

# REPORT ON REMUNERATION

*Report on remuneration in accordance with Article L. 225-102-1 and L. 225-37 paragraph 9 of the French Commercial Code.*

This chapter contains the reports required by the French Commercial Code as well as the tables recommended in the Code of Corporate Governance issued by AFEP/MEDEF, revised in June 2013, and in the AMF Recommendation of December 22, 2008, amended on December 10, 2009, on the information related to the remuneration of Directors of listed companies to be included in their registration document.

## 1. REMUNERATION OF EXECUTIVE AND NON-EXECUTIVE DIRECTORS

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### REMUNERATION OF THE EXECUTIVE DIRECTOR FOR 2014

The executive director holds an employment contract with Bouygues SA. The Board of Directors does not grant compensation to the executive director, taking on, leaving, changing of functions, or non-competition indemnities in the event that he leaves the company. No annual deferred variable remuneration, multi-year variable remuneration or exceptional remuneration is granted to him. Other than directors' fees (see Table 2 below), the executive director does not receive any remuneration from the Bouygues group's subsidiaries.

Following consultation with the Remuneration Committee, which takes into account the AFEP/MEDEF recommendations on the remuneration of Executive Directors of listed companies, the Board of Directors determines the criteria for allocating the variable portion and decides on the amount of remuneration to be paid to TF1's Executive Director.

#### Nonce Paolini

Nonce Paolini's fixed and variable remuneration is set by TF1's Board of Directors, in line with Article L. 225-53 of the French Commercial Code, following an opinion from the Remuneration Committee. The remuneration decided by the Board of Directors reflects the wider interests of the corporation. The following three components are taken into account in determining it:

- the company's performance: the Board took the view that the remuneration was commensurate with the work done and outcomes achieved for more than 5 years in a highly complex economic, regulatory and competitive environment;
- stock market performance: the remuneration takes into account the company's performance on the stock market and in particular the variation in its average share price;
- sector and intra-Group comparisons: the remuneration is benchmarked against that awarded to other media sector executives in France and the rest of Europe, and is based on rules that are applied consistently across the Bouygues group's business lines.

The remuneration is paid to Nonce Paolini by Bouygues, his employer, and re-invoiced to TF1. Each year, the TF1 Board of Directors authorises the re-invoicing of this remuneration.

Nonce Paolini's total remuneration takes into account the existence of a capped supplementary pension and the fact that no entitlement to severance pay has been granted.

#### FIXED REMUNERATION

The fixed remuneration paid to Nonce Paolini is annually reviewed. In 2014, it stood at €920,000, which has been stable since 2011. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, his experience in the post and his length of service with the Group, as well as the practices followed by the Group or companies carrying on similar businesses.

#### VARIABLE REMUNERATION

The rules for determining the variable portion of remuneration remained unchanged until February 2007, when the Board adjusted the calculation in light of the AFEP/MEDEF recommendations. It then modified them again in 2010.

The variable component is an integral part of the remuneration not only of the executive director, but also of managers.

Within the TF1 group, employees at and above department head level are also eligible for variable remuneration, which is paid annually in March in respect of the previous year on the basis of collective and individual criteria, both quantitative and qualitative.

The variable remuneration percentage rate, and the weighting attached to collective criteria, depend on the degree of responsibility: as the employee's level of responsibility increases, so does the variable remuneration percentage and the weighting attached to collective objectives.

As far as the executive director is concerned, on the recommendation of the Remuneration Committee, a greater importance to qualitative criteria has been granted, on the grounds that the performance extends to areas other than simply financial results. Achievement of the objectives related to these qualitative criteria thus represent one third of the theoretical amount of the variable remuneration.

