Interim Report
2008 – First Half

Contents

Consolidated key figures

€m	2008 1st half	2007 1st half	2007 full year
Revenue	1,363.5	1,430.6	2,763.6
TF1 channel advertising revenue	*891.2*	*924.7*	*1,718.3*
Revenue from other activities	*472.3*	*505.9*	*1,045.3*
Operating profit	171.4	263.5	305.2
Net profit attributable to the Group	125.0	185.7	227.8
Operating cash flow[1]	222.9	286.5	390.8
Shareholders' equity	1,337.4	1,372.6	1,394.0
Net debt	705.8	571.7	597.3
Basic earnings per share (€)	0.59	0.87	1.07
Diluted earnings per share (€)	0.59	0.87	1.06

	2008 1st half	2007 1st half	2007 full year
Average number of shares outstanding ('000)	213,403	213,947	213,763
Closing share price at end of period (€)	10.63	25.67	18.30
Average market capitalisation for the period (€bn)	2.3	5.49	3.91

[1] Before cost of net debt and income tax expense

Income statement contributions by segment

€m	Revenue			Operating profit		
	2008 6 months	**2007 6 months(*)**	**2007 12 months**	**2008 6 months**	**2007 6 months(*)**	**2007 12 months**
BROADCASTING FRANCE	**1,135.2**	**1,172.5**	**2,220.5**	**153.3**	**237.6**	**252.0**
TF1 SA	895.6	928.0	1,729.3	134.0	218.5	221.1
Téléshopping Group [a]	77.9	79.3	153.1	4.1	5.3	7.9
Theme channels – France [b]	96.2	95.1	188.6	4.2	1.5	2.0
TF1 Entreprises	12.1	13.2	40.5	(1.9)	(0.3)	1.9
In-house production company [c]	18.7	18.6	28.1	4.5	2.9	2.1
E-TF1	24.3	27.1	57.1	(0.2)	(1.1)	1.7
Other [d]	10.4	11.2	23.8	8.6	10.8	15.3
AUDIOVISUAL RIGHTS	**77.7**	**125.1**	**268.1**	**1.8**	**2.0**	**17.2**
Catalogue [e]	28.2	54.8	101.4	(1.1)	(1.8)	6.1
TF1 Vidéo [f]	49.5	70.3	166.7	2.9	3.8	11.1
INTERNATIONAL BROADCASTING [g]	**150.3**	**133.0**	**274.8**	**18.3**	**23.9**	**38.2**
OTHER ACTIVITIES [h]	**0.3**	**-**	**0.2**	**(2.0)**		**(2.2)**
TOTAL – CONTINUING OPERATIONS	**1,363.5**	**1,430.6**	**2,763.6**	**171.4**	**263.5**	**305.2**

(*) TF1 Hors Média (non-media below-the-line promotional activities) reclassified from TF1 Entreprises to Other after the merger of TF1 Publicité

[a] Including 1001 Listes
[b] Comprises Eurosport France, LCI, TV Breizh, TMC, TF6, Série Club, Odyssée, Histoire, Ushuaïa TV, TFOU, JET and TF1 Digital.
[c] Mainly comprises TF1 Films Production, TPP, Alma Productions, Glem, TAP, Yagan Productions and Quai Sud.
[d] Mainly comprises TF1 Publicité, GIE Aphélie, WAT and GIE Acquisition de Droits
[e] Mainly comprises TF1 International, Telema and TCM.
[f] Including CIC
[g] Comprises Eurosport International and France 24.
[h] Top Ticket.s.

2008 Key Events

BROADCASTING FRANCE

TF1 channel

In an increasingly competitive media environment, TF1 has retained a strong position, attracting **48 of the top 50 audience ratings** since the start of the year and achieving the record audience for the year on June 13, 2008 when 12.7 million viewers tuned into the France-Netherlands Euro 2008 football match[2].

Theme channels

On April 2, 2008, **Ushuaïa TV** was relaunched as the "Sustainable Development and Environmental Protection Channel", with a new programming schedule. A sustainable development website, *Ushuaïa, la terre et nous* (http://ushuaia-terre.tf1.fr) went online to coincide with the relaunch.

In June 2008, **TMC** had the leading audience share in Digital Terrestrial Television (DTT) for the eighth consecutive month. TMC is the first and only French DTT channel[3] to have topped the million-viewer mark in prime time.

Other companies

In March 2008, **Téléshopping** launched the *placedestendances.com* online ready-to-wear department store, with 32 brands offered in the debut range for the 2008 spring/summer season.

On June 20, 2008, **TF1 Publicité** won the competitive tendering procedure launched by **Les Indépendants**, an economic interest grouping of 111 local radio stations. This three-year contract, which will take effect on January 1, 2009, represents a diversification opportunity for TF1 Publicité, extending its reach into a new medium: radio.

INTERNATIONAL BROADCASTING

On May 25, 2008, Eurosport launched the Eurosport HD channel in 14 countries. The channel will broadcast footage of most major sporting events using state-of-the-art high-definition technology to give ultra-sharp images.

OTHER ACTIVITIES

On May 27, 2008, the CSA (the French audiovisual regulator) announced the result of the bidding process for **personal mobile TV operators**, launched on November 6, 2007. Of the 32 original bidders, 13 were selected, including **TF1** and **Eurosport France**.

On May 6, 2008, **TF1** and **Endemol** announced the signature of a global partnership agreement between the TF1 Group and the Endemol France Group. The 2-year agreement, which takes effect on September 1, 2008, will give TF1 Group channels full access to the Endemol network's catalogue of rights and formats. TF1 also obtained exclusive free-to-air and pay-to-view new media rights for the programmes acquired.

At end June 2008, **the editorial teams at LCI and TF1 were merged**. The new team is headed up by Jean-Claude Dassier, who becomes TF1 Group Executive Vice President – News. There has also been a **reshuffle in advertising**, with Martine Hollinger, Chief Executive Officer of TF1 Publicité, becoming a member of the TF1 Group Executive Management Committee, and Benoît Louvet being appointed as Executive Vice President at TF1 Publicité. Finally, Claude Cohen becomes adviser to the executive management of the TF1 Group.

TF1, **France's most socially-responsible media company**: with a **91.43%** score for environmental awareness and compliance, TF1 was ranked top out of around sixty media companies evaluated by the French Ministry for Ecology, Energy, Sustainable Development and Regional Development, in a report issued in March 2008.

[2] Source: Médiamétrie

[3] Excluding terrestrial channels

Management Review – First Half of 2008

Boulogne – July 31, 2008

TF1 Group consolidated revenue fell by 4.7% in the first half of 2008 to €1,363.5m. Net advertising revenue from the TF1 channel was down 3.6% at €891.2m, while revenue from other activities was 6.6% lower at €472.3m.

