



ANALYSTS PRESENTATION

19 FEBRUARY 2015

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.

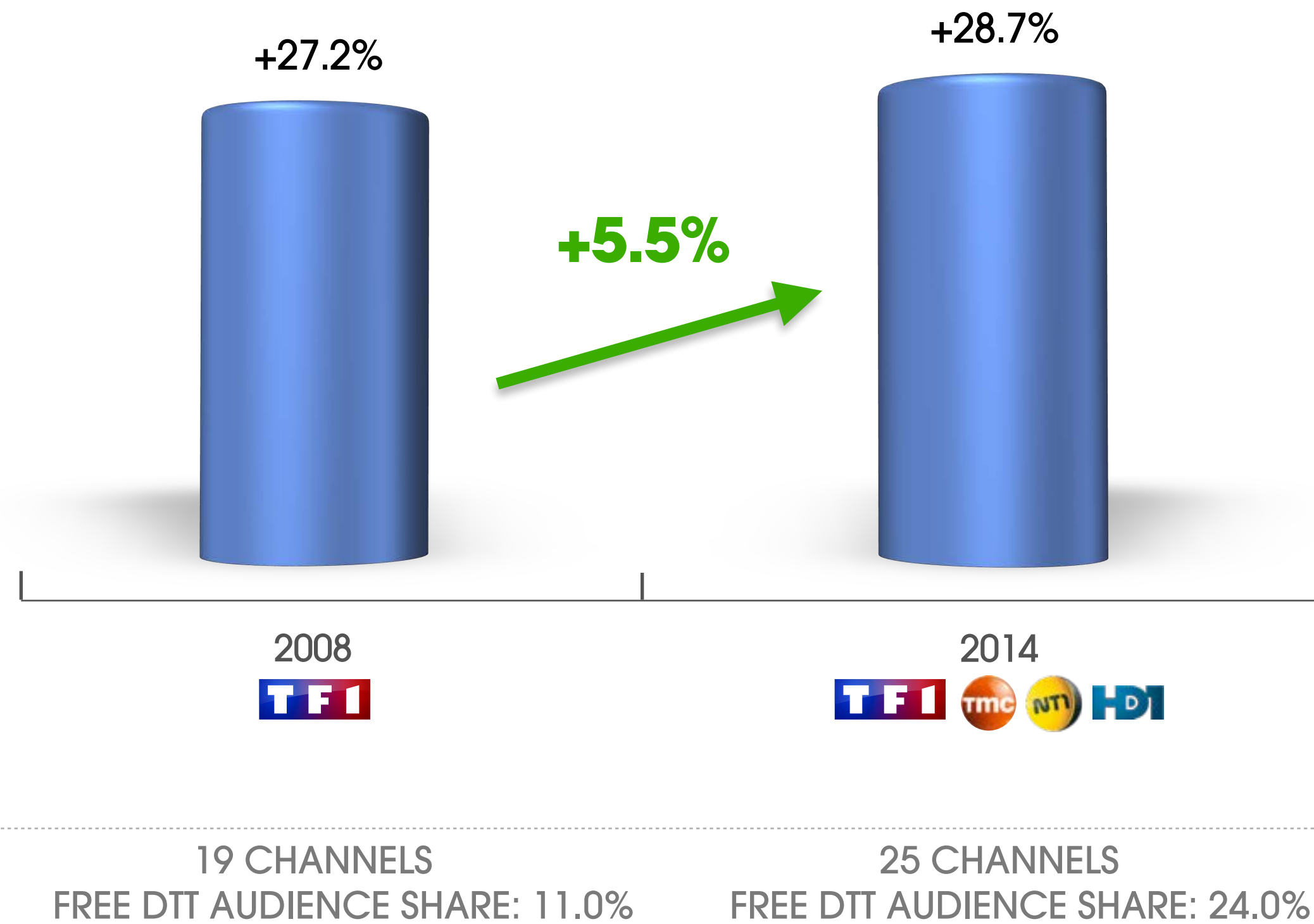
IN 7 YEARS, THE GROUP HAS DEMONSTRATED A CAPACITY FOR

- 1** RENEWAL
- 2** ADJUSTING ITS BUSINESS MODEL
- 3** CREATING VALUE
- 4** PROMOTING ITS INTERESTS TO REGULATORS
- 5** STRENGTHENING ITS COMMITMENT TO CSR

