

POST H1 2020 RESULTS

INVESTOR PRESENTATION



LE GROUPE

SUMMARY

- 1 | OVERVIEW OF TF1 GROUP PROFILE AND FRENCH MEDIA MARKET (P.3)**
- 2 | H1 2020: THE TF1 GROUP HAS DEMONSTRATED ITS HIGH REACTIVITY TO FACE THE CRISIS (P.10)**
- 3 | H1 2020: FINANCIAL RESULTS (P.22)**
- 4 | OUTLOOK (P.31)**
- 5 | APPENDIX (P.35)**

1

Overview of TF1 group profile and French media market

TF1 Group : Achieving a more balanced portfolio by diversifying the model with content production and digital



newen CONTENT PRODUCTION

DRAMA



DOCUMENTARIES



ANIMATION



ENTERTAINMENT/ TALK SHOWS



TV MOVIES



TV BROADCASTING

FTA CHANNELS



THEME CHANNELS



OTHER BROADCASTING ACTIVITIES



unify DIGITAL

PUBLISHERS



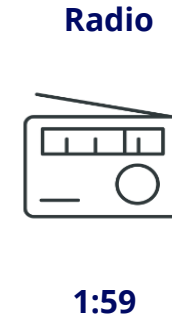
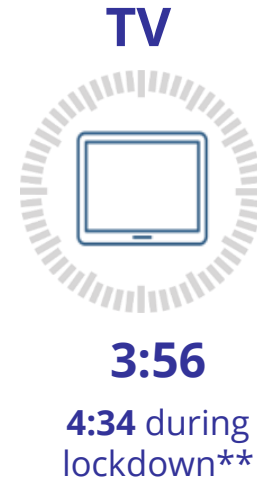
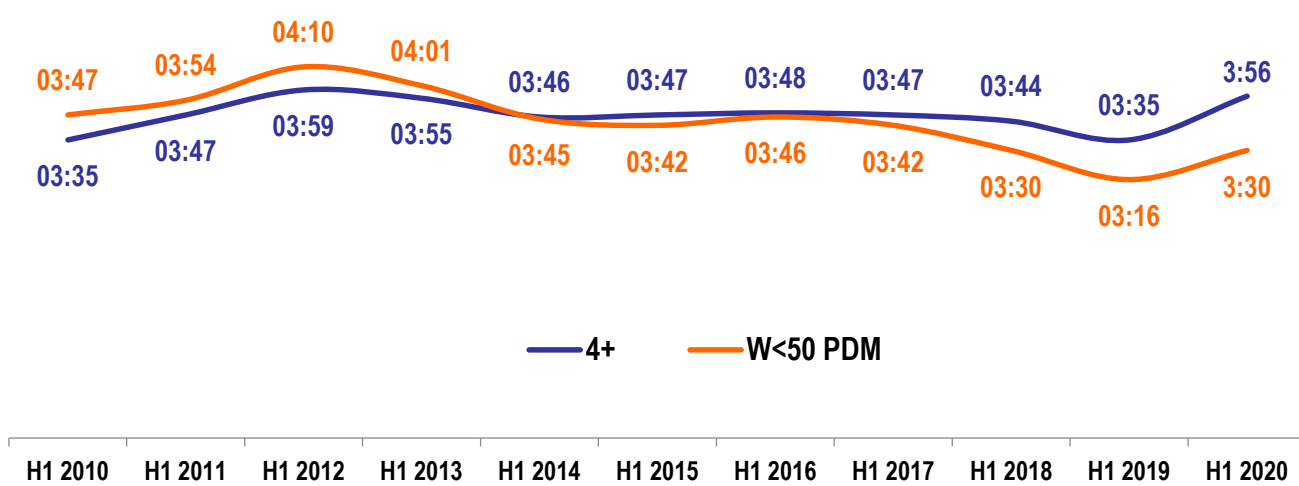
BRAND SOLUTIONS AND SERVICES



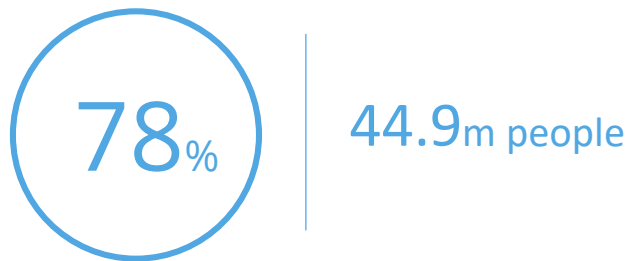
SOCIAL E-COMMERCE



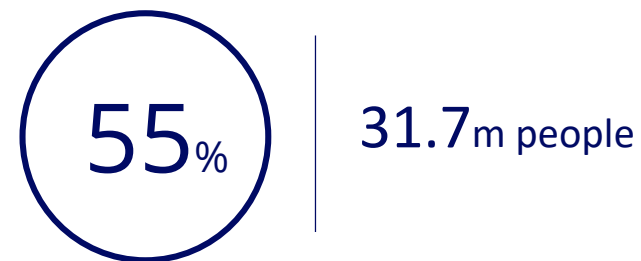
French people nearly watch 4 hours of TV a day with a sharp increase since the beginning of the lockdown



Daily reach for TV



Daily reach



Source: Médiamétrie – Médiamat TV – H1 2020 / Radio : Q1 2020 / Internet: end of May 2020 - 4+
 * Internet Surf time only
 ** 16 March -10 May 2020 – 4+

France is still underinvested in TV advertising

AD TV MARKET (PER INHABITANT)