In accordance with the principles and rules for determining the remunerations paid to the salaried directors of Bouygues, Nonce Paolini's variable remuneration for 2014 is based on the performance of the TF1 and Bouygues groups, which is measured on the basis of significant economic indicators that are stable and relevant over the long-term, namely:

- quantitative:
  - criterion P1: change in consolidated net profit attributable to the Bouygues group. This criterion gives rise to the award of 30% of fixed remuneration when the target is met and captures the financial performances of the entire Bouygues Group;
  - criterion P2: change, compared with the business plan, in consolidated net profit attributable to the TF1 Group. This criterion gives rise to the award of 35% of fixed remuneration when the target is met and rewards the director for complying with budget commitments;
  - criterion P3: year-on-year change in consolidated net profit attributable to the TF1 Group. This criterion gives rise to the award of 35% of fixed remuneration when the target is met and captures growth performances relative to the previous financial year;
- qualitative: a greater importance to qualitative criteria has been granted, on the grounds that the performance extends to areas other than simply financial results. These criteria depend both on the duties assigned to the manager and on special situations:
  - criterion P4: this criterion comprises four qualitative sub-criteria that are not published for confidentiality reasons and that give rise to the award of 50% of fixed remuneration when targets are met.

In 2013, the Remuneration Committee decided to include a qualitative criterion relative to Corporate Social Responsibility on maintaining TF1 in at least three extra-financial market indices in 2014. During the year, the TF1 group remained in the indexes of previous years and was also included in other indexes (Euronext Vigeo France 20, integrated in the values recognised by the research institute Oekom). The objective related to recognised performance in corporate social responsibility was thus achieved as of the first year included.

An objective is defined for each criterion. These objectives have been drawn up in a precise manner but for reasons of confidentiality are not disclosed.

When the objective is reached, a variable portion corresponding to a percentage of the fixed remuneration is awarded. If the four objectives are reached, the total of the four variable portions is equal to the overall ceiling of 150%, which the variable remuneration of each executive director cannot exceed.

If the objective is exceeded or not reached, the variable portion is adjusted within a bracket on a linear basis: the variable portion cannot exceed a maximum threshold and is reduced to zero below a minimum threshold. It must be reiterated that that the four variable portions thus determined cannot under any circumstances exceed the overall ceiling, which is set at 150% of the fixed remuneration for the executive director.

The variable portion of remuneration allocated to the executive director for 2014 is €1,380,000, or 150% of the fixed remuneration. All the criteria previously cited were achieved, thus justifying the allocation of variable remuneration.

As a reminder, Nonce Paolini's variable remuneration was:

- in 2009, 73% of the fixed remuneration;
- in 2010, 150% of the fixed remuneration;
- in 2011, 102% of the fixed remuneration;
- in 2012, 50% of the fixed remuneration;
- in 2013, 111% of the fixed remuneration.

No annual deferred or multi-year variable remuneration is attributed to Nonce Paolini.

## EXCEPTIONAL REMUNERATION

In exceptional circumstances, the Board of Directors may, upon the recommendation of the Remunerations Committee, grant an exceptional bonus.

No exceptional remuneration was paid to Nonce Paolini for 2014.

## STOCK OPTIONS AND PERFORMANCE SHARES

Since 2010, Nonce Paolini has received no options to purchase or subscribe for TF1 shares.

In his functions at Bouygues, he received during 2014 80,000 options giving entitlement to subscribe for new Bouygues shares, granted as of 27 March 2014 by the Bouygues Board of Directors at its meeting on 25 February 2014.

## INDEMNITIES FOR TAKING ON, TERMINATING OR CHANGING FUNCTIONS

Nonce Paolini does not benefit from payments, benefits in kind or advantages owing or likely to owe from any discontinuation or change in function. No payment relative to a non-compete clause has been planned.

The Bouygues group and its subsidiaries have made not commitment or promise concerning the payment of an indemnity to executive directors on their departure. Though not a severance indemnity, a director who is a salaried employee of the Bouygues company is eligible for the indemnities provided for by the applicable collective agreement in the event his employment contract is terminated. Nonce Paolini is eligible to receive such indemnities.

## SUPPLEMENTARY PENSION

Under a policy governed by the French Insurance Code, Bouygues offers the members of its Executive Committee a supplementary pension set at 0.92% of the reference salary (average of three best years) for each year of membership. This pension plan is closed (membership is obligatory). Nonce Paolini is a member of that committee. The supplementary pension is capped at eight times the upper earnings limit for social security contributions, which is currently set at €304,320 (about 33% of the fixed remuneration).

Entitlement to this supplementary pension is only acquired after ten years of service within the Bouygues group, on condition that the beneficiary is still employed by the Group when he retires. Furthermore, the Bouygues is not required to set aside provisions for this supplementary pension, which is an insurance policy with an insurer from outside the Group. This annual supplementary pension is governed by the procedure on related party agreements.

