

[14.02.2023] **PRESS RELEASE**

TF1 GROUP 2022 FULL-YEAR RESULTS

Confirmed financial strength and leadership position

**Growth in consolidated revenue, up 3.3%
of which revenue from Newen Studios up 27.5%**

Current operating margin of 12.6%

Boulogne-Billancourt, February, 14 2023

The TF1 Board of Directors, chaired by Gilles Pélisson, met on February 13, 2023, to approve the financial statements for the year ended 31 December 2022. The results below are presented by TF1 Group operating segment and in accordance with IFRS 16. Reported revenue and operating profit figures are available in the 2022 Financial Information Report, on the website: www.groupe-tf1.fr/en.

(€m)	Q4 2022	Q4 2021	2022	2021	CHG. €M	CHG. %
TF1 group advertising revenue	525.4	532.1	1,668.8	1,694.6	(25.8)	-1.5%
Revenue from other activities	242.0	243.8	838.9	732.5	106.4	14.5%
Media	637.7	660.5	2,079.8	2,091.5	(11.7)	-0.6%
Advertising revenue	525.7	531.7	1,668.9	1,694.1	(25.2)	-1.5%
o/w digital advertising revenue *	35.6	48.9	128.2	142.5	(14.3)	-10.0%
Newen Studios	129.7	115.4	427.9	335.6	92.3	27.5%
Consolidated revenue	767.4	775.9	2,507.7	2,427.1	80.6	3.3%
Media	60.4	110.8	269.0	304.6	(35.6)	-11.7%
Newen Studios	17.1	9.3	47.2	38.6	8.6	22.3%
Current operating profit**	77.5	120.1	316.2	343.2	(27.0)	-7.9%
Current operating margin	10.1%	15.5%	12.6%	14.1%	-	-1.5pt
Operating profit	77.5	115.0	301.2	332.9	(31.7)	-9.5%
Net profit attributable to the Group	25.6	78.1	176.1	225.3	(49.2)	-21.8%
Cost of programmes	(347.5)	(296.5)	(987.0)	(981.0)	(6.0)	0.6%
Current operating profit from activities***			322.2	348.7	(26.5)	-7.6%

* At end-December 2022, revenue from MYTF1 was €90,3 million, up 16.8%.

** At end-December 2022, current operating profit included €29.5 million of covid tax credit.

Excluding the effects of covid tax credit, current operating profit would be up €2.5 million (+0.8%).

***Current operating profit before amortization of intangible assets recognized from acquisitions

TF1 Group **consolidated revenue** for 2022 amounted to **€2,507.7 million**, an increase of €80.6 million year-on-year **(+3.3%)¹**.

Group advertising revenue amounted to **€1,668.9 million**, down €25.2 million (-1.5%) year-on-year, resulting from the deconsolidation of the Livingly Media and Gofeminin.de businesses on a full-year basis, and of the Unify Publishers business over the last quarter of 2022. **It was stable on a constant structure basis.**

¹ Excluding scope effects, revenue increased by €86.3 million (+3.6%) vs. end-2021.

Revenue from other Group activities totalled €838.9 million, an increase of €106.4 million year-on-year (+14.5%), driven by **the excellent performance of Newen Studios, particularly in the third quarter**.

Starting this year, the TF1 group will report a new financial indicator, current operating profit from activities, "COPA", which equates to current operating profit before amortisation and impairment of intangible assets recognised from acquisitions. This new indicator will replace current operating profit in the Group's financial information from the 2023 financial year.² For information, **COPA stood at €322.2 million at end-2022**. It corresponds to current operating profit, before amortisation of intangible assets amounting to €6.0 million³.

Current operating profit came to **€316.2 million**, down €27.0 million year-on-year. It **increased by €2.5 million without taking into account the broadcaster's tax credit** allocated in 2021 for Covid-19⁴. **Group current operating margin was 12.6%**.

Operating profit came to €301.2 million, including €15.0 million in non-recurring expenses related to the cancelled proposed merger between TF1 and M6.

