



FY2018 ANNUAL RESULTS

FEBRUARY 15th 2019



GILLES PÉLISSON

CHAIRMAN & CHIEF EXECUTIVE OFFICER

SUMMARY

1. ACCELERATION OF TF1 GROUP'S CORE BUSINESS TRANSFORMATION BOOSTED BY 2 NEW ACTIVITIES

- 1.1 A unique position as a leader in Europe
- 1.2 A new broadcasting business model
- 1.3 Content production (Newen) and digital (Unify): 2 new growth areas
- 1.4 Solid financial structure enhanced by new opportunities

2. 2018, A YEAR OF STRONG IMPROVEMENT THANKS TO AMBITIOUS STRATEGIC MOVES

- 2.1 Activity review
- 2.2 Financial statements
- 2.3 A better return for shareholders

3. OUTLOOK

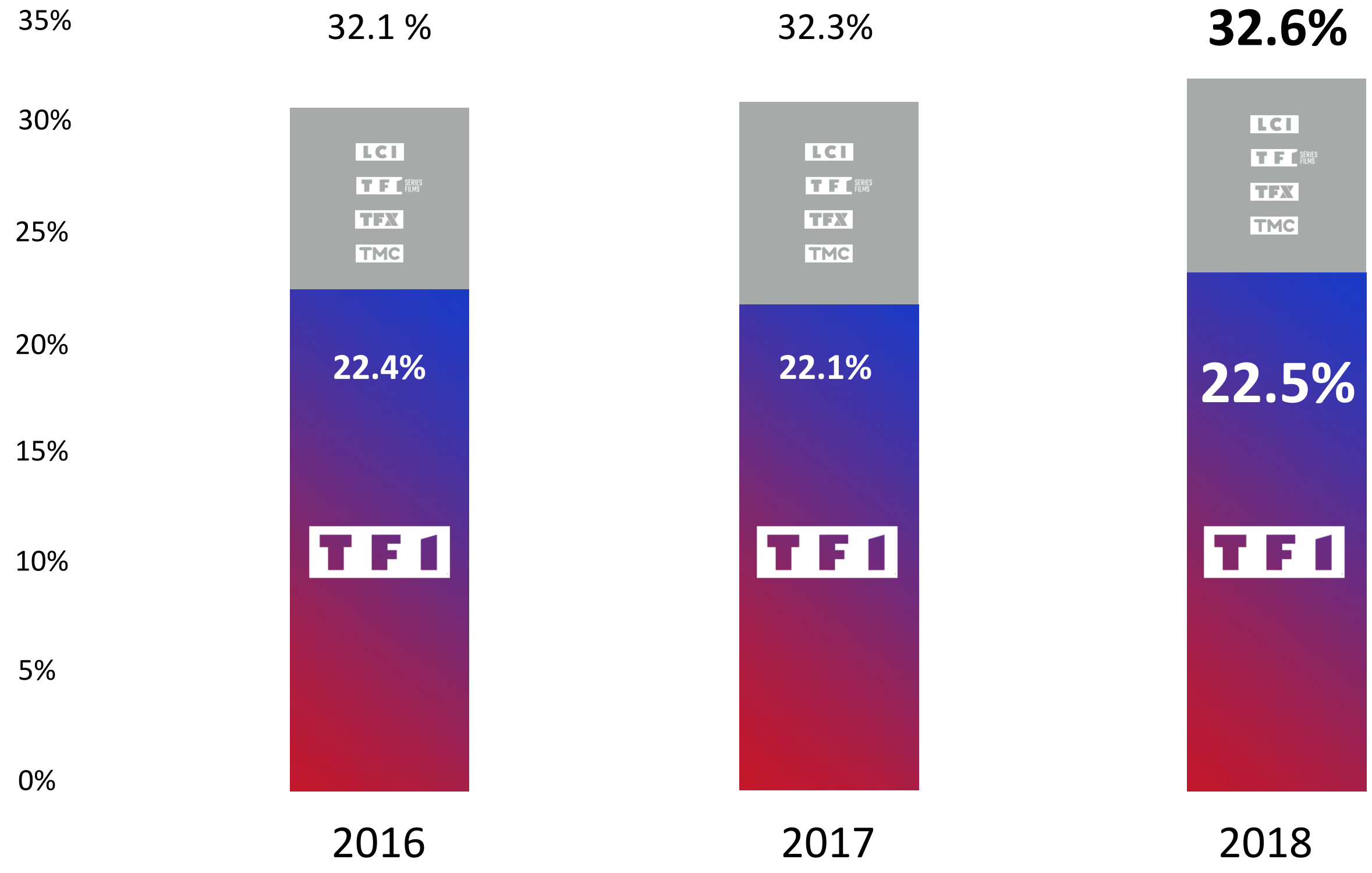
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ACCELERATION OF TF1 GROUP'S CORE
BUSINESS TRANSFORMATION
BOOSTED BY 2 NEW ACTIVITIES

1.1

A UNIQUE POSITION AS A LEADER IN EUROPE

A HIGH GROUP AUDIENCE SHARE OF COMMERCIAL TARGET (≈33% OF THE W<50PDM)
UNRIVALLED REACH OF THE TF1 CHANNEL (> 22% OF AUDIENCE SHARE)



SOURCE: MÉDIAMÉTRIE W<50PDM

UNRIVALLED LEAD IN EUROPE OVER #2

(% audience share of commercial target)



Δ vs
CHALLENGER:

