

TMT conference



Disclaimer

All forward-looking statements are TF1 management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements.

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TF1 Group's channels

TF1 Channel

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3 months 2005 key figures - IFRS

P&L account (€M)	3 months 2005	3 months 2004	Change
Turnover	713.9	713.4	+ 0.1%
<i>Incl. TF1 channel net advertising</i>	430.0	425.1	+ 1.2%
<i>Other activities</i>	283.9	288.3	- 1.5%
Programming costs	(229.6)	(203.3)	+ 13.0%
Operating profit	100.2	119.1	- 15.9%
<i>% turnover</i>	14.0%	16.7%	
Net profit (attributable to the Group)	60.9	70.9	- 14.1%
<i>% turnover</i>	8.5%	9.9%	
Balance sheet (€M)			
	31 Mar. 05	31 Dec. 04	Change
Shareholders equity	1,025.4	975.5	+ 5.1%
Financial net debt	442.7	413.7	+ 7.0%
<i>Gearing</i>	43%	42%	

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IFRS impacts on 2004 consolidated accounts

- **On Turnover: + €14.2 M**



Reversal of Dec 03 reclassification
of provision for goods returns

- **On net profit: + €4.6 M**

<u>Incl:</u>	Stock-options charges	- €3.8 M
	Own equity derivative instruments	- €1.2 M
	Cancellation of Goodwill amortisation	+ €8.5 M

- **On Balance sheet: + €44.0 M**

<u>Incl:</u>	Own equity derivative instruments	- €7.0 M
	Cancellation of Goodwill amortisation	+ €8.5 M
	Head office restatement	+ €30.9 M
	Derivative Financial instruments	+ €6.7 M
	Deferred taxation	+ €4.4 M

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A growing audiovisual market

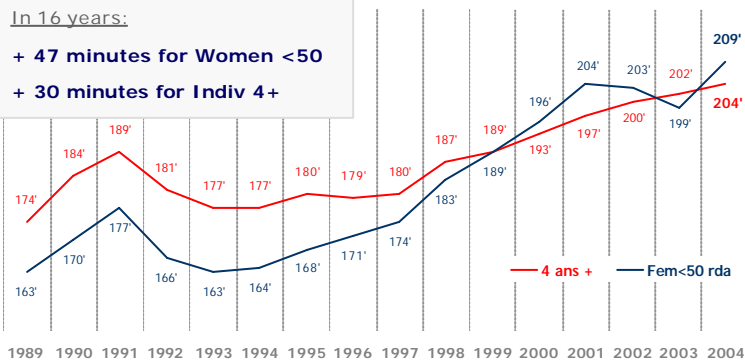
TV is the most popular media

86% of French people watch TV every day
 3 out of 4 watch **TF1** every day

Growth of the daily viewing time

In 16 years:

+ 47 minutes for Women <50
 + 30 minutes for Indiv 4+



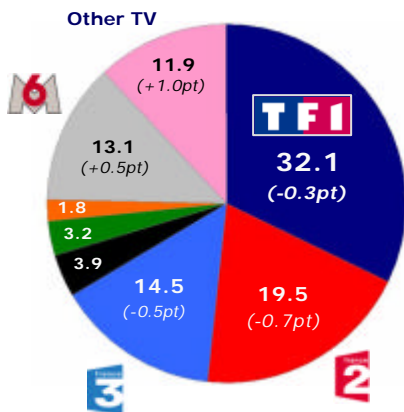
Source: Médiamétrie



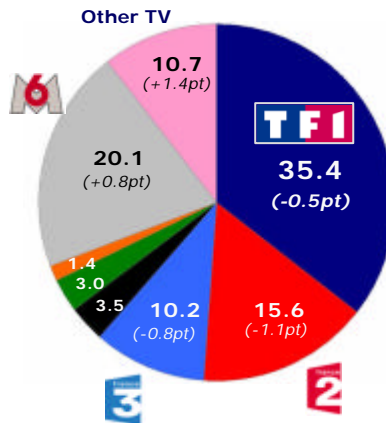
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Audience share – 5 months 2005

