



**Roadshow UK**  
**March, 9<sup>th</sup> - 11<sup>th</sup> 2009**  
**Crédit Suisse**

## Disclaimer

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**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.**

## Advertising revenue evolution

€ million	2007	2007 Pro Forma*	2008	Var	Var %
Consolidated revenue	2,763	2,739	2,595	-144	-5.3%
Advertising revenue TF1 Channel	1,718	1,718	1,647	-71	-4.1%
Diversification revenue	1,045	1,021	948	-73	-7.1%

### Detail of the total advertising revenue

TF1 Channel	1,718	1,718	1,647	-71	-4.1%
French Theme channels	92	80	87	+7	+8.8%
Internet France	18	14	15	+1	+7.1%
Eurosport international	72	72	84	+12	+16.7%
Others	0	0	1	+1	NS
<b>Total advertising revenue</b>	<b>1,900</b>	<b>1,884</b>	<b>1,834</b>	<b>-50</b>	<b>-2.7%</b>

\*In 2008, the third-parties revenue has been taken out of the total revenue. 2007 has also been adjusted (-€25m in 2007). This change (IAS 18 Gaap) has no impact on the operating result and is mainly relative to the advertising agency and 1001 Lists.

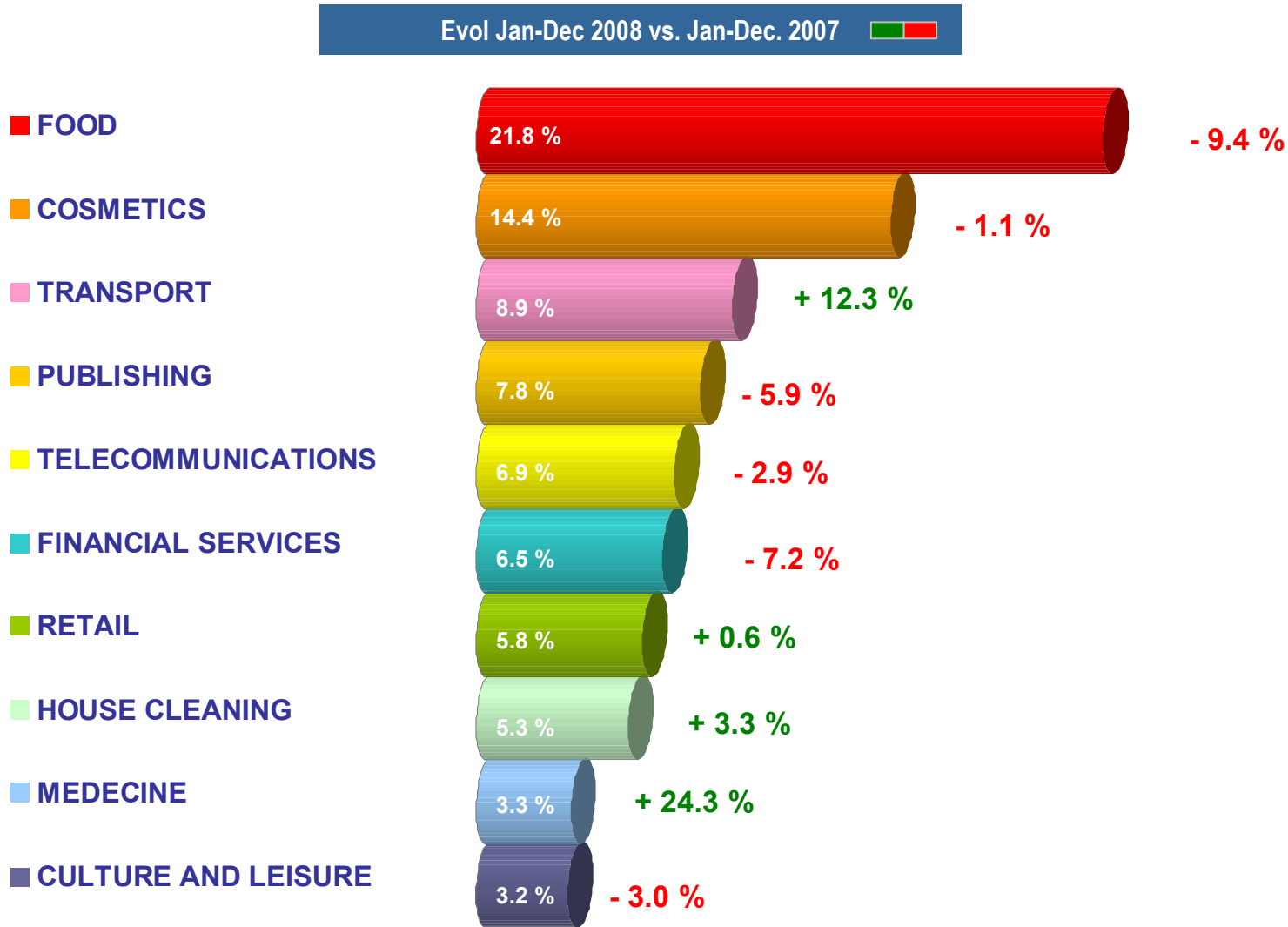


## Consolidated revenue evolution

€ million	2007	2007 Pro Forma	2008	Change	Change %
<b>France Broadcasting</b>	<b>2,220.5</b>	<b>2,195.8</b>	<b>2,103.5</b>	<b>(92.3)</b>	<b>(4.2)%</b>
<i>TF1 Channel</i>	1,729.3	1,729.3	1,655.0	(74.3)	(4.3)%
<i>Thematic channels in France</i>	188.6	188.6	187.9	(0.7)	0.4 %
<i>Téléshopping group</i>	153.1	136.5	126.3	(10.2)	(7.5)%
<i>TF1 Entreprises</i>	40.5	40.5	36.0	(4.5)	(11.1)%
<i>e-tf1</i>	57.1	65.1	60.4	(4.7)	(7.2)%
<i>In-house production companies</i>	28.1	28.1	31.1	3.0	10.7%
<i>Others</i>	23.8	7.7	6.8	(0.9)	(11.7)%
<b>Audiovisual rights</b>	<b>268.1</b>	<b>268.1</b>	<b>174.0</b>	<b>(94.1)</b>	<b>(35.1)%</b>
<i>TF1 Video</i>	166.7	166.7	119.3	(47.4)	(28.4)%
<i>Catalogue</i>	101.4	101.4	54.7	(46.7)	(46.1)%
<b>International Broadcasting</b>	<b>274.8</b>	<b>274.8</b>	<b>316.2</b>	<b>41.4</b>	<b>15.1%</b>
<b>Other activities</b>	<b>0.2</b>	<b>0.2</b>	<b>1.0</b>	<b>0.8</b>	<b>NS</b>
<b>Total revenue</b>	<b>2,763.6</b>	<b>2,738.9</b>	<b>2,594.7</b>	<b>(144.2)</b>	<b>(5.3)%</b>

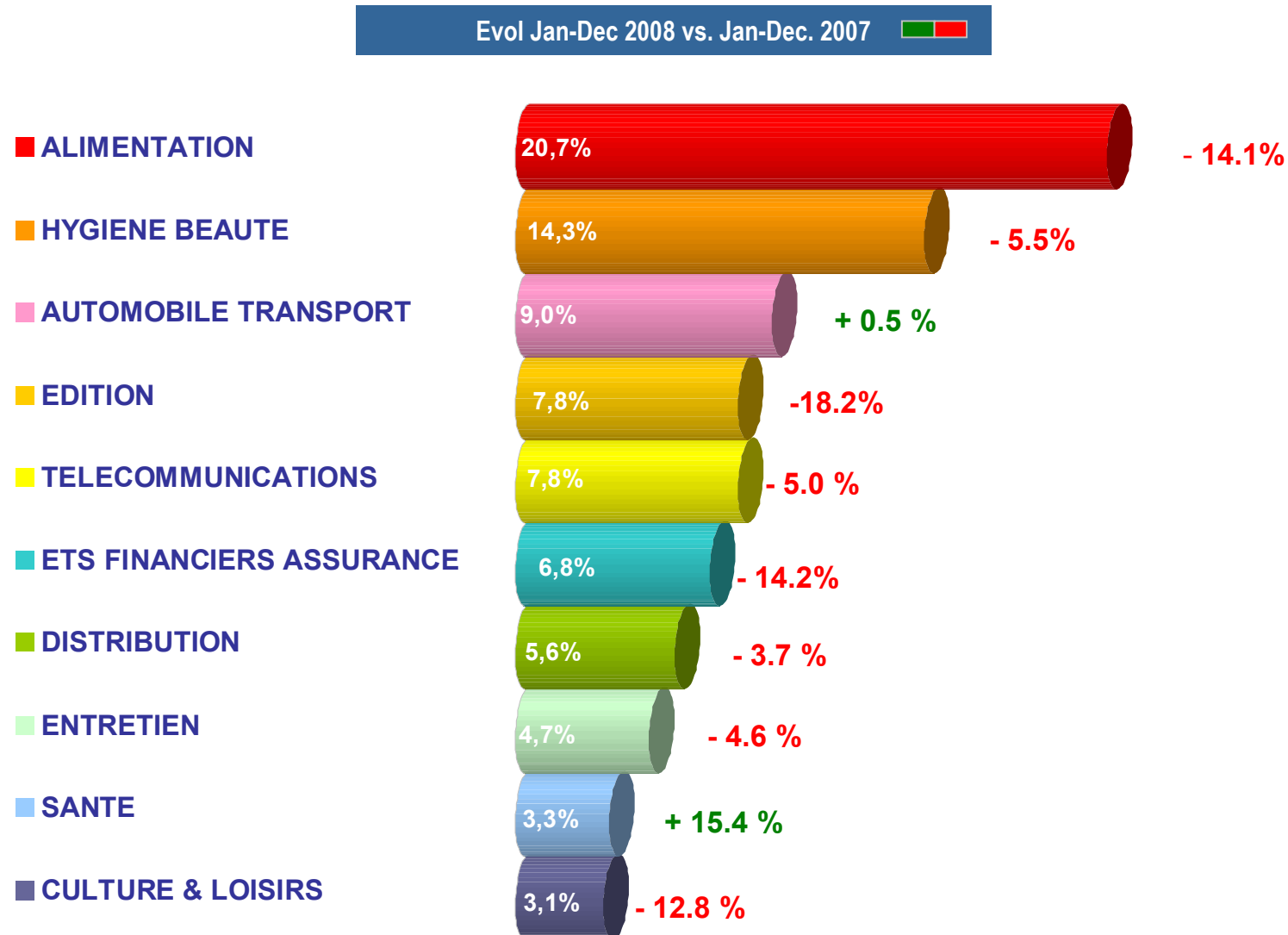
# A tough economic situation for TF1...

