

Paris, July 25, 2019

Vivendi: 2019 half-year results

- **Strong increase in profitability**
- **Record results delivered by Universal Music Group**

- **Significant increase in revenues** (+13.6%) to 7,353 million euros, fueled by the growth of Universal Music Group's business (UMG) (+ 24.0% on an actual basis, +18.6% on an organic basis, year-on-year) and the integration of Editis.

- **Tripling of earnings attributable to Vivendi SA shareowners** (€520 million) due in particular to the increase in **EBITA** (+32.4% year-on-year).
 - **UMG: excellent momentum in all its businesses** (streaming and subscription, physical sales, publishing and merchandising). **The process of opening up UMG's share capital is progressing**

 - **Canal+ Group: continued development of international operations and plans for acquisitions outside of France; transformation plan for the Group's French activities**

 - **Havas: positive organic growth and solid profitability**

- **Success of the share buyback program:** 5% of the share capital was repurchased between the end of May and July 23, 2019.

First Half 2019 Key Figures		Change	Change at constant
		year-on-year	currency and perimeter ¹ year-on-year
Revenues	€7,353 M	+13.6%	+6.7%
EBITA^{2,3}	€718 M	+32.4%	+27.6%
EBIT³	€645 M	+31.2%	
Earnings attributable to Vivendi SA shareowners³	€520 M	x3.2	
Adjusted net income^{2,3}	€554 M	+40.8%	

This press release contains unaudited condensed financial results established under IFRS, which were approved by Vivendi's Management Board on July 23, 2019, and reviewed by the Vivendi Audit Committee on July 23, 2019 and by Vivendi's Supervisory Board on July 25, 2019.

Vivendi's Supervisory Board met today under the chairmanship of Yannick Bolloré and reviewed **the Group's earnings ended June 30, 2019**, which were approved by the Management Board on July 23, 2019.

The Condensed Statement of Earnings is presented in Appendix II. The following comments refer to such statement:

- **For the first half of 2019, revenues** amounted to €7,353 million, an increase of 13.6% compared to the first half of 2018, notably resulting from the growth of Universal Music Group (UMG) (+€630 million) as well as the consolidation of Editis (+€260 million). At constant currency and perimeter¹, revenues increased by 6.7%, primarily driven by the growth of Universal Music Group (+18.6%).

For the second quarter of 2019, revenues amounted to €3,894 million, an increase of 16.2% compared to the second quarter of 2018, notably resulting from the growth of UMG (+€350 million) as well as the consolidation of Editis (+€171 million). At constant currency and perimeter¹, revenues increased by 7.7%, primarily driven by the growth of Universal Music Group (+18.4%).

¹Constant perimeter notably reflects the impacts of the acquisition of the remaining interest in Ingrooves Music Group by Universal Music Group (March 15, 2019), the acquisition of Editis (January 31, 2019), the acquisition of Paylogic by Vivendi Village (April 16, 2018) and the sale of MyBestPro by Vivendi Village (December 21, 2018). The organic growth reported does not eliminate the impact on 2019 EBITA of the initial application of IFRS 16 (+€18 million euros).

² Non-GAAP measures.

³ A reconciliation of EBIT to EBITA and to income from operations, as well as a reconciliation of earnings attributable to Vivendi SA shareowners to adjusted net income, are presented in Appendix II.

- **EBITA** amounted to €718 million, an increase of 32.4% year-on-year. At constant currency and perimeter, EBITA increased by 27.6%, primarily driven by the growth of UMG (+€146 million).
- **EBIT** amounted to €645 million, an increase of 31.2% year-on-year. It includes amortization and depreciation of intangible assets acquired through business combinations for €73 million, compared to €53 million for the first half of 2018.
- **Other financial charges and income** were a net income of €91 million, compared to a net charge of €42 million for the first half of 2018. It included in particular the revaluation, between January 1 and June 30, 2019, of the interests in Spotify and Tencent Music.
- **Provision for income taxes reported to net income** was a net charge of €182 million, compared to a net charge of €265 million for the same period in 2018. **The effective tax rate on the adjusted net income** is 21.2%.
- For the first half of 2019, **earnings attributable to Vivendi SA shareowners** amounted to a profit of €520 million (or €0.41 per share - basic), compared to €165 million (or €0.13 per share - basic) for the first half of 2018, an increase of €355 million. This change reflects in particular the increase in EBIT (+€153 million), as well as an improvement in other financial charges and income (+€133 million) and in provisions for income taxes (+€83 million).
- **Adjusted net income** was a profit of €554 million (or €0.44 per share - basic), compared to €393 million (or €0.31 per share - basic) for the first half of 2018, an increase of €161 million (+40.8%). This change mainly reflected the growth in EBITA of €176 million, driven by the performance of Universal Music Group (+€154 million).

