

# [27.10.2023] PRESS RELEASE

## Q3 AND NINE-MONTH 2023 RESULTS

**Increased audiences<sup>1</sup>, notably driven by Rugby World Cup**  
**Q3 media advertising revenues up 9.7%<sup>2</sup> ; 24.9% rise for MYTF1 streaming platform**  
**Q3 Group COPA margin up 0.9 pt**  
**Strong cashflow generation<sup>3</sup>, contributing to solid financial position**  
**Objectives for Full Year 2023 confirmed**

Boulogne-Billancourt, October 27, 2023

The TF1 Board of Directors, chaired by Rodolphe Belmer, met on October 26, 2023, to approve the financial statements for the Third Quarter and the First Nine Months of 2023. The results below are presented by TF1 Group operating segment.

(€m)	Q3 2023	Q3 2022	CHG. €m	CHG. %	9m 2023	9m 2022	CHG. €m	CHG. %
Media <sup>a</sup>	445.2	413.6	31.6	7.6%	1,349.6	1,442.1	(92.5)	-6.4%
Advertising revenue <sup>b</sup>	350.8	327.7	23.1	7.0%	1,097.2	1,143.2	(46.0)	-4.0%
o/w MYTF1 advertising revenue <sup>c</sup>	22.1	17.7	4.4	24.9%	68.3	58.7	9.6	16.4%
Non advertising Media revenue <sup>d</sup>	94.4	85.9	8.5	9.9%	252.4	298.9	(46.5)	-15.6%
Newen Studios	64.2	139.8	(75.6)	-54.1%	197.9	298.2	(100.3)	-33.6%
<b>Consolidated revenue<sup>e</sup></b>	<b>509.4</b>	<b>553.4</b>	<b>(44.0)</b>	<b>-8.0%</b>	<b>1,547.5</b>	<b>1,740.3</b>	<b>(192.8)</b>	<b>-11.1%</b>
Media	45.2	37.2	8.0	21.4%	191.4	209.7	(18.3)	-8.7%
Newen Studios	6.6	13.9	(7.3)	-52.4%	12.6	33.5	(20.9)	-62.4%
<b>Current operating profit from activities<sup>f</sup></b>	<b>51.7</b>	<b>51.1</b>	<b>0.6</b>	<b>1.2%</b>	<b>204.0</b>	<b>243.2</b>	<b>(39.2)</b>	<b>-16.1%</b>
Current operating profit from activities margin	10.1%	9.2%	-	+0.9PT	13.2%	14.0%	-	-0.8PT
<b>Current operating profit</b>	<b>50.6</b>	<b>50.0</b>	<b>0.6</b>	<b>1.2%</b>	<b>200.9</b>	<b>238.7</b>	<b>(37.8)</b>	<b>-15.8%</b>
<b>Operating profit</b>	<b>45.4</b>	<b>41.9</b>	<b>3.5</b>	<b>8.4%</b>	<b>176.6</b>	<b>223.7</b>	<b>(47.2)</b>	<b>-21.1%</b>
<b>Net profit attributable to the Group</b>	<b>37.7</b>	<b>24.0</b>	<b>13.7</b>	<b>57.1%</b>	<b>139.0</b>	<b>150.5</b>	<b>(11.5)</b>	<b>-7.6%</b>
Cost of programmes	(225.0)	(198.9)	(26.1)	13.1%	(628.9)	(639.5)	10.6	-1.7%
<b>Net cash<sup>g</sup></b>	<b>364.1</b>	<b>295.6</b>	<b>68.5</b>	<b>23.2%</b>	<b>364.1</b>	<b>295.6</b>	<b>68.5</b>	<b>23.2%</b>

<sup>a</sup> Excluding scope effects, +11.1% in Q3 and -1.3% at end-September (vs 2022).

<sup>b</sup> Excluding scope effects, +9.7% in Q3 and -1.6% at end-September (vs 2022).

<sup>c</sup> With the deconsolidation of Unify Publishers in Q4 2022, the KPI related to digital advertising revenue is replaced by MYTF1 advertising revenue.

