

[15.02.2024] **PRESS RELEASE**

TF1 GROUP 2023 FULL-YEAR RESULTS

Reinforced audience leadership, thanks to powerful event programming

Group advertising revenue at €1.6bn (-2.1%), growing in H2 (up 1.7%)¹

Strong growth of MYTF1 advertising revenues (€104.5m up 15.7% vs 2022), solid foundation for the new TF1+ streaming platform

Group COPA margin at 12.5%, broadly stable versus 2022

Free cash flow before WCR at €178.1m and €313.1m after WCR, confirming the Group's ability to convert earnings into cash

Net profit attributable to the Group of 191.9M€, up 9.0%

2023 targets achieved and payment of a dividend of fifty-five eurocents (€0.55) per share, up 5 eurocents (+10%)

Boulogne-Billancourt, February 15, 2024

The TF1 Board of Directors, chaired by Rodolphe Belmer, met on February 14, 2024, to approve the financial statements for the year ended 31 December 2023. The results below are presented by TF1 group operating segment.

(€M)	Q4 2023	Q4 2022	CHG. €m	CHG. %	2023	2022	CHG. €m	CHG. %
Media ^a	617.7	637.8	(20.0)	(3.1%)	1,967.3	2,079.9	(112.6)	(5.4%)
Advertising revenue ^b	509.3	525.7	(16.4)	(3.1%)	1,606.4	1,668.9	(62.5)	(3.7%)
o/w MYTF1 advertising revenue ^c	36.1	31.6	4.5	14.2%	104.5	90.3	14.2	15.7%
Non advertising Media revenue ^d	108.4	112.0	(3.6)	(3.2%)	360.9	410.9	(50.0)	(12.2%)
Newen Studios ^e	131.5	129.7	1.8	1.4%	329.4	427.9	(98.5)	(23.0%)
Consolidated revenue ^f	749.2	767.4	(18.2)	(2.4%)	2,296.7	2,507.7	(211.0)	(8.4%)
Media	64.7	60.4	4.3	7.1%	256.2	270.1	(13.9)	(5.1%)
Newen Studios	18.6	18.6	0.1	0.3%	31.2	52.1	(20.9)	(40.1%)
Current operating profit from activities ^g	83.4	79.0	4.4	5.6%	287.4	322.2	(34.8)	(10.8%)
Current operating profit from activities margin	11.1%	10.3%	-	+0.8pt	12.5%	12.8%	-	(0.3pt)
Current operating profit	81.8	77.5	4.3	5.5%	282.7	316.2	(33.5)	(10.6%)
Operating profit	76.6	77.5	(0.9)	(1.2%)	253.2	301.2	(48.0)	(15.9%)
Net profit attributable to the Group	52.8	25.4	27.4	107.9%	191.9	176.1	15.8	9.0%
Cost of programmes	(331.3)	(347.5)	16.2	(4.7%)	(960.2)	(987.0)	26.8	(2.7%)
Net cash ^h	505.1	325.7	179.4	55.1%	505.1	325.7	179.4	55.1%

^a Excluding scope effect, -1.9% at end December (vs 2022).

^b Excluding scope effect, -2.1% at end December (vs 2022).

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

^d Excluding scope effect, -1.3% to end December (vs 2022).

^e Excluding scope effect, -3.4% in Q4 and -29.2% to end December (vs 2022).

^f Excluding scope effect, -3.2% in Q4 and -6.7% to end December (vs 2022).

^g Current operating profit from activities, 'COPA', which equates to current operating profit before amortisation and impairment.

^h Before the impact of lease obligations.

¹ Evolution on a like-for-like basis

Group results for the fourth quarter

TF1 group's **consolidated revenue** for the fourth quarter of 2023 stood at **€749.2 million**, down 2.4% vs. 2022.

In the fourth quarter, **group advertising revenues** came to **€509.3 million, down 3.1%**, reflecting a high basis of comparison with the FIFA World Cup in late 2022.

As expected, **revenue from Newen Studios rose in the fourth quarter compared with the same period last year (+1.4%)**. Revenue stood at €131.5 million.

Current operating profit from activities (COPA) amounted to **€83.4 million, up 5.6%**. The **current operating margin from activities** was **11.1% (+0.8 pt)**, with a **Media margin of 10.5% up (+1.0 pt)** and a **Newen Studios margin close to 2022 at 14.2% (-0.1 pt)**.

Net profit attributable to the Group was **€52.8 million, rising sharply year-on-year**.

Group results for the full year

TF1 group's consolidated revenue for 2023 amounted to **€2,296.7 million**, down 6.7% versus 2022 (on a like-for-like basis).

In 2023, the advertising market was affected by the macro-economic context in the first half but **rebounded in the second half**. Against this backdrop, **Group advertising revenue came to €1,606.4 million**, down 2.1% compared with 2022 (on a like-for-like basis), **but up 1.7%** (on a like-for-like basis) **in the second half**.

Current operating profit from activities came to **€287.4 million**, down -10.8% year-on-year. **In line with the targets announced during 2022 annual results**, the operating margin from activities was **12.5%, close to 2022 (-0.3 pt)**.

