

Boulogne-Billancourt – July 23, 2015

2015 FIRST-HALF RESULTS

Advertising revenue for the four free-to-air channels up 1.7%
Current operating profit of €97.3 million, including the impact of the sale of a controlling interest in Eurosport France
Current operating margin of 13.7% for the second quarter

The TF1 Board of Directors, chaired by Nonce Paolini, met on July 23, 2015 to adopt the financial statements for the six months ended June 30, 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	Q2 2015	Q2 2014	H1 2015	H1 2014	Var. M€	Var. %
Revenue	475.1	469.7	505.6	556.0	980.7	1025.7	(45.0)	-4.4%
TF1 group advertising revenue	363.1	354.1	411.6	415.8	774.7	769.9	+4.8	+0.6%
Revenue from other activities	112.0	115.6	94.0	140.2	206.0	255.8	(49.8)	-19.5%
Current operating profit/(loss)	28.1 *	6.9	69.2	14.8	97.3 *	21.7	+75.6	x4.5
Operating profit/(loss)	28.1 *	6.9	57.3	14.8	85.4 *	21.7	+63.7	x3.9
Cost of net debt	0.5	0.3	0.2	0.1	0.7	0.4	+0.3	+75.0%
Net profit/(loss) from continuing operations	33.7	5.5	30.0	10.0	63.7	15.5	+48.2	x4.1
Net profit/(loss) from discontinued or held-for-sale operations	-	8.4	-	301.8	-	310.2	(310.2)	ns
Net profit/(loss)	33.7	13.9	30.0	311.8	63.7	325.7	(262.0)	ns
Net profit/(loss) attributable to the Group	32.7	12.1	28.3	309.5	61.0	321.6	(260.6)	ns

* includes the gain on deconsolidation of Eurosport France.

Consolidated revenue for the first half of 2015 amounted to €980.7 million, and comprised:

- Group advertising revenue of €774.7 million, up 0.6% year-on-year, despite the absence of any major sporting events during the period;
- revenue from other activities of €206.0 million, a drop of €49.8 million. This fall in revenue reflects (i) the recognition in the second quarter of 2014 of €30 million in revenue from the partial resale of 2014 FIFA World Cup rights, and (ii) negative effects of changes in structure amounting to €21.9 million, related to the deconsolidation of Eurosport France, the Stylia channel and OneCast.

Current operating profit reached €97.3 million, up €75.6 million year-on-year. This figure includes the gain arising on the deconsolidation of Eurosport France, which was recognised in the first quarter of 2015.

Current operating margin was 9.9% over the first half as a whole, and 13.7% in the second quarter of 2015.

A charge of €11.9 million was recognised in "Non-current operating expenses", representing adaptation costs incurred by the TF1 group's news operations. Most of this relates to the discontinuation of the print edition of *Metronews*.

Consequently, **operating profit** was €85.4 million.

Net profit from continuing operations totalled €63.7 million, a year-on-year increase of €48.2 million.

The **net cash position stood** at €308.0 million as of June 30, 2015, after the dividend payout of €317.3 million in April 2015.

Audiences¹

The TF1 group was France's leading private-sector broadcaster in the first six months of the year, with its four free-to-air channels enjoying a combined audience share of 27.8% among individuals aged 4 and over (1.1 points less than in the first half of 2014).

Among "women aged under 50 purchasing decision-makers", the audience share was 32.0%, down 0.2 of a point.

This performance should be seen in light of the specific market context, with the HD DTT channels gaining ground and non-linear consumption on the increase. TF1 faced a particularly tough comparative because of the 2014 FIFA World Cup matches screened in June 2014.

Against this backdrop, and in the face of very aggressive programming competition across the whole spectrum of freeview channels, the TF1 group continues to prioritise:

- **strategic slots:** in particular the prime-time pulling power of TF1, the only channel to attract more than 8 million viewers during the first half of 2015 and the most-watched channel on 89% of evenings;
- **target audiences:** the Group steadily increased its audience share among "women aged under 50 purchasing decision-makers" during the first half of 2015. Much of this was driven by NT1 and HD1, which grew their audience share by 7% and 31% respectively year-on-year, vindicating the Group's multi-channel strategy.

