



LE GROUPE

Analysts Presentation

July 24, 2017

This presentation contains certain forward-looking statements based on current expectations, forecasts and assumptions that involve risks and uncertainties.

These statements are based on information available to the Company as of the date hereof. All forward-looking statements are TF1 management's present expectations of future events, beliefs, intentions or strategies 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.

ACTIVITY IN FIRST-HALF 2017

- 1 Increase in first-half ratings and revenues thanks to the Group's multichannel strategy
- 2 The Group successfully pursued its transformation in the first half of the year
- 3 The first-half of the year confirms opportunities for strong TV content

2017 H1 FINANCIAL STATEMENTS

OUTLOOK

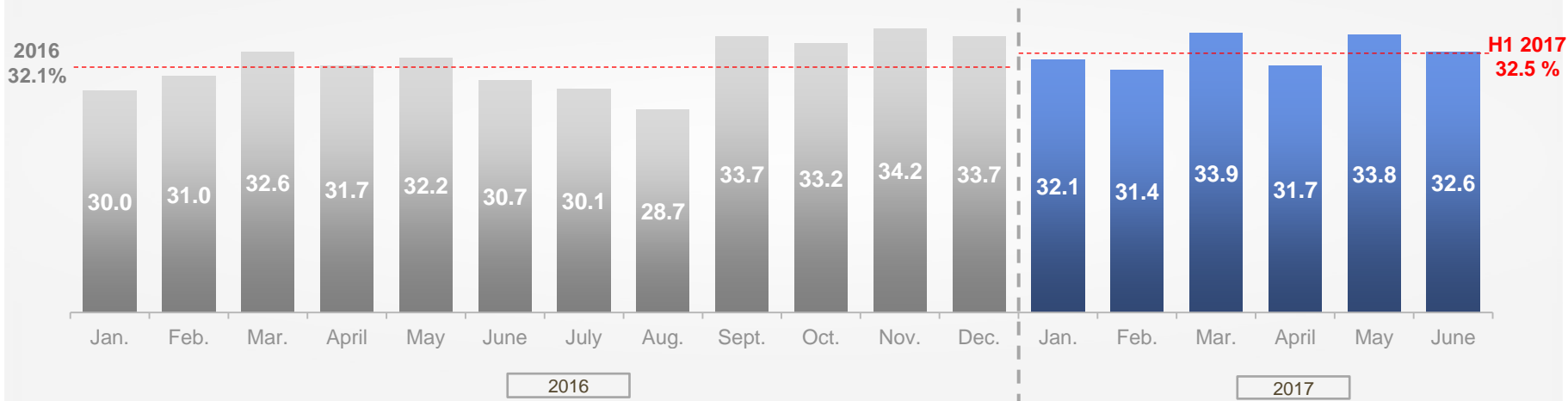
ACTIVITY IN FIRST-HALF 2017

GROUP RATINGS INCREASE IN THE FIRST HALF-YEAR THANKS TO THE MULTICHANNEL STRATEGY



TF1 GROUP AUDIENCE SHARE

(% ; W<50 PDM)

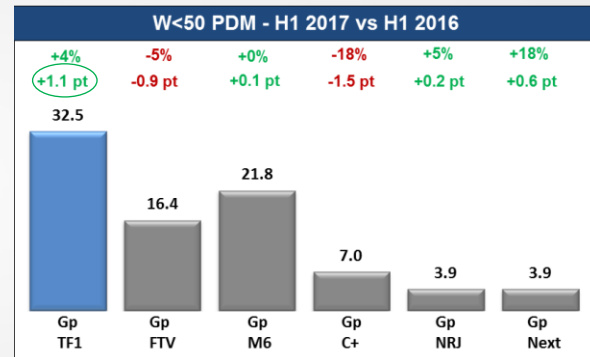


- The W<50PDM ratings for the Group's five free-to-air channels increased 1.1 pts year-on-year in H1 2017 to 32.5%



