



# Investor Presentation

September / October 2011

# TF1 GROUP



## Free Channels



## Pay TV (France)



## Production



## Advertising agency



## Diversification & Internet



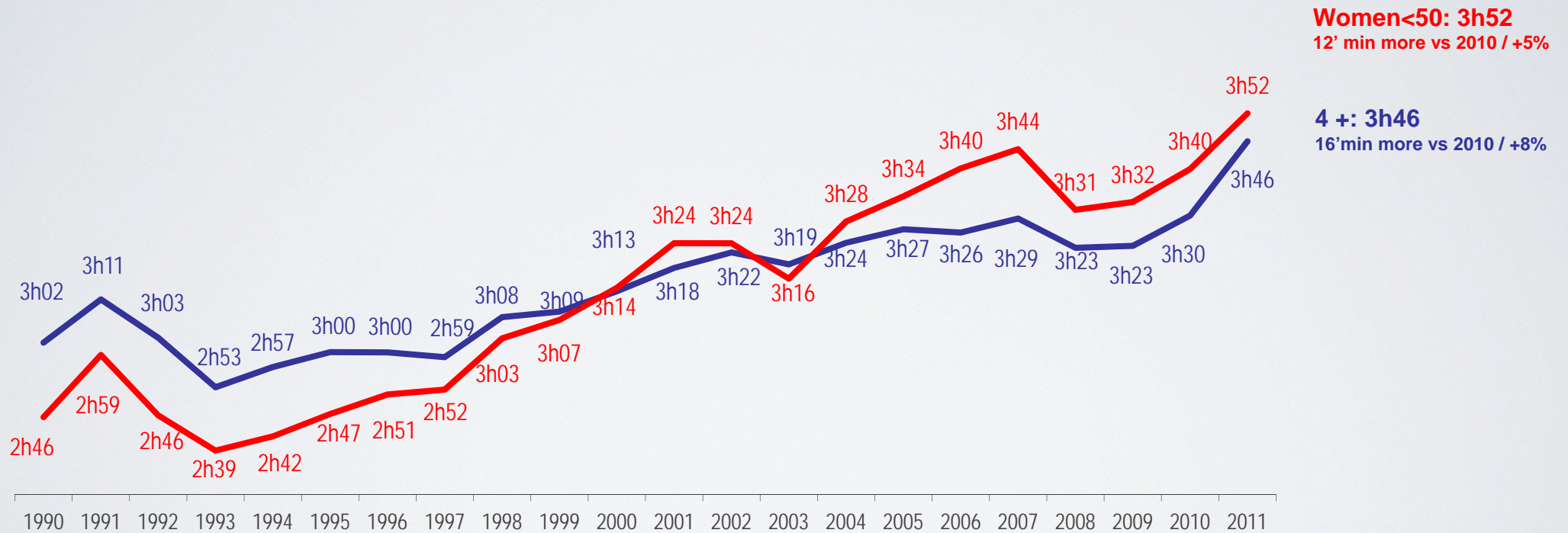
## Audiovisual rights



## Broadcasting international



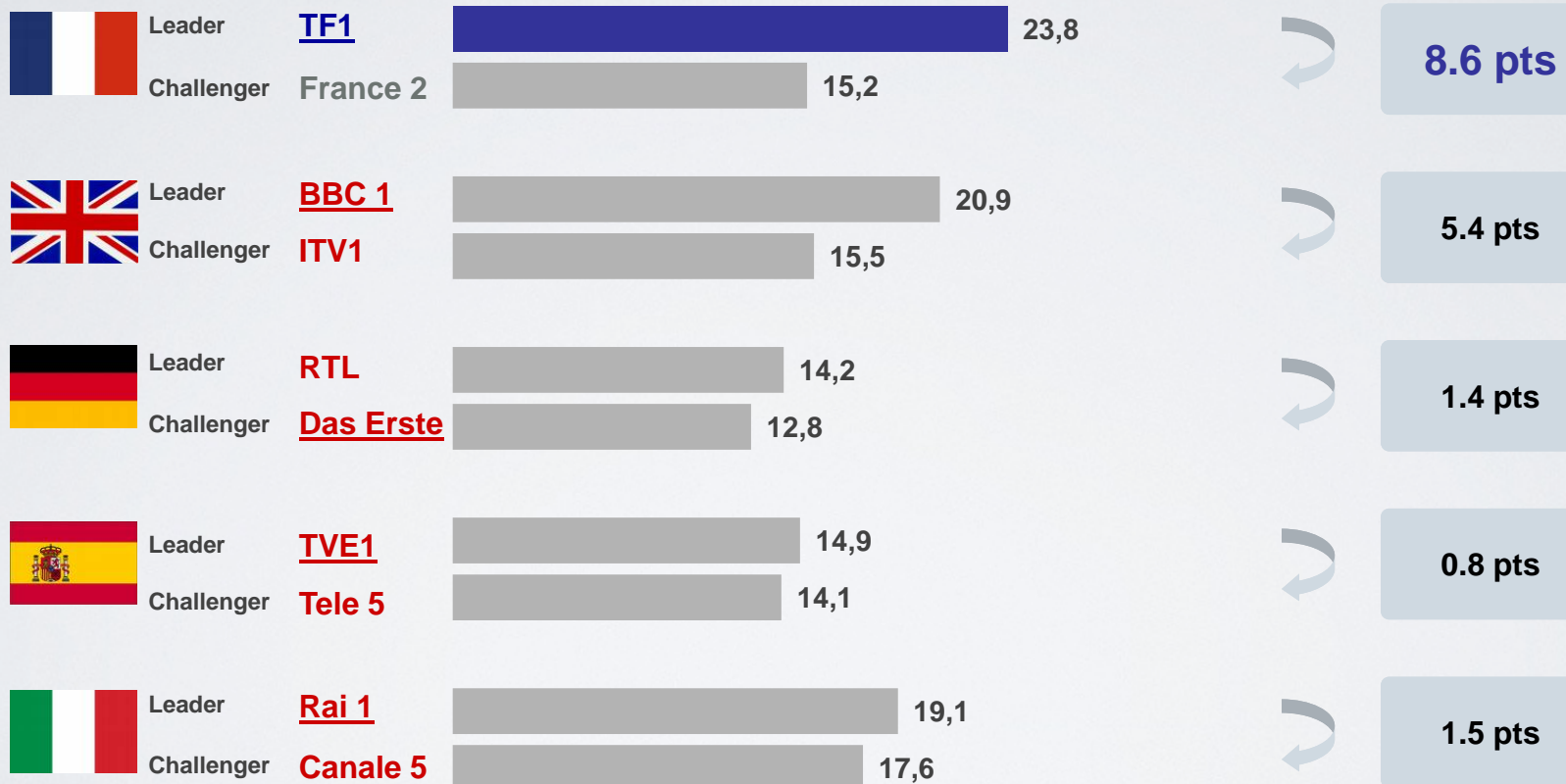
# 2011: A RECORD FOR TV CONSUMPTION



## TF1, A EUROPEAN LEADER

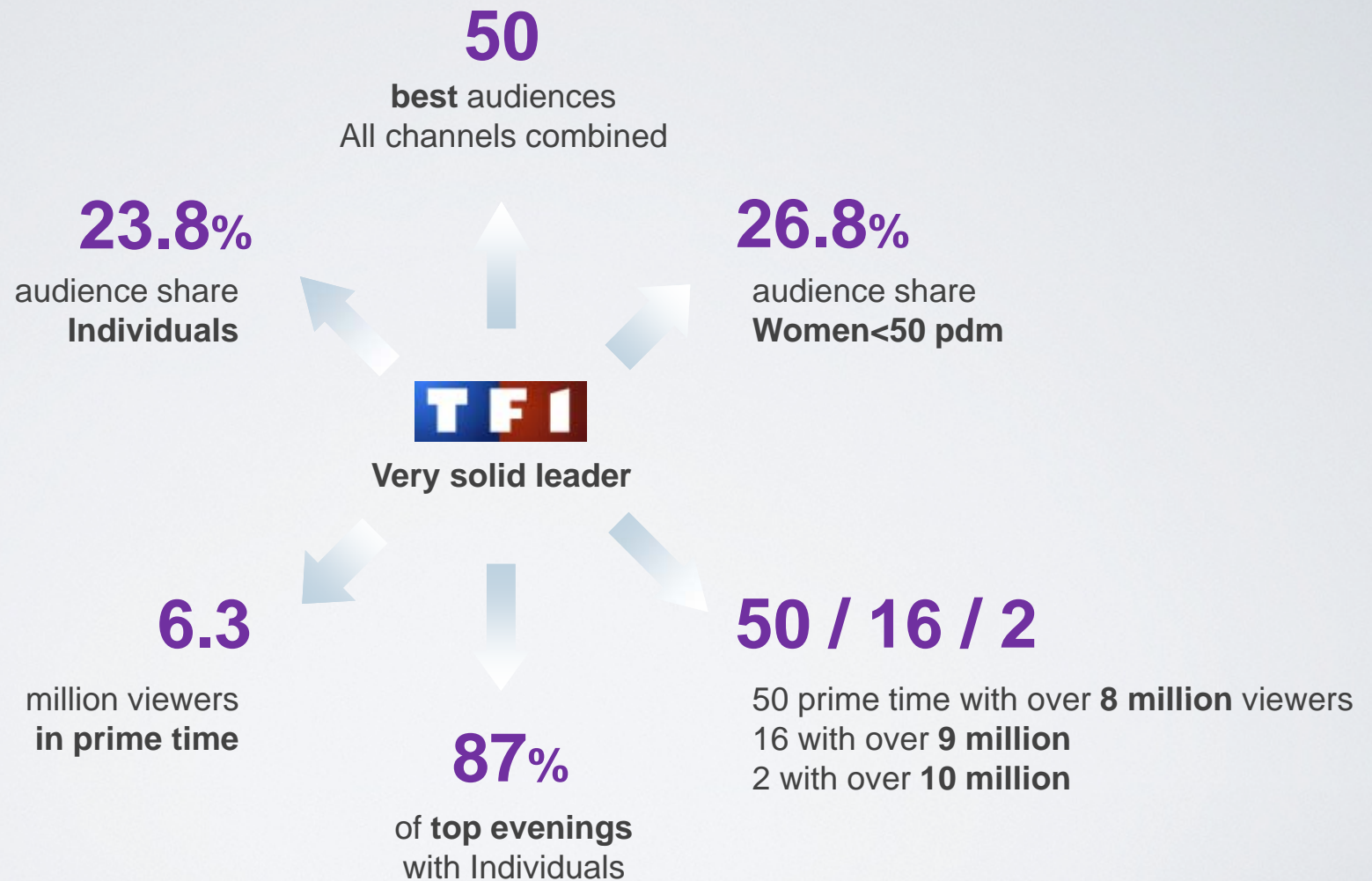
Audience share (in%) of leading European channels on their own national territories for H1 2011 (\*)

