



**LE GROUPE**

INVESTOR PRESENTATION  
POST 9M 2018 RESULTS

This presentation contains certain forward-looking statements based on current expectations, forecasts and assumptions that involve risks and uncertainties.

These statements are based on information available to the Company as of the date hereof. All forward-looking statements are TF1 management's present expectations of future events, beliefs, intentions or strategies 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.

- 1 - FRENCH TV MARKET (p.4)
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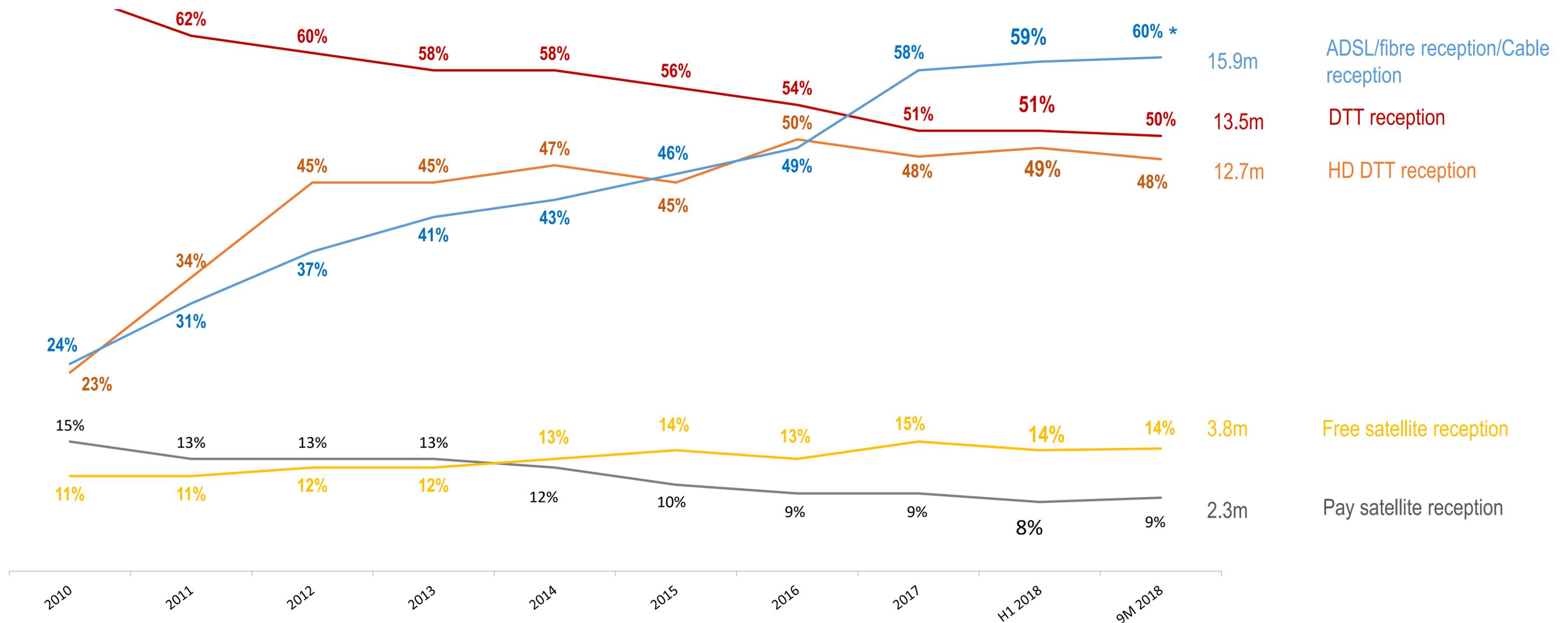


**LE GROUPE**

**FRENCH TV MARKET**

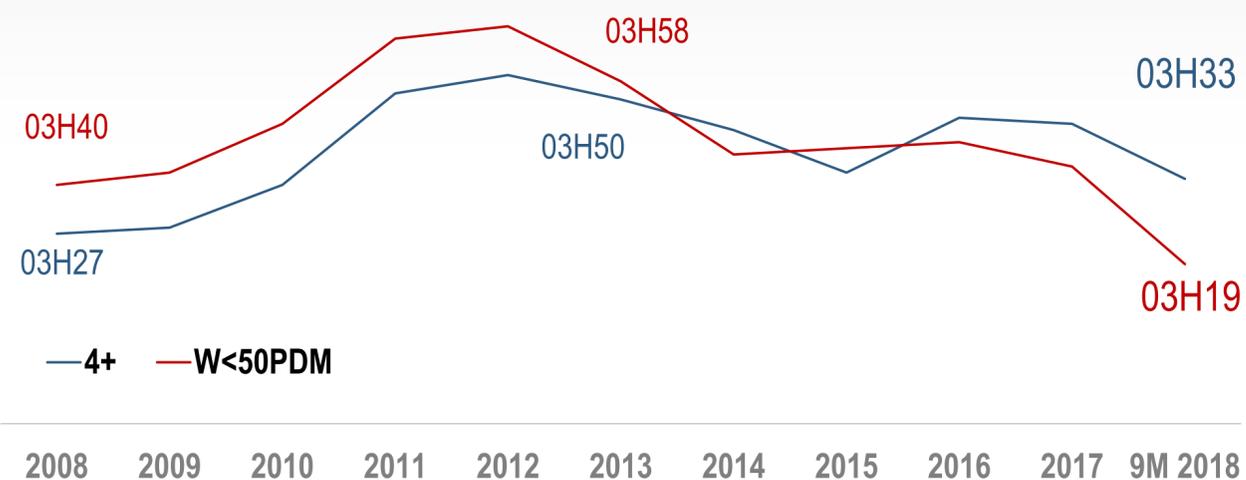
## EVOLUTION OF RECEPTION MODES AS A % OF HOUSEHOLDS

(Main reception mode as a % of households equipped with TV)