Bouygues re-invoices for 2014 the supplementary pension to TF1 in accordance with the related party agreement concluded with Bouygues, authorised by the Board of Directors on 7 November 2013, and approved by the General Meeting on 17 April 2014.

## BENEFITS IN KIND

The in-kind benefits received by Nonce Paolini in 2014 remain unchanged consisting of the use of a company car and the part-time assignment of a personal assistant and a *chauffeur/bodyguard*. The benefits are valued at €5,037.

## SUMMARY OF REMUNERATION OF THE EXECUTIVE DIRECTOR

No remuneration other than those mentioned in the table below has been paid to the Executive Director by TF1 and Bouygues groups.

**TABLE 1 – SUMMARY OF REMUNERATION, BENEFITS IN KIND AND STOCK OPTIONS GRANTED TO THE EXECUTIVE DIRECTOR**

<b>Nonce Paolini – Chairman and CEO since 01/08/2008 (in euros)</b>	<b>2014</b>	<b>2013</b>
Remuneration paid for the year (details in Table 2)	2,361,037	2,005,549
Value of options awarded during the year (details in Table 4)	163,760	81,192
Value of performance shares awarded during the year (details in Table 6)	-	-
<b>TOTAL</b>	<b>2,524,797</b>	<b>2,086,741</b>
Change	+ 21.0%	+ 40.5%

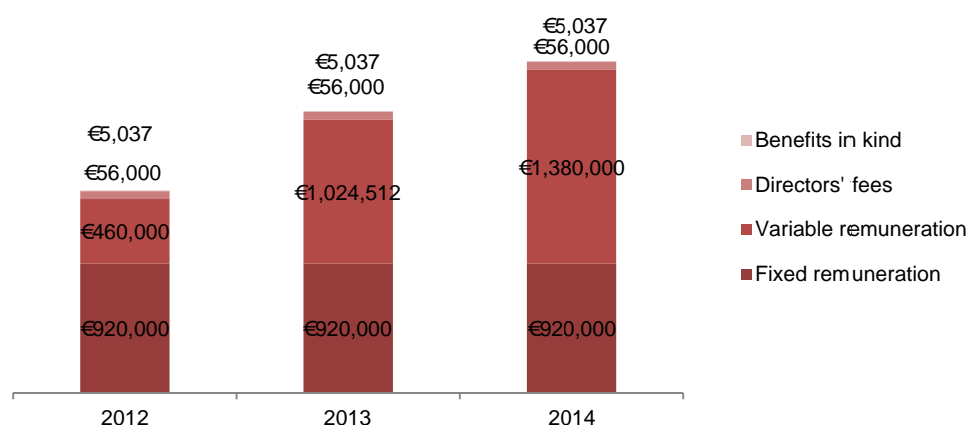
**TABLE 2 – REMUNERATION OF THE EXECUTIVE DIRECTOR**

Nonce Paolini – Chairman and CEO since 01/08/2008 (in euros)	2014		2013	
	Gross amounts due before taxes	Gross amounts paid before taxes	Gross amounts due before taxes	Gross amounts paid before taxes
Fixed remuneration	920,000	920,000	920,000	920,000
Change	=	=	=	=
Variable remuneration	1,380,000	1,024,512	1,024,512	460,000
Change	+ 34.7%		+ 123%	
% Variable/Fixed	150%		111%	
Cap	150%		150%	
Other remuneration <sup>(1)</sup>	-	-	-	-
Directors' fees <sup>(2)</sup>	56,000	56,000	56,000	56,000
Benefits in kind	5,037	5,037	5,037	5,037
<b>TOTAL</b>	<b>2,361,037</b>	<b>2,005,549</b>	<b>2,005,549</b>	<b>1,441,037</b>

(1) Nonce Paolini received no additional remuneration, either from TF1, Bouygues or TF1's subsidiaries.

(2) In 2014: €18,500 for TF1, €25,000 for Bouygues, and €12,500 for Bouygues Telecom.

In 2013: €18,500 for TF1, €25,000 for Bouygues, and €12,500 for Bouygues Telecom.

