

[27.04.2023] **PRESS RELEASE**

# TF1 GROUP Q1 2023 RESULTS

**Increased audience leadership in commercial targets**

**Continued strong momentum in digital, with a robust increase in MYTF1 advertising revenue (+17.3%)**

**Reaffirmed agility on programming costs and financial strength**

Boulogne-Billancourt, 27 April 2023

The TF1 Board of Directors, chaired by Rodolphe Belmer, met on 27 April 2023, to approve the financial statements for Q1 2023. The results below are presented by TF1 Group operating segment and in accordance with IFRS 16. Reported revenue and operating profit figures are available in the Q1 2023 Financial Information Report on the website: [www.groupe-TF1.fr/en](http://www.groupe-TF1.fr/en).

(€m)	Q1 2023	Q1 2022	CHG. €m	CHG. %
Media	419.1	485.5	(66.4)	(13.7%)
Advertising revenue <sup>1</sup>	340.7	377.1	(36.4)	(9.7%)
o/w MYTF1 advertising revenue <sup>2</sup>	20.2	17.3	3.0	17.3%
Non advertising Media revenue <sup>3</sup>	78.4	108.4	(30.0)	(27.7%)
Newen Studios	60.6	75.8	(15.2)	(20.1%)
<b>Consolidated revenue</b>	<b>479.7</b>	<b>561.3</b>	<b>(81.6)</b>	<b>(14.5%)</b>
Media	41.4	57.5	(16.0)	(27.9%)
Newen Studios	(1.6)	3.9	(5.5)	-
<b>Current operating profit from activities<sup>4</sup></b>	<b>39.9</b>	<b>61.4</b>	<b>(21.5)</b>	<b>(35.0%)</b>
Current operating profit from activities margin	8.3%	10.9%	-	(2.6pt)
<b>Current operating profit</b>	<b>38.8</b>	<b>59.6</b>	<b>(20.8)</b>	<b>(34.9%)</b>
<b>Operating profit</b>	<b>33.6</b>	<b>56.2</b>	<b>(22.6)</b>	<b>(40.2%)</b>
<b>Net profit attributable to the Group</b>	<b>28.1</b>	<b>34.1</b>	<b>(6.0)</b>	<b>(17.6%)</b>
Cost of programmes	(200.6)	(220.0)	19.4	(8.8%)
Net cash <sup>5</sup>	468.2	379.4	88.8	23.4%

## Group results

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 effects<sup>6</sup>, revenue decreased by €25.1 million (i.e. -6.9%), which is in line with our anticipations.**

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

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

<sup>3</sup> Excluding the effect of changes in structure, Media non advertising revenue decreased by €7.8 million, or an evolution of -9.0% vs Q1 2022.

<sup>4</sup> Current operating profit before amortisation and impairment of intangible assets recognised from acquisitions.

<sup>5</sup> Exclusive of lease obligations.

<sup>6</sup> Sale of Unify Publishers assets in Q4 2022.

**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.

**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** 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 attributable to the Group** was **€28.1 million**, down €6.0 million compared to the first quarter of 2022<sup>7</sup>.

**At end-March 2023, the Group reported a net cash position of €468.2 million** versus €379.4 million at end-March 2022, representing an increase of €88.8 million.

## Analysis by segment

### Media

#### — *Audience ratings*<sup>8</sup>

**In Q1 2023, the TF1 group maintained its leadership status on commercial targets (up 0.1 pt) and the TF1 channel achieved a notable increase.** Its audience share was 22.6% among W<50PDM **up 0.6 pt**, which enabled the Group to post a **record gap with its number-one competitor for the Q1 period**<sup>9</sup>. Among 25-49-year-olds, its audience share was 19.7% (up 0.2 pt).

**In the first quarter of 2023, the channel recorded 7 of the top 10 audience ratings** among individuals aged 4+. **TF1 delivered excellent performances across all genres given its unique and differentiating offer:**

- **Must-see French drama offering** with the return of *Balthazar*, which attracted up to 6.9 million viewers (the top audience rating of the year to date for drama), and records among young viewers with new franchises such as *Avenir*, which posted an audience share of 43.1% among 15-24-year-olds;
- **Iconic entertainment programmes** with *Les Enfoirés*, which scored the best first-quarter rating with 8.5 million viewers, and the return of *Koh-Lanta* which averaged 43.5% audience share among W<50PDM;
- **A reference news offering**, notably with the televised interview with French Prime Minister Elisabeth Borne on 16 March 2023, which was watched by 6.6 million viewers. The news bulletins confirmed their leadership position, with the TF1 8pm news bulletin, ***Le journal de 20h***, having up to 6.9 million viewers, and the TF1 1pm news bulletin, ***Le journal de 13h***, attracting up to 5.7 million viewers;
- **Popular sports events** with the return of the French football team, attracting 8.1 million viewers for the match between France and the Republic of Ireland;

<sup>7</sup> Net profit for 2022 included the share of losses related to Salto.

<sup>8</sup> TV and video viewing figures from Médiamétrie.

<sup>9</sup> Since 2013.

- **A popular family movie line-up**, as illustrated by *Astérix et Obélix: Mission Cléopâtre*, which recorded a 40.1% audience share among 25-49-year-olds.

**MYTF1 continued its development with the aim of becoming the First French Free-to-View streaming service.**

- **The first quarter of 2023 further illustrated the effectiveness of the Group's content offering, catering to both linear and non-linear formats.** More than 30% of consumption of popular series, such as *Koh-Lanta* and *Ici tout commence*, is now done in non-linear format.
- **MYTF1 also achieved record levels of live consumption**, notably with over one million visits for the French football team's matches.

— **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 effects<sup>10</sup>, 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 interactivity and the absence of sale rights to Salto.

— **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.**

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

---

<sup>10</sup> Sale of Unify Publishers assets 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 2022<sup>11</sup>.

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 season<sup>12</sup>.

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

## 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 2023**<sup>13</sup>, versus a net cash position of €325.7 million at end-December 2022<sup>14</sup>.

## Non-financial performance

During Q1 2023, **TF1 Group was again involved in efforts to promote an inclusive society**. To celebrate International Women's Day, the Group unveiled its third edition of **Expertes à la Une**, a programme developed by its News Division to increase the representation of women experts in news coverage on TF1 and LCI.

The TF1 group also continued **its solidarity initiatives** with participation from its presenters and journalists in awareness campaigns and games contests as part of an effort to collect donations for the Pièces Jaunes and Sidaction charities.

## 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.

---

<sup>11</sup> Izen UK and Anagram.

<sup>12</sup> Delivery scheduled for 2024.

<sup>13</sup> Net cash position of €410.2 million including lease obligations.

<sup>14</sup> Net cash position of €251.4 million including lease obligations.

## ARCOM<sup>15</sup>

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 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.

## 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.**

Our Financial Information Report for Q1 2023 is available at <http://www.groupe-tf1.fr/en>.  
A conference call presenting the Q1 2023 results is scheduled for 6:30 p.m. CET on 27 April 2023.  
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".

**TF1 GROUP**  
**INVESTOR RELATIONS - [comfi@tf1.fr](mailto:comfi@tf1.fr)**  
**CORPORATE COMMUNICATION - [mcarcabal@tf1.fr](mailto:mcarcabal@tf1.fr)**



<sup>15</sup> The French regulatory authority for audiovisual and digital communication.