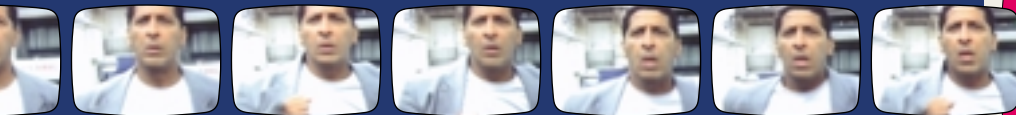




Interim report
First half 2001





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Chairman's statement

Boulogne, September 12, 2001

After an exceptional year in 2000, the fiscal year 2001 looks less bright: the growth of the French economy and household consumption have both slowed down, financial markets are declining and advertising investments are decreasing.

In this context, during the first half of 2001, we have been able not only to maintain our position:

- Core channel advertising revenues reached the same level as that achieved in the first half of 2000;
- TF1 recorded 92 out of the 100 best audiences in the period;
- Consolidated operating revenues increased by 7.9%;
- Consolidated net profit amounted to €160.8M;

but also to pursue our development:

- By strengthening our Thematic channels division, particularly with the acquisition of:
 - 100% of Eurosport, the most watched TV channel across Europe and one where more than 60% of total revenue is represented by subscription fees;
 - a 50% stake in Série Club, a channel that, along with TF6 launched in December 2000, expands our offer dedicated to young adults;
- By reinforcing our involvement in the production of content with the acquisition of Téléma, which has launched a major film production programme, and by co-producing, through TF1 Films Production, the French movies that recorded the highest box offices entries during 2001 first half;
- By developing new expertise in markets with high potential: "Call TV", parlour games (*Who wants to be a millionaire?*, *Tir et But*, *Attakube*, etc.) and the « A la carte » CD service.

Despite these achievements, we expect a decrease in our advertising revenues of between 3 and 5% for the full year 2001 in an uncertain market, which is still declining. Yet one should bear in mind that on this basis our advertising revenues would then have achieved an 11 to 13% increase since January 1, 2000. We are gaining market share from our competitors, showing that we are a dynamic force with highly motivated sales teams.

As to our programming costs, which we have been managing prudently for several years now, we expect them to increase by around 3.5% for the full year 2001. This investment is required to maintain

and increase TF1's leading position, which depends on strong audiences and this means powerful programmes. Determination to assure our future growth leads us to support the development of TPS and thus to maintain our commitment to new technologies. This commitment impacts our margins and will result in an 8 to 10% reduction in our full year net profit. This still represents a 40% increase over our 1999 performance.

Looking beyond this cyclical downturn, we are very optimistic, confident that the future belongs to free to air channels. In this area, TF1 holds a number of trump cards:

- Our leading position in terms both of audience and advertising remains unchallenged. This has been confirmed by the latest Médiacabsat survey, which underlines the supremacy of terrestrial free to air channels (68.8% audience share) and especially of TF1, which remains the most watched TV channel - more than 10 points ahead of its nearest competitors on most of the advertising targets;
- Our thematic channels (particularly LCI, Eurosport, TF6 and Série Club) perform very highly in this Médiacabsat survey and demonstrate the wisdom of our strategy of creating and/or investing in channels with high added value content;
- Our development efforts in content production (including movies, games, live shows, TV dramas and documentaries) are starting to bear fruit and will be vigorously pursued in the coming years;
- Full control of Eurosport provides an exceptional opportunity for the development of our European activities;
- Finally, we enjoy an enviable financial situation with a healthy balance sheet, a low level of indebtedness, substantial shareholders' funds and a high return on equity. This has just been confirmed by the excellent A / A-1 rating from Standard & Poor's.

However, we remain vigilant and are stepping up our cost control policy. We are adapting our organisational structure to meet the new economic environment so as to improve our profitability, guaranteeing financial independence and sustainable growth.

In this way, supported by the skills and experience of our staff and by your confidence in us, we know that at the end of the day, when present difficulties are overcome, TF1 will emerge stronger and will continue to create and develop the business assets which will secure the profits of the future.

Patrick Le Lay
Chairman and Chief Executive Officer

Consolidated key figures

	1 st half 2001	1 st half 2000	2000 full year
Total Turnover	€1 236.7 M FF8,112 M	€1,145.8 M FF7,516 M	€2,270.3 M FF14,892 M
TF1 Channel Ad. revenues	€833.7 M FF5,469 M	€832.3 M FF5,459 M	€1,570.9 M FF10,304 M
Diversification revenues & others	€403.0 M FF2,643 M	€313.5 M FF2,057 M	€699.4 M FF4,588 M
EBITDA*	€316.6 M FF2,077 M	€348.1 M FF2,283 M	€572.0 M FF3,752 M
EBIT**	€266.3 M FF1,747 M	€271.7 M FF1,782 M	€423.3 M FF2,777 M
Net profit attributable to the Group	€160.8 M FF1,055 M	€168.0 M FF1,102 M	€250.3 M FF1,642 M
Shareholders' funds	€709.2 M FF4,653 M	€602.4 M FF3,951 M	€684.9 M FF4,493 M
Number of shares outstanding (in thousands)	210,189	210,189	210,189
<p>* EBITDA : Earnings Before Interest, Tax, Depreciation and Amortisation. ** EBIT : Earnings Before Interest, Tax and Goodwill Amortisation.</p>			
Earnings per share	€0.77 FF5.02	€0.80 FF5.25	€1.19 FF7.81
Diluted Earnings per share	€0.75 FF4.92	€0.78 FF5.12	€1.16 FF7.61
Closing share price	€34.5 FF226.3	€73.0 FF478.8	€57.5 FF377.2
Market capitalisation (in billions)	€7.3 FF47.9	€15.4 FF101.1	€12.1 FF79.4

