

Paris, February 13, 2020

## Vivendi: strong earnings growth in 2019

- **Revenues increased 14.1% (up 5.6% on a constant basis) due in particular to the very strong performance of Universal Music Group (UMG)**
- **EBITA increased 18.5% (up 10.8% on a constant basis) supported by:**
  - **another record year for UMG**
  - **the international growth at Canal+**
  - **the strength of the Havas business model**
  - **the success of the Editis integration**
- **Adjusted net income increased 50.5% to €1.7 billion**
- **Proposed dividend with respect to 2019 of €0.60 per share (up 20%)**

<b>2019 KEY FIGURES</b>		% change year-on-year	% change year-on-year at constant currency and perimeter <sup>1</sup>
<b>Revenues</b>	<b>€15,898 M</b>	<b>+14.1%</b>	<b>+5.6%</b>
<b>EBITA<sup>2,3</sup></b>	<b>€1,526 M</b>	<b>+18.5%</b>	<b>+10.8%</b>
<b>EBIT<sup>3</sup></b>	<b>€1,381 M</b>	<b>+16.9%</b>	
<b>Earnings attributable to Vivendi SA shareowners<sup>3</sup></b>	<b>€1,583 M</b>	<b>x12.5</b>	
<b>Adjusted net income<sup>2,3</sup></b>	<b>€1,741 M</b>	<b>+50.5%</b>	

<sup>1</sup> Constant perimeter notably reflects the impacts of the acquisition of M7 by Canal+ Group (September 12, 2019), the acquisition of the remaining interest in Ingrooves Music Group, which has been consolidated 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).

<sup>2</sup> Non-GAAP measures.

<sup>3</sup> A reconciliation of EBIT to EBITA, as well as a reconciliation of earnings attributable to Vivendi SA shareowners to adjusted net income, are presented in Appendix II.

*This press release contains audited consolidated financial figures established under IFRS, which were approved by Vivendi's Management Board on February 10, 2020, reviewed by the Vivendi Audit Committee on February 11, 2020, and by Vivendi's Supervisory Board on February 13, 2020 under the chairmanship of Yannick Bolloré.*

**In 2019, revenues** were €15,898 million, compared to €13,932 million in 2018, up 14.1%, mainly as a result of the growth of Universal Music Group (UMG), Canal+ Group and the consolidation of Editis since February 1, 2019. At constant currency and perimeter<sup>1</sup>, revenues increased by 5.6% compared to 2018, primarily driven by the growth of UMG (+14.0%).

**For the fourth quarter of 2019, revenues** were €4,575 million, up 12.8%, mainly as a result of the growth of UMG, Canal+ Group and the consolidation of Editis. At constant currency and perimeter<sup>1</sup>, revenues increased by 2.4% compared to the fourth quarter of 2018, which was primarily driven by the growth of UMG (+6.3%).

**EBITA** was €1,526 million, up 18.5%. At constant currency and perimeter, EBITA increased by 10.8%, primarily driven by the growth of UMG, partially offset by the decline of Canal+ Group, primarily due to restructuring charges.

EBITA included **restructuring charges** of €161 million, compared to €115 million in 2018, primarily incurred by Canal+ Group (€92 million linked in particular to the plan to transform its French operations implemented during the second half of 2019, compared to €28 million in 2018), Havas Group (€35 million, compared to €30 million in 2018), UMG (€24 million, compared to €29 million in 2018) and Corporate (€2 million, compared to €19 million in 2018).

**EBIT** was €1,381 million, up 16.9% compared to 2018.

**Provision for income taxes reported to net income** was a net income of €140 million, compared to a net charge of €357 million in 2018. In 2019, it included a current tax income of €473 million recorded following the favorable decision issued by the French Council of State (*Conseil d'Etat*) on December 19, 2019, concerning the use of foreign tax receivables upon the exit from the Consolidated Global Profit Tax System with respect to fiscal years 2012 and 2015. Excluding this impact, provision for income taxes reported to net income was a net charge of €333 million, representing a favorable change of €24 million.

**Earnings attributable to Vivendi SA shareowners** was a profit of €1,583 million (or €1.28 per share - basic), compared to €127 million in 2018 (or €0.10 per share - basic), an increase of €1,456 million. This change reflected in particular the increase in EBIT (+€199 million), the improvement in other financial charges and income (+€828 million due to the write-down in 2018 of the value of the Telecom Italia shares for €1,066 million), and the current tax income of €473 million mentioned above.

**Adjusted net income** was a profit of €1,741 million (€1.41 per share - basic), compared to €1,157 million in 2018 (€0.92 per share - basic), an increase of 50.5%. This change mainly reflected the increase in EBITA of €238 million and the current tax income of €473 million.

As of December 31, 2019, Vivendi's **Financial Net Debt** was €4.1 billion, compared to a Net cash position of €176 million as of December 31, 2018. This change was due to the acquisition of Editis (€829 million) and M7 (€1.136 billion) as well as share repurchases (€2.66 billion) and the dividend payment (€636 million). The financial net debt to equity ratio (gearing) was 26%.