+ 7.5 PT

+3.4 PT

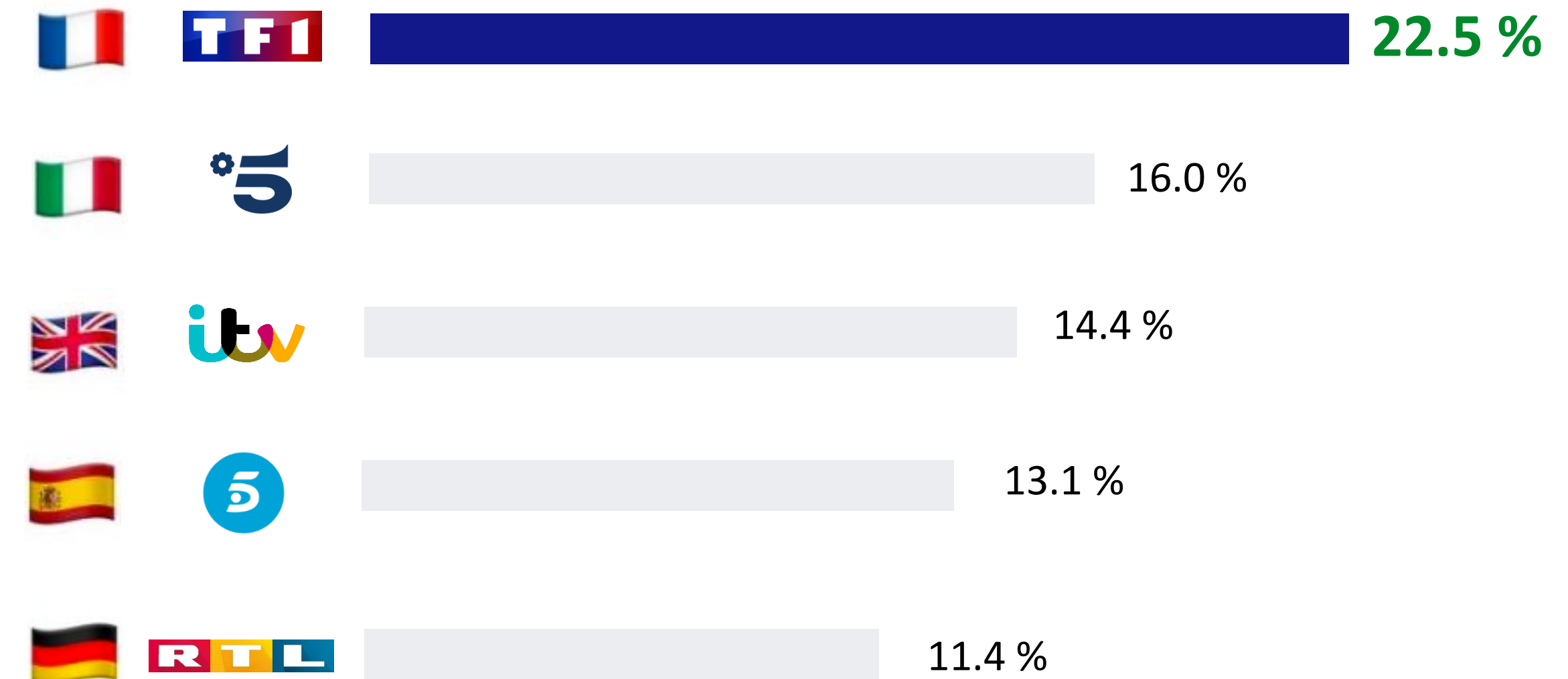
+1.9 PT

+1.3 PT

+1.2 PT

LARGEST MARKET SHARE OF ANY PRIVATE SECTOR EUROPEAN TV CHANNEL

(% audience share of commercial target)



UNIQUE VARIETY OF PREMIUM CONTENT: 91 OUT OF 100 BEST RATINGS

Success in all genres: French drama, News, Entertainment, Sport, Movies, US Series

Capacity to attract new talents (eg: A. Chabat *Burger Quiz*, C. Combal *QVGDM*)

Continuous innovation in content: 27 new brands were launched in 2018 with a high success rate

FRENCH DRAMA

#1 – 42/50
BEST RATINGS IN 2018

NEWS

#1 – 48/50
BEST RATINGS IN 2018

ENTERTAINMENT

#1 – 43/50
BEST RATINGS IN 2018

SPORT

#1 – 42/50
BEST RATINGS IN 2018

MOVIES

#1 – 43/50
BEST RATINGS IN 2018

US SERIES

#1 – 49/50
BEST RATINGS IN 2018



ACHIEVING A MORE BALANCED PORTFOLIO BY BOOSTING THE MODEL WITH CONTENT PRODUCTION AND DIGITAL

NEWEN
CONTENT PRODUCTION

TV
BROADCASTING

unify
DIGITAL

DRAMA

FTA CHANNELS

PUBLISHERS

THEME CHANNELS

DOCUMENTARIES

ANIMATION

BRAND SOLUTION AND SERVICES

OTHER BROADCASTING ACTIVITIES

ENTERTAINMENT

TALK SHOWS

SOCIAL MEDIA E-COMMERCE

OTHER ENTITIES

OTHER ENTITIES

1.2


A NEW BROADCASTING BUSINESS MODEL

THE FRENCH TV SECTOR COULD BENEFIT FROM MORE CONSOLIDATION

Potentially, a positive change in the competitive environment

- 2 channels (France 4 and France Ô) to be switched off by mid 2020
- Buy-out of Lagardère channels by M6

FRANCE IS STILL UNDERINVESTED IN TV ADVERTISING

AD TV MARKET (PER INHABITANT)	2018e
	78£
	67€
	56€
	51€
	45€

OUR KNOW-HOW: BUILDING A UNIQUE MOMENTUM TO PULL IN MORE VIEWERS BOTH LINEAR AND NON-LINEAR...

OUTSTANDING CONTENT

Exclusive content

Unique rendez-vous



FRESH & LOCAL

Must-see prime-time French Drama

Renewal of the established franchises

ATTRACTIVE SPORTING EVENTS

4 World Cups to come in 2019



...TO GENERATE MORE ADVERTISING OPPORTUNITIES

1/ MORE NON-LINEAR CONSUMPTION IMPLIES NEW DIGITAL AD INVENTORIES

2/ ATTRACTING NEW ADVERTISERS

EXPANSION OF THE CLIENT BASE IN 2018: 233 NEW CLIENTS NOW OVER 1,000 CLIENTS IN TOTAL

DIVERSIFICATION OF THE CLIENT BASE: FOCUS ON SMALL AND MEDIUM ENTREPRISES
Through a simplified and disintermediated selling process (La Box Entreprises)



ONLINE GIANTS SPEND MORE & MORE ON TV ADVERTISING
+20% / year on average 2016-2018



A NEW BUSINESS MODEL

1/ BUILDING ON THE LINEAR TV AD MARKET

2/ NEW INCREMENTAL REVENUES STREAMS:

➤ NON LINEAR AD REVENUES
+20% / year on average 2016-2018

➤ NEW REVENUES FROM OPERATORS

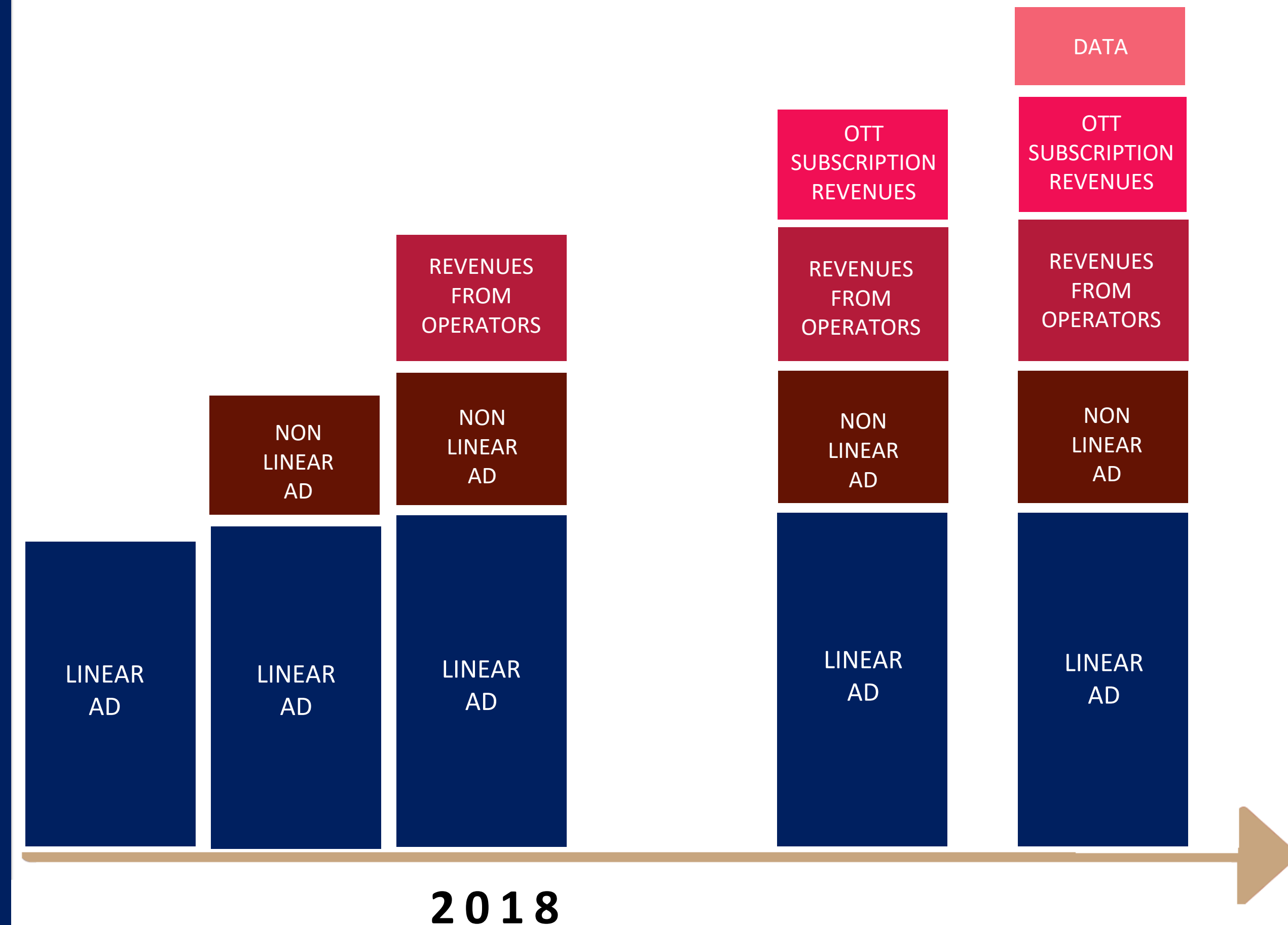
THESE REVENUES WILL DELIVER:

- More growth
- More profitability
- Less dependency on TV ad market
- A better TV experience!