Individuals 4+



Women < 50



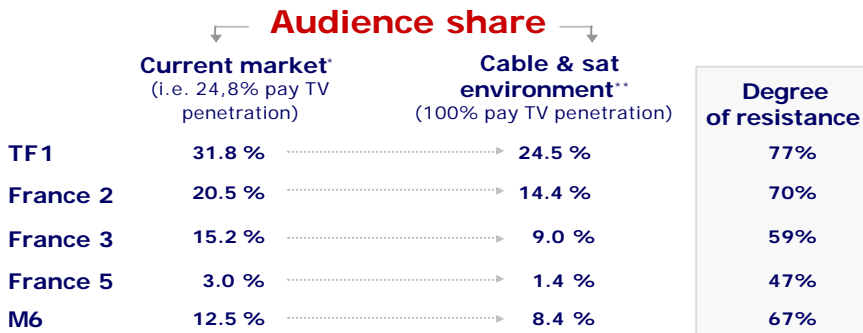
■ Canal+ ■ France 5 ■ ARTE

Source : Médiamétrie January-May 2005 vs January-May 2004



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TF1: the best resistance to pay TV penetration



TF1 : The best resistance to the market fragmentation

The market fragmentation widens the gap between TF1 and its competitors

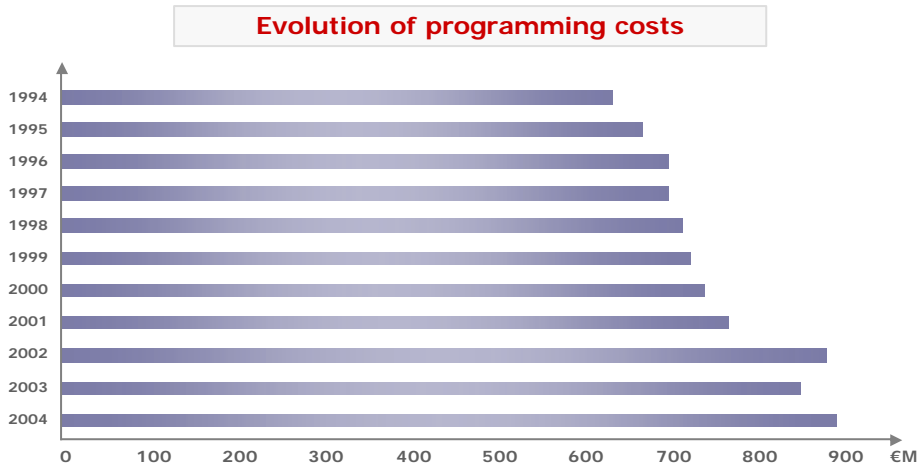
* Source: Mediamétrie - 2004, ind. 4+

** Source: Mediacabsat 8 (September 2004 – February 2005)



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Controlled cost: + 3.5%/year over 10 years



2005: + 3% max. (vs +3.9% previously)
2006: ~ + 3% (excl. Football World Cup)

Detailed programming costs in appendices



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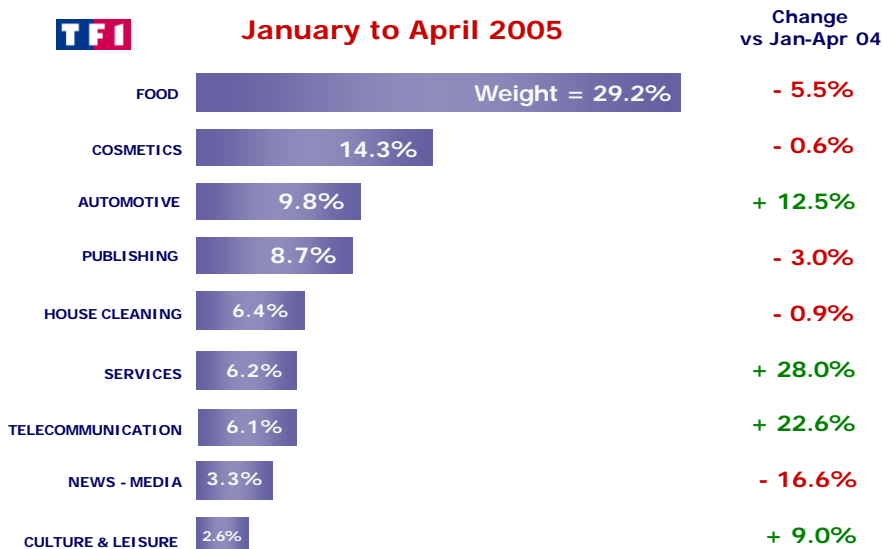
Theme channels