For the TF1 channel, the fall in advertising revenue during the first half of 2008 was due to a decline in the consumer goods sector, reflecting the pressure on advertising spend caused by a difficult and complex economic climate: downgrades in GDP growth forecasts, commodity price rises, and a worse-than-expected financial crisis.
Since the start of 2008, the advertising market has also been affected by the announcement by French President Nicolas Sarkozy (on January 8, 2008) about the removal of advertising from French public-service channels, and by the new tariff scales introduced by France Télévision at the start of 2008. These two factors, combined with less favourable economic conditions, led advertisers to adopt a wait-and-see attitude during the first half of 2008.

Revenue from other activities was €472.3m, a fall of 6.6%, mainly due to the outstanding performance of the movie *La Môme* (English title: *La Vie en Rose*) in the first half of 2007. After stripping out this effect, revenue fell by 2.1%.

The activities of the Téléshopping Group, TF1 Entreprises and TF1 Vidéo were affected by the slowdown in consumer demand.
Eurosport International enjoyed higher subscription and advertising revenue, driven largely by the channel's ongoing expansion across the full range of media (satellite, ADSL and DTT) and by the fact that 2008 has a strong calendar of major sporting events.

Operating profit for the first half of 2008 was down 35.0% at €171.4m, giving an operating margin of 12.6%.
TF1 channel programming costs rose by 9.7% to €514.1m. Excluding sports events (finals phase of the Euro 2008 football tournament), programming costs fell by 1.9%.

The cost of net debt increased to €15.2m, mainly due to a higher average level of debt following the acquisition of a 33.5% interest in the AB Group in April 2007.

Other financial income and expenses showed a net gain of €13.9m in the first half of 2008. This item mainly comprises the effect of the remeasurement at fair value of the Canal+ France financial asset, comprising a 9.9% interest and a put option, and non-recurring impairment losses charged against financial assets.

Net profit from continuing operations was down 32.7% at €125.0m, reflecting the decline in revenue.

As of June 30, 2008, shareholders' equity stood at €1,337.4m out of a balance sheet total of €3,820.3m. Gearing was 52.8%.

Guidance

The TF1 Group is reiterating its 2008 full-year guidance of a decline of approximately 3% in consolidated revenue, and of growth in programming costs of less than 3% (including sports events).

This guidance reflects factors of which TF1 is currently aware, and is subject to changes in economic conditions over the coming months.

I. Broadcasting France

The Broadcasting France division generated first-half revenue of €1,135.2m (down 3.2%) and an operating profit of €153.3m (down 35.5%).

TF1 Channel *(Source: Médiamétrie)*

Over the first six months of the year, TF1 recorded an audience share of 27.6% for individuals aged 4 and over, rising to 31.0% for women aged under 50. Despite the proliferation of media offerings, TF1 confirmed its market-leading position, recording 48 of the top 50 audience ratings in the period and broadcasting 55 programmes that each attracted over 8 million viewers.

Advertising

TF1 net advertising revenue fell by 3.6% in the first half of 2008. Conditions during the period were affected by uncertainty over regulatory developments and by an unfavourable economic climate for advertising.

TF1's share of the advertising market in the first half of 2008 was 58.7%[4].

Within the overall decline in advertising revenues, different sectors enjoyed contrasting fortunes.

Sectors in decline[4] during the period included:

- *Food*, the no.1 sector for advertising on TF1 (23% of gross advertising revenues), showed a fall of 10.5%. The sector is affected by tough economic conditions, especially the rise in commodity prices.
- *Cosmetics/Beauty* and *Household Cleaning* (respectively 13.7% and 4.7% of gross advertising revenue), which are to some extent correlated with economic conditions and levels of household consumption, were also affected during the period, recording declines of 5.7% and 18.4% respectively.
- *Banking and Insurance* showed a fall of 14.9%, with the banking sector still faced with the fallout from the sub-prime crisis.

However, TF1 demonstrated its resilience to economic slowdown by increasing its market share in each of these sectors: *Food* (61.3%, up 1.1 points), *Household Cleaning* (62.8%, up 0.3 of a point), *Cosmetics/Beauty* (57.6%, up 2.1 points), and *Banking and Insurance* (58.8%, up 5.7 points).

Sectors achieving growth[4] during the period included:

- *Retail,* which suffered from a tough comparative in the first quarter of 2008 due to the opening up of TV advertising to the retail sector from January 1, 2007, reported a more favourable trend over the first half generally (up 4.8%). TF1 also upped its market share by 4.3 points to 62.0%, in a sector which already accounts for 6.3% of revenue.
- *Automotive* rose by 8.9%, driven by a 4.5% increase in registrations of new cars to end June.
- *Publishing* (up 11.1%)
- *Telecommunications* (up 14.7%), thanks to a weak comparative and increased competition in the sector.
- *Pharmaceuticals/Medicine*, which achieved a very strong growth rate of 28.6% over the first half. TF1 has a market share of 57.8% (up 3.6 points) in this booming sector.

Internet advertising revenue generated by the TF1 Group as a whole rose by 15.6% in the first half of 2008. It was +8.8% for the French thematic channels.

Theme channels – France

During the first half of 2008, the French theme channels generated revenue of €96.2m, up 1.2%. The division's advertising revenue rose over the period, largely driven by strong audience ratings for **TMC**. In June, for the eighth consecutive month, **TMC** was the unrivalled leader in DTT[5]. With 2% of the national audience share, **TMC** is France's leading DTT channel[6], and its audience share has doubled in a year. **TMC** has also attracted 39 of the top 50 DTT audience ratings[6] in 2008 so far.

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[4] TNS Media Intelligence: national TV market
[5] Excluding terrestrial channels

With 6.7 million viewers a week and an average audience share of 1.6% in the first half of 2008, **Eurosport France** remains a leading theme channel player (*Source: Mediamétrie MediaCabSat survey of theme channel audience figures between December 31, 2007 and June 15, 2008)*.

The division reported a first-half operating profit of €4.2m, compared with €1.5m in the comparable period of 2007. This improvement mainly reflects the closure of the JET channel at end 2007 and the fine performance from TMC.

Number of households per channel:

Channel	June 30, 2008 (million)	June 30, 2007 (million)	Change
Eurosport France	7.3	7.1	+2.8%
TV Breizh	6.0	5.9	+1.7%
LCI	7.1	6.7	+6.0%
TMC*	16.4	12.9	+27.1%
TF6	5.9	5.9	-
Série Club	5.1	5.2	(1.9)%
Odyssée	1.7	2.2	(22.7)%
Histoire	4.6	4.6	-
Ushuaia TV	2.2	2.8	(21.4)%

** Includes both terrestrial in south-east France (approximately 2.2 million households) and DTT*

Other companies

The contribution of the **Téléshopping Group** to consolidated revenue fell by 1.8% in the first half of 2008 to €77.9m, mainly as a result of unfavourable economic conditions and a slowdown in household consumption. Internet activities rose by 7% relative to the first half of 2007, but Programmes and Catalogues both saw a decline. Increased DTT viewing figures for TMC and NT1, a good performance from internet activities and optimisation of the sales offerings helped the Infomercials business to grow revenue by 12%. Overall, the Téléshopping Group reported an operating profit of €4.1m.

