



**Management Report
First Quarter 2023**

Management Report – 1st Quarter 2023

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1. Q1 2023 financial information

1.1 Consolidated results

Financial indicators

These key figures are extracted from TF1 group consolidated financial data. The results below are presented in accordance with IFRS 16.

The results below are presented using the segmental reporting structure as described in Note 3 to the consolidated financial statements.

(€m)	Q12023	Q12022
Revenue	479.7	561.3
Group advertising revenue	340.7	377.1
Revenue from other activities	139.0	184.2
Current operating profit/(loss) from activities	39.9	61.4
Current operating profit/(loss)	38.8	59.6
Operating profit/(loss)	33.6	56.2
Net profit/(loss) from continuing operations	28.1	34.1
Operating cash flow after cost of net debt, interest expense on lease obligations and income taxes paid	89.6	130.9
Basic earnings per share from continuing operations (€)	0.13	0.16
Diluted earnings per share from continuing operations (€)	0.13	0.16
Shareholders' equity attributable to the Group	1,891.0	1,797.5
Net cash/(debt) of continuing operations	468.2	379.4

	Q12023	Q12022
Weighted average number of ordinary shares outstanding ('000)	210,623	210,486
Closing share price at end of yeae period (€)	8.14	8.81
Market capitalisation at end of the period (€bn)	1.71	1.85

Income statement contributions – continuing operations

The results below are presented using the segmental reporting structure as described in Note 3 to the consolidated financial statements.

(€m)	Q1 2023	Q1 2022	CHG. €m	CHG. %
Media	419.1	485.5	(66.4)	(13.7%)
Advertising revenue ¹	340.7	377.1	(36.4)	(9.7%)
o/w MYTF1 advertising revenue ²	20.2	17.3	3.0	17.3%
Non advertising Media revenue ³	78.4	108.4	(30.0)	(27.7%)
Newen Studios	60.6	75.8	(15.2)	(20.1%)
Consolidated revenue	479.7	561.3	(81.6)	(14.5%)
Media	41.4	57.5	(16.0)	(27.9%)
Newen Studios	(1.6)	3.9	(5.5)	-
Current operating profit from activities⁴	39.9	61.4	(21.5)	(35.0%)
Current operating profit from activities margin	8.3%	10.9%	-	(2.6pt)
Current operating profit	38.8	59.6	(20.8)	(34.9%)
Operating profit	33.6	56.2	(22.6)	(40.2%)
Net profit attributable to the Group	28.1	34.1	(6.0)	(17.6%)
Cost of programmes	(200.6)	(220.0)	19.4	(8.8%)
Net cash ⁵	468.2	379.4	88.8	23.4%

¹ Excluding the effect of changes in structure, Media advertising revenue decreased by €25.1 million, or an evolution of -6.9% vs Q1 2022.

² With the deconsolidation of Unify Publishers in Q4 2022, the KPI related to digital advertising revenue is replaced by MYTF1 advertising revenue.

³ Excluding the effect of changes in structure, Media non advertising revenue decreased by €7.7 million, or an evolution of -9.0% vs Q1 2022.

⁴ Current operating profit before amortisation and impairment of intangible assets recognised from acquisitions.

⁵ Exclusive of lease obligations.

Analysis of cost of programmes

(€m)	Q1 2023	Q1 2022
Total cost of programmes	(200.6)	(220.0)
TV dramas / TV movies / Series / Theatre	(62.1)	(78.7)
Entertainment	(62.0)	(66.8)
Movies	(24.3)	(28.3)
News (including LCI)	(34.0)	(35.3)
Sport	(16.1)	(8.5)
Kids	(2.2)	(2.4)

1.2 Significant events of the first quarter of 2023

January

11 January 2023

The TF1 group enters into a sub-licensing deal with the France Télévisions and M6 groups for the screening of 28 matches from Rugby World Cup 2023. Thanks to this sub-licence, the TF1 group will enable all French viewers to watch the entire tournament – a major sporting event for 2023 – free of charge. TF1, the tournament's official broadcaster, will show all the big fixtures of the tournament as well as three pool matches involving the French rugby team, the two best quarter-finals including the one involving France should they qualify, both semi-finals, the Bronze Final and the Final.

12 January 2023

TF1 Group signs a new inter-professional agreement to promote creativity for a period of three years. The Group renews its commitment to invest 12.5% of its revenue in the creation of original French works. In addition, for the first time, TF1 pledges to invest in independently produced documentaries which will account for 5.4% of the obligation and bolsters its support for the animation sector, with a sub-quota set at 5.2% of the obligation.

16 January 2023

Claire Basini is appointed TF1 Group Executive Vice President of BtoC activities and joins the Executive Committee.

Her mission will be to accelerate the development of TF1's business model towards a mixed model - linear and non-linear - and to expand the Group's presence on all media. She will also be tasked with managing the digital sector within the entire Group.

February

15 February 2023

France Télévisions, M6 and TF1 groups announce the liquidation of SALTO.

This decision by SALTO's three founder-shareholders follows the abandonment of the proposed merger between TF1 and M6, which would have paved the way for SALTO to be taken over by the merged entity. With the project now stopped, SALTO shareholders decided that the conditions were not met for SALTO to continue with its current ownership structure, given the complex and restrictive governance arrangements and the refusal of most Internet service providers to distribute the platform, like the American platforms.

March

6 March 2023

Pierre-Alain Gérard joins TF1 Group to succeed Philippe Denery as Executive Vice President Finance, Strategy and Procurement. He becomes a member of the Group's Executive Committee.

Pierre-Alain Gérard's responsibilities will include: financial performance with a focus on the Group's strategic priorities; financial communication to the markets and shareholders; handling of any mergers and acquisitions; and management of the responsible purchasing policy to support the Group's commitments as part of the Climate Contract.

25 March 2023

TF1 Group is awarded at the "Séries Mania" festival. At the 5th edition of this event, the TF1 group won the Vidocq Prize for its crime series, *Syndrome E*. The Group was also honoured for *Les Randonneuses*, a series featuring Clémentine Célerié who received the Best Actress Award. As such, TF1 Group reaffirms its commitment and ambition to promote French drama.

1.3 Significant events after the reporting period

27 April 2023

Following the selection of the TF1 channel by the ARCOM¹ on February 22, 2023, as part of the tender process for its broadcasting DTT licence, the Group signed today a new agreement with the ARCOM, allowing it to broadcast on the DTT frequency starting May 6, 2023, and for a period of 10 years.

The Group will continue to offer its content to a large audience via DTT and reaffirms its social and creative commitments while maintaining the flexibility needed to adapt its programming schedule to market changes.

1 The French regulatory authority for audiovisual and digital communication

1.4 Analysis of consolidated results

The results below are presented using the new segmental reporting structure as presented in Note 3 "Operating segments" to the consolidated financial statements, and in accordance with IFRS 16.

Revenue

TF1 Group consolidated revenue for Q1 2023 amounted to €479.7 million, a decrease of €81.6 million (-14.5%) compared to Q1 2022. Excluding scope effects, revenue decreased by €59.5 million (-11.0%).

Group advertising revenue amounted to €340.7 million, down €36.4 million. Excluding scope effects¹, revenue decreased by €25.1 million (i.e. -6.9%), which is in line with our anticipations.

