

Boulogne-Billancourt – July 26, 2011

**First half of 2011:**  
**Operating profit up 79% at €186.5m**  
**Operating margin sharply higher at 15%**  
**S&P rating upgraded to “BBB+ / Stable Outlook”**

The TF1 Board of Directors, chaired by Nonce Paolini, met on July 25, 2011 to adopt the financial statements for the six months ended June 30, 2011.

Consolidated Figures (€m)	H1 2011	H1 2010	Change %	Change €m
<b>Revenue</b>	<b>1,277.6</b>	<b>1,284.6</b>	<b>-0.5%</b>	<b>-7.0</b>
<i>TF1 Channel advertising</i>	757.8	764.6	-0.9%	-6.8
<i>Other activities</i>	519.8	520.0	-	-0.2
<b>Operating profit</b>	<b>186.5</b>	<b>104.4</b>	<b>+78.6%</b>	<b>+82.1</b>
Cost of net debt	0.2	(10.4)	na	+10.6
<b>Net profit (attributable to the Group)</b>	<b>118.6</b>	<b>74.2</b>	<b>+59.8%</b>	<b>+44.4</b>

**Consolidated revenue** for the first half of 2011 was virtually unchanged at €1,277.6m, a fall of just 0.5%.

This figure includes:

- **TF1 channel advertising revenue** of €757.8m, only lower (0.9%) than in the first half of 2010 because, unlike in the previous year, when TF1 screened the 2010 FIFA World Cup, TF1 did not broadcast any major sporting events during the period. Even so, the channel's advertising revenue rose by 0.7% in the second quarter, an improvement relative to the first quarter of the year.
- **Revenue from other activities** of €519.8m, static year-on-year, as increased revenue generated by the acquisition of TMC/NT1 offset the non-recurrence of the resale of sports rights.

**Advertising revenue for the TF1 Group as a whole** advanced by 4.7% to €905.2m.

**Operating margin improvement of 6.5 points**

Consolidated **operating profit** for the first half of 2011 was €186.5m, up €82.1m (78.6%) on the first half of 2010. Current operating margin reached 14.6%, compared with 8.1% for the first half of 2010 and 8.8% for 2010 as a whole.

Second-quarter operating profit was €125.0m, up €64.4m on the second quarter of 2010. Operating margin for the second quarter of 2011 was 18.8%, against 8.8% in the comparable period of 2010.

Quarter after quarter, these performances confirm the effectiveness of the measures taken to progress the Group's business model in a favourable direction.

**Net profit attributable to the Group up €44.4m**

**Cost of net debt** showed a net gain of €0.2m in the first half of 2011, compared with a net expense of €10.4m a year earlier, the TF1 Group having redeemed its bond debt in November 2010.

Income tax expense for the six months ended June 30, 2011 was €53.1m, an increase of €22.8m, in line with the rise in profits.

Associates contributed a net loss of €11.6m in the first half of 2011, mainly comprising a provision for impairment of the interest in Metro France.

Overall, **net profit attributable to the Group** came to €118.6m for the first half of 2011, compared with €74.2m for the first half of 2010. In the second quarter of 2011, net profit attributable to the Group was €72.2m, against €41.4m a year earlier.

## Analysis by segment

€m	Q1 2011	Q1 2010	Q2 2011	Q2 2010	H1 2011	H1 2010
Broadcasting France	499.4	479.7	552.8	562.2	1,052.2	1,041.9
Audiovisual Rights	29.0	32.4	21.1	27.6	50.1	60.0
International Broadcasting	84.5	84.0	89.3	97.2	173.8	181.2
Other Activities	1.5	0.8	-	0.7	1.5	1.5
<b>Total consolidated revenue</b>	<b>614.4</b>	<b>596.9</b>	<b>663.2</b>	<b>687.7</b>	<b>1,277.6</b>	<b>1,284.6</b>
Broadcasting France	62.4	39.0	118.6	45.6	181.0	84.6
Audiovisual Rights	0.1	(4.5)	(11.2) *	(1.1)	(11.1)	(5.6)
International Broadcasting	10.0	5.3	17.6	21.4	27.6	26.7
Other Activities	(11.0)	4.0	-	(5.3)	(11.0)	(1.3)
<b>Operating profit</b>	<b>61.5</b>	<b>43.8</b>	<b>125.0</b>	<b>60.6</b>	<b>186.5</b>	<b>104.4</b>

\* includes provision for the *Miracle at St Anna* dispute

### Broadcasting France (Source: Médiamétrie)

Over the first six months of the year, the TF1 channel enjoyed a 23.8% audience share among Individuals aged 4 and over, and a 26.8% share among "Women aged under 50 purchasing decision-makers". The channel attracted all of the top 50 audience ratings during the period.

**TF1 channel programming costs** for the first half of 2011 totalled €423.6m, compared with €482.6m for the first half of 2010. The year-on-year reduction of €59.0m (12.2%) was due to the non-recurrence of the 2010 FIFA World Cup (€49.3m of savings in rights costs, net of replacement programmes) and to savings of €9.7m on other programmes.

Revenues from the **Broadcasting France** division were up 1.0% at €1,052.2m, thanks to good performances from TMC, e-TF1 (online video sales and rollout of MyTF1 to new operators), and TF1 Entreprises (especially music, shows and licences).

Divisional operating profit for the first half of 2011 was €181.0m, compared with €84.6m for the first half of 2010.

### Audiovisual Rights

The **Audiovisual Rights** division posted revenue of €50.1m in the first half of 2011, down €9.9m year-on-year. The main factors were the fact that this year's cinema releases were less successful than the previous years, and the elimination of intercompany catalogue sales as a result of the consolidation of TMC and NT1, partly offset by growth for the Video business.

### Broadcasting International

Tough economic conditions and the absence of major sporting events during the first half of 2011, and the resulting impact on advertising revenue, explain why revenue at **Broadcasting International** (Eurosport International) slipped by 4.1% in spite of continuing growth in subscription revenue.

Operating profit increased by €0.9m to €27.6m.

Eurosport International achieved operating margin of 15.9%, an improvement of 1.2 points, reflecting control over operating expenses and programming costs (which this year have not included any major sporting events).

### Robust financial position maintained

As of June 30, 2011, shareholders' equity attributable to the Group stood at €1,530m, out of a balance sheet total of €3,394m. The Group had net cash of €10.9m as of June 30, 2011, compared with €16.8m as of December 31, 2010.

On July 22, 2011, Standard and Poor's upgraded the TF1 Group's credit rating from BBB / positive outlook to BBB + / stable outlook, reflecting the Group's healthy financial position.

### Outlook for 2011

In an economic environment still characterised by poor visibility, the TF1 Group is reiterating its guidance of flat consolidated revenue for 2011 as a whole.

The statutory auditors have conducted a review of the financial statements, on which they have issued an unqualified report. The Financial Information Report for the first half of 2011 is available on the corporate website: <http://www.groupe-tf1.fr/>. A conference call will be held on July 26, 2011 at 9.30 a.m. Paris time. Details of how to connect to the conference call are available on: <http://www.groupe-tf1.fr/>.

#### CONTACTS

<http://www.groupe-tf1.fr/>

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