



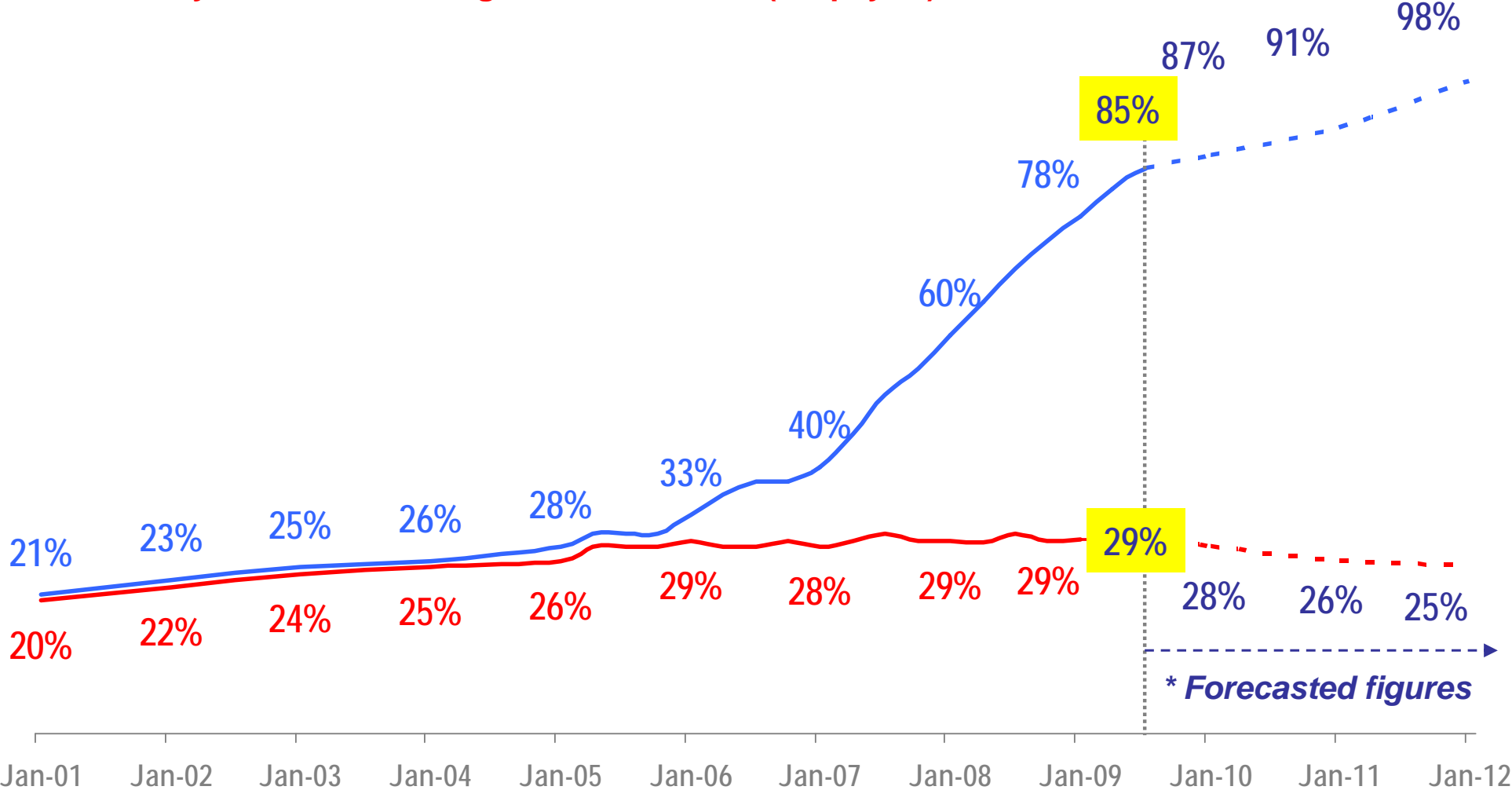
# Investor Presentation

November / December 2009



# A stabilized market structure

- Individuals 4 years or + receiving 18 channels or more
- Individuals 4 years or + receiving Cable / CanalSat (via payTV)

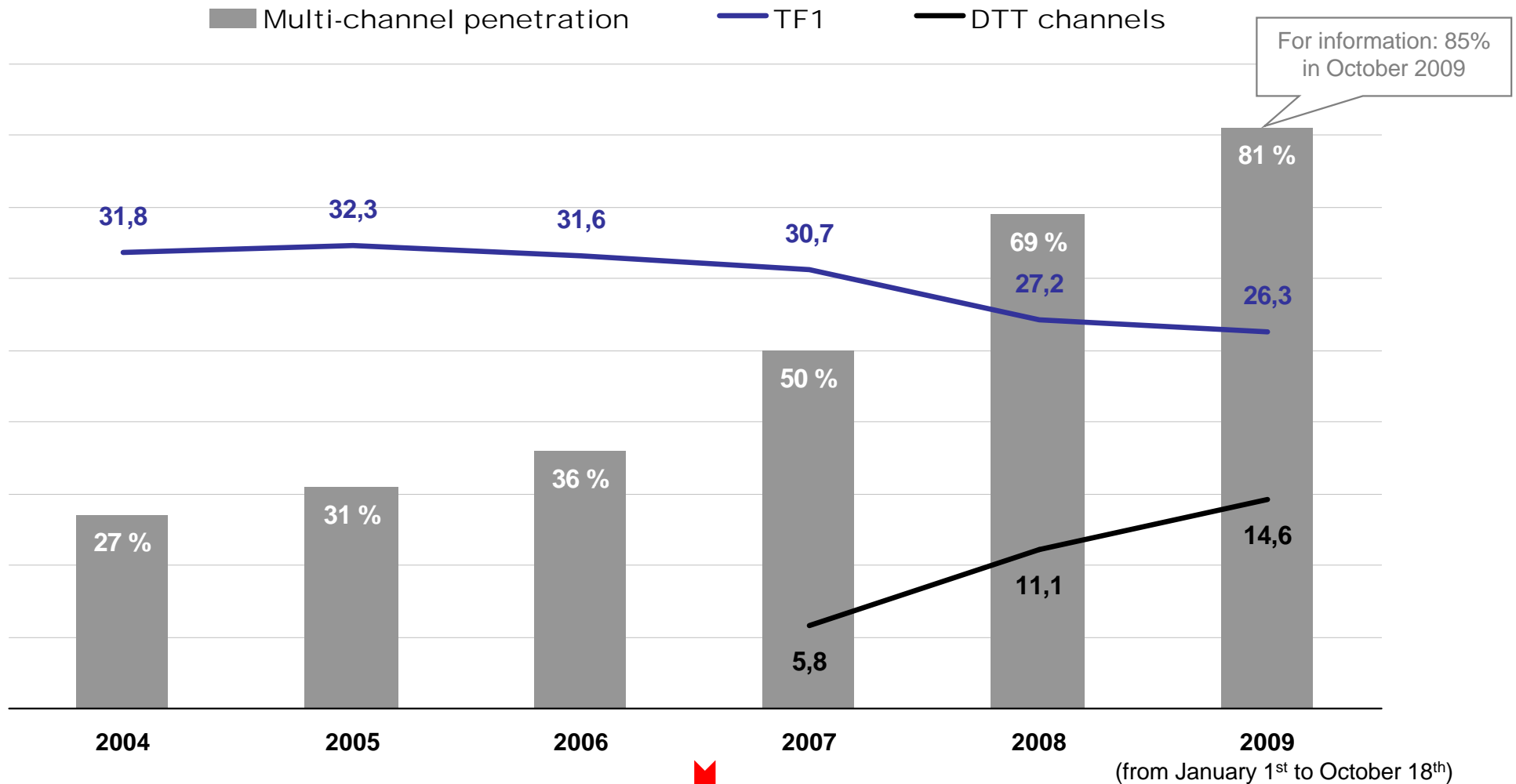


\* Forecasted figures

**The multi-channel market is now mature**

# A good performance for TF1 audience share

Audience share on 4 year and plus (in %)