3/ OVER THE NEXT FEW YEARS, REVENUES SHOULD INCREASE WITH

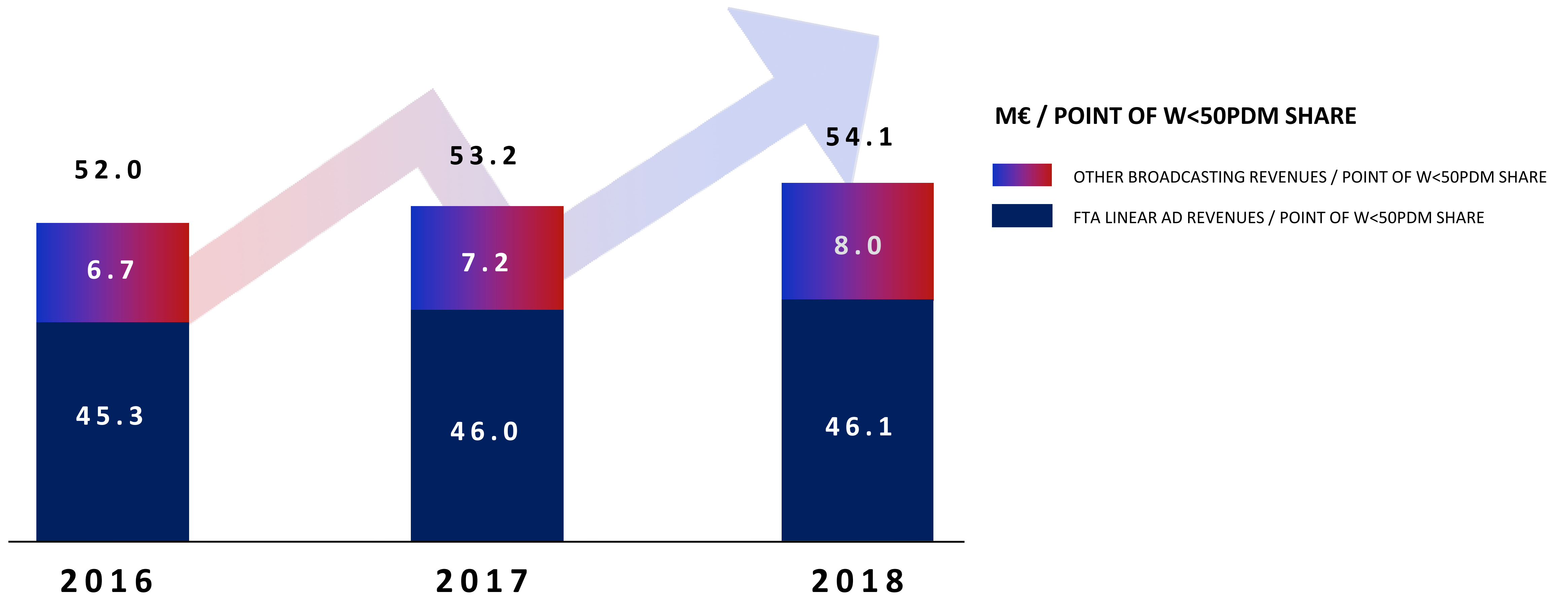
- OTT SUBSCRIPTION REVENUES
- MONETIZATION OF DATA

WE KEEP ON TRANSFORMING OUR MODEL



THIS IS ALREADY HAPPENING

Monetization of our content is already increasing



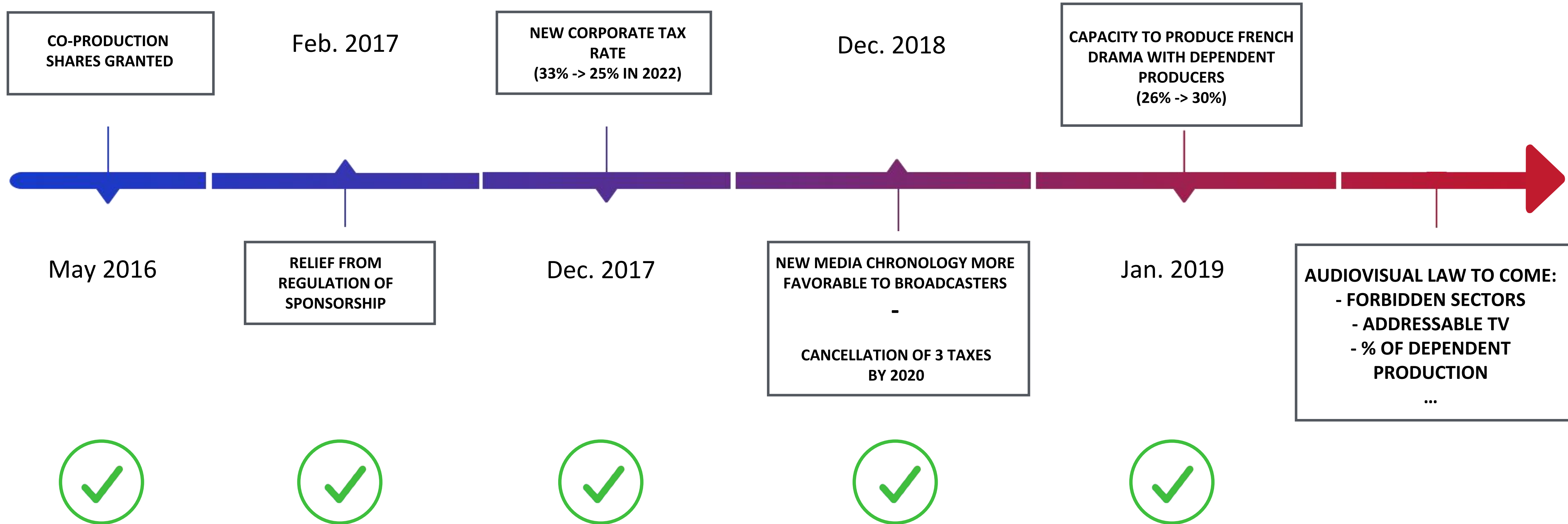
A NEW DYNAMIC FOR THE BROADCASTING TOPLINE

BROADCASTING SEGMENT (M€)	2016	2017	2018	CAGR 16-18
FTA LINEAR AD REVENUES	1,455	1,485	1,502	+1.6%
OTHER REVENUES	215	233	262	+10.5%
TOTAL REVENUES	1,670	1,718	1,764	+2.8%
COST OF PROGRAMMES	1,007	984	1,014	
CURRENT EBIT	88	143	150	
<i>CURRENT EBIT %</i>	5.2%	8.3%	8.5%	

- OTHER BROADCASTING REVENUES (NON LINEAR AD + OPERATORS REV.) GROWING 10.5%/YEAR ON AVERAGE
- TOTAL BROADCASTING REVENUES GROWING 2.8%/YEAR ON AVERAGE
- BETTER CIRCULATION OF PROGRAMMES COMBINED WITH RENEGOTIATIONS FACILITATE CONTROL OF PROGRAMMING COSTS
- AN IMPROVING MARGIN RATE OF THE BROADCASTING SEGMENT

NOTHING CHANGING IN FRANCE ?

