FINEXSI AUDIT ERNST & YOUNG Audit

TDF Infrastructure

Period from January 1, 2021 to June 30, 2021

Statutory auditors review report on the resumed consolidated interim financial statements

This is a free translation into English of the statutory auditors' review report issued in French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France.

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TDF Infrastructure

Period from January 1, 2021 to June 30, 2021

Statutory auditors review report on the resumed consolidated interim financial statements

To the President,

In our capacity as statutory auditors of TDF Infrastructure and in accordance with your request in connection with your debt securities issue project on the regulated market Euronext Paris, we have reviewed the accompanying resumed consolidated interim financial statements, for the period from January 1,2021 to June 30, 2021, as they are attached to this report.

Due to the global crisis related to the Covid-19 pandemic, the resumed consolidated financial statements of this period has been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our work

These resumed consolidated interim financial statements are the responsibility of the President. Our role is to express a conclusion on these resumed consolidated 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 resumed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial reporting.

Paris and Paris-la-Défense, on 9 November 2021,

The Statutory Auditors

FINEXSI AUDIT	ERNST & YOUNG Audit
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TDF INFRASTRUCTURE SAS GROUP

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021

Consolidated statement of comprehensive income, 6 months period ended June 30, 2021

In thousands euros	*Notes*	June 2021 (6 months)	Dec 2020 (12 months)	June 2020 (6 months)*	June 2020 restated (6 months)**
Revenue	*7.1*	**360 426**	**687 514**	**328 491**	**328 491**
Other income	*7.2*	5 695	7 378	3 560	3 560
Consumed purchases	*7.3*	(41 588)	(88 393)	(39 247)	(39 247)
Personnel costs	*7.4*	(56 578)	(107 502)	(58 750)	(58 750)
External expenses	*7.5*	(34 609)	(48 313)	(23 117)	(23 117)
Profit on disposal of non-current operating assets	*7.6*	25	6 236	6 350	6 350
Other expenses	*7.2*	(17 229)	(20 337)	(14 462)	(14 462)
EBITDA		**216 142**	**436 583**	**202 826**	**202 826**
Depreciation, amortisation and impairment losses	*7.7*	(95 077)	(208 263)	(99 196)	(98 492)
Current Operating Income		**121 065**	**228 320**	**103 630**	**104 334**
Impairment of goodwill & intangible assets identified in business combinations	*7.7/8.1/8.2*	-	-	-	-
Other operating income	*7.8*	-	1 391	-	-
Other operating charges	*7.8*	(2 584)	(5 661)	(2 784)	(2 784)
Operating Income		**118 481**	**224 050**	**100 846**	**101 550**
Income from cash and cash equivalents		5	10	8	8
Gross finance costs		(90 355)	(175 150)	(85 499)	(85 901)
Net finance costs	*7.9*	**(90 350)**	**(175 140)**	**(85 491)**	**(85 893)**
Other financial income / charges	*7.9*	(1 963)	(5 034)	(2 243)	(2 243)
Share of net profits of associates	*13*	278	519	310	310
Income tax	*7.10*	(31 420)	(54 935)	(32 093)	(32 186)
NET LOSS FOR THE YEAR		**(4 974)**	**(10 540)**	**(18 671)**	**(18 462)**
Other comprehensive loss					
Currency translation differences		(21)	(67)	(58)	(58)
Actuarial losses		-	(1 095)	(4)	(4)
Other items		21	(1)	-	-
Income tax on other comprehensive loss		-	351	-	-
Income and expenses recognized directly in equity	*7.9/7.10*	**-**	**(812)**	**(62)**	**(62)**
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(4 974)**	**(11 352)**	**(18 733)**	**(18 524)**
Net loss for the year attributable to					
Owners of the company		(3 151)	(9 141)	(17 239)	(17 030)
Non controlling interests		(1 823)	(1 399)	(1 433)	(1 433)
Total comprehensive loss for the year attributable to					
Owners of the company		(3 151)	(9 953)	(17 301)	(17 092)
Non controlling interests		(1 823)	(1 399)	(1 433)	(1 433)

*Column "June 2020" discloses results of the Group in accordance to the consolidated financial statements formally published at end of June 2020, before taking into account the IFRIC decision related to the enforceable period of leases

** Column "June 2020 restated" discloses results of the Group including the retrospective application, at the IFRS 16 transition date, of IFRIC decision of november 2019 related to the enforceable period of leases

Consolidated balance sheet as of June 30, 2021

In thousands euros	*Notes*	June 2021	Dec 2020	June 2020 *	June 2020 restated**
Non-current assets					
Goodwill	*8.1*	1 737 128	1 695 583	1 695 583	1 695 583
Intangible assets	*8.2*	554 802	490 112	434 853	434 853
Property, plant and equipment	*8.3*	1 920 647	1 842 756	1 756 470	1 774 481
Shares in associates	*13*	6 422	6 829	6 620	6 620
Financial assets available for sale		72	71	71	71
Other non-current assets	*8.4*	8 409	7 949	7 139	7 139
Deferred tax assets		7 822	5 841	2 422	2 422
TOTAL NON-CURRENT ASSETS		**4 235 301**	**4 049 141**	**3 903 158**	**3 921 169**
Current assets					
Inventories	*8.4*	15 274	17 112	13 988	13 988
Trade receivables	*8.4*	167 481	88 495	165 524	165 524
Other current assets	*8.4*	107 626	123 448	103 489	103 489
Cash and cash equivalents		30 154	54 292	33 308	33 308
Assets held for sale	*6*	0	-	-	-
TOTAL CURRENT ASSETS		**320 535**	**283 347**	**316 309**	**316 310**
TOTAL ASSETS		**4 555 836**	**4 332 488**	**4 219 467**	**4 237 479**

In thousands euros	*Notes*	June 2021	Dec 2020	June 2020 *	June 2020 restated**
Share capital		300 000	300 000	300 000	300 000
Additional paid-in capital		1 010 375	1 010 375	1 010 375	1 010 375
Currency translation reserve		(207)	(766)	(176)	(176)
Other reserves and Retained earnings		(1 367 710)	(1 258 288)	(1 259 355)	(1 258 388)
Net loss for the year - attributable to owners of the company		(3 151)	(9 141)	(17 239)	(17 030)
			-		
Non-controlling interests		7 680	10 269	7 760	7 760
TOTAL EQUITY		**(53 012)**	**52 449**	**41 365**	**42 541**
Non-current liabilities					
Bond	*9.1*	1 392 395	1 391 238	1 390 078	1 390 078
Bank debt	*9.1*	277 640	74 252	74 247	74 247
Shareholders' debt	*9.1*	1 063 599	1 063 599	1 063 599	1 063 599
Other financial debts	*9.1*	82 943	50 956	38 506	38 506
Lease liability (IFRS 16)	*9.1*	212 155	191 058	166 082	180 024
Provisions	*9.3*	110 751	107 147	86 789	86 789
Deferred tax liabilities		227 479	228 776	232 640	233 249
Other non-current liabilities	*9.4*	107 961	90 657	91 359	91 359
TOTAL NON-CURRENT LIABILITIES		**3 474 922**	**3 197 683**	**3 143 300**	**3 157 851**
Current liabilities			-		
Other financial debts	*9.1*	24 827	46 190	56 345	56 345
Lease liability (IFRS 16)	*9.1*	42 247	37 064	37 056	39 340
Provisions	*9.3*	11 001	12 957	26 163	26 163
Trade payables	*9.4*	202 572	239 742	173 383	173 383
Tax and social liabilities	*9.4*	157 666	142 401	140 825	140 825
Other current liabilities	*9.4*	226 332	92 862	117 333	117 335
Bank overdrafts		(1)	-	-	-
Accrued interest		469 282	511 140	483 696	483 696
Lliabilities related assets held for sale	*6*	0	-	-	-
TOTAL CURRENT LIABILITIES		**1 133 926**	**1 082 356**	**1 034 802**	**1 037 088**
TOTAL EQUITY AND LIABILITIES		**4 555 836**	**4 332 488**	**4 219 467**	**4 237 479**

* Column "June 2020" discloses financial situation of the Group in accordance to the consolidated financial statements formally published at end of June 2020, before taking into account the IFRIC decision related to the enforceable period of leases

** Column "June 2020 estated" discloses financial situation of the Group including the retrospective application, at the IFRS 16 transition date, of IFRIC decision of november 2019 related to the enforceable period of leases

Consolidated statement of cash flows
6 months period ended June 30, 2021

In thousands euros	*Notes*	June 2021 (6 months)	Dec 2020 (12 months)	June 2020 (6 months)*	June 2020 restated (6 months)**
Net loss from continuing operations		**(4 974)**	**(10 540)**	**(18 671)**	**(18 462)**
Non-cash items and other adjustments					
Depreciation, amortisation and impairment		95 161	208 294	99 202	98 498
Change in provisions and non-cash expenses		2 796	(15 596)	(14 373)	(14 373)
Gain (loss) on disposal of non-current assets		(65)	10 694	10 495	10 495
Total income tax		31 421	54 935	32 093	32 186
Finance items		90 802	173 140	84 475	84 877
Cash generated from operating activities before changes in working capital	*10.1*	**215 141**	**420 927**	**193 221**	**193 221**
Income tax paid		(14 694)	(86 516)	(47 367)	(47 367)
Change in working capital	*10.2*	(64 647)	81 302	(5 285)	(5 285)
Net cash from operating activities		**135 800**	**415 713**	**140 569**	**140 569**
Acquisitions of non-current operating assets		(197 837)	(351 732)	(168 575)	(168 577)
Proceeds from disposal of non-current operating assets		4 614	4 472	(62)	(62)
Changes of fixed-asset receivables and payables			-		
Subsidies for investment in tangible assets			-		
Dividends from non consolidated companies		686	689	3	3
Acquisition of controlling interests, net of cash & cash equivalents acquired		(30 503)	(1 770)	(455)	(455)
Net proceeds from disposals of subsidiaries		(733)	(11 155)	(11 499)	(11 499)
Change in other financial assets		91	(194)	23	23
Net cash used in investing activities	*10.3*	**(223 682)**	**(359 690)**	**(180 565)**	**(180 567)**
Dividends paid to non-controlling interests		(765)	(512)	(510)	(510)
Proceeds from other financial debts		386 200	217 000	117 903	117 903
Other financial debts repayments		(190 740)	(201 392)	(85 235)	(84 928)
Fees related to the refinancing		(1 987)	(325)	(182)	(182)
Income from cash and cash equivalents		5	10	8	8
Changes of interest in controlled entities		-	2 476	-	-
Financial interests (including financial lease)		(128 944)	(87 913)	(27 666)	(28 068)
Net cash from financing activities	*10.4*	**63 769**	**(70 656)**	**4 318**	**4 223**
Effect of exchange rate changes on cash		(24)	(121)	11	108
NET CASH USED IN CONTINUING ACTIVITIES		**(24 137)**	**(14 754)**	**(35 667)**	**(35 667)**
Net cash from discontinued activities		**-**	**-**		
Net change in cash and cash equivalents		**(24 137)**	**(14 754)**	**(35 667)**	**(35 667)**
Opening cash & cash equivalents		**54 292**	**68 975**	**68 975**	**68 975**
Closing cash & cash equivalents		**30 155**	**54 292**	**33 308**	**33 308**