# TV, THE MOST CONSUMED MEDIUM IN FRANCE

## FRENCH PEOPLE WATCH NEARLY 4 HOURS OF TV A DAY



**TV**

**3H33**  
o/w 11mins of delayed viewing

**Radio**

**2H04**

**Desktops**

**33mins**

**Mobile**

**42mins**

## 29 MILLION INDIVIDUALS REACHED DAILY BY THE GROUP'S CHANNELS

daily reach for TV

**72%**

42 million people

Daily reach

**50%**

29 million people

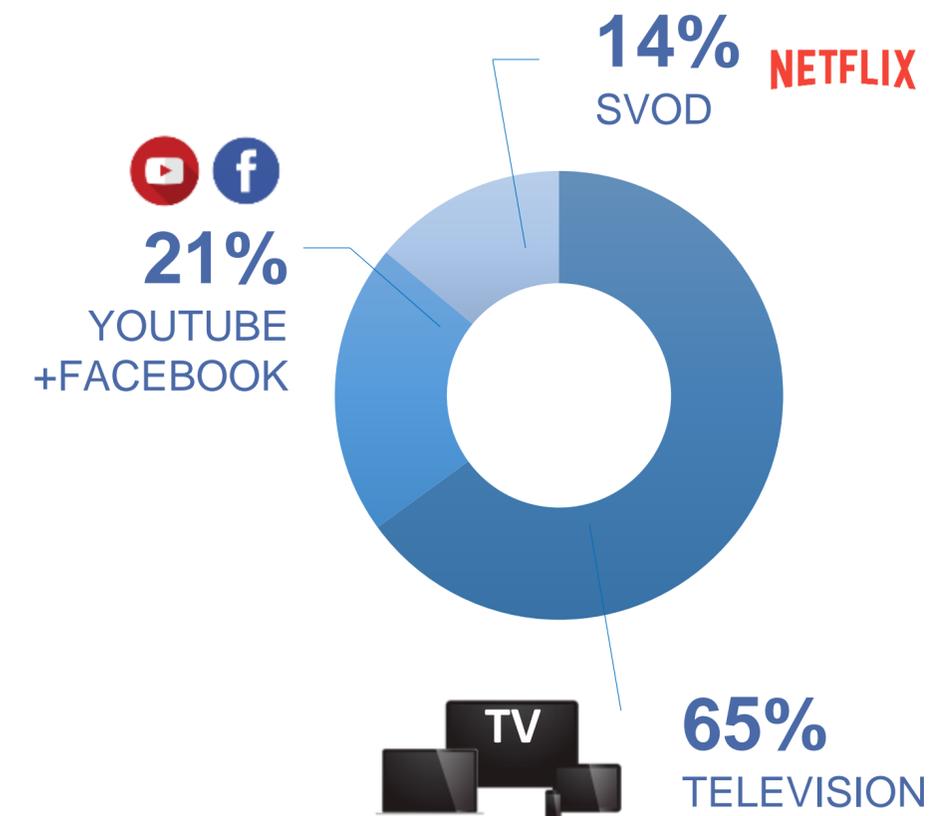
## YOUTUBE    FACEBOOK    TELEVISION



<b>VIDEO TIME/DAY</b>	<b>21'</b>	<b>3'</b>	<b>1H15'</b> <small>o/w 12' of live digital</small>
<b>REACH/DAY</b>	<b>43%</b>	<b>46%</b>	<b>43%</b>

Long sessions on TV, high reach on Facebook but minority of video usage

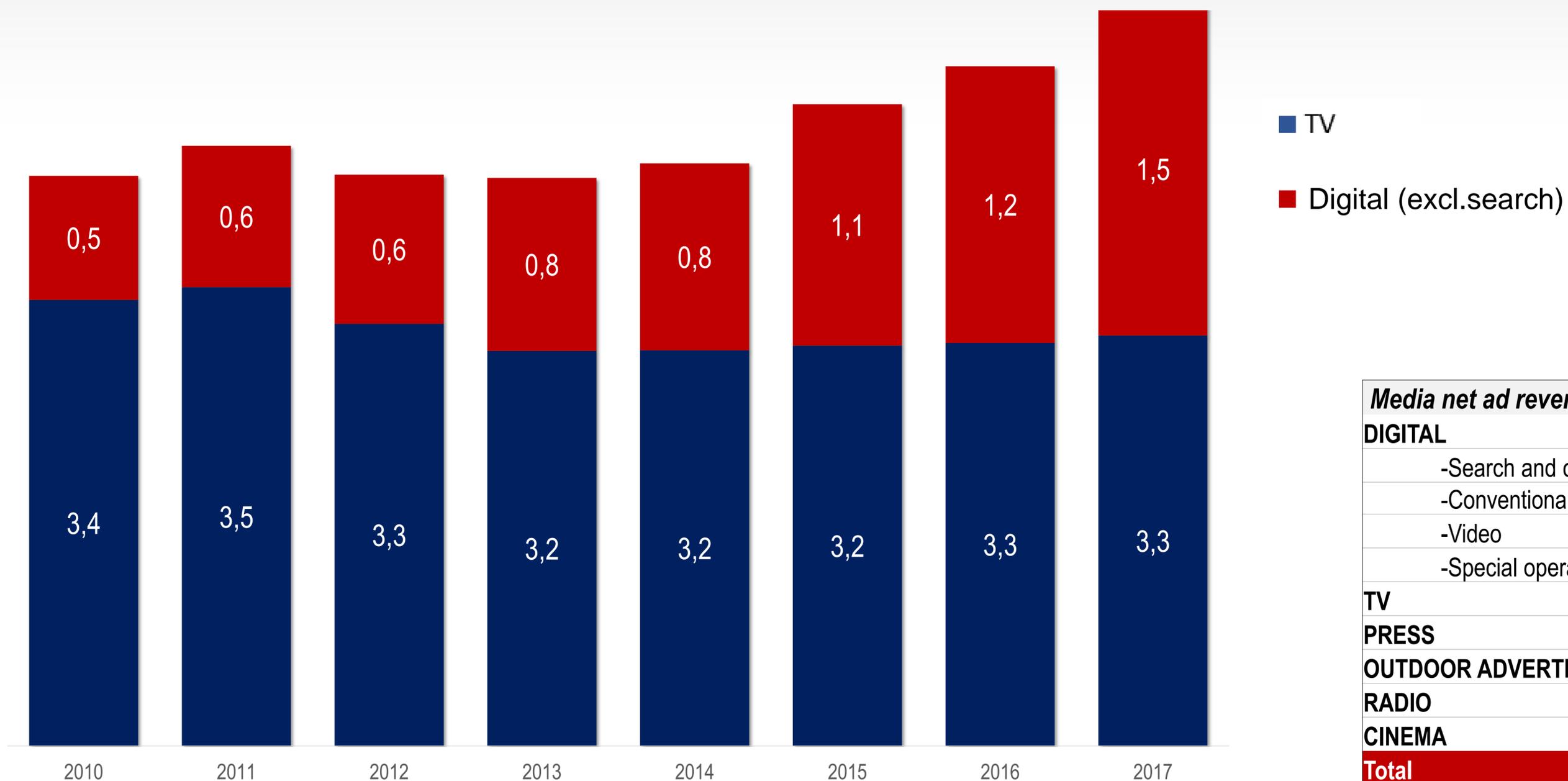
## PART OF TV CONTENTS IN VIDEO CONSUMPTION\*