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Strategy and outlook



Advertising: sectorial breakdown



Advertising outlooks

TV advertising growth forecasts for 2005

+3.5% according to France Pub +3.1% according to Ad Barometer

TF1 channel advertising revenue

- H1 2005: slightly negative net advertising revenue

New sectors

- Press in 2004
- Retail in 2007
- Cinema ?
- Sectors with advertising potential



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TF1 Group: leading the theme channels market

Theme channels audience share*

TF1 Group:
6 channels in the top 12

New channels in 2005:



	Audience target	Audience share*	Subs 31.12.04	Ad rev. Q1 05 vs 04
	Men 15-49 years old AB+ people	1.5 %	5.7 M	+ 31%
	AB+ people	1.1 %	5.3 M	+ 10%
	Women 15-34	1.0 %	2.7 M	+ 24%
	Women < 50	1.1 %	4.4 M	x 3,4
	Individuals 15-49	0.6 %	2.4 M	+ 2%
	AB+ people	0.2 %	2.1 M	+ 31%
	AB+ people	0.1 %	4.2 M	ns

* Source: Médiamétrie audience share / MédiaCabSat 8 / Audience share / Individuals aged 4 and above / Whole base

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Eurosport International



Key figures

Q1 2005 revenue: €56.1 M⁽¹⁾ (- 2.8%)

54 countries - 19 languages

TV households: 95 M
incl. ~ 50% paying subs

2004 EBIT margin: 11.5%⁽¹⁾ (+ 0.6 pt)



22.7 M European viewers⁽²⁾ / day in 2004

About 2,500 hours of **LIVE** sports events in 2004

The channel of the Olympics and International events



(1) Eurosport International revenue (excl. Eurosport France)

(2) Sources: GfK/BARB/CKO-INTOMART/MMS/Gallup/Sofres/AGB Polska - Ind. 6+ in cable/sat homes (Ger + UK + Swe + Den + Pol + Spa), all TV homes (NL) 9:00 - 25:00 Network audience.

Drivers for profitability

Revenue growth for Eurosport channel

Improvement of the pan-European advertising market share

Positive change for fees revenue

- Increase in paying households
- New distribution contracts (Central, Eastern and Southern Europe ...)
- Distribution on new platforms (DTT, ADSL ...)



Additional revenue thanks to market expansion & new activities

Europe: Eurosport 2

Outside Europe (Asia...): Eurosportnews

FIA World Touring Car Championship



Development of the offer at marginal cost

Optimise the Group's know how

Develop internal synergies for production

TPS: a growing business



Q1 2005 key figures

Revenue: €95.6 M (+ 3.9%)
DTH and ADSL subs: 1.369 M

Improvement of the offer

- ✓ **55 % of market share on US studio movies**
(Warner, MGM, Paramount's, Dreamworks, Touchstone...)
- ✓ **English Premier League**
French basket ball
Boxing: Don King
- ✓ **New channels in 2005 : Ushuaïa TV, Eurosport 2, M6 Music Rock ...**

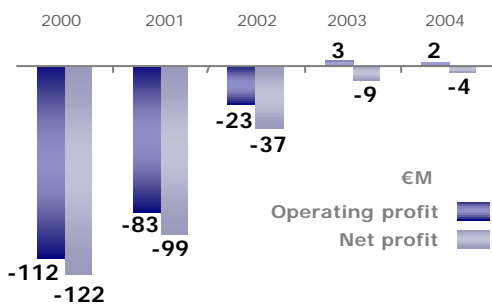


New distribution platforms

- ✓ Agreement with **Neuf Telecom** on **ADSL**
- ✓ **Pay DTT** in September 2005