**VARIATION IN THE REMUNERATION OF THE EXECUTIVE DIRECTOR OVER THE PAST THREE YEARS**


The remuneration determined by the Board of Directors is in line with the general interests of the company. In setting it, the Board takes account of factors such as:

- The company's performance: the Board took the view that the remuneration was commensurate with the work done and outcomes achieved in a highly complex economic, regulatory and competitive environment. Despite the screening of the 2014 FIFA World Cup (the rights to which were bought for €130 million in 2005), net profit from continuing operations attributable to the Group remained stable in 2014. The total net result reached €419 million. This includes the gain on the sale of a controlling interest in Eurosport to Discovery Communications and attests the value creation.
- Stock market performance: between January 1, 2012 and December 31, 2014 the TF1 share price rose by 68.7%, compared with 35.2% for the CAC 40 index. Another factor in determining the remuneration was the trend in the yield on TF1 shares: the average yield (dividend income in respect of the 2012-2013-2014 financial years divided by the average share price over that year) was 25.7%. When these two criteria (dividend income and capital growth) are combined, the total rate of return on TF1 shares between January 1, 2012 and December 31, 2014 was 103.1%.
- Sector and intra-Group comparisons: the remuneration is benchmarked against that awarded to other media sector executives in France and the rest of Europe, and is based on rules that are applied consistently across the Bouygues group's business lines.

## 2015 FINANCIAL YEAR

The Board of Directors decided at its meeting on 18 February 2015 that the fixed remuneration would not be increased.

The theoretical levels of the variable portions have not been changed. The Remuneration Committee suggested adding a new criterion relative to the current operating margin (criterion P2). As of 2015, the criteria for determining the variable remuneration will therefore be:

- quantitative criteria:
  - o criterion P1: change in consolidated net profit attributable to the Bouygues group.  
This criterion gives rise to the award of 30% of fixed remuneration when the target is met and captures the financial performances of the entire Bouygues Group;
  - o criterion P2: change, compared with the business plan, in TF1 current operating margin.  
This criterion gives rise to the award of 10% of fixed remuneration when the target is met and captures the financial performances of the entire TF1 Group;
  - o criterion P3: change, compared with the business plan, in consolidated net profit attributable to the TF1 Group.  
This criterion gives rise to the award of 25% of fixed remuneration when the target is met and rewards the director for complying with budget commitments;
  - o criterion P4: year-on-year change in consolidated net profit attributable to the TF1 Group.  
This criterion gives rise to the award of 35% of fixed remuneration when the target is met and captures growth performances relative to the previous financial year;
- qualitative criteria:
  - o criterion P5: this criterion comprises four qualitative sub-criteria that are not published for confidentiality reasons and that give rise to the award of 50% of fixed remuneration when targets are met. The Remuneration Committee decided that as of 2014 a Corporate Social Responsibility criterion (maintaining TF1 in at least three non-financial indexes) would be included in the qualitative criteria. This criterion will be applied in 2015 as well, with the objective of being included in four indexes instead of three.

## DIRECTORS' FEES AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE DIRECTORS

The Combined Annual General Meeting of 23 April 2003 set the total amount of Directors' fees payable to the non-executive Directors and Directors of TF1 at €350,000 annually, leaving it to the Board of Directors to determine how this amount should be allocated.

Directors' fees are allocated as follows:

- the theoretical fee for each Director is €18,500 per year. Since 1 January 2014, 30% of the fees are allocated on the basis of his or her responsibility, and 70% on the basis of the attendance at Board meetings;
- to Committee members:
  - Audit Committee: €3,000 per member per quarter,
  - Remuneration Committee: €1,350 per member per quarter,
  - Director Selection Committee: €1,350 per member per quarter,
  - Ethics and CSR Committee: €1,350 per member per quarter. This fourth committee was created in 2014.

Not all of the €350,000 available for Directors' fees was used in 2014.

Directors' fees totalling €263,050 before taxes were paid to Directors including Nonce Paolini, as indicated in the table below.