# FRAGMENTATION IN THE FRENCH AUDIOVISUAL SECTOR SINCE 2005

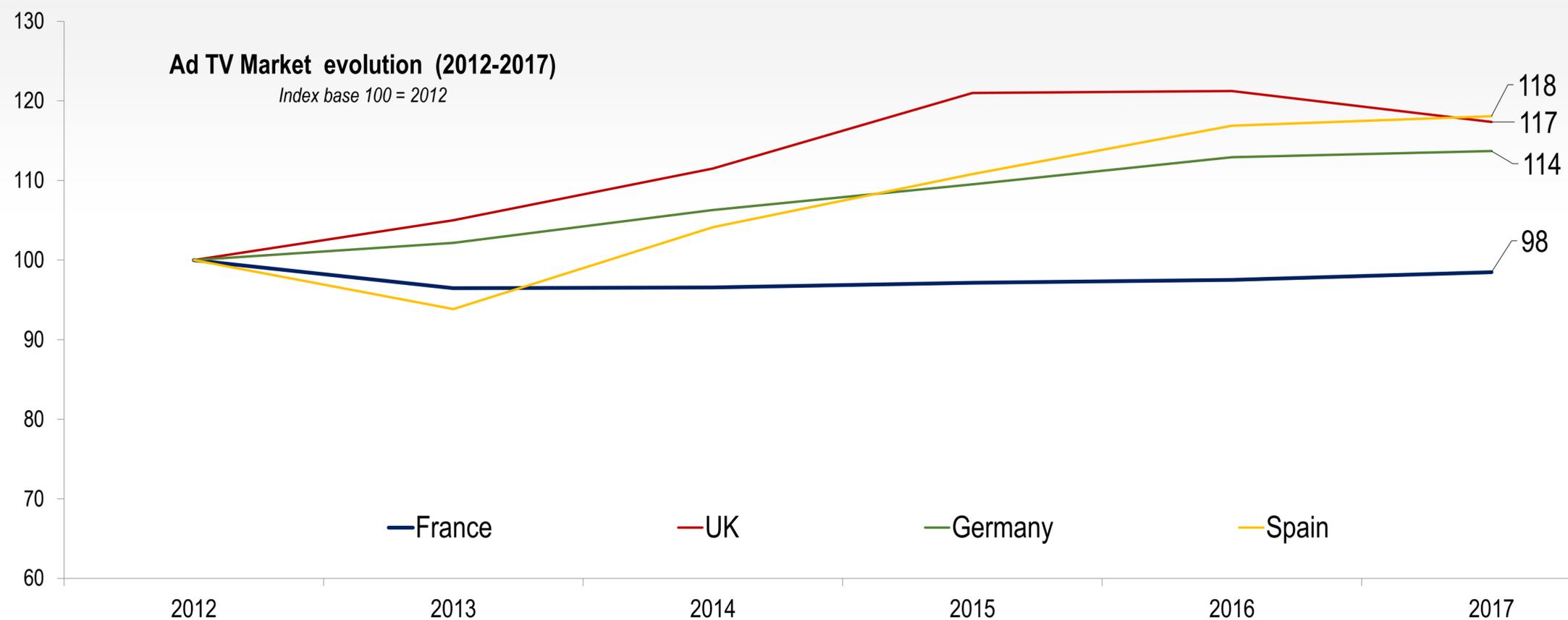


EVOLUTION OF TV AND DIGITAL\* ADVERTISING MARKET (€ BILLION)



<i>Media net ad revenue (€bn)</i>	2016	2017
<b>DIGITAL</b>	<b>3.5</b>	<b>4.1</b>
-Search and other	2.3	2.6
-Conventional (banners, etc.)	0.7	0.7
-Video	0.4	0.6
-Special operations	0.1	0.1
<b>TV</b>	<b>3.3</b>	<b>3.3</b>
<b>PRESS</b>	<b>2.3</b>	<b>2.1</b>
<b>OUTDOOR ADVERTISING</b>	<b>1.2</b>	<b>1.2</b>
<b>RADIO</b>	<b>0.7</b>	<b>0.7</b>
<b>CINEMA</b>	<b>0.1</b>	<b>0.1</b>
<b>Total</b>	<b>11.1</b>	<b>11.5</b>

# FRENCH AD TV MARKET EVOLUTION OVER THE LAST 6 YEARS



Ad TV Market (per inhabitant)	2012	2013	2014	2015	2016	2017
France (€)	50	49	49	49	49	49
UK (£)	68	71	75	81	80	78
Germany (€)	50	51	53	54	56	55
Spain (€)	38	35	39	42	44	46

## OBLIGATIONS TO INVEST

- ✓ **3.2%** in the co-production of European cinema works\*
- ✓ **12.5%** for the commissioning of national heritage audiovisual works\*

\* of the previous year's net annual advertising turnover, within a calendar year

## OBLIGATIONS TO BROADCAST

- ✓ Cinema and audiovisual works: 60% European-origin and 40% French origin at least
- ✓ A maximum of 192 movies per year
- ✓ A minimum of 2/3 of the annual broadcasting airtime devoted to French-speaking programmes
- ✓ 750 hours of children's programmes, 800 hours of news bulletins and magazines

## ADVERTISING

- ✓ **Up to 12' per hour**
- ✓ Up to 9' per hour on average each day
- ✓ Movies: up to 2 slots and 6' of advertising
- ✓ State-owned channels: no advertising from 8pm to 6am

## MEDIA INDEPENDANCE

- ✓ **49% max ownership** (of the capital of a company operating a domestic DTT service with an audience share >8%)
- ✓ **7 DTT licences**
- ✓ **2 out of 3 media** (among TV, radio and daily press, with national coverage)

## ADVERTISING

### Prohibited sectors:

- ✓ Promotions in the retail sector
- ✓ Cinema (movie trailers...)

