



H1 2019 RESULTS

July 24th 2019



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.

H1 PERFORMANCE CONFIRMS OUR STRATEGY IS DELIVERING STRONG RESULTS

- ✓ **14.2%** BEST FIRST-HALF GROUP MARGIN FOR 7 YEARS
- ✓ **16.0%** BROADCASTING MARGIN, SHARPLY HIGHER YoY
- ✓ **32.7%** HIGH AUDIENCE SHARE OF W<50PDM TARGET, DEMONSTRATING THE STRONG ATTRACTIVENESS OF OUR CHANNELS
- ✓ **7.5 M** VIEWERS EACH DAY FOR NEWEN'S 2 DAILY SOAPS
- ✓ **27.5 M** UNIQUE VISITORS FOR UNIFY IN FRANCE, THAT'S 1 IN 2 INTERNET USERS
- ✓ **249 M€** GROUP NET CASH GENERATED BY OPERATING ACTIVITIES IN CONNECTION WITH THE GOOD H1 RESULTS

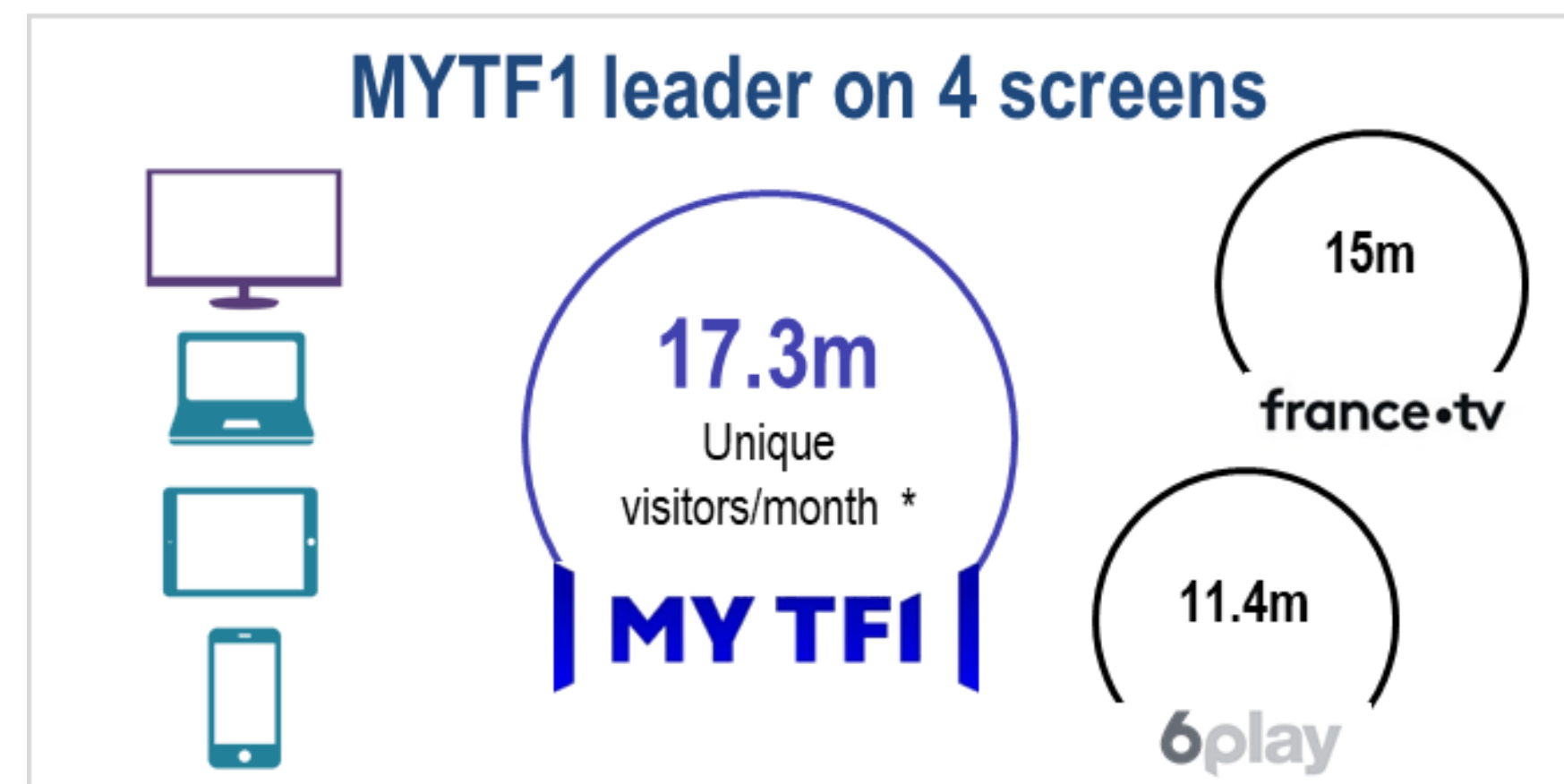
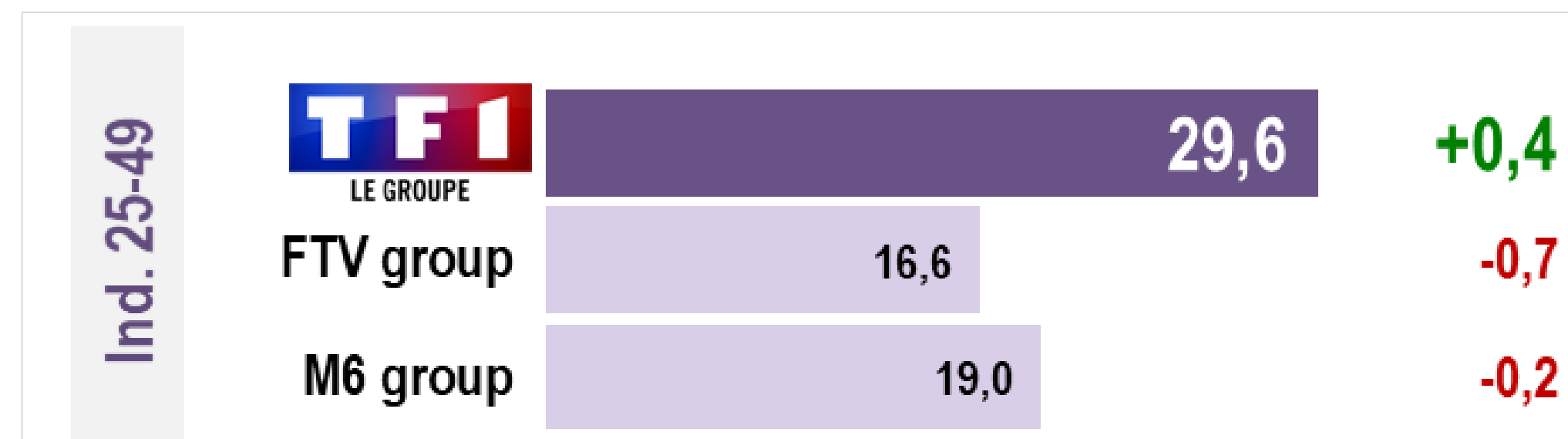
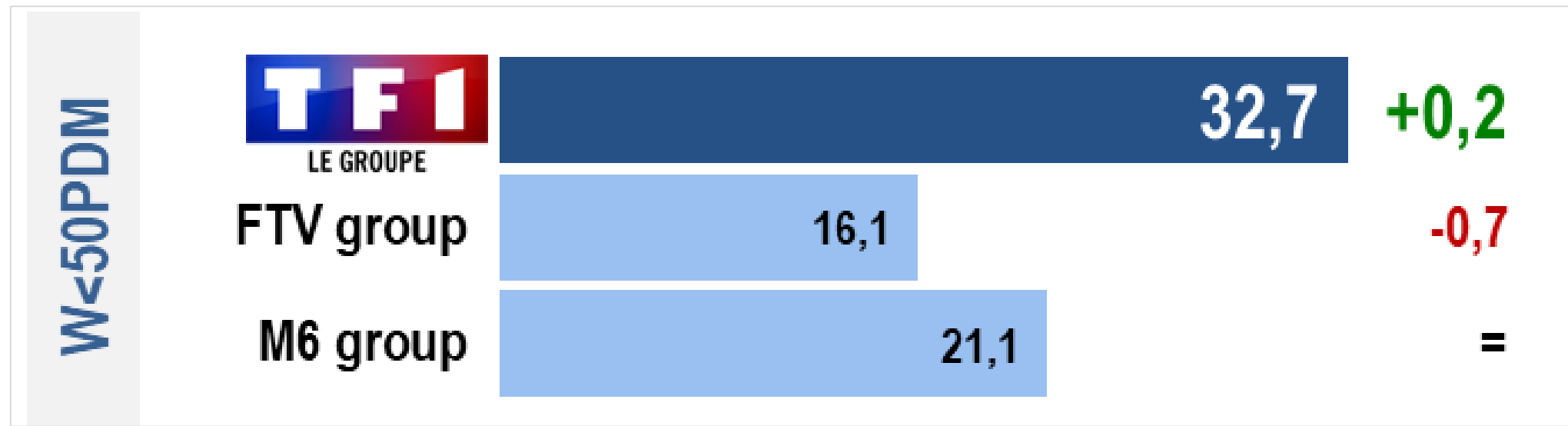
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H1 2019 ACTIVITY REVIEW