Gap between each leader and its challenger



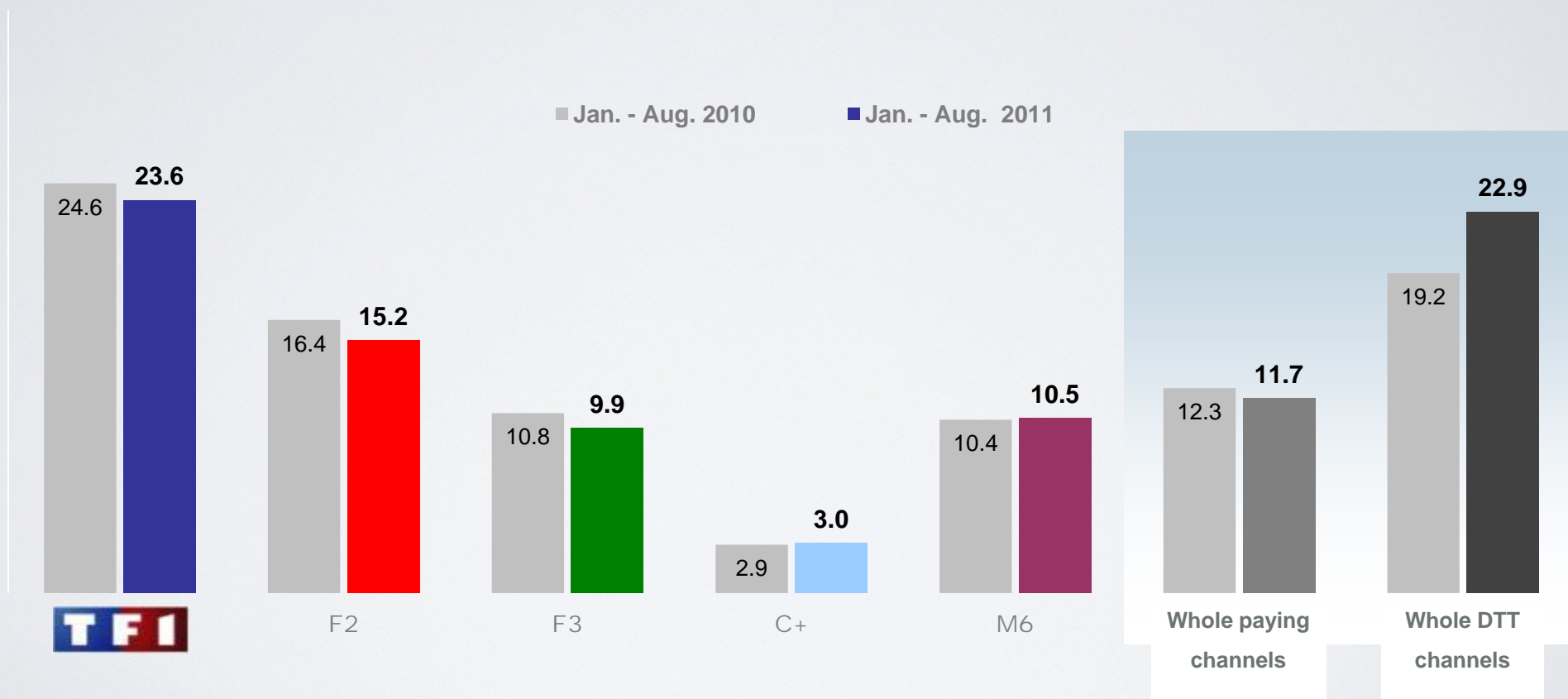


# FIRST-HALF 2011: UNRIVALLED TELEVISION OFFER



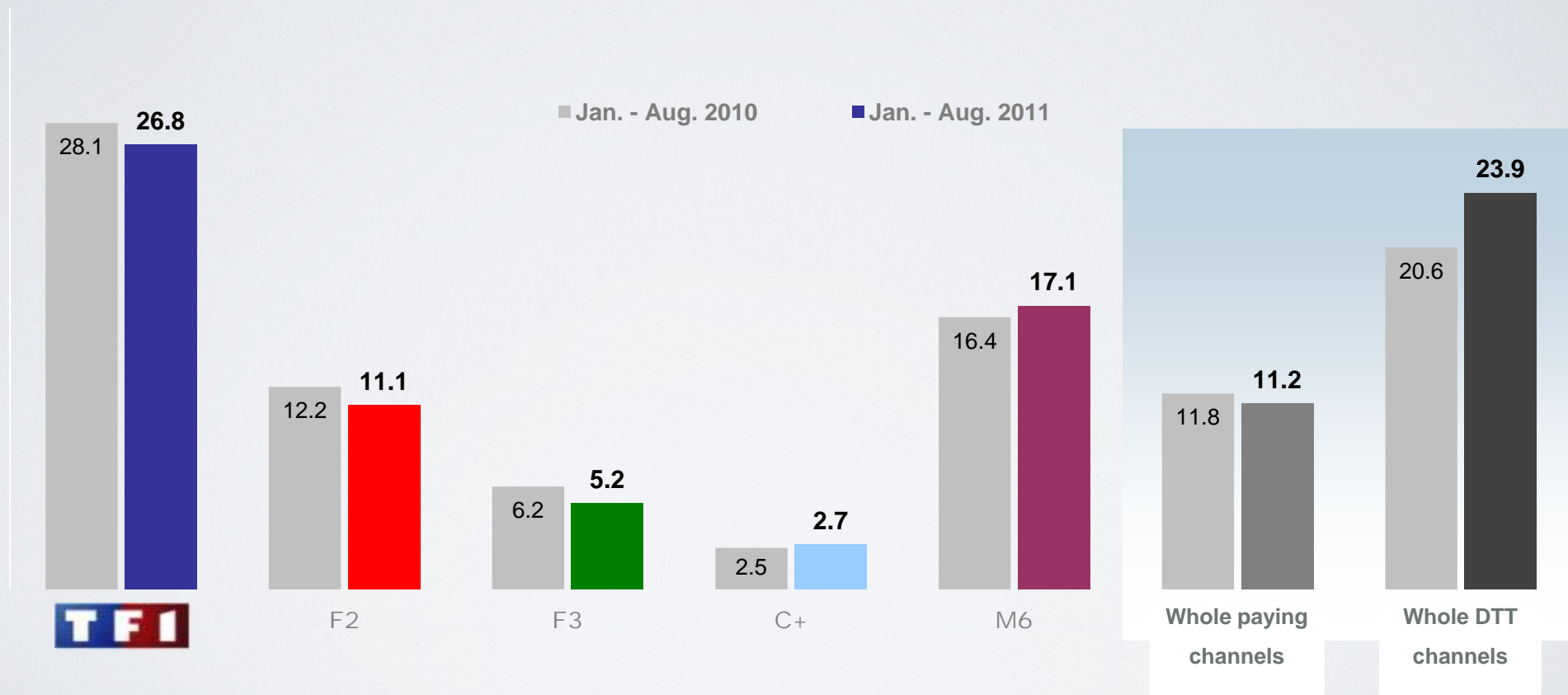
# TF1, 1<sup>ST</sup> FRENCH TV CHANNEL (ON INDIVIDUALS – 4 YEARS AND +)

Audience share 4 years and + (in %) Jan.–Aug. 2011



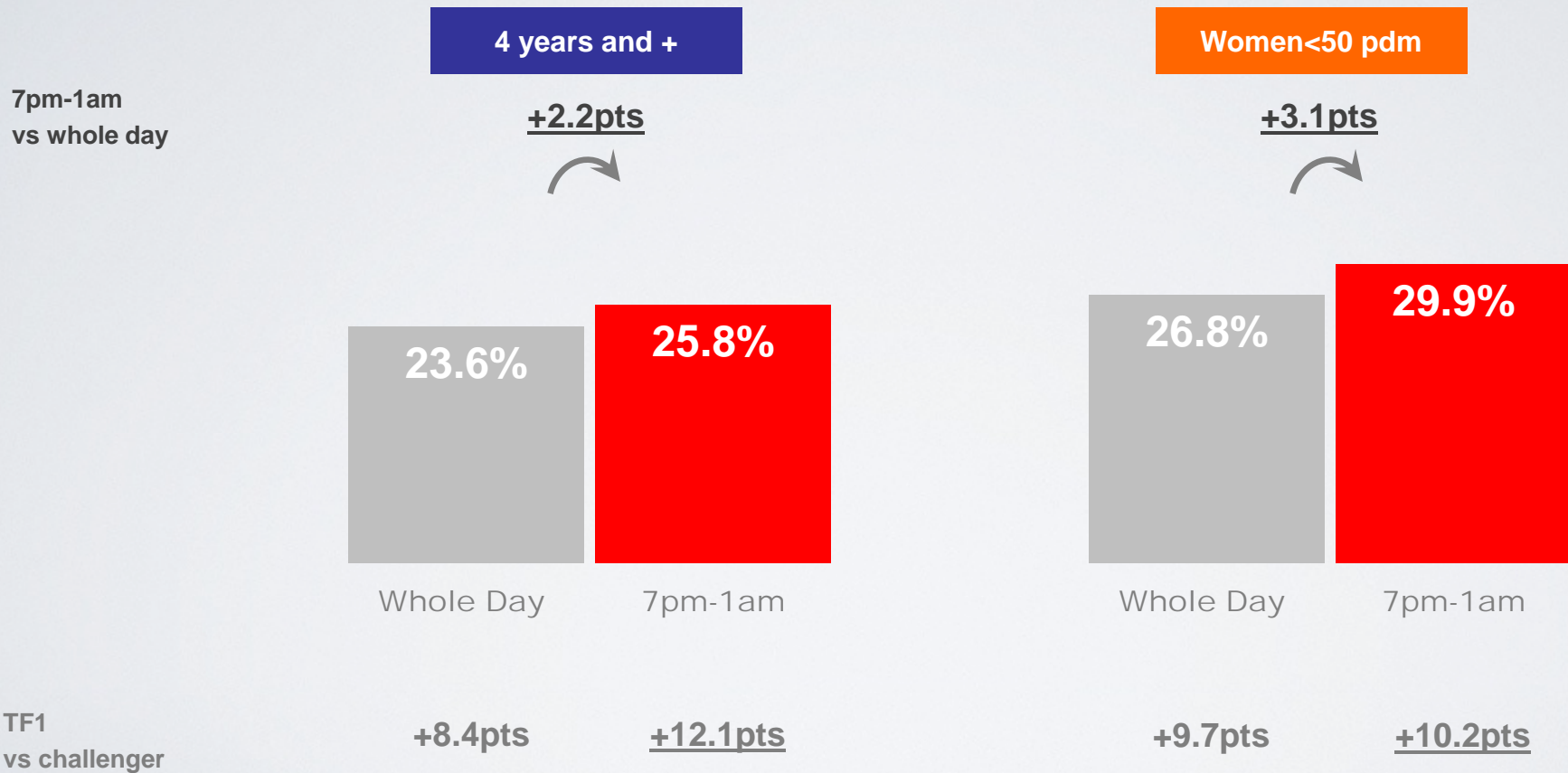
# TF1, 1<sup>ST</sup> FRENCH TV CHANNEL (ON ADVERTISING TARGET)