Revenue for Newen totalled €60.6 million, down €15.2 million year-on-year. The decline was due especially to an unfavourable base effect linked to the delivery of a large-scale production in Germany during Q1 2022.

Cost of programmes and other current operating income/ expenses

Cost of programmes

The TF1 group's programme costs totalled €200.6 million, down €19.4 million, largely offsetting the decline in advertising revenue, and further demonstrating the Group's ability to adapt its costs while increasing its audience share in commercial targets.

Other income, expenses and depreciation, amortisation and provisions

Other expenses and depreciation, amortisation and provisions amounted to €240.3 million at end-March 2023, lower than the figure at end-March 2022 (€281.7 million), linked with lower external expenses partly related to Unify disposals and to a decrease in depreciation and amortization due to the many productions delivered in Q1 2022.

Current operating profit

Current operating profit from activities (COPA) amounted to €39.9 million in the first quarter of 2023, a decline of €21.5 million compared to the first quarter of 2022. Current operating profit for Q1 2023 came to €38.8 million.

Operating profit

Operating profit came to €33.6 million, including €5.2 million in non-recurring expenses related to the roll-out of the Group's digital acceleration plan and optimisation of its property.

Net profit

Net profit attributable to the Group was €28.1 million, down €6.0 million compared to the first quarter of 2022².

Financial position

At 31 March 2023, TF1 Group was in a particularly solid financial position.

With free cash flow after WCR totalling €146.4 million in Q1 2023, the TF1 group posted a net cash position of €468.2 million on 31 March

¹ Sale of Unify Publishers assets in Q4 2022.

² Net profit for 2022 included the share of losses related to Salto.

TF1 - Q1 2023 financial information

2023¹, versus a net cash position of €325.7 million at end-December 2022².

As of 31 March 2023, TF1 had confirmed bilateral bank credit facilities of €1,094 million, including €184 million for Newen Studios.

Those facilities were backed up by a cash pooling agreement with the Bouygues Group.

As of 31 March 2023, drawdowns under those facilities amounted to €68 million, all of which related to Newen Studios.

1.5 Segment information

Media

Revenue

Revenue for the Media segment reached €419.1 million, a decrease of 13.7% and 7.3% on a constant structure basis.

At end-March 2023, the Media segment generated advertising revenue of €340.7 million, a decrease of €36.4 million. Excluding scope effects³, advertising revenue was down €25.1 million, i.e -6.9%, given the uncertain macroeconomic environment and sector-specific tensions (financial institutions, retail and food) impacting advertisers' spending.

Within the Media segment's advertising revenue, MYTF1 continued its strong momentum. Driven by strong demand, MYTF1 revenue totalled €20.2 million at end-March 2023, up 17.3% from Q1 2022.

Revenue from other Media segment activities decreased €30.0 million. This decline was mainly due to a scope effect of €22.3 million (sale of Unify assets), coupled with a slight decrease in

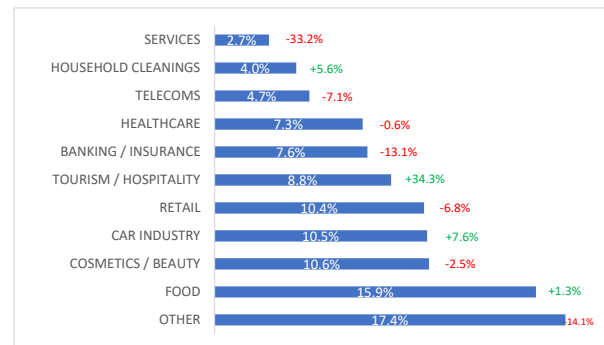
¹ Net cash position of €410.2 million including lease obligations.

² Net cash position of €251.4 million including lease obligations.

interactivity and the absence of sale rights to Salto.

Gross revenue for the TF1 group's free-to-air channels for end-March 2022 was down -3.3% versus end-March 2022.

Trends in gross advertising spend (excluding sponsorship) by sector for Q1 2023 are shown in the following chart.



Source: Kantar Média, Q1 2023 vs. Q1 2022

Current operating profit

Current operating profit in the Media segment stood at €41.4 million, generating a margin of 9.9%.

Media audience ratings⁴

At end-March 2023, average daily viewing time amounted to 3 hours and 23 minutes, down 9 minutes year-on-year. In a fast-changing attention market, particularly owing to the development of video consumption offerings which are complementary to linear television, daily viewing time among the "women aged under 50 purchasing decision-makers" (W<50PDM) target audience was 2 hours and 30 minutes, down 15 minutes year-on-year, and 2 hours and 22 minutes among 25-49-year-olds, down 19 minutes year-on-year.

Since April 2020, the Médiamat audience metrics have included viewing outside the home on any device (such as TV sets in second homes, bars,

³ Sale of Unify Publishers assets in Q4 2022.

⁴ Source: Médiamétrie - Médiamat

workplaces and railway stations, computers and smartphones, etc.). TV viewing at home on other Internet-enabled screens (computers, tablets, smartphones, etc) is due to be incorporated in Médiamétrie audience metrics in January 2024.

In Q1 2023, TF1 maintained its leadership, posting an improvement on commercial targets. The Group continued to attract and engage with a majority of French people through its premium and diversified offering, as demonstrated by the high audience levels at end-March 2023:

- 33.2% audience share among W<50PDM (+0.1 pt year-on-year);
- 29.9% among 25-49-year-olds (+0.1 pt year-on-year).% of 25-49-year-olds (-0.6pt year-on-year).

TF1

The Group's editorial strategy delivered robust momentum in its channels. TF1 achieved an excellent performance in Q1 2023, driven by an events-focused and family-driven line-up. The TF1 channel maintained its leader status across all audience segments, with notable improvements in terms of commercial targets. At end-March 2023, TF1 recorded a 22.6% audience share among W<50PDM (up 0.6 pt year-on-year), and 19.7% among 25-49-year-olds (up 0.2 pt year-on-year).

At end-March 2023, the channel held 44 of the top 50 ratings among W<50PDM, and 19 of the top 20 ratings among 25-49-year-olds, thanks to its extensive and varied line-up across all programme genres:

- **French drama:** The TF1 group is more committed than ever to putting French drama at the heart of its editorial strategy. During Q1 2023, TF1 programmed must-see drama evening slots, as illustrated by *Balthazar*, with up to 6.9 million viewers – a record audience to date for a work of drama – and *Les Disparus de la forêt noire*, which attracted up to 5.9 million viewers, with 27.4% audience share among individuals aged 4+.

- **Entertainment:** In Q1 2023, TF1's iconic entertainment programmes again stood out for their ability to attract viewers and create events, as shown by the new show of *Les Enfoirés*, which achieved the top first-quarter audience with 8.5 million viewers, i.e. 57.3% audience share among W<50PDM. The main entertainment brands confirmed their ability to engage with audiences, as reflected in the performance of *Koh-Lanta*, attracting up to 5.4 million viewers and averaging an audience share of 43.5% among W<50PDM.