2019



74€



62€



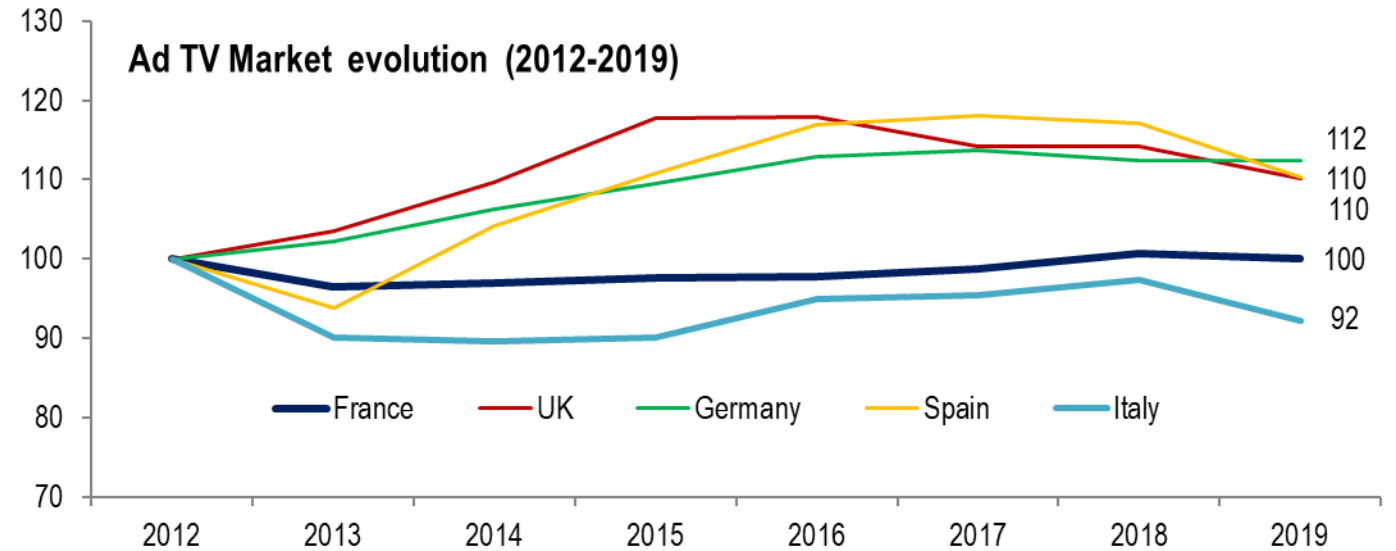
55€



51€



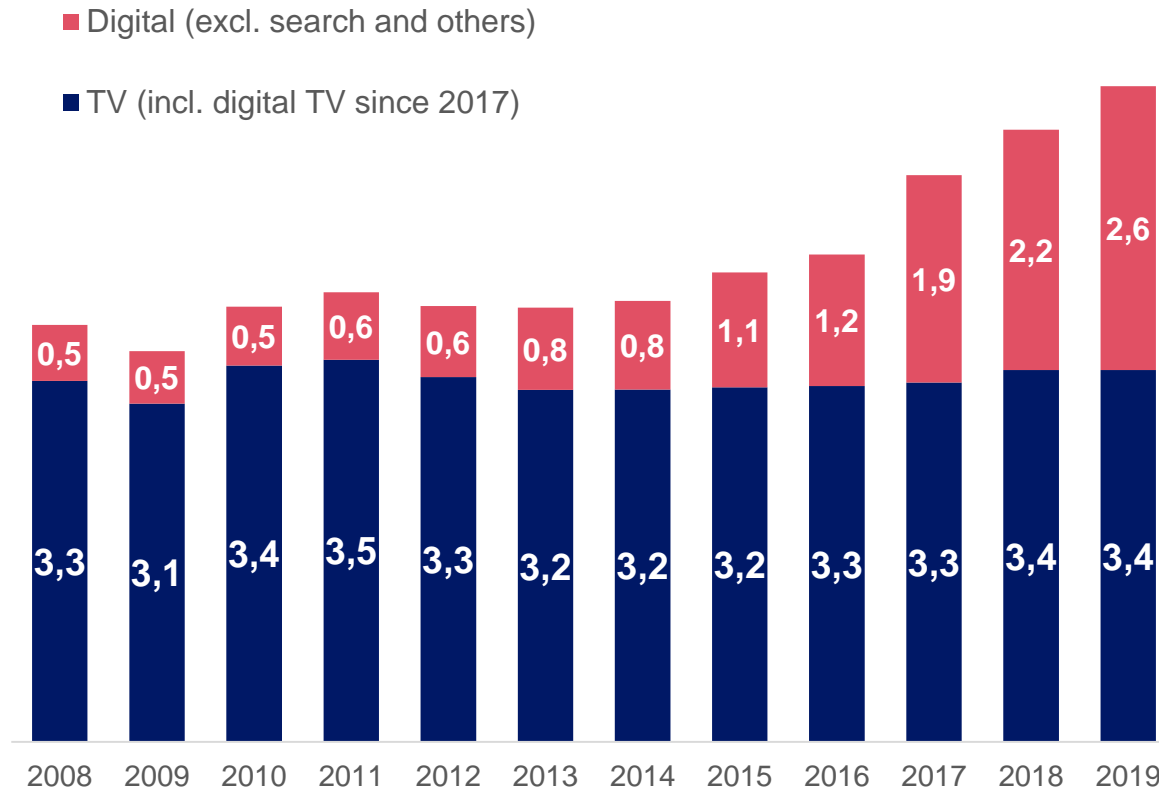
43€



Source: IREP (France)/ Exchangewire (UK), Vaunet Market (Germany), El Pais (Spain), Publieurope (Italy)

French net advertising market

Evolution of TV and digital advertising market (€ billion)



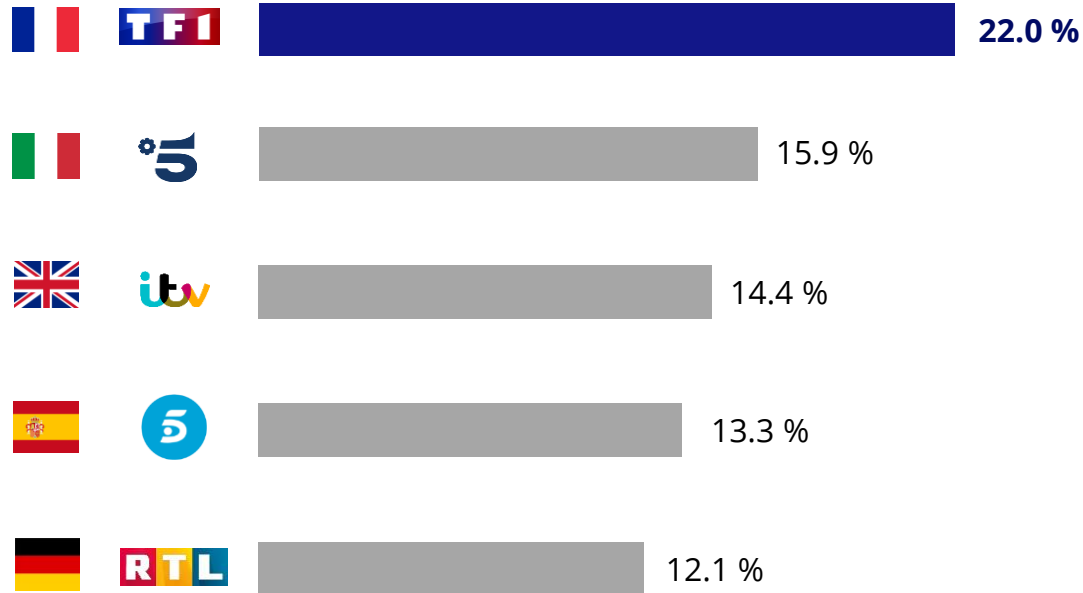
Media net ad revenue (€bn)	2018	2019
DIGITAL	5.2	5.9
Search	2.3	2.5
Display	1.0	1.2
Social	1.2	1.4
Others	0.7	0.8
TV (incl. digital TV)	3.4	3.4
PRESS	2.2	2.1
OUTDOOR ADVERTISING	1.3	1.3
RADIO	0.7	0.7
CINEMA	0.1	0.1
TOTAL	12.9	13.5