Audience share on Women below 50 (in %) Jan.–Aug. 2011



# TF1, A UNIQUE POSITION ON THE 7pm-1am STRATEGIC SLOTS

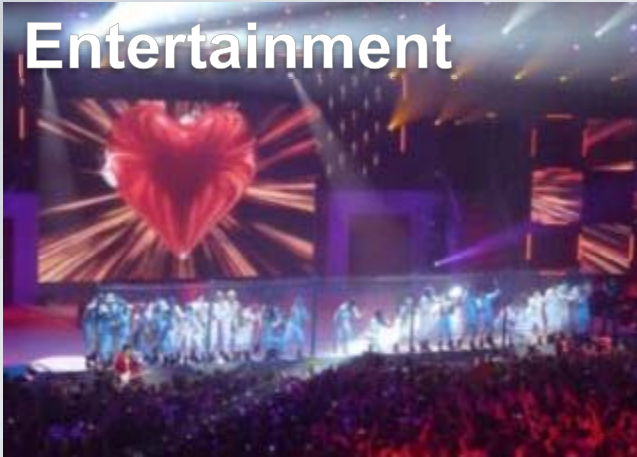
**TF1** Audience Share (%) Jan-Aug 2011





# 8 MONTHS 2011: TF1 SETS RECORDS IN ALL CATEGORIES

## Entertainment



**Les Enfoirés: 12.5 m**

New record for the show

## US series



**Dr House: 9.5 m**

6 episodes with over 9 m viewers

## French comedy and drama



**Doc Martin: 9.1 m**

(and 8.9 m for *Bienvenue aux Edelweiss*)

## Film



**De l'autre côté du lit: 9.4 m**

## Sport



**France / Brazil: 8.0 m**

(and 7.6 m for *France / Croatia*)

## News



**8 o'clock news: 10.4 m**

**1 o'clock news: 8.5 m**

Most-watched news programmes in Europe

Best audience in each programme category

Source: Médiamétrie – Médiamat



# RUGBY WORLD CUP: TF1 GROUP ROLLS OUT 360° MULTI-SCREEN SYSTEM

TV



- => 20 main matches live on TF1
- => Special magazines on TF1, Eurosport and LCI
- => All matches re-broadcast on Eurosport

IPTV



- => MyTF1, special World Cup portal for partner boxes: catch-up

TABLET



- => All the latest news on the World Cup in real-time: results, analysis, catch-up, etc.



WEB



- => Special World Cup site: simulcast, catch-up, video, analysis, community, etc.

MOBILE



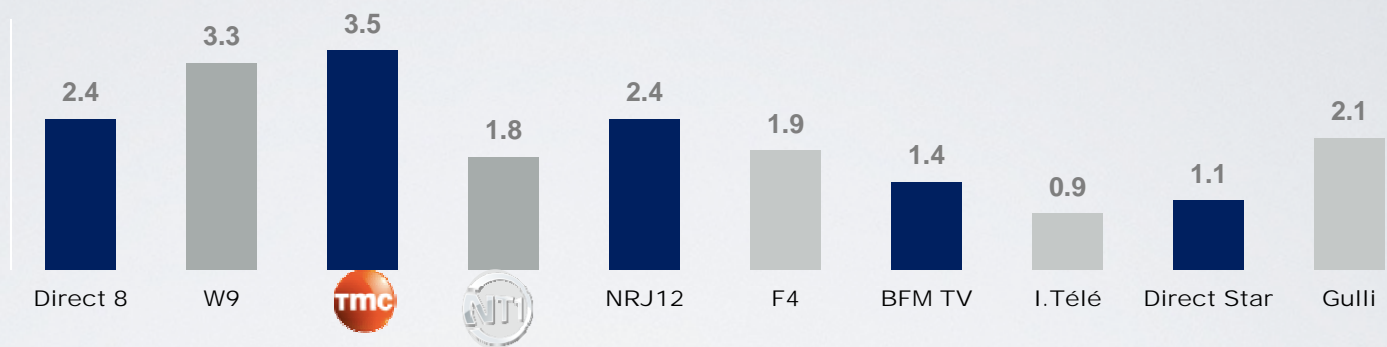
- => Matches and mags live on TF1 and Eurosport apps



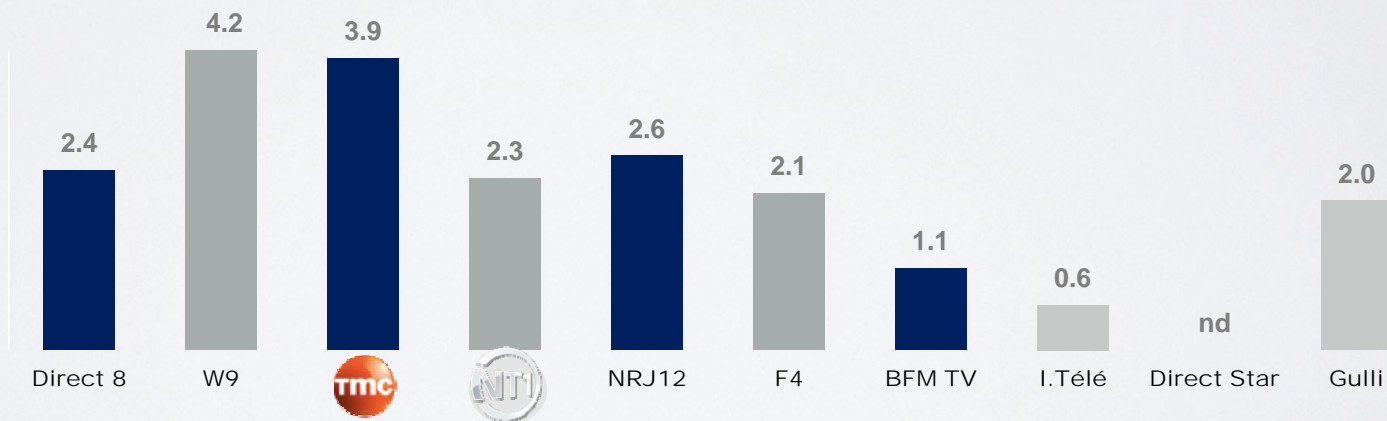
# AN INVESTMENT IN DTT TO STRENGTHEN ON OUR CORE BUSINESS

National audience share (in %) Jan. – Aug. 2011

4 years and +



Women < 50



# 8m 2011: TMC AND NT1, AN UNRIVALLED TELEVISION OFFER

Audience share (%)