As of June 30, 2019, Vivendi's **financial net debt²** amounted to €2.133 billion, compared to a net cash position of €176 million as of December 31, 2018. This change was mainly due to the share repurchase program and to the acquisition of Editis. **Equity** amounted to €15,823 million, i.e., a **gearing rate** of 13.5%.

EVOLUTION OF UNIVERSAL MUSIC GROUP'S SHARE CAPITAL

The Group has selected the advisory banks as part of the plan to open up the UMG share capital.

The Vendor Due Diligence report, presented to the Supervisory Board in May, will be updated by PwC with the first half 2019 financial statements.

The opening of UMG's share capital for the acquisition of a minority interest by one or more partners is progressing as previously announced, with the participation of UMG's management teams. Several contacts have already been established with potential strategic partners.

SHARE BUYBACK PROGRAM

During the period from May 28, 2019 to July 23, 2019, Vivendi repurchased 65.465 million of its own shares (5% of the share capital).

On June 17, 2019, the Management Board decided to cancel 50 million shares, including 30 million shares previously held and, on July 25, 2019, the Management Board also decided to cancel 44.679 million shares, representing a total cancellation of 94.679 million shares (7.23% of the share capital).

Vivendi currently directly holds 7.8 million of its own shares directly, representing 0.6% of the share capital, including 7.1 million shares to cover performance share plans.

COMMENTS ON BUSINESS KEY FINANCIALS

Universal Music Group

Universal Music Group's (UMG) revenues amounted to €3,258 million, up 18.6% at constant currency and perimeter compared to the first half of 2018 (+24.0% on an actual basis).

Recorded music revenues grew by 16.9% at constant currency and perimeter thanks to the growth in subscription and streaming revenues (+25.5%) and strong physical sales in the first half of 2019 (+15.0%), which more than offset the continued decline in download sales (-19.7%).

Recorded music best sellers for the half year of 2019 included new releases from Ariana Grande, Billie Eilish and the Japanese bands King & Prince and back number, as well as continued sales of the soundtrack from *A Star Is Born* and multiple albums from Queen.

On the Spotify Global Chart, UMG had eight of the top 10 songs for the first half of 2019, including all of the top six, with Ariana Grande's *7 Rings* at No. 1. UMG also represented the No. 1 song for the entire 26 weeks of the first half of 2019.

According to Nielsen's Mid-Year 2019 Music Report, in the U.S., the world's largest music market, UMG had six of the top 10 artists, including all of the top 5 (Ariana Grande, Drake, Billie Eilish, Post Malone and Queen); eight of the top 10 albums, including the Top 2 (Ariana Grande, Billie Eilish); and seven of the top 10 songs (based on digital consumption).

In the United Kingdom, based on OCC (Official Charts Company) data, UMG had six of the top 10 singles of the first half of 2019, including Lewis Capaldi at No. 1, and six of the top 10 albums.

Music publishing revenues grew by 10.5% at constant currency and perimeter compared to the first half of 2018, also driven by increased subscription and streaming revenues.

Merchandising and other revenues were up 82.3% at constant currency and perimeter compared to the first half of 2018, thanks to increased touring activity and D2C (direct-to-consumer) revenues.

Driven by revenue growth, UMG's EBITA amounted to €481 million, up 43.6% at constant currency and perimeter compared to the first half of 2018 (+47.3% on an actual basis). In the first half of 2019, the EBITA margin increased by 240 points to 14.8%.