Operating profit stood at **€253.2 million**, including **-€29.5 million of non-recurring income and expenses**, mainly related to the reorganisation of the Group's real estate and the strengthening of the existing Employment and Professional Development Management system to support the Group's digital acceleration ambition. These non-recurring items are related to the roll-out of an **optimisation plan aimed at gradually achieving more than €40 million euros in operational cost savings² from 2025 onwards**, of which €10-15 million will be reinvested in the digital acceleration plan. **30% of the savings were achieved by the end of 2023**.

Net profit attributable to the Group was **€191.9 million, up 9.0% compared with 2022**, benefiting notably from the discontinuation of SALTO.

Net cash stood at €505.1 million at the end of December 2023, compared with €325.7 million at the end of December 2022, an **increase of €179.4 million**.

² Real estate, IT, procurement and organisation.

Analysis by segment

Media

— Audience ratings³

In an environment of changing viewership habits, TF1 group is in a leading position in 2023 thanks to its ability to attract a wide range of audiences to its linear and non-linear channels. With almost **56 million viewers** every month and an average of **28 million French streamers**, the Group benefits from an **unrivalled coverage**.

In 2023, **TF1 group has gained audience share across all segments⁴**. The TF1 channel has strengthened its audience leadership by offering **a powerful event programming throughout the year. It recorded 28 of the 30 highest ratings of 2023 and at least 8 of the 10 highest ratings for each of the programme genres** (French drama, sport, entertainment, news, and cinema). **The Rugby World Cup** achieved record audiences, with **France's quarter-final gathering 16.5 million viewers**, the best audience of the year.

The TF1 channel has achieved significant growth year-on-year:

- Among W<50PDM, its audience share was 23.3%, up 0.5 pt, **widening the gap with its main competitor (+9.8 pts)**;
- In the 25-49 age group, its audience share was 20.5%, up 0.2 pt.

The MYTF1 streaming platform is performing very well, forming a strong launchpad for the new TF1+ platform. **In 2023, MYTF1 attracted an average of 27.7 million streamers** every month and recorded **1.05 billion streamed hours⁵, up 8% compared to 2022**. Streaming accounts for almost 30% of the total consumption of certain major programmes, such as *Ici tout commence* and *Star Academy*.

— Media sector revenue came to **€1,967.3 million in 2023, or -1.9%** (on a like-for-like basis) compared to 2022.

- **Media advertising revenue** stood at €1,606.4 million, **down 2.1%** compared to 2022 (on a like-for-like basis). After a first half in which uncertainties regarding inflation had an impact on advertisers' investments, **the second half of the year saw an increase compared to 2022**, due to the return of certain sectors (food, automotive, etc.) and also boosted by the broadcasting of the **Rugby World Cup in September and October⁶**.
- Within the Media sector's advertising revenues, **MYTF1's advertising revenue maintained a strong growth momentum**. Revenue totalled €104.5 million, **up 15.7%** year-on-year.
- **Media sales excluding advertising totalled €360.9 million, down 1.3%** (on a like-for-like basis).

³ Médiamétrie television and video consumption data (Mediamat and TV 4 Ecrans).

⁴ +0.3 pt in the 4+ target, +0.4 pt in audience share in the W<50PDM target and +0.1 pt in audience share in the Individuals aged 25-49 target.

⁵ Médiamétrie TV 4screens – January to December 2023.

⁶ Media advertising revenue for the second half up +1.7% (on a like-for-like basis).

- **Programming costs stood at €960.2 million, down €26.8 million year-on-year, as the Group demonstrated its disciplined approach through a tough first half of the year for the advertising market.** This result demonstrates the **Group's ability to keep tight control of investment**, while maintaining a powerful range of event programming and **increasing the gap in audience share with its leading challenger.**
- **Current operating profit from activities** in the Media segment came to €256.2 million, giving a current **operating margin of 13.0%, stable compared with 2022.** **This good performance illustrates the Group's ability to maintain its margins, even in an uncertain macro-economic environment or during the broadcasting of major sport events such as the Rugby World Cup.**

Newen Studios

- **Revenues for Newen Studios division came to €329.4 million in 2023,** a decline of 23.0% compared with 2022.

As already mentioned, this performance versus 2022 is impacted by unfavourable factors:

- **The discontinuation of both *Plus belle la vie* in 2022 by France Télévisions and sales to SALTO,**
- **Delivery of iconic programmes** such as '*Liaison*' (for Apple TV) and '*Marie-Antoinette*' (for Canal+) **in the third quarter of 2022.**

In addition, the first nine months of the year were impacted by weak demand from traditional broadcasters due to a tough advertising market in Europe, and a slowdown in investment from international streaming platforms.