Net profit attributable to the Group was **€176.1 million**, down €49.2 million year-on-year. It includes losses for the financial year as well as liquidation losses related to the closing of the Salto platform amounting to €46.1 million.

Analysis by segment

Media

— *Audience ratings*⁵

At end-December 2022, average **daily viewing time amounted to 3 hours and 19 minutes among individuals aged 4+**, down 15 minutes year-on-year. **The figure was down by only 5 minutes compared with end-December 2019**, the pre-Covid reference year.

TF1 delivered a solid performance in 2022, thanks to a premium, events-driven line-up and a popular news offering, in a year marked by major political, international and sports events. Against a backdrop of heightened competition, especially from 24-hour news channels, TF1 maintained its leadership on commercial targets. In 2022, TF1 achieved an audience share of 33.6% among W<50PDM (up 0.1 pt year-on-year) and 30.5% among 25-49-year-olds (up 0.3 pt year-on-year).

In 2022, the channel held 77 of the top 100 ratings among individuals aged 4+, 81 of the top 100 ratings among W<50PDM and 90 of the top 100 ratings among 25-49-year-olds, thanks to its extensive and diverse line-up. In 2022, **TF1 was the only channel to attract more than 7 million viewers across all genres:**

- **Must-see sports events**, such as the **FIFA World Cup Qatar 2022™** featuring the French team which attracted **24.1 million viewers for the FIFA World Cup Qatar 2022™ final**, the largest audience ever recorded for any TV programme on any channel;

² The "Current operating profit" indicator will continue to be shown as a line item in the financial statements, and the financial publications released by the Group will include a reconciliation table of "Current operating profit from activities" to "Current operating profit".

³ Including €1.1m for the Media segment and €4.9m for Newen.

⁴ €29.5m broadcaster tax credit allocated in 2021.

⁵ TV and video viewing figures from Médiamétrie.

- **A news offering that was more than ever a reference in a year involving major international and national events**, notably with *le débat de l'entre-deux tours* (debate between the two presidential candidates in France) watched by 7.5 million viewers on the TF1 channel. The news bulletins confirmed their leadership position, with the TF1 8pm news bulletin *Le journal de 20h*, attracting 5.2 million viewers on average, and the TF1 1pm news bulletin *Le journal de 13h*, attracting 4.5 million viewers on average;
- **A strong line-up of French drama programmes** with season 2 of *HPI* which achieved the top eight drama audiences of the year, averaging 9.8 million viewers, and the launch of *Les Combattantes* (up to 7 million viewers and 34% audience share among W<50PDM);
- **Iconic entertainment shows** with high ratings, as illustrated by the much-awaited relaunch of *Star Academy* (average audience share of 43% among W<50PDM), and the performance of the flagship brands *Koh-Lanta* (average audience share of 38% among W<50PDM) and *Mask Singer* (average audience share of 35% among W<50PDM).

This unique editorial offering is available in linear and non-linear formats. In 2022, TF1 Group achieved promising results with its **MYTF1 free streaming platform**. At end-December 2022, MYTF1 recorded more than **26 million monthly catch-uppers**, and had the **30 best replays** with *HPI* in first place (and an additional 2.1 million viewers via the platform).

— **Revenue for the Media segment reached €2,079.8 million, almost stable at -0.6%.**

- The **Media segment generated advertising revenue** of €1,668.9 million at end-December 2022, **stable on a constant structure basis**. Excluding scope effects, advertising revenue in the fourth quarter was up €11 million (+2.1%), driven by the excellent performances of the matches at the **FIFA World Cup Qatar 2022™**.
- **Digital advertising revenue** amounted to €128.2 million⁶. It included the advertising revenue of **MYTF1**, which stood at €90.3 million, **up sharply compared to end-December 2021 (+16.8%)**.
- **Revenue from other Media segment activities** rose by €13.7 million year-on-year (+3.4%) on the back of growth in the entertainment business, with a notable recovery in live show activities.