## Evolution of advertising revenue by sector (for TF1) Gross revenue (January-December 2008)



## ... but also for the market

### Evolution of advertising revenue by sector (for National TV) Gross revenue (January-December 2008)

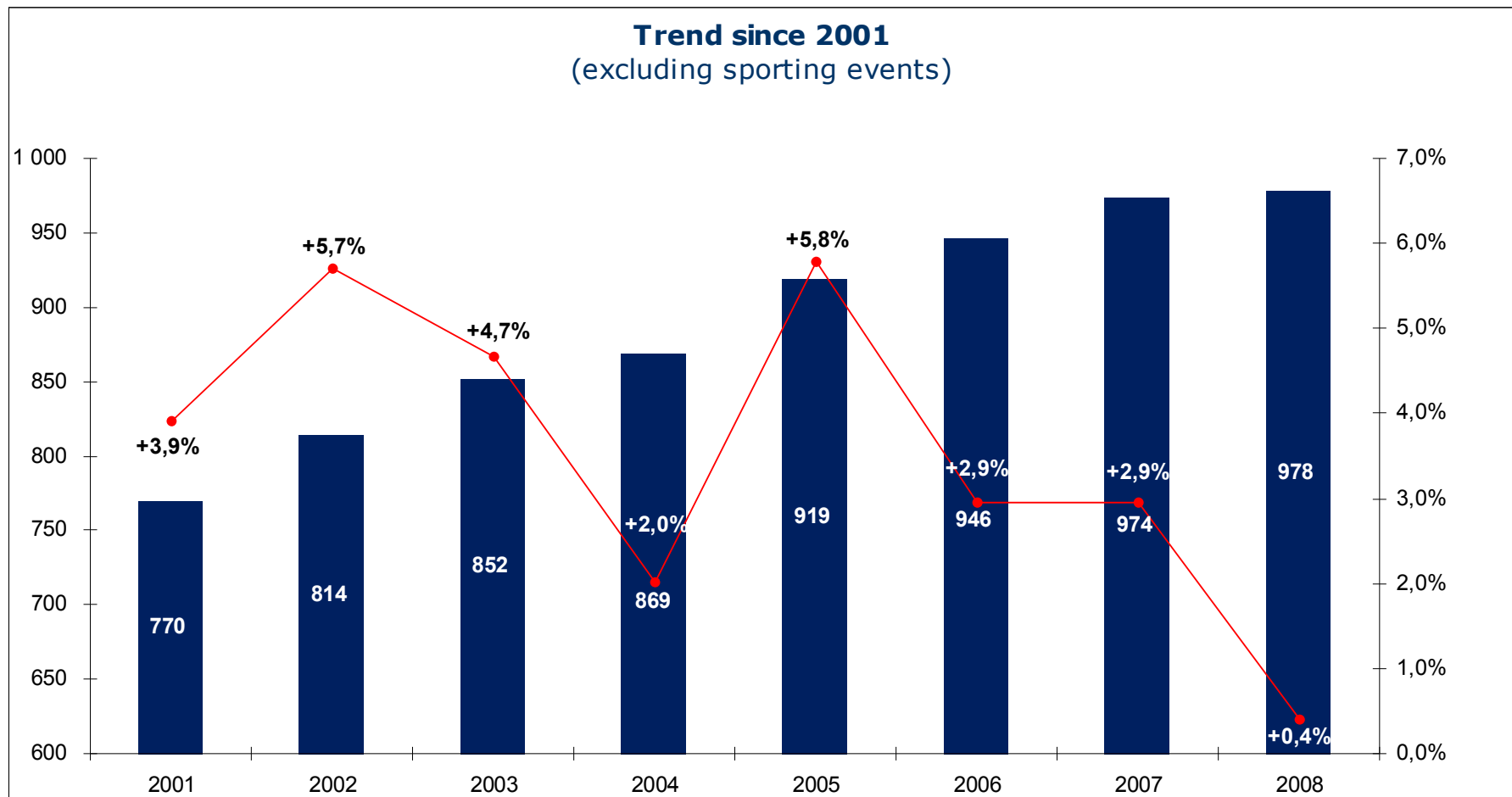


## TF1 channel programming costs

€ million	2007	2008	Change	Change %
<b>Total programming costs*</b>	1,024.2	1,032.1	7.9	0.8%
<b>Sporting events</b>	49.9	53.9	4.0	8.0%
<b>Total programming costs (excl. sporting events)</b>	974.3	978.2	3.9	0.4%
Entertainment	254.5	269	14.5	5.7%
TV dramas / TV movies / Series / Theatre	290.1	288	(2.1)	(0.7)%
Sports ( <i>excl. Euro 2008</i> )	146.2	140.3	(5.9)	(4.0)%
News	119.2	111.7	(7.5)	(6.3)%
Movies	138.8	139.2	(0.4)	0.3%
Youth	25.5	30.0	4.5	17.7%

\* Including reforms and retired/abandoned rights

# Controlled programming costs



**Costs drastically reduced,  
ratings unaffected**



## Consolidated income statement

€ million	2007	2007 Pro Forma	2008	Change	Change %
<b>Consolidated revenue</b>	2,763.6	2,738.9	2,594.7	(144.2)	(5.3)%
Total programming costs	(1,024.2)	(1,024.2)	(1,032.1)	(7.9)	0.8%
Total other operating charges and revenue	(1,304.9)	(1,280.2)	(1,239.0)	41.2	(3.2)%
Depreciation and provisions	(129.3)	(129.3)	(147.1)	(17.8)	13.8
<b>Operating profit</b>	<b>305.2</b>	<b>305.2</b>	<b>176.5</b>	<b>(128.7)</b>	<b>(42.2)%</b>
<b>Operating margin</b>	<b>11.0%</b>	<b>11.0%</b>	<b>6.8%</b>	<b>(4.3)pts</b>	
Cost of net debt	(21.4)	(21.4)	(22.4)	(1.0)	4.7%
Other financial income and expenses	28.7	28.7	40.9	12.2	42.2%
Income tax expense	(93.0)	(93.0)	(40.8)	52.2	(56.1)%
Share of profits/losses of associates	8.3	8.3	9.6	1.3	15.7%
<b>Net profit</b>	<b>227.8</b>	<b>227.8</b>	<b>163.8</b>	<b>(64.0)</b>	<b>(28.1)%</b>

# Cost-saving plan

€ million	2008
Operating profit	176.5

## Main impacts on the operating profit for the full year 2008

Renegotiation of contracts	+7.6	}	(9.8)
Reduction of other charges	+15.0		
Abandoned activities (JET. TFou...)	+9.2		
Restructuring costs	(41.6)		

# Purchasing plan

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- **Reoccurring revenues already generated in 2008**

