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TF1 GROUP Q1 2022 RESULTS

**Strong increase in consolidated revenue,
up 10.1% vs. Q1 2021 to €561.3m**

**Strong momentum in Group advertising revenue,
up 5.4% vs. Q1 2021 to €377.1m**

Current operating profit: €59.6m, up +4.9%

Boulogne, 28 April 2022

The TF1 Board of Directors, chaired by Gilles Pélisson, met on 28 April 2022 to approve the financial statements for Q1 2022. The results below are presented by business line in accordance with IFRS 16. Reported revenue and operating profit figures may be found in our Q1 2022 Financial Information Report on the website: www.groupe-T1.fr/en.

(€m)	Q12022	Q12021	CHG. €M	CHG. %
TF1 group advertising revenue*	377.1	357.9	19.2	5.4%
Revenue from other activities*	184.2	151.9	32.3	21.3%
Media**	485.5	444.5	41.0	9.2%
Advertising revenue**	377.1	357.8	19.3	5.4%
o/w digital advertising revenue**	30.2	27.9	2.3	8.2%
Newen Studios**	75.8	65.3	10.5	16.1%
Consolidated revenue*	561.3	509.8	51.5	10.1%
Media**	56.9	46.8	10.1	21.6%
Newen Studios**	2.7	10.0	(7.3)	-73.0%
Current operating profit*	59.6	56.8	2.8	4.9%
Current operating margin*	10.6%	11.1%	-	-0.5 pts
Operating profit*	56.2	56.8	(0.6)	-1.1%
Net profit attributable to the Group*	34.1	34.3	(0.2)	-0.6%
Cost of programmes*	(220.0)	(210.8)	(9.2)	4.4%

*Published data

**Proforma data

The TF1 group generated **consolidated revenue** of **€561.3 million** in Q1 2022, an increase of €51.5 million **(+10.1%)¹**.

Group **advertising revenue** was **€377.1 million**, up €19.2 million **(+5.4%)** year on year, thanks to the gradual recovery of business sectors that were still impacted by the pandemic in 2021.

Revenue from other Group activities totalled €184.2 million, up €32.3 million **(+21.3%)**, resulting in part from a scope effect of €17.5 million, mainly at Newen Studios.

¹ Like-for-like, revenue increased €33.4 million (+6.6%) vs Q1 2021.

Current operating profit came to **€59.6 million**², up €2.8 million year on year (+4.9%). **Group current operating margin was 10.6%**, down slightly on Q1 2021 (11.1%).

Operating profit came to €56.2 million, after €3.4 million of non-recurring expenses relating to the proposed merger between TF1 and M6.

Attributable net profit was **€34.1 million**, stable overall compared with last year.

Analysis by business line

Media

— **Audience ratings**³

In Q1 2022, **average daily viewing time was 3 hours and 32 minutes among individuals aged 4 and over**, down 9% compared with Q1 2021, still impacted by the COVID-19 crisis. **The figure was stable overall compared with Q1 2019** (3 hours and 38 minutes).

The decrease in daily viewing time was offset by the development of new content consumption forms, to which the TF1 group plans to respond through the non-linear services it has developed. **MYTF1 MAX**, launched in November 2021, is a set of additional paid services rounding out the SVOD range on the **Salto** platform.

In a competitive environment marked by major political and geopolitical developments, which benefit 24-hour news channels, the group has maintained its *leadership* (**33.1%** among W<50PDM⁴, down 0.6 points, and **29.8%** among individuals aged 25-49, also down 0.6 points) and continues to attract the majority of the French population through a *premium* offering successful with all targets and across all content categories:

- **The status, more than ever, as the go-to channel for news**, as demonstrated through political shows in March in the run-up to the 2022 presidential election, including **La France face à la guerre**, followed by 4.3 million viewers and **Partie de campagne l'invité.e**, which attracted up to 6.8 million viewers. The **journal de 20h** sustained its leadership position, averaging 5.8 million viewers;
- **Iconic entertainment shows** with high ratings, including **Les Enfoirés** (8.4 million viewers, 52% audience share among W<50PDM), **Koh Lanta** (a high of 5.7 million viewers, 41.5% share of W<50PDM) and **Quotidien** (a high of 2.3 million viewers);
- **A strong range of French drama programmes**, such as the series **Balthazar** (up to 6.9 million viewers, 27% share of W<50PDM);
- **Movies**, with an impressive performance by **Qu'est-ce qu'on a encore fait au bon dieu?**, which drew 7.8 million viewers, for a 43% share of W<50PDM.

² Current operating profit after leases (excluding the impact of IFRS 16) for Q1 2022 was €58.8 million, up €2.8 million year-on-year.

³ TV viewing figures from Médiamétrie over one year.

⁴ Women aged under 50, purchasing decision-makers.

- **Revenue for the Media segment reached €485.5 million, an increase of €41.0 million (+9.2%).**
 - The **Media segment generated advertising revenue** of €377.1 million in Q1 2022, up 5.4%, consistent with the strong momentum shown in late 2021. The performance was underpinned by the gradual return of certain advertising sectors, such as cosmetics and travel/tourism, and was also fuelled by the ad sales house's work on boosting value through supplementary offerings, mainly in targeting. **Digital advertising revenue** amounted to €30.2 million, up €2.3 million compared with end-March 2021 (8.2%), driven mainly by MyTF1;
 - **Revenue from other Media segment activities** increased €21.7 million year on year (+25.0%) on growth in the entertainment and distribution businesses.

- **The TF1 group's cost of programmes totalled €220.0 million**, for a year-on-year increase of €9.2 million. Through these controlled re-investments, the group was able to cater to demand from advertisers and maintain an offering of high-ratings programmes in news, French drama and entertainment alike.