* Column "June 2020" discloses change in cash of the Group in accordance to the consolidated financial statements formally published at end of June 2020, before taking into account the IFRIC decision related to the enforceable period of leases

** Column "June 2020 restated" discloses change in cash of the Group including the retrospective application, at the IFRS 16 transition date, of IFRIC decision of november 2019 related to the enforceable period of leases

Consolidated statement of changes in equity

In thousands euros	Number of outstanding shares	Attributable to owners of the company					Non-controlling interests	Total Equity
		Share capital	Additional paid-in capital	Currency translation reserve	Other reserves and retained earnings	Total		
At December 31, 2019	10 000 000	**300 000**	**1 010 375**	**(698)**	**(1 258 916)**	**50 761**	**9 702**	**60 463**
Consolidated net income		-	-	-	(17 239)	(17 239)	(1 432)	**(18 671)**
Other comprehensive income		-	-	(58)	(4)	(62)	-	**(62)**
Total comprehensive income		**300 000**	**1 010 375**	**(756)**	**(1 276 159)**	**33 460**	**8 270**	**41 730**
Dividends paid				-		-	(510)	**(510)**
Stock options valuation					145	145		**145**
Changes of interest in controlled entities and changes in consolidation scope				-	-	-		**-**
At June 30, 2020	10 000 000	**300 000**	**1 010 375**	**(756)**	**(1 276 014)**	**33 605**	**7 760**	**41 365**
At December 31, 2020	10 000 000	**300 000**	**1 010 375**	**(765)**	**(1 267 430)**	**42 180**	**10 269**	**52 449**
Consolidated net income					(3 151)	(3 151)	(1 823)	**(4 974)**
Other comprehensive income				537	(537)	-	-	**-**
Total comprehensive income		**300 000**	**1 010 375**	**(228)**	**(1 271 118)**	**39 029**	**8 446**	**47 475**
Dividends paid						-	(765)	**(765)**
Dividends not paid		-			(100 000)	(100 000)		**(100 000)**
Stock options valuation					278	278		**278**
Changes of interest in controlled entities and changes in consolidation scope					-	-	-	-
At June 30, 2021	10 000 000	**300 000**	**1 010 375**	**(228)**	**(1 370 840)**	**(60 693)**	**7 681**	**(53 012)**

At June 30, 2021, Change in equity shows a dividend payable of €100m, to be paid by TDF Infrastructure SAS to TDF Infrastructure Holding SAS (sole sharholder of the Group). The payment of this dividend, enacted by decision of the sole shareholder on April 2, 2021, was paid in cash in July 2021.

1. Highlights of the period

Acquisition of the entity TORM

On May 31, 2021, the Group acquired 70% of the entity TORM, an overseas company (La Reunion and Mayotte) specialized in Telecoms site hosting.
TORM currently operates 195 sites for its customers which are key actors of the telecommunication industry and notably Telco Oi, its historical shareholder. TORM will benefit from a 20-year master services agreement, including the roll-out of 100 new sites over the next decade.

The purchase of this controlling interest for €32 million allows the Group to recognize TORM under full consolidation method as of June 30, 2021.
TORM is included in the CGU Towers France and generated approximately €4 m of EBITDA in 2020.

See notes 8.1, 8.3, 9.1 and 10.3.

Syndicated acquisition and capex facility

On March 29, 2021, the TDF Infrastructure SAS Group announced that it has successfully signed a syndicated €300 million acquisition and capex facility (see notes 4.4, 9.1, and 10.4).

Segment reporting: evolution of operating segment

As of June 30, 2021, the Group reviewed the presentation of segment reporting, in accordance with the definiting criterion of operating segments described in IFRS 8.

Thus, note 5 reflects the Group's internal reporting structure and the results of each operating segment, as they are regularly reviewed by the by Group senior management.

As of June 30, 2021, the operating segments disclosed are:

- The "Towers" segment, grouping together the historical activities of telecommunication infrastructure operator and audiovisual broadcasting,
- The "Fiber" segment concerning the activity created in 2017 for the deployment and marketing of Very High-Speed optical fiber networks, which is now sufficiently significant within the meaning of IFRS 8 to be considered as an operating segment.

See note 5 – Operating segments

Therefore, as of June 30, 2021, the Group has also redefined the existence of Cash Generating Units ("CGU"). In connection with the presentation of the operating segments, the Fiber CGU is now separated from the Towers France CGU (see notes 3.7 and 8.1).

IFRS standards – Application of IFRS 16

Since December 31, 2020, the IFRIC decision of November 26, 2019 on the enforceable period of leases is applied by the Group. Thus, the "June 2020 restated" column presents the financial statements after retrospective application at the IFRS 16 transition date (see also note 3.6).

Note 5 – Operating segments, which represents the way the Group activity is reviewed internally, discloses results in particular the indicator EBITDAaL (see the definition in note 2.1).

COVID-19

The first half of 2021 was marked by the continuation of preventive measures in the context of the COVID-19 health crisis, which caused for some sectors a slowdown in economic activity.
In this context, it is important to remind that the Group's activities are by nature resilient.

Thus, the factors resulting from the aftermath of the health crisis are not likely to seriously disrupt the financial soundness of the Group as a whole and its ability to meet its obligations.

- In the first half of 2021, the group reports EBITDA growth of + 7.1% compared to June 2020,
- at June 30, 2021, the Group notably had €100 million available on its revolving credit line and €170 million on its capex facility (see Note 4.3 - Liquidity risk)
- moreover, the Group has also determined, specifically for its interim financial statements, and on the basis of updates made to its forecasts, that the COVID-19 crisis and its effects did not represent an impairment indicator of its assets (see notes 3.7, 8.1, 8.2 and 8.3).

2. General presentation

The Group's consolidation head company, TDF Infrastructure SAS, is a "société par actions simplifies" (simplified joint stock company) with registered office at 92 120 Montrouge - 155 bis Avenue Pierre Brossolette.

As a partner to television, radio, telecommunication operators and local governments, the Group performs the following activities:

- telecommunications (design, deployment, maintenance and management of 2G, 3G, 4G, 5G and fiber telecommunication networks infrastructure, and ultra-highspeed connections, hosting on roof tops, datacenters and hosting of broadcasting and reception equipment on proprietary sites),
- digital network facilities in France through the deployment and marketing of Very High Speed optical fiber networks,
- design, build, implementation and operation of pylons for Telecoms, Audiovisual and Transmissions,
- audiovisual services (TV and radio digital broadcasting, radio FM broadcasting).

The Group draws upon its recognized expertise and over 19 341 terrestrial sites mainly in France and focuses on developing new digital solutions such as connected Digital TV, catch-up TV, and ultra-high definition television.
In addition, given the tenders won to deploy, operate and market Very High Speed optical fiber networks, the Group aims to extend its business to optical fiber, and will invest in this market to increase the speed of deployment of digital network facilities in France.

The Group operates in markets characterized by sweeping changes in both technology and regulations (for example, some businesses are subject to pricing constraints imposed by local regulatory authorities).

2.1 Presentation of the financial statements

The main performance indicators used by the Group are:

EBITDA, which is equivalent to current operating income before depreciation, amortization and impairment of assets.

EBITDAaL (EBITDA after Leases, see note 5), which corresponds to EBITDA adjusted for:

- charges corresponding to operating leases,
- charges booked in relation to the application of IFRS 2 which are non-cash in nature,
- charges corresponding to severance payments and all fees directly related (lawyers, etc.)

Current operating income, which is equivalent to operating income before:

- Any impairment of goodwill,
- "Other operating income" and "other operating expenses", which may include;
  - Material and unusual gains or losses on sale and/or impairment of non-current tangible and intangible assets;
  - Certain restructuring charges;
  - Gains or losses on sale of subsidiaries net of selling costs, liquidation costs and acquisition costs of subsidiaries;
  - Other operating income and expenses, such as a provision for material litigation, changes in provisions for dismantling affecting income and related to changes in calculation assumptions.

3. Basis of preparation

3.1 Statement of compliance

The TDF Infrastructure Group condensed consolidated financial statements, for the 6 months ended June 30, 2021, have been prepared in accordance with IAS34 – Interim financial reporting. As condensed financial statements, they include selected explanatory notes and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2020.
IFRS can be downloaded from the following website: https://ec.europa.eu/info/index_fr

The TDF Infrastructure Group's condensed consolidated financial statements at June 30, 2021 were approved by the Chairman of TDF Infrastructure SAS on November 4, 2021.

3.2 Functional and presentation currency

The consolidated financial statements are stated in thousands of euros, which is the presentation and functional currency of the Group's consolidation head company.

3.3 Basis of measurement

Financial statements have been drawn up on the historical cost basis, except for the following items that are recognized at fair value: financial instruments held for trading, available-for-sale financial instruments and liabilities arising from cash-settled share-based transactions.

3.4 Judgments and estimates

In the process of drawing up the consolidated financial statements, the measurement of certain balance sheet items requires the use of assumptions, estimates or assessments. This is notably the case with goodwills (notes 3.7 and 8.1), tangible and intangible assets (notes, 8.2 and 8.3), amounts of provisions (notes 9.2 and 9.3), deferred tax valuation (notes 3.8 and 7.10), recognition of revenue. These assumptions, estimates and assessments are made based on information available or situations existing at the time the financial statements are drawn up and may subsequently turn out different from future conditions.