TF1 GROUP AUDIENCES AT HIGH LEVELS ON COMMERCIAL TARGETS, AND A WIDENING GAP WITH OUR COMPETITORS

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IN PRIME-TIME – ADVERTISERS' FAVOURITE SLOT – TF1 CHANNEL IS CONSOLIDATING ITS LEADERSHIP ON TARGET AUDIENCES

- TF1 channel prime-time audience share at a high level:
28% of W<50PDM, as strong as in 2014
- 11 points ahead of M6 on W<50PDM



TF1 ACKNOWLEDGED KNOW-HOW IN OUR CORE BUSINESS

- Success of flagship brands: *Koh Lanta*, *The Voice*
- Bold choices that have paid off: *Manifest*, *SWAT*, *Palmashow*
- Women's Football World Cup: well-orchestrated coverage to foster this unique event
- Highly popular French drama:
Les Bracelets Rouges (season 2), *Infidèle*



38% share of W<50PDM
36% share of 25-49 year-olds



41% share of W<50PDM
36% share of 25-49 year-olds
>1m video views/episode



35% share of W<50PDM
29% share of 25-49 year-olds
1m video views/episode



WOMEN'S FOOTBALL WORLD CUP: HIGH PROFILE



COVERAGE DELIVERS UNIQUE SUCCESS



- Build-up across all channels and audiences over nearly 6 months

- Strong audience ratings:

- Total reach: 44m (2/3 of the French population)
- 10m viewers on average for games featuring the French national team (43% audience share)
- Record audience for the France/USA game: 10.7m viewers (50% audience share)



- Ability to maximise our monetisation of linear and non-linear audiences

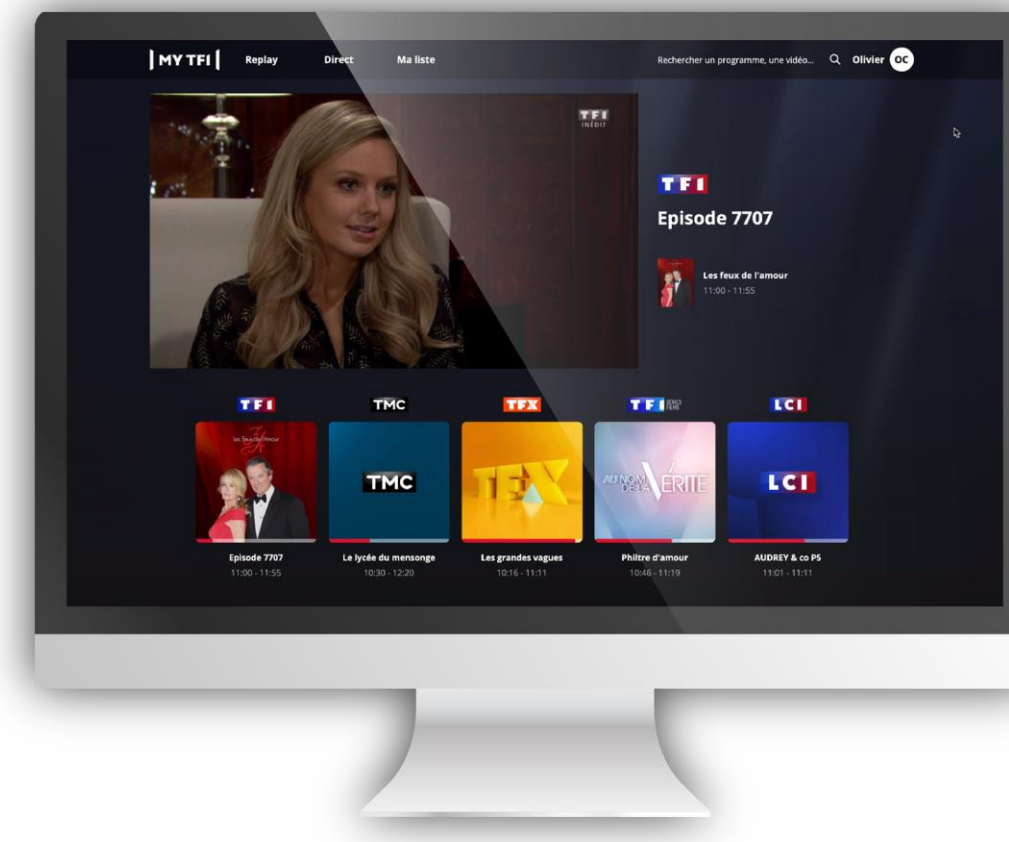
Top advertisers



OUR GROUP MOVING TO A CONSUMER CENTRIC APPROACH VIA MYTF1

✓ Repositioning of the MYTF1 OTT platform → enhanced customer experience based on:

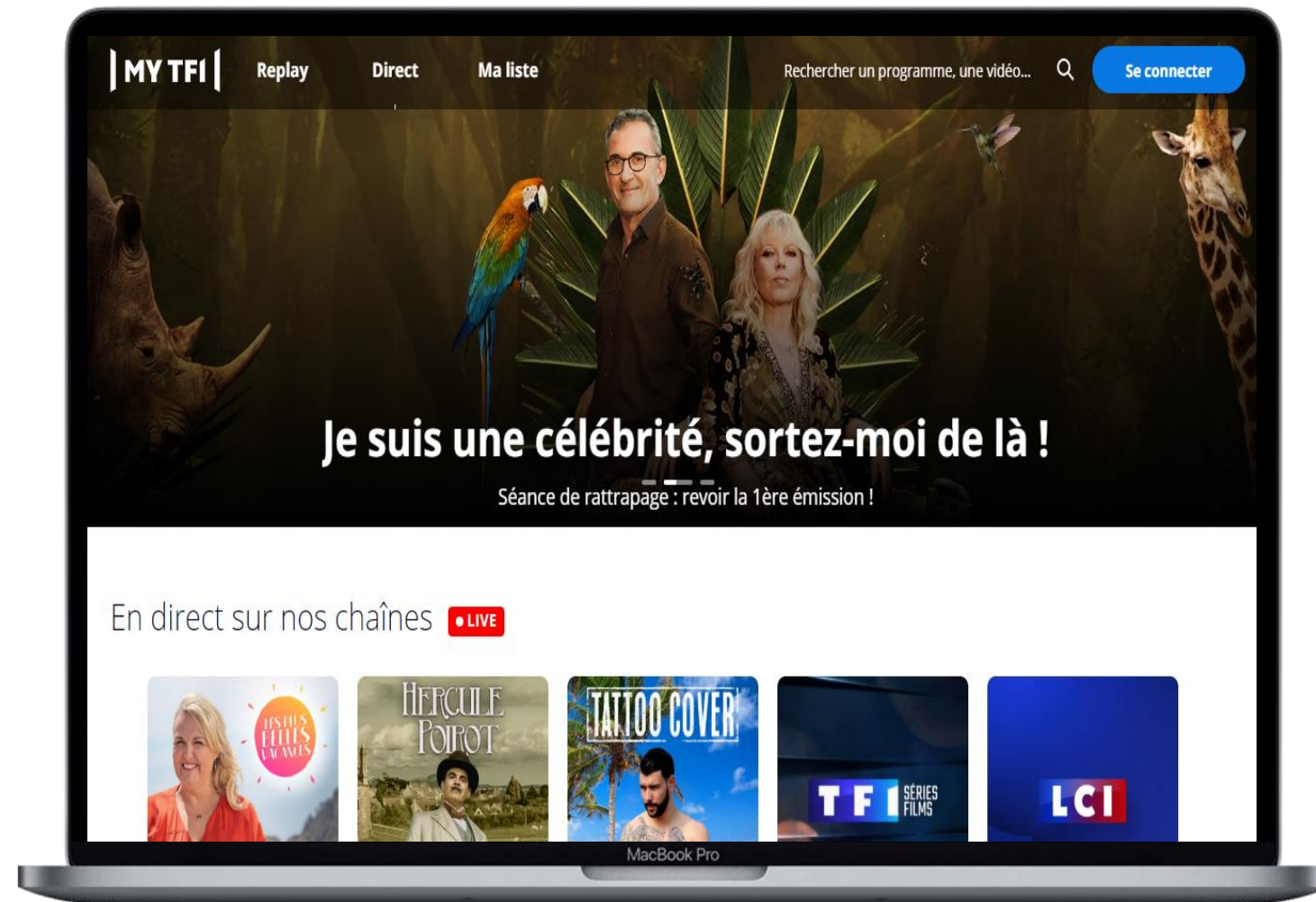
- Highly performing player
- Personal recommendation tool
- Cross-device end-to-end experience
- Enriched dedicated content