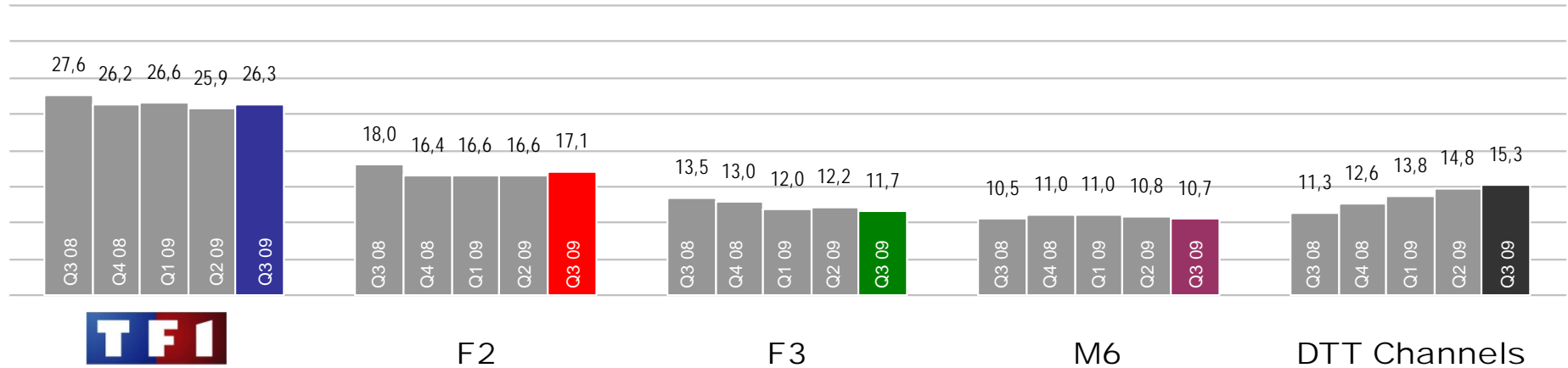


**Between 2004 and 2009 : - multi-channel offer + 300%**  
**- TF1 audience share: - 17%**

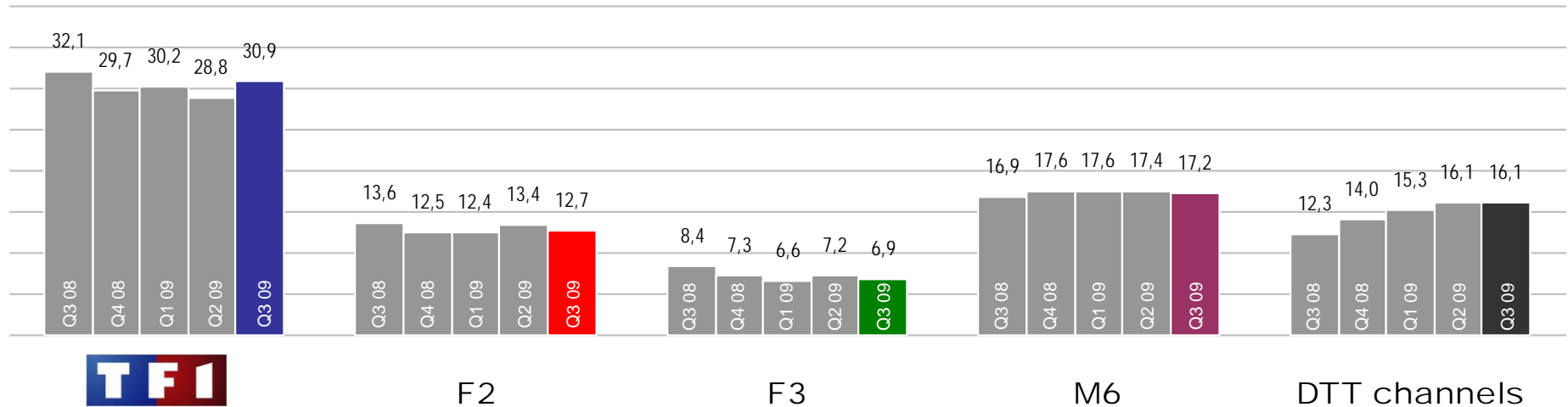
# Audience share evolution by quarter

Audience share (in %)  
By quarter.

4 years  
and +



Women  
< 50



**Q3 2009 : TF1 is growing vs H1 2009**

# January-September 2009: TF1 key stats

26.3%

audience share on individuals

29.9%

Of audience on women < 50

6.2

million of TV viewers on Prime Time



57

programmes with more than 8 million TV viewers on prime time

(F2: 1 / F3: 0 / M6: 0)

94%

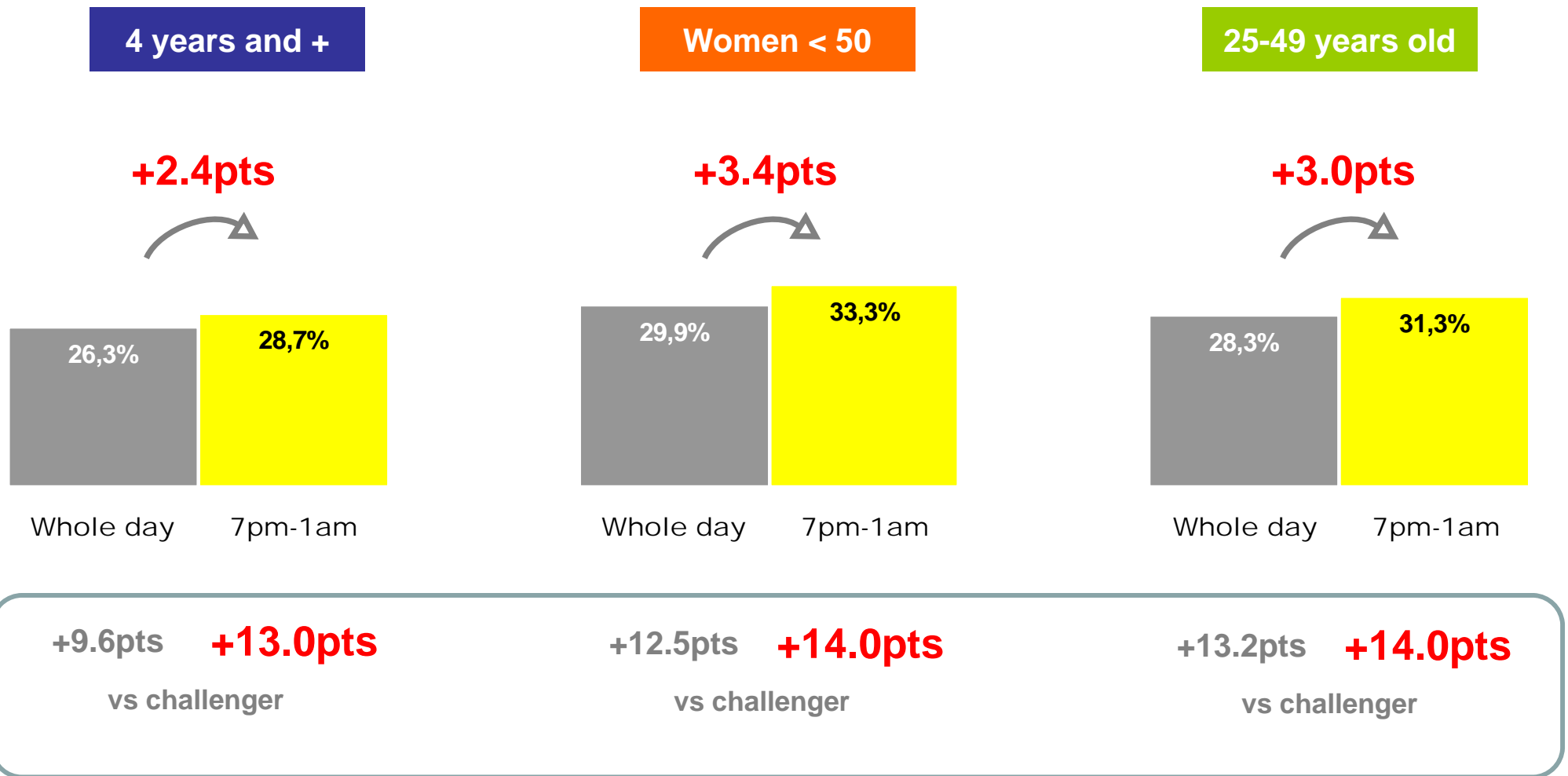
Leader on evenings for individuals \*

\* On Prime Time slots for TF1



# TF1 overperforms on strategic slots between 7pm and 1am

TF1 audience share



**TF1, a unique exposure for advertisers**

# Focus September on TF1: the news



## 1pm news bulletin (Mon-Sun)

6.2 M of TV viewers.

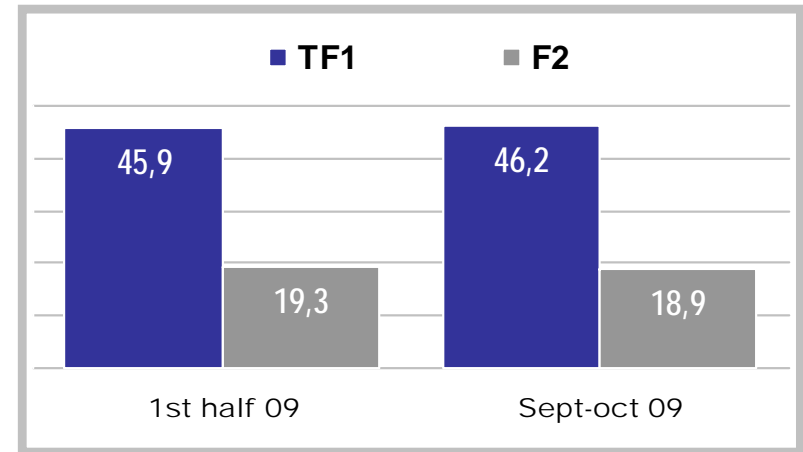
+3.7 M of TV viewers vs the challenger

With the new News slot on Saturday at 1pm (*JT* and *Focus On...*) :

5.8m of TV viewers

39% of audience share on individuals.