## FISCAL ISSUES

- ✓ **Audiovisual taxes** (CNC, France TV, radio, press): **€91m** in 2017
- ✓ **Audiovisual sector financing** (obligations to invest)

## PRODUCTION & CONTENT

- ✓ Mandates for distribution of content
- ✓ 26% of dependent production (30% beginning 2019)
- ✓ 15% of ownership threshold (above which a producer is considered as dependent)



**LE GROUPE**

**9M 2018 PRESENTATION**

# 3 BUSINESS SECTORS IN LINE WITH THE TRANSFORMATION OF THE GROUP

## BROADCASTING

## STUDIOS & ENTERTAINMENT

## DIGITAL

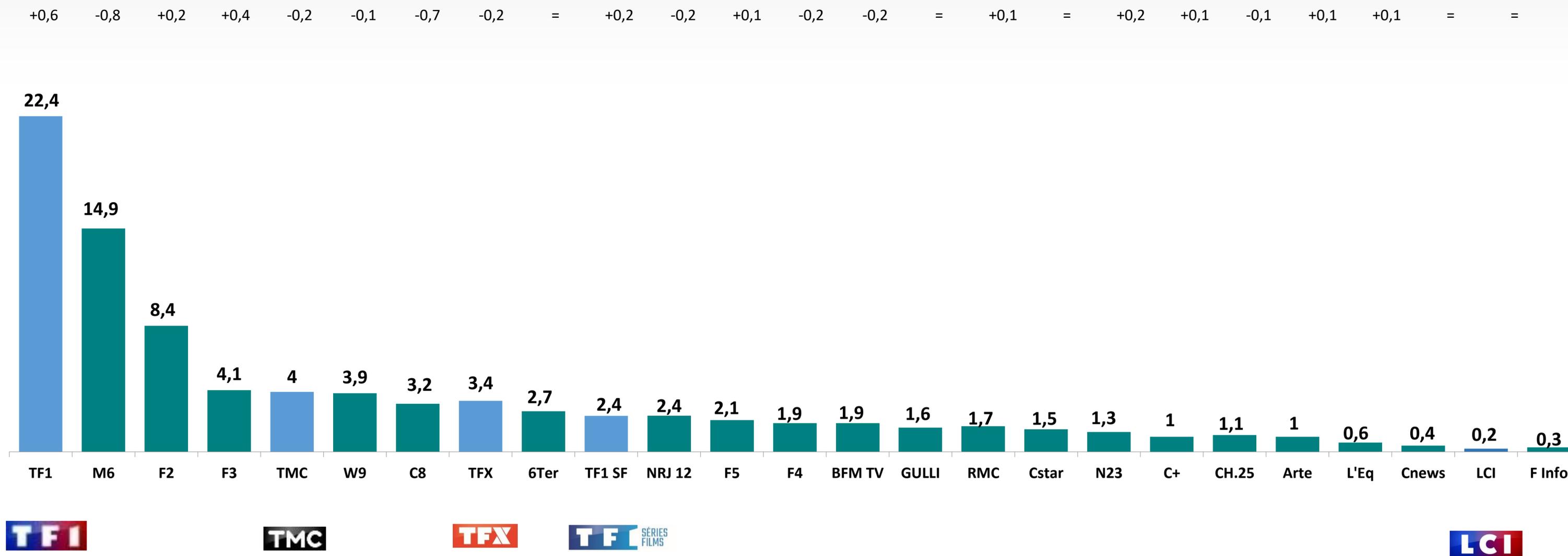
Free-to-Air channels

\*Owned at 50%

\*\*The aufeminin Group has been consolidated since May 2018

# SHARE OF VIEWING AMONG W<50PDM – 9M 2018

Audience share 9M 2018 vs. 9M 2017 (%)



# HIGH-LEVEL GROUP AUDIENCE SHARES ON COMMERCIAL TARGETS: 32.4% ON W<50PDM AND 29.2% ON IND. AGED 25-49



## 9M 2018 RATINGS ON W<50PDM



0,2



2,4



3,4



4,0

32.4%  
W<50PDM



22,4



- Strong performance of the TF1 channel over 9M on W<50PDM: +0.6 pts yoy
- 4<sup>th</sup> consecutive quarter of growing audience share on W<50PDM (+1.2 pts in Q3 2018 yoy)



Peak of over 4.0M TV viewers



Up to 7.9M TV viewers



Up to 5.9M TV viewers

# FIFA WORLD CUP: THE UNIQUE CAPACITY OF TF1 TO FOSTER OUTSTANDING CONTENT

## ⚽ Capacity of TF1 to gather most of the TV viewers...

- Average of **9 M TV viewers** (43% on 4+) for all of the **28 games** aired
- Average of **14 M TV viewers** (72% on 4+) for games with **French Team**
- More than **19 M TV viewers** for both the **semi-final and final** (resp. 71% and 82% on 4+)
- **Digital**
  - **25 M videos views** on **MYTF1\***
  - **Record live audiences on other screens** (1.9 M live visits for France – Uruguay)
  - **Innovations** enhancing the experience of TV viewers (4K and virtual reality)



## ⚽ ...and advertisers

- **200 advertisers** with best-known brands
- **5 major sponsors** (vs 4 for the last Football World Cup)
- A **well-monetized event** through optimized **yield management**

### Major advertisers

#### 5 sponsors



#### Top 10 advertisers



# A STRONG LEADING DTT POLE: WELL-ORIENTED AUDIENCE SHARES ON THEIR RESPECTIVE TARGETED POPULATION



- 4.0% audience share over 9M on Ind. aged 25-49 (stable yoy)
- Most popular DTT Channels among Ind. aged 25-49
- Successful prime-time relaunch of *Burger Quiz* and return in access prime time of *Quotidien*



Up to 1.2 M TV viewers  
(including 20% on catch-up)



Best viewing up to 1.5M  
TV viewers



- 4.1% audience share over 9M on Ind. aged 15-24
- Good ratings on reality shows like *La Villa: La bataille des couples* and *Beauty Match*



Peak of over 4.0M



- 2.3% audience share over 9M on W<50PDM (+0.2 pts yoy)
- Record for the launch of the series *The Handmaid's tale*



1.2 M TV viewers

## ➤ Daily News shows:



- The evening bulletin attracted up to 8.4 M TV viewers and an average of 4.8 M TV viewers



- The lunchtime bulletin peaked at 5.3 M TV viewers with an average of 4.6 M TV viewers

