



LE GROUPE

INVESTOR PRESENTATION
POST H1 2018 RESULTS

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.

- 1 - FRENCH TV MARKET (p.4)
- 2 - H1 2018 PRESENTATION (p.12)
- 3 - OUTLOOK (p.31)
- 4 - APPENDIX (p.33)

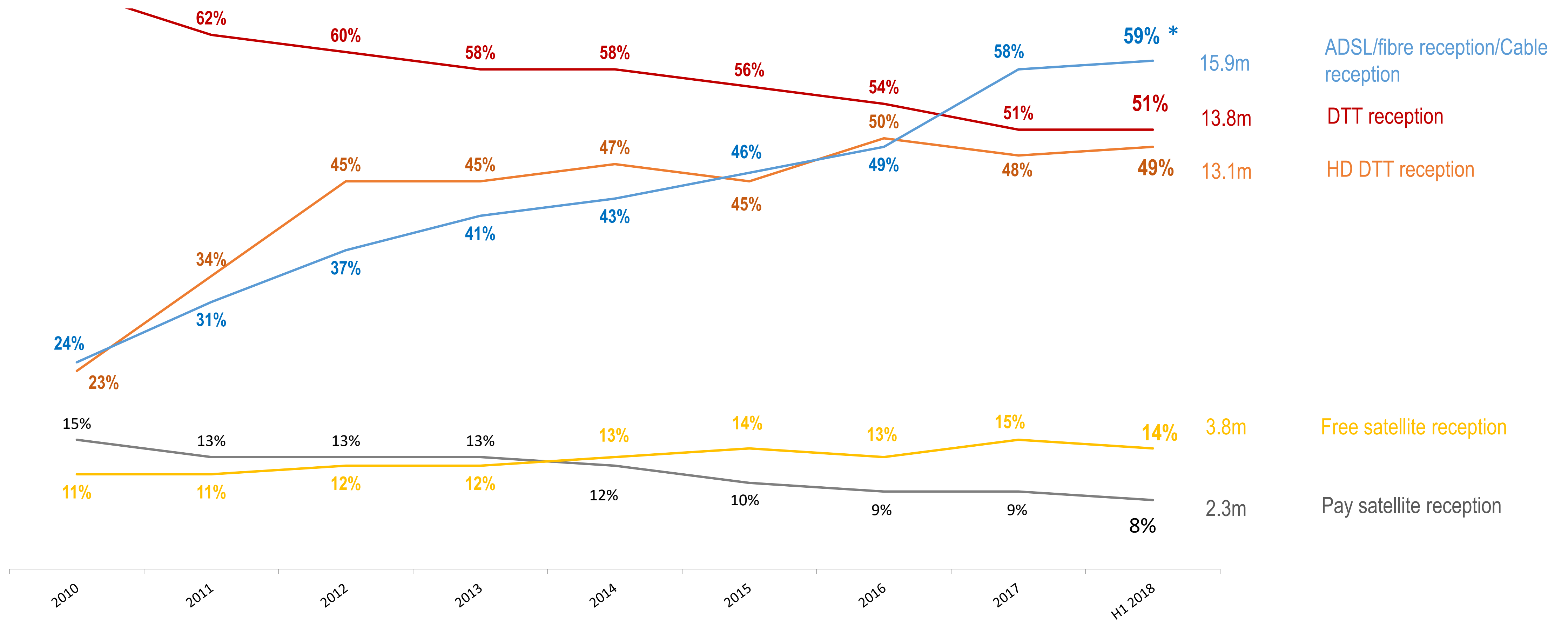


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FRENCH TV MARKET

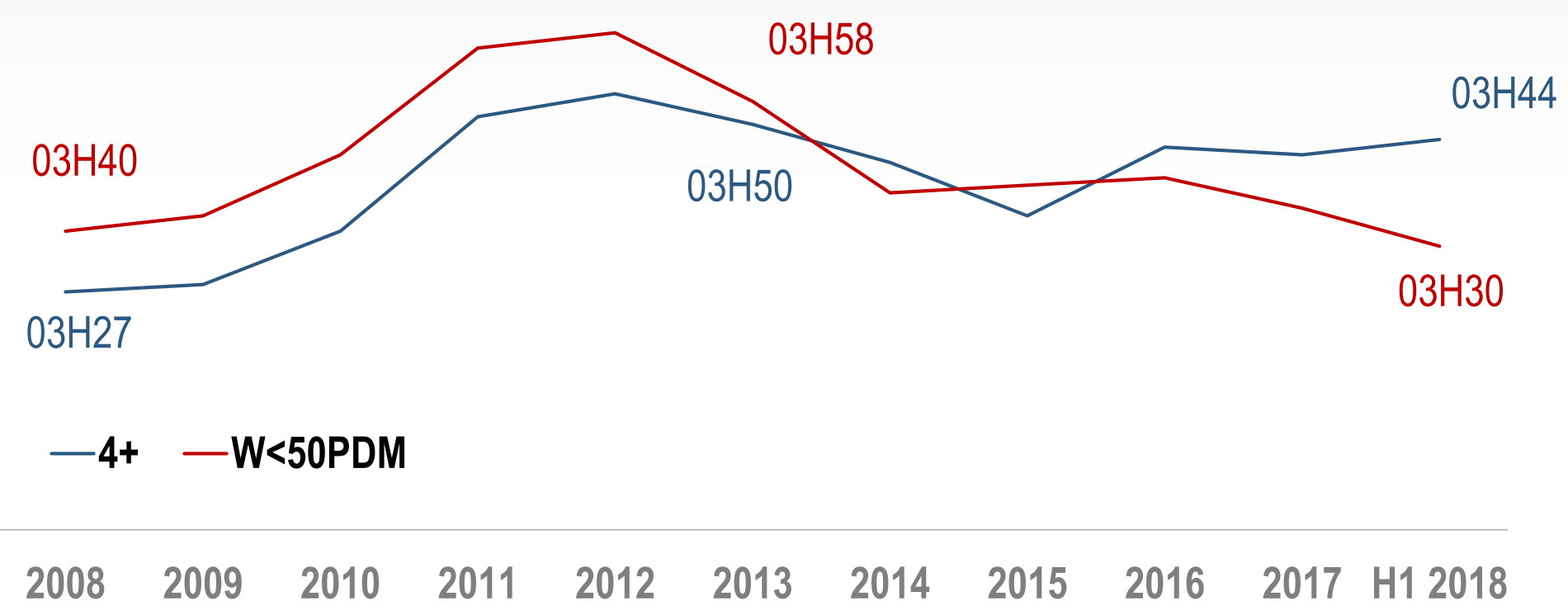
EVOLUTION OF RECEPTION MODES AS A % OF HOUSEHOLDS

(Main reception mode as a % of households equipped with TV)



TV, THE MOST CONSUMED MEDIUM IN FRANCE

FRENCH PEOPLE WATCH NEARLY 4 HOURS OF TV A DAY



TV

3H44
o/w 12mins of delayed viewing

Radio

2H04

Desktops

31mins

Mobile

42mins

31 MILLION INDIVIDUALS REACHED DAILY BY THE GROUP'S CHANNELS

daily reach for TV | **74%** | 43 million people

Daily reach | **53%** | 31 million people

YOUTUBE



FACEBOOK



TELEVISION



VIDEO TIME/DAY

20'

4'