COMMITMENTS KEPT

RENEWING... OUR AUDIENCE

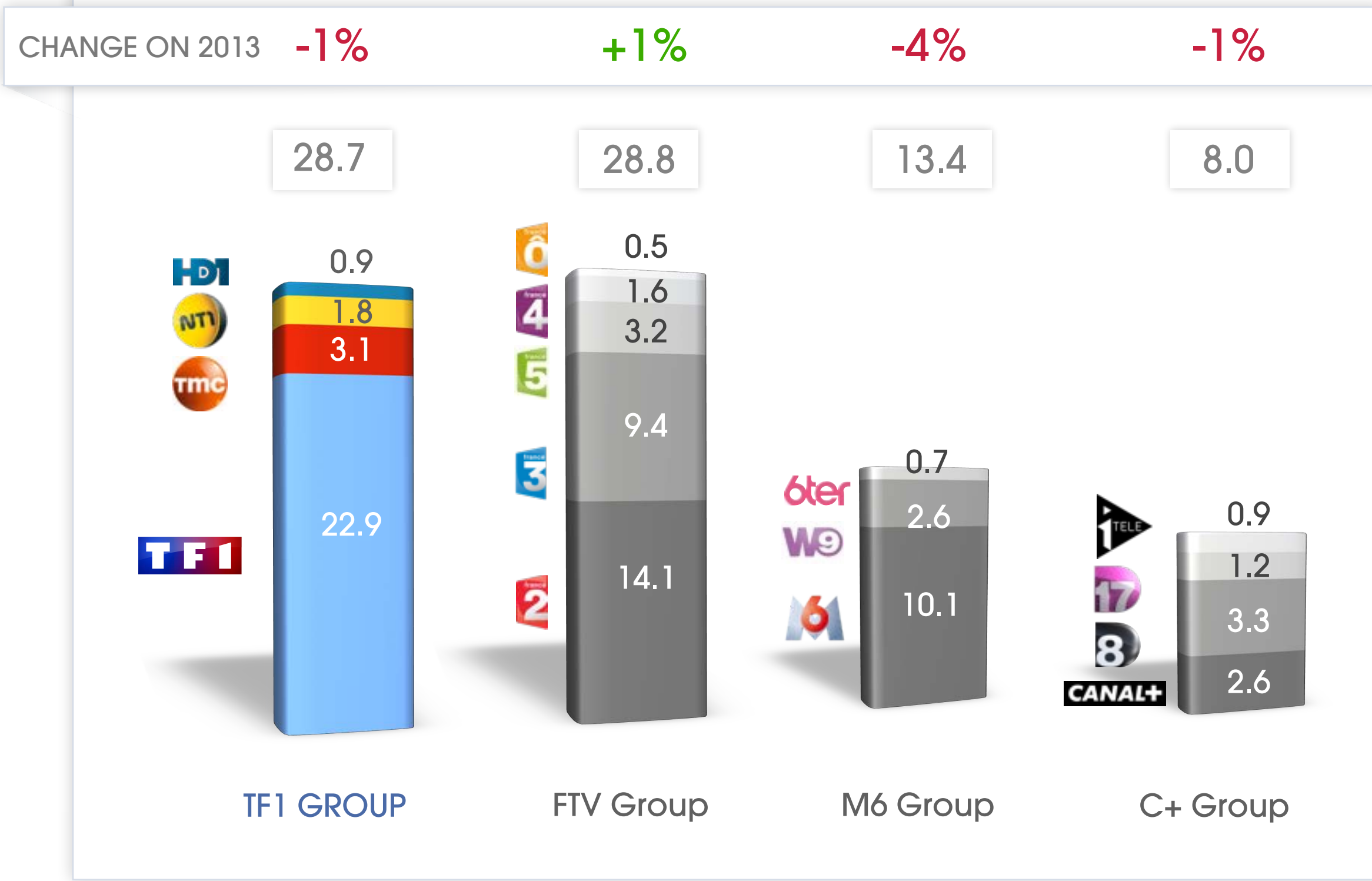
Change in Group 4+ audience share



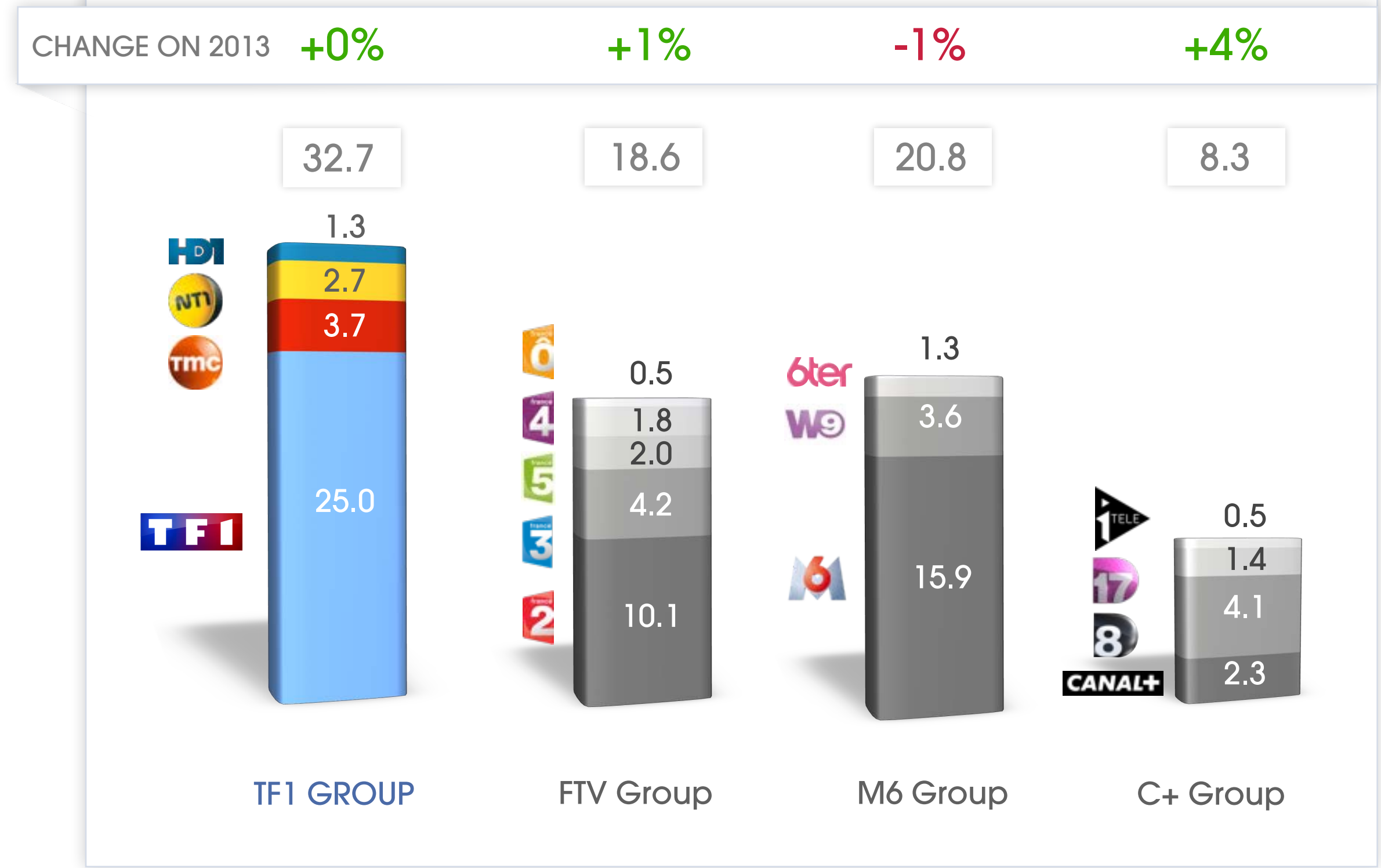
INCREASE IN GROUP AUDIENCE SHARE OVER 7 YEARS

2014: SOLID MARKET LEADERSHIP

4+ AUDIENCE SHARE (%)



WPDM<50 AUDIENCE SHARE (%)

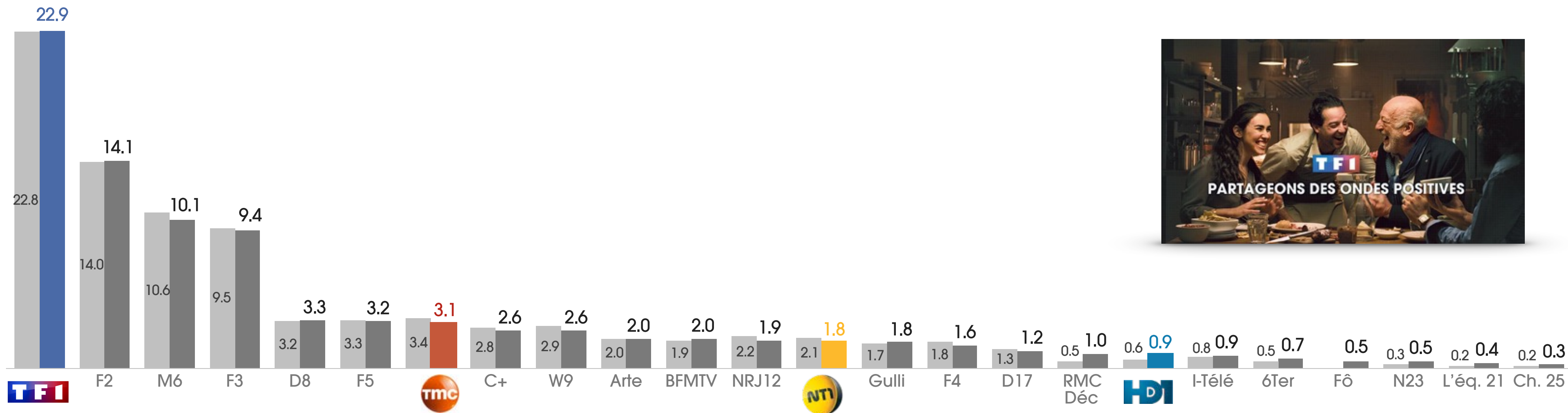


THE TF1 CHANNEL GREW FOR THE SECOND CONSECUTIVE YEAR

1 RENEWAL

CHANGE ON 2013 +0% +1% -5% -1% +3% -3% -9% -7% -10% = +5% -14% -14% +6% -11% -8% +0.5pt +0.3pt +0.1pt +0.2pt ns +0.2pt +0.2pt +0.1pt

