

Boulogne-Billancourt, October 28, 2015

RESULTS FOR THE FIRST NINE MONTHS OF 2015
**Stable advertising revenue for the four free-to-air channels
Improvement of €76 million in current operating profit**

The TF1 Board of Directors, chaired by Nonce Paolini, met on October 28, 2015 to adopt the financial statements for the first nine months of 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)	Q3 2015	Q3 2014	Var. M€	Var. %	9m 2015	9m 2014	Var. M€	Var. %
Revenue	419.3	437.0	(17.7)	-4.1%	1,400.0	1,462.7	(62.7)	-4.3%
TF1 group advertising revenue	307.5	323.2	(15.7)	-4.9%	1,082.2	1,093.1	(10.9)	-1.0%
Revenue from other activities	111.8	113.8	(2.0)	-1.8%	317.8	369.6	(51.8)	-14.0%
Current operating profit/(loss)	9.5	9.0	+0.5	+5.6%	106.8 *	30.7	+76.1	x3.5
Operating profit/(loss)	6.4	9.0	(2.6)	-28.9%	91.8 *	30.7	+61.1	x3.0
Cost of net debt	0.1	0.3	(0.2)	-66.7%	0.8	0.7	+0.1	+14.3%
Net profit/(loss) from continuing operations	3.6	16.1	(12.5)	-77.6%	67.3	31.6	+35.7	x2.1
Net profit/(loss) from discontinued or held-for-sale operations	-	5.2	(5.2)	ns	-	315.4	(315.4)	ns
Net profit/(loss)	3.6	21.3	(17.7)	-83.1%	67.3	347.0	(279.7)	ns
Net profit/(loss) attributable to the Group	3.9	20.9	(17.0)	-81.3%	64.9	342.5	(277.6)	ns

* includes the gain on deconsolidation of Eurosport France.

Consolidated revenue for the first nine months of 2015 amounted to €1,400.0 million, and comprised:

- advertising revenue of €1,082.2 million (stable year-on-year after stripping out Publications Metro France);
 - revenue from other activities of €317.8 million, a drop of €51.8 million. This fall in revenue reflects:
 - o a negative effect of €39.9 million from changes in structure relating to the deconsolidation of Eurosport France, the Styliá channel and OneCast;
 - o lower revenue from the resale of broadcasting rights for the Rugby World Cup in 2015 than for the Football World Cup in 2014.
- After stripping out these two items, revenue from other activities increased by €5.1 million.

For the **third quarter**, the Group posted revenue of €419.3 million, down €17.7 million (4.1%) on the comparable period of 2014. This was mainly attributable to:

- advertising revenue for the four free-to-air channels, which fell by €12.9 million (4.2%);
- the shutdown of the print edition of *Metronews* in July 2015.

As anticipated, after a 1.7% rise in the first half, advertising revenue for the free-to-air channels fell in the third quarter as a result of the following factors:

- a particularly high comparative from the third quarter of 2014, mainly due to the screening of the 2014 FIFA World Cup;
- the descheduling of some prime time programmes during the summer;
- intense competitive pressure in the advertising market, largely as a result of expansion in the offering of DTT channels.

Current operating profit for the first nine months of 2015 reached €106.8 million, up €76.1 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 rose to 7.6% over the first nine months of the year.

For the third quarter, current operating profit was €9.5 million, a slight improvement on the third quarter of 2014.

A charge of €15.0 million (including €3.1 million booked in the third quarter) was recognised in “Non-current operating expenses” during the first nine months of 2015 for restructuring costs incurred by the TF1 group’s news operations. Most of this relates to the discontinuation of the print edition of *Metronews*.

Operating profit for the first nine months of 2015 came to €91.8 million, up €61.1 million year-on-year.

Net profit from continuing operations totalled €67.3 million, a year-on-year increase of €35.7 million.

The **net cash position** stood at €234.8 million as of September 30, 2015, after the dividend payout of €317.3 million in April 2015 and repurchases of the company’s own shares for €40.0 million.

The TF1 group received a cash inflow of €474.0 million on October 1, 2015 on completion of the transactions with Discovery Communications.

Analysis by segment

€m	Q1 2015	Q1 2014	Q2 2015	Q2 2014	T3 2015	T3 2014	9M 2015	9M 2014	Var. (€m)	Var. %
Broadcasting and Content	395.1	385.3	444.3	480.8	356.1	355.1	1,195.5	1,221.2	(25.7)	-2.1%
<i>of which TV advertising</i>	343.6	332.9	389.7	388.1	292.2	305.1	1,025.5	1,026.1	(0.6)	-0.1%
Consumer products	48.4	51.1	47.2	40.5	50.1	49.1	145.7	140.7	+5.0	+3.6%
Pay-TV	31.6	30.9	14.1	32.2	13.1	30.4	58.8	93.5	(34.7)	-37.1%
Holding Company & Other	-	2.4	-	2.5	-	2.4	-	7.3	(7.3)	-100.0%
Consolidated revenue	475.1	469.7	505.6	556.0	419.3	437.0	1,400.0	1,462.7	(62.7)	-4.3%
Broadcasting and Content	(12.0)	1.1	62.7	9.0	2.0	(0.9)	52.7	9.2	+43.5	x5.7
<i>of which cost of programmes</i>	(243.5)	(230.4)	(216.7)	(282.2)	(212.9)	(208.9)	(673.1)	(721.5)	+48.4	-6.7%
Consumer products	3.6	5.1	2.4	1.7	4.5	3.5	10.5	10.3	+0.2	+1.9%
Pay-TV	33.7*	(2.4)	0.2	(0.8)	(1.1)	1.6	32.8 *	(1.6)	+34.4	ns
Holding Company & Other	2.8	3.1	3.9	4.9	4.1	4.8	10.8	12.8	(2.0)	-15.6%
Current operating profit/(loss)	28.1*	6.9	69.2	14.8	9.5	9.0	106.8*	30.7	+76.1	x3.5

* includes the gain on deconsolidation of Eurosport France.