1H19'

o/w 9' of live digital

REACH/DAY

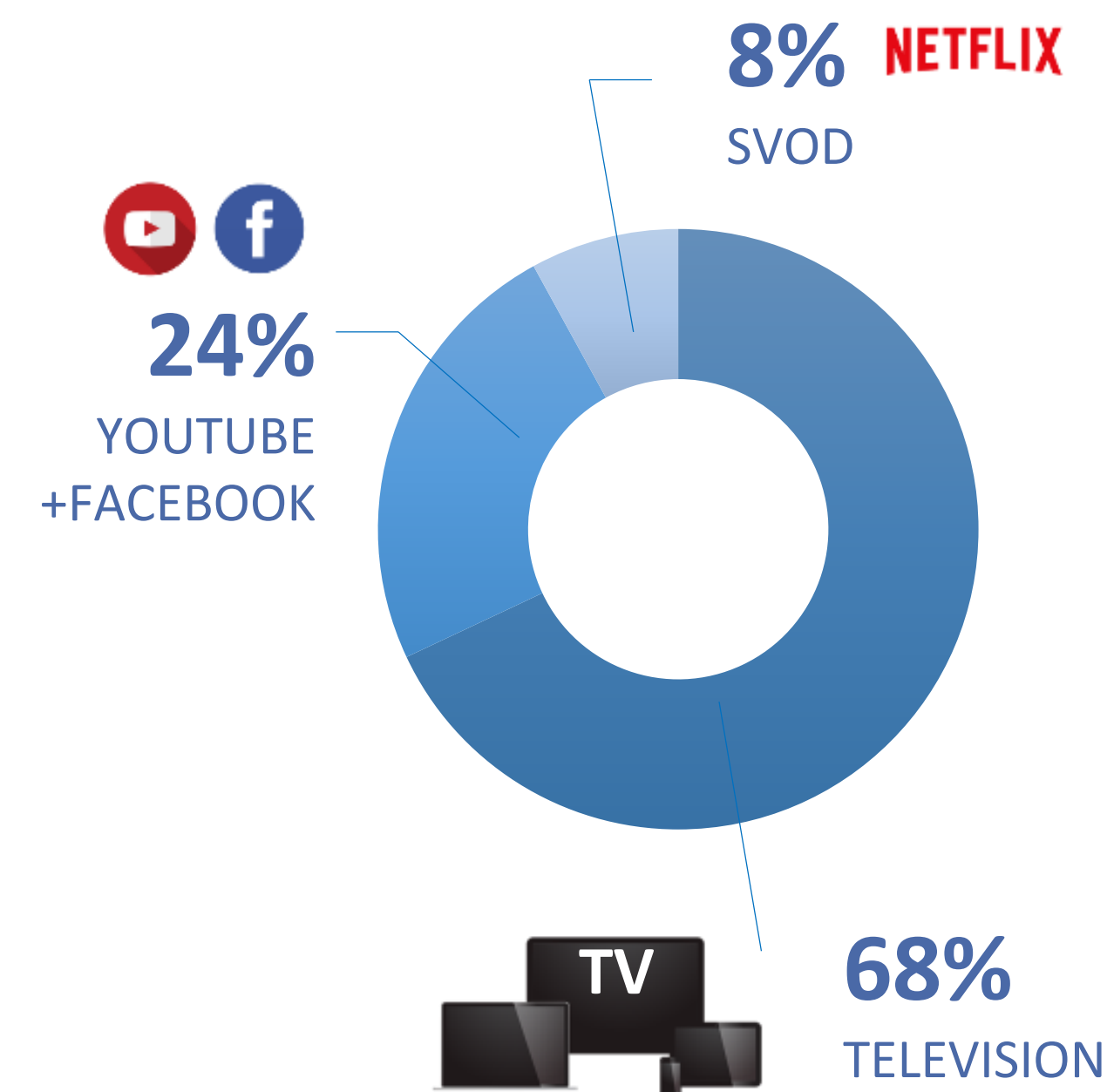
44%

47%

46%

Long sessions on TV, high reach on Facebook but minority of video usage

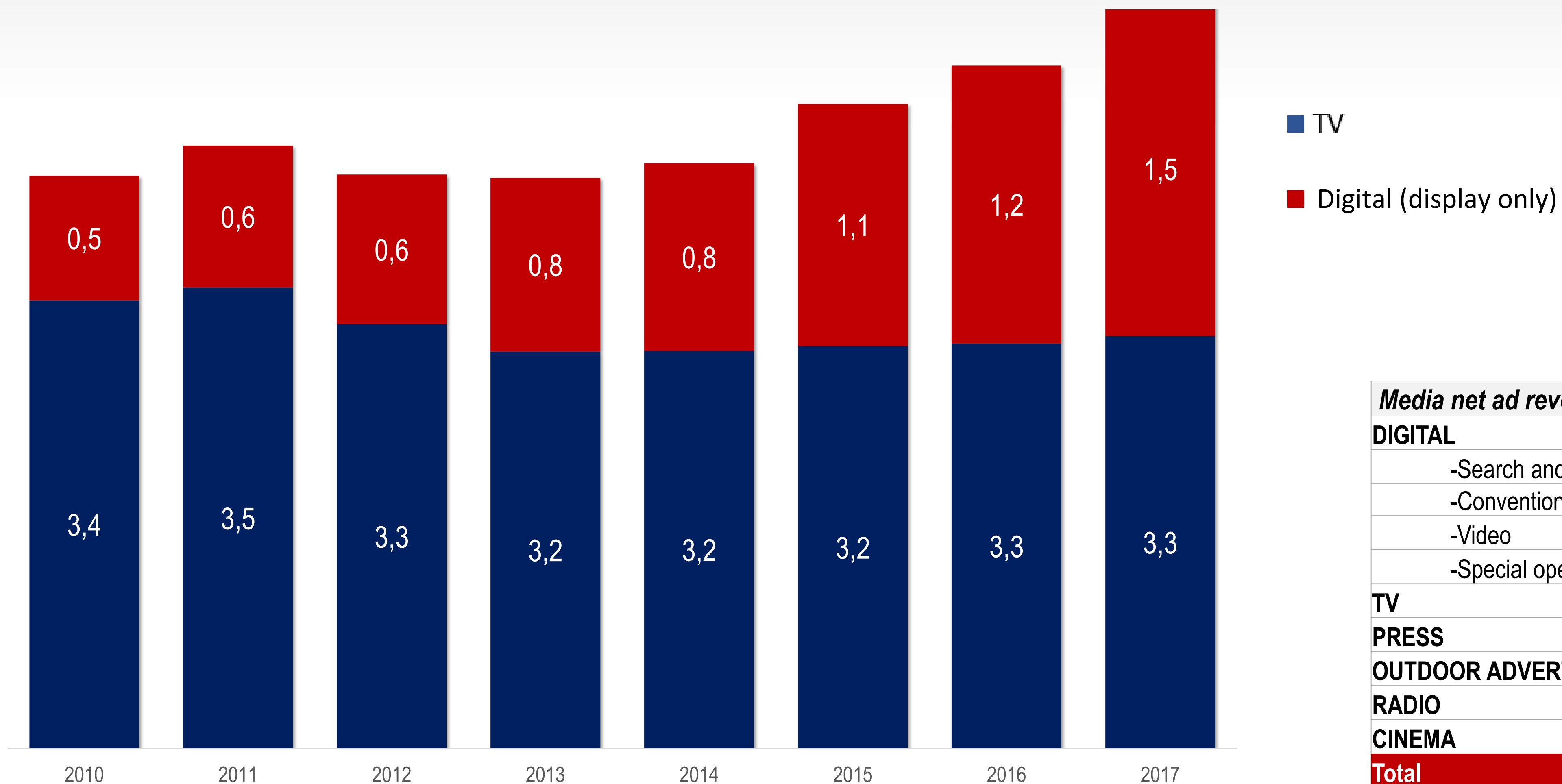
PART OF TV CONTENTS IN VIDEO CONSUMPTION*



