



SG Conference – Paris The Premium Review

December 1st, 2005

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.



TF1

Introduction

Broadcasting France

Advertising

Other activities

Conclusion

SG Conference
The Premium Review

December 1st, 2005

- SG Conference – Paris – December 1st, 2005 -



2

9 months 2005 Turnover

€M – IFRS figures	9 months 2005	9 months 2004	Change(%)
<i>TF1 channel advertising</i>	<i>1,177.6</i>	<i>1,189.3</i>	<i>- 1.0%</i>
<i>Other activities</i>	<i>878.3</i>	<i>879.4</i>	<i>- 0.1%</i>
Total	2,055.9	2,068.7	- 0.6%

On a comparable basis, the revenue from **other activities grew by 1.0%** and TF1 Group's consolidated revenue decreased by 0.2% over the first 9 months of 2005.

Assuming that adv. investments from the Food sector had been stable over the first 9 months compared with the same period last year, TF1 channel advertising revenue would have grown by 2.3%.

Contributions – 9 months 2005

€M	Revenue	Operating profit	Operating margin	
			9 months 2005	9 months 2004
Broadcasting France	1,458.6	211.9	14.5%	16.7%
<i>Incl.</i> Téléshopping	67.3	7.6	11.3%	14.3%
e-TF1	44.1	3.0	6.8%	7.2%
Distribution	298.1	22.5	7.5%	7.0%
Audiovisual rights	158.0	11.7	7.4%	3.0%
<i>Incl.</i> TF1 Vidéo	99.4	8.3	8.4%	8.7%
International broadcasting	190.4	25.3	13.3%	10.2%
Other activities	(5.1)	8.8	ns	ns
Intra-companies eliminations	(44.1)	-		
Total	2,055.9	280.2	13.6%	13.8%

Broadcast France : TF1, TF1 Entreprises, Teleshopping, Eurosport France, LCI, Odyssee, TF6, TV Breizh, Série Club, Histoire, TMC, e-TF1, Glem, Alma, TAP, TPP, Studios 107, TF1 Films Production

Distribution : TPS

Audiovisual rights : TF1 Vidéo, CIC, RCV, Ciby DA, TF1 International, Téléma, TCM, Cabale

International broadcasting : Eurosport International, Europa TV, KSO & SRW

Other activities : Métro, Visiowave, Prima TV, Syalis

- SG Conference – Paris – December 1st, 2005 -



4

TF1 Group: a solid position

Leadership of TF1 core channel

- Audience share: **32.5%**⁽¹⁾ on individuals aged 4+
- Advertising market share: **54.3%**⁽²⁾
- **96 programs in the 100 best audiences** between Jan. and Oct. 2005

Leading theme channels⁽³⁾

- **6 channels in the top 10** in terms of audience share
- **Eurosport: 1st theme channel in France** (equal with RTL9)

Successful developments

- **Eurosport International: more than 104 M households**
- **TPS: 1.65 M subs - breakeven in 2005**
- **Internet: a growth driver** (advertising, sale of contents...)

⁽¹⁾ Source: Médiamétrie / January - October 2005

⁽²⁾ Source: TNS Sécodip / January - October 2005

⁽³⁾ Source: Médiaabsat 9





TF1

Introduction

Broadcasting France

Advertising

Other activities

Conclusion

SG Conference
The Premium Review

December 1st, 2005

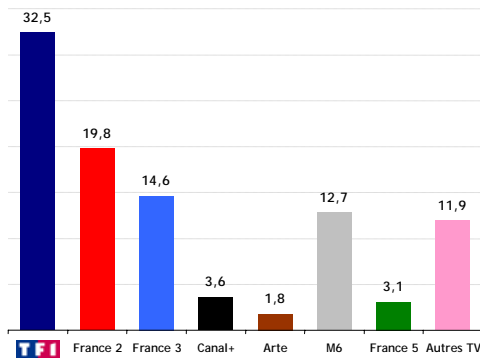
- SG Conference – Paris – December 1st, 2005 -



