

PRESS RELEASE

Covid-19

TF1 group committed more than ever Our performances will be impacted

Boulogne, 23 March 2020

In response to the Covid-19 pandemic, the TF1 group is making sure that all its staff and partners carry out their duties in compliance with the safety guidance issued by the government. The health and safety of our staff and partners remain our number one priority.

The TF1 group is committed on an unprecedented scale to fulfil its mission to inform and entertain, and to meet the legitimate expectations of viewers. Across all our channels, we are adapting our schedules to circumstances day by day, so that we can offer high-quality entertainment programs, family shows, as well as reliable and transparent information on the latest developments. Our News teams, supported by experts, are particularly devoted to intensively cover this unprecedented crisis.

The recent lockdown measures announced by the government mean that all of our advertiser customers are now affected by the pandemic, though the impact varies from sector to sector. Our production and entertainment activities are also affected by the suspension of shooting, movie theater releases, live shows and concerts.

In terms of ratings for our channels, we are seeing increased consumption of our content in all forms and across all devices, and we expect consumption to keep growing. In parallel, our advertisers – particularly those in the tourism, culture and transport sectors – are having to postpone or cancel a large number of advertising campaigns. An initial significant impact will be felt in our advertising revenue performance in March, with an even greater impact in April. At this stage, we have no visibility for May and subsequent months. We are seeing similar trends in digital advertising at Unify. By contrast, our social e-commerce activities (subscription box sales) are currently less affected by the crisis.

In our Studios & Entertainment segment, content production has been gradually shutting down. Although this will lead to delays, there is no significant impact on the order book. For Newen, the suspension of the various programme genres that are shot daily (representing approximately 30% of production division revenue) will affect the overall full-year performance, as will the cancellation of cultural events scheduled to take place during the lockdown period.

As we have already proven in the past, we have a degree of flexibility in our cost base that will help us offset some of the decrease in our revenues. We are reviewing our entire TV schedules on a daily basis, in order to cushion the loss of revenue by more efficient programming. And all of our activities are under constant review to assess the consequences of the situation.

At this time of crisis, it is too soon for us to estimate how all of these impacts will affect our results, which will depend on a whole range of factors including the extent and duration of the pandemic, the preventive and support measures implemented by governments in the countries where we operate, and the eligibility of our staff for temporary lay-off support schemes.

Despite the significant economic fallout from this major crisis, we remain confident in our ability to overcome the present situation. We have a sound financial position, with low debt and access to available bilateral credit facilities. Our activities are sustainable on the long-term, and the current crisis will demonstrate the legitimacy of these businesses. As a consequence, we have to make the logical decision to suspend the objectives we announced in February 2020, until the situation becomes clearer.

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