- 77 closed agreements
- €7.6m saved in 2008

➔ **Full year impact: €10m**

- **Stepped-up renegotiation process**

- 50 agreements under discussion
- **€5m per year** estimated in additional gain

- **Sports and audiovisual rights**

- Increased selectivity
- Fewer TF1 core channel acquisitions



**Optimization well in hand**

## 2008 : new industry regulations

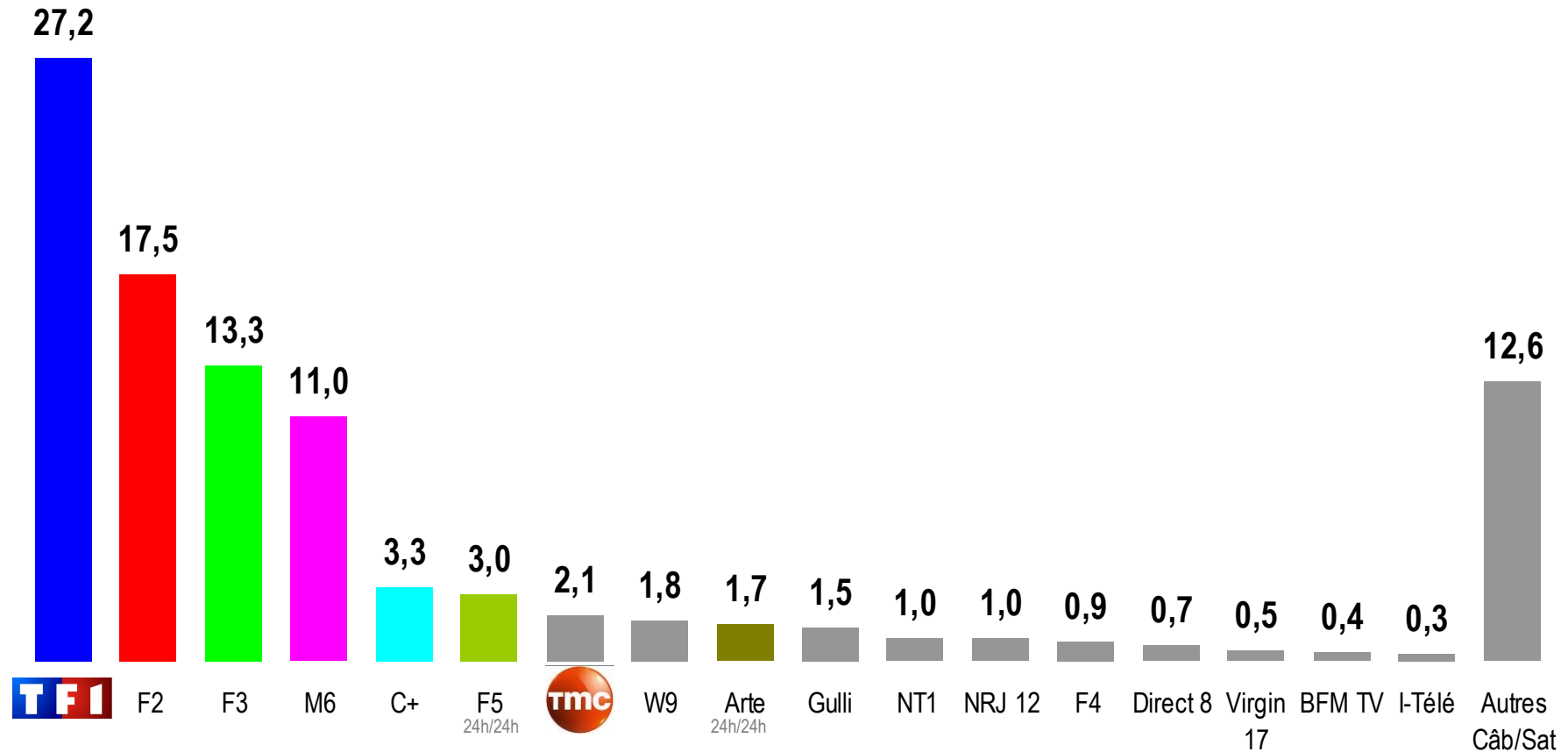
<u>Field</u>	<u>Mesures</u>
Advertising	Opening of the daily advertising play time from 144 to 216 minutes with the swift from 6 to 9 minutes per hour and 12 minutes by clock hour Advertising ban on France Télévision 2 <sup>nd</sup> commercial break authorized Some sectors non authorized to advertised
Programming	Production requirements down from 16.5% to 12.5% of the ad revenues for the French TV Dramas and 3.2% for the cinema Obligation to broadcast: <ul style="list-style-type: none"><li>• 192 movies / year (maximum)</li><li>• 1,000h of youth programmes (minimum)</li><li>• 800h of news programmes (minimum)</li></ul>
Centralization	Possibility to hold 100% of a channel which generates 8% audience share (vs. 2.5% previously)



**A promising regulation**

# 2008 : Increase in our audience share differential

Audience share, 4 years +



**TF1 maintains a unique position on the market**

## Assumptions 2009

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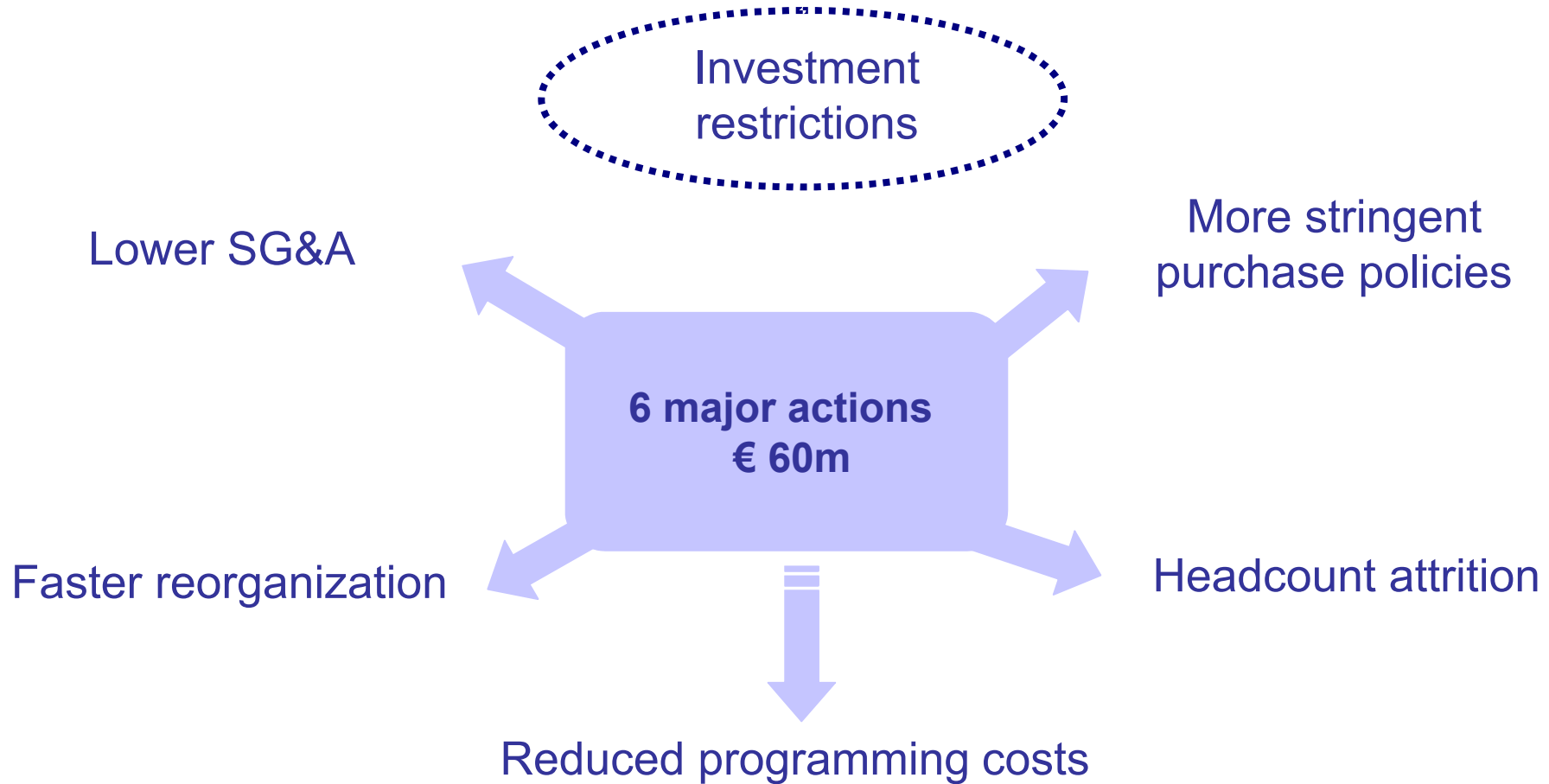
- An international recession as a background
- Economic forecast for France: around -2%
- Advertisers in difficulty
- Decrease in advertising investments
- Household consumption slow down
- DTT effects
- Demand less than supply of commercial time
- Prices and margins under a strong pressure