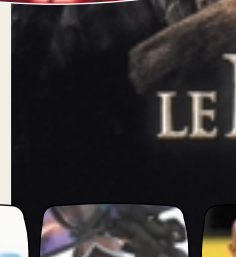
Main events since January 1, 2001



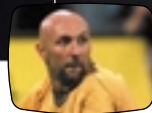
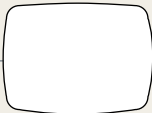
①



②



- ① *Le Dîner de cons*
- ② *Les Rivières Pourpres*
- ③ *Le Pacte des loups*
- ④ *Who wants to be a millionaire?*



JANUARY

- **TF1 enters** a financial partnership with explorimmo.com. E-tf1 took a 28% stake in Explorimmo.
- **TF1 acquires** all the stakes of Canal + and Havas Image in the Eurosport Group. TF1 now owns 100% of Eurosport International and Eurosport France.
- **New programming** grid and design of Eurosport.
- **New version** of the www.tf1.fr website.

FEBRUARY

- **Journalists** and reporters enter the digital era with the Process News.
- ***La Vérité si je mens 2*** records nearly 3 million theater entries in one week.
- **700th** edition of *Reportages*.
- ***Le Placard*** by Francis Weber, co-produced by TF1 Films Production, exceeds 3 million theater entries since its release on January 17, 2001.
- ***Le Pacte des loups*** by Christophe Gans, co-produced by TF1 Films Production, attracts more than 1.5 million viewers in one week.

MARCH

- **Largest audience** achieved by www.tf1.fr with 61 million pages viewed in March.
- **Two nominations** at the Oscars for *The Contender*, distributed by TF1 International.
- **Télétoon** reinforces its coverage thanks to the signature of an agreement with UPC cable network in France.

APRIL

- **Partnership** between tf1.fr and eurosport.fr for the sports news content.
- **Peugeot** acquires the rights to use the "Ushuaïa Nature" brand for its new "Partner" vehicle.
- **LCI** is received by 150,000 new subscribers thanks to the signature of a contract between TF1 Digital and UPC France.

MAY

- **Public hearing** of TF1 at the CSA on May 3 for the renewal of its license.
- **Diamond award** the album *Jusqu'au bout de la nuit* from Emile et Images, produced by Une Musique. Their live album *Emile et Images à l'Olympia* receives a golden award.
- **Partnership** between e-tf1 and 6^{ème} Sens, the Bouygues Télécom mobile service portal.
- ***Who wants to be a millionaire?*** launches the couple version of the game.
- **Largest audience** of the 1st half achieved by a French movie: 11.7 million viewers for *Le Dîner de cons*, an audience share of 50.3% on individuals aged 4 and above.

JUNE

- **Industrial partnership** created between Endemol Entertainment and the TF1 Group.
- **According** to the annual EMS (European Media & Marketing Survey), Eurosport is once again the most watched theme channel in Europe.
- **TF1 extends** for 3 extra years the rights of Téléfoot, created and broadcast by the channel for more than 20 years.
- *Méditerranée*, TF1 summer TV drama is on air.
- **Strategic** partnership between eurosport.com and Tiscali, the leading European Internet communications group.
- **The TF1 Group** holds more than 5% of Titus Interactive shares on June 29.



④

Review of operations

Boulogne, September 12, 2001

As of June 30, 2001 TF1 Group reported operating revenue of €1,236.7 M, an increase of 7.9% on the first half of 2000.

Two main factors explain this progress: TF1 core channel advertising revenue was stable at €833.7 M (+0.2%), and revenue from diversified activities grew by 28.5% to €403.0 M.

The stability of TF1 core channel's advertising revenue has occurred in an economic environment that is less favourable than in the first half of 2000, characterised by a downward adjustment in the forecast growth of French GDP for the year 2001 (+2.3% according to INSEE for 2001) and by an overall reduction of 0.8% in all media advertising investment, and of 3.9% in TV advertising in the first half of 2001 (both figures according to Sécodip).



In the first half of 2001, operating revenue from diversification accounted for 32.6% of consolidated operating revenue (compared with 27.4% in the first half of 2000), chiefly as a result of the 100% takeover of Eurosport during the period. On a comparable basis⁽¹⁾, operating revenue from "diversified activities and other items" would have grown by 9.0%.

Programming costs grew by 5.1% in the first half of 2001 and are expected to lie between 3% and 4% for the whole of the year 2001. Operating income totals €266.3 M, showing an operating margin of 21.5% relative to operating revenue.