Canal+ Group

Canal+ Group's revenues amounted to €2,518 million, compared to €2,575 million for the first half of 2018, a 2.2% decrease at constant currency and perimeter.

Revenues from television operations in mainland France declined compared to the first half of 2018 due to the decrease in the global subscriber base, despite additional growth in the number of Canal+ channel subscribers (close to 45,000 over the past 12 months).

International operations generated increased revenues thanks to the growth in the subscriber base mainly because of the broadcasting of the Africa Cup of Nations.

Studiocanal's revenues decreased compared to the first half of 2018, which benefited from a greater number of film releases and video sales, in particular *Paddington 2*.

EBITA before restructuring charges amounted to €236 million, compared to €249 million for the first half of 2018. EBITA after restructuring charges amounted to €233 million, compared to €221 million for the same period in 2018.

In the first half of 2019, Canal + Group continued its internationalization plan, in particular with:

- the announcement of an agreement to acquire pay television operator M7. This acquisition would allow Canal + Group to expand into seven new European countries and to bring its subscriber base up to nearly 20 million subscribers in 40 territories by the end of the year. The closing is expected to take place in September 2019.
- the acquisition of the production, content distribution and channel publishing operations of Nigeria's IROKO Group, thereby strengthening its presence in Nollywood content, one of the most prolific film industries in the world.
- the acquisition, jointly with the group Les Echos-Le Parisien, of the Mezzo channel present in 80 countries with a reach of 60 million homes worldwide.

On July 2019, Canal+ Group's management presented to its employee representatives the details of a plan to transform its French activities. The implementation of this plan could lead to the departure of up to 492 employees, exclusively on a voluntary basis.

Havas

In the first half of 2019, Havas continued to generate solid financial results. Havas' revenues amounted to €1,114 million, up 3.8% (+0.2% at constant currency and perimeter) compared to the first half of 2018.

Havas' net revenues⁴ rose to €1,061 million, up 4.0% compared to the first half of 2018. Organic growth was positive in both the first quarter (+0.1%) and the second quarter (+0.4%) and amounted to +0.2% for the first half of 2019 as a whole. Acquisitions contributed +1.0% and exchange rates had a positive effect of 2.8%.

Havas continued to improve its profitability in the first half of 2019. Havas' EBITA reached €108 million, up 5.8% compared to the first half of 2018.

In North America, organic growth was satisfactory in the first half of 2019, due in particular to the performance in health and wellness communications (Havas Health & You), media activities, the performance marketing business (Havas Edge) and financial and institutional communications (AMO).

Business in Europe held up, albeit with mixed performances depending on the country and on the media and creative businesses. The countries making the biggest contributions were Germany, Italy, France (thanks in particular to BETC) and the United Kingdom (digital business with Havas HéliA).

Business in Asia-Pacific and in Latin America is recovering.

Havas is pursuing its policy of targeted acquisitions, closing two deals over the first half of 2019:

- Think Design in India, an expert digital design agency providing *User Experience* vision and design strategy to clients on a global scale to enhance their customer experience; and
- Battery, a culture-driven creative American agency based in Los Angeles and specializing in entertainment (video games, TV, cinema, streaming services). Battery will become part of Havas' Annex network, which focuses on culture and entertainment. This acquisition is part of a strategy of global expansion of the network, taking full advantage of the power of the Vivendi group.

Among recent news highlights, Havas presented its new mission statement at the Cannes Lions International Festival of Creativity, which fits perfectly with the *Together* strategy that has made Havas the world's most integrated group in the sector today.

For a list of the most significant Havas awards and wins in the second quarter of 2019, please see Appendix V.

Editis

Vivendi has fully consolidated Editis since February 1, 2019. Editis' contribution to Vivendi's revenues amounted to €260 million for five months, up 1.2% compared to 2018.

Since February 1, 2019, Literature, Illustrated and Children's Book Imprint revenues amounted to €125 million, an increase of 3.3% as compared on a five-month pro forma basis to 2018. This growth was driven by new releases from several of Editis' leading authors as well as major awards won during the first half of 2019. Five Editis authors ranked among the Top 10 best-selling French literary authors at the end of June 2019: Michel

⁴Net revenues correspond to revenues less pass-through costs rebilled to customers.