At each closing date, the Group identifies the assets for which a disposal has been initiated and assesses if the sale is highly probable as required by IFRS 5.
IFRS 5 states that an entity shall classify a non-current asset (or disposal Group) as held for sale if its book value will be recovered principally through a sale transaction rather than through continuing use. For the sale to be highly probable the asset (or disposal Group held for sale) must be available for immediate sale in its present condition and management must be committed to the sale.
In addition, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification. In this case the non-current asset (or disposal Group) is valued at the lower of its carrying value and fair value less costs to sell.

Most Group entities have multi-year agreements with large customers. During the term of the agreements and upon expiry and/or renewal, discussions take place between those entities and their customers over the conditions, particularly financial, that have applied to these agreements. In view of this, where applicable, the entities record in their books the expected benefits and obligations under the agreements, including their best estimate of the effect of consequences deriving from the terms thereof. These estimates are uncertain by nature, and the final results may prove significantly different from estimates made at the date of preparation of the financial statements.

The Group is not subject to significant seasonal fluctuations.

3.5 Error corrections

No error correction has been accounted for during the year.

3.6 Standards and interpretations in force

The accounting policies are unchanged compared to those used in the preparation of the consolidated financial statements for the year ended December 31, 2020.

IFRS 16 – Leases

Since December 31,2020, the Group has taken specific measures to implement the IFRIC decision reached on November 26, 2019, related to lease term and determination of the enforceable period. Therefore, the retrospective application disclosed in the column "June 2020 restated" of the financial statements ensures the correct comparability of the periods.

As a reminder, in accordance with this decision of the IFRIC, the Group requalified the duration of these contracts retained in IFRS 16, by rejecting the legal approach based on the terms of the contract between the lessor and the lessee to determine the enforceable period of the contract.

Therefore, the lease is now considered enforceable if the lessee, or the lessor, would have to incur a penalty that is more than insignificant in case of contract termination.
Concerning the Group, the existence or absence of operational constraints, in particular for sites which serve customer contracts that are secured on a long-term basis, allows to determine the economic duration of contracts.
When necessary, the renewal of customer contracts carried by leased assets will result in an increase of the enforceable period of the lease under IFRS 16.

Analyzes carried-out in 2020 in order to reassess the enforceable period of leases considered under IFRS 16 led to the recognition of an additional Right-of-use and an additional Lease liability.

In accordance with the IFRIC decision, reassessment of the leases duration has been retrospectively applied at IFRS 16 transition date (January 1, 2019) and the effects are disclosed in the column "June 2020 restated" of the financial statements.
Thus, as of January 1st, 2019, the financial impacts are an increase of Right of use and Lease liability by €17.9m.

3.7 Impairment tests

For interim financial statements, unless any impairment loss indicator is identified, no impairment test on goodwill, on intangible assets with an indefinite useful life, and on other tangible and intangible assets, is performed.

The very exceptional context of the COVID-19 health crisis has led the Group to determine the existence of impairment indicator and to conduct impairment tests, considering short and medium-term impacts related to the general slowdown in the economic activity and the difficulties encountered by certain market players.

However, and regarding the experience accumulated since the start of the health crisis, the impairment tests realized on the basis of the future outlook which have been updated and which are currently envisaged for the Group's activity do not indicate any risk of impairment of goodwill, intangible and tangible fixed assets, whatever the variants of scenarios and sensitivities used, including with assumptions of artificially pessimistic growth scenarios.

In accordance with the operating segments presented (see note 5) and the application of IFRS 8, the CGUs or groups of CGUs that were selected for goodwill impairment testing are Towers France, Fiber, PSN Infrastuktura and Levira.

3.8 Income tax

The measurement of the interim income tax expense is calculated by applying pre-tax profit for the period to the effective annual forecasted income tax rate (see note 7.10). The forecasted effective tax rate is calculated excluding any impacts of disposal of subsidiary or activity and in particular excluding any impairment of goodwill if it is not subject to tax.

3.9 Exchange rates used for the period

The following were the functional currencies used in the Group:

	Average	Closing	Opening	Average N-1
Polish zloty	0,220352	0,219819	0,223319	0,225166
CFA Franc	N/A	N/A	0,001524	0,001524

4. Financial risk management

4.1 Credit risk

The total carrying value of financial assets takes account of the maximum exposure to credit risk.

Trade receivables

For some major TV, Radio and Telecom customers, sales invoices are issued in advance in compliance with contractual terms.
Trade receivables are subject to provisions for impairment depending on the risks incurred and on ageing.

Short–term investments

The Group places its cash with first class banking institutions, the objective being to generate a secure, as opposed to a speculative, return. Cash is invested in euro-denominated money market UCITS and in term deposits with a maturity of under 3 months.

4.2 Market risk

A. Management of interest rate risk

Exposure to the Group's interest rate risk can be analyzed below:

	June 2021		**Dec 2020**	
In thousands euros	**Outstanding**	**% of the debt**	**Outstanding**	**% of the debt**
Fixed interest rate debt	2 810 374	90,8%	2 754 412	96,5%
Variable interest rate debt	285 432	9,2%	99 945	3,5%
Total before hedging	**3 095 806**	**100,0%**	**2 854 357**	**100,0%**
Fixed interest rate debt	2 810 374	90,8%	2 754 412	96,5%
Variable interest rate	285 432	9,2%	99 945	3,5%
Total after hedging	**3 095 806**	**100,0%**	**2 854 357**	**100,0%**

At June 30, 2021 closing date, the Group notably bears:
- €1 063.6m of debt with fixed interest rate towards Tivana France Holdings (indirect shareholder);
- €1 400.0m of bond debt with fixed rates (excluding loan issuance costs);
- €254.4m related to lease liabilities related to IFRS 16 application.

Sensitivity analysis of cash flows for variable rate instruments

No variable rate instrument is owned by the Group, neither at June 30, 2021 nor at December 31, 2020.

B. Exchange risk

The Group's functional currency is euro. The Group has little exposure to exchange rate fluctuations in other currencies.

4.3 Liquidity risk

To ensure liquidity, the Group has available resources of €300.2m (€229.4m on December 31, 2020):

- Cash and cash equivalents of €30.2m as of June 30, 2021 (€54.m on December 31, 2020);
- A Revolving Credit Facility negotiated under a "Credit Agreement" signed on December 5, 2018, for an amount of €250.0m, by TDF Infrastructure SAS to cover its own needs and those of its subsidiaries in respect of acquisitions, capital expenditure and working capital. As of June 30, 2021, this line is used for an amount of €150.0m.
- A Capex Facility, signed on March 29, 2021, for an amount of €300.0m by TDF Infrastructure SAS for the financing or refinancing of the Group's capital expenditure and investments. As of June 30, 2021, this line is used for an amount of €130.0m.

Contractual maturities of financial debt break down as follows (including interest payments):

	June 2021		Maturities		
In thousands euros	**Book value**	**Cash flow**	**< 1 year**	**1 to 5 years**	**> 5 years**
Non-derivative financial instruments					
Financial debts - Nominal	2 851 375	2 851 375	24 827	1 749 056	1 077 492
Loan issue expenses	(9 965)	-	-	-	-
Financial interest	467 894	1 332 344	575 826	440 696	315 822
Lease liability (IFRS 16)	254 396	254 396	42 247	115 982	96 167
Financial interest on lease liability (IFRS 16)	1 388	100 158	10 942	43 498	45 718
Debts on external acquisitions (holdback)	-	-		-	-
Divivdend payable	100 000	100 000	100 000		
Trade payables	202 572	202 572	202 572	-	-
Total financial liabilities	**3 867 660**	**4 840 845**	**956 414**	**2 349 232**	**1 535 199**

	Dec 2020		Maturities		
In thousands euros	**Book value**	**Cash flow**	**< 1 year**	**1 to 5 years**	**> 5 years**
Non-derivative financial instruments					
Financial debts - Nominal	2 635 746	2 635 746	46 189	711 812	1 877 745
Loan issue expenses	(9 510)	-	-	-	-
Financial interest	511 140	1 427 212	613 288	435 762	378 162
Lease liability (IFRS 16)	228 121	228 120	37 064	107 811	83 246
Financial interest on lease liability (IFRS 16)	1 180	89 266	10 067	36 026	43 173
Debts on external acquisitions (holdback)	-	-	-	-	-
Trade payables	239 742	239 742	239 742	-	-
Total financial liabilities	**3 606 419**	**4 620 086**	**946 350**	**1 291 411**	**2 382 326**

See the notes 4.4 and 9.1 which describe the split, the nature and the characteristics of financial debts.

As of June 30, 2021, we have:

- the shareholder debt, towards Tivana France Holdings for €1 063.6m (indirect shareholder of the Group), with a fixed rate interests of 7.7% and a maturity on March 20, 2030;
- the first bond debt, issued on October 19, 2015, for €600m, with a fixed coupon of 2.875% and a maturity on October 19, 2022;
- the second bond debt, issued on April 7, 2016, for €800m, with a fixed coupon of 2.50% and a maturity on April 7, 2026.

Maturities on financial debts (bank and bond debts) correspond to contractual maturities, without presuming any early repayments.

Financial expenses are calculated up to the contractual maturity of the liabilities to which they relate.

For debts with variable interest rates, interest rates used are the forward rates prevailing at the reporting date.

Concerning the shareholder loan of €1 063.6m towards Tivana France Holdings, quarterly interests on that debt can be:

- capitalized
- paid
- or the payment can be deferred, without the interests being capitalized.

Therefore, within the liquidity risk disclosure section, the following assumptions are made:

- interests that are neither capitalized nor paid are disclosed with a maturity under one year,
- future interests are paid every quarter until maturity, without considering the deferred payments or capitalization mechanisms that are authorized by the loan documentation.

4.4 Indebtedness

The Group has contracted an unsecured senior debt towards bank lenders (« bank debt ») and bondholders (« bond debt »).

Bond debt

The characteristics of bond debts of the Group are unchanged compared to December 31, 2020.

Bank debt

<u>Revolving credit facility</u>

As at June 30, 2021, the Group has a revolving credit facility negotiated under the "Credit Agreement".
As at June 30, 2021, this line is used for an amount of €150.0m.