FRAGMENTATION IN THE FRENCH AUDIOVISUAL SECTOR SINCE 2005

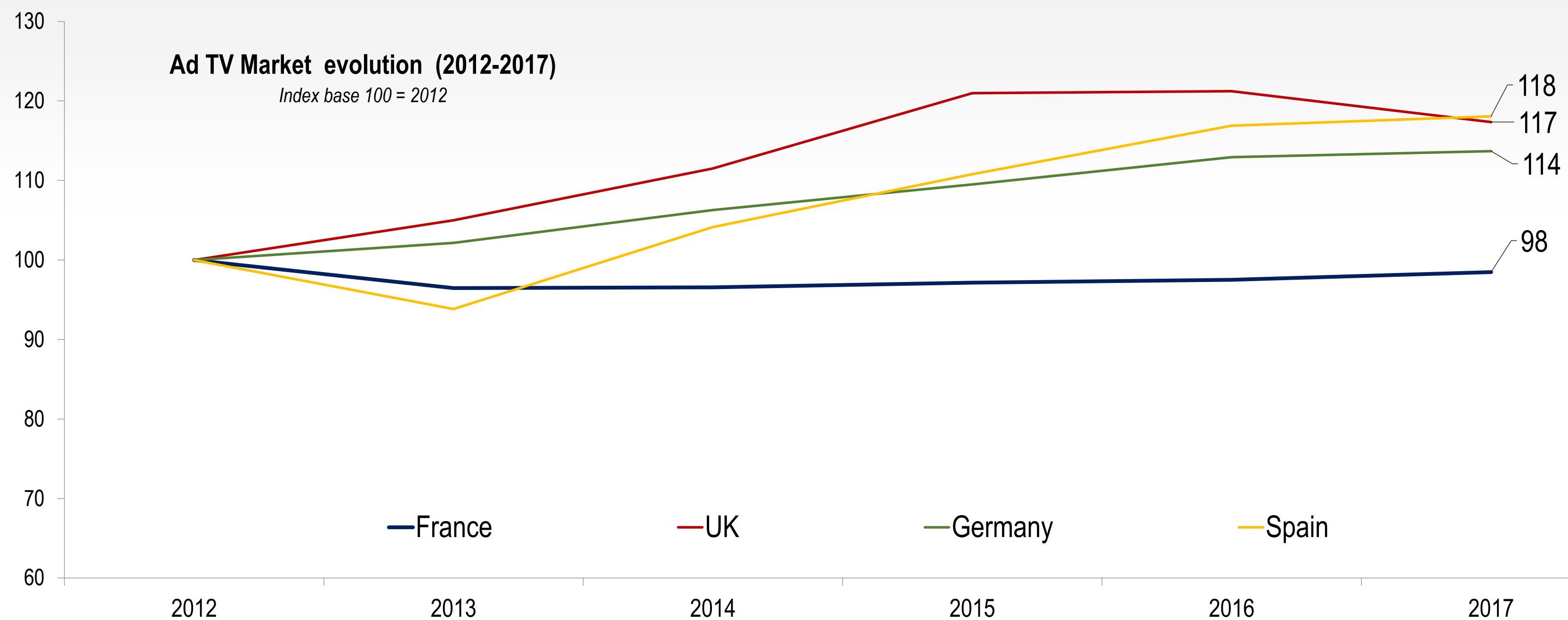


EVOLUTION OF TV AND DIGITAL* ADVERTISING MARKET (€ BILLION)



<i>Media net ad revenue (€bn)</i>	2016	2017
DIGITAL	3.5	4.1
-Search and other	2.3	2.6
-Conventional (banners, etc.)	0.7	0.7
-Video	0.4	0.6
-Special operations	0.1	0.1
TV	3.3	3.3
PRESS	2.3	2.1
OUTDOOR ADVERTISING	1.2	1.2
RADIO	0.7	0.7
CINEMA	0.1	0.1
Total	11.1	11.5

FRENCH AD TV MARKET EVOLUTION OVER THE LAST 6 YEARS



Ad TV Market (per inhabitant)	2012	2013	2014	2015	2016	2017
France (€)	50	49	49	49	49	49
UK (£)	68	71	75	81	80	78
Germany (€)	50	51	53	54	56	55
Spain (€)	38	35	39	42	44	46

OBLIGATIONS TO INVEST

- ✓ **3.2%** in the co-production of European cinema works*
- ✓ **12.5%** for the commissioning of national heritage audiovisual works*

* of the previous year's net annual advertising turnover, within a calendar year

OBLIGATIONS TO BROADCAST

- ✓ Cinema and audiovisual works: 60% European-origin and 40% French origin at least
- ✓ A maximum of 192 movies per year
- ✓ A minimum of 2/3 of the annual broadcasting airtime devoted to French-speaking programmes
- ✓ 750 hours of children's programmes, 800 hours of news bulletins and magazines

ADVERTISING

- ✓ **Up to 12' per hour**
- ✓ Up to 9' per hour on average each day
- ✓ Movies: up to 2 slots and 6' of advertising
- ✓ State-owned channels: no advertising from 8pm to 6am

MEDIA INDEPENDANCE

- ✓ **49% max ownership** (of the capital of a company operating a domestic DTT service with an audience share >8%)
- ✓ **7 DTT licences**
- ✓ **2 out of 3 media** (among TV, radio and daily press, with national coverage)

ADVERTISING

Prohibited sectors:

- ✓ Promotions in the retail sector
- ✓ Cinema (movie trailers...)

FISCAL ISSUES

- ✓ **Audiovisual taxes** (CNC, France TV, radio, press): **€91m** in 2017
- ✓ **Audiovisual sector financing** (obligations to invest)

PRODUCTION & CONTENT

- ✓ Mandates for distribution of content
- ✓ 26% of dependent production
- ✓ 15% of ownership threshold (above which a producer is considered as dependent)