Bussi (Presses de la Cité), Marc Levy (Robert Laffont-Versilio), Raphaëlle Giordano (Plon), Franck Thilliez (Fleuve) and Bernard Minier (XO) (according to GFK).

Education & Reference revenues amounted to €53 million, down 6.3% in the context of a market awaiting school reform. The year 2019 will be marked by the reform of high school curriculums in France. This reform should favorably impact Editis' third-quarter revenues.

Diffusion & Distribution revenues related to third party publishers amounted to €82 million, up 3.5%, especially thanks to the release of *Une évidence* (Michel Lafon), the latest book from Agnès Martin-Lugand, who is also among the Top 10 authors of French literature) and the diffusion of a new publisher, les Editions Le Cerf.

EBITA amounted to €4 million since February 1, 2019. Editorial & marketing expenses dedicated to the high school curriculum reform were incurred over the period.

Editis continues its transformation:

- Ramping up of the Copernics project (print-to-order tool): production increased by 45% with 1.3 million units produced during first half 2019;
- Development of the audio book with 200 titles already in the catalog;
- Since May 2019, Lizzie, Editis' audio book brand, has been included in the Canal+ offer: every eligible subscriber can now download one audio book per month from the Lizzie catalog;
- On July 17, Editis completed the acquisition of the publishing group l'Archipel (annual revenues of approximately €6 million).

Other activities

Gameloft

With 1.6 million downloads per day across all platforms during the first half of 2019, Gameloft is one of the world's leading mobile game publishers.

For the first half of 2019, Gameloft's revenues amounted to €133 million, a decrease of 5.2% compared to the first half of 2018. Gameloft's distribution business, which has been in structural decline for several years, continues to weigh negatively on its performance. Gameloft's sales on OTT platforms (Apple, Google, Microsoft, etc.) were down by 3.4% and the advertisement activity was up 9.8%. Gameloft's EBITA was -€11 million.

Gameloft's business is predominately international. The breakdown of Gameloft's revenues was as follows: 35% in North America, 33% in EMEA (Europe, Middle East, Africa), 25% in Asia Pacific, and 7% in Latin America.

65% of Gameloft's revenues were generated by its own gaming franchises. Gameloft has benefited from the solid performance of its catalogue, and notably of its bestselling games such as *Dragon Mania Legends*, *Disney Magic Kingdoms*, *Asphalt 9: Legends*, *March of Empires* and *Asphalt 8: Airborne*. For the first half of 2019, Gameloft's revenues from its five best-performing games on smartphones grew by 15% compared to its top five best-sellers during the first half of 2018.

Asphalt 9: Legends, the latest addition to the world's most downloaded, top-ranked, multi-award winning mobile racing franchise, will be launched on the Nintendo Switch™ with free downloading this summer. Gameloft also announced the arrival of two new mobile games for Disney fans, *Disney Princess Majestic Quest* and *Disney Getaway Blast*. Building on the success of *Disney Magic Kingdoms*, Gameloft continues to launch mobile games featuring iconic characters and stories from Disney and Pixar.

Gameloft will be a part, alongside a few other prestigious publishers, of the subscription-based gaming service *Apple Arcade* unveiled by Apple on March 25, 2019.

Vivendi Village

For the first half of 2019, Vivendi Village's revenues amounted to €66 million, an increase of 55.1% at constant currency and perimeter compared to the same period of 2018 (+27.9% on an actual basis).

Ticketing revenues amounted to €33 million, an increase of 30.2% compared to the first half of 2018 thanks in particular to the acquisition of Paylogic in April 2018 (+11.6% at constant currency and perimeters). Vivendi Village now has an integrated ticketing network of 14 offices in 8 countries in continental Europe, the United Kingdom and the United States.