6

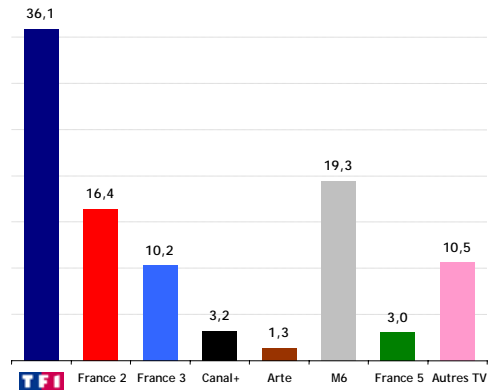
TF1: the strong leader

Ind. 4+ / Audience share / Jan. - Oct. 2005



+0.5 pt vs. Jan-Oct 2004*
+1.0 pt vs. Jan-Oct 2003

Women < 50 / Audience share / Jan. - Oct. 2005



+0.6 pt vs. Jan-Oct 2004*
+2.0 pts vs. Jan-Oct 2003

* Reminder: Euro 2004 + La Ferme Célèbrités 1 were broadcast in H1 2004

Source: Médiamétrie / January - October 2005



- SG Conference - Paris - December 1st, 2005 -

TF1: the best resistance to pay TV penetration

		Audience share		
		Current market* (i.e. 24,8% pay TV penetration)	Cable & sat environment** (100% pay TV penetration)	Degree of resistance
TF1	31.9 %	→	25.1 %	79%
TF1's theme channels	3.0 %	→	11.0 %	
TF1 group	34.9 %	→	36.1 %	
France 2	19.6 %	→	14.0 %	71%
France 3	14.6 %	→	8.9 %	61%
France 5	3.2 %	→	1.3 %	41%
M6	13.1 %	→	8.5 %	65%

TF1 : The best resistance to the market fragmentation

The market fragmentation widens the gap between TF1 and its competitors

* Source: Mediamétrie – H1 2005, ind. 4+

** Source: Mediacabsat 9 (December 2004 – June 2005)



TF1

Introduction
Broadcasting France
Advertising
Other activities
Conclusion

SG Conference
The Premium Review

December 1st, 2005

- SG Conference – Paris – December 1st, 2005 -



9

Market situation

- A difficult economic situation
- Trend: structural re-composition of households consumption

- - - **FMCG's**
+++ **Entertainment-services products**



TF1 investments structure is changing

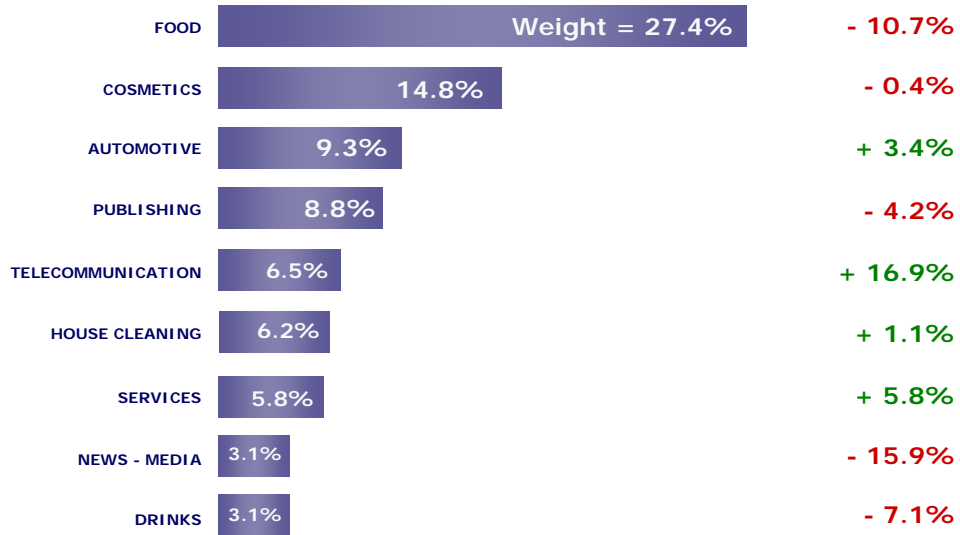
- Temporary: Reduction of ad. Investments from the food sector (H1 2005)
- The structure of TF1 advertising revenue is following the households consumption re-composition