**TABLE 3 – DIRECTORS' FEES AND OTHER REMUNERATION PAID TO NON-EXECUTIVE DIRECTORS (IN EUROS)**

<b>Non-Executive Directors</b>	<b>Gross amounts before tax due for 2014</b>	<b>Gross amounts before tax due for 2013</b>
Barbizet, Patricia	-	9,422
Berda, Claude	18,500	16,958
Bouygues, Martin	20,200	23,900
Bouygues, Olivier	14,800	15,801
Chabirand, Fanny <sup>(1)</sup> (staff representative)	16,650	16,958
Danon, Laurence	28,650	28,958
Dussart, Catherine	18,000	13,427
Langlois-Glandier, Janine	19,850	18,500
Leveaux Talamoni, Sophie <sup>(1) (2)</sup> (staff representative)	18,000	-
Marien, Philippe	35,900	35,900
Péllisson, Gilles	31,950	30,008
Pernaut, Jean-Pierre <sup>(1) (2)</sup> (staff representative)	-	16,958
Roussat, Olivier	22,050	23,900
<b>TOTAL</b>	<b>244,550</b>	<b>250,690</b>

(1) Directors' fees due to directors representing the employees were paid to two trade unions: CFTC (€18,000 euros) and FO (€16,650).  
(2) Sophie Leveaux Talamoni replaced Jean-Pierre Pernaut on 3 April 2014 as the director representing the personnel.

No other remuneration was paid to the non-executive directors in consideration of their corporate office in the TF1 group.

The only remuneration paid by TF1 to Martin Bouygues and Olivier Bouygues was TF1 directors' fees.

The salaried directors Fanny Chabirand and Sophie Leveaux Talamoni received no exceptional remuneration in consideration of their corporate office in the TF1 group.

Directors' fees paid to the executive director were as follows:

**DIRECTORS' FEES PAID TO THE EXECUTIVE DIRECTOR**

	<b>Gross amount before taxes due for 2014</b>	<b>Gross amount before taxes due for 2013</b>
Nonce Paolini	56,000 € <sup>(1)</sup>	56,000 € <sup>(2)</sup>
<b>TOTAL</b>	<b>56,000 €</b>	<b>56,000 €</b>

(1) Of which €18,500 for TF1, €25,000 for Bouygues, and €12,500 for Bouygues Telecom.  
(2) Of which €18,500 for TF1, €25,000 for Bouygues, and €12,500 for Bouygues Telecom.

## 2. STOCK OPTIONS AND PERFORMANCE SHARES

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*Report in accordance with Articles L. 225-184 and L. 225-197-4 of the French Commercial Code.*

This chapter contains the reports required by the French Commercial Code as well as the tables recommended in the Code of Corporate Governance issued by AFEP/MEDEF, revised in June 2013, and in the AMF Recommendation of 22 December 2008, amended on 10 December 2009, on the information related to the remuneration of Directors of listed companies to be included in their registration document.

The Board of Directors did not award any stock options or free shares (performance shares) in 2014.

### **POLICY ON GRANTING STOCK OPTIONS AND FREE SHARES (PERFORMANCE SHARES)**

#### **AUTHORISATIONS GIVEN TO THE BOARD OF DIRECTORS BY THE ANNUAL GENERAL MEETING**

The 11th and 12th resolutions of the Combined Annual General Meeting on 17 April 2014 authorised the Board of Directors on one or more occasions to allot options to subscribe for shares, options to purchase shares and/or free shares, whether in existence or to be issued in the future, for the benefit of employees and/or corporate officers of TF1 or companies related to it. This authorisation ends on 17 June 2017.

To that end, the General Meeting delegated powers to the Board of Directors to set rules for granting such shares, with a view to establishing closer links between senior executives and the Group's performance and its future and also the results of their work.

The maximum amount of these grants has been set at 3% of the share capital.

The 11th and 12th resolutions on stock options and free shares provide that:

- the Board of Directors sets the conditions, notably the maximum amount, for stock options or shares allotted to the executive directors as well as the performance criteria applicable to them;
- the Board of Directors draws up a list or determines the categories of other beneficiaries of options or shares, and sets the performance criteria applicable to them.

Furthermore, the 11th resolution rules out any discounts. Depending on the case:

- the subscription price of shares will be equal to or greater than the average share price over the 20 days prior to their allotment;
- the purchase price of shares will be equal to or greater than the average share price over the 20 days prior to their allotment, or to the average price at which they are purchased by the company, according to Articles L. 225-208 and L. 225-209 of the Commercial Code.