**2009 consolidated revenue: – 9 %**

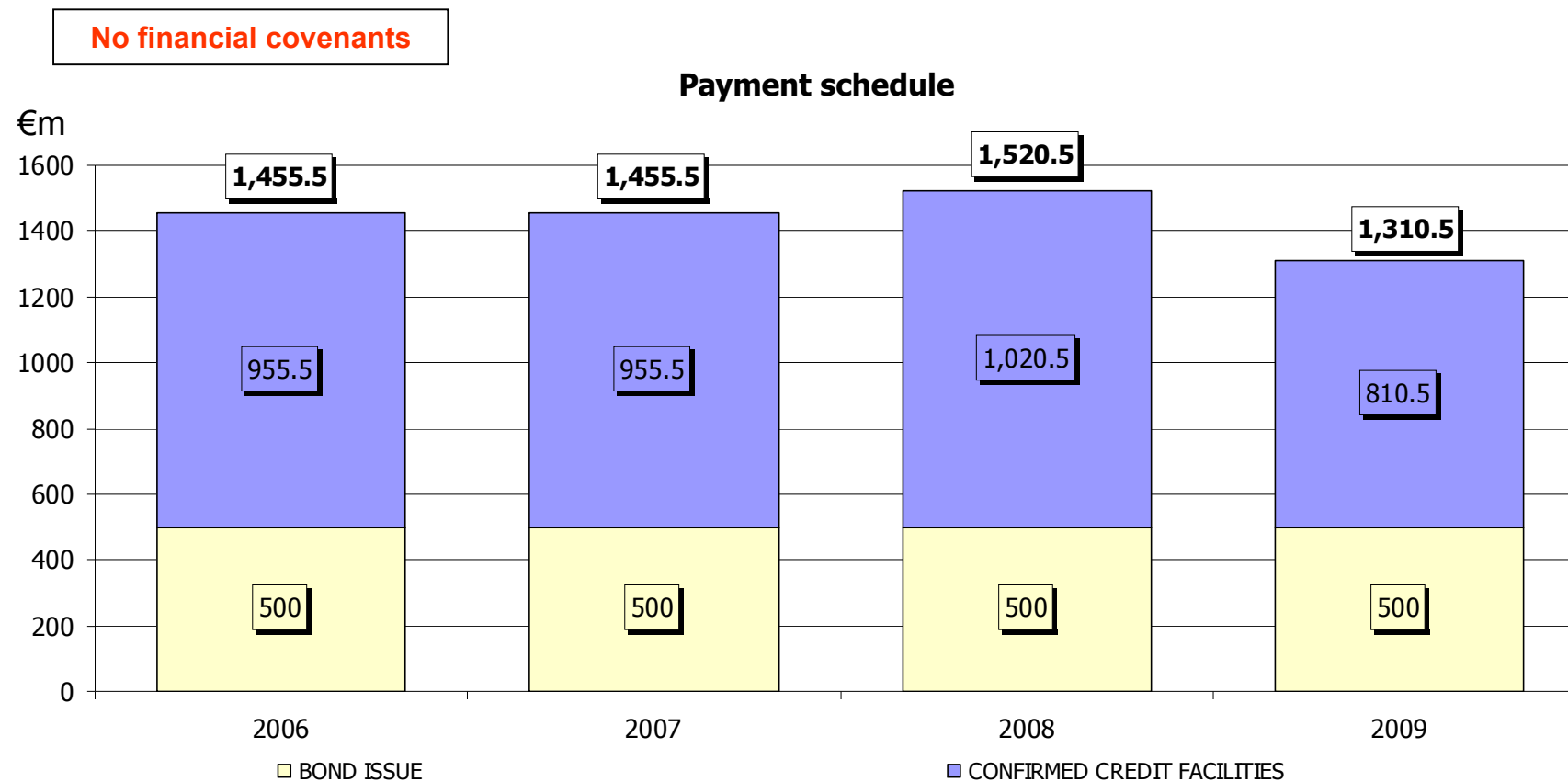
# 2009 Battle Plan

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**Involvement of entire organization  
to face the 2009 challenges**

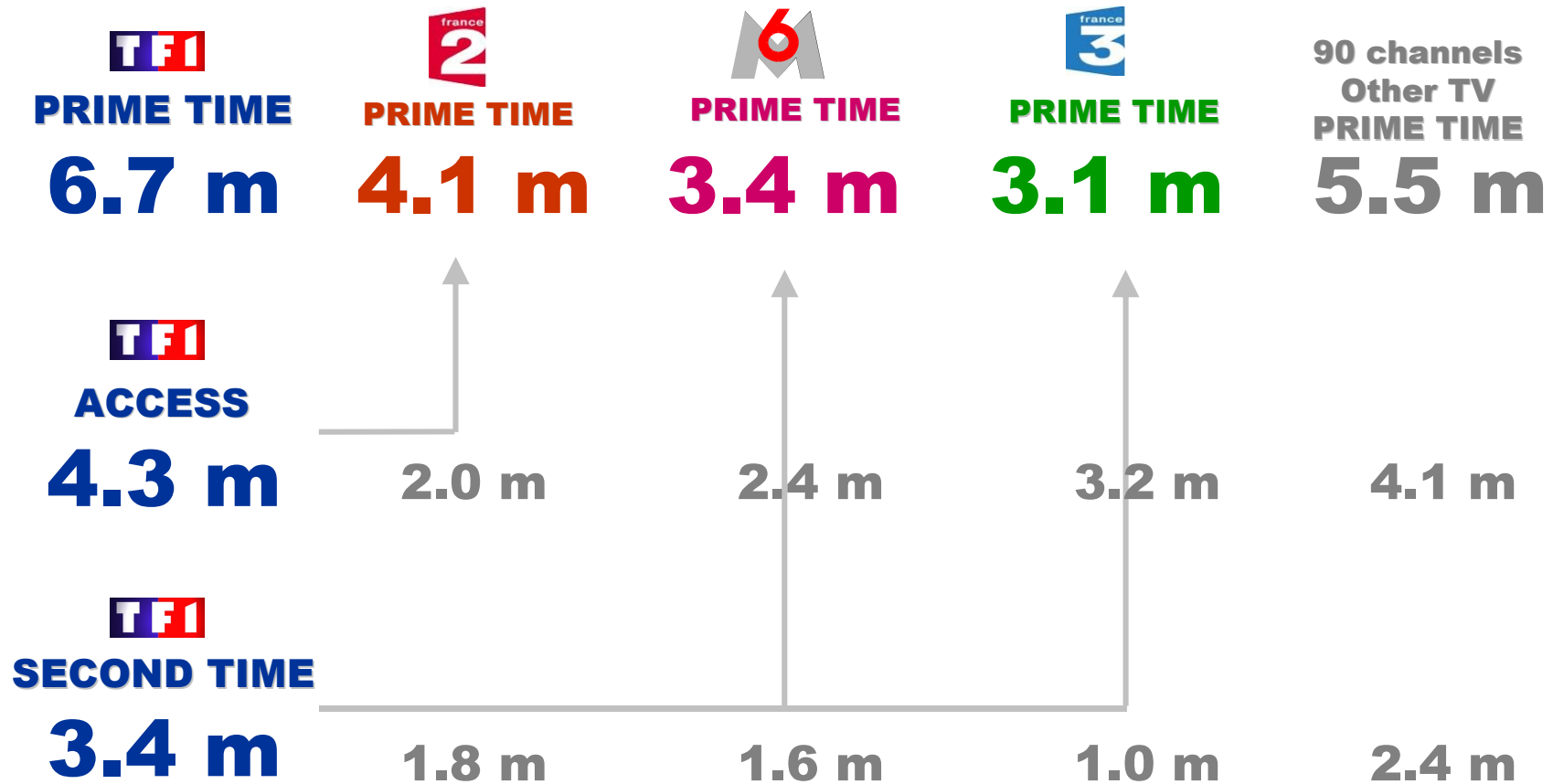
# Sound financial structure



- **February 2010** : Put option on Canal+ France stake (9.9%) with a floor price of €745.7m