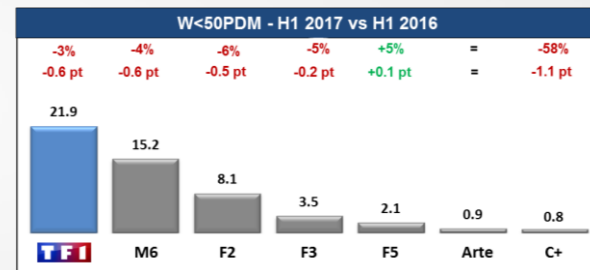
THE MULTICHANNEL STRATEGY PRODUCES RESULTS

- Strongest increase in Group ratings with W<50 PDM targets (+1.1 pts)
- Increased lead over competitors
(10.7 pts in H1 2017 vs. 9.7 pts ahead of main private competitor)



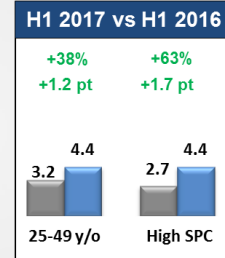
CHANNEL REINFORCES LEAD ON TARGETS OVER COMPETITORS

- TF1 leads W<50 PDM targets in every day-part, including:
 - Leadership reinstated in access* (*The Wall*)
 - Powerful in prime time** (29% audience share with W<50PDM in H1 2017) driven by major programme brands (*The Voice, Koh-Lanta*)



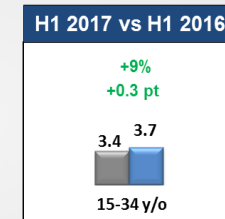
TMC SUCCESSFUL REPOSITIONING ON TARGETS

- New DTT leader on targets in H1 2017
- Well-established programme with an average 1.3 million viewers in H1 2017



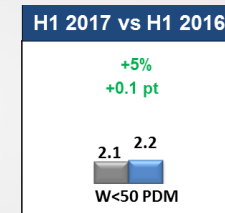
NT1 CONTINUES PROGRESSING

- Audience share has increased non-stop in last 3 years on 15-34 years-old target



HD1 YEAR-ON-YEAR INCREASE

- 9 out of the 10 best ratings for the latest new DTT channels in H1 2017
- Including the record of 1.4 million viewers (*Section de recherches*)



NEWS & DIGITAL: THE GROUP NEWS LEADER IN H1

- Early launch of the Presidential campaign in June 2016 with *Vie Politique*
- *Le Grand Débat* on March 20, 2017: 10.3 million viewers (TF1 + LCI) and 3.3 million video views*
- News growth in replay: 531,000 replay viewers for the *Emmanuel Macron, les coulisses d'une victoire* documentary (ranking in top-7 replay ratings in May 2017)



LCI NO. 2 NEWS CHANNEL SINCE FEBRUARY 2017

- 0.7% audience share of 4+ individuals in H1
- 0.6 % audience share of higher socio-professional categories in H1



TF1 RENEWAL IN ACCESS

- Entertainment: *The Wall*
- French drama (summer saga): *Demain Nous Appartient*