Audience share on Individuals + 1pm news bulletin

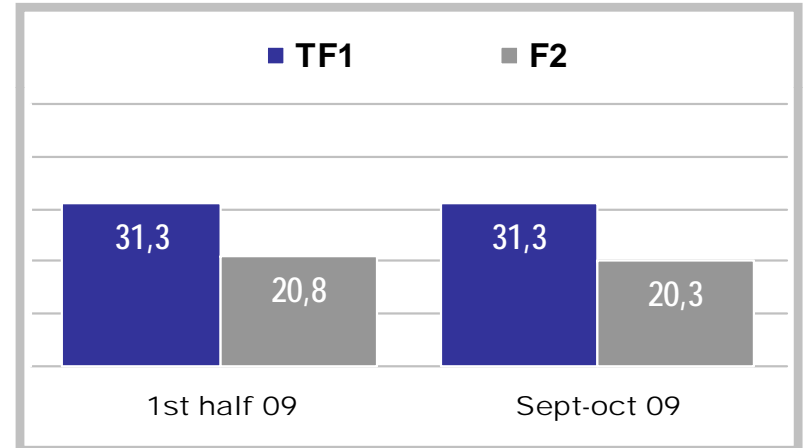


## 8pm news bulletin (Mon-Sun)

7.2 M of TV viewers.

+2.5 M of TV viewers vs the challenger

Audience share on Individuals + 8pm news bulletin



**News on TF1 increase their lead since early September**

# Focus September on TF1: novelties, diversity, proximity

## Prime-time : a clear lead

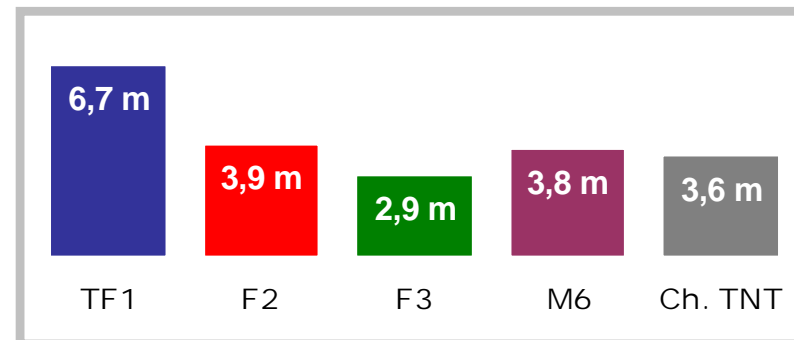


Koh Lanta : high audience rates, an average of 7.5M of TV viewers and 41% of audience share on women < 50

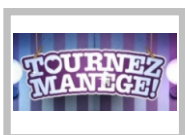


French Drama: increasing audience rates  
New season (*R.I.S., Section de recherches...*) and new brands (*Mes amis, mes amours, mes emmerdes...* : 6.8M / 27% / 29%)

Number of TV viewers



## Access : increasing as compared to 1<sup>st</sup> half 2009



Tournez manège : best score for a game since 2 years on women < 50 audience: 31%



La roue de la fortune : exceptionnaly federative with 4.9 M TV viewers

## Success of new programmes



Tous ensemble : 31% of audience share on women <50 and 2.2 M TV viewers.



Au cœur du crime : success of the launch on Tuesday in second time (2.1M / 34% / 39%)



# Strong contraction of the advertising demand on every media

Plurimedia GROSS jan-sept 2009 : - 1.8 %

Plurimedia NET estimated for 2009 : - 14.8 %

PRESS	-7.5 %	PRESS	- 16.3 %
TV	-0.3%	TV	- 18.9 %
RADIO	+5.1 %	RADIO	- 12.5 %
OUTDOOR	-9.5 %	OUTDOOR	- 12.7 %
INTERNET (display)	+7.3%	INTERNET (display)	- 6.5 %
CINEMA	-1.6%	CINEMA	- 24.0 %

# Decrease of TV gross investments: – 0.3 %

TELEVISION

## GROSS REVENUE

Jan-sept 2009

Jan-sept 2008

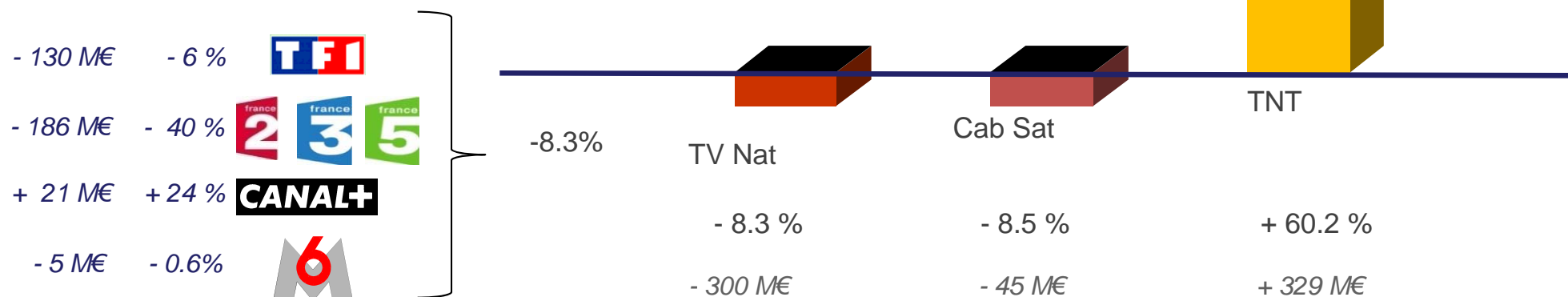
%

€4 649 M

€4 664 M

- 0.3 %

Evolution 9M 2009 / 9M 2008 (in €M) :

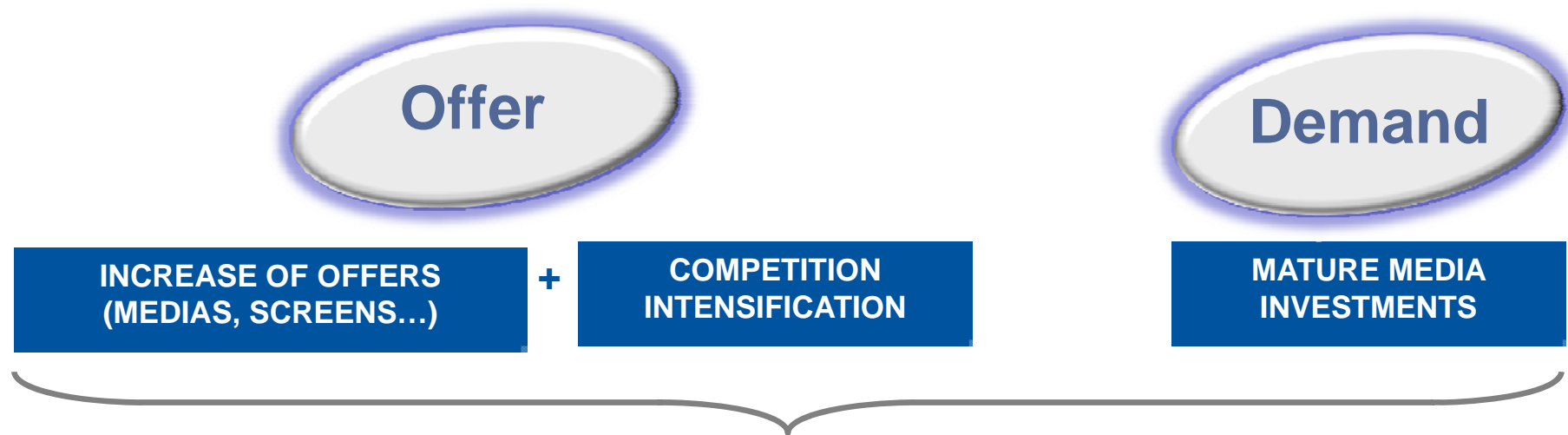


Gross data: source TNS MI Jan-Sept 2009

Press: National and local(excl. auto-promotion and subscription)

Television : TV national, regional and thematic channels

# TV advertising market: a new deal



Falling demand in an environment characterized by a strong increase in the TV offer