IND 4 +



RENEWING OUR BRANDS

PRIME TIME



6.5m viewers at launch



5.2m viewers

ENTERTAINMENT



Up to 44% WPDM with children

ACCESS PRIME TIME



Up to 36% WPDM with children

CHILDREN'S



Paw Patrol
Up to 48% of children (4-10)

SERIES



The Black List: 7.9m viewers at launch



Arrow: 4.1m viewers at launch

MAGAZINES



Extended version
Up to 31% WPDM<50



Sunday broadcast: Up to 31% total audience and 33% WPDM<50

DRAMA



Une histoire, une urgence
Up to 26% WPDM<50

50% OF THE BRANDS ON AIR ARE LESS THAN 3 YEARS OLD

RENEWAL... AS A MULTI-CHANNEL NETWORK



- ▶ **No.5** evening channel, No.4 for WPDM<50
- ▶ **700,000** prime-time viewers



MOVIES: No.1 DTT channel

An average **1.0m** viewers

The transporter 2
2.0m viewers, TMC's record in 2014



FOREIGN DRAMA

CSI: NY
1.2m viewers, best rating for a serie on DTT

Hercule Poirot : **1.5m** viewers



MAGAZINES: No.1 DTT Channel

90' enquêtes
1.3m best DTT rating



- ▶ **No.4** DTT channel for WPDM<50
- ▶ **500,000** prime-time viewers



REALITY TV

Bachelor : up to **1.1m** viewers

Super Nanny : up to **0.8m** viewers



NEW SERIES

Client List : up to **0.8m** viewers

The Walking Dead
How I met your mother



CINÉMA

X-Men Origins
Wolverine
1.6m viewers, NT1's record in 2014

Dragons : **1.5m** viewers



- ▶ **No.1** audience for HD DTT
- ▶ **225,000** prime-time viewers



FRENCH DRAMA

Section de recherches
A record **713,000** viewers



MOVIES

Lethal weapon III
699,000 viewers and **3.3%** of WPDM<50



AMERICAN SERIES

Dr House
up to **333,000** viewers

SUCCESSFUL RENEWAL IN DIGITAL MEDIA

2008
ANTICIPATION
future modes of content consumption

↓

Strategy 360 implemented

2010
SUPPORTING
live and deferred consumption

↓

Digital brands unified under the umbrella brand

No.1 FOR DIGITAL TV⁽¹⁾

Monthly:

- ▶ 11.5m web unique visitors
- ▶ 9m IPTV unique visitors
- ▶ 7m mobile users
- ▶ 5m tablet users

No.1 FOR SOCIAL MEDIA⁽²⁾

- ▶ 30m fans & followers
- ▶ 43 of the 50 most tweeted programmes are on TF1

No.4 FOR VIDEOS⁽³⁾

Monthly:

- ▶ 115m videos viewed
- ▶ 8m web video watchers

wat⁽³⁾

13m MONTHLY VIDEO VIEWS

MY TFI NEWS⁽¹⁾

No.2 FOR NEWS VIDEOS

MY TFI SUCCESSFUL DIGITAL EXTENSIONS

(1) Fix Panel Médiamétrie // NetRatings - Mobile & tablet panel Médiamétrie NetRatings - Médiamat IPTV - Médiamétrie - Average Jan - Oct 2014 (IPTV UV at End October)
(2) Twitter - Facebook - FY 2014
(3) eStat Médiamétrie - Panel video Médiamétrie // NetRatings - Average 2014

RENEWING... CONTENT



BUSINESS BUOYED BY MOVIES RELEASED IN 2014

- ▶ International success of *Serial (Bad) Weddings*
- ▶ Strong increase in margin



12.2 million viewers



POPULAR CO-PRODUCTIONS

- ▶ **18** films co-produced by TF1 Films Production released, totalling **37.7m** ticket sales
- ▶ **9** films surpassed 1 million ticket sales
- ▶ Top 3 French box-office hits



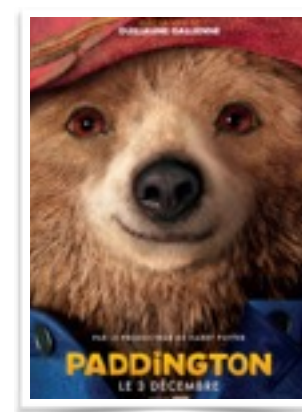
5.3m



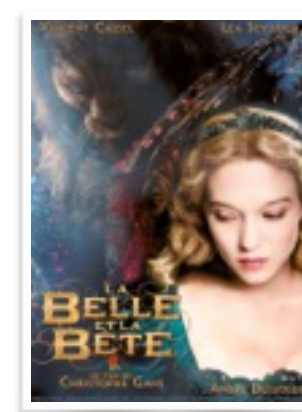
5.0m



3.1m



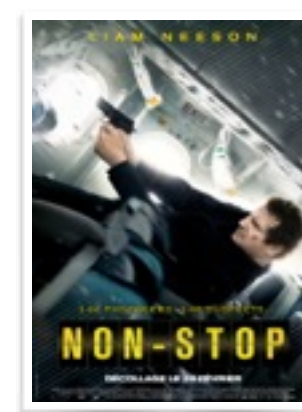
2.1m



1.8m



1.6m



1.2m



1.1m



HIGHER PRODUCTION VOLUME AND PROFITABILITY

- ▶ New areas of productions explored
 - Scripted reality
 - Animation
- ▶ In 2014, a **44%** increase in programme hours delivered to Group channels





A POSITIVE TREND FOR THE PAST 5 YEARS

- ▶ Upgraded programme
- ▶ Opening new sales outlets
- ▶ Developing services
- ▶ Continuous optimisation

2014 HIGHLIGHTS

- ▶ Revenue growth and a controlled cost base
- ▶ Innovation: the first HBBTV home shopping app in Europe
- ▶ Partnership with Venteo



A REBRANDED SUBSIDIARY

- ▶ New positioning around events
- ▶ All business lines profitable
- ▶ Strong profit growth