— **The TF1 group's programme costs totalled €987.0 million, stable year-on-year, in a year featuring the broadcast of the FIFA World Cup Qatar 2022™**. This performance demonstrates **the Group's ability to control its spending and achieve savings when necessary, while maintaining a powerful, events-focused programme offering** that increases the audience share gap between the TF1 channel and its main challenger among the W<50PDM target audience (+0.7 pt year-on-year).

— **Current operating profit in the Media segment stood at €269.0 million, generating a current operating margin of 12.9%.**

⁶ The decline in digital advertising revenue (-€14.3m) was fully attributable to the deconsolidation of the Livingly Media and Gofeminin.de businesses on a full-year basis, and of the Unify Publishers business over the last quarter of 2022.

Newen Studios⁷

- **The Newen Studios segment posted revenue of €427.9 million at end-December 2022, a sharp increase of €92.3 million year-on-year (+27.5%).** This increase includes organic growth of €46.0 million (+13.7%). The segment delivered **a solid performance in Q4 2022**, with revenue up by €14.3 million (+12.4% vs. 2021).

In 2022, business at Newen Studios benefitted from the **delivery of prestigious productions such as *Liaison for Apple TV+* and *Marie-Antoinette for Canal+***. These orders placed with platforms reflect the segment's ability to produce high-quality content for new clients and historic partners.

In addition, Newen Studios continued its international growth with the aim of developing its skills. In July 2022, Newen acquired an equity interest in the British studio **Rise Films** which **strengthens its presence in documentaries** and in October 2022, Newen Studios acquired the **Anagram studio (Sweden and Norway)**, which will provide the segment a position in the **fast-expanding market of Scandinavian dramas**.

- **The segment reported current operating profit of €47.2 million year-on-year**, an increase of €8.6 million (+22.3%). The segment's current operating margin was 11.0%.

Financial position

Shareholders' equity attributable to the Group was €1,862.9 million at 31 December 2022 out of a balance sheet total of €3,642.9 million.

Free cash flow after changes in the TF1 group's operating WCR amounted to €127.0 million.

The TF1 group posted a net cash position of €325.7 million at 31 December 2022 (net cash position of €251.4 million including lease obligations), compared with €198.5 million at end-December 2021 (net cash position of €134.8 million including lease obligations).

Non-financial performance

In 2022, **the TF1 group renewed its commitment to favour a more sustainable, inclusive and environmentally respectful society.**

On 30 June 2022, the TF1 group signed a Climate Contract with ARCOM, the French Audiovisual and Digital Advertising Regulator, as part of the French Climate and Resilience Act, which notably aims to regulate the marketing of products with an excessive impact on the climate. To this end, the Group is strengthening its environmental action plan targeting a 30% cut in its carbon impact by 2030, and has committed to offering preferential sales conditions for information campaigns by authorities and charities, to discussing topics in programmes linked to the fight against climate change, and to regularly invite environmental experts on set.

Diversity and inclusion, whether in external content or internally, have also been a top priority for the Group, particularly through "Expertes à la Une", a mentoring support programme for women experts in the media that won the Grand Prix Diversity and Inclusion in the Gender Equality category.

⁷The Games businesses (TF1 Games and Dujardin) sold in April 2021 are maintained in the history of the Newen Studios segment.

The Group's commitment was recognised in several non-financial indices such as DJSI (World) and MSCI. In particular, Moody's ESG Solutions ranked TF1 as the number one European company in the Broadcasting & Advertising sector for its CSR performance.

In compliance with the European Taxonomy (regulation (EU) 2020/852), the Group has identified the portion of its activities which are considered sustainable for 2022. TF1's activities related to the production, broadcasting and programming of content, live shows and music recording are considered eligible as revenue (approximately 90% of consolidated revenue).

The share of aligned revenue at TF1 (around 3%) has been estimated on a pro-rata basis according to the amount of airtime dedicated to programmes dealing with the environment, the environmental or climate transition - as defined in the Media Climate Contract with ARCOM. CAPEX is also aligned at 3%. With respect to the Group's OPEX, their eligible portion is not substantial.