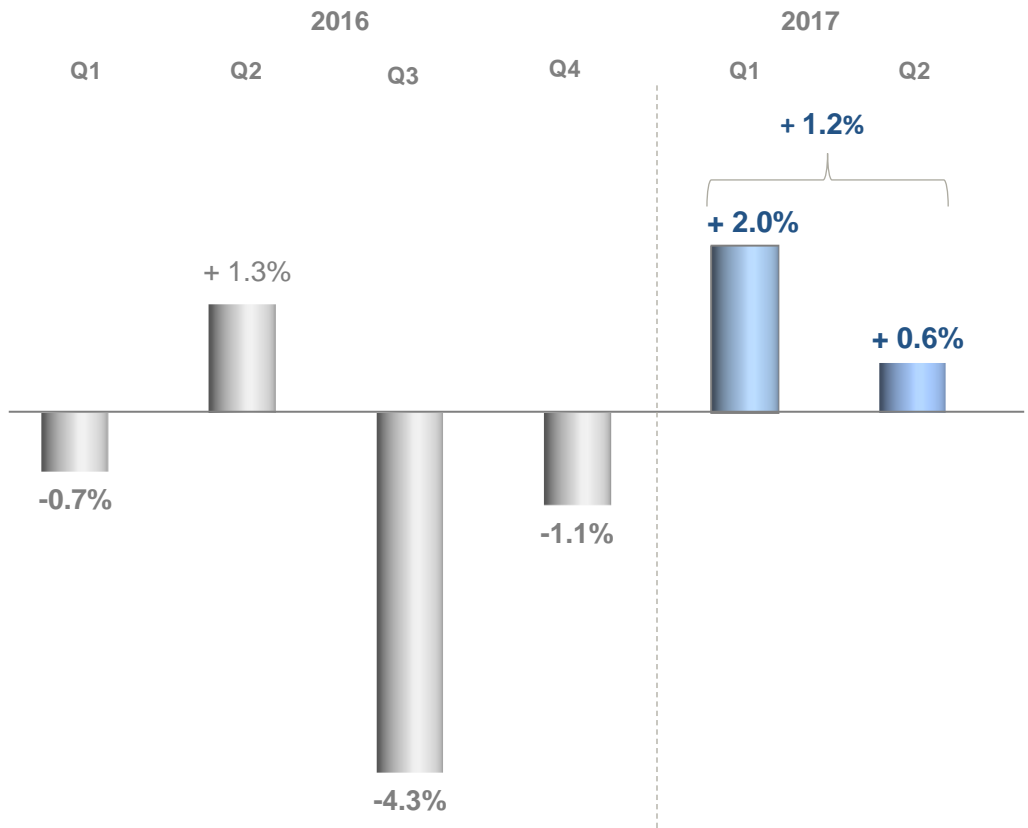
CONTINUED SUCCESS FOR FRENCH DRAMA

- Up to 6 million viewers: *Juste un regard*, *Alice Nevers*, *Munch*



INCREASE IN H1 NET AD REVENUES FOR THE 5 CHANNELS THANKS TO THE MULTICHANNEL STRATEGY

1



INCREASE IN AD REVENUES OF THE 5 FREE-TO-AIR CHANNELS: + 1.2% in H1 2017, to €745.2m

- Q1 2017: **1.3 pts** increase in **net** market share
- Q2 2017: **1.2 pts** increase in **gross** market share

THE GROUP IS PURSUING ITS TRANSFORMATION: MONETISATION OF CONTENT (1/4)

SUCCESS OF BRAND CONTENT



360° approach for a major food retailer

IMPROVED SPONSORSHIP PERFORMANCE THANKS TO PRODUCT PLACEMENT

TF1 Group
+27%
growth in Q1

TF1 Group
+28%
growth in Q2

ENLARGED INVENTORY FOR DIGITAL OFFER



AUTHENTICATION MANDATORY ON MYTF1 SINCE APRIL



- 12.5 million people identified so far (+3.5 million since April)
- 2018 target: 18 million

EUROPEAN ALLIANCE OF PREMIUM DIGITAL BROADCASTERS EBX (EUROPEAN BROADCASTER EXCHANGE)



- 4 major countries covered from start, office in London
- Operational in early 2018 to address European budgets in an environment of international competition

FIRST INVESTMENT OF ONE INNOVATION FUND



Beauty testing platform

MAJOR PARTNER OF VIVATECH



THE GROUP IS PURSUING ITS TRANSFORMATION – STUDIOS & ENTERTAINMENT (3/4)

MUSIC



Signing of Maître Gims



First diamond disc, tour and preparation of live album

CINEMA



4.5 million entries



3.5 million entries



1.3 million entries

- 14 cinema releases in H1
- 3 of which sold over 1 million entries

LA SEINE MUSICALE



- Opened in April 2017
- Varied line up of shows : *West Side Story*, *Les étés de la danse*, *Michel Sardou*

VOD



- No. 1 platform in declared use according to latest CNC study (up 3 places in 4 years)