Source: IREP

Best audience share in Europe for the TF1 channel

Largest market share of any private sector European TV channel

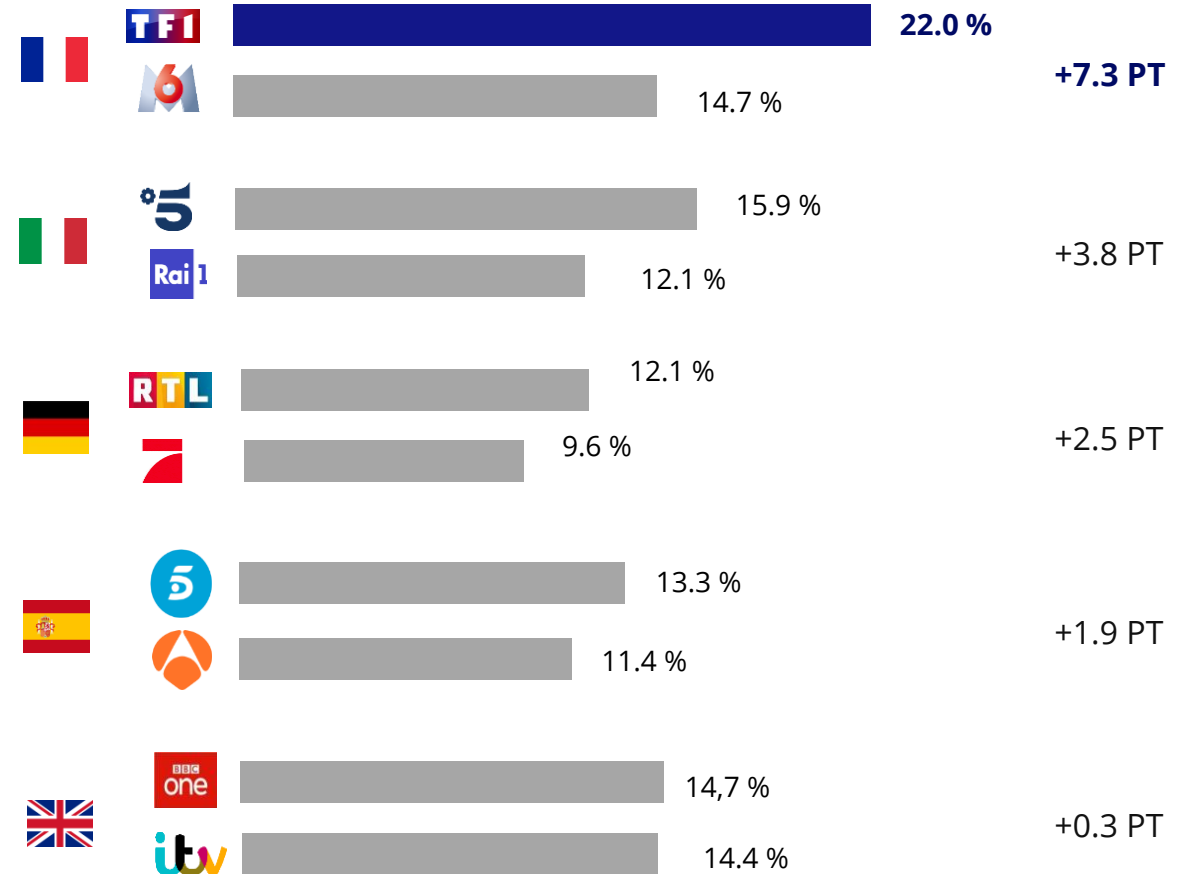
(% 2019 audience share of commercial target)



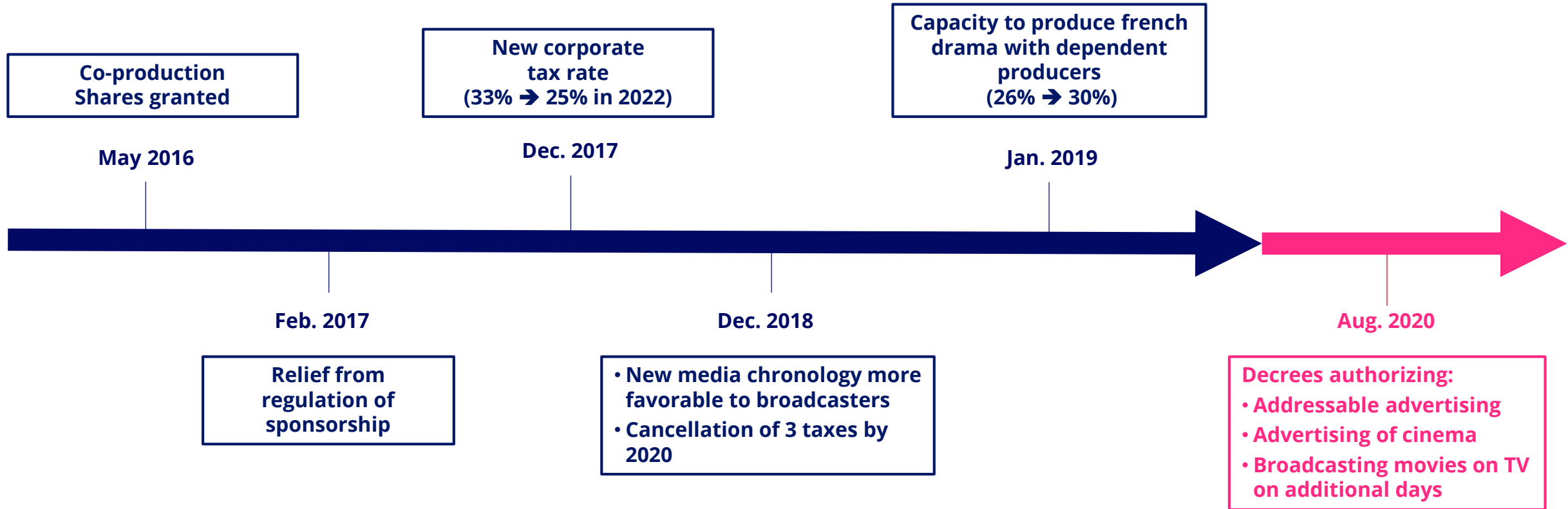
Unrivalled lead in Europe over #2

(% 2019 audience share of commercial target)