- **The Media segment reported current operating profit of €56.9 million**, a year-on-year rise of €10.1 million, generating a current operating margin **of 11.7% (up 1.2 point from 2021 and 2.1 points from 2020)**.

Newen Studios⁵

- **The Newen Studios segment posted revenue of €75.8 million in first-quarter 2022, up 16.1% year on year.**

Newen Studios continued to expand internationally in the first three months, bolstered in particular by the contributions of the Izen studio in Spain and the Flare studio in Germany acquired in 2021.

Several projects were confirmed at the start of the year, including two productions ordered by international platforms from the Dutch studio Tuvalu, **Nemesis** for Disney+ and **The Hunt for Jasper S.** for Viaplay. These orders, added to those made in 2021 with Newen's European subsidiaries, demonstrate the group's know-how and ability to respond to positive trends in demand.

After Q1 2021 was boosted by a catch-up effect and more deliveries than usual for the start of the year, Newen Studios returned in Q1 2022 to a level of revenue and profitability consistent with the seasonal nature of its business.

- **The business line reported current operating profit of €2.7 million**, down vs Q1 2021. The segment's current operating margin was 3.6%.

⁵ At end-March 2022, the Games businesses (TF1 Games and Dujardin) sold in April 2022 were kept in the Newen Studios segment.

Financial position

Shareholders' equity attributable to the Group was €1,797.5 million at 31 March 2022 out of a balance sheet total of €3,803.4 million.

Free cash flow after changes in the TF1 group's operating WCR amounted to €191.6 million, compared with €67.0 million at end-March 2021.

The TF1 group posted a net cash position of €379.4 million at 31 March 2022, compared with €198.5 million at end-December 2021.

Non-financial performance

The TF1 group distinguished itself once again in Q1 2022 **with several initiatives striving for a more sustainable, inclusive and environmentally respectful society.**

In support of the Ukrainian people and in response to the **humanitarian emergency**, the TF1 group joined forces with the Fondation de France charity organisation to launch a large-scale appeal for donations across all its channels (backed by well-known TF1 personalities, "Ukrainian Solidarity" section on 1 o'clock news bulletin on 11 March, etc.).

In March the group presented **the second *Expertes à la Une* session**. Bringing together experts from sectors such as health, medical research, justice, police, AI and entrepreneurship, the programme aims to increase the proportion of female experts in news bulletin on TF1 and LCI. The representation of women in TF1's new programmes (1 o'clock, 8 o'clock and weekend news) was 44% in 2021.

Governance

The Board of Directors noted the resignation of Laurence Danon Arnaud from her TF1 Directorship, effective from the close of the Annual General Meeting of 14 April 2022, as the independence criterion relating to her term of office would no longer be respected starting in July 2022. The Board thanked her for her commitment and contribution to the work of the Board since July 2010 and that of the Audit Committee since June 2015.

The Board of Directors noted the renewal of the Directorships of Gilles Pélisson and Olivier Roussat and the reappointment as Independent Director of Marie Pic-Pâris Allavena at the Annual General Meeting of 14 April 2022. It also noted the appointment of Orla Noonan as Independent Director and Sophie Leveaux and Farida Fekih as Employee Representative Directors at the Annual General Meeting of 14 April 2022.

The TF1 Board of Directors is comprised of 50% of female Directors and three female Independent Directors, for a proportion of 37.5%⁶.

⁶ The two female Employee Representative Directors and the female Shareholding Employee Representative Director are not factored into the calculation of the percentages (Article 9.3 of the Afep/Medef Code, January 2020).

Proposed merger of the TF1 and M6 groups

The TF1 group notes that the proposed merger of the TF1 and M6 groups is subject to regulatory authorisation. In this respect, procedures with the French competition authority (ADLC) and the French regulatory authority for audiovisual and digital communication (ARCOM) are ongoing.

The ADLC was notified of the proposed merger on 17 February 2022. It is expected to give its decision in October. Regarding the French securities regulator (AMF), RTL, Bouygues and TF1 will submit their requests for exemptions from the mandatory filing of a proposed public offering⁷ in May⁸.

Outlook

In 2022, taking into account consumers' new behaviour and extending the advertising offering to our advertiser customers will help to strengthen the **Media** business line, which is benefiting from strong growth in new services.

Newen Studios' contribution to the TF1 group's operating margin will remain accretive in 2022, against the backdrop of a buoyant market, notably propelled by the application of the European Audiovisual Media Services (AVMS) directive in France and in Europe. Together, our expertise and client knowledge will respond effectively to the increase in platform orders for local content.

The TF1 group considered at end-March that it was not economically directly impacted by the war in Ukraine. However, the development of the conflict could have an impact on the European economy and therefore indirectly on the group's activity. As it demonstrated in 2020 and 2021, **the TF1 group will be watchful as to the costs incurred and will adapt, all the while benefitting from solid growth levers.**

Our Financial Information Report for Q1 2022 is available at <http://www.groupe-tf1.fr/en>.
A conference call on the results is scheduled for 6.30 p.m. CET on 28 April 2022.
For details of how to connect, go to <https://www.groupe-tf1.fr/en/investors/results-and-publications>, and click on "Access our results announcements for the current year".

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⁷ In particular, based on the provisions of Article 234-9, 4° of the AMF General Regulation - combination of a capital contribution or merger proposed to the general shareholders' meeting and the conclusion of an agreement between the shareholders of the companies concerned constituting a joint action.

⁸ Whereby, under Article 39 V of the French law of 1986 on the freedom of communication, an entity exceeding the threshold of a mandatory public offering is required to file a proposed public offering only to the amount of the portion of the share capital or voting rights allowing it to reach the limit of 49% of the share capital or voting rights.