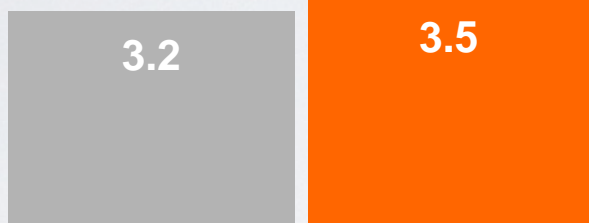
Change vs 8m 2010

4 yrs +

+9%

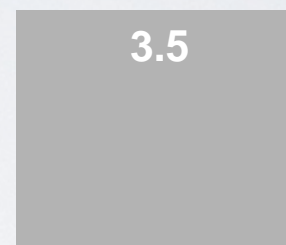
Women <50 pdm

+11%



8m 2010

8m 2011



8m 2010

8m 2011

Change vs 8m 2010

+20%

+64%



8m 2010

8m 2011



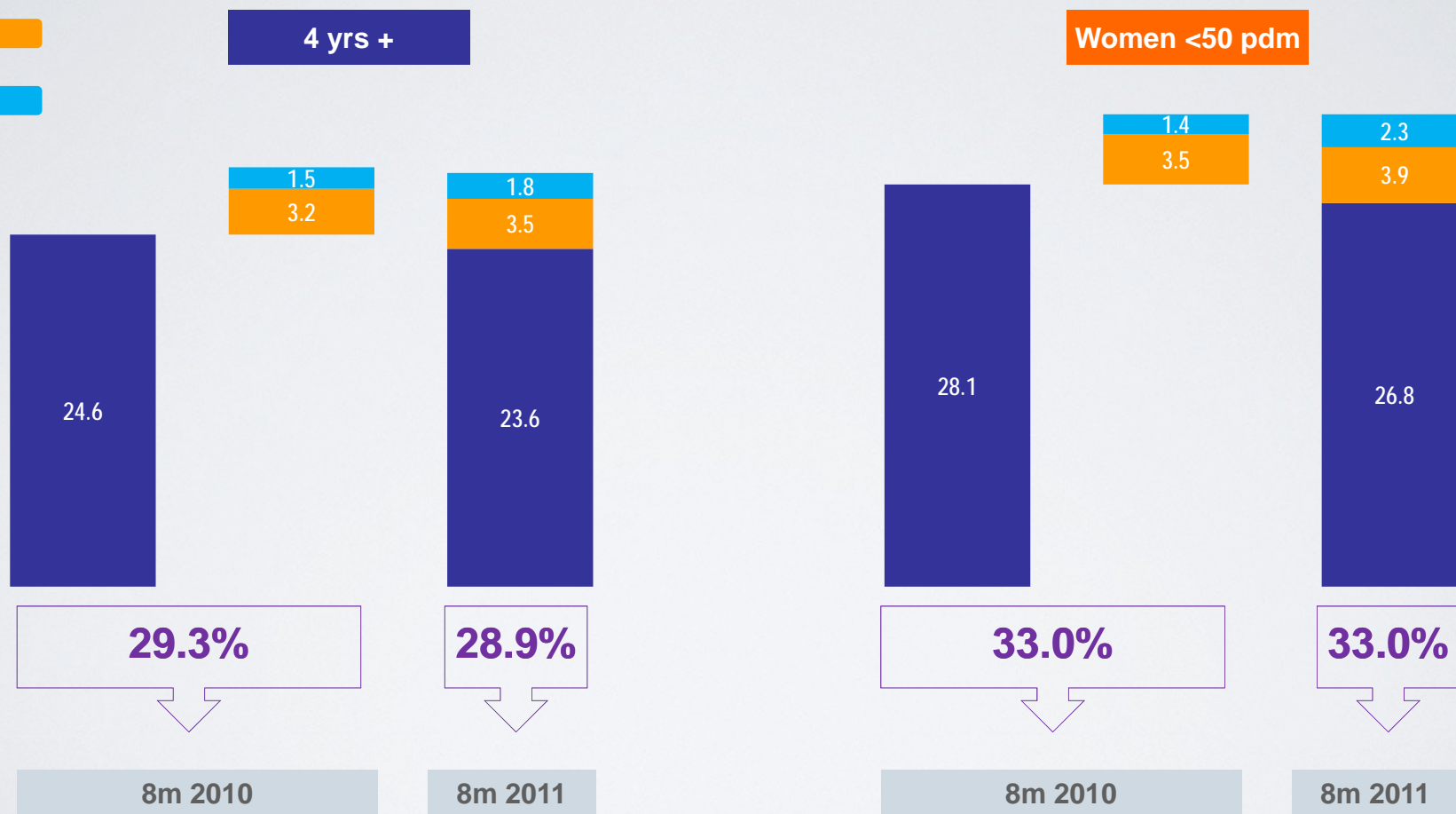
8m 2010

8m 2011





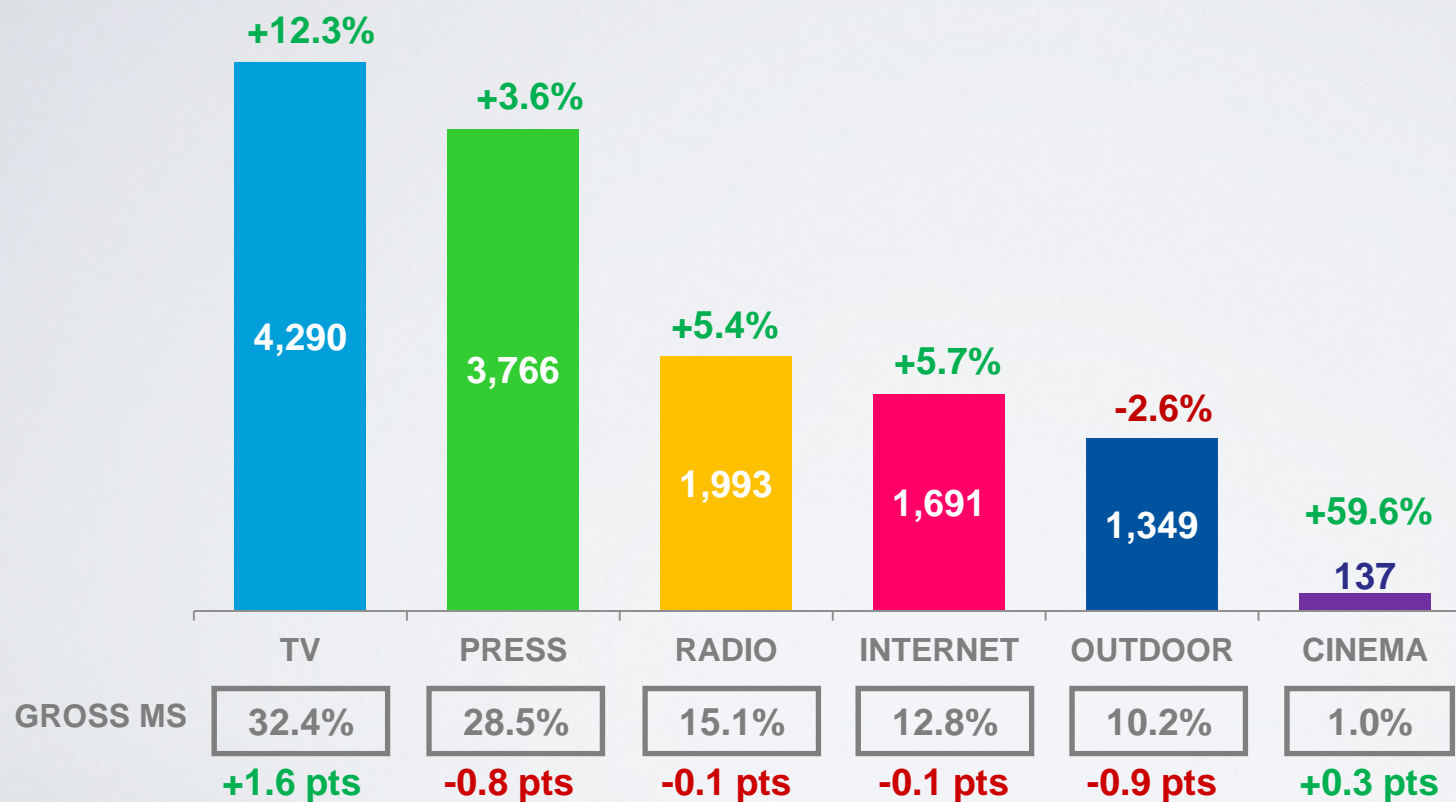
# AT THE END OF AUGUST 2011: TF1 GROUP AUDIENCES STABLE YEAR-ON-YEAR



# TV: NO.1 MEDIA IN FRANCE

## VARIATION IN AD REVENUE GROWTH FROM ONE MEDIA TO NEXT

### Trend in GROSS plurimedia investments (€m) – January-June 2011



#### PLURIMEDIA

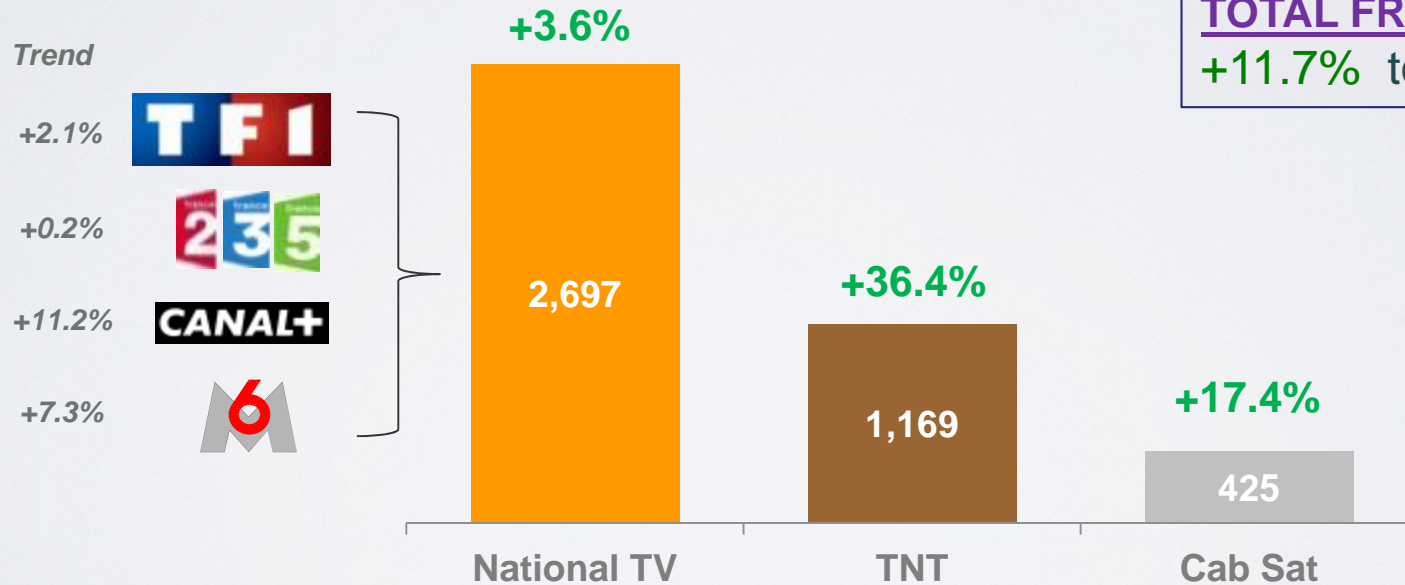
+6.5% to €13,225m

#### Television in details:

- Historical TV: +3.6%
- DTT: +36.4%
- => Freeview TV: +11.7%
- Cab/Sat: +17.4%

# TV STILL LARGELY DRIVEN BY DTT

## Trend in GROSS TV investments (€m) – H1 2011



**TOTAL TV:**  
+12.3% to €4,290m

**TOTAL FREE-TO-VIEW:**  
+11.7% to €3,865m



## TF1 GROUP PAY-TO-VIEW CHANNELS IN ROBUST HEALTH



No.1 channel on cable and satellite with 4 yrs +and women < 50 pdm

+29% audience with 4 yrs +year on year\*



Best audience with high SPC Individuals since 2004

+59% audience with 4 yrs +year on year\*

+75% audience with high SPC Individuals



No.3 channel on cable and satellite with 4 yrs +

+25% audience with 4 yrs +year on year\* and +33% with men 15-49

+82% audience with 4 yrs +year on year\* and +148% with 15-34 year olds



Stable with 4 yrs +year on year and +113% audience with high SPC Individuals



+9% audience with 4 yrs +year on year\*



+17% audience with 4 yrs +year on year\*



+16% audience with 4 yrs +year on year\*

+30% audience with women < 50 pdm



+22 % audience with 4 yrs +year on year\*





# ENHANCED EUROSPOURT OFFER NO.1 SPORTS MULTIMEDIA PLATFORM IN EUROPE

## EUROSPOURT

- ❖ 125 M households
- ❖ 59 countries
- ❖ 20 languages

## EUROSPOURT 2

- ❖ 52 M households
- ❖ 17 languages
- ❖ 46 countries

## EUROSPOURT HD

- ❖ HD for Eurosport and Eurosport 2

## EUROSPOURT ASIA-PACIFIC

- ❖ 4.5 M households
- ❖ 2 languages
- ❖ 18 countries

## EUROSPOURT NEWS

- ❖ Comprehensive sports news

## EUROSPOURT.COM

- ❖ No.1 sports web platform in Europe
- ❖ 15 M UVs a month
- ❖ 11 languages

## MOBILE APP

- ❖ 10 languages

## EUROSPOURT PLAYER

- ❖ Web TV: live and VOD
- ❖ Mobile app available in 5 countries

## EUROSPOURT EVENTS

- ❖ Expertise in organising, managing and promoting international sports events



Boost the appeal  
of Eurosport  
channels

Win new markets

Develop  
diversification  
products

## RECOVERY IN DIVERSIFICATION ACTIVITIES CONFIRMED

### TF1 Entreprises

- Games: FDJ card and **1000 Bornes** app
- Music: **Les Prêtres** – 2<sup>nd</sup> album: 6 weeks at no.1
- Shows: **Mozart, L'opéra Rock**: > 1.3 million spectators
- Licences: signature of **Franklin** agent contract