POSITIVE IMPACTS OF CHANGES IN REGULATION MAKING US CONFIDENT FOR THE FUTURE



1.3

CONTENT PRODUCTION (NEWEN) AND DIGITAL (UNIFY) 2 NEW GROWTH AREAS

TF1 GROUP TO OPERATE ALONG THE WHOLE VALUE CHAIN FROM CONTENT PRODUCTION TO DIGITAL

THOSE 2 ACTIVITIES:

- ARE ALREADY DOUBLE-DIGIT PROFITABLE**
- SHOULD BE ACCRETIVE IN THE MEDIUM TERM**
- ARE SHOWING SOLID ORGANIC GROWTH,
WITH STRONG POTENTIAL FOR EXTERNAL GROWTH**
- ARE GLOBALLY SCALABLE**



NEWEN ADDITIONAL GROWTH OPPORTUNITIES

MORE THAN EVER, CONTENT IS KING

A VARIABLE COST MODEL

**LONGER ECONOMIC CYCLES (C.18 MONTHS):
MORE VISIBILITY THROUGH BACKLOG MANAGEMENT**

EXPANSION AND DIVERSIFICATION OF THE CLIENT BASE

GEOGRAPHICAL EXPANSION





A NEW GROWTH AREA

WITH A PRESENCE IN 10 COUNTRIES AND MORE THAN 100M UV EVERY MONTH,
THE UNIFY OFFER HAS REACHED A SIGNIFICANT SIZE

DIVERSIFICATION OF REVENUE STREAMS:

➤ DATA & TECHNO

A step ahead with programmatic



➤ SUBSCRIPTION MODEL WITH SOCIAL E-COMMERCE

Low churn rate

Global scalability



ADVERTISING SALES SYNERGIES BETWEEN UNIFY AND OUR TV ACTIVITIES



1.4

A SOLID FINANCIAL STRUCTURE ENHANCED BY NEW OPPORTUNITIES

1/ IMPROVING OUR PROFITABILITY

DOUBLE-DIGIT PROFITABILITY TARGET AS OF 2019 REITERATED

2/ A ROBUST BALANCE SHEET

STRONG CASH FLOW GENERATION

M €	2016	2017	2018
NET CASH GENERATED BY OPERATING ACTIVITIES	229	269	363

LOW NET INDEBTEDNESS (27.5M€ AT END 2018) AND HIGH LEVERAGE CAPACITY (1Bn€ UNUSED CREDIT LINES)

3/ CONSISTENT DIVIDEND DISTRIBUTION: [60%-80%] OF NET PROFIT

- **2018: 65% OF THE NET PROFIT (LAST 10 YEARS AVERAGE FOR THE ORDINARY DIVIDEND)**
- **0.40€ (+14% VERSUS 2017)**

4/ A RATIONAL MANAGEMENT OF ASSETS

- **DISPOSALS: AB GROUP, DVD ACTIVITY, TEleshopping (HOME SHOPPING BUSINESS)***
- **STRONG TRACK RECORD OF ACQUISITIONS FOR:**
 - **NEWEN: TUVALU, NIMBUS, PUPKIN**
 - **UNIFY: AUFEMININ, DOCTISSIMO, VERTICAL STATION, GAMMED!, MAYANE, TF1 DIGITAL FACTORY, STUDIO71**

5/ BBB+ RATING

- **S&P: BBB+ RATING WITH UPGRADE OF THE OUTLOOK FROM "NEGATIVE" TO "STABLE" (JUNE 2018)**

2

2018, A YEAR OF STRONG IMPROVEMENT
THANKS TO AMBITIOUS STRATEGIC MOVES

2.1 ACTIVITY REVIEW

2018: A GAME-CHANGING YEAR

REVENUES FROM OPERATORS

DEALS SIGNED WITH THE 4 TELCOS & CANAL+



SALTO*

AN OTT PLATFORM TO BE DEVELOPED JOINTLY
WITH FRANCE TÉLÉVISIONS AND M6 GROUP



NEWEN

ACQUISITION OF REMAINING 30% OF NEWEN
TO ACCELERATE DEVELOPMENT

EUROPEAN EXPANSION:
NIMBUS / PUPKIN



unify

ACQUISITIONS:
AUFEMININ DOCTISSIMO / GAMNED!