2014 HIGHLIGHTS



RADICAL RESTRUCTURING THAT IS PAYING OFF

- ▶ Strong growth in VOD
- ▶ Back to breakeven

2014 HIGHLIGHTS *

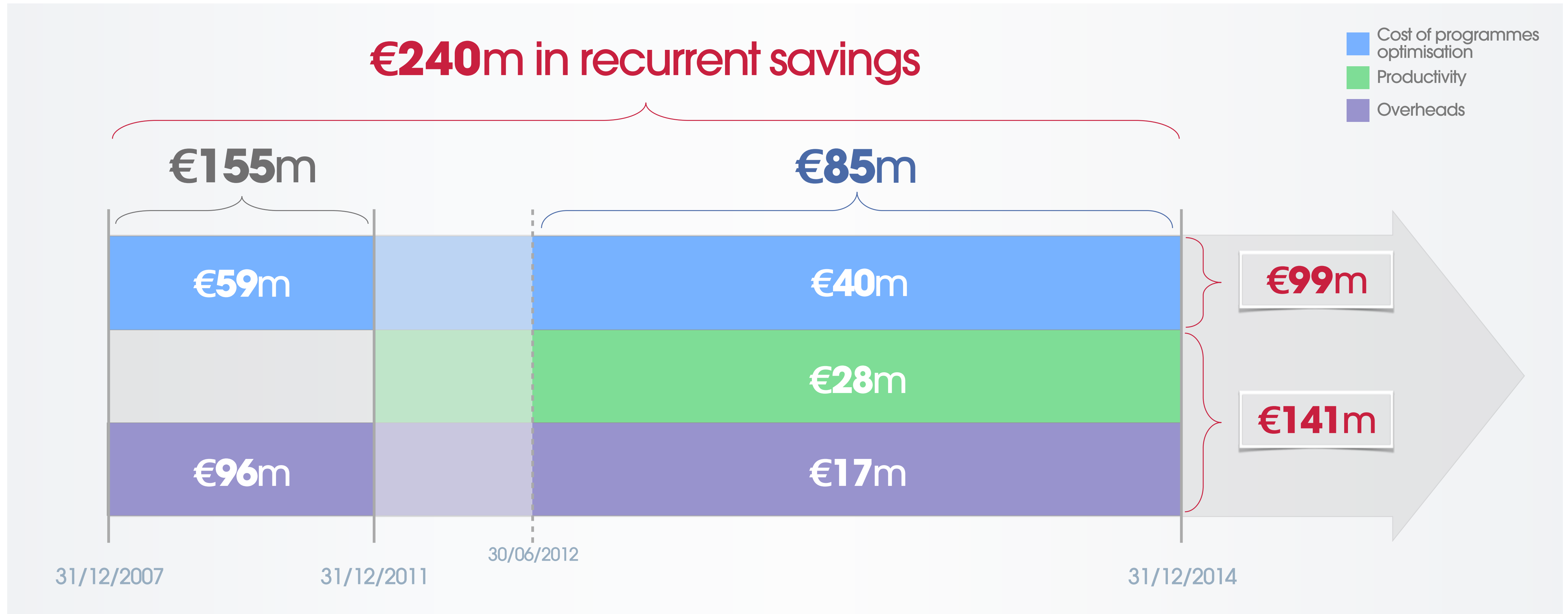
- ▶ MYTF1VOD outperforms: 36% increase in revenues in a market that grew by 8%
- ▶ 2nd-best known VOD platform (up 2 places in 3 years)



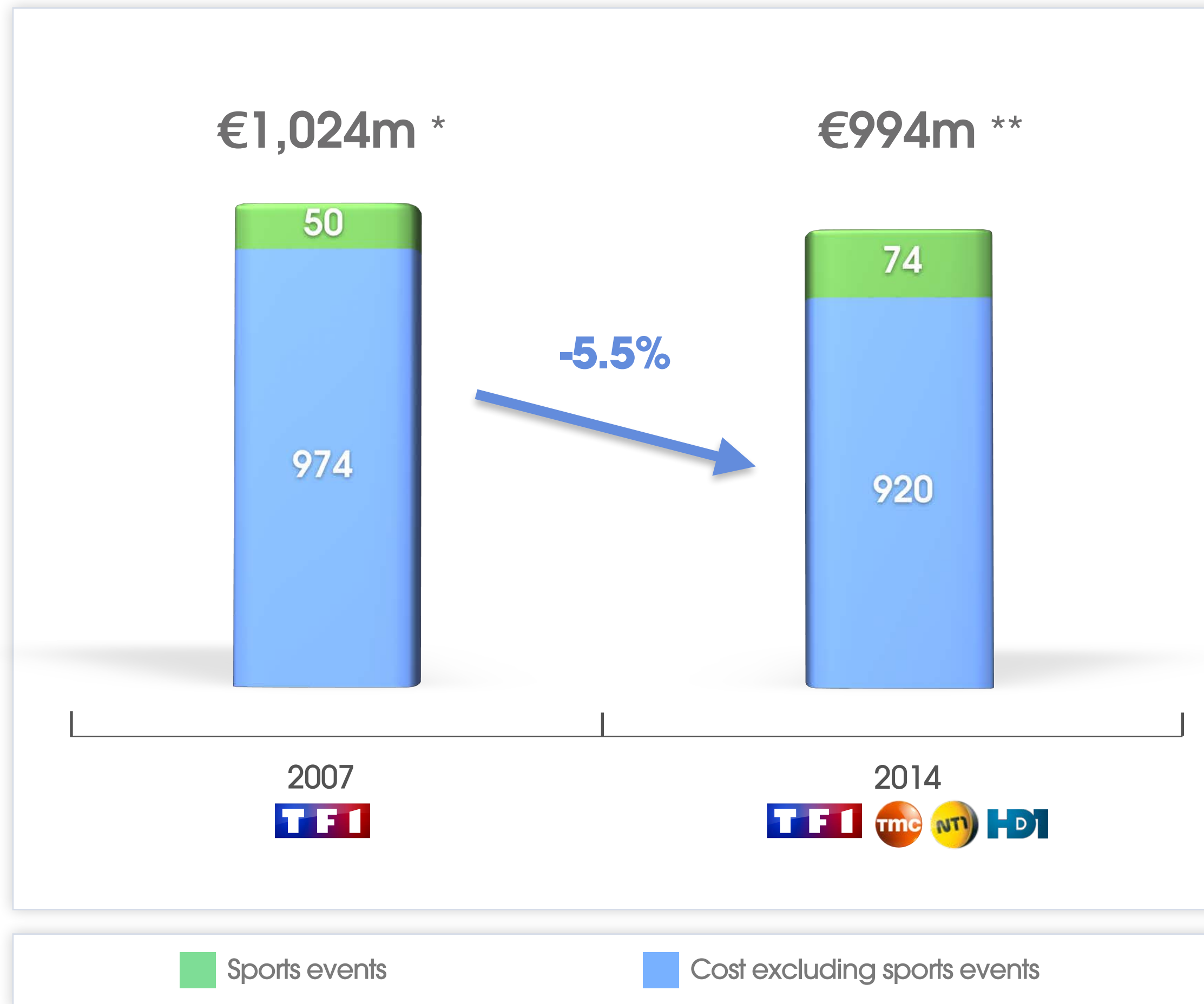
* Source : NPA/GFK panel (TVOD/EST/SVOD) - CNC

AN ABILITY TO OPTIMISE OUR BUSINESS MODEL

2 ADJUSTING ITS BUSINESS MODEL



AN OPTIMISED COST OF PROGRAMMES



- ▶ Downward renegotiation of sports rights contracts and termination of unprofitable contracts
- ▶ Optimisation of programming in accordance with broadcasting requirements
- ▶ Initial impact of multi-channel circulation
- ▶ Adaptation of programming in accordance with the advertising and competitive environment
- ▶ End of volume deals for entertainment
- ▶ Reorganisation of the News Division

