Interim Report
H1 2007

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Consolidated key figures

€m	H1 2007	H1 2006	2006
Revenue	1,430.6	1,385.6	2,653.7
TF1 Channel advertising revenue	*924.7*	*923.1*	*1,707.9*
Revenue from other activities	*505.9*	*462.5*	*945.8*
Current operating profit	263.5	208.8	300.8
Net profit attributable to the Group	185.7	171.5	452.5
Cash flow[1]	286.5	263.8	393.0
Shareholders' equity	1,372.6	1,077.6	1,358.0
Net debt	571.7	495.2	378.5
Earnings per share (€)	0.87	0.80	2.12
Diluted earnings per share (€)	0.87	0.80	2.11

	H1 2007	H1 2006	2006
Average number of outstanding shares (in thousands)	213,947	213,844	213,874
Closing share price at end of period (€)	25.67	25.50	28.11
Average market capitalisation (€bn)	5.49	5.45	6.01

[1] Cash flow before cost of net debt and income taxes

Contributions to consolidated income statement

€m	Revenue 2007 6 months	Revenue 2006 6 months	Revenue 2006 12 months	Current operating profit 2007 6 months	Current operating profit 2006 6 months	Current operating profit 2006 12 months
BROADCASTING FRANCE	1,172.5	1,155.1	2,153.6	237.6	182.5	245.9
TF1 SA	928 .0	934.1	1 724.3	218.5	160.4	224.5
Téléshopping Group	79.3	59.7	110.3	5.3	5.7	8.7
Theme channels in France [a]	95.1	76.5	153.9	1.5	(6.3)	(13.4)
TF1 Entreprises	14.3	17.2	40.3	(1.2)	2.9	5.9
In-house production companies [b]	18.6	21.6	31.1	2.9	2.5	(1.2)
E-TF1	27.1	37.5	71.3	(1.1)	1.7	3.8
Others [c]	10.1	8.5	22.4	11.7	15.6	17.6
AUDIOVISUAL RIGHTS	125.1	101.2	240.9	2.0	10.6	24.9
Catalogue [d]	54.8	32.3	83.0	(1.8)	4.8	9.3
TF1 Vidéo Group	70.3	68.9	157.9	3.8	5.8	15.6
INTERNATIONAL BROADCASTING [e]	133.0	129.3	259.2	23.9	15.7	30.0
TOTAL CONTINUING ACTIVITIES	1,430.6	1,385.6	2,653.7	263.5	208.8	300.8

[a] incl. Eurosport France, LCI, TV Breizh, TMC, TF6, Série Club, Odyssée, Histoire, Ushuaïa TV, TFOU, JET and TF1 Digital.
[b] incl. mainly TF1 Films Production, TPP, Alma Productions, Glem, TAP, Yagan Productions and Quai Sud.
[c] incl. mainly TF1 Publicité, SNC Aphélie and WAT.
[d] incl. mainly TF1 International, Téléma and TCM.
[e] incl. Eurosport International and France 24.

2007 Key events

BROADCASTING FRANCE

TF1 Channel[2]

Since the beginning of the year 2007, TF1 has reaped the fruits of its innovation strategy and has recorded viewer successes in access prime time with the *Wheel of Fortune, Un contre 100*, *Secret Story* … which attracted on average 39.2% of Women under the age of 50 during H1. Thus, TF1 scored its best access (on the 6.15 pm - 7.45 pm slot) for a first half, in terms of the number of viewers, since 1992.

The *Ségolène Royal - Nicolas Sarkozy* debate broadcast on May 2nd attracted a record audience for a political program with a total of 13.0 million viewers.

Theme channels

As part of the end-January global launch of Windows Vista, Microsoft chose LCI and Eurosport to develop new TV/video applications. The two channels applied their considerable know-how to design two innovative platforms for consumers of multimedia services. The new LCI Intégrale application offers three "live" channels: LCI, LCI Express and LCI Bonus. Eurosport has developed the Eurosport Player application, a multi-channel sports service offering the Eurosport, Eurosport 2 and Eurosportnews channels.

According to the latest Médiacabsat survey, 4 of the 8 most popular channels belong to the TFI group. Eurosport occupies the top spot, having risen 0.2 point since the last survey was conducted. TV Breizh remains in third position, while TF6 climbs from 8th to 4th position and LCI moves one up, from 8th to 7th position.

In-house production companies

During H1 2007, four of the co-productions from TF1 Films Production drew more than one million cinema-goers: *La Môme* (5.1 million spectators), *Taxi 4* (4.6 million spectators), *Le Prix à payer* and *Ensemble c'est tout*.

Other companies

According to an agreement signed in June 2006, Téléshopping and the Dogan group launched their home shopping program in Turkey in January 2007. It is broadcast on the Star TV and Kanal D channels.

In June, The TF1 Group acquired a 67.4% stake in ARONET, which publishes the embauche.com job board website. This site currently has 2 million web pages viewed per month[3], and is dedicated to non-executive positions, which account for 80% of the French labor force.

On 20 June, the TF1 Group and Telecom Italia signed a partnership agreement in content provision and marketing of advertising space on the www.aliceadsl.fr consumer portal site. Several of the TF1 Group's sites (lci.fr, eurosport.fr, tfou.fr, etc.) will be featured on the Alice portal site. TF1 Publicité will sell advertising space on Alice consumer portal site.

July: TF1 acquired Dujardin, the games publisher (*1000 Bornes*). The new entity created by the combination of TF1 Games and Dujardin is now the French leading publisher of board games with a catalogue of over 200 games.

INTERNATIONAL BROADCASTING

On February 21, Eurosport and Yahoo! announced their co-operation to create the biggest online European sports news website. The service will be rolled out first in Germany, Italy, Spain and the United Kingdom.

May: creation of Eurosport Events, a new subsidiary responsible for organizing, promoting and developing international sporting events. Eurosport Events is already involved in the WTCC (World Touring Car Championship™) and the IRC (International Rally Challenge).

[2] Source : Médiamat Médiamétrie
[3] Source: Xiti – May 2007

AUDIOVISUAL RIGHTS

TFM Distribution, TF1 International's cinema distribution entity, has recorded a success with the release of *La Môme*, attracting 5.1 million spectators since the beginning of 2007.

OTHERS

On January 4, TF1, M6 and Vivendi signed the final agreement aimed at uniting the pay-TV businesses of Group Canal+ and TPS in France with Canal+ France, new group controlled by Vivendi.

Subsequent to the decision of the CSA (the French audiovisual regulatory watchdog) published on March 27, 2007, TF1 and AB Group completed TF1's acquisition of a 33.5% minority stake in AB Group, on April 2, 2007.

In May, TF1, Artémis and Recruit signed an agreement to create a joint venture aimed at developing and producing a free urban magazine as of September 2007.