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H1 2018 PRESENTATION

IN LINE WITH THE TRANSFORMATION OF THE GROUP: 3 BUSINESS SECTORS SINCE Q2 2018

BROADCASTING

STUDIOS & ENTERTAINMENT

DIGITAL

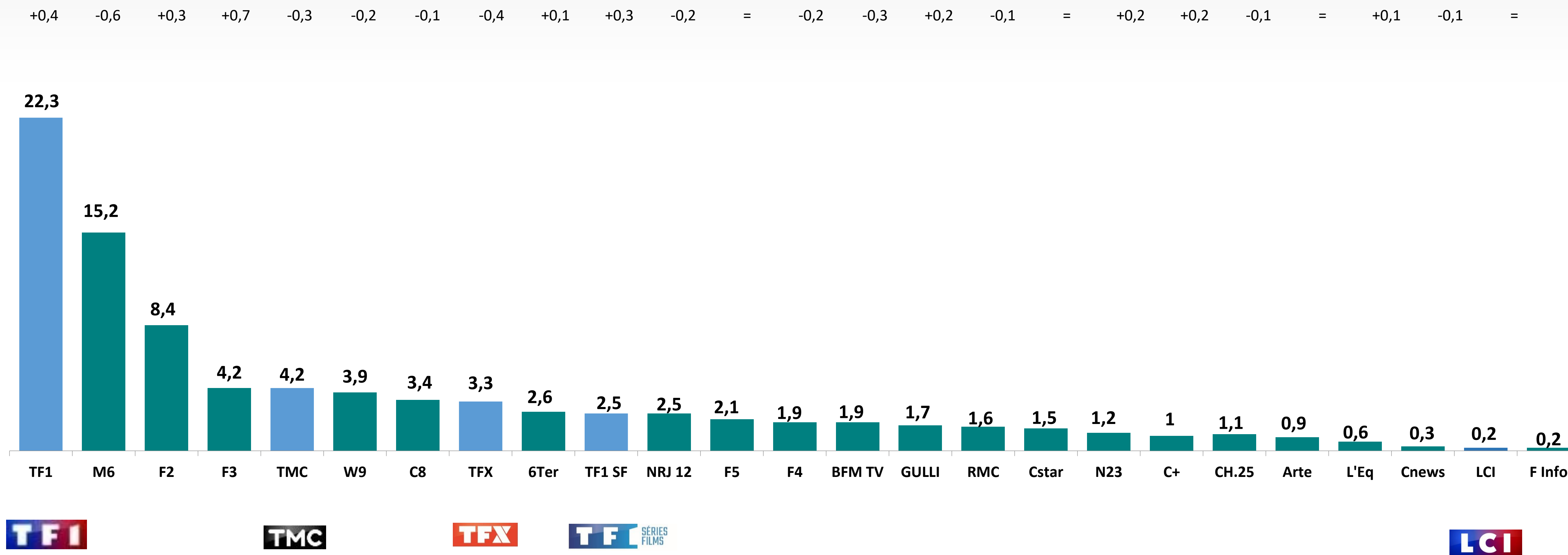
Free-to-Air channels

*Owned at 50%

**The aufeminin Group has been consolidated since May 2018

SHARE OF VIEWING AMONG W<50PDM – H1 2018

Audience share H1 2018 vs. H1 2017 (%)



HIGH-LEVEL GROUP AUDIENCE SHARES ON COMMERCIAL TARGETS: 32.5% ON W<50PDM AND 29.2% ON IND. AGED 25-49



H1 2018 RATINGS ON W<50PDM



0.2



2.5



3.3



4.2

32.5%
W<50PDM



22.3



- Strong performance of the TF1 channel in H1 on W<50PDM: +0.4 pt yoy
- 3rd consecutive quarter of growing audience share on W<50PDM (+0.5 pt in Q2 2018 vs Q2 2017)
- All of the top 20 audience ratings among Ind. aged 25-49 (including 6 Football World Cup games)



Record audience in June
(22% audience share on W<50PDM)



5.8 M TV viewers for the
season final



6.6 M TV viewers

A STRONG LEADING DTT POLE: WELL-ORIENTED AUDIENCE SHARES ON THEIR RESPECTIVE TARGETED POPULATION



- 4.2% audience share in H1 on Ind. aged 25-49 (stable yoy)
- 16 of the top 20 DTT ratings among Ind. aged 25-49
- Successful prime-time relaunch of iconic brand *Burger Quiz* with more than 1.1 M TV viewers



Up to 2.3 M TV viewers
(including 20% on catch-up)



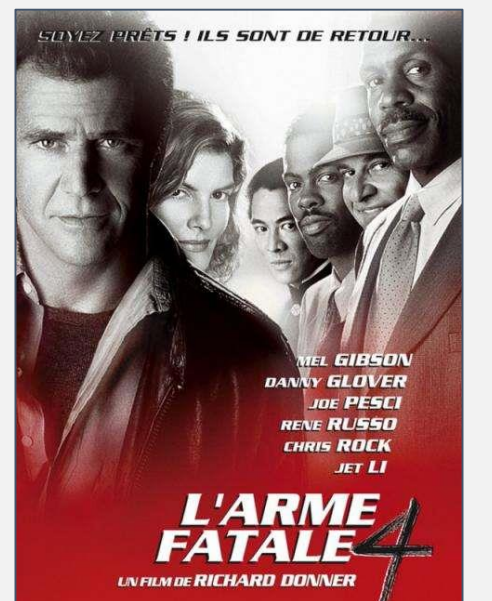
- 3.7% audience share in H1 on Ind. aged 15-34 (stable yoy)
- Good ratings on reality shows like *Tattoo Cover* (6% audience share on Ind. 15-34)



Average of 600,000 TV viewers

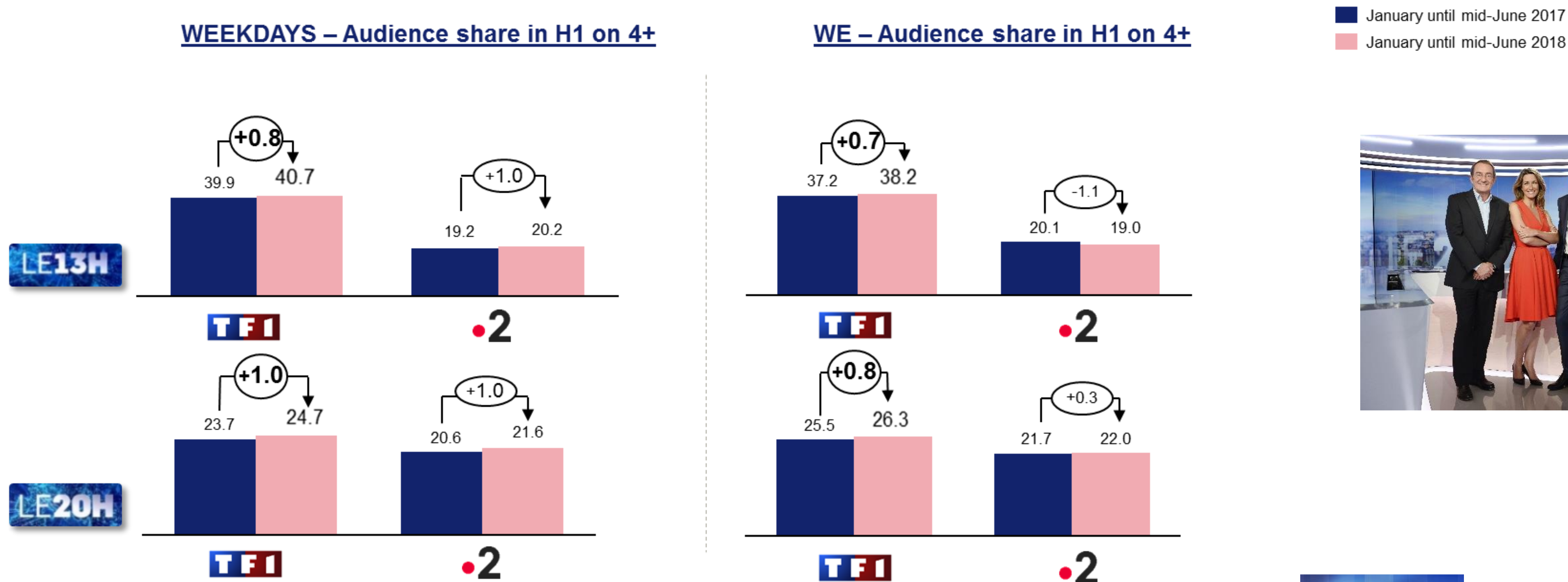


- 2.5% audience share in H1 on W<50PDM (+0.3 pt yoy)
- Movies are performing well (average of 540,000 TV viewers on prime-time in H1)



1.2 M TV viewers

- **Daily News shows: ratings have increased on 4+ target and the gap with France 2 is widening during week-ends***



- **Successful launch of *Le 20H Le Mag*: increasing audiences up to 5.9 million TV viewers**



- **LCI ratings resist better than other news channels: audience share maintained at 0.6% on 4+ target in H1**



FIFA WORLD CUP: THE UNIQUE CAPACITY OF TF1 TO FOSTER OUTSTANDING CONTENT

⚽ Capacity of TF1 to gather most of the TV viewers...