REUNITED UNDER THE UNIFY NAME

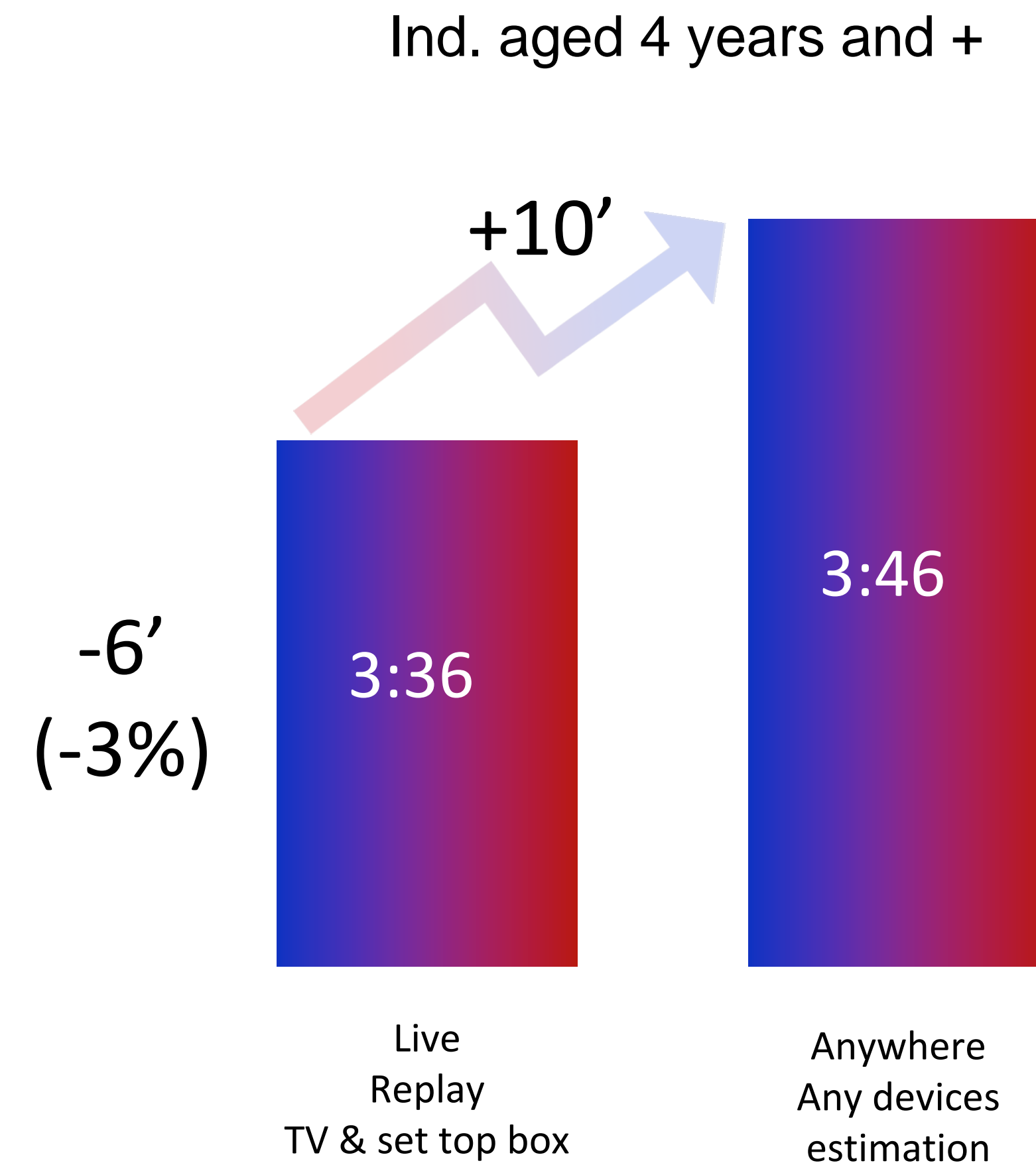


WELL POSITIONED IN EUROPE, FOR DAILY VIEWING



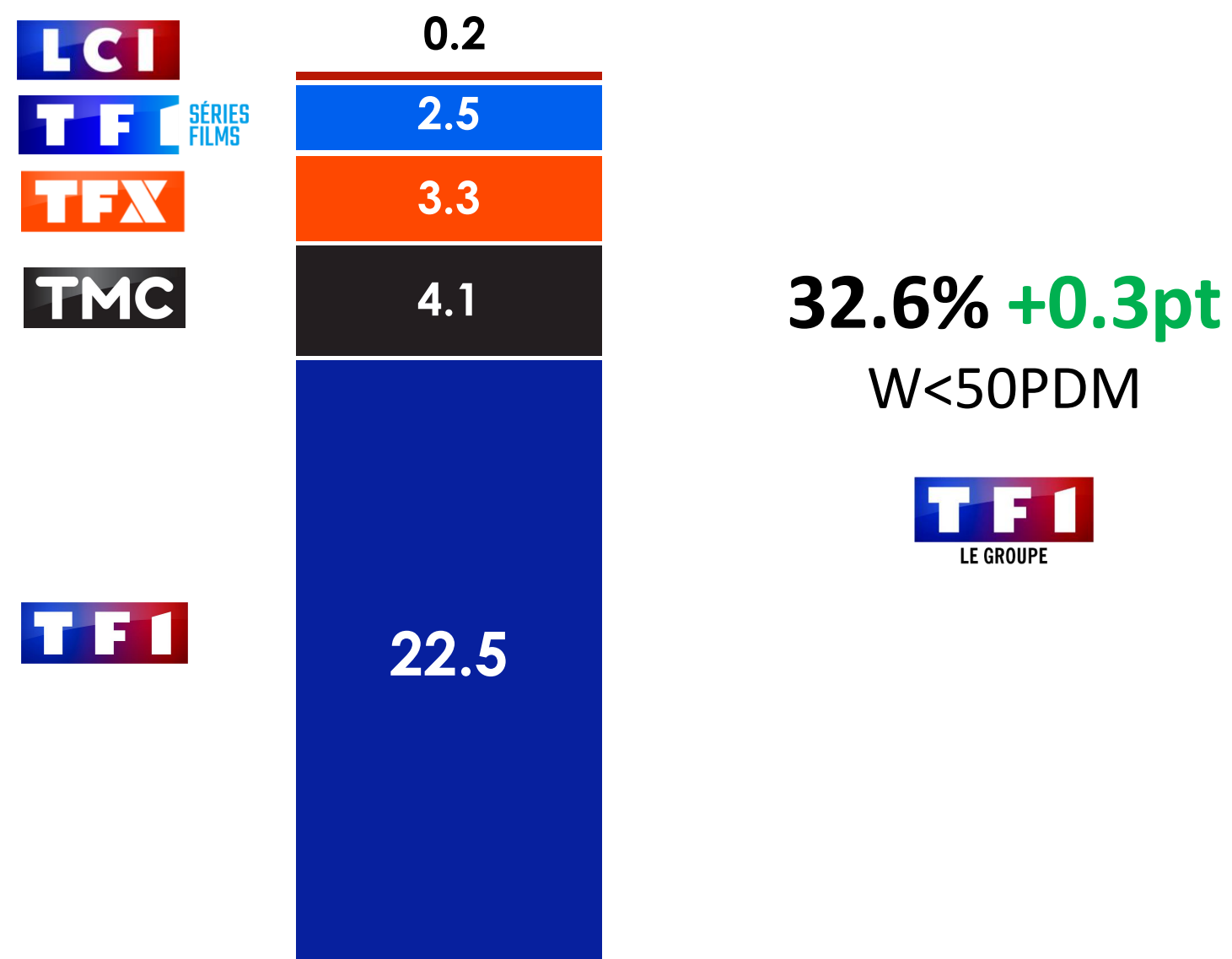
NEW CONSUMPTION HABITS SOON CONSOLIDATED IN RATINGS

2020: Ratings measurement will reflect the real consumption (anywhere, any devices)



HIGH GROUP AUDIENCE SHARE OF COMMERCIAL TARGETS: 32.6% OF W<50PDM

2018 RATINGS FOR W<50PDM



- POSITIVE TREND FOR TF1 CHANNEL OVER THE LAST 3 YEARS
- BEST AUDIENCE SHARE SINCE 2015
- INCREASED LEAD OVER MAIN PRIVATE COMPETITOR (+17% W<50PDM)
- LEADER ON 25-49 (+ 0.2 PT ; 20.1% => + 6.8 PT OVER #2 13.3% ; -0.3 PT)
- SUCCESSFUL LAUNCHES IN EVERY GENRE


A CLEAR LEADER IN DTT: 10.1% OF W<50PDM IN 2018




#1 DTT CHANNEL
4.1% AUDIENCE SHARE OF W<50PDM
(STABLE YOY)
24 OUT OF 50 BEST DTT RATINGS
SUCCESSFUL PRIME-TIME RELAUNCH
BURGER QUIZ




UP TO 2.3m TV VIEWERS
(INCLUDING 20% ON CATCH-UP)