## Evolution of UMG's share capital

On December 31, 2019, Vivendi entered into an agreement with a Tencent-led consortium, which includes Tencent Music Entertainment and international financial investors, for the planned equity investment in UMG. This agreement provides for the purchase by the consortium of 10% of UMG's share capital, based on an enterprise value of €30 billion for 100% of UMG's share capital.

The Consortium has the option to acquire, on the same price basis, an additional amount of up to 10% of UMG's share capital until January 15, 2021.

This agreement will be shortly complemented by a second agreement allowing Tencent Music Entertainment to acquire a minority interest in the share capital of UMG's subsidiary that houses its operations in Greater China.

The merger control approvals, to which this transaction was subject, have been obtained from the relevant regulatory authorities. The closing of the transaction is expected by the end of the first half of 2020.

Vivendi is very happy with the arrival of Tencent and its co-investors. It will enable UMG to further develop in the Asian market.

In addition, Vivendi's Supervisory Board was informed of ongoing negotiations regarding the possible sale of additional minority interests, which negotiation engagement, based on a minimum valuation of €30 billion, was announced on December 31, 2019. Eight banks have been mandated by Vivendi to assist it in this matter. An initial public offering is currently planned for early 2023 at the latest.

The proceeds from these different operations could be used for substantial share buyback operations and acquisitions.

## Returns to shareholders

Over the past 14 months, Vivendi has returned a total of €3.5 billion to its shareholders, including €3.3 billion paid in 2019 (compared to a return of €568 million in the form of dividends in 2018), as follows:

- Between May 28, 2019, and February 4, 2020, Vivendi repurchased 115.9 million of its own shares for €2.9 billion (including 108 million shares repurchased in 2019 for €2.66 billion), representing 8.85% of the share capital as of the date of implementation of the program;
- In 2019, Vivendi canceled a total of 130.9 million shares, i.e. 10% of the share capital as of the date of implementation of the program, of which 96.8 million shares were repurchased under the current program and 34.1 million shares were previously held; and
- In April 2019, Vivendi distributed a total of €636 million in dividends.

## **Pursuit of the current share buyback program**

As of February 13, 2020, Vivendi directly held 22 million treasury shares, i.e. 1.85% of the share capital as of that date, of which 19.1 million shares designated for cancellation and 2.9 million shares were allocated to covering performance share plans.

This program will continue until April 17, 2020 for the remainder of its authorization, i.e. 15 million shares to be purchased at a maximum price of €25/share.

## **General Shareholders' Meeting on April 20, 2020**

The General Shareholders' Meeting to be held on April 20, 2020 will vote on the renewal of the following two authorizations granted to the Management Board by the General Shareholders' Meeting held on April 15, 2019:

- Authorization to repurchase shares of the company at a maximum price of €26/share, within the limit of 10% of the share capital (2020-2021 program); with the possibility of cancelling the shares acquired up to the limit of 10% of the share capital; and
- Authorization to purchase shares of the company by way of a Public Share Buyback Offer (OPRA) at a maximum price of €26/share, within the limit of 30% of the share capital (or 20% depending on the repurchases made under the new program which are deducted from this 30% limit), and to cancel the shares acquired.

This General Shareholder's Meeting will also vote on the proposal for an ordinary dividend of €0.60 per share with respect to the 2019 fiscal year. This amount represents an increase of 20% over the dividend paid with respect to fiscal year 2018 (€0.50 per share) and a yield of 2.4% (based on the average price for Vivendi shares over the last 12 months). The ex-dividend date would be April 21, 2020, with payment on April 23, 2020.

The renewal of Yannick Bolloré and the appointment of Laurent Dassault to the Supervisory Board will also be proposed to Shareholders.

## **Diversity**

The Supervisory Board considers that gender diversity, and diversity in general, at senior management level is of the utmost importance. This process is already well in place within the Group's main businesses, in particular with the increasing presence of women in each Executive Committee. The appointment of a female member at Vivendi Management Board level is planned before the end of 2020, and a second one in 2021.

## Comments on the Businesses Key Financials

### Universal Music Group

In 2019, Universal Music Group's (UMG) revenues were €7,159 million, up 14.0% at constant currency and perimeter compared to 2018 (up 18.9% on an actual basis).

Recorded music revenues grew by 11.6% at constant currency and perimeter thanks to the growth in subscription and streaming revenues (+21.5%) and the release driven improvement in physical sales (+3.1%), which more than offset the continued decline in download sales (-23.2%).

Recorded music best sellers for 2019 included new releases from Billie Eilish, Post Malone, Taylor Swift, Ariana Grande and the Japanese band King & Prince, as well as continued sales of the soundtrack from *A Star Is Born*, The Beatles 50<sup>th</sup> anniversary release of *Abbey Road* and multiple albums from Queen.

In 2019, UMG had an artist at the top of five major platforms (Amazon, Apple, Deezer, Spotify and YouTube), and for each platform, a different top artist (Taylor Swift, Billie Eilish, J Balvin, Post Malone, Daddy Yankee). In addition, according to Billboard, UMG had seven of the Top 10 singles and albums in the United States for 2019 and the top three artists (Post Malone, Ariana Grande and Billie Eilish).