TF1 Entreprises reported a drop of 8.3% in revenue to €12.1m, mainly due to the Music and Games businesses, both of which were affected by the slowdown in consumer demand. Overall, the division made an operating loss of €1.9m. Dujardin had a fairly positive quarter, boosted by the *1000 Bornes* range of games. The Publishing business also achieved growth in a flat market thanks to strong momentum in new launches, the commercial success of titles such as *Les plus belles expéditions* (Ushuaïa) and *Le destin de Lisa*, and the development of the “black-and-white” segment (crime fiction).

E-TF1 saw revenue decline by 10.3% in the first half of 2008 to €24.3m. Despite a rise in advertising revenue, E-TF1 was hit by a weaker performance from the *1 contre 100* gameshow and lower audience figures for the TF1 channel itself, which had an inevitable knock-on effect on interactive operations.

II. Audiovisual rights

The Audiovisual Rights division reported a 37.9% drop in revenue to €77.7m in the first half of 2008. Operating profit fell to €1.8m.

The contribution from **TF1 Vidéo** (including CIC) was down 29.6% at €49.5m. TF1 Vidéo is selling into a declining market, and sales volumes fell by 16% in the absence of any major DVD releases. Over the first half, sales via traditional channels (movie and non-movie) were hit hard. However, revenue from the VOD segment more than trebled compared with the first half of 2007. At €2.9m, operating profit was €0.9m lower than the 2007 first-half figure.

The **Catalogue** business reported a 48.5% drop in first-half revenue to €28.2m, reflecting poorer-than-expected cinema releases in the first half of 2008 and a tough comparative (the first half of 2007 saw the release of *La Môme* – English title *La Vie en Rose*). Overall, the business posted an operating loss of €1.1m for the period.

III. International Broadcasting

Eurosport International

At end June 2008, the Eurosport International channel was received by 106.9 million households (up 2.4%) in 59 countries. Most of this growth came from the ongoing development of satellite, ADSL and DTT broadcasting.

Internationally, Eurosport had a paying subscriber base of 63.8 million as of June 30, 2008. This represents an increase of 8.7%, with nearly 80% of the new subscribers located in Central and Eastern Europe.

The TF1 Group broadened its offering in May 2008 with the launch in 24 countries of the Eurosport HD channel, which will broadcast footage of most major sporting events using state-of-the-art high-definition technology. This launch illustrates not only the Group's technical expertise, but also its ability to innovate and react to trends in the market.

Eurosport 2, the sister channel launched in January 2005, is now broadcast to 32 million households (up 29.1% year on year) in 43 countries. The channel is continuing to grow in Eastern Europe, boosted by the showing of Premier League matches in Hungary and Romania and by the addition of a Serbian version.

The EurosportNews sports news channel is broadcast to 5.3 million households, the vast majority of them paying subscribers.

Eurosport Events, which manages sports events and markets below-the-line promotional products, broadened its offering with the launch of the World Series of Snooker in June 2008.

Eurosport's internet activities are benefiting from the alliance deal agreed with Yahoo! in May 2007, covering the UK, German, Spanish and Italian markets. This alliance has cemented Eurosport's position as the no.1 sport site in Europe, by combining Eurosport's editorial flair with the commercial muscle and technical expertise of Yahoo!

Investment in international expansion is also paying off, with Eurosport consolidating its position in the Asia/Pacific region, where 2.3 million households were receiving the channel at end June.

First-half revenue was up 11.4% at €148 million. Growth was driven both by subscription sales (up 12.7%) and advertising sales (up 9.1%), demonstrating the pulling power of the Eurosport brand. Operating profit for the period was €18.3m.

IV. Risk Factors and Litigation

The following risk has emerged since the publication of the TF1 Annual Report on March 26, 2008:

Three contestants from the second series of the *Ile de la Tentation* reality show, broadcast on the TF1 channel for 6 seasons (2002-2007) and executive-produced by GLEM, instigated proceedings claiming that their participation in the show was tantamount to a contract of employment and that they were hence entitled to receive compensation, including amounts due in cases of "clandestine employment".

Their claim was accepted in a decision of the Paris Employment Tribunal in November 2005, upheld in a ruling by the Paris Appeal Court in February 2008. Since that ruling, other contestants from TV reality shows have instigated employment tribunal proceedings against not only the programme producers, but also TF1 as the broadcaster. Meanwhile, GLEM has decided to challenge the Appeal Court ruling of February 11, 2008 in the Supreme Court.

As far as TF1 SA and the TF1 Group are aware, no new risk factors or litigation, other than the item disclosed above, have arisen since the publication of the TF1 Annual Report on March 26, 2008 that taken individually would be liable to have a material effect on the business activities, profits, financial position or net assets of TF1 SA or the TF1 Group.

V. Corporate Governance

Patrick Le Lay proposed to the Board to end the separation of the office of Chairman of the Board of Directors from that of Chief Executive Officer. As a consequence, Patrick LE LAY submitted today its resignation from the Board of Directors which accepted it.
Patrick Le Lay will continue to serve on the Board as a Director.
Martin Bouygues congratulated Patrick Le Lay for the 21-year time leading the Group and his support to Nonce Paolini.

In accordance with Patrick Le Lay's proposal, the board of directors elected Nonce Paolini as the new Chairman and CEO of the Group.

Martin BOUYGUES congratulated Nonce PAOLINI for his nomination and underlined the significant work achieved over a year within a difficult context.

The Director Selection Committee now consists of Martin Bouygues (chairman) and Alain Pouyat (member).

VI. Related Parties

There have been no material changes in respect of related parties since the publication of the TF1 Annual Report on March 26, 2008.

VII. Regulatory Update

The New Public Television Commission has issued its report on the arrangements for withdrawing advertising from France Télévisions. The withdrawal of advertising from France Télévisions will begin on January 1, 2009, initially between 8 p.m. and 6 a.m. only. Advertising will totally disappear from France Télévisions channels from 2012. A draft bill is due to be presented in the autumn of 2008, amending the existing law of September 30, 1986.