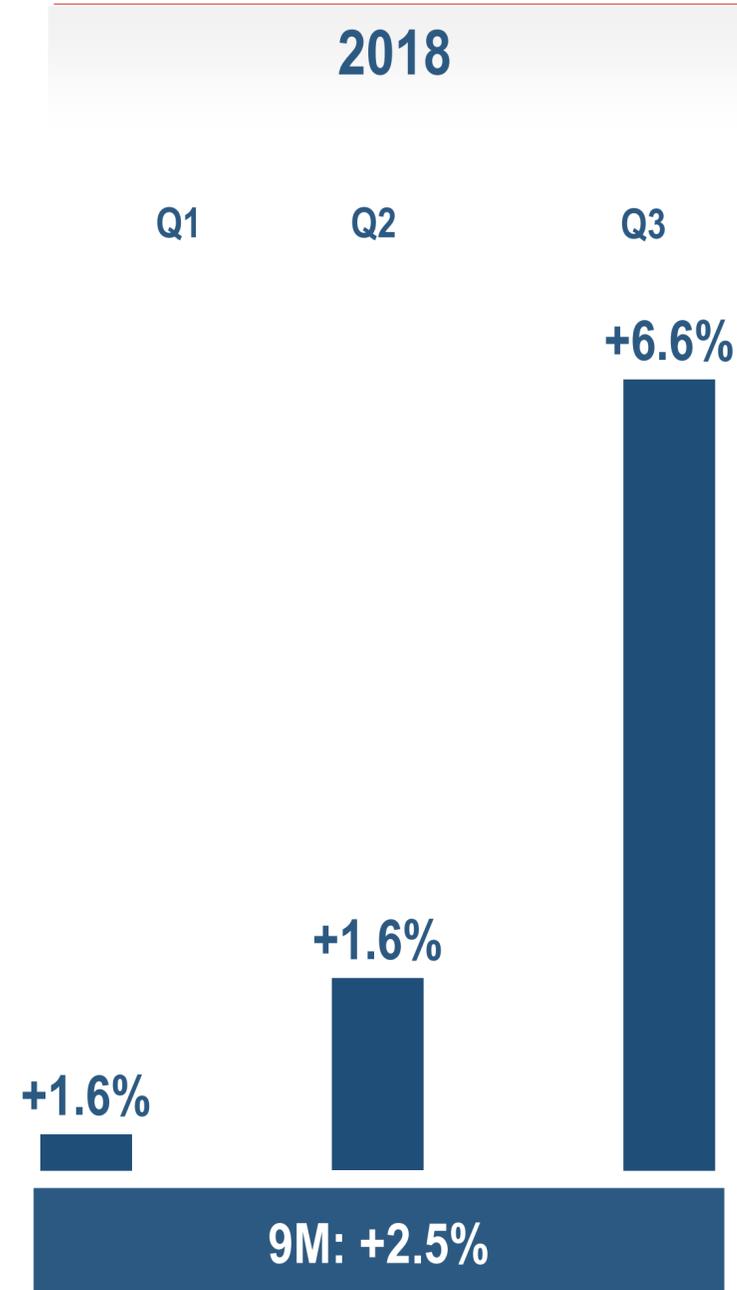
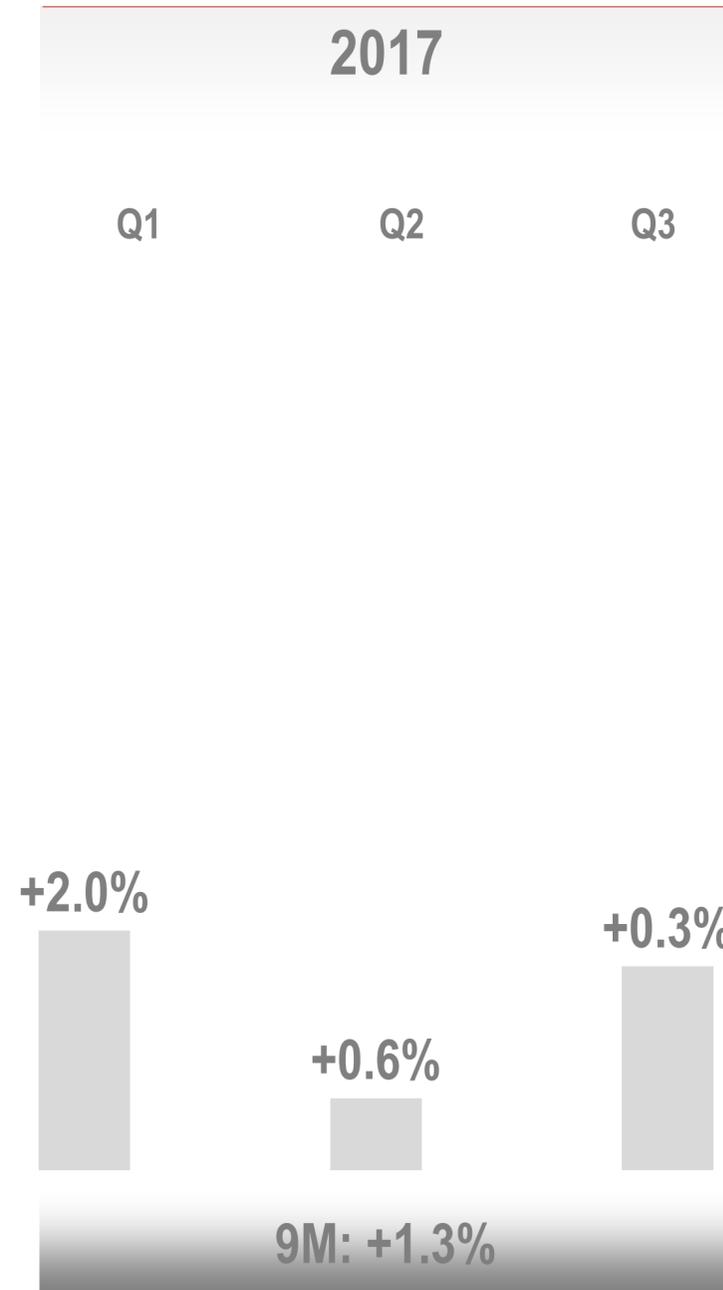


- **Successful ratings of *Le 20H Le Mag*\***: average of 4.6 M TV viewers

- **LCI confirms its status as France n°2 news channels**: audience share maintained at 0.6% on 4+ target over 9M



