

Bolloré

Half-year financial report 2021



SUMMARY

ACTIVITY REPORT

1. SUMMARY OF THE HALF-YEAR 2021 RESULTS	4
2. FIRST-HALF 2021 RESULTS	5
3. GROUP STRUCTURE	9
4. COMPARABILITY OF FINANCIAL STATEMENTS - INFORMATION ON THE IMPACTS OF COVID-19	10
5. ESG PERFORMANCE	11
6. ACTIVITIES	12
7. EVENTS AFTER THE REPORTING PERIOD	19
8. MAIN RISKS AND PERIOD UNCERTAINTIES	20
9. MAIN RELATED-PARTY TRANSACTIONS	21
10. ORGANIZATIONAL CHART AT JULY 31, 2021	22
11. CHANGE IN THE SHARE PRICE	23

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT	26
NOTE TO THE CONSOLIDATED FINANCIAL STATEMENT	33

STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION	75
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STATEMENT OF THE PERSON RESPONSIBLE FOR THE HALF-YEAR-REPORT	76
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GLOSSARY	77
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ACTIVITY REPORT

1. SUMMARY OF THE HALF-YEAR 2021 RESULTS

First half 2021 results

Good results continued across all of the Group's activities

After a very resilient first half 2020, the Group's revenues increased by 13% and its Adjusted operating income (EBITA ⁽¹⁾) grew by 43%, at constant scope and exchange rates in the first half of 2021.

- The revenue amounted to 12,786 million euros, +13% at constant scope and exchange rates.
- Adjusted operating income (EBITA¹) stood at 1,324 million euros, +43 % at constant scope and exchange rates:
 - Bolloré Transport & Logistics: 335 million euros, +15%;
 - Communications (Vivendi): 1,066 million euros, +49%;
 - Electricity storage and systems: -50 million euros versus -67 million euros on a reported basis (+25%).
- Net income, Group share amounted to 219 million euros, up +26 %. This figure does not include the capital gain on the sale on January 29, 2021 of 10% of the capital of Universal Music Group (UMG) on the basis of an enterprise value of 30 billion euros for 100%, the sale is recognized in equity for 2.8 billion euros.
- Total net income stands at 651 million euros, (-14%) given the drop in the share prices of Spotify and Tencent Music Entertainment securities, after a sharp increase in the first half of 2020.
- Net debt stood at 6,851 million euros, down -2,284 million euros against December 31, 2020 (of which 3,973 million euros for Bolloré, down -210 million euros). Gearing: 22% compared to 35% at the end of 2020.
- Maintaining a high level of liquidity at 3.2 billion euros as of June 30, 2021, excluding Vivendi's undrawn confirmed credit lines and liquid investments.
- Interim dividend of 0.02 euro per share, payable in cash September 3, 2021.

(1) See glossary.

2. FIRST HALF 2021 RESULTS

Consolidated key figures

in millions of euros	1 st Half 2021	1 st Half 2020	Change %
Revenue	12,786	11,612	10%
EBITDA ⁽¹⁾	1,665	1,454	15%
Depreciation and provisions	(341)	(506)	
Adjusted operating income (EBITA ⁽¹⁾)	1,324	948	40%
Amortization resulting from PPA ⁽¹⁾	(208)	(194)	
EBIT	1,116	754	48%
o/w operating equity associates	29	4	
Financial income	(115)	447	
Share of net income of equity-accounted non-operating companies	(24)	(91)	
Taxes	(325)	(353)	
Net income	651	758	(14%)
Net income, Group share	219	174	26%
Minorities interests	432	584	(26%)
	June 30, 2021	December 31, 2020	Change € million
Shareholders' equity	31,014	25,984	5,030
of which Group share	11,771	9,084	2,687
Group net debt	6,851	9,136	(2,284)
Gearing ⁽²⁾	22%	35%	

(1) See glossary

(2) Gearing = ratio of net debt/equity

Revenue by activity

in millions of euros	1 st half 2021	1 st half 2020	Reported growth (%)	Organic growth (%)
Transportation and logistics	3,223	2,856	13%	15%
Oil logistics	1,165	1,046	11%	12%
Communications	8,219	7,574	9%	12%
Electricity Storage and Systems	174	122	42%	43%
Others (Agricultural Assets, Holdings Companies) ⁽¹⁾	5	13	(63%)	(63%)
TOTAL	12,786	11,612	10%	13%

First half revenue 2021 stands at 12,786 million euros, up +13% at constant scope and exchange rates:

- Transportation and logistics: 3,223 million euros, up 15%:
 - Bolloré Logistics: up 19%, benefiting from high levels of activity in the sea and air sectors;
 - Bolloré Africa Logistics: +8% driven by growth in port terminals;
- Oil logistics: 1,165 million euros, +12%, owing to the increase in oil-product prices and volumes (trading);
- Communications: 8,219 million euros, +12%, mainly attributable to growth in the main business lines with UMG (+17%), Canal+ Group (+5%) and Havas (+7%) as activity picked up in the second quarter;
- Electricity Storage and Systems: 174 million euros, +43%, due to the increase in sales of batteries and 12-meters buses.

On reported data, revenue was up 10%, taking into account +64 million euros in changes in scope and -340 million euros in foreign exchange effects (due to the decline in the dollar and other currencies).

EBITA by activity

in millions of euros	1 st half 2021	1 st half 2020	Reported growth (%)	Organic growth (%)
Bolloré Transport & Logistics	335	303	11%	15%
Transportation and Logistics ⁽¹⁾	312	268	17%	22%
Oil logistics	23	35	(34%)	(34%)
Communications	1,066	735	45%	49%
Electricity Storage and Systems	(50)	(67)	25%	17%
Others (Agricultural Assets, Holdings Companies) ⁽¹⁾	(28)	(23)	(20%)	(22%)
Bolloré Group EBITA	1,324	948	40%	43%

(1) Before Bolloré trademark fees

Adjusted Operating Income (EBITA ⁽²⁾): 1,324 million euros, up 43% at constant scope and exchange rates:

- Transportation and logistics: 312 million euros, up 22% given the good performance of port terminals and freight forwarding;
- Oil logistics: 23 million euros, down -34%, after an exceptional first half of 2020 in the context of the lockdown;
- Communications (Vivendi): 1,066 million euros, up 49% thanks to strong performances from UMG, Canal+ Group, Havas and Editis;
- Electricity storage and systems: -50 million euros, an improvement of 17 million euros on a reported basis compared with 2020, linked to the cessation of car sharing activities as part of the strategic redeployment in batteries and buses.

Financial income

In millions of euros	1 st Half 2021	1 st Half 2020	Change
Net dividends and income from investments in marketable securities	125	17	108
Net financing expenses	(55)	(51)	(4)
Other financial expenses and income	(185)	482	(667)
FINANCIAL INCOME	(115)	447	(562)

Financial income mainly included -170 million euros in devaluation of Spotify and Tencent Music securities (versus +449 million euros of revaluation in First half 2020) and 102 million euros in dividends from Mediaset (received on July 22, 2021).

Income from associates

in millions of euros	1 st Half 2021	1 st Half 2020	Change
Share of net income of non-operating companies accounted for using the equity method	(24)	(91)	66

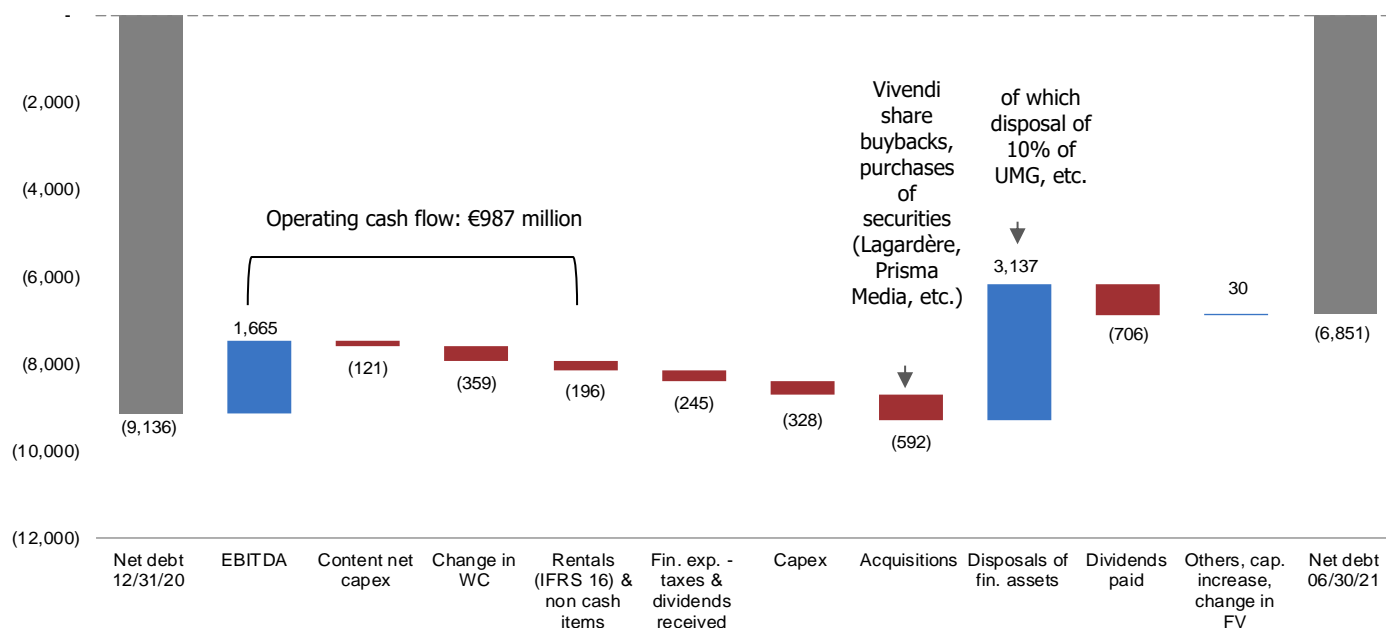
Income from equity-accounted non-operating companies mainly includes Telecom Italia's contribution to Vivendi. In 2020, it included a provision on Mediobanca that has not been consolidated since October 2020⁽³⁾.

(2) See glossary.

(3) Following the loss of significant influence, due in particular to the reduction of stake.

Changes in cash

Change in net debt (in millions of euros)



Balance sheet - Liquidity

in millions of euros	June 30 th , 2021	Bolloré	Vivendi	12/31/20	Bolloré	Vivendi	Change
Shareholder's equity	31,014	11,752	19,262	25,984	9,756	16,422	5,030
of which Group share	11,771			9,084			2,687
Group Net debt	6,851	3,973	2,878	9,136	4,183	4,953	(2,284)
Gearing (%) ⁽¹⁾	22%	34%		35%	44%		

(1) Gearing = ratio of net debt / equity.

Shareholders' Equity amounted to 31,014 million euros (25,984 million euros at December 31, 2020), an improvement of 5,030 million euros, particularly given the impact of the sale of an additional 10% of UMG to Tencent on January 29, 2021 (+2.8 billion euros).

Net debt stands at 6,851 million euros versus 9,136 million euros at December 31, 2020 according to:

- Reduction of Vivendi's debt (-2.1 billion euros) following the inflow of 2.8 billion euros related to the disposal of an additional 10% of UMG on January 29, 2021.
- Reduction of Bolloré's debt excluding Vivendi (-0.2 billion euros) given the disposal of an additional 2% of Mediobanca in January 2021 for 192 million euros.

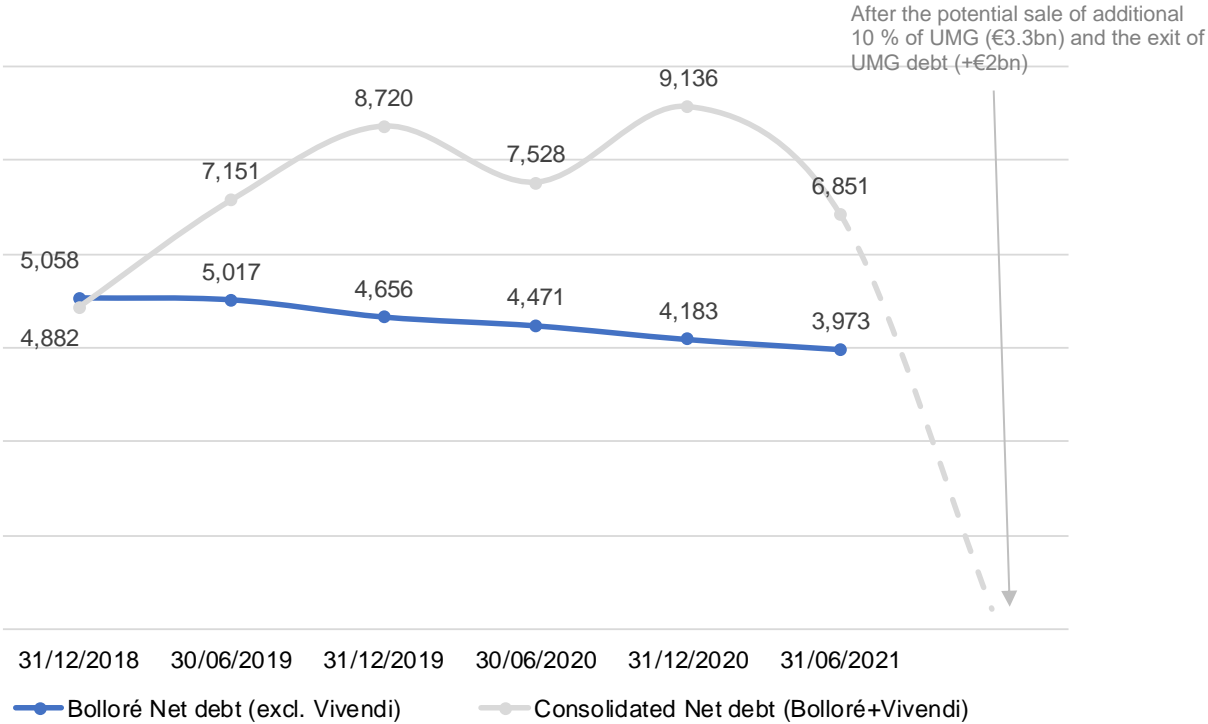
Liquidity

- As of June 30, 2021, the Group's liquidity, including undrawn confirmed credit lines and liquid investments, was 3.2 billion euros for Bolloré, excluding credit lines and investments at Vivendi level.

Interim dividend:

The Board of Directors of Bolloré decided to pay an interim dividend of 0.02 euro per share, payable in cash on September 3, 2021.

Change in net debt (in millions of euros)



3. GROUP STRUCTURE

Universal Music Group (UMG)

- **Additional sale of 10% of UMG to Tencent**

On January 29, 2021, Vivendi finalised the sale of an additional 10% of the share capital of UMG to the consortium led by Tencent based on an enterprise value of 30 billion euros for 100% of UMG's share capital. This transaction resulted in an inflow of 2,847 million euros for Vivendi. The Tencent-led consortium now owns 20% of UMG.

- **Approval of the proposed distribution to shareholders of 60% of UMG shares**

Vivendi's General Shareholders' Meeting of June 22, 2021 approved the proposed exceptional distribution in kind of 60% of UMG shares at 99.9%. UMG's listing on the regulated market of Euronext Amsterdam and the detachment of the distribution are scheduled for 21 September ⁽⁴⁾.

- **Planned sale of 5% to 10% of UMG to Pershing Square**

Vivendi accepted PSTH's request that Pershing Square investment funds, owned by Mr. William Ackman, be substituted for the acquisition of 10% of the capital of UMG announced on June 20, 2021.

The share of UMG's capital that will ultimately be acquired by these funds will be between 5% and 10%. If this proportion proves to be less than 10%, Vivendi still intends to sell the difference to other investors.

(4) Subject to approval of the transaction by the AFM and to the decision of the payment of an exceptional interim dividend by Vivendi.

4. COMPARABILITY OF FINANCIAL STATEMENTS - INFORMATION ON THE IMPACTS OF COVID-19

- **Performance indicators**

As of June 30, 2021, the Bolloré Group had not adjusted the definition of performance indicators, including EBITA, which are comparable to those of 2020.

- **Change in scope of consolidation**

Prisma Media has been consolidated by Vivendi since June 1st, 2021.

- **Evolution of main currencies**

Average exchange rates	1 st Half 2021	1 st Half 2020	Change
USD	1.20	1.10	(9%)
GPB	0.87	0.87	1%
PLN	4.54	4.41	(3%)
JPY	129.80	119.21	(9%)
CNY	7.79	7.75	(1%)
ZAR	17.52	18.33	4%

- **Proposed exceptional distribution in kind of 60% of UMG by Vivendi**

The financial statements as at June 30, 2021 do not include any impact resulting from this transaction, which is still subject to conditions precedent.

- **Information on the impacts of COVID-19**

During the first half of 2021, the Group's activities showed good resilience, particularly in Transportation, and at Vivendi in music and pay television. Given the good performance of the business lines, the Group did not identify any impairment losses in the first half of 2021. It still benefits from a high level of liquidity. Nevertheless, the Group continues to assess on an ongoing basis the current and potential consequences of the health crisis, which are still temporarily weighing on certain activities due to the restrictive measures taken by governments to curb the epidemic, while remaining confident in its resilience and capacity for adaptation.

5. ESG PERFORMANCE

REMINDER OF CHANGES IN GOVERNANCE IMPLEMENTED IN 2020

Changes in governance in 2020:

- Tighter Board of Directors (13 directors), more independent (36% independent), more female (45%).

Creation of a Bolloré SE Executive Committee:

- 14 members, including 7 women, representing 50% women.
- Functions represented: finance, human resources, legal, tax, procurement, ESG and compliance departments.

PRIORITY ESG COMMITMENTS IN 2021

Climate

- Structuring of a climate strategy at Group level: definition of decarbonization objectives and levers.

Duty of care

- Implementation of the ethics system, refinement of risk identification for entities and the supply chain, definition of objectives and appropriate corrective actions plans.



Commitments in line with the SDGs:
positive impact on 64 out of the 169 targets



Signatory of the **Global Compact** for over 15 years
Communication on Progress: Advanced level

ONGOING DIALOGUE WITH THE RATING AGENCIES



Environment score = 1
Social score = 2
(High transparency close to 1)
Governance score = 7
(Moderate risk close to 10)
➤ vs. Governance score = 8 in 2019



ESG Global score = 45/100
2020
➤ vs. 31/100 in 2019 (S&P's default rating)



« **Climate Change** » score = **A**
2020
➤ vs. B score in 2019
« **Supplier Engagement Rating** » score = **A-**
➤ vs. B score in 2019
→ Scale from A to D-



ESG Global score = 51/100
Robust Level
SEPTEMBER 2020
➤ Rank in sector : 9/43



ESG Global score = B
FEBRUARY 2021
➤ vs. B score in October 2020
MSCI rating scale:
CCC B BB BBB A AA AAA



ESG Global score = Low Risk (13.45)
AUGUST 2020
➤ vs. "Medium risk" score (24.2) in April 2020
• **Sustainalytics rating scale:**
Negl Low Med High Severe
0-10 10-20 20-30 30-40 40+
and a risk management rating.



ECOVADIS - Bolloré Logistics :
Platinum Medal
Score = **76/100**



6. ACTIVITIES

TRANSPORTATION AND LOGISTICS

in millions of euros	1 st Half 2021	1 st Half 2020	Change (%)	Organic Growth (%)
Revenue Bolloré Logistics	2,126	1,805	18%	19%
Revenue Bolloré Africa Logistics	1,097	1,052	4%	8%
TOTAL REVENUE	3,223	2,856	13%	15%
EBITA ⁽¹⁾	312	268	17%	22%
Investments	87	75		

(1) Before Bolloré's trademark fees.

EBITA: 312 million euros, +22% at constant scope and exchange rates

- Good performance of port terminals, which benefited from volume growth, offsetting the decline in logistics activities in Africa, still impacted by the effects of the public health crisis and despite a recovery that began in the second quarter.
- Strong growth in freight forwarding activities, driven by the good performance of sea and air transit across all routes.

BOLLORÉ LOGISTICS

Revenue for the first half of 2021 was 2,126 million euros, +19% at constant scope and exchange rates benefiting from the increase in volumes and freight rates, particularly in sea transportation.

1st half-year 2021 results marked by:

- The sharp increase in the freight forwarding revenue, which benefited from the sustained growth in the sea and air activities;
- Good performances in all geographic areas, with:
 - Sustained earnings growth in Europe, driven by the Netherlands and the UK thanks in particular to the pharmaceutical, luxury and cosmetics sectors;
 - An increase in results in Asia, driven by flows (sea and air) from Korea, Singapore, China and Hong Kong in the luxury and cosmetic sectors in particular;
 - In other regions, the Americas (USA and Canada with recovery of luxury goods and petrochemicals, and Latin America) and the Middle East (India) region contributed to earnings growth.
- Signs of recovery in contract logistics, after 2020 saw the impact of the public health crisis in the aerospace and oil & gas sectors in particular.

Development of the network:

- January 2021: Bolloré Group acquired a majority stake in OVRSEA, a digital freight forwarding company that uses technology to simplify and optimize international transport for businesses.

BOLLORÉ AFRICA LOGISTICS

Revenue in the first half of 2021 amounted to 1,097 million euros, +8% at constant consolidation scope and exchange rates, driven by the sharp increase in port terminals thanks to the increase in volumes.

1st half-year 2021 results marked by:

- The good performance of port terminals, particularly MPS in Ghana (rump up of the new terminal), Abidjan Terminal, Benin Terminal, Conakry Terminal and Freetown Terminal, which benefited from the increase in volumes handled;
- Continued improvement in the results of railway activities, which benefited from growth in hydrocarbon and clinker transport at Sitarail, as well as good cost control;
- The decline in logistics activities across Africa, linked to the effects of the health crisis (decrease in mining projects, contraction of the export timber market, drop in oil prices) despite a recovery in these activities in the 2nd quarter.

BOLLORÉ ENERGY

In millions of euros	1 st Half 2021	1 st Half 2020	Change (%)	Organic Growth %
Revenue	1,165	1,046	11%	12%
EBITA	23	35	(34%)	(34%)
Investments	5	3	41%	

Revenue is increasing by +12%, at constant scope and exchange rates, thanks to the increase in oil-product prices and volumes (trading).

EBITA was 23 million euros, decreased by -34% at constant scope and exchange rates

- Decrease in results mainly due to a strong base effect after exceptional "retail" volumes in 2020 in the context of the public health crisis (lockdown and drop in oil prices);
- Contraction in oil logistics, impacted by a drop in traffic on the pipeline operated by SFDM, partially offset by an increase in the results of DRPC (*Dépôt de Rouen Petit Couronne*), operated in partnership with TotalEnergies.

COMMUNICATIONS**VIVENDI****First half 2021 results reported by Vivendi**

in millions of euros	1 st Half 2021	1 st Half 2020	Change %
Revenue	8,221	7,576	9%
EBITA	1,066	735	45%
Net income Group share	488	757	(35)
in millions of euros	June 30, 2021	December 31, 2020	
Shareholders' equity	19,343	16,431	18%
Net debt/ (cash net)	2,878	4,953	(42%)
Market value of the listed share portfolio	5,676	5,339	6%
EBITA by activity	1 st Half 2021	1 st Half 2020	Change %
Universal Music Group	753	567	33%
Groupe Canal +	330	300	10%
Havas	87	46	89
Editions	10	(21)	na
Prisma Media ⁽¹⁾	4	-	na
Other activities ⁽²⁾	(118)	(157)	na
Total EBITA	1,066	735	45%
PPA	(93)	(75)	
TOTAL EBIT	973	660	47%
Bolloré's PPA	(115)	(120)	
TOTAL EBIT Bolloré	858	541	59%

(1) Prisma Media has been consolidated in Vivendi's financial statements since June 1, 2021.

(2) Gameloft, Vivendi Village, New Initiatives and Corporate.

Key facts from first half 2021 results

- **Revenue: 8,221 million euros, +9%** (+12% in organic terms) compared to first half 2020. This growth was driven by the growth of UMG (+17.3%), Canal+ Group (+4.7%), Havas Group (+7.1%) and the strong rebound of Editions (+42%), which had been particularly impacted by the health crisis in the first half 2020.
- **EBITA ⁽⁵⁾: 1,066 million euros, +45%** (+49.3% in organic terms), thanks to the growth of UMG (+37.7%), Canal+ Group (+10.0%), Havas Group (+92.3%) and Editions.
- **Net income, Group share 488 million euros, -35%**. The decrease in the Group share of net income essentially reflects the unfavorable change in the share prices of Spotify and Tencent Music Entertainment (-170 million euros compared to +449 million euros in First Half 2020), partially offset by the increase in EBITA.

(5) See glossary

UNIVERSAL MUSIC GROUP

in millions of euros	1 st Half 2021	1 st Half 2020	Change %
Revenue	3,831	3,459	+11%
EBITA	753	567	+33%

Revenue: +11% (+17% in organic terms)

- Recorded music revenues rose 20% in organic terms thanks mainly to growth in subscription and streaming revenues (+25%) and sales of physical albums (+40%);
- Music publishing revenue increased 4% in organic terms compared to first half 2020 driven by growth in subscription and streaming revenues. First half 2020 revenue included income related to a royalty claim.

EBITA: 753 million euros, +33% (38% in organic terms)

- EBITA growth was driven by revenue growth and cost control.

CANAL+ GROUP

in millions of euros	1 st Half 2021	1 st Half 2020	Change %
Revenue	2,782	2,674	+4%
EBITA	330	300	+10%

Revenue: +4% (+5% in organic terms)

- Canal+'s overall subscriber portfolio (individual and collective) reached 22.1m, including 8.9m in mainland metropolitan France, compared to 20.4m in the first half 2020;
- Television sales in mainland France increased by 1.7% in organic terms. Internationally, it rose 4.4% in organic terms, due to the significant increase in the number of subscribers (+1.4 million in one year). Finally, Studiocanal's revenue increased by 45% (+41% in organic terms), driven by the very good performance of its catalogue and TV series.

EBITA: 330 million euros, +10% (+10% in organic terms)

- EBITA after restructuring costs amounted to 330 million euros versus 300 million euros in the same period in 2020.