Interim report H1 2007

Boulogne, July 31st 2007

(€ million)	*2007.06*	*2006.06*	*2006.12*
TF1 Channel			
Advertising revenue	924.7	923.1	1,707.9
Advertising costs	(43.9)	(44.4)	(80.9)
NET BROADCASTING REVENUE	880.8	878.7	1,627.0
Royalties and contributions			
Authors	(36.0)	(36.9)	(66.6)
CNC	(48.4)	(45.8)	(84.8)
Broadcasting costs			
TDF, Satellites, Transmissions	(27.4)	(27.0)	(53.6)
Programming costs (excl. 2006 Football World Cup)	(468.7)	(457.0)	(946.5)
2006 Football World Cup cost		(89.5)	(113.6)
GROSS MARGIN	300.3	222.5	361.9
Diversification and miscellaneous revenue and other products	504.7	457.4	938.4
Other operating charges	(474.5)	(432.3)	(888.0)
Net allocation to depreciation, amortisations and provisions	(67.0)	(38.8)	(111.5)
OPERATING PROFIT	263.5	208.8	300.8
Cost of net debt	(8.1)	(5.2)	(11.6)
Other financial income and expenses	17.1	(2.8)	(4.9)
Income tax expense	(86.4)	(68.8)	(98.7)
Share of profits/losses of associates	(0.4)	9.4	13.1
NET PROFIT FROM CONTINUING OPERATIONS	185.7	141.4	198.7
Net profit of discontinued operations	0.0	30.2	253.6
NET PROFIT	185.7	171.6	452.3
Minority interests	0.0	0.1	(0.2)
NET PROFIT ATTRIBUTABLE TO THE GROUP	185.7	171.5	452.5

During H1 2007, TF1 group turnover increased by 3.2% to €1,430.6 million.

Advertising revenue reached €924.7 million up 0.2%. Excluding sponsorship and publishing, the so-called "traditional" TF1 channel advertising revenue were up 3.3%.

Other activities grew by 9.4% (excl. TF1core channel advertising revenue) to €505.9 million.

For the TF1 core channel, the highlight of the first six months was the opening of TV advertising to the retail sector, the basis of comparison with the broadcast of the 2006 Football World Cup and the wait-and-see attitude of the advertising market towards the presidential election. Changes in advertising revenue during H1 concealed contrasted trends. The *FMCGs*[4] (+8.2%[5]) and Services (+12.9%[5]) sectors did not offset the fall in investments from the *Telecommunications* (-37.4%[5]) and *Publishing* (-34.8%[5]) sectors. In H1 2007, retail investments represented 6% of TF1 gross advertising revenue[5]. At the end of H1 2007, TF1's market share reached 54.8%[5] (a 0.6 point increase).

Other activities were up 9.4% (excl. TF1 core channel advertising revenue) thanks to the good performances of the following subsidiaries:

- Téléshopping Group (+ 32.8%), thanks to the development of Internet sales, new activities launched in 2005 (shops and Infomercials) and *1001listes*;

- Theme channels in France (+ 24.3%) benefited from a booming advertising market and the new distribution contract with Canal+ France;

- The "catalogue" business (+ 69.7%) thanks to the cinema distribution by TFM of *La Môme*, which has recorded 5.1 million viewers since its release in February.

Nevertheless, some activities were down, mainly:

- TF1 Entreprises (-16.9%), which suffered from the fall of its Music and Publishing businesses;

- E-TF1 (-27.7%), which benefited from the success of the show *A Prendre ou à Laisser* (*Take it or leave it*) on TF1 in 2006.

The TF1 Group's current operating profit for H1 2007 was up 26.2% to €263.5 million, that is, an operating margin of 18.4% (+3.3 points). This improvement mainly comes from the 14.2% decline of TF1 channel programming costs compared to H1 2006 that included the football World Cup. Excluding the football World Cup in 2006, TF1 core channel programming costs slightly grew by 2.6% to €468.7 million, due to the increase of retired rights and of news programs links to the elections.

Other financial income and expenses came to €17.1 million at June 30, 2007 vs. (€2.8 million) a year earlier. This amount comes mainly from the re-assessment of the fair value of the put option on TF1's 9.9% holding in Canal+ France.

Net profit from continuing activities increased by 31.3% to €185.7 million. In H1 2006, net profit of discontinued activities stood at €30.2 million. Thus, net profit attributable to the Group was up 8.3% to €185.7 million, that is, a net margin of 13.0% (+0.6 point).

At June 30, 2007, the Group shareholders' equity totalled €1,372.6 million on a balance sheet total of €3,704.9 million. Total net debt stood at €571.7 million, that is, 41.6% of shareholders' equity. Net debt level increased compared to December 31, 2006 (€378.5 million) due to the dividend distribution (€182 million) and the 1st payment related to the acquisition of the 33.5% stake in AB group (€115 million).

Outlook

Based on the evolution of the advertising market on Q1 2007, the net advertising revenue guidance for the whole year 2007 was 6%. The evolution of the advertising market on Q2 2007 and the high volatility of the demand lead TF1 to revise its annual guidance. We are expecting from now on a slight growth of TF1 core channel advertising revenue for the full year 2007.

For full year 2007, the Group maintains its estimate of a 3% increase in programming costs (excluding exceptional sporting events in 2006 and 2007: Football World Cup and Rugby World Cup). Including these sport events, the TF1 channel programming costs will be down roughly 3% in 2007.

[4] Sectors: Food, Cosmetics, House Cleaning, Beverage.
[5] Source: TNS Media Intelligence.

I. Broadcasting France

The Broadcasting France division generated revenue of €1,172.5 million for H1 2007, and current operating profit of €237.6 million. The operating margin of the division reached 20.3% during the first 6 months of the year, improving by 4.5 points, due to a favourable comparison basis linked to the 2006 Football World Cup.

TF1 Channel (Source: Médiamétrie)

For the first six months of 2007, the daily viewing time reached 3h32 minutes on average for Individuals aged 4 and above (+2 minutes compared to H1 2006), and 3h49 minutes on average for Women under 50 (+ 3 minutes compared to H1 2006).

For the six months of 2007, the TF1 channel's audience share for Women under 50 grew by 0.9 point (compared to the same period in 2006), reaching 35.3% and 30.9% for Individuals aged 4 and above (-0.7 point).

In the DTT environment, the TF1 channel's audience share stood at 29.0% in Q1 2007 for Individuals aged 4 and above, i.e. only 1.9 point below its audience share in the national environment (*"Médiamat"*). The TF1 channel thus demonstrates its strong resistance to market fragmentation in a multi-channel environment.

TF1 strengthened its leadership position by achieving the 96 best audiences out of 100 in the first six months of the year (vs. 95 during the same period in 2006). This performance includes the political debate broadcast on May 2nd, between Ségolène Royal and Nicolas Sarkozy, and which comes in first position, having attracted 47% of viewers.

With an average 7.2 million viewers tuning in during prime time, TF1 attracted 2.5 million more Individuals than its closest competitors.

Advertising (Source: TNS Media Intelligence)

For first half 2007, net advertising revenue for the TF1 channel remained stable (+ 0.2%). The 1st half was marked by the opening of TV advertising to the retail sector, which represented 6% of TF1's gross advertising revenue in H1 2007, that is, €92 million. 42 retail advertisers have invested on TF1, representing a coverage rate of 95.5%[6], and 59.9%[6] market share. The six first months of 2007 were also marked by a high basis effect of the 2006 Football World Cup and by the wait-and-see attitude of the advertising market around the presidential election.