- Average of **9 M TV viewers** (43% on 4+) for all of the **28 games** aired
- Average of **14 M TV viewers** (72% on 4+) for games with **French Team**
- More than **19 M TV viewers** for both the **semi-final and final** (resp. 71% and 82% on 4+)
- **Digital**
 - **25 M videos views** on **MYTF1***
 - **Record live audiences on other screens** (1.9 M live visits for France – Uruguay)
 - **Innovations** enhancing the experience of TV viewers (4K and virtual reality)



⚽ ...and advertisers

- **200 advertisers** with best-known brands
- **5 major sponsors** (vs 4 for the last Football World Cup)
- A **well-monetized event** through optimized **yield management**

Major advertisers

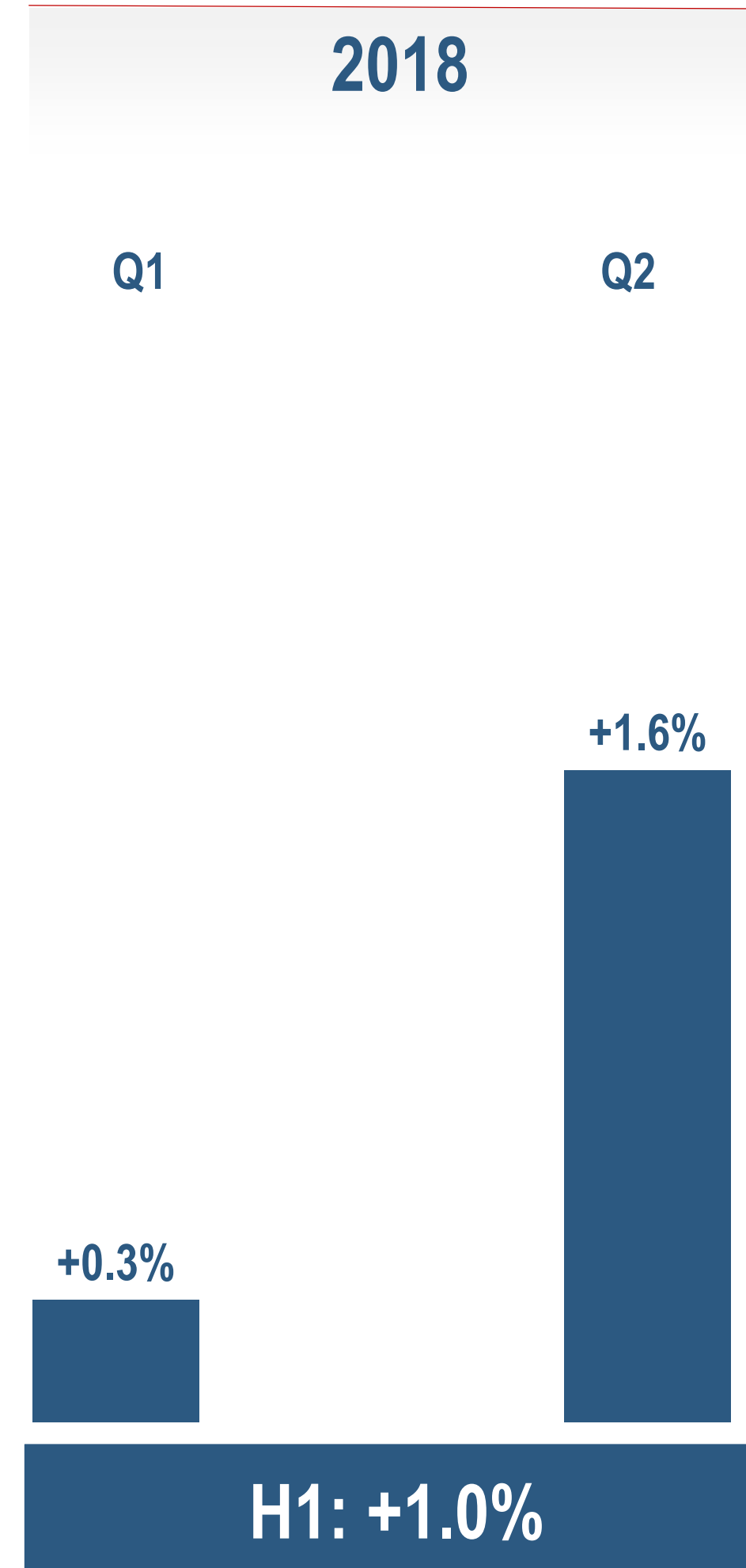
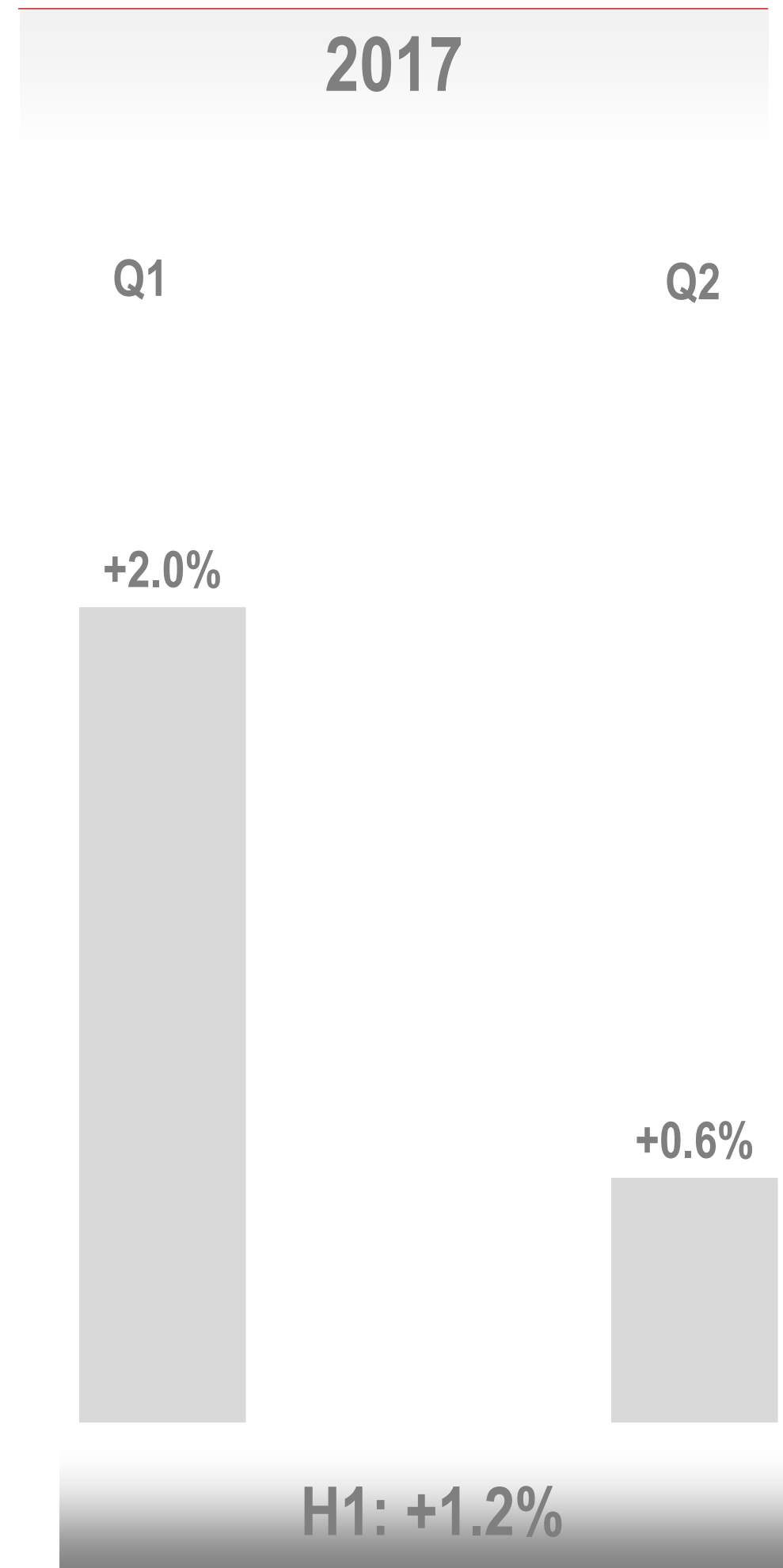
5 sponsors