Δ VS CHALLENGER



Positive impacts of changes in regulation making us confident for the future



2

H1 2020: The TF1 group has demonstrated its high reactivity to face the crisis

DURING THE COVID-19 CRISIS, THE TF1 GROUP HAS DEMONSTRATED ITS ADAPTABILITY AND STRONG REACTIVITY

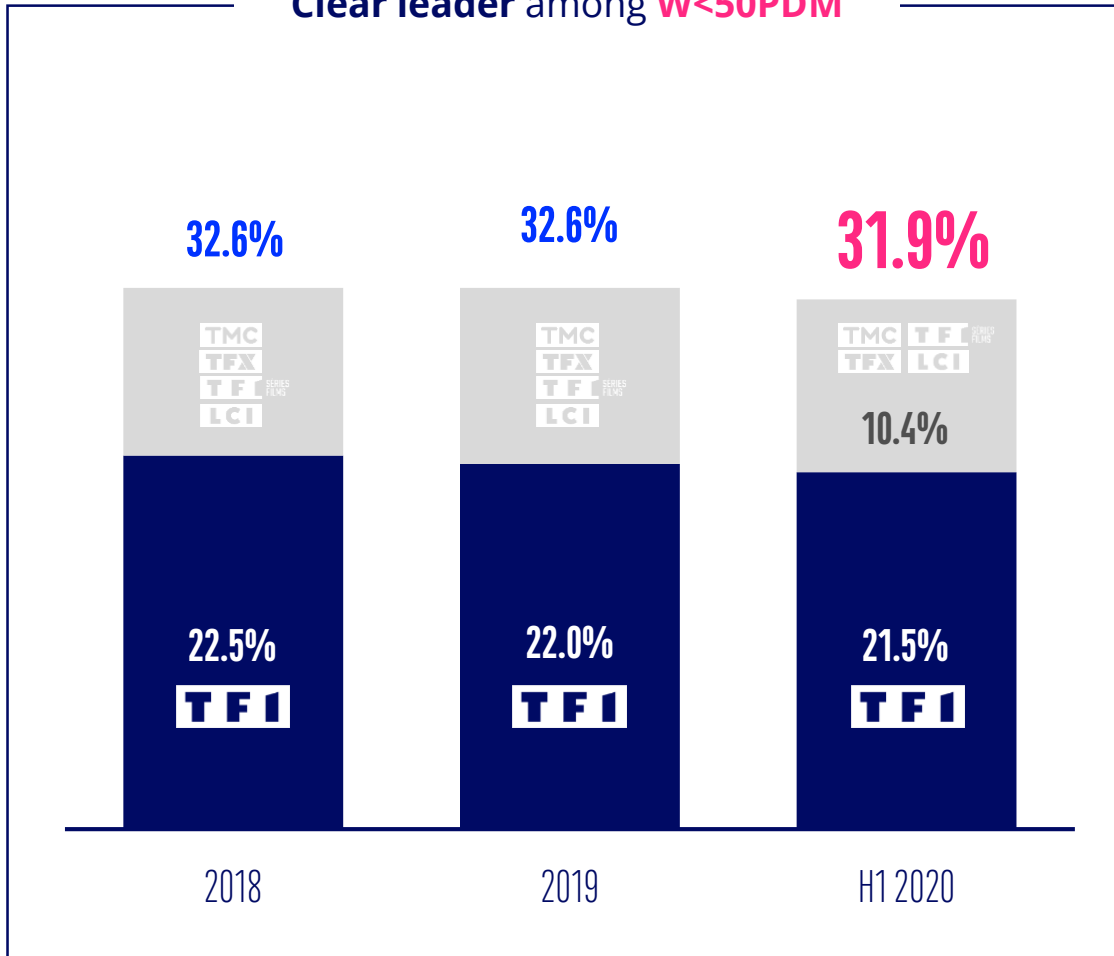
- **Strong ratings** thanks to **editorial choices meeting the public's expectations**
- **Significant downsizing of the programming costs** offsetting **over 50% of the decrease in advertising revenues**
- **Efficient management of the health crisis by protecting employees health, adapting working methods** (work from home and part-time work) and **enabling the news activity to proceed**

THE TF1 GROUP IS FULLY OPERATIONAL AND READY TO BENEFIT FROM RECOVERY

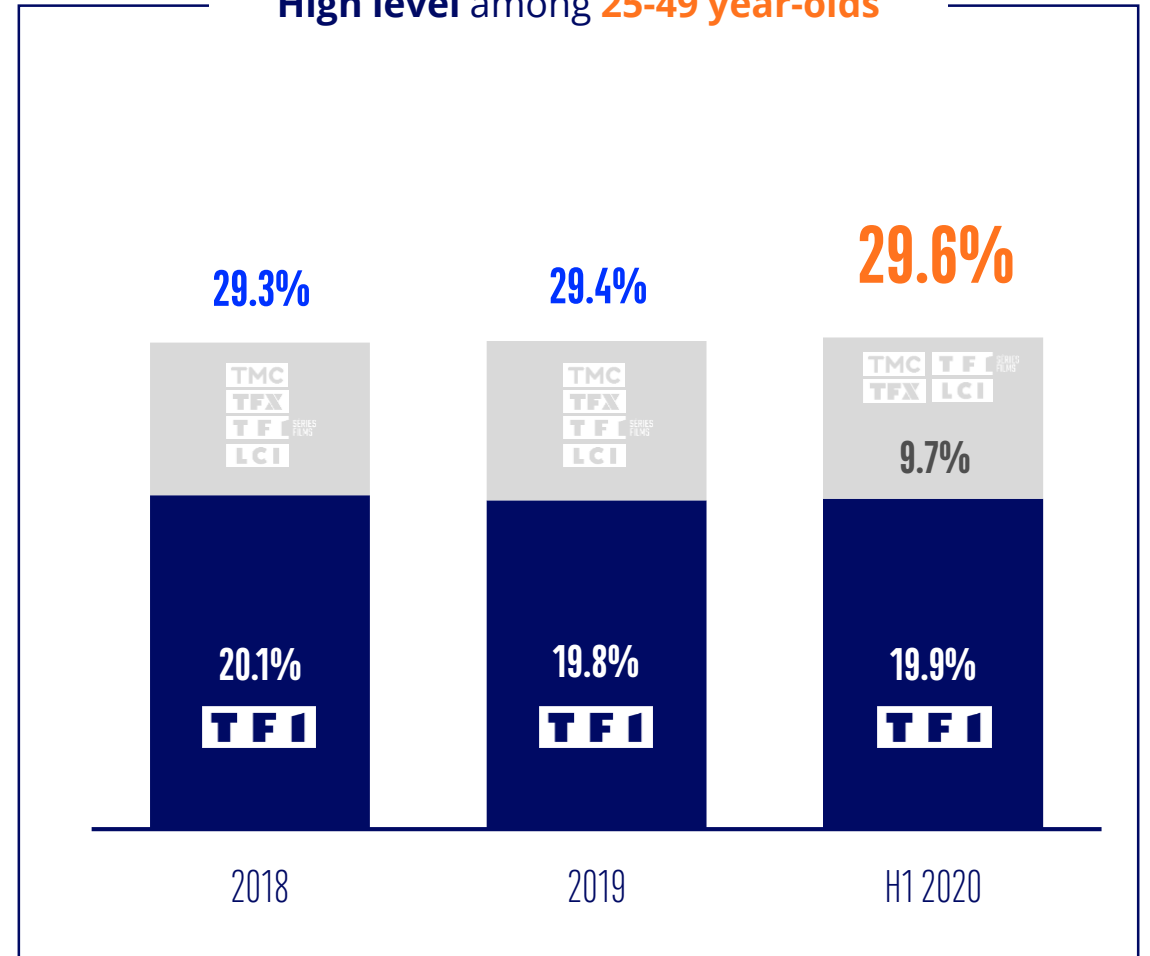
- **Gradual slowdown in the decline of the advertising market** since the beginning of June
- Strategic decision to keep **fresh and premium programming for the last four months of 2020**
- **Strong reactivity from Newen in resuming all shooting** as early as possible
- **Sound financial position with low debt** and access to available bilateral credit facilities

A winning, multi-channel strategy

Clear leader among **W<50PDM**



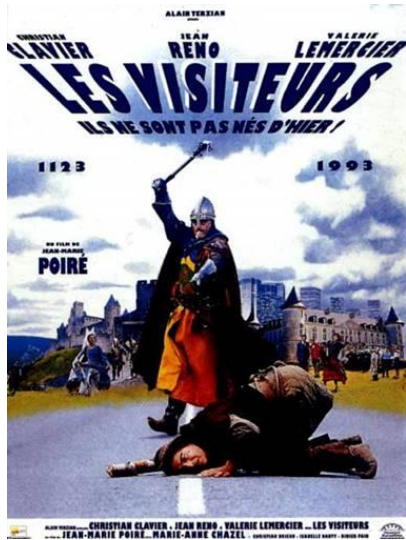
High level among **25-49 year-olds**



The group creates a unique bond through its broad content offer

- High level of TV viewing time since March (3 hrs 56 mins in H1 2020 ; +26min yoy)
- Audience share of Ind. 25-49 y/o remained at a high level in H1 2020 at **29.6 % (stable yoy)**
- High and quick reactivity on the grid management with more **family-oriented programmes**

POPULAR CULT COMEDIES



8.0 million TV viewers
(Ranked no.1 during lockdown
excl. news)