The stability of advertising masks contrasted sector trends.

In H1 2007, the growing sectors included:

- *Food*, the top advertising sector on TF1 (25.5% of gross advertising revenue) increased 10.6%, with a market share of 60.2% (+3.3 points);
- *Cosmetics/Beauty Products*, up 8.6% ;
- *House Cleaning* (+9.1%), with a market share of 62.5% (+1.9 point) ;
- *Services* (+12.9%), which now represent 7.9% of TF1's gross advertising revenue, driven by the sub-sectors *Banking* and *Insurance*.

However, some sectors declined:

- *Publishing* (-34.8%), which suffered from an unfavourable comparison basis and a music business in difficulty;
- *Telecommunications* (-37.4%), which benefited during H1 2006 from the deregulation of directories and the arrival of "118" (directories enquiries) in TV advertising;
- *Automotive* also fell by 6.6% during the first 6 months of the year.

Thematic channels France

In first half 2007, revenue for the TF1 Group's combined thematic channels France increased 24.3% compared to first half 2006 to reach €95.1 million. The operating profit of this division reached €1.5 million, attaining breakeven point.

The results of wave 13 of the Médiacabsat[7] study highlighted once again the solid health of the TF1 Group's thematic offering. Three of TF1's channels are in the Top 5: Eurosport confirmed its status as leading theme channel with a 1.8% audience share, TV Breizh, with an audience share of 1.2%, held onto its third place, and TF6 moved up four places by with 1.0% audience share for Individuals aged four years and over who are subscribers on a whole base.

[6] Excluding Mistergooddeal (M6 Group's subsidiary which invests only on M6)
[7] Source: 13th Mediacabsat wave for the period January 1 to June 17, 2007.

In the national environment, TMC is the n°1 theme channel (excluding historical terrestrial channels) with an audience share of 1.1% on Individuals aged 4 and above in Q1 2007, up 58% for the same period in 2006.

Number of households receiving the channel:

Channels	At June 30, 2007 (in million)	At June 30, 2006 (in million)	Change
Eurosport France	7.1	6.6	+ 7.6%
TV Breizh	5.8	4.6	+ 26.1%
LCI	6.7	5.4	+ 24.1%
TMC*	20.9	11.1	+ 88.3%
TF6	5.8	2.8	+ 107.1%
Série Club	5.2	2.3	+ 126.1%
Odyssée	2.2	2.2	+ 0.0%
Histoire	4.6	4.3	+ 7.0%
Ushuaia TV	2.7	1.1	+ 145.5%

** Including free-to-air in south-east France (some 2.2 million households) and DTT.*

Other companies

In first half 2007, the **Téléshopping Group** increased its contribution to consolidated sales by 32.8% to reach €79.3 million, attributable mainly to revenue growth from the Internet (+28%), which now represents more than 20% of Group sales; to the development of activities launched in 2005 (stores and infomercials) and to the *1001listes* contribution, which generated revenue of approximately €10 million over the period. The Téléshopping Group's operating profit decreased €0.4 million to €5.3 million, mainly due to the slightly negative contribution of *1001listes*.

For the first half 2007, **TF1 Entreprises** contributed €14.3 million to consolidated revenue, a decrease of 16.9%, due to the difficult music and publishing businesses. Therefore, operating loss for TF1 Entreprises amounted to €1.2 million.

E-TF1 suffered from a 27.7% decline in revenue to €27.1 million in the first half. In H1 2006, e-TF1 benefited from the success of the show *A Prendre ou à Laisser* broadcast on TF1. Nevertheless, E-tf1 benefited from the strong increase of audiences of the "tf1.fr network", which recorded a 52% growth of unique visitors in June 2007 to 7.9 million (vs. June 2006)[8]. Operating profit came in at (€1.1 million) vs. €1.7 million for the same period in 2006.

II. Audiovisual Rights

In first half 2007, the Audiovisual Rights division generated revenue of €125.1 million, up 23.6%. Operating profit decreased to €2.0 million, due to the weaker performance of TF1 Vidéo.

The contribution of **TF1 Vidéo** (incl. CIC and RCV) to sales recorded a slight growth of 2.0% to €70.3 million. TF1 Vidéo still suffered from the declining DVD market. Moreover, during the first quarter 2007, TF1 Vidéo did not release any blockbusters and recorded a 28% decrease in the number of copies sold. On the other hand, Q2 contributed significantly to sales growth due to the release of the DVDs, *Indigènes*, *The Departed*, and *Azur & Asmar*. H2 is gearing up to surpass H1, notably, with TF1 Video's release of the DVDs *La Môme*, *Les Experts season 6* and *Jean-Marie Bigard: mon psy va mieux*. Operating profit stood at €3.8 million, declining by €2.0 million.

The **Catalogue** business revenue increased by 69.7% to €54.8 million in H1 thanks to the cinema distribution by TFM of *La Môme*, which recorded 5.1 million viewers. But despite this performance, H1 was marked by the booking of provisions due to lower-than-expected cinema attendance. Operating profit stood at €1.8 million.

[8] Source : Médiamétrie / Xiti / panel NielsenNetRatings/Cyberestat.

III. International Broadcasting

Eurosport International

As of June 30, 2007, Eurosport was received by more than 111 million households, in 59 European countries, of which 65.9 million were paying subscribers (+6.6 million compared to June 30, 2006, i.e., an increase of 11%), attributable mainly to growth in Central and Eastern Europe.

Leveraging its know-how, Eurosport has been broadcasting its Eurosport channel in Asia since the end of 2006. The investments made to conquer this new geographic zone start to bear fruit in 2007: at the end of June 2.3 million households received Eurosport channel in Asia.

On May 21, 2007, Eurosport and Yahoo launched a joint website on the English, German, Spanish and Italian markets. This collaboration is part of Eurosport's strategy in its quest to become the leading European sports website based on the quality of Eurosport's editorial content and Yahoo's marketing power and technical expertise. Overall, Eurosport.com and its seven local versions confirmed their solid performance with a substantial increase in visits (+59% compared to end June 2006[9]).

In order to support the development of international sporting events, the Eurosport Group created a new company Eurosport Events in April 2007. In addition to organizing the FIA World Touring Car Championship™, the events management entity is also involved in the promotion of the International Rally Challenge, the European and World Karting Championships, the Global Champions Tour (an obstacle course), and since May 25, 2007, SolOceane, a one-man race in a 16-metre single-hull boat.

Eurosport International recorded a 2.8% increase in sales to €132.9 million. Sales growth attributable to subscriptions and the contribution of various developments offset the fall in advertising revenue in H1 2007 (difficult comparison basis with the broadcast of the Winter Olympics in Turin in 2006). Eurosport International's operating profit amounted to €18.0 million (vs. €15.9 million in H1 2006).

Europa TV

During H1 2007, TF1 finalized the sale of its 29% holding in Europa TV, which operated the Sportitalia and SI Live 24 channels. This operation generated €5.9 million in capital gains in H1 2007.

IV. Risks and litigation

Neither the company nor the Group is aware of any new risk factors or disputes taken separately that could impact significantly on the business activity, results, financial position or assets of said company or Group since the publication of TF1's Annual Report on May 23, 2007.