### e-TF1

- **MVTF1** launched on **Free**
- Strong increase in **video** advertising
- iPhone / iPad app: > 1.3 million downloads
- **wat** No.1 social video media for young people with 5.9 M UVs and **profitability** achieved



### Production

- **6 films** with more than one million admissions



### Téléshopping

- **200 brands** represented on the **Place des Tendances** site and strong growth in **e-commerce**



### Vidéo

- Increase in sales volume thanks to performance of releases in end-2010
- Strong growth in **VOD** (+11% in value and +7% in volume)



### TF1 Droits Audiovisuels

- High comparison base
- Restated revenue between Catalogue activity and TMC and NT1

## FINANCIAL INFORMATION



## ADVERTISING REVENUE EVOLUTION

€m	H1 2011	H1 2010	Var. €m	Var. (%)
Consolidated revenue	1,277.6	1,284.6	-7.0	-0.5%
Advertising revenue TF1 channel	757.8	764.6	-6.8	-0.9%
Diversification revenue	519.8	520.0	-0.2	=
<b><u>Detail of the total advertising revenue:</u></b>				
TF1 Channel	757.8	764.6	-6.8	-0.9%
Thematic channels in France	97.5	47.2	+50.3	x2.1
Internet France	12.5	9.2	+3.3	+35.9%
Eurosport International	31.5	38.3	-6.8	-17.8%
Radios	5.9	5.6	+0.3	+5.4%
<b>Total advertising revenue</b>	<b>905.2</b>	<b>864.9</b>	<b>+40.3</b>	<b>+4.7%</b>



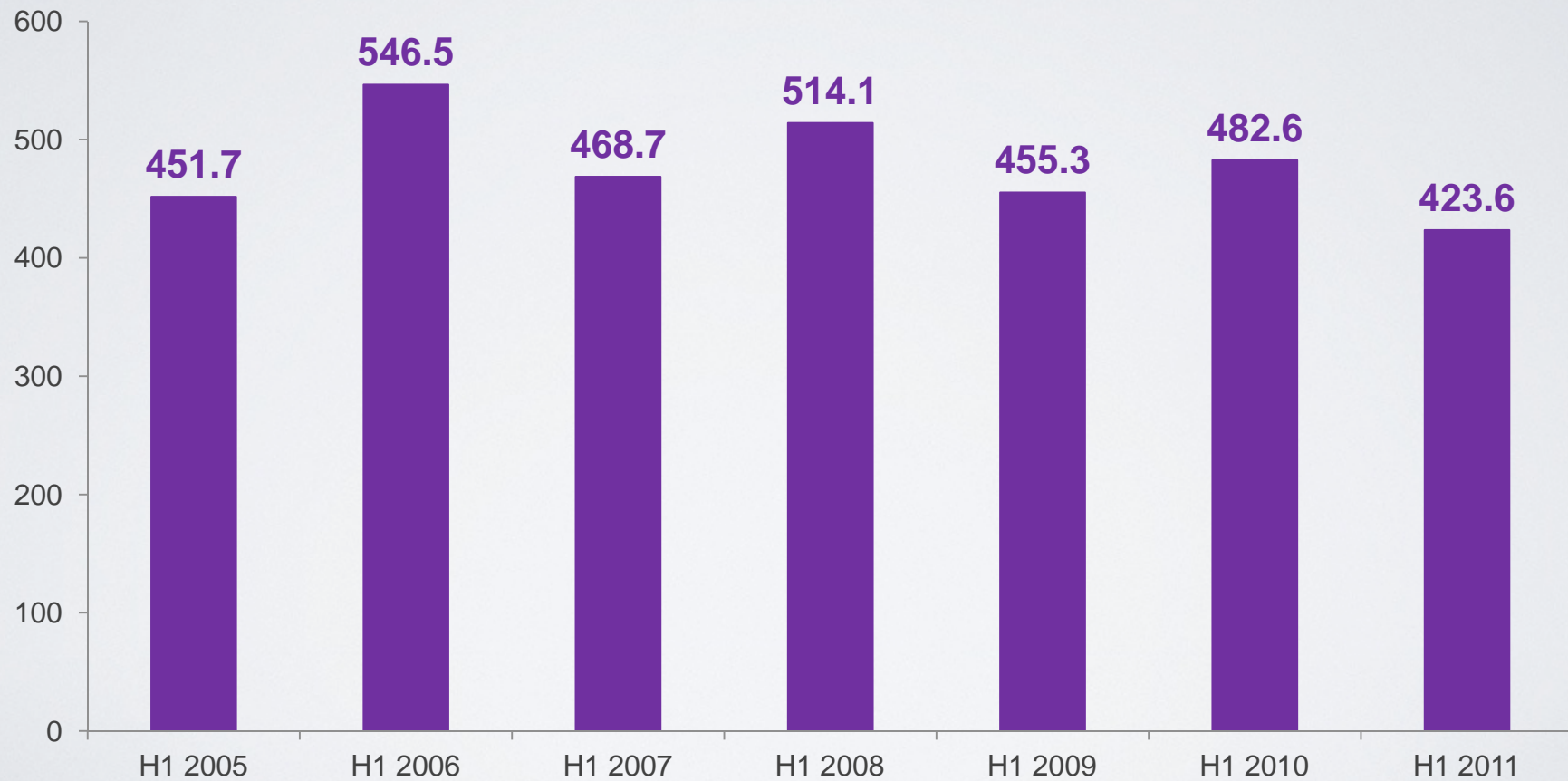
## TF1 CORE CHANNEL PROGRAMMING COSTS EVOLUTION

€m	H1 2011	H1 2010	Var. €m	Var. (%)
Total programming costs	423.6	482.6	-59.0	-12.2%
One-off sporting events	-	60.1	-60.1	-
Programming costs excl. one-off sporting events	423.6	422.5	+1.1	+0.3%
Entertainment	110.1	119.1	-9.0	-7.6%
TV dramas / TV movies / Series / Theatre	156.0	139.8	+16.2	+11.6%
Sports ( <i>excl. one-off sporting events</i> )	51.7	54.0	-2.3	-4.3%
News	56.4	54.4	+2.0	+3.7%
Movies	40.7	45.8	-5.1	-11.1%
Youth	8.7	9.4	-0.7	-7.4%

