

[28.10.2021] **PRESS RELEASE**

TF1 GROUP RESULTS FOR THE FIRST NINE MONTHS OF 2021

Nine-month consolidated revenue at €1,651.2m (up 21.3% vs. 9m 2020)

of which revenue from other activities at €488.7m (up 22.0% vs. 9m 2020 and up 7.1% vs. 9m 2019)

Current operating profit at €223.1m (up 77.6% vs. 9m 2020 and up 21.0% vs. 9m 2019) and current operating margin of 13.5%

Increase of 2021 guidance: current operating margin above 12%

Boulogne, 28 October 2021

The TF1 Board of Directors, chaired by Gilles Pélisson, met on 28 October 2021 to close off the financial statements for the first nine months of 2021. The results below are presented using the segmental reporting structure adopted by the TF1 group and in accordance with IFRS 16. Published revenue and operating profit data are available in our 2021 first-nine months Financial Information Report and on the TF1 group corporate website: www.groupe-tf1.fr/en.

(€m)	Q3 2021	Q3 2020	9m 2021	9m 2020	CHG. €M	CHG. %	9M 2019
TF1 group advertising revenue*	360.0	345.8	1162.5	960.8	201.7	21.0%	1 158.4
Revenue from other activities*	162.5	132.1	488.7	400.6	88.1	22.0%	456.2
Media **	447.6	424.8	1 431.0	1 209.8	221.2	18.3%	
Advertising revenue**	360.0	345.4	1162.4	960.4	202.0	21.0%	
o/w digital advertising revenue**	30.6	31.2	93.6	83.9	9.8	11.6%	
Newen Studios**	74.9	53.1	220.2	151.6	68.6	45.3%	
Consolidated revenue*	522.5	477.9	1651.2	1361.4	289.8	21.3%	1 614.6
Media **	46.5	51.0	193.9	121.8	72.1	59.2%	
Newen Studios**	7.5	6.8	29.2	3.8	25.4	x7.5	
Current operating profit*	54.0	57.8	223.1	125.6	97.5	77.6%	184.4
Current operating margin*	10.3%	12.1%	13.5%	9.2%	-	+4.3pts	11.4%
Operating profit*	51.2	57.8	217.9	125.6	92.3	73.5%	184.4
Net profit attributable to the Group*	38.6	38.7	147.0	77.1	69.9	90.7%	117.8
Cost of programmes for the 5 channels*	(208.8)	(183.0)	(657.5)	(521.8)	(135.7)	26.0%	(659.7)
Cost of programmes***	(218.1)	(191.3)	(684.5)	(546.7)	(137.8)	25.2%	(679.9)

*Published data

**Proforma data

***"Cost of programmes" is a new indicator, which replaces "Cost of programmes for the 5 channels" from 31 March 2021. Unlike the previous indicator, it includes costs associated with non-linear activities (MYTF1, LCI Digital) and with the theme channels (TV Breizh, Ushuaïa TV and Histoire TV).

Consolidated revenue of the TF1 group for the first nine months of 2021 amounted to **€1,651.2 million**, a sharp increase of €289.8 million year-on-year **(+21.3%¹)**. **It was also higher than the level reached at end-September 2019 (€1,614.6 million)**.

Group advertising revenue was €1,162.5 million, a year-on-year rise of €201.7 million **(+21.0%)**. Demand for TV advertising screens increased versus a very high comparative in Q3 2020.

Revenue from other activities amounted to €488.7 million, up €88.1 million **(+22.0%)**. This sharp increase, which concerns both content production activities at Newen Studios and music and advertiser services, reflects the success of the Group's diversification strategy.

Current operating profit for the first nine months of 2021 totalled **€223.1 million**, up €97.5 million year-on-year **(+77.6%)** and an increase of €38.7 million versus 2019 (+21.0%).

For the first nine months of 2021, **the current operating margin was 13.5%** (11.8% excluding government support), **versus 9.2% in 2020 and 11.4% in 2019, representing the highest margin in five years**. It includes €27.7 million of government support, of which €6.7 million in Q3 2021.