Music publishing revenues grew by 9.2% at constant currency and perimeter compared to 2018, also driven by increased subscription and streaming revenues.

On February 6, 2020, Taylor Swift, one of the music industry's most creatively and commercially successful artist-songwriters in history, signed an exclusive global publishing agreement with Universal Music Publishing Group.

Merchandising and other revenues were up 73.7% at constant currency and perimeter compared to 2018, thanks to increased touring activity and growth in retail and D2C (direct-to-consumer) revenues.

Driven by the growth in revenues, UMG's EBITA was €1,124 million, up 22.3% at constant currency and perimeter compared to 2018 (+24.6% on an actual basis).

### Canal+ Group

At the end of December 2019, the total subscriber portfolio (individual and collective) of Canal+ Group's, which now includes M7's operations, reached 20.3 million, compared to 17.2 million at the end of December 2018 on a pro forma basis, including 8.4 million in mainland France.

In 2019, Canal+ Group's revenues were €5,268 million, up 2.0% compared to 2018 (down 0.9% at constant currency and perimeter).

- Revenues from television operations in mainland France fell slightly (down 2.8% at constant currency and perimeter) due to the decline in the self-distributed individual subscriber base. However, the Canal+ subscriber base recorded a net increase in subscribers of 72,000 over the past 12 months.

- Revenues from international operations grew strongly by 13.7% (up 6.1% at constant currency and perimeter) driven both by organic growth and the integration of M7.
- Studiocanal's revenues were €434 million, reflecting a year-on-year decrease of 12.8% at constant currency and perimeter due to fewer theatrical releases compared to 2018.

EBITA before restructuring charges was €435 million, compared to €428 million in 2018. EBITA after restructuring charges amounted to €343 million, compared to €400 million in 2018.

In the fourth quarter of 2019, several important agreements involving the operations in France were announced, including with Netflix, UEFA for the Champions League, The Walt Disney Company (in particular for the marketing of Disney+) and BelN Sports, the latter agreement allowing Canal+ to broadcast two matches of Ligue 1 per championship day starting with the upcoming 2020/2021 season. In January 2020, Canal+ Group extended its agreement with Formula One Management to remain the exclusive broadcaster for all of the next three seasons of Formula 1.

## Havas Group

Havas Group's revenues for 2019 were €2,378 million, up 2.6% (down 1.0% at constant currency and perimeter) compared to 2018. Net revenues<sup>4</sup> increased by 2.8% to €2,256 million. Acquisitions contributed +1.3% and exchange rates had a positive impact of 2.5%. Organic growth was down 1.0% compared to 2018.

In a contrasting sector environment, particularly in Europe, Havas Group's performance was supported by the media business thanks to the new *Meaningful Media* approach launched at the beginning of 2019. Strong performances were delivered by the healthcare communications business and the creative pure players (BETC, Rosapark, Edge), while the general network moved purposefully ahead with its transformation in order to adapt itself to evolving client needs.

Havas Group accelerated its financial investments in the second half of the year, making four acquisitions of strategic importance in terms of geographic expansion and strengthening its expertise: Buzzman in France, Langoor and Shobiz in India, and Gate One in the United Kingdom.

In 2019, Havas Group continued its worldwide development, winning new clients both locally and globally. In addition, Havas Group agencies were lavishly awarded in 2019. The Group was named "*Most Sustainable Company in the Communication Industry*" by World Finance magazine in November 2019, and BETC was named "*International Agency of the Year 2019*" by Adweek. For a list of the most significant Havas Group awards and wins in 2019, please see Appendix VI.

Havas Group consolidated its profitability. EBITA before restructuring charges was €260 million, up 6.1% compared to 2018. After restructuring charges, EBITA was €225 million, up 4.5%. Its EBITA/net revenues margin thus gained an additional 0.2 points.

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<sup>4</sup> Net revenues correspond to revenues less pass-through costs rebilled to customers.

## **Editis**

Vivendi has fully consolidated Editis since February 1, 2019. Editis' contribution to Vivendi's revenues was €687 million for eleven months, up 6.3% on a proforma basis at constant currency and perimeter compared to the same period in 2018.

Since February 1, 2019, Education & Reference revenues have risen sharply (up 16.8%). Thanks to the reform of high school curricula in France, Editis reinforced its leading position in textbook publishing with its strong French brands, Nathan, Bordas and Le Robert.

Literature continues to grow (up 2.0% on an eleven-month proforma basis). Editis confirms its leading position in this segment with 6 authors in the top 10 of the best-selling authors in France in 2019 and also leads many other segments: N°1 in thrillers, History, youtubers and influencers, and N°2 in youth, leisure / practical life and tourism (GfK 2019).

Diffusion & Distribution revenues related to third-party publishers are also increased (up 4.2% on eleven-month pro forma), driven in particular by the distribution of the Goncourt Prize, *Tous les hommes n'habitent pas le monde de la même façon* from Jean-Paul Dubois (L'Olivier).