HAVAS

in millions of euros	1 st Half 2021	1 st Half 2020	Change %
Net revenue ⁽⁶⁾	1,007	977	+3%
EBITA	87	46	+89%

Net revenue ⁽⁶⁾: +3% (+7% in organic terms)

- Havas saw a strong rebound in its activities in Q2 2021 (+16% after -1% in Q1 2021), after a Q2 2020 that was heavily impacted by the health crisis. Business growth benefited all divisions and all geographical areas.

EBITA: +89% (+92% in organic terms)

- The improved EBITA is the result of the cost adjustment plan put in place from the start of the crisis, and the return of strong sales momentum.

(6) See glossary for definition

EDITIS

in millions of euros	1 st Half 2021	1 st Half 2020	Change %
Revenue	372	262	+42%
EBITA	10	(21)	n/a

Revenue: +42% (+42% in organic terms)

- The first half performance reflected the buoyant market environment since January 2021 and not solely attributable to a favourable comparison effect (impact of the first lockdown in March-April 2020), since Editis's revenue increased by 20.5% in organic terms compared to the restated first half 2019. Book sales were very strong in the first half 2021, with growth of 43.4% compared to 2020.

EBITA: +10 million euros versus -21 million euros for the same period of 2020.

OTHER BUSINESS LINES (PRISMA MEDIA ⁽¹⁾, GAMELOFT, VIVENDI VILLAGE, NEW INITIATIVES AND CORPORATE)

in millions of euros	1 st Half 2021	1 st Half 2020	Change %
Revenue	188	161	+17%
EBITA	(114)	(158)	n/a

(1) Prisma Media has been consolidated in Vivendi's financial statements since June 1, 2021.

ELECTRICITY STORAGE AND SYSTEMS

in millions of euros	1 st Half 2021	1 st Half 2020	Change (%)	Organic Growth %
Revenue	174	122	+42%	+43%
EBITA	(50)	(67)	+25%	+17%
Investments	12	20		

Revenue: + 43% at constant scope and exchange rates

- Revenue growth in industrial activities (electric storage, buses and plastic films) despite the decline in specialized terminal activities, which were still suffering the effects of the health crisis.

EBITA: +17% at constant scope and exchange rates

- EBITA reflects an improvement in Systems profitability as a consequence of strategic redeployment to battery activities and the discontinuation of car-sharing and electric charging activities;
- Results were negatively impacted by the sharp rise in commodity prices in first half.

BRITTANY**Bluebus, stationary energy storage and plastics films**

- Batteries (Blue Solutions)**

- Sales of 1,417 next-generation batteries to Daimler, Bluebus, Actia and Gaussin in the first half of 2021. Production at end-June was 9% higher than for the full year in 2020 (4x compared to first half 2020).

- Bluebus**

- Sale of 2 buses of 6 meters and delivery of 37 buses of 12 meters to RATP at end-June 2021. RATP orders totaled 196 buses of 12 meters. Bluebus was selected by RATP as part of the so-called massive tender for deliveries starting in late 2022.

- Stationary**

- Continuation of the RINGO project by RTE and sustained sales activity.

- Plastic films**

- 20% increase in dielectric activity in the first half of 2021. Demand for packaging and dielectric films remains very strong for the second half of the year against a context of very tight supply of raw materials.

SYSTEMS

- IER/Automatic Systems**

IER/AS results remain impacted by the effects of the health crisis, which delayed the deployment of infrastructure (pedestrian access control systems, particularly in North America, self-service terminals and kiosks), traceability solutions for the automotive industry, and weakened customers operating on the aviation market. The development of new products on the self-service kiosk market, particularly for La Poste and La Monnaie de Paris, as well as the resumption of the barriers activity at AS, nevertheless mitigated the effects of the health crisis.

- Car-sharing**

In January 2021, an agreement was reached to sell Singapore's car sharing business to a local player. Singapore's network of charging terminals was also the subject of a sale agreement signed in July 2021 with TotalEnergies. These sales are expected to be finalised by the end of the year.

Car-sharing services in London, Indianapolis, Bordeaux and Lyon ended in 2020 and those in Turin and Los Angeles were sold. This helped improve results in the first half of 2021.

- **Polyconseil**

Good first half thanks to Polyconseil's strong growth in customer support missions to drive digital transformation processes.

- **Smart Mobility**

Bluesystems is developing a platform to supervise and manage new urban mobility resources for local authorities. Contracts signed as part of this activity include commitments from the cities of Los Angeles, New York and London in the first half of 2021.

- **Telecoms**

Bolloré has maintained its investments in the telecoms sector, where it has on the 3.5GHz frequency offering coverage across France and enabling it to roll out a network.

OTHER ASSETS

Portfolio of listed securities at June 30, 2021

- **Value of the listed securities portfolio at June 30, 2021 was 6.1 billion euros.** This portfolio includes investments held by Bolloré (Bigben Interactive, Mediobanca, Socfin, etc.) for **0.5 billion euros** and by Vivendi (Telecom Italia, Mediaset, etc.) for **5.7 billion euros**;
- In early 2021, the Bolloré Group sold an additional 2% of Mediobanca for 192 million euros. The balance of its holding is approximately 2%.

7. EVENTS AFTER THE REPORTING PERIOD

The main events that occurred between the reporting date and 30 July 2021, the date on which Bolloré SE's Board of Directors met to approve the half-yearly financial statements, were as follows:

- On 19 July 2021, Vivendi accepted Pershing Square Tontine Holdings Ltd. (PSTH)'s request that investment funds managed by William Ackman or in which he held significant economic interests be substituted as the vehicles used to acquire the 10% stake in Universal Music Group (UMG) announced on 20 June 2021.
- On 22 July 2021, Vivendi, Fininvest and Mediaset announced the completion of their global agreement dated 3 May 2021 that they had entered into in order to end their disputes.
- On 10 August 2021, Vivendi sold today 7.1% of UMG's share capital to Pershing Square Holdings and affiliates, which are managed by Mr. William Ackman, for a price of USD 2.8 billion based on an enterprise value of €35 billion for 100% of UMG's share capital.
- On 31 August 2021, Vivendi announced that Pershing Square has committed to acquire an additional 2.9% of the UMG capital for a price of USD 1.149 billion based on an enterprise value of €35 billion for 100% of UMG's share capital.

In line with what was communicated on August 10, 2021 and considering the 7.1% already acquired, Pershing Square will now own 10% of the UMG share capital. The closing related to the 2.9% additional will take place by September 9, 2021.

8. MAIN RISKS AND UNCERTAINTIES

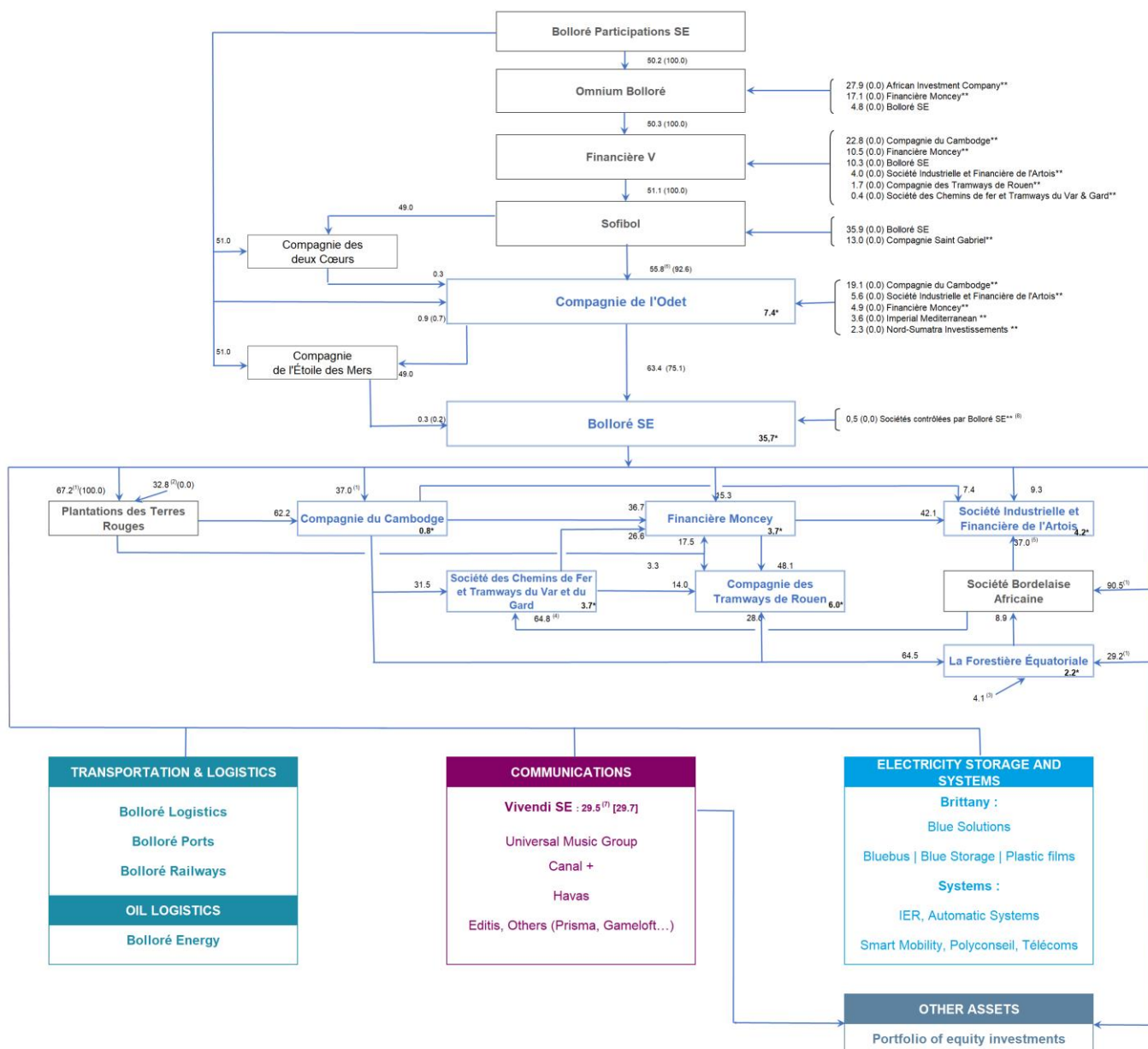
The main financial risks with which the Group could be confronted are explained in the Note 9 in appendix to the condensed half-yearly consolidated financial statements, see note 11.2. on litigation in progress.

9. MAIN RELATED-PARTY TRANSACTIONS

The main related-party transactions are detailed in the Note 14 in appendix to the condensed half-yearly consolidated financial statements.

10. ECONOMIC ORGANIZATIONAL CHART AT 07/31/2021

(% of share capital)



% (%) % of capital (% of voting rights at GM, if different)

* % of share capital outside the Group

** Controlled by Bolloré

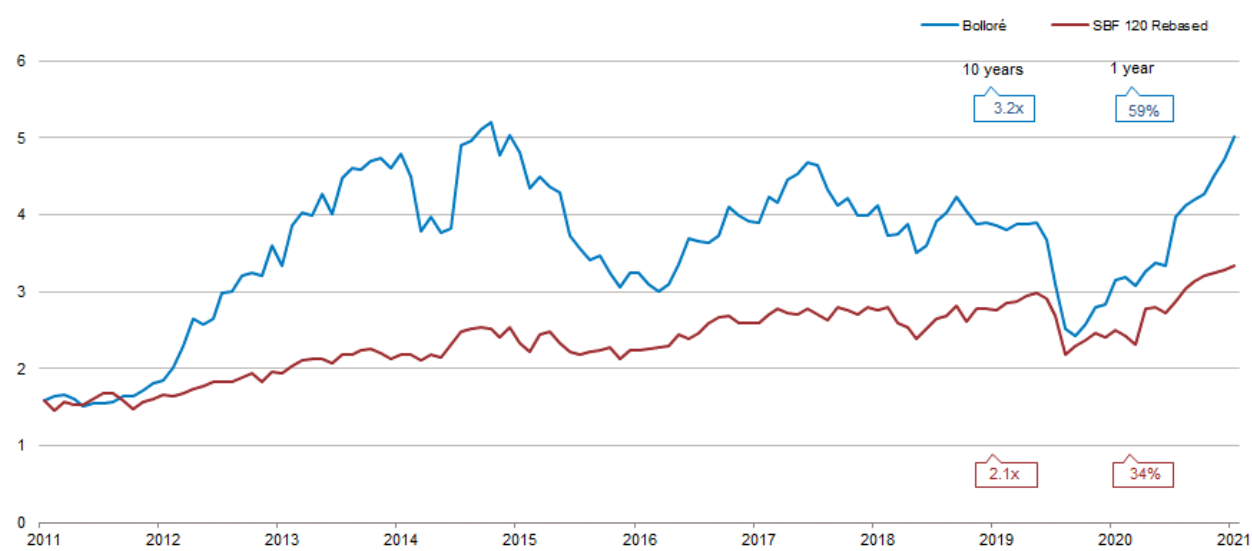
Listed companies

By convention, shareholdings under 1% are not mentioned:

- (1) Directly and indirectly owned by 100% owned subsidiaries.
- (2) of which less than 10.0% by Compagnie du Cambodge and 22.8% by Société Industrielle et Financière de l'Artois.
- (3) 4.1% by SFA 98.4% owned subsidiary of Plantations des Terres Rouges.
- (4) 64.8% by its 53.4% owned direct subsidiary Socfrance.
- (5) 30.2% by Société Bordelaise Africaine and 6.8 % by its 53.4%-owned direct subsidiary Socfrance.
- (6) of which 5.4% by its 99.5% - directly owned subsidiary Compagnie de Guénolé.
- (7) 28.92% by Compagnie de Cornouaille, subsidiary at 100% of Bolloré SE and 0.54% by Compagnie de l'Odette after cancelling of 40.9% share's Vivendi SE on July 26, 2021. [% of total gross votes].
- (8) Imperial Mediterranean, Société Bordelaise Africaine and Nord-Sumatra Investissements.

11. CHANGE IN THE SHARE PRICE

As of August 31, 2021 (in euros, monthly closing prices)



CONTENTS CONDENSED HALF-YEARLY CONSOLIDATED FINANCIAL STATEMENTS

Financial statements	26
Notes to the financial statements	33

Unless otherwise stated, amounts are expressed in millions of euros and rounded to the nearest decimal. In general, the figures included in the consolidated financial statements and the notes to the consolidated financial statements are rounded to the nearest decimal place. As a result, the sum of the rounded amounts may differ slightly from the reported total. In addition, ratios and deviations are calculated based on the underlying amounts and not based on rounded amounts.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

<i>(in € millions)</i>	NOTES	June 2021	June 2020 (1)	December 2020
Revenue	6.1 - 6.2	12,785.8	11,612.4	24,109.4
External purchases and expenses	6.3	(8,666.2)	(7,777.1)	(16,030.3)
Payroll costs	6.3	(2,471.0)	(2,417.5)	(4,912.1)
Depreciation and provisions	6.3	(549.0)	(699.7)	(1,615.6)
Other operating income	6.3	89.3	109.9	247.5
Other operating expenses	6.3	(102.0)	(77.6)	(187.9)
Share of net income of operating companies accounted for using the equity method	6.3 - 8.2	29.4	3.9	38.8
Operating profit (loss)	6.1 - 6.2 - 6.3	1,116.2	754.3	1,649.9
Net financing expenses	8.1	(55.1)	(51.4)	(111.2)
Other financial income	8.1	468.4	713.8	1,185.0
Other financial expenses	8.1	(528.5)	(215.3)	(451.7)
Financial income	8.1	(115.3)	447.1	622.1
Share of net income of non-operating companies accounted for using the equity method	8.2	(24.4)	(90.5)	(32.0)
Corporate income tax	13	(325.3)	(352.6)	(677.2)
Consolidated net profit (loss)		651.3	758.3	1,562.9
Consolidated net profit (loss), Group share		219.2	174.4	425.6
Minority interests		432.1	583.9	1,137.2

Earnings per share ⁽²⁾ (in euros):

10.2

	June 2021	June 2020 (1)	December 2020
Net profit (loss), Group share:			
- basic	0.07	0.06	0.15
- diluted	0.07	0.06	0.15

(1) restated - See Note 4 - Comparability of accounts.

(2) excluding treasury shares.

CONSOLIDATED STATEMENT OF COMPREHENSIVE

<i>(in € millions)</i>	June 2021	June 2020	December 2020
Consolidated net profit (loss) for the period	651.3	758.3	1,562.9
Change in translation reserves of controlled entities	111.8	(227.7)	(1,134.3)
Change in the fair value of financial instruments of controlled entities ⁽¹⁾	3.0	2.0	4.9
Other changes in items that may subsequently be reclassified to profit or loss ⁽²⁾	(54.2)	(58.5)	(267.4)
Total changes in items that may subsequently be reclassified to profit or loss	60.6	(284.2)	(1,396.8)
Change in the fair value of financial instruments of controlled entities ⁽¹⁾	2,339.0	(1,358.6)	(159.0)
Change in the fair value of financial instruments of entities accounted for using the equity method ⁽²⁾	0.1	(0.7)	(0.7)
Actuarial gains and losses of controlled entities recognised in equity	3.7	15.8	9.6
Actuarial gains and losses of entities accounted for using the equity method recognised in equity	1.2	3.6	2.8
Total changes in items that may not subsequently be reclassified to profit or loss	2,344.0	(1,339.9)	(147.3)
Comprehensive income	3,055.8	(865.9)	18.8
Of which:			
- Group share	2,308.9	(866.9)	(101.5)
- Share of minority interests	746.9	1.0	120.3
of which tax in other comprehensive income:			
- on items that may be recycled to profit or loss	8.2	(6.3)	(29.8)
- on items that may not be recycled to profit or loss	(1.9)	(5.1)	(0.6)

(1) see Note 8.3 - Other financial assets.

(2) change in comprehensive income from investments in companies accounted for using the equity method: essentially the impact of the translation and recognition at fair value of items that may be recycled to profit or loss - See Change in consolidated equity.

CONSOLIDATED BALANCE SHEET

(in € millions)	NOTES	30/06/2021	31/12/2020
Assets			
Goodwill	7.1	16,414.5	16,057.5
Non-current content assets	7.2	7,080.0	7,109.6
Other intangible assets	7.3 - 6.1 - 6.4	4,884.4	4,920.7
Property, plant and equipment	7.4 - 6.1 - 6.4	4,044.7	4,064.0
Securities accounted for using the equity method	8.2	3,964.8	4,084.3
Other non-current financial assets	8.3	10,784.1	8,650.1
Deferred tax		758.7	828.8
Other non-current assets		95.0	107.3
Non-current assets		48,026.2	45,822.3
Inventories and work in progress		700.9	634.9
Current content assets	7.2	1,155.2	1,345.9
Trade and other receivables		7,011.9	6,528.7
Current taxes		119.2	158.9
Other current financial assets	8.3	141.3	264.1
Other current assets		1,027.5	894.9
Cash and cash equivalents	8.4	2,790.5	2,219.5
Current assets		12,946.5	12,046.7
Total Assets		60,972.7	57,869.0
Equity and liabilities			
Share capital		471.6	471.4
Share issue premiums		1,303.9	1,303.9
Consolidated reserves		9,995.8	7,309.0
Shareholders' equity, Group share		11,771.3	9,084.2
Minority interests		19,242.5	16,900.1
Shareholders' equity	10.1	31,013.7	25,984.4
Non-current financial debts	8.5	5,815.8	7,570.6
Provisions for employee benefits	12	1,012.6	1,018.7
Other non-current provisions	11	572.7	515.2
Deferred tax		2,642.5	2,701.5
Other non-current liabilities		2,628.2	2,727.3
Non-current liabilities		12,671.8	14,533.3
Current financial liabilities	8.5	3,909.7	3,834.7
Current provisions	11	642.1	695.6
Trade and other payables		11,355.1	11,570.9
Current taxes		239.6	208.0
Other current liabilities		1,140.6	1,042.2
Current liabilities		17,287.2	17,351.4
Total equity and liabilities		60,972.7	57,869.0

CONSOLIDATED CASH FLOW STATEMENT

(in € millions)	NOTES	June 2021	June 2020 (1)	December 2020
Cash flow from operations				
Net profit (loss), Group share		219.2	174.4	425.6
Share of minority interests		432.1	583.9	1,137.2
Consolidated net profit (loss)		651.3	758.3	1,562.9
Income and expenses with no impact on cash:				
- elimination of depreciation and provisions		594.9	692.2	1,597.5
- elimination of changes in deferred taxes		5.2	48.3	98.6
- other income and expenses with no impact on cash or not related to activities		185.8	(420.6)	(649.7)
- elimination of capital gains or losses on disposal		(82.1)	8.0	(126.8)
Other restatements:				
- net financing expenses		55.1	51.4	111.2
- dividend income received		(124.7)	(16.5)	(33.7)
- corporate tax expense		320.1	304.2	578.7
- IFRS 16 financial cost		40.4	46.6	87.7
Dividends received:				
- dividends received from companies accounted for using the equity method		41.4	45.1	52.9
- dividends received from non-consolidated companies		22.7	6.3	35.2
Corporate income tax paid		(242.4)	67.1	(237.6)
Content investments, net		(121.1)	(223.6)	(1,481.4)
Impact of changes in other working capital requirements:		(359.4)	(199.3)	637.3
- of which inventories and work in progress		(4.3)	(37.4)	(118.4)
- of which payables		(81.4)	(825.2)	498.8
- of which receivables		(273.8)	663.3	256.9
Net cash flow from operating activities		987.2	1,167.4	2,232.8
Investment flows				
Disbursements relating to acquisitions:				
- property, plant and equipment		(257.8)	(250.4)	(497.1)
- other intangible assets		(95.3)	(75.8)	(188.4)
- fixed assets under concessions		(1.0)	(0.2)	(4.1)
- securities and other long-term investments		(172.1)	(913.8)	(1,353.6)
Income from disposals:				
- property, plant and equipment		7.5	4.3	17.6
- other intangible assets		2.3	0.1	3.7
- securities		193.2	0.0	118.3
- other long-term investments		48.5	116.0	212.4
Impact of changes in scope on cash flow		(126.3)	75.0	(54.6)
Net cash flows from investments		(401.0)	(1,044.8)	(1,745.7)
Financing flows				
Disbursements:				
- dividends paid to shareholders of the parent company		(117.2)	(117.0)	(175.7)
- dividends paid to minority shareholders net of distribution taxes		(588.7)	(549.3)	(684.4)
- financial debts repaid	8.5	(2,316.5)	(1,284.0)	(1,498.4)
- lease liabilities repaid		(148.4)	(147.4)	(298.3)
- acquisition of minority interests and treasury shares		(200.0)	(759.7)	(2,300.2)
Income:				
- capital increases		14.3	15.0	22.6
- investment subsidies		16.3	12.8	27.7
- increases in financial debts	8.5	745.7	560.0	911.3
- disposals of minority interests and treasury shares		2,792.3	2,801.2	2,915.3
- change in liabilities under IFRS 16 leases		0.0	(0.6)	0.0
Net interest paid on loans		(54.8)	(48.0)	(108.3)
Net interest paid on IFRS 16 leases		(40.4)	(48.9)	(87.8)
Net cash flows from financing activities		102.6	434.1	(1,276.2)
Impact of exchange rate fluctuations		20.3	(37.8)	(135.6)
Other		(0.7)	2.7	0.9
Change in cash position		708.5	521.6	(924.0)
Cash and cash equivalents at the beginning of the period ⁽²⁾		1,691.7	2,615.7	2,615.7
Cash and cash equivalents at the end of the period ⁽²⁾		2,400.2	3,137.3	1,691.7

(1) See Note 4 - Comparability of accounts.

(2) See note 8.4 - Cash and cash equivalents and net cash.

Net cash flows from operating activities

Other income and expenses not affecting cash flows or not related to the business mainly comprise the elimination of revaluations of securities held at fair value through profit or loss by Vivendi (Spotify, Tencent Music Entertainment) for €169.6 million.

Net investments in comprise -€121 million in advances to artists and acquisitions of catalogues and rights and content net of consumption during the year recorded in net profit (loss).

Working capital requirements (WCR) increased by -€359.4 million compared to December 2020. The main changes are described in detail below:

- the other elements of WCR in the Communications sector (Vivendi) increased by -€233.5 million;
- WCR in the Transport and Logistics sector were up -€143.9 million with activity particularly buoyant compared to 2020;
- WCR in the Electricity Storage and Systems sector fell by €78.3 million, including €57.7 million in reducing battery stocks related to the termination of car sharing;
- WCR of the Oil Logistics sector increased by -€48.3 million, driven by the sharp increase in oil prices during the six-month period.

Net cash flows from investing activities

Cash inflows related to disposals of financial fixed assets are mainly due to the disposal of Mediobanca shares for €192 million.

Net cash flows from financing activities

Issue and loan repayment flows are mainly linked to everyday Group financing management at Vivendi level (including repayments of bonds and short-term negotiable securities: - €1,315.6 million) and Bolloré SE level (issues: €474.1 million/repayments: -€110.8 million).

Disbursements linked to the acquisition of minority interests related to the purchase by Vivendi of its own shares in the amount of -€189 million. Proceeds from the disposal of minority interests related mainly to the disposal by Vivendi, for €2,847 million, of an additional 10% of the share capital of Universal Music Group to a consortium led by Tencent (see Note 1 - Significant events).