→ Less intrusive advertising for a better ad efficiency

MY TFI | A HIGH-END OFFER FOR BRANDS STRENGTHENED BY DATA

1. MYTF1 Unique environment



93%

COMPLETION

95%

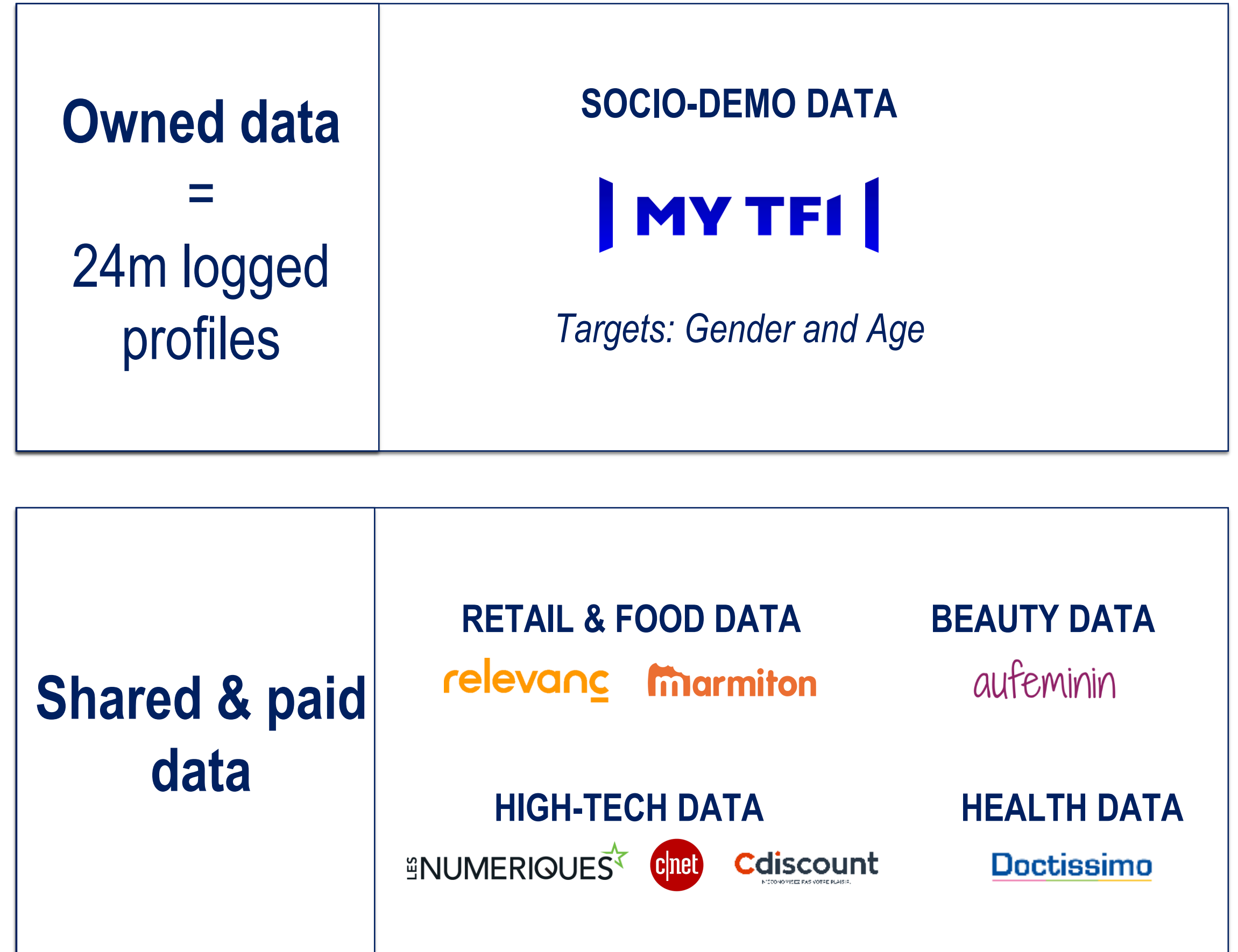
VISIBILITY

100%

BRAND SAFETY



2. QUALIFIED DATA



WIN / WIN VALUE CREATION

MYTF1 | DATA PROVIDES KEY LEVERAGE ON NON-LINEAR AD

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- ✓ **Approx. 1/3** of offers on MYTF1 are **targeted data offers** (+70% yoy)
- ✓ **35% CPM premium** for **targeted data offers** vs. traditional offers
- ✓ **24 million profiles logged** => better targeted campaigns
- ✓ **Approx. 2/3** of data targeted campaigns sold **are based on our own data** (loggings)
- ✓ **100% video inventory** (vs former display/video mix) => best-performing segment in growth

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- ✓ **Data profiling offer:** statistical analysis enables data offers on MYTF1 IPTV

newen AUDIENCE GROWTH FOR THE KEY FRANCHISES



Demain Nous Appartient

- On air on TF1 for the last 2 years
- 24.7% audience share on W<50PDM (+4.4 pts yoy)
- Market leader in access prime-time on TF1



