



July 25,  
2019

# FIRST HALF 2019 RESULTS

**IMPORTANT NOTICE:**

Financial results for the half year ended June 30, 2019

Unaudited financial statements, prepared under IFRS

Investors are strongly urged to read the important disclaimer at the end of this presentation

# SUMMARY

- 1 H1 2019 Key Takeaways
- 2 H1 2019 Financials
- 3 Group Results
- 4 Business Unit Performances
- 5 Q&A
- 6 Appendices

## **ARNAUD DE PUYFONTAINE**

Chairman of the Management Board

Chief Executive Officer

# H1 2019 Key Takeaways

# H1 2019 – KEY TAKEAWAYS

## ■ Strong increase in profitability

- UMG: record result with revenues of €3,258 M, up 18.6% and an EBITA of € 481 M, up 43.6%
- Tripling of earnings attributable to Vivendi SA shareowners to € 520 M

## ■ Pursuing of targeted acquisition strategy

- Editis acquisition completed in January 2019
- Planned M7 acquisition by Canal+ Group (closing expected in September 2019)

## ■ Shareholder returns

- €0.50/share dividend paid to shareholders in April 2019 (€636M)
- Success of the share buyback program
  - 65.5 M share buyback carried out between May 28 and July 23, 2019 (5% of the share capital)
  - Cancellation of 50 M shares (3.82% of the share capital), including 30 M shares previously held, on June 17, and 44.7 M shares (3.41%) on July 25, for a total of 94.7 M shares (7.23%)

# EVOLUTION OF UMG'S SHARE CAPITAL

- The Group has selected the advisory banks as part of the plan to open up the UMG share capital
- The Vendor Due Diligence report, presented to the Supervisory Board in May, will be updated by PwC with the first half 2019 financial statements
- The opening of UMG's share capital for the acquisition of a minority interest by one or more partners is progressing as previously announced, with the participation of UMG's management teams. Several contacts have already been established with potential strategic partners

## HERVÉ PHILIPPE

Member of the Management Board

Chief Financial Officer

# H1 2019 Financials

# CURRENCIES, SCOPE OF CONSOLIDATION AND IFRS

## ■ Currencies

Average rate over the period		Q1 2018	Q1 2019	Q2 2018	Q2 2019	H1 2018	H1 2019
EUR vs.	USD:	1.220	1.136	1.215	<b>1.129</b>	1.217	<b>1.133</b>
	GBP:	0.883	0.882	0.875	<b>0.871</b>	0.879	<b>0.876</b>
	JPY:	134	126	131	<b>125</b>	133	<b>126</b>

## ■ Main changes in scope of consolidation

- Editis has been consolidated since February 1, 2019
- InGrooves has been consolidated by UMG since March 15, 2019

## ■ Impact on the Group's performance

	Revenues			EBITA
	Q1 2019	Q2 2019	H1 2019	H1 2019
Organic growth rate	+5.7%	+7.7%	+6.7%	+27.6%
Consolidation scope impact	+3.2pts	+6.2pts	+4.8pts	+1.9pts
Growth at constant currency rate	+8.9%	+13.9%	+11.5%	+29.5%
FX impact	+1.8pts	+2.3pts	+2.1pts	+2.9pts
Actual growth rate	+10.7%	+16.2%	+13.6%	+32.4%

## ■ Implementation of IFRS 16 – Lease contracts

- Application as of January 1, 2019, without restatement of the comparative periods

# H1 2019 RESULTS

## ■ Strong growth in the group's profitability

<i>In euro millions</i>	H1 2018	H1 2019	Δ (%)	Δ organic (%)*
<b>Revenues</b>	<b>6,476</b>	<b>7,353</b>	+13.6%	+6.7%
<b>EBITA</b>	<b>542</b>	<b>718</b>	+32.4%	+27.6%
EBIT	492	645	+31.2%	
<b>Adjusted Net Income</b>	<b>393</b>	<b>554</b>	+40.8%	
Earnings attributable to Vivendi SA shareowners	165	520	x3.2	
<b>Net Debt as of June 30, 2019</b>		<b>(2,133)</b>	vs. €176m net cash position as of December 31, 2018	

## ■ Vivendi group EBITA of € 718 M, up 32.4% yoy, +27.6% organically\*

- UMG: € 481 M, up 47.3% yoy
- Canal+ Group: € 233 M, up 5.4% yoy
- Havas Group: € 108 M, up 5.8% yoy