TF1 GAMES / DUJARDIN



- Launch of *Wet Head*
- Escape Game* wins 2017 "Grand Prix du Jouet" award in adventure game category

TELESHOPPING



- Best sellers in 2017: Minci Cook, Range Max, etc.
- 30th birthday
- Promo video for the DVD release of *Alibi.com* film produced by TF1 Studio

INTERNATIONAL DEVELOPMENT AND STRATEGIC PARTNERSHIP



Acquisition of a majority stake



Partnership on distribution of exclusive programmes

NEW PROGRAMMES AND NEW CLIENTS



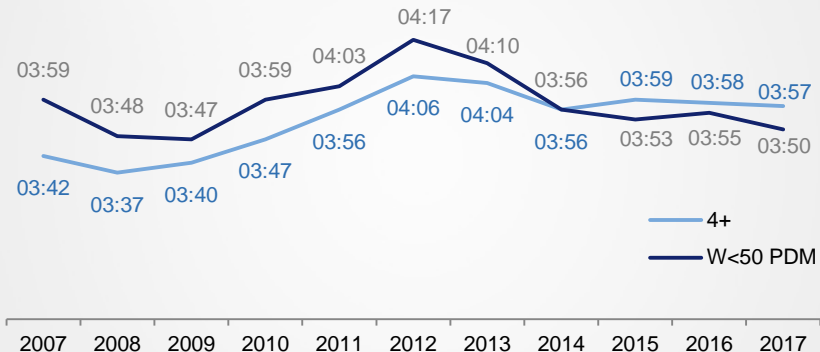
Ben
(6x52')





Souviens-toi
(6x52')



FRENCH PEOPLE WATCH NEARLY 4 HOURS OF TELEVISION A DAY



25-34 YEARS-OLD: + 7% AUDIENCE THROUGH 3 COMPLEMENTARY SCREENS

		
Daily cumulative audience	76.6 % i.e. 5.3 million viewers	10.4% i.e. 0.8 million viewers
Daily watching Time	3:08	0:12
	+ = 3:20	

PREMIUM CONTENT CONTINUES TO ATTRACT VIEWERS

Entertainment



6.3 million viewers

Sports



More than 6.4 million viewers

US series



Up to 7.1 million viewers

RENEWED CONTENT WITH SUCCESS IN ALL PROGRAMME CATEGORIES

French drama



6x52'

Entertainment



Season 2

Information



Prime-time documentary



Access

"TF1 INITIATIVES"

SOLIDARITY



3 SOLIDARITY CAMPAIGNS ON OUR ANTENNAS

Pièces jaunes, Restos du Cœur, Sidaction

UNITING TO HELP THE MOST FRAGILE

DIVERSITY



SIGNATURE OF 4TH DISABILITY AGREEMENT

UNIFYING OUR DIFFERENCES TO MAKE THEM INTO A STRENGTH

SUSTAINABLE SOCIETY



PRIX JEUNES POUR L'ENVIRONNEMENT EPE-LCI 12^{ème} Edition

PARTNER OF '2017 JEUNES POUR L'ENVIRONNEMENT EPE-LCI' AWARDS

EXPLORING FUTURE LIFESTYLES AND CONSUMER BEHAVIOUR

DOW JONES SUSTAINABILITY INDEX

- January 2017: GOLD ranking for CSR performance from RobecoSam agency, enabling inclusion in DJSI index



2017 H1 FINANCIAL STATEMENTS

FIRST HALF 2017 CONSOLIDATED REVENUE BREAKDOWN

€m	H1 2017	H1 2016	Var. €m	Var. %
BROADCASTING	855.4	838.1	17.3	2.1%
FREE PLATFORMS	770.7	762.2	8.5	1.1%
<i>TV advertising</i>	745.2	736.2	9.0	1.2%
<i>Other revenues</i>	25.5	26.0	(0.5)	-1.8%
OTHER PLATFORMS AND RELATED ACTIVITIES	84.7	75.9	8.8	11.6%
STUDIOS & ENTERTAINMENT	181.3	187.1	(5.8)	-3.1%
TOTAL REVENUE	1,036.7	1,025.2	11.5	1.1%