# FREE-TO-AIR CHANNELS TV ADVERTISING REVENUE BOOSTED BY THE WORLD CUP IN Q3: +6.6% YoY



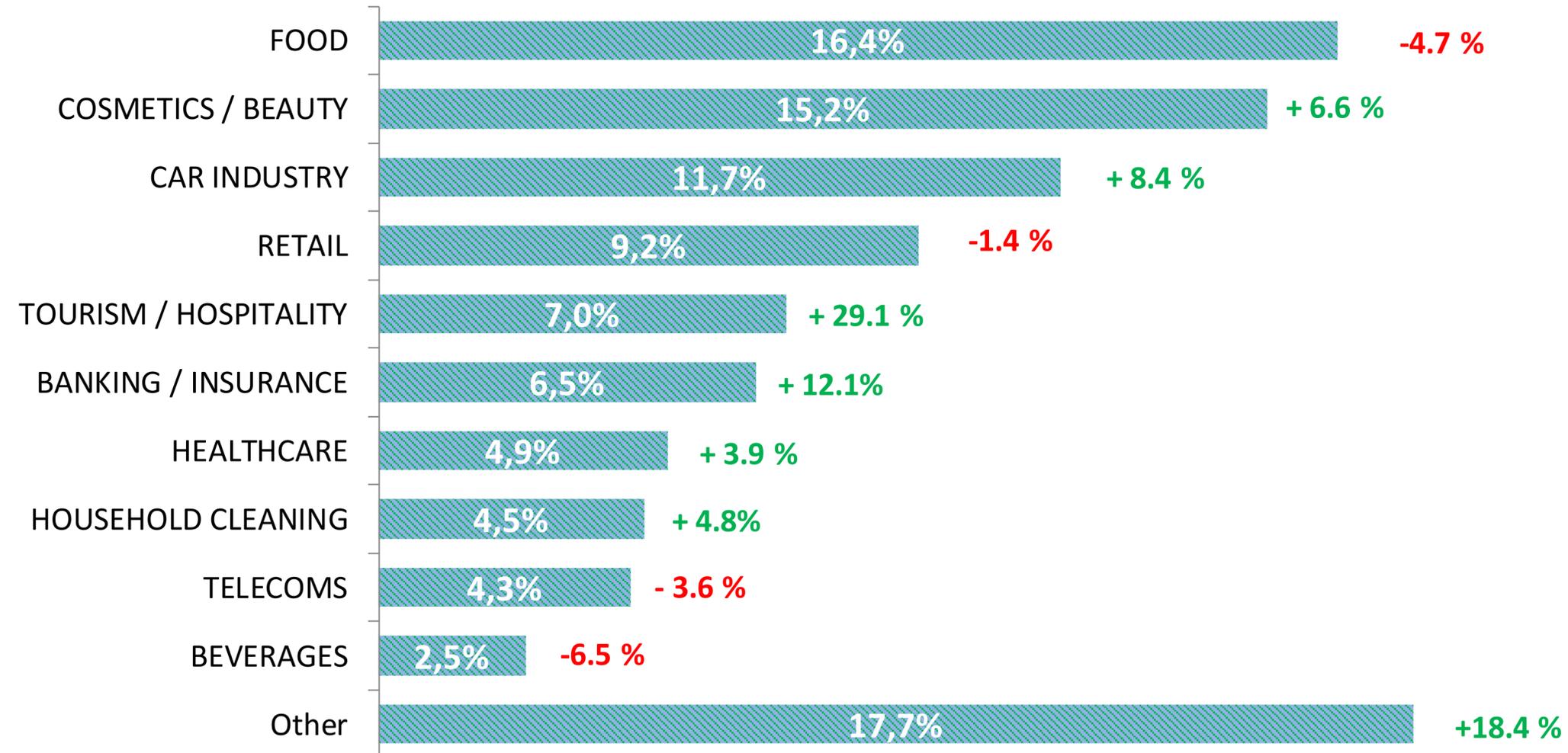
ADVERTISING REVENUE FOR THE 5 FTA CHANNELS IS INCREASING:

**€1,058m over 9M 2018**  
**+2.5% YoY**

INCREASE IN NET MARKET SHARE:

**+1.3 pts in Q3 2018**  
**+0.1 pts over 9M 2018**

# 9M 2018 TRENDS IN GROSS AD SPEND FOR TF1 GROUP CHANNELS



# TF1 PREMIUM: ADDITIONAL REMUNERATION FOR OUR CONTENT AND NEW SERVICES

## Agreements signed with all telcos operators and Canal+

- **Dual-sources revenues:**
  - Remuneration for content
  - Enhanced services (start-over, TF1+1, TMC+1, 4K, extended replay, etc.)
- **Securing the price: average contracts term over 3 years**
- **Full impact** expected as of fiscal year **2019**



➤ 2 mains drivers:

- **Positioning on verticals** close to TF1 group traditional targets



- **Monetising audiences** through commitment on social networks



➤ Aufeminin group consolidated since May 2018

## REVENUE\*

**€84.7m over 9M 2018 (+7%)**

€113.5m in 2017 (+6%)

## EBITDA\*

**€21.3m in 2017 - (Margin : 19%)**

## EBIT\*

**€12.1m in 2017 - (Margin : 11%)**



## KEY FIGURES

**aufeminin**  
— GROUPE —

Over **155 million** users\* in the world, of which **20 million** in France

Over **7 million** followers on social networks

Around **17 million** downloads for Marmiton app

**4 million** subscribers to My Little Paris Newsletter

**460 employees**

# NEWEN: ANTICIPATED ACQUISITION OF THE REMAINING 30% TO ACCELERATE THE DEVELOPMENT

## **An anticipated acquisition of the 30% remaining stake**

- 12 months in advance
- In agreement with the leaving founders



## **The buyout of minority shares allows to**

- Pursue the development of the Newen group
- Implement synergies faster

## **Principles remain unchanged**

- Operational autonomy
- European development strategy
- Production activity without vertical integration

## **Management continuity is guaranteed**

- Bibiane Godfroid has been named Chairwoman & CEO
- Romain Bessi has been appointed Deputy CEO

# NEWEN CONTINUES TO PERFORM WELL

## ON AIR PRODUCTIONS



OSMOSIS



DEUTSCH-LES-LANDES



CÉLINE COUSTEAU, L'AVENTURE CONTINUE

•2



CANDICE RENOIR

•3



NINA

•2



PLUS BELLE LA VIE

•3



DEMAIN NOUS APPARTIENT

➤ 10 dramas produced per year

## M&A



Owned at 60% by NEWEN



Owned at 33% by NEWEN

# DIVERSIFIED ENTERTAINMENT ACTIVITIES

play two

- Successful launch of the new Maître Gims album



TF1  
STUDIO

- 8 movie releases over 9M 2018 gathering more than 1,400,000 entries



425,000 entries

LA SEINE  
MUSICALE

- Excellent ticket sales for major concerts
- Steady rise in bookings at the studio recording space



TF1  
LICENCES

- Good performance thanks to key brands: Ushuaïa and the Voice



# CONSOLIDATED REVENUE

€m	9M 2018	9M 2017	Var. €m	Var. %
<b>BROADCASTING</b>	<b>1,232.4</b>	<b>1,189.0</b>	<b>43.4</b>	<b>3.7%</b>
<i>TV advertising on free-to-air channels</i>	<i>1058.3</i>	<i>1032.4</i>	<i>25.9</i>	<i>2.5%</i>
<b>STUDIOS &amp; ENTERTAINMENT</b>	<b>281.8</b>	<b>285.5</b>	<b>(3.7)</b>	<b>-1.3%</b>
<b>DIGITAL*</b>	<b>61.4</b>	<b>-</b>	<b>61.4</b>	<b>N/A</b>
<b>TOTAL REVENUE</b>	<b>1,575.6</b>	<b>1,474.5</b>	<b>101.1</b>	<b>6.9%</b>