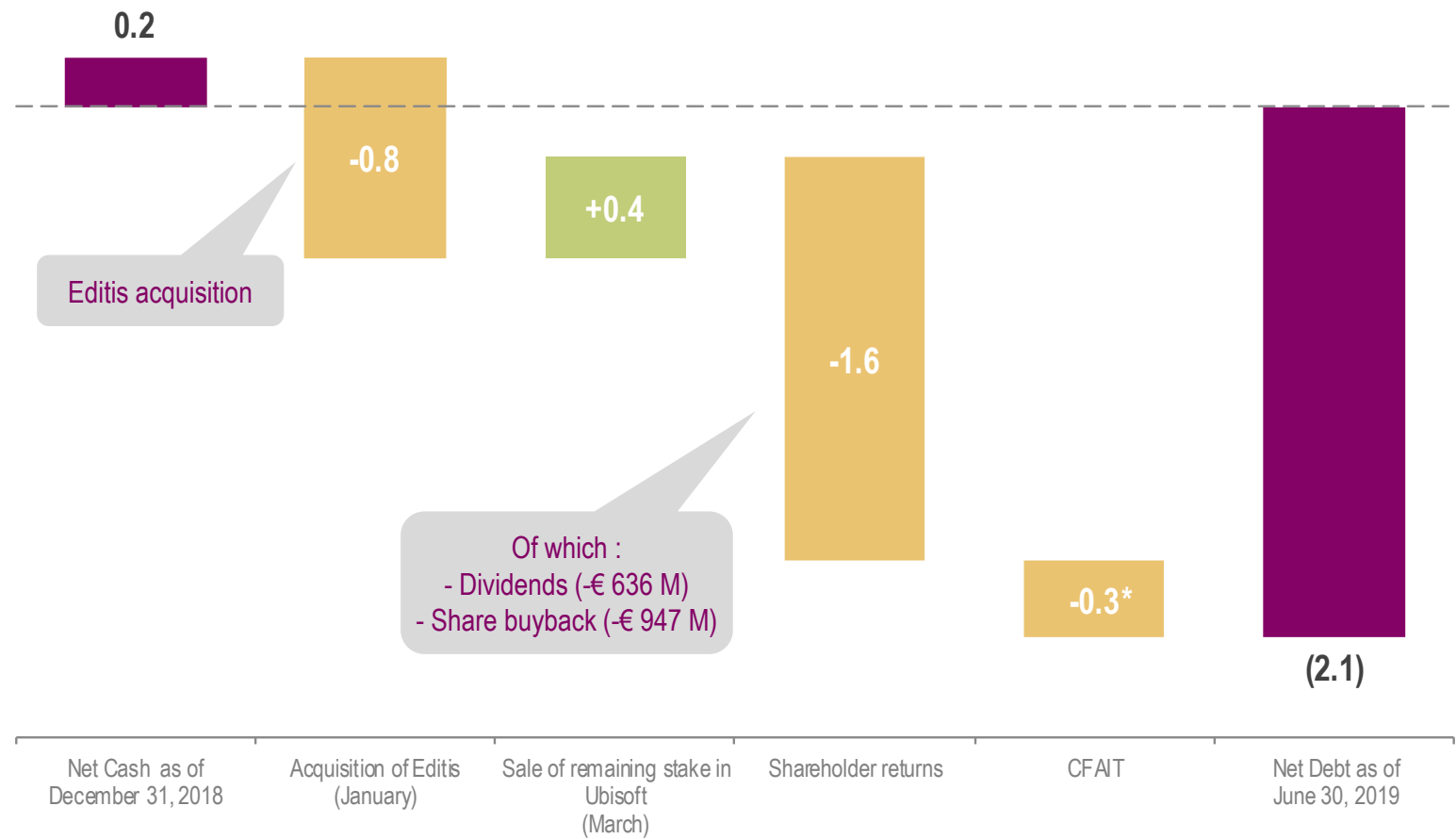
## ■ Adjusted Net Income of € 554 M, up 40.8% yoy

\* Organic growth reported did not eliminate the impacts on 2019 EBITA of IFRS 16 initial application



# CASH EVOLUTION

(in euro billions)



\* Included the € 239 M repayment by Vivendi to tax authorities pursuant to a Court decision regarding Vivendi's use of 2012 foreign tax credits

# Group Results

# CONSOLIDATED P&L

<i>in euro millions</i>	H1 2018	H1 2019	Δ (%)
<b>Revenues</b>	<b>6,476</b>	<b>7,353</b>	<b>+13.6%</b>
<b>EBITA*</b>	<b>542</b>	<b>718</b>	<b>+ 32.4%</b>
<b>EBIT</b>	<b>492</b>	<b>645</b>	<b>+31.2%</b>
Income from non-operating equity affiliates	8	(8)	
Interest	(26)	(21)	
Income from investments	15	5	
Other financial income and charges	(42)	91	
Provision for income taxes	(265)	(182)	
Non-controlling interests	(17)	(10)	
<b>Earnings attributable to Vivendi SA shareowners</b>	<b>165</b>	<b>520</b>	<b>x3.2</b>
<b>Adjusted net income*</b>	<b>393</b>	<b>554</b>	<b>+ 40.8%</b>