In the second half of 2019, Editis continued its external growth policy with Robert Laffont's acquisition of the publishing houses Segquier, Nathan's purchase of the publishing houses L'Agrume and the publishing house Le Retz's acquisition of l'École Vivante, as well as the purchase in July 2019 of the l'Archipel publishing group which specializes in literature and essays.

In August 2019, Editis also entered the graphic novel and comic book segments following an agreement concluded with Jungle Publishing (a subsidiary of the Steinkis group).

Editis' EBITA was €52 million since February 1, 2019, up 46.9% proforma compared to the same period in 2018, thanks to the increase in revenues and cost control.

## **Other businesses**

### **Gameloft**

With 1.5 million downloads per day across all platforms during 2019, Gameloft is one of the world's leading video game publishers.

In 2019, Gameloft's revenues were €259 million, down 11.8% year-on-year. Gameloft's sales on OTT platforms, representing 72% of Gameloft's total sales, declined by 11.1%. The postponement to 2020 of three major games initially scheduled for release in the second half of 2019 and the saturation of the mobile gaming segment largely explain the lower OTT revenues in 2019. The advertising business, representing 11.6% of Gameloft's total revenues, was up 4.8%.

65% of Gameloft's revenues were generated by its own gaming franchises and 35% by the franchises of major international groups such as Disney or Lego. For Disney, Gameloft released *Disney Princess Majestic Quest* in October 2019 and *Disney Getaway Blast* at the end of January 2020. For Lego, it will release *LEGO Legacy: Heroes Unboxed* in March 2020.

Gameloft is developing its presence on all platforms and has released two games on Nintendo Switch: *Modern Combat Blackout* and *Asphalt 9: Legends*.

The recent subscription-based game distribution model provides another growth avenue for Gameloft. It developed *Ballistic Baseball*, one of the first games included on Apple Arcade, Apple's new game subscription service. It also launched a cloud gaming service, in partnership with Blacknut, which offers operators and manufacturers a new range of cross-platform games streamed from the cloud.

In 2019, the decrease in fixed costs only partially offset the decline in revenues and higher marketing investments. Gameloft's EBITA was -€36 million.

## **Vivendi Village**

In 2019, Vivendi Village's revenues were €141 million, a significant increase of 38.9% at constant currency and perimeter (14.6% on an actual basis) compared to 2018.

This growth is mostly attributable to the development of the live activities in France and Great-Britain, as well as the venues in France and Africa. Their revenues nearly doubled in a year (x1.9), reaching €68 million. This change resulted in particular from the organic growth of the concert and show promotion business, which currently manages some 75 artists. It is also due to acquisitions, notably Garorock in France, which attracted 160,000 festival-goers in 2019.

In addition, Olympia Production formed a joint venture with OL Groupe to produce the Felyn Stadium Festival in Lyons in June 2020.

L'Olympia in Paris enjoyed a record year with slightly over 300 shows. Three new CanalOlympia venues were inaugurated in Africa in 2019 (14 in total in ten countries).

The ticketing businesses, united under the See Tickets brand, generated revenues of €66 million (up 14.4% compared to 2018 and up 6.5% at constant currency and perimeter). This growth is partly attributable to the development of the operations in the US, where revenue has almost doubled in one year. With the acquisition of Starticket in Switzerland on December 30, 2019, See Tickets is now present in nine European countries and in the United States, selling about 30 million tickets annually (25 million in 2019).

Vivendi Village's EBITA was a loss of €17 million, compared to a loss of €9 million in 2018. Excluding the investments in Africa, EBITA was mostly at break-even.



## New Initiatives

In 2019, New Initiatives, which brings together entities in the launch or development phase, recorded revenues of €71 million, up 6.2% compared to 2018 (up 9.3% at constant currency and perimeter).

GVA continued to roll out its fiber network in Africa in order to provide its customers with very high-speed internet access. After Libreville and Lomé, GVA experienced further development in 2019, in Pointe Noire (Republic of Congo).

In 2019, GVA provided more than 25,000 subscribers in the three cities where the company is established.

Dailymotion entered into over 280 agreements with leading global publishers in 2019, including 70 in the United States and dozens in territories where the company had little presence (Indonesia, Taiwan, Mexico). The audience in these new countries has increased significantly. At the end of 2019, the premium content audience represented more than 70% of its global audience, compared to less than 30% in 2017, and its total monthly users increased by 20% in two years to exceed 350 million at the end of 2019.

In 2019, Dailymotion also completed the overhaul of its advertising ecosystem. It created a proprietary programmatic platform and a content monetization system (live or programmatic).

New Initiatives' EBITA was a loss of €65 million, compared to a loss of €99 million in 2018.

**For additional information, please refer to the “Financial Report and Audited Consolidated Financial Statements for the year ended December 31, 2019” released later on Vivendi’s website ([www.vivendi.com](http://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 video 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 commercial activities 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](http://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 distributions, 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](http://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](http://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:** February 13, 2020

6:15pm Paris time – 5:15pm London time – 12:15pm New York time

**Media invited on a listen-only basis.**

**The conference will be held in English.**

**Internet:** The conference can be followed on the Internet at: [www.vivendi.com](http://www.vivendi.com) (audiocast)

### **Numbers to dial:**

- USA : +1 212 999 6659
- France : +33 (0) 1 7099 4740
- UK (Standard international access) : +44 (0) 20 3003 2666
- **Password:** Vivendi

An audio webcast and the slides of the presentation will be available on the company's website **[www.vivendi.com](http://www.vivendi.com)**.