CHANGE IN SHAREHOLDERS' EQUITY

(in € millions)	Number of shares excluding treasury shares ⁽¹⁾	Share capital	Premiums	Treasury shares	Fair value of financial assets		Translation reserves	Actuarial gains and losses	Reserves	Shareholders' equity, Group share	Minority interests	Total
					Recyclable	Non-recyclable						
Shareholders' equity at 31 December 2019	2,929,276,036	471.1	1,303.9	(24.8)	77.8	3,383.9	(286.7)	(176.7)	4,339.6	9,088.2	16,853.9	25,942.1
Transactions with shareholders	1,610,000	0.3	-	-	(10.8)	(0.2)	(36.1)	(1.2)	279.3	231.2	1,368.1	1,599.3
Capital increases	1,610,000	0.3	-	-	-	-	-	-	(0.3)	-	-	-
Dividends distributed	-	-	-	-	-	-	-	-	(117.0)	(117.0)	(588.2)	(705.2)
Share-based payments	-	-	-	-	-	-	-	-	9.8	9.8	18.0	27.8
Changes in scope ⁽²⁾	-	-	-	-	(10.8)	(2.2)	(35.5)	(1.1)	390.8	341.3	1,944.3	2,285.6
Other changes	-	-	-	-	(0.1)	2.0	(0.6)	(0.2)	(4.0)	(2.8)	(6.1)	(8.9)
Items of comprehensive income		-	-	-	12.0	(964.5)	(98.1)	9.3	174.4	(866.9)	1.0	(865.9)
Profit (loss) for the period	-	-	-	-	-	-	-	-	174.4	174.4	583.9	758.3
Other comprehensive income	-	-	-	-	12.0	(964.5)	(98.1)	9.3	-	(1,041.3)	(582.8)	(1,624.1)
Shareholders' equity at 30 June 2020	2,930,886,036	471.4	1,303.9	(24.8)	78.8	2,419.3	(420.9)	(168.6)	4,793.5	8,452.5	18,222.9	26,675.4
(in € millions)	Number of shares excluding treasury shares ⁽¹⁾	Share capital	Premiums	Treasury shares	Fair value of financial assets		Translation reserves	Actuarial gains and losses	Reserves	Shareholders' equity, Group share	Minority interests	Total
					Recyclable	Non-recyclable						
Shareholders' equity at 31 December 2019	2,929,276,036	471.1	1,303.9	(24.8)	77.8	3,383.9	(286.7)	(176.7)	4,339.6	9,088.2	16,853.9	25,942.1
Transactions with shareholders	1,610,000	0.3	-	-	(10.0)	(1.9)	(45.0)	(6.8)	161.0	97.6	(74.1)	23.5
Capital increases	1,610,000	0.3	-	-	-	-	-	-	(0.3)	-	-	-
Dividends distributed	-	-	-	-	-	-	-	-	(175.7)	(175.7)	(669.5)	(845.2)
Share-based payments	-	-	-	-	-	-	-	-	17.9	17.9	30.2	48.1
Changes in scope ⁽²⁾	-	-	-	-	(9.9)	(3.3)	(44.8)	(6.8)	325.7	260.8	563.0	823.8
Other changes	-	-	-	-	(0.1)	1.4	(0.1)	-	(6.7)	(5.5)	2.3	(3.2)
Items of comprehensive income		-	-	-	(40.7)	(76.6)	(411.9)	2.0	425.6	(101.5)	120.3	18.8
Profit (loss) for the period	-	-	-	-	-	-	-	-	425.6	425.6	1,137.2	1,562.9
Other comprehensive income	-	-	-	-	(40.7)	(76.6)	(411.9)	2.0	-	(527.2)	(1,016.9)	(1,544.1)
Shareholders' equity at 31 December 2020	2,930,886,036	471.4	1,303.9	(24.8)	27.1	3,305.4	(743.5)	(181.5)	4,926.3	9,084.2	16,900.1	25,984.4
Transactions with shareholders	1,238,000	0.2	-	-	0.2	(5.0)	3.4	1.8	377.5	378.1	1,595.5	1,973.6
Capital increases	1,238,000	0.2	-	-	-	-	-	-	(0.2)	-	-	-
Dividends distributed	-	-	-	-	-	-	-	-	(117.2)	(117.2)	(627.3)	(744.5)
Share-based payments	-	-	-	-	-	-	-	-	5.0	5.0	4.4	9.4
Changes in scope ⁽²⁾	-	-	-	-	0.2	(0.5)	4.4	1.8	502.8	508.7	2,245.8	2,754.4
Other changes	-	-	-	-	-	(4.5)	(1.0)	-	(12.8)	(18.3)	(27.5)	(45.8)
Items of comprehensive income		-	-	-	(18.8)	2,055.8	48.1	4.6	219.2	2,308.9	746.9	3,055.8
Profit (loss) for the period	-	-	-	-	-	-	-	-	219.2	219.2	432.1	651.3
Other comprehensive income	-	-	-	-	(18.8)	2,055.8	48.1	4.6	-	2,089.7	314.8	2,404.5
Shareholders' equity at 30 June 2021	2,932,124,036	471.6	1,303.9	(24.8)	8.4	5,356.2	(692.0)	(175.1)	5,523.0	11,771.3	19,242.5	31,013.7

(1) See Note 10.1 - Shareholders' equity.

(2) In 2020, mainly the buyback of its own shares by Vivendi in the amount of -€2,156.9 million (before recording changes in buyback commitments for €171.5 million) and the impact of the disposal of 10% of UMG's share capital for €2,842.1 million, before recording related costs.
In 2021, mainly the buyback of its own shares by Vivendi in the amount of -€189.1 million (before recording changes in buyback commitments for €188.5 million) and the impact of the disposal of 10% of UMG's share capital for €2,846.6 million, before recording related costs. (See Note 1 - Significant Events).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DETAILED SUMMARY OF NOTES

NOTE 1 - SIGNIFICANT EVENTS	34
NOTE 2 - IMPACT OF THE COVID-19 HEALTH CRISIS	38
NOTE 3 - GENERAL ACCOUNTING PRINCIPLES	38
3.1 - CHANGES TO STANDARDS	38
3.2 - USE OF ESTIMATES	39
NOTE 4 - COMPARABILITY OF FINANCIAL STATEMENTS	39
4.1 - SUMMARY TABLE SHOWING CHANGES IN CONSOLIDATED CASH FLOW BETWEEN PUBLISHED AND RESTATED FIGURES	40
NOTE 5 - CONSOLIDATION SCOPE	40
5.1 - MAIN CHANGES IN CONSOLIDATION SCOPE	40
5.2 - COMMITMENTS GIVEN IN RESPECT OF CORPORATE ACTIONS	41
NOTE 6 - OPERATING DATA	41
6.1 - INFORMATION ON OPERATING SECTORS	41
6.2 - MAIN CHANGES AT CONSTANT SCOPE AND EXCHANGE RATES	43
6.3 - OPERATING PROFIT (LOSS)	43
6.4 - LEASES	44
NOTE 7 - FIXED ASSETS AND CONCESSION CONTRACTS	45
7.1 - GOODWILL	45
7.2 - ASSETS AND CONTRACTUAL CONTENT OBLIGATIONS	46
7.3 - OTHER INTANGIBLE ASSETS	48
7.4 - PROPERTY, PLANT AND EQUIPMENT	48
7.5 - CONCESSION CONTRACTS	49
NOTE 8 - FINANCIAL STRUCTURE AND FINANCIAL COSTS	49
8.1 - FINANCIAL INCOME	49
8.2 - SECURITIES ACCOUNTED FOR USING THE EQUITY METHOD	50
8.3 - OTHER FINANCIAL ASSETS	52
8.4 - CASH AND CASH EQUIVALENTS AND NET CASH	54
8.5 - FINANCIAL DEBT	55
NOTE 9 - INFORMATION ON MARKET RISKS	56
9.1 - INFORMATION ON RISKS	56
9.2 - DERIVATIVES	59
NOTE 10 - SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE	59
10.1 - SHAREHOLDERS' EQUITY	59
10.2 - EARNINGS PER SHARE	60
NOTE 11 - PROVISIONS FOR DISPUTES	60
11.1 - PROVISIONS	60
11.2 - DISPUTES IN PROGRESS	61
NOTE 12 - EMPLOYEE EXPENSES AND BENEFITS	72
12.1 - SHARE-BASED PAYMENT TRANSACTIONS	72
NOTE 13 - TAXES	73
13.1 - ANALYSIS OF THE TAX EXPENSE	73
NOTE 14 - TRANSACTIONS WITH RELATED PARTIES	74
NOTE 15 - EVENTS AFTER THE REPORTING DATE	74

Bolloré SE is a European company governed by the provisions of Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company, the provisions of Council Directive 2001/86/EC of 8 October 2001, the provisions of the French Commercial Code on companies in general and European companies in particular. Its registered office is at Odet, 29500 Ergué-Gabéric. The administration department is at 31-32, quai de Dion-Bouton, 92811 Puteaux. The company is listed on the Paris stock exchange.

Bolloré SE is consolidated by Financière de l'Odet SE and Bolloré Participations SE.

The interim financial statements were approved by the Board of Directors at its meeting held on 30 July 2021.

Note 1 - Significant Events

Disposal of shares in Universal Music Group to strategic minority partners; proposed distribution of 60% of the share capital of Universal Music Group and listing

In addition to the information provided below, more detailed information is provided in notes 2 and 24 to the Vivendi Group's half-yearly financial statements at 30 June 2021.

Additional sale of 10% of the share capital of Universal Music Group to the consortium led by Tencent

On 6 August 2019, Vivendi announced that it entered into preliminary negotiations with Tencent Holdings Limited ("Tencent") in relation to a strategic investment of 10% of UMG's capital at an enterprise value of €30 billion for 100% of UMG, with Tencent also granted a one-year call option to acquire an additional 10% stake at the same price and under the same conditions. On 31 March 2020, Vivendi completed the sale of 10% of UMG's capital to the consortium led by Tencent, resulting in a cash inflow of €2,842 million.

On 29 January 2021, Vivendi completed the sale of an additional 10% of UMG's share capital to the consortium led by Tencent. This transaction resulted in an inflow of €2,847 million for Vivendi.

In accordance with IFRS, the disposal of an additional 10% of UMG's capital to the consortium led by Tencent on 29 January 2021 was recognised as a disposal without loss of control and therefore does not affect the consolidated results. In the Group's consolidated financial statements, under IFRS 10, the sale price of €2,847 million is recorded directly as an increase in shareholders' equity.

Proposed disposal of 10% of the share capital of Universal Music Group to the Pershing square investment funds

On 20 June 2021, Vivendi announced that it had signed an agreement with Pershing Square Tontine Holdings (PSTH) for the sale of 10% of UMG's share capital, based on an enterprise value of €35 billion for 100% of UMG. On 19 July 2021, Vivendi accepted Pershing Square Tontine Holdings Ltd. (PSTH)'s request that investment funds managed by William Ackman or in which he held significant economic interests ("Pershing Square investment funds") be substituted as the vehicles used to acquire the 10% stake in Universal Music Group (UMG) announced on 20 June 2021. The share of UMG's capital, which will ultimately be acquired by these funds, will be between 5% and 10%. If this share proves to be less than 10%, Vivendi still intends to sell the difference to other investors prior to the distribution of 60% of the capital of UMG to Vivendi's shareholders.

In the Group's consolidated financial statements, under IFRS 10, the sale price will be recorded directly as an increase in shareholders' equity.

Proposed distribution of 60% of the share capital of Universal Music Group by Vivendi and listing

On 13 February 2021, Vivendi announced that it was reviewing the plan to distribute 60% of UMG's share capital and float the company by the end of 2021. This distribution, exclusively in the form of a distribution in kind, would be an exceptional distribution. An application would be made to list the shares in UMG, issued by its holding company, on Euronext NV's regulated market on the Amsterdam stock exchange, in a country where one of the historical head offices of UMG was established.

As part of the internal reorganisation of UMG's shareholding structure prior to the proposed listing, on 26 February 2021, Vivendi and the consortium led by Tencent contributed their respective 80% and 20% shareholdings in UIM B.V. and UMG Inc. to a single holding company, UMG B.V., based on a contribution value of €33 billion for 100% of UMG.

On 29 March 2021, Vivendi's shareholders at an Extraordinary General Meeting approved an amendment to the company's Articles of Association with a 99.98% majority, allowing Vivendi to distribute dividends or interim dividends, reserves or premiums by way of the delivery of assets in kind, including in the form of financial securities, allowing this project to continue.

On 22 June 2021, Vivendi's shareholders at a General Meeting were consulted and issued a favourable opinion on the proposed special distribution in kind of 60% of the share capital of UMG to Vivendi's shareholders, and the listing of UMG N.V. on the Euronext stock exchange in Amsterdam. In this respect, Vivendi's Management Board proposed to distribute to its shareholders a special dividend in kind in respect of 2020 in the form of shares in UMG N.V. subject to the following two conditions:

- the AFM approves the admission prospectus and the shares in UMG N.V. are actually admitted to trading on the Euronext Amsterdam regulated market and, as a result,
- the Management Board resolves, provided that Vivendi SE's interim balance sheet at 30 June 2021 shows sufficient distributable profits, the amount of which are certified by the Statutory Auditors, to supplement the exceptional in special dividend in kind by an interim in special dividend in kind in respect of the 2021 financial year in the form of shares in UMG N.V.

The shareholders at the General Meeting approved, in principle, the proposed distribution of 60% of UMG's shares and the listing of UMG N.V. on the Euronext stock exchange in Amsterdam.

The total amount to be distributed is currently estimated at €19.8 billion, i.e. 60% of the value of UMG, based on an estimated valuation for 100% of the shares of €33 billion, calculated by experts as part of the incorporation of the holding company, UMG B.V., on 26 February 2021. The AFM is expected to approve the admission prospectus in mid-September 2021. The actual admission of the UMG shares to trading on the Euronext Amsterdam regulated market, if it occurs, and the actual distribution of 60% of the shares in UMG could therefore take place on 21 September 2021 and 23 September 2021, respectively.

Accounting treatment

Given the conditions precedent referred to above, the distribution liability will only be recognised once the conditions are satisfied, by a reduction in shareholders' equity.

In addition, pending the AFM's approval of the admission prospectus, the 60% shareholding in UGM cannot be considered, in its current state, to be available for distribution to shareholders and the Group therefore considers that the conditions for applying IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations) to the proposed exceptional distribution of the 60% shareholding in UMG are not met.

In light of the above considerations, the proposed special distribution in kind of the 60% shareholding in UMG has no impact on the balance sheet, income statement and consolidated cash flow statement for the first half of the year ended 30 June 2021.

Following the distribution of an exceptional dividend in the form of UMG shares, the Bolloré Group, which has a 29.5% shareholding in Vivendi excluding treasury shares at 30 June 2021, would, on this basis, receive 29.5% of the 60% of UMG shares distributed, or 17.7%, and would hold 29.5% of the 10% interest retained by Vivendi in UMG.

According to the information currently available, the Group expects that, on the date the distribution is made, it would lose control of UMG. This loss of control would be recognised in accordance with current accounting standards, including a revaluation through profit or loss of the interests in UMG that are sold and retained. The subsequent accounting consequences of the Group's residual holding in UMG are currently being reviewed.

Contribution of UMG to the Bolloré Group's consolidated financial statements

By way of information, UMG's contribution to the Group's income statement and cash flow statement is set out below for the various periods under review.

Contribution of UMG to the income statement

<i>(in € millions)</i>	Bolloré Group June 2021	<i>Of which UMG</i>	Bolloré Group June 2020 (1)	<i>Of which UMG</i>	Bolloré Group December 2020	<i>Of which UMG</i>
Revenue	12,785.8	3,827.0	11,612.4	3,455.1	24,109.4	7,422.1
External purchases and expenses	(8,666.2)	(2,450.5)	(7,777.1)	(2,230.5)	(16,030.3)	(4,724.8)
Payroll costs	(2,471.0)	(604.6)	(2,417.5)	(610.4)	(4,912.1)	(1,268.1)
Depreciation and provisions	(549.0)	(150.6)	(699.7)	(167.8)	(1,615.6)	(353.1)
Other operating income	89.3	32.9	109.9	39.9	247.5	73.3
Other operating expenses	(102.0)	(35.0)	(77.6)	(32.1)	(187.9)	(61.1)
Share of net income of operating companies accounted for using the equity method	29.4	(0.5)	3.9	(10.8)	38.8	(8.6)
Operating profit (loss)	1,116.2	618.7	754.3	443.4	1,649.9	1,079.7
Net financing expenses	(55.1)	(9.2)	(51.4)	(5.9)	(111.2)	(14.7)
Other financial income	468.4	101.4	713.8	452.5	1,185.0	604.2
Other financial expenses	(528.5)	(182.9)	(215.3)	(12.8)	(451.7)	(29.1)
Financial income	(115.3)	(90.7)	447.1	433.8	622.1	560.4
Share of net income of non-operating companies accounted for using the equity method	(24.4)	-	(90.5)	-	(32.0)	-
Corporate income tax	(325.3)	(127.8)	(352.6)	(195.3)	(677.2)	(376.3)
Consolidated net profit (loss)	651.3	400.2	758.3	681.9	1,562.9	1,263.8
Consolidated net profit (loss), Group share	219.2	96.6	174.4	173.5	425.6	322.8
Minority interests	432.1	303.6	583.9	508.4	1,137.2	941.0

(1) restated - See Note 4 - Comparability of accounts.

Contribution of UMG to changes in the consolidated cash position

<i>(in € millions)</i>	Bolloré Group June 2021	<i>Of which UMG</i>	Bolloré Group June 2020 (1)	<i>Of which UMG</i>	Bolloré Group December 2020	<i>Of which UMG</i>
Cash flow from operations						
Net profit (loss), Group share	219.2	96.6	174.4	173.5	425.6	322.8
Share of minority interests	432.1	303.6	583.9	508.4	1,137.2	941.0
Consolidated net profit (loss)	651.3	400.2	758.3	681.9	1,562.9	1,263.8
Income and expenses with no impact on cash	703.8	214.8	327.9	(206.2)	919.6	(142.6)
Other restatements	290.9	157.2	385.7	134.4	743.9	312.4
Dividends received	64.1	1.2	51.4	0.6	88.1	(252.7)
Corporate income tax paid	(242.4)	(118.1)	67.1	(63.9)	(237.6)	(206.5)
Content investments, net	(121.1)	(173.0)	(223.6)	(352.1)	(1,481.4)	(1,517.4)
Impact of changes in other working capital requirements	(359.4)	(172.5)	(199.3)	(119.1)	637.3	286.6
Net cash flow from operating activities	987.2	309.8	1,167.4	75.7	2,232.8	(256.4)
Investment flows						
Disbursements relating to acquisitions	(526.2)	(69.5)	(1,240.2)	(36.8)	(2,043.2)	(67.4)
Income from disposals	251.5	5.7	120.4	1.3	352.0	37.4
Impact of changes in scope on cash flow	(126.3)	77.0	75.0	(1.6)	(54.6)	(4.4)
Net cash flows from investments	(401.0)	13.2	(1,044.8)	(37.1)	(1,745.7)	(34.4)
Financing flows						
Disbursements	(3,370.8)	(557.8)	(2,857.4)	(45.3)	(4,957.0)	(115.2)
Income	3,568.6	676.7	3,388.4	130.8	3,876.9	472.0
Net interest paid on loans	(54.8)	(9.2)	(48.0)	(5.9)	(108.3)	(14.7)
Net interest paid on IFRS 16 leases	(40.4)	(8.2)	(48.9)	(9.4)	(87.8)	(18.2)
Net cash flows from financing activities	102.6	101.5	434.1	70.2	(1,276.2)	323.9
Impact of exchange rate fluctuations	20.3	7.4	(37.8)	(19.7)	(135.6)	(36.2)
Other	(0.7)	0.0	2.7	0.0	0.9	3.3
Change in cash position	708.5	431.9	521.6	89.1	(924.0)	0.2
Cash and cash equivalents at the beginning of the period	1,691.7	321.3	2,615.7	321.1	2,615.7	321.1
Cash and cash equivalents at the end of the period	2,400.2	753.2	3,137.3	410.2	1,691.7	321.3

(1) restated - See Note 4 - Comparability of accounts.

Vivendi Group share buyback programme

At 31 December 2020, a buyback commitment was recorded for €188.5 million, relating to share buybacks between 1 January 2021 and 12 February 2021. Between 5 January and 12 February 2021, Vivendi bought back 7,277,000 shares at an average price of €25.90 per share, for a total amount of €189 million.

On 22 June 2021, Vivendi SE's shareholders at a General Meeting passed the following two resolutions concerning share buybacks:

- the renewal of the authorisation granted to the Management Board to buy back shares at a maximum price of €29 per share, up to a limit of 10% of the share capital, and to cancel the acquired shares up to a maximum of 10% of the share capital;
- the authorisation given to the Management Board to make a Public Share Buyback Offer (OPRA) at a maximum price of €29 per share, up to a limit of 50% of the share capital. The shares acquired will be cancelled.

In addition, on 8 June 2021, Vivendi committed to not using the authorisations requested at the General Meeting of shareholders held on 22 June 2021 in accordance with resolutions 23 (OPRA) and 24 (authorization to increase the capital with preferential subscription rights) in the event of a public offer for the company's shares, as already provided for in resolution 26 (authorisation to increase share capital to pay for contributions in kind by third-party companies).

After that date, Vivendi's share price did not again fall below €26, the maximum purchase price.

Therefore, no additional shares were acquired as part of these buyback programmes.

Agreements with Fininvest and Mediaset

On 3 May 2021, Vivendi, Fininvest and Mediaset reached a comprehensive agreement ending their disputes by abandoning their disputes and claims.

Vivendi will support the international development of Mediaset by voting in favour of the transfer of Mediaset's head office to the Netherlands and in favour of the proposed resolutions on the elimination of the double voting mechanism. In addition, Vivendi and Mediaset have signed good neighbour agreements in free-to-air TV and have agreed a standstill for a period of 5 years.

On 23 June 2021, Fininvest proposed to Mediaset's shareholders at an Annual General Meeting the distribution to all shareholders of an exceptional dividend of €0.30 per share, to be paid on 21 July 2021, representing a total amount of €102 million for Vivendi. Vivendi and Fininvest had committed to voting in favour of this resolution.

Vivendi committed to gradually selling, on the market, the entire 19.19% stake in Mediaset held by Simon Fiduciaria SpA over a five-year period. Fininvest shall be entitled to purchase the shares that are not sold by Vivendi at the end of each 12-month period at a price established annually.

On 22 July 2021, Vivendi, Fininvest and Mediaset announced the finalisation of their global agreement of 3 May 2021 that they had entered into to end their disputes (see Note 11). They have abandoned all ongoing proceedings and claims.

In particular, Fininvest has acquired 5.0% of the Mediaset shares held directly by Vivendi at the price of €2.70 per share reflecting the ex-dividend date and the dividend payment date of 19 July and 21 July 2021, respectively. Vivendi will continue to hold 4.61% of the shares in Mediaset and will be free to retain or sell this stake at any time and at any price.

Note 2 - Impact of the Covid-19 health crisis

During the first half of 2021, the Group's activities showed good resilience, particularly in Transport, and at Vivendi in music and pay television. Given the good performance of the business lines, the Group did not identify any impairment losses in the first half of 2021. It still benefits from a high level of liquidity.

Nevertheless, the Group continues to assess on an ongoing basis the current and potential consequences of the health crisis, which are still temporarily weighing on certain activities due to the restrictive measures taken by governments to curb the epidemic, while remaining confident in its capacity for resilience and adaptation.

Note 3 - General accounting principles

The accounting principles and methods used to prepare the condensed half-yearly consolidated financial statements are identical to those used by the Group for the consolidated financial statements for the year ended 31 December 2020, prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union and described in note 3 – General accounting policies in the notes to the consolidated financial statements for the year ended 31 December 2020, subject to the following:

- application by the Group of the accounting standards or interpretations, set out below in 3.1.1 – IFRS standards, IFRIC interpretations and amendments applied by the Group from 1 January 2021;
- application of the specific provisions of IAS 34 (Interim Financial Reporting).

In accordance with IAS 34, these financial statements do not include all the notes required in the annual financial statements, but a selection of explanatory notes. They should be read in conjunction with the Group's financial statements for the year ended 31 December 2020.

3.1 - Changes to standards

3.1.1 - IFRS, IFRIC interpretations or amendments applied by the Group from 1 January 2021

Standards, amendments or interpretations	Dates of adoption by the European Union	Application dates according to the European Union: financial years beginning on or after:
Amendment to IFRS 16 on Covid-19-related rent concessions	31/03/2021	01/04/2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 as part of the phase 2 interest rate benchmark reform	13/01/2021	01/01/2021
Amendments to IFRS 4 (Insurance Contracts)	15/12/2020	01/01/2021

The application of these amendments had no material impact on the financial statements as at 30 June 2021.

3.1.2 - Accounting standards or interpretations that the Group will apply in the future

The IASB has published standards and interpretations that have not yet been adopted by the European Union as at 30 June 2021. To date, they are not applied by the Group.

Standards, amendments or interpretations	Dates of publication by the IASB	Application dates according to the IASB: financial years beginning on or after
Amendments to IAS 12 (Income Taxes)	07/05/2021	01/01/2023
Amendments to IAS 1 and IAS 8 (Definition of Material)	12/02/2021	01/01/2023
IFRS 17 (Insurance Contracts)	25/06/2020	01/01/2023
Amendments to IAS 1 (Presentation of Financial Statements)	23/01/2020 – 15/07/2020	01/01/2023

The Group is currently analysing the impact on the Group's financial statements of these standards.

The Group will also, in the second half of 2021, analyse the impact of the application of the final agenda decision of May 2021 relating to IAS 19 (Employee Benefits), concerning the allocation of post-employment benefits in vesting periods or periods of service, under certain defined benefit pension plans, the entitlements under which are conditional upon the recipient's continued employment on the date of retirement.

The IASB has published standards and interpretations, adopted by the European Union on 30 June 2021, with an application date later than 1 January 2021. These texts have not been applied early.

Standards, amendments or interpretations	Dates of adoption by the European Union	Application dates according to the European Union: financial years beginning on or after:
Amendments to IFRS 3 (Business Combinations), IAS 16 (Property, Plant and Equipment) and IAS 37 (Provisions, Contingent Liabilities and Contingent Assets)	28/06/2021	01/01/2022
Improvements to IFRS - 2018-2020 cycle	28/06/2021	01/01/2022

3.2 - Use of estimates

When preparing the consolidated financial statements in compliance with IAS 34, Management has had to use assumptions and estimates to implement accounting principles to measure these assets and liabilities as well as the income and expenses for the period presented.

Note 4 - Comparability of financial statements

Given the increasing importance of these assets in its financial statements, the Group has chosen to adopt the presentation adopted by its subsidiary, Vivendi, which isolates current/non-current content assets and their monetary variation on separate lines in the cash flow statement. These reclassifications were made in the financial statements at 30 June 2021, with the financial statements at 30 June 2020 being restated to ensure comparability, and all impacts are shown in the following tables.

A reconciliation with the presentation of Vivendi's financial statements also led to an expense of €101.3 million being reclassified in the income statement at 30 June 2020 from depreciation and provisions to other purchases and external expenses.