Advertising: sectorial breakdown



January to October 2005

Change
vs Jan-Oct. 04



- SG Conference - Paris - December 1st, 2005 -

Source : TNS Secodip - 2005 vs 2004 - January to October



11

A real potential of growth

French advertising market underinvested

- Media ad. spends/GDP below other European countries

Access to TV for new sectors

- Retail: authorised from 2007
- Cinema: next to come ?



TV additional
revenue estimates:
between €117 M
and €230 M*

Potential advertising deregulation

- Increase of the average number of minutes per hour ?
- Transition from 60' sequential hours to exact clock hours ?



* Estimates made by media agencies : BIPE: €117 M – Initiative Media: €230 M





TF1

Introduction
Broadcasting France
Advertising
Other activities
Conclusion

SG Conference
The Premium Review

December 1st, 2005

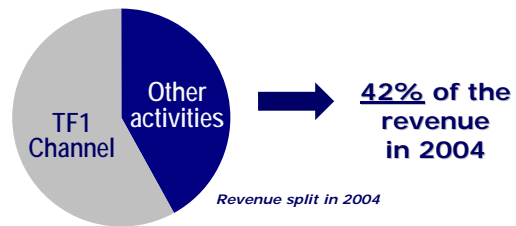
- SG Conference – Paris – December 1st, 2005 -



13

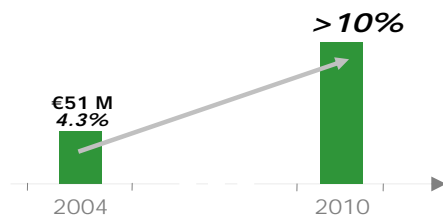
Other activities: a growth driver for the Group

A growing part of the revenue



Target:
**> 50% of the
revenue in 2010**

Profitability: a growth potential



Mid-term target:
**Operating
profitability
> 10%**

Accelerate profitable growth investments

TPS: a growing and profitable business

Key figures H1 2005

Revenue: €198.0 M (+ 6%)
Op. Profit: €4.6 M



Total subscribers : 1.65 M (+ 93.3 k vs H1 04)
Subscribers Sat. and ADSL : 1.35 M (+ 82.3 k vs H1 04)
Satellite market share: 42% on new subs (vs 39% H1 04)



An always improving offer

- The best of **US studios**, exclusive **sport events**, **new channels**

A fast growing ADSL distribution

- 40% of 2005 recruitments
- TPS through **ADSL** available for **10 M households** at the end of 2005 and to **~80 % of the French population in 2010**

Improvement of the profitability

- 2005: **net income breakeven**
- 2005 operating profit: ~ €5-10 M*



* Figures at 100%



15

- SG Conference - Paris - December 1st, 2005 -

Outlooks and developments

Growth of the subscribers base in 2005

- A stable subscribers base in H1
- Lost of the French Premiere League: very limited impact

L1 Churn: ~ 30,000 subscribers in 2005
No impact on the ARPU*

* 90% of «L1 subs.» choose the new TPS offer incl.



Launch of the pay DTT at the end of 2005

- A new distribution platform for 
- TPS commercial operator

The High Definition with



Eurosport: the leading sport brand in Europe

Key figures H1 2005

Revenue: €143.3 M
Op. profit: €24.2 M

Brand awareness in
Europe : 86% ⁽¹⁾



104 M Households
54 M paying subs
54 countries
19 languages



17 M Households
15 M paying subs
37 countries
7 languages

★EUROSPORT.com

13 M visits ⁽²⁾
6 versions
5 languages



**A market of more than
300 M households**

2008 target



Revenue: ~ €350 M
Op. margin: > 15%

⁽¹⁾ EMS 2005

⁽²⁾ July 2005

Eurosport: a new business

Eurosport: Organizer of sport events



Eurosport* promotes **a new world car race championship** and owns all commercial rights:

- TV rights
- Marketing rights on all circuits and cars
- Video rights, merchandising, mobility...