V. Governance

In accordance with Patrick LE LAY's proposal on February 20, 2007, to separate the functions of the Chairman of the Board and the CEO of TF1, the Board meeting of May 22 appointed Nonce PAOLINI as CEO of TF1. Patrick LE LAY remains Chairman of the Board.

Changes to the Board of Directors:
The Board meeting of May 22 noted the resignation of Philippe MONTAGNER as Director, and co-opted Nonce PAOLINI to the Board as a Director, as proposed by TF1's Selection Committee.

The Board meeting of July 31 noted the resignation of Etienne MOUGEOTTE as Director, and co-opted the company SFPG (*Société Française de Participation & Gestion*), 100% subsidiary of the Bouygues group, represented by Philippe MONTAGNER to the Board, as proposed by TF1's Selection Committee.

[9] Source : Médiamétrie, Yahoo

VI. Regulatory changes

Creation of Public Interest Grouping *France Télé numerique*
The Law No. 2007-309 dated 5 March 2007, relative to “the modernization of the audiovisual broadcasting landscape and the television of the future”, provides for the creation of a public interest grouping in order to implement specific support measures that will facilitate the demise of analogical broadcasting and the continued reception of analogical channel under directives defined by the Prime Minister and by CSA (the French audiovisual regulatory watchdog) decisions. The public interest grouping manages the viewers’ assistance fund. It can also coordinate work related to frequency redistribution (GIE Fréquences). The public interest grouping comprises the State and the following companies: France Télévisions, Arte-France, TF1, Métropole Télévision and Canal Plus.

The decree approving the Articles of Association for the public interest grouping France Télé numérique, were published on 27 April 2007 in the *Journal officiel*, the State Official Gazette.

The public interest grouping will be automatically dissolved six months after publication in the *Journal officiel* of the decision of the CSA, cancelling the final validation of analogue terrestrial TV services in mainland France.
The life of the public interest grouping may be extended, if necessary.

VII. Human resource update

The TF1 Group’s workforce increased in first half 2007, both at TF1 SA and its subsidiaries. As at June 30, 2007, it stood at 3,601 people, compared to 3,498 as at December 31, 2006.

VIII. The TF1 share and shareholders

On June 30, 2007, the TF1 share price closed at €25.67, representing an 8.7% decline since the beginning of the year. This compares with a 9.3% rise of the CAC 40 index and a rise of 7.4% of the CAC Next 20 index and a rise of 9.0% of the SBF 120. The TF1 Group’s market capitalization on June 30, 2007 was €5.49 billion.

To the best knowledge of the Board of Directors, the Company’s share ownership broke down as follows:

	June 30, 2007			December 31, 2006	
	Capital	Number of shares	Voting rights	Capital	Number of shares
Bouygues	42.9%	91,797, 585	42.9%	42.9%	91,797,585
Others France (1) (2)	22.8%	48,883,201	22.8%	27.1%	58,065,839
Incl. Employees	*3.6%*	*7,649,805*	*3.6%*	*3.4%*	*7,275,885*
Treasury shares	-	-	0.0%	0.1%	251,537
Europe (excl. France) (2)	16.8%	35,973,741	16.8%	17.4%	37,318,765
Others (2)	17.5%	37,623,965	17.5%	12.5%	26,688,403
Total	100%	214,278,492	100.0%	100.0%	214,122,129

(1) Including non identifies holders
(2) Euroclear

The Board meeting of February 20, 2007, cancelled the 251,537 treasury shares.

CONSOLIDATED INCOME STATEMENT

(€ million)	Note	H1		Q2		2006 FY
		2 007	2 006	2 007	2 006	12 months
Net advertising revenue		1,013.4	1,005.4	519.3	538.7	1,870.9
TF1 CHANNEL		*924.7*	*923.1*	*467.7*	*492.2*	*1,707.9*
OTHER CHANNELS		*88.7*	*82.3*	*51.6*	*46.5*	*163.0*
Diversification revenue		417.2	380.2	209.0	192.4	782.8
REVENUE		1,430.6	1,385.6	728.3	731.1	2,653.7
Other operating revenue		0.1	0.3	-	0.3	0.4
External production costs		(291.2)	(290.1)	(147.6)	(135.5)	(608.7)
Other purchases and changes in inventory		(258.7)	(328.3)	(130.9)	(212.4)	(581.4)
Staff costs		(208.6)	(181.5)	(101.3)	(87.5)	(382.7)
External expenses		(260.3)	(237.6)	(139.1)	(117.2)	(504.7)
Taxes other than income taxes		(75.1)	(74.3)	(37.6)	(39.9)	(136.1)
Depreciation and amortisation, net		(46.3)	(32.0)	(21.7)	(17.8)	(85.5)
Provisions and impairment, net		(20.7)	(6.8)	(10.9)	(5.7)	(26.0)
Other operating income and expenses		(6.3)	(26.5)	(0.7)	(12.2)	(28.2)
CURRENT OPERATING PROFIT		263.5	208.8	138.5	103.2	300.8
Other non-current operating income and expenses		-	-	-	-	-
OPERATING PROFIT		263.5	208.8	138.5	103.2	300.8
Cost of debt		(11.8)	(8.8)	(5.9)	(5.0)	(19.4)
Income from cash and cash equivalents		3.7	3.6	1.3	1.9	7.8
Cost of net debt	9	(8.1)	(5.2)	(4.6)	(3.1)	(11.6)
Other financial income and expenses	10	17.1	(2.8)	7.6	(1.1)	(4.9)
Income tax expense		(86.4)	(68.8)	(44.4)	(35.0)	(98.7)
Share of profits/losses of associates		(0.4)	9.4	0.1	12.6	13.1
NET PROFIT FROM CONTINUING OPERATIONS		185.7	141.4	97.2	76.6	198.7
Post-tax profit of discontinued operations		-	30.2	-	20.5	253.6
NET PROFIT		185.7	171.6	97.2	97.1	452.3
Minority interests		-	0.1	-	0.1	(0.2)
NET PROFIT ATTRIBUTABLE TO THE GROUP		185.7	171.5	97.2	97.0	452.5
Average number of outstanding shares (in thousands)		213,947	213,844	213,947	213,844	213,874
Earnings per share (€)		0.87	0.80	0.46	0.45	2.12
Diluted earnings per share (€)		0.87	0.80	0.46	0.45	2.11

CONSOLIDATED BALANCE SHEET

ASSETS (€ million)	*2007.06*	*2006.12*	*2006.06 (1)*
Intangible assets	162.4	158.3	180.6
Audiovisual rights	132.4	127.8	150.2
Other intangible assets	30.0	30.5	30.4
Goodwill	505.0	505.2	482.7
Property, plant and equipment	151.8	153.0	155.7
Investments in associates	244.3	40.2	48.9
Other financial assets	680.3	657.1	21.7
Non-current tax assets	54.0	56.4	52.7
TOTAL NON-CURRENT ASSETS	1,797.8	1,570.2	942.3
Inventories	568.4	569.1	533.0
Programmes and broadcasting rights	548.9	551.6	518.0
Raw materials and supplies	19.5	17.5	15.0
Trade and other debtors	1,192.4	1,278.7	1,296.9
Current tax assets	52.1	1.7	67.3
Foreign exchange derivative instruments	0.6	1.4	0.5
Interest rate derivative instruments	1.0	1.9	6.9
Cash and cash equivalents	92.6	275.2	269.9
TOTAL CURRENT ASSETS	1,907.1	2,128.0	2,174.5
Assets of held-for-sale operations	-	-	643.6
TOTAL ASSETS	3,704.9	3,698.2	3,760.4