EVOLUTION OF COST OF PROGRAMMES OF THE FREE-TO-AIR CHANNELS

(5 channels) (4 channels at Q1
and 5 channels at Q2)

€m	H1 2017	H1 2016 *	Var. €m	Var. %
Entertainment	141.7	142.9	(1.2)	-0.8%
TV dramas*/TV movies/Series/Theatre	148.3	150.8	(2.5)	-1.7%
Sports (excl. one-off sporting events)	30.6	21.7	8.9	41.0%
News	75.0	66.8	8.2	12.3%
Movies	80.3	69,9	10.3	14.9%
Youth	6.3	7.8	(1.5)	-19.0%
TOTAL EXCL. ONE-OFF SPORTING EVENTS	482.2	459.9	22.3	4.8%
<i>One-off sporting events</i>	-	37.9	(37.9)	<i>ns</i>
TOTAL INCL. ONE-OFF SPORTING EVENTS	482.2	497.8	(15.6)	-3.1%

* The cost of programmes published for H1 2016 was €517.5 million, including €19.7 million of non-recurring expenses. Excluding non-recurring expenses, the cost of programmes was €497.8 million.

CONSOLIDATED INCOME STATEMENT

€m	H1 2017	H1 2016	Var. €m	Var. %
CONSOLIDATED REVENUE	1,036.7	1,025.2	11.5	1.1%
Total costs of programmes	(482.2)	(497.8)	15.6	-3.0%
Other charges, depreciation, amortization, provision	(446.9)	(469.9)	23.0	-4.9%
CURRENT OPERATING PROFIT	107.6	57.5	50.1	ns
<i>CURRENT OPERATING MARGIN</i>	<i>10.4%</i>	<i>5.6%</i>		<i>+4.8 pts</i>
Other operating income and expenses	(11.6)	(54.7)	43.1	ns
OPERATING PROFIT	96.0	2.8	93.2	ns
Cost of net debt	(1.1)	(0.6)	(0.5)	ns
Other financial income and expenses	5.7	(1.1)	6.8	ns
Income tax expense	(33.2)	(0.2)	-33.0	ns
Share of profits / (losses) of associates	7.1	0.1	7.0	ns
Net profit from continuing operations	74.5	1.0	73.5	ns
Post-tax profit from discontinued/held-for-sale operations	-	-	-	-
NET PROFIT	74.5	1.0	73.5	ns
Net profit attributable to the Group	74.6	(0.6)	75.2	ns
<i>Attributable to non-controlling interests</i>	<i>(0.1)</i>	<i>1.6</i>	<i>(1.7)</i>	<i>ns</i>

RECOVER plan

€14m recurrent savings in H1*

- Organisation & Transformation: €5m
- Purchasing Optimisation: €3m
- Digitalisation: €6m