2005 revenue
€10 M

10 week-ends

3 continents



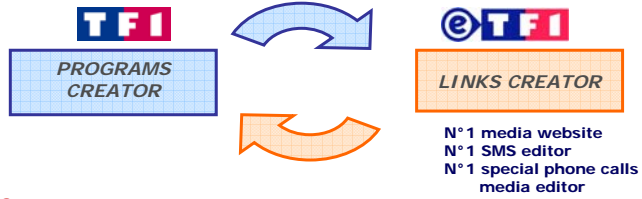
* Through its subsidiary KSO Ltd (60%)

E-tf1: growth and profitability

Key figures H1 2005

Revenue : €30.4 M (+ 11%)
Op. profit : €1.8 M

tf1.fr: 3.0 M unique visitors
(+ 50%)*



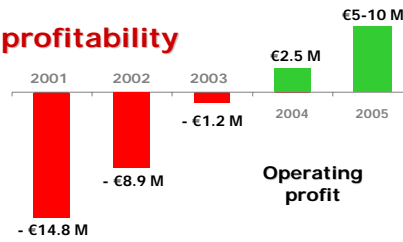
A strong growth revenue

2005 FY revenue forecast > €62 M (growth > +24%)

An ongoing improvement of the profitability

Breakeven in 2004

Mid-Term profitability: > 10%



Strategy: Develop revenue on all media
Accelerate growth investments

* June 2005 vs. June 2004 – Source : Médiamétrie / Xiti / panel NielsenNetRatings / Cyberestat

VOD: A development project for the Group

Launch of a Video On Demand offer in November 2005



VOD



Natural expansion
of the business
Complementary revenue

Revenue 2007: €7 M

Catalogue of
rights



Distribution network: Internet, TV through ADSL
Reception: PC and TV

- SG Conference - Paris - December 1st, 2005 -



TF1

Introduction
Broadcasting France
Advertising
Other activities
Conclusion

SG Conference
The Premium Review

December 1st, 2005

- SG Conference – Paris – December 1st, 2005 -



21

Conclusion: our strategy

Consolidate the uncontested leadership of the broadcasting businesses

Develop high-growth potential businesses

Eurosport: a new challenge: the World!

Channels developments
World channel
Italy
WTCC

Internet: accelerate the growth !

Thematic sites (youth, women, cinema, sports)
VOD, e-commerce

TF1: let's conquer Off-Media !

