Road Show Scandinavia

June 2007

UBS

Disclaimer

All forward-looking statements are TF1 management's present expectations of future events 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.

STRATEGY

Content is King

TV: the only mass media in France

Above

40 million

Individuals 4+ watch TF1 every day !

Source : Médiamétrie 2006 – individuals aged 4 and above

2007: 6 platforms to receive TV signal

Analog TV: 26 million
households

Cable-Sat: 6.3 million
Cable and satellite subscribers

DTT: 4.3 million
households

ADSL: 1.9 million
households receive TV over ADSL

Mobile TV: 0.5 million
people watch TV over mobile phones

Source : GfK Q1 2007 - Médiamétrie Q1 2007 - REM – TSM Q4 2006

Evolution of the French audiovisual landscape

Added value services

HDTV & TV on mobile

Launch of HDTV
through Satellite ~ 2006

Launch of DVB-H
TV on mobile ~ 2009

Full interactive services

Digital Satellite (pay)
coverage 100%
TPS CANALSATELLITE

Digital Cable (pay)
coverage 35%

TV over ADSL
coverage Paris & Lyons end 2003 – beginning 2004
TPS L

TV over ADSL triple play
coverage 80% - 2007
Alice free orange ci club internet neuf cegetel

Fibre …

Analogue terrestrial 6 channels
coverage 100%
TF1 M6 2 3 5 CANAL+ pay TV

Analogue cable
coverage 1.5 m households

DTT 17 channels (free)
coverage 35% March 2005

DTT 28 channels (free & pay)
coverage 80% Dec 2007

Analogue switch off
DTT coverage 95% end 2011

Canal bonus

1996 2004 2005 2006 2009 2011 2012

2012: 5 platforms to receive TV signal

Analog TV: 0
households

DTT: 26 million
households

ADSL: 8 million
households receive TV over ADSL

Cable-Sat: 7 million subs
Cable and satellite subscribers

Mobile TV: ? million

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Source : TF1 Digital / TF1

TF1: the best resistance to market fragmentation

Audience share

	Mediamat environment* (i.e. ~28% pay TV penetration)	Cable & sat. environment** (100% pay TV)	*Degree of resistance*
TF1	30.9%	24.7%	***80%***
France 2	18.8%	13.6%	***72%***
France 3	14.6%	9.7%	***66%***
M6	11.9%	8.1%	***68%***

TF1 : the best resistance to the market fragmentation

The market fragmentation widens the gap between TF1 and its competitors

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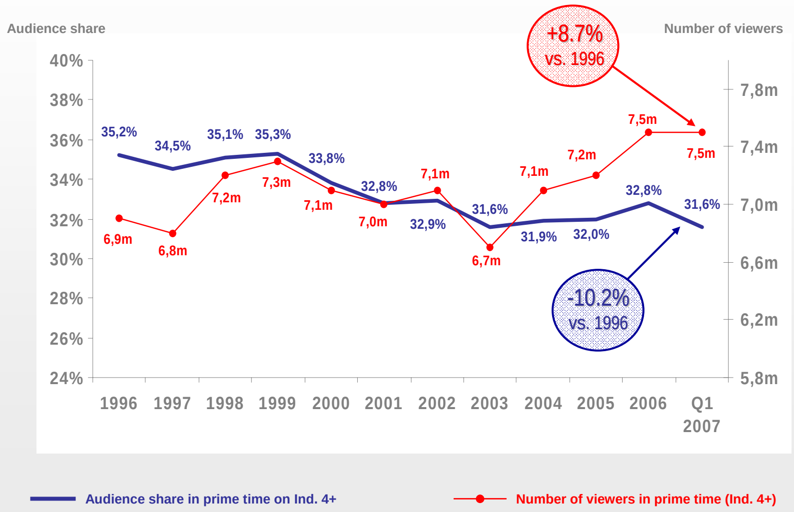
* Source: Médiamétrie Q1 2007 – Ind. 4+

** Source: Mediacabsat 12 – September. 2006 / February 2007 – Ind. 4+

A growing audience in a more and more fragmented market

Over the last 10 years, the audience share of TF1 in prime time declined while the audience rose



Source : Médiamétrie – Prime time (9:00 pm to 10:45 pm) – audience share & number of viewers : Individuals 4+