4.1 - Summary table showing changes in consolidated cash flow between published and restated figures

CHANGE IN CONSOLIDATED CASH FLOW FOR THE FIRST HALF OF 2020

<i>(in € millions)</i>	June 2020 (published)	Content assets	June 2020 (restated)
Cash flow from operations			
Net profit (loss), Group share	174.4		174.4
Share of minority interests	583.9		583.9
Consolidated net profit (loss)	758.3		758.3
Income and expenses with no impact on cash	381.9	(54.0)	327.9
Other restatements	385.7		385.7
Dividends received	51.4		51.4
Corporate income tax paid	67.1		67.1
Content investments, net	0.0	(223.6)	(223.6)
Impact of changes in other working capital requirements	(327.1)	127.8	(199.3)
Net cash flow from operating activities	1,317.2	(149.8)	1,167.4
Investment flows			
Disbursements relating to acquisitions	(1,390.0)	149.8	(1,240.2)
Income from disposals	120.4		120.4
Impact of changes in scope on cash flow	75.0		75.0
Net cash flows from investments	(1,194.6)	149.8	(1,044.8)
Net cash flows from financing activities	434.1	0.0	434.1
Impact of exchange rate fluctuations	(37.8)		(37.8)
Other	2.7		2.7
Change in cash position	521.6	0.0	521.6
Cash and cash equivalents at the beginning of the period	2,615.7		2,615.7
Cash and cash equivalents at the end of the period	3,137.3		3,137.3

Seasonality of activity

Revenue and operating results are seasonal in nature and are presented by comparison with the comparable period of six months in the previous full year.

In accordance with IFRS accounting principles, revenue is recognised on the same basis as at year-end.

Note 5 - Consolidation scope

5.1 - Main changes in consolidation scope

5.1.1 - Changes in consolidation scope in the first half of 2021

Initial consolidation in the Communications sector

Acquisitions made by the Vivendi group principally comprised Prisma Media, the leading magazine publishing group in France, in print and digital formats, with some 20 leading titles, which completed on 31 May 2021, Urban Myth at Groupe Canal+, a UK production company and acquisitions by Havas, which continued with its targeted acquisition policy and continued to grow in certain areas of expertise or in certain geographical areas. Acquisitions include Inbar Merhav G, an Israeli advertising agency specialising in marketing, consulting, creation (offline and digital) and media services, and BLKJ, Singapore-based creative agency.

Initial consolidation in the Bolloré Logistics sector

On 29 January 2021, Bolloré SE acquired 55.96% of Foresea Technologies (Ovrsea), with the remaining shares, excluding dilutive instruments, being owned by the five founding partners.

Overall effect of acquisitions over the period

The amount of provisional goodwill, including commitments to buy minority interests, in respect of the acquisitions made over the period, was €284.2 million and relates mainly to the Vivendi Group, primarily Prisma Media, Groupe Canal+ (Urban Myth) and Havas Group (Inbar and BLKJ). Work on measuring the fair value of assets and liabilities will be finalised within the one year period permitted under the standard.

5.1.2 - Changes in scope in the 2020 financial year**Initial consolidation in the Communications sector**

The acquisitions made by the Vivendi Group mainly comprised the acquisitions by Havas Group, which continued with its targeted acquisition policy and continued to grow in certain areas of expertise or in certain geographical areas. Its acquisitions included Gate One Ltd in the UK, a business transformation specialist, Shobiz, the leading Indian group in experiential marketing, Cicero, the leading public affairs and corporate communications consultancy, and Camp+ King, an independent creative agency.

Overall effect of acquisitions over the period

The amount of provisional goodwill, including commitments to buy minority interests, in respect of the acquisitions made over for the financial year, amounted to €67.8 million and relates mainly to the Vivendi Group, and primarily Havas Group in respect of Gate One. Work on measuring the fair value of assets and liabilities will be finalised within the one-year period permitted under the standard.

Deconsolidation from the Other sector

Loss of significant influence over Mediobanca observed in H2 2020. Mediobanca was deconsolidated on 28 October 2020, its shares being valued at the opening market price on 29 October 2020 of €5.98. On that date, the securities were recorded at their fair value, i.e. €297 million in non-consolidated securities.

5.1.3 - Change in percentage stake in Vivendi

Following the buyback of own shares by Vivendi SE, the Group's level of control over Vivendi SE stood at 29.47% at 30 June 2021 (excluding treasury shares). In view of its interest and other facts and circumstances, the Group considers that its level of control over Vivendi, which began on 25 April 2017, has been maintained.

5.2 - Commitments given in respect of corporate actions

This note should be read in conjunction with the information on commitments given and received at 31 December 2020, as described in Note 5.2 (Commitments given in respect of corporate actions) to the notes to the consolidated financial statements for the year ended 31 December 2020.

There were no significant changes at 30 June 2021 in respect of commitments given or received in relation to securities transactions required to be recorded in the financial statements at 30 June 2021.

Note 6 - Operating data**6.1 - Information on operating sectors****6.1.1 - Information by operating sector**

<i>(in € millions)</i>	Transport and Logistics	Oil logistics	Communication s	Electricity Storage and Systems	Other activities	Inter-sector eliminations	Consolidated total
In June 2021							
<i>Sales of goods</i>	8.9	1,126.0	4,235.1	143.8	2.0	0.0	5,515.6
<i>Supplies of services</i>	3,187.1	18.4	3,980.3	25.2	2.6	0.0	7,213.6
<i>Income from ancillary activities</i>	27.0	21.0	3.6	4.7	0.4	0.0	56.6
External revenue	3,223.0	1,165.3	8,219.0	173.6	5.0	0.0	12,785.8
Inter-sector revenue	23.1	0.8	2.3	7.3	28.7	(62.2)	0.0
Revenue	3,246.1	1,166.1	8,221.3	180.9	33.7	(62.2)	12,785.8
Net depreciation and provisions	(141.2)	(13.4)	(429.8)	41.5	(6.0)	0.0	(549.0)
Operating profit (loss) by sector ⁽¹⁾	312.3	23.1	858.0	(49.7)	(27.5)	0.0	1,116.2
Tangible and intangible capital expenditure	132.6	5.9	267.8	11.1	1.9	0.0	419.2
<i>of which rental investments</i>	36.7	1.0	55.9	0.1	0.1	0.0	93.8

<i>(in € millions)</i>	Transport and Logistics	Oil logistics	Communications	Electricity Storage and Systems	Other activities	Inter-sector eliminations	Consolidated total
In June 2020							
Sales of goods	11.9	1,009.8	3,746.0	98.0	8.9	0.0	4,874.6
Supplies of services	2,802.6	15.8	3,823.6	20.6	3.8	0.0	6,666.4
Income from ancillary activities	42.0	20.9	4.2	3.7	0.7	0.0	71.4
External revenue	2,856.5	1,046.4	7,573.8	122.3	13.3	0.0	11,612.4
Inter-sector revenue	16.5	0.7	1.9	5.3	29.3	(53.7)	0.0
Revenue	2,873.0	1,047.2	7,575.7	127.6	42.6	(53.7)	11,612.4
Net depreciation and provisions ⁽²⁾	(143.5)	(6.0)	(526.1)	(18.6)	(5.6)	0.0	(699.7)
Operating profit (loss) by sector ⁽¹⁾	267.7	35.3	540.9	(66.7)	(22.9)	0.0	754.3
Tangible and intangible capital expenditure ⁽²⁾	113.6	3.7	286.0	20.7	6.3	0.0	430.4
<i>of which rental investments</i>	<i>26.7</i>	<i>0.2</i>	<i>77.2</i>	<i>1.5</i>	<i>1.5</i>	<i>0.0</i>	<i>107.1</i>
In December 2020							
Sales of goods	24.1	1,809.3	8,189.4	225.7	16.6	0.0	10,265.1
Supplies of services	5,738.7	42.4	7,886.2	46.6	7.6	0.0	13,721.4
Income from ancillary activities	57.2	47.9	9.6	7.4	0.8	0.0	122.9
External revenue	5,819.9	1,899.6	16,085.2	279.7	25.0	0.0	24,109.4
Inter-sector revenue	35.8	1.5	4.7	12.4	62.4	(116.8)	0.0
Revenue	5,855.7	1,901.1	16,089.9	292.1	87.5	(116.8)	24,109.4
Net depreciation and provisions	(295.9)	(18.6)	(1,210.4)	(27.1)	(63.6)	0.0	(1,615.6)
Operating profit (loss) by sector ⁽¹⁾	551.2	55.8	1,233.6	(102.0)	(88.7)	0.0	1,649.9
Tangible and intangible capital expenditure	250.8	10.4	588.7	54.1	12.8	0.0	916.8
<i>of which rental investments</i>	<i>75.0</i>	<i>0.2</i>	<i>131.4</i>	<i>10.6</i>	<i>1.5</i>	<i>0.0</i>	<i>218.7</i>

(1) Before Bolloré trademark royalties.

(2) Restated - see Note 4 - Comparability of accounts.

6.1.2 - Information by geographic region

<i>(in € millions)</i>	France and overseas	Europe excluding	Africa	Americas	Asia-Pacific	Total
In June 2021						
Revenue	4,390.9	2,603.9	1,450.4	2,972.8	1,367.8	12,785.8
Tangible and intangible capital expenditure	150.8	62.3	65.2	72.6	68.3	419.2
In June 2020						
Revenue	4,016.2	2,332.1	1,349.6	2,677.8	1,236.7	11,612.4
Tangible and intangible capital expenditure ⁽¹⁾	192.2	53.4	49.8	85.4	49.6	430.4
In December 2020						
Revenue	8,172.2	5,035.2	2,752.0	5,613.4	2,536.6	24,109.4
Tangible and intangible capital expenditure	353.6	141.6	128.3	170.1	123.2	916.8

(1) Restated - see Note 4 - Comparability of accounts.

Revenue by geographical region shows the breakdown of income based on the country in which the sale is carried out.

6.2 - Main changes at constant scope and exchange rates

The table below shows the impact of changes in consolidation scope and exchange rates on the key figures, with the 2020 data being restated at the 2021 consolidation scope and exchange rates.

Where reference has been made to data at constant scope and exchange rates, this means that the impact of changes in the exchange rate and changes in scope (acquisitions or disposals of shareholdings in a company, changes in consolidation percentage and changes in consolidation method) have been restated.

<i>(in € millions)</i>	June 2021	June 2020	Changes in scope ⁽¹⁾	Exchange rate fluctuations ⁽²⁾	June 2020 at constant scope and exchange rates
Revenue	12,785.8	11,612.4	64.0	(340.2)	11,336.2
Operating profit (loss)	1,116.2	754.3	12.3	(32.8)	733.8

(1) changes in scope mainly concerned the impact of the sale of BluePointLondon Ltd at the end of 2020, the acquisition of Prisma Media by Vivendi on 31 May 2021 and the acquisition of Inbar and BLKJ by the Havas Group in the first half of 2021.

(2) Exchange rate fluctuations in respect of revenue and operating income are mainly linked to the strengthening of the euro against the US dollar.

6.3 - Operating profit (loss)

<i>(in € millions)</i>	June 2021	June 2020 (1)	December 2020
Revenue	12,785.8	11,612.4	24,109.4
External purchases and expenses:	(8,666.2)	(7,777.1)	(16,030.3)
- External purchases and expenses	(8,595.8)	(7,695.1)	(15,892.1)
- Leases and rental expenses ⁽²⁾	(70.5)	(82.0)	(138.2)
Payroll costs	(2,471.0)	(2,417.5)	(4,912.1)
Depreciation and provisions	(549.0)	(699.7)	(1,615.6)
Other operating income ^(*)	89.3	109.9	247.5
Other operating expenses ^(*)	(102.0)	(77.6)	(187.9)
Share in net income of operating companies accounted for using the equity method ⁽³⁾	29.4	3.9	38.8
Operating profit (loss)	1,116.2	754.3	1,649.9

(1) Restated - see Note 4 - Comparability of accounts.

(2) These are leases excluded from the scope of IFRS 16.

(3) See Note 8.2 - Securities accounted for using the equity method.

* Details of other operating income and expenses:

<i>(in € millions)</i>	June 2021			June 2020		
	Total	Operating income	Operating expenses	Total	Operating income	Operating expenses
Capital gains (losses) on disposals of fixed assets	(0.8)	9.5	(10.3)	(5.7)	4.3	(10.1)
Currency translation gains and losses net of hedging	(16.9)	41.4	(58.3)	11.4	58.2	(46.8)
Research tax credits	7.2	7.2	0.0	11.4	11.4	0.0
Other	(2.2)	31.2	(33.4)	15.3	36.1	(20.7)
Other operating income and expenses	(12.7)	89.3	(102.0)	32.3	109.9	(77.6)

	December 2020		
	Total	Operating income	Operating expenses
<i>(in € millions)</i>			
Capital gains (losses) on disposals of fixed assets	(10.0)	20.7	(30.7)
Currency translation gains and losses net of hedging	25.7	122.2	(96.5)
Research tax credits	19.7	19.7	0.0
Other	24.3	85.0	(60.7)
Other operating income and expenses	59.7	247.5	(187.9)

6.4 - Leases

6.4.1 - Expenses under lease liabilities

Expenses under lease liabilities, which fall within the scope of IFRS 16 (Leases), as recorded in the income statement, were €186.6 million in the first half of 2021 (€199.7 million at 30 June 2020).

6.4.2 - Lease-related right-of-use assets

At 30 June 2021, net total lease-related right-of-use assets stood at €1,519.9 million (€1,550.3 million at 31 December 2020) after deducting accumulated depreciation of €1,246.2 million at 30 June 2021 (€1,099.9 million at 31 December 2020). These right-of-use assets relate to real estate leases and concessions.

<i>(in € millions)</i>	30/06/2021			31/12/2020		
	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value
Right-of-use assets on concessions	362.0	(156.3)	205.7	357.4	(149.0)	208.4
Rights of use over PP&E	2,404.1	(1,089.9)	1,314.2	2,292.7	(950.9)	1,341.9
Total	2,766.1	(1,246.2)	1,519.9	2,650.2	(1,099.9)	1,550.3

Changes in right-of-use assets

Net values <i>(in € millions)</i>	At 31/12/2020	Gross acquisitions	Disposals NBV	Net allocations	Changes in scope	Exchange rate fluctuations	Other movements	At 30/06/2021
Right-of-use assets on concessions	208.4	2.8	0.0	(6.6)	0.0	1.2	(0.1)	205.7
Rights of use over PP&E	1,341.9	90.9	(3.2)	(139.4)	25.9	16.2	(18.1)	1,314.2
Net values	1,550.3	93.7	(3.2)	(146.0)	25.9	17.4	(18.2)	1,519.9

6.4.3 - Rental liabilities

Maturity of lease liabilities

The maturity of lease liabilities is based on assumptions made in connection with the first-time application of IFRS 16.

At 30 June 2021 <i>(in € millions)</i>				
	Total	Due within 1 year	1 to 5 years	More than 5 years
Liabilities under concession contracts	368.0	21.5	96.4	250.0
Liabilities under leases of PP&E	1,543.7	271.2	740.2	532.3
Total lease liabilities	1,911.7	292.7	836.6	782.3
At 31 December 2020 <i>(in € millions)</i>				
	Total	Due within 1 year	1 to 5 years	More than 5 years
Liabilities under concession contracts	408.4	19.5	99.6	289.3
Liabilities under leases of PP&E	1,536.3	271.0	735.8	529.4
Total lease liabilities	1,944.6	290.5	835.5	818.7

Note 7 - Fixed assets and concession contracts**7.1 - Goodwill****7.1.1 - Change in goodwill**

<i>(in € millions)</i>	
At 31 December 2020	16,057.5
Acquisition of controlling interests ⁽¹⁾	284.4
Sales	0.0
Impairment losses	0.0
Exchange rate fluctuations ⁽²⁾	77.9
Other	(5.3)
At 30 June 2021	16,414.5

(1) Mainly related to changes of control within the Vivendi Group - See Note 5 - Consolidation scope.

(2) Includes translation differences between the US dollar (USD) vs. the euro for the Vivendi Group (Universal Music Group).

7.1.2 - Breakdown by operating sector

<i>(in € millions)</i>	30/06/2021	31/12/2020
Communications	15,332.9	15,002.9
Transport and Logistics	939.7	913.4
Oil logistics	87.4	87.2
Electricity Storage and Systems	45.6	45.2
Other activities	8.8	8.8
Total	16,414.5	16,057.5

In accordance with IAS 36 "Impairment of Assets", goodwill is tested for impairment each year and where there is objective evidence of impairment.

At 30 June 2021, the Group reviewed items that could indicate a fall in the recoverable value of CGUs or CGU groups during the first half of 2021. In particular, the Group analysed the performance of CGUs and CGU groups against the estimates used at the end of 2020.

At 30 June 2021, Group Management concluded that there were no factors indicating a fall in the recoverable value of CGUs or CGU groups compared to the position at 31 December 2020. The Group will also carry out an annual review of the carrying amount of goodwill and other intangible assets in the fourth quarter of 2021.

7.2 - Assets and contractual content obligations

7.2.1 - Composition of content assets

(in € millions)	30/06/2021			31/12/2020		
	Gross value	Depreciation and impairment	Net value	Gross value	Depreciation and impairment	Net value
Musical rights and catalogues	13,271.3	(7,780.8)	5,490.5	13,177.0	(7,639.3)	5,537.7
Advances to artists and other musical rights holders	1,929.7	0.0	1,929.7	1,859.2	0.0	1,859.2
Merchandising contracts and services to artists	21.3	(21.3)	0.0	20.3	(20.3)	0.0
Cost of films and television programs	7,137.4	(6,595.1)	542.3	7,074.1	(6,488.2)	585.9
Sports event broadcasting rights	212.5	0.0	212.5	416.0	0.0	416.0
Editorial creations	938.5	(891.4)	47.1	902.4	(859.3)	43.1
Other	38.3	(25.2)	13.1	37.4	(23.8)	13.6
Total Content Assets	23,549.0	(15,313.8)	8,235.2	23,486.4	(15,030.9)	8,455.5
Deduction of current content assets	1,172.2	(17.0)	1,155.2	1,365.6	(19.7)	1,345.9
Total Non-current content assets	22,376.8	(15,296.8)	7,080.0	22,120.8	(15,011.2)	7,109.6

7.2.2 - Change in content assets

Net values (in € millions)	At 31/12/2020	Increases	Reductions	Net allocations	Changes in scope	Exchange rate and other fluctuations	At 30/06/2021
Content assets	8,455.5	1,396.3	(1,259.5)	(164.8)	0.0	(192.4)	8,235.2
Net values	8,455.5	1,396.3	(1,259.5)	(164.8)	0.0	(192.4)	8,235.2

7.2.3 - Contractual content obligations

Commitments given and recorded on the balance sheet: content liabilities

Content liabilities are primarily recorded as "operating and other liabilities" or "other non-current liabilities" depending on whether they are classified as current or non-current liabilities.

(in € millions)	30/06/2021	31/12/2020
Royalties to artists and other musical rights holders	2,379.0	2,315.0
Rights to broadcast films and programs	185.0	174.0
Sports event broadcasting rights ⁽¹⁾	59.0	275.0
Employment contracts, creative talents and others	458.0	535.0
Content liabilities	3,081.0	3,299.0

(1) The reduction in broadcasting rights for sports events recorded on the balance sheet corresponds mainly to the consumption of rights following the retransmission of the French League 1 Football Championship for the 2020/2021 season.

Off-balance sheet commitments in respect of content assets

Commitments given

<i>(in € millions)</i>	30/06/2021	31/12/2020
Rights to broadcast films and programs ⁽¹⁾	3,486.0	4,063.1
Sports event broadcasting rights ⁽²⁾	3,124.0	2,601.2
Employment contracts, creative talents and others	1,537.0	1,373.8
Commitments given in respect of content assets	8,147.0	8,038.1

(1) Provisions for rights to broadcast films and programs amounted to €37 million at 30 June 2021 (versus €52 million at 31 December 2020).

(2) This includes, inter alia, Groupe Canal+'s broadcasting rights for the following sports events:

At 30 June 2021:

- Lot 3 of the French League 1 Football Championship from 2021/2022 to 2023/2024 under the sub-licensing agreement signed with beIN Sports on 12 February 2020. Canal+ has terminated the sub-licensing agreement, and this broadcasting right is the subject of a dispute (see Note 11.2 - Disputes in progress);
- Exclusive Champions League rights for the two premium lots for three seasons, from 2021/2022 to 2023/2024;
- English Premier League in France and Poland for the 2021/2022 season. On 8 July 2021, Canal+ also announced the extension of this agreement in France for 3 additional seasons, from 2022/2023 to 2024/2025;
- French rugby championship (Top 14) on an exclusive basis until the end of the 2022/2023 season. On 3 March 2021, Canal+ announced the extension of this agreement for four seasons, until the end of the 2026/2027 season;
- Formula 1, Formula 2 and GP3 on an exclusive basis for the 2022 season;
- MotoGP™, Moto2 and Moto3 for the 2022 and 2023 seasons.

These commitments will be recognized on the balance sheet at the opening of the broadcasting window for each season or as soon as the first significant payment is made.

At 31 December 2020:

- Lot 3 of the French League 1 Football Championship for three seasons from 2021/2022 to 2023/2024 under the agreement signed with beIN Sports on 12 February 2020;
- Exclusive Champions League rights for the two premium lots for three seasons, from 2021/2022 to 2023/2024, won on 29 November 2019;
- English Premier League in France and Poland for the 2021/2022 season;
- French rugby championship (Top 14) on an exclusive basis for the two seasons 2021/2022 to 2022/2023;
- Formula 1, Formula 2 and GP3: on 21 January 2020, Groupe Canal+ announced the extension of the exclusive broadcasting agreement for the full 2021 and 2022 seasons;
- MotoGP™, Moto2 and Moto3 for the 2021 to 2023 seasons.

Groupe Canal+ and beIN Sports have also entered into an exclusive broadcasting and sub-licensing agreement for the French League 1 Football Championship. The exclusive agreement is valid for a renewable five-year period. By way of reminder, at 31 December 2018, Groupe Canal+ held broadcasting rights for the 2019/2020 season for the two premium lots (€549 million).

Commitments received

<i>(in € millions)</i>	30/06/2021	31/12/2020
Rights to broadcast films and programs	152.0	176.0
Sports event broadcasting rights	446.0	52.0
Employment contracts, creative talents and others	non-quantifiable	
Other	5.0	7.0
Commitments received in respect of content assets	603.0	235.0

7.3 - Other intangible assets

7.3.1 - Composition

(in € millions)	30/06/2021			31/12/2020		
	Gross value	Depreciation and impairment	Net value	Gross value	Depreciation and impairment	Net value
Trademarks, brand names ⁽¹⁾	2,331.1	(74.1)	2,257.0	2,331.5	(73.7)	2,257.8
Customer relations	1,784.5	(752.1)	1,032.4	1,785.2	(681.1)	1,104.1
Intangible assets under concessions ⁽²⁾	908.0	(228.3)	679.7	900.5	(213.7)	686.9
Operating rights, patents, development costs	1,250.4	(922.9)	327.5	1,196.5	(891.7)	304.8
Right-of-use over intangible assets ⁽³⁾	362.0	(156.3)	205.7	357.4	(149.0)	208.4
Other	956.2	(574.1)	382.1	871.5	(512.9)	358.6
Total	7,592.2	(2,707.8)	4,884.4	7,442.7	(2,522.0)	4,920.7

(1) Principally comprise the trademarks identified for Groupe Canal+ when the Group acquired control of Vivendi, the value of which is tested annually at the time the value of the CGUs is reviewed.

(2) Classification, in accordance with IFRIC 12, of infrastructure reverting to the licensor at the end of the contract as intangible assets from concessions, in respect of concessions recognised in accordance with this interpretation.

(3) see Note 6.4 - Leases.

7.3.2 - Change in net position in the first half of 2021

Net values (in € millions)	At 31/12/2020	Gross acquisitions	Disposals NBV	Net allocation s	Changes in scope	Exchange rate fluctuations	Other movements	At 30/06/2021
Trademarks, brand names	2,257.8	0.1	(0.5)	0.0	0.0	(0.7)	0.3	2,257.0
Customer relations	1,104.1	0.0	0.0	(71.9)	0.0	(2.2)	2.4	1,032.4
Intangible assets under concessions	686.9	1.0	0.0	(12.6)	0.0	4.1	0.3	679.7
Operating rights, patents, development costs	304.8	11.0	(0.1)	(41.0)	6.3	0.5	45.9	327.5
Right-of-use over intangible assets ⁽¹⁾	208.4	2.8	0.0	(6.6)	0.0	1.2	(0.1)	205.7
Other	358.6	80.2	(1.6)	(37.1)	15.2	0.6	(34.0)	382.1
Net values	4,920.7	95.1	(2.2)	(169.2)	21.5	3.5	14.8	4,884.4

(1) see Note 6.4 - Leases.

7.4 - Property, plant and equipment

7.4.1 - Composition

(in € millions)	30/06/2021			31/12/2020		
	Gross value	Depreciation and impairment	Net value	Gross value	Depreciation and impairment	Net value
Land and fixtures	232.5	(16.0)	216.4	227.0	(15.2)	211.9
Buildings and fittings	2,071.8	(1,058.9)	1,012.9	1,970.6	(990.9)	979.7
Plant, equipment	3,561.5	(2,674.9)	886.6	3,711.5	(2,807.8)	903.7
Rights of use over PP&E ⁽¹⁾	2,404.1	(1,089.9)	1,314.2	2,292.7	(950.9)	1,341.9
Other ⁽²⁾	1,838.8	(1,224.2)	614.6	1,765.2	(1,138.3)	626.9
Total	10,108.6	(6,063.9)	4,044.7	9,967.1	(5,903.1)	4,064.0

(1) see Note 6.4 - Leases.

(2) Of which fixed assets in progress.

7.4.2 - Change in net position in the first half of 2021

Net values (in € millions)	At 31/12/2020	Gross acquisitions	Disposal s NBV	Net allocation s	Changes in scope	Exchange rate fluctuations	Other movements	At 30/06/2021
Land and fixtures	211.9	1.8	(1.2)	(0.9)	0.7	1.1	3.1	216.4
Buildings and fittings	979.7	39.1	(1.0)	(47.7)	0.0	8.8	34.0	1,012.9
Plant, equipment	903.7	76.3	(3.5)	(48.1)	0.2	0.0	(42.1)	886.6
Rights of use over PP&E ⁽¹⁾	1,341.9	90.9	(3.2)	(139.4)	25.9	16.2	(18.3)	1,314.2
Other ⁽²⁾	626.9	116.0	(2.6)	(69.5)	5.7	10.8	(72.5)	614.6
Net values	4,064.0	324.1	(11.5)	(305.6)	32.5	36.9	(95.8)	4,044.7

(1) see Note 6.4 - Leases

(2) Of which fixed assets in progress.