## APPENDIX I

### VIVENDI

#### OPERATING RESULTS BY BUSINESS SEGMENT

(IFRS, audited)

#### Revenues, Income from operations and EBITA by business segment

(in millions of euros)	Year ended December 31,		% Change	% Change at constant currency	% Change at constant currency and perimeter (a)
	2019	2018			
<b>Revenues</b>					
Universal Music Group	7,159	6,023	+18.9%	+15.6%	+14.0%
Canal+ Group	5,268	5,166	+2.0%	+2.0%	-0.9%
Havas Group	2,378	2,319	+2.6%	+0.2%	-1.0%
Editis	687	-	na	na	na
Gameloft	259	293	-11.8%	-13.6%	-16.0%
Vivendi Village	141	123	+14.6%	+14.2%	+38.9%
New Initiatives	71	66	+6.2%	+6.2%	+9.3%
Elimination of intersegment transactions	(65)	(58)			
<b>Total Vivendi</b>	<b>15,898</b>	<b>13,932</b>	<b>+14.1%</b>	<b>+12.2%</b>	<b>+5.6%</b>
<b>Income from operations</b>					
Universal Music Group	1,168	946	+23.5%	+20.6%	+21.1%
Canal+ Group	431	429	+0.3%	+0.2%	-5.2%
Havas Group	268	258	+3.9%	+2.4%	+0.6%
Editis	59	-	na	na	na
Gameloft	(28)	4			
Vivendi Village	(16)	(9)			
New Initiatives	(68)	(79)			
Corporate	(95)	(110)			
<b>Total Vivendi</b>	<b>1,719</b>	<b>1,439</b>	<b>+19.5%</b>	<b>+17.3%</b>	<b>+11.7%</b>
<b>EBITA</b>					
Universal Music Group	1,124	902	+24.6%	+21.8%	+22.3%
Canal+ Group	343	400	-14.3%	-14.3%	-19.3%
Havas Group	225	215	+4.5%	+2.7%	+0.5%
Editis	52	-	na	na	na
Gameloft	(36)	2			
Vivendi Village	(17)	(9)			
New Initiatives	(65)	(99)			
Corporate	(100)	(123)			
<b>Total Vivendi</b>	<b>1,526</b>	<b>1,288</b>	<b>+18.5%</b>	<b>+16.2%</b>	<b>+10.8%</b>

- a. Constant perimeter notably reflects the impacts of the acquisition of M7 by Canal+ Group (September 12, 2019), the acquisition of the remaining interest in Ingrooves Music Group, which has been consolidated 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 I (Cont'd)

### VIVENDI

#### OPERATING RESULTS BY BUSINESS SEGMENT

(IFRS, audited)

#### Quarterly revenues by business segment

	2019			
	Three months ended March 31,	Three months ended June 30,	Three months ended September 30,	Three months ended December 31,
(in millions of euros)				
<b>Revenues</b>				
Universal Music Group	1,502	1,756	1,800	2,101
Canal+ Group	1,252	1,266	1,285	1,465
Havas Group	525	589	567	698
Editis (a)	89	171	210	217
Gameloft	68	65	61	65
Vivendi Village	23	43	42	33
New Initiatives	15	19	16	20
Elimination of intersegment transactions	(15)	(15)	(11)	(24)
<b>Total Vivendi</b>	<b>3,459</b>	<b>3,894</b>	<b>3,970</b>	<b>4,575</b>
	2018			
	Three months ended March 31,	Three months ended June 30,	Three months ended September 30,	Three months ended December 31,
(in millions of euros)				
<b>Revenues</b>				
Universal Music Group	1,222	1,406	1,495	1,900
Canal+ Group	1,298	1,277	1,247	1,344
Havas Group	506	567	553	693
Gameloft	70	71	74	78
Vivendi Village	23	29	36	35
New Initiatives	16	16	15	19
Elimination of intersegment transactions	(11)	(14)	(19)	(14)
<b>Total Vivendi</b>	<b>3,124</b>	<b>3,352</b>	<b>3,401</b>	<b>4,055</b>