Live activities, which include Olympia Production (France), U Live (Great Britain) and venues in France and Africa, recorded revenues of €31 million (x2.9). This very strong growth is due in part to the contribution of Garorock, which was acquired early 2019 and is one of the largest French festivals with 160,000 participants this year (+10%). It can also be attributed to the excellent performances of other festivals held in France and Great Britain. The number of performances by the artists signed by Olympia Production as well as Olympia's occupancy rate and sponsorship contracts also contributed to this strong increase.

CanalOlympia continues its development in Africa with the opening of its thirteenth venue on July 19, located in Madagascar. The network has just counted its one millionth spectator.

Vivendi Village's EBITA amounted to a loss of €9 million, compared to a loss of €6 million for the first half of 2018. Excluding activities being developed in Africa, EBITA is at break-even.

New initiatives

For the first half of 2019, New Initiatives, which comprises Dailymotion and GVA, recorded revenues of €34 million, up 8.5% compared to the same period of 2018.

Dailymotion is pursuing the premium strategy it has implemented since mid-2017. In the first half of 2019, Dailymotion signed 160 partnership agreements, including with several major US players such as the NBA, the NHL, NASCAR the Hearst group and the Meredith group. By the end of June, its audience for premium content had more than doubled in the space of a year and now represents 63% of the total audience.

The programmatic platform launched by Dailymotion at the end of 2018 continues to grow with an increasing number of demand-side platforms (DSPs) connected to the market's main players: Google DV360 and The Trade Desk.

GVA's objective to deploy a fiber-to-the-home network (FTTH) in the main cities of the African continent, providing broadband Internet access to individuals and professionals.

GVA's revenues increased 12-fold thanks to the ramp-up of the network in Gabon, Togo and Congo.

Following launches in Libreville (Gabon) in October 2017 and Lomé (Togo) in March 2018, GVA launched its CANALBOX and CANALBOX PRO (BtoB) offer in Pointe-Noire (Republic of Congo) on April 18, 2019, offering unlimited Internet access at speeds of up to 50 Mbit/s.

Since July 12, 2019, GVA has also expanded its commercial offer in Lomé with the START offers which provides 10 Mbit/s speed access in addition to its CANALBOX and CANALBOX PRO offers.

New Initiatives' EBITA amounted to a loss of €29 million, compared to a loss of €43 million for the first half of 2018 mainly due to the shutdown of Vivendi Content.

For additional information, please refer to the "Financial Report and Unaudited Condensed Financial Statements for the half year ended June 30, 2019" which will be released later online on Vivendi's website (www.vivendi.com).

About Vivendi

Since 2014, Vivendi has been focused on building a world-class content, media and communications group with European roots. In content creation, Vivendi owns powerful, complementary assets in music (Universal Music Group), movies and series (Canal+ Group), publishing (Editis) and mobile games (Gameloft) which are the most popular forms of entertainment content in the world today. In the distribution market, Vivendi has acquired the Dailymotion platform and repositioned it to create a new digital showcase for its content. The Group has also joined forces with several telecom operators and platforms to maximize the reach of its distribution networks. In communications, through Havas, the Group possesses unique creative expertise in promoting free content and producing short formats, which are increasingly viewed on mobile devices. In addition, through Vivendi Village, the Group explores new forms of business in live entertainment, franchises and ticketing that are complementary to its core activities. Vivendi's various businesses cohesively work together as an integrated industrial group to create greater value. www.vivendi.com

Important Disclaimers

Cautionary Note Regarding Forward-Looking Statements. This press release contains forward-looking statements with respect to Vivendi's financial condition, results of operations, business, strategy, plans and outlook, including the impact of certain transactions and the payment of dividends and distribution, as well as share repurchases. Although Vivendi believes that such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside our control, including, but not limited to, the risks related to antitrust and other regulatory approvals as well as any other approvals which may be required in connection with certain transactions and the risks described in the documents of the Group filed by Vivendi with the Autorité des marchés financiers (the French securities regulator), which are also available in English on Vivendi's website (www.vivendi.com). Investors and security holders may obtain a free copy of documents filed by Vivendi with the Autorité des marchés financiers at www.amf-france.org, or directly from Vivendi. Accordingly, we caution readers against relying on such forward-looking statements. These forward-looking statements are made as of the date of this press release. Vivendi disclaims any intention or obligation to provide, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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ANALYST CONFERENCE CALL

Speakers:

Arnaud de Puyfontaine

Chief Executive Officer

Hervé Philippe

Member of the Management Board and Chief Financial Officer

Date: July 25, 2019

6:00pm Paris time – 5:00pm London time – 12:00pm New York time

Media invited on a listen-only basis.