Operating profit came to €217.9 million, after external expense of €5.2 million relating to the proposed merger between TF1 and M6.

Net profit attributable to the Group was **€147.0 million**, up €69.9 million year-on-year.

Analysis by segment

Media

— *Audience ratings²*

For the first nine months of 2021, French television continued to largely bring French audiences together. **Average daily viewing time among individuals aged 4+** was 3 hours 36 minutes, down year-on-year but **16 minutes higher than in the first nine months of 2019**.

In a highly competitive environment with heavy newsflow in sport and politics, **TF1 Group's audience share among advertising targets rose to a high level. It increased by 1.2 point year-on-year among W<50PDM³ (33.0%) and 0.8 of a point among 25-49 year-olds (30.0%)**, demonstrating the appeal of the Group's channels.

The first nine months of 2021 posted successes across all targets and content genres. On the back of **strong ratings for the series, HPI** (up to **12.4 million viewers**), **French drama did not stop engaging audiences, including the all-new Mensonges** (up to **6.7 million viewers**, 32% audience share among W<50PDM on average). **Sport continued its line-up of must-see events**, with *the Euro 2020* football tournament which attracted a peak audience of **16.4 million** for the France/Switzerland match. The back-to-school period saw the resumption

¹On a constant structure basis and at constant exchange rates, consolidated revenue was up 21.9%.

² TV viewing figures from Médiamétrie over 9 months.

³ Women aged under 50 purchasing decision-makers.

of **iconic entertainment shows** such as *Koh-Lanta* (up to **6.8 million viewers, 45.7% audience share** among W<50PDM and 25-49 year-olds). **News coverage remains extremely popular**, as illustrated by audiences for the daily evening news bulletin (up to **8.8 million viewers**) and the audience share for the lunchtime bulletin (up to **48.2% audience share** of individuals aged 4+).

The MyTF1 digital platform also posted strong performance, with the **leverage of non-linear viewing figures**, racking up 2.0 billion video views at end-September 2021, **up 20% year-on-year**. As of end-September 2021, it had more than **25 million** subscribers.

- **Revenue for the Media segment reached €1,431.0 million, an increase of €221.2 million (+18.3%).**
 - **Media segment advertising revenue** for the first nine months of 2021 was up 21.0% at €1,162.4 million. An improved economic climate is driving favourable trends, with advertisers still attracted to the pulling power of TV. Revenue has also been boosted by the efforts of the ad sales house, particularly day slots such as access prime time where we are gaining audience share. **Digital advertising revenue** amounted to €93.6 million, up €9.8 million on the first nine months of 2020, driven mainly by MyTF1.
 - **Revenue from other Media segment activities** increased by €19.2 million year-on-year, boosted in particular by a recovery in advertiser services⁴.
- **TF1 Group's cost of programmes reached €684.5 million**, an increase versus the first nine months of 2020, a year which was marked by substantial cost savings against the backdrop of Covid-19, but in line with 9m 2019 levels. During the 2021 back-to-school period, in a buoyant advertising market, the Group positioned its spend on successful programmes in drama and entertainment, thereby improving its targeted audience share.
- **The Media segment reported current operating profit of €193.9 million**, a year-on-year rise of €72.1 million, generating a **current operating margin of 13.5% (a 3.4-point increase year-on-year)**.

Newen Studios⁵

The Newen Studios group, which has operations in eight countries, produces and distributes content across several genres such as drama, unscripted shows, cartoons, documentaries, TV movies, and feature films.

- **The Newen Studios segment posted revenue of €220.2 million for the first nine months of 2021, up 45.3% year-on-year.** Excluding the impact of changes in structure from the deconsolidated Games business, Newen Studios reported a 57.8% increase in revenue.

⁴ Such as Gammed, Magnetism, Ykone.

⁵ In the first nine months of 2021, the divested activities of TF1 Games were maintained within the Newen Studios segment.