FLAGSHIP ENTERTAINMENT BRANDS



Record season with
6.8 million TV viewers on
average
42% of W<50PDM

INTERNATIONAL FAMILY FRANCHISES



7.2 million TV viewers on
average for the 8 movies
47% of W<50PDM

©Warner Bros Ent. Harry Potter Publishing Rights JK Rowling

ORIGINAL US SERIES



5.2 million TV viewers on
average for the 1st season
35% of W<50PDM

Leadership in news consolidated

- **Daily news shows extended** in order to provide comprehensive and rigorous coverage of the health crisis
- Enhanced **leader status** thanks to TF1's ability to **attract top politicians and health experts**

TF1



6.3m TV viewers on average

+1.3m TV viewers vs H1 2019

TF1



6.7m TV viewers on average

+1.3m TV viewers vs H1 2019

TF1



6.8m TV viewers on average

+1.4m TV viewers vs H1 2019

LCI



1.3% audience share for Ind. aged 4+ (+0.3 pts yoy)

No. 2 news channel for Ind. aged 4+

MYTF1 leadership confirmed, one year after relaunch

- Around **21 million active user accounts**
- **+ 47% video views* on OTT**
- **Catch-up TV enhanced by AVOD offer attracting young people** through successful content like manga *Naruto*, US series *90210* or French soap *Sous le Soleil*



*Sept 2019 to June 2020 vs Sept 2018 to June 2019 – excluding app FAI and news

Significant reduction of the programming costs

- **Revisited formats** for key franchises with **stretched episodes** and **no-public attendance**
- **High number of reruns** both on TF1 and DTT channels
- **Extended daily news shows at no additional cost**
- **Extra supply of movies at an optimized price**



- ✓ **Savings of €107m for the first 6 months of 2020...**
- ✓ **... offsetting 52% of the drop in broadcasting advertising revenues**

Strong reactivity from

T F 1
• • •
P U B

- **Understanding the impacts** of the crisis in the **different sectors**
- **Accompanying our historical clients** during the crisis
- **Attracting new advertisers** (+106 in H1 2020 yoy)
- **Motivating advertisers to return to TV** in the last 4 months of 2020

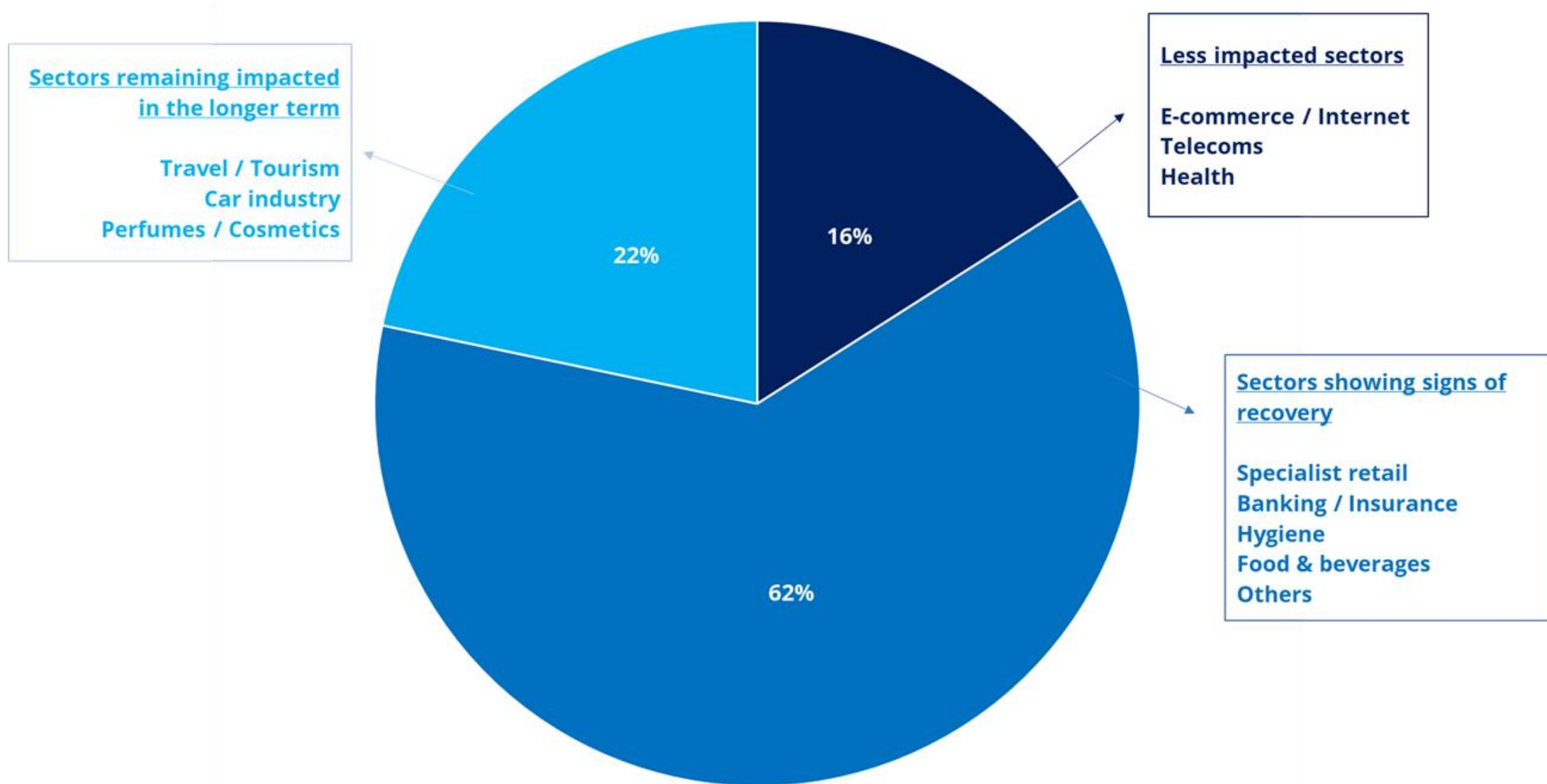


TF1 Pub organized webinars with advertisers to help them during the crisis



New advertisers in H1 2020

After lockdown, a gradual return to TV advertising by sector



Early rebound of Newen activity after lockdown

- **Some shooting continued** with social distancing rules observed (the daily programme *Le Magazine de la santé* and the famous Belgian TV quiz show *Blokken*)
- **Shooting restarted as early as possible** (since mid-May for the 2 French daily soaps *Demain Nous Appartient* and *Plus Belle La Vie*)
- **Book of orders remaining at a high level** at more than **1,500 hours**
- **Additional sales from the TF1 Studio and Reel One catalogues**



Le Magazine de la santé

TELFRENCE

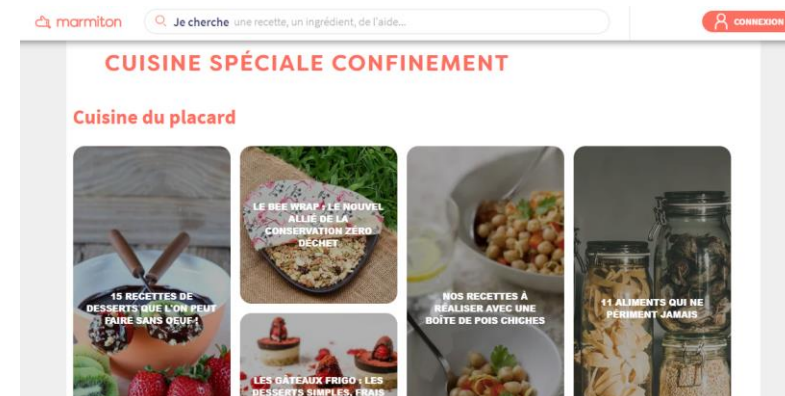


© Fabien Malot

**Shooting restart of
*Demain Nous Appartient***

Strong attractiveness of Unify brands

- **Highly relevant content on the web** with **Doctissimo** on health and **Marmiton** on cooking
 - ✓ 437m visits to Marmiton website in H1 2020; +56% yoy
- **Significant reduction of advertising spend** in digital and programmatic due to the crisis...
- ... but resilience of the social e-commerce business
- **Development of synergies with TF1 channel**
 - ✓ Opportunistic TV advertising campaigns for My Little Box, Gambettes Box and Beautiful Box on TF1
 - ✓ Editorial partnership between News and Doctissimo