\*Including aufeminin group consolidated since May

*In accordance with IFRS 9 and 15 norms*

# COST OF PROGRAMMES

€m	9M 2018	9M 2017	Var. €m	Var. %
Entertainment	168.0	197.7	(29.7)	-15.0%
TV dramas/TV movies/Series/Theatre	236.8	222.7	14.1	6.3%
Sports (excl. one-off sporting events)	34.8	39.3	(4.6)	-11.6%
News	102.0	107.6	(5.6)	-5.2%
Movies	105.1	116.6	(11.5)	-9.8%
Youth	7.5	9.9	(2.4)	-24.5%
<b>TOTAL EXCL. SPORTING EVENTS</b>	<b>654.2</b>	<b>693.9</b>	<b>(39.7)</b>	<b>-5.7%</b>
<i>Major sporting events*</i>	<i>71.7</i>	<i>0.0</i>	<i>71.7</i>	<i>-</i>
<b>TOTAL INCL. SPORTING EVENTS</b>	<b>725.9</b>	<b>693.9</b>	<b>32,0</b>	<b>4.6%</b>

\* Cost of replacement programmes: €13.4m

# CONSOLIDATED INCOME STATEMENT

€m	9M 2018	9M 2017	Var. €m	Var. %
<b>CONSOLIDATED REVENUE</b>	<b>1575.6</b>	<b>1474.5</b>	<b>101.1</b>	<b>6.9%</b>
Total costs of programmes	(725.9)	(693.9)	(32.0)	4.6%
Other charges, depreciation, amortization, provision	(725.5)	(664.1)	(61.4)	9.2%
<b>CURRENT OPERATING PROFIT</b>	<b>124.2</b>	<b>116.5</b>	<b>7.7</b>	<b>6.6%</b>
<i>CURRENT OPERATING MARGIN</i>	<i>7.9%</i>	<i>7.9%</i>	-	-0.0pt
Other operating income and expenses	(16.4)	(17.5)	1.1	-6.3%
<b>OPERATING PROFIT</b>	<b>107.8</b>	<b>99.0</b>	<b>8.8</b>	<b>8.9%</b>
Cost of net debt	(1.2)	(1.2)	0.0	0.0%
Other financial income and expenses	4.2	3.8	0.4	10.5%
Income tax expense	(30.3)	(31.3)	1.0	-3.2%
Share of profits / (losses) of associates	0.3	14.3	(14.0)	N/A
<b>Net profit from continuing operations</b>	<b>80.8</b>	<b>84.6</b>	<b>(3.8)</b>	<b>-4.5%</b>
Post-tax profit from discontinued/held-for-sale operations	-	-	-	-
<b>NET PROFIT</b>	<b>80.8</b>	<b>84.6</b>	<b>(3.8)</b>	<b>-4.5%</b>
Net profit attributable to the Group	81.7	85.2	(3.5)	-4.1%
<i>Attributable to non-controlling interests</i>	<i>(0.9)</i>	<i>(0.6)</i>	<i>(0.3)</i>	N/A

In accordance with IFRS 9 and 15 norms

# CONSOLIDATED BALANCE SHEET

<b>CONSOLIDATED ASSETS (€m)</b>	<b>September 30<sup>th</sup> 2018</b>	<b>December 31<sup>st</sup> 2017</b>	<b>Var. €m</b>
Total non-current assets	1,301.4	1,068.9	232.5
Total current assets	1,854.6	2,327.9	(473.3)
Held-for-sale assets	-	-	-
<b>TOTAL ASSETS</b>	<b>3,156.0</b>	<b>3,396.8</b>	<b>(240.8)</b>
Net cash (+)	(50.9)	256.7	(307.6)

<b>CONSOLIDATED LIABILITIES (€m)</b>	<b>September 30<sup>th</sup> 2018</b>	<b>December 31<sup>st</sup> 2017</b>	<b>Var. M€</b>
Total shareholders' equity	1,529	1,587.4	(58.4)
<i>shareholders' equity attributable to the Group</i>	<i>1,529.5</i>	<i>1,587.5</i>	<i>(58.0)</i>
Total non-current liabilities	212.6	311.0	(98.4)
Total current liabilities	1,414.4	1,498.4	(84.0)
Liabilities related to held-for-sale operations	-	-	-
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>3,156.0</b>	<b>3,396.8</b>	<b>(240.8)</b>

*In accordance with IFRS 9 and 15 norms*



**LE GROUPE**

**OUTLOOK**

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## 2018

- Growth in current operating margin rate at Group level (excluding major sporting events)

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## 2019

- Growth in revenues from activities other than TV advertising on the five free-to-air channels, with those other activities expected to account for at least one third of consolidated revenue
- Target of double digit current operating margin rate

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## 2021

- Revenue from the digital segment of at least €250 million
- EBITDA margin from the digital segment of at least 15%
- Improvement in return on capital employed for the TF1 Group

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Given the savings achieved in the cost of programmes to end September 2018, we expect that by end 2018 we will have hit our target of €960 million (excluding major sporting events) for our five free-to-air channels, and are reiterating our guidance of an average cost of programmes of €960 million (excluding major sporting events) for the 2018-2020 period.



**LE GROUPE**

APPENDIX

# FY 2017 CONSOLIDATED REVENUE

€m	2017	2016	Var. €m	Var. %
<b>BROADCASTING</b>	<b>1,713.6</b>	<b>1,669.9</b>	<b>43.7</b>	<b>2.6%</b>
UNENCRYPTED PLATFORMS	1,543.8	1,517.1	26.7	1.8%
<i>TV advertising</i>	1,480.5	1,455.3	25.2	1.7%
<i>Other revenues</i>	63.3	61.8	1.5	2.4%
OTHER PLATFORMS AND RELATED ACTIVITIES	169.8	152.8	17.0	11.1%
<b>STUDIOS &amp; ENTERTAINMENT</b>	<b>411.3</b>	<b>392.8</b>	<b>18.5</b>	<b>4.7%</b>
<b>TOTAL REVENUE</b>	<b>2,124.9</b>	<b>2,062.7</b>	<b>62.2</b>	<b>3.0%</b>