Top 10 advertisers



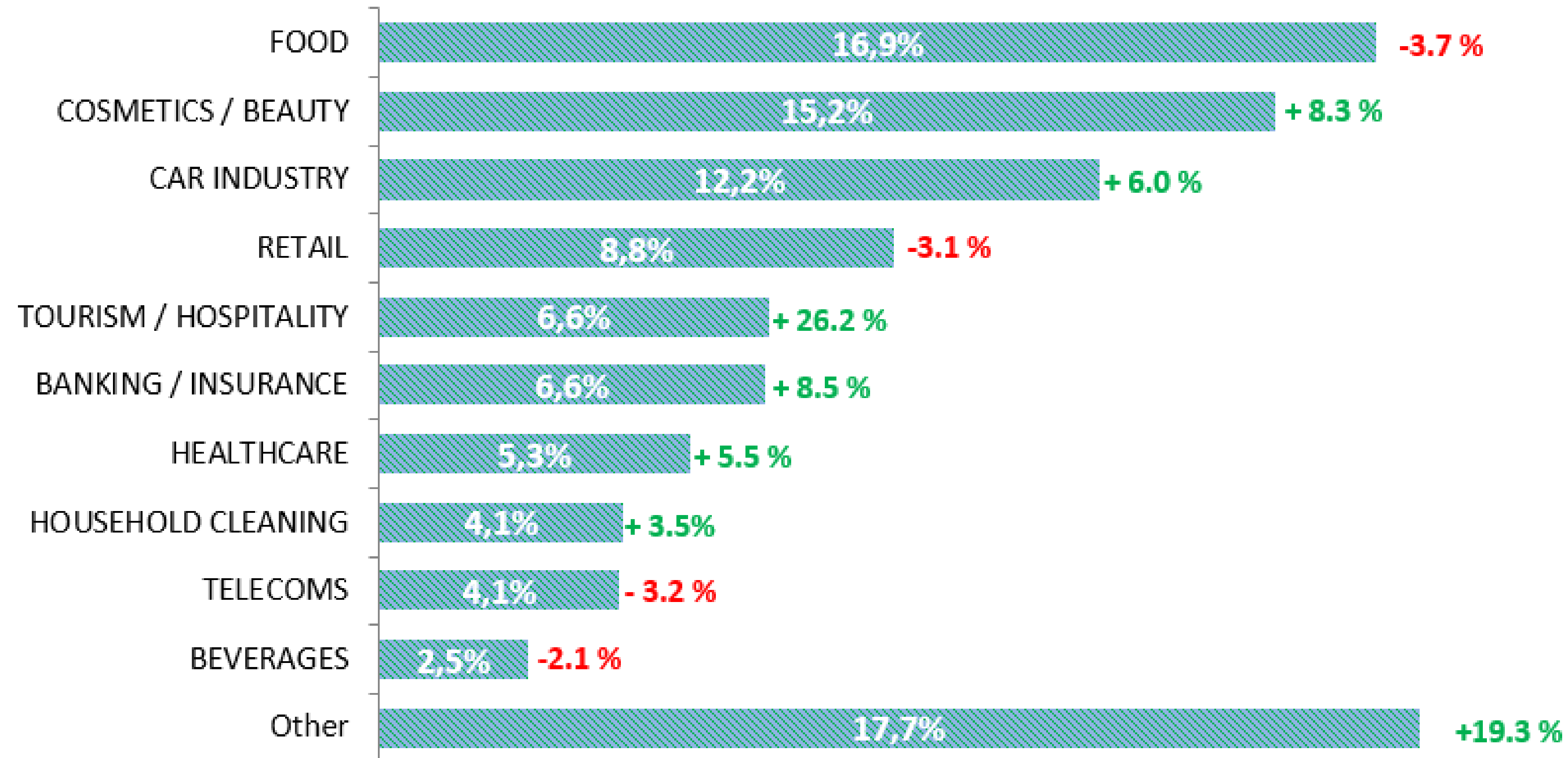
FREE-TO-AIR CHANNELS TV ADVERTISING REVENUE BOOSTED BY THE WORLD CUP IN Q2: +1.6% YoY



ADVERTISING REVENUE FOR THE 5 FTA CHANNELS IS INCREASING:

€754.5 million in H1 2018
+1% YoY

H1 2018 TRENDS IN GROSS AD SPEND FOR TF1 GROUP CHANNELS



TF1 PREMIUM: ADDITIONAL REMUNERATION FOR OUR CONTENT AND NEW SERVICES

Agreements signed with all 4 telcos operators

- **Dual-sources revenues:**
 - Remuneration for content
 - Enhanced services (start-over, TF1+1, TMC+1, 4K, extended replay, etc.)
- Securing the price: average contracts term over **3 years**
- **Full impact** expected as of fiscal year **2019**



➤ 2 mains drivers:

- **Positioning on verticals** close to TF1 group traditional targets



- **Monetising audiences** through commitment on social networks



- Accumulated share of 93% of aufeminin group as of July 4th
- Aufeminin group consolidated for 2 months in H1

REVENUE*

€57m in H1 2018 (+6%) ; €113.5m in 2017 (+6%)

€107m in 2016

EBITDA*

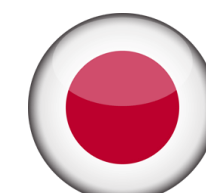
€21.3m in 2017 - (Margin : 19%)

€24.7m in 2016 (Margin : 23%)

EBIT*

€12.1m in 2017 - (Margin : 11%)

€17.7m in 2016 (Margin : 17%)



KEY FIGURES



Over **155 million** users* in the world, of which **20 million** in France

Over **7 million** followers on social networks

Around **17 million** downloads for Marmiton app

4 million subscribers to My Little Paris Newsletter

460 employees

NEWEN: ANTICIPATED ACQUISITION OF THE REMAINING 30% TO ACCELERATE THE DEVELOPMENT

An anticipated acquisition of the 30% remaining stake

- 12 months in advance
- In agreement with the leaving founders



The buyout of minority shares allows to

- Pursue the development of the Newen group
- Implement synergies faster

Principles remain unchanged

- Operational autonomy
- European development strategy
- Production activity without vertical integration