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TF1: Leader on every target

TF1 audience share - 2006

Age bracket	TF1 audience share - 2006	Challenger	Advance of TF1
4+	31,6	F2	+12.4 pts
Wom<50	35,3	M6	+16.0 pts
4-14	30,7	M6	+14.2 pts
15-34	33,9	M6	+12.6 pts
35-49	33,1	F2	+16.0 pts
50-59	32,0	F2	+10.1 pts
60+	29,2	F2	+2.8 pts
Advertising targets			
Wom+child.	37,4	M6	+18.9 pts
25-49	33,6	M6	+16.5 pts
Rop<60*	33,5	F2	+15.5 pts
AB+	28,6	F2	+9.3 pts

Source : Médiamétrie – Médiamat

* Responsible Of Purchases

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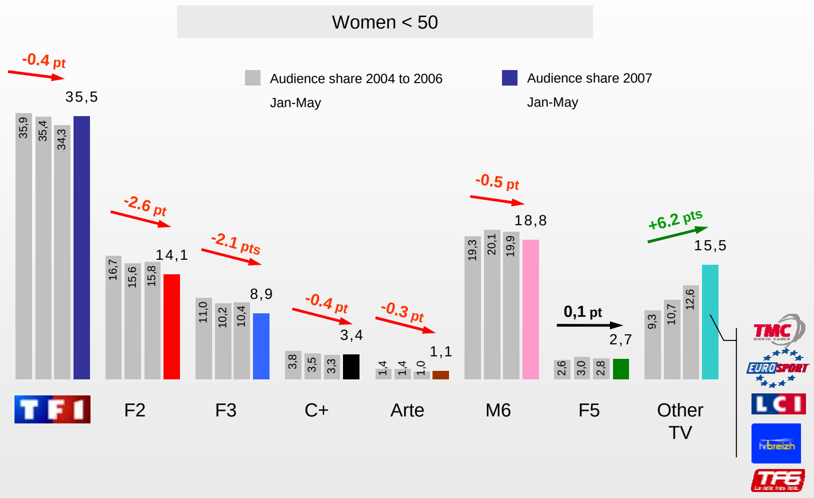
Leadership unchallenged on the main advertising targets



Source : Médiamétrie - Médiamat

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Leading theme channels

5 channels in the top 10

Source : Médiamétrie – Mediacabsat 11 (Dec 05 – June 06) – Ind 4+

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TV: the only mass media in France

The best of every genre of programmes on TF1

An unchallenged leadership on every network and every target

Records of audience in 2006

A more and more attractive prime time

Leading theme channels

ADVERTISING

TF1 : sectors breakdown (January – May 2007)

	Weight	Change (5 months 2007 vs. 5 months 2006)
FOOD	WEIGHT : 25.9%	+ 8.0%
COSMETICS	14.4%	+ 9.4%
TRANSPORT	9.2%	- 0.2%
SERVICES	7.4%	+ 10.7%
RETAIL	6.2%	-
HOUSE CLEANING	5.9%	+ 8.7%
TELECOMMUNICATION	5.8%	- 40.5%
PUBLISHING (CD,DVD…)	5.1%	- 40.9%

Source: TNS Media Intelligence

5 months 2007: first steps for retailers on TV

Investments on TF1*

- **€79.0 m (gross)**
  invested in Jan-May 2007
- **Coverage rate: 95%***
  41 advertisers on TF1

TF1 advertising market share
on the retail sector (excl. Mistergooddeal)*

60.5%

Source : TNSMI – May 2007

* Coverage rate and market share calculated excluding Mistergooddeal (M6 Group)

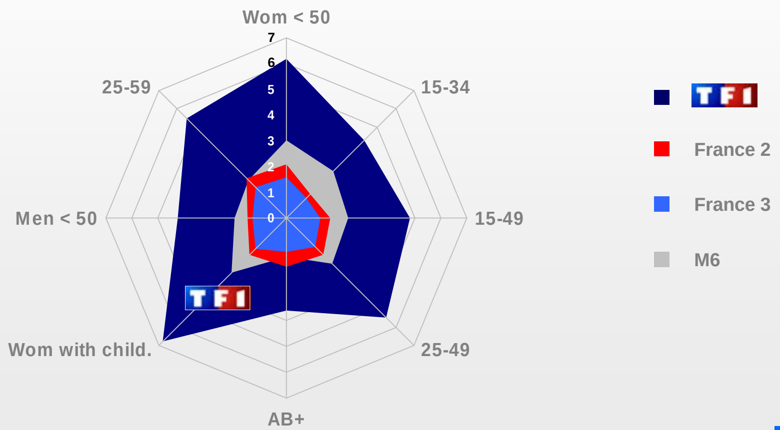
TF1 : exclusivity of powerful ad breaks

88%

of the ad breaks above 12 GRP on TF1

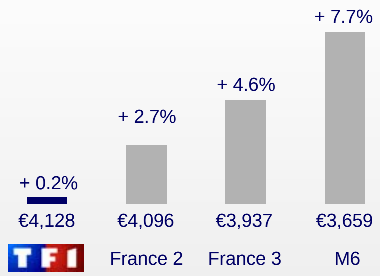
TF1 ad breaks: efficient on every target