#3 DTT CHANNEL FOR W<50PDM
#2 DTT CHANNEL FOR YOUNG AUDIENCE
GOOD RATINGS FOR REALITY SHOWS LIKE
BEAUTY MATCH



13% ON IND. 15-34



#2 BEST AUDIENCE SHARE INCREASE
2.5% AUDIENCE SHARE OF W<50PDM
(+0.3 PT YOY)
18 OUT OF 20 BEST DTT HD RATINGS



HANDMAID'S TALE
1.2m TV VIEWERS



#2 NEWS CHANNEL
AUDIENCE SHARE OF 1.5%
IN DEC.18 ON 4+



GILETS JAUNES:
LA GRANDE EXPLICATION
UP TO 1.1m TV VIEWERS

“DIRECT TO CONSUMER” STRATEGY FOR A PERSONALISED TV EXPERIENCE



MYTF1 1,4BN VV
+9% YoY

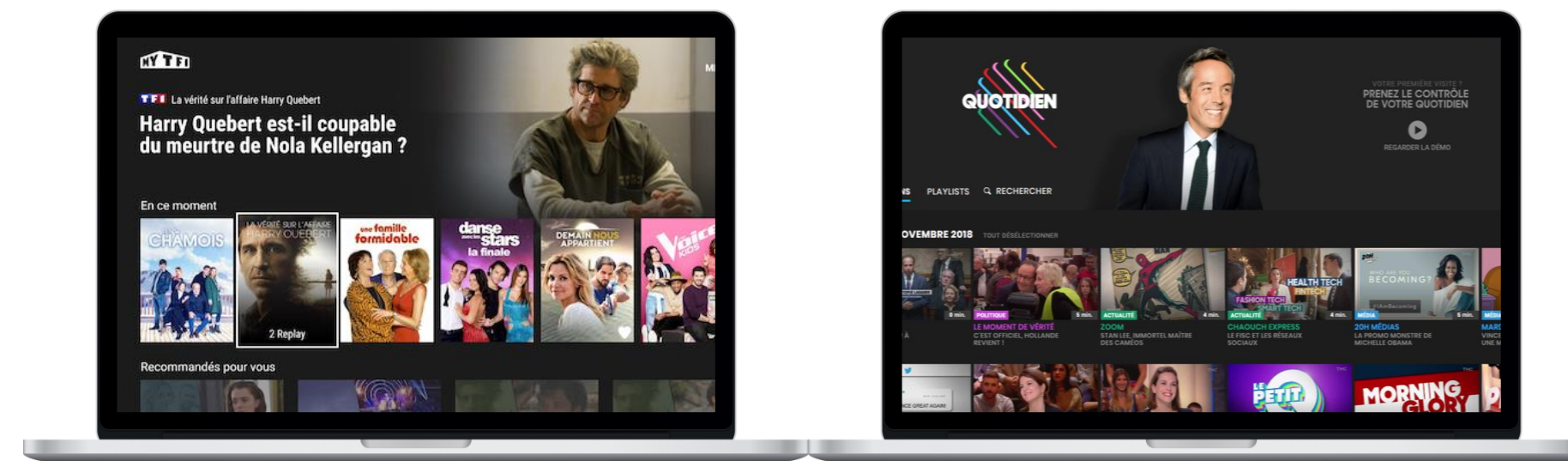
RECORD AUDIENCES FOR MYTF1 IN 2018

NEW MYTF1 EXPERIENCE LAUNCHED IN 2019

TOWARDS A FULL RANGE OF USER EXPERIENCES AND BUSINESS MODELS



LEADER ON IPTV
LEADER ON OTT MULTI SCREENS
23 M LOGIN



VIA ISP ROUTERS
VIA OTT

EXPERIENCE CUSTOMIZATION



OTT

- REPLAY
- SNACKING

AD SALES



PREMIUM

ADDITIONAL SERVICES

- BINGE
- START-OVER
- EXCLUSIVITIES

REVENUS FROM OPERATORS AND AD SALES

NEWEN

1/ THE ONLY PRODUCER IN THE FRENCH MARKET DELIVERING
TWO HIGH-PERFORMING DAILY SOAPS

UP TO 8M TV VIEWERS EVERY EVENING

2/ THE ONLY PRODUCER IN THE FRENCH MARKET TO WORK ON SERIES
FOR INTERNATIONAL PLATFORMS

OSMOSIS FOR NETFLIX TO BE DELIVERED Q1 2019

MORES FOR NETFLIX (PUPKIN) TO BE DELIVERED Q3 2019

3/ GOOD PERFORMANCE IN 2018 AND VERY PROMISING FORECASTS
INCREASED ACTIVITY (>10%) IN 2018 THANKS TO:

- FULL YEAR IMPACT OF THE DAILY SOAP *DNA* PRODUCED FOR TF1
- BUSINESS WITH NEW CLIENTS INCLUDING INTERNATIONAL PLATFORMS
- INCREASE IN REVENUES GENERATED BY OUR ANIMATION STUDIO (BLUE SPIRIT)
- FIRST IMPACTS OF EXTERNAL GROWTH (PUPKIN)
- MORE VISIBILITY FOR 2019 AND BEYOND WITH A BACKLOG OF C.1,000 HOURS



OTHER STUDIOS & ENTERTAINMENT ACTIVITIES

GOOD PERFORMANCE
IN MUSIC BUSINESS AND SHOWS

DISAPPOINTING PERFORMANCES
FOR TF1 STUDIO
- WEAKER LINE-UP IN 2018 VS 2017
- DECLINE IN DVD SALES

HELD-FOR-SALE
OPERATIONAL ACTIVITIES



Unify now unites our digital companies around 3 activities with strong brands

PUBLISHERS

aufeminin

sofeminine

enfemenino

gofeminin

alfemminile

LIVINGLY media

MY LITTLE PARIS

Doctissimo NEW

Onmeda

Beauté test

netmums.com

PAROLE DE MAMANS

c|net

LES NUMERIQUES

ZDNet

gamekult

marmiton

BRAND SOLUTIONS AND SERVICES

Ykone

MAGNETISM

STUDIO7

vertical station

GAMNED! PROGRAMMATIC ADVERTISING NEW

TF1 DIGITAL FACTORY

SOCIAL MEDIA E-COMMERCE

MY LITTLE PARIS

joyce.fr

Gretel Encas de bonheur

Beautiful Box BY AUFEMININ



PHILIPPE DENERY

EXECUTIVE VP FINANCE & PROCUREMENT

2.2 FINANCIAL STATEMENTS

FY 2018 CONSOLIDATED REVENUE

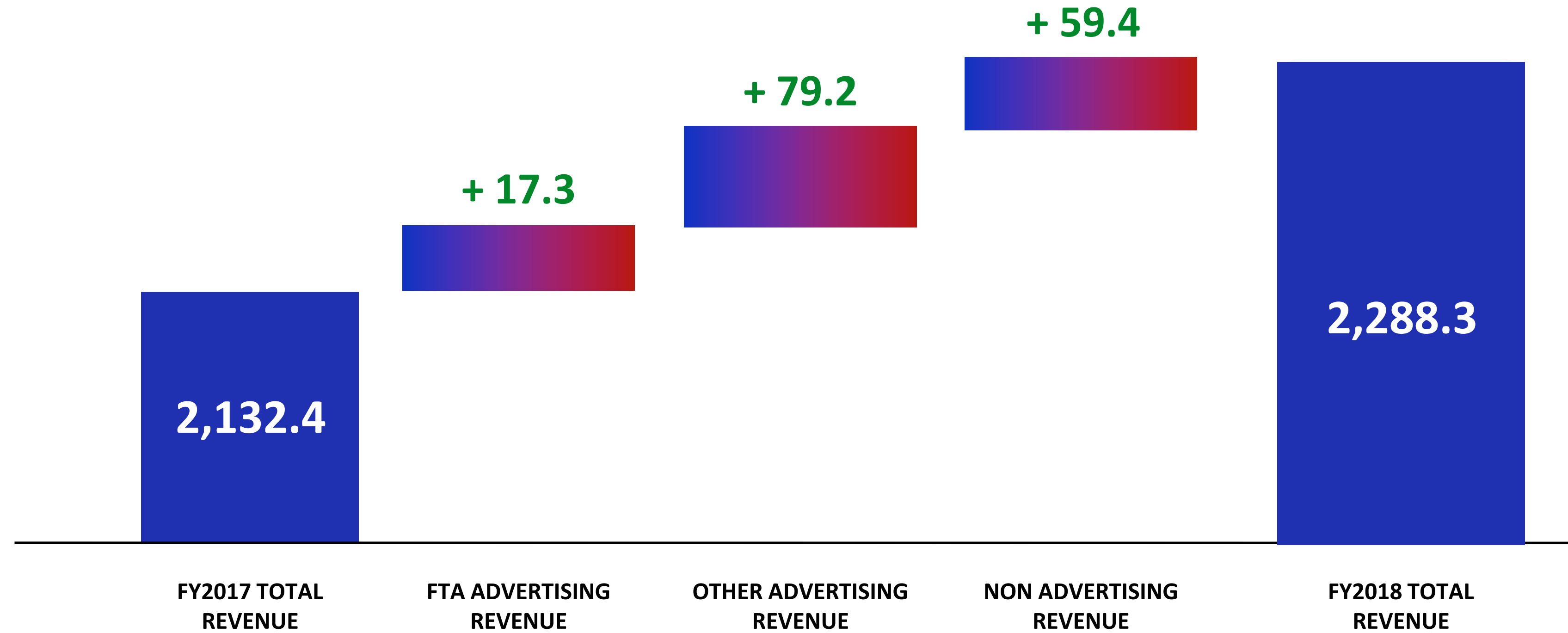
M€	FY2018	FY2017	VAR.M€	VAR.%
BROADCASTING	1,763.7	1,717.6	46.1	2.7%
TV ADVERTISING ON FREE-TO-AIR CHANNELS	1,501.9	1,484.6	17.3	1.2%
STUDIOS & ENTERTAINMENT	408.6	414.8	(6.2)	-1.5%
DIGITAL*	116.0	-	116.0	N/A
TOTAL REVENUE	2,288.3	2,132.4	155.9	7.3%

*INCLUDING AUFEMININ GROUP CONSOLIDATED SINCE MAY 2018

EXCLUDING THE EFFECT OF CHANGES IN STRUCTURE, FY2018 REVENUE GROWTH IS +1.9%.