(1) In the balance sheet at June 30, 2006, TPS is considered as a held-for-sale operation

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	*2007.06*	*2006.12*	*2006.06 (1)*
Share capital	42.9	42.8	42.9
Share premium and reserves	1,144.0	862.8	864.0
Net profit attributable to the group	185.7	452.5	171.5
Shareholders' equity (attributable to the Group)	1,372.6	1,358.1	1,078.4
Minority interests	-	(0.1)	(0.8)
SHAREHOLDERS' EQUITY	1,372.6	1,358.0	1,077.6
Long-term debt	493.8	505.6	543.8
Non-current provisions	35.0	34.7	32.1
Non-current tax liabilities	39.0	38.1	42.3
TOTAL NON-CURRENT LIABILITIES	567.8	578.4	618.2
Short-term debt	170.6	148.7	123.8
Foreign exchange derivative instruments	2.4	2.6	0.9
Interest rate derivative instruments	0.9	1.3	-
Trade and other creditors	1,441.2	1,554.5	1,430.0
Current tax liabilities	85.5	1.6	73.5
Current provisions	63.9	53.1	37.0
TOTAL CURRENT LIABILITIES	1,764.5	1,761.8	1,665.2
Liabilities of held-for-sale operations	-	-	399.4
TOTAL SHAREHODERS' EQUITY AND LIABILITIES	3,704.9	3,698.2	3,760.4

(1) In the balance sheet at June 30, 2006, TPS is considered as a held-for-sale operation.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€ million)	Share capital	Share premium	Treasury shares	Reserves	Change in fair value and other	Translation reserve	Shareholders' equity attributable to the Group	Minority interests	Consolidated shareholders' equity
BALANCE AT DECEMBER 31, 2005	42.8	24.1	(7.4)	988.7	2.9	-	1,051.1	(1.3)	1,049.8
Cash flow hedges	-	-	-	-	(1.2)	-	(1.2)	-	(1.2)
Change in translation reserve	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	171.5	-	-	171.5	0.1	171.6
Total recognised income and expense	-	-	-	171.5	(1.2)	-	170.3	0.1	170.4
Dividends paid	-	-	-	(139.0)	-	-	(139.0)	(0.1)	(139.1)
Capital increase (share options exercised)	0.1	9.1	-	-	-	-	9.2	-	9.2
Share-based payment	-	-	-	2.6	-	-	2.6	-	2.6
Share buy back	-	-	(14.9)	-	-	-	(14.9)	-	(14.9)
Cancellation of treasury shares	-	(5.3)	5.3	-	-	-	-	-	-
Other movements	-	-	-	-	(0.9)	-	(0.9)	0.5	0.4
BALANCE AT JUNE 30, 2006	42.9	27.9	(17.0)	1,023.8	0.8	-	1,078.4	(0.8)	1,077.6

(€ million)	Share capital	Share premium	Treasury shares	Reserves	Change in fair value and other	Translation reserve	Shareholders' equity attributable to the Group	Minority interests	Consolidated shareholders' equity
BALANCE AT DECEMBER 31, 2006	42.8	20.7	(12.1)	1,307.3	(0.6)	-	1,358.1	(0.1)	1,358.0
Cash flow hedges	-	-	-	-	(0.5)	-	(0.5)	-	(0.5)
Change in translation reserve	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	185.7	-	-	185.7	-	185.7
Total recognised income and expense	-	-	-	185.7	(0.5)	-	185.2	-	185.2
Dividends paid	-	-	-	(181.8)	-	-	(181.8)	-	(181.8)
Capital increase (share options exercised)	0.1	8.3	-		-	-	8.4	-	8.4
Share-based payment	-	-	-	2.6	-	-	2.6	-	2.6
Share buy back	-	-	-	-	-	-	-	-	-
Cancellation of treasury shares	-	(7.3)	7.3	-	-	-	-	-	-
Other movements	-	-	0.1	-	-	-	0.1	0.1	0.2
BALANCE AT JUNE 30, 2007	42.9	21.7	(4.7)	1,313.8	(1.1)	-	1,372.6	0.0	1,372.6

CONSOLIDATED CASH FLOW STATEMENT

(€ million)	2007.06	2006.06	2006.12
Consolidated net profit (including minority interests)	185.7	171.6	452.3
Depreciation, amortisation, provisions and impairment (excluding current assets)	53.3	30.2	101.7
- Intangible assets and goodwill	*40.2*	*30.1*	*81.5*
-Property, plant and equipment	*10.3*	*9.8*	*20.4*
- Financial assets	*-*	*-*	*(0.1)*
- Provisions for liabilities and charges	*2.7*	*(9.7)*	*(0.1)*
Other non-cash income and expenses	(27.1)	(10.1)	(11.8)
Effect of fair value remeasurement	(18.1)	1.7	0.9
Share-based payment expense	2.6	2.6	5.1
Net (gain)/loss on assets disposals	(5.4)	-	(252.7)
Share of (profits)/losses of associates	0.4	(9.4)	(13.1)
Dividend income from non-consolidated companies	(0.1)	(0.1)	(2.1)
Operating cash flow after net interest expense and income taxes	191.3	186.5	280.3
Net interest expense	8.8	7.6	14.0
Income tax expense (including deferred taxes)	86.4	69.7	98.7
Operating cash flow before net interest and income taxes	286.5	263.8	393.0
Income taxes paid	(44.8)	(58.4)	(112.0)
Change in operating working capital needs	(97.4)	(42.1)	42.4
NET CASH GENERATED BY OPERATING ACTIVITIES	144.3	163.3	323.4
Including discontinued operations	-	*8.7*	-
Cash outflows on acquisitions of property, plant and equipment and intangible assets	(55.3)	(48.2)	(75.5)
Cash inflows from disposals of property, plant and equipment and intangible assets	0.8	0.8	1.4
Cash outflows on acquisition of financial assets	(4.1)	(2.6)	(7.2)
Cash inflows from disposals of financial assets	0.1	-	-
Effect of changes in scope of consolidation	(95.7)	(0.2)	(55.8)
Dividends received	0.1	-	2.1
Change in loans and advances receivable	(1.2)	(0.1)	(0.4)
NET CASH USED IN INVESTING ACTIVITIES	(155.3)	(50.3)	(135.4)
Including discontinued operations	-	*(6.4)*	-
Cash received on exercise of share options	8.4	9.2	50.9
Purchases and sales of treasury shares	0.2	(10.5)	(54.5)
Dividends paid during the year	(181.8)	(139.0)	(139.0)
Cash inflows from new debt contracted	143.6	188.4	132.7
Repayment of debt (including finance leases)	(138.8)	(11.2)	(11.3)
Net interest paid (including finance leases)	(4.3)	(1.8)	(12.6)
NET CASH USED IN FINANCING ACTIVITIES	(172.7)	35.1	(33.8)
Including discontinued operations	-	*(3.4)*	-
Effect of changes in exchange rates	-	-	-
Effect of changes in accounting policies	-	-	-
Effect of changes in fair value	-	-	-
Including discontinued operation	-	-	-
	-	-	
TOTAL CHANGE IN CASH POSITION	(183.7)	148.1	154.2
Including discontinued operations	-	(1.1)	-
	-	-	-
Cash position at beginning of period	271.8	117.6	117.6
Change in cash position	(183.7)	148.1	154.2
Cash position at end of period	88.1	265.7	271.8

