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TF1 GROUP H1 2024 RESULTS

Consolidated revenue up 6.3% in the first half of 2024, driven by good performance in advertising (up 7.4% year on year):

- **Confirmation of TF1+'s appeal, with a 40.4% increase in advertising revenue.** The streaming platform notably benefits from a leadership position in terms of reach as well as a strong growth in usage.
- **Good momentum in linear advertising, with revenue up 5.3%.** The Group has further strengthened its audience leadership and is recording the fastest growth in the French audiovisual sector.

Current operating margin from activities of 11.7% in the first half

Solid financial position with net cash of €446.5 million

Full-year objectives confirmed

Boulogne-Billancourt, 25 July 2024

The TF1 Board of Directors, chaired by Rodolphe Belmer, met on 25 July 2024 to approve the financial statements for the first half of 2024. The results below are presented by TF1 group operating segment and in accordance with IFRS 16. Published revenue and operating profit figures are available in the Financial Information Report for the first half of 2024, accessible online at www.groupe-tf1.fr.

(€m)	02 2024	02 2023	H1 2024	H1 2023	CHG. €m	CHG. %
Media	530.4	485.3	983.5	904.4	79.1	8.7%
Advertising revenue	438.2	405.7	801.5	746.4	55.1	7.4%
o/w TF1+ advertising revenue	36.0	26.1	65.0	46.3	18.7	40.4%
Non-advertising Media revenue	92.2	79.6	182.0	158.0	24.0	15.2%
Newen Studios	61.6	73.1	120.4	133.7	(13.3)	(9.9%)
Consolidated revenue	592.0	558.4	1 103.9	1 038.1	65.8	6.3%
Media	88.3	104.9	124.9	146.3	(21.4)	(14.6%)
Newen Studios	3.2	7.6	3.9	6.0	(2.1)	(35.0%)
Current operating profit from activities	91.5	112.4	128.8	152.3	(23.5)	(15.4%)
Current operating margin from activities	15.5%	20.1%	11.7%	14.7%	-	(3.0 pts)
Current operating profit	91.0	111.6	127.6	150.3	(22.7)	(15.1%)
Operating profit	80.5	97.6	114.6	131.1	(16.5)	(12.6%)
Net profit attributable to the Group	66.3	73.3	96.0	101.3	(5.3)	(5.2%)
Cost of programmes	(241.7)	(203.3)	(458.9)	(403.9)	(55.0)	13.6%
Net cash ^a	446.5	365.1	446.5	365.1	81.4	22.3%

^a Does not include non-current and current lease obligations.

Group results for the first half

TF1 group's **consolidated revenue** totalled **€1,103.9 million** in the first half of 2024, a year-on-year **increase of 6.3%**, driven by **growth in advertising revenue (up 7.4%** compared with the same period in 2023).

Current operating profit from activities amounted to **€128.8 million**, down €23.5 million year on year due to higher programming costs (notably related to the Euro 2024 football tournament) and, to a lesser extent, to non-recurring costs related to the launch of TF1+.

Current operating margin from activities was 11.7% in the first half, compared with 14.7% in 2023, as anticipated at this stage of the year, and not representative of the evolution expected for the full year.

Operating profit totalled **€114.6 million**, including other operating income and expenses amounting to -€13.0 million, mainly related to an extension of the agreement on jobs and career management (known in French as the GEPP, for *Gestion des Emplois et des Parcours Professionnels*), signed in July 2023.

Net profit attributable to the Group was **€96.0 million**, close to the 2023 figure (down €5.3 million year on year) notably benefitting from financial income on surplus cash.

Net cash stood at **€446.5 million** at the end of June 2024, compared with €365.1 million at the end of June 2023 and €505.1 million at the end of December 2023.

Analysis by segment

Media

— Audience ratings¹

Audience figures confirm the success of TF1 group's editorial line and digital acceleration strategy. In the first half of 2024, the Group maintained an **unrivalled reach, attracting more than 30 million² viewers in France every day**.