Management continuity is guaranteed


- Bibiane Godfroid has been named Chairwoman & CEO
- Romain Bessi has been appointed Deputy CEO

NEWEN CONTINUES TO PERFORM WELL

ON AIR

• **3** 

4.3m TV viewers
April 17th prime time :
18.8% audience share Ind.4+

• **2** 

S6 historic record
4.7m TV viewers
21.1% audience share Ind.4+

TF1



3.4m TV viewers
(live + replay)
Best audience share Ind.4+ at
18.9%

ONGOING PRODUCTION

10 dramas produced per year

• **2**



arte

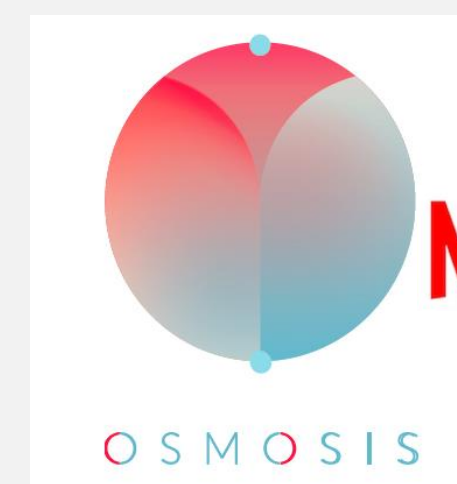
• **3**

OCS

• **5**



New clients



NETFLIX



amazon prime video

DIVERSIFIED ENTERTAINMENT ACTIVITIES

play two

- Successful launch of the new Maître Gims album



TF1
STUDIO

- 4 movie releases in H1 2018 gathering more than 600,000 entries



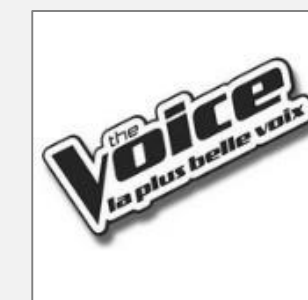
LA SEINE
MUSICALE

- Excellent ticket sales for major concerts
- Steady rise in bookings at the studio recording space



TF1
LICENCES

- Good performance thanks to key brands: Ushuaïa and the Voice



H1 2018 CONSOLIDATED REVENUE

€m	H1 2018	H1 2017	Var. €m	Var. %
BROADCASTING	869.0	857.5	11.5	1.3%
<i>TV advertising on free-to-air channels</i>	<i>754.5</i>	<i>747.3</i>	<i>7.1</i>	<i>1.0%</i>
STUDIOS & ENTERTAINMENT	185.8	185.3	0.5	0.3%
DIGITAL*	28.8	-	28.8	N/A
TOTAL REVENUE	1,083.6	1,042.8	40.8	3.9%

In accordance with IFRS 9 and 15 norms

H1 2018 COST OF PROGRAMMES

€m	H1 2018	H1 2017	Var. €m	Var. %
Entertainment	123.4	141.7	(18.3)	-12.9%
TV dramas/TV movies/Series/Theatre	163.5	148.3	15.2	10.3%
Sports (excl. one-off sporting events)	26.9	30.6	(3.6)	-11.9%
News	69.1	75.0	(5.9)	-7.8%
Movies	65.9	80.3	(14.3)	-17.9%
Youth	4.3	6.3	(2.0)	-31.5%
TOTAL EXCL. ONE-OFF SPORTING EVENTS	453.3	482.2	(28.9)	-6.0%
<i>One-off sporting events*</i>	<i>46.0</i>	<i>0.0</i>	<i>46.0</i>	<i>-</i>
TOTAL INCL. ONE-OFF SPORTING EVENTS	499.2	482.2	17.0	3.5%

H1 2018 CONSOLIDATED INCOME STATEMENT

€m	H1 2018	H1 2017	Var. €m	Var. %
CONSOLIDATED REVENUE	1,083.6	1,042.8	40.8	3.9%
Total costs of programmes	(499.2)	(482.2)	(17.0)	3.5%
Other charges, depreciation, amortization, provision	(483.9)	(452.6)	(31.3)	6.9%
CURRENT OPERATING PROFIT	100.5	108.0	(7.5)	-6.9%
<i>CURRENT OPERATING MARGIN</i>	<i>9.3%</i>	<i>10.4%</i>	-	-1.1pt
Other operating income and expenses	(11.0)	(11.6)	0.6	-5.2%
OPERATING PROFIT	89.5	96.4	(6.9)	-7.2%
Cost of net debt	(1.0)	(1.1)	0.1	-9.1%
Other financial income and expenses	4.8	5.7	(0.9)	-15.8%
Income tax expense	(27.4)	(33.4)	6.0	-18.0%
Share of profits / (losses) of associates	0.1	7.1	(7.0)	N/A
Net profit from continuing operations	66.0	74.7	(8.7)	-11.6%
Post-tax profit from discontinued/held-for-sale operations	0.0	0.0	0.0	-
NET PROFIT	66.0	74.7	(8.7)	-11.6%
Net profit attributable to the Group	65.8	74.8	(9.0)	-12.0%
<i>Attributable to non-controlling interests</i>	<i>(0.2)</i>	<i>(0.1)</i>	<i>0.3</i>	N/A

In accordance with IFRS 9 and 15 norms

H1 2018 CONSOLIDATED BALANCE SHEET

CONSOLIDATED ASSETS (€m)	June 30th 2018	December 31st 2017	Var. €m
Total non-current assets	1,303.2	1,068.9	234.3
Total current assets	2,071.1	2,327.9	(256.8)
Held-for-sale assets	-	-	-
TOTAL ASSETS	3,374.3	3,396.8	(22.5)
Net cash (+)	(122.2)	256.7	(378.9)

CONSOLIDATED LIABILITIES (€m)	June 30th 2018	December 31st 2017	Var. M€
Total shareholders' equity	1,511.4	1,587.4	(76.0)
<i>shareholders' equity attributable to the Group</i>	<i>1,511.6</i>	<i>1,587.5</i>	<i>(75.9)</i>
Total non-current liabilities	212.5	311.0	(98.5)
Total current liabilities	1,650.4	1,498.4	152.0
Liabilities related to held-for-sale operations	-	-	-
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	3,374.3	3,396.8	(22.5)

In accordance with IFRS 9 and 15 norms



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OUTLOOK

2018

Growth

in current operating margin

at Group level

excluding major sporting events

2018 - 2020

Average annual cost

of programmes

(excluding major sporting events)

at €960 million

for the 5 FTA channels

2019

More than one-third of

consolidated revenue

will come from activities other

than advertising on the 5 FTA

channels

REITERATED TARGET OF DOUBLE-DIGIT CURRENT OPERATING MARGIN IN 2019



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APPENDIX

FY 2017 CONSOLIDATED REVENUE

€m	2017	2016	Var. €m	Var. %
BROADCASTING	1,713.6	1,669.9	43.7	2.6%
UNENCRYPTED PLATFORMS	1,543.8	1,517.1	26.7	1.8%
<i>TV advertising</i>	1,480.5	1,455.3	25.2	1.7%
<i>Other revenues</i>	63.3	61.8	1.5	2.4%
OTHER PLATFORMS AND RELATED ACTIVITIES	169.8	152.8	17.0	11.1%
STUDIOS & ENTERTAINMENT	411.3	392.8	18.5	4.7%
TOTAL REVENUE	2,124.9	2,062.7	62.2	3.0%