The 100% acquisition of Eurosport, and the acquisition of a 50% stake in Série Club, combined with the dividend payout on May 31, 2001, had a significant impact on the Group's cash situation. On June 30, 2001, the Group's net consolidated cash and liquidity amounted to €(125.1) M. These developments and capital losses and provisions on securities have contributed to TF1's financial result of €(6.8) M.

Taken as a whole, these items, combined with the 27.6% reduction of losses incurred by TPS, have enabled the Group to consolidate a net half-year result of €160.8 M. The net margin reported by TF1 Group amounts to 13.0% of operating revenue.

Finally, the financial structure of TF1 Group was strengthened during the first half of 2001:

- The Group's shareholders' equity amounted to €709.2 M (compared with €684.9 M on December 31, 2000).
- Subsequent to the financing of the acquisition of Eurosport, the acquisition of a 50% interest in Série Club, and the payment of dividends, loans and financial debts were contained at €204.6 M (compared with €9.7 M on December 31, 2000).

A. BROADCASTING

In the first half of 2001, daily viewing time⁽²⁾ reached a new high: 201 minutes per day for individuals aged 4 and above, a growth of 6 minutes per day. This upward trend was confirmed by an increase of 11 minutes per day to 209 minutes for women under 50.

With 32.8% of individuals aged 4 and above and 35.1% of women under 50 in the first half of 2001, TF1 registered a fall of 0.9% of audience share on both target audiences, but maintained its overall average of 66 minutes of viewing per day per capita in France, the same figure as in the first half of 2000. TF1 is also gaining appeal for women under 50, with an average daily viewing time of 73 minutes in the first half of 2001 (up by 2 minutes on the first half of 2000). In the first half of 2001, TF1 scored 48 of the 50 highest rated programmes (47 in the first half of 2000).

(1) i.e. had Eurosport International and TV Sport been wholly consolidated in the first half of 2000, under the same accounting principles as for 2001.

(2) Source Médiamétrie. Average as of June 30, 2001.





B. ADVERTISING

Net advertising revenue generated by the TF1 core channel rose by 0.2% in the first half of 2001 (compared with 18.4% for the first half of 2000). The reasons for this stabilisation at the level reached in 2000 lie in the contrasting patterns in the television advertising market⁽³⁾ :

- A slowdown in advertising investment in certain sectors, particularly Telecommunications and Food which have cut back by 42% and 5% respectively on TF1.
- A growth in the Services sectors (banking, insurance, etc.) and the Music Publishing industry, supported by growth in more traditional sectors such as House Cleaning (+9%) and Toiletries/Cosmetics (+4%).

(3) Gross figures published by Sécodip as of June 30, 2001.



C. TF1 GROUP

N.B.: the activity of TF1's subsidiaries is analysed below on the basis of each subsidiary's individual turnover and net income and not in terms of contribution to the Group's consolidated statements.

I) Publishing and distribution

■ TF1 ENTREPRISES

TF1 Entreprises reported turnover of €17.3 M compared with €10.4 M for the first half of 2000, an increase of 66.3%. This growth was linked to the performance of all segments of TF1 Entreprises' activity: merchandising rights have, for the second year running, benefited from "Pokémon™" sales, while the telematics activity has been boosted by the popularity of the *Who wants to be a millionaire?* game show.

A new games activity "TF1 Games" has been created. Operating results were up by 32.4% at €4.5 M. The net result is stable at €11.2 M compared with the first half of 2000.

■ TF1 VIDÉO

TF1 Vidéo revenue in the first half was down by 14.4% to €63.5 M compared with the first half of 2000. Global volume sales totalled 4.5 M units (cassettes, DVD, CD-Rom), compared with 6.6 M in the first half of 2000, down by 32% (the performance in 2000 had been boosted by the "Pokémon™" effect).

TF1 Vidéo strengthened its position in digital technologies, with revenue from the DVD media accounting for 43% of TF1 Vidéo activity (not including "Kiosque").

TF1 Vidéo recorded a net half-yearly result of €4.2 M, yielding a 6.6% net margin, an increase of 0.3 point.

■ UNE MUSIQUE

Une Musique recorded revenue of €4.3 M for a net result of €(0.7) M. In the second half of 2001, a new on-line music publishing activity will be launched. The "A la carte" CD service on the Internet will enable buyers to select the pieces they want to put on their CD, make up their own compilations, customise the artwork on the album and have the CD delivered to their home address.

- ① *Top gun* published by Titus ② *Rocket Power* ③ Flavie Flament
④ *Téléfoot* ⑤ Sébastien Folin ⑥ *L'Odyssée des enfoirés*





① Vincent Lagaf



② Julie Lescaut

■ TÉLÉSHOPPING

In a softening mail-order market (-0.9%, source FEVAD), Téléshopping recorded revenue of €41.7 M, up by 3.0% and a net result of €1.9 M. Growth is continuing on the two most bullish segments of the company's activity.

The first of these is the Internet, with a twofold increase in revenue on the www.teleshopping.fr site, and the second being the catalogue.

II) Thematic channels

Testifying to the vitality of the TF1 Group, the thematic channels' activity was expanded in 2001 with the acquisition of a 100% interest in Eurosport Group and a 50% interest in Série Club.