The TF1 group has supported a variety of good causes during the health crisis



- **Identifying hospital's urgent needs** and putting together product and service offers from companies
- **Raising funds** to support health workers, patients, vulnerable people and medical research
- **Donating game show gains** to charities involved in **health care, fighting violence against women and food distribution**

NEWS



FREE TV CAMPAIGNS



DEDICATED TV PROGRAMMES



3

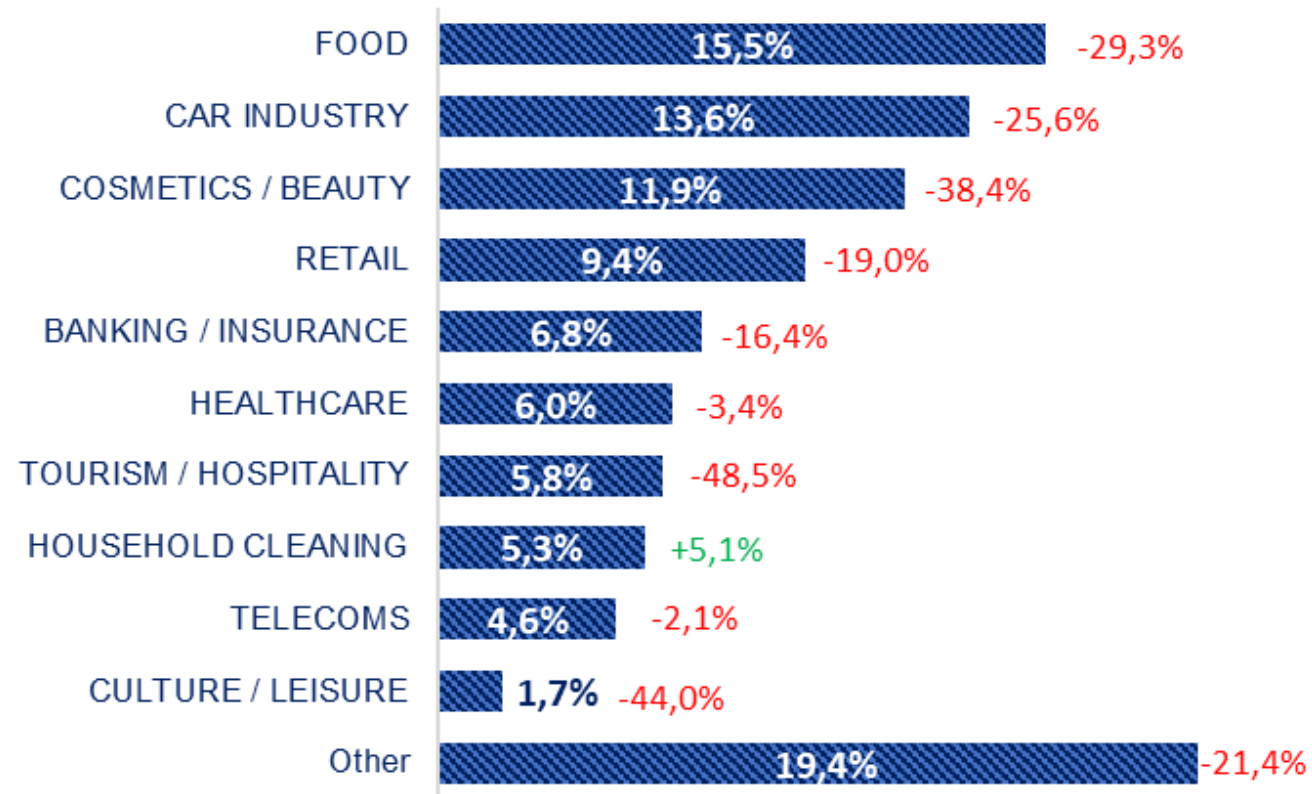
**H1 2020: financial
results**

Consolidated revenue

(€M)	H1 2020	H1 2019	CHG.€M	CHG.%
BROADCASTING	683.3	890.8	(207.5)	-23.3%
<i>ADVERTISING REVENUE</i>	<i>586.1</i>	<i>791.4</i>	<i>(205.3)</i>	<i>-25.9%</i>
<i>OTHER REVENUE</i>	<i>97.2</i>	<i>99.4</i>	<i>(2.2)</i>	<i>-2.2%</i>
STUDIOS & ENTERTAINMENT	131.8	168.8	(37.0)	-21.9%
<i>PRODUCTION / SALE OF AUDIOVISUAL RIGHTS</i>	<i>107.8</i>	<i>110.5</i>	<i>(2.7)</i>	<i>-2.4%</i>
<i>REVENUE FROM GAMES, MUSIC, LIVE SHOWS & HOME SHOPPING</i>	<i>24.0</i>	<i>58.3</i>	<i>(34.3)</i>	<i>-58.8%</i>
UNIFY	68.4	85.6	(17.2)	-20.1%
<i>WEB PUBLISHING (DIGITAL CONTENT, SOCIAL E-COMMERCE)</i>	<i>53.5</i>	<i>67.7</i>	<i>(14.2)</i>	<i>-21.0%</i>
<i>OTHER REVENUE (DIGITAL MARKETING)</i>	<i>14.9</i>	<i>17.9</i>	<i>(3.0)</i>	<i>-16.8%</i>
TOTAL REVENUE	883.5	1,145.2	(261.7)	-22.9%

Excluding the effect of changes in structure, H1 2020 revenues dropped by -22.6%

H1 2020 trends in gross ad spend for TF1 group channels



Source: Kantar media, H1 2020 vs H1 2019. Gross advertising spend (excluding sponsorship) for the 5-free-to-air channels.