Economic crisis → cyclical contraction of the demand

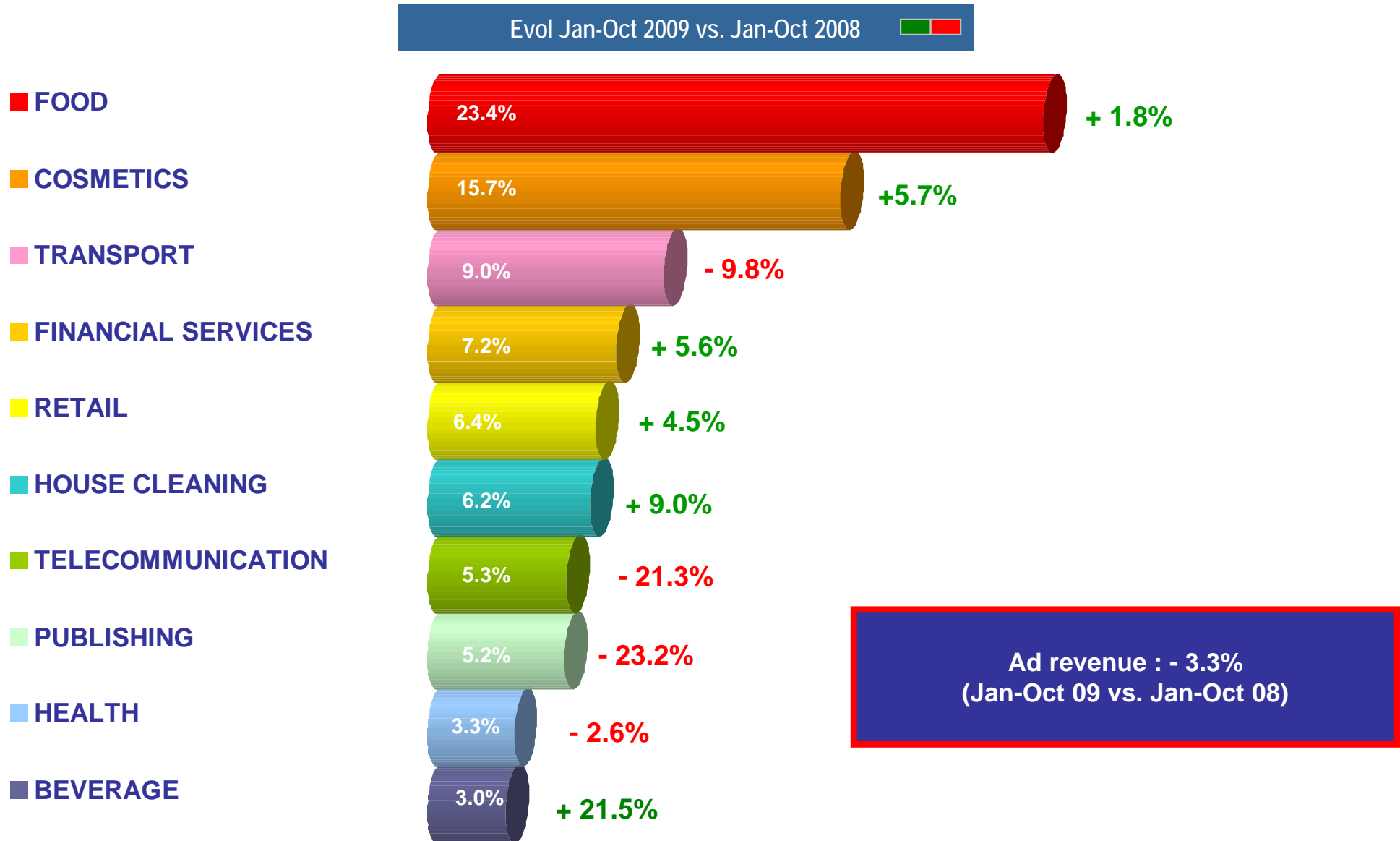


**2009 : an atypical distortion**

- Pressure on prices
- Short term arbitrage in favor of low cost solutions

# A tough economic situation

Evolution of advertising revenue by sector (for TF1)  
Gross revenue (Jan-Oct 2009)



Ushuaïa TV

histoire

## Thematic channel consultation process:

(ERS, ERS2, TV Breizh, LCI, Histoire, Ushuaïa TV)

- Interest shown by the main operators (Groupe C+, Orange, Free, SFR, TV Numéric, TNS, Parabole Réunion et Médiaserv)
  - Insufficient remuneration offered (advertising sector in crisis)
- ⇒ Confirmation of the thematic channels economic model through exclusivity
- ⇒ Renewal of the exclusive contract with operator for 2010/2011

LCI

EUROSPORT

EUROSPORT 2

tvbreizh

- **Thematic channels impacted by the decline of advertising revenue.**
- **Subscription revenue are holding.**
- **Strong cost control in a difficult environment and a high competitive market.**
- **Success of the editorial renewal (Odyssée, Histoire)**



**A performing management of the pole**

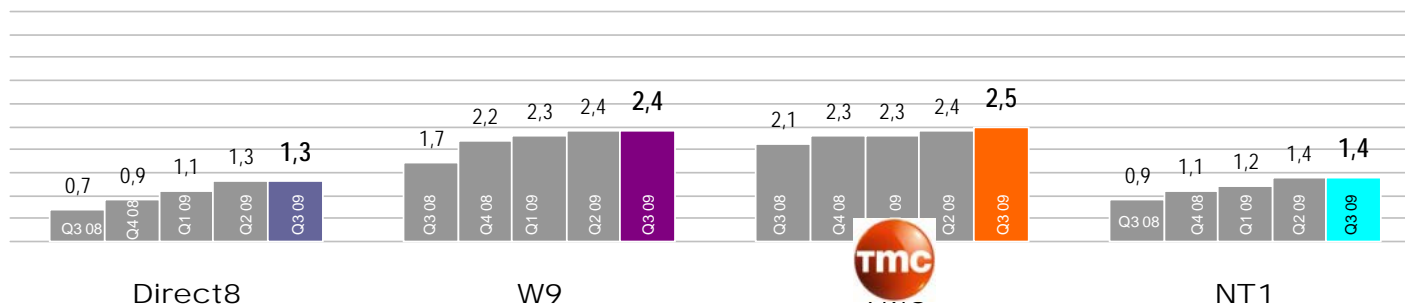
# TF1 Digital – TMC

## TMC : a growing audience share

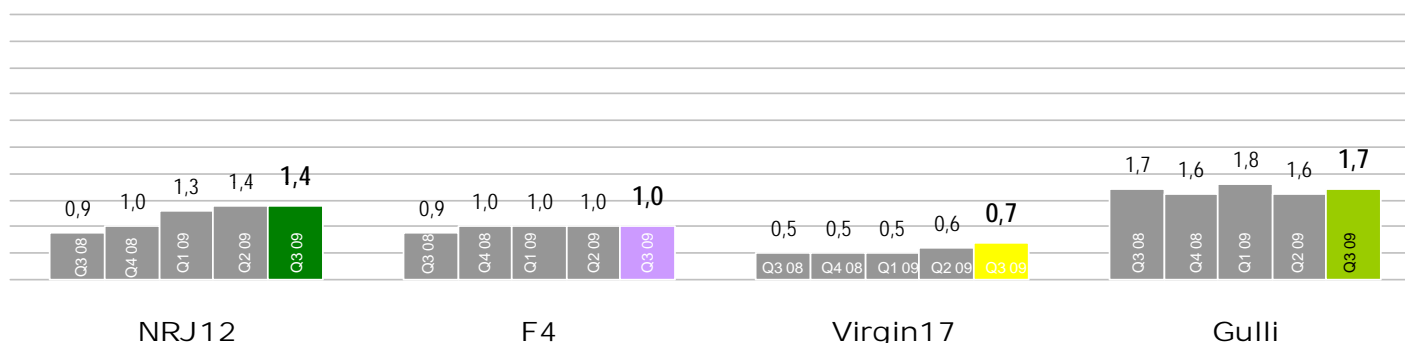
4 years and +



Evol. vs Q3 08

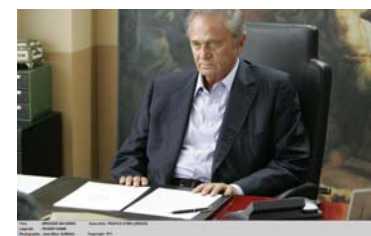


Evol. vs Q3 08



### Satisfying results\*

- Successful shows: 90' Enquêtes...
- 18 evenings with more than 1 M TV viewers
- Strong growth of advertising revenue
- Growth of operating results



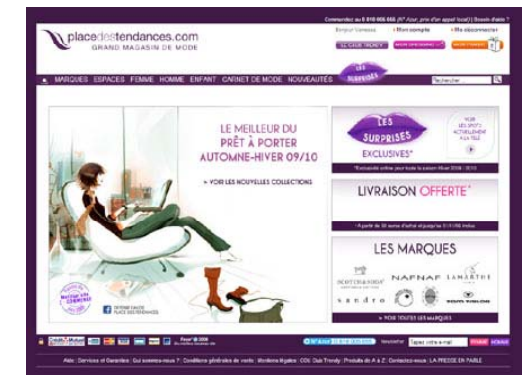
**TMC : still leading DTT channels**

\* Source : Médiamétrie

# Téléshopping

- Contraction of household consumption for the 1<sup>st</sup> 9 months 2009
- Téléshopping show in competition with the extension of the show on France 2 during the week and on Saturday
  - ⇒ Most impacted support
- e-Trading growth thanks to the new websites
  - ⇒ Good performances of placedestendances.com
  - ⇒ 2.36 M of unique visitors at the end of September 09
- Launch of a TV ad broadcast between October 10<sup>th</sup> and November 1<sup>st</sup>
  - ⇒ Unique Visitors: 607K in october 2009 vs. 266K in September 2009 (+128%)

**TELE**  
**SHOPPING**



[www.placedestendances.com](http://www.placedestendances.com)

 **placedestendances.com**



## Music:

- New artists on board (Marc Lavoine 130 K of CDs sold, Florent Pagny 185 K of CDs sold, Calogero 245 K of CDs sold)
- 360 Strategie in place through :
  - Mozart (140 K CDs, 180 K entries)
  - Cléopâtre (110 K albums, 335 K entries)
  - Zorro (4<sup>th</sup> quarter)