The Group achieved record audience shares in the first half, along with the fastest growth in the French audiovisual sector across all audiences:

- In the 4+ target, its audience share was 27.1% (up 0.9 points year on year).
- In the W<50PDM target, its audience share was 34.6% (up 1.0 points), **a 17-year high**.
- Among individuals aged 25-49, its audience share was 31.5% (up 1.3 points), a 14-year high.

The TF1 channel consolidated its leading position in its sector:

- In the 4+ target, its audience share was 18.7% (up 0.5 points).
- In the W<50PDM target, its audience share was 23.3% (up 0.4 points), maintaining **a significant lead of 10.1 points over its main competitor**.
- Among individuals aged 25-49, its audience share was 21.0% (up 1.1 points), 8.4 points over its main competitor.

¹ Médiamétrie television and video consumption data.

² Daily average in the 4+ target.

Those performances were notably driven by its **major unscripted franchises** (e.g. *Koh-Lanta*, *Danse avec les Stars*, *Star Academy*), the **return of prestigious French drama** (e.g. *HPI*), the **EURO 2024 football tournament** (with the Austria-France game attracting the largest audience in the first half with 11.3 million viewers) and its **powerful position in news**.

The TF1 channel **scored 49 of the top 50 ratings in the first half of 2024 in the W<50PDM target, and 47 of the top 50 ratings in the individuals aged 25-49 target.**

The Group's success in attracting linear audiences was a springboard for the new streaming platform TF1+, which launched on 8 January 2024. TF1+ got off to a very good start, due to its distinctive attributes: strong brand awareness, accessibility, visibility, attractive content and a user-friendly interface. TF1+ is establishing itself as a leader in terms of reach, with 33 million streamers³ per month on average in the first half and more than 35 million in May, a new record, compared with 28 million streamers per month for MYTF1 in 2023.

In the first half of 2024, TF1+ recorded **594 million of streamed hours** according to Médiamétrie (up 10%), representing 1.5x usage on the second-ranked platform. Based on site-centric figures⁴, **consumption jumped by 58%.**

- **Revenue in the Media segment** totalled **€983.5 million, up 8.7% year on year:**
 - **Advertising revenue in the Media segment** amounted to **€801.5 million, up 7.4% year on year, driven by a stronger advertising market in linear and the performance of TF1+ in digital.**

Advertising revenue generated by TF1+ grew by 40.4% to €65.0 million in the first half of 2024, confirming its appeal for advertisers.
 - **Non-advertising revenue in the Media segment** totalled **€182.0 million, up 15.2%,** driven by music and interactive services.
- **The Group's programming costs were €458.9 million, up €55.0 million year on year, notably related to EURO 2024.** With a more favourable advertising market in 2024, programming costs returned to a level close to the first half of 2022, when there were no major sports events.
- **Current operating profit from activities in the Media segment was €124.9 million.** This includes for TF1+ non-recurring expenses related to the launch, and recurring costs progressively covered by the optimisation plan announced in 2023.

As a reminder, this plan **aims at gradually achieving more than €40 million euros in operational cost savings⁵ from 2025 onwards**, of which c.€15 million will be reinvested in the digital acceleration plan. **At the end of June 2024, more than 55% of savings are secured.**

³ Source: Médiamétrie – Number of unique visitors who streamed TF1 group content at least once during the month – All content watermarked at the request of broadcasters (replay, long-term rights, excerpts) – Excluding Live OTT – Content publisher perspective.

⁴ Site-centric data, environments excluding Canal+, Molotov and telco OTT apps / excluding Live.

⁵ Real estate, IT, procurement and organisation.

Newen Studios

- **At Newen Studios, revenue amounted to €120.4 million**, down 9.9% year on year, in line with the expectation of a 2024 activity mostly skewed to the fourth quarter.

The first half was marked by the launch of *Plus belle la vie, encore plus belle* for TF1, the ongoing production of *Amsterdam Empire* for Netflix and continued positive momentum in cinema with the film *Chasse Gardée* [Open Season], released in theatres in late 2023 and distributed by TF1 Studios (1.9 million tickets sold), along with the releases of *Nous les Leroy* and *Ici et là-bas*.