Investments are described in detail by operating sector in Note 6.1 - Information on operating sectors.

7.5 - Concession contracts**7.5.1 - Information about concessions**

This note should be read in conjunction with the information on concession contracts at 31 December 2020, as described in Note 7.5. (Concession contracts) of the notes to the consolidated financial statements for the year ended 31 December 2020.

There were no material changes to concession contracts in the first half of 2021.

7.5.2 - Commitments given in respect of concessions

This note should be read in conjunction with the information on commitments given and received at 31 December 2020, as described in Note 7.5.3 (Commitments given in respect of concessions) of the notes to the consolidated financial statements for the year ended 31 December 2020.

In the first half of 2021, the Group did not enter into any significant new commitments.

Note 8 - Financial structure and financial costs**8.1 - Financial income**

(in € millions)	June 2021	June 2020	December 2020
Net financing expenses	(55.1)	(51.4)	(111.2)
- Interest expense	(68.2)	(71.4)	(150.3)
- Income from financial receivables	14.2	19.3	40.2
- Other income	(1.1)	0.7	(1.0)
Other financial income ^(*)	468.4	713.8	1,185.0
Other financial expenses ^(*)	(528.5)	(215.3)	(451.7)
Financial income	(115.3)	447.1	622.1

* Details of other operating income and expenses:

(in € millions)	June 2021			June 2020		
	Total	Financial income	Financial expenses	Total	Financial income	Financial expenses
Income from stocks and marketable securities ⁽¹⁾	124.7	124.7	0.0	16.5	16.5	0.0
Disposal of equity investments and short-term investment securities	0.0	188.3	(188.3)	0.0	0.1	(0.1)
Impact of changes in consolidation scope ⁽²⁾	77.9	102.2	(24.3)	0.9	91.7	(90.8)
Changes in financial provisions	(36.0)	7.5	(43.4)	(7.4)	3.5	(10.9)
Fair value of financial assets ⁽³⁾	(175.1)	5.0	(180.1)	548.5	559.5	(11.0)
Interest expense on lease liabilities	(40.4)	0.0	(40.4)	(46.6)	0.0	(46.6)
Other ⁽⁴⁾	(11.2)	40.7	(52.0)	(13.4)	42.5	(55.9)
Other financial income and expenses	(60.1)	468.4	(528.5)	498.5	713.8	(215.3)

(1) Includes in June 2021, dividends to be received by Vivendi from Mediaset for €102.1 million (see Note 1 - Significant events).

(2) Includes in June 2021, the capital gain on the disposal of Alamo Records LLC shares by Universal Music Group for €100 million and included in June 2020, the disposal of 10 million shares in Mediobanca.

(3) Includes the revaluation of investments in Spotify and Tencent for a net amount of -€169.6 million in the first half of 2021 (versus €449 million in the first half of 2020) and included in June 2020 the impact of the change in the fair value of the forward sales over Mediobanca shares for €109 million.

(4) Other financial income and expenses include foreign exchange gains and losses net of hedging on financial items in the amount of -€4.6 million versus -€3.8 million at 30 June 2020.

(in € millions)	December 2020		
	Total	Financial income	Financial expenses
Income from securities and short-term securities	33.7	33.7	0.0
Disposal of equity investments and short-term investment securities	0.0	0.3	(0.3)
Impact of changes in consolidation scope ⁽¹⁾	142.6	340.1	(197.5)
Changes in financial provisions	(18.8)	8.8	(27.5)
Fair value of financial assets ⁽²⁾	692.0	693.9	(1.9)
Interest expense on lease liabilities	(87.7)	0.0	(87.7)
Other ⁽³⁾	(28.5)	108.2	(136.7)
Other financial income and expenses	733.3	1,185.0	(451.7)

(1) Including, at 31 December 2020, the impact of the disposal of Mediobanca shares in the first half of the year and the deconsolidation of Mediobanca during the second half of the year, as well as the earn-out for Vivendi on the GVT shares for €55.6 million.

(2) Including the revaluation between 1 January and 31 December 2020, of the stake in Spotify and Tencent for a net amount of €590.7 million and securities under arbitrage arrangements and forward sales over Mediobanca shares for a total amount of €104.3 million.

(3) Other financial income and expenses included foreign exchange gains and losses net of hedging on financial items in the amount of -€44.6 million.

8.2 - Securities accounted for using the equity method

(in € millions)	
At 31 December 2020	4,084.3
Change in consolidation scope	23.0
Share of profit (loss) of operating companies accounted for using the equity method	29.4
Share of profit (loss) of non-operating companies accounted for using the equity method	(24.4)
Other movements ⁽¹⁾	(147.5)
At 30 June 2021	3,964.8

(1) Principally including recyclable or non-recyclable changes in fair value and transactions with minority interest-holders.

Consolidated value of the main companies accounted for using the equity method

The information presented has been categorized into operating sectors.

At 30 June 2021	Share of profit (loss) of operating companies accounted for using the equity method	Share of profit (loss) of non-operating companies accounted for using the equity method	Value under the equity method
<i>(in € millions)</i>			
Entities subject to significant influence			
Entities accounted for using the equity method at Vivendi (*)	2.6	(38.2)	3,433.0
Telecom Italia		(38.2)	2,911.2
Other (1)	2.6		521.8
Other	2.2	13.8	278.4
Sub-total entities subject to significant influence	4.8	(24.4)	3,711.4
Partnerships	24.6	0.0	253.4
TOTAL	29.4	(24.4)	3,964.8

(1) Including Banijay Group Holding with a value of €220 million using the equity method.

At 31 December 2020	Share of profit (loss) of operating companies accounted for using the equity method	Share of profit (loss) of non-operating companies accounted for using the equity method	Value under the equity method
<i>(in € millions)</i>			
Entities subject to significant influence			
Entities accounted for using the equity method at Vivendi (*)	(18.0)	125.9	3,589.2
Telecom Italia		125.9	3,068.8
Other (1)	(18.0)		520.4
Mediobanca (**)		(172.3)	0.0
Other	4.0	14.4	264.4
Sub-total entities subject to significant influence	(14.0)	(32.0)	3,853.6
Partnerships	52.9	0.0	230.7
TOTAL	38.8	(32.0)	4,084.3

(1) Including Banijay Group Holding with a value of €238 million using the equity method.

(*) Entities accounted for using the equity method at Vivendi**Telecom Italia**

At 30 June 2021, unchanged from 31 December 2020, the Group held, through Vivendi, 3,640 million ordinary shares in Telecom Italia, representing 23.75% of the voting rights and 17.04% of the total share capital of Telecom Italia, taking into account non-voting preferred shares.

At 30 June 2021, the Group considered that it still had the power to participate in Telecom Italia's financial and operating policy decisions, particularly in view of the 23.75% voting rights it held, and therefore considered that it exercised significant influence over Telecom Italia.

Value of shareholding in Telecom Italia at 30 June 2021

At 30 June 2021, the value of Telecom Italia shares accounted for using the equity method was €2,911.2 million after taking into account the share of profit (loss) for the period and the share of expenses and income recognized directly in equity. At that date, the market value of the shareholding stood at €1,525 million, based on a stock market price of €0.419 per ordinary share.

For the record, the value of the Telecom Italia shares in the Group's financial statements was measured at fair value at the time Vivendi took control on 26 April 2017, in accordance with the standards in force, at a value that was lower than the average price at which Vivendi purchased the shares.

At 30 June 2021, Vivendi satisfied itself that there was no evidence that its holding in Telecom Italia had fallen in value in the first half of 2021. The Group concluded that there was no evidence that the value of its shareholding had fallen from the value at 31 December 2020.

The Group will review the value of its holding in Telecom Italia during the fourth quarter of 2021.

Financial information based on 100% ownership of Telecom Italia used in the preparation of the Group's financial statements.

The main aggregates in the consolidated financial statements, as published by Telecom Italia, are as follows:

(in € millions)	Quarterly financial statements at 31 March 2021		Annual financial statements at 31 December 2020
	Date of publication by Telecom Italia: 20 May 2021		24 February 2021
Non-current assets	61,667		62,422
Current assets	12,059		10,791
Total assets	73,726		73,213
Shareholders' equity	29,822		28,840
Non-current liabilities	30,876		33,227
Current liabilities	13,028		11,146
Total equity and liabilities	73,726		73,213
of which net financial debt ⁽¹⁾	21,672		23,714
Revenue	3,752		15,805
EBITDA ⁽¹⁾	1,177		6,739
Net profit (loss), Group share	(216)		7,224
Overall profit (loss), Group share	(423)		6,199

(1) Measures that are not strictly accounting measures, as published by Telecom Italia (Alternative Performance Measures).

Share of profit (loss)

Vivendi relies on Telecom Italia's public financial information to account for its shareholding in Telecom Italia using the equity method. Given the respective dates of publication of the financial statements of the Group and Telecom Italia, Vivendi always recognizes its share in the net income of Telecom Italia with a lag of one quarter. Thus, over the first half of 2021, Vivendi's results include its share of the net income of Telecom Italia for the fourth quarter of 2020 and the first quarter of 2021 in the total amount of -€38 million. These amounts are carried in the financial statements of the Bolloré Group.

At 31 December 2020, under legislative decree no. 104/2020 (Art. 110, subsections 8 and 8a), Telecom Italia benefited from the option to reassess the tax value of its assets by aligning it with their carrying value. Consequently, from the 2021 financial year onwards, Telecom Italia is able to generate a tax savings linked to the depreciation of the revalued tax value in the net amount of €5,877 million, which can be depreciated over an 18-year period. Accordingly, the current tax savings expected by Telecom Italia amounts to €326 million per year, of which Vivendi's share is €56 million per year. In accordance with the Group's accounting policies and due to a three-month reporting lag in the recognition of Vivendi's share of Telecom Italia's net earnings, Vivendi has, at 30 June 2021:

- in respect of the first quarter of 2021, reversed its share of deferred taxable income recognized by Telecom Italia in the fourth quarter of 2020 (€1,009 million);
- in respect of the second quarter of 2021, included its share (€14 million) of Telecom Italia's current tax savings relating to the first quarter of 2021.

() Mediobanca**

Mediobanca is a listed company that prepares financial statements in accordance with IFRS.

At a General Meeting held on 28 October 2020, its shareholders approved the new composition of the Board of Mediobanca, which now only includes one representative originally proposed by Financière du Perquet out of 15 members. In view of the fall in Financière du Perquet's shareholding in Mediobanca, the Group considered that the significant influence conditions were no longer met on that date, and recognized the loss of significant influence in accordance with the standards in force in 2020.

The residual stake in Mediobanca has been valued in accordance with IFRS 9 since the date on which significant influence was lost. (See Note 8.3 - Other financial assets).

8.3 - Other financial assets

At 30 June 2021 (in € millions)	Gross value	Provisions	Net value ⁽¹⁾	of which non-current	of which current
Financial assets at fair value through equity			8,795.3	8,794.7	0.6
Financial assets at fair value through profit or loss			1,792.3	1,707.7	84.6
Financial assets at amortized cost	529.6	(191.8)	337.8	281.7	56.1
Total			10,925.4	10,784.1	141.3

(1) Other net financial assets include listed and unlisted equity investments of €10,463.2 million, derivative assets of €6.3 million, cash management assets of €83.8 million and financial assets at amortized cost of €337.8 million.

At 31 December 2020 (in € millions)	Gross value	Provisions	Net value ⁽¹⁾	of which non-current	of which current
Financial assets at fair value through equity			6,409.6	6,409.6	
Assets at fair value through profit or loss			2,188.1	1,948.0	240.1
Financial assets at amortized cost	506.2	(189.7)	316.5	292.5	24.0
Total			8,914.2	8,650.1	264.1

(1) Other net financial assets include listed and unlisted equity investments of €8,463.7 million, derivative assets of €45.5 million, cash management assets of €50.1 million and financial assets at amortized cost of €316.5 million.

*Details of changes over the period

(in € millions)	At 31/12/2020 Net value	Changes in scope	Acquisitions ⁽¹⁾	Sales ⁽²⁾	Changes in fair value ⁽³⁾	Other movements	At 30/06/2021 Net value
Financial assets at fair value through equity	6,409.6	(3.7)	69.7	(2.0)	2,331.2	(9.5)	8,795.3
Financial assets at fair value through profit or loss	2,188.1	0.0	35.3	(189.5)	(176.0)	(65.6)	1,792.3
Financial assets at amortized cost	316.5	1.5	79.0	(67.3)	0.0	8.1	337.8
Total	8,914.2	(2.2)	184.0	(258.9)	2,155.2	(67.0)	10,925.4

(1) As at 30 June 2021, Vivendi acquired listed equity investments for €68.3 million, including a 9.9% stake in PRISA for €66.7 million and 91,000 Lagardère shares for €1.6 million (see below).

(2) The disposal of financial assets at fair value through profit or loss relates essentially to the sale of arbitrated Mediobanca shares for -€192 million.

(3) The change in fair value of financial assets through equity includes €1,076.7 million in respect of the Group's controlling interests, €899 million relating to Compagnie de l'Odette; €305.6 million relating to Mediaset; €43.4 million relating to Mediobanca; €41 million relating to Telefonica and €-28.7 million relating to MultiChoice. The fair value of financial assets through profit or loss mainly comprises the holdings in Spotify and Tencent Music for a net amount of -€169.6 million.

Listed and unlisted securities portfolio

Details of principal securities:

(in € millions)	At 30/06/2021		At 31/12/2020	
	Percentage holding	Net value value	Percentage holding	Net value value
Companies				
Compagnie de l'Odette ⁽¹⁾	35.55	2,739.1	35.55	1,840.1
Spotify	3.35	1,474.0	3.37	1,669.0
Mediaset ⁽²⁾	28.80	1,015.4	28.80	709.8
Lagardère ⁽³⁾	27.20	799.9	29.21	784.3
MultiChoice	12.00	366.4	12.00	395.0
Mediobanca	2.12	184.9	4.35	290.8
Tencent Music Entertainment	0.73	156.0	0.74	193.0
Other listed securities		375.1		285.6
Sub-total listed securities		7,110.8		6,167.6
Sofibol	48.95	1,812.5	48.95	1,207.8
Financière V	49.69	941.8	49.69	628.2
Omnium Bolloré	49.84	475.6	49.84	317.3
Other unlisted securities		122.5		142.9
Sub-total unlisted securities		3,352.4		2,296.1
Total		10,463.2		8,463.7

(1) At 30 June 2021, Compagnie de l'Odette's consolidated shareholders' equity was €28,139.8 million and consolidated net profit was of €627.9 million.

(2) On 3 May 2021, as part of the comprehensive agreement ending their disputes, Vivendi agreed to sell Fininvest a 5.0% shareholding in Mediaset that it held directly, at the price of €2.70 per share (after paying a dividend of €0.30 per share on 21 July 2021). On 22 July 2021, Fininvest acquired 5.0% of Mediaset's share capital from Vivendi at the price of €2.70 per share.

(3) The General Meeting of the general and limited partners of Lagardère SCA, held on 30 June 2021, approved the conversion of the company into a French *société anonyme* (public limited company) with a Board of Directors and the appointment of new members to Lagardère SA's Board of Directors, including Arnaud de Puyfontaine, Chairman of Vivendi's Management Board At 30 June 2021, Vivendi held 27.20 % of the share capital and 21.65 % of the exercisable voting rights in Lagardère SA. During the second half of 2021, Vivendi will review the status of its interest in Lagardère SA in light of the requirements of IAS 28 (Investments in Associates and Joint Ventures), pursuant to which the exercise of a significant influence by an investor is notably evidenced by representation on the Board of Directors and participation in the policy-making process, including participation in decisions on dividends and other distributions.

Listed securities are valued at their stock market price (see note 9.1 – Information on risks). Unlisted securities mainly comprise the Group's shareholdings in Omnium Bolloré, Sofibol and Financière V, all intermediate holding companies controlled by the Group.

- Sofibol, Financière V, Omnium Bolloré

The Bolloré Group directly and indirectly owns shares in Sofibol, Financière V and Omnium Bolloré, intermediate holding companies controlled by the Group.

* Sofibol, controlled by Bolloré Participations SE (Bolloré family), is 51.05% owned by Financière V, 35.93% owned by Bolloré SE and 13.01% owned by Compagnie Saint-Gabriel, itself a 99.99% subsidiary of Bolloré SE.

* Financière V, controlled by Bolloré Participations SE (Bolloré family), is 50.31% owned by Omnium Bolloré, 22.81% owned by Compagnie du Cambodge, 10.50% owned by Financière Moncey, 10.25% owned by Bolloré SE, 4% owned by Société Industrielle et Financière de l'Artois, 1.68% owned by Compagnie des Tramways de Rouen and 0.45% owned by Société des Chemins de Fer et Tramways du Var et du Gard.

* Omnium Bolloré, controlled by Bolloré Participations SE (Bolloré family), is 50.04% owned by Bolloré Participations SE, 27.92% owned by African Investment Company (controlled by Bolloré SE), 17.10% owned by Financière Moncey, 4.82% owned by Bolloré SE and 0.11% owned by Vincent Bolloré.

- - Despite its shareholding in Compagnie de l'Odé (35.55%), Sofibol (48.95%), Financière V (49.69%) and Omnium Bolloré (49.84%), the Bolloré Group does not exert significant influence over them, since the shares have no voting rights attached, due to the direct and indirect control these companies have over the Bolloré Group.

The valuation of these securities is based on the stock market price of Compagnie l'Odé securities and includes a discount reflecting the limited liquidity of these securities, using a valuation model called the "Protective Put" (Chaffe model). This valuation resulted in the recognition of a discount of 14.0% as at 30 June 2021.

All listed securities are classified in level 1 of the IFRS 13 fair value hierarchy. Unlisted securities valued at fair value are classified in level 2 or 3.

The partnership agreement entered into by Vivendi and Mediaset on 8 April 2016 is the subject of litigation. On 9 April 2018, in accordance with the undertakings made to AGCOM (the Italian communications regulatory authority), fraction of its voting rights in excess of 10% to an independent Italian trust company. See note 11.2 – Litigation in progress.

8.4 - Cash and cash equivalents and net cash

(in € millions)	At 30/06/2021			At 31/12/2020		
	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Cash flow	2,062.7	0.0	2,062.7	1,642.6	0.0	1,642.6
Cash equivalents	727.9	0.0	727.9	576.9	0.0	576.9
Cash and cash equivalents	2,790.5	0.0	2,790.5	2,219.5	0.0	2,219.5
Cash management agreements - liabilities ⁽¹⁾	(151.6)	0.0	(151.6)	(316.2)	0.0	(316.2)
Current bank loans	(238.8)	0.0	(238.8)	(211.6)	0.0	(211.6)
Net cash	2,400.2	0.0	2,400.2	1,691.7	0.0	1,691.7

(1) The cash management agreements included in the consolidated balance sheet are those between companies that have shared ownership links but where one of them is not included within the Group's consolidation scope but within a wider scope.

The shared financial interests of these companies have led them to examine ways of enabling them to improve the terms under which they meet their cash requirements or use their surpluses so as to optimize their cash flows.

These current cash transactions, conducted under market conditions, are by nature backup loans.

Net cash includes cash and cash equivalents of Vivendi in the amount of €1,590 million at 30 June 2021 (notably including term deposits and interest-bearing current accounts in the amount of €878 million).

Cash and cash equivalents are classified in level 1 in the IFRS 13 fair value hierarchy except for term deposits maturing in less than three months, which are classified in level 2 (no change compared with 31 December 2020).

8.5 - Financial debt

8.5.1 - Net financial debt

<i>(in € millions)</i>	At 30/06/2021	of which current	of which non-current	At 31/12/2020	of which current	of which non-current
Bond issues	5,016.8	1,680.0	3,336.8	6,013.0	1,479.9	4,533.1
Loans from credit institutions	4,298.7	1,838.8	2,460.0	4,828.9	1,811.0	3,017.8
Other loans and similar liabilities	404.1	390.9	13.1	556.2	543.8	12.5
Derivative liabilities ⁽¹⁾	5.9	0.0	5.9	7.2	0.0	7.2
Gross financial debt	9,725.5	3,909.7	5,815.8	11,405.3	3,834.7	7,570.6
Cash and cash equivalents ⁽²⁾	(2,790.5)	(2,790.5)	0.0	(2,219.5)	(2,219.5)	0.0
Cash management financial assets ⁽³⁾	(83.8)	(83.8)	0.0	(50.1)	(50.1)	0.0
Derivative assets ⁽¹⁾	0.0	0.0	0.0	0.0	0.0	0.0
Net financial debt	6,851.2	1,035.4	5,815.8	9,135.7	1,565.1	7,570.6

(1) See section "Net debt derivative assets and liabilities" below.

(2) See 8.4 – Cash and cash equivalents and net cash.

(3) Cash management financial assets are short-term investments that do not satisfy the criteria of IAS 7, as well as money market funds that do not comply with the conditions of the decision issued by the ANC and the AMF in November 2018. At 30 June 2021, they accounted for €84 million of Vivendi's financial assets, and mostly comprised fixed-term deposits (compared with €50 million at 31 December 2020).

Main features of financial debt items

Liabilities at amortised cost

Bond issues

<i>(in € millions)</i>	30/06/2021	31/12/2020
Bonds issued by Bolloré ⁽¹⁾	965.8	963.7
Bonds issued by Vivendi ⁽²⁾	4,051.0	5,049.3
Bond issues	5,016.8	6,013.0

(1) Issued by Bolloré SE:

On 25 January 2017, Bolloré issued a bond with a nominal value of €500 million, maturing in 2022, with an annual coupon of 2.00%.

On 29 July 2015, Bolloré issued a bond with a nominal value of €450 million, maturing in July 2021, with an annual coupon of 2.875%.

The accrued interest on these bonds totaled €21.1 million at 30 June 2021.

(2) Issued by Vivendi SE:

In June 2019, Vivendi issued a bond with a nominal value of €2,100 million, consisting of three tranches of 700 million euros each, maturing in 2022, 2025 and 2028, with annual coupons of 0.000%, 0.625% and 1.125% respectively.

In September 2017, Vivendi issued a bond with a nominal value of €850 million, maturing in September 2024, with an annual coupon of 0.875%.

In November 2016, Vivendi issued a bond with a total nominal value of €600 million, maturing in November 2023, with an annual coupon of 1.125%.

In May 2016, Vivendi issued a bond with a nominal value of €500 million, maturing in May 2026, with an annual coupon of 1.875%.

In May 2016, Vivendi issued a bond with a nominal value of €1,000 million, maturing in May 2021, with an annual coupon of 0.75%. This bond was fully repaid in advance on 26 April 2021.

Accrued interest on the bonds issued by the Vivendi group stood at €15.4 million euros at 30 June 2021.

Loans from credit institutions

<i>(in € millions)</i>	30/06/2021	31/12/2020
Loans from credit institutions *	4,298.7	4,828.9

* Including €400.0 million at 30 June 2021 and 31 December 2020 under a variable rate loan agreement maturing in 2023. This loan is the subject of an interest rate swap under which the initial interest payments are swapped for fixed rate payments, categorized as a hedge.

* Including €141.4 million at 30 June 2021 and €147.3 million at 31 December 2020 under receivables factoring program.

* Including €494.0 million in short-term negotiable securities issued to Bolloré SE at 30 June 2021 (€313.8 million at 31 December 2020) under a program capped at €900.0 million.

* Including €0 million in short-term negotiable securities issued to Vivendi SE at 30 June 2021 (€310.0 million at 31 December 2020) under a program capped at €3,400.0 million.

* Including €2,146.4 million at 30 June 2021 and €2,631.6 million at 31 December 2020 in financing backed by Vivendi securities maturing in 2022, 2023, 2024, 2025, 2026 and 2027. At 30 June 2021, 126,449,026 Vivendi shares were pledged. They may be the subject of margin calls in the event that the Vivendi share price falls but they do not include any hard triggers.

Other loans and similar liabilities

(in € millions)	30/06/2021	31/12/2020
Other loans and similar liabilities ⁽¹⁾	404.1	556.2

(1) At 30 June 2021, these primarily comprise current bank facilities in the amount of €238.8 million (of which €9 million for Vivendi), compared with €211.6 million (of which €10 million for Vivendi) at 31 December 2020, and cash management agreements with superior holding companies in the amount of €151.6 million, compared with €316.2 million at 31 December 2020.

Net debt derivative assets and liabilities

(in € millions)	30/06/2021	31/12/2020
Non-current derivative assets ⁽¹⁾	0.0	0.0
Current derivative assets ⁽¹⁾	0.0	0.0
Total derivative assets	0.0	0.0
Non-current derivative liabilities	5.9	7.2
Total derivative liabilities	5.9	7.2

(1) included in Other financial assets - see Note 8.3

Nature and fair value of net debt derivatives

Type of instrument	Hedged risk	Company	Maturity	Total notional amount (in thousands in the relevant currency)	Fair value of instruments at 30 June 2021 (in € millions)	Fair value of instruments at 31 December 2020 (in € millions)
Interest rate swap ⁽¹⁾	Interest rate	Bolloré SE	2023	€400,000	(3.7)	(4.8)
Interest rate swap ⁽²⁾	Interest rate	DRPC ⁽³⁾	2028	€57,556	(1.9)	(2.5)

(1) Interest rate swap (variable rate/fixed rate) categorized as a hedge for accounting purposes, entered into in 2016.

(2) Interest rate swap (variable rate/fixed rate) categorized as a hedge for accounting purposes, entered into in 2018.

(3) Dépôt Rouen Petit-Couronne.

Income and expenses recognized in profit or loss for the period in respect of these financial liabilities are presented in Note 8.1 - Financial income.

All derivatives are classified in Level 2 of the IFRS 13 fair value hierarchy (at 31 December 2020).