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

**APPENDIX II**  
**VIVENDI**  
**CONSOLIDATED STATEMENT OF EARNINGS**  
(IFRS, audited)

**Year ended December 31**

	Year ended December 31,		%
	2019	2018	
<b>REVENUES</b>	<b>15,898</b>	<b>13,932</b>	<b>+ 14.1%</b>
Cost of revenues	(8,845)	(7,618)	
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(5,334)	(4,875)	
<b>Income from operations*</b>	<b>1,719</b>	<b>1,439</b>	<b>+ 19.5%</b>
Restructuring charges	(161)	(115)	
Other operating charges and income	(32)	(36)	
<b>Adjusted earnings before interest and income taxes (EBITA)*</b>	<b>1,526</b>	<b>1,288</b>	<b>+ 18.5%</b>
Amortization and depreciation of intangible assets acquired through business combinations	(145)	(113)	
Other charges and income	-	7	
<b>EARNINGS BEFORE INTEREST AND INCOME TAXES (EBIT)</b>	<b>1,381</b>	<b>1,182</b>	<b>+ 16.9%</b>
Income from equity affiliates - non-operational	67	122	
Interest	(46)	(47)	
Income from investments	10	20	
Other financial charges and income	65	(763)	
	<b>29</b>	<b>(790)</b>	
<b>Earnings before provision for income taxes</b>	<b>1,477</b>	<b>514</b>	<b>x 2.9</b>
Provision for income taxes	140	(357)	
<b>Earnings from continuing operations</b>	<b>1,617</b>	<b>157</b>	<b>x 10.3</b>
Earnings from discontinued operations	-	-	
<b>Earnings</b>	<b>1,617</b>	<b>157</b>	<b>x 10.3</b>
Non-controlling interests	(34)	(30)	
<b>EARNINGS ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS</b>	<b>1,583</b>	<b>127</b>	<b>x 12.5</b>
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	1.28	0.10	
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	1.28	0.10	
<b>Adjusted net income*</b>	<b>1,741</b>	<b>1,157</b>	<b>+ 50.5%</b>
Adjusted net income per share - basic (in euros)*	1.41	0.92	
Adjusted net income per share - diluted (in euros)*	1.41	0.91	

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 and Audited Consolidated Financial Statements for the year ended December 31, 2019", which will be released online later on Vivendi's website ([www.vivendi.com](http://www.vivendi.com)).

## APPENDIX II (Cont'd)

### VIVENDI

#### CONSOLIDATED STATEMENT OF EARNINGS

(IFRS, audited)

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

(in millions of euros)	Year ended December 31,	
	2019	2018
<b>Earnings attributable to Vivendi SA shareowners (a)</b>	<b>1,583</b>	<b>127</b>
<i>Adjustments</i>		
Amortization and depreciation of intangible assets acquired through business combinations	145	113
Amortization of intangible assets related to equity affiliates	60	60
Other financial charges and income	(65)	763
Provision for income taxes on adjustments	37	104
Impact of adjustments on non-controlling interests	(19)	(10)
<b>Adjusted net income</b>	<b>1,741</b>	<b>1,157</b>

- As reported in the Consolidated Statement of Earnings.

#### Adjusted Statement of Earnings

(in millions of euros)	Year ended December 31,		% Change
	2019	2018	
<b>Revenues</b>	<b>15,898</b>	<b>13,932</b>	<b>+ 14.1%</b>
<b>Income from operations</b>	<b>1,719</b>	<b>1,439</b>	<b>+ 19.5%</b>
<b>EBITA</b>	<b>1,526</b>	<b>1,288</b>	<b>+ 18.5%</b>
Other charges and income	-	7	
Income from equity affiliates - non-operational	127	182	
Interest	(46)	(47)	
Income from investments	10	20	
Adjusted earnings from continuing operations before provision for income taxes	1,617	1,450	+ 11.5%
Provision for income taxes	177	(253)	
Adjusted net income before non-controlling interests	1,794	1,197	
Non-controlling interests	(53)	(40)	
<b>Adjusted net income</b>	<b>1,741</b>	<b>1,157</b>	<b>+ 50.5%</b>

## APPENDIX III

### VIVENDI

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(IFRS, audited)

(in millions of euros)	December 31, 2019	January 1, 2019	December 31, 2018
<b>ASSETS</b>			
Goodwill	14,690	12,438	12,438
Non-current content assets	2,746	2,194	2,194
Other intangible assets	883	437	437
Property, plant and equipment	1,097	967	986
Rights-of-use relating to leases	1,245	1,131	na
Investments in equity affiliates	3,520	3,418	3,418
Non-current financial assets	2,263	2,102	2,102
Deferred tax assets	782	713	675
<b>Non-current assets</b>	<b>27,226</b>	<b>23,400</b>	<b>22,250</b>
Inventories	277	206	206
Current tax receivables	374	135	135
Current content assets	1,423	1,346	1,346
Trade accounts receivable and other	5,661	5,311	5,314
Current financial assets	255	1,090	1,090
Cash and cash equivalents	2,130	3,793	3,793
<b>Current assets</b>	<b>10,120</b>	<b>11,881</b>	<b>11,884</b>
<b>TOTAL ASSETS</b>	<b>37,346</b>	<b>35,281</b>	<b>34,134</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	6,515	7,184	7,184
Additional paid-in capital	2,353	4,475	4,475
Treasury shares	(694)	(649)	(649)
Retained earnings and other	7,179	6,182	6,303
<b>Vivendi SA shareowners' equity</b>	<b>15,353</b>	<b>17,192</b>	<b>17,313</b>
Non-controlling interests	222	220	221
<b>Total equity</b>	<b>15,575</b>	<b>17,412</b>	<b>17,534</b>
Non-current provisions	1,127	871	858
Long-term borrowings and other financial liabilities	5,160	3,448	3,448
Deferred tax liabilities	1,037	1,076	1,076
Long-term lease liabilities	1,223	1,122	na
Other non-current liabilities	183	223	248
<b>Non-current liabilities</b>	<b>8,730</b>	<b>6,740</b>	<b>5,630</b>
Current provisions	494	419	419
Short-term borrowings and other financial liabilities	1,777	888	888
Trade accounts payable and other	10,494	9,513	9,572
Short-term lease liabilities	236	218	na
Current tax payables	40	91	91
<b>Current liabilities</b>	<b>13,041</b>	<b>11,129</b>	<b>10,970</b>
<b>Total liabilities</b>	<b>21,771</b>	<b>17,869</b>	<b>16,600</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37,346</b>	<b>35,281</b>	<b>34,134</b>

na: not applicable.

