joint operations		0.0	0.0
Financial income		170.2	457.1
Financial expenses		(157.6)	(165.3)
NET FINANCIAL INCOME/(EXPENSE)	4.8	12.6	291.8
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		91.4	322.6
Exceptional income		131.5	147.9
Exceptional income from operating transactions		13.5	0.1
Exceptional income from capital transactions		105.3	138.5
Reversals of provisions and impairment		12.7	9.3
Exceptional expenses		(93.2)	(361.8)
Exceptional expenses on operating transactions		(4.8)	0.0
Exceptional expenses on capital transactions		(82.9)	(356.2)
Depreciation, amortisation, provisions and impairment		(5.5)	(5.6)
EXCEPTIONAL ITEMS	4.9	38.3	(213.9)
Employee profit-sharing		0.0	0.0
Income taxes	4.10 & 4.11	1.9	22.8
NET PROFIT		131.6	131.5

PARENT COMPANY BALANCE SHEET (French GAAP)

ASSETS (€m)	Note	31.12.2017 Net	31.12.2016 Net
<i>Intangible assets</i>	2.2 & 3.1	36.9	36.8
Audiovisual rights		27.8	24.4
Other intangible assets		9.1	12.4
<i>Property, plant and equipment</i>	2.3 & 3.2	25.3	25.2
Technical facilities		6.2	7.7
Other property, plant and equipment		18.2	17.5
Property, plant and equipment under construction		0.9	0.0
<i>Non-current financial assets</i>	2.4 & 3.3	816.3	868.9
Investments in subsidiaries and affiliates		816.2	868.7
Other long-term investment securities		0.0	0.0
Loans receivable		0.0	0.0
Other non-current financial assets		0.1	0.2
NON-CURRENT ASSETS		878.5	930.9
<i>Inventories and work in progress</i>	2.5 & 3.4	123.7	179.0
Broadcasting rights available for initial transmission		79.5	121.1
Broadcasting rights available for retransmission		41.9	56.0
Broadcasting rights in progress		2.3	1.9
Advance payments	2.6 & 3.5.1	117.9	112.9
Trade debtors	2.7 & 3.5.2	288.0	255.3
Other debtors	3.5.3	445.7	329.8
Short-term investments and cash	2.8 & 3.6	621.3	602.6
Prepayments	3.7	4.4	2.5
CURRENT ASSETS		1,601.0	1,482.1
Unrealised foreign exchange losses		3.1	0.0
TOTAL ASSETS		2,482.6	2,413.0

LIABILITIES AND SHAREHOLDERS' EQUITY (€m)	Note	31.12.17	31.12.16
Share capital		42.0	41.8
Share premium		16.5	13.6
Legal reserve		4.3	4.3
Other reserves		774.8	774.8
Retained earnings		484.8	412.1
Net profit for the year		131.6	131.5
Restricted provisions	2.10	16.4	19.9
SHAREHOLDERS' EQUITY	3.8	1,470.4	1,398.0
PROVISIONS FOR LIABILITIES AND CHARGES	2.11 & 3.9	96.9	122.8
Bank borrowings ⁽¹⁾		0.0	0.0
Other borrowings ⁽²⁾		286.2	308.8
Trade creditors		209.5	216.5
Tax and employee-related liabilities		149.7	139.2
Amounts payable in respect of non-current assets		4.9	2.5
Other liabilities		260.2	219.8
Deferred income		4.8	3.2
LIABILITIES	3.10	915.3	890.0
Unrealised foreign exchange gains		0.0	2.2
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,482.6	2,413.0
<i>(1) of which bank overdrafts and bank accounts in credit</i>		0.0	0.0
<i>(2) of which intra-group current accounts</i>		286.2	308.8

Parent company cash flow statement (French GAAP)

CASH FLOW STATEMENT (€m)	2017	2016
1 – Operating activities		
• Net profit for the year	131.6	131.5
• Depreciation, amortisation, provisions and impairment ^{(1) (2)}	22.2	(46.8)
• Investment grants released to the income statement	0.0	0.0
• Net (gain)/loss on disposals of non-current assets	(26.1)	214.3
Operating cash flow before changes in working capital	127.7	299.0
• Acquisitions of television programmes ⁽²⁾	(2.1)	(3.1)
• Amortisation and impairment of television programmes ⁽²⁾	2.0	4.3
• Inventories	55.4	26.0
• Trade and other operating debtors	(153.7)	(47.2)
• Trade and other operating creditors	43.2	0.6
• Advance payments received from third parties, net	(5.0)	27.0
Change in operating working capital needs	(60.2)	7.6
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	67.5	306.6
2 – Investing activities		
• Acquisitions of property, plant & equipment and intangible assets ^{(1) (2)}	(77.8)	(62.0)
• Disposals of property, plant & equipment and intangible assets ^{(1) (2)}	0.0	0.2
• Acquisitions of investments in subsidiaries and affiliates and own shares	0.0	(227.5)
• Disposals/reductions of investments in subsidiaries and affiliates	104.8	138.1
• Net change in amounts payable in respect of non-current assets	2.4	(1.3)
• Net change in other non-current financial assets	0.1	0.0
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	29.5	(152.5)
3 – Financing activities		
• Change in shareholders' equity	2.9	1.9
• Net change in debt	(22.6)	(185.4)
• Dividends paid	(58.6)	(167.2)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	(78.3)	(350.7)
TOTAL CHANGE IN CASH POSITION	18.7	(196.6)
Cash position at beginning of period	602.6	799.2
Change in cash position	18.7	(196.6)
Cash position at end of period	621.3	602.6

(1) Excludes television programmes recognised as non-current assets.

(2) Acquisitions, consumption, disposals and retirements of television programmes, which are accounted for as non-current assets in the parent company financial statements, are included in "Changes in operating working capital needs" in this cash flow statement in order to provide a fair representation of cash flows comparable with that presented in the consolidated financial statements.