Movements in share capital

As of 31 December 2022, both the number of shares and the number of voting rights stood at 210,485,635, given that TF1 did not hold any of its own shares. The share capital stood at €42,097,127.

Governance

Gilles Pélisson resigned from his role as Chairman of the Board of Directors and as a Director, effective at the end of the Board of Directors' meeting on February 13, 2023. Rodolphe Belmer, who was previously appointed Chief Executive Officer of the Company by the Board of Directors on October 27, 2022, was co-opted as Director at the Board of Directors' meeting on February 13, 2023, for the remaining period of his predecessor's term of office, which is until the end of the General Meeting called, in 2025, to approve the financial statements for the 2024 financial year. The Board of Directors also decided to appoint Rodolphe Belmer as Chairman of the Board. As a result, following the Board of Directors' meeting on February 13, 2023, Rodolphe Belmer became Chairman and Chief Executive Officer of TF1 Group.

The Board of Directors thanked Gilles Pélisson warmly for his dedication and work for the Group as a Board Member over the last fourteen years and as Chairman and Chief Executive Officer over the last seven years.

Acting on the advice of the Selection and Remuneration Committee, the Board of Directors appointed Julie Burguburu as Ethics Officer of TF1 Group during its meeting on February 13, 2023. The Board of Directors will ask the General Meeting of April 14, 2023, to ratify the co-opting of Rodolphe Belmer as Director and to renew the mandates of Olivier Bouygues and Catherine Dussart as Directors for a period of three years.

Subject to the adoption of the corresponding resolutions by the shareholders, the TF1 Board of Directors would have, among its non-employee directors, three women as Independent Directors, meaning that 37.5% of the Directors would be independent and 50% would be women (without taking into account (i) the two Employee Representative Directors and (ii) the Employee Shareholder Representative Director to be appointed, all of whom are women).

Subject to the adoption by the General Meeting of April 14, 2023, of the resolution on the introduction of a new Article 16 - "Censor" in the Company's Articles of Association, the Board of Directors would appoint Didier Casas as Censor at the end of this General Meeting. The Non-Voting Director would be responsible for ensuring the proper implementation of the Articles of

Association and will be consulted by the Chairman of the Board of Directors on the Group's strategic decisions.

Outlook

In the **Media** operating segment, TF1 Group will keep on developing **on linear** an increasingly high-quality offer of **events, series and family content that can be accessed free of charge** to consolidate its **differentiated reach** and **maximize the value of its advertising inventories**.

The Group will leverage its editorial line-up, comprising major events such as the Rugby World Cup 2023 and strong brands – including *Koh Lanta*, *The Voice*, *Star Academy* as well as its daily shows, to underpin its non-linear and digital development, and **establish MYTF1 as the first Free-to-View streaming service on the French market**. TF1 aims to capitalise on the digitalisation of usage to strengthen its knowledge of its audiences, thereby **adding value to advertising inventories**.

With the same programmes, the Group will generate **high audience ratings across its linear and non-linear broadcasting, with an overall stable cost base**.

After several years of strong growth, **Newen Studios** has reached a critical size, enabling the segment to be competitive worldwide and to represent **a high-value asset for the Group**. From now on, the segment will mainly focus on its **organic growth**.

In 2023, the TF1 group will cement its leadership position and **maintain a broadly stable current operating margin of activities**. The Group will continue to generate cash flow in order to aim for a growing or stable dividend policy over the next few years. The Board of Directors will propose to the General Meeting of Shareholders of April 14, 2023, the **payment of a dividend of fifty eurocents (€0.50) per share**.

Executive remuneration

In accordance with the AFEP-MEDEF recommendations, disclosures about executive remuneration are being published today on our corporate website at www.groupe-tf1.fr/en: go to Investors / Governance / Report on Remuneration.

Our Financial Information Report for 2022 is available at <https://www.groupe-tf1.fr/en>.
A conference call presenting the full-year 2022 results is scheduled for 9.30 a.m. CET on February 14, 2023.
For details of how to connect, go to <https://www.groupe-tf1.fr/en/investors/results-and-publications>, and click on "Access our results announcements for the current year".

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