TPS* : breakeven in 2004 for the satellite activity

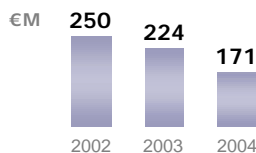


Breakeven

EBITDA: 2000
EBIT: 2003
Satellite net profit: 2004

Satellite net profit 2004: €14 M

TPS: debt reduction



* Figures at 100%

Audiovisual rights: a promising year

TF1 INTERNATIONAL
TF1 FILMS PRODUCTION

TFA
ASSOCIATION



A diversified
line up with
exceptional
movies

4 movies above 1 M viewers in theatre

TF1
VIDEO

Distribution in video in H2 2005

Key figures

Number of units sold in Q1 2005: 5.4 M (+ 38%)

2004 EBIT margin: 10.5% (+ 2.5 pts)

2004 - a
record year:
19.7 M units
sold

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Conclusion

- Remain leader for TF1 channel and theme channels in France
- Keep on developing programme and service distribution
- Maintain Eurosport position as the first pan-European channel

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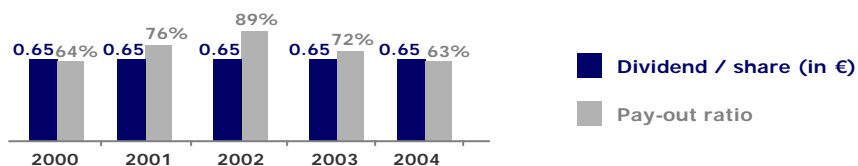
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Uses of cash

M&A operations

2001: Eurosport (€375 M) + Série Club (€23 M)
2002: TPS (€297 M)
2003: Publications Metro France (€12 M)
2004: Sportitalia + Prima TV (€35 M) + Histoire (€4 M)

A shareholder friendly dividend policy



Share buy-back programme

500,000 shares acquired and cancelled in 2004 for €11.9 M

1,370,000 shares acquired and cancelled beginning 2005 for €32.5 M

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TF1 : in a good position to face competition

✓ Leadership of TF1 core channel

✓ Powerful ad breaks



7 ad breaks per day
reach more than
5 M viewers

✓ Investments in leading programmes



Annual programming
costs: ~ €900 M

✓ High ranking theme channels



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DTT launched in March 2005

17 channels for the free offer => March 2005

State-owned										News
Generalists										Music
Mini generalists										Youth

11 channels for the pay offer => September 2005

Premium					Sport
Mini generalists					Cinema
News					TV dramas
Youth					15-35 years old
					Documentaries

TF1 Group channels

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Outlook 2010

	2004	Outlook 2010
Households equipped with TV	24 M households	25 M households
Households receiving only 5 analogue channels	16.5 M households	<12 M households
Digital satellite	3.6 M households	4.5 M households
Cable (service antenne)	1.5 M households	1 M households
Cable (pay TV)	2.5 M households	2.5 M households
Free DTT	0	3.5 M households
Pay DTT	0	1.5 M households
ADSL	5 M households	10 M households
Free TV on ADSL	150 K households	2.5 M households
Pay TV on ADSL	80 K households	1 M households
Mobile phone	43 M individuals	50 M individuals
Video on mobile phone	0	> 25 M individuals
Video on nomad screens	0	4 M screens

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June 8, 2005



Notes



Programming costs*

€M	2005 3 months	2004 3 months	D / 04 M€
Entertainment	69.8	64.6	+ 5.2
TV dramas & series	69.4	48.8	+ 20.6
Sports	26.8	28.4	- 1.6
News	29.4	28.9	+ 0.5
Movies	25.7	27.2	- 1.5
Children programmes	8.5	5.4	+ 3.1
Total programming costs	229.6	203.3	+ 26.3

Q1 2005 change: + 13.0%

* Incl. retired and expired rights

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Contributions – 3 months 2005

€M	Turnover	Operating profit	Net profit	Net result 3 months 04
Broadcasting France	521.0	98.0	64.5	62.0
Distribution	95.6	(4.1)	(3.6)	(0.1)
Audiovisuals rights	58.9	4.5	3.4	6.3
International broadcasting	56.1	6.9	1.5	4.3
Other activities	(5.1)	(5.1)	(4.9)	(1.6)
Inter-segment eliminations	(12.6)	-	-	-
Total	713.9	100.2	60.9	70.9