Broadcasting and Content

Audiences¹

The TF1 group’s four free-to-air channels enjoyed a combined audience share of 27.6% among individuals aged 4 and over to end September 2015, down 1.2 points year-on-year. Among “women aged under 50 purchasing decision-makers”, the audience share was 31.9%, down 0.7 of a point.

This performance should be seen in light of the specific market context, with the HD DTT channels gaining ground, intense competition in programming schedules, and non-linear consumption on the increase. Another key factor is a tough comparative arising from the screening of the FIFA World Cup in June and July 2014.

The Group is pressing ahead with its multi-channel strategy, optimising schedules across its four channels and maintaining its focus on:

- **strategic slots:** in particular the prime-time pulling power of TF1, which was the only channel to attract more than 8 million viewers during the first nine months of 2015 and achieved 49 of the top 50 audience ratings;
- **target audiences:** NT1 and HD1 expanded their audience shares by 11% and 38% respectively among “women aged under 50 purchasing decision-makers”.

¹ Source: Médiamétrie.

Financial performance

Advertising revenue for the four free-to-air channels was stable year-on-year. Revenue from the DTT channels increased over the first nine months of the year, while TF1 maintained its strategy of not eroding the value of its advertising slots.

Revenue from the Broadcasting & Content segment's other activities fell by €25.1 million year-on-year, reflecting a sharp fall in revenue from the *Metronews* freesheet and the difference in the amount generated by the resale of sports rights.

The innovation strategy at e-TF1 entered its next phase with a new version of the MYTF1 platform, providing exclusive digital content alongside the offerings of the four free-to-air channels. As a result, digital advertising revenues increased year-on-year, partly offsetting a fall in interactivity.

The cost of programmes for the Group's four free-to-air channels fell by €48.4 million year-on-year. After stripping out major sporting events and replacement programmes, the cost of programmes was slightly higher as the Group bolstered schedules on its DTT channels.

Overall, the Broadcasting and Content segment showed a €43.5 million improvement in current operating profit.

Consumer Products

Revenue for the Consumer Products segment was €5.0 million higher than a year earlier thanks to music, card/board games and VoD.

The segment posted a current operating profit of €10.5 million.

Pay-TV

Pay-TV segment revenue was down €34.7 million year-on-year. After stripping out the effect of changes in structure (Eurosport France and Styliá), revenue was higher than in the comparable period of 2014, driven by strong audience ratings (especially for TV Breizh).

Current operating profit for the segment reached €32.8 million. This figure reflects the gain arising on the deconsolidation of Eurosport France (recognised in the first quarter of 2015) and improved profitability for the theme channels in France, which partly offset the losses incurred by the LCI channel.

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 2014.

Outlook

With no clear signs of economic recovery and visibility still poor, the net TV advertising market could remain stable in the fourth quarter of 2015.

Movements in share capital

Following repurchases of the company's own shares under the share buyback programme, the Board of Directors approved the cancellation of 1,482,183 shares.

As of October 28, 2015, there were 210,501,567 shares in issue, and the total number of exercisable voting rights stood at 209,013,985. The share capital was €42,100,313.40.

Corporate governance

The Board of Directors of TF1 has approved the choice of a successor to Nonce Paolini, whose term of office as Chairman & CEO expires in the first quarter of 2016.

Acting on the advice of its Selection Committee and having concluded that it would be preferable not to separate the functions of Chairman and Chief Executive Officer, the Board of Directors has chosen Gilles Pélisson to assume the position of Chairman & CEO.

Gilles Pélisson will be appointed Chairman & CEO on 17 February 2016 and will take up this office on 19 February 2016, the day after the publication of FY 2015 results. Until this date, Gilles Pélisson will prepare himself to exercise his new functions with the assistance of Nonce Paolini.

The Board of Directors thanked Nonce Paolini most sincerely for his nine years at the helm of the TF1 group. It underlined the importance of his accomplishments, carried out with a constant eye on constructive labour relations. TF1 has maintained its leadership position during a very complex period marked by a serious economic crisis and major technological, regulatory, competitive and market change.

During the same meeting, the Board of Directors appointed Mrs Catherine Dussart as an Independent Director and Chairwoman of the Remuneration Committee. It also appointed Mrs Fanny Chabirand as a Director representing the staff and as a member of the Remuneration Committee.

Biography of Gilles Pélisson

Gilles Pélisson is 58 years old and a graduate of Essec and Harvard Business School. Gilles Pélisson has headed Eurodisney and Accor, major listed companies providing services to the public, as well as Noos and Bouygues Telecom, companies carrying out regulated activities in markets undergoing significant technological change. Gilles Pélisson has a wealth of experience in the international market and has always endeavoured to ensure constructive labour relations. He knows TF1 well where he has been a Director since 2009.

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 nine months of 2015 is available on our corporate website: <http://www.groupe-tf1.fr/>.

A conference call is scheduled for October 28, 2015 at 18.45 (Paris time).
Details of how to connect to the conference call are on our corporate website: <http://www.groupe-tf1.fr/>.

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