- **News:** The news offering was a reference and reinforced its legitimacy, as illustrated by the televised interview with French Prime Minister Elisabeth Borne on 16 March, which was watched by 6.6 million viewers. The news bulletins confirmed their leader position, with the TF1 8pm news bulletin *Le journal de 20h* uniting up to 6.9 million viewers and the TF1 1pm news bulletin *Le journal de 13h* attracting up to 5.7 million viewers.

- **Sport:** TF1 reported a successful audience reach for the UEFA EURO 2024 qualifier match between France and the Republic of Ireland on 27 March, with 8.1 million viewers.

- **Movies:** The movie offering remained very popular in Q1 2023, particularly among family audiences, as demonstrated by the performance of the French film *Astérix et Obélix: Mission Cléopâtre*, achieving 40.1% audience share among 25-49-year-olds, and *l'Appel de la Forêt*, which attracted 5.2 million viewers, representing 24.4% audience share among individuals aged 4+.

DTT channels

In Q1 2023, the DTT division of the TF1 group, made up of TMC, TFX, TF1 Séries Films and LCI, sustained its leader position in commercial targets with 10.6% audience share among W<50PDM and 10.2% audience share among 25-49-year-olds.

TMC

In Q1 2023, TMC confirmed its high target audiences, posting record ratings for a DTT

TF1 - Q1 2023 financial information

channel with 4.6% audience share among 25-49-year-olds. *Quotidien* made its best-ever start to the year, topping the DTT audience ratings for the quarter with 2.7 million viewers.

TMC also stood out for its prime-time entertainment shows: the all-new show *80 minutes douche comprise*, averaging 1.3 million viewers, and the reality docuseries *L'agence* with 0.8 million viewers on average (record season performance).

The channel's performances were also fuelled by a premium cinema offering with nine films reaching the one million viewer mark (up to 1.4 million for *La 7ème compagnie* and 1.2 million for *John Wick 3*).

TFX

In Q1 2023, TFX ranked second among the DTT channels in its core W<50PDM target audience, with 3.5% audience share (+0.1 pt).

The channel posted a record 1.1 million viewers for the World Men's Handball Championship quarter final match between France and Germany. The exclusive evening time slots, which remained diverse in content, were a success and particularly the all-new programme *Détox ta maison* (up to 7% audience share among W<50PDM). The movie line-up was very popular, with up to 0.9 million viewers tuning in for *Spiderman*.

TF1 Séries Films

In Q1 2023, TF1 Séries Films continued its strong performance among its core target of W<50PDM, achieving 2.4% audience share (-0.2 pt year-on-year).

In the evening slots, TF1 Séries Films demonstrated its ability to engage with movies, on the back of blockbusters including the *L'arme fatale* saga (up to 0.9 million viewers).

Cycle Saint-Valentin featured prominently on the channel for part of the quarter.

LCI

In a busy environment for both national and international news (notably with coverage of the war in Ukraine), LCI was the only channel that recorded an improvement across all targets with 1.9% audience share among individuals aged 4+, i.e. +0.6 pt.

Theme channels (TV Breizh, Histoire TV and Ushuaïa TV)¹

In Q1 2023, all three of the Group's theme channels recorded high audience ratings:

- TV Breizh is the leading theme channel among W<50PDM with 0.8% audience share.
- Ushuaïa TV continued its events-focused programming with themed programming cycles (animal intelligence month, forests in the springtime, etc.) as well as iconic productions and acquisitions (*Terres d'urgence* with Guy Lagache, *Voyageurs solidaires* featuring Stéphane Basset, *Echappées Belles*, *Des Trains Pas Comme Les Autres*). The channel achieved an all-time record audience among individuals aged 4+, doubling its audience share in two years to 0.13%.
- The Histoire TV channel also continued its events-driven line-up with thematic cycles linked to key anniversaries in history (*Ukraine, chronicle of a war foretold*) as well as iconic productions and acquisitions (*Enslaved* featuring Samuel L. Jackson). The channel posted record ratings, notching up 0.18% audience share among individuals aged 4+.

¹ Audience data from the 44th edition (September 2022 - February 2023) of *MédiamatThématic*.

e-TF1

The TF1 group is pursuing its digital non-linear expansion strategy in line with and benefitting from synergies with the linear activities.

e-TF1 reported growth for the first quarter, mainly driven by an increase in MYTF1 advertising revenue, coupled with the development of MYTF1 MAX which launched in November 2022.

TF1 Production

Revenue was up and propelled by an increase in deliveries, notably with an additional episode of *Ninja Warrior*.

Music/events

The division benefitted from steady momentum in TF1 Musique and TF1 Spectacle (*Mon premier Lac des Cygnes*) and in STS (La Seine Musicale) with an increase in attendance linked to the recovery in activities (government gauges until mid-February 2022), and particularly the success of *Starmania*.

E-commerce

Quarterly e-commerce revenue (subscription box sales) was down in France and internationally.

TF1 Business Solutions

Business was driven in particular by TF1 Factory with exceptional production during the quarter for a FIFA event.

TF1 Films Production

Revenue was down slightly, with three films released in the first quarter, while the Printemps du cinéma festival days did not record the same attendance as pre-Covid levels.

Websites

As a reminder, the Unify Publishers digital business was sold in Q4 2022.

Newen Studios

The Newen Studios segment posted first-quarter revenue of €60.6 million, down €15.2 million, as anticipated.

The decline in activity was notably due to an unfavourable base effect linked to the delivery of *Funeral for a Dog* for Sky Germany in Q1 2022, the halt of *Plus belle la vie* being offset in revenue by the contributions from acquisitions made in 2022¹.

Throughout 2022, Newen Studios benefitted from significant deliveries such as *Liaison* for Apple TV+ and *Marie-Antoinette* for Canal+. The success of these projects has enabled the segment to position itself as a trusted partner for future collaborations, as illustrated by the renewal of *Marie-Antoinette* for a second season².

In Q1 2023, Newen Studios reported a current operating loss of -€1.6 million.

¹ Izen UK and Anagram.

² Delivery scheduled for 2024.

1.6 Corporate social responsibility

Sustainable society

Assemblée Citoyenne des Imaginaires

TF1 Group is partner to the Assemblée citoyenne des imaginaires. Since 28 March, this initiative has encouraged French people to imagine and participate in writing the fiction and stories of tomorrow, with support from professional scriptwriters. The project was kick-started by the French journalist and film director, Valérie Zoïdo, developed in collaboration with ADEME (French Environment and Energy Management Agency), and co-led by BlueNove, a consulting company pioneering collective intelligence, as well as the Atmosphères festival. Combining pedagogy, collective dreaming and entertainment, it aims to produce and develop scenarios inspired by citizens' ideas and sensibilities in an effort to address today's most pressing societal and environmental challenges. It includes national consultation sessions, co-writing workshops and meetings with professional scriptwriters.

Earth Hour

The TF1 group teamed up with the World Wildlife Fund (WWF) for its 2023 Earth Hour, which was held on Saturday 25 March from 8:30 to 9:30 p.m. During this symbolic event, iconic monuments, stadia and museums, as well as citizens, are encouraged to turn off their lights for one hour with the aim of recognising the impact of environmentally-conscious practices that are easy to replicate. At exactly 8:30 p.m., the logo and lighting of the Tour TF1 building were completely switched off.