* TF1 channel programming costs
** TF1 group's cost of programmes

AN OVERHAULED COST BASE

SAVINGS THROUGH HIGHER PRODUCTIVITY

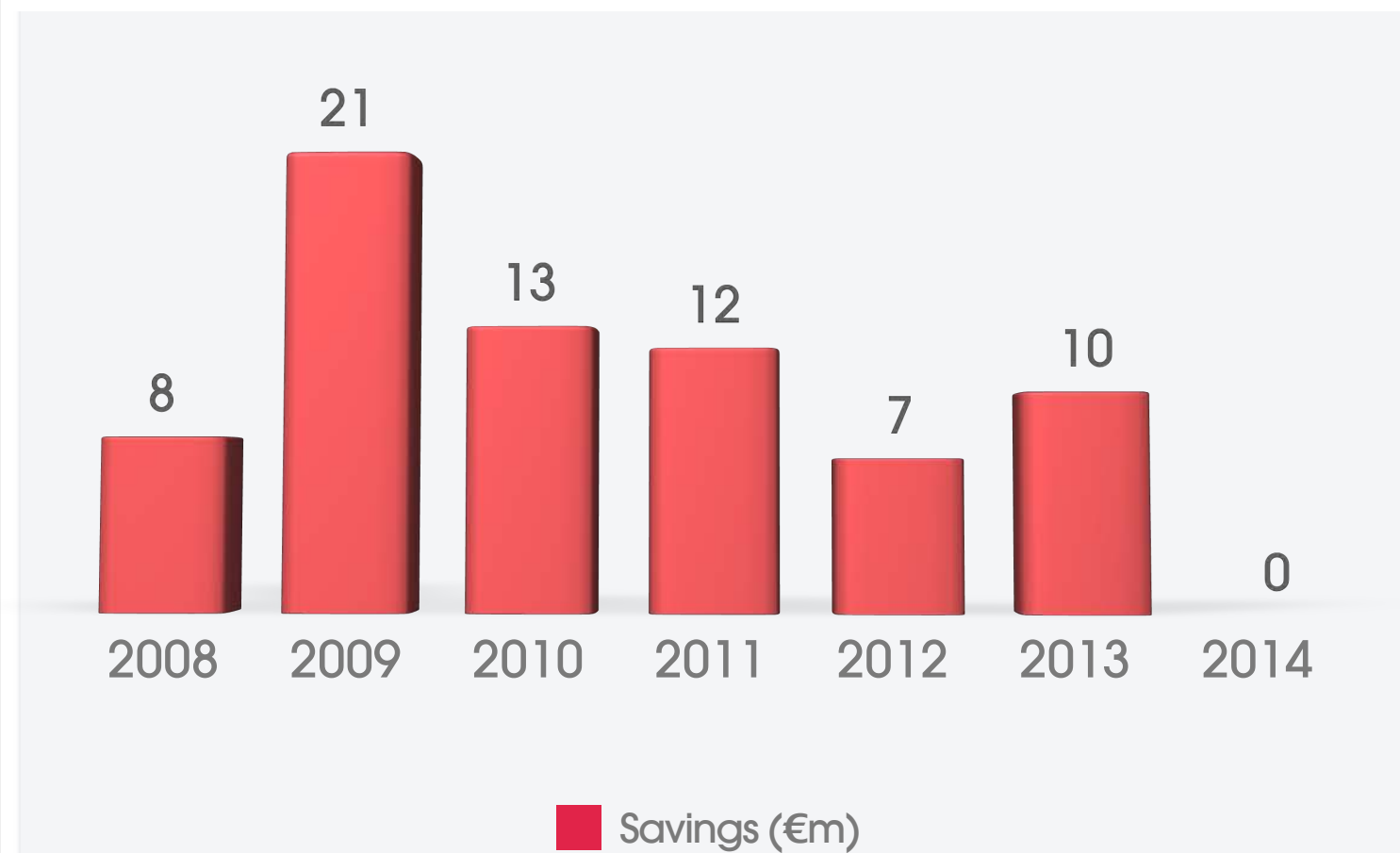
	PAYROLL (€m) *
2011	364.5
2012	352.9
2013	352.2
2014	332.4

* Restated for Eurosport International

RECURRENT SAVINGS OF
€28m

- ▶ A strategy initiated in 2011
 - Wage moderation
 - Non-replacement of employees who leave
 - Unification of broadcasting sites

SAVINGS IN PURCHASING



SAVINGS OF
€71m

- ▶ Reduction of travel and representing expenses
- ▶ Renegotiation of contracts

ADDITIONAL SAVINGS

SAVINGS OF
€42m

- ▶ Termination of some business operations (JET, TOP TICKET.S)
- ▶ Reduction of external expenses

A CAPACITY FOR BUILDING PARTNERSHIPS

3 CREATING VALUE

UGG

TF1
DROITS AUDIOVISUELS

4 mariages, 2 têtes d'enterrement
QU'EST-CE QU'ON A FAIT AU BON DIEU?
à la télévision

Leurs filles: Laura, Sébastien, Odile, Isabelle
Leurs gendres: Raphaël, David, Chao, Charles

Claudio et Marie

Bienvenue dans la famille Verneuil

TF1

4

5
TELECINCO

tvn

INTACT
MEDIA GROUP

Dogan

MEDIASET

MTG

MEDIA FOR EQUITY

FDJ

TF1
ENTREPRISES

illiko
KOH-LANTA
GAGNEZ JUSQU'À 30 000 €

illiko
MILLIONNAIRES
GAGNEZ JUSQU'À 100 000 €

Discovery
COMMUNICATIONS™

EUROSPORT

Bouygues
Telecom

SFR

orange™

numericable™

MY TFI

LCI

MY TFI

EUROPA CORP

TF1

TF1
FILMS PRODUCTION

TAXI BROOKLYN

NO LIMIT

LUCY

TF1

6

beIN
SPORT

CANAL+




RUGBY
WORLD CUP
2015
OFFICIAL TRAVEL AGENT

FIFA WORLD CUP
Brasil

Qatar 2015
IHF World Handball
Championship

UEFA
EURO2016
FRANCE

2009:

- ▶ Requirement to invest in French production lowered to 12.5% of advertising revenues
- ▶ EU Directive in force (raising the advertising limit from 9 to 12 minutes an hour)
- ▶ Foundation of the association of private TV channels   

2013: The Act of 15 November in France:

- ▶ authorises the attribution of co-production rights in French drama to the broadcaster
- ▶ allows the CSA (French broadcasting authority) to authorise changes to channels' business models (Article 42-3)

2014:

- ▶ reduction requirement broadcast children's programming from 1,000 to 750 hours per year

PERMANENT DIALOGUE WITH REGULATORS

▶ **SIGNIFICANT PROGRESS IN GOVERNANCE**

- Ethics, women's advancement, independence, specialised committees

▶ **DIVERSITY PROMOTED IN THE COMPANY AND ON SCREEN**

- Actions of the TF1 corporate Foundation for professional integration

▶ **THE TF1 GROUP: ENGAGED IN EFFORTS ON CLIMATE ISSUES**

- Support to Fondation Nicolas Hulot
- Wide editorial coverage (Ushuaïa TV, TV news topics...)