The conditions of this agreement have not changed compared to December 31, 2020.

The bank agreement includes a financial covenant to be respected if the credit line is used:

- A ratio of net debt to EBITDA which must be less than 5.50x,
- For the calculation of this ratio, certain adjustments, defined in the bank agreement, must be applied,
- The covenant is calculated and communicated to the lenders' agent every semester, based on June and December financial statements,
- At end of June 2021, the Group is compliant with the covenant.

<u>Capex facility</u>

On March 29, 2021, the TDF Infrastructure SAS Group announced that it has successfully signed a syndicated €300 million acquisition and capex facility
As at June 30, 2021, this capex facility is used for an amount of €130m. Its main characteristics are the following:

In thousands euros	Initial amount	Amount due at June 2021	Depending in the group's rating			Margin applied to EURIBOR	Maturity
			Moody's	Fitch	S&P		
Capex facility	300,0	130,0	Baa2 or above Baa3 Below Baa3	BBB or above BBB- Below BBB-	BBB or above BBB- Below BBB-	0,95% 1,10% 1,25%	29-march-2024
TOTAL capex debt	**300,0**	**130**					

- The contractual maturity is March 29, 2024 with extension options leading to a final maturity in March 2026;
- The availability period during which the Group can draw on this line extends until March 2023;
- The facility is at floating rate, the interest rate provides for a Euribor floor of 0%, so that the overall interest rate (margin + Euribor) paid by TDF Infrastructure will never be lower than the applicable margin;

- The facility agreement provides for restrictive terms (subject to exceptions) governing the possibility for Group companies to perform certain operations.

The bank agreement related to the Capex facility also includes a financial covenant to be respected:
- A ratio of net debt to EBITDA which must be less than 6.00x.
- For the calculation of this ratio, certain adjustments, defined in the bank agreement, must be applied,
- The covenant is calculated and communicated to the lenders' agent every semester, based on June and December financial statements,
- At end of June 2021, the Group is compliant with the covenant.

This capex facility will be mainly used to the financing of Group's capital expenditures.

5. Operating segments

Pursuant to IFRS 8, the Group reports its results and assets by operating segment. The determination of the operating segments reflects the Group's internal reporting structure. The results of all operating segments are regularly reviewed by Group senior management with a view to assessing their performance and to taking decisions on the resources to allocate to each segment.

Each of the CGUs or group of CGUs corresponds to an operating segment except PSN Infrastruktura and Levira (see note 3.7) which are not presented separately and are part of the Towers segment because they are below the quantitative thresholds required by IFRS 8 (i.e. 10% of revenues, assets and profits, taken individually) and correspond to the aggregation criteria defined by the standard.

This segmentation reflects the fact the Group's operations are focused primarily on the nature and the distinction of costs which are necessary for the infrastructure's deployment, maintenance and operation to be able to provide services to the Group's customers.
Also, the operating segments disclosed highlight the characteristics of the Group's activities, notably for financing purposes of each segment.

It should be noted that the Fiber segment, whose activity was created by the Group in 2017, has financial indicators above the quantitative thresholds required by IFRS 8.

Under IFRS 8, the Group discloses revenue by business lines which are breaken down as follows:

- Television: carrying and broadcasting digital signals and related services, provision of uplink services, temporary or permanent rental of 'space' (satellite transponder time), allowing TV broadcasting to given territories,
- Radio: carrying and broadcasting signals and related services,
- Telecom and Services: hosting of broadcasting and reception equipment on Group's sites, providing maintenance and engineering services, locating sites, data centers, high speed networks,
- Fiber (FTTH): roll-out, operation and marketing of optical fiber networks,

Finally, figures disclosed hereafter represent the way the Group activity is reviewed internally, in particular the key indicator « EBITDAaL », which is EBITDA:

- restated from expenses related to operating leases,
- restated from charges booked in application of IFRS 2 (which are in the Group's case without cash impact),
- restated from all charges corresponding to severance payments and recognized over the period (legal and transactional severance payments) among the Group, and all fees directly related (lawyers, etc.)

Therefore, indicators below are disclosed without any presentation impact related to operating leases restatement under IFRS 16 :

- Operating cash available after operating leases,
- Operating capex excluding increase of Right of use asset,
- Net debt excluding Shareholders loan, accrued interests and lease liability

In thousands euros	Towers			Fiber			Total				
	June 2021 (6 months)	**Dec 2020 (12 months)**	**June 2020 (6 months)**	**June 2021 (6 months)**	**Dec 2020 (12 months)**	**June 2020 (6 months)**	**June 2021 (6 months)**	**Dec 2020 (12 months)**	**June 2020 (6 months)**	**Variation June 2021 / June 2020**	**Variation in %**
Revenue	**346 796**	**667 794**	**321 134**	**13 630**	**19 720**	**7 357**	**360 426**	**687 514**	**328 491**	**31 935**	**9,7%**
EBITDA	208 871	427 258	200 102	7 271	9 325	2 724	216 142	436 583	202 826	13 316	6,6%
EBITDAaL	185 001	380 234	176 804	7 271	9 325	2 724	192 272	389 559	179 528	12 744	7,1%
Depreciation, amortisaton and impairment losses	(88 363)	(200 003)	(95 178)	(6 714)	(8 260)	(3 314)	(95 077)	(208 263)	(98 492)	3 415	-3,5%
Current Operating income	**120 508**	**227 255**	**104 924**	**557**	**1 065**	**(590)**	**121 065**	**228 320**	**104 334**	**16 731**	**16,0%**
Impairment of goodwill & intangible assets identified in business combinaisons	-	-	-	-	-	-	-	-	-	-	-
Other operating income and charges	(2 584)	(4 270)	(2 784)	-	-	-	(2 584)	(4 270)	(2 784)	200	-7,2%
Operating Income	**117 924**	**222 985**	**102 140**	**557**	**1 065**	**(590)**	**118 481**	**224 050**	**101 550**	**16 931**	**16,7%**
Net cash from operating activities after operating leases **(a)**	115 075	315 441	94 394	(4 542)	49 394	20 825	110 532	364 835	115 219	(4 686)	-4,1%
Net cash from operating capex and operating disposals **(b)**	(89 944)	(174 625)	(84 193)	(103 280)	(172 632)	(84 445)	(193 224)	(347 257)	(168 638)	(24 586)	14,6%
Operating cash available after operating leases (a) + (b)	**25 131**	**140 816**	**10 200**	**(107 822)**	**(123 238)**	**(63 620)**	**(82 692)**	**17 578**	**(53 420)**	**(29 273)**	**54,8%**
Operating capex, excluding increase of Right of use asset	**93 205**	**175 217**	**78 183**	**98 174**	**177 507**	**87 851**	**191 379**	**352 724**	**166 034**	**25 345**	**15,3%**
External net debt excluding Shareholders loan, accrued interests and lease liability	**1 667 025**	**1 454 119**	**1 488 261**	**80 622**	**54 227**	**37 528**	**1 747 647**	**1 508 346**	**1 525 789**	**221 859**	**14,5%**
Leverage	**4,29**	**3,82**	**3,98**	**5,81**	**5,82**	**13,38**	**4,34**	**3,87**	**4,03**	**0,31**	**7,8%**

6. Discontinued operations, assets held for sale and disposed entities

6.1 Discontinued operations

At June 30, 2021, as at December 31, 2020, the Group does not have any discontinued operations in the meaning of IFRS 5.

6.2 Assets held for sale and disposed entities

At June 30, 2021 the Group does not have any assets held for sale in the meaning of IFRS 5.

Disposal of Tim Congo entity

On May 1, 2020, Tim Congo entity was sold.
Profit and loss and cash flows of Tim Congo are included in comprehensive income and in the cash flow statement of the Group until its date of effective loss of control.
As of June 31, 2020, its contribution (excluding intercompany transactions) are as follows:

- €0.3m of revenue
- €0.2m of Ebitda

7. Notes to the statement of comprehensive income

7.1 Revenue

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Digital Television	86 944	87 090
Radio	56 091	56 042
Total Broadcasting Services	**143 035**	**143 132**
Telecom: site hosting	179 569	158 967
Telecom: other services	20 933	14 118
Total Telecoms & Services	**200 502**	**173 085**
Fiber (FTTH)	13 947	7 487
Others	2 942	4 786
Total revenue	**360 426**	**328 491**

7.2 Other income and expenses (in current operating income)

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Other income	**5 695**	**3 560**

Other income and expenses mainly comprise compensations from insurance and others, income from penalties received and operating grants received.

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Business tax	(3 850)	(3 330)
Property tax	(9 902)	(9 415)
Other taxes	(2 773)	(2 399)
Provision on receivables - Prov. for risks and charges	668	537
Other operating expenses	(1 372)	146
Other expenses	**(17 229)**	**(14 462)**

The line "Provision on receivables – Prov. For risks and charges" includes changes in provision for risks and charges and changes in provisions on trade receivable and other current assets. The reversals of provision for risks and charges correspond to conclusions reached concerning litigation already provisioned, and to successful negotiations for the Group.

The lines Property tax and Other taxes are impacted by the effect of the IFRIC 21 standard. Indeed, according to IFRIC 21, annual charges related to Property tax, IFER and C3S taxes have to be fully recognized on January 1st.

7.3 Consumed purchases

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Material purchases	(25 323)	(27 253)
Energy and fuels	(30 613)	(29 377)
Other purchases including change in inventory	(8 925)	(8 308)
Capitalized purchases	23 274	25 691
Consumed purchases	**(41 588)**	**(39 247)**

7.4 Personal cost

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Salaries & wages	(52 490)	(52 137)
Social security contributions	(17 151)	(17 090)
Tax contributions on salaries & wages	(3 238)	(3 086)
Statutory employee profit sharing	(6 252)	(5 612)
Post-employment benefits : defined benefit plans	(995)	(966)
Post-employment benefits : defined contributions	(4 963)	(4 957)
Share based payments	(278)	(145)
Other personnel costs	(2 838)	(3 891)
Capitalized personnel costs	31 626	29 135
Total personnel costs	**(56 578)**	**(58 750)**

Other personnel costs largely comprise of contractual employee profit sharing, various staff expenses (workers' council, lunch contribution, Committees for Occupational Health and Safety etc.), and accruals for vacation and other employee costs.