Internet: The conference can be followed on the Internet at: www.vivendi.com/en/investment-analysts/
(audiocast)

Numbers to dial for the conference call that will be held in English:

France +33 (0) 1 76 77 22 57
UK +44 (0) 330 336 94 11
USA +1 323 794 25 75
Code 107 15 03

Numbers to dial for the conference call's translation in French:

France +33 (0) 1 76 77 28 19
UK +44 (0) 330 336 94 07
USA +1 323 994 20 78
Code 237 23 50

On our website **www.vivendi.com** will be available dial-in numbers for the conference call and for replay (14 days), an audio webcast and the slides of the presentation.

APPENDIX I

VIVENDI

QUARTERLY REVENUES BY BUSINESS SEGMENT

(IFRS, unaudited)

(in millions of euros)	2019		2018			
	Three months ended	Three months ended	Three months ended	Three months ended	Three months ended	Three months ended
	March 31,	June 30,	March 31,	June 30,	September 30,	December 31,
Revenues						
Universal Music Group	1,502	1,756	1,222	1,406	1,495	1,900
Canal+ Group	1,252	1,266	1,298	1,277	1,247	1,344
Havas	525	589	506	567	553	693
Editis (a)	89	171	70	71	74	78
Gameloft	68	65	23	29	36	35
Vivendi Village	23	43	16	16	15	19
New Initiatives	15	19	(11)	(14)	(19)	(14)
Elimination of intersegment transactions	(15)	(15)				
Total Vivendi	3,459	3,894	3,124	3,352	3,401	4,055

a. As a reminder, Vivendi has fully consolidated Editis since February 1, 2019.

APPENDIX II
VIVENDI
CONDENSED STATEMENT OF EARNINGS
(IFRS, unaudited)

	Six months ended June 30,		%
	2019	2018	
REVENUES	7,353	6,476	+ 13.6%
Cost of revenues	(4,054)	(3,578)	
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(2,543)	(2,296)	
Income from operations*	756	602	+ 25.6%
Restructuring charges	(22)	(62)	
Other operating charges and income	(16)	2	
Adjusted earnings before interest and income taxes (EBITA)*	718	542	+ 32.4%
Amortization and depreciation of intangible assets acquired through business combinations	(73)	(53)	
Other charges and income	-	3	
EARNINGS BEFORE INTEREST AND INCOME TAXES (EBIT)	645	492	+ 31.2%
Income from equity affiliates - non-operational	(8)	8	
Interest	(21)	(26)	
Income from investments	5	15	
Other financial charges and income	91	(42)	
	75	(53)	
Earnings before provision for income taxes	712	447	+ 59.3%
Provision for income taxes	(182)	(265)	
Earnings from continuing operations	530	182	x 2.9
Earnings from discontinued operations	-	-	
Earnings	530	182	x 2.9
Non-controlling interests	(10)	(17)	
EARNINGS ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS	520	165	x 3.2
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	0.41	0.13	
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	0.41	0.13	
Adjusted net income*	554	393	+ 40.8%
Adjusted net income per share - basic (in euros)*	0.44	0.31	
Adjusted net income per share - diluted (in euros)*	0.43	0.31	

In millions of euros, except per share amounts.

* non-GAAP measures.

The non-GAAP measures of "Income from operations", "adjusted earnings before interest and income taxes (EBITA)" and "adjusted net income" should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance. Vivendi considers these to be relevant indicators of the group's operating and financial performance. Vivendi Management uses income from operations, EBITA and adjusted net income for reporting, management and planning purposes because they exclude most non-recurring and non-operating items from the measurement of the business segments' performances.