■ EUROSPORT

At the end of January 2001, TF1 finalised its purchase of 100% of the shares of Eurosport Group from its previous owners, Canal + and Havas Images. As a result of the deal, TF1 now owns 100% of the capital of Eurosport International and 100% of the capital of Eurosport France, thus becoming one of the leading players on the European sport market.

Eurosport revenue for the first half of 2001 reached €145.7 M, up by 10.6%. Trends have been contrasting: revenue from cable and satellite fees have been up significantly by 28% while advertising revenue from the Eurosport Group slipped by 19% in a difficult period for advertising, due notably to the lack of major sporting events. Eurosport has recorded a pre-tax result of €7.6 M.

In the first half of 2001, Eurosport broadcast the top sports events: the Australian and French Open Tennis Championships, grand prix motor cycling, the Tour de France and Spanish Vuelta cycle races, and the World Athletics Championships.

At the end of June 2001, Eurosport was received by 92 million European households in 54 countries (up from 90 million in 47 countries at the end of June 2000). Eurosport also improved its share of paying subscribers: nearly 46% on June 30, 2001.

■ LCI, LA CHAÎNE INFO

At the end of June 2001, LCI, the news channel, was received by million households, representing a yearly growth of 14%. LCI's revenue was down by 6.6% to €22.8 M and its pre-tax result was €(2.4) M. This fall is linked to renegotiations with the cable operators in 2000.

■ ODYSSEE

Odyssée recorded revenue of €4.2 M, up by 16.7% on the first half of 2000. Its net result held at €0.3 M.

At the end of June, Odyssée had 1.7 subscribed households, compared with 1.5 million at the end of June 2000. This growth was mainly due to the development of subscriptions on TPS and the cable, and to distribution on new cable networks.

To reinforce its identity and enrich its programming grid, Odyssée will co-produce around 60 hours of documentaries in 2001.

■ SÉRIE CLUB

In the first half of 2001, Série Club returned revenue of €6.5 M, for a net result of €1.3 M.

On June 30, 2001 Série Club had approximately 2 million subscribers, via TPS and the leading cable operators.

■ TF6

In the first half of its birth year TF6 posted revenue of €4.9 M. On June 30, 2001, TF6 had around 1.2 million subscribers.



III) Production and trading of audio visual rights

■ TF1 INTERNATIONAL

Revenue for the first half of 2001 was up by 23.8% on the first half of 2000. TF1 International showed a net result of €(3.9) M compared with €(0.9) M for the first half of 2000.

Films Ariane and Ciby DA recorded respective revenues of €2.4 M and €1.0 M for the first half of 2001.

■ TF1 FILMS PRODUCTION

In the first half of 2001, operating revenue from TF1 Films Production totalled €24.2 M. During this period, TF1 Films Production co-produced and bought broadcasting rights for 13 full-length features for a total of €28.5 M thus complying with the Group's licence requirements. TF1 Films Production co-produced 6 of the 10 French films released in 2001 that recorded more than 1 million box office entries in the first half of 2001, including *La Vérité si je mens 2*, *Le Placard*, *Le Pacte des loups*, and *Les Rivières pourpres*.

■ GLEM

Glem Group recorded operating revenue of €52.6 M for the first half of 2001, doubling its figure for the first half of 2000. This yielded a net attributable profit up by 145% to €2.7 M.

The main source of growth was Glem's Live Entertainment activity, driven by the success of the musical comedy *Roméo et Juliette*.

IV) Miscellaneous

■ STUDIOS 107

Half-yearly turnover recorded by Studios 107 from the supply of technical support for entertainment programmes and executive production services for home shopping and documentaries programmes amounted to €11.7 M, up by 21.9%.

V) Digital distribution

■ SATELLITE PLATFORM - TPS

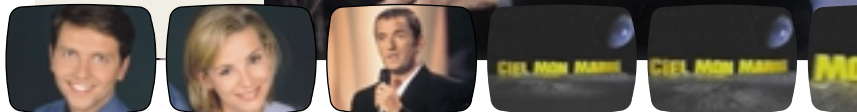
At the end of August, TPS offer totalled 1,215,000 active subscribers, including 175,000 subscribers to its cable cinema offer. The TPS share of the new subscriber market held at approximately 45%.

In the first half of 2001, TPS recorded revenue of €221.7 M, up by 20.9% and a net result of €(43.1) M, an improvement of 27.6%.

Finally, starting in mid-September, TPS will launch a new channel called TPS Star on channel number 4, to optimise and showcase the TPS premium Cinema and Sports programmes including the French Football Premier League.



① Navarro
② Thomas Hugues
et Laurence Ferrari
③ Christophe Dechavanne



VI) Internet activity

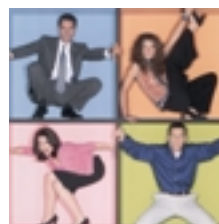
As of June 30, e-TF1 recorded revenue of €2.8 M (+87%). Besides advertising and e-commerce revenue, this figure includes the sale of content, and the provision, by e-TF1, of diverse services with the launch of partnership contracts with Bouygues Télécom and Crédit Agricole enacted during the first half of 2001. Pre-tax loss amounted to €(7.4) M.

