

Boulogne-Billancourt – April 29, 2015

2015 FIRST-QUARTER RESULTS

Advertising revenue for the four free-to-air channels up 3.2%
Operating profit of €28.1 million including sale of controlling interest in Eurosport France

The TF1 Board of Directors, chaired by Nonce Paolini, met on April 29, 2015 to adopt the financial statements for the three months ended March 31, 2015.

IFRIC 21, "Levies", has been applied with effect from January 1, 2015 and also applied retrospectively to the 2014 comparatives. Applying IFRIC 21 has led to the restatement of the 2014 quarterly financial statements.

CONSOLIDATED FIGURES (€m)	Q1 2015	Q1 2014	Var. €m	Var. %	Q1 2014 published
Revenue	475.1	469.7	+5.4	+1.1%	469.7
TF1 group advertising revenue	363.1	354.1	+9.0	+2.5%	354.1
Revenue from other activities	112.0	115.6	(3.6)	-3.1%	115.6
Operating profit/(loss)	28.1*	6.9	+21.2	x4.1	10.9
Cost of net debt	0.5	0.3	+0.2	+66.7%	0.3
Net profit/(loss) attributable to the Group	32.7*	12.1	+20.6	x2.7	14.6

* Includes gain on deconsolidation of Eurosport France.

Consolidated revenue for the first quarter of 2015 was up 1.1% at €475.1 million, and comprised:

- **Group advertising revenue** up 2.5% at €363.1 million, with advertising revenue for the four free-to-air channels up 3.2% at €343.6 million;
- **revenue from other activities** of €112.0 million, down 3.1%, due largely to the effect of changes in structure (the sale of OneCast and the shutdown of the Stylia channel).

The Group made an **operating profit** of €28.1 million. This figure includes the gain arising on the deconsolidation of Eurosport France.

Net profit attributable to the Group was €32.7 million, a year-on-year increase of €20.6 million.

Audiences¹

Competition intensified during the first quarter of 2015: the new DTT channels made further inroads as their geographical rollout continued, while all broadcasters stepped up their programming spend.

The TF1 group's four free-to-air channels achieved audience share of 27.7% of individuals aged 4 and over, down 1.1 points year-on-year. Among "women aged under 50 purchasing decision-makers", the audience share proved more resilient, holding steady at 31.8% (-0.2 of a point).

During the first quarter, the Group focused on:

- **the prime time pulling power** of the TF1 core channel, which attracted an average prime time audience of 6.1 million (stable year-on-year) and was the most-watched channel on 96% of evenings (versus 90% in the first quarter of 2014);
- **advertising targets**, especially "women aged under 50 purchasing decision-makers" on the DTT channels: NT1 increased its share of this audience by 0.2 of a point to 3.1% while HD1 confirmed its market leadership among the six new HD channels with audience share of 1.7%, up 0.6 of a point year-on-year.

¹ Source: Médiamétrie.

Analysis by segment

€m	Q1 2015	Q1 2014	Var.	Q1 2014 published
Broadcasting and Content	395.1	385.3	+9.8	385.3
of which 4 free-to-air channels advertising	343.6	332.9	+10.7	332.9
Consumer products	48.4	51.1	(2.7)	51.1
Pay-TV	31.6	30.9	+0.7	30.9
Holding Company & Other	0.0	2.4	(2.4)	2.4
Consolidated revenue	475.1	469.7	+5.4	469.7
Broadcasting and Content	(12.0)	1.1	(13.1)	3.6
of which cost of programmes	(243.5)	(230.4)	(13.1)	(230.4)
Consumer products	3.6	5.1	(1.5)	5.3
Pay-TV	33.7*	(2.4)	+36.1	(2.3)
Holding Company & Other	2.8	3.1	(0.3)	4.3
Current operating profit/(loss)	28.1*	6.9	+21.2	10.9

* Includes gain on deconsolidation of Eurosport France.

Cost of programmes

The cost of programmes for the first quarter of 2015 was €13.1 million higher year-on-year, as opposed to a €27.8 million reduction in the comparable period of 2014. This cost increase was due to different scheduling decisions (especially in French drama), plus one-off factors including a news-heavy agenda and the fact that there was one more football match featuring the French national team than a year earlier.

Operating profit

The TF1 group made an operating profit of €28.1 million in the first quarter of 2015, a year-on-year rise of €21.2 million. The operating profit of the Broadcasting and Content segment decreased by €13.1 million, due to the rise in the cost of programmes. Operating profit for the Consumer Products segment fell by €1.5 million year-on-year, with tight cost control partially absorbing the effect of lower revenues. Finally, the €36.1 million improvement in operating profit for the Pay-TV segment includes the gain arising on the deconsolidation of Eurosport France.

Financial position

Shareholders' equity attributable to the Group stood at €2,044.1 million as of March 31, 2015, out of a balance sheet total of €3,561.9 million.

Net cash of continuing operations was €572.0 million, an increase of €75.0 million relative to December 31, 2014.

Outlook

The advertising market is characterised by poor visibility and intense competition, but also by strong interest in television as a medium. Against this backdrop, TF1 will continue to offer advertisers high added-value solutions – further enhanced by coverage of the Rugby World Cup in the autumn – while stepping up efforts to demonstrate the effectiveness of its advertising slots.

Over the next few months, the Group will keep a particularly close eye on its cost base. Operational integration of the TMC and NT1 channels will continue, in line with the multi-channel value creation strategy, as will the transformation of the Group's news operations.

Revenue

Revenue for the **Broadcasting & Content** segment rose by 2.5% in the first quarter of 2015.

The Group's four free-to-air channels generated advertising revenue of €343.6 million, up 3.2% year-on-year.

In a market where interest in TV advertising is still strong, the TF1 group was able to increase the volume of ads screened while avoiding erosion in the value of the slots.

Revenue from the segment's other activities was 1.7% lower year-on-year. Growth in digital advertising revenue and the performance of the Content business partially offset a very sharp decline in revenue for the *Metronews* daily freesheet.

Revenue for the **Consumer Products** segment slipped by €2.7 million largely as a result of TF1 Entreprises, which in the first quarter of 2014 was boosted by revenue from the *Star Wars Identities* exhibition.

Finally, revenue for the **Pay-TV** segment advanced by 2.3%; new distribution contracts for the various channels came into effect on January 1, 2015.

The statutory auditors have conducted a review of the financial statements, on which they have issued an unqualified report.

Our financial information report for the first quarter of 2015 is available on our corporate website: <http://www.groupe-tf1.fr/>.

A conference call is scheduled for April 29, 2015 at 18.30 (Paris time).

Details of how to connect to the conference call are on our corporate website: <http://www.groupe-tf1.fr/>.

CONTACTS

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