## Licenses:

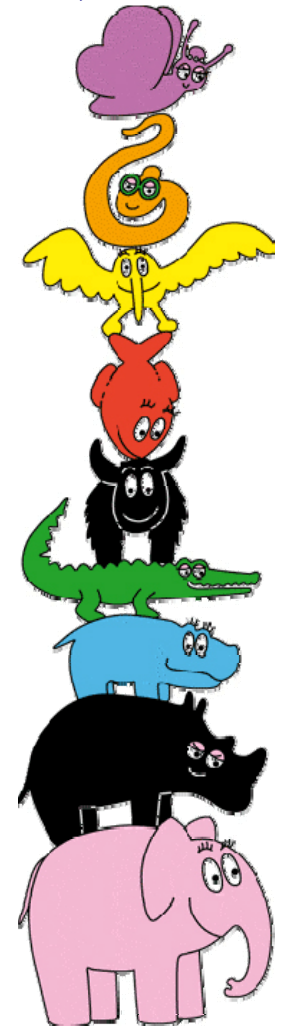
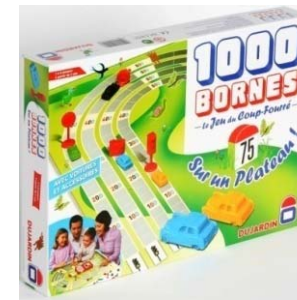
- Success of youth licenses (Hello Kitty, Barbapapa)

## Games:

- Success of the *1 000 bornes* and of the *Wheel of Fortune*

## Publishing:

- Ayrton Senna, Immortel



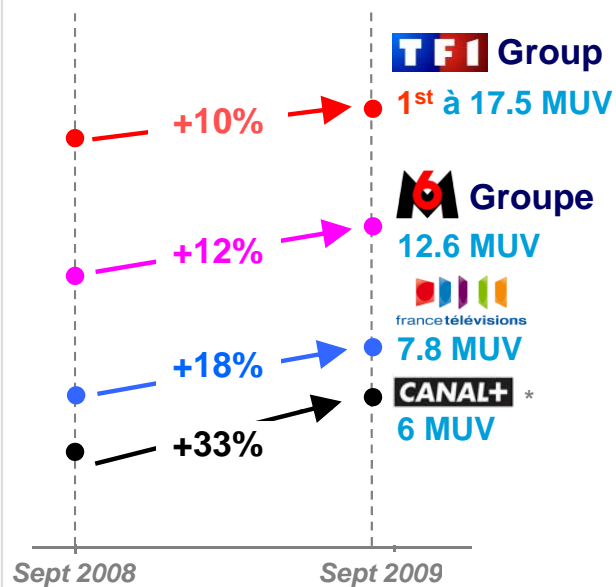


# TF1, 1<sup>st</sup> web media group

## TF1 7<sup>th</sup> group on the web

1	Google	30,9 MVU
2	Microsoft	25,3 MVU
3	France Telecom	22,3 MVU
4	Facebook	18,6 MVU
5	Pages Jaunes	18,5 MVU
6	Iliad Free	18,4 MVU
7	<b>TF1</b>	<b>17,5 MVU</b>
8	Yahoo!	16,9 MVU
9	Lagardère	16,3 MVU
10	Benchmark Group	15,6 MVU

## TF1 1<sup>st</sup> media group



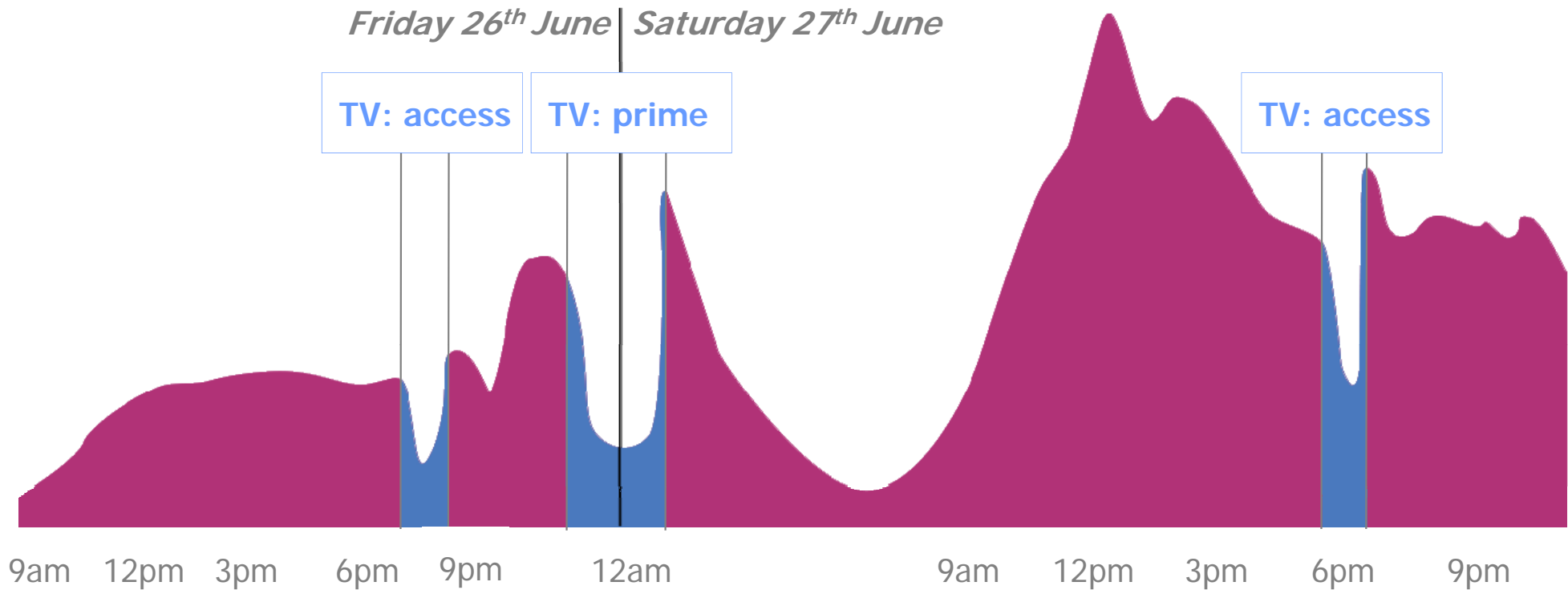
## TF1 in the lead on every thematic website

<i>Médias</i>	<b>TF1.fr</b>	<b>1<sup>st</sup> at 8.5 MVU</b>
<i>Blogs</i>	overblog	<b>1<sup>st</sup> at 10.2 MVU</b>
<i>Sports</i>	EUROSPORT	<b>2<sup>nd</sup> at 2.7 MVU</b>
<i>Jeunesse</i>	TF1.fr	<b>4<sup>th</sup> at 566 kUV</b>
<i>Vidéos</i>	walc	<b>3<sup>rd</sup> at 5.8 MVU</b>
<i>Féminin</i>	Plurielles.fr	<b>3<sup>rd</sup> at 3.4 MVU</b>
<i>News</i>	LCI.fr	<b>11<sup>th</sup> at 4.3 MVU</b> New website Q4 2009



**Performances in constant growth**

# SECRET STORY 3: TV & WEB completing each other



**A perfect example of the 360 strategy.**

# TF1 Production



- Increase of the number of hours produced for TF1 and TMC

- Strong growth of revenue linked to TMC

- 4<sup>th</sup> quarter:

- broadcast of 8 episodes of *RIS*
- broadcast of 2 *prime-time* entertaining shows (*2h de rire*, *Sacrée Soirée*)
- new magazines :
  - *Au cœur du crime*
  - *120 min inside*
  - *Harry en immersion*
- André Rieu show (14 dates)



# Eurosport International



117 M of household (+ 2 M over 1 year)    76 M paying subscribers (+ 4 M over 1 year)    59 countries    20 languages

Eurosport 2 : 38 M paying subscribers are receiving the channel at the end of September 2009  
Eurosport HD : 4 M paying subscribers since it was launched in May 2008

## Broader offer:

- New rights acquisition (such as the Bundesliga) for the launch of the new channel Eurosport2 North and Eastern Europe
- Successful launch late July of the iPhone application available in 9 languages in 10 countries.