<sup>d</sup> Excluding scope effects, +16.6% in Q3 and -0.4% at end-September (vs 2022).

<sup>e</sup> Excluding scope effects, -6.0% in Q3 and -8.4% at end-September (vs 2022).

<sup>f</sup> Current operating profit from activities, "COPA", which equates to current operating profit before amortisation and impairment

<sup>g</sup> Before the impact of lease obligations.

<sup>1</sup> Audience share up 0.1 pt on commercial target W<50PDM, and +0.4 pt on commercial target 25-49-year-olds.

<sup>2</sup> Constant perimeter.

<sup>3</sup> At end-September, free cashflow before changes in working capital stood at 111.6 million euros.

### Third Quarter 2023 results

Third-quarter 2023 **consolidated revenues** for TF1 Group amounted to **509.4 million euros**, down 6.0% (constant perimeter)<sup>4</sup>.

Group **advertising revenues** stood at **350.8 million euros, up by 9.7%** (constant perimeter), boosted in particular by the **Rugby World Cup**.

**Revenues of Newen Studios** amounted to **64.2 million euros**, down 54.1%, reflecting a tough prior year base effect.

**Current operating profit from activities (COPA)** stood at **51.7 million euros, up 1.2%**. It equated to a **margin of 10.1%, up 0.9 pt, with a Media margin up 1.1 pts, and a Newen Studios margin of 10.3% up 0.3 pt**. Current operating profit amounted to 50.6 million euros.

**Operating profit** stood at **45.4 million euros** including a net **-5.2 million euros of non-recurring items**, mainly linked to the rationalisation of the Group's real estate in the context of the recently launched **cost optimisation plan**<sup>5</sup>.

**Net profit attributable to the Group** was **€37.7 million**, representing a **rise of 57.1%** year-on-year.

### Nine-Month 2023 results

**Nine-Month 2023 consolidated revenues** for TF1 Group amounted to **1,547.5 million euros**, down 8.4% (constant perimeter).

**Current operating profit from activities (COPA)** stood at **204.0 million euros**, down 16.1% year-on-year, and implying a **margin of 13.2%, close to that of 2022**.

**At end September 2023, the net cash position stood at 364.1 million euros**, versus 295.6 million euros a year earlier, **an increase of 68.5 million euros (+23.2%)** after a **dividend of 105.2 million euros** in April 2023.

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<sup>4</sup> Excluding scope effects linked with the deconsolidation of Unify and the consolidation of Anagram (Newen).

<sup>5</sup> Optimisation plan aimed at gradually achieving more than €40 million euros in operational cost savings (Real estate, IT, procurement, and organisation) from 2025 onwards, of which €10-15. million will be reinvested in the digital acceleration plan.

## Analysis by segment

### Media

#### — Audiences<sup>6</sup>

**TF1 Group reaches an audience of some 50 million viewers per week**, offering a unique value proposition to advertisers. Since the start of the year, **it has reinforced its leadership position on key commercial audience targets<sup>7</sup> while showcasing its ability to manage its programming costs.**

At end-September, the Group's **programme line-up included** several major events, notably **the Rugby World Cup** broadcast on its flagship TF1 channel (**which attracted an audience of 15.6 million for the opening match**, a record for the year to date), **as well as the return of major franchises, such as the crime-comedy series 'HPI'** (High IQ).

This contributed to the following performances for the nine months:

- Among the W<50PDM audience target, TF1 reached a market share of 22.9%, up 0.7 pt, and representing **a lead on its closest competitor (+9.2 pts) which has gathered pace relative to H1;**
- Among the 25-49 age group, TF1's audience share stood at 20.1%, a robust increase of 0.6 pt.