The Board of Directors granted stock options entitling their holders to subscribe for new TF1 shares, subject to company performance, in 2011 and 2012.

#### **RULES APPLICABLE TO GRANTS OF STOCK OPTIONS AND FREE SHARES**

It is recalled that:

- stock options or bonus shares are granted to attract senior executives and employees and thereby to secure their loyalty, reward them and give them a medium- and long-term interest in the company's development, in the light of their contribution to value creation;
- about 150 employees of TF1 or Group companies who sit on any of the three management bodies have benefited from the plan. The beneficiaries are selected and individual grants are decided upon in accordance with each beneficiary's responsibility and performance, with particular attention paid to high-potential managers;
- no discount is applied to grants of stock options;
- the managers benefiting from these plans are informed about insider trading;
- a rule has been set for all TF1 stock option plans that prohibits employees from exercising their options or selling shares from exercised options preceding the publication of financial statements. Since the AMF made its recommendation in November 2010, this period extends from thirty calendar days before the publication of the quarterly, half-year and full-year financial statements up to and including their day of publication.

The exercise of the stock options in plans nos. 12 and 13 is subject to performance conditions. The Board of Directors has set two performance criteria, independent of each other, that determine the number of options that can be definitively acquired. Stock options are acquired depending for one half on the trend in consolidated revenue on a consistent basis and for the other half on the ratio of ordinary operating income to consolidated Group revenue on a consistent basis.

For each criterion:

- if performance is equal or superior to 90% of objectives, 100% of the options may be exercised;
- if performance is equal or superior to 70% and inferior to 90% of objectives, the options may be exercised at the percentage of the performance achieved in a linear manner;
- if performance is lower than 70% of objectives, no options may be exercised.

The calculation for plan no. 12 has been made on the basis of the arithmetic average of performance in 2011, 2012 and 2013 on a consistent basis, compared with the budgets set in 2010, 2011, 2012 for the financials years, respectively, of 2011, 2012 and 2013.

On 18 February 2014, the Board of Directors was informed by the Remuneration Committee that in view of its analysis of the performance criteria determining whether or not options in plan no. 12 could be exercised, the beneficiaries were allocated 100% of the stock options (exercisable until 10 June 2018).

The calculation for plan no. 13 will be made on the basis of the arithmetic average of performance in 2012, 2013, 2014 and 2015 on a consistent basis, compared with the budgets set in 2011, 2012, 2013, 2014 for the financials years, respectively, of 2012, 2013, 2014 and 2015. The Remuneration Committee will review the fulfilment of performance criteria on which the exercise of stock options depends.

#### **SPECIFIC RULES APPLICABLE TO DIRECTORS**

The 11th and 12th resolutions on options and bonus shares approved at the Combined General Meeting on 17 April 2014 provide that the number of options granted to Executive Directors of the company may not represent more than 5% of each of the allotments made by the Board during this 38 month period.

The Board of Directors has incorporated the following AFEP/MEDEF recommendations into its rules of procedure:

- stock options or bonus shares are not granted to senior executives upon leaving the company;
- hedging the risk relating to the exercise of stock options or the sale of bonus shares is forbidden;
- executives are obliged to retain a certain number of bonus shares or option shares until their term of office expires.

This last provision was applied for the first time to stock options granted in 2009. The Board decided to set the proportion of option shares that Directors would be required to retain throughout their term of office at 25% (after selling the number of shares necessary to cover the cost of option exercise and paying any related taxes or social charges).

It should be noted that options granted to the Chairman and CEO have since 2009 been subject to performance criteria.

#### **GENERAL INFORMATION AND CHARACTERISTICS OF STOCK OPTIONS**

- Conditions on the exercise of stock options:
  - Plans 10 and 11: three years following the date the options are granted (negotiable from fourth anniversary),
  - Plans 12 and 13: four years following the date the options are granted.
- Exercise period:
  - Plans 10 and 11: four years after the lock-up expires,
  - Plans 12 and 13: three years after the lock-up expires.
- Automatic cancellation if the employment contract or corporate office is terminated, unless given special authorisation or in the event of disability, departure or retirement.