In addition, personnel costs include -€1.3m (€1.8m in as of June 30, 2020) corresponding to severance payments recognized over the period (legal and transactional severance payments) among the Group, and all fees directly related such as legal fees.

7.5 External expenses

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Real estate	(5 946)	(2 700)
Technical subcontracting	(90 513)	(65 093)
Administrative subcontracting	(6 581)	(6 425)
Expenses linked to personnel	(5 395)	(6 018)
Surveys & consulting fees	(4 485)	(4 086)
External & internal communication costs	(423)	(449)
Corporate fees	(2 275)	(2 496)
Insurance	(1 103)	(1 083)
Other capitalized charges	82 112	65 234
External expenses	**(34 609)**	**(23 117)**

The increase of technical subcontracting costs should be analyzed in comparison with the increase in other capitalized charges, reflecting the intensification of Group's infrastructure deployment, in particular optical fiber networks (FTTH).

7.6 Profit on disposal of non-current operation assets

Profit on disposals over the various periods disclosed mainly corresponds to sales completed by TDF SAS.

7.7 Depreciation, amortization and impairment losses

In thousands euros	June 2021 (6 months)	June 2020 (6 months)	June 2020 (6 months) restated
Amortisation of intangible assets	(20 330)	(20 603)	(20 603)
Depreciation of tangible assets	(60 357)	(60 333)	(60 333)
Depreciation of assets related to right of use (IFRS 16)	(17 015)	(20 570)	(19 866)
Write-back of investment subsidies	2 661	2 325	2 325
Impairment of intangible assets	-	-	-
Impairment of tangible assets	(36)	(16)	(16)
Depreciation, amortisation and impairment losses	**(95 077)**	**(99 196)**	**(98 492)**

7.8 Other operating income and charges

Other operating income and charges mainly include income and costs, which are significant and unusual, and are recognized in non-recurrent operating income (below EBITDA, see also the note 2.1).

7.9 Net finance costs

Net finance costs can be broken down as follows:

In thousands euros	June 2021 (6 months)	June 2020 (6 months)	June 2020 (6 months) restated
Revenues from available funds placed	5	8	8
Total financial revenue (a)	**5**	**8**	**8**
Finance expenses linked to debt : Bond	(18 445)	(18 524)	(18 524)
Finance expenses linked to debt : Bank debt revolving	(652)	(312)	(312)
Finance expenses linked to debt : Shareholder	(59 290)	(57 045)	(57 045)
Finance expenses linked to debt : Capex facility	(387)	-	-
Finance expenses linked to debt : Financial lease	(428)	(531)	(531)
Finance interests linked to lease liability : IFRS 16	(7 635)	(6 778)	(7 180)
Finance expenses linked to debt : Other debts	(2 093)	(1 093)	(1 093)
Refinancing costs	(1 880)	-	-
Result on financial instruments measured at amortized cost (b)	**(90 810)**	**(84 283)**	**(84 685)**
Capitalisation & amortisation of loan issue expenses (c)	**455**	**(1 216)**	**(1 216)**
Profit (loss) related to derivatives (d)	**-**	**-**	**-**
Total finance expenses (e) = (b) + (c) + (d)	**(90 355)**	**(85 499)**	**(85 901)**
Net financial debt cost (a) + (e)	**(90 350)**	**(85 491)**	**(85 893)**

Concerning the shareholder loan of €1063.6m towards Tivana France Holdings (amount unchanged vs 2020, fixed interest rate of 7.7%), quarterly interests on that debt can be, according to what TDF Infrastructure determines:

- capitalized
- paid
- or the payment can be deferred, without the interests being capitalized.

thus, the deferred interests generating themselves interests, the cost of this loan increases compared to June 30, 2020, while the amount of the debt remains stable;

Refinancing costs and capitalization & amortization of loan issue expenses are impacted in 2021 by the signing of the new capex facility, generating new issuance costs for €1.9m, which have been capitalized in reduction of the debt.

See notes 4.4 and 9.1 describing the change in financial debt and their characteristics.

At June 30, 2021, excluding shareholder debts and lease liability, the average interest rate on financial debt is 2.68% (2.85% at June 30, 2020), including financing costs.

Other financial income and charges are as follows:

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Net discounting costs excluding net debt	(1 922)	(2 009)
Forex gains (losses)	(3)	4
Other financial expenses & Income	(38)	(237)
Other financial revenues / charges	**(1 963)**	**(2 243)**

Net discounting costs mainly concern discounting effects on provisions and deferred income.

Finance income and expenses recognized under other comprehensive income are as follows:

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Currency translation differences for foreign operations	-	(58)
Finance income and expenses recognised in other comprehensive income	**-**	**(58)**

7.10 Income tax

From April 1, 2015, a new tax consolidation group was created headed by Tivana France Holdings (single shareholder of TDF Infrastructure Holding SAS since March 31, 2015, itself sole shareholder of TDF Infrastructure SAS). All French entities owned directly or indirectly at least 95% by Tivana France Holdings SAS are included in this tax group.

The scope of the tax consolidation group being therefore greater than the consolidation of TDF Infrastructure SAS group, it should be noted that the effects of the tax consolidation (recognition of the tax group benefit and the Tax Group's tax loss carried forward) are not recognized in these consolidated financial statements. On the contrary, each entity calculates its tax expense on its own and recognizes its tax loss carried forward (or not) on its own, according to its own results and its own perspective to use or not the tax loss carried forward it generates.

The income tax expense is calculated applying the effective interest method as prescribed under IAS 34, based on the annual forecast and June 2021 earnings. The forecasted effective tax rate is calculated excluding any impacts of disposal of subsidiary or activity and in particular excluding any impairment of goodwill if it is not subject to tax.

The income tax of the period is analyzed below:

In thousands euros	June 2021 (6 months)	June 2020 (6 months)	June 2020 (6 months) restated
Current tax expense	(32 347)	(33 100)	(33 100)
Other income tax expense	(2 514)	(3 824)	(3 824)
Deferred tax expense	3 441	4 832	4 739
Income tax expense from continuing operations	**(31 420)**	**(32 093)**	(32 186)
Income tax from discontinued operations and disposed entities	-		
Total income tax	**(31 420)**	**(32 093)**	**(32 186)**

Note that among the €32.4m of current tax expenses mentioned above (€33.1m as of June 30, 2020) concern entities belonging to the tax consolidation group (as of June 30, 2020), and are actually offset at the tax consolidation group level by loss of other companies, such as Tivana France Holdings SAS, TDF Infrastructure Holding SAS (see hereafter).

Income tax recognized in other comprehensive income is analyzed below:

In thousands euros	June 2021 (6 months)			June 2020 (6 months)		
	Pre-tax	Tax (Expense) / Credit	Net of tax	Pre-tax	Tax (Expense) / Credit	Net of tax
Currency translation differences for foreign operations	-		-	(58)		(58)
Actuarial gains (losses) on defined benefit plan	-	-	-	(4)	-	(4)
Others	-		-	-		-
Total	**-**	**-**	**-**	**(62)**	**-**	**(62)**

The reconciliation between the theoretical income tax based on a theoretical income tax rate and the income tax based on the effective tax rate method (as prescribed by IAS 34 for interim financial statements and based on annual forecasts) is provided below:

	June 2021 (6 months)		June 2020 (6 months)		June 2020 (6 months) restated	
In thousands euros	**Value**	**Rate**	**Value**	**Rate**	**Value**	**Rate**
Profit (loss) for the period	(4 974)		(18 671)		(18 462)	
Total income tax for the period	(31 420)		(32 093)		(32 186)	
Profit (loss) excluding income tax	26 447		13 421		13 723	
Theoretical income tax based on the French statutory income tax rate	**(7 513)**	**28,41%**	**(4 297)**	**32%**	(4 394)	**32%**
Non-deductible interest	(4 847)	18,33%	(6 713)	50,02%	(6 713)	48,92%
Other income tax expenses (CVAE, etc)	(1 603)	6,06%	(2 485)	18,52%	(2 485)	18,11%
Impact of disposals of entitoies, of goodwill impairment and non deductible provisions	-		-		-	
Impairment of tax loss carried forward	(14 042)	53,10%	(15 895)	118,43%	(15 895)	115,83%
Effect of difference in foreign tax rates (theoretical rate)	(1 483)	5,61%	(3 312)	24,68%	(3 312)	24,13%
Deferred tax on "CVAE" (1)	224	-0,85%	410	-3,05%	410	-2,99%
Other permanent differences	(502)	1,90%	129	-0,96%	129	-0,94%
Effect of tax rate changes	-		-		-	
Others	(1 654)	6,25%	71	-0,53%	75	-0,55%
Actual income tax	**(31 420)**	**118,81%**	**(32 092)**	**239%**	**(32 185)**	**235%**

(1) This deferred tax income relates to the Group decision to classify CVAE as income tax

As of June 30, 2021, the theoretical income tax rate used corresponds to the preponderant rate in the Group's French activities.

At June 30, 2021, depreciations or non-recognition of tax loss carried forward assets are mainly related to TDF Infrastructure SAS (€13.8m as at June 30, 2021 against €15.0 as of June 30, 2020).
These deferred tax assets are not recognized, since these entities do not have strong enough forecasts demonstrating consumption of tax loss carried forward but note that a tax consolidation is actually done above TDF Infrastructure SAS level (see above).

8. Notes to the balance sheets: assets

Except for deferred taxes that are classified as non-current assets or liabilities, assets and liabilities are classified as current when the amounts are expected to be recovered or settled no more than 12 months after the reporting date. If this is not the case, they are classified as non-current.

8.1 Goodwill

In accordance with the operating segments presented (see note 5) and the application of IFRS 8, the CGUs or groups of CGUs that were selected for goodwill impairment testing are Towers France, Fiber, PSN Infrastuktura and Levira.