## CONTROLLED PROGRAMMING COSTS

in €million

Trend in programming costs with one-off sporting events,  
from H1 2005 to 2011

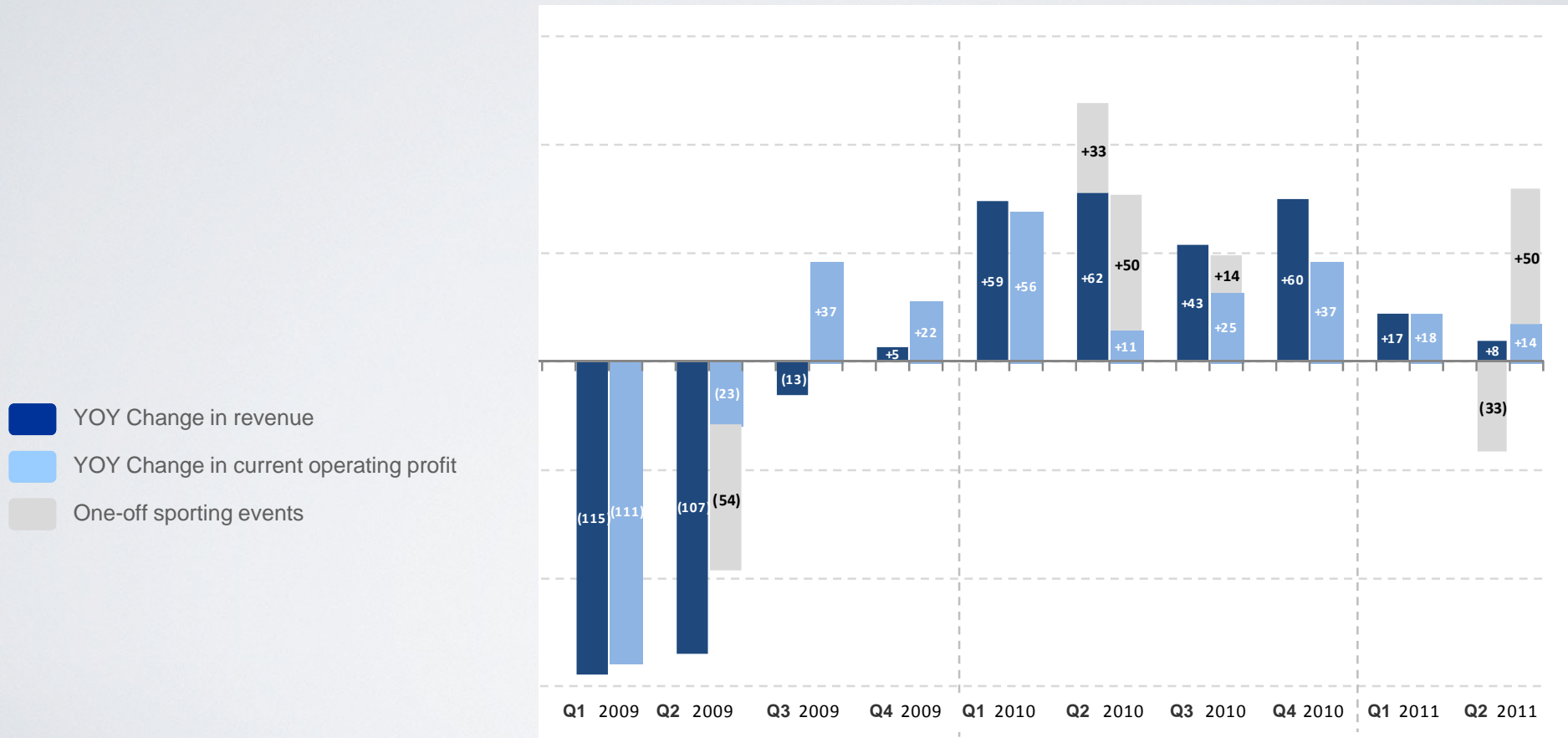


## CONSOLIDATED INCOME STATEMENT 1/2

€m	H1 2011	H1 2010	Var. €m	Var. (%)
<b>Consolidated revenue</b>	<b>1,277.6</b>	1,284.6	-7.0	-0.5%
Total programming costs	(423.6)	(482.6)	+59.0	-12.2%
Total other charges	(610.6)	(665.5)	+54.9	-8.2%
Depreciation and amortisation, provisions and impairment (net)	(56.9)	(32.1)	-24.8	+77.3%
<b>Current operating profit</b> <i>Operating margin</i>	<b>186.5</b> <b>14.6%</b>	<b>104.4</b> <b>8.1%</b>	<b>+82.1</b> <b>+6.5 pts</b>	<b>+78.6%</b>
Non-current operating income	-	-	-	-
<b>Operating profit</b>	<b>186.5</b>	<b>104.4</b>	<b>+82.1</b>	<b>+78.6%</b>

# CONSOLIDATED BUSINESS MODEL

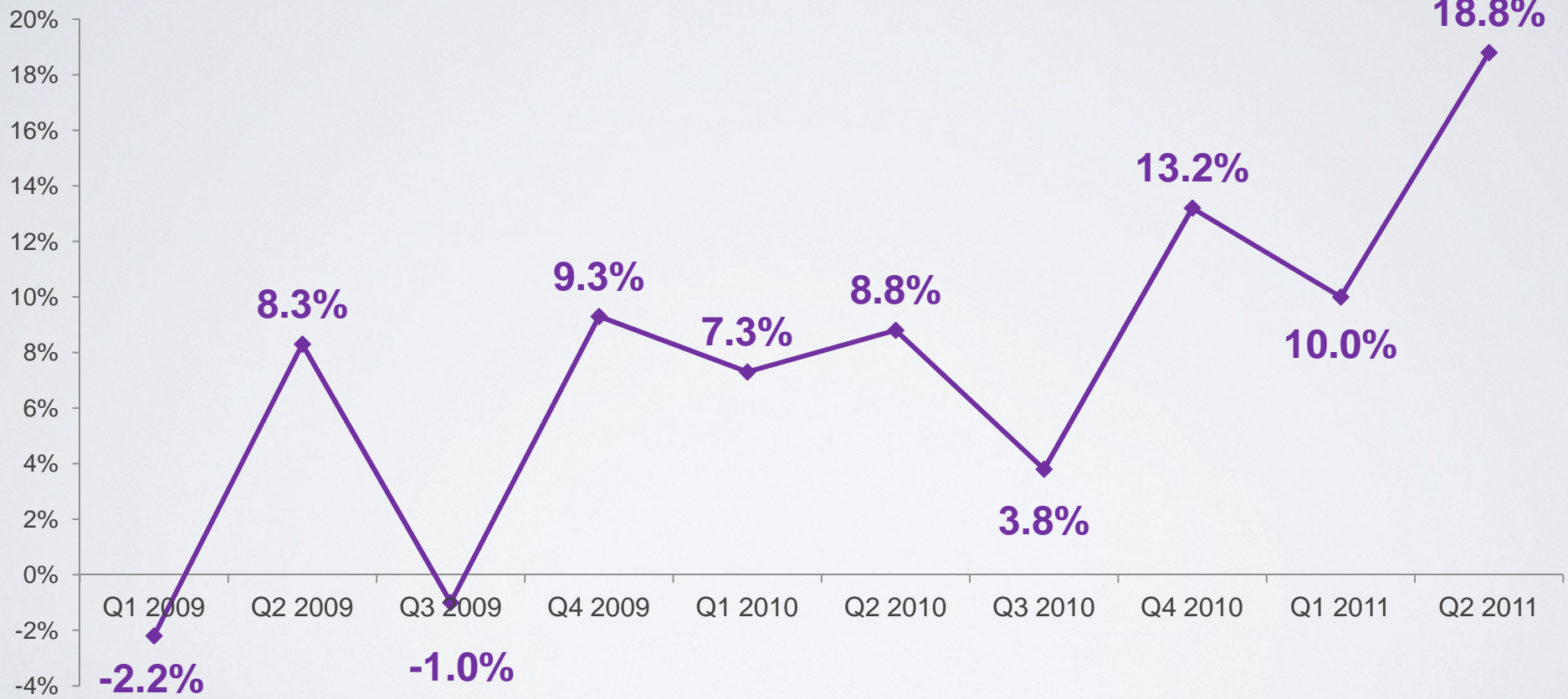
Quarterly variations in consolidated revenue and current operating profit (€M) since 2009





# OPTIMISED MANAGEMENT FOR IMPROVED PROFITABILITY

Trend in TF1 Group current operating margin



## CONSOLIDATED INCOME STATEMENT 2/2

€m	H1 2011	H1 2010	Var. €m	Var. (%)
<b>Operating profit</b>	<b>186.5</b>	<b>104.4</b>	<b>+82.1</b>	<b>+78.6%</b>
Cost of net debt	0.2	(10.4)	+10.6	ns
Other financial income and expenses	(1.0)	+3.4	-4.4	ns
Income tax expense	(53.1)	(30.3)	-22.8	+75.2%
Share of profits / (losses) of associates	(11.6)	6.8	-18.4	ns
<b>Net profit</b>	<b>121.0</b>	<b>73.9</b>	<b>+47.1</b>	<b>+63.7%</b>
<b>Net profit attributable to the Group</b>	<b>118.6</b>	<b>74.2</b>	<b>+44.4</b>	<b>+59.8%</b>
<i>Attributable to minority interests</i>	<i>2.4</i>	<i>(0.3)</i>	<i>+2.7</i>	<i>ns</i>

## A HEALTHY BALANCE SHEET



**S&P upgraded the TF1 Group's credit rating from  
BBB / positive outlook to BBB +/- stable outlook**



## OUTLOOK

	2010	2011 <sup>e</sup>
TF1 Group consolidated revenue	€2,622m	=

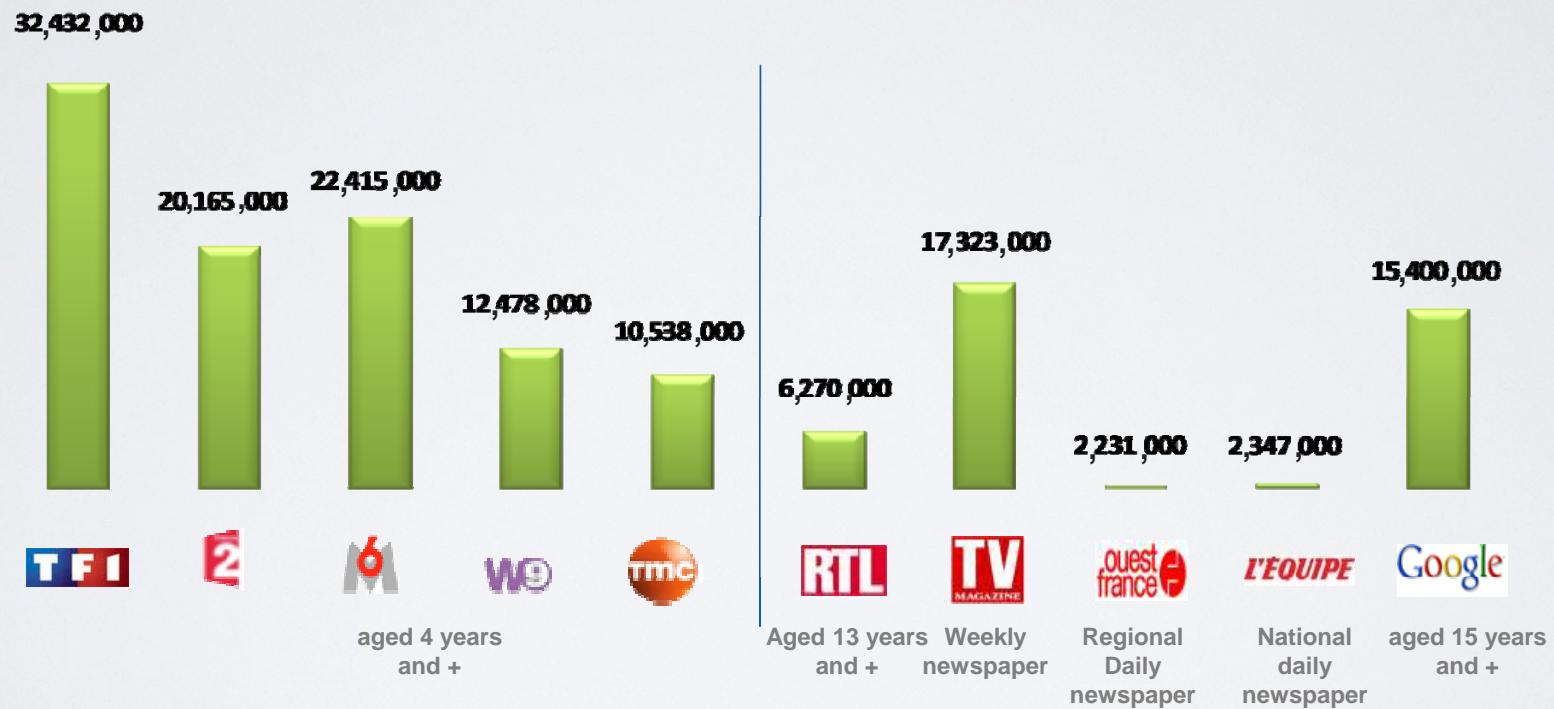
❖ Hypothesis of consolidated revenue expected to remain stable in 2011