- **Newen Studios' current operating profit** was €3.9 million in the first half of 2024, similar to the 2023 figure.

Financial position

At 30 June 2024, TF1 group **had a solid financial position, with a net financial surplus of €446.5 million**, compared to €365.1 million at the end of June 2023.

With a free cash flow of €75.5 million before changes in WCR and €65.3 million after changes in WCR in the first half, and after dividend payment by TF1 of €116.1 million in April, the Group's net cash position decreased by €58.6 million relative to end-December 2023.

LCI, TMC, TFX bids selected by ARCOM

TF1 Group is delighted that **ARCOM has selected the applications from the three channels LCI, TMC and TFX, further to the call for bids for 15 broadcast licenses on digital terrestrial TV (DTT)**.

This selection reflects the quality of the applications submitted and the significant contribution of TF1 Group's channels in informing and entertaining the French viewers, in very strict compliance with the regulations and our institutions.

Newen Studios signs a binding agreement to acquire a 63% stake in Johnson Production Group

Newen Studios signs a binding agreement with Timothy O. Johnson (founder) and A+E Networks to acquire a 63% stake in Johnson Production Group (JPG), a **US player in the production and distribution of TV movies**. The acquisition enables Newen Studios, which already owns Reel One (65% stake, with the remainder held by A+E Networks), to **further strengthen its ambition in the dynamic and resilient TV movie market**.

In 2023, JPG generated **revenue of around \$60 million** (around €55 million), for an **operating margin of about 30%**.

Subject to the usual adjustments, **the price paid for the 63% stake in JPG is expected around €80 million**. In connection with the transaction, A+E Networks would relinquish its option to sell its 35% stake in Reel One to Newen Studios. Overall, **these operations would reduce the Group's net cash position by around €65 million**.

This acquisition is **expected to close during the third quarter of 2024**.

Outlook

The Group's ambition is to establish itself as the go-to free-to-air destination on TV for news and family entertainment in French-speaking markets.

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 by optimising the value of its digital inventories through the strengthening of its data strategy.
- **In production**, establish Newen Studios as a key European studio with French roots.

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

- **In terms of programming**, some strong franchises are set to return in the second half, such as *HPI*, *Koh-Lanta*, and *Star Academy*, and **new programmes will be released** such as *Brocéliande* and *Cat's Eyes*. **These are all serialised programmes with strong linear and non-linear potential.**
- **In digital**, the Group will:
 - o **Accelerate the roll-out of TF1+** after a very promising start in France, **by extending its distribution to other French-speaking markets**. Since June, TF1+ has been **available in Belgium and Luxembourg** on all devices. Its expansion in those markets is the first phase of the roll-out, including **a move into Switzerland in the coming months**.
 - o **Extend its range of programmes through a unique aggregation strategy** in the free streaming sector. The Group intends to **capitalise on TF1+'s appeal to attract leading third-party content publishers**. An **initial milestone was reached** in July, when audiovisual content from **L'Equipe, Le Figaro TV and Deezer** arrived on the platform.
 - o **Continue to invest in data and advertising technologies** (ad tech) to optimise the value of its digital inventories.

On the production side, **Newen Studios will capitalise on its track record in 2024** to deliver prestigious productions such as the second seasons of *Marie-Antoinette* for Canal+ and of *Memento Mori* for Prime Video at the end of the year. 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 segment, and in particular will deliver the second season of *Mademoiselle Holmes* at the end of the year.

As a result, the Group confirms its objectives for 2024:

- **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.**

The financial statements have been subject to a limited review by the Statutory Auditors and the corresponding report has been issued.
The Financial Information Report for the first half of 2024 is available at <https://www.groupe-tf1.fr/en>.
A webcast presenting the first-half 2024 results is scheduled for 18:30 CEST on 25 July 2024.
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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