For any additional information, please refer to the "Financial Report for the half-year 2019", which will be released online later on Vivendi's website (www.vivendi.com).

APPENDIX II (Cont'd)

VIVENDI

CONDENSED STATEMENT OF EARNINGS

(IFRS, unaudited)

Reconciliation of earnings attributable to Vivendi SA shareowners to adjusted net income

(in millions of euros)	Six months ended June 30,	
	2019	2018
Earnings attributable to Vivendi SA shareowners (a)	520	165
<i>Adjustments</i>		
Amortization and depreciation of intangible assets acquired through business combinations	73	53
Amortization of intangible assets related to equity affiliates	30	30
Other financial charges and income	(91)	42
Provision for income taxes on adjustments	34	106
Impact of adjustments on non-controlling interests	(12)	(3)
Adjusted net income	554	393

a. As reported in the Condensed Statement of Earnings.

Adjusted Statement of Earnings

(in millions of euros)	Six months ended June 30,		% Change
	2019	2018	
Revenues	7,353	6,476	+ 13.6%
Income from operations	756	602	+ 25.6%
EBITA	718	542	+ 32.4%
Other charges and income	-	3	
Income from equity affiliates - non-operational	22	38	
Interest	(21)	(26)	
Income from investments	5	15	
Adjusted earnings from continuing operations before provision for income taxes	724	572	+ 26.6%
Provision for income taxes	(148)	(159)	
Adjusted net income before non-controlling interests	576	413	
Non-controlling interests	(22)	(20)	
Adjusted net income	554	393	+ 40.8%

APPENDIX III

VIVENDI

REVENUES, INCOME FROM OPERATIONS AND EBITA BY BUSINESS SEGMENT

(IFRS, unaudited)

(in millions of euros)	Six months ended June 30,				
	2019	2018	% Change	% Change at constant currency	% Change at constant currency and perimeter (a)
Revenues					
Universal Music Group	3,258	2,628	+24.0%	+19.7%	+18.6%
Canal+ Group	2,518	2,575	-2.2%	-2.1%	-2.2%
Havas	1,114	1,073	+3.8%	+1.1%	+0.2%
Editis	260	-	na	na	na
Gameloft	133	141	-5.2%	-7.5%	-10.2%
Vivendi Village	66	52	+27.9%	+27.2%	+55.1%
New Initiatives	34	32	+8.5%	+8.5%	+8.5%
Elimination of intersegment transactions	(30)	(25)			
Total Vivendi	7,353	6,476	+13.6%	+11.5%	+6.7%
Income from operations					
Universal Music Group	501	355	+41.4%	+37.1%	+37.7%
Canal+ Group	235	241	-2.5%	-2.4%	-2.1%
Havas	121	115	+5.5%	+3.6%	+2.0%
Editis	6	-	na	na	na
Gameloft	(9)	(4)			
Vivendi Village	(9)	(7)			
New Initiatives	(31)	(42)			
Corporate	(58)	(56)			
Total Vivendi	756	602	+25.6%	+22.9%	+21.0%
EBITA					
Universal Music Group	481	326	+47.3%	+42.8%	+43.6%
Canal+ Group	233	221	+5.4%	+5.5%	+5.9%
Havas	108	102	+5.8%	+3.8%	+2.0%
Editis	4	-	na	na	na
Gameloft	(11)	(8)			
Vivendi Village	(9)	(6)			
New Initiatives	(29)	(43)			
Corporate	(59)	(50)			
Total Vivendi	718	542	+32.4%	+29.5%	+27.6%

na: not applicable.

- Constant perimeter notably reflects the impacts of the acquisition of the remaining interest in Ingrooves Music Group by Universal Music Group (March 15, 2019), the acquisition of Editis (January 31, 2019), the acquisition of Paylogic by Vivendi Village (April 16, 2018) and the sale of MyBestPro by Vivendi Village (December 21, 2018).