Broadcasting France: TF1, TF1 Entreprises, Teleshopping, Eurosport France, LCI, Odyssee, TF6, TV Breizh, Série Club, Histoire, e-TF1, Glem, Alma, TAP, TPP, Studios 107, TF1 Films Production

Distribution: TPS

Audiovisual rights: TF1 Vidéo, CIC, RCV, Ciby DA, TF1 International, Téléma, TCM, Cabale

International broadcasting: Eurosport International, Europa TV, KSO & SRW

Other activities: Métro, Visiowave, Prima TV, Syalis

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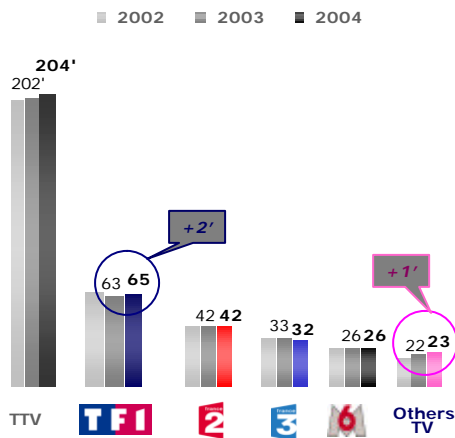


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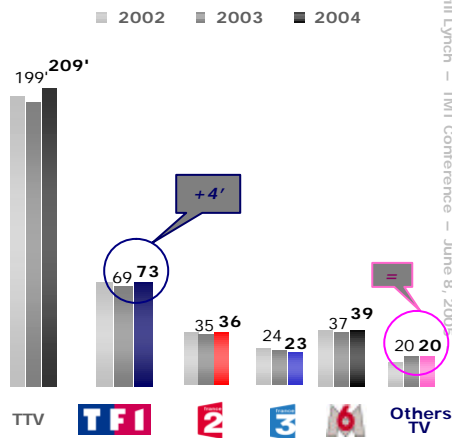
TF1, leader in a growing market

Increasing audiences in a more competitive environment

Individuals aged 4 and +



Women below 50



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Thematic channels: a favourable context

14 million individuals subscribing to a pay offer => +9% in one year

4 TF1 channels in the Top 10: Eurosport, LCI, TF6, TV Breizh

New channels in 2004 and 2005



pink

L'ushuaïa TV

histoire

A market which asserts itself

Ad investments increased by 25%

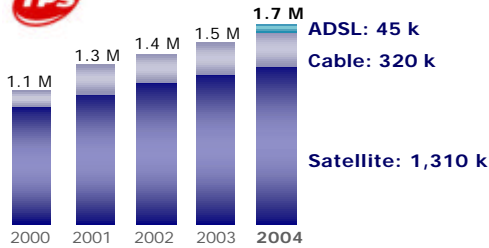
Roughly 3% of total TV ad spend

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TPS: a growing business

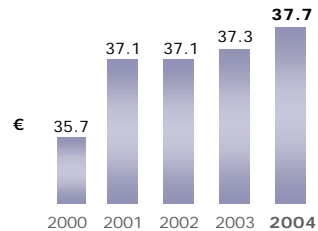


Number of subscribers*

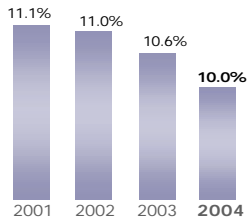


As of 31.03.05 DTH and ADSL subs: 1,369 k

An increasing monthly ARPU



A decreasing churn rate



Turnover**



Q1 2005 revenue: + 3,9%

* Excl. Collective subscribers ** Figures at 100%

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TPS: a rich and diversified offer !

• Best of cinema on TPS !

Warner,
Touchstone,
New regency,
MGM,
Paramount,
Dreamworks,
Columbia, ...