8.5.2 - Change in gross debt

(in € millions)	At 31/12/2020	Loans taken out	Loan repayments	Other changes in cash ⁽¹⁾	Non-cash changes		At 30/06/2021
					Changes in scope	Other movements ⁽²⁾	
Other bonds	6,013.0	0.0	(999.8)	0.0	0.0	3.6	5,016.8
Loans from credit institutions	4,828.9	743.4	(1,315.2)	0.0	8.2	33.4	4,298.7
Other loans and similar liabilities	556.2	2.3	(1.5)	(135.9)	1.0	(18.0)	404.1
Derivative liabilities ⁽³⁾	7.2	0.0	0.0	0.0	0.0	(1.3)	5.9
Gross financial debt	11,405.3	745.7	(2,316.5)	(135.9)	9.2	17.7	9,725.5

(1) Principally comprises the change in current bank loans and cash pooling agreements - liabilities included in net cash (see Note 8.4 - Cash and cash equivalents and net cash).

(2) Of which changes in exchange rates and changes in accrued interest on loans.

(3) See Note 8.5.1 - Net financial debt, paragraph on net debt derivative assets and liabilities

Note 9 - Information on market risks

9.1 - Information on risks

This note is an update to the information provided in note 9.1 - Information on risks included in the notes to the consolidated financial statements in the 2020 Universal registration document.

Main market risks affecting the Group

Risk in respect of listed shares

The Bolloré Group, which held a securities portfolio valued at €10,463.2 million at 30 June 2021, is exposed to market price fluctuations.

The Group's equity investments in non-consolidated companies are measured at fair value at year end in accordance with IFRS 9 "Financial instruments" and are classified as financial assets (see note 8.3 – Other financial assets).

As far as shares in listed companies are concerned, this fair value is the closing stock market value.

As at 30 June 2021, revaluations of equity investments in the consolidated balance sheet determined on the basis of stock market prices amounted to €5,189.5 million before tax.

As at 30 June 2021, a 1% variation in stock market prices would have an impact of €98.7 million on the value of equity investments, of which €11.4 million impacting profit or loss and €87.3 million impacting pre-tax other comprehensive income, including €32.3 million for revaluations of the Group's investments in Omnium Bolloré, Financière V and Sofibol.

These unlisted securities, either directly or indirectly owned by Omnium Bolloré, Financière V and Sofibol, whose value is dependent on the valuation of the Compagnie de l'Odéon securities, are also impacted by fluctuations in stock market prices (see note 8.3 – Other financial assets). At 30 June 2021, the revalued amount of these securities was €3,229.9 million, on a gross value of €183.9 million. The shares of these unlisted companies are relatively illiquid.

Liquidity risk

The Group's liquidity risk stems from obligations to repay its debt and from the need for future financing in connection with the development of its various lines of business. To deal with liquidity risk, the Group's strategy has been to maintain a level of unused credit lines that will allow it to deal at any point with cash requirements. At 30 June 2021, the amount of confirmed and unused credit lines was €5,554 million (of which €2,744 million for Vivendi). The Group is also seeking to diversify its sources of financing through the bond market, the banking market and through over-the-counter financing (Neu CP).

The Group's main syndicated bank financing lines at 30 June 2021 were as follows:

- Bolloré SE has a revolving credit facility of €1,300 million, of which €77 million was drawn down at 30 June 2021 (in US dollars), maturing in 2025 and a €400 million loan (fully drawn) maturing in 2023. These facilities are subject to gearing covenants (net debt to equity) capped at 1.75.
- As part of the separation between cash management and financing at Vivendi and UMG, Vivendi SE has agreed with its banks to reduce the amount of its credit facilities.

On 28 June 2021, Vivendi SE's syndicated credit facility maturing in January 2026 was reduced to €1.5 billion (compared to €2.2 billion previously). On the same date, Vivendi SE's eight bilateral credit facilities were reduced to an aggregate amount of €950 million (compared to €1.2 billion previously) maturing in January 2024. On 7 July 2021, Vivendi SE's eight bilateral credit facilities were reduced to an aggregate amount of €800 million.

All these credit facilities are no longer subject to compliance with financial covenants.

- By way of reminder, since the 2020 financial year, UMG Inc. has been an additional borrower under five of Vivendi SE's eight bilateral credit facilities up to the aggregate limit of €750 million at 31 December 2020, reduced to €450 million at 30 June 2021 (see above). At 30 June 2021, three of its lines of credit were drawn down by UMG in the amount of €216 million.

On 24 March 2021, UMG B.V. and UMG Inc. reached an agreement for a syndicated revolving bank credit facility of €2 billion (drawdowns to be made in euros by UMG B.V. and in US dollars by UMG Inc.) with a five-year term, with two one-year extension options.

On the same date, UMG B.V. entered into a term loan of €1 billion maturing in October 2026. The ability for UMG to draw on these bank credit facilities was conditional upon it being strictly ring-fenced from Vivendi. On 7 July 2021, Vivendi and UMG completely separated their cash pooling and financing arrangements after the following transactions were carried out:

- the termination of UMG S.A.S.'s cash pooling agreement with Vivendi SE, with Vivendi SE returning the deposited amount of €146 million at 30 June 2021;
- the repayment by UMG Inc. of its drawdowns under Vivendi SE's bilateral bank credit facilities for €216 million at 30 June 2021;
- the repayment by UIM B.V. of its intra-group borrowing from Vivendi SE, in the amount of €2,368 million.

On 7 July 2021, to finance the repayment of UIM B.V.'s intra-group borrowing from Vivendi SE, UMG B.V. drew down €1 billion under its term loan and €1.2 billion under the revolving credit facility. UMG Inc. also drew down USD 500 million (i.e. €416 million) under that same facility.

The bonds issued by Bolloré SE in 2015 (€450 million due in July 2021) and 2017 (€500 million due in 2022) are subject to the usual clauses in the event of default, restrictions in terms of collateral and changes in control but not to any early redemption clause in the event of a failure to satisfy a financial ratio.

The bonds issued by Vivendi SE are subject to the usual event of default, negative pledge and pari passu clauses. They also contain an early redemption clause in the event of a change of control if, as a result of any such event, the long-term rating of Vivendi SE is downgraded below investment grade status (Baa3).

At 26 July 2021, when the Vivendi Management Board met to approve the financial statements for the six months ended 30 June 2021, Vivendi's rating was as follows:

Rating agency	Type of debt	Ratings	
Moody's	Senior unsecured long-term debt	Baa2	Negative outlook

Some other lines may have early repayment covenants connected to compliance with financial ratios, generally involving gearing ratios (net debt to shareholders' equity) and/or debt service coverage. These bank covenants and financial ratios were all met at 30 June 2021 and 31 December 2020.

The portion of loans utilized at 30 June 2021 due in less than one year includes €494 million in short-term negotiable securities for Bolloré SE and €0 million for Vivendi SE under a program of a maximum of €4,790 million (of which €3,890 million for Vivendi) and €141 million in receivables financing.

All drawn and undrawn bank facilities are amortized as follows:

- 2021	6%
- 2022	14%
- 2023	14%
- 2024	23%
- 2025	17%
- 2026	19%
- after 2026	7%

Interest rate risk

Because of its financial debt, the Group is exposed to fluctuations in interest rates principally in the eurozone, on the portion of debt which is at variable rates, as well as to changes in the lending margins of banks. To deal with this risk, executive management may decide to enter into interest rate hedges. Firm hedging (interest rate swaps, FRAs) may be used to manage the interest rate risk on the Group's debt.

Note 8.5 – Financial debt describes the various derivative instruments used to hedge the Group's interest rate risk.

At 30 June 2021, after hedging, fixed-rate gross financial debt was 40% of total debt.

If interest rates were to rise uniformly by 1%, the cost of gross debt would increase by €58.4 million after hedging on interest-bearing gross debt.

After hedging, fixed-rate debt amounted to 57% of total net debt; if interest rates were to rise uniformly by 1%, the cost of net debt would increase by €29.4 million after hedging of net interest-bearing debt.

Investment risk and counterparty risk

Surplus cash is invested in a prudent manner in low-risk liquid products with counterparties with a high credit rating.

Foreign exchange risk

For the Group, the breakdown of revenue by currency area (44% in euros, 20% in US dollars, 7% in CFA francs, 5% in pounds sterling and less than 3% for all other currencies) and the fact that a large proportion of operating expenses is in local currencies limit its exposure to operating currency risk.

The Group is reducing its exposure to currency risk further by hedging its main operations in currencies other than the euro and the CFA franc with large international banks. The management of currency risk is largely centralised at Bolloré SE and Vivendi SE for subsidiaries which are attached to them directly.

9.2 - Derivatives

Balance sheet value

<i>(in € millions)</i>	30/06/2021	31/12/2020
Other non-current financial assets	0.0	4.7
Trade receivables and other debtors ⁽¹⁾	25.1	5.1
Other current financial assets ^{(1) (2)}	1.4	40.8
Total derivative assets excl. debt	26.5	50.6
Other non-current liabilities	0.0	0.0
Trade and other payables ⁽¹⁾	10.5	26.1
Other current liabilities ⁽¹⁾	3.3	1.1
Total derivative liabilities excl. debt	13.8	27.2

(1) Derivatives purchased for the management of currency risk, mainly within the Vivendi group.

(2) At 31 December 2020, this principally comprised forward sales of Mediobanca shares which lapsed in January 2021.

Note 10 - Shareholders' equity and earnings per share

10.1 - Shareholders' equity

10.1.1 - Changes in share capital

At 30 June 2021, the share capital of Bolloré SE was €471,591,499.84, divided into 2,947,446,874 fully paid-up ordinary shares each with a par value of €0.16. During the first half of the year, the weighted average number of ordinary shares in issue was 2,932,124,036 and the weighted average number of potential dilutive ordinary shares was 2,934,876,972.

The share capital of the parent company increased by 1,238,000 shares in the first six months of the year. Under the authorization granted by the shareholders at a General Meeting held on 3 June 2016, the Board of Directors, at its meeting held on 22 March 2018, granted bonus shares to certain beneficiaries. The vesting period was 36 months. Accordingly, on 22 March 2021, the remaining shares were acquired by the beneficiaries, with no holding period requirement. A capital increase of 1,238,000 shares with a nominal value of 0.16 euros per share was carried out.

Transactions that affect or could affect the share capital of Bolloré SE are subject to agreement by the shareholders at the General Meeting.

The Group particularly monitors changes in the ratio between net debt/total shareholders' equity.

The net debt used is presented in note 8.5 – Financial debt.

The shareholders' equity used is that shown in the schedule of changes in shareholders' equity in the financial statements.

10.1.2 - Dividends distributed by the parent company

Total dividends awarded during the six-month period by the parent company in respect of the 2020 financial year amounted to €117.8 million, i.e. €0.04 per share (the total dividend was €0.06 per share, taking into account the interim dividend paid in the 2020 financial year).

10.1.3 - Treasury shares

At 30 June 2021, the number of treasury shares held by Bolloré SE and its subsidiaries was 15,322,838.

10.2 - Earnings per share

The table below contains details of the items used to calculate the basic and diluted earnings per share presented at the bottom of the income statement.

<i>(in € millions)</i>	June 2021	June 2020	December 2020
Net profit (loss), Group share, used to calculate earnings per share - base	219.2	174.4	425.6
Net profit (loss), Group share, used to calculate earnings per share - diluted	219.2	174.4	425.6
Number of securities issued	2,947,446,874	2,946,208,874	2,946,208,874
Number of treasury shares	(15,322,838)	(15,322,838)	(15,322,838)
Number of securities in issue (excluding treasury shares)	2,932,124,036	2,930,886,036	2,930,886,036
Share option plan	0	0	0
Bonus shares ⁽²⁾	6,301,000	4,990,500	4,980,500
Number of issued and potential securities (excluding treasury shares)	2,938,425,036	2,935,876,536	2,935,866,536
Weighted average number of securities in issue (excluding treasury shares) - base	2,932,124,036	2,930,886,036	2,930,886,036
Potential dilutive securities resulting from the exercise of share subscription options and bonus shares ⁽¹⁾ (Bolloré SE bonus shares ⁽²⁾)	2,752,936	1,296,216	2,894,098
Weighted average number of securities in issue and potential securities (excluding treasury shares) - base	2,934,876,972	2,932,182,252	2,933,780,134

(1) Where the exercise price of potential securities plus the fair value of any services to be provided by recipients until the rights vest is higher than the average stock market price over the period, the potential securities are not included in the calculation of diluted earnings per share due to their non-dilutive effect.

(2) See Note 12.1 - Share-based payment transactions.

Note 11 - Provisions for disputes

11.1 - Provisions

<i>(in € millions)</i>	At 30/06/2021	of which current	of which non-current	At 31/12/2020	of which current	of which non- current
Provisions for disputes	506.9	325.7	181.2	464.7	352.4	112.3
Provisions for subsidiary risks	9.1	0.0	9.1	6.2	0.0	6.2
Other provisions for risks	582.5	228.9	353.6	603.2	235.6	367.6
Contractual obligations	7.8	0.0	7.8	7.3	0.0	7.3
Restructurings	77.3	71.4	5.9	97.2	90.2	7.0
Environmental provisions	2.2	0.3	1.9	2.0	0.3	1.7
Other provisions for liabilities	29.2	16.0	13.2	30.2	17.1	13.1
Commitments to employees	1,012.6	0.0	1,012.6	1,018.7	0.0	1,018.7
Provisions	2,227.4	642.1	1,585.3	2,229.5	695.6	1,533.9

Details of changes over the period

(in € millions)	At 31/12/2020	Increases	Reductions		Changes in scope	Other movements	Exchange rate fluctuations	At 30/06/2021
			with use	without use				
Provisions for disputes ⁽¹⁾	464.7	79.8	(5.5)	(37.1)	4.1	0.1	0.7	506.9
Provisions for subsidiary risks	6.2	0.2	0.0	(1.6)	3.0	1.3	0.0	9.1
Other provisions for risks	603.2	85.3	(89.0)	(25.7)	(1.0)	4.5	5.2	582.5
Contractual obligations	7.3	0.6	(0.1)	0.0	0.0	0.0	0.0	7.8
Restructurings ⁽²⁾	97.2	29.1	(43.6)	(9.8)	(0.4)	4.7	0.1	77.3
Environmental provisions	2.0	0.2	0.0	0.0	0.0	(0.0)	0.0	2.2
Other provisions for liabilities	30.2	1.7	(0.7)	(1.9)	0.0	(0.1)	0.0	29.2
Commitments to employees ⁽³⁾	1,018.7	24.1	(52.4)	0.0	14.8	0.8	6.6	1,012.6
Total	2,229.5	221.0	(191.2)	(76.1)	20.5	11.3	12.6	2,227.4

(1) Including €455.4 million at 30 June 2021 compared with €410.5 million at 31 December 2020 relating to disputes involving Vivendi. See Note 11.2 – Litigation in progress.

(2) €68.5 million of which related to Vivendi at 30 June 2021, compared with €89.0 million at 31 December 2020 (€49 million of which related to Groupe Canal+ compared with €77 million at 31 December 2020, €10 million of which were in respect of Editis compared with €1 million at 31 December 2020, and €9 million of which were in respect of UMG compared with €11 million at 31 December 2020).

(3) Commitments to employees were updated at 30 June 2021 by extrapolating the calculations made at 31 December 2020. The demographic data as at 31 December 2020 has been updated to take account of retirements scheduled for 2021. Exchange rates and the discount rate have been updated, while other assumptions have remained unchanged.

11.2 - Disputes in progress

In the normal course of their activities, Bolloré and its subsidiaries are party to a number of legal, administrative or arbitration proceedings.

The potential costs of these proceedings are the subject of provisions insofar as they are probable and quantifiable. The provisioned amounts are subject to a risk assessment on a case-by-case basis.

The litigation to which the Group or Group companies are party (as claimant or defendant) is set out in the 2020 Universal registration document: note 11.2 of the notes to the consolidated financial statements for the financial year ended 31 December 2020. The following paragraphs are an update as at 30 July 2021, the date of the Board of Directors' meeting called to approve the financial statements for the first six months of the year ended on 30 June 2021.

To the best of the Company's knowledge, there are no other lawsuits, arbitration proceedings, state or legal proceedings or exceptional events (including any legal action of which the issuer has knowledge, and any currently suspended or threatened legal actions), that is likely to have or has in recent months had a significant impact on the financial situation, income, activity or assets of the Company and the Group, other than those described below.

Togo-Guinea investigation

On 12 December 2018 criminal charges were brought, in a purely mechanical manner, against Bolloré SE for bribery of a foreign public agent, complicity in forgery and use of forged documents and complicity in breach of trust, following the criminal charges brought on 25 April 2018 against two of its senior executives at the time.

The allegations at the heart of the judicial inquiry go back to 2009-2010 and concern two operations in Togo and Guinea.

The inquiry seeks to determine whether the concessions obtained by local subsidiaries of the Group in Togo and Guinea were obtained because of communications services provided by Havas in those countries for €300,000 and €170,000, respectively.

Bolloré SE has always vigorously contested the facts alleged, which have been the subject of numerous appeals before courts and tribunals. In Guinea, the Group was named operator of the concession in 2010 because it had come in second place during the international tender offer of 2008, and the operator that had come in first place subsequently defaulted. In Togo, the concession agreement was signed on 29 August 2001 while the alleged facts occurred in 2009 and 2010, i.e. ten years later. In these two countries the Group's investments in port infrastructure today total more than €500 million.

In a ruling handed down on 26 September 2019, the Second Examining Chamber of the Paris Court of Appeal quashed the indictment of Bolloré SE (and its two former senior executives) for complicity in forgery and use of forged documents in Togo, bribery of a foreign public official in Guinea and complicity in forgery and use of forged documents in Guinea.

To bring a definitive end to the proceedings resulting from the alleged facts, Bolloré SE and Financière de l'Odé SE agreed to enter into a judicial public interest agreement (*convention judiciaire d'intérêt public*, or CJIP) with the national financial prosecutor. The agreement, entered into on 9 February 2021 and approved by the Paris Court on 26 February 2021, equates

neither to an admission of guilt nor to a conviction. Under the agreement, the national financial prosecutor agreed to cancel the proceedings against Bolloré SE, which agreed to have its compliance program audited by the French Anti-Corruption Agency (AFA) over a period of two years and to bear costs up to €4 million. This agreement having become final, Compagnie de l'Odet, the parent company of the Bolloré Group, paid the €12 million public interest fine. The enforcement of the CJIP agreement puts an end to the proceedings against Bolloré SE.

Cirdi arbitration - Republic of Togo

The dispute brought before the arbitration tribunal arose from the failure of the Republic of Togo to honour the right of first refusal accorded to Togo Terminal as part of the signing of rider no. 2 to the concession agreement of 24 May 2010.

Following the signing of this rider, Togo Terminal and its ultimate shareholder, the Bolloré Group, invested several hundred million euros in the development and modernisation of the infrastructure of the Independent Port of Lomé ("PAL"), including the construction of a third quay in the PAL.

In early 2014, Togo Terminal learned that the purpose of construction work on a dock that had been started near the area it had been conceded under the concession agreement was to create a new special-purpose terminal for container operations. It then asked the Republic of Togo to apply the contractual provisions, but despite its repeated requests, it was unable to obtain any assurance from the Republic of Togo that it would respect the right of first refusal it had been granted.

Togo Terminal therefore filed an application for arbitration with the International Centre for the Settlement of Investment Disputes (Cirdi) on 20 April 2018 primarily with a view to the Republic of Togo being ordered to implement Togo Terminal's preferential right and to pay damages in respect of the losses suffered by Togo Terminal in full (valued at an amount of more than €500 million).

The arbitration award is expected to be issued in 2022.

LBBW et al. vs Vivendi

On 4 March 2011, 26 institutional investors from Germany, Canada, Luxembourg, Ireland, Italy, Sweden, Belgium and Austria sued Vivendi in the Paris Commercial Court for alleged losses resulting from four financial communications issued in October and December 2000, September 2001 and April 2002. On 5 April and 23 April 2012, two similar lawsuits were filed against Vivendi: one by an American pension fund, the Public Employee Retirement System of Idaho, and the other by six German and British institutional investors. On 8 August 2012, the British Columbia Investment Management Corporation also sued Vivendi on the same grounds. On 7 January 2015, the Paris Commercial Court appointed a third party responsible for checking the standing of the claimants and reviewing the documentation provided by them to evidence their alleged holding of the securities, before the proceedings began on the merits. The third party completed their work in the first half of 2018. On 7 July 2021, the Court issued its decisions in these various cases, finding Vivendi not liable in the absence of fault relating to the publication of inaccurate financial statements, the dissemination of false information and Vivendi's general communications from October 2000 to August 2002. It therefore dismissed all the claimants' claims and ordered them to reimburse Vivendi's costs in the amount of €1,085,000. The Court also ordered that the judgment was immediately enforceable.

California State Teachers Retirement System et al. vs Vivendi

On 27 April 2012, 67 foreign institutional investors sued Vivendi in the Paris Commercial Court seeking damages for losses they allegedly incurred as a result of Vivendi's financial communications between 2000 and 2002. On 7 June and 5 and 6 September 2012, 26 further parties joined the proceedings. In November 2012 and March 2014, twelve claimants withdrew. On 7 January 2015, the Paris Commercial Court appointed a third party responsible for checking the standing of the claimants and reviewing the documentation provided by them to evidence their alleged holding of the securities, before the proceedings began on the merits. The third party completed their work in the first half of 2018. On 7 July 2021, the Court handed down its decision, finding Vivendi not liable in the absence of fault relating to the publication of inaccurate financial statements, the dissemination of false information and Vivendi's general communications from October 2000 to August 2002. It therefore dismissed all the claimants' claims and ordered them to reimburse Vivendi's costs in the amount of €2,450,000. The Court also ordered that the judgment was immediately enforceable.

Mediaset vs Vivendi

On 8 April 2016, Vivendi signed a strategic partnership agreement with Mediaset. The agreement entailed swapping 3.5% of Vivendi's share capital for 3.5% of Mediaset's and 100% of pay-TV subsidiary Mediaset Premium's share capital.

Vivendi's acquisition of Mediaset Premium was based on financial assumptions provided by Mediaset to Vivendi in March 2016, which had raised a number of questions at Vivendi, which were notified to Mediaset. The 8 April agreement was subsequently the subject of due diligence (carried out for Vivendi by Deloitte) as provided for in the agreement. This audit and Vivendi's analysis showed that the figures provided by Mediaset prior to the agreement being signed were unrealistic and calculated on an artificially inflated base.

Vivendi and Mediaset began talks on how they might structure an alternative deal to the 8 April agreement, but they were terminated by Mediaset on 26 July 2016, when it publicly rejected Vivendi's offer. Under that offer, in exchange for a 3.5% stake in Vivendi, Vivendi would acquire 20% of Mediaset Premium and 3.5% of Mediaset, with the balance made up by the issue to Vivendi of Mediaset bonds convertible to Mediaset shares.

Subsequently, Mediaset and its subsidiary, RTI, on the one hand, and Fininvest, Mediaset's controlling shareholder, on the other, sued Vivendi in August 2016 before the Milan Civil Court in a bid to enforce the implementation of the 8 April 2016 agreement and the related shareholders' agreement, together with the payment of damages for the loss allegedly suffered. The claimants claimed in particular that Vivendi had not notified the transaction to the European competition authorities, and had thus prevented the last condition precedent to the completion of the transaction from being satisfied. Vivendi in turn stated that it had completed the pre-notification process to the European Commission on time, but that the Commission would not formally take receipt of the documentation in the absence of agreement between the parties on their differences.

In the first hearing in the case, the judge invited the parties to attempt to reach an out-of-court settlement. On 3 May 2017, the parties therefore began mediation before the Milan National and International Arbitration Chamber.

Despite this mediation process, Mediaset, RTI and Fininvest filed another lawsuit against Vivendi on 9 June 2017, seeking €2 billion in damages for Mediaset and RTI and €1 billion for Fininvest, accusing Vivendi of purchasing Mediaset shares in the final quarter of 2016. According to the claimants (who had unsuccessfully requested that these proceedings be joined to the earlier two), this transaction breached the 8 April 2016 agreement and breached Italian media and unfair competition regulations. Under this new lawsuit, Vivendi was also asked to sell its Mediaset shares that were allegedly purchased in breach of applicable laws and the 8 April 2016 agreement. Lastly, the claimants requested, pending such sale, that Vivendi be no longer entitled to exercise the rights (including voting rights) conferred by those Mediaset shares.

On 27 February 2018, the Court noted the termination of the mediation. At a hearing held on 4 December 2018, Fininvest, RTI and Mediaset dropped, in relation to their first lawsuit, their application for the agreement of 8 April 2016 to be enforced, while maintaining their claim for damages for losses allegedly suffered in the amount of (i) €720 million for Mediaset and RTI, for failure to perform the agreement of 8 April 2016 and (ii) €1.3 billion for Fininvest, for failure to perform the above-mentioned shareholders' agreement, in respect of losses relating to changes in the Mediaset share price between 26 July and 2 August 2016 and various losses relating to allegedly illegal purchases of Mediaset shares by Vivendi at the end of 2016. Fininvest also claimed compensation for damage to its decision-making procedures and to its image, in an amount to be determined by the court.

At a hearing held on 12 March 2019, Vivendi asked the Court to suspend part of the proceedings pending the decision of the Court of Justice of the European Union on the analysis of the compatibility of Italy's laws on the protection of media pluralism (the Tusmar law) with the Treaty on the Functioning of the European Union (see below). The request was granted. The proceedings resumed following the decision of the Court of Justice of the European Union handed down on 3 September 2020 (see below), and a "final discussion" hearing took place before the Milan Court on 11 February 2021, during which the parties set out their arguments.

On 19 April 2021, the Milan Court issued its decision. In respect of the first set of proceedings concerning the agreement of 8 April 2016 on the acquisition of Mediaset Premium, it dismissed Fininvest's claim for damages (ordering it to pay Vivendi approximately €345,000 in respect of legal costs) and ordered Vivendi to pay Mediaset and RTI the total amount of EUR €1,716,586 (plus approximately €46,000 of legal costs) for breaching certain preliminary contractual obligations under that agreement. With respect to the second set of proceedings concerning Vivendi's acquisition of Mediaset shares in the final quarter of 2016, it dismissed all the claims made by the Mediaset Group and its shareholder Fininvest, and ordered them to pay approximately €374,000 to Vivendi in legal fees.

On 3 May 2021, the parties reached a comprehensive agreement ending their disputes by abandoning their disputes and claims. This agreement also provides for a gradual withdrawal of Vivendi from Mediaset's share capital over a five-year period and includes a standstill commitment, as well as a "good neighbour" agreement regarding free-to-air television. This settlement agreement took effect on 22 July 2021.