During the first half, the design and technology has been redefined and content has been completed with new items and interactive services. The www.tf1.fr audience grew from 34.6 million pages viewed in June 2000 to 56.6 million pages viewed in June 2001⁽⁴⁾. This growth has accelerated during the summer: tf1.fr totalled nearly 100 million pages viewed in August.

D. HUMAN RESOURCES

TF1 Group had a workforce of 2,649 on June 30, 2001 compared with 2,380 on June 30, 2000, an increase of 11.3%. Through the employee savings plan, 87% of the workforce – 2,304 employees – holds shares of TF1's capital through the employee saving plan.

(4) Source Cybermétrie.



⑤ Dallas
⑥ Claire Chazal
⑦ Thuram
⑧ Will and Grace
⑨ Roméo et Juliette





E. CAPITAL

■ TF1 SHARES

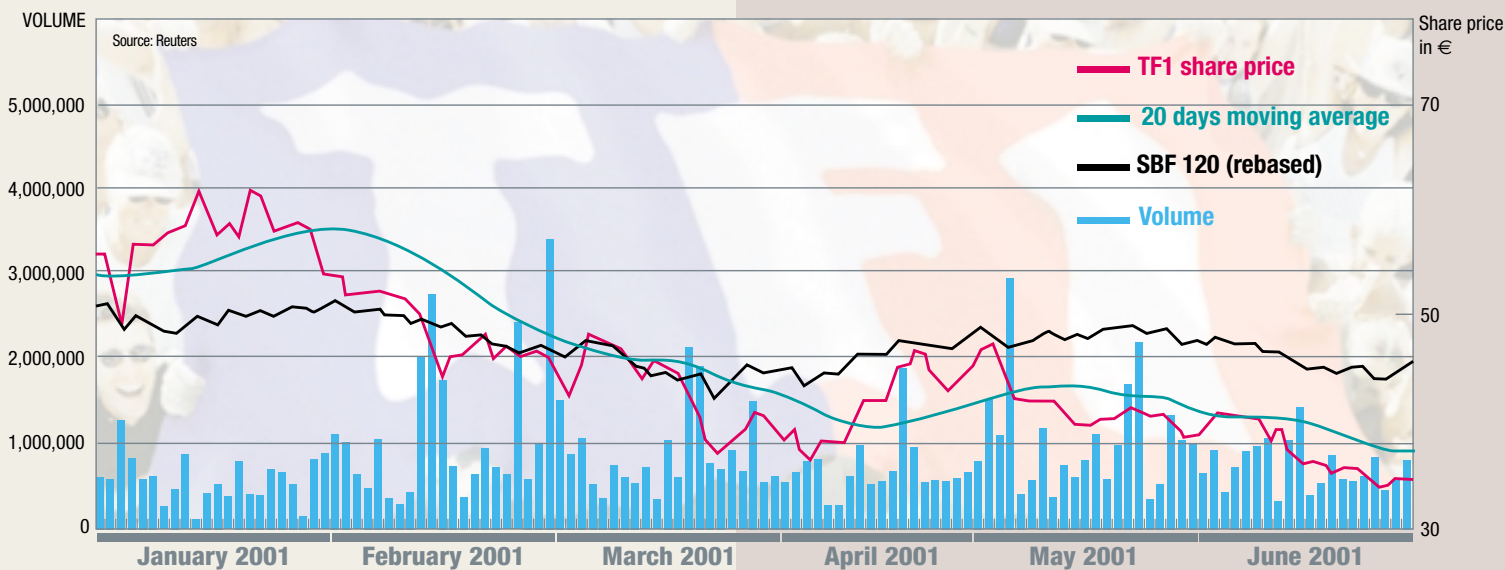
On June 29, 2001, the TF1 share closed at €34.5, down by 40% since December 29, 2000. This should be compared with the 11.8% fall of the French CAC 40 stock exchange index and an 11.4% fall of the SBF 120 index.

The first half of 2001 was marked by a significant increase in daily trading of TF1 shares (excluding off-market transactions), with an average of nearly 900,000 traded shares for this period. This figure compares with an average of nearly 650,000 shares traded daily in 2000.

The TF1 Group market capitalisation amounted to €7.28 billion on June 29, 2001, for a PER (based on the net result for 2000) of 29.2.



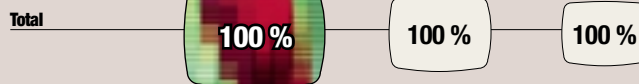
■ SHARE PRICE FROM JANUARY 1, 2001 TO JUNE 29, 2001



■ SHAREHOLDERS

To the best knowledge of the Board of Directors, the Group's shareholding on June 29, 2001 breaks down as follows:

	June 29, 2001 Capital	June 29, 2001 Voting rights	December 29, 2000 Capital
Bouygues	40.0%	40.2%	39.8%
Société Générale	1.4%	1.4%	1.4%
Total core shareholders*	41.4%	41.6%	41.2%
Others France ⁽¹⁾⁽²⁾	34.2%	34.5%	30.9%
Including employees	2.6%	2.6%	2.5%
Treasury shares	0.6%	0.0%	0.6%
Europe (excluding France) ⁽²⁾	15.7%	15.8%	17.1%
Other (excluding Europe) ⁽²⁾	8.1%	8.1%	10.2%



* Core shareholding as disclosed to Euronext on February 23, 1994.