Business at Newen Studios during the first nine months was boosted by a catch-up effect, with some productions scheduled for 2020 (especially in Canada and Belgium) having been postponed.

Newen is stepping up its international growth strategy, as reflected in its acquisition of a majority stake in German production company, Flare Films, in September, after the acquisition of Spanish production studio, iZen, in April. **Overall revenue at Newen Studios trended upwards, with activities outside France accounting for 47.2% of total revenue.**

At end-September, filming was completed for *Liaison*, the first major French-English series to be commissioned by Apple TV+ in Europe, which is co-produced by Newen subsidiaries, Léonis Productions and Ringside Studios. September also saw the start of Capa Drama's shooting of the Canal+ series *Marie-Antoinette*. **For the first nine months of 2021, the book of orders increased to more than 1,800 hours.**

Distribution activities are also buoyant, as witnessed by new series, *HPI*, which is already distributed by Newen in 50 countries outside France and has been acquired for a prime-time slot on Rai Uno.

- **The Newen Studios segment reported current operating profit of €29.2 million.** As such, the segment returns to a **current operating margin of 13.3%, in line with normative performance.**

Financial position

Shareholders' equity attributable to the Group was **€1,653.5 million** as of 30 September 2021 out of a balance sheet total of €3 493.7 million.

Free cash flow (before changes in WCR) **amounted to €164.6 million in the first nine months of 2021**, versus €50.7 million for the same period in 2020.

TF1 Group reported a **net cash position of €36.3 million as of 30 September 2021** (net debt of €35.7 million including lease obligations), compared with net debt of €0.7 million at 31 December 2020 (net debt of €93.1 million including lease obligations).

Extra-financial performance

In line with the series of extra-financial⁶ initiatives already undertaken, and particularly those concerning **responsible advertising**, in early July, the TF1 Pub ad sales house announced the launch of an environmental advertising fund. Each "green"⁷ advertising campaign will trigger a contribution from TF1 Group to **an Eco fund**. By communicating on their green products and services, companies will also contribute to financing general interest campaigns free of charge. Such campaigns will champion both sustainability and responsible consumption. These awareness

⁶For further information regarding the six Group-wide priorities identified for 2021, please refer to our 2020 Universal Registration Document: https://groupe-tf1.fr/sites/default/files/pdf-financiers/tf1_urd_en_2020_vdef3_0.pdf

⁷ Namely, displaying one eligibility criterion in its advertising spot (labels certified by the French Environmental Agency (ADEME), energy label, reparability index, environmental labelling, etc.).

campaigns, which will identify participating companies, will provide our clients with a useful catalyst for promoting their environmental approach.

Moreover, **TF1 Group's commitment to CSR was recently recognised by the extra-financial rating agency, EthiFinance.** The Group **was ranked third in EthiFinance's Gaïa index** in the category of companies with revenue greater than €500m.

In anticipation of the application of the European Taxonomy regulation (EU) 2020/852, TF1 Group is working on identifying the portion of its activities which are considered sustainable for 2021.

Outlook

The guidance below assumes no further deterioration in the public health situation.

At the end of 2021, our audiences and advertisers will enjoy a rich and diverse line-up, accessible by both linear and non-linear viewers. It will feature all-new French dramas, *Une si longue nuit* and *Mon Ange*, as well as must-see entertainment programmes such as the *NRJ Music Awards* and the new season of *Mask Singer*. The convergence of TV and digital content will strengthen our ad sales house value creation drivers.

Newen Studios will pursue its objectives **of growing revenue outside the French market and increasing its book of orders with pure player platforms.**

Buoyed by its good performance in the first nine months of 2021, **TF1 Group increases its guidance of a double-digit current operating margin above 12% in 2021.**

Our Financial Information Report for the first nine months of 2021 is available at <https://www.groupe-tf1.fr/en>.
A conference call on our third-quarter results is scheduled for 6.30 p.m. CET on 28 October 2021.
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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