Other proceedings related to Vivendi's purchase of Mediaset share capital

In November and December 2016, Vivendi began to buy up Mediaset shares on the market, ultimately raising its stake to 28.80%. Fininvest stated that it had filed a complaint for market manipulation against Vivendi with the Milan Prosecutor's Office and Consob, the Italian market regulator. As a result of this complaint, on 11 December 2020, a "preliminary conclusion of investigation" opinion was issued to the former Chairman of the Supervisory Board and the Chairman of Vivendi's Management Board. Under the agreement of 3 May 2021 entered into by Vivendi, Mediaset and Fininvest, which took effect on 22 July 2021, Fininvest withdrew its complaint, but that action did not automatically bring the ongoing proceedings to an end.

Meanwhile, on 21 December 2016, AGCOM (the Italian communications regulator) launched an inquiry into whether Vivendi's increased stake in Mediaset and its position as a shareholder in Telecom Italia were incompatible under Italian media sector regulations.

On 18 April 2017, AGCOM ruled that Vivendi had failed to comply with these regulations. Vivendi, which had 12 months to comply, appealed against this decision before the Administrative Court of Lazio. Pending judgment in this appeal, AGCOM noted the compliance plan proposed by Vivendi setting out the procedures by which it would bring itself into compliance with the ruling. On 9 April 2018, in accordance with the undertakings made to AGCOM, Vivendi transferred the fraction of its Mediaset shares in excess of 10% of the voting rights to an independent trust company, Simon Fiduciaria SpA. On 5 November 2018, the Administrative Court of Lazio decided to suspend its ruling and to refer to the European Court of Justice the analysis of the compatibility of the Italian regime of Article 43 of the Tusmar Law as applied by AGCOM, with the principles of the free movement of goods found in the Treaty on the Functioning of the European Union. On 3 September 2020, the Court of Justice of the European Union ruled that Italian laws on the protection of media pluralism breached EU rules. On 23 December 2020, as a result of this decision, the Administrative Court of Lazio overturned the aforementioned decision of the AGCOM of 18 April 2017. On 22 January 2021, Mediaset appealed against this decision, but abandoned the appeal as a result of the agreement reached by Vivendi, Mediaset and Fininvest on 3 May 2021, which took effect on 22 July 2021.

Prior to such developments, on 11 December 2020, AGCOM announced a new investigation into Vivendi, based on a provision (the "Salva Mediaset" amendment) passed by the Italian Parliament as part of the approval, in early December 2020, of emergency measures relating to the health crisis. On the same day, Vivendi filed a complaint with the European Commission against this provision. On 2 February 2021, Vivendi challenged the launch of this investigation before the Lazio Administrative Court. On 24 June 2021, in view of the above-mentioned agreement of 3 May 2021, AGCOM issued a decision under which it decided to close the investigation.

Proceedings relating to the change in the structure of Mediaset

On 2 July 2019, Vivendi brought legal proceedings against Mediaset and Fininvest before the civil court of Milan seeking to (i) cancel the resolution of the Board of Directors of Mediaset dated 18 April 2019 preventing Vivendi from exercising the voting rights relating to shares not transferred to Simon Fiduciaria following the decision of AGCOM on 18 April 2017 (representing 9.61% of share capital and 9.9% of voting rights) at the Extraordinary General Shareholders' Meeting of Mediaset on the same date and (ii) cancel the resolution approved at that meeting to establish a system of double voting rights for shares held for two years, for shareholders who make such a request.

On 7 June 2019, Mediaset announced plans to create MediaForEurope (MFE), a holding company headquartered in the Netherlands, resulting from the merger of Mediaset SpA and Mediaset España. The proposed merger was approved by the General Shareholders' Meetings of the Italian and Spanish companies on 4 September 2019, and then again by the General Shareholders' Meeting of Mediaset SpA and Mediaset España (following the actions filed by Vivendi) on 10 January and 5 February 2020, respectively. At the two meetings held in Italy, Simon Fiduciaria was deprived of its voting rights by the Mediaset Board of Directors, prompting Vivendi to bring legal proceedings in Spain, Italy and the Netherlands. Following interim rulings issued by the Spanish and Dutch courts in Vivendi's favour, this proposed merger, as initially envisaged, was abandoned.

On 22 July 2021, pursuant to the agreement entered into on 3 May 2021 by Vivendi, Mediaset and Fininvest, all pending proceedings in this matter in Italy were terminated.

Telecom Italia

On 5 August 2017, the Italian government informed Vivendi that it was opening a formal investigation into whether certain provisions of legislative decree No. 21 of 15 March 2012 on "the special powers of the Italian Government relating to the defence and national security sectors" (Article 1) and "activities of strategic importance in the fields of energy, transport and communications" (Article 2), had been breached by Telecom Italia and Vivendi. Vivendi considered that the provisions of this law did not apply to it. In particular, (i) Article 1 concerning the defence and national security sectors had never been hitherto declared and communicated to the market given the nature of the activities carried out by Telecom Italia and (ii) Article 2 concerning energy, transport and communications does not apply to Vivendi since it refers to purchases of significant shareholdings made by non-European entities.

Additionally, and in the same context, on 13 September 2017, the Consob declared that Vivendi exercised de facto control over Telecom Italia. Vivendi and Telecom Italia are formally contesting this position and have appealed to the Lazio Regional Administrative Court. On 17 April 2019, the Court dismissed the appeal brought by Telecom Italia and Vivendi, each of which filed an appeal with the Italian Council of State on 16 and 17 July 2019, respectively. On 14 December 2020, the

Italian Council of State ruled in favour of Vivendi and Telecom Italia. On 11 June 2021, Consob appealed against the Italian Council of State's decision before the Italian Supreme Court.

On 28 September 2017, the Presidency of the Council of Ministers found that the notification made by Vivendi under Article 1 of the aforementioned legislative decree as a precautionary measure was made late and that Telecom Italia had not made a notification under Article 2 of the decree following a change of control over its assets that are of strategic importance in the fields of energy, transport and communications. Therefore, the Presidency of the Council of Ministers brought proceedings against Telecom Italia for failing to make the required notification under Article 2 of that legislative decree. Vivendi and Telecom Italia appealed against this decision.

Furthermore, by a decree dated 16 October 2017, the Italian Government decided to exercise the special powers set out in Article 1 of the 2012 legislative decree, relating to the defence and national security sectors. This decree imposes a number of organisational and governance measures on Vivendi and Telecom Italia and its two subsidiaries, Telecom Italia Sparkle Spa ("Sparkle") and Telsy Elettronica e Telecomunicazioni Spa ("Telsy"). In particular, Telecom Italia, Sparkle and Telsy must have a division in charge of supervising all activities related to defence and national security, which is fully autonomous and endowed with human and financial resources sufficient to guarantee its independence, and to appoint to their governing bodies a member who is an Italian citizen, approved by the Italian Government and who has security clearance. It also requires the establishment of a supervisory committee under the auspices of the Council of Ministers (Comitato di monitoraggio) to monitor compliance with these obligations. On 13 February 2018, Vivendi and Telecom Italia filed an appeal against this decree before the Presidency of the Italian Council of Ministers. This appeal was dismissed on 13 November 2019.

In addition, by a decree dated 2 November 2017, the Italian Government decided to implement the special powers conferred by Article 2 of the 2012 legislative decree, relating to the fields of energy, transport and communications. This decree imposes on Telecom Italia the obligation to implement development, investment and maintenance plans for its networks to guarantee their operation and security, to provide universal service, and, more generally, to satisfy public interest in the medium and long term, under the control of the Comitato di monitoraggio, who must be notified of any reorganisation of the Telecom Italia group's holdings or any project having an impact on the security, availability and operation of the networks. On 2 March 2018, Vivendi and Telecom Italia filed an appeal against this decree before the Presidency of the Italian Council of Ministers.

Finally, by a decree dated 8 May 2018, the Italian Government imposed an administrative fine of €74 million on Telecom Italia for failure to comply with its information obligations (failure to issue a notification under Article 2 of legislative decree No. 21 of 15 March 2012, see above). On 5 July 2018, the Lazio Regional Administrative Court suspended the enforcement of this fine.

Parabole Réunion

In July 2007, Parabole Réunion initiated proceedings before the Paris Regional Court following the discontinuation of the exclusive distribution of TPS channels in the territories of Réunion, Mayotte, Madagascar and the Republic of Mauritius and the alleged deterioration of the channels made available to it. In a judgment handed down on 18 September 2007, Groupe Canal+ was prohibited, subject to the imposition of financial penalties, from allowing third parties to broadcast those channels (or replacement channels) and ordered to replace the TPS Foot channel if it should be terminated. . Groupe Canal+ appealed against this judgment. On 19 June 2008, the Paris Court of Appeal partially overturned the ruling and clarified that the replacement channels should not have been sold on an exclusive basis if those channels had been provided to third parties prior to the merger with TPS. Parabole Réunion's claims about the content of the channels were dismissed. On 10 November 2009, the *Cour de cassation* dismissed this appeal.

On 24 September 2012, Parabole Réunion brought a fast-track claim (*assignation à jour fixe*) against Groupe Canal+, Canal+ France and Canal+ Distribution before the enforcement Judge (*juge de l'exécution*) of the Nanterre Regional Court, seeking to enforce the order of the Paris Regional Court upheld by the Court of Appeal. On 6 November 2012, Parabole Réunion extended its motions to the channels TPS Star, Cinécinéma Classic, Culte and Star. On 9 April 2013, the enforcement Judge declared part of Parabole Réunion's claims inadmissible and dismissed its other claims. He noted that Groupe Canal+ owed no obligation regarding content or maintenance of programming on the channels made available to Parabole Réunion and found, having established that TPS Foot had not ceased production, that there was no need to replace this channel. Parabole Réunion lodged an initial appeal against this ruling on 11 April 2013. On 22 May 2014, the Versailles Court of Appeal held that this appeal was inadmissible because of the lack of legal standing of Parabole Réunion's representative. On 14 February 2014, Parabole Réunion lodged a second appeal to have the 9 April 2013 ruling set aside. On 9 April 2015, the *Cour de cassation* overturned the decision of the Versailles Court of Appeal of 22 May 2014, which had held Parabole Réunion's appeal of 11 April 2013 to be inadmissible. The case was referred to the Paris Court of Appeal, which, on 12 May 2016, upheld the first-instance judgment and dismissed all Parabole Réunion's claims. In a ruling handed down on 28 September 2017, the *Cour de cassation* dismissed Parabole Réunion's appeal against the decision of the Paris Court of Appeal.

At the same time, on 11 August 2009, Parabole Réunion lodged a fast-track application against Groupe Canal+ with the Paris Regional Court, that Groupe Canal+ be ordered to provide a channel of equivalent attractiveness to TPS Foot in 2006 and to pay damages. On 26 April 2012, Parabole Réunion also brought proceedings against Canal+ France, Groupe Canal+ and Canal+ Distribution before the Paris Regional Court with a view to establishing the breach by the Groupe Canal+ companies of their contractual obligations towards Parabole Réunion and their commitments to the Minister of the Economy. These two claims were combined in a single procedure. On 29 April 2014, the Court found the Parabole Réunion claims

partly admissible for the period after 19 June 2008, and found Groupe Canal+ to be contractually liable for the inferior quality of the channels made available to Parabole Réunion. The Court also ordered an appraisal of damages suffered by Parabole Réunion, rejecting the company's own appraisals. On 3 June 2016, the Court of Appeal upheld the Regional Court's 29 April 2014 ruling. Groupe Canal+ filed an appeal against this decision, which was rejected on 31 January 2018.

In an order issued on 25 October 2016, the pre-trial Judge considered that the 29 April 2014 judgment, which ordered Groupe Canal+ to pay compensation to Parabole Réunion, had established the principle that the latter was entitled to receive compensation even if its amount remained to be established. He ordered Groupe Canal+ to pay a provisional amount of €4 million. On 17 January 2017, the Paris Regional Court ordered Groupe Canal+ to pay €37,720,000 with provisional enforcement. Parabole Réunion appealed this ruling to the Paris Appeals Court on 23 February 2017. Groupe Canal+ submitted its responses and cross-appeal on 20 July 2017. In the absence of the submission of the responses of Parabole Réunion by the required deadline, on 8 December 2017, Groupe Canal+ submitted responses noting the failure to respect this deadline and accordingly seeking the cancellation of the expert report ordered on 12 October 2017 (see below). On 7 June 2018, the pre-trial judge of the Paris Court of Appeal issued an order dismissing the request to set aside the order to produce an expert report, which was currently underway. Groupe Canal+ asked the Court to refer this ruling to trial, but withdrew that request in October 2018 given the progress made on the report by that point.

On 29 May 2017, Parabole Réunion also notified a cross-appeal seeking the appointment of an additional expert to assess the loss in value of its business. On 12 October 2017, the pre-trial judge of the Court of Appeal approved this request, and a judicial expert was appointed. On 17 December 2018, Parabole Réunion raised a new objection to the pre-trial judge in order to have the court clarify the role of the judicial expert, who had halted his work. In an order issued on 4 April 2019, the pre-trial judge of the Court of Appeal found that the expert should be asked to make a hypothetical estimate of damages for the loss in value of the business based on the 40,000 subscribers offered by Parabole Réunion, and that the expert should specify, if appropriate, whether the loss in value of the business resulted from the loss of 40,000 subscribers and/or potential new subscribers attributable to Group Canal+. However, the pre-trial judge rejected Parabole Réunion's request to include in the judicial expert's additional work the assumption that the 40,000 subscribers referred to above had generated a certain EBIT margin and ordered Parabole Réunion to bear the costs of the incidental procedure. The court-appointed expert resumed work in mid-April 2019. On 19 May 2020, Parabole Réunion filed a claim with the Pre-Trial Judge of the Paris Court of Appeal to replace the court-appointed expert. This request was rejected by an order of 28 May 2020. On 29 May 2020, Parabole Réunion filed a new motion requesting that this order be set aside, which was rejected on 26 November 2020. On 15 January 2021, the court-appointed expert filed his final report.

On 30 March 2021, Parabole Réunion filed a motion seeking the recusal of the Pre-Trial Judge and submitted arguments for the nullity of the judicial expert's report. On 18 May 2021, the pre-trial judge sent a letter to the parties informing them that Parabole Réunion's request for his recusal was denied. The file is scheduled to be closed on 2 September 2021, and oral arguments will be made on 9 September 2021.

Touche Pas à Mon Poste

On 7 June 2017, the French media regulator, the *Conseil supérieur de l'audiovisuel* or CSA, penalised C8 for a sequence broadcast during the "TPMP" show on 7 December 2016. The CSA considered that this sequence, which was not meant to be broadcast, in which the programme's presenter, Cyril Hanouna, could be seen larking about with one of the contributors, was degrading to the image of women. The penalty involved suspending the commercial breaks during the show "Touche Pas à Mon Poste" and its rebroadcasts, as well as those broadcast during the fifteen minutes preceding and the fifteen minutes following any of these broadcasts for two weeks.

On the same day, the CSA sanctioned C8 for another sequence broadcast during the "TPMP"! la Grande Rasshrah" show on 3 November 2016. The CSA found that this new sequence, in which a contributor, Matthieu Delormeau, was filmed using a hidden camera, violated his dignity. It imposed a further one-week ban on running advertising during broadcasts of "Touche Pas à Mon Poste", its rebroadcasts and the fifteen minutes either side of any broadcasts of the show.

On 3 July 2017, following these two CSA rulings, C8 filed two requests for annulment with the *Conseil d'Etat*. On 4 July 2017, C8 also filed two claims for compensation with the CSA, which were rejected by an implied decision. On 2 November 2017, C8 appealed these decisions to the *Conseil d'Etat*. On 18 June 2018, the *Conseil d'Etat* rejected C8's first application for judicial review but did uphold its second application by overruling the decision of the CSA. The *Conseil d'Etat*'s decision to overturn the decision was appealed to the European Court of Human Rights (ECHR) in December 2018. On a proposal from the ECHR, C8 agreed to enter into mediation proceedings. On 13 November 2019, the *Conseil d'Etat* rejected the first claim for compensation but allowed the second, ordering the CSA to pay €1.1 million to C8, for the week during which the channel was unable to show advertisements.

On 26 July 2017, the CSA decided to penalise C8 for a sequence broadcast during "TPMP Baba hot line" on 18 May 2017, judging that the channel had ignored the principle of respect for privacy and its obligation to combat discrimination, imposing a cash fine of €3 million. On 22 September 2017, following this decision, C8 filed for judicial review of an administrative action before the *Conseil d'Etat*, which was rejected on 18 June 2018. That decision was appealed to the European Court of Human Rights in December 2018. C8 also filed an action for damages with the CSA, whose implicit rejection was challenged before the *Conseil d'Etat* on 25 January 2018. C8 withdrew this action for damages on 7 September 2018. On the same issue, Groupe Canal+ sent a letter to the CSA on 18 February 2019 requesting the cancellation of the aforementioned financial penalty of €3 million following the declarations of an official of the association "Le Refuge" in November 2018 to the effect that none of the alleged victims of the hoax had made distress calls to the association, contrary to its initial claims. This request was denied on 5 April 2019. An appeal against this decision was filed with the *Conseil d'Etat*

on 5 June 2019, which rejected it on 28 September 2020. In March 2021, an appeal was filed with the ECHR and the channel agreed to a proposal made by the Court to enter into mediation proceedings.

Groupe Canal+ vs Mediapro

On 18 September 2020, Groupe Canal+ brought proceedings against Mediapro before the Nanterre Commercial Court for unequal treatment and discriminatory practices in the context of discussions that had taken place between the two companies regarding the distribution of the Telefoot channel, which has been discontinued. On 2 October 2020, the Nanterre Commercial Court referred the case to the Paris Commercial Court.

On 20 November 2020, Mediapro brought proceedings against Groupe Canal+ before the Commercial Court of Paris, requesting the Court to rule that Groupe Canal+ had (i) abused its dominant position in the channel distribution market by unfairly discriminating against Mediapro and (ii) made disparaging statements constituting unfair competition.

The two cases were joined at a hearing held on 8 February 2021. A new hearing is scheduled for 20 September 2021, at which the timetable for the proceedings will be set. In parallel, Mediapro referred the matter to the French Competition Authority, which has opened an investigation. In this context, Groupe Canal+ responded on 21 June 2021 to a request for information from the French Competition Authority and the CSA.

Groupe Canal+ proceedings against the French Professional Football League

- On 4 July 2019, following the cancellation of a number of Ligue 1 matches between December 2018 and April 2019 due to the "Gilets Jaunes" protests in France and the postponement having been decided unilaterally by the French Professional Football League (Ligue de Football Professionnel) (LFP), Groupe Canal+ brought proceedings against the LFP seeking damages for the loss suffered as a result of these postponements. Groupe Canal+ considers that, having acquired, at the time of the call for tenders, broadcasting rights to matches and magazines for identified time slots for the periods 2016/2017 to 2019/2020, the LFP infringed the rights acquired following the call for tenders. Groupe Canal+ is seeking €46 million in damages. At a hearing held on 25 November 2019, the LFP requested that Groupe Canal+'s claims be dismissed and raised a counterclaim requesting that Groupe Canal+ be ordered to pay damages for the loss allegedly caused to it by the publicity surrounding the proceedings. On 1 June 2021, the Commercial Court of Paris dismissed Groupe Canal+'s claims and ordered it to pay €10,000 to the LFP for the wrongful act of disparagement, as well as €50,000 for legal fees. Groupe Canal+ appealed against this decision.

- On 22 January 2021, Groupe Canal+ brought summary proceedings against the LFP before the Paris Commercial Court, following the call for tenders launched by the LFP on 19 January 2021 for the sale of the League 1 rights returned by Mediapro and seeking, among other things, the cancellation of the call for tenders and an order requiring the LFP to pay Groupe Canal+ the difference between the price of lot 3 acquired by it in connection with the 2018 call for tenders and not included in the disputed call for tenders and its actual economic value. On 11 March 2021, the Commercial Court issued its judgment, dismissing all of Groupe Canal+'s claims and ordering it to pay €50,000 for legal fees. On 6 April 2021, Groupe Canal+ appealed against this decision to the Paris Court of Appeal.

On 29 January 2021, Groupe Canal+ also brought proceedings and a request for protective measures against the LFP before the French Competition Authority, in particular seeking to require the LFP to organize a new call for tenders for all League 1 broadcasting rights. On 11 June 2021, the French Competition Authority dismissed Groupe Canal+'s request for protective measures for lack of sufficient evidence. Groupe Canal+ appealed against this decision.

BeIN Sports vs Groupe Canal+

As part of the 2018 call for tenders for the rights to broadcast the League 1 soccer championship for the 2020/2021 to 2023/2024 seasons, beIN Sports was awarded lot 3 and subsequently sub-licensed these rights to Groupe Canal+. Following the return of the League 1 championship rights for lots 1, 2, 4, 5 and 7 by Mediapro in January 2021, the French Professional Football League (LFP) subsequently awarded these rights to Amazon on 11 June 2021, for an amount of €250 million (compared to the €780 million paid for these same lots when they were awarded to Mediapro). Considering the price paid by Groupe Canal+ for the rights to broadcast the lot 3 matches compared to the price of the matches sold to Amazon, Groupe Canal+ believes that it has been subjected to serious inequality of treatment and discriminatory practices. Accordingly, it has notified the LFP that it will no longer broadcast this lot 3 once the championship resumes in August 2021.

At the same time, Groupe Canal+ called on beIN Sports, in its capacity as the licensee of the Lot 3 rights, to take all legal measures to have the agreement relating to lot 3 that was signed between beIN Sports and the LFP declared null and void and to refer the matter to the French Competition Authority on the grounds of discriminatory practices and distortion of competition. In view of the inaction of beIN Sports, Groupe Canal+ notified beIN Sports, on 12 July 2021, that it was suspending the performance of its obligations under the sub-license agreement, on the grounds that BeIN Sports had failed to fulfil its essential obligation to take the above-mentioned legal measures. On 16 July 2021, beIN Sports, considering that the suspension of the performance of the sub-license agreement constituted a manifestly unlawful breach and exposed beIN Sports to the imminent risk of paying damages to the LFP, brought summary proceedings against Groupe Canal+ to appear before the Nanterre Commercial Court, requesting that the Court issue an order, subject to a fine in the event of non-compliance, requiring Groupe Canal+ to produce, broadcast and pay for the matches in lot 3 of the French Ligue 1 championship.

A hearing took place on 20 July 2021. On 23 July 2021, the Nanterre Commercial Court dismissed beIN Sports' claims.

Maïtena Biraben vs SECP

Maïtena Biraben challenged her dismissal by Canal+ for gross misconduct before the French employment tribunal. On 27 September 2018, the French employment tribunal rendered its decision, finding that Ms Biraben has been unfairly dismissed. The Court ordered SECP to pay a total amount of €3,246,456, representing €38,456 in back pay and paid leave, €148,000 in severance pay, €510,000 in damages and €2,550,000 in termination compensation. SECP appealed against this judgment. On 23 June 2021, the Versailles Court of Appeal upheld this first-instance judgment.

Groupe Canal+ vs Technicolor

In December 2016, Groupe Canal+ and Technicolor entered into an agreement to manufacture and deliver G9 set-top boxes (for mainland France) and G9 Light set-top boxes (for Poland). In 2017, Technicolor challenged the prices agreed with Groupe Canal+ and ultimately decided to terminate this agreement at the end of 2017. As a result, Groupe Canal+ brought summary proceedings against Technicolor before the Nanterre Commercial Court for breach of contract. On 15 December 2017, Groupe Canal+'s claim was dismissed, but on 6 December 2018, the Versailles Court of Appeal ruled in its favour, recognising the wrongful nature of the termination of the contract by Technicolor. Technicolor filed an appeal before the French Supreme Court, which was dismissed on 24 June 2020.

In parallel, on 2 September 2019, Groupe Canal+ brought proceedings before the Paris Commercial Court against Technicolor for breach of its contractual commitments. In its claim, Groupe Canal+ alleged that Technicolor had failed to deliver the G9 and G9 Light set-top boxes in accordance with the manufacturing and delivery agreements entered into between the two companies. Groupe Canal+ is claiming reimbursement of the additional costs paid and alternative transport costs, the payment of late penalties and damages. In turn, on 9 October 2019, Technicolor brought proceedings for unpaid invoices against Groupe Canal+, Canal+ Reunion, Canal+ Antilles and Canal+ Caledonia before the Nanterre Commercial Court. Oral arguments were made on 3 June 2021 and a decision is expected on 22 October 2021.

"Free-to-air" cases

On 22 April 2021, TF1, TMC, TFX, TF1 Séries Films, LCI, TF1 Films Production and GIE TF1 acquisition de droits brought proceedings against Groupe Canal+ and SECP before the Paris Courts, claiming that Canal+'s national free-to-air broadcasting in March 2020 during the first lockdown constituted an act of piracy and unfair or prejudicial competition for them. The total amount claimed is €11.3 million.

On 23 April 2021, France Télévision, France 2 Cinéma and France 3 Cinéma brought proceedings against SECP before the Paris Courts on similar grounds. The total amount claimed is €29.87 million.

In both of these cases, the parties are awaiting a date for the proceedings.

Audiovisual production obligations matter

On 24 March 2021, the CSA issued formal notice to the Canal+ channel to "comply, in the future, with its obligations to contribute to the development of the production of heritage audiovisual works, independent heritage audiovisual works and French original heritage audiovisual works". The breaches identified by the CSA relate to the 2018 and 2019 financial years. On 19 May 2021, Canal+ lodged an appeal with the *Conseil d'Etat* against this formal notice.

Soundgarden, Hole, Steve Earle and the rights holders of Tom Petty and Tupac Shakur vs UMG

On 21 June 2019, the Soundgarden and Hole groups, Steve Earle, Tom Petty's ex-wife and Tupac Shakur's rights holders sued UMG before the California Central District Court as part of a class action suit following a fire that destroyed thousands of archived recordings in 2008.

The claimants alleged that UMG had breached the terms of the contracts with the artists by failing to adequately protect the recordings. It was also argued that the Group should have shared the settlement proceeds received as a result of its negotiations with the insurance companies and NBCU. On 17 July 2019, UMG Recordings filed a motion to dismiss. On 16 August 2019, the claimants filed an amended complaint removing Hole from the list of claimants and adding certain additional claims. On 6 September 2019, UMG filed a new motion to dismiss. On 13 March and 23 March 2020, most of the claimants withdrew from the case and the only claimant remaining was Jane Petty (Tom Petty's ex-wife). On 6 April 2020, the Court granted UMG's motion to dismiss and dismissed Jane Petty's claims.