(1) Including unidentified holders.

(2) Estimations by Euroclear on June 29, 2001.



Consolidated profit and loss account / operational breakdown

(in Euro million)

	1 st half 2001	1 st half 2000	2000 full year
TF1 CHANNEL			
Advertising revenue	833.7	832.3	1,570.9
Advertising agency fees	(46.0)	(55.4)	(86.9)
NET REVENUE FROM BROADCASTING	787.7	776.9	1,484.0
ROYALTIES AND CONTRIBUTIONS			
- Authors	(32.1)	(31.3)	(60.6)
- CNC	(41.2)	(41.7)	(74.6)
TRANSMISSION COSTS			
- TDF, Satellites, Transmissions	(27.5)	(28.5)	(56.3)
PROGRAMMING COSTS	(376.3)	(358.0)	(741.2)
GROSS MARGIN	310.6	317.4	551.3
Diversification revenues and other revenues	398.3	311.8	696.8
Other operating expenses	(374.1)	(269.8)	(647.8)
Other development operating expenses	(18.2)	(11.3)	(28.3)
Depreciation, amortisation and provisions (net)	(50.3)	(76.4)	(148.7)
OPERATING PROFIT	266.3	271.7	423.3
FINANCIAL PROFIT/(LOSS)	(6.8)	16.6	18.0
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	259.5	288.3	441.3
Exceptional items	0.2	(0.3)	(0.4)
Goodwill amortisation	3.5	(0.6)	(2.4)
Tax	(90.2)	(102.6)	(154.8)
Share in net earnings of comp. consolidated under the equity method	(11.6)	(16.6)	(33.0)
NET PROFIT OF CONSOLIDATED COMPANIES	161.4	168.2	250.7
Minority interest	(0.6)	(0.2)	(0.4)
NET PROFIT ATTRIBUTABLE TO THE GROUP	160.8	168.0	250.3

Statutory auditors' report

Limited review on the consolidated interim financial statements

SIX MONTHS ENDED JUNE 30, 2001

In our capacity as Statutory Auditors, and in accordance with Article L 232-7 of the commercial law, we conducted:

- the limited review of the attached consolidated interim financial statements of TF1, for the six months ended June 30, 2001, presented in euro,
- the verification of the information given in the interim management report.

These interim financial statements are the responsibility of, and have been approved by, the Board of Directors. It is our responsibility, on the basis of our review, to present our opinion on these statements.

We conducted our review in accordance with French professional standards, which require us to carry out procedures to obtain reasonable assurance that the financial statements are free from material misstatement. Such procedures principally consist of an analytical review and making enquiries of management and other persons. A review is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not presented fairly, in all material respects, in accordance with accounting principles generally accepted in France.

We have checked, in accordance with French professional standards, the information contained in the management report, commenting on the consolidated interim financial statements which we have reviewed.

We have nothing to report with respect to the fairness of such information and its conformity with the financial statements.

Paris, September 13, 2001

The Statutory Auditors

MAZARS & GUERARD

Jacques VILLARY

Michel ROSSE

RSM SALUSTRO REYDEL

Edouard SALUSTRO

Xavier PAPER

Consolidated financial statements

Profit and loss account (in Euro thousands)

	1 st half 2001	1 st half 2000	2000 full year
TURNOVER	1,236,720	1,145,851	2,270,253
Net Advertising revenue	896,654	871,047	1,654,598
Including			
TF1	833,669	832,255	1,570,875
EUROSPORT	43,738	25,199	52,859
OTHERS	19,247	13,593	30,864
Diversification revenue	305,271	234,377	544,094
Technical services revenue	14,169	12,025	21,583
Other revenue	20,626	28,402	49,978
Operating expenses	(970,314)	(874,141)	(1,846,966)
External production costs	(222,642)	(203,389)	(438,766)
Change in stocks of in-house production	675	254	(2,361)
Staff costs (includ. profit Sharing)	(138,620)	(118,108)	(256,173)
Other operating expense	(559,378)	(476,512)	(1,001,022)
Depreciation, amortisation and provisions (net)			
- Depreciation	(45,620)	(47,834)	(109,890)
- Provisions	(4,729)	(28,552)	(38,754)
OPERATING PROFIT	266,406	271,710	423,287
Financial revenue	18,840	25,324	40,500
Financial expense	(25,636)	(8,678)	(22,505)
FINANCIAL PROFIT/(LOSS)	(6,796)	16,646	17,995
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	259,610	288,356	441,282
Net exceptional income/expense	211	(278)	(376)
Goodwill amortisation	3,467	(599)	(2,352)
Income tax	(90,215)	(102,628)	(154,830)
Share in net earnings of comp. consolidated under the equity method	(11,630)	(16,603)	(33,030)
NET PROFIT BEFORE MINORITY INTEREST	161,443	168,248	250,694
Minority interest	(616)	(196)	(429)
NET PROFIT ATTRIBUTABLE TO THE GROUP	160,827	168,052	250,265
Number of outstanding shares (in thousands)	210,189	210,189	210,189
Earnings per share (in Euro)	0.77	0.80	1.19
Diluted earnings per share (in Euro)	0.75	0.78	1.16