Revenue at Newen Studios rose by 1.4% in the fourth quarter, mainly due to **deliveries for Disney+ of productions like *To Cook a Bear*, *Nemesis* and *Nos Vemos*.**

- **With current operating income from activities of €31.2 million, Newen Studios' margin stands at 9.5% in 2023, with a margin of 14.2% in the fourth quarter, close to 2022 (-0.1 pt).**

Financial position

TF1 group's free cash flow before WCR stood at €178.1 million, confirming the Group's ability to convert its results into cash. **Its free cash flow after WCR reached €313.1 million, an increase of €186.0 million.**

TF1 group benefits from a solid financial position, with a net cash of €505.1 million by 31 December 2023, an increase of €179.4 million compared with the end of December 2022.

Dividend

In line with TF1's distribution policy disclosed in February 2023, the Board of Directors will propose to the General Meeting of Shareholders on 17 April 2024 the payment of a **dividend of fifty-five cents per share, an increase of 10% from 2022.**

Governance

After consulting the Selection and Remuneration Committee, the Board of Directors meeting on 14 February 2024 will recommend to the General Meeting of 17 April 2024 that it (i) renews the appointments of SCDM, represented by Charlotte Bouygues, and Bouygues, represented by Pascal Grangé, as Directors for a term of three years; (ii) appoints Marie-Aude Morel as the Director representing employee shareholders for a term of three years; and (iii) record the appointment, for a period of three years, of Sophie Leveaux and Yoann Saillon as Directors representing employees.

Subject to the adoption of the corresponding resolutions by the shareholders, TF1's Board of Directors would include, among its non-employee directors, **3 independent directors, i.e. a proportion of 37.5% independent directors and 50% women** (not including the two directors representing employees and the director representing employee shareholders).

Non-financial performance

TF1 group is committed to **three main areas of activity: diversity and inclusion, ecological transition and solidarity. The Group's performance in these areas has recently been recognised by several rating agencies, including Moody's ESG Solutions, MSCI and S&P Global.**⁷

In addition, the **SBTI (Science Based Target Initiative) has approved the decarbonisation targets set for all the Group's activities**, which involve reducing greenhouse gas (GHG) emissions from scopes 1 and 2 by 42% by 2030, compared with the baseline year of 2021, as well as reducing absolute GHG emissions from scope 3a by 25% within the same timeframe. **TF1 becomes the first French audiovisual media group to sign up to an ambitious and voluntary decarbonisation programme with 3 priority areas: ecoproduction, digital sobriety and sustainable procurement.**

In terms of ethical content and information, TF1 group is the first private television group in Europe to receive the Journalism Trust Initiative certification, which guarantees the Group's commitment to the transparency of its news media and respect for journalistic ethics.

TF1 group's Executive Committee has also achieved parity in 2023, demonstrating its commitment to gender equality.

⁷ Moody's ESG Solutions: 1st company in the Broadcasting & Advertising sector – October 2022; MSCI: AA rating – April 2023; S&P Global: member of the DJSI World index – October 2023.

Outlook

The Group's ambition is to establish itself as the go-to free-to-air destination for news and family entertainment in France.

The Group's strategic priorities are:

- **On the linear side**, strengthen the Group's leadership in the advertising market through a premium content offering and a differentiating reach.
- **In digital**, become the leading free streaming platform in France, by leveraging the potential of the Group's editorial line and optimising the value of digital inventories by strengthening its data strategy.
- **In production**, establish Newen Studios as a key European studio with French roots.

In the Media segment, 2024 will be a defining year for the Group's transformation.

On the editorial front, strong brands are set to return during the first semester, such as *Koh-Lanta* and *Danse avec les Stars*, **serialised programmes with strong linear and non-linear potential**. This year will notably be marked by the **broadcasting of UEFA EURO 2024**, which will provide advertisers with premium content. **The Group will continue to reinforce its audiences across all target groups with dedicated programming, such as the launch of *Bonjour! La Matinale TF1*.**

In the digital segment, on 8 January 2024 the Group launched its new free streaming platform TF1+, which offers users a rich and diverse range of over **15,000 hours of content** coming mostly from linear and **pioneering innovations such as *TOP INFO* and *SYNCHRO*⁸ to make joint viewing easier**. **TF1+ is available on all connected devices where long programmes are streamed⁹**. The platform has got off to a very promising start, with high visitor numbers and usage figures.

The Group will continue to invest in data and advertising technologies (ad tech) to offer the best possible experience to audiences and the best services to advertisers.

On the production side, Newen Studios will capitalize in 2024 on its solid track record to deliver prestigious productions such as the second season of *Marie-Antoinette* for Canal+. Following the launch of *Plus belle la vie: Encore plus belle* on TF1, TFX and TF1+, Newen Studios will continue to strengthen its synergies with the Media division.

In this context, the Group's outlook for 2024 is the following:

- **Keep growing in digital, building on the promising launch of TF1+;**
- **Maintain a broadly stable current operating margin from activities;**
- **Continue to generate solid cash flow, enabling the Group to aim for a growing dividend policy over the next few years.**

⁸ From the second quarter of 2024.

⁹ Available for download and on telecoms operators' set-top boxes and virtually all *Smart* TVs.

Our Financial Information Report for 2023 is available at <https://www.groupe-tf1.fr/en>.
A conference call presenting the full-year 2023 results is scheduled for 9.30 a.m. CET on 15 February 2024.
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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