**Nota:** As from January 1, 2019, Vivendi applies the new accounting standard IFRS 16 – *Leases*.

**APPENDIX IV**

**VIVENDI**

**CONSOLIDATED STATEMENT OF CSH FLOWS**  
(IFRS, audited)

(in millions of euros)	Year ended December 31,	
	2019	2018
<b>Operating activities</b>		
EBIT	1,381	1,182
Adjustments	779	432
Content investments, net	(676)	(137)
<b>Gross cash provided by operating activities before income tax paid</b>	<b>1,484</b>	<b>1,477</b>
Other changes in net working capital	67	(28)
<b>Net cash provided by operating activities before income tax paid</b>	<b>1,551</b>	<b>1,449</b>
Income tax (paid)/received, net	(283)	(262)
<b>Net cash provided by operating activities</b>	<b>1,268</b>	<b>1,187</b>
<b>Investing activities</b>		
Capital expenditures	(413)	(351)
Purchases of consolidated companies, after acquired cash	(2,106)	(116)
Investments in equity affiliates	(1)	(3)
Increase in financial assets	(177)	(575)
<b>Investments</b>	<b>(2,697)</b>	<b>(1,045)</b>
Proceeds from sales of property, plant, equipment and intangible assets	8	10
Proceeds from sales of consolidated companies, after divested cash	22	16
Disposal of equity affiliates	-	2
Decrease in financial assets	1,046	2,285
<b>Divestitures</b>	<b>1,076</b>	<b>2,313</b>
Dividends received from equity affiliates	8	5
Dividends received from unconsolidated companies	3	13
<b>Net cash provided by/(used for) investing activities</b>	<b>(1,610)</b>	<b>1,286</b>
<b>Financing activities</b>		
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans	175	190
Sales/(purchases) of Vivendi SA's treasury shares	(2,673)	-
Distributions to Vivendi SA's shareowners	(636)	(568)
Other transactions with shareowners	(13)	(16)
Dividends paid by consolidated companies to their non-controlling interests	(41)	(47)
<b>Transactions with shareowners</b>	<b>(3,188)</b>	<b>(441)</b>
Setting up of long-term borrowings and increase in other long-term financial liabilities	2,101	4
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	(6)	(3)
Principal payment on short-term borrowings	(787)	(193)
Other changes in short-term borrowings and other financial liabilities	870	65
Interest paid, net	(46)	(47)
Other cash items related to financial activities	(7)	5
<b>Transactions on borrowings and other financial liabilities</b>	<b>2,125</b>	<b>(169)</b>
Repayment of lease liabilities and related interest expenses	(254)	na
<b>Net cash provided by/(used for) financing activities</b>	<b>(1,317)</b>	<b>(610)</b>
Foreign currency translation adjustments of continuing operations	(4)	(21)
<b>Change in cash and cash equivalents</b>	<b>(1,663)</b>	<b>1,842</b>
<b>Cash and cash equivalents</b>		
At beginning of the period	<b>3,793</b>	<b>1,951</b>
At end of the period	<b>2,130</b>	<b>3,793</b>

na: not applicable.



## APPENDIX V

### VIVENDI

#### KEY CONSOLIDATED FINANCIAL DATA FOR THE LAST FIVE YEARS

(IFRS, audited)

As from January 1, 2019, Vivendi applies the new accounting standard IFRS 16 – *Leases*. In accordance with IFRS 16, the impact of the change of accounting standard was recorded in the opening balance sheet as of January 1, 2019. Moreover, Vivendi applied this change of accounting standard to the Statement of Financial Position, Statement of Earnings and Statement of Cash Flows in 2019; therefore, the data relative to prior years is not comparable.

As a reminder, in 2018, Vivendi applied two new accounting standards:

- IFRS 15 – *Revenues from Contracts with Customers*: in accordance with IFRS 15, as from 2017, Vivendi applied this change of accounting standard to revenues. The data presented below with respect to fiscal years 2015 to 2016 are historical and therefore unrevised; and
- IFRS 9 – *Financial Instruments*: in accordance with IFRS 9, as from 2018, Vivendi applied this change of accounting standard to the Statement of Earnings and Statement of Comprehensive Income restating its opening balance sheet as of January 1, 2018; therefore, the data relative to prior years in this report is not comparable.