Balance sheet

Assets (In Euro thousands)

	Gross value	Depreciation, amortisation and provisions	30.06.01 Net	31.12.00 Net	30.06.00 Net
Intangible fixed assets	1,117,220	580,286	536,934	133,155	185,476
Audiovisual rights	644,906	557,000	87,906	82,510	95,188
Other intangible fixed assets	472,314	23,286	449,028	50,645	90,288
Goodwill	21,299	17,155	4,144	46,114	1,126
Tangible fixed assets	355,815	180,525	175,290	175,519	171,429
Land	45,740	0	45,740	45,740	45,740
Freehold buildings	57,944	17,147	40,797	42,014	43,233
Other tangible fixed assets	252,131	163,378	88,753	87,765	82,456
Financial assets	31,233	5,994	25,239	15,906	19,051
Investments consolidated under the equity method	2,395	0	2,395	2,570	1,933
Investments and loans to associated undertakings	5,742	3,988	1,754	1,668	2,357
Other financial assets	23,096	2,006	21,090	11,668	14,761
FIXED ASSETS	1,525,567	783,960	741,607	370,694	377,082
Programmes and broadcasting rights	667,321	106,935	560,386	490,784	479,609
Raw materials and supplies	13,235	4,938	8,297	6,397	6,071
Trade debtors	572,595	6,138	566,457	533,757	473,935
Other debtors	366,095	13,467	352,628	313,067	293,583
Marketable securities and cash at bank and in hand	93,632	14,194	79,438	345,116	213,011
CURRENT ASSETS	1,712,878	145,672	1,567,206	1,689,121	1,466,209
Adjustment accounts	44,624	0	44,624	40,151	41,005
Deferred taxation	35,835	0	35,835	42,078	31,939
TOTAL ASSETS	3,318,904	929,632	2,389,272	2,142,044	1,916,235

Shareholders' equity and liabilities (in Euro thousands)

	30.06.01	31.12.00	30.06.00
Share capital	42,237	42,237	42,237
Share premium	17,482	17,482	17,482
Revaluation reserve	0	0	0
Other reserves	488,705	374,889	374,596
Profit attributable to the Group	160,827	250,265	168,052
SHAREHOLDERS' FUNDS	709,251	684,873	602,367
Minority interest	(975)	(856)	(1,090)
Government grants for investment	5,052	5,388	6,448
Provisions for liabilities and charges	121,370	150,737	130,446
Deferred taxation	59,025	56,156	55,739
LONG TERM CAPITAL	893,723	896,298	793,910
Financial creditors and borrowings (1)	204,649	9,727	16,769
Trade creditors	733,124	643,188	554,412
Other creditors	535,116	564,954	523,651
CREDITORS	1,472,889	1,217,869	1,094,832
Adjustment accounts	22,660	27,877	27,493
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES	2,389,272	2,142,044	1,916,235
(1) Including current bank overdrafts	15	48	93

Cash flow statement

(in Euro thousands)

	1 st half 2001	2000 full year	1 st half 2000
1 - Operating activities			
• Net profit	161,443	250,693	168,248
Depreciation, amortisation and provisions	33,986	118,256	48,438
- Intangible fixed assets	29,641	80,989	33,767
- Tangible fixed assets	16,633	25,628	11,842
- Financial assets	(1,784)	4,429	1,784
- Expenses to amortise	160	112	90
- Goodwill	(3,467)	2,352	599
- Provisions for liabilities and charges	(7,197)	4,746	356
• Investment grants released to revenue	(3,540)	(9,442)	(5,495)
• Expenses to amortise	(439)	(84)	(619)
• Capital gains (losses) on disposal of fixed assets	(712)	646	(179)
• Change in deferred taxation	9,636	(1,375)	9,658
• Share of investment consolidated under the equity method	11,630	33,030	16,603
Cash flow	212,004	391,724	236,654
• Stocks	(59,674)	(25,705)	(14,924)
• Trade debtors	(1,487)	(185,550)	(110,027)
• Trade creditors	(53,754)	229,342	105,097
• Net advances from third parties	(125)	5,836	4,319
Increase (decrease) in working capital needs	(115,040)	23,923	(15,535)
NET CASH INFLOW FROM OPERATING ACTIVITIES	96,964	415,647	221,119
2 - Investing activities			
• Purchase of intangible fixed assets	(35,488)	(56,814)	(24,175)
• Purchase of tangible fixed assets	(12,953)	(40,176)	(20,022)
• Disposal of fixed assets	2,957	8,912	1,670
• Purchase of financial asset investments	(367,986)	(104,827)	(91,048)
• Increase (decrease) in other financial assets	(9,195)	(12,256)	(13,602)
• Increase (decrease) in fixed assets creditors	208	6,996	4,709
	(422,457)	(198,165)	(142,468)
• Consolidation adjustments	8,968	4,254	3,649
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(413,489)	(193,911)	(138,819)
3 - Financing activities			
• Increase in shareholders' funds	3,204	7,013	4,127
• Increase (decrease) in loans	191,595	(72,577)	(61,821)
• Dividends paid	(143,919)	(99,433)	(99,433)
NET CASH OUTFLOW FROM FINANCING	50,880	(164,997)	(157,127)
TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(265,645)	56,739	(74,827)
Cash at beginning of period	345,068	288,329	288,329
Net inflow (outflow)	(265,645)	56,739	(74,827)
Cash at end of period	79,423	345,068	213,502