Solidarity

"Pièces Jaunes" charity appeal

To mark the 34th annual "Pièces Jaunes" campaign, Brigitte Macron appeared as a special guest on the TF1 evening news bulletin of 9 January, (in her capacity as chair of the "Fondation des Hôpitaux" charity), to launch an appeal for donations to help children and

adolescents undergoing hospital treatment and to connect families in hospitals.

The launch was backed by a range of connected news stories in TF1 bulletins; a comedy sketch starring Brigitte Macron and Didier Deschamps (the campaign's patron) alongside Camille Combal and Isabelle Nanty as well as reminders to donate across the Group's programmes and on social networks. Screenings of the campaign ad were also broadcast on TF1 and LCI over the full period of the campaign (11 January to 4 February).

TF1 also dedicated a special week of the "12 coups de midi" quiz show to the appeal from 16 to 22 January, and on 13 January screened a one-off edition of the "Grand Concours" brain-teaser quiz in which TF1 presenters and journalists competed for prize money to be donated to the "Fondation des Hôpitaux" charity.

Sidaction

Once more, this year, TF1 Group pledged its support to the Sidaction AIDS charity which featured on the Group's channels from 24 to 26 March with presenters and journalists appearing in awareness and charity appeal ads. During the Sidaction weekend, a number of news items were covered in the news bulletins hosted by Marie-Sophie Lacarrau, Gilles Bouleau and Anne-Claire Coudray, and ads calling for donations were broadcast on air and on the Group's social networks. From Monday 20 to Friday 24 March, TF1 also broadcast five short awareness campaigns spotlighting the stories of researchers, doctors and people affected by the virus. Moreover, the "12 coups de midi" gameshow dedicated a special week to the charity, from 20 to 26 March, in an endeavour to raise funds and fight AIDS.

Inclusion

#Sportfeminintoujours (#Womenssportinthedia)

From 30 January to 5 February, the TF1 group rejoined forces with the #SportFémininToujours (Women's sport in the media) operation, which was first introduced by ARCOM (the French

Audiovisual and Digital Advertising Regulator). To honour the initiative, the Group's channels focused on promoting women's sport and highlighting women representation in sport. Features included topics on women's sports in the TF1 lunchtime and weekend news bulletins, a documentary on Sakina Karchaoui, a women's football player who plays for Paris Saint-Germain football club and the French women's football team, in Téléfoot, a broadcast of the *Vis ma Vie* show and a report on women's sport on LCI. Throughout the operation, MYTF1 showed re-runs of the film "Touchées", a work that addresses the difficulties experienced by a group of women victims of violence as they seek to rebuild their lives through sport. In 2023, the Group's channels will play host to the IHF Women's Handball World Championship.

Expertes à la Une

To celebrate International Women's Day, the Group unveiled its third edition of the "Expertes à la Une" programme, developed by its News Division to increase the representation of women experts in news coverage on TF1 and LCI. This year's intake brings together 15 women professionals from wide-ranging sectors and features the writer and Académie Française member, Dominique Bona, as honorary patron. For an entire year, the 15 experts will have the opportunity to benefit from a mentoring programme under the sponsorship of journalists, editors, and presenters from the TF1 and LCI news teams, including Anne-Claire Coudray, Darius Rochebin and François Lenglet.

Moteur !

The Group renewed its support for the Moteur ! association's competition, whose 7th edition launched via TF1 on Monday 6 February, in attendance from Oxmo Puccino, Chair of the Jury, and former Chair Agnès Jaoui. The competition encourages young people aged 14-22 to use their smartphones and make a one-and-a-half minute film about someone they find inspiring, as a role model. Chaired this year by Oxmo Puccino, the Moteur! competition recognises 25 winners who will have the privilege of walking up the steps of the Festival de Cannes to receive the Clap d'or Moteur! Award and participate in four days of workshops

on eloquence, slam and body language at the Campus de la confiance. As a partner to the competition for the fifth consecutive year, the Group reaffirms its commitment through the Special TF1 Initiatives Award, which is sponsored by TF1 Group presenter Anaïs Grangerac. Winners enjoy the added bonus of inspiring encounters with industry professionals, including journalists, presenters and producers. Their films will have the honour of being showcased on the TF1&Vous platform as well as the Group's social networks.

"Press and Media Week in Schools"

In celebration of the 34th Press and Media Week in Schools, the Group's News Department and the TF1 Foundation partnered with CLEMI (an agency of the French Ministry of Education responsible for media education across the education system) to co-ordinate events and actions intended for schools. As such, on 30 March, TF1 hosted the 8th edition of the "Rencontres de l'Info" which was attended by 150 secondary school students. The session was run by Christelle Chiroux, TF1's Deputy News Director in charge of mediation and CSR, with a focus on two themes: explaining and interpreting the work of the teams in Ukraine since the start of the conflict with journalists who had returned from their assignments; and verifying the facts with "Les Vérificateurs" ("the Verifiers"). A live session was also hosted by Ange Noiret, LCI's weather presenter, to show the day-to-day work spaces for all the TF1 and LCI news teams was broadcast on Facebook, TikTok, YouTube and TF1 INFO. The editorial teams of TF1, LCI and TF1 INFO with the TF1 Foundation also collaborated with CLEMI to visit Clermont-Ferrand (south-central France) on 16 January for a special meeting between school pupils from the region and journalists to discuss the theme "How should the environmental transition be reported in our news programming?".

1.7 Human resources update

As of 31 March 2023, the TF1 Group had 2,822 employees on permanent contracts.

1.8 Outlook

Within a market offering a low visibility, the Group will maintain in the Media operating segment its agility in programming costs while offering a differentiating and event-driven line-up.

The second quarter will see the return of powerful brands to the Group's channels, such as *Mask Singer* and *HPI*, serialized programmes with strong potential in the non-linear segment. The second half of 2023 will be highlighted by event programmes, particularly the Rugby World Cup, to be hosted in France and which will enable the Group to offer premium inventories to advertisers.

MYTF1 will continue its development to become the First French Free-to-View streaming service by leveraging the powerful reach of its editorial line-up as well as maximising the value of its inventories through a strengthened data strategy.

After delivering numerous projects in 2022, Newen Studios will draw on the diversity of its talent pool to develop new growth-driving projects for the years ahead.

As announced on 14 February 2023, the TF1 group will cement its leadership position and maintain in 2023 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.

1.9 Corporate governance

On 14 April 2023, the Board of Directors acknowledged the ratification, at the General Meeting, of the cooptation of Rodolphe Belmer as a Director, thereby confirming his term of office as Chairman and Chief Executive Officer. At the same General Meeting, the Board also acknowledged the reappointment of Olivier Bouygues as a Director and Catherine Dussart as an Independent Director.

TF1's Board of Directors includes 50% women directors and three women Independent Directors, (i.e. a proportion of independence of 37.5%, which is above the threshold of one-third recommended by the AFEP-MEDEF code for controlled companies).

Following the adoption of the 26th resolution at the General Meeting of April 14, 2023, on the addition of article 16 in the bylaws regarding the censor, the Board of Directors appointed Didier Casas, General Secretary of the Bouygues Group and Head of Group Ethics, as censor for a period of three years.

1.10 Diary dates

- 27 July 2023: 2023 first-half results
- 26 October 2023: 2023 nine-month results

These dates may be subject to change.