TRENDS IN CONSOLIDATED REVENUE

M€



*Revenue excl. FTA advertising revenue = 786.4M€
(34% of the FY2018 total revenue vs 30% in 2017)*



ADVERTISING REVENUE = 1,662.2M€ (+6.2%)

COST OF PROGRAMMES FOR THE 5 FTA CHANNELS

M€	FY2018	FY2017	VAR.M€	VAR.%
VARIETY / GAMESHOWS / MAGAZINES	238.5	273.9	(35.4)	-12.9%
DRAMA / TV MOVIES / SERIES / PLAYS	348.2	325.2	23.0	7.1%
SPORTS (EXCL.MAJOR SPORTING EVENTS)	47.1	59.2	(12.1)	-20.4%
NEWS (INCL. LCI)	136.7	142.5	(5.8)	-4.1%
FILMS	159.0	169.0	(9.9)	-5.9%
CHILDREN'S PROGRAMMES	13.0	14.2	(1.2)	-8.6%
TOTAL EXCL. SPORTING EVENTS	942.5	983.9	(41.4)	-4.2%
MAJOR SPORTING EVENTS	71.7	-	71.7	-
TOTAL INCL. SPORTING EVENTS	1,014.2	983.9	30.3	3.1%

INCOME STATEMENT

M€	FY2018	FY2017	VAR.M€	VAR.%
CONSOLIDATED REVENUE	2,288.3	2,132.4	155.9	7.3%
TOTAL COSTS OF PROGRAMMES	(1,014.2)	(983.9)	(30.3)	3.1%
OTHER CHARGES, DEPRECIATION, AMORTIZATION, PROVISION	(1,078.4)	(962.8)	(115.6)	12.0%
CURRENT OPERATING PROFIT	195.7	185.7	10.0	5.4%
<i>CURRENT OPERATING MARGIN</i>	<i>8.6%</i>	<i>8.7%</i>	-	<i>-0.1PT</i>
OTHER OPERATING INCOME AND EXPENSES	(22.0)	(23.3)	1.3	-5.6%
OPERATING PROFIT	173.7	162.4	11.3	7.0%
COST OF NET DEBT	(2.0)	(1.5)	(0.5)	33.3%
OTHER FINANCIAL INCOME AND EXPENSES	4.9	6.3	(1.4)	-22.2%
INCOME TAX EXPENSE	(48.3)	(44.8)	(3.5)	7.8%
SHARE OF PROFITS / (LOSSES) OF ASSOCIATES	0.2	14.2	(14.0)	N/A
NET PROFIT FROM CONTINUING OPERATIONS	128.5	136.6	(8.1)	-5.9%
POST-TAX PROFIT FROM DISCONTINUED/HELD-FOR-SALE OPERATIONS	-	-	-	-
NET PROFIT	128.5	136.6	(8.1)	-5.9%
NET PROFIT ATTRIBUTABLE TO THE GROUP	127.9	136.3	(8.4)	-6.2%
ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.6	0.3	0.3	N/A

CURRENT OPERATING PROFIT PER SEGMENT

M€	FY2018	FY2017	VAR.M€	VAR.%
BROADCASTING	149.8	143.3	6.5	4.5%
<i>MARGIN</i>	<i>8.5%</i>	<i>8.3%</i>	<i>-</i>	<i>+0.2PT</i>
STUDIOS & ENTERTAINMENT	33.8	42.4	(8.6)	-20.3%
<i>MARGIN</i>	<i>8.3%</i>	<i>10.2%</i>	<i>-</i>	<i>-1.9PT</i>
DIGITAL*	12.1	-	12.1	N/A
<i>MARGIN</i>	<i>10.4%</i>	<i>-</i>	<i>-</i>	<i>-</i>
CURRENT OPERATING PROFIT	195.7	185.7	10.0	5.4%
<i>MARGIN</i>	<i>8.6%</i>	<i>8.7%</i>	<i>-</i>	<i>-0.1PT</i>

*INCLUDING AUFEMININ SINCE MAY 2018

BALANCE SHEET

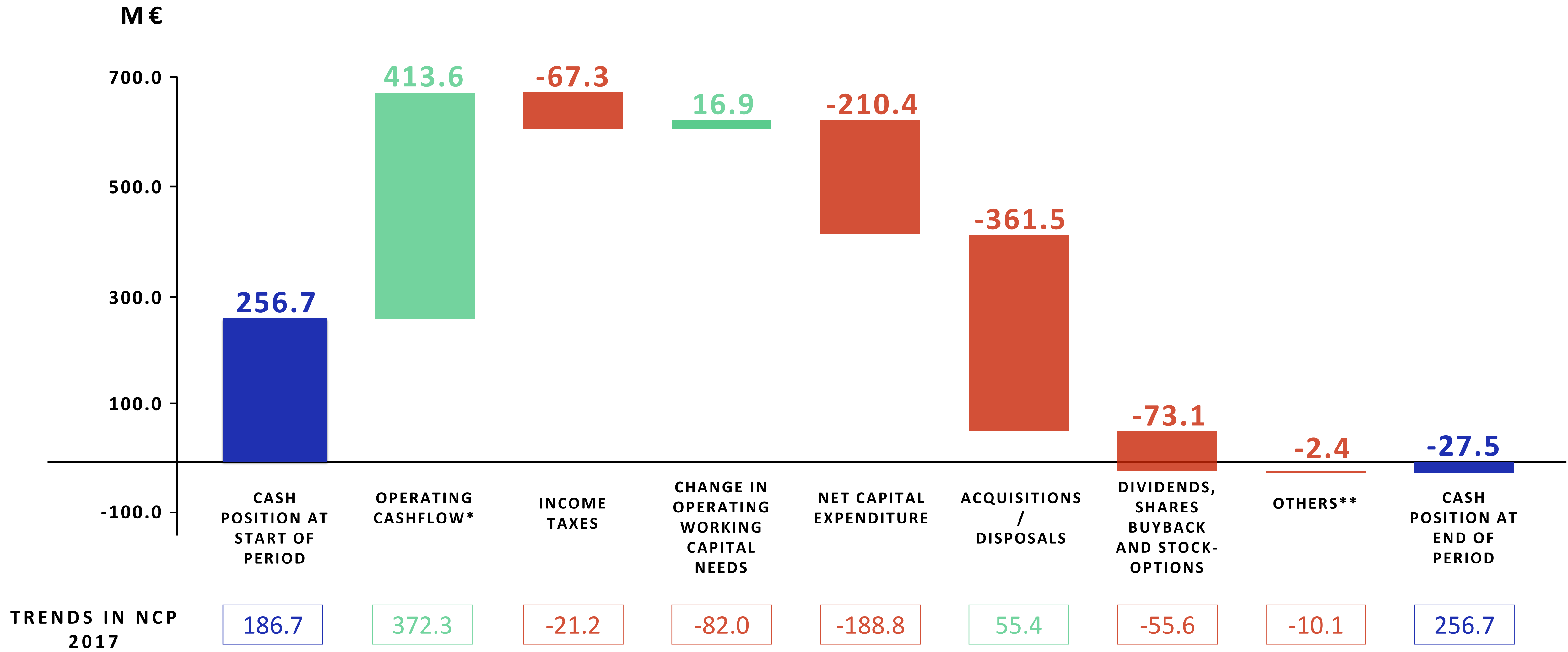
CONSOLIDATED ASSET (M€)