360° vision



**N°1 multi-media
communication group**



Notes

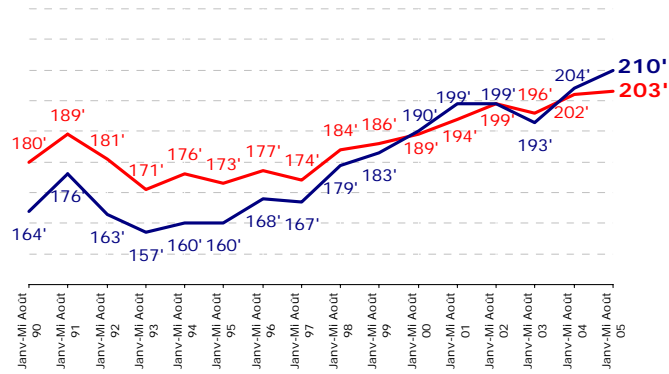
December 1st, 2005

Television: the most popular media in France

84% of the French people watch TV every day

3 out of 4 watch **TF1** every day

Daily viewing time / Jan. – Mid Aug. — Ind. 4 + — women <50



3h23' for Individuals 4 +
3h30' for women <50

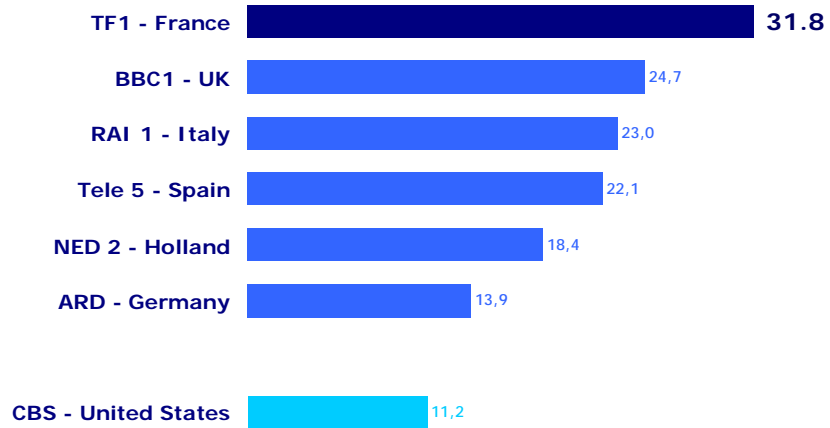
Source: Médiamétrie / January – 21 August 2005



24

TF1: a unique situation in Europe

Annual audience share (%) in 2004 of the domestic leading channel



Source : Médiamétrie / year 2004

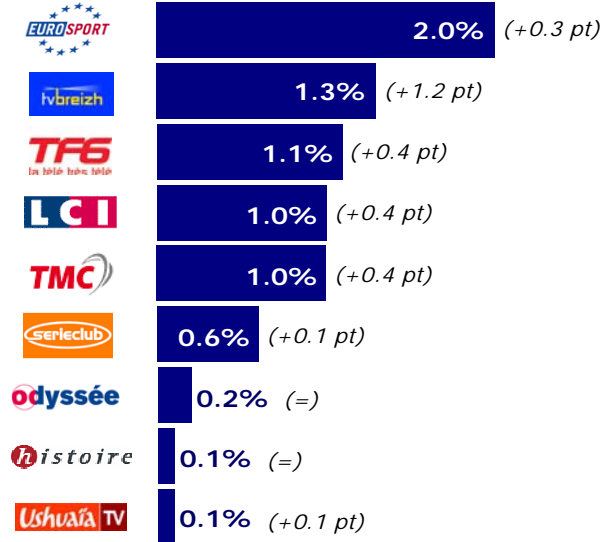


25

- SG Conference - Paris - December 1st, 2005 -

TF1 Group leadership

**Ongoing improvement of TF1 Group channels:
audience share: +4.2 pts (in 4 years) to 11.0%**



Source : Médiamétrie / MédiaCabSat wave 9 (Jan.-June 2005) vs Wave 1 (Jan.-June 2001)
Audience share / Individuals 4+ / whole base

- SG Conference - Paris - December 1st, 2005 -

Strengths of TF1 Publicité

The referent advertising media
for any mass-communication

TF1 commercials audience

	1994	2004	var.
Women < 50	4.8%	5.8%	+ 1.0 pt
Ind. between 25 and 49	4.3%	5.1%	+ 0.8 pt



TF1: Exclusivity and Power*

	TF1	2 + 6
Women <50	92%	8%
Ind. 25-49	94%	6%

Source : Médiamétrie

* Ad breaks > 12% on the target – H1 2005

TF1 27

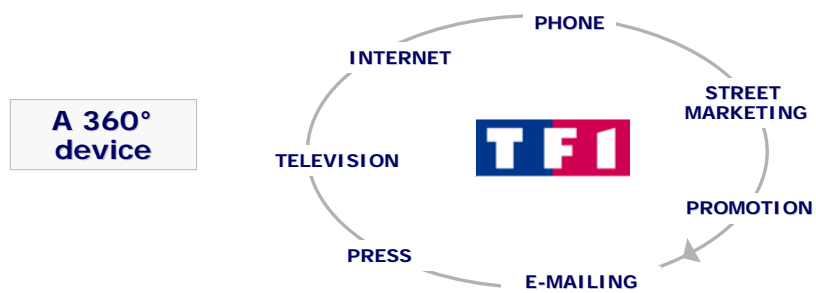
- SG Conference – Paris – December 1st, 2005 -