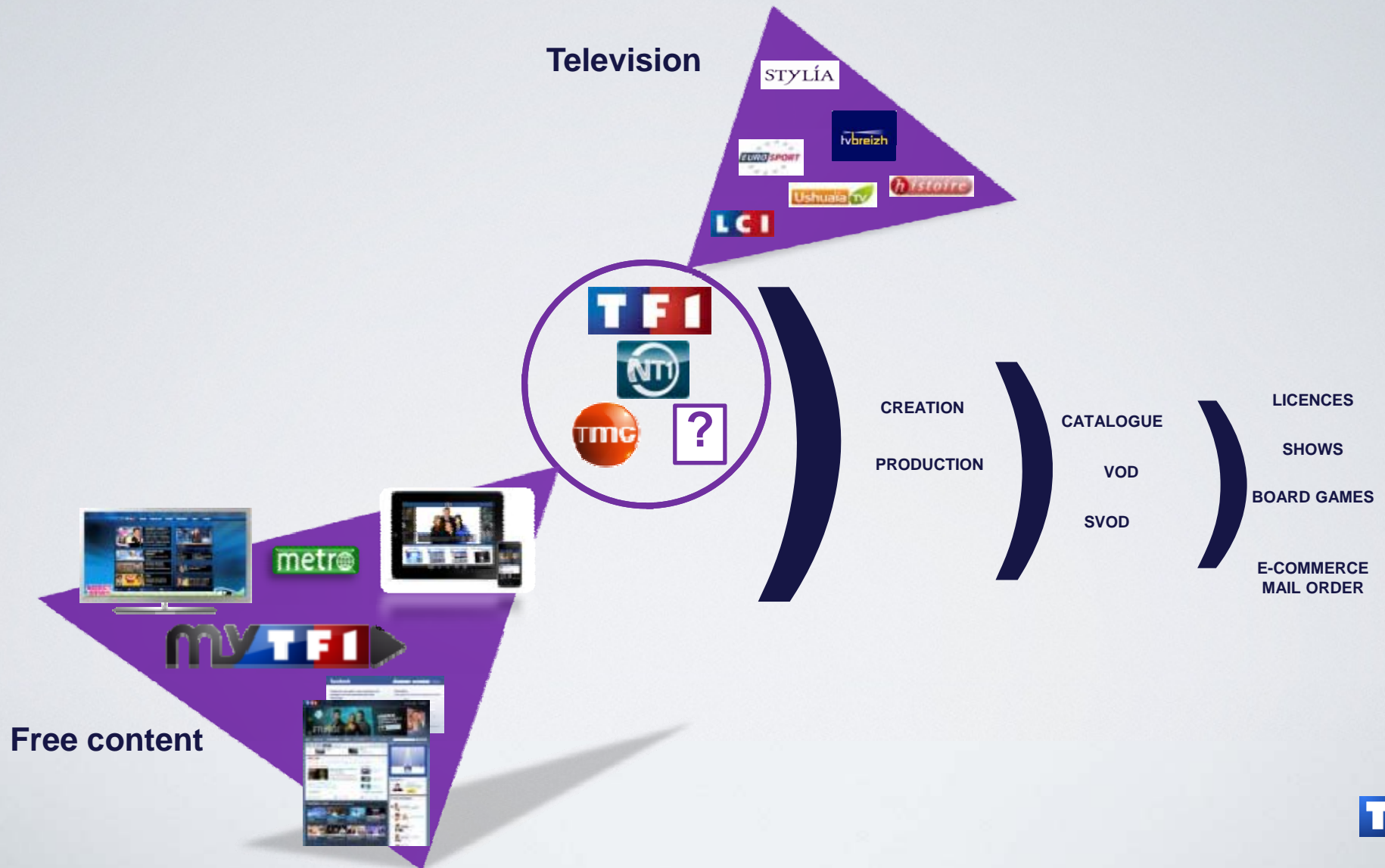
## APPENDIXES

# TV: A MASS MEDIA

## Daily coverage of French population



# CONSISTENT DIVERSIFICATION IN TELEVISION AND FREE CONTENT





## GROUP GROWTH LEVERS

1

### INNOVATIVE PLURIMEDIA ADVERTISING ENTITY

- ❖ TF1 Publicité: 360° advertising entity with a new approach to customers
- ❖ Innovative offers

2

### DEVELOPMENT OPPORTUNITIES LINKED TO DIGITAL PLATFORMS

- ❖ Digital strategy to create value
- ❖ A 360° strategy generating new B2C revenues
- ❖ Development of synergies between Group channels

3

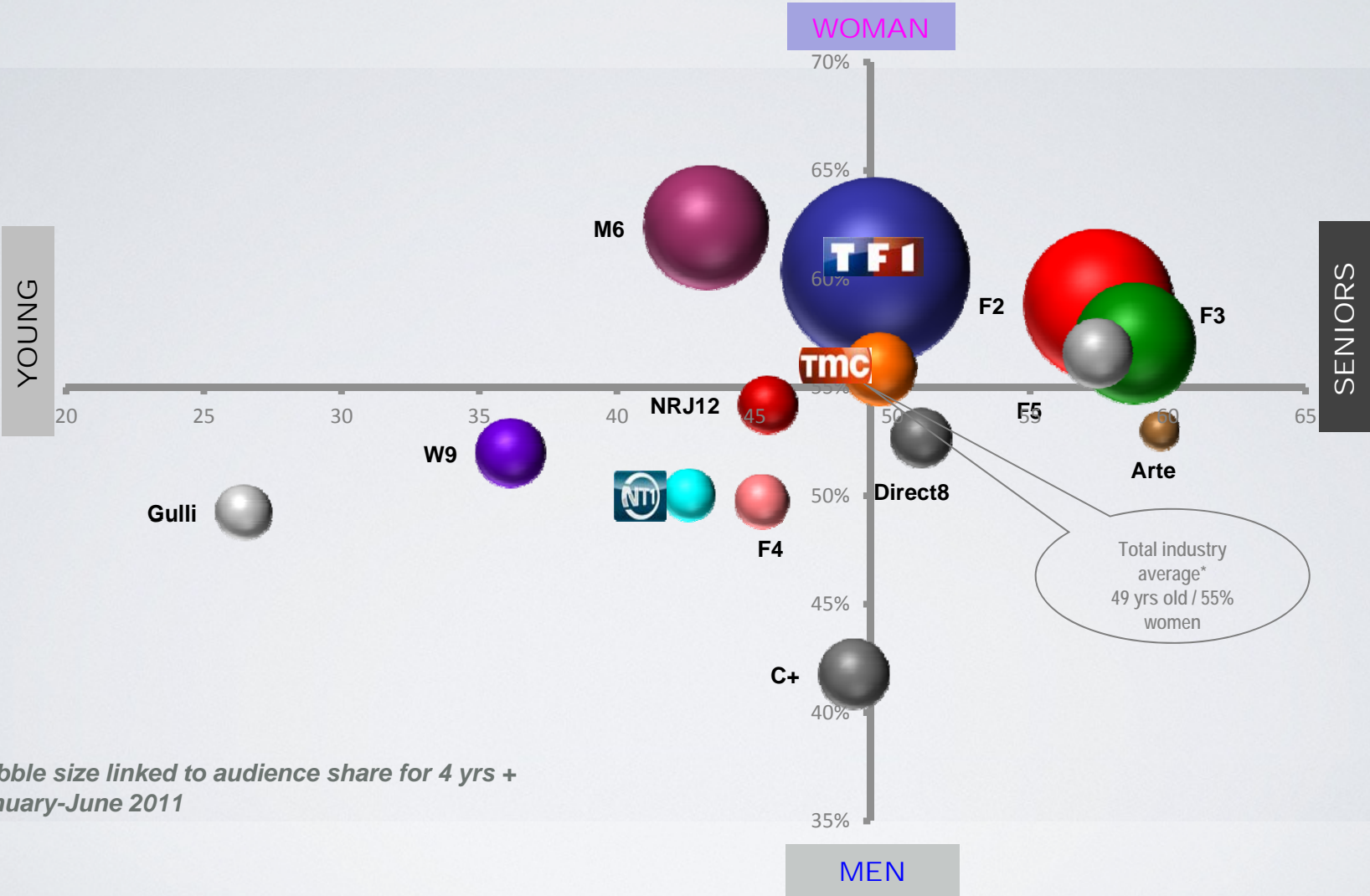
### OPTIMISING THE BUSINESS MODEL

- ❖ Changes in regulatory framework
- ❖ Performance management

⇒ **An information and entertainment group that is building its future changing from:**