As of June 30, 2021, the Group goodwill breakdown among the various CGUs or CGU groups is as follows:

In thousands euros	**Dec 2020**	Change in consolidation scope :	Impairment losses	**June 2021**
Towers France	**1 695 583**	41 545	-	**1 737 128**
Total	**1 695 583**	**41 545**	**-**	**1 737 128**

The CGU Towers France goodwill increase concerns the acquisition of the entity TORM for €41.5m (see note 1).
The Group obtained a sale agreement (call option), exercisable from May 31, 2024, concerning the 30% of the entity still held by the historical shareholder.
Considering the valuation in the Group's financial statements of this sale agreement exercise, in accordance with IFRS 3, acquisition goodwill is of €41.5m. It is under allocation as of June 30, 2021.

In the specific context of the COVID-19 health crisis, the Group has carried out goodwill impairment tests, based on business activity forecast, which does not indicate any risk of impairment (see notes 1 and 3.7)

8.2 Intangible assets

Intangible assets are analyzed below:

In thousands euros	Total
Gross value at December 31, 2020	**977 454**
Acquisitions	**85 351**
Disposals	**(6)**
Reclassifications	**(360)**
Changes in consolidation scope	**84**
Currency translation adjustments	**(2)**
Gross value at June 30, 2021	**1 062 521**

In thousands euros	Total
Amortization at December 31, 2020	**(381 086)**
Charge of the period	**(20 330)**
Disposals	**6**
Reclassifications	**-**
Changes in consolidation scope	**(55)**
Currency translation adjustments	**2**
Amortization at June 30, 2021	**(401 463)**

	Total
Impairment losses at December 31, 2020	**(106 256)**
Charge of the period	-
Changes in consolidation scope	-
Currency translation adjustments	-
Impairment losses at June 30, 2021	**(106 256)**
Carrying amount at December 31, 2020	**490 112**
Carrying amount at June 30, 2021	**554 802**

Since no trigger event occurred at June 30, 2021 (see the note 3.7), no impairment test was performed on brands with an indefinite useful life (included in intangible assets). The net book value of these brands is €23.0m at June 30, 2021.

As of June 30, 2021, acquisitions of intangible assets mainly include completed or in progress roll-out of fiber optic networks in sparsely populated areas, in accordance with IFRIC 12 standard (Service Concession Arrangements) which is into force for this activity.

8.3 Property, plant and equipment

Property, plant and equipment are analyzed below:

In thousands euros	Land & buildings	Broadcasting network	Office furniture, office and computer equipment	Others	Total
Gross value at December 31, 2020	**1 087 228**	**1 901 706**	**48 792**	**633 608**	**3 671 335**
Acquisitions	70 702	24 651	3 102	40 902	**139 357**
Disposals	(1 828)	(7 865)	(293)	(7 336)	**(17 322)**
Reclassifications	4 559	604	11	(13 051)	**(7 877)**
Other changes in consolidation scope	14 485	17 536	917	(14 207)	**18 731**
Currency translation adjustments	(11)	(30)	(2)	(16)	**(58)**
Gross value at June 30, 2021	**1 175 136**	**1 936 602**	**52 526**	**639 900**	**3 804 164**

In thousands euros	Land & buildings	Broadcasting network	Office furniture, office and computer equipment	Others	Total
Amortization at December 31, 2020	**(313 932)**	**(1 068 024)**	**(33 159)**	**(366 109)**	**(1 781 224)**
Charge of the period	(25 860)	(31 981)	(1 628)	(15 319)	**(74 789)**
Disposals	1 828	7 878	246	7 349	**17 301**
Reclassifications	3 368	90	-	(82)	**3 376**
Other changes in consolidation scope	(187)	(9 077)	(652)	9 069	**(847)**
Currency translation adjustments	10	25	2	11	**49**
Amortization at June 30, 2021	**(334 773)**	**(1 101 089)**	**(35 192)**	**(365 081)**	**(1 836 134)**

	Land & buildings	Broadcasting network	Office furniture, office and computer equipment	Others	Total
Impairment losses at December 31, 2020	**(6 297)**	**(37 050)**	**(6)**	**(4 002)**	**(47 355)**
Charge of the period	(31)	-	-	(5)	**(36)**
Disposals	-	1	-	2	**3**
Reclassifications	-	-	-	-	**-**
Other changes in consolidation scope	0	0	-	0	**0**
Currency translation adjustments	0	1	-	3	**3**
Impairment losses at June 30, 2021	**(6 328)**	**(37 049)**	**(6)**	**(4 002)**	**(47 385)**

Carrying amount at December 31, 2020	**766 999**	**796 632**	**15 627**	**263 497**	**1 842 756**
Carrying amount at June 30, 2021	**834 037**	**798 464**	**17 328**	**270 817**	**1 920 647**

As of June 30, 2021, changes in consolidation scope corresponds TORM acquisition (€18.8m of gross value, €0.9m of amortization).

Tangible assets notably include assets recognized under the right of use (IFRS 16), thus presented in Land-Buildings and Other tangible assets.

8.4 Trade receivables and other current and non-current assets

Other current and non-current assets are as follows:

	June 2021			Dec 2020		
In thousands euros	Gross	Depreciation	Net	Gross	Depreciation	Net
Inventories,including items in progress	18 621	(3 346)	15 274	20 317	(3 205)	17 112
Total inventories	**18 621**	**(3 346)**	**15 274**	**20 317**	**(3 205)**	**17 112**

	June 2021			Dec 2020		
In thousands euros	Gross	Depreciation	Net	Gross	Depreciation	Net
Trade accounts receivables	171 716	(4 447)	167 269	88 708	(4 955)	83 753
Trade receivables on disposal of assets	212	-	212	4 742	-	4 742
Total trade accounts receivables	**171 928**	**(4 447)**	**167 481**	**93 450**	**(4 955)**	**88 495**

	June 2021			Dec 2020		
In thousands euros	Gross	Depreciation	Net	Gross	Depreciation	Net
Credit notes not yet received	20	-	20	29	-	29
Advance payment - corporate income tax	2 276	-	2 276	7 510	-	7 510
Tax and social security receivables	85 891	-	85 891	98 967	(97)	98 870
Prepaid expenses	5 919	-	5 919	2 380	-	2 380
Escrow account	-	-	-	-	-	-
Other receivables	14 309	(789)	13 520	15 351	(692)	14 659
Total other current assets	**108 415**	**(789)**	**107 626**	**124 237**	**(789)**	**123 448**
Non-current receivables	2 238	-	2 238	1 782	-	1 782
Loans, security deposit, guaranty	6 247	(76)	6 171	6 242	(76)	6 166
Total other non current assets	**8 485**	**(76)**	**8 409**	**8 025**	**(76)**	**7 949**

9. Notes on the balance sheet: equity and liabilities

Except for deferred taxes that are classified as non-current assets or liabilities, assets and liabilities are classified as current when the amounts are expected to be recovered or settled no more than 12 months after the reporting date. If this is not the case, they are classified as non-current.

9.1 Financial debt

As of June 30, 2021, the main part of financial debt consists of unsecured senior external debt held by bondholders (bond debt) as well as a shareholder loan. Overall, the Group's financial debt is analyzed and has varied as described below:

In thousands euros	**Dec 2020**	Increase	Decrease	Others	**June 2021**
Bond	1 391 238	-	1 157	-	1 392 395
including term debt	*1 400 000*	-	-	-	*1 400 000*
including loan issuance costs	*(8 762)*	-	*1 157*	-	*(7 605)*
	-				-
Bank debt	74 252	353 119	(149 731)	-	277 640
including loan issuance costs	*(748)*	*(1 881)*	*269*	-	*(2 360)*
including revolving debt	*75 000*	*225 000*	*(150 000)*	-	*150 000*
including capex facility debt	-	*130 000*	-		*130 000*
Shareholders' debt	1 063 599	-	-	-	1 063 599
Finance lease debt	7 124	638	(1 855)	-	5 907
Operational investments debts	18 818	-	(690)	-	18 128
Lease liability (IFRS 16)	228 121	33 228	(17 841)	10 888	254 396
Other financial debts	71 205	31 200	(20 354)	1 690	83 741
Financial debt	**2 854 357**	**418 185**	**(189 314)**	**12 578**	**3 095 806**

In thousands of euros	**Dec 2019**	Increase	Decrease	Others	**June 2020**
Bond	1 388 947	-	1 131	-	1 390 078
including term debt	*1 400 000*	-	-	-	*1 400 000*
including loan issuance costs	*(11 053)*	-	*1 131*	-	*(9 922)*
Bank debt	(838)	105 000	(29 915)	-	74 247
including loan issuance costs	*(838)*	-	*85*	-	*(753)*
including revolving debt	-	*105 000*	*(30 000)*	-	*75 000*
Shareholders' debt	1 063 599	-	-	-	1 063 599
Finance lease debt	9 983	325	(1 881)	-	8 427
Operational investments debts	19 541	-	(312)	-	19 229
Lease liability (IFRS 16)	200 612	14 857	(18 874)	6 543	203 138
Other financial debts	87 854	12 903	(34 168)	606	67 195
Financial debt	**2 769 698**	**133 085**	**(84 019)**	**7 149**	**2 825 913**

In thousands of euros	**Dec 2019 restated**	Increase	Decrease	Others	**June 2020 restated**
Bond	1 388 947	-	1 131	-	1 390 078
including term debt	*1 400 000*	-	-	-	*1 400 000*
including loan issuance costs	*(11 053)*	-	*1 131*	-	*(9 922)*
Bank debt	(838)	105 000	(29 915)	-	74 247
including loan issuance costs	*(838)*	-	*85*	-	*(753)*
including revolving debt	-	*105 000*	*(30 000)*	-	*75 000*
Shareholders' debt	1 063 599	-	-	-	1 063 599
Finance lease debt	9 983	325	(1 881)	-	8 427
Operational investments debts	19 541	-	(312)	-	19 229
Lease liability (IFRS 16)	216 058	12 696	(18 567)	9 177	219 364
Other financial debts	87 854	12 903	(34 168)	606	67 195
Financial debt	**2 785 144**	**130 924**	**(83 712)**	**9 783**	**2 842 139**

Bond debt

No change since December 31, 2020.

Bank debt

At June 30, 2021, as of December 31, 2020, the Group has no bank term debt.

Revolving credit line

At June 30, 2021, revolving line is used for €150m. This line has a maturity date on December 5, 2025.