## STOCK OPTIONS GRANTED OR EXERCISED IN 2014

### SUBSCRIPTION OPTIONS GRANTED TO OR EXERCISED BY THE BENEFICIARIES DURING THE YEAR

No option to subscribe for shares was granted in 2014.

In 2014, a total of 268,751 options to subscribe for TF1 shares were exercised in plan no. 11. The exercise prices was €5.98. No discount was applied.

On 18 February 2015, the TF1 subscription options that could be exercised were those granted under plan no. 11, representing a total of 403,762 shares in circulation (0.2% of the share capital).

### STOCK OPTIONS ISSUED BY THE COMPANY OR ANY COMPANY IN THE GROUP THAT WERE GRANTED TO OR EXERCISED BY THE EXECUTIVE DIRECTOR DURING THE YEAR

Nonce Paolini has not benefited from any options to purchase or subscribe for TF1 shares since 2010.

In 2014, he received options entitling him to subscribe for new Bouygues shares in consideration of his functions at Bouygues. These options were granted as of 27 March 2014 by the Bouygues Board of Directors at its meeting on 25 February 2014.

**TABLE 4 – OPTIONS GRANTED TO THE EXECUTIVE DIRECTOR IN 2014**

Name of Executive Director	Plan number and date	Type of options (purchase or subscription)	Valuation of options according to method used in consolidated financial statements	Number of options granted during the year	Exercise price	Exercise period
Nonce Paolini	Bouygues plan Board meeting date: 25/02/2014 Grant date: 27/03/2014	Subscription	€2.047	80,000	€30.32	From 27 March 2018 to 27 September 2021
<b>TOTAL</b>			<b>€163,760</b>	<b>80,000</b>		

The exercise price was calculated on the basis of the average of the opening prices on the 20 trading days prior to 27 March 2014; no discount was applied.

**TABLE 5 – OPTIONS EXERCISED BY THE EXECUTIVE DIRECTOR OF TF1 IN 2014**

The executive director, Nonce Paolini, exercised no subscription options in 2014.

### STOCK OPTIONS ISSUED BY THE COMPANY OR ANY COMPANY IN THE GROUP THAT WERE GRANTED TO OR EXERCISED BY EMPLOYEE DIRECTORS DURING THE YEAR

No stock option has been granted to the employee directors in 2014.

Name of the employee director	Plan number and date	Type of options (purchase or subscription)	Number of options granted/exercised during the year	Exercise price
Sophie Leveaux Talamoni	Plan 11 Board meeting date: 18/02/2009 Grant date: 20/03/2009	Subscription	16,000	€5.98
<b>TOTAL</b>			<b>16,000</b>	

## PERFORMANCE SHARES

There is currently no performance share plan and no such plan has been offered.

### TABLE 6 – PERFORMANCE SHARES GRANTED TO THE EXECUTIVE DIRECTOR

No performance shares were granted by the company in 2014.

### TABLE 7 – PERFORMANCE SHARES THAT BECAME AVAILABLE TO THE EXECUTIVE DIRECTOR DURING THE YEAR

No performance shares became available since none were granted by the company to the executive director, Nonce Paolini.

## STOCK OPTION ALLOCATION HISTORY AND OTHER INFORMATION

### TABLE 8 – STOCK OPTION ALLOCATION HISTORY

	Plan no. 10	Plan no. 11	Plan no. 12	Plan no. 13
Date of General Meeting	17/04/2007	17/04/2007	14/04/2011	14/04/2011
Date of Board Meeting	20/02/2008	18/02/2009	12/05 et 25/07/2011	14/05/2012
Grant date	20/03/2008	20/03/2009	10/06/2011	12/06/2012
Total subscription options granted	2,000,000	2,000,000	1,500,000	1,437,200
<i>o/w to Directors</i>	62,000	66,000	12,800	12,800
Nonce Paolini	50,000	50,000	0	0
Sophie Leveaux Talamoni	12,000	16,000	12,800	12,800
<i>to the 10 employees receiving the highest grants</i>	340,000	340,000	272,000	302,000
Total subscription options granted subject to performance	0	50,000	1,500,000	1,437,200
Options exercisable as of	20/03/2011	20/03/2012	10/06/2015	12/06/2016
Expiry date	20/03/2015	20/03/2016	10/06/2018	12/06/2019
Subscription price (euros)	€15.35	€5.98	€12.47	€6.17
Exercise rules	Exercisable as of 3rd anniversary. Negotiable as of 4th anniversary.		Exercisable and negotiable as of 4th anniversary.	
Number of shares subscribed at 31/12/2014	0	1,287,238	0	0
Total number of subscription and purchase options for cancelled, unallocated or forfeited shares	295,500	275,000	142,400	117,200
Subscription and purchase options outstanding at 31/12/2014	1,704,500	437,762	1,357,600	1,320,000