NOTES TO H1 2007 CONSOLIDATED FINANCIAL STATEMENTS

1. FIRST 6 MONTHS 2007 KEY EVENTS

a. Acquisition of a 33.5% interest in the AB Group

Following the decision of the CSA (the French audiovisual regulatory watchdog) published on March 27, 2007, TF1 and the Berda Family completed on April 2, 2007 the acquisition by TF1 of a 33.5% minority stake in the AB Group, made up of the AB SAS Group and WB Télévision SA (the AB Group). This acquisition amounts to €230 million, payable in two instalments of €115 million each. The first payment was made by TF1 on the completion date of the operation, that is, April 2, 2007. According to the protocol, the second instalment is to be paid six months after that date, that is, October 2, 2007.

The AB Group owns a catalogue of French-language television rights representing over 1,300 titles and produces free TV channels and pay-TV channels available via satellite, cable, DTT or ADSL.

As of April 1, 2007, the TF1 holding in AB Group's capital is consolidated using the equity method.

As Group AB closing procedures needed to be adapted to meet TF1 reporting deadlines and in the light of ongoing valuation assertion, the AB Group's contribution to Q2 consolidated profit was not taken into account as at June 30, 2007.

b. Finalization of Europa TV's sale

The sale of TF1 SA's 29% stake in Europa TV was subject to suspensive conditions signed with Holland Coordinator & Service Company on December 20, 2006 and based on a valuation of €32.2 million. As AGCOM (The Italian Communications Regulatory Authority) gave its approval on June 6 2007, the sale was finalised on June 14, 2007.

2) ACCOUNTING POLICIES

a. Basis of preparation

The condensed interim consolidated financial statements at June 30, 2007 complete the 2006 full year consolidated and audited financial statements as released in the 2006 Annual Report filed by the "Autorité des Marchés Financiers" on March 23, 2007 under the number D 07-0216.

They were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable to accounting periods beginning on or after January 1, 2007. They are prepared in accordance with IAS 34 standard "Interim financial reporting Information."

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

They were adopted by the Board of Directors on July 31, 2007, and subjected to a partial audit by the Statutory Auditors.

b. Accounting principles and valuation methods

The TF1 Group applied the same accounting principles as those used in consolidated statements for the financial year ended December 31, 2006: The standards, amendments and interpretations listed below, which are mandatory in 2007, had no material impact for the TF1 Group as at June 30, 2007.

- Amendments to IAS 1; presentation of financial statements. Added disclosures about entity's capital
  Applicable for annual periods beginning for and after January 1, 2007
- IFRS 7 Financial Instruments: Disclosures
  Applicable to annual periods beginning on or after January 1, 2007
- IFRIC 7 Applying the Restatement Approach under IAS 29 – Financial Reporting in Hyperinflationary Economies
  Applicable to annual periods beginning on or after March 1, 2006
- IFRIC 8 Scope of IFRS 2 – Share-Based Payment
  Applicable to annual periods beginning on or after May 1, 2006
- IFRIC 9 Reassessment of Embedded Derivatives
  Applicable to annual periods beginning on or after June 1, 2006
- IFRIC 10 Interim Financial Reporting and Impairment
  Applicable to annual periods beginning on or after November 1, 2006

Furthermore, as at 30 June 2007, the TFI Group had decided not to apply the following interpretation published by the IASB and adopted by the European Union:

- IFRIC 11 Group and Treasury Share Transactions
  Applicable to annual periods beginning on or after March 1, 2007

The following standards and interpretations had been issued by the IASB at March 1, 2007 but had not yet been adopted buy the EU:

- IFRIC 12 Service Concession Arrangements
  Applicable to annual periods beginning on or after January 1, 2008
- IFRS 8 Operating Segments
  Applicable to annual periods beginning on or after January 1, 2009
- Amendment to IAS 23 Borrowing costs
  Applicable to annual periods beginning on or after January 1, 2009
- IFRIC 13, Customer loyalty programmes
  Applicable to annual periods beginning on or after of July 1, 2008

TF1 has begun to assess these new pronouncements, and at this stage does not believe that applying them would have a material impact on the financial statements.

c. Consolidation method

Subsidiaries

Companies over which TF1 exercises exclusive control are accounted for using the full consolidation method.

Exclusive control is presumed to exist where the parent company has the power directly or indirectly to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. Subsidiaries are included in the consolidation from the date on which control is effectively transferred to the Group. Divested subsidiaries are excluded from the consolidation from the date on which the Group ceases to have control.

Jointly controlled entities

A jointly controlled entity in which TF1 shares control with a limited number of other shareholders are subject to proportionate consolidation method.

Associates

TF1 accounts under the equity method the enterprise in which it exercises significant influence.

Significant influence is presumed to exist when TF1 holds, directly or indirectly, 20% or more of the voting power of the investee, except where the opposite is clearly demonstrated. Significant influence may also be revealed by other criteria, such as representation on the Board of Directors or management body of the entity held, participation in policy development, the existence of significant operations with the entity held, or an exchange of management personnel.

3) MAIN CHANGES IN THE SCOPE OF CONSOLIDATION

a. TF1 acquired a 33.5% stake in the AB Group's share capital

Since April 2, 2007, the TF1 Group exercises significant influence over the AB Group given its 33.5% holding and its representation on the Board of Directors. In compliance with IAS 28, the AB Group is consolidated under the equity method as of that date.

On April 1, 2007, the interest in the AB group is accounted in the Balance Sheet at its acquisition cost of €230.2 million, including acquisition fees directly attributable to the operation, and the impact of deferred payments. This stake is accounted in the Balance Sheet as a single line item under 'investments in associates". The debt corresponding to the second expected on October 2, 2007 is presented for a discounted amount as of June 30, 2007 in "amounts due in respect of non-current assets" within "Trade and other creditors".

According to IAS 28, as at the acquisition date, the value of the stake initially booked corresponds to the fraction of the fair value of assets, liabilities and any liabilities that may be attributed to the TF1 Group, as well as to goodwill calculated based on the difference between the acquisition price and TF1's share of the fair value of said assets and liabilities. TF1 has one year, until the end of March 2008, to complete these valuations.

Based on IAS 28, as of April 2, 2007, the holding's book value must be increased or decreased in order to account TF1's share in AB Group's results. TF1's share is accounted under TF1 Group results under a single line item, "Contribution to net profit of companies accounted for under the equity method". Given the current valuation process, and the necessary adaptation of group AB procedures do meet TF1 reporting dead line, the AB Group's contribution to Q2 consolidated profit was not taken into account at June 30, 2007, so as not to present incomplete information relative to contribution to TF1 Group consolidated results.

b. Other changes to the consolidation scope

Acquisition of the minority interests of TV Breizh

In February 2007, the holding in TV Breizh was raised from 98.28% to 100% following a capital increase of €5.3 million.