Average audience (%) of ad breaks per channel and per target in 2006 – whole day



TF1: a controlled growth of GRP costs

Gross GRP costs growth (whole day – Women <50 – Jan to May 2007)



In constant euros over the last 10 years, the growth of TF1 GRP costs is less than 1% / year

Source : TNS Media Intelligence

OTHER ACTIVITIES

Consolidated revenue by sector

€m	Q1 2007	Q1 2006	Change	%
Broadcasting France	**581.6**	**542.9**	**38.7**	**7.1%**
TF1 SA	*458.0*	*433.1*	*24.9*	*5.7%*
Theme channels in France	*46.2*	*35.6*	*10.6*	*29.6%*
Group Téléshopping	*42.0*	*32.4*	*9.6*	*29.4%*
TF1 Entreprises	*7.5*	*7.8*	*(0.3)*	*(4.0%)*
e-tf1	*13.9*	*20.4*	*(6.5)*	*(31.8%)*
In-house production companies	*8.9*	*9.2*	*(0.3)*	*(3.2%)*
Others	*5.1*	*4.4*	*0.7*	*16.2%*
Audiovisual rights	**60.7**	**50.6**	**10.1**	**20.0%**
TF1 Vidéo	*27.6*	*34.3*	*(6.7)*	*(19.5%)*
Catalogue	*33.1*	*16.3*	*16.8*	*103.1%*
International broadcasting	**60.0**	**60.9**	**(0.9)**	**(1.5%)**
Total revenue	**702.3**	**654.4**	**47.9**	**7.3%**

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Current operating profit by sector

€m	Q1 2007	Q1 2006	Change	%
Broadcasting France	**118.6**	**97.4**	**21.2**	**21.8%**
TF1 SA	*111.8*	*90.2*	*21.6*	*23.9%*
Theme channels in France	*(0.6)*	*(7.1)*	*6.5*	*91.5%*
Group Téléshopping	*2.4*	*3.2*	*(0.8)*	*(25.0%)*
TF1 Entreprises	*(0.3)*	*0.9*	*(1.2)*	*ns*
e-tf1	*(0.7)*	*2.3*	*(3.0)*	*ns*
In-house production companies	*1.5*	*2.0*	*(0.5)*	*(25.0%)*
Others	*4.5*	*5.9*	*(1.4)*	*(23,7%)*
Audiovisual rights	**4.9**	**8.0**	**(3.1)**	**(38.8%)**
TF1 Vidéo	*1.4*	*4.4*	*(3.0)*	*(68.2%)*
Catalogue	*3.5*	*3.6*	*(0.1)*	*(2.8%)*
International broadcasting	**1.5**	**0.1**	**1.4**	**ns**
Total operating profit	**125.0**	**105.5**	**19.5**	**18.5%**

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CONCLUSION

TF1

An organisation by line of products

Networks / Genres	TV TF1 channel n°1 5 theme channels in the top 10	Internet 1st media website 13th website in France	Mobility TF1 : n°1 on Orange LCI Mobile : n°1 thematic on Orange	Others (press, off media, commerce…)
Sport	TF1, Eurosport	Eurosport.com	Eurosport Mobile	Eurosport, Events, WTCC
News	TF1, LCI	LCI.fr	LCI Mobile	metro
Cinema/Series Dramas	TF1, TF1 Vision, TMC, Serieclub, TF6, tvbreizh	TF1 Vision		TF1 Video, TF1 International
Music / Games Entertainment	TF1, Star Academy, TMC, TF6, tvbreizh	TF1.fr, Star Academy	Star Academy Mobile & Podcast	TF1 Entreprises
Youth	TF1, TFOU	TFouER 1st youth website	Launch of youth Podcasts	TF1 Entreprises

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France: The most regulated market in Europe