Capex facility

On March 29, 2021, the TDF Infrastructure SAS Group announced that it has successfully signed a syndicated €300 million acquisition and capex facility.
As of June 30, 2021, this line is used for an amount of €130m. The contractual maturity is March 29, 2024 with extension options until March 2026 (see characteristics presented in note 4.4)
The bond issue expenses (including issue discount) disclosed as a deduction from the debt balance (according to effective interest rate IFRS method) amount to €1.8m as of June 30, 2021.

Shareholders loans

No change since December 31, 2020.

Operational investments debts

As part of the development of the fiber business within the Group, the companies dedicated to the roll-out of optical fiber networks are required, in accordance with the applicable accounting standards, to recognize as investments, since the beginning of each public delegation contract, certain specific fees that will be paid to the local authorities.
The discounted amount of outstanding fees at June 30, 2021 is €18.1m.

Lease liability (IFRS 16)

In accordance with the application of IFRS 16, a financial debt was recognized under the lease liability.
In relation with the principles of the standard:

- New leases concluded during the period are recognized as an increase in lease liability for the present value of expected payments,
- Decrease in lease liability represents the part of rental paid on the period and affected to the repayment of the financial debt, after deduction of the interest expenses (see the note 7.9).

Otherwise, in accordance to the application of IFRIC decision on November 26, 2019, the reassessment of the enforceable period has been retrospectively applied at IFRS 16 transition date (January 1, 2019) and is disclosed in the June 2020 restated financial statements (see the note 3.6).

At June 30, 2021, the column « Others » corresponds to TORM acquisition, for which leased sites are restated under IFRS 16 as a lease liability in financial debt.

Other financial debts

Other financial debts of €83.7m at June 30, 2021 (€71.2m as of December 31, 2020) correspond to:
- Current accounts with Tivana France Holdings and TDF Infrastructure Holding for a total amount of €4.5m (€24.7 as of December 31, 2020);
- Shareholder loans granted, for an amount of €78.8m, to the entities Val d'Oise Fibre, Val de Loire Fibre and Anjou Fibre by Banque des Territoires following an equity investment of 30% (€17.4m as of December 31, 2020);

Financial debt (excluding accrued interests) is analyzed by maturity below:

In thousands euros	June 2021	< 1 year	1 to 5 years	> 5 years
Bond debt	1 392 395	-	1 392 395	-
Bank debt	277 640	-	277 640	-
Shareholders' debt	1 063 599	-	-	1 063 599
Finance lease debt	5 908	2 686	3 222	-
Operational investments debts	18 128	1 240	2 995	13 893
Lease liability (IFRS 16)	254 396	42 247	115 982	96 167
Other financial debts	83 740	20 901	62 839	-
Financial debt	**3 095 806**	**67 074**	**1 855 073**	**1 173 659**

In thousands euros	Dec 2020	< 1 year	1 to 5 years	> 5 years
Bond debt	1 391 238	-	597 887	793 351
Bank debt	74 252	-	74 252	-
Shareholders' debt	1 063 599	-	-	1 063 599
Finance lease debt	7 124	4 260	2 844	20
Operational investments debts	18 818	1 109	3 583	14 126
Lease liability (IFRS 16)	228 121	37 064	107 811	83 246
Other financial debts	71 205	40 820	30 385	-
Financial debt	**2 854 357**	**83 253**	**816 762**	**1 954 342**

As of June 30, 2021:
- Shareholder debt of €1 063.6 bears 7.7% fixed rate interest and has a maturity of March 20, 2030;
- the first bond debt, for €600m (excluding loan issuance costs) has a fixed coupon of 2.875% and a maturity on October 19, 2022;
- the second bond debt, for €800m (excluding loan issuance costs), has a fixed coupon of 2.50% and a maturity on April 7, 2026.

9.2 Employee benefits

No significant change compared to December 31, 2020.

9.3 Provisions

In thousands euros	Dec 2020	Provisions			Discounting	Currency translation adjustment	Others	June 2021
		additions	utilisations	unused				
Prov. for post-employment benefits (pension, retirement benefit)	32 806	993	-	-	(5)	-	74 -	33 868
Prov. for employee-related measures	688	-	(688)	-	-	-	-	-
Provision for claims and disputes	2 125	-	(21)	-	-	-	-	2 104
Provision for dismantling, decommissioning and restoring sites	79 235	-	(298)	-	152	-	1 721	80 810
Prov for bringing into compliance of sites	1 694	-	(61)	-	-	-	-	1 633
Other provisions	3 556	229	(444)	-	-	(0)	(3)	3 338
Total provisions	**120 103**	**1 222**	**(1 512)**	**-**	**147**	**(0)**	**1 792**	**121 752**
Presented as current	**12 957**							**11 001**
Presented as non-current	**107 147**							**110 751**

In thousands euros	Dec 2019	Provisions			Discounting	Currency translation adjustment	Others	June 2020
		additions	utilisations	unused				
Prov. for post-employment benefits (pension, retirement benefit)	29 776	967	-	-	(12)	-	-	30 731
Prov. for employee-related measures	7 478	-	(3 983)	-	25	-	-	3 520
Provision for claims and disputes	1 864	413	-	(275)	-	-	-	2 002
Provision for dismantling, decommissioning and restoring sites	64 026	-	(395)	-	293	-	5 995	69 919
Prov for bringing into compliance of sites	2 626	-	(91)	-	-	-	-	2 535
Other provisions	18 444	86	(14 185)	(98)	-	(0)	-	4 246
Total provisions	**124 214**	**1 466**	**(18 654)**	**(373)**	**306**	**(0)**	**5 995**	**112 953**
Presented as current	**43 629**							**26 163**
Presented as non-current	**80 585**							**86 789**

A provision is recognized when:

- there exists a current, legal or implicit, obligation arising from a past event,
- it is likely that an outflow of resources representing economic benefits will be required to discharge this obligation, and
- the value of the obligation can be estimated with a sufficient degree of reliability.

Such obligations may be of a legal, regulatory, technical or contractual nature. They may also stem from the Group’s practices or public commitments that have given rise to legitimate expectations on the part of the third parties concerned that the Group will assume certain responsibilities.

The amount recognized as a provision is the best estimate of the outflow of economic benefits required to settle the present obligation at the reporting date. If the value cannot be estimated reliably, no provision is recognized; the obligation is then disclosed as a contingent liability (see note 12.1).

Claims and disputes, other provisions
Claims and disputes mainly arise from litigation the Group is facing, as well provisions for negative disposal result of entities.
These provisions are assessed and updated by senior management applying prudence in relation to damages claimed and the status of each case.

Provisions for dismantling, decommissioning and restoring sites
In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", the amount recognized as a provision is the best estimate of the expenditure required to settle the Group’s obligations.
The provision is discounted to present value using a rate that reflects the time value of money, based on the yield of a risk-free bond. This actuarial estimate is reviewed every year and, if necessary, the provision is adjusted in the following way (in accordance with IFRIC 1):

- by addition or deduction to/from the corresponding dismantling asset,
- or if the dismantling asset is already totally depreciated, the provision adjustment is taken to profit or loss.

9.4 Other current and non-current liabilities

Other liabilities are analyzed below:

In thousands euros	June 2021	Dec 2020
Trade payables	157 359	186 360
Trade payables on fixed assets aquisitions	45 212	53 382
Corporate income tax liabilities	11 222	8 871
Tax and social liabilities	146 444	133 530
Dividend payable	100 000	-
Other current liabilities	126 332	92 862
Current liabilities	**586 569**	**475 005**
Other non-current liabilities	**107 961**	**90 657**
Total liabilities	**694 531**	**565 662**

The tax and social liabilities primarily include *cotisation foncière des entreprises* (i.e. "CFE"), social security payables, VAT, and employee vacation provisions.

At June 30, 2021, the current liabilities include a dividend payable of €100m, to be paid by TDF Infrastructure SAS to TDF Infrastructure Holding SAS (sole shareholder of the Group). The payment of this dividend, enacted by decision of the sole shareholder on April 2, 2021, was paid in cash in July 2021.

Other current and non-current liabilities include deferred income of €205.9m (€161.3m as of December 31, 2020) of which €100.8m is maturing after one year (€73.9m at December 31, 2020).

10. Cash flows

10.1 Cash generated from operating activities before changes in working capital

Cash generated from operating activities excludes cash flows on non-current asset sales/purchases, income tax and finance costs which are disclosed under Cash flows from investing activities, Income tax paid and Cash flows from financing activities respectively.

10.2 Changes in working capital

In thousands euros	June 2021 (6 months)	Dec 2020 (12 months)	June 2020 (6 months)*
Changes in inventories	2 165	(3 219)	(2 485)
Changes in trade receivables	(82 119)	19 095	(54 881)
Changes in trade payables	(29 738)	47 949	(5 468)
Changes in prepaid income	42 608	9 056	33 091
Changes in other working capital	2 437	8 421	24 458
Changes in working capital	**(64 647)**	**81 302**	**(5 285)**

10.3 Net cash used in investing activities

At June 30, 2021 :
- the line acquisitions of non-current operating assets reflects the intensification of the Group's infrastructure deployment, in particular optical fiber networks.
- the line net proceeds from disposals of subsidiaries formelly controlled mainly corresponds to the acquisition of TORM at May, 31 2021 (see the note 1).

At June 30, 2020 :
- the line acquisitions of non-current operating assets reflects the intensification of the Group's infrastructure deployment, in particular optical fiber networks, despite the COVID-19 crisis.
- the line net proceeds from disposals of subsidiaries formelly controlled mainly corresponds to the disposal of Cognacq Jay Image, Arkena Inc and Tim Congo (see the note 1).

10.4 Net cash used in financing activities

At June 30, 2021, drawdowns and repayment of debts are principally composed of:
- drawdowns related to the use of revolving credit facilities for €225m, which generated a repayment of €(150.0)m over the period,
- drawdowns related to the use of capex facility for €130m over the period,
- a €31.2m drawdown related to a shareholder loan granted to entities of the Group, as part of an equity investment from a minority shareholder,
- net cash-out of €(20.2)m concerning the current accounts with TDF Infrastructure Holding and Tivana France Holdings (direct and indirect shareholders of the Group),
- cash outflows for rents of €(17.8)m presented as repayment of lease liability.