In addition, the public authorities have initiated a public consultation on revising the rules relating to the dissemination of advertising messages, as derived from the decree of March 27, 1992. The latest draft mentions an increase in the daily average from 6 to 9 minutes of advertising per hour, with 12 minutes of advertising in any one hour. It also proposes allowing the sponsorship of non-prescription drugs and extending the slots available for tele-shopping broadcasts. The Minister for Culture has informed the media that she wishes to see the new decree issued in the final quarter of 2008.

Finally, as part of its review of the draft bill on the modernisation of the economy, the French parliament has adopted an amendment to Article 39 of the law of September 30, 1986. The 49% limit on capital ownership of a terrestrial television channel will now apply only to channels with a national audience share of over 8%, rather than 2.5% as previously. This amendment is due to be promulgated within the next few weeks.

VIII. Human Resources Update

The TF1 Group's workforce fell during the first half of 2008, both at the parent company and its subsidiaries. As of June 30, 2008, the Group had 3,735 employees, compared with 3,768 as of December 31, 2007.

IX. Share Price and Ownership

On June 30, 2008, TF1 shares closed at €10.63, a fall of 41.9% since December 31, 2007. This was in line with the trend for other European media stocks. Over the same period, the CAC 40 index fell by 21% and the CAC Next 20 index by 20.5%. The market capitalisation of the TF1 Group as of June 30, 2008 was €2.27bn.

To the best of the Board's knowledge, the share ownership structure as of June 30, 2008 was as follows:

	June 30, 2008 capital	Number of shares	June 30, 2008 voting rights	Dec. 31, 2007 capital	Number of shares
Bouygues	**43.0%**	**91,806,565**	**43.0%**	**43.0%**	**91,806,565**
Other – France (1) (2)	25.5%	54,452,274	25.5%	23.9%	51,062,880
of which employees	*4.1%*	*8,786,875*	*4.1%*	*3.6%*	*7,645,335*
of which Treasury shares	*0.0%*	*14,625*	-	-	-
Other	31.5%	67,151,653	31.5%	33.1%	70,541,047
Total	**100.0%**	**213,410,492**	**100.0%**	**100.0%**	**213,410,492**

(1) Including unidentified holders of bearer shares
(2) Estimates based on Euroclear statement as of June 30, 2008

Consolidated income statement in management accounting format

€m	*2008 1st half*	*2007 1st half*	*2007 Full year*
TF1 Channel			
Advertising revenue	891.2	924.7	1,718.3
Advertising costs	(42.5)	(43.9)	(81.1)
NET BROADCASTING REVENUES	**848.7**	**880.8**	**1,637.2**
Royalties and contributions			
- Royalties	(34.7)	(36.0)	(66.4)
- CNC	(46.7)	(48.4)	(90.3)
Broadcasting costs			
- TDF, satellites, transmission costs	(27.2)	(27.4)	(54.2)
Programming costs (excluding Rugby World Cup & Euro 2008)	**(459.7)**	**(468.7)**	**(974.3)**
Programming Costs – Rugby World Cup			**(49.9)**
Programming Costs – Euro 2008	**(54.4)**		
GROSS PROFIT	**226.0**	**300.3**	**402.1**
Diversification revenue and other revenues from operations	472.9	504.7	1,038.0
Other operating expenses	(458.3)	(474.5)	(1,005.6)
Depreciation, amortisation and provisions, net	(69.2)	(67.0)	129.3
OPERATING PROFIT	**171.4**	**263.5**	**305.2**
Cost of net debt	**(15.2)**	**(8.1)**	**(21.4)**
Other financial income and expenses	**13.9**	**17.1**	**28.7**
Income tax expense	(50.8)	(86.4)	(93.0)
Share of profits/(losses) of associates	5.7	(0.4)	8.3
NET PROFIT FROM CONTINUING OPERATIONS	**125.0**	**185.7**	**227.8**
Post-tax profit of discontinued or held-for-sale operations		0.0	0.0
NET PROFIT	**125.0**	**185.7**	**227.8**
Attributable to the Group	**125.0**	**185.7**	**227.8**
Attributable to minority interests	0.0	0.0	0.0

Consolidated financial statements

CONSOLIDATED BALANCE SHEET

ASSETS (€m)	Note	**June 30, 2008**	**Dec. 31, 2007**	**June 30, 2007**
Intangible assets		**240.3**	**209.7**	**162.4**
Audiovisual rights		209.7	179.8	132.4
Other intangible assets		30.6	29.9	30.0
Goodwill		**510.0**	**509.7**	**505.0**
Property, plant and equipment		**169.6**	**158.3**	**151.8**
Investments in associates	5	**255.3**	**253.4**	**244.3**
Other financial assets	6	**710.7**	**691.6**	**680.3**
Non-current tax assets		**19.7**	**21.8**	**19.8**
Total non-current assets		**1,905.6**	**1,844.5**	**1,763.6**
Inventories		**530.0**	**520.4**	**568.4**
Programmes and broadcasting rights		507.3	499.8	548.9
Raw materials and supplies		22.7	20.6	19.5
Trade and other debtors		**1,301.8**	**1,232.5**	**1,192.4**
Current tax assets		**6.2**	**14.4**	**-**
Foreign exchange derivative instruments		**0,6**	**0.3**	**0.6**
Interest rate derivative instruments	7	**1.3**	**0.9**	**1.0**
Financial assets used for treasury management purposes	7	**3.3**	**3.8**	**-**
Cash and cash equivalents	7	**71.5**	**34.9**	**92.6**
Total current assets		**1,914.7**	**1,807.2**	**1,855.0**
Held-for-sale assets		**-**	**-**	**-**
TOTAL ASSETS		**3,820.3**	**3,651.7**	**3,618.6**

CONSOLIDATED BALANCE SHEET (continued)

SHAREHOLDERS' EQUITY & LIABILITIES (€m)	Note	June 30, 2008	Dec. 31, 2007	June 30, 2007
Share capital		42.7	42.7	42.9
Share premium and reserves		1,169.7	1,123.5	1,144.0
Net profit attributable to the Group		125.0	227.8	185.7
Shareholders' equity attributable to the Group		**1,337.4**	**1,394.0**	**1,372.6**
Minority interests		-	-	-
Total shareholders' equity		**1,337.4**	**1,394.0**	**1,372.6**
Non-current debt	7	**732.2**	**617.6**	**493.8**
Non-current provisions		**33.6**	**34.7**	**35.0**
Non-current tax liabilities		**3.0**	**0.8**	**4.8**
Total non-current liabilities		**768.8**	**653.1**	**533.6**
Current debt	7	**47.1**	**14.8**	**170.6**
Foreign exchange derivative instruments		**8.3**	**7.3**	**2.4**
Interest rate derivative instruments	7	**2.6**	**4.5**	**0.9**
Trade and other creditors		**1,591.3**	**1,513.1**	**1,441.2**
Current tax liabilities		**0.6**	**4.5**	**33.4**
Current provisions		**64.2**	**60.4**	**63.9**
Total current liabilities		**1,714.1**	**1,604.6**	**1,712.4**
Liabilities relating to held-for-sale assets		**-**	**-**	**-**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**3,820.3**	**3,651.7**	**3,618.6**