Candice Renoir

- > 5 million TV viewers
- 7th season



Plus Belle La Vie

- > 3.6 million viewers on France 2
- 15th season

REEL ONE*, A HIGH-POTENTIAL ASSET BRINGING ADDITIONAL KNOW-HOW TO NEWEN

- Business model: production and worldwide distribution of English-language TV movies
- TV movies: a high-demand genre fitting well with the Newen's existing offer
- Strong export potential: 90% of revenue generated in USA and Europe
- Main clients: major European/US broadcasters and SVoD platforms
- Bundled volume deals with TV channels
- 2019: 75 TV movies marketed



unify ONGOING INTEGRATION OF BUSINESS LINES

➤ Social e-commerce

- ✓ 14% rise in number of boxes sold in H1

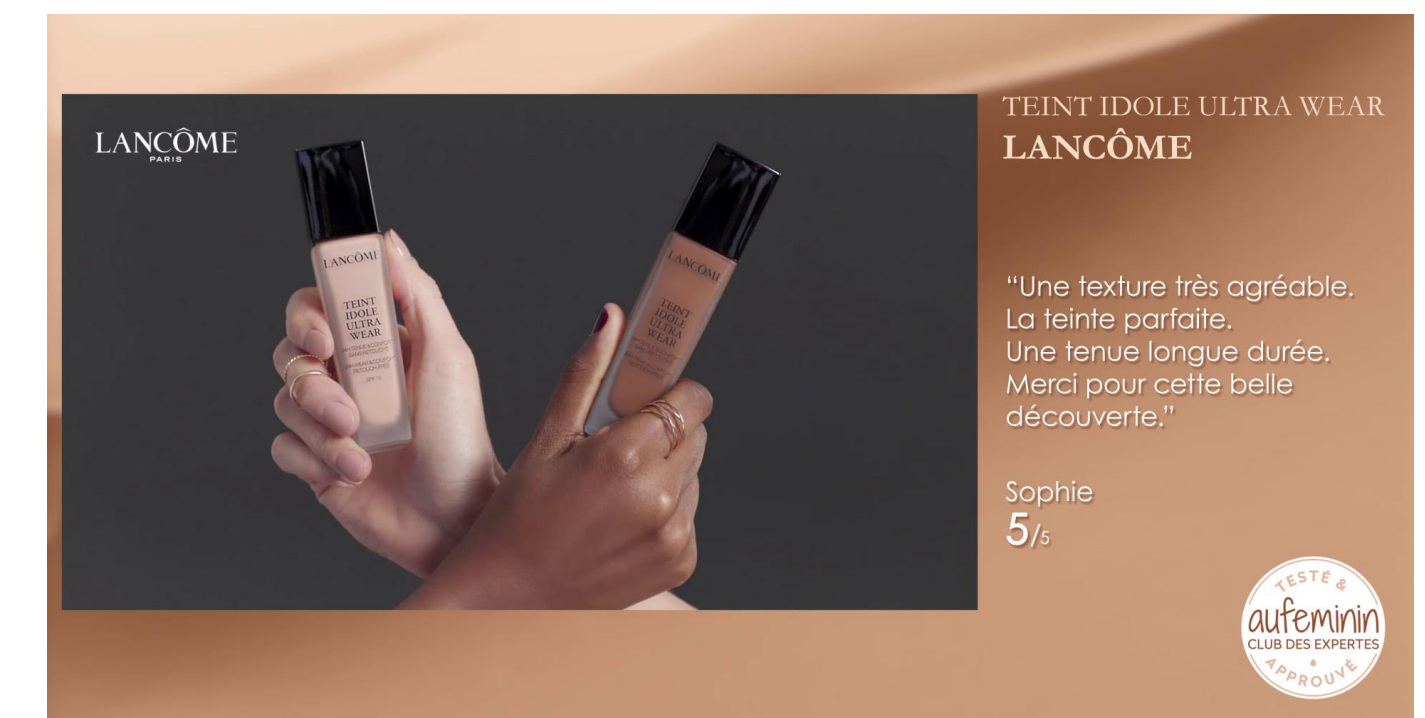
➤ Digital marketing

- ✓ Growth in programmatic, particularly for Gammed!

➤ Digital content production

- ✓ *De l'astuce à l'assiette*, a new TF1/Marmiton cooking show

- ✓ On MYTF1, first-ever *Talk by Dual Screen* offer for Lancôme with the Aufeminin community





BUSINESS TRANSFORMATION IN PROGRESS TO OFFER CLIENTS HIGHER VALUE-ADDED SOLUTIONS

- Reinforced leadership team
- Launch in next September of the UNIFY transverse ad sales-house with revisited offerings
- Win larger marketing budgets through package deals with major advertisers

2.