55 % of market share
on US studio movies

French Cinema : €35 M invested / year

• Sports exclusivity

English Premier League
Basket ball: French championship and national team

• A premium offer and more than 100 channels starting at 28.5€/month

New in 2005 : Ushuaïa TV, Eurosport 2, M6 Music Rock, ...
On exclusivity : TF6, Boomerang, Teletoon, Piwi, Eureka, Tfoi, Infosport, Fun TV, M6 Music



: a promising start

An original format and an innovating programming line up

- The first sport channel broadcast on free to air in Europe
- A complementary free offer to the sport pay offer:
Sky, Eurosport and free to air generalist channels

A fast growing coverage of the channel launched on February 6th, 2004

- 442 frequencies = 81% of the Italian population
- 27.1 M out of 46.2 M inhabitants already selected Sportitalia on their TV



First audience success

- A weekly reach of 9.4 M viewers in December 2004

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: DTT

An optimal coverage

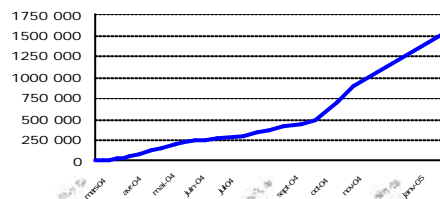
- 68% national coverage
- ~ 15 M households (i.e. more than 39 M Italian people)

A full digitalisation of the network in less than 1 year

A good programming offer : CANALE 5, ITALIA 1, SPORTITALIA, RADIOITALIA & LCI

A strong & fast growth of the nb of decoder sold

x 3 in 5 months
~ 1.6 M decoders



Figures as at end of January 2005


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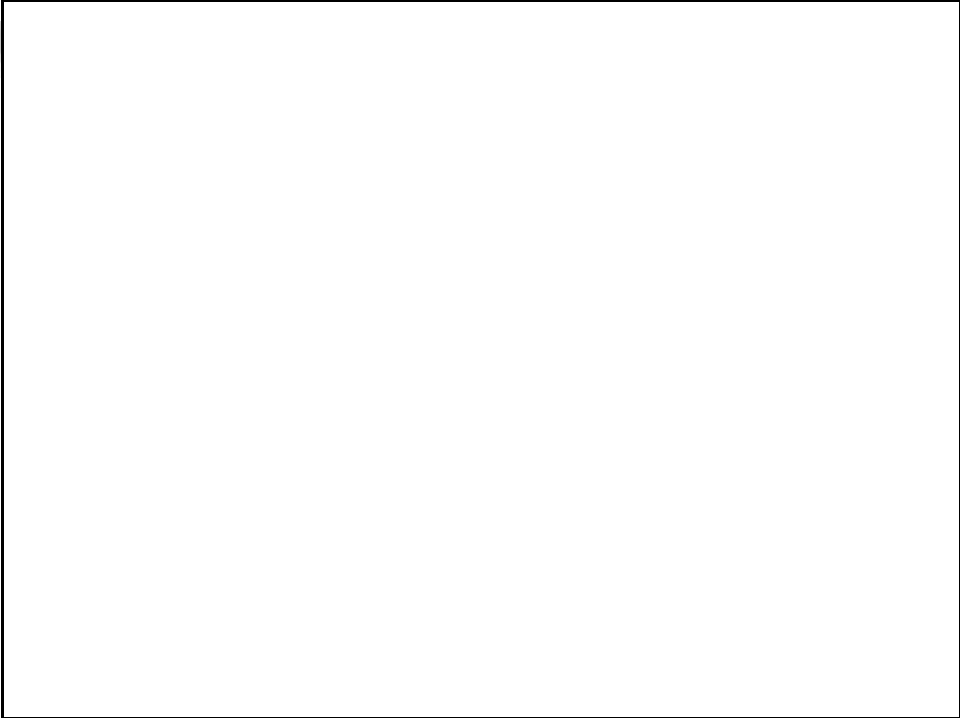
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A banner for a TMT conference. The background is a light gray with a faint, repeating pattern of a person sitting at a desk with a laptop. In the top left corner is the TFI logo (the letters 'TFI' in white on a red and blue background) and the date 'June 8, 2005'. In the top right corner is the Merrill Lynch logo (a blue bull head icon and the text 'Merrill Lynch'). In the bottom right corner, the text 'TMT conference' is displayed in a dark blue font. A horizontal strip of images runs across the bottom of the banner, showing a soccer game with a 'TOYOTA' sign, a man and a woman in formal wear, a woman in a colorful costume, and a man in a suit holding a phone. In the background of this strip, there are signs for 'MONTREAL 2004'.