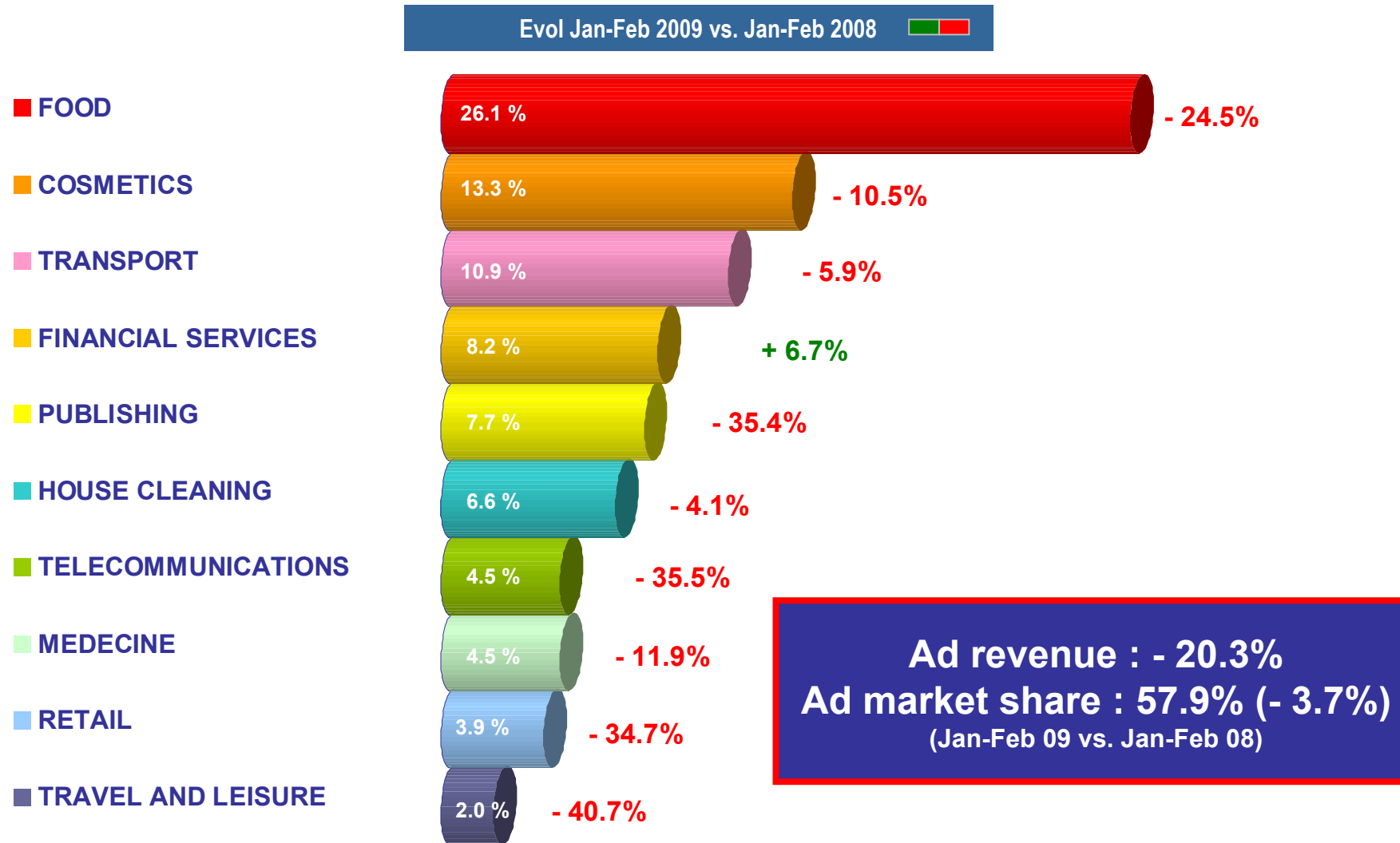
# TF1, a major player for years to come



  
**Meaningful figures**

# A tough economic situation

## Evolution of advertising revenue by sector (for TF1) Gross revenue (Jan-Feb 2009)



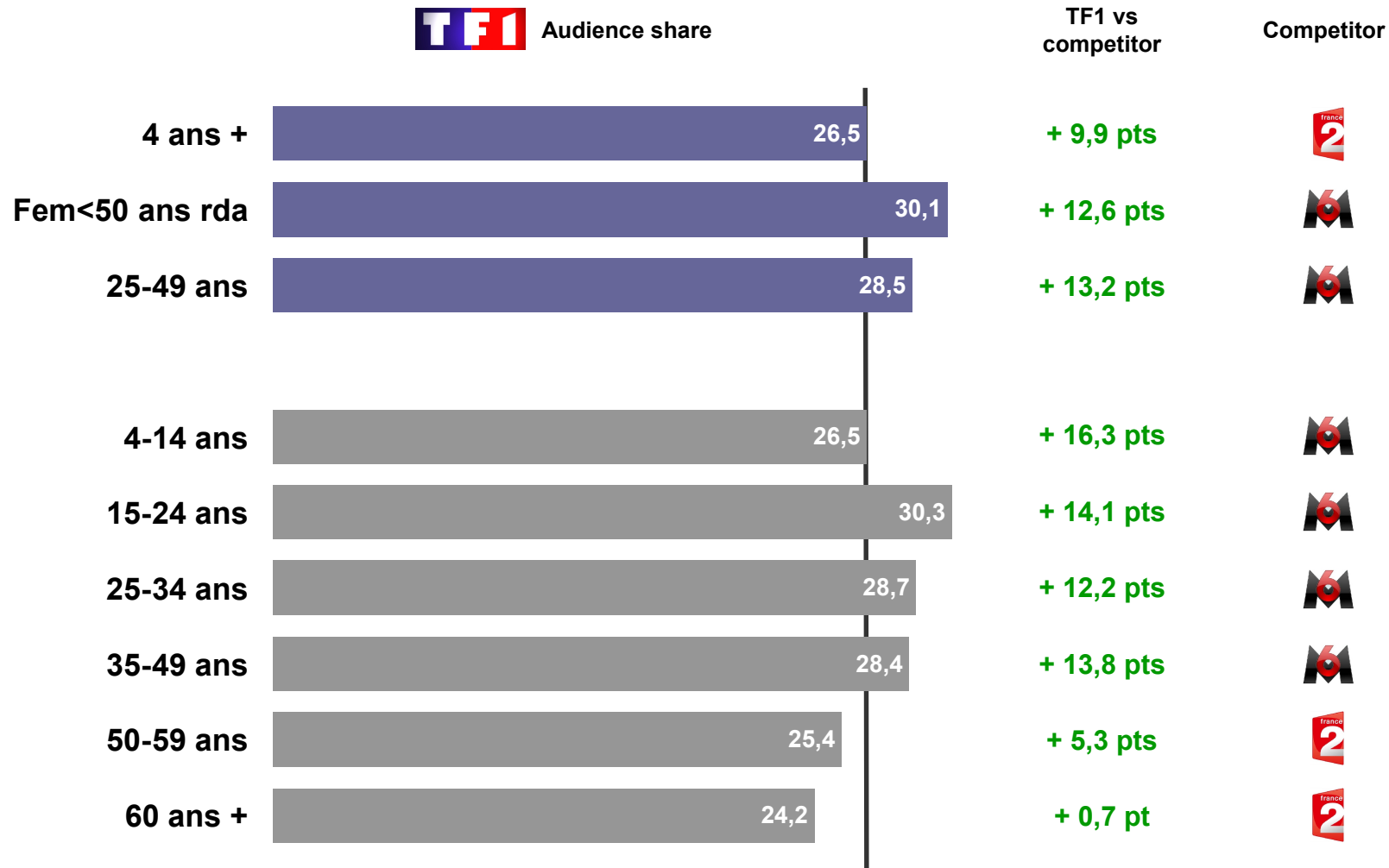
# Strategic action plan

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- 1** TF1, a major player for years to come
- 2** 360 strategy: gaining momentum
- 3** A strong position on the web
- 4** Moving towards new territories

1

# TF1, a major player for years to come



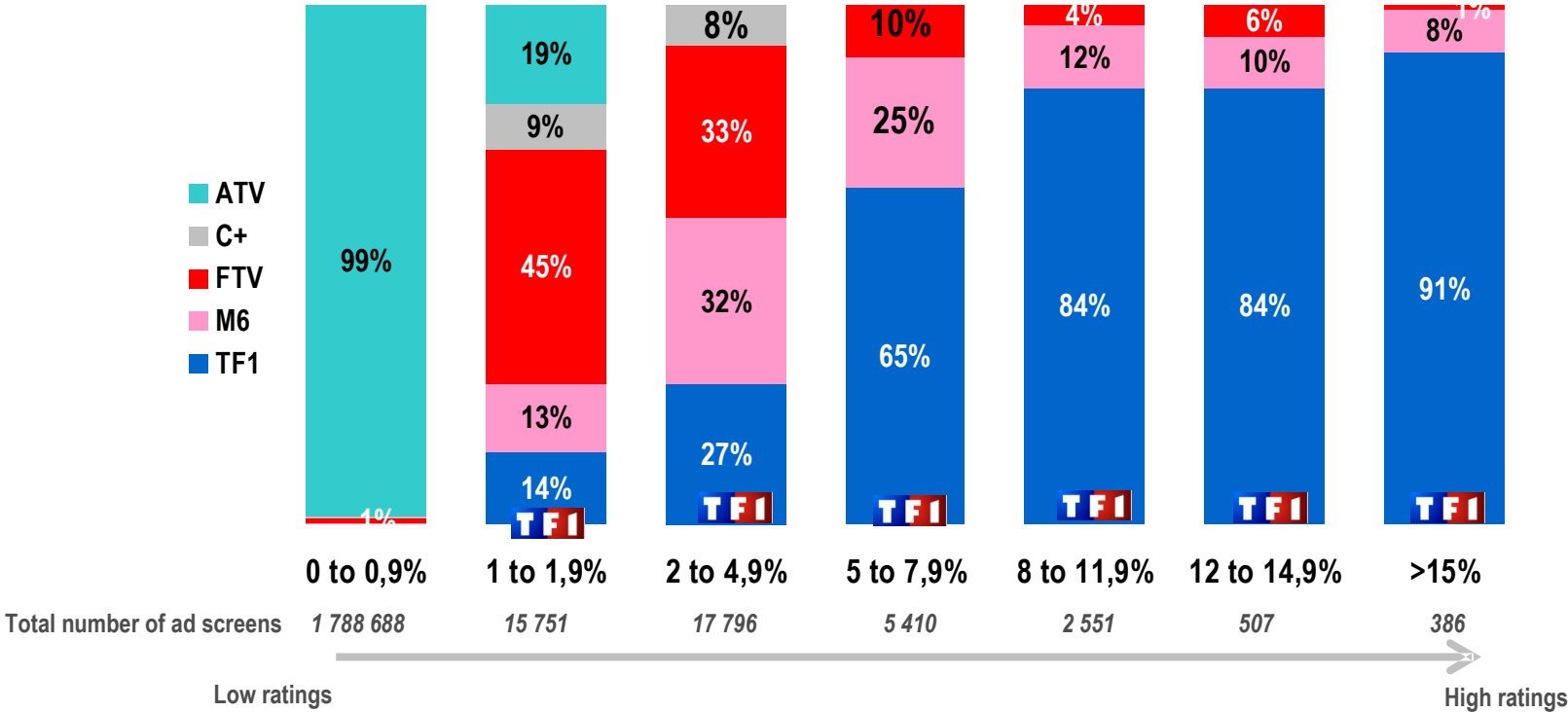
**Still the favorite channel of all audiences**

1

# TF1: a major player for years to come

## Advertising offer

Screen allocation (in %) by rating slot and by channel



**Our asset: an unrivaled share of high-rating slots**

Source: Popcom TV – Médiacabsat Jan-June 2008 (V15) et TNT Sept-Oct 2008 (V14) prob Jan-June 2008 – FY 2008