H1 2019 FINANCIAL STATEMENTS

H1 2019 CONSOLIDATED REVENUE

€m	H1 2019	H1 2018	Chg. €m	Chg. %
BROADCASTING	890.8	869.0	21.8	2.5%
<i>Advertising revenue</i>	<i>791.4</i>	<i>791.9</i>	<i>(0.5)</i>	<i>-0.1%</i>
<i>Other revenue</i>	<i>99.4</i>	<i>77.1</i>	<i>22.3</i>	<i>28.9%</i>
STUDIOS & ENTERTAINMENT	168.8	185.8	(17.0)	-9.1%
<i>Production / sale of audiovisual rights</i>	<i>110.5</i>	<i>122.7</i>	<i>(12.2)</i>	<i>-9.9%</i>
<i>Revenue from games, music, live shows & home shopping</i>	<i>58.3</i>	<i>63.1</i>	<i>(4.8)</i>	<i>-7.6%</i>
DIGITAL	85.6	28.8	56.8	197.2%
<i>Web publishing (digital content, social e-commerce)</i>	<i>65.2</i>	<i>24.7</i>	<i>40.5</i>	<i>164.0%</i>
<i>Other revenue (digital marketing)</i>	<i>20.4</i>	<i>4.1</i>	<i>16.3</i>	<i>397.6%</i>
TOTAL REVENUE	1,145.2	1,083.6	61.6	5.7%

EXCLUDING THE EFFECT OF CHANGES IN STRUCTURE, H1 2019 REVENUE GROWTH IS +1,7%.

PROGRAMMING COSTS

€m	H1 2019	H1 2018	Chg. €m	Chg. %
Entertainment	138.2	123.4	14.7	11.9%
TV dramas/TV movies/Series/Theatre	150.2	163.5	(13.3)	-8.1%
News	70.2	69.1	1.1	1.5%
Movies	55.5	65.9	(10.4)	-15.8%
Youth	5.3	4.3	0.9	22.0%
Sports	26.9	72.9	(46.0)	-63.1%
TOTAL PROGRAMMING COSTS	446.2	499.2	(53.0)	-10.6%