Analysis by segment

€m	Q1 2015	Q1 2014	Q2 2015	Q2 2014	H1 2015	H1 2014	Var.
Broadcasting and Content	395.1	385.3	444.3	480.8	839.4	866.1	(26.7)
<i>of which TV advertising</i>	343.6	332.9	389.7	388.1	733.3	721.0	+12.3
Consumer products	48.4	51.1	47.2	40.5	95.6	91.6	+4.0
Pay-TV	31.6	30.9	14.1	32.2	45.7	63.1	(17.4)
Holding Company & Other	-	2.4	-	2.5	-	4.9	(4.9)
Consolidated revenue	475.1	469.7	505.6	556.0	980.7	1,025.7	(45.0)
Broadcasting and Content	(12.0)	1.1	62.7	9.0	50.7	10.1	+40.6
<i>of which cost of programmes</i>	(243.5)	(230.4)	(216.7)	(282.2)	(460.2)	(512.6)	+52.4
Consumer products	3.6	5.1	2.4	1.7	6.0	6.8	(0.8)
Pay-TV	33.7*	(2.4)	0.2	(0.8)	33.9*	(3.2)	+37.1
Holding Company & Other	2.8	3.1	3.9	4.9	6.7	8.0	(1.3)
Current operating profit/(loss)	28.1*	6.9	69.2	14.8	97.3*	21.7	+75.6

* includes the gain on deconsolidation of Eurosport France.

Broadcasting and Content

Advertising revenue for the four free-to-air channels rose by 1.7% year-on-year. The Group's DTT channels increased their viewing figures and were successful in monetising their programming. TF1 maintained its strategy of preserving the value of its advertising slots.

Revenue from the Broadcasting & Content segment's other activities fell by €39.0 million year-on-year. This reflects the fact that €30 million of revenue was recognised in the first half of 2014 on the partial resale of 2014 FIFA World Cup broadcasting rights. The World Cup also boosted 2014 first-half interactivity revenue at e-TF1, which consequently was lower in the first half of 2015.

Finally, the marked fall in advertising revenue for the *Metronews* freesheet was to some extent cushioned by growth in advertising revenue at e-TF1, which is continuing with its innovation strategy: a new version of the MYTF1 site was launched on May 26, 2015, uniting the digital offering of the four free-to-air channels in a single brand.

¹ Source: Médiamétrie.

The cost of programmes for the Group's four free-to-air channels fell by €52.4 million year-on-year. After stripping out the cost of the 21 FIFA World Cup matches screened in the first half of 2014 (net of the cost of programmes replaced in the schedules by those matches), the cost of programmes showed a saving of €8.5 million.

Optimising the cost of programmes during the period helped the Broadcasting & Content segment increase current operating profit from €10.1 million to €50.7 million.

Consumer Products

Revenue for the Consumer Products segment advanced by €4.0 million thanks to a strong performance by TF1 Vidéo in VOD and the all-rights exploitation of movies such as *Maya the Bee*.

The Consumer Products segment posted current operating profit of €6.0 million.

Pay-TV

Pay-TV segment revenue was down €17.4 million year-on-year. After stripping out the effect of changes in structure the theme channels saw an increase in revenue, reflecting their ratings performance, especially at TV Breizh.

Current operating profit for the Pay-TV segment reached €33.9 million. This figure reflects the gain on the deconsolidation of Eurosport France (recognised in the first quarter of 2015) and improved profitability for the theme channels in France.

Holding Company and Other

The lack of any revenue for the "Holding Company & Other" segment, and the slight fall in current operating profit, are explained by the sale of OneCast in late 2014.

Outlook

After experiencing growth in the first half of the year, the net TV advertising market may be flat during the second half, as the direction of trends in advertising spend depends on whether the economic recovery is confirmed.

The market is still highly competitive, especially as momentum builds for the HD DTT channels.

TF1 group will respond by pressing on with its strategy:

- strengthening its position as market leader in freeview by anticipating trends in advertiser and viewer behaviour;
- continuing to seek out opportunities for growth, acting alone or with partners, but always with an eye to creating value.

In terms of programming, the highlights of the autumn season for the TF1 core channel will be the Rugby World Cup coverage and the return of strong programmes that offer advertisers unrivalled exposure.

The DTT channels will not only retain their distinctive brand identities, but also provide a perfect fit with the TF1 core channel.

The Group will differentiate itself by forging ever closer synergies between TV and digital.

At the same time, the Group will keep a close eye on costs and continue to adapt to the changing environment, especially in its news operations.

Finally, a key feature of the second half of the year will be the 2015 Paris Climate Conference, which will be marked on the Group's channels by the screening of content focusing on climate change solutions.

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

Our 2015 half-year financial report is available on our corporate website: <http://www.groupe-tf1.fr/>.

A conference call is scheduled for July 23, 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

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

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