Cost of programmes

(€M)	H1 2020	H1 2019	CHG.€M	CHG.%
DRAMA / TV MOVIES / SERIES / PLAYS	-109.0	-150.2	41.2	-27.4%
VARIETY / GAMESHOWS / MAGAZINES	-107.1	-138.2	31.0	-22.5%
NEWS (INCLUDING LCI)	-65.7	-70.2	4.5	-6.4%
MOVIES	-52.3	-55.5	3.2	-5.8%
CHILDREN'S PROGRAMMES	-4.2	-5.3	1.1	-20.8%
SPORTS	-0.5	-26.9	26.3	-98.0%
TOTAL	-338.8	-446.2	107.4	-24.1%

Current operating profit per segment

(€M)	H1 2020	H1 2019	CHG.€M	CHG.%
BROADCASTING	75.9	142.5	(66.6)	-46.7%
<i>MARGIN</i>	<i>11.1%</i>	<i>16.0%</i>	<i>-</i>	<i>-4.9PTS</i>
STUDIOS & ENTERTAINMENT	0.0	17.3	(17.3)	-100.0%
<i>MARGIN</i>	<i>0.0%</i>	<i>10.2%</i>	<i>-</i>	<i>-10.2PTS</i>
UNIFY	(8.1)	3.2	(11.3)	N/A
<i>MARGIN</i>	<i>-</i>	<i>3.7%</i>	<i>-</i>	<i>-</i>
CURRENT OPERATING PROFIT	67.8	163.0	(95.2)	-58.4%
<i>MARGIN</i>	<i>7.7%</i>	<i>14.2%</i>	<i>-</i>	<i>-6.6PTS</i>

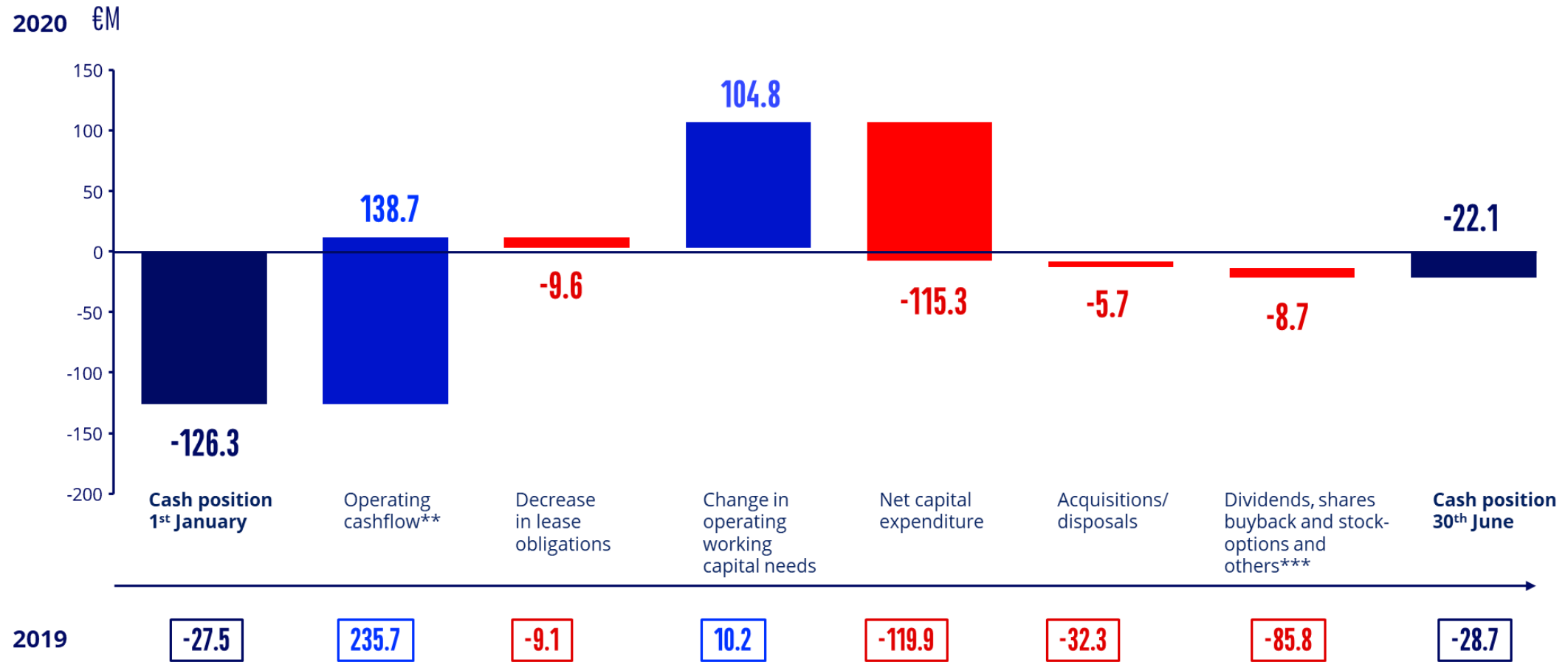
Consolidated income statement

(€M)	H1 2020	H1 2019	CHG.€M	CHG.%
CONSOLIDATED REVENUE	883.5	1,145.2	(261.7)	-22.9%
TOTAL COST OF PROGRAMMES	(338.8)	(446.2)	107.4	-24.1%
OTHER CHARGES, DEPRECIATION, AMORTIZATION, PROVISIONS	(476.9)	(536.0)	59.1	-11.0%
CURRENT OPERATING PROFIT	67.8	163.0	(95.2)	-58.4%
<i>CURRENT OPERATING MARGIN</i>	7.7%	14.2%	-	-6.6PTS
OTHER OPERATING INCOME AND EXPENSES	0.0	0.0	0.0	N/A
OPERATING PROFIT	67.8	163.0	(95.2)	-58.4%
COST OF NET DEBT	(1.4)	(1.0)	(0.4)	40.0%
OTHER FINANCIAL INCOME AND EXPENSES	(5.5)	(3.3)	(2.2)	66.7%
INCOME TAX EXPENSE	(21.8)	(51.2)	29.4	-57.4%
SHARE OF PROFITS / (LOSSES) OF ASSOCIATES	(1.4)	(0.6)	(0.8)	133.3%
NET PROFIT	37.7	106.9	(69.2)	-64.7%
NET PROFIT ATTRIBUTABLE TO THE GROUP	38.4	107.3	(68.9)	-64.2%

Balance sheet

CONSOLIDATED ASSETS (€M)	JUN.30TH 2020	DEC. 31ST 2019	CHG.€M
TOTAL NON-CURRENT ASSETS	1,507.5	1,507.3	0.2
TOTAL CURRENT ASSETS	1,938.7	1,836.8	101.9
TOTAL ASSETS	3,446.2	3,344.1	102.1
CONSOLIDATED LIABILITIES (€M)	JUN.30TH 2020	DEC. 31ST 2019	CHG.€M
TOTAL SHAREHOLDERS' EQUITY	1,591.1	1,564.1	27.0
<i>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP</i>	<i>1,589.5</i>	<i>1,562.4</i>	<i>27.1</i>
TOTAL NON-CURRENT LIABILITIES	402.5	377.5	25.0
TOTAL CURRENT LIABILITIES	1,452.6	1,402.5	50.1
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	3,446.2	3,344.1	102.1
NET DEBT (-) EXCLUDING LEASE OBLIGATIONS	(22.1)	(126.3)	104.2
NET DEBT (-) INCLUDING LEASE OBLIGATIONS	(114.3)	(225.8)	111.5

Trends in net cash position H1 2020 (excluding the impact of IFRS 16*)



(*) Excluding lease obligations

(**) Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid

(***) Including acquisition of financial assets, net change in borrowings and cost of net debt

Covid-19 impacts

- **Negative impact on H1 2020 results**
 - ✓ Total revenue drop of around €250m
 - ✓ EBIT drop of around €100m

- **Low visibility for the coming months**

- **Withdrawal of our objectives for 2020 and 2021**

4 | Outlook

Strong line-up to seize opportunities in back-to-school period

- **New seasons of key franchises:** *Mask Singer, Koh Lanta, etc.*
- **TV premieres for French hit movies and international blockbusters:** *Le Sens de la Fête, A star is born, etc.*
- **Brand new mini series:** *Grand Hotel, HPI, Pourquoi je vis, etc.*
- **New hosts on LCI**