CONSOLIDATED INCOME STATEMENT

(€m)	Note	2008 1st half	2007 1st half	2008 2nd quarter	2007 2nd quarter	2007 full year
Net advertising revenue		988.5	1,013.4	510.4	519.3	1,900.2
- TF1 channel		*891.2*	*924.7*	*451.1*	*467.7*	*1,718.3*
- Other channels		*97.3*	*88.7*	*59.3*	*51.6*	*181.9*
Diversification revenue		375.0	417.2	194.7	209.0	863.4
Revenue		**1,363.5**	**1,430.6**	**705.1**	**728.3**	**2,763.6**
Other operating revenue		0.1	0.1	0.1	-	0.2
External production costs		(293.9)	(291.2)	(130.3)	(147.6)	(627.6)
Other purchases and changes in inventory		(291.1)	(258.7)	(178.1)	(130.9)	(562.1)
Staff costs	8	(221.9)	(208.6)	(111.0)	(101.3)	(437.5)
External expenses		(244.5)	(260.3)	(129.5)	(139.1)	(546.6)
Taxes other than income taxes		(72.6)	(75.1)	(36.4)	(37.6)	(141.5)
Depreciation and amortisation, net		(47.9)	(46.3)	(27.0)	(21.7)	(88.4)
Provisions and impairment, net		(21.3)	(20.7)	(15.4)	(10.9)	(40.9)
Other operating income and expenses		1.0	(6.3)	(4.9)	(0.7)	(14.0)
Current operating profit		**171.4**	**263.5**	**72.6**	**138.5**	**305.2**
Other non-current operating income and expenses		-	-	-	-	-
Operating profit		**171.4**	**263.5**	**72.6**	**138.5**	**305.2**
Income associated with net debt	9	5.4	11.1	0.3	7.2	9.6
Expenses associated with net debt	9	(20.6)	(19.2)	(11.1)	(11.8)	(31.0)
Cost of net debt		**(15.2)**	**(8.1)**	**(10.8)**	**(4.6)**	**(21.4)**
Other financial income and expenses		13.9	17.1	11.2	7.6	28.7
Income tax expense		(50.8)	(86.4)	(22.2)	(44.4)	(93.0)
Share of profits/losses of associates	5	5.7	(0.4)	3.8	0.1	8.3
Net profit from continuing operations		**125.0**	**185.7**	**54.6**	**97.2**	**227.8**
Post-tax profit from discontinued/held-for-sale operations		-	-	-	-	-
Net profit		**125.0**	**185.7**	**54.6**	**97.2**	**227.8**
Attributable to the Group		**125.0**	**185.7**	**54.6**	**97.2**	**227.8**
Attributable to minority interests		-	-	-	-	-
Weighted average number of shares outstanding (in thousands)		213,403	213,947	213,403	213,947	213,763
Earnings per share (in euros)		0.59	0.87	0.26	0.46	1.07
Diluted earnings per share (in euros)		0.59	0.87	0.26	0.46	1.06

CONSOLIDATED CASH FLOW STATEMENT

(€m)	2008 1st half	2007 1st half	2007 full year
Consolidated net profit (including minority interests)	125.0	185.7	227.8
Depreciation, amortisation, provisions & impairment (excluding current assets)	60.4	53.3	95.8
Intangible assets and goodwill	*38.7*	*40.3*	*74.9*
Property, plant & equipment	*11.2*	*10.3*	*21.2*
Financial assets	*5.5*	*-*	*3.0*
Provisions	*5.0*	*2.7*	*(3.3)*
Other non-cash income and expenses	(9.3)	(27.1)	(10.3)
Effect of fair value remeasurement	(16.9)	(18.1)	(33.1)
Share-based payment expense	0.3	2.6	4.7
Net (gain)/loss on asset disposals	(0.2)	(5.4)	(0.6)
Share of (profits)/losses of associates	(0.7)	0.4	(8.3)
Dividend income from non-consolidated companies	-	(0.1)	(2.1)
Sub-total	**158.6**	**191.3**	**273.9**
Net interest expense	13.5	8.8	23.9
Income tax expense (including deferred taxes)	50.8	86.4	93.0
Operating cash flow	**222.9**	**286.5**	**390.8**
Income taxes paid	(41.3)	(44.8)	(99.8)
Change in operating working capital needs	(23.4)	(97.4)	34.4
Net cash generated by operating activities	**158.2**	**144.3**	**325.4**
Cash outflows on acquisitions of property, plant & equipment and intangible assets	(64.1)	(55.3)	(102.0)
Cash inflows from acquisitions of property, plant & equipment and intangible assets	2.3	0.8	3.2
Cash outflows on acquisitions of financial assets	(0.3)	(4.1)	(1.3)
Cash inflows from disposals of financial assets	0.5	0.1	0.2
Effect of changes in scope of consolidation	(1.6)	(95.7)	(233.2)
Dividends received		0.1	2.1
Change in loans and advances receivable	(1.9)	(1.2)	(1.3)
Net cash used in investing activities	**(65.1)**	**(155.3)**	**(332.3)**
Cash received on exercise of share options	-	8.4	9.0
Purchases and sales of treasury shares	-	0.2	(18.7)
Dividends paid during the year	(181.4)	(181.8)	(181.8)
Cash inflows from new debt contracted	109.7	143.6	119.7
Repayment of debt (including finance leases)	(5.7)	(138.8)	(140.5)
Net interest paid (including finance leases)	(5.7)	(4.3)	(22.7)
Net cash used in financing activities	**(83.1)**	**(172.7)**	**(235.0)**
CHANGE IN CASH POSITION OF CONTINUING OPERATIONS	**10.0**	**(183.7)**	**(241.9)**
Cash position at beginning of period	**29.9**	**271.8**	**271.8**
Change in cash position during the period	10.0	(183.7)	(241.9)
Cash position at end of period	**39.9**	**88.1**	**29.9**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€m)	Share capital	Share premium	Treasury shares	Reserves	Income and expense recognised directly in equity	**Shareholders' equity attributable to the Group**	Minority interests	**Consolidated shareholders' equity**
BALANCE AT DECEMBER 31, 2007	**42.7**	**2.8**	**(4.7)**	**1,358.0**	**(4.8)**	**1,394.0**	**-**	**1,394.0**
Capital increase (share options exercised)	-	-	-	-	-	**-**	-	**-**
Share-based payment	-	-	4.3	(4.0)	-	**0.3**	-	**0.3**
Purchase of treasury shares	-	-	-	-	-	**-**	-	**-**
Cancellation of treasury shares	-	-	-	-	-	**-**	-	**-**
Dividends paid	-	-	-	(181.4)	-	**(181.4)**	-	**(181.4)**
Other transactions with shareholders	-	-	-	-	-	**-**	-	**-**
Net income attributable to the Group	**-**	**-**	**-**	**125.0**	**-**	**125.0**	**-**	**125.0**
Income and expense recognised directly in equity	**-**	**-**	**-**	**-**	**(0.5)**	**(0.5)**	**-**	**(0.5)**
BALANCE AT JUNE 30, 2008	**42.7**	**2.8**	**(0.4)**	**1,297.6**	**(5.3)**	**1,337.4**	**-**	**1,337.4**