## Growth in revenue:

- Contraction of the pan-european advertising market impacting investments
- Growth in revenue thanks to:
  - Operators performances (mainly HD and ERS2)
  - Development of diversification activities (Events, Payer...) carried with historical activities



## Decrease in charges :

- Favorable basis of comparison (no major sport events during summer)
- Strong efforts for cost control



**Strong growth of the operating result**



# Revenue evolution

€million	9 m 2008 published	9 m 2008 restated	9 m 2009	Var. M€	Var. %
Consolidated revenue	1,880.3	1,863.9	1,628.5	(235.4)	(12.6%)
Advertising revenue TF1 Channel	1,187.8	1,187.8	966.9	(220.9)	(18.6%)
Diversification revenue	692.5	676.1	661.6	(14.5)	(2.1%)

## Detail of the total advertising revenue

TF1 Channel	1,187.8	1,187.8	966.9	(220.9)	(18.6%)
Thematic channels in France	68.8	59.6	56.1	(3.5)	(5.9%)
Internet France	12.0	9.4	8.2	(1.2)	(12.8%)
Eurosport International	63.7	63.7	47.4	(16.3)	(25.6%)
Radio	0.0	0.0	6.3	+ 6.3	-
Others	0.1	2.0	0.1	(1.9)	-
<b>Total advertising revenue</b>	<b>1,332.4</b>	<b>1,322.5</b>	<b>1,085.0</b>	<b>(237.5)</b>	<b>(18.0%)</b>

# TF1 channel programming costs

€ million	9 m 2008	9 m 2009	Var. M€	Var. %
<b>Total programming costs (incl. exceptional sporting events)*</b>	<b>749.1</b>	<b>664.3</b>	<b>(84.8)</b>	<b>(11.3%)</b>
(Exceptional) Sporting events	54.5	-	(54.5)	-
<b>Total programming costs (excl. exceptional sporting events)*</b>	<b>694.6</b>	<b>664.3</b>	<b>(30.3)</b>	<b>(4.4%)</b>
Entertainment	191.3	175.1	(16.2)	(8.5%)
TV dramas / TV movies / Series / Theatre	202.3	201.7	(0.6)	(0.3%)
Sports ( <i>excl. Euro 2008</i> )	105.2	99.2	(6.0)	(5.7%)
News	83.3	78.5	(4.8)	(5.9%)
Movies	92.2	91.2	(1.0)	(1.1%)
Youth	20.3	18.6	(1.7)	(8.4%)

\* Including reforms and retired/abandoned rights

# Consolidated income statement

€million	9 m 2008 published	9 m 2008 restated	9 m 2009	Var. M€	Var. %
<b>Consolidated revenue</b>	<b>1,880.3</b>	<b>1,863.9</b>	<b>1,628.5</b>	<b>(235,4)</b>	<b>(12.6%)</b>
Total programming costs	(749.1)	(749.1)	(664.3)	(84.8)	(11.3%)
Total other charges and Depreciation and provisions	(1,001.4)	(985.0)	(931.5)	(53.5)	(5.4%)
<b>Operating profit</b>	<b>129.8</b>	<b>129.8</b>	<b>32.7</b>	<b>(97.1)</b>	<b>(74.8%)</b>
<b>Operating margin</b>	<b>6.9 %</b>	<b>7.0%</b>	<b>2.0%</b>		
Cost of net debt	(20.3)	(20.3)	(15.3)	(5.0)	(24.6%)
Other financial income and expenses	27.8	27.8	23.7	(4.1)	(14.7%)
Income tax expense	(34.7)	(34.7)	(2.8)	(31.9)	(91.9%)
Share of profits/losses of associates	7.9	7.9	12.4	+ 4.5	+ 57.0%
<b>Net profit</b>	<b>110.5</b>	<b>110.5</b>	<b>50.7</b>	<b>(59.8)</b>	<b>(54.1)</b>

# Consolidated income statement – Quarterly evolution

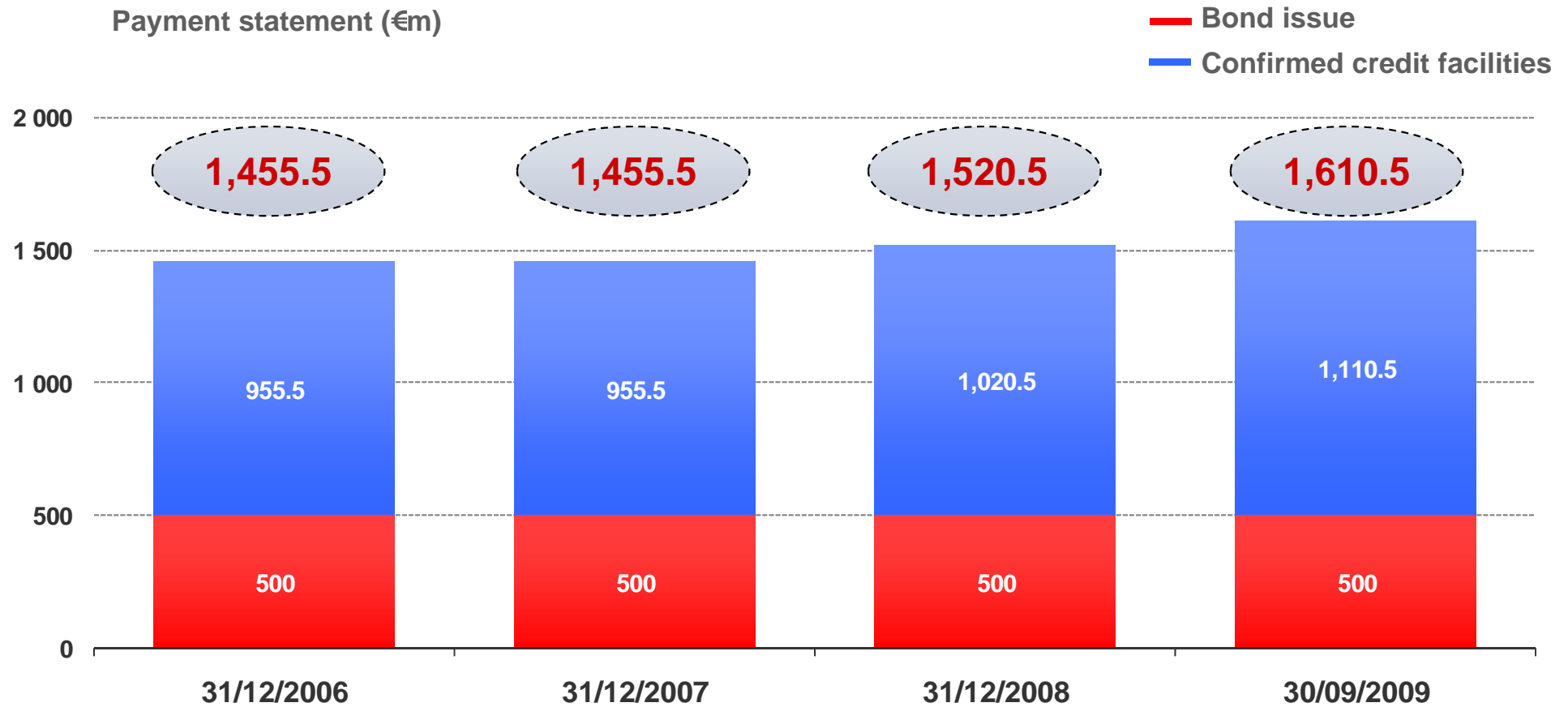
€million	Q3 2007	Q3 2008	Q3 2009	Var. M€	Var. %
<b>Consolidated revenue</b>	<b>539.7</b>	<b>511.1</b>	<b>498.4</b>	<b>(12.7)</b>	<b>(2.5%)</b>
Total programming costs	247.3	235.0	209.0	(26.0)	(11.1%)
<i>Total Programming costs (excl. Exceptionnal events)</i>	216.2	235.0	209.0	(26.0)	(11.1%)
<i>(Exceptional) Sporting events</i>	31.1	-	-	-	-
Total other charges and Depreciation and provisions	321.4	317.7	294.2	(23.5)	(7.4 %)
<b>Operating profit</b>	<b>(29.0)</b>	<b>(41.6)</b>	<b>(4.8)</b>	<b>+ 36.8</b>	<b>+ 88.5%</b>
<b>Net profit</b>	<b>(19.3)</b>	<b>(14.5)</b>	<b>1.7</b>	<b>+ 16.2</b>	<b>-</b>



**An important focus on costs in Q3 2009**



# Sound financial structure



✓ No Financial Covenant

✓ February 2010 : Put option on Canal+ France stake (9.9%)