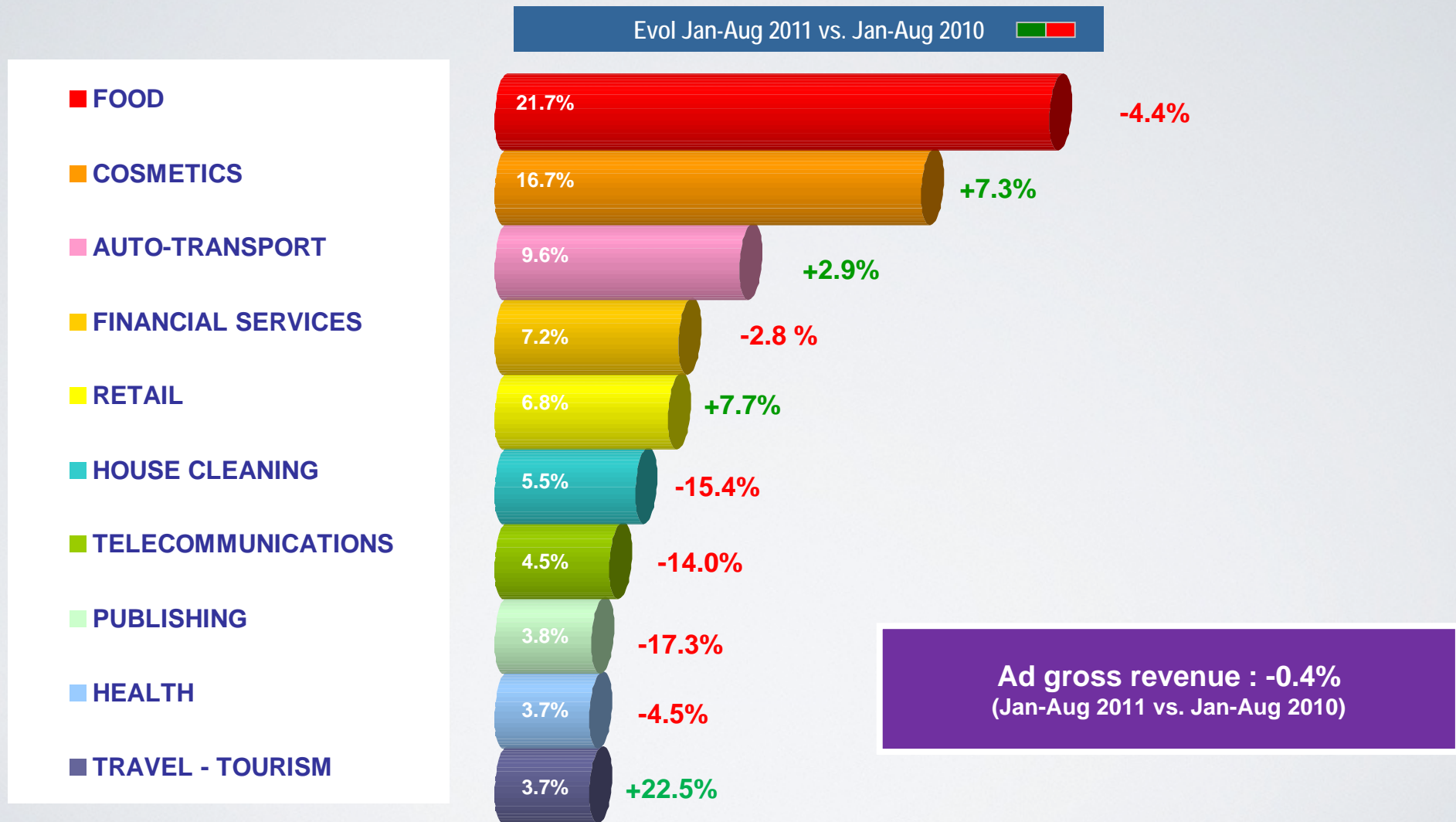
- **one channel to channels with synergies**
- **a mass media to multiple targeted platforms**
- **a leading programme to diversified content and services**

# AUDIOVISUAL FRENCH FRAMEWORK



Bubble size linked to audience share for 4 yrs + January-June 2011

## EVOLUTION OF THE ADVERTISING SECTORS





## REVENUE CONTRIBUTIONS BY SEGMENT

€m	H1 2011	H1 2010	Var. €m	Var. %
<b>Broadcasting France</b>	<b>1,052.2</b>	<b>1,041.9</b>	<b>+10.3</b>	<b>+1.0%</b>
<i>TF1 SA</i>	<i>760.5</i>	<i>769.5</i>	<i>-9.0</i>	<i>-1.2%</i>
<i>Téléshopping</i>	<i>54.1</i>	<i>58.3</i>	<i>-4.2</i>	<i>-7.2%</i>
<i>Thematic channels in France</i>	<i>160.1</i>	<i>107.9</i>	<i>+52.2</i>	<i>+48.4%</i>
<i>TF1 Entreprises</i>	<i>16.6</i>	<i>15.8</i>	<i>+0.8</i>	<i>+5.1%</i>
<i>In-house production companies</i>	<i>11.6</i>	<i>10.1</i>	<i>+1.5</i>	<i>+14.9%</i>
<i>e-TF1</i>	<i>38.6</i>	<i>37.3</i>	<i>+1.3</i>	<i>+3.5%</i>
<i>Others</i>	<i>10.7</i>	<i>43.0</i>	<i>-32.3</i>	<i>-75.1%</i>
<b>Audiovisual Rights</b>	<b>50.1</b>	<b>60.0</b>	<b>-9.9</b>	<b>-16.5%</b>
<i>Catalogue</i>	<i>11.7</i>	<i>24.4</i>	<i>-12.7</i>	<i>-52.0%</i>
<i>TF1 Vidéo</i>	<i>38.4</i>	<i>35.6</i>	<i>+2.8</i>	<i>+7.9%</i>
<b>Broadcasting International</b>	<b>173.8</b>	<b>181.2</b>	<b>-7.4</b>	<b>-4.1%</b>
<i>Eurosport International</i>	<i>173.8</i>	<i>181.2</i>	<i>-7.4</i>	<i>-4.1%</i>
<b>Other Activities</b>	<b>1.5</b>	<b>1.5</b>	<b>+0.0</b>	<b>na</b>
<i>SPS</i>	<i>1.5</i>	<i>-</i>	<i>+1.5</i>	<i>na</i>
<i>1001 Listes</i>	<i>-</i>	<i>1.5</i>	<i>-1.5</i>	<i>na</i>
<b>Total consolidated revenue</b>	<b>1,277.6</b>	<b>1,284.6</b>	<b>-7.0</b>	<b>-0.5%</b>

## CURRENT OPERATING PROFIT CONTRIBUTIONS BY SEGMENT

€m	H1 2011	H1 2010	Var. €m	Var. %
<b>Broadcasting France</b>	<b>181.0</b>	<b>84.6</b>	<b>+96.4</b>	<b>x2.1</b>
<i>TF1 SA</i>	<i>131.9</i>	<i>56.9</i>	<i>+75.0</i>	<i>x2.3</i>
<i>Téléshopping</i>	<i>1.0</i>	<i>4.1</i>	<i>-3.1</i>	<i>-75.6%</i>
<i>Thematic channels in France</i>	<i>27.9</i>	<i>11.8</i>	<i>+16.1</i>	<i>x2.4</i>
<i>TF1 Entreprises</i>	<i>2.6</i>	<i>0.3</i>	<i>+2.3</i>	<i>x8.7</i>
<i>In-house production companies</i>	<i>2.0</i>	<i>- 0.1</i>	<i>+2.1</i>	<i>na</i>
<i>e-TF1</i>	<i>3.1</i>	<i>0.1</i>	<i>+3.0</i>	<i>x31.0</i>
<i>Others</i>	<i>12.5</i>	<i>11.5</i>	<i>+1.0</i>	<i>+8.7%</i>
<b>Audiovisual Rights</b>	<b>-11.1</b>	<b>- 5.6</b>	<b>-5.5</b>	<b>-98.2%</b>
<i>Catalogue</i>	<i>-10.1</i>	<i>0.7</i>	<i>-10.8</i>	<i>na</i>
<i>TF1 Vidéo</i>	<i>- 1.0</i>	<i>- 6.3</i>	<i>+5.3</i>	<i>+84.1%</i>
<b>Broadcasting International</b>	<b>27.6</b>	<b>26.7</b>	<b>+0.9</b>	<b>+3.4%</b>
<i>Eurosport International</i>	<i>27.6</i>	<i>26.7</i>	<i>+0.9</i>	<i>+3.4%</i>
<b>Other Activities</b>	<b>- 11.0</b>	<b>- 1.3</b>	<b>-9.7</b>	<b>x8.5</b>
<i>SPS</i>	<i>- 11.0</i>	<i>0.1</i>	<i>-11.1</i>	<i>na</i>
<i>1001 Listes</i>	<i>-</i>	<i>-1.4</i>	<i>+1.4</i>	<i>na</i>
<b>Total current operating profit</b>	<b>186.5</b>	<b>104.4</b>	<b>+82.1</b>	<b>+78.6%</b>

## CONSOLIDATED BALANCE SHEET

ASSETS (€m)	30/06/11	31/12/10	Var. €m
Total non-current assets	1,362.0	1,414.7	-52.7
Total current assets	2,031.7	1,910.0	+121.7
<b>Total assets</b>	<b>3,393.7</b>	<b>3,324.7</b>	<b>+69.0</b>
SHAREHOLDERS' EQUITY AND LIAB. (€m)	30/06/11	31/12/10	Var. €m
Shareholders' equity <i>(attributable to the Group)</i>	1,540.9 1,529.8	1,547.6 1,538.9	-6.7 -9.1
Non-current liabilities	66.3	71.5	-5.2
Curent liabilities	1,786.5	1,705.6	+80.9
<b>Total shareholders' equity and liabilities</b>	<b>3,393.7</b>	<b>3,324.7</b>	<b>+69.0</b>
Net cash (+) / Net debt (-)	+10.9	+16.8	-5.9



## CONSOLIDATED CASH FLOW STATEMENT

€m	30/06/11	30/06/10	Var. €m
Operating cash flow	219.7	132.5	+87.2
Income taxes (paid)/reimbursed	(31.7)	3.0	-34.7
Change in operating working capital needs	(56.2)	(3.2)	-53.0
<b>Net cash generated by/(used in) operating activities</b>	<b>131.8</b>	<b>132.3</b>	<b>-0.5</b>
<b>Net cash generated by/(used in) investing activities</b>	<b>(14.7)</b>	<b>(222.7)</b>	<b>+208.0</b>
<b>Net cash generated by/(used in) financing activities</b>	<b>(125.8)</b>	<b>(61.0)</b>	<b>-64.8</b>
<b>Change in cash position</b>	<b>(8.7)</b>	<b>(151.4)</b>	<b>+142.7</b>
<b>Cash position at beginning of period</b>	<b>37.0</b>	<b>566.8</b>	<b>-529.8</b>
<b>Cash position at end of period</b>	<b>28.3</b>	<b>415.4</b>	<b>-387.1</b>

## CONTACTS



**Philippe DENERY - CFO**

✉: [pdenery@tf1.fr](mailto:pdenery@tf1.fr)

**Christine BELLIN - Head of Investor Relations**

✉: [cbellin@tf1.fr](mailto:cbellin@tf1.fr)

**Deborah ZUB - IR**

✉: [dzub@tf1.fr](mailto:dzub@tf1.fr)

**François-Xavier GIMONNET - IR**

✉: [fxgimonnet@tf1.fr](mailto:fxgimonnet@tf1.fr)

**Besma GUIZANI - Coordinator**

✉: [bguizani@tf1.fr](mailto:bguizani@tf1.fr)

**IR department**

☎: 33-1 41 41 27 32

📁: 33-1 41 41 29 10

✉: [comfi@tf1.fr](mailto:comfi@tf1.fr)

**TF1**

1 quai du Point du Jour  
92 656 Boulogne-Billancourt Cedex  
France

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