2 Q1 2023 Condensed consolidated Financial Statements

The statutory auditors have conducted a review of the financial statements, on which they have issued an unqualified report.

Consolidated income statement

(€ million)	First quarter 2023	First quarter 2022 ⁽¹⁾	Full year 2022
Revenue	479.7	561.3	2,507.7
Other income from operations	4.8	8.1	46.9
Purchases consumed	(167.1)	(196.1)	(885.2)
Staff costs	(119.7)	(122.9)	(530.9)
External expenses	(107.9)	(129.4)	(550.4)
Taxes other than income taxes	(23.1)	(26.9)	(103.2)
Net charges for depreciation, amortisation and impairment losses on property, plant & equipment and intangible assets	(69.2)	(92.6)	(445.9)
Net depreciation and impairment expense on right of use of leased assets	(4.4)	(5.6)	(21.1)
Charges to provisions and other impairment losses, net of reversals due to utilisation	3.5	1.6	6.2
Other current operating income	69.9	91.9	615.9
Other current operating expenses	(27.7)	(29.8)	(323.8)
Current operating profit/(loss)	38.8	59.6	316.2
Non-current operating income	-	-	-
Non-current operating expenses	(5.2)	(3.4)	(15.0)
Operating profit/(loss)	33.6	56.2	301.2
Financial income	4.1	0.3	3.1
Financial expenses	(1.3)	(0.5)	(5.7)
Income from net surplus cash/(cost of net debt)	2.8	(0.2)	(2.6)
Interest expense on lease obligations	(0.6)	(0.8)	(2.9)
Other financial income	0.4	1.0	2.2
Other financial expenses	(1.2)	(3.8)	(11.0)
Income tax expense	(6.9)	(11.8)	(56.3)
Share of net profits/(losses) of joint ventures and associates	0.1	(6.8)	(48.6)
Net profit/(loss) from continuing operations	28.2	33.8	182.0
Net profit/(loss) from discontinued operations	-	-	-
Net profit/(loss) for the period	28.2	33.8	182.0
Net profit/(loss) attributable to the Group	28.1	34.1	176.1
Net profit/(loss) attributable to non-controlling interests	0.1	(0.3)	5.9
Basic earnings per share from continuing operations (€)	0.13	0.16	0.84
Diluted earnings per share from continuing operations (€)	0.13	0.16	0.83

(1) The consolidated income statement for the first quarter of 2022 has been restated by reclassifications of certain items between "Other current operating income" and "Purchases consumed", "Staff costs" and "External expenses", but with no impact on current operating profit or operating profit.

Statement of recognised income and expense

(€m)	First quarter 2023	First quarter 2022	Full year 2022
Net profit/(loss) for the period	28.2	33.8	182.0
Items not reclassifiable to profit or loss			
Actuarial gains/(losses) on post-employment benefits	-		7.2
Fair value remeasurement of investments in equity instruments	(0.4)	(0.4)	(0.2)
Taxes on items not reclassifiable to profit or loss	0.1	0.1	(1.8)
Share of non-reclassifiable income and expense of joint ventures and associates			
Items reclassifiable to profit or loss			
Remeasurement of hedging assets			2.3
Translation adjustments	0.2	1.3	1.6
Taxes on items reclassifiable to profit or loss			(0.6)
Share of reclassifiable income and expense of joint ventures and associates			
Income and expense recognised directly in equity	(0.1)	1.0	8.6
Total recognised income & expense	28.1	34.8	190.6
<i>Recognised income & expense attributable to the Group</i>	28.0	35.1	184.7
<i>Recognised income & expense attributable to non-controlling interests</i>	0.1	(0.3)	5.9

Consolidated cash flow statement

(€ million)	First quarter 2023	First quarter 2022	Full year 2022
Net profit/(loss) from continuing operations	28.2	33.8	182.0
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions	71.6	93.8	449.8
Amortisation, impairment and other adjustments on right of use of leased assets	5.6	5.8	20.7
Other non-cash income and expenses	(8.8)	(9.4)	(86.8)
Gains and losses on asset disposals	0.4	0.8	7.5
Share of net (profits)/losses of joint ventures and associates, net of dividends received	(0.1)	6.8	49.4
Dividends from non-consolidated companies	-	-	(0.2)
Income taxes paid	(14.2)	(12.5)	(64.8)
Income taxes, including uncertain tax positions	6.9	11.8	56.3
Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid	89.6	130.9	613.9
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations	(2.2)	1.0	5.5
Changes in working capital requirements related to operating activities (including current impairment and provisions) ⁽¹⁾	131.5	132.3	(156.1)
Net cash generated by/(used in) operating activities	218.9	264.2	463.3
Purchase price of property, plant & equipment and intangible assets ⁽²⁾	(62.7)	(66.0)	(312.6)
Proceeds from disposals of property, plant & equipment and intangible assets	0.1	0.3	1.2
Net liabilities related to property, plant & equipment and intangible assets	(6.1)	(1.6)	1.9
Purchase price of non-consolidated companies and other investments	-	(1.1)	(0.8)
Proceeds from disposals of non-consolidated companies and other investments	-	(0.1)	-
Net liabilities related to non-consolidated companies and other investments	-	-	-
Purchase price of investments in consolidated activities	-	(0.1)	(20.1)
Proceeds from disposals of consolidated activities	-	0.6	163.9
Net liabilities related to consolidated activities	(0.2)	-	0.7
Other changes in scope of consolidation: cash of acquired or divested entities	-	0.8	(11.8)
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies	(2.4)	(7.5)	(27.5)
Net cash generated by/(used in) investing activities	(71.3)	(74.7)	(205.1)
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders	-	0.1	(20.4)
Dividends paid to shareholders of the parent company	-	-	(94.7)
Dividends paid by consolidated companies to non-controlling interests	-	-	(2.3)
Change in current and non-current debt	2.6	(8.0)	(10.5)
Repayments of lease obligations	(6.1)	(5.9)	(21.3)
Cost of net debt/income from net surplus cash and interest expense on lease obligations	0.9	(1.2)	(5.5)
Other cash flows related to financing activities	-	-	-
Net cash generated by/(used in) financing activities	(2.6)	(15.0)	(154.7)
EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	-	0.2	0.1
CHANGE IN NET CASH POSITION	145.0	174.7	103.6
Net cash position at start of period	483.3	379.7	379.7
Net cash flows	145.0	174.7	103.6
Net cash position at end of period	628.3	554.4	483.3

(2) Current assets minus current liabilities, excluding (i) taxes and (ii) current debt and financial instruments used to hedge debt, which are classified in financing activities

(3) Includes audiovisual rights acquired by the Media and Newen segments, representing net cash outflows of €15.9 million and €36.6 million respectively in the first quarter of 2023 (versus net outflows of €13.5 million and €41.7 million in the first quarter of 2022).