In addition, Vivendi deconsolidated GVT as from May 28, 2015, the date of its effective sale by Vivendi. In compliance with IFRS 5, this business was reported as a discontinued operation for 2015 as set out in the table of selected key consolidated financial data below in respect of data reflected in the Statement of Earnings and Statement of Cash Flows.

	Year ended December 31,				
	2019	2018	2017	2016	2015
<b>Consolidated data</b>					
Revenues	15,898	13,932	12,518	10,819	10,762
Income from operations (a)	1,719	1,439	1,098	853	1,061
Adjusted earnings before interest and income taxes (EBITA) (a)	1,526	1,288	969	724	942
Earnings before interest and income taxes (EBIT)	1,381	1,182	1,018	887	521
Earnings attributable to Vivendi SA shareowners	1,583	127	1,216	1,256	1,932
of which earnings from continuing operations attributable to Vivendi SA shareowners	1,583	127	1,216	1,236	699
Adjusted net income (a)	1,741	1,157	1,300	755	697
Net Cash Position/(Financial Net Debt) (a)	(4,064)	176	(2,340)	1,231	7,172
Total equity	15,575	17,534	17,866	19,612	21,086
of which Vivendi SA shareowners' equity	15,353	17,313	17,644	19,383	20,854
Cash flow from operations (CFFO) (a)	903	1,126	989	729	892
Cash flow from operations after interest and income tax paid (CFAIT) (a)	567	822	1,346	341	(69)
Financial investments	(2,284)	(694)	(3,685)	(4,084)	(3,927)
Financial divestments	1,068	2,303	976	1,971	9,013
Dividends paid by Vivendi SA to its shareholders	636	568	499	2,588	(b) 2,727
Purchases/(sales) of Vivendi SA's treasury shares	2,673	-	203	1,623	492
<b>Per share data</b>					
Weighted average number of shares outstanding	1,233.5	1,263.5	1,252.7	1,272.6	1,361.5
Earnings attributable to Vivendi SA shareowners per share	1.28	0.10	0.97	0.99	1.42
Adjusted net income per share	1.41	0.92	1.04	0.59	0.51
Number of shares outstanding at the end of the period (excluding treasury shares)	1,170.6	1,268.0	1,256.7	1,259.5	1,342.3
Equity per share, attributable to Vivendi SA shareowners	13.12	13.65	14.04	15.39	15.54
<b>Dividends per share paid</b>	<b>0.50</b>	<b>0.45</b>	<b>0.40</b>	<b>2.00</b>	(b) <b>2.00</b>

In millions of euros, number of shares in millions, data per share in euros.

- a. The non-GAAP measures of Income from operations, EBITA, Adjusted net income, Net Cash Position (or Financial Net Debt), Cash flow from operations (CFFO) and Cash flow from operations after interest and income tax paid (CFAIT) should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance as presented in the Consolidated Financial Statements and the related Notes, or as described in this Financial Report. Vivendi considers these to be relevant indicators of the group's operating and financial performance. Each of these indicators is defined in the appropriate section of this Financial Report. In addition, it should be noted that other companies may have definitions and calculations for these indicators that differ from those used by Vivendi, thereby affecting comparability.
- b. With respect to fiscal year 2015, Vivendi paid an ordinary dividend of €3 per share, i.e., an aggregate dividend payment of €3,951 million. This amount included €1,363 million paid in 2015 (first interim dividend of €1 per share) and €2,588 million paid in 2016 (€1,318 million for the second interim dividend of €1 per share and €1,270 million representing the balance of €1 per share). In addition, in 2015, Vivendi paid a dividend with respect to fiscal year 2014 of €1 per share, i.e., €1,364 million.

## **APPENDIX VI**

### **VIVENDI**

#### **HAVAS GROUP: SIGNIFICANT AWARDS AND WINS**

Havas continued its worldwide development in 2019, winning prestigious new clients and brands in creation, media and healthcare at both local and global levels.

In creation, Havas signed new local contracts with Boston Beers, Gap, Lacoste and Core Water in the United States, Huawei, Lloyds and Compare the Market in the United Kingdom, COOP in Italy and 7TV and Ferrero in Germany. Globally, Havas Creative won contracts with Pimco, Michelin and Bel.

In media, South Korean car manufacturers Hyundai Kia re-selected Havas Media to handle its media mandate for Europe, Russia and Turkey. Havas Media has been working with Hyundai Kia for ten years. Havas Media also won a number of global assignments including TripAdvisor, Meetic and Visit California. Some multilocal wins included Continental Foods, Mango, and UPower. Locally, it won contracts with Sanofi, Planet Fitness and Stop n' Shop in the United States, Corby in Canada, Legal & General, Homebase, Dreams and Starbucks in the United Kingdom, Hassia Group, Vattenfall and Stepstone in Germany, SFR and GRDF in France, Carrefour in Belgium, Tinder and Gameskraft in India and Uniqlo in Singapore.

Havas Health & You had major global and local wins worldwide with AbbVie, Alcon, Amgen, AstraZeneca, BioMarin, Celgene, Genentech, Guardant Health, Guidewell, Ipsen, Ironshore, Klosterfrau, Lundbeck, Merck Inc, Novartis, Takeda, TherapeuticsMD and Unicef.