# FY 2017 COST OF PROGRAMMES

€m	2017	2016	Var. €m	Var. %
Entertainment	273.9	269.5	4.4	1.6%
TV dramas/TV movies / Series /Theatre	325.2	312.1	13.1	4.2%
Sports (excl. One-off sporting events)	59.2	49.0	10.2	20.9%
News	142.5	140.7	1.8	1.3%
Movies	169.0	174.1	(5.1)	-2.9%
Youth	14.2	15.1	(0.9)	-6.1%
<b>TOTAL EXCL. ONE-OFF SPORTING EVENTS</b>	<b>983.9</b>	<b>960.5</b>	<b>23.4</b>	<b>2.4%</b>
<i>One-off sporting events</i>	-	46.1	(46.1)	-
<b>TOTAL INCL. ONE-OFF SPORTING EVENTS</b>	<b>983.9</b>	<b>1,006.6</b>	<b>(22.7)</b>	<b>-2.3%</b>

# FY 2017 CONSOLIDATED INCOME STATEMENT



€m	2017	2016	Var. €m	Var. %
<b>CONSOLIDATED REVENUE</b>	<b>2,124.9</b>	<b>2,062.7</b>	<b>62.2</b>	<b>3.0%</b>
Total costs of programmes	983.9	1,006.6	(22.7)	-2.3%
Other charges, depreciation, amortization, provision	955.7	926.7	29.0	3.1%
<b>CURRENT OPERATING PROFIT</b>	<b>185.3</b>	<b>129.4</b>	<b>55.9</b>	<b>43.2%</b>
<b>CURRENT OPERATING MARGIN</b>	<b>8.7%</b>	<b>6.3%</b>	-	<b>+2.4pts</b>
Other operating income and expenses	-23.3	-83.7	60.4	-72.2%
<b>OPERATING PROFIT</b>	<b>162.0</b>	<b>45.7</b>	<b>116.3</b>	<b>x3.5</b>
Cost of net debt	-1.5	-1.2	(0.3)	25.0%
Other financial income and expenses	6.3	-4.5	10.8	n/a
Income tax expense	-44.6	-5.9	(38.7)	n/a
Share of profits / (losses) of associates	14.2	9.9	4.3	43.4%
<b>Net profit from continuing operations</b>	<b>136.4</b>	<b>44.0</b>	<b>92.4</b>	<b>x3.1</b>
Post-tax profit from discontinued/held-for-sale operations	-	-	-	-
<b>NET PROFIT</b>	<b>136.4</b>	<b>44.0</b>	<b>92.4</b>	<b>x3.1</b>
Net profit attributable to the Group	136.1	41.7	94.4	x3.3
Attributable to non-controlling interests	0.3	2.3	(2.0)	n/a

## €27m recurrent savings

ORGANISATION / TRANSFORMATION  
€12m

PURCHASING OPTIMISATION  
€6m

DIGITALISATION  
€9m

# FY 2017 CONSOLIDATED BALANCE SHEET

CONSOLIDATED ASSETS (€m)	DEC 31st 2017	DEC 31st 2016	Var. €m
Total non-current assets	1,060.9	1,093.1	(32.2)
Total current assets	2,329.4	2,122.6	206.8
Held-for-sale assets	-	-	-
<b>TOTAL ASSETS</b>	<b>3,390.3</b>	<b>3,215.7</b>	<b>174.6</b>
<b>Net cash (+)</b>	<b>256.7</b>	<b>186.7</b>	<b>70.0</b>
CONSOLIDATED LIABILITIES (€m)	DEC 31st 2017	DEC 31st 2016	Var. €m
Total shareholders' equity	1,581.8	1,492.6	89.2
shareholders' equity attributable to the Group	1,581.9	1,493.4	88.5
Total non-current liabilities	311.6	322.0	(10.4)
Total current liabilities	1,496.9	1,401.1	95.8
Liabilities related to held-for-sale operations	-	-	-
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>3,390.3</b>	<b>3,215.7</b>	<b>174.6</b>

**€73.5m\***

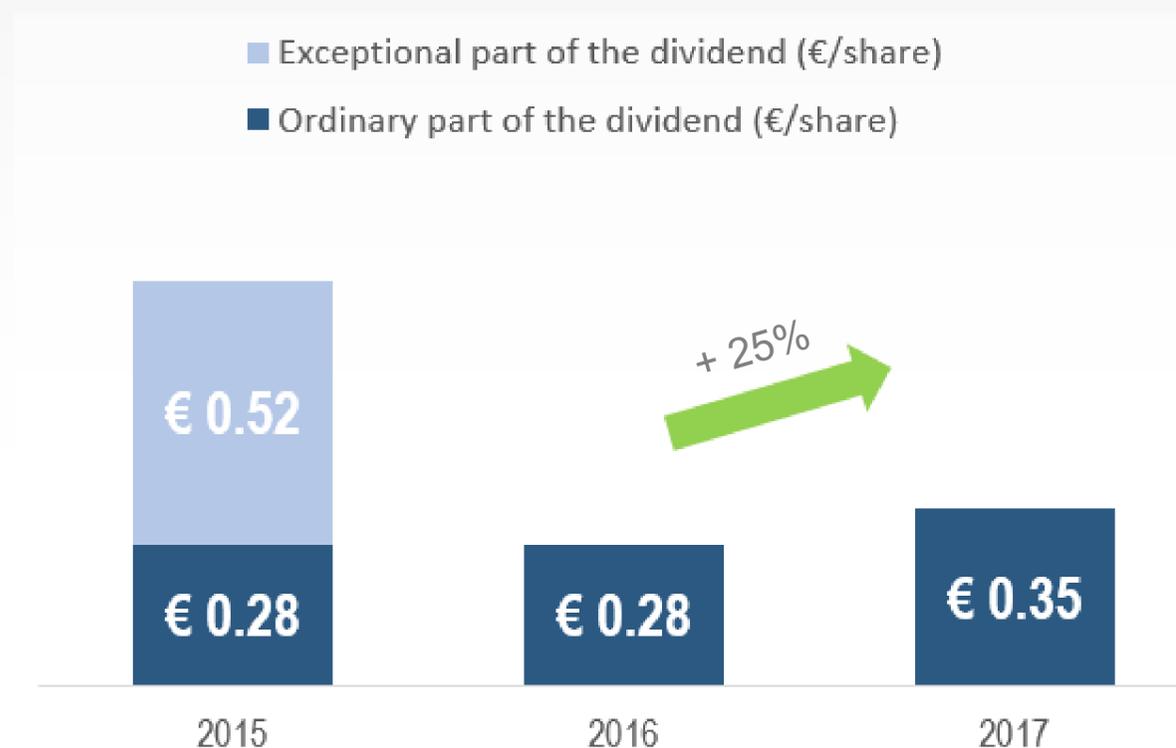
Increase of the dividend per share

**€ 0.35**

**54%**

of net profit attributable  
to the group in 2017

## 2015 – 2017 EVOLUTION





## LE GROUPE

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