	DEC. 31ST 2018	DEC. 31ST 2017	VAR.M€
TOTAL NON-CURRENT ASSETS	1,357.2	1,068.9	288.3
TOTAL CURRENT ASSETS	1,799.9	2,327.9	(528.0)
TOTAL ASSETS	3,157.1	3,396.8	(239.7)
NET CASH(+) / NET DEBT (-)	(27.5)	256.7	(284.2)

CONSOLIDATED LIABILITIES (M€)

	DEC. 31ST 2018	DEC. 31ST 2017	VAR.M€
TOTAL SHAREHOLDERS' EQUITY	1,578.6	1,587.4	(8.8)
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	1,576.0	1,587.5	(11.5)
TOTAL NON-CURRENT LIABILITIES	213.4	311.0	(97.6)
TOTAL CURRENT LIABILITIES	1,365.1	1,498.4	(133.3)
TOTAL LIABILITIES & SHAREHOLDERS EQUITY	3,157.1	3,396.8	(239.7)

TRENDS IN NET CASH POSITION 2018



(*) OPERATING CASHFLOW - COST OF NET DEBT - INCOME TAX EXPENSE

(**) CASH INFLOWS / OUTFLOWS FROM/ON ACQUISITION OF FINANCIAL ASSETS, DIVIDENDS RECEIVED, OTHER CASH FLOWS INVESTING ACTIVITIES, OTHER TRANSACTIONS BETWEEN SHAREHOLDERS CASH INFLOWS FROM NEW DEBT CONTRACTED, REPAYMENT OF DEBT (INCLUDING FINANCE LEASES), NET INTEREST (INCLUDING FINANCE LEASES)

2.3

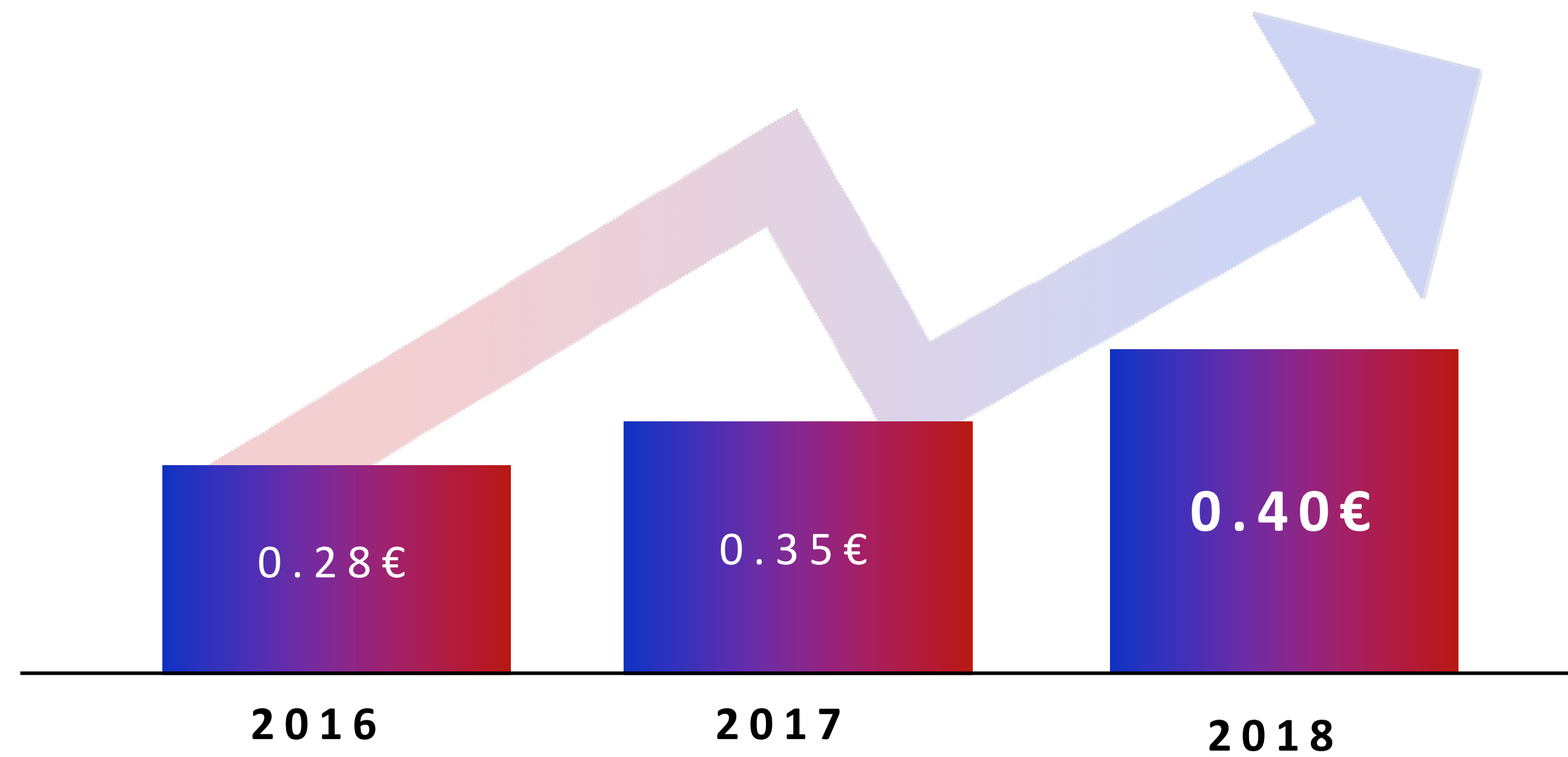
A BETTER RETURN FOR SHAREHOLDERS

RETURN TO SHAREHOLDERS

84 M €

- 0.40€ PER SHARE ; +14% YOY
- REPRESENTING 65% OF 2018 NET PROFIT

€/SHARE



BASED ON THE NUMBER OF SHARES MAKING UP THE SHARE CAPITAL OF TF1 ON 12/31/2018 (209,928,940 SHARES)



GILLES PÉLISSON

CHAIRMAN & CHIEF EXECUTIVE OFFICER

3
OUTLOOK

OUTLOOK: GUIDANCES ACHIEVED



OUTLOOK: GUIDANCES REITERATED

2019

AT GROUP LEVEL

DOUBLE-DIGIT

CURRENT OPERATING MARGIN

2021

DIGITAL SEGMENT

REVENUE \geq 250 M€

EBITDA % \geq 15%

-

AT GROUP LEVEL

ROCE 2021 > ROCE 2018 (8.8%)

2019 - 2020

AVERAGE ANNUAL COST

OF PROGRAMMES

(INCLUDING MAJOR
SPORTING EVENTS)

AT 990 M€

FOR THE 5 FTA CHANNELS

1,014 M€ in 2018

IN SUMMARY

A NEW DYNAMIC FOR THE BROADCASTING TOPLINE
ENHANCED BY ADDITIONAL REVENUE STREAMS

GREAT OUTLOOK FOR NEWEN ACTIVITIES, DEVELOPMENT OF CLIENT PORTFOLIO
AND VOLUME OF FRANCHISES

UNIFY, A DIGITAL ACTIVITY TO ADDRESS ADVERTISERS' NEW CHALLENGES
WITH HIGH SYNERGIES WITH TV BROADCASTING

Q&A