# 360 strategy: gaining momentum

## 360° programmes



**Web / Channel / Interactivity:  
mutual media synergies**

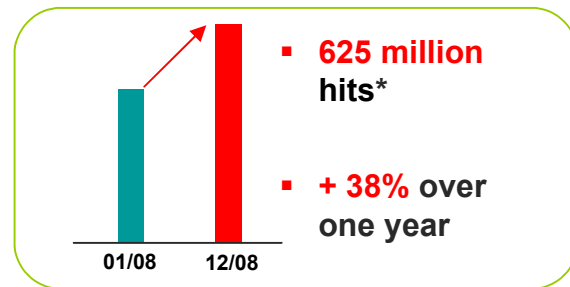
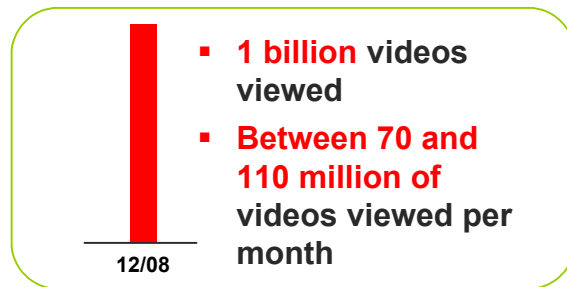
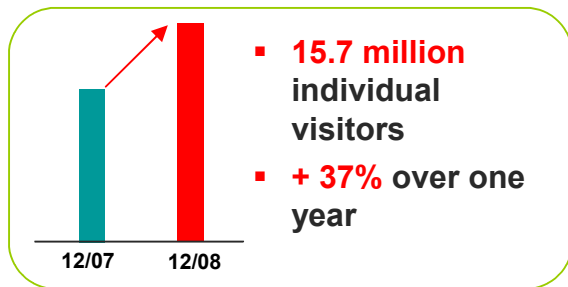
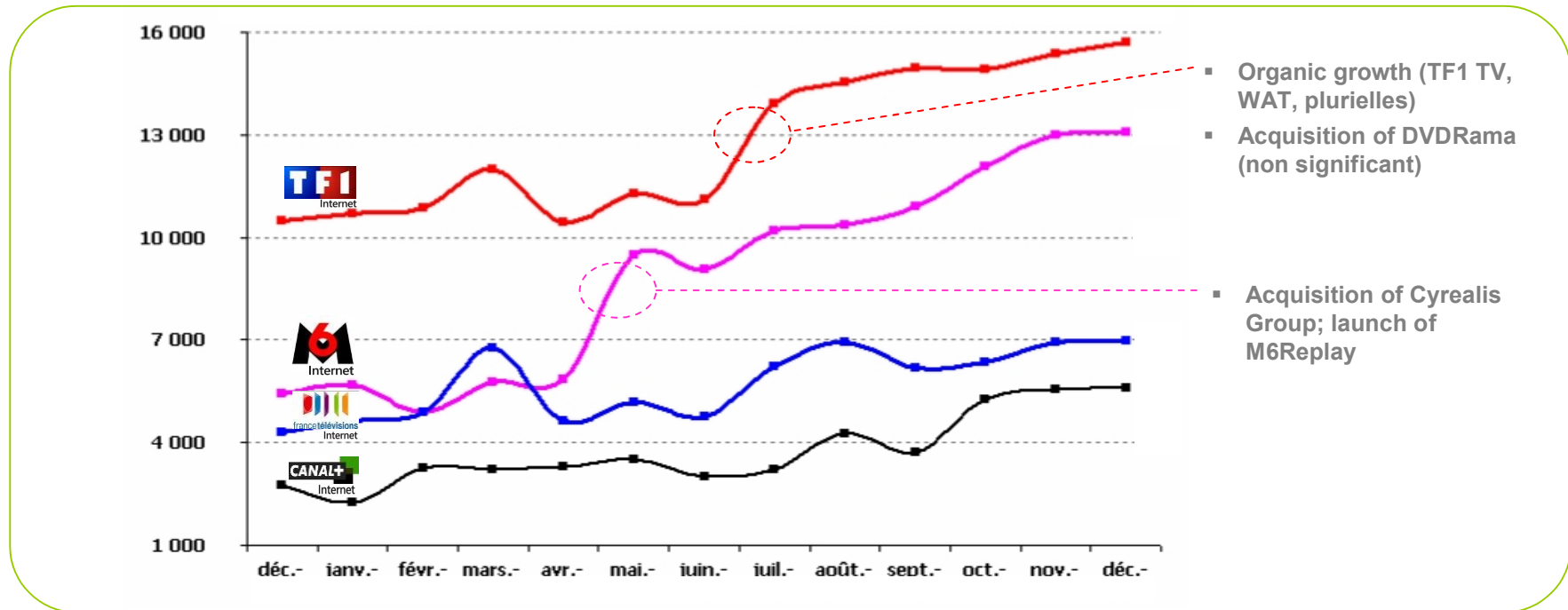
Source: Médiamétrie / Médiamat  
\* Average of 5 Prime Time



# A strong position on the web

## Internet

**TF1: 1<sup>st</sup> network among French TV websites and 8<sup>th</sup> network on the Web (dec. 2008)**



Source : Médiamétrie e-Stat

Source: last survey published – Panel Médiamétrie NNR - Home & Work, Dec. 2008 « Parent ». The « Parent » ranking incorporates all the audience websites within one media.

# Moving towards new territories

## TF1 anywhere, anytime

### TV Mobile Interactivity



### TF1 outdoor



On all screens



### TF1 on TV BOX

### Digital Radio



## Seizing upon the opportunities of the new technologies



**TF1**

Emblematic  
games: popular  
classics


**TF1.fr**

Play and Win on  
the Web



The  
games

Advertising-  
related  
minigames  
also on TF1.fr

**TF1.fr**


Introducing  
news-related games  
and online betting


**TF1  
GAMES**

Board Game

From TV and web game shows  
to online games and betting in France

**TF1**

## Conclusion

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- Entire organization committed to meet 2009 challenges
- Confirmed profitability and leadership
- Priority to key audience slots
- Rigorous programming costs management
- Scaled-up restructuring
- Streamlined developments
- 360: our core strategy



**An ambitious number 1**



# Appendix

## Consolidated operating profit evolution

€ million	2007	2008	Change	Change %
<b>France Broadcasting</b>	<b>252.0</b>	<b>164.3</b>	<b>(87.7)</b>	<b>(34.8)%</b>
<i>TF1 Channel</i>	221.1	136.4	(84.7)	(38.3)%
<i>Thematic channels in France</i>	2.0	3.6	1.6	80%
<i>Téléshopping group</i>	7.9	5.4	(2.5)	(31.6)%
<i>TF1 Entreprises</i>	1.8	(0.4)	(2.2)	(122.2)%
<i>e-tf1</i>	(1.4)	(4.1)	(2.7)	192.9%
<i>In-house production companies</i>	2.1	2.7	0.6	28.6%
<i>Others</i>	18.5	20.7	2.2	11.9%
<b>Audiovisual rights</b>	<b>17.2</b>	<b>(10.8)</b>	<b>(28.0)</b>	<b>(162.8)%</b>
<i>TF1 Video</i>	11.1	2.1	9.0	(81.1)%
<i>Catalogue</i>	6.1	(12.9)	(19.0)	(311.4)%
<b>International Broadcasting</b>	<b>38.2</b>	<b>26.6</b>	<b>(11.6)</b>	<b>(30.4)%</b>
<b>Other activities</b>	<b>(2.2)</b>	<b>(3.6)</b>	<b>(1.4)</b>	<b>63.6%</b>
<b>Total Operating Profit</b>	<b>305.2</b>	<b>176.5</b>	<b>(128.7)</b>	<b>(42.2)%</b>