FY 2017 COST OF PROGRAMMES

€m	2017	2016	Var. €m	Var. %
Entertainment	273.9	269.5	4.4	1.6%
TV dramas/TV movies / Series /Theatre	325.2	312.1	13.1	4.2%
Sports (excl. One-off sporting events)	59.2	49.0	10.2	20.9%
News	142.5	140.7	1.8	1.3%
Movies	169.0	174.1	(5.1)	-2.9%
Youth	14.2	15.1	(0.9)	-6.1%
TOTAL EXCL. ONE-OFF SPORTING EVENTS	983.9	960.5	23.4	2.4%
<i>One-off sporting events</i>	-	46.1	(46.1)	-
TOTAL INCL. ONE-OFF SPORTING EVENTS	983.9	1,006.6	(22.7)	-2.3%

FY 2017 CONSOLIDATED INCOME STATEMENT



€m	2017	2016	Var. €m	Var. %
CONSOLIDATED REVENUE	2,124.9	2,062.7	62.2	3.0%
Total costs of programmes	983.9	1,006.6	(22.7)	-2.3%
Other charges, depreciation, amortization, provision	955.7	926.7	29.0	3.1%
CURRENT OPERATING PROFIT	185.3	129.4	55.9	43.2%
CURRENT OPERATING MARGIN	8.7%	6.3%	-	+2.4pts
Other operating income and expenses	-23.3	-83.7	60.4	-72.2%
OPERATING PROFIT	162.0	45.7	116.3	x3.5
Cost of net debt	-1.5	-1.2	(0.3)	25.0%
Other financial income and expenses	6.3	-4.5	10.8	n/a
Income tax expense	-44.6	-5.9	(38.7)	n/a
Share of profits / (losses) of associates	14.2	9.9	4.3	43.4%
Net profit from continuing operations	136.4	44.0	92.4	x3.1
Post-tax profit from discontinued/held-for-sale operations	-	-	-	-
NET PROFIT	136.4	44.0	92.4	x3.1
Net profit attributable to the Group	136.1	41.7	94.4	x3.3
<i>Attributable to non-controlling interests</i>	<i>0.3</i>	<i>2.3</i>	<i>(2.0)</i>	<i>n/a</i>

€27m recurrent savings

ORGANISATION / TRANSFORMATION
€12m

PURCHASING OPTIMISATION
€6m

DIGITALISATION
€9m

FY 2017 CONSOLIDATED BALANCE SHEET

CONSOLIDATED ASSETS (€m)	DEC 31st 2017	DEC 31st 2016	Var. €m
Total non-current assets	1,060.9	1,093.1	(32.2)
Total current assets	2,329.4	2,122.6	206.8
Held-for-sale assets	-	-	-
TOTAL ASSETS	3,390.3	3,215.7	174.6
Net cash (+)	256.7	186.7	70.0
CONSOLIDATED LIABILITIES (€m)	DEC 31st 2017	DEC 31st 2016	Var. €m
Total shareholders' equity	1,581.8	1,492.6	89.2
shareholders' equity attributable to the Group	1,581.9	1,493.4	88.5
Total non-current liabilities	311.6	322.0	(10.4)
Total current liabilities	1,496.9	1,401.1	95.8
Liabilities related to held-for-sale operations	-	-	-
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	3,390.3	3,215.7	174.6

€73.5m*

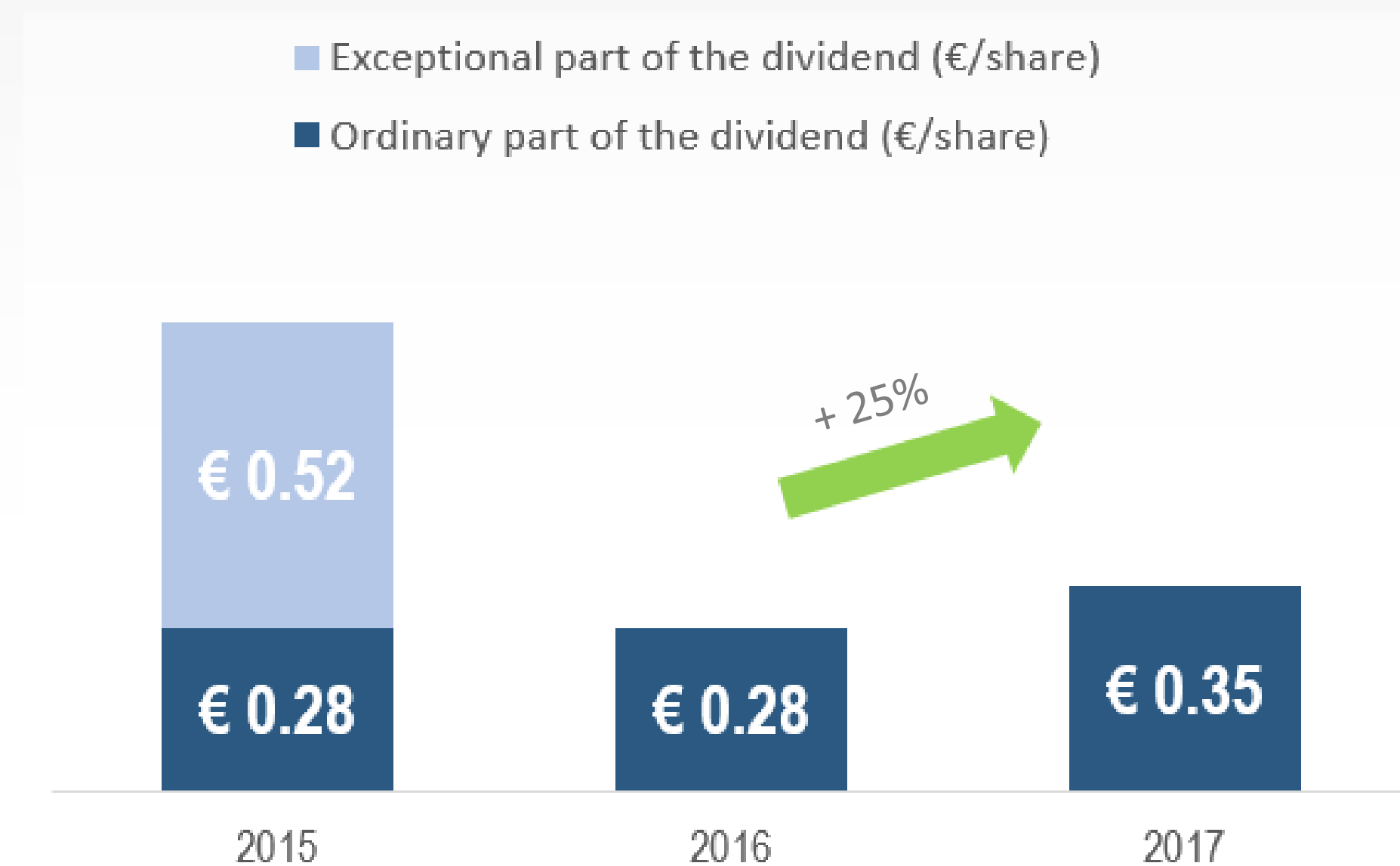
Increase of the dividend per share

€ 0.35

54%

of net profit attributable
to the group in 2017

2015 – 2017 EVOLUTION



* On the basis of the number of shares making up TF1 capital at 12/31/2017



LE GROUPE

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