TF1 match with market needs

ADVERTISERS EXPECT A GLOBAL ANSWER

➤ **A COMPLETE MEDIA ANSWER**
With referent and complementary media

➤ **AN OFF-MEDIA ANSWER**
Creation of a dedicated off-media structure
relying on the know-how developed by TF1 Licences



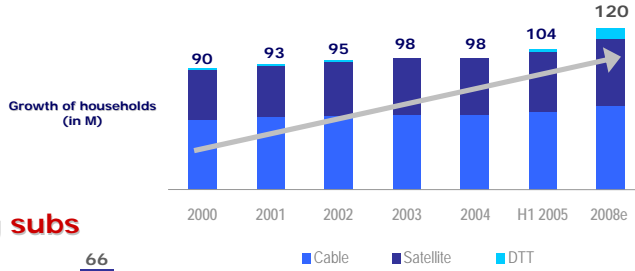
Eurosport: N° 1 pan-European channel*

Fast-growing distribution of the channel ...

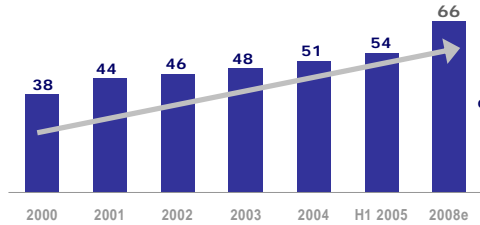


- A market of more than 300 M households
- Distributed on all networks (cable, satellite, DTT, ADSL, mobile phones...)

End of June 2005:
104 M households



... and growth of paying subs



6,200 hours of programs
45% **LIVE**

* Cable and satellite in Europe – source PETV

- SG Conference – Paris – December 1st, 2005 -

A complementary strategy: Power + Affinity

Strengthen the **power** of the N°1 generalist media website tf1.fr
Go and find growth on new market **segments**

Generalist Portal
mirror of the channel

tf1.fr



POWER

Independent thematic
sites



Youth
Sports
News
Women
Cinema / VOD



AFFINITY

Multi-channel
Commercialisation
of this audience




Advertising
e-Business
Direct marketing
Sale of contents

SG Conference - Paris - December 1st, 2005

Digital Terrestrial Television

17 channels for the free offer => March 2005

State-owned						News
Generalists						Music
Mini generalists						Youth

MPEG 2

11 channels for the pay offer => End 2005

Premium					Sport
Mini generalists					Cinema
News					TV dramas
Youth					15-35 years old
					Documentaries

MPEG 4



TF1 Group channels

* To be launched in November 2005



- SG Conference – Paris – December 1st, 2005 -





9 months 2005: consolidated net profit: €181.2 M (+ 8.4%)

Boulogne, November 22, 2005

TF1 Board of Directors met on November 22, 2005, under the chairmanship of Patrick Le Lay, and examined the following accounts for the first nine months 2005:

CONSOLIDATED FIGURES IFRS (€M)	9 months 2005	9 months 2004	Full Year 2004	Change 05/ 04
Total revenue	2,055.9	2,068.7	2,849.6	- 0.6%
<i>Incl. TF1 channel advertising</i>	<i>1,177.6</i>	<i>1,189.3</i>	<i>1,645.5</i>	<i>- 1.0%</i>
<i>Other activities</i>	<i>878.3</i>	<i>879.4</i>	<i>1,204.1</i>	<i>- 0.1%</i>
Operating profit	280.2	285.1	383.0	- 1.7%
Cost of net debt	(12.6)	(15.9)	(20.6)	- 20.8%
Net profit (attributable to the group)	181.2	167.2	224.7	+ 8.4%

Over the first nine months of 2005, TF1 Group revenue was slightly down (-0.6%) to €2,055.9 M. Net advertising revenue for TF1 channel decreased by 1.0% and revenue from other activities was stable (-0.1%). On a comparable basis¹, revenue from other activities was up 1.0%.