Consolidated balance sheet - Assets

ASSETS (€m)	Note	31/03/2023	31/12/2022	31/03/2022
Goodwill	6	729.7	730.2	799.4
Intangible assets		284.2	275.1	351.8
Property, plant and equipment		230.3	231.3	221.8
Right of use of leased assets		54.8	70.3	83.8
Investments in joint ventures and associates	7	12.9	11.7	16.9
Other non-current financial assets		10.5	12.4	18.0
Deferred tax assets		-	-	-
NON-CURRENT ASSETS		1,322.4	1,331.0	1,491.7
Inventories		392.7	404.6	442.6
Advances and down-payments made on orders		142.4	133.5	128.7
Trade receivables		612.7	829.8	736.9
Customer contract assets		-	-	-
Current tax assets		6.3	3.6	-
Other current receivables		455.8	452.9	446.1
Financial instruments - Hedging of debt		2.3	2.7	-
Other current financial assets		0.2	0.3	1.0
Cash and cash equivalents	8	629.5	484.5	556.4
CURRENT ASSETS		2,241.9	2,311.9	2,311.7
Held-for-sale assets and operations		-	-	-
TOTAL ASSETS		3,564.3	3,642.9	3,803.4
Net surplus cash/(net debt)		468.2	325.7	379.4

Consolidated balance sheet – Liabilities and equity

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	Note	31/03/2023	31/12/2022	31/03/2022
Share capital		42.2	42.1	42.1
Share premium and reserves		1,817.2	1,641.5	1,718.0
Translation reserve		3.5	3.2	3.3
Treasury shares		-	-	-
Net profit/(loss) attributable to the Group		28.1	176.1	34.1
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP		1,891.0	1,862.9	1,797.5
Non-controlling interests		1.1	0.9	(1.4)
SHAREHOLDERS' EQUITY		1,892.1	1,863.8	1,796.1
Non-current debt	8	110.5	108.0	110.5
Non-current lease obligations	8	39.6	58.4	66.9
Non-current provisions		42.0	41.3	46.0
Deferred tax liabilities		22.0	23.2	29.0
NON-CURRENT LIABILITIES		214.1	230.9	252.4
Current debt	8	50.8	50.9	64.5
Current lease obligations	8	18.4	15.9	21.4
Trade payables		604.6	702.3	699.0
Customer contract liabilities		41.7	30.8	41.7
Current provisions		28.4	31.2	34.6
Other current liabilities		711.3	714.1	884.8
Overdrafts and short-term bank borrowings		1.2	1.2	2.0
Current tax liabilities		-	0.1	4.4
Financial instruments - Hedging of debt		1.1	1.4	-
Other current financial liabilities		0.6	0.3	2.5
CURRENT LIABILITIES		1,458.1	1,548.2	1,754.9
Liabilities related to held-for-sale operations		-	-	-
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		3,564.3	3,642.9	3,803.4

Consolidated statement of changes in shareholders' equity

	Share capital & share premium	Reserves related to share capital & retained earnings	Consolidated reserves & profit/(loss) for period	Treasury shares held	Items recognised directly in equity	TOTAL - GROUP	Non-controlling interests	TOTAL
POSITION AT 31/12/2021	62.3	1,050.8	715.5	-	(60.5)	1,768.1	(1.2)	1,766.9
Movements in the first quarter of 2022								
Net profit/(loss)	-	-	34.1	-	-	34.1	(0.3)	33.8
Income and expense recognised directly in equity	-	-	-	-	1.0	1.0	-	1.0
Total comprehensive income	-	-	34.1	-	1.0	35.1	(0.3)	34.8
Share capital and reserves transactions, net	-	-	-	-	-	-	-	-
Acquisitions & disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions & disposals without loss of control	-	-	-	-	-	-	-	-
Dividends distributed	-	-	-	-	-	-	-	-
Share-based payment	-	-	(0.2)	-	-	(0.2)	-	(0.2)
Other transactions (changes in scope of consolidation, other transactions with shareholders, & other items)	-	-	(5.5)	-	-	(5.5)	0.1	(5.4)
POSITION AT 31/03/2022	62.3	1,050.8	743.9	-	(59.5)	1,797.5	(1.4)	1,796.1
Movements from April to December 2022								
Net profit/(loss)	-	-	142.0	-	-	142.0	6.2	148.2
Income and expense recognised directly in equity	-	-	-	-	7.6	7.6	-	7.6
Total comprehensive income	-	-	142.0	-	7.6	149.6	6.2	155.8
Share capital and reserves transactions, net	-	69.9	(69.9)	-	-	-	-	-
Acquisitions & disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions & disposals without loss of control	-	-	(1.2)	-	-	(1.2)	-	(1.2)
Dividends distributed	-	-	(94.7)	-	-	(94.7)	(2.3)	(97.0)
Share-based payment	-	-	3.2	-	-	3.2	-	3.2
Other transactions (changes in scope of consolidation, other transactions with shareholders, & other items)	-	-	8.5	-	-	8.5	(1.6)	6.9
POSITION AT 31 DECEMBER 2022	62.3	1,120.7	731.8	-	(51.9)	1,862.9	0.9	1,863.8
Movements during the first quarter of 2023								
Net profit/(loss)	-	-	28.1	-	-	28.1	0.1	28.2
Income and expense recognised directly in equity	-	-	-	-	(0.1)	(0.1)	-	(0.1)
Total comprehensive income	-	-	28.1	-	(0.1)	28.0	0.1	28.1
Share capital and reserves transactions, net	-	-	-	-	-	-	-	-
Acquisitions & disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions & disposals without loss of control	-	-	-	-	-	-	-	-
Dividends distributed	-	-	-	-	-	-	-	-
Share-based payment	-	-	0.9	-	-	0.9	-	0.9
Other transactions (changes in scope of consolidation, other transactions with shareholders, & other items)	-	-	(0.8)	-	-	(0.8)	0.1	(0.7)
POSITION AT 31/03/2023	62.3	1,120.7	760.0	-	(52.0)	1,891.0	1.1	1,892.1

Notes to the condensed consolidated financial statements

1 Significant events

1-1. Withdrawal from Salto

The proposed M6/TF1 merger having been abandoned, and in the absence of any satisfactory offers to buy the platform following the November 2022 decision by TF1 and M6 to withdraw, the France Télévisions, M6 and TF1 groups announced on 15 February 2023 that they had decided to shut, down the Salto platform and initiate a voluntary liquidation.

Salto ceased to provide services to its users on 27 March 2023.

As of 31 March 2023, the accumulated losses since incorporation were offset first against current account cash advances to Salto (treated as a component of the TF1 group's investment in Salto), with the excess recognised as a provision for charges.

2 Accounting principles and policies

2-1. Declaration of compliance and basis of preparation

The condensed interim consolidated financial statements as of 31 March 2023 include the financial statements of TF1 SA and its subsidiaries and joint ventures, and the TF1 group's interests in associated undertakings. They were prepared in accordance with IAS 34, "Interim Financial Reporting", a standard issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. Because they are condensed, these financial statements do not include all the information required under the standards issued by the IASB, and should be read in conjunction with the full-year financial statements of the TF1 group for the year ended 31 December 2022 as presented in the Universal Registration Document filed with the AMF on 9 March 2023 as no. D.23-0081.