TF1: legal environment

ADVERTISING	▪ Duration: daily average: 6 ' / hour max: 12 ' / hour ▪ Sector non authorized to advertise on TV: cinema ▪ Sliding hour measurement vs. o'clock hour in Europe ▪ Interruption of programmes: 1 ad break max /movie
PROGRAMMING	▪ Investment obligations in French and EU programmes (16% of ad. revenue in TV dramas, 3.2% in Movies ...) ▪ Broadcast: max. 192 movies / year min. 1,000 hours of children's programmes min. 800 hours of news programmes
SHAREHOLDING	▪ 49% ownership law

Deregulation could come in Europe & France

Strategic issues

- Be leader on every business
- Reinforce the "share of voice" of the Group
- Develop new activities
- Secure the access to multi-platforms rights
- Implement a strategy of multi-supports contents around key genres (news, sport, cinema ...)
- Dynamise the International development
- Increase the Group profitability

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Appendix

FAQ

TF1 channel advertising

- Guidance of TF1 channel advertising growth in 2007: ~ +6%
- Impact from the opening of TV adv to retailers in 2007 (given by media agencies): €200 m - €240 m invested in TV advertising

TF1 channel programming costs

- 2010 Football World Cup: €120 m ; 2014 Football World Cup: €130 m
- 2007 Rugby World Cup: €50 m ; 2011 Rugby World Cup: €30 m
- UEFA Euro 2008: 50% of the matches (vs. 40% in 2004)
- Forecast of evolution of the 2007 programming costs: +3% max. (excluding Football World Cup in 2006 and excluding Rugby World Cup in 2007)
- Forecast of evolution of the 2008 programming costs: ~ +3% (excluding Rugby World Cup in 2007 and UEFA Euro in 2008)

Other activities

- Theme channels: 2008 revenue target: > €200 m – 2008-2009 operating margin target: ~ 10%
- Teleshopping: target of aggregated revenue for the next 3 years: ~ €460 m
- Other activities : 2008-2009 operating margin target: ~ 10%

The key success factors

The best news contents

- Far **ahead** of its competitors
  (**+ 4.8 m viewers** vs. the 1 o'clock news bulletin of France 2 and **+ 3.6 m viewers** vs. the 8 o'clock news bulletin of France 2)
- **Audiences above** news bulletin of biggest US networks.

The best sports contents

- The **biggest events** are on TF1

2010	2010 & 2014	2008	2009	2007 & 2011	2012

The key success factors

The best French TV dramas

- Exclusive productions strategy: **Prestige dramas**, **52 minutes dramas** and **recurrent heroes**




The best movies

- Contracts secured with **US majors**
- Investments in **French movies**: €48 m in 2006

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The key success factors

The best US series

- **7 out of the 10 best series** in the US are on TF1



The best entertainment

- **Sustainability** of TF1 eventful shows
- **Success of new access programmes** in 2007

TF1: the best US series

7 out of the 10 best series in the US are on TF1

1	**GREY'S ANATOMY**	abc	22.1 m	TF1
2	**CSI (Les Experts)**	CBS	21.6 m	TF1
3	Desperate housewives	abc	21.6 m	
4	**CSI : MIAMI (Les Experts Miami)**	CBS	17.6 m	TF1
5	**LOST**	abc	17.1 m	TF1
6	**CRIMINAL MINDS (Esprits criminels)**	CBS	16.6 m	TF1
7	**CSI : NY (Les Experts Manhattan)**	CBS	16.4 m	TF1
8	NCIS	CBS	15.9 m	
9	**HOUSE, MD (Dr House)**	FOX	15.7 m	TF1
10	Two and a half men	CBS	15.5 m	

Source : Source Eurodata TV, all rights of reproduction reserved, all rights reserved by Médiamétrie (season 2006-07 as December 31, 2006)

Sectors breakdown (2006)

TF1

	Weight	Change (2006 vs. 2005)
FOOD	WEIGHT : 23.5%	- 3.6%
COSMETICS	13.8%	+ 1.8%
PUBLISHING (CD, DVD…)	10.8%	+ 11.4%
TELECOMMUNICATION	9.1%	+ 28.7%
TRANSPORT	8.3%	- 0.2%
SERVICES	6.9%	+ 38.7%
HOUSE CLEANING	5.2%	+ 0.9%
NEWS MEDIA	3.0%	+ 1.0%

Source: TNS Media Intelligence

Digital Terrestrial Television

17 channels for the free offer

MPEG 2

State-owned

Generalists

Mini generalists

News

Music

Youth

11 channels for the pay offer

MPEG 4

Premium

Mini generalists

News

Youth

Sport

Cinema

Mini generalist

15-35 years old

Documentaries

TF1 Group channels

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