## Consolidated balance sheet

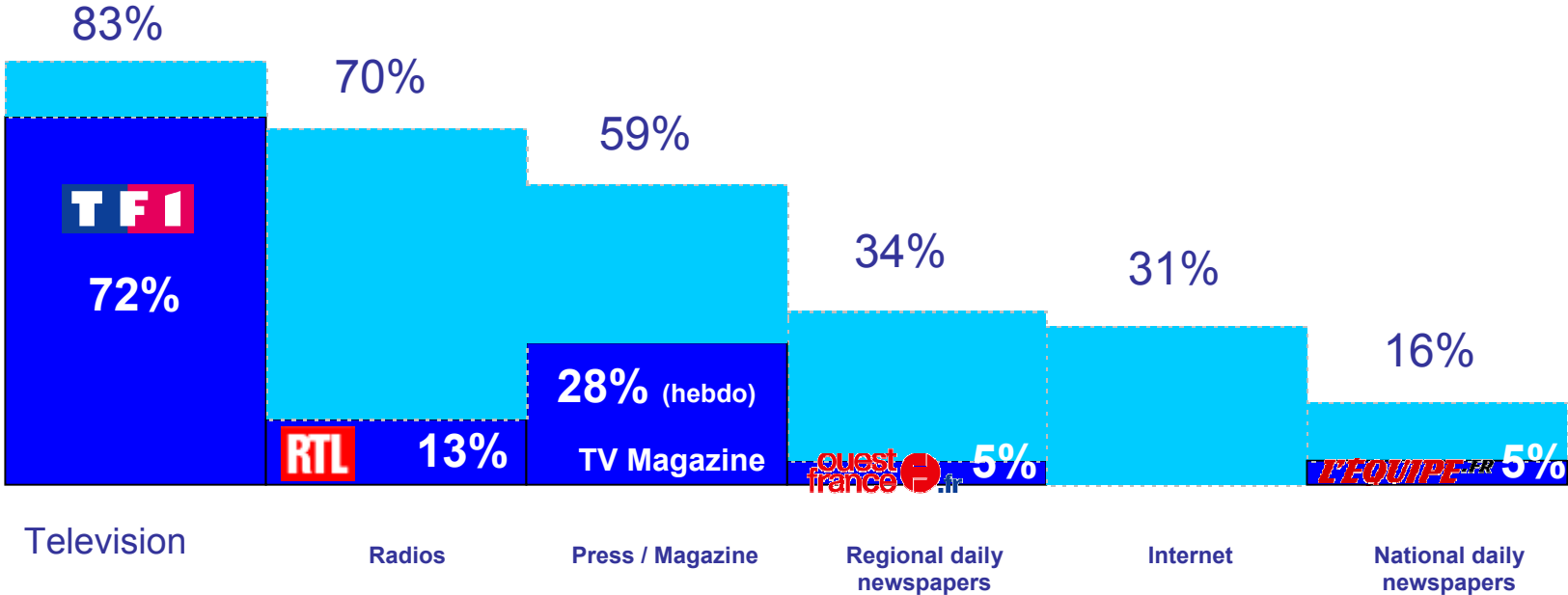
ASSETS (€ million)	31/12/07	31/12/08	Change
Total non-current assets	1,844.5	1,869.6	25.1
Total current assets	1,807.2	1,855.8	48.6
Held-for-sale assets	0.0	14.8	14.8
<b>Total assets</b>	<b>3,651.7</b>	<b>3,740.2</b>	<b>88.5</b>
SHAREHOLDERS' EQUITY AND LIAB.	31/12/07	30/12/08	Change
Shareholders' equity (att. to the Group)	1,394.0	1,376.9	(17.1)
Non-current liabilities	653.1	755.6	102.5
Current liabilities	1,604.6	1,592.7	(11.9)
Liabilities linked to held-for-sale assets	0.0	15.0	15.0
<b>Total shareholders' equity and liabilities</b>	<b>3,651.7</b>	<b>3,740.2</b>	<b>88.5</b>
<b>TOTAL GROUP financial debt</b>	<b>597.3</b>	<b>704.5</b>	<b>107.2</b>
<b>Gearing</b>	<b>42.8%</b>	<b>51.2%</b>	<b>8.4pts</b>

## Consolidated cash flow statement

Cash flow statement summary (€ million)	31/12/07	30/12/08
<b>Net profit</b>	227.8	163.8
Operating cash flow before net interest expenses and income tax	392.7	269.9
Income taxes paid	(99.8)	(68.0)
Change in operating working capital requirements	32.5	5.8
<b>Net cash generated by operating activities</b>	<b>325.4</b>	<b>207.7</b>
<b>Net cash generated by investment activities</b>	<b>(332.3)</b>	<b>(104.4)</b>
<b>Net cash generated by financial operations</b>	<b>(235.0)</b>	<b>(137.4)</b>
<b>Change in cash position</b>	<b>(241.9)</b>	<b>(34.1)</b>
<b>Cash position at beginning of period</b>	<b>271.8</b>	<b>29.9</b>
<b>Cash position at end of period</b>	<b>29.9</b>	<b>(4.2)</b>

# TV remains the leading media

Daily coverage of the French population  
(Adults 15 years or +)



**TFI: the unique mass media channel** of the advertising market

Over 35 million people 15 years or + watch **TFI** every day

Source Médiamétrie 2007 - Radio 126 000 Nov-Dec 2007. Private commercial radios - AEPM 2007 - EPIQ 2007

Internet Médiamétrie - Observatory of Internet uses Q4 2007



# A high TV consumption

## TV consumption

Index of viewers 4 years or more

# 3h24

2008



2009 : a strong start \*

3h47 min on Individuals aged 4 years and +, up + 7 min compared to 2008 (on the same period)



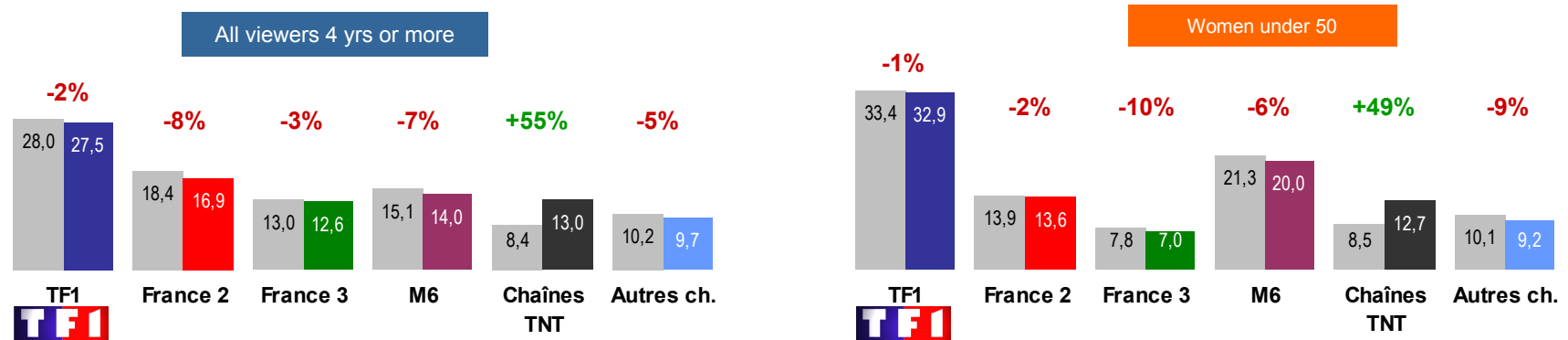
**Media television keeps a high consumption level**