(€m)	Share capital	Share premium	Treasury shares	Reserves	Income and expense recognised directly in equity	**Shareholders' equity attributable to the Group**	Minority interests	**Consolidated shareholders' equity**
BALANCE AT DECEMBER 31, 2006	**42.8**	**19.8**	**(12.1)**	**1,307.6**	**-**	**1,358.1**	**(0.1)**	**1,358.0**
Capital increase (share options exercised)	0.1	8.3	-	-	-	**8.4**	-	**8.4**
Share-based payment	-	-	-	2.6	-	**2.6**	-	**2.6**
Purchase of treasury shares	-	(7.3)	7.3	-	-	**-**	-	**-**
Cancellation of treasury shares	-	-	-	-	-	**-**	-	**-**
Dividends paid	-	-	-	(181.8)	-	**(181.8)**	-	**(181.8)**
Other transactions with shareholders	-		0.1		-	**0.1**	0.1	**0.2**
Net income attributable to the Group	**-**	**-**	**-**	**185.7**	**-**	**185.7**	**-**	**185.7**
Income and expense recognised directly in equity	**-**	**-**	**-**	**-**	**(0.5)**	**(0.5)**	**-**	**(0.5)**
BALANCE AT JUNE 30, 2007	**42.9**	**20.8**	**(4.7)**	**1,314.1**	**(0.5)**	**1,372.6**	**-**	**1,372.6**

STATEMENT OF RECOGNISED INCOME AND EXPENSE

(€m)	2008 1st half	2007 1st half	2007 full year
Consolidated net profit for the period	**125.0**	**185.7**	**227.8**
Fair value adjustments to financial instruments and other financial assets	(0.4)	(0.5)	(3.9)
Change in cumulative translation difference	(0.1)	-	(0.2)
Actuarial gains and losses on employee benefits	-	-	(1.1)
Taxes on items credited or debited directly to equity	-		0.4
Income and expense recognised directly in equity	**(0.5)**	**(0.5)**	**(4.8)**
Total recognised income and expense	**124.5**	**185.2**	**223.0**
Attributable to the Group	124.5	185.2	223.0
Attributable to minority interests	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Significant events in the period

Significant events during the first half of 2008 are described in the section of this report preceding the Management Review.

2. Accounting policies

2.1. Declaration of compliance and basis of preparation

The condensed financial statements for the six months ended June 30, 2008 should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2007 as published in the 2007 *Document de Référence* filed with the *Autorité des Marchés Financiers* (AMF) on March 26, 2008 under reference number D.08-0152. An English-language version of the audited consolidated financial statements for the year ended December 31, 2007 is included in the TF1 Annual Report, which is available on the TF1 corporate website at www.tf1finance.fr/en/index.php.

They have been prepared using accounting policies that comply with International Financial Reporting Standards ("IFRS") as adopted by the European Union and applicable to periods beginning on or after January 1, 2008, and in accordance with IAS 34 (Interim Financial Reporting).

The consolidated financial statements of the TF1 Group include the financial statements of TF1 SA and its subsidiaries and joint ventures, and the TF1 Group's interests in associated undertakings. They are presented in millions of euros.

They were adopted by the Board of Directors on July 31, 2008, and have been subject to a limited review by the statutory auditors.

2.2. New and amended accounting standards and interpretations

2.2.1. New standards, amendments and interpretations effective within the European Union and mandatorily applicable to periods beginning on or after January 1, 2008

The TF1 Group has applied the same standards, interpretations and accounting policies as those used in the preparation of its consolidated financial statements for the year ended December 31, 2007. The Group has elected to apply IFRIC 11 (IFRS 2 – Group and Treasury Share Transactions) with effect from January 1, 2009, as permitted by EC Regulation 611-2007.

2.2.2. New standards, amendments and interpretations for which early adoption is allowed

The TF1 Group has decided not to early adopt the following pronouncement, issued by the IASB and endorsed by the European Union, which is not mandatorily applicable until after January 1, 2008:

- IFRS 8 (Operating Segments)

Applicable to annual periods beginning on or after January 1, 2009

2.2.3. Standards, amendments and interpretations issued by the IASB but not yet endorsed by the European Union

Standards whose application could have an impact on the TF1 Group financial statements**:**

- Revised IAS 1 (Presentation of Financial Statements)

Applicable to annual periods beginning on or after January 1, 2009

- Revised IFRS 3 (Business Combinations)

Applicable to business combinations with an acquisition date in the first annual period beginning on or after July 1, 2009

- Amendment to IAS 27 (Consolidated and Separate Financial Statements)

Applicable to annual periods beginning on or after July 1, 2009

- Amendment to IFRS 2 (Share-Based Payment): vesting conditions and cancellations

Applicable to annual periods beginning on or after January 1, 2009

- IFRS Annual Improvement Process

Applicable to annual periods beginning on or after January 1, 2009, except for improvements to IFRS 5 which are applicable to annual periods beginning on or after July 1, 2009

Amendments and interpretations whose application is unlikely to have a material impact on the TF1 Group financial statements:

- Amendment to IAS 23 (Borrowing Costs)

Applicable to annual periods beginning on or after January 1, 2009

- Amendments to IAS 32 and IAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation

Applicable to annual periods beginning on or after January 1, 2009

- Amendments to IFRS 1 and IAS 27: Cost of an investment in a subsidiary, jointly controlled entity or associate in separate financial statements

Applicable to annual periods beginning on or after January 1, 2009

- IFRIC 12 (Service Concession agreements)

Applicable to annual periods beginning on or after January 1, 2008

- IFRIC 13 (Customer Loyalty Programmes)

Applicable to annual periods beginning on or after July 1, 2008

- IFRIC 14 (The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction)

Applicable to annual periods beginning on or after January 1, 2008

2.3. Changes in accounting policy

With effect from January 1, 2007, the TF1 Group has applied the option allowed under the amendment to IAS 19 (Employee Benefits) to recognise all actuarial gains and losses on defined-benefit plans directly in equity. Previously, the Group applied the “corridor” method, under which actuarial gains and losses greater than 10% of (i) the future obligation or (ii) the fair value of plan assets were recognised in profit or loss over the average remaining working lives of the employees. The retrospective application of this change in accounting policy had no material effect on the 2007 financial statements.