The MYTF1 streaming platform further confirmed its growth potential, **with an average 27.4 million<sup>8</sup> streamers** over the eight months to end August 2023. It recorded a total of **682.9 million hours of viewing, representing a rise of 8% year-on-year, twice the level of the broader market which progressed by 4%.**

#### — Total revenues for the Media segment amounted to 445.2 million euros in Q3, up 11.1% (constant perimeter).

- **Media advertising revenues stood at 350.8 million euros, a 9.7% increase** (constant perimeter), notably driven by the **Rugby World Cup in September.**
- Within this, the **media advertising revenues of MYTF1 pursued their strong dynamic, with a 24.9% year-on-year increase to 22.1 million euros.**
- **Non-advertising media revenues stood at 94.4 million euros, up 16.6%** (constant perimeter). This performance was notably driven by the **positive performance of interactive features<sup>9</sup>** proposed during the Rugby World Cup.

#### — Current operating profit from activities in the Media segment stood at 45.2 million euros, implying a margin of **10.1%, up 1.1 pts. This margin increase illustrates the Group's ability to monetise major sporting events like the Rugby World Cup.**

<sup>6</sup> TV and video viewing figures from Médiamétrie (Mediamat and TV 4 Screens).

<sup>7</sup> Audience share up 0.1 pt on commercial targets W<50PDM, and +0.4 pt on commercial targets 25-49-year-olds.

<sup>8</sup> Médiamétrie TV 4 screens – January to August 2023.

<sup>9</sup> Games and other interactive features involving viewers.

- Finally, as a reminder the Group launched **an optimisation plan aimed at gradually achieving over €40 million euros in operational cost savings<sup>10</sup> from 2025 onwards**, of which €10-15 million will be reinvested in the digital acceleration plan.

### **Newen Studios**

- **Newen Studios delivered revenues of 64.2 million euros in Q3**, a decline of 54.1%.

It reflects the ongoing tough comparison base relative to 2022, **with the end of the popular daily soap, 'Plus belle la vie', for France Télévisions and of the activity with SALTO** following its closure in February 2023, **accentuated by the delivery in Q3 2022 of flagship series 'Liaison' (Apple TV) and 'Marie-Antoinette' (Canal+)**.

- **The current operating profit of Newen Studios amounted to 6.6 million euros, representing a margin of 10.3%**, stable quarter-on-quarter and above the level of Q3 2022.

### **Financial position**

**Free cashflow before changes in working capital requirement stood at 111.6 million euros, confirming the Group's effective cash-conversion record.** Free cashflow after changes in working capital stood at 161.2 million euros, stable relative to end-September 2022.

**The Group continues to benefit from a robust financial position, with net cash of 364.1 million euros at end-September 2023**, up 38.4 million euros since December 2022.

### **Outlook**

**In the media segment**, the advertising market in the Second half could return to a similar level to that of 2022.

Against this backdrop, TF1 Group revenues will benefit from the broadcast of **the final stages of the Rugby World Cup in Q4, as well as the return of major franchises such as the talent show, 'Star Academy', with both a high linear and streaming appeal.**

- **In linear**, TF1 group will continue to develop an increasingly high-quality offer of events, series, and general entertainment to **consolidate its differentiated reach and maximise the value of its advertising inventories**, while pursuing its successful efforts to control programming costs.
- **The MYTF1 streaming platform will pursue its ambition to be the benchmark French free-to-view streaming service, leveraging the synergies with the Group's unparalleled content line-up, and maximising the value of its inventories through a reinforced data strategy.**

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<sup>10</sup> Real estate, IT, procurement, and organisation.

After delivering numerous flagship projects in 2022, **2023 represents a year of transition for Newen Studios during which it will leverage its strong talent pool to develop new projects to underpin growth in the years ahead.**

**In this context, the Group's objectives are confirmed:**

- **Further cement its leadership position and maintain a broadly stable current operating margin from activities in 2023 ;**
- **Generate strong free cash flow, underpinning a shareholder remuneration policy of a growing or stable dividend in the coming years.**

Our Financial Information Report for the first nine months of 2023 is available at <https://www.groupe-tf1.fr/en>.  
A conference call presenting the results is scheduled for 9.00 a.m. CET on October 27, 2023.  
For details on 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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