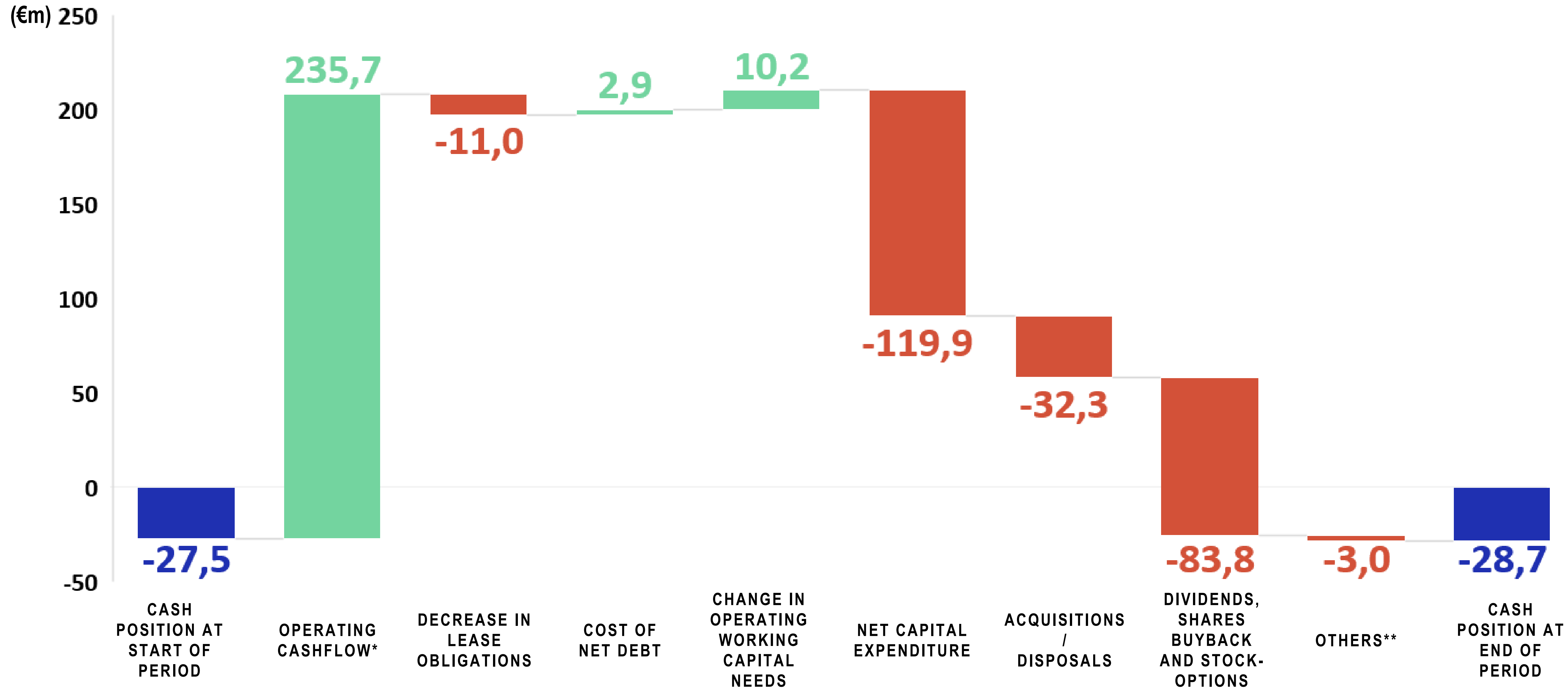
INCOME STATEMENT

€m	H1 2019	H1 2018	Chg. €m	Chg. %
CONSOLIDATED REVENUE	1,145.2	1,083.6	61.6	5.7%
Total costs of programmes	(446.2)	(499.2)	53.0	-10.6%
Other charges, depreciation, amortization, provision	(536.0)	(482.4)	(53.6)	11.1%
CURRENT OPERATING PROFIT	163.0	102.0	61.0	59.8%
<i>CURRENT OPERATING MARGIN</i>	<i>14.2%</i>	<i>9.4%</i>	-	<i>+4.8pts</i>
Other operating income and expenses	0.0	(11.0)	11.0	N/A
OPERATING PROFIT	163.0	91.0	72.0	79.1%
Cost of net debt	(1.0)	(1.0)	0.0	0.0%
Other financial income and expenses	(3.3)	2.8	(6.1)	N/A
Income tax expense	(51.2)	(27.2)	(24.0)	88.2%
Share of profits / (losses) of associates	(0.6)	0.1	(0.7)	N/A
Net profit from continuing operations	106.9	65.7	41.2	62.7%
Post-tax profit from discontinued/held-for-sale operations	-	-	-	-
NET PROFIT	106.9	65.7	41.2	62.7%
Net profit attributable to the Group	107.3	65.6	41.7	63.6%

CURRENT OPERATING PROFIT PER SEGMENT

€m	H1 2019	H1 2018	Chg. €m	Chg. %
BROADCASTING <i>Margin</i>	142.5 <i>16.0%</i>	79.9 <i>9.2%</i>	62.6 -	78.3% <i>+6.8pts</i>
STUDIOS & ENTERTAINMENT <i>Margin</i>	17.3 <i>10.2%</i>	19.4 <i>10.4%</i>	(2.1) -	-10.8% <i>-0.2pts</i>
DIGITAL <i>Margin</i>	3.2 <i>3.7%</i>	2.7 <i>9.4%</i>	0.5 -	18.5% <i>-5.6pts</i>
CURRENT OPERATING PROFIT <i>Margin</i>	163.0 <i>14.2%</i>	102.0 <i>9.4%</i>	61.0 -	59.8% <i>+4.8pts</i>

TRENDS IN H1 2019 NET CASH POSITION (excl. lease obligations)



TRENDS IN NCP H1 2018	256.7	168.3	-9.5	3.1	-41.1	-95.7	-244.9	-73.4	-85.7	-122.2
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(*) CASH FLOW AFTER INCOME FROM NET SURPLUS CASH/COST OF NET DEBT, INTEREST EXPENSE ON LEASE OBLIGATIONS AND INCOME TAXES PAID
 (**) ACQUISITIONS OF FINANCIAL ASSETS, NET CHANGE IN LOANS, COST OF NET DEBT, NET CHANGE IN BORROWINGS

3. OUTLOOK

IN H2, THE TF1 GROUP WILL CONTINUE TO CREATE VALUE IN ITS CORE BUSINESS AND DEVELOP ITS GROWTH DRIVERS (1/2)

➤ A very strong back-to-school line-up:

- French drama: *Bazar de la Charité*, *Le temps est assassin*, *La part du soupçon*
- Entertainment: *Mask Singer*, *Danse avec les Stars*, *The Voice kids*
- Sports: Rugby World Cup, Handball, Formula 1
- US Series: *Good Doctor* (season 2), *New Amsterdam*
- Info: new grid and new talents on LCI



IN H2, THE TF1 GROUP WILL CONTINUE TO CREATE VALUE IN ITS CORE BUSINESS AND DEVELOP ITS GROWTH DRIVERS (2/2)

- Salto: continued progress in the Antitrust process and more visibility to be expected by the end of August
- Production: closing of the Reel One operation
- Unify: first positive impacts of the new Unify advertising sales offer

OUTLOOK: GUIDANCES REITERATED

2019

AT GROUP LEVEL

DOUBLE-DIGIT

CURRENT OPERATING MARGIN

2019 - 2020

AT GROUP LEVEL

AVERAGE ANNUAL TOTAL

COST OF PROGRAMMES

AT 990 M€

FOR THE 5 FTA CHANNELS

2021

DIGITAL SEGMENT

REVENUE \geq 250 M€

EBITDA % \geq 15%

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AT GROUP LEVEL

ROCE 2021 > ROCE 2018

Q&A