▶ **A CSR POLICY WIDELY RECOGNISED BY ALL EXTRA-FINANCIAL INDICES**



FINANCIALS

REVENUE EVOLUTION

€m	2014	2013	Var. €m	Var. (%)
AD. REVENUE - BROADCASTING & CONTENT	1,560.3	1,572.1	(11.8)	-0.8%
o/w TV	1,476.7	1,488.0	(11.3)	-0.8%
o/w Other platforms	83.6	84.1	(0.5)	-0.6%
AD. REVENUE - PAY-TV	15.2	22.2	(7.0)	-31.5%
o/w Eurosport group	6.9	9.0	(2.1)	-23.3%
o/w Theme channels in France	8.3	13.2	(4.9)	-37.1%
GROUP ADVERTISING REVENUE	1,575.5	1,594.3	(18.8)	-1.2%
NON-ADVERTISING REVENUE	516.3	481.0	+35.3	+7.3%
CONSOLIDATED REVENUE	2,091.8	2,075.3	+16.5	+0.8%

COST OF PROGRAMMES EVOLUTION

€m	2014	2013	Var. €m	Var. (%)
TOTAL COST OF PROGRAMMES	994.0	946.7	+47.3	+5.0%
One-off sporting events	73.7	-	+73.7	n.s.
TOTAL EXCL. ONE-OFF SPORTING EVENTS	920.3	946.7	(26.4)	-2.8%
Entertainment	282.6	285.1	(2.5)	-0.9%
TV dramas / TV movies / Series / Theatre	318.1	321.9	(3.8)	-1.2%
Sports (excl. one-off sporting events)	49.9	60.4	(10.5)	-17.4%
News	103.3	100.8	+2.5	+2.5%
Movies	150.1	161.8	(11.7)	-7.2%
Youth	16.3	16.7	(0.4)	-2.4%

CONSOLIDATED INCOME STATEMENT (1/2)

€m	2014	2013	Var. €m	Var. (%)
CONSOLIDATED REVENUE	2,091.8	2,075.3	+16.5	+0.8%
Total cost of programmes	(994.0)	(946.7)	(47.3)	+5.0%
Other charges depreciation & amortisation	(981.3)	(981.9)	+0.6	-0.1%
CURRENT OPERATING PROFIT	116.5	146.7	(30.2)	-20.6%
CURRENT OPERATING MARGIN	5.6%	7.1%	-1.5pt	
Other operating income and expenses	-	-	-	-
OPERATING PROFIT	116.5	146.7	(30.2)	-20.6%

CURRENT OPERATING PROFIT BREAKDOWN

€m	2014	2013	Var. M€
BROADCASTING & CONTENT	51.7	101.6	(49.9)
Broadcasting	36.0	92.8	(56.8)
Content	15.7	8.8	+6.9
CONSUMER PRODUCTS	14.8	25.3	(10.5)
TF1 Vidéo	1.0	0.8	+0.2
Téléshopping	3.2	14.2	(11.0)
TF1 Entreprises	10.6	10.3	+0.3
PAY TV	1.5	3.1	(1.6)
Eurosport France	4.1	5.2	(1.1)
Theme channels in France	(2.6)	(2.1)	(0.5)
HOLDING AND OTHERS	48.5	16.7	+31.8
TOTAL CURRENT OPERATING PROFIT	116.5	146.7	(30.2)

CONSOLIDATED INCOME STATEMENT(2/2)

€m	2014	2013	Var. €m	Var. (%)
OPERATING PROFIT	116.5	146.7	(30.2)	-20.6%
Cost of net debt	1.1	0.4	+0.7	x2.8
Other financial income and expenses	0.3	0.8	(0.5)	-62.5%
Income tax expense	(29.8)	(45.2)	+15.4	-34.1%
Share of profits / (losses) of associates	15.0	0.5	+14.5	x30.0
NET PROFIT FROM CONTINUING OPERATIONS	103.1	103.2	(0.1)	-0.1%
Post-tax profit from discontinued/held-for-sale operations	315.9	48.5	+267.4	x6.5
NET PROFIT	419.0	151.7	+267.3	x2.8
NET PROFIT ATTRIBUTABLE TO THE GROUP	412.7	137.0	+275.7	x3.0
ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	6.3	14.7	(8.4)	-57.1%

CONSOLIDATED BALANCE SHEET

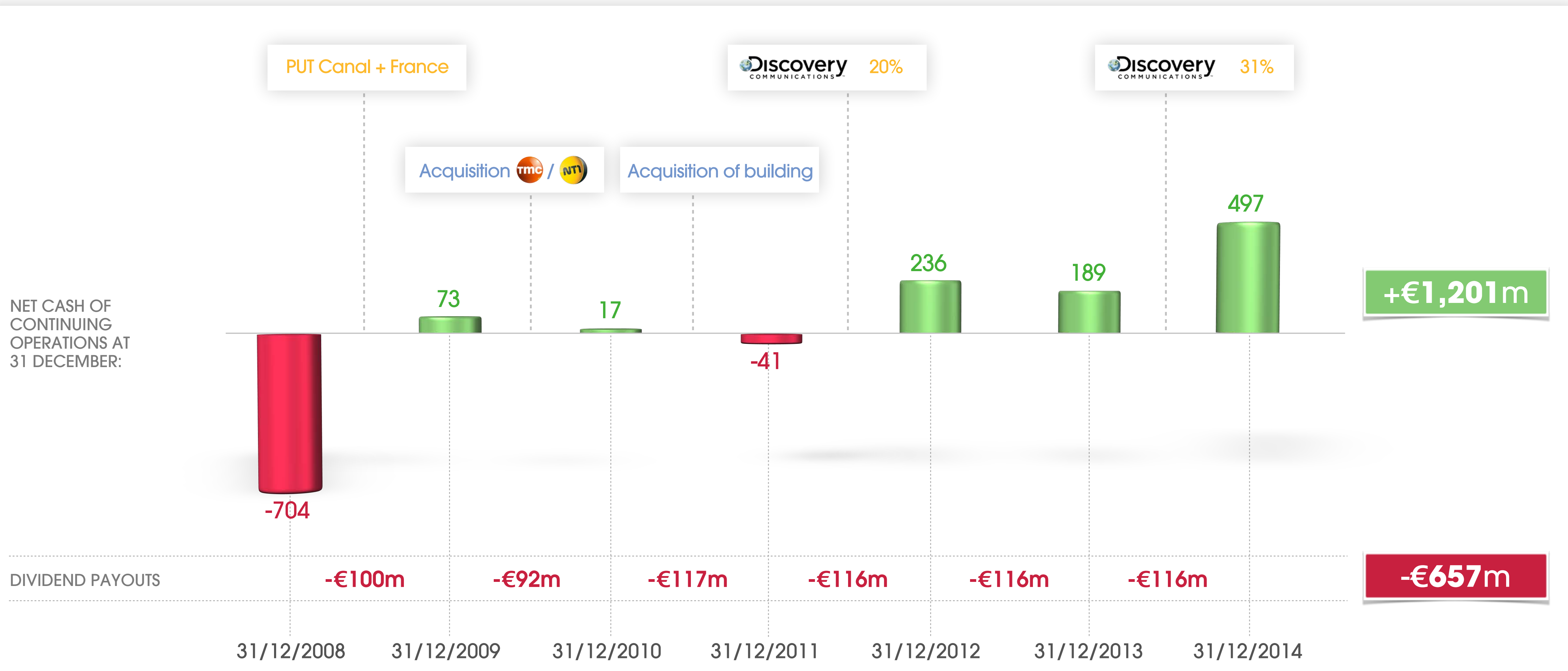
ASSETS (€m)	31 DEC. 14	31 DEC. 13	Var. €m
Total non-current assets	1,369.4	873.3	+496.1
Total current assets	2,354.6	2,126.4	+228.2
Held-for-sale assets	-	645.6	(645.6)
TOTAL ASSETS	3,724.0	3,645.3	+78.7

