



## Consolidated Q1 2004 net profit increased by 17.3% to €69.9 M

June 8<sup>th</sup>, 2004

TF1's Board of Directors met on June 8<sup>th</sup> 2004, under the chairmanship of Patrick Le Lay, and examined the following Q1 2004 accounts:

| CONSOLIDATED FIGURES (€M)                 | Q1 2004 | Q2 2003 | 2003<br>12 mois | Variation<br>04/ 03 |
|---|---------|---------|-----------------|---------------------|
| Total revenue*                            | 702.0   | 679.1   | 2,768.7         | + 3.4%              |
| Including TF1 channel advertising revenue | 425.1   | 400.7   | 1,543.7         | + 6.1%              |
| Other activities*                         | 276.9   | 278.4   | 1,225.0         | - 0.5%              |
| EBIT                                      | 131.5   | 104.3   | 333.9           | + 26.1%             |
| Financial result                          | (5.3)   | (6.2)   | (14.4)          | - 14.5%             |
| Net profit (attributable to the group)    | 69.9    | 59.6    | 191.5           | + 17.3%             |

\*Before any changes linked to the transition to IFRS standards, TF1 Group operating revenue would have increased by 6.1% and operating revenue from other activities would have increased by 6.1%.

In first quarter 2004, TF1 Group operating revenue increased 3.4% at €702.0 M. On a comparable accounting presentation, TF1 Group operating revenue would have increased by 6.1%.

The TF1 channel recorded a growth of 6.1% in its net advertising revenue.

The slight fall of 0.5% in operating revenue from other activities is mainly the result of changes in the accounting presentation because of the transition to IFRS standards. On a comparable accounting presentation, operating revenue from other activities would have increased by 6.1%.

This increase is the result of TF1 Group's subsidiaries good performances:

- TPS grew operating revenues 6.6% thanks to a regular expansion of its subscriber base;
- Eurosport (+ 5.8%) benefited from the growth in paying subscribers and an improvement in the pan-European advertising market as well as the national markets (especially in France);
- Téléshopping (+ 29.0% before changes in accounting presentation) recorded strong sales growth regardless of the medium: TV programme, catalogue and Internet.

Group operating income amounted to €131.5 M, generating an operating margin of 18.7% (an improvement of 3.3 points). TF1 Group profitability improved both for the TF1 channel (an operating margin of 26.8%, an increase of 1.8 points) and for other activities (5.9%, an increase of 4.8 points).

In first quarter 2004, TF1 Channel's programming costs amount to €203.3 M, stable comparing to first quarter 2003.

The growth in the goodwill amortisation, which went from €(1.9) M in first quarter 2003 to €(12.6) M in first quarter 2004, is a consequence of the TF1 acquisition of additional shares in the capital of TV Breizh (from 40.5% to 67.2%) and Groupe Glem (from 72.8% to 97.8%), whose goodwill are fully depreciated on the first quarter 2004.

The financial result was €(5.3) M, primarily as a result of interest linked to the Group's net debt, which amounted to €434.8 M.

Net profit attributable to the Group increased 17.3% to €69.9 M, i.e., a net margin on operating revenue of 10.0%.

At March 31, 2004, shareholders' funds totalled €936.7 M on a balance sheet total of €3,202.0 M. Consolidated net debt stood at €434.8 M, or 46.4% of shareholders' funds.

In view of the advertising environment and the good audiences enjoyed by the TF1 channel, the net advertising revenue for first half 2004 should grow 5% to 6%.

### REMINDER:

The full Q1 interim report is available on:  
<http://www.tf1finance.com>  
H1 turnover will be released on July 29, after the market closure

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*NB: All the variation included in the press release are calculated versus Q1 2003. Forecasts included in this press release reflect elements currently known by TF1. They depend on economics fluctuations of the coming months.*