They were prepared in accordance with the standards issued by the IASB as endorsed by the European Union and applicable as of 31 March 2023. Those standards (collectively referred to as "IFRS") comprise International Financial Reporting Standards (IFRSs); International Accounting Standards (IASs); and interpretations issued by the IFRS Interpretations Committee (IFRS IC), the successor body to the Standing Interpretations Committee (SIC). As of 31 March 2023, the TF1 group has not early adopted any standard or interpretation not yet endorsed by the European Union.

The financial statements are presented in millions of euros and comprise the balance sheet, the income statement, the statement of recognised income and expense, the statement of changes in shareholders' equity, the cash flow statement, and the notes to the financial statements.

2-2. New and amended IFRS accounting standards and interpretations

2-2-1. New standards, amendments and interpretations effective within the European Union and mandatorily applicable or permitted for early adoption in periods beginning on or after 1 January 2023

TF1 - Q1 2023 Condensed consolidated Financial Statements

The TF1 group applied the same standards, interpretations and accounting policies in the three months ended 31 March 2023 as were applied in its consolidated financial statements for the year ended 31 December 2022, except for changes required to meet new IFRS requirements applicable with effect from 1 January 2023 (see below).

Amendments to IAS 12

On 7 May 2021, the IASB issued amendments to IAS 12 on accounting for deferred taxation on the initial recognition of a single transaction that gives rise to deferred tax assets and liabilities of equal amounts. The amendments apply to transactions in which an entity recognises both an asset and a liability, such as when accounting for a lease or a decommissioning obligation, and were endorsed by the European Union on 11 August 2022. An impact analysis is ongoing, and is due to be completed during 2023. At this stage, the impact on the Group would appear to be immaterial.

2-3. Changes in accounting policy

The TF1 group has not made any changes in accounting policy during 2023 to date.

2-4. Use of estimates

Preparation of the condensed consolidated financial statements requires the TF1 group to make various estimates and use various assumptions regarded as realistic or reasonable. Subsequent events or circumstances may result in changes to those estimates or assumptions, which could affect the value of the Group's assets, liabilities, equity or net profit.

The principal accounting policies requiring the use of estimates are:

impairment of audiovisual rights (whether recognised as intangible assets or carried as inventory);

impairment of goodwill (where there is evidence of impairment);

impairment of programmes and broadcasting rights;

measurement of provisions.

Those estimates were made using the same valuation approaches as were used in preparing the financial statements for the year ended 31 December 2022. As of the date on which the financial statements were closed off by the Board of Directors, management believes that as far as possible, those estimates incorporate all information available to it.

2-5. Seasonal trends

Advertising revenues are traditionally lower in January/February and July/August than during the rest of the year. The extent of those seasonal fluctuations varies from year to year. As required under IFRS, revenue for interim periods is recognised on the same basis as is used in preparing the annual financial statements.

3 Operating segments

TF1 organises its operating activities into strategic business units, each of which is managed appropriately to the nature of (i) the products and services sold and (ii) the end customer. This segmentation serves as the basis for the presentation of internal management data, and is also used by the Group's operating decision-maker to monitor performance. The operating segments reported by the Group are those reviewed by the chief operating decision-maker.

Management assesses segmental performance on the basis of current operating profit. Segmental results, assets and liabilities include items directly or indirectly attributable to the relevant segment. Segmental capital expenditure represents total acquisitions of property, plant and equipment and intangible assets as recognised in the corresponding balance sheet line items. Inter-segment sales and transfers are conducted on an arm's length basis.

Media

The Media segment includes all of the Group's TV channels and content creation activities, and subsidiaries that produce and acquire audiovisual rights for the Group's TV channels in line with French broadcasting industry regulations. Revenues from such activities derive mainly from the sale of advertising space through individually-negotiated space-buying deals and programmatic ad sale auctions; they also include revenue from making content and services from the Group's TV channels available to cable, satellite and ADSL operators, and from interactivity embedded within broadcast programmes. The Media segment also includes entertainment activities (music, live shows, licences, artist support) that add value to the Group's audiovisual content.

Note that the Web Publishers business and the digital agency/marketing activities carried on by Ykone and Ganned, which were previously part of the Media segment, were divested in 2022 as explained in Note 1 ("Significant events") to our consolidated financial statements for the year ended 31 December 2022.

Newen Studios

This segment comprises content subsidiaries whose activities are primarily focused on producing, acquiring, developing and distributing audiovisual rights (films, drama, TV movies, cartoons, documentaries, unscripted shows, etc) for exploitation independently of the Group's broadcasting operations.

Revenues are derived from fees for the sale of broadcasting rights and all other exploitation rights in France or internationally.

(€ million)	MEDIA		NEWEN STUDIOS		TOTAL TF1 GROUP	
	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
SEGMENTAL INCOME STATEMENT						
Segment revenue	421.2	488.5	69.4	86.7	490.6	575.2
Elimination of inter-segment transactions	(2.1)	(3.0)	(8.8)	(11.0)	(10.8)	(13.9)
GROUP REVENUE CONTRIBUTION	419.1	485.5	60.6	75.8	479.7	561.3
<i>of which Advertising revenue</i>	340.7	377.1	0.0	0.0	340.7	377.1
<i>of which Other revenue</i>	78.4	108.4	60.6	75.8	139.0	184.2
CURRENT OPERATING PROFIT/(LOSS) FROM ACTIVITIES (COPA)	41.4	57.5	(1.6)	3.9	39.9	61.4
CURRENT OPERATING PROFIT/(LOSS)	41.4	56.9	(2.6)	2.7	38.8	59.6
<i>% operating margin on group contribution</i>	9.9%	11.7%	-4.3%	3.6%	8.1%	10.6%
<i>Interest expense on lease obligations</i>	(0.3)	(0.5)	(0.3)	(0.4)	(0.6)	(0.8)
Share of net profits/(losses) of joint ventures and associates	0.7	(6.1)	(0.6)	(0.8)	0.1	(6.8)

Starting in 2023, the TF1 group is publishing a new indicator, "Current operating profit from activities" (COPA). This represents current operating profit before amortisation and impairment of intangible assets recognised in acquisitions. Comparatives for 2022 are presented in the table below for information purposes, for the Group as a whole and by segment.

4 Analysis of revenue

TF1 group consolidated revenue for the first quarter of 2023 breaks down as follows:

Q1 2023		(€ million)	Q1 2023	Q1 2022	Chg €m	Chg %
	71.0%	Advertising revenue	340.7	377.1	(36.4)	-10%
		of which digital advertising revenue (1)	22.1	30.2	(8.1)	-27%
	16.3%	Other revenue	78.4	108.4	(30.0)	-28%
		Media	419.1	485.5	(66.4)	-14%
	6.1%	Newen - France	29.4	36.4	(7.0)	-19%
6.5%	Newen - Other countries	31.2	39.4	(8.2)	-21%	
	Newen Studios	60.6	75.8	(15.2)	-20%	
	Total revenue	479.7	561.3	(81.6)	-15%	

(1) From 1 January 2023 onwards, digital advertising revenue includes MyTF1/LCI.fr; in 2022, it also included advertising revenue from the Web Publishers business.

There were no material exchanges of goods or services in 2023 to date or in 2022, and there is no material revenue that is contingent on a performance obligation that pre-dates the current reporting period.

5 Non-current operating income and expenses

In 2023, the Group has embarked upon a digital acceleration strategy accompanied by a resource optimization plan, which has resulted in the recognition of net non-current operating expenses in the first quarter of 2023.