APPENDIX IV

VIVENDI

CONDENSED STATEMENT OF FINANCIAL POSITION

(IFRS, unaudited)

(in millions of euros)	June 30, 2019 (unaudited)	January 1, 2019	December 31, 2018
ASSETS			
Goodwill	13,452	12,438	12,438
Non-current content assets	2,381	2,194	2,194
Other intangible assets	481	437	437
Property, plant and equipment	1,005	967	986
Rights-of-use relating to leases	1,241	1,093	na
Investments in equity affiliates	3,452	3,418	3,418
Non-current financial assets	2,242	2,102	2,102
Deferred tax assets	746	723	675
Non-current assets	25,000	23,372	22,250
Inventories	273	206	206
Current tax receivables	128	135	135
Current content assets	1,037	1,346	1,346
Trade accounts receivable and other	5,538	5,314	5,314
Current financial assets	1,041	1,090	1,090
Cash and cash equivalents	3,239	3,793	3,793
Current assets	11,256	11,884	11,884
TOTAL ASSETS	36,256	35,256	34,134
EQUITY AND LIABILITIES			
Share capital	6,926	7,184	7,184
Additional paid-in capital	3,791	4,475	4,475
Treasury shares	(1,252)	(649)	(649)
Retained earnings and other	6,143	6,145	6,303
Vivendi SA shareowners' equity	15,608	17,155	17,313
Non-controlling interests	215	220	221
Total equity	15,823	17,375	17,534
Non-current provisions	990	871	858
Long-term borrowings and other financial liabilities	5,570	3,448	3,448
Deferred tax liabilities	918	1,076	1,076
Long-term lease liabilities	1,251	1,112	na
Other non-current liabilities	193	223	248
Non-current liabilities	8,922	6,730	5,630
Current provisions	385	419	419
Short-term borrowings and other financial liabilities	1,458	888	888
Trade accounts payable and other	9,389	9,547	9,572
Short-term lease liabilities	208	206	na
Current tax payables	71	91	91
Current liabilities	11,511	11,151	10,970
Total liabilities	20,433	17,881	16,600
TOTAL EQUITY AND LIABILITIES	36,256	35,256	34,134

na: not applicable.

APPENDIX V

VIVENDI

HAVAS: SIGNIFICANT AWARDS AND WINS

(IFRS, unaudited)

Main awards won by Havas

Havas Group agencies carried off no fewer than 300 awards in the second quarter of 2019.

Three major advertising awards festivals were held in the second quarter of 2019: the One Show, the D&AD and the Cannes Lions.

At the One Show, Havas Group agencies scooped 10 awards. BETC was awarded a Green Pencil, a Gold and two Bronze for its Save our Species campaign for Lacoste. Plus another 2 Bronze awards for Disneyland and La Parole aux Sourds. Havas New York took home a Gold for its client TD Ameritrade, and Havas Germany a Bronze for Getty Images and Fiftyfifty.

It's a vintage year for Havas at the D&AD Awards with a total of 17 awards, shared between BETC Paris, Rosapark, BETC London, Havas London, Havas Düsseldorf, Arnold Boston, BETC/Havas and Z+ Havas.

At the Cannes Lions, two campaigns in particular stood out and won 3 Lions each: Seetroen for Citroën (BETC Paris) and The 9'58 Biography for Puma (BETC/Havas Sao Paulo). Other agencies awarded were Arnold WW Boston, Havas Lynx UK, Hoy Buenos Aires, One Green Bean Sydney, Rosapark and Z+ Havas Sao Paulo. The Group won a total of 18 Lions.

On the Media festivals front, our Danish and Spanish agencies won a Gold for Aldi and a Bronze for Kia respectively at the Festival of Media Global. At the Internationalist for Innovation in Media Awards, Hoy and Havas Media Argentina walked away with a Grand Prix for their Hidden City campaign for LG.

In Asia-Pacific, Havas Media Singapore was named Media Agency of the Year at Marketing Magazine's Agency of the Year Awards, and Red Agency was named PR Agency of the Year by Adnews Australia.

Main budget gains for the first half of 2019

Havas Creative:

Pimco, Michelin, Gap, Daucy

Havas Health & You:

Amgen, Novartis, Merck Inc, Ironshore,

Havas Media:

Clorox, SFR, Visit California, Starbucks