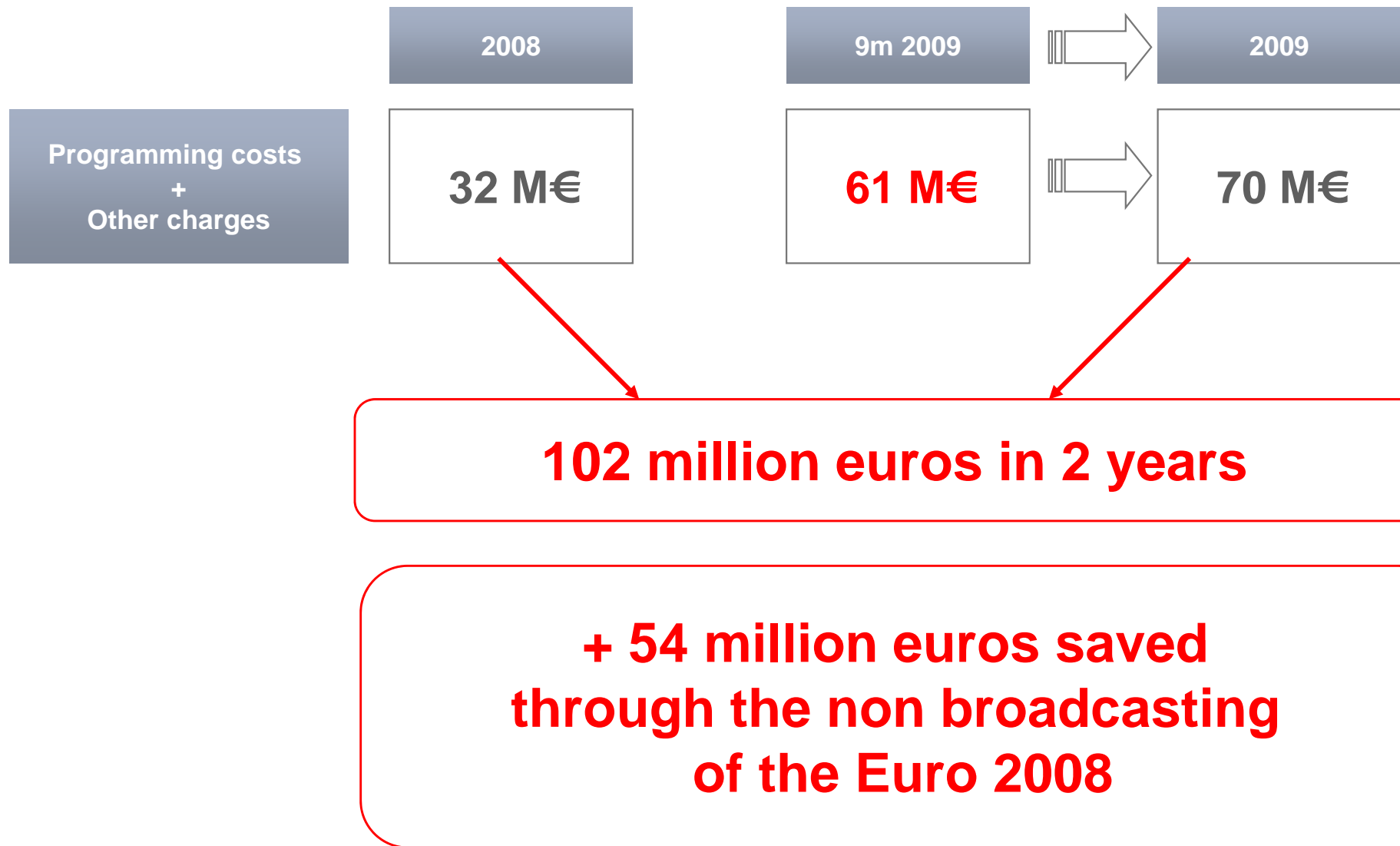
# 2009 Optimisation Plan – Progress 1/2

	30/09/2008	30/09/2009	Var. 30/09/09 vs. 30/09/08
<b><u>Operating profit</u></b>	130	33	(97)
Of which revenue	1,864	1,628	(236)
Of which charges	(1,734)	(1,595)	+ 139
<ul style="list-style-type: none"> <li>• <i>Euro 2008</i></li> <li>• <i>Charges linked to revenue</i></li> <li>• <i>Depreciation and amortization</i></li> <li>• <i>Operating charges and broadcasting costs</i></li> </ul>			+ 54
			+ 13
			+ 11
			+ 61

# 2009 Optimisation Plan – Progress 2/2

	30/09/08	30/09/09	Var.	
<b><u>Operating profit</u></b>	<b>130</b>	<b>33</b>	<b>(97)</b>	
Programming costs excl. Exceptionnal events			+ 31	} <b>61</b>
Renegotiation of contrats			+ 12	
Reduction of other charges			+ 8	
Abondoned activities (capital gain)			+ 4	
Abondoned activities (saving on charges)			+ 6	
Restructuring costs	(31)	(19)	+12	

# 2009 Optimisation Plan - Summary

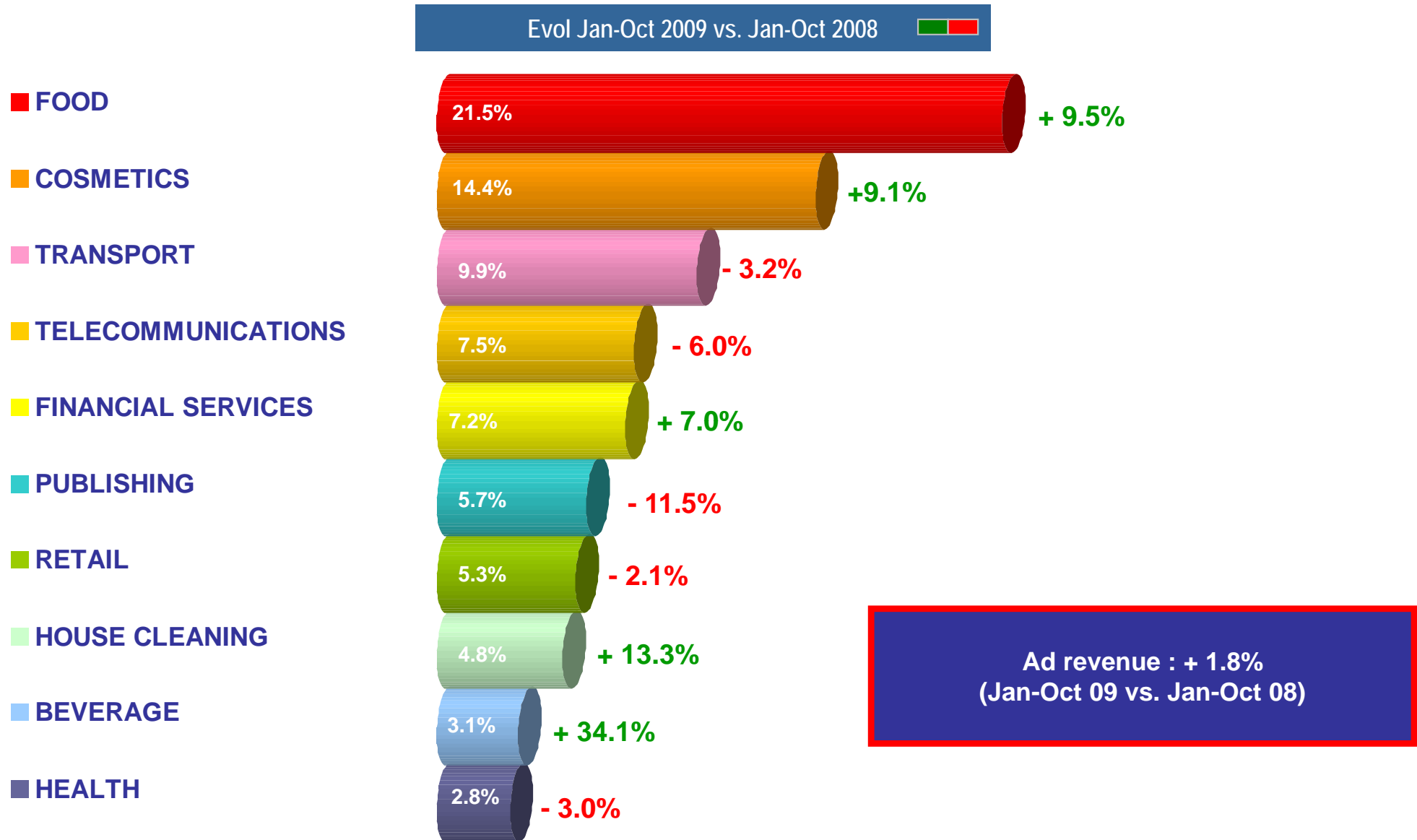




## Appendix

# A tough economic situation

Evolution of advertising revenue by sector (for all TV)  
Gross revenue (Jan-Oct 2009)



## A new website for News

- New structure
- New brand

## The symbol of editorial teams working together

## The TF1 Group values:

- Reactivity
- Proximity



## The ultimate step of the previous TF1.fr

The screenshot displays the TF1 News website layout. At the top, there's a navigation bar with 'INFO', 'GRILLE TV', 'PROGRAMMES', 'VIDÉOS', and 'TF1 & VOUS'. Below this, a main content area features a large article titled 'L'UE va traquer les hausses de prix dans vos assiettes' with a vibrant image of a salad. To the right, there's a 'L'info en continu' section with a list of news items. Below the main article, there's a section for 'Pourquoi ils ont fui l'Afghanistan' with a video player. Further down, another article titled 'Le corbeau s'explique : "j'ai l'impression d'être deux personnes en une"' is visible. At the bottom, there's a 'Steve Jobs promet un coup de baguette magique pour les Disney Stores' article with a video player. The right sidebar contains a 'PUBLICITE' section with a Vittel advertisement and a 'Les plus lus' section with a list of popular articles.