Notes to the financial statements

1 GROUP ACCOUNTING POLICIES

The consolidated financial statements of the TF1 Group have been prepared in accordance with Generally Accepted French Accounting Standards, notably the 99/02 rules of the Accounting Regulations Committee, acted by the governmental order dated June 22, 1999, and the recommendations of the National Accounting Council on interim accounts.

The consolidation rules 99/02 of the Accounting Regulations Committee have been applied consistently in these accounts as for the 2000 interim and full year consolidated financial statements.

2 SCOPE OF CONSOLIDATION

The main changes in the scope of consolidation between the first halves of 2000 and 2001 result from:

- the increase to 100% of TF1's stake in Eurosport group, fully consolidated,
- the 50% interest taken in the theme channel Série Club, proportionately consolidated,
- the 50% interest taken in the theme channel TF6, proportionately consolidated.

Change of TF1's stake in Eurosport:

	30.06.2001	30.06.2000	30.06.1999
ESO and other entities	100%	50.50%	34.00%
SAGAS	100%	50.44%	33.92%
TV SPORT	100%	36.00%	31.00%

3 ACCOUNTING COMPARISON

The increase of TF1's stake in Eurosport has had no significant impact on the Group financial statements other than the "Other intangible fixed assets" line, to which is allocated the full evaluation of Eurosport's subscribers portfolio for a total amount of €422.9 M.

This evaluation is based both on discounted future cash flows and on other market value comparisons.

The table below summarises the main variations resulting from the acquisition of 100% of Eurosport:

(in €M)

Fixed assets ⁽¹⁾	336.6
Total assets ⁽¹⁾	426.7
Turnover	79.7
Net profit attributable to the Group	2.6
(1) including goodwill	332.7

4 SUBSEQUENT EVENTS

There are no significant subsequent events.

5 CHANGE IN SHAREHOLDERS' FUNDS

(in €M)	Share capital	Share Premium	Revaluation reserves	Retained earnings	Shareholders' funds
Shareholders' funds as of Dec. 31, 98	32.0		4.7	406.2	442.9
Capital Increase	0.2	17.5	-	-	17.7
Dividends				(70.0)	(70.0)
Purchase of TF1 shares				(18.6)	(18.6)
1999 full year net profit				158.4	158.4
Shareholders' funds as of Dec. 31, 99	32.2	17.5	4.7	476.0	530.4
Capital Increase	10.0		(4.7)	(5.3)	
Dividends				(95.8)	(95.8)
2000 full year net profit				250.3	250.3
Shareholders' funds as of Dec. 31, 00	42.2	17.5		625.2	684.9
Dividends				(136.5)	(136.5)
2001 first half net profit				160.8	160.8
Shareholders' funds as of June 30, 01	42.2	17.5		649.5	709.2

NB: Share capital is divided into 211,183,160 ordinary shares with a nominal value of €0.2 per share.

6 MINORITY INTEREST

Minority interest includes GIE Aphélie's negative net equity for €2.0 M. As the net equity of this entity is to become positive, no provision has been made to cover this amount.

7 FINANCIAL CREDITORS AND BORROWINGS

This line is mainly impacted by the €131.0 M amount borrowed by TF1 SA to partially finance the increase of its interest in Eurosport and to a smaller extent by GIE Aphélie's €45.9 M borrowing to replace the cash advances that TF1 SA used to provide.

8 BREAKDOWN BY BUSINESS SECTOR FIRST HALF 2001

(in €M)	30.06.2001	30.06.2000	30.06.2001	30.06.2000
	Turnover		Operating profit	
TF1 CORE CHANNEL	851.5	845.5	270.2	256.4
PUBLISHING AND DISTRIBUTION	122.8	126.9	10.2	14.3
EUROSPORT ⁽¹⁾	152.8	84.4	4.2	8.8
THEMATIC CHANNELS	33.0	28.0	(4.1)	2.2
INTERNET	2.9	1.9	(7.5)	(7.1)
PRODUCTION	39.8	19.1	3.5	1.9
AUDIOVISUAL RIGHTS	13.3	11.7	(10.1)	(4.8)
TPS ⁽²⁾	-	-	-	-
TOTAL	1,216.1	1,117.5	266.4	271.7

(1) SETS is not consolidated in TF1 accounts.

(2) Consolidated under the equity method.

Businesses definition has been restated to be comparable to the one released on December 31, 2000.

9 COMPANY FINANCIAL STATEMENTS

(in €M)	2001 1 st half	2000 1 st half	Full year 2000
Turnover	796.6	781.2	1,491.8
Operating profit	268.9	251.0	421.5
Net profit	204.7	170.1	358.1



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A public limited company (« Société Anonyme »)
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