The above options are currently the only instruments issued by TF1 that have a potentially dilutive effect. In view of the closing price of the TF1 share on 31 December 2014, a dilutive impact was taken into account in plans nos. 11 and 13.

The change in the number of currently valid options is presented in note 30 of the notes to the consolidated financial statements of TF1 at 31 December 2014. The cost of option subscription plans granted by TF1 is presented note 18.1 of the same notes. The value of the options on the grant date, calculated according to the Black-Scholes model, was: €1.49 (plan 10), €0.86 (plan 11), €1.18 (plan 12) and €0.70 (plan 13).

Earlier matured plans: Plan no. 1 lapsed on 10 October 2002, Plan no. 2 lapsed on 8 April 2004, Plan no. 3 lapsed on 18 March 2005, Plan no. 4 lapsed on 20 September 2006, Plan no. 5 lapsed on 6 December 2007, Plan no. 6 lapsed on 11 December 2008, Plan no. 7 lapsed on 12 March 2010 and Plan no. 8 lapsed on 16 September 2011. Plan no. 9 on the allocation of free shares lapsed on 31 March 2010.

**TABLE 9 – STOCK OPTIONS GRANTED TO OR EXERCISED BY THE TEN TF1 EMPLOYEES (NON DIRECTORS) RECEIVING THE HIGHEST GRANTS IN 2014**

	Total number of attributed options/subscribed or purchased shares	Average weighted price	Maturity	Plan no.
Options granted during the financial year by the issuer, and any company included in the scope of option allocation, to the ten employees of the issuer and of any company included in this perimeter, with the highest number of granted options.	-	-	-	-
Options held on the issuer and the aforementioned companies, exercised during the financial year by the ten employees of the issuer and said companies with the highest number of options thus purchased or subscribed.	101,000	€5.98	20/03/2016	11

### 3. OTHER INFORMATION ON THE EXECUTIVE DIRECTOR

**TABLE 10 – OTHER INFORMATION ON THE EXECUTIVE DIRECTOR**

	Employment contract <sup>(1)</sup>		Supplementary pension plan <sup>(2)</sup>		Indemnities or benefits due or potentially due owing to the termination or changing of functions <sup>(3)</sup>		Indemnities related to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Nonce Paolini – Chairman and CEO since 01/08/2008	X		X			X		X

(1) Nonce Paolini has an employment contract with Bouygues SA, not with TF1 SA.

(2) See § 2.3.1 – “Other information concerning remuneration and supplementary pension”. The annual supplementary pension entitlement, i.e. 0.92% of the reference salary (average of three best years) for each year of scheme membership, is capped at eight times the annual upper limit for social security contributions (currently €304,320). 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. Note that the Bouygues group does not have to set aside a provision for the supplementary scheme, which takes the form of an insurance policy taken out with an insurer outside the Group. The annual supplementary pension has been brought within the scope of the regulated agreement procedure.”

(3) Severance indemnities: neither Bouygues nor its subsidiaries has made any commitment or promise to award severance indemnities to the executive director. No such commitment or promise has been made to the employee directors of Bouygues, either. Though not a severance indemnity, a director who is a salaried employee of the company is eligible for the indemnities provided for by the applicable collective agreement (in the case of Bouygues, the collective agreement for managers in the building construction industry in the Paris region) in the event his employment contract is terminated. Nonce Paolini is eligible to receive such indemnities. The Board of Directors of TF1 officially declared on 18 February 2014 that any severance indemnity would be re-invoiced to TF1 on a pro rata basis for the number of years of service as an employee or director of the TF1 Group.