2.4. Changes in presentation

Changes in presentation and reclassifications are made when they provide information that is reliable and more relevant to users of the financial statements and the revised structure is likely to continue, so that comparability is not impaired. If the effect of a change in presentation is regarded as material, comparative information must also be reclassified.

Change in presentation of taxes in the balance sheet

TF1 reviewed the presentation of deferred taxes historically used by the Group effective January 1, 2007. In its annual financial statements, TF1 offsets deferred tax assets and liabilities if (i) the entity has a legally enforceable right to offset tax assets and tax liabilities and (ii) these tax assets and liabilities relate to income tax levied by the same tax authority.

For the purposes of quarterly financial information, TF1 now offsets current tax assets and liabilities, in line with the treatment applied in the annual financial statements.

The effect of this change in presentation on the financial statements for the six months ended June 30, 2007 is to reduce current tax assets and liabilities by €52.1m, and to reduce deferred tax assets and liabilities by €34.2m.

2.5. Use of estimates

Preparation of the condensed consolidated financial statements requires the TF1 Group to make various estimates and use assumptions regarded as realistic or reasonable. Events or circumstances may result in changes to these 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
- Impairment of goodwill
- Impairment of programmes and broadcasting rights
- Measurement of provisions

There have been no significant changes in respect of such estimates since December 31, 2007.

2.6. Seasonal trends

Advertising revenues are traditionally lower during the summer than during the rest of the year.

3. Significant changes in the scope of consolidation

There were no significant changes in the scope of consolidation during the first half of 2008.

4. Segment information

4.1. Information by business segment

TF1 organises its operating activities into strategic business units, each of which is managed appropriately to the nature of the products and services sold and the specific economic environment. The primary level of segment reporting adopted by TF1 is the business segment, because risks and returns on investment are affected by the nature of the products or services sold. The secondary level of segment reporting is the geographical segment.

Management assesses 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.

The business segments used in primary-level segment reporting are:

Broadcasting France
This segment includes the TF1 channel, associated and spin-off activities regarded as inseparable from this channel, and other free-to-air or pay-TV channels broadcasting primarily to France. Activities inseparable from TF1 include the in-house advertising airtime sales agency, and companies involved in the production or co-production of programmes intended exclusively for the TF1 channel, such as Ushuaïa, Alma Productions and Glem.

International Broadcasting
This segment comprises subsidiaries involved in the development and broadcasting of pay-TV programmes primarily broadcast outside France, in particular Eurosport and France 24.

Audiovisual Rights
Subsidiaries whose principal activity is the production, publishing or distribution of audiovisual rights not exclusively intended for TF1 Group channels are included in this segment. Production activities include delegated productions or co-productions of films. Publishing and distribution activities include all media (CD, DVD, etc) and all channels (cinemas, TV channels and all retail distribution channels).

Other Activities
This segment comprises all activities not included in any of the segments described above.

The contribution of each business segment to the TF1 consolidated financial statements was as follows:

(€m)	Broadcasting France		Audiovisual Rights		International Broadcasting		Other Activities		Eliminations (2)		**Total TF1**	
	H1 2008	**H1 2007**	**H1 2008**	**H1 2007**	**H1 2008**	**H1 2007**	**H1 2008**	**H1 2007**	**H1 2008**	**H1 2007**	**H1 2008**	**H1 2007**
REVENUE												
Third-party revenue	1,135.2	1,172.5	77.7	125.1	150.3	133.0	0.3	-	-	-	1,363.5	1,430.6
Inter-segment revenue	4.4	2.4	7.6	3.1	7.1	7.5	-	-	(19.1)	(13.0)	-	-
Total revenue	**1,139.6**	**1,174.9**	**85.3**	**128.2**	**157.4**	**140.5**	**0.3**	**-**	**(19.1)**	**(13.0)**	**1,363.5**	**1,430.6**
PROFIT												
Current operating profit	**153.3**	237.6	**1.8**	2.0	**18.3**	23.9	**(2.0)**	-	**-**	-	**171.4**	263.5
Share of profits/losses of associates (1)	5.7	-	-	-	-	-	-	(0.4)	-	-	5.7	(0.4)
Post-tax profit from discontinued and held-for-sale operations	-	-	-	-	-	-	-	-	-	-	-	-

(1) The share of profits/losses of associates recorded for each segment is as follows:
- *Broadcasting France: the €5.7m share of profits for the first half of 2008 relates to the AB Group.*
- *Other Activities: the share of profits relates to Metro France Publications.*

(2) Inter-segment sales and transfers are conducted on an arm's length basis.

5. Investments in associates

The table below gives a breakdown of investments in associates:

(€m)	AB Group (1)	Metro France Publications	Other associates (2)	Total
Country	France/Belgium	France	France	
December 31, 2006	-	11.8	28.4	**40.2**
Share of net profit/(loss)	-	(0.4)	-	**(0.4)**
Dividends paid	-	-	-	**-**
Change in scope of consolidation	230.2	-	(25.7)	**204.5**
June 30, 2007	230.2	11.4	2.7	**244.3**
December 31, 2007	238.3	12.0	3.1	**253.4**
Share of net profit/(loss)	5.7	-	-	5.7
Dividends paid	(5.0)	-	-	(5.0)
Change in scope of consolidation	-	-	1.2	1.2
June 30, 2008	239.0	12.0	4.3	**255.3**

(1) Because of the timing of preparation of the financial statements of the AB Group, the share of this associate's profits for the six months ended June 30, 2008 has been calculated on the basis of aggregated results for the fourth quarter of 2007 and the first quarter of 2008.

(2) In 2007, Europa TV was deconsolidated. In 2008, other associates comprise JFG Networks, Sky Art Media and Sailing One. The change in scope of consolidation during 2008 relates to the JFG Networks capital increase reserved for TF1 and to the exercise of the call option held by TF1.

6. Other financial assets

The Canal+ France financial asset received in exchange for the transfer of TPS shares represents a 9.9% interest in the capital of Canal+ France plus a put option exercisable in February 2010. This option will enable TF1 to sell all its Canal+ France shares at the greater of:

- a minimum price of €745.8m (for TF1's interest);
- an independent valuation at the exercise date.

On initial recognition, the TF1 Group designated the Canal+ France financial asset (comprising the equity interest and the put option) as a financial asset at fair value through profit or loss. Changes in the fair value of the asset are recognised in "Other financial income and expenses".