First consolidation of Eurosport's foreign subsidiaries

Since January 1, 2007, the foreign companies Eurosport Media (Switzerland), Eurosport Spain, APT Eurosportnews (Hong Kong) and Eurosport Polska, founded in 1999, 2000 and 2002, respectively and operating primarily with the other Eurosport group companies, have been fully consolidated into the TF1 Group's scope. The aggregate contribution of these companies to TF1 Group sales and operating results was not significant in H1 2007.

Acquisition of Téléma

Since April 17, 2000, TF1 International SAS has held 49% of the capital of the company Téléma, which was accounted for under the proportionate consolidation method from that date. Since January 1, 2007, Téléma has been fully consolidated after TF1 International acquired the remaining 51% of capital and voting rights for €5.6 million. On the date of acquisition, the difference between the acquisition price and book value of acquired minority interests was attributed to the catalogue for a total €4.2 million, net of taxes.

Finalization of the sale of Europa TV

Following TF1's cession under suspensive conditions, of its 29% holding in Europa TV in December 2006, TF1 SA's stake in that entity and its subsidiary, Europa Network, was still accounted for under the equity method on the Group's books pending the lifting of suspensive conditions.

As AGCOM had given its approval on June 6, 2007, the sale was finalized on June 14, 2007 and generated capital gain of €5.9 million for H1 2007 that were booked under 'Other operating income and charges' and classified in "International Broadcasting" segment.

Merger/absorption of the company, TJM

TJM, 50% held by e-TF1 and 50% by Jet Publishing, which develops entertainment services for mobile telephony handsets connected to a radio-electric telecommunications network, was deconsolidated on March 31, 2007 due to a planned merger with Mediaplazza, a subsidiary of JET Publishing.

The TJM Board of Directors' meeting of June 14, 2007 agreed to the planned merger/absorption of TJM by MEDIAPLAZZA.com, a 100% subsidiary of Jet Multimedia Group. Following this operation, e-TF1 held a 17.5% stake in Mediaplazza.com, classified under financial assets available for sale. TJM's proposed merger/absorption into Mediaplazza was approved by TJM's Extraordinary Shareholders' Meeting and by Mediaplazza's sole partner on July 27, 2007.

4) H1 2006 AND 2006 FULL YEAR DISCONTINUED OPERATION

Transfer of TPS to Canal+ France

In accordance with note 1-1 of the 2006 Annual Report, TF1 and M6 ceased to exercise joint control over TPS SNC and its subsidiaries, and over TPS Gestion, with effect from September 2006. In the 2006 annual consolidated income statement, the impact of the discontinued operation is reported on a separate line. As at December 31, 2006, this line which records in particular the income and expenses of TPS for the first eight months of the year as well as the capital gain realized on the sale of TPS, broke down as follows:

- The after-tax capital gains calculated by the difference between the net value of the TPS assets transferred to Canal+ France and the fair value of financial assets received in exchange, after deduction of incidental expenses and costs tied to the operation, that is, €211.8 million ;
- And income and expenses from the discontinued operation up to August 31, 2006 (€41.8 m).

The post-tax profit of discontinued operations was as follows:

(€m)	H1 ended June 30, 2006	January 1 – August 31, 2006
Revenue	177.7	235.1
External production costs	(43.8)	(56.3)
Other purchases and changes in inventories	(12.0)	(15.7)
Staff costs	(17.7)	(23.6)
External expenses	(66.4)	(85.3)
Taxes	(2.2)	(4.6)
Net allocations for depreciation and amortization (1)	0.0	0.0
Net allocations for provisions	(1.7)	(5.9)
Other operating income and expenses	(1.3)	1.2
Current operating profit	32.6	44.9
Cost of Debt	(0.9)	(1.4)
Income from cash and cash equivalents	(0.2)	(0.4)
Cost of net debt	(1.1)	(1.8)
Other financial income and expenses	(0.4)	(0.6)
Income tax expenses	(0.9)	(0.7)
Post-tax profit of discontinued operations	30.2	41.8

(1) In accordance with IFRS 5, the TF1 Group ceased depreciating and amortizing the non-current assets of TPS when it was classified as held-for-sale. Unrecognized allocations as at June 30, 2006 and August 31, 2006 amount to €10.9 million and €14.6 million respectively.

The detailed impact of held-for-sale activity on the balance-sheet is presented below:

ASSETS (€m)	H1 ended June 30, 2006
Intangible assets	8.9
Goodwill	420.3
Property, plant and equipment	52.1
Other financial assets	0.2
Non-current tax assets	3.6
NON-CURRENT ASSETS	485.1
Programs and broadcasting rights	31.0
Clients and other debtors	125.9
Current tax assets	(1.6)
Foreign exchange derivative instruments	0.1
Cash and cash equivalent	3.1
CURRENT ASSETS	158.5
TOTAL ASSETS OF HELD-FOR-SALE OPERATIONS	643.6

LIABILITIES (€m)	H1 ended June 30, 2006
Long-term debt	9.4
Non-current provisions	0.5
Non-current tax liabilities	1.0
NON-CURRENT LIABILITIES	10.9
Short-term debt	98.0
Foreign exchange derivative instruments	0.5
Interest rate derivative instruments	0.1
Trade and other creditors	263.3
Current provisions	26.6
CURRENT LIABILITIES	388.5
TOTAL LIABILITIES OF HELD-FOR-SALE OPERATIONS	399.4

5) 2007 AND 2006 FIRST HALF YEAR SEGMENT REPORTING

TF1 organizes its operating activities into strategic business units, each of which is managed according 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, as risks and returns on investment are affected by the nature of the products or services sold. Management assesses the performance of these segments based on the current operating profit.

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 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 programs intended exclusively for the TF1 channel, such as Ushuaïa, Alma Productions and Glem.

Broadcasting International

This segment comprises subsidiaries involved in the development and broadcasting of pay-TV programs broadcast primarily 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.

For 2006 fiscal year, the segment reporting included a fifth business segment, the “Distribution” segment. This segment mainly comprised subscription-based distribution of the TPS pay-TV offering, broadcast largely by satellite. This business segment was transferred to Canal + France. The transfer is described in note 4 ‘Discontinued operation in H1 2006 and financial year 2006’.