*not concerning programming costs

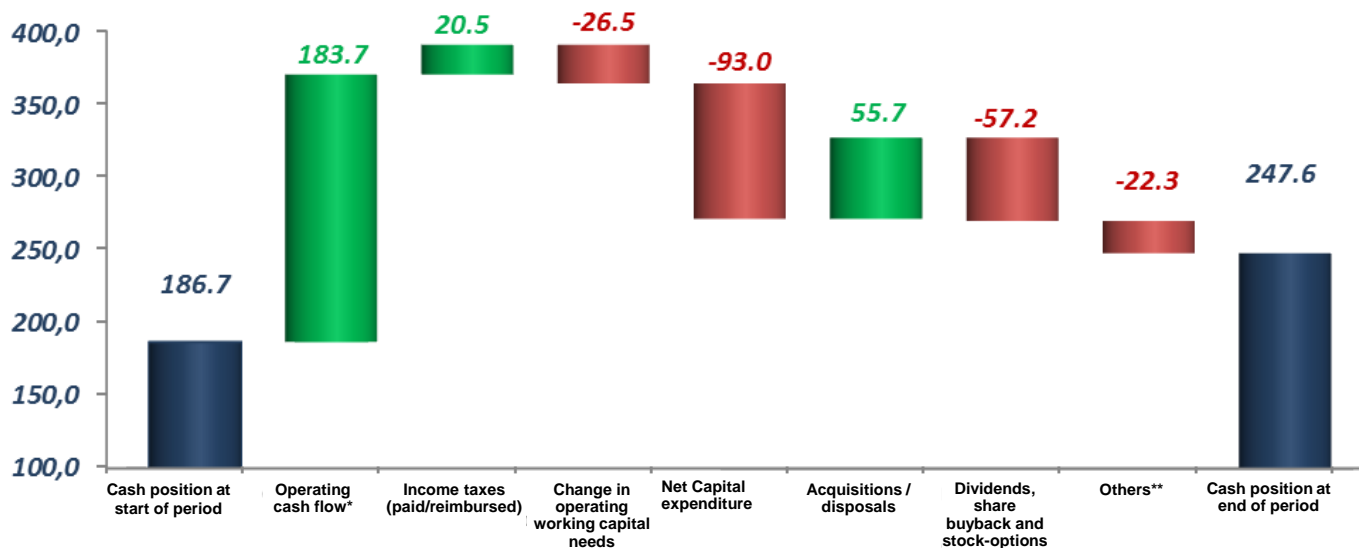
CONSOLIDATED BALANCE SHEET

CONSOLIDATED ASSETS (€m)	June 30th 2017	December 31st 2016	Var. €m
Total non-current assets	1,081.4	1,093.1	(11.7)
Total current assets	2,320.9	2,122.6	198.3
Held-for-sale assets	-	-	-
TOTAL ASSETS	3,402.3	3,215.7	186.6
Net cash (+)	247.6	186.7	60.9

CONSOLIDATED LIABILITIES (€m)	June 30th 2017	December 31st 2016	Var. M€
Total shareholders' equity	1,503.3	1,492.6	10.7
<i>shareholders' equity attributable to the Group</i>	<i>1,503.3</i>	<i>1,493.4</i>	<i>9.9</i>
Total non-current liabilities	345.0	322.0	23.0
Total current liabilities	1,554.0	1,401.1	152.9
Liabilities related to held-for-sale operations	-	-	-
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	3,402.3	3,215.7	186.6

EVOLUTION OF THE NET CASH POSITION

Evolution of the net cash position 2017.06



* Operating cash flow – cost of net debt – income tax expense

** Cash inflows/outflows from/on acquisitions of financial assets, dividends received, other cash flows from investing activities, other transactions between shareholders, cash inflows from new debt contracted, repayment of debt (including finance leases), net interest paid (including finance leases)

NCP EVOLUTION 2016.06

700.8	121.2	-44.5	-37.8	-101.1	-327.6	-177.3	-0.6	133.1
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OUTLOOK

PROGRAMMING

- Access broadcast on TF1 of the summer saga: *Demain nous appartient*
- Return of major entertainment brands: *The Voice Kids*, *Danse avec les Stars*



DISTRIBUTION

- Ready to enforce our position on TF1 Premium



LCI: NEW FACES

- Many new faces from Morning show to the Access talk show, throughout the day



STUDIO71 FRANCE

- Launch in September in connection with Studio 71, world no. 3 MCN



INITIATION OF ADVERTISING AIRTIME SALES IN BELGIUM

- Signature of contracts in Q4 2017
- Launch in early 2018



2017

- Maintain our share of the advertising market
- Confirmation of the programme of recurring cost savings at around €25m to €30m

2019

- Growth in non advertising revenue for the five free-to-air channels expected to account at least one third of consolidated revenue
- Hold the average annual costs of programme (excluding major sports events) at €980m for the five free-to-air channels for the three coming years
- Objective of current double-digit current operating margin for the group

Create strong links
Let's share positive vibes

**A leading group in media content and entertainment
integrated, from production to distribution**



A multichannel, multimedia, multi-activity group



LE GROUPE

QUESTIONS & ANSWERS