SHAREHOLDERS' EQUITY AND LIAB. (€m)	31 DEC. 14	31 DEC. 13	Var. €m
Shareholders' equity	2,039.9	1,834.2	+205.7
o/w shareholders' equity attributable to the Group	2,003.4	1,703.7	+299.7
Non-current liabilities	79.9	51.2	+28.7
Current liabilities	1,604.2	1,594.2	+10.0
Liabilities related to held-for-sale operations	-	165.7	(165.7)
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,724.0	3,645.3	+78.7

CONSOLIDATED CASH FLOW STATEMENT

€m	2014	2013	Var. €m
Operating cash flow	127.5	178.8	(51.3)
Income taxes (paid)/reimbursed	(33.1)	(48.8)	+15.7
Change in operating working capital needs	12.7	(70.0)	+82.7
Net cash generated by/(used in) operating activities	107.1	60.0	+47.1
Net cash generated by/(used in) investing activities	317.1	9.3	+307.8
Net cash generated by/(used in) financing activities	(117.1)	(118.1)	+1.0
CHANGE IN CASH POSITION - CONTINUING OPERATIONS	307.1	(48.8)	+355.9
CASH POSITION AT BEGINNING OF PERIOD	191.1	239.9	(48.8)
CASH POSITION AT END OF PERIOD	498.2	191.1	+307.1
CHANGE IN CASH POSITION - DISCONTINUED/HELD-FOR-SALE OPERATIONS	(69.6)	55.7	(125.3)
CASH POSITION AT START OF PERIOD	69.6	13.9	+55.7
CASH POSITION AT END OF PERIOD	-	69.6	(69.6)

A CONSOLIDATED FINANCIAL STRUCTURE



OUTLOOK

RETURN ON INVESTMENT

€317m*

- ▶ **Redistributed to shareholders**
 - an ordinary part of €0.28 per share
 - an exceptional part of €1.22 per share
- ▶ **Equivalent to 76% of 2014 net profit**

€60m

- ▶ **Allocated to a share buyback programme**

(subject to approval by the AGM on April 16, 2015)

- ▶ **Sufficient cash remaining to finance the investments needed for the Group's further development**

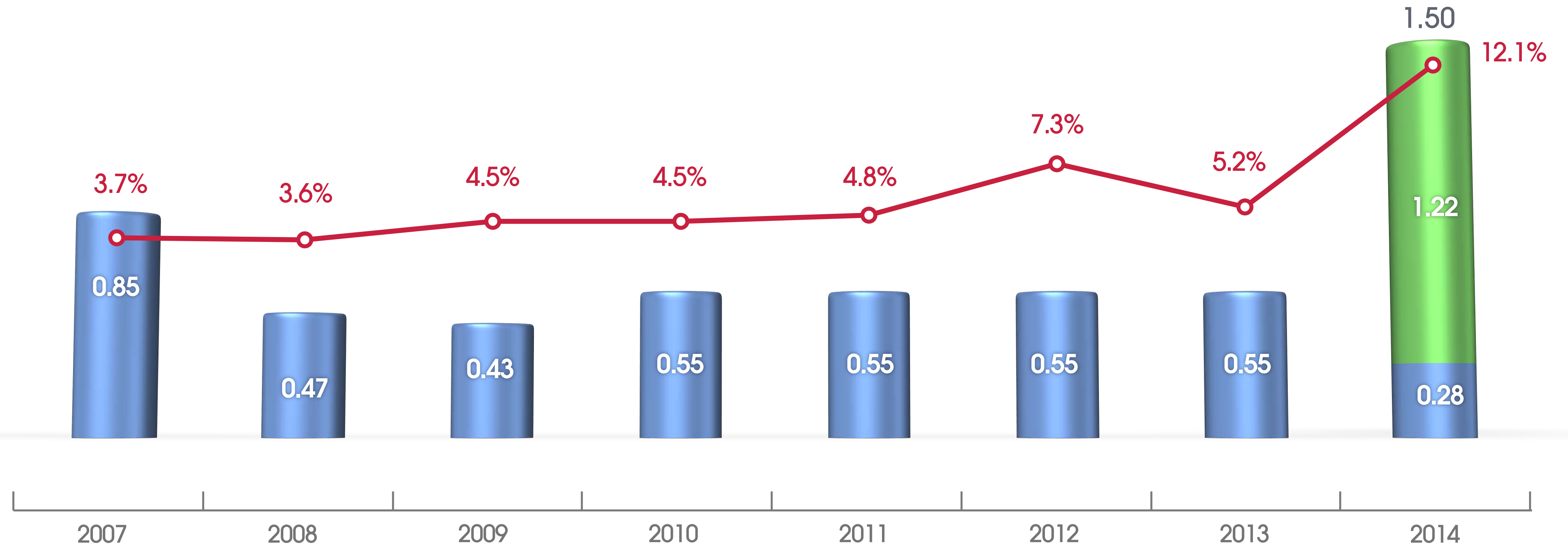
* Based on the number of TF1 shares outstanding as of December 31, 2014

DIVIDEND PROPOSAL TO THE ANNUAL GENERAL MEETING – 16 APRIL 2015

■ Exceptional part (€/share)

■ Ordinary part (€/share)

— Return (based on the year's average share price)



2015: STABILISATION OF THE MARKET?