# Consolidated balance sheet

ASSETS (€million)	30/09/08	31/12/08	30/09/09	Var.
Total non-current assets	1,924.1	1,869.6	1,170.0	(699.6)
Total current assets	1,777.7	1,855.8	2,581.0	725.2
Held-for-sale assets	-	14.8	-	(14.8)
<b>Total assets</b>	<b>3,701.8</b>	<b>3,740.2</b>	<b>3,751.0</b>	<b>10.8</b>
SHAREHOLDERS EQUITY AND LIAB.	30/09/08	31/12/08	30/09/09	Var.
Shareholders' equity (att. to the Group)	1,325.6	1,376.9	1,329.1	(47.8)
Non-current liabilities	774.2	755.6	829.0	73.4
Curent liabilities	1,602.0	1,592.7	1,592.9	0.2
Liabilities linked to held-for-sale assets	-	15.0	-	(15.0)
<b>Total shareholders' equity and liabilities</b>	<b>3,701.8</b>	<b>3,740.2</b>	<b>3,751.0</b>	<b>10.8</b>
<b>TOTAL GROUP net debt</b>	714.6	704.5	787.1	
<b>Gearing</b>	54%	51%	59%	



# Consolidated cash flow statement

€million	30/09/09	30/09/08	31/12/08	Var M€ 9m09 vs. 9m08
Operating cash flow before net interest expenses And income tax	100.5	205.0	269.9	(104.5)
Income taxes paid	+36.7	(66.2)	(68.0)	+102.9
Change in operating working capital requirements	(35.0)	42.9	5.8	(77.9)
<b>Net cash generated by operating activities</b>	<b>102.2</b>	<b>181.7</b>	<b>207.7</b>	<b>(79.5)</b>
<b>Net cash generated by investment activities</b>	<b>(72.9)</b>	<b>(86.5)</b>	<b>(104.4)</b>	<b>+13.6</b>
<b>Net cash generated by financial operations</b>	<b>(32.9)</b>	<b>(86.1)</b>	<b>(137.4)</b>	<b>+53.2</b>
<b>Change in cash position</b>	<b>(3.6)</b>	<b>9.1</b>	<b>(34.1)</b>	<b>(12.7)</b>
<b>Cash position at beginning of period</b>	<b>(4.2)</b>	<b>29.9</b>	<b>29.9</b>	<b>(34.1)</b>
<b>Cash position at end of period</b>	<b>(7.8)</b>	<b>39.0</b>	<b>(4.2)</b>	<b>(46.8)</b>

# Consolidated revenue evolution

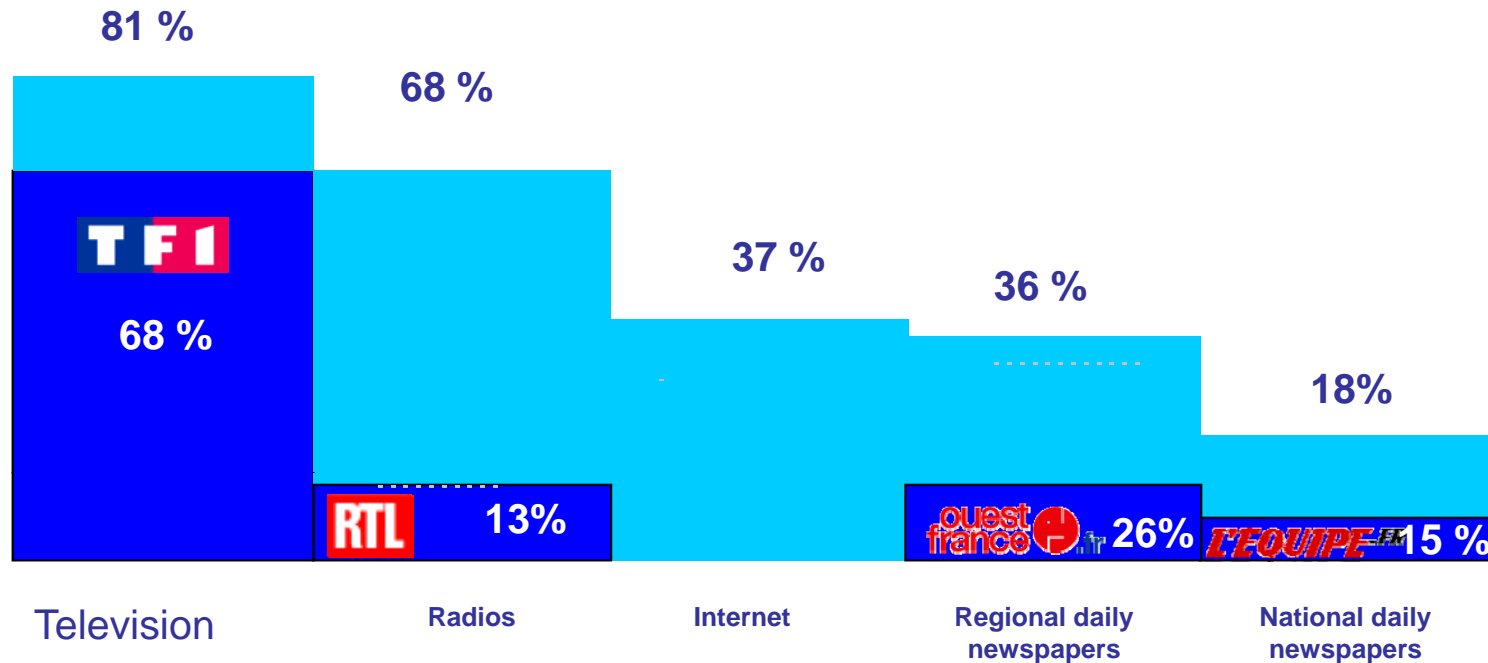
€million	9 m 2008 published	9 m 2008 restated	9 m 2009	Var	Var. %
<b>France Broadcasting</b>	<b>1,539.8</b>	<b>1,523.4</b>	<b>1,288.6</b>	<b>(234.8)</b>	<b>(15.4%)</b>
<i>TF1 Channel</i>	1,193.1	1,193.1	973.2	(219.9)	(18.4%)
<i>Téléshopping group</i>	109.4	97.9	75.8	(22.1)	(22.6%)
<i>Thematic channels in France</i>	138.3	138.3	140.5	+ 2.2	+ 1.6%
<i>TF1 Entreprises</i>	20.8	20.8	22.2	+ 1.4	+ 6.7%
<i>In-house production companies</i>	24.0	24.0	14.1	(9.9)	(41.3%)
<i>e-TF1</i>	38.1	43.1	51.8	+ 8.7	+ 20.2%
<i>Others</i>	16.1	6.2	11.0	+ 4.8	+77.4%
<b>Audiovisual rights</b>	<b>105.9</b>	<b>105.9</b>	<b>104.3</b>	<b>(1.6)</b>	<b>(1.5%)</b>
<i>Catalogue</i>	39.0	39.0	40.5	+1.5	+3.8%
<i>TF1 Vidéo</i>	66.9	66.9	63.8	(3.1)	(4.6%)
<b>International Broadcasting</b>	<b>234.0</b>	<b>234.0</b>	<b>234.7</b>	<b>+ 0.7</b>	<b>+ 0.3%</b>
<b>Other activities</b>	<b>0.6</b>	<b>0.6</b>	<b>0.9</b>	<b>+ 0.3</b>	<b>+ 50%</b>
<b>Total revenue</b>	<b>1,880.3</b>	<b>1,863.9</b>	<b>1,628.5</b>	<b>(235.5)</b>	<b>(12.6%)</b>

# Consolidated operating result

€million	9 m 2008 published	9 m 2008 restated	9 m 2009	Var	Var. %
<b>France Broadcasting</b>	<b>123.8</b>	<b>123.8</b>	<b>24.9</b>	<b>(98.9)</b>	<b>(79.9%)</b>
<i>TF1 Channel</i>	104.9	104.9	(8.4)	(113.3)	(108.0%)
<i>Téléshopping group</i>	5.8	5.8	2.6	(3.2)	(55.2%)
<i>Thematic channels in France</i>	3.8	3.8	13.0	+ 9.2	+ 242.1%
<i>TF1 Entreprises</i>	(1.3)	(1.3)	(1.0)	+ 0.3	+ 23.0%
<i>In-house production companies</i>	7.4	7.4	4.4	(3.0)	(40.5%)
<i>e-TF1</i>	(4.3)	(4.3)	(4.3)	-	-
<i>Others</i>	7.5	7.5	18.6	+ 11.1	+ 148.0%
<b>Audiovisual rights</b>	<b>(7.7)</b>	<b>(7.7)</b>	<b>(22.5)</b>	<b>(14.8)</b>	<b>(192.0%)</b>
<i>Catalogue</i>	(6.3)	(6.3)	(11.2)	(4.9)	(77.8%)
<i>TF1 Vidéo</i>	(1.4)	(1.4)	(11.3)	(9.9)	-
<b>International Broadcasting</b>	<b>16.7</b>	<b>16.7</b>	<b>35.7</b>	<b>19.0</b>	<b>+ 114.0%</b>
<b>Other activities</b>	<b>(3.0)</b>	<b>(3.0)</b>	<b>(5.4)</b>	<b>(2.4)</b>	<b>(80.0%)</b>
<b>Total revenue</b>	<b>129.8</b>	<b>129.8</b>	<b>32.7</b>	<b>(97.1)</b>	<b>(74.9%)</b>

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Mini generalists	    			Youth	

9 paying channels

Premium	 	 	Sport	MPEG 4
Mini generalists	 		Cinema	
News			Documentaries	



TF1 Group channels

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