However, Jane Petty continued to pursue the case. On 16 April 2020, she filed an application for class certification and, on 27 April 2020, she filed a second amended complaint. On 18 May 2020, UMG filed a motion to dismiss, which was granted on 29 March 2021, for the claimant's lack of standing, thereby ending this case.

John Waite, Syd Straw, The Dickies, Kasim Sulton and The Dream Syndicate vs UMG Recordings, Inc.

On 5 February 2019, a class action suit was filed against UMG Recordings, Inc., on behalf of a potential class of artists who requested the termination of their contracts with UMG in proceedings brought pursuant to section 203 of the Copyright Act, allowing, under certain conditions, an author who has entered into a contract under which he/she transferred the rights to his/her work to a third party, to terminate that contract after a period of 35 years. The artists in question have asked the judge to recognise the termination of their contracts, and have further alleged that their copyright has been infringed, as UMG continued to exploit the recordings after the alleged termination date of the contract. On 3 May 2019, UMG Recordings filed a motion to dismiss. On 15 June 2019, the claimants filed an amended complaint adding artists Syd Straw, Kasim Sulton and The Dickies as additional claimants. On 31 August 2020, a second amended complaint was filed, adding the Dream Syndicate as an additional claimant. On 30 September 2020, UMG and Capitol filed a response in which they made a counterclaim against claimants Joe Ely and Syd Straw, alleging that they had exploited certain recordings without authorisation. On 18 November 2020, following a settlement reached between UMG and Joe Ely, the Court noted Joe Ely's withdrawal from the proceedings.

UMG Recordings, Inc. and Universal Music Publishing Group (along with the other major labels and publishers) vs Cox Communications, Inc. and CoxCom LLC

On 31 July 2018, proceedings for copyright infringement were brought by UMG Recordings, Inc. and Universal Music Publishing Group (along with the other major labels and publishers including Sony and Warner) against Cox Communications, an Internet access and service provider, and its parent company CoxCom, for knowingly inducing and supporting copyright infringement by its customers, contrary to the provisions of the Digital Millennium Copyright Act (DMCA), which requires Internet service providers to implement a termination policy against its repeat infringing customers. At the end of the trial, which took place in December 2019, the jury awarded the claimants USD1 billion in damages. Cox filed a motion seeking to reduce the amount of damages awarded to the claimants. On 21 January 2021, the motion was dismissed, and the judge upheld the jury's verdict in the amount of USD1 billion. Cox has stated that it intends to appeal against this decision and has lodged security to stay the enforcement of the judgment pending the appeal.

David Marks vs UMG Recordings, Inc.

On 13 May 2021, David Marks, a former member of the Beach Boys, filed a class action lawsuit against UMG Recordings, Inc. in the US District Court for the Central District of California for breach of contract and fraud. He alleges that UMG understated the amount of royalties owed to him for streaming outside the United States. On 7 July 2021, UMG Recordings filed a motion to dismiss. On 21 July 2021, David Marks filed an amended complaint.

EPAC vs Interforum and Editis

In 2015, Interforum and EPAC Technologies Ltd ("EPAC") entered into an agreement relating to the on-demand printing of books. In 2020, a disagreement arose regarding the performance of that agreement. On 29 March 2021, EPAC informed Interforum and Editis that it was terminating the agreement entered into in 2015, effective on 31 March 2021, and brought proceedings against them before the Supreme Court of the State of New York. EPAC claims that the defendants have failed to pay invoices and failed to comply with several contractual obligations and is seeking damages from the defendants. Interforum and Editis deny these allegations.

Reti Televisive Italiane (RTI) vs Dailymotion

Since 2012, number of lawsuits have been brought by RTI, a subsidiary of Mediaset, against Dailymotion before the Civil Court of Rome. Similar to claims it has made against other major online video platforms, RTI sought damages for infringement of its ancillary rights (audiovisual production and broadcasting rights) and unfair competition as well as the removal of the contested content from the Dailymotion platform.

- In one set of proceedings, on 15 July 2019, following proceedings brought on 12 April 2012, the Civil Court of Rome ordered Dailymotion to pay €5.5 million in damages to RTI and to remove the videos in question, failing which a fine would be imposed. On 11 September 2019, Dailymotion appealed the decision to the Rome Court of Appeal and filed an application to suspend the provisional enforcement of the decision, which was granted on 31 October 2019.

- In other proceedings, following a claim filed on 28 September 2015, the Civil Court of Rome, on 10 January 2021, ordered Dailymotion to pay €22 million in damages to RTI and to withdraw the videos in question, failing which a fine would be imposed.

On 22 July 2021, as part of the overall agreement entered into by Vivendi, Mediaset and Fininvest on 3 May 2021 (see above), a single lump sum payment of €26.3 million was made to RTI, ending all these disputes.

Tax audits

In the normal course of their business, Vivendi SE and its subsidiaries are subject to tax audits by the relevant tax authorities in the countries in which they carry out or carried out business. Various tax authorities have proposed adjustments to the financial results reported by Vivendi and its subsidiaries for the 2019 financial year and prior years, subject to limitation periods applicable to Vivendi and its subsidiaries. Where the audits lead to a dispute, Vivendi's policy is to pay the taxes it intends to contest, and to seek a refund through appropriate legal proceedings. In respect of tax audits that are ongoing at the end of the year, no provision is made where it is impossible to accurately assess the impact that could result from an unfavourable outcome. Vivendi Management believes that it has solid legal grounds to defend its positions that it has

taken in calculating the taxable income of all its subsidiaries. Vivendi Management therefore considers that the outcome of the ongoing tax audits is unlikely to have a material impact on the group's financial position or liquidity.

Tax consolidation and consolidated global profit regimes

Vivendi SE benefits from the tax consolidation system and, up until 31 December 2011 inclusive, it benefited from the consolidated global profit tax regime under Article 209 quinquies of the French Tax Code. From 1 January 2012 onwards, Vivendi SE benefits solely from the tax consolidation regime.

Under the French Tax Group System, Vivendi is entitled to consolidate its own tax profits and losses with the tax profits and losses of the French subsidiaries that are at least 95% owned, directly or indirectly, by it. At 31 December 2020, this mainly applies to Groupe Canal+, Havas Group, Editis and Gameloft in France, and the companies involved in the group's development projects in France (Vivendi Village and Dailymotion, etc.).

Up until 31 December 2011, the consolidated global profit tax regime, based on approval, allowed Vivendi to consolidate its losses and profits for tax purposes with the losses and profits of Group companies that were at least 50% directly or indirectly controlled, both in France and abroad. It initially received approval for a five-year period, i.e. from 1 January 2004 to 31 December 2008, which was renewed on 19 May 2008 for a three-year period, i.e. from 1 January 2009 to 31 December 2011. By way of reminder, on 6 July 2011, Vivendi applied to the Ministry of Finance for its authorisation under the consolidated global profit tax regime to be renewed for a period of three years from 1 January 2012 to 31 December 2014.

The changes to French tax laws in 2011 terminated the consolidated global profit tax regime for companies with financial year-ends on or after 6 September 2011 and the use of tax losses carried forward was limited to 60% of taxable profits. Since 2012, the use of tax losses carried forward has been limited to 50% of taxable profits.

The tax consolidation and consolidated global profit regimes have the following impacts on the valuation of Vivendi's losses, foreign tax credits and carried forward tax credits:

As Vivendi considers that its entitlement to use the consolidated global profit tax regime was effective until the end of the authorisation granted by the French Ministry of Finance (i.e. up until 31 December 2011), in 2012, Vivendi submitted a €366 million refund request in respect of the 2011 financial year. In a decision dated 25 October 2017, marking the end of legal proceedings brought before the administrative courts, the *Conseil d'Etat* acknowledged that Vivendi had a legitimate expectation that it would be able to rely on the consolidated global profit tax regime for the entire period covered by the authorisation, including for the financial year ended on 31 December 2011. Since the *Conseil d'Etat* is in this instance the court of last resort, the sum of €366 million repaid to Vivendi, along with default interest in the amount of €43 million, may not be reclaimed from Vivendi. As a result, Vivendi recorded taxable income of €409 million in its financial statements at 31 December 2017.

Vivendi considered that the foreign tax credits it held upon exiting the consolidated global profit tax system could be carried forward until expiry of its authorisation, Vivendi asked for the tax paid in respect of the financial year ended on 31 December 2012 to be repaid. On the conclusion of the legal proceedings brought by Vivendi before the Administrative Court of Montreuil, followed by the Versailles Administrative Court of Appeal, on 19 December 2019, Vivendi obtained a favourable decision from the *Conseil d'Etat* regarding the use of foreign tax credits on leaving the consolidated global profits regime. In addition, in light of the decision of the Court of First Instance in its litigation relating to the year 2012, Vivendi requested a refund of tax due for the financial year ended on 31 December 2015. The *Conseil d'Etat's* decision of 19 December 2019 led the tax authorities to issue a refund of the tax paid by Vivendi in respect of 2012 and automatically reduce the tax paid by Vivendi in respect of 2015.

Having succeeded before the *Conseil d'Etat*, which acknowledged Vivendi's right (i) to apply the consolidation regime until the end of its authorisation (*Conseil d'Etat* decision of 25 October 2017 No. 403320 in respect of the 2011 financial year) and (ii) to obtain credit for foreign tax credits on leaving the regime in accordance with the provisions of Article 122a of the French General Tax Code, i.e. over 5 years (*Conseil d'Etat* decision of 19 December 2019 n° 426730 in respect of the 2012 financial year), Vivendi is now bringing proceedings relating to the enforceability of the five-year carry-forward rule. The purpose of this litigation is to restore Vivendi's right to use its remaining tax credits, i.e. outstanding credits of €712 million that can be used without any time limit.

The *Conseil d'Etat's* decision of 19 December 2019 had the following consequences:

- In its financial statements for the year ended 31 December 2019, Vivendi recorded current taxable income of €473 million, i.e. €244 million for the 2012 financial year (€218 million in principal and €26 million in default interest) and €229 million for the 2015 financial year (€203 million in principal and €26 million in default interest);
- On 27 December 2019, the tax authorities repaid €223 million (€218 million in principal and €5 million in default interest) to Vivendi. In January 2020, the tax authorities also repaid €250 million to Vivendi, i.e. the balance of €21 million in respect of default interest for the 2012 financial year and €229 million in respect of the 2015 financial year (€203 million in principal and €26 million in default interest).

This decision allows Vivendi to request the repayment of any additional corporate income tax payment already paid in respect of the 2012-2016 period, particularly after its consolidated subsidiaries have been audited, and will allow Vivendi to pay any future tax liability claimed following an audit of it or its consolidated subsidiaries, in respect of the same 2012-2016 period.

Other tax audits

In relation to the tax audit for financial years 2008 to 2012, Vivendi SE is the subject of a rectification procedure for which the tax authorities are challenging the accounting and tax treatment of the NBC Universal shares received in consideration for the sale of Vivendi Universal Entertainment shares in 2004. Additionally, the tax authorities are challenging the deduction of the €2.4 billion loss recorded as part of the sale of these shares in 2010 and 2011. The *Commission Nationale des Impôts Directs* (French National Board for Direct Taxation) to which this dispute was referred gave its opinion on 9 December 2016, which was communicated to Vivendi SE on 13 January 2017, in which it calls for the assessments proposed by the tax authorities to be dropped. Moreover, given that the disagreement was based on administrative guidance, Vivendi asked for it to be annulled on the grounds that it was tantamount to an additional law. On 29 May 2017, the French *Conseil d'État* favourably received Vivendi's appeal for misuse of authority. By letter dated 1 April 2019 and following various appeals, the tax authorities confirmed the order. On 18 June 2019, Vivendi therefore brought proceedings before the department responsible for the tax charge. As no reply was received from the tax authorities, on 30 December 2019, Vivendi brought proceedings before the Administrative Court of Montreuil. On 14 December 2020, almost one year after the proceedings were brought, the tax authorities filed a statement of defence, to which Vivendi replied on 21 January 2021. On 3 February 2021, the court registry issued a statement closing the investigation on 1 March 2021.

The tax audit for the 2013 to 2016 financial years in respect of the group's consolidated earnings is ongoing. In respect of Vivendi's own earnings, on 4 June 2020, the tax authorities proposed a series of adjustments totalling €33 million (base) for those four financial years. This proposal will result in an adjustment to Vivendi's carried forward tax losses and will not result in any current tax charge as any tax claimed will be settled through the use of foreign tax credits. Following Vivendi's response on 21 July 2020, the tax authority confirmed its position on 14 September 2020. Vivendi does not fully agree with the positions taken by the tax authorities but does not intend, in view of the issues at stake, to challenge them.

In terms of the US tax group, the audit of the 2011, 2012 and 2013 financial years is now closed. On 31 January 2018, the US tax authorities informed Vivendi that they were auditing its returns for the 2014, 2015 and 2016 financial years. The audits were ongoing at 31 December 2020.

With respect to Groupe Canal+, in proposed adjustments issued on 4 June and 7 June 2021, the French tax authorities challenged Groupe Canal+'s right to break down, by type of service and VAT rate, revenue from composite services comprising services that, if sold separately, would be subject to different VAT rates. The tax authorities did not, however, take into account cases in which the amount of VAT payable by Canal + to the Treasury was increased as a result of its breakdown method. They also failed to take into account the deductibility from the corporate tax base of the amount of VAT they expected to be paid for the 2016 to 2019 financial years. The tax authorities also intend to impose penalties for deliberate non-compliance, even if Groupe Canal+ can demonstrate that its practice relies on formal positions taken by the tax authorities, both in the context of either direct responses that may have been given to it or previous tax audits or litigation initiated by the audited companies. In this context, Vivendi Management believes that it has solid legal grounds to defend its positions on the VAT assessment of its subsidiaries. Vivendi Management therefore considers that the outcome of the ongoing tax audits is unlikely to have a material impact on the group's financial position or liquidity.

Finally, with respect to the Havas group, Havas SA brought an action seeking the repayment of the withholding tax paid by the company between 2000 and 2002 on the redistribution of dividends from European subsidiaries, in the amount of €34 million. Following a decision by the Administrative Court and later by the Paris and Versailles Courts of Appeals, on 28 July 2017, the *Conseil d'Etat* rejected an appeal by Havas against the decision of the Versailles Court of Appeal. This decision permanently ended this tax dispute and means that Havas will not be refunded the withheld tax. However, to restore Havas's right to compensation, three combined sets of proceedings have been brought: (i) a claim before the European Commission, (ii) a filing before the European Court of Human Rights, and (iii) a claim for compensation under an action for damages against the French state.

At the time of the sale of GVT to Telefonica Brasil in May 2015, Vivendi realised a capital gain that was subject to withholding tax in Brazil. On 2 March 2020, the Brazilian tax authorities challenged the methods for calculating this capital gain and ordered Vivendi to pay an amount of BRL1 billion (i.e. approximately €160 million) in duties, late interest and penalties. This additional tax assessment and the refusal to take into account the reduction of the capital gain resulting from price adjustments were unsuccessfully challenged before the administrative bodies. Vivendi will take legal action to assert its rights and believes that it has a strong chance of succeeding. Accordingly, no provision has been recorded in the financial statements for the period ended 30 June 2021.

Note 12 - Employee expenses and benefits

12.1 - Share-based payment transactions

IFRS 2 expenses recognised over the period amounted to €9.6 million, of which €6.3 million related to the Vivendi Group (for the Vivendi SE plans) and €3.1 million for the Bolloré SE plans.

They reflect the application of an additional six-month vesting period.

The terms and conditions of awards under the plans already in force at 31 December 2020 are described in detail in the notes to Vivendi's 2020 financial statements of the Vivendi Group (for Vivendi) and those of the Bolloré Group (for Bolloré).

The main new plans granted in the first half of 2021 are as follows:

Bolloré SE:

On 4 March 2021, the Board of Directors of Bolloré SE decided to establish a bonus share plan under the authorisation granted by the shareholders at the General Meeting held on 29 May 2019, over 2,563,500 Bolloré SE shares.

In the first half of 2021, the IFRS 2 expense recorded for this bonus share plan was €0.8 million. Over this period, the expense recorded for all Bolloré bonus share plans was €3.1 million.

Vivendi SE:

Vivendi SE did not establish any new performance share plans. However, at its meeting held on 3 March 2021, Vivendi's Supervisory Board decided to authorise, on the recommendation of the Governance, Appointments and Compensation Committee, the payment of exceptional compensation to Vivendi Group employees, executives and officers eligible for the annual award of performance shares, under the following conditions:

- completion, before the end of 2021, of the proposed distribution of the 60% shareholding in UMG and its planned listing on the Euronext NV regulated market of the Amsterdam Stock Exchange (see Note 1 - Significant Events);
- in this case, there would be no award of performance shares in respect of 2021 to employees and executives.

This payment will be contingent on the completion of the aforementioned transactions and the continuing presence of the employees and officers on that date.

In accordance with Article L. 22-10-34 II of the French Commercial Code, the payment of extraordinary compensation to officers for 2021 is subject to the approval of Vivendi's shareholders at the Annual General Meeting, to be held in 2022.

In the first half of 2021, Vivendi SE did not carry out any employee shareholding operations under a Group savings plan and leveraged plan reserved for Group employees, retirees and officers.

The details of these principal new plans are as follows:

Award of bonus shares and performance share in the first half of 2021	
Shares in question	BOLLORE
Date of grant	4 March 2021
Number of shares granted	2,563,500
Market price of the share at the date of grant (in euros)	4.06
Dividend rate (as a percentage)	1.48
Fair value of a share (in euros)	3.88
Vesting period	36 months
Retention period	None at the end of the vesting period i.e. 4 March 2024
Number of shares granted as at 30 June 2021	2,563,500

The change over the period in the number of shares and options in issue relating to share-based payment transactions is as follows:

Change in the number of bonus shares and performance shares in issue		
Shares in question	VIVENDI	BOLLORE
Number of shares at 31 December 2020	5,344,000	4,980,500
From business combinations		
Granted		2,563,500
Lapsed		
Exercised	(1,084,000)	(1,238,000)
Cancelled	(447,000)	(5,000)
Number of shares at 30 June 2021	3,813,000	6,301,000

Change in number of share options	
Options in question	VIVENDI
Number of options at 31 December 2020	1,310,000
From business combinations	
Granted	
Lapsed	(30,000)
Exercised	(944,000)
Cancelled	
Number of options at 30 June 2021	336,000

Note 13 - Taxes

13.1 - Analysis of the tax expense

<i>(in € millions)</i>	June 2021	June 2020	December 2020
Current and deferred taxes ⁽¹⁾	(261.9)	(282.1)	(522.7)
Other taxes (flat-rate, adjustments, tax credits, carry back)	(3.1)	(6.3)	(9.9)
Withholding tax	(47.7)	(47.1)	(91.8)
Company Value Added Contribution (CVAE)	(12.6)	(17.0)	(52.8)
Total	(325.3)	(352.6)	(677.2)

(1) Includes the change in deferred tax liability relating to the revaluation through profit or loss of the shareholdings in Spotify and Tencent Music (deferred taxable income of +€30 million, compared to a deferred tax expense of -€110 million in the first half of 2020 and a deferred tax expense of -€142 million in the 2020 financial year).

Note 14 - Transactions with related parties

The consolidated financial statements include transactions carried out by the Group in the normal course of business and under normal market conditions, with companies controlled exclusively or jointly and companies over which the Group exercises significant influence and with non-consolidated entities that have direct or indirect capital links with the Group.

This note should be read in conjunction with the information on related parties at 31 December 2020, as described in Note 14 (Transactions with related parties) to the notes to the consolidated financial statements for the year ended 31 December 2020.

Transactions carried out with companies that the Group exclusively controls are fully consolidated in the consolidated financial statements and the flows are therefore neutralized.

The Group did not enter into any new significant transactions with its other related parties during the first half of 2021.

Note 15 - Events after the reporting date

The main events that occurred between the reporting date and 30 July 2021, the date on which Bolloré SE's Board of Directors met to approve the half-yearly financial statements, were as follows:

On 19 July 2021, Vivendi accepted Pershing Square Tontine Holdings Ltd. (PSTH)'s request that investment funds managed by William Ackman or in which he held significant economic interests be substituted as the vehicles used to acquire the 10% stake in Universal Music Group (UMG) announced on 20 June 2021.

On 22 July 2021, Vivendi, Fininvest and Mediaset announced the completion of their global agreement dated 3 May 2021 that they had entered into in order to end their disputes.

STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION

For the period from January 1st, to June 30th, 2021

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders of the company BOLLORE SE,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of the company, for the period from January 1st to June 30th, 2021,
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have 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 procedures.

These half-yearly condensed consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated 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 information.

Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, September 6th, 2021

The Statutory Auditors
French original signed by

AEG FINANCES
French member of Grant Thornton International

CONSTANTIN ASSOCIES
Member of Deloitte Touche Tohmatsu Limited

Samuel CLOCHARD

Thierry QUERON

STATEMENT OF THE PERSON RESPONSIBLE FOR THE HALF-YEAR REPORT

I hereby certify that to the best of my knowledge the condensed financial statements for the past half year have been prepared in accordance of the company and all its consolidated entities, and that the interim progress report on page 4 gives a true picture of the highlights in the first six months of the financial year, their effect of the accounts, the main transactions between related parties and a description of the main risks and uncertainties for the remaining six months of the financial year.

September 7th, 2021

Cyrille Bolloré
Chairman and Chief Executive Officer

GLOSSARY

A

Adjusted operating income (EBITA):

It corresponds to operating income before amortization of intangible assets related to business combinations (PPA – Purchase Price Allocation), impairment of goodwill and other intangible assets related to business combinations

Autorité des marchés financiers – AMF (French Financial Markets Authority):

Its tasks include setting the rules for the functioning and ethics of markets, market supervision and protection of shareholders and investors.

B

Bond:

Negotiable debt security issued by a public or private company, local authority or State, paying fixed-rate interest over a specific period and including a promise to repay at maturity.

C

Capital gain:

Gain obtained from the sale of a security, corresponding to the difference between its disposal value and acquisition value.

Concession:

Contract between the public administration and a private entity in which the former authorizes the latter, in exchange for compensation, to occupy a public domain or carry out works.

Corporate governance:

Corporate governance describes the system formed by all processes, regulations, laws and institutions designed to govern the way in which companies are managed, administrated and controlled.

Corporate officers:

They are the Chief Executive Officer, the Chairman of the Board of Directors and the members of the Board of Directors.

D

Distribution:

Distribution networks are groups of structures mainly comprising medium or low-pressure pipelines. They carry natural gas to consumers that are not directly connected to the mains network or a regional transport network.

Dividend:

A dividend is compensation paid by a company to its shareholders.

These receive it without a counterparty and remain the owners of their shares; if not, it would be a share buyback.

It is the shareholders themselves, during the General Shareholders' Meeting, that decide to allocate a dividend if they consider that the company that they own has sufficient resources to distribute assets without affecting its operations.

E

EBITDA:

Operating income before depreciation, amortization and impairment.

Equity:

Capital belonging to shareholders including capital subscriptions, profits left in reserves and income for the period.

Equity investments (or securities):

An equity investment is a security that does not grant voting rights or a share in the capital. In this sense, it is close to an investment certificate.

The equity investment offers the possibility to individuals or investors that are not partners to contribute funds to a company, without a limit on the amount, with compensation that may be attractive.

F

Financial capital investments:

Acquisition of equity investments (net of cash acquired) and changes in interests without the takeover of subsidiaries.

I

IFRS (International Financial Reporting Standards):

International accounting standards, applicable from January 1, 2005, prepared by the International Accounting Standards Board (IASB) designed for listed companies or those that call on investors, in order to harmonize the presentation and improve the clarity of their financial statements.

L

Liquidity:

Ratio between the volume of shares exchanged and the total number of shares in the share capital.

N

Net financial debt:

Non-current financial debts, including the share of under one-year, financial debts and other current financial liabilities, less cash, cash equivalents and current financial assets.

Net financial debt/Net cash position:

Sum of loans at amortized cost, less cash and cash equivalents, financial cash management assets and net derivative financial instruments (assets or liabilities) with as underlying a net financial debt item as well as cash deposits backing borrowings.

Net revenue:

It corresponds to revenue after the deduction of re-billable costs.

O

Organic growth:

growth at constant consolidation scope and exchange rates.

P

Par value:

Initial value of a share set by a company's bylaws. The share capital of a company is reached by multiplying the par value by the number of shares comprising this capital.

Public exchange offer:

In finance, a public offer is an operation launched by a company, financial group or other private entity, in the form of a proposal made to the public to buy, exchange or sell a certain number of securities in a company, under precise, regulated procedures that are controlled by the stock market authorities, notably with regard to the financial information to be provided to the general public (in France, the AMF and in the United States, the SEC).

R

Rating agency:

A financial rating agency is an organization responsible for assessing the risk of default on payment of debt or a loan from a State, a company or a local authority.

Reserves:

Retained earnings, kept by the company until a contrary decision.

S

Share:

Negotiable security representing a fraction of a company's share capital.

The share gives its holder, the shareholder, the title of partner and grants him/her certain rights. The share may be held in

registered or bearer form.

Share buyback:

Transaction on the stock market in which a company purchases its own shares, up to 10% of its share capital and after authorization from its shareholders at their General Shareholders' Meeting. The purchased shares do not enter into the calculation of net profit per share and do not receive dividends.

Streaming:

Technique for transmitting and receiving multimedia data online in a continuous way, avoiding the need to download data and allowing live broadcasting (or with a slight lag).

U

UCITS (Undertakings for Collective Investment in Transferable Securities – OPCVM in French):

A savings product that holds part of a collective portfolio invested in securities, with management carried out by a professional, including SICAV and FCP in France.

The non-GAAP measures defined below should be considered in addition to, and not as a substitute for other GAAP measures of operating and financial performance, and Bolloré considers these to be relevant indicators of the Group's operational and financial performance. Furthermore, it should be noted that other companies may define and calculate these indicators differently. It is therefore possible that the indicators used by Bolloré cannot be directly compared with those of other companies.

The percentages changes indicated in this document are calculated in relation to the same period of the previous fiscal year, unless otherwise stated. Due to rounding in this presentation, the sum of some data may not correspond exactly to the calculated total and the percentage may not correspond to the calculated variation.



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