

Boulogne-Billancourt – November 7, 2013

**2013 third-quarter operating profit: €33.5m (up €38.0m)  
Group audience share of 28.8% (up 2.1%) over the first nine months of the year**

The TF1 Board of Directors, chaired by Nonce Paolini, met on November 7, 2013 to adopt the financial statements for the first nine months of 2013.

CONSOLIDATED FIGURES (€m)	Q3 2013	Q3 2012	Change €m	Change %	9m 2013	9m 2012	Change €m	Change %
<b>Revenue</b>	<b>538.0</b>	<b>551.7</b>	<b>(13.7)</b>	<b>-2.5%</b>	<b>1,746.0</b>	<b>1,852.9</b>	<b>(106.9)</b>	<b>-5.8%</b>
TF1 group advertising revenue	339.8	351.3	(11.5)	-3.3%	1,160.0	1,248.1	(88.1)	-7.1%
Revenue from other activities	198.2	200.4	(2.2)	-1.1%	586.0	604.8	(18.8)	-3.1%
<b>Current operating profit/(loss)</b>	<b>33.5</b>	<b>20.3</b>	<b>+13.2</b>	<b>+65.0%</b>	<b>104.3</b>	<b>154.2<sup>(2)</sup></b>	<b>(49.9)</b>	<b>-32.4%</b>
<b>Operating profit/(loss)</b>	<b>33.5</b>	<b>(4.5)<sup>(1)</sup></b>	<b>+38.0</b>	<b>ns</b>	<b>104.3</b>	<b>129.4<sup>(1)(2)</sup></b>	<b>(25.1)</b>	<b>-19.4%</b>
Cost of net debt	0.2	-	+0.2	ns	0.3	-	+0.3	ns
<b>Net profit/(loss)</b>	<b>23.1</b>	<b>(6.1)</b>	<b>+29.2</b>	<b>ns</b>	<b>71.7</b>	<b>89.5</b>	<b>(17.8)</b>	<b>-19.9%</b>
<b>Net profit/(loss) attributable to the Group</b>	<b>19.6</b>	<b>(5.9)</b>	<b>+25.5</b>	<b>ns</b>	<b>61.7</b>	<b>87.6</b>	<b>(25.9)</b>	<b>-29.6%</b>

(1) Includes non-recurring costs of €24.8m relating to phase II of the optimisation plan and to the TF1 Vidéo job protection plan

(2) Includes a gain of €27.1m relating to a successful claim for reimbursement of CNC taxes

Consolidated revenue for the third quarter of 2013 was €538.0m, down 2.5% year-on-year.

It comprises:

- **Group advertising revenue** of €339.8m, a fall of €11.5m (-3.3%) relative to the third quarter of 2012, reflecting a tough comparative for the pay-TV segment.
- **Revenue from other activities** of €198.2m, down slightly (-1.1%) year-on-year.

**Current operating profit** for the third quarter of 2013 was €33.5m, up €13.2m year-on-year. **Net profit attributable to the Group** amounted to €19.6m, versus a loss of €5.9m in the third quarter of 2012.

Given a particularly difficult start to the year, consolidated revenue for the first nine months of 2013 fell by 5.8% to €1,746.0m. Current operating profit to end-September 2013 was €104.3m, down €49.9m year-on-year, but bear in mind that the Group booked a gain of €27.1m during the first nine months of 2012 in respect of a successful claim for reimbursement of CNC taxes.

## Audiences

During the first nine months of 2013, the Group's 4 free-to-air channels achieved audience share of 28.8% among individuals aged 4 and over, up 0.6 of a point year-on-year, making TF1 France's leading broadcasting group.

The TF1 channel attracted audience share of 22.7%, 0.2 of a point higher than in the first nine months of 2012. It was the only major channel to increase its share during the period, in a market now expanded to 25 channels. TF1 achieved 49 of the top 50 audience ratings, and was the most-watched channel on 88% of evenings.

In a highly competitive environment, TMC retained its position as the no.5 French channel and the established market leader in DTT during the first nine months of 2013, with audience share of 3.5% among individuals aged 4 and over.

NT1 held audience share at 2.1%, but made further gains among "women aged under 50 purchasing decision-makers", raising its share of this target audience to 2.8% in the first nine months of 2013 (3.7% growth).

Over the same period, HD1 ranked no.1 of the 6 new HD channels launched at end 2012, with audience share of 0.5% among individuals aged 4 and over and 0.7% among "women aged under 50 purchasing decision-makers".

Source: Médiamétrie

## Revenue by segment

€m	Q1 2013	Q1 2012	Q2 2013	Q2 2012	Q3 2013	Q3 2012	9m 2013	9m 2012	Change 9m
Broadcasting and Content	386.1	435.8	458.1	471.9	346.7	346.0	1,190.9	1,253.7	(62.8)
<i>of which TV advertising</i>	331.8	381.2	396.6	417.2	297.5	297.4	1,025.9	1,095.8	(69.9)
Consumer Products	54.2	67.2	46.4	52.7	47.7	47.4	148.3	167.3	(19.0)
Pay-TV	123.1	123.5	135.7	145.8	141.4	156.1	400.2	425.4	(25.2)
Holding Company & Other	2.2	2.1	2.2	2.2	2.2	2.2	6.6	6.5	+0.1
<b>Consolidated revenue</b>	<b>565.6</b>	<b>628.6</b>	<b>642.4</b>	<b>672.6</b>	<b>538.0</b>	<b>551.7</b>	<b>1,746.0</b>	<b>1,852.9</b>	<b>(106.9)</b>

**Broadcasting and Content** segment revenue advanced slightly (by 0.2%) in the third quarter of 2013. Advertising revenue for the free-to-air channels stabilised in the quarter, after falling 13.0% in the first quarter and 4.9% in the second quarter. Revenue from the segment's other activities rose slightly in the quarter, driven by the dynamism of the Group's production and co-production activities.