\* Until 15th February 2009

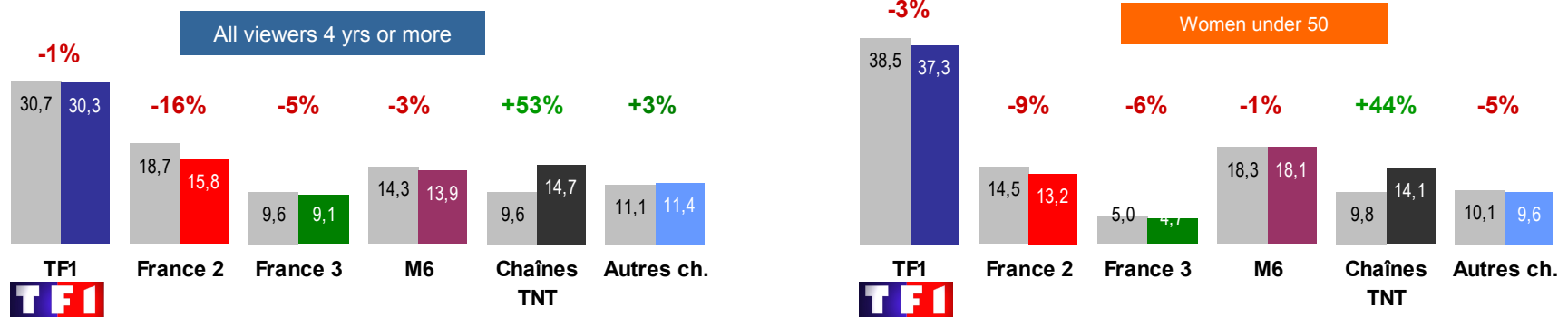


# TF1: a major player for years to come

## Prime-time (8.45-10.30pm)



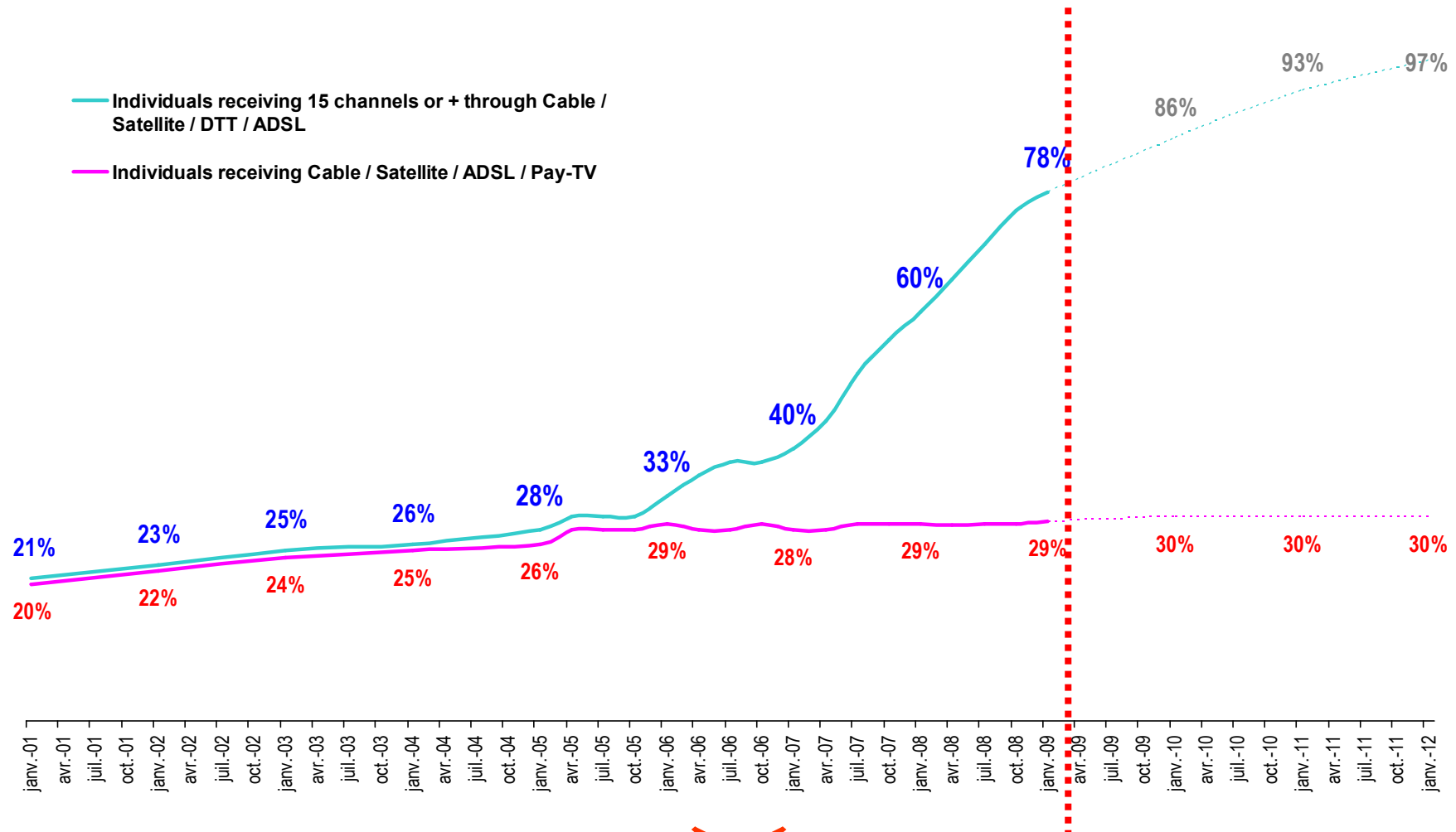
## Second time (10.30pm-0.30am)



**Better results for TF1, competing with new programmes and DTT**

# TF1, a major player for years to come

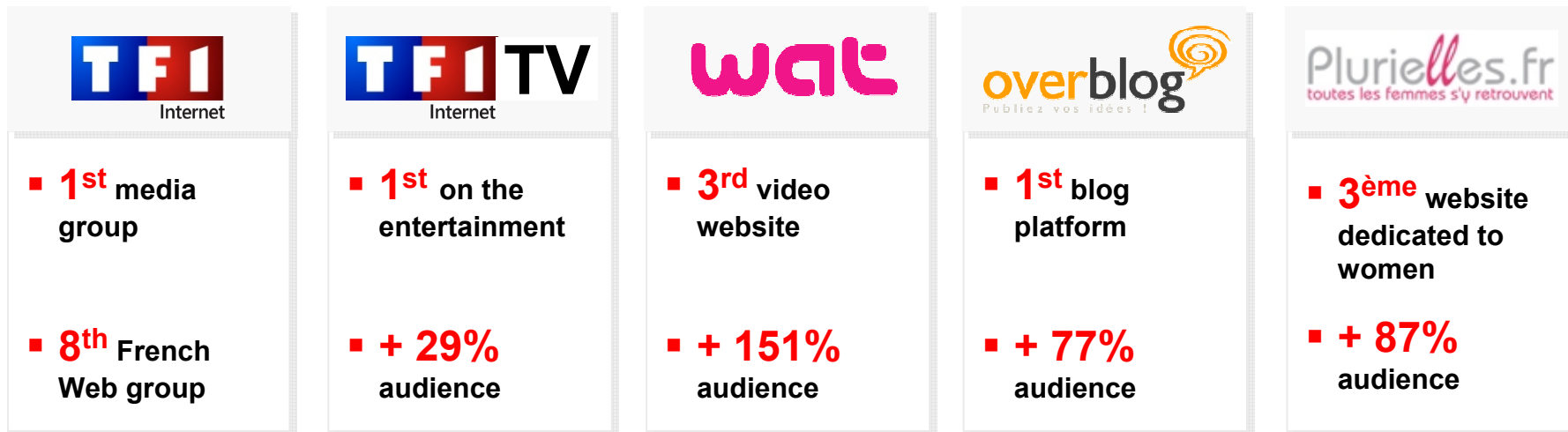
*Trends in coverage of television offers  
(percentage of individuals 4 years or + more)*



**Market reaching maturity**

# Pure-player web offer: getting stronger every day

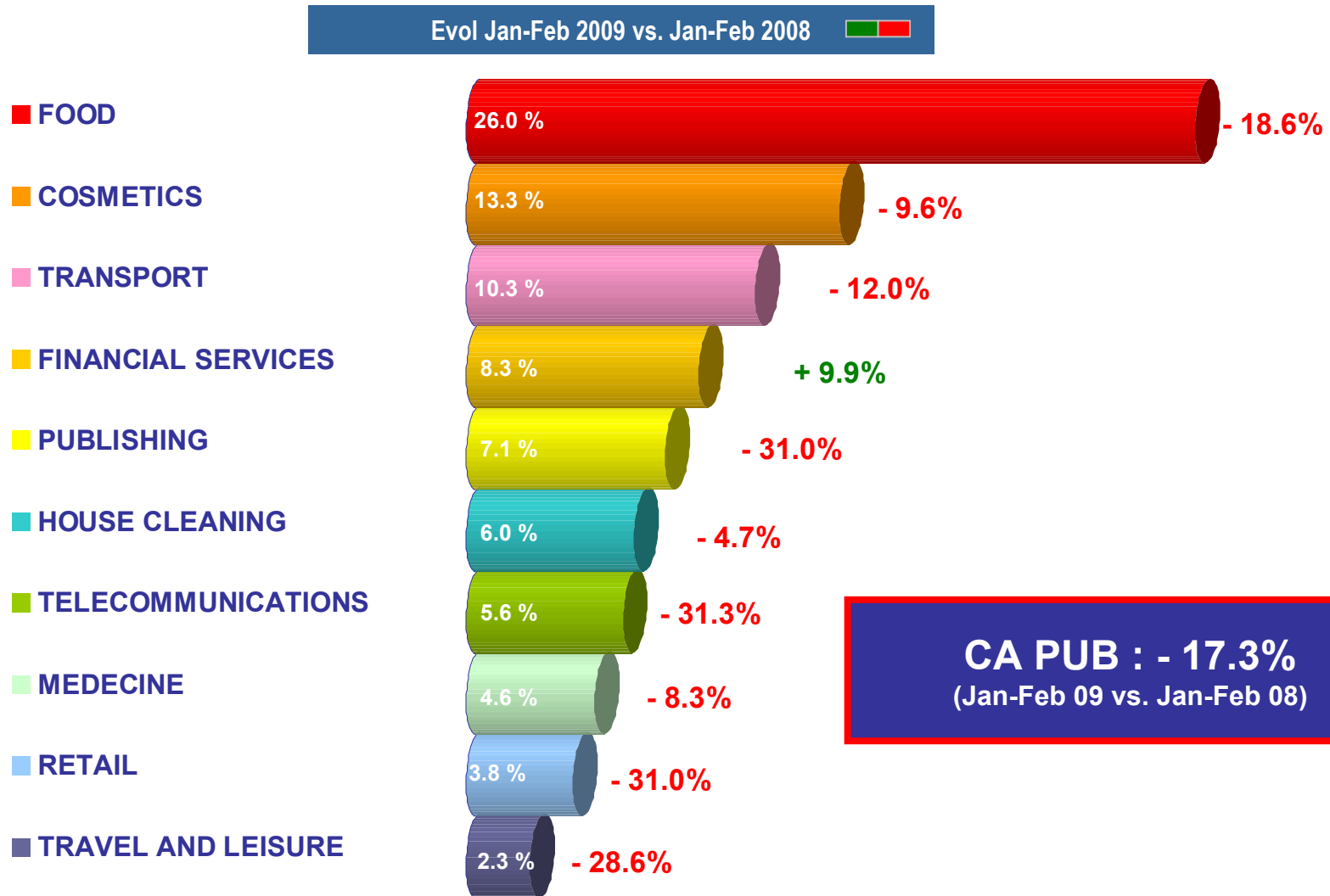
## A 2008 HIGH PERFORMANCE LEAD BY INTERNAL GROWTH



## Theme channels on the Web

# A tough economic situation

## Evolution of advertising revenue by sector (for National TV) Gross revenue (Jan-Feb 2009)



# Forecasted Financial Agenda 2009

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- **April, 17<sup>th</sup> 2009**                      **AGM**
- **May, 13<sup>th</sup> 2009**                        **Q1 results - Analysts conference call**
- **July, 24<sup>th</sup> 2009**                        **H1 results - Analysts meeting**

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