At June 30, 2020, drawdowns and repayment of debts are principally composed of:
- drawdowns related to the use of revolving credit facilities for €105.0m, which were followed by a repayment of €(30.0)m over the period,
- a €12.9m drawdown related to a shareholder loan granted to entities of the Group, as part of an equity investment from a minority shareholder,
- net cash-out of €(34.1)m concerning the current accounts with TDF Infrastructure Holding and Tivana France Holdings (direct and indirect shareholders of the Group),

- cash outflows for rents of €(18.9)m presented as repayment of lease liability.

At June 30, 2021, the line « Financial interests » mainly corresponds to:
- the €(20)m payment related to the first term on the €800m bond debt issued on April 7, 2016,
- the €(100.0)m payment of interests on shareholder's debt towards Tivana France Holdings (indirect shareholder of the Group),
- cash outflows for rent presented as interests expenses, in accordance with the application of IFRS 16.

At June 30, 2020, the line « Financial interests » mainly corresponds to:
- the €(20)m payment related to the first term on the €800m bond debt issued on April 7, 2016,
- cash outflows for rent presented as interests expenses, in accordance with the application of IFRS 16.

Concerning the table of changes in financial liabilities disclosed in note 9.1:
- At June 30, 2021:
    - increase in lease liability following IFRS 16 over the period (€47.5m), has no cash impact, the counterpart being the recognition of a fixed asset under right of use of assets rent,
    - the change in bond issuance costs (€0.5m) and the increase in finance lease debts (€0.6m) have no cash impact,
    - thus, after restatement of these items, changes in financial debts disclosed in note 9.1 represent a net cash impact of €195.5m;

- At June 30, 2020:
    - increase in lease liability following IFRS 16 over the period (€14.9m), has no cash impact, the counterpart being the recognition of a fixed asset under right of use of assets rent,
    - the amortization of bond issuance costs (€1.2m) and the increase in finance lease debts (€0.3m) have no cash impact,
    - thus, after restatement of these items, changes in financial debts disclosed in note 9.1 represent a net cash impact of €32.7m;

11. Workforce

Total Group headcount is as follows:

	June 2021	Dec 2020
France	1 859	1 856
International	115	109
Total workforce at closing	**1 974**	**1 965**

12. Contingent liabilities and off-balance sheet commitments

12.1 Contingent liabilities (assets)

Contingent liabilities correspond to:
- Possible obligations arising from past events whose existence will only be confirmed by the occurrence of uncertain future events that are beyond the company's control; or
- Present obligations arising from past events, which are not recognized because it is not probable that an outflow of resources representing economic benefits will be required to settle the obligation or because the obligation amount cannot be measured with sufficient reliability.

Contingent liabilities as of June 30, 2021

In June 2018, the French Competition Authority initiated a procedure against the Group.
Early 2020, the French Competition Authority decided to discontinue this procedure. Following this decision, a plea was filed.
No other significant change since December 31, 2020.

12.2 Firm commitments

A. Operating lease commitments – Group as lessee

At June 30, 2021, the Group directly recognizes in financial debt the lease liability related to rights of use of leases, in accordance with IFRS 16 (see the note 9.1).

B. Firm purchase commitments

Firm purchase commitments made by the Group are as follows:

In thousands euros	**June 2021**	**< 1 year**	**1 to 5 years**	**> 5 years**
Commitment of capex	201 525	198 655	2 791	79
Commitment others	45 693	38 676	5 620	1 397
Total	**247 218**	**237 331**	**8 411**	**1 476**

In thousands euros	**Dec 2020**	**< 1 year**	**1 to 5 years**	**> 5 years**
Commitment of capex	208 815	203 834	4 898	83
Commitment others	39 530	23 801	13 696	2 033
Total	**248 345**	**227 635**	**18 594**	**2 116**

C. Firm commitments to provide services

Under multi-year contracts with customers, Group entities have committed to provide services in the following business lines:

In thousands euros	June 2021 Actual	Projection	< 1 year	1 to 5 years	> 5 years
Digital Television	86 944	344 346	94 290	229 256	20 800
Radio	56 091	290 149	96 712	176 739	16 698
Total Broadcasting Services	**143 035**	**634 495**	**191 002**	**405 995**	**37 498**
Telecom: site hosting	179 569	2 397 068	339 160	1 113 572	944 336
Telecom: other services	20 933	39 250	9 321	12 723	17 206
Total Telecoms & Services	**200 502**	**2 436 318**	**348 481**	**1 126 295**	**961 542**
Fiber (FTTH)	13 947	546 573	13 931	95 780	436 862
Others	2 942	1 413	-	-	1 413
Total revenue / future contractual revenue	**360 426**	**3 618 799**	**553 414**	**1 628 070**	**1 437 315**

In thousands euros	Dec 2020 Actual	Projection	< 1 year	1 to 5 years	> 5 years
Digital Television	173 775	297 101	123 402	173 623	76
Radio	112 082	298 529	100 780	185 704	12 045
Total Broadcasting Services	**285 857**	**595 630**	**224 182**	**359 327**	**12 121**
Telecom: site hosting	332 791	2 280 880	287 929	977 643	1 015 308
Telecom: other services	39 409	53 252	9 989	17 443	25 820
Total Telecoms & Services	**372 200**	**2 334 132**	**297 918**	**995 086**	**1 041 128**
Fiber (FTTH)	20 169	328 162	16 017	56 295	255 850
Others	9 288	1 082	1 040	42	-
Total revenue / future contractual revenue	**687 514**	**3 259 006**	**539 157**	**1 410 750**	**1 309 099**

The above table shows known and estimated information to date. In future periods, certain contracts may be subject to pricing adjustments.

12.3 Contingent commitments

Guarantees given and received

At June 30, 2021, the Group has given and received bank guarantees, contracted in the course of business, which respectively amount to €86.2m and €10.1m, vs. respectively €83.8m and €10.5m at December 31, 2020.

Commitments under bank agreements

No change compared to December 31, 2020.

Other commitments

No significant change since December 31, 2020.

13. Shares in associates

Monaco Media Diffusion (ex MCR) is accounted for under the equity method.

In thousands euros	June 2021 (6 months)	June 2020 (6 months)
Revenue	**1 697**	**2 001**
EBITDA	**854**	**1 170**
OPERATING INCOME (LOSS)	**709**	**925**
Financial income and expenses	10	(36)
Income tax	(151)	(258)
NET INCOME	**568**	**631**

14. Related party disclosures

14.1 Compensation of key management personnel

No new compensation scheme towards key management personnel has been set up during 2021 first half year.

14.2 Transactions with related parties

The related parties at TDF Infrastructure SAS Group level are identified as:
1. Companies owned directly or indirectly by TDF Infrastructure Holding SAS,
2. Companies owned directly or indirectly by Tivana France Holdings or its shareholders, especially Brookfield Infrastructure group, Public Sector Pension Investment Board (PSP Investments), APG Asset Management N.V. and Arcus Infrastructure Partners,
3. Companies in which directors of the companies included in the TDF Infrastructure SAS group scope are company representatives,
4. Key management personnel.

The main transactions of the period made with related parties of the TDF Infrastructure SAS group are:

- Interest charges invoiced to the Group by Tivana France Holdings amounting over the period €59.3m and related to the shareholder loan of €1 063.6m; accrued interests on this loan are of €450m at June 30, 2021 (€490.8m as of December 31, 2020), and is disclosed as current liabilities by prudence (see also the note 4.3);
- Interest payment related to the shareholder loan is of €100m over the period (the payment can be deferred, see note 4.3). This payment explains the decrease of the accrued interests on the shareholder loan (see above);
- A dividend payable to TDF Infrastructure Holding SAS of €100m. This undistributed dividend is disclosed in current liabilities at June 30, 2021 and was paid in July 2021.
- net repayment of current accounts with Tivana France Holdings and TDF Infrastructure Holding for €20.2m;
- €0.1m of income and €1.9m of expenses recognized by the Group over the period related to the management fees agreement with Tivana France Holdings.

Related party transactions were carried out on an arm's length basis on normal commercial terms.

15. Significant subsequent events

No significant post closing event.

16. Consolidation scope

List of consolidated companies	Operating segment	Countries	UGT	Share capital in € thousands	% Interests June 2021	Dec 2020	June 2020	Observation
Full consolidation								
TDF Infrastructure SAS		**France**		**300 000**	**100%**	**100%**	**100%**	
TDF SAS		France		166 957	100%	100%	100%	
SNC Drouot		France		1	100%	100%		Entity created in 2020
AD Valem Technologies SAS		France		500	100%	100%	100%	
Belvedere		France		164	70%	70%	70%	
TORM		France		2 613	100%			Entity acquired on May 31th, 2021
ITAS Anet	**Towers**	France	**Towers France**	14 616	100%	100%	100%	
ITAS TIM		France		11 690	100%	100%	100%	Entity merged in TDF SAS on February 2021
SIT		France		894	100%	100%	100%	
ITAS Pylones (ex Sud Ouest)		France		500	100%	100%	100%	
ITEA		France		225	100%	100%	100%	
ITAS Méditerranée		France		355	100%	100%	100%	
ITAS Sud Ouest		France		100	100%	100%	100%	
PSN Infrastruktura	**Towers**	Pologne	**PSN**	985	100%	100%	100%	
Levira		Estonie		9 587	49%	49%	49%	
Talinna Teletorn Foundation	**Towers**	Estonie	**Levira**	13	49%	49%	49%	
Levira Central Europe		Estonie		5	49%	49%	49%	
TDF Fibre		France		8 650	100%	100%	100%	
TDF FTTH		France		150	100%	100%	100%	
Val d'Oise Fibre	**Fiber**	France	**Fiber**	10 000	70%	70%	70%	
Yvelines Fibre		France		3 150	100%	100%	100%	
Val de Loire Fibre		France		14 429	70%	70%	70%	
Anjou Fibre		France		1 429	70%	70%	70%	
Equity method								
Monaco Média Diffusion (Ex MCR)	**Towers**	Monaco	**Towers France**	549	49%	49%	49%	

The Estonian subsidiary Levira, in which TDF SAS holds a 49% equity stake and whose financial and operating policies are determined by the Group, is fully consolidated.

The Group acquired 70% of the TORM's shares on May 31, 2021 (see note 1). In accordance with IFRS 3 and considering the valuation of the sale agreement obtained on the 30% still held by the historical shareholder, the interest rate applied is 100%.