- ▶ The race for volume seems to reach an end
 - ▶ The number of channels will not change
 - ▶ Competition on programming investments is unlikely to let up
-
- ▶ TV remains the favourite medium in France
 - ▶ Online video will continue to grow
 - ▶ SVOD will develop slowly

TELEVISION REMAINS THE KEY MEDIUM FOR ADVERTISERS

TF1 GROUP: THE ROADMAP IS CLEAR

1

TECHNOLOGIES AND DIGITAL MEDIA: OUR KEY STRENGTHS FOR THE FUTURE

2

FLEXIBILITY: ONGOING OPTIMISATION OF OUR RESOURCES IS THE TOP PRIORITY

3

VALUE CREATION: A PERMANENT OBJECTIVE

4

REGULATION: NEW OPPORTUNITIES THAT CAN BE POSITIVE FOR THE FUTURE

5

CITIZENSHIP: TF1, THE IDEAL CHANNEL FOR FORGING SOCIAL LINKS

% OF FRENCH PEOPLE WATCHING ON-SCREEN LIVE BROADCASTS AT LEAST ONCE A MONTH



95%



26%

STABLE
YEAR ON YEAR



12%

+2 POINTS
YEAR ON YEAR



19%

STABLE
YEAR ON YEAR

TECHNOLOGICAL ADVANCES ARE OPENING UP NEW AVENUES

- ▶ Audience metrics will become the norm
- ▶ Devices increasingly tailored to HD images
- ▶ Fibre optics: an unrivalled broadcasting medium
- ▶ 4K: showcasing TV in UHD

FUTURE IS UPBEAT FOR TV

- ▶ Appetite for content is unflagging
- ▶ Live / Non-live: strengthening each other
- ▶ Mobility: promising in terms of consumption
- ▶ Screen diversity: positive matches

OUR OFFERING IS CHANGING AND STRENGTHENING

OPTIMISE THE USE OF OUR CONTENT

- ▶ Adopt a systematic multi-channel approach
- ▶ Generate even more value with 360
- ▶ Benefit from the opportunities offered by all channels and devices
- ▶ Optimise our four free-to-air channels programming

REDUCE OPERATING EXPENSES

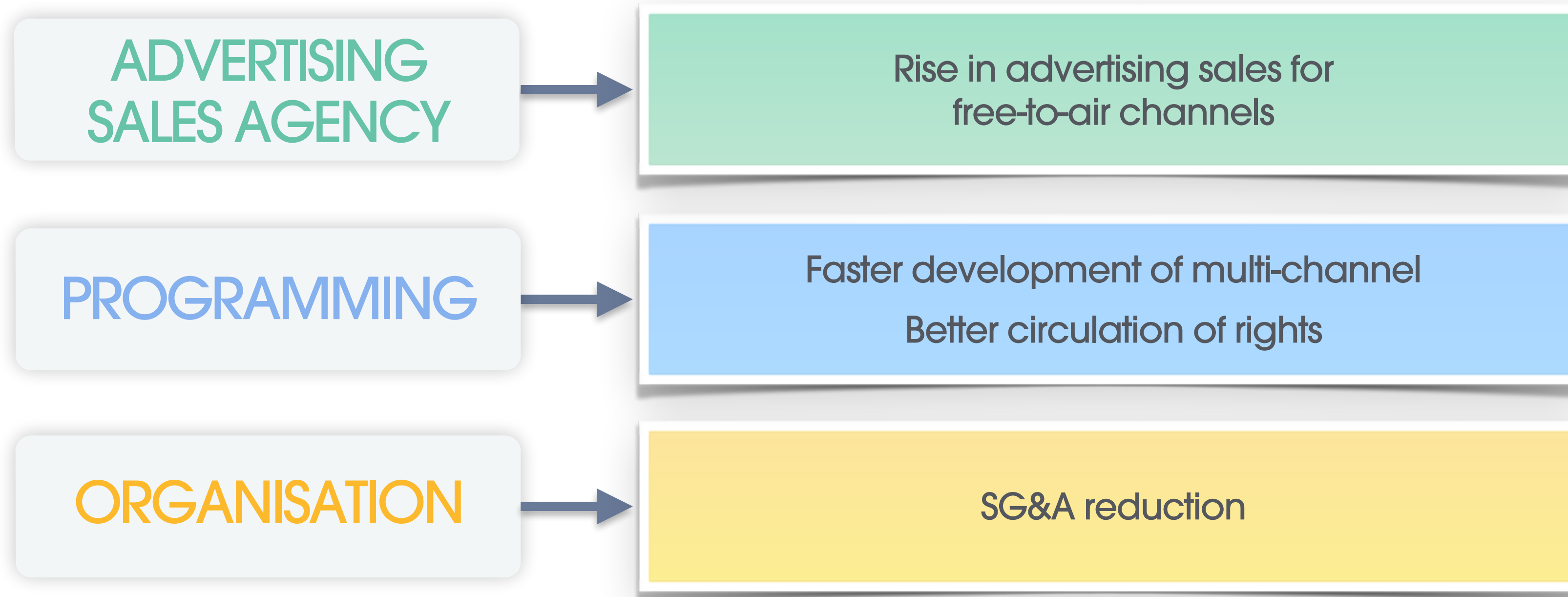
- ▶ Generate non-recurring savings through organisational changes
- ▶ Make progress in sharing support services
- ▶ Boost productivity with ever more efficient IT systems

FORGE AHEAD WITH PRIORITY TRANSFORMATION PROJECTS

- ▶ News
- ▶ Free press

MANAGE THE COMPANY WITH A COMBINATION OF FLEXIBILITY AND DISCIPLINE

3 DRIVES FOR THE FUTURE



3 POSSIBLE WAYS TO IMPROVE OPERATING INCOME

1. DOING EVEN BETTER AT OUR CORE BUSINESSES

- ▶ confirming our multi-channel market leadership
- ▶ optimising revenue and profitability
- ▶ innovating to move with the trends

2. EXTENDING OUR 360 AND DIGITAL KNOW-HOW

- ▶ anchoring MYTF1 as the ultimate free/pay media platform
- ▶ increasing our revenues while expanding our inventory
- ▶ exploiting all distribution channels
- ▶ offering new marketing tools

3. STRENGTHENING OUR CONTENT ACTIVITIES

- ▶ developing new formats (production)
- ▶ locking in our sources of supply
- ▶ making the most of our own assets (catalogue)

4. DEVELOPING NEW SOURCES OF GROWTH

- ▶ building synergies between our business lines
- ▶ with less exposure to advertising cycles
- ▶ and a reasonable-timeline ROI
- ▶ building more European alliances

KEEP CREATING VALUE

THE RELATIONSHIP BETWEEN PRODUCERS AND BROADCASTERS WILL STABILISE

- ▶ coproduction rights are now established
- ▶ discussions are focusing on independence and vertical integration

EVOLUTION OF THE SPONSORSHIP, WITH PRODUCT REFERENCES

COPYRIGHT INFRINGEMENT MUST BE COMBATED

- ▶ TF1 is playing a key role, following legal actions taken against YouTube and Dailymotion
- ▶ Strong concerted efforts are being made between the movie and TV industries

ONGOING ACTION...

- 1** RENEWAL
- 2** ADJUSTING OUR BUSINESS MODEL
- 3** CREATING VALUE
- 4** PROMOTING OUR INTERESTS TO REGULATORS
- 5** STRENGTHENING OUR CSR COMMITMENT

2008 - 2014

- 1** TECHNOLOGIES AND DIGITAL MEDIA: OUR KEY STRENGTHS FOR THE FUTURE
- 2** FLEXIBILITY: ONGOING OPTIMISATION OF OUR RESOURCES IS THE TOP PRIORITY
- 3** VALUE CREATION: A PERMANENT OBJECTIVE
- 4** REGULATION: OPPORTUNITIES THAT CAN BE POSITIVE FOR THE FUTURE
- 5** CITIZENSHIP: TF1, THE IDEAL CHANNEL FOR FORGING SOCIAL LINKS

2015 - ...

ONE GOAL : IMPROVING PROFITABILITY



QUESTIONS / ANSWERS