The **Consumer Products** segment reported quarterly revenue of €47.7m, with growth at TF1 Entreprises offsetting the decline at TF1 Vidéo and Home Shopping.

The year-on-year drop in revenue for the **Pay-TV** segment was mainly due to a tough comparative at Eurosport, which screened the London Olympics in 2012.

## Current operating profit/loss by segment

€m	Q1 2013	Q1 2012	Q2 2013	Q2 2012	Q3 2013	Q3 2012	9m 2013	9m 2012	Change 9m
Broadcasting and Content	(25.9)	38.3*	54.5	52.0	2.7	(7.6)	31.3	82.7*	(51.4)
<i>of which cost of programmes</i>	(258.2)	(259.0)	(233.3)	(252.3)	(199.7)	(228.3)	(691.2)	(739.6)	+48.4
Consumer Products	2.9	10.4	1.9	(0.5)	1.9	3.6	6.7	13.5	(6.8)
Pay-TV	3.0	3.5	26.1	22.2	24.7	21.0	53.8	46.7	+7.1
Holding Company & Other	4.3	3.8	4.0	4.2	4.2	3.3	12.5	11.3	+1.2
<b>Current operating profit/(loss)</b>	<b>(15.7)</b>	<b>56.0*</b>	<b>86.5</b>	<b>77.9</b>	<b>33.5</b>	<b>20.3</b>	<b>104.3</b>	<b>154.2*</b>	<b>(49.9)</b>

\* Includes a gain of €27.1m relating to a successful claim for reimbursement of CNC taxes

## Cost of programmes under control at a time of rising audience share

The **cost of programmes** for the Group's channels in the third quarter of 2013 was €199.7m, a saving of €28.6m relative to the third quarter of 2012.

Over the first nine months of 2013, the cost of programmes for the Group's channels (including the HD1 launch) was €691.2m, a year-on-year saving of €48.4m. Even excluding major sporting events, savings were still substantial at €24.1m. Optimising the cost of programmes for the TF1 channel freed up funds to launch HD1 and reinvest in programming on TMC and NT1.

## Marked improvement in profitability in the third quarter of 2013

The adaptation measures introduced by the Group continued to bear fruit, with a further improvement in profitability in the third quarter of 2013. **Current operating profit** reached **€33.5m**, a rise of €13.2m year-on-year. This achievement should be looked at in relation to a €13.7m drop in quarterly revenue. As a result, operating margin showed a 2.5-point improvement year-on-year, rising to 6.2%.

In the third quarter of 2013, the current operating profit for the **Broadcasting and Content** segment improved by €10.3m year-on-year, in a context of flat advertising revenue from the Group's 4 free-to-air channels. **Consumer Products** made a current operating profit of €1.9m. **Pay-TV** saw profitability boosted by the Eurosport group, which widened its current operating margin by 5 points year-on-year to 19.5%.

During the third quarter of 2013, the Group generated **€13m of recurring savings** under Phase II of the optimisation plan:

- €8m on the cost of TF1 programmes;
- €3m in productivity gains;
- €2m on Group overheads.

This takes the total amount of recurring savings generated by the Group since June 30, 2012 to €44m, out of the €85m target to be achieved by end 2014 under Phase II of the optimisation plan.

#### Financial position still very sound

At September 30, 2013, shareholders' equity attributable to the Group was €1,638.0m out of a balance sheet total of €3,446.7m.

The net cash surplus at September 30, 2013 was €189.7m, compared with a net cash surplus of €236.3m at December 31, 2012 and net debt of €17.7m at September 30, 2012.

#### Changes in share capital

The Board of Directors has approved the cancellation of 30,000 treasury shares. Following the exercise of stock options, the number of shares and voting rights now stands at 211,093,892, and the share capital at €42,218,778.40.

#### Outlook for 2013 as a whole

The Group is reiterating its 2013 full-year consolidated revenue hypothesis of €2,500m on a constant structure basis, against a backdrop of continuing poor visibility and strong volatility in the advertising market.

The statutory auditors have conducted a review of the financial statements, on which they have issued an unqualified report. The report on our financial information for the first nine months of 2013 is available on our corporate website: <http://www.groupe-tf1.fr/>.

A conference call will be held on November 7, 2013 at 18.30 (Paris time).  
Details of how to connect to the conference call are on the corporate website: <http://www.groupe-tf1.fr/>.

The TF1 group changed the presentation of its segment information in the first nine months of 2013.  
Full details about this change are also available on our corporate website: <http://www.groupe-tf1.fr/>.

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#### CONTACTS

<http://www.groupe-tf1.fr/>

TF1 - Direction des Relations Investisseurs / Investor Relations – Courriel / email: [comfi@tf1.fr](mailto:comfi@tf1.fr)  
Direction de la Communication / Corporate Communication – Courriel / email: [vduval@tf1.fr](mailto:vduval@tf1.fr)