After an eventful October, TF1 audience share for the period January to October 2005 increased by 0.5 pt (32.5%) on individuals aged 4 and above and by 0.6 pt (36.1%) on women below 50 compared with the same period last year².

Programming costs were up 3.8% over the first nine months of the year to €667.4 M. For the full year 2005, the growth of programming costs for TF1 channel will be limited to 3.0% maximum.

The Group's operating profit was down 1.7% to €280.2 M (including a capital gain of € 14.2 M from the disposal of Visiowave) compared with the first nine months of 2004. The drop is mainly attributable to the slight decrease in the Group's revenue combined with the TF1 core channel's increase in programming costs.

NB: Forecasts included in this press release reflect elements currently known by TF1. They depend on economics fluctuations of the coming months.

Over the first nine months of 2005, the net profit attributable to the Group was up 8.4% compared with the same period last year to €181.2 M, i.e. a net margin on revenue of 8.8%. This improvement, when the operating profit was down, stems mainly from a decrease in the cost of financial debt and a lower tax outlay due to the disposal of Visiowave.

At September 30, 2005, shareholder's funds totalled €994.0 M, on a balance sheet total of €3,344.6 M. The consolidated financial net debt amounted to €568.0 M, which represented 57.1% of shareholder's funds.

Outlooks

For 2005, TF1 channel net advertising revenue should follow the trend of the first nine months of the year, when, on a comparable basis (accounting standards and scope of consolidation), the other activities should grow.

Since August 2005, TF1 secured the exclusive broadcasting rights for Formula 1 motor racing for the seasons 2006 and 2007, as well as Warner and Buena Vista International catalogues on a multi-year agreements basis.

REMINDER:

The full TF1's 9 months report is available under the following address:
<http://www.tf1finance.fr>

Contacts :

Investors Relations Department: 33 1 41 41 27 32
 Press contact: 33 1 41 41 36 08

Internet : <http://www.tf1finance.fr> - E-mail: comfi@tf1.fr

¹ Excluding the impact of the disposal of Visiowave and Studios 107 in Q2 2005 (Elimination of Studios 107 and Visiowave revenue over the first 9 months of 2004 and 2005) and excluding the consolidation of TMC in Q3 2005 (Elimination of TMC 9 months 2005 revenue).

² Source : Médiamétrie.

Contacts

TF1, 1 quai du Point du Jour
92656 Boulogne Cedex – France
<http://www.tf1finance.fr>



Jean-Pierre MOREL
Deputy General Manager
Chief Financial Officer
Tel : 33-1 41 41 25 99
Fax : 33-1 41 41 29 10
E-mail: jpmo@tf1.fr

IR department

Tel : 33-1 41 41 27 32
Fax : 33-1 41 41 29 10
e-mail : comfi@tf1.fr



Anne BLAZY
Head of Investor Relations
Tel : 33-1 41 41 42 57
Fax : 33-1 41 41 29 10
E-mail : ablazy@tf1.fr



Albin de BEAUREGARD
Officer
Tel : 33-1 41 41 37 82
Fax : 33-1 41 41 29 10
E-mail: adebeauregard@tf1.fr



Pia DOMMERGUE
Assistant
Tel : 33-1 41 41 27 32
Fax : 33-1 41 41 29 10
E-mail: pdommergue@tf1.fr



Aurélie GASNOT
Assistant
Tel: 33-1 41 41 44 97
Fax : 33-1 41 41 29 10
E-mail : agasnot@tf1.fr



SG Conference – Paris The Premium Review

December 1st, 2005