KEY FRANCHISES



@ChristopheChevalin - TF1

2nd season on TF1

FRENCH DRAMA



©Thibault Grabherr /Itinéraire Productions/TF1

HPI, new series on TF1

CINEMA



More than 3 million box office entries

LCI



Darius Rochebin and Eric Brunet

Many new productions in the pipeline for Newen

- **Strong line-up of shooting for H2 2020** with originals like *Grand Hotel* (TF1) and *Opera* (OCS)
- **2 new daily soaps** *Ici tout commence* (TF1) and *Lisa* (VTM) confirming Newen know-how in such format
- **More than 10 production projects for platforms** like the movie *Ferry* and the series *Undercover* (season 2) for Netflix both produced by De Mensen

TELFRENCE



DE
MEN
SEN



© VTM

DE
MEN
SEN



© Nyk Dekeyser

Salto, a platform with local content on an unprecedented scale

The biggest shop window for French creative talent

- **15,000 hours** of content across all genres **from day 1**
- **20,000 hours** by the **end of the year**
- **First-run content** every month
- **Recommendation system** fronted by celebrities and influencers

Commercial launch before end of 2020

- **Platform beta test in July 2020**
- **Launch in fall 2020**

The logo for Salto, featuring the word "SALTO" in a bold, dark blue, sans-serif font. The letters are spaced out, and there is a subtle shadow effect beneath the text.

5 | Appendix

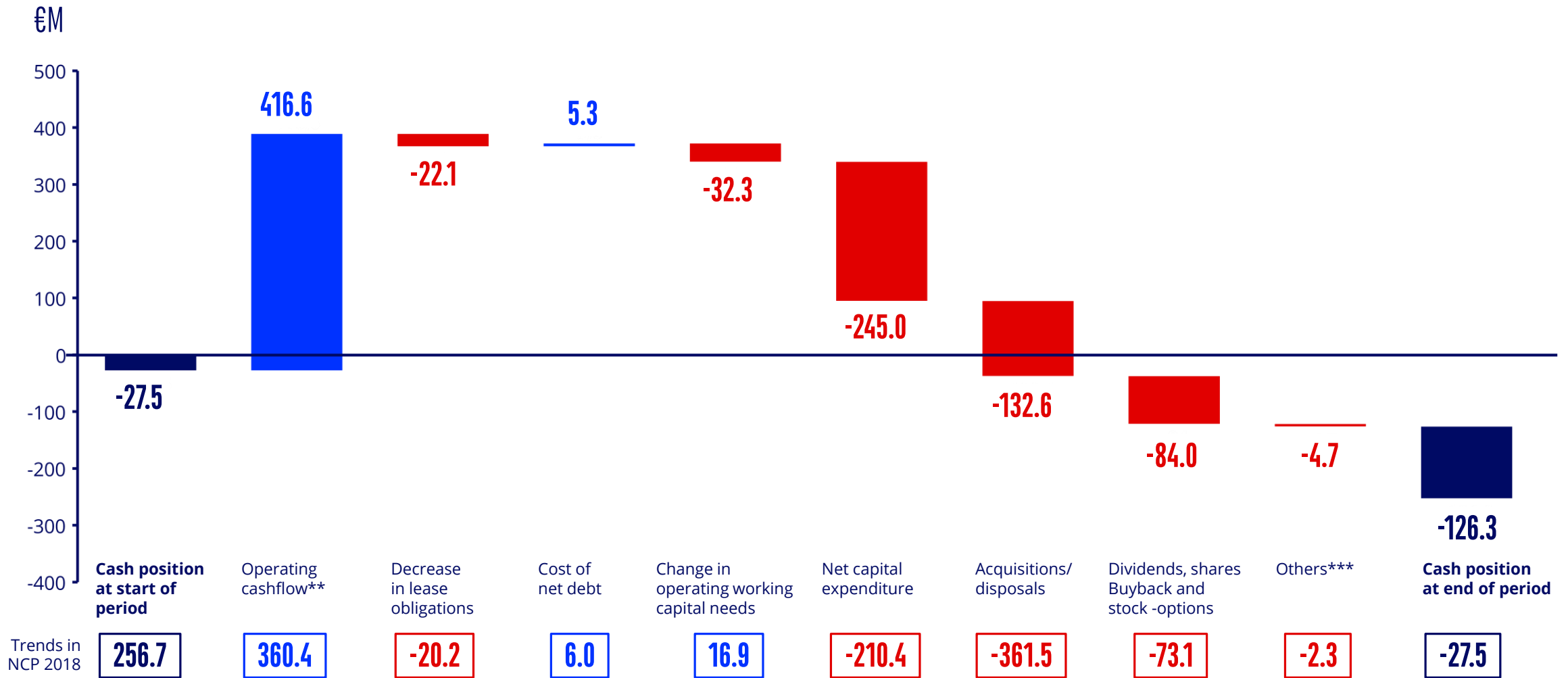
2019: Key results

€m	FY 2019	FY 2018	Chg. €m	Chg. %
Consolidated revenue	2,337.3	2,288.3	49.0	2.1%
<i>TF1 group advertising revenue</i>	1,658.1	1,662.2	(4.1)	-0.2%
<i>Revenue from other activities</i>	679.2	626.1	53.1	8.5%
Consolidated revenue	2,337.3	2,288.3	49.0	2.1%
Broadcasting	1,774.2	1,763.7	10.5	0.6%
<i>o/w Advertising</i>	1,567.4	1,588.2	(20.8)	-1.3%
Studios & Entertainment	390.0	408.6	(18.6)	-4.6%
Digital (Unify)	173.1	116.0	57.1	49.2%
Cost of programmes	(985.5)	(1,014.2)	28.8	-2.8%
Current operating profit	255.1	198.8	56.3	28.3%
Current operating margin	10.9%	8.7%	-	2.2
Broadcasting	185.5	151.0	34.5	22.8%
Studios & Entertainment	57.9	35.5	22.4	63.1%
Digital (Unify)	11.7	12.3	(0.6)	-4.9%
Operating profit	255.1	176.8	78.3	44.3%
Net profit attributable to the Group	154.8	127.4	27.4	21.5%

2019: Cost of programmes

(€M)	FY 2019	FY 2018	CHG.€M	CHG.%
DRAMA / TV MOVIES / SERIES / PLAYS	-331.8	-348.2	(16.4)	-4.7%
VARIETY / GAMESHOWS / MAGAZINES	-271.4	-238.5	32.9	13.8%
FILMS	-148.3	-159.0	(10.8)	-6.8%
NEWS (INCL. LCI)	-134.7	-136.7	(1.9)	-1.4%
SPORTS	-87.4	-118.9	(31.4)	-26.4%
CHILDREN'S PROGRAMMES	-11.8	-13.0	(1.1)	-8.7%
TOTAL	-985.5	-1,014.2	(28.8)	-2.8%

Trends in net cash position 2019 (excluding the impact of IFRS 16*)



*Excluding lease obligations

**Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid

*** Including acquisition of financial assets, net change in borrowings and cost of net debt



Philippe DENERY – CFO
pdenery@tf1.fr

Stéphanie LAVAL – Head of Investor Relations
slaval@tf1.fr

Anais AMGHAR – Investor Relations
aamghar@tf1.fr

IR team
comfi@tf1.fr

TF1
1 Quai du Point du Jour
92 656 Boulogne-Billancourt Cedex
France
<https://www.groupe-tf1.fr/en>