6 Goodwill

In accordance with the revised IFRS 3 the TF1 group has, for acquisitions made during the period, elected not to remeasure the non-controlling interests at fair value, as a result of which only the share of goodwill attributable to the Group is reported in the balance sheet (partial goodwill method).

(€m)	Media	Newen Studios	TOTAL
Goodwill at 1 January 2022	586.1	213.6	799.7
Acquisitions	-	-	-
Disposals	(0.1)	-	(0.1)
Translation adjustments	-	0.4	0.4
Other adjustments	-	(0.6)	(0.6)
Reclassifications	-	-	-
Impairment	-	-	-
Goodwill at 31 March 2022	586.0	213.4	799.4
Goodwill at 1 January 2023	500.6	229.6	730.2
Acquisitions	-	(0.2)	(0.2)
Disposals	-	-	-
Translation adjustments	-	(0.3)	(0.3)
Other adjustments	-	-	-
Reclassifications	-	-	-
Impairment	-	-	-
Goodwill at 31 March 2023	500.6	229.1	729.7

7 Investments in joint ventures and associates

The table below gives details of investments in joint ventures and associates:

(€m)	Extension TV 50%	Salto 33.33%	Other	TOTAL
1 January 2022	9.6	-	6.9	16.5
Share of profit/(loss) for the period	0.1	(6.2)	(0.7)	(6.8)
Provision for impairment	-	-	-	-
Dividends paid	-	-	-	-
Changes in scope of consolidation and reclassifications	-	6.2	1.0	7.2
Provision for risks	-	-	-	-
31 March 2022	9.7	-	7.2	16.9
1 January 2023	9.1	-	2.6	11.7
Share of profit/(loss) for the period	0.1	0.6	(0.6)	0.1
Provision for impairment	-	-	-	-
Dividends paid	-	-	-	-
Changes in scope of consolidation and reclassifications	-	(0.6)	1.7	1.1
Provision for risks	-	-	-	-
31 March 2023	9.2	-	3.7	12.9

⁽¹⁾ In 2023 (as in 2022), Salto was financed essentially through current account advances from its shareholders (effectively quasi-equity). Consequently, the advance to Salto is recognised as an investment in a joint venture to the extent of Salto's net loss for the period, with the balance recognised in "Non-current financial assets".

8 Definition of "Net surplus cash/(net debt)"

"Net surplus cash/(net debt)" is obtained by aggregating the following items:

- cash and cash equivalents;
- overdrafts and short-term bank borrowings;
- non-current and current debt; and
- financial instruments (hedging of debt measured at fair value).

"Net surplus cash/(net debt)" as reported by the TF1 group excludes non-current and current lease obligations.

The table below provides an analysis of "Net surplus cash/(net debt)", as defined above:

TF1 - Q1 2023 Condensed consolidated Financial Statements

(€m)	31/12/2022	Translation adjustments	Changes in scope of consolidation	Cash flows ⁽¹⁾	Changes in fair value via equity or profit/loss	Other movements	31/03/2023
Cash and cash equivalents	484.5	-	-	145.0	-	-	629.5
Financial assets used for treasury management purposes	-	-	-	-	-	-	-
Overdrafts and short-term bank borrowings	(1.2)	-	-	-	-	-	(1.2)
Net cash position	483.3	-	-	145.0	-	-	628.3
Interest rate derivatives - assets	2.7	-	-	-	-	(0.4)	2.3
Interest rate derivatives - liabilities	(1.4)	-	-	-	-	0.3	(1.1)
Fair value of interest rate derivatives	1.3	-	-	-	-	(0.1)	1.2
Non-current borrowings	(108.0)	0.8	-	(2.9)	1.3	(1.7)	(110.5)
Current debt excluding overdrafts and short-term bank borrowings	(50.9)	-	-	0.3	0.1	(0.3)	(50.8)
Total debt	(158.9)	0.8	-	(2.6)	1.4	(2.0)	(161.3)
Net surplus cash/(net debt)	325.7	0.8	-	142.4	1.4	(2.1)	468.2
Lease obligations	(74.3)	-	-	6.1	-	10.2	(58.0)
Net surplus cash/(net debt) including lease obligations	251.4	0.8	-	148.5	1.4	8.1	410.2

⁽¹⁾ The net cash outflow of €2.6 million shown within "Net cash generated by/(used in) financing activities" in the cash flow statement for 2022 comprises a cash outflow of €3.1 million and a cash inflow of €0.5 million.

⁽²⁾ The "other movements" in lease obligations during the period of €10.2 million relate mainly to the TF1 group's withdrawal from office premises at Boulogne-Billancourt rented under an arrangement that qualified as a lease under IFRS 16.

As of 31 March 2023, TF1 had confirmed bilateral bank credit facilities of €1,094 million, including €184 million for Newen. The TF1 group's undrawn confirmed facilities are backed up by a cash pooling agreement with the Bouygues Group.

As of 31 March 2023, drawdowns amounted to €68 million, all of which related to the Newen facility.

A reconciliation between the cash position in the cash flow statement and the "Cash and cash equivalents" line in the balance sheet is presented below:

(€m)	31/03/2023	2022.1231/12/2022
Cash and cash equivalents in the balance sheet	629.5	484.5
Cash of held-for-sale operations	-	-
Treasury current account credit balances	-	-
Short-term bank borrowings	(1.2)	(1.2)
Total cash position at period-end per the cash flow statement	628.3	483.3

9 Non-current provisions

Non-current provisions as of 31 March 2023 mainly comprise provisions for retirement benefit obligations.

As explained in Note 7.4.6 ("Non-current provisions") to the consolidated financial statements for the year ended 31 December 2022, provisions for retirement benefit obligations are calculated using the projected unit credit method. This calculation is sensitive to assumptions regarding the discount rate, the salary inflation rate and the staff turnover rate.

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The expense recognised during the period for lump-sum retirement benefits represents a pro rata allocation of the estimated full-year expense, calculated on the basis of the actuarial assumptions and forecasts prepared as of 31 December 2022.

As of 31 March 2023, the assumptions used for the discount rate, salary inflation rate and staff turnover rate were the same as those used as of 31 December 2022.

An additional increase of 70 basis points in the discount rate would reduce the amount of the provision by €1.9 million; an additional decrease of 70 basis points would increase the amount of the provision by €2.1 million.

An additional increase of 50 basis points in the salary inflation rate in France would increase the amount of the provision by €1.5 million; an additional decrease of 50 basis points would reduce the amount of the provision by €1.4 million.

Those impacts would be recognised in the statement of recognised income and expense.

10 Dividends paid

The table below shows the dividend per share paid by the TF1 group on 24 April 2023 in respect of the 2022 financial year.

	Paid in 2023	Paid in 2022
Total dividend (€m)	105.2	94.7
Dividend per ordinary share (€)	0.50	0.45

11 Events after the reporting period

Following the selection of the TF1 channel by the ARCOM on February 22, 2023, as part of the tender process for its broadcasting DTT licence, the Group today signed a new agreement with the ARCOM, allowing it to broadcast on the DTT frequency starting May 6, 2023, and for a period of 10 years.

Télévision Française 1

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