The fair value of this financial asset is determined on the basis of the minimum price of €745.8m, discounted at the interest rate derived from the agreement signed on January 6, 2006. During the six months ended June 30, 2008, the fair value of the asset increased by €19.2m, raising the reported value of the asset to €684.8m as at that date.

7. Net debt

Net debt as reported by the TF1 Group comprises the following items:

(€m)	**June 30, 2008**	**Dec. 31, 2007**
Cash and cash equivalents	71.5	34.9
Financial assets held for treasury management purposes	3.3	3.8
Total cash and cash equivalents (A)	**74.8**	**38.7**
Fair value of interest rate derivative instruments (B)	**(1.3)**	**(3.6)**
Long-term debt	732.2	617.6
Short-term debt	47.1	14.8
Total debt (C)	**779.3**	**632.4**
Net debt (C) – (B) – (A)	**705.8**	**597.3**

In 2003, the TF1 Group issued €500m of fixed-rate bonds maturing 2010, classified as long-term debt.

Until December 31, 2007, €300m of this bond issue was designated as a hedged item in a fair value hedging relationship, hedged by a €300m interest rate swap (pay floating rate, receive fixed rate) maturing on the same date.

At the start of January 2008, the TF1 Group contracted two swaps of €150m each (pay fixed rate) maturing November 12, 2009 in order to supplement its overall interest rate risk coverage. These swaps do not qualify for hedge accounting.

On January 1, 2008, the Group decided to discontinue hedge accounting for the relationship between the €300m portion of the bond issue and the original swap (pay floating rate, receive fixed rate).

Since January 1, 2008, the bond issue has been measured at amortised cost using the effective interest method, which discounts the future cash flows of the issue over its remaining life at a rate that exactly discounts these cash flows to the net carrying amount of the issue as at January 1, 2008, the date on which the designation of the hedging relationship was discontinued.

The effect of accounting for the bond issue at amortised cost in the six months ended June 30, 2008 was an additional interest expense of €0.4m (see note 9).

The interest rate swap with the same maturity as the bond issue, no longer designated as a hedging instrument, continues to be recognised in the balance sheet at fair value.

8. Staff costs

The increase in the "Staff costs" item in the income statement for the six months ended June 30, 2008 relative to the comparable period of 2007 is mainly due to restructuring costs.

Expense arising on share subscription option plan no. 10 awarded by TF1

The TF1 Board of Directors decided on February 20, 2008 to award a share subscription option plan reserved for TF1 Group employees, including corporate officers. The plan involved the granting of 2,000,000 options to subscribe for shares at a price of €15.35. The grant date of the options, which are valid for a period of seven years (i.e. until March 20, 2015), was March 20, 2008. The vesting period of the rights is three years. The impact of this plan on the financial statements for the six months ended June 30, 2008, recognised in accordance with IFRS 2, was €0.3m.

9. Cost of net debt

The cost of net debt for the six months ended June 30, 2008 comprised the following items:

(€m)	2008 1st half	2007 1st half
Interest income	1.1	1.0
Change in fair value of the hedged portion of the bond issue (1)	-	6.2
Change in fair value of interest rate derivatives	3.9	1.1
Income and revenues from financial assets	0.4	2.8
Income associated with net debt	**5.4**	**11.1**
Interest expense on net debt (2)	(15.8)	(12.6)
Change in fair value of interest rate derivatives	(4.8)	(6.6)
Expenses associated with net debt	**(20.6)**	**(19.2)**
Cost of net debt	**(15.2)**	**(8.1)**

(1) With effect from January 1, 2008, the TF1 bond issue ceased to be designated as the hedged item in a fair value hedging relationship (see note 7).
(2) The increase in interest expense between the first half of 2007 and the first half of 2008 includes the additional interest expense of €0.4m due to the bond issue being measured at amortised cost with effect from January 1, 2008.

10. Definition of cash position

The cash flow statement analyses movements in the net cash position, which equals cash and cash equivalents less bank overdrafts and treasury current account credit balances.

(€m)	June 30, 2008	Dec. 31, 2007
Cash and cash equivalents in the balance sheet	71.5	34.9
Treasury current account credit balances	(3.5)	(2.1)
Bank overdrafts	(28.1)	(2.9)
Total net cash position at end of period per cash flow statement	**39.9**	**29.9**

11. Dividends paid

The table below shows the dividend per share paid by the TF1 Group on April 30, 2008 in respect of the 2007 financial year, and the dividend paid during 2007 in respect of the 2006 financial year.

	Paid in 2008	Paid in 2007
Total dividend payout (€m)	181.4	181.8
Dividend per share (€)	0.85	0.85

12. Post balance sheet events

There are no post balance sheet events to report.

Statutory Auditors' Review Report

STATUTORY AUDITORS' REPORT ON THE FIRST HALF YEAR FINANCIAL INFORMATION FOR 2008

For the six month period ended 30 June 2008

To the shareholders,

In compliance with the assignment entrusted to us by your General Meeting and in accordance with Article L.232-7 of French Company Law and Article L.451-1-2 III of French Monetary and Financial Code, we hereby report our:
• review of the accompanying condensed half¬ year consolidated financial statements of Television française 1 S.A. ("the Company") for the six ¬month period ended 30 June 2008;
• verification of the information contained in the half ¬year management report.

These condensed half ¬year consolidated financial statements are the responsibility of your Board of Directors. Our role is to draw our conclusions on these financial statements based on our review.
I-Conclusions
We conducted our review in accordance with the auditing standards generally accepted in France. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters, and to analytical procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in France. Consequently, it does not enable us to obtain the same level of assurance that the financial statements, taken as a whole, do not present any material misstatements.
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half ¬year consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34, standard of the IFRSs as adopted by the EU for interim financial information.

II- Specific verification
We have also verified the information given in the half¬ year management report on the condensed half¬ year consolidated financial statements subject of our review. We have no matters to report as to its fair presentation and consistency with the condensed half year consolidated financial statements.

Paris La Défense and Courbevoie, 31 July 2008
The Statutory Auditors
French original signed by

KPMG Audit
Division of KPMG S.A.

MAZARS & GUERARD

Jean-Pierre Crouzet
Partner

Eric Lefebvre
Partner

Gilles Rainaut
Partner

Person responsible for financial information

Person assuming responsibility for the document:
Mr Nonce Paolini – Chairman and Chief Executive Officer

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of TF1 and the undertakings included in the consolidation, and that the interim report presents fairly the significant events of the first six months of the year and their impact on the half-year financial statements, the principal transactions with related parties, and the principal risks and uncertainties for the remaining six months of the year.

Boulogne, July 31, 2008
Chairman and Chief Executive Officer
Nonce Paolini

Télévision Française 1

Société anonyme with capital of €42,682,098 – Registered No. R.C.S. Nanterre 326 300 159

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