The contribution of each business segment to the TF1 Group's financial statements for H1 2006 and H1 2007 was as follows:

(€m)	Broadcasting France		Audiovisual rights		International Broadcasting		Other activities		Distribution		Eliminations		consolidated total	
	2007.06	2006.06	2007.06	2006.06	2007.06	2006.06	2007.06	2006.06	2007.06	2006.06	2007.06	2006.06	2007.06	2006.06
Third-party revenue	1,172.5	1,155.1	125.1	101.2	133.0	129.3	-	-	-	-	-	-	1,430.6	1,385.6
Inter-segment revenue	2.4	1.8	3.1	3.7	7.5	7.8	-	-	-	-	(13.0)	(13.3)	-	-
Total revenue	1,174.9	1,156.9	128.2	104.9	140.5	137.1	-	-	-	-	(13.0)	(13.3)	1,430.6	1,385.6
Current operating profit	237.7	182.5	2.0	10.6	23.9	15.7	-	-	-	-	-	-	263.5	208.8
Share of net results of affiliated undertakings (1)	-	-	-	-	-	8.8	(0.4)	0.6	-	-	-	-	(0.4)	9.4
Results of discontinued operations (2)	-	-	-	-	-	-	-	-	-	30.2	-	-	-	30.2

(1) The share of the "Broadcasting international" segment is related to Europa TV and its subsidiary Europa Network, whose impact on the H1 2007 net consolidated result is zero. The holding detained in that unit was sold in 14 June 2007.

Share of profits/losses of affiliated undertakings as at June 30, 2007 relates to Metro France Publications, the only company which has been included in the "other activities" segment since December 2006, when Prima TV was sold.

(2) Results of the discontinued operation as at June 30, 2006 correspond to TPS net results.

Sales and transfers between business segments take place according to normal market conditions.

6) DEFINITION OF CASH POSITION

The cash flow statement analyses movements in the cash position, which includes treasury current account credit balances:

(€m)	2007.06	2006.12
Cash and cash equivalents in the balance sheet	92.6	275.2
Bank overdrafts	(2.2)	(1.6)
Treasury current account credit balences	(2.3)	(1.8)
Cash position at end of period, as reported in cash flow statement	88.1	271.8

7) NET DEBT

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

(€m)	2007.06	2006.12
Cash and cash equivalents (1)	92.6	275.2
Financial assets held for treasury management purposes	-	-
Total cash and cash equivalent (A)	92.6	275.2
Fair value of interest rate derivative instruments (B)	0.1	0.6
Long-term debt (2)	493.8	505.6
Short-term debt (1)	170.6	148.7
Total debt (C)	664.4	654.3
Net debt (C) - (B) - (A)	571.7	378.5

(1) *At June 30, 2007, cash includes the repayment during Q1 2007 of the €99-million advanced by Vivendi on January 6, 2006, together with related interest for a total amount of €101.9m. Vivendi advance was presented under current debt, thus repayment had no impact on the Group net debt as at June 30, 2007.*

(2) *In November 2003, the TF1 Group issued a €500 million of fixed-rate bonds maturing 2010. Of this issue, €300 million were hedged against interest rate risk. The effective interest rate of the bonds as at June 30, 2007 was 4.53% before hedging and 3.87% after hedging.*

The fair value of these bonds recognized in the balance sheet at June 30, 2007 was €491.6million. This value includes the amortization relative to the book entry of the initial debt of €500 million at amortized cost and entails a change in the fair value of the part hedged, of €5.9 million (drop) for the first half year 2007. The change in the fair value was determined by discounting future cash flows on the basis of interest rates as at June 30, 2007 and factoring in credit risk.

8) OTHER FINANCIAL ASSETS

The Canal+ France financial asset received in exchange for the transfer of TPS shares in the transaction described in note 4 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 €745.8 million (for TF1's interest);
- an independent valuation at the exercise date.

When first posted, the Group designated the financial asset made up of the Canal+ France shares and put option as a fair value financial asset on the income statement. Changes in the fair value of this financial asset are posted under 'Other financial income and expenses' (see note 10).

The fair value of this asset was determined on the basis of the minimum price of €745.8 million, discounted at the interest rate derived from the agreement signed on January 6, 2006. The change in fair value of the financial asset in first half year 2007 was positive to the amount of €18.2 million, bringing the value of the financial asset (Canal+ France shares and put option) to €647million as at June 30, 2007.

9) COST OF NET DEBT

Cost of net debt as reported by the TF1 Group comprises the following items:

(€m)	2007.06	2006.06
Interest expenses on net debt	(12.6)	(10.2)
Changes in fair value of bond issue	6.2	11.4
Changes in fair value of bond/SWAP	(5.9)	(11.2)
Changes in fair value of other SWAPs	0.5	1.2
Impact of activities being ceded	-	-
Cost of debt	(11.8)	(8.8)
Proceeds on disposals of short term investments net of impairment losses	2.7	1.6
Income from short term investment	0.1	0.2
Interest expenses/income on cash and cash equivalents and current accounts	0.9	1.8
Impact of activities being ceded	-	-
Income from cash and cash equivalent	3.7	3.6
Cost of net debt	(8.1)	(5.2)

10) OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses comprise:

(€m)	2007.06	2006.06
Dividends	0.1	0.1
Change in the fair value of Canal+ France financial asset	18.2	-
Change in value of forward currency purchase contracts	(0.7)	(2.7)
Impairment of financial assets	3.0	(0.2)
Provisions for liabilities - financial items	0.1	(0.1)
Impact of discount on assets and liabilities	(1.1)	-
Other	(2.5)	0.1
Other financial income and expenses	17.1	(2.8)

The change in the fair value of the financial asset (Canal+ France shares and put option) in first half year 2007 corresponds to an increase of €18.2 million compared to the fair value established at December 31, 2006 (see note 8).

11) DISTRIBUTED DIVIDEND

The table below shows the dividend per action paid out by the Group on May 2, 2007 for financial year 2006, as well as the amount paid in 2006 for financial year 2005.

(€)	Paid in 2007	Paid in 2006
Total distributed dividend (in millions)	181.8	139.0
Dividend per share	0.85	0.65

12) SUBSEQUENT EVENTS

TF1 Entreprises fully acquired the company, REGAIN GALORE SA, parent company of the games publisher, Dujardin, one of the leading publishers of board games (including '1000 Bornes') on the French market, for total amount of €6.8 million. In 2006, Dujardin generated approximately €6 million in sales.

Statutory Auditors' review report

Condensed consolidated financial statements
For the six month period ended June 30, 2007

To the Shareholders,

In our capacity of statutory auditors of TF1 SA and in accordance with the requirements of Article L.232-7 of the French Commercial Code, we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of TF1 SA for the period January 1 to June 30, 2007;
- the verification of information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.
We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, the International Financial Reporting Standard, as adopted by the EU applicable to interim financial information.
In accordance with professional standards applicable in France, we have also verified the information given in the half-year management report commenting 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.

The Statutory Auditors,

Paris La Défense and Courbevoie, July 31 2007

SALUSTRO REYDEL
Membre de KPMG International

MAZARS & GUERARD

Jean-Pierre CROUZET
Partner

Eric LEFEBVRE
Partner

Gilles RAINAUT
Partner

People responsible for financial information

I certify that in my opinion the accounts were prepared in accordance with the applicable accounting standards and give a true and fair view of the financial position and assets of the TF1 Group and the results of its operations and of affiliated undertakings, and that the Interim H1 Report provides an accurate representation of significant events occurring during the first six months of the financial year and of their impact on H1 accounts, and of primary risks and key areas of uncertainty for the remaining six months.

Boulogne, July 31, 2007
Nonce Paolini
Chief Executive Officer

Télévision Française 1

A public limited company « Société Anonyme » with a share capital of € 42,774,118
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