\* Details of the reconciliation between EBITA and EBIT, and Earnings attributable to Vivendi SA shareowners and Adjusted Net Income are provided in the appendices

# REVENUES BY BUSINESS UNIT

<i>in euro millions - IFRS</i>	H1 2018	H1 2019	Δ (%)	Δ organic (%)
Universal Music Group	2,628	3,258	+24.0%	+18.6%
Canal+ Group	2,575	2,518	-2.2%	-2.2%
Havas Group	1,073	1,114	+3.8%	+0.2%
Editis*	-	260		
Other businesses** and intercompany elimination	200	203		
<b>Total Vivendi</b>	<b>6,476</b>	<b>7,353</b>	<b>+13.6%</b>	<b>+6.7%</b>

\* Editis has been consolidated since February 1, 2019. Editis' revenues are up +1.2% compared to the same 5-month period in 2018

\*\* The other businesses include Gameloft, Vivendi Village and New Initiatives (please refer to the appendices for details).

# EBITA BY BUSINESS UNIT

<b>EBITA</b> <i>in euro millions</i>	<b>H1 2018</b>	<b>H1 2019</b>	<b>Δ (%)</b>	<b>Δ organic (%)*</b>
Universal Music Group	326	481	+47.3%	+43.6%
Canal+ Group	221	233	+5.4%	+5.9%
<i>Canal+ Group - EBITA before restructuring charges</i>	249	236	-5.2%	-4.8%
Havas Group	102	108	+5.8%	+2.0%
Editis**	-	4		
Other businesses***	(107)	(108)		
<b>Total Vivendi</b>	<b>542</b>	<b>718</b>	<b>+32.4%</b>	<b>+27.6%</b>

\* The organic growth reported did not eliminate the impacts on 2019 EBITA of IFRS 16 initial application (+€ 18 M, of which +€ 8 M on UMG and +€ 8 M on Havas Group). The organic growth of EBITA as restated to reflect the impacts of IFRS 16 amounted to +24.3% for the Group and +41.2% for UMG, respectively

\*\* Editis has been consolidated since February 1, 2019

\*\*\* Other businesses include Gameloft, Vivendi Village, New Initiatives and Corporate (please refer to appendices for details).

# CONSOLIDATED BALANCE SHEET

## Assets

<i>in euro millions</i>	January 1, 2019*	June 30, 2019
Goodwill	12,438	13,452
Intangible and tangible assets	6,037	6,145
Financial investments	6,011	5,795
Net deferred tax assets	-	-
Net cash position	176	-
<b>Total</b>	<b>24,662</b>	<b>25,392</b>

## Equity and Liabilities

<i>in euro millions</i>	January 1, 2019*	June 30, 2019
Consolidated equity**	17,375	15,823
Provisions	1,290	1,375
Net Debt position	-	2,133
Net deferred tax liabilities	353	172
Working capital requirements and other	5,644	5,889
<b>Total</b>	<b>24,662</b>	<b>25,392</b>

\* Restated to reflect changes in accounting standards

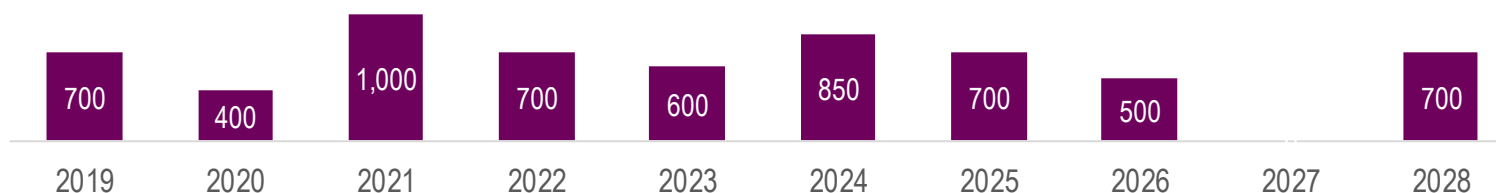
\*\* The evolution of consolidated equity is notably linked to the sharebuy back program carried out from May 28 to July 23, 2019 for a global amount of € 1.6 bn (5% of share capital)

# LIQUIDITY AND CAPITAL RESOURCES

## Cash evolution

<i>in euro millions</i>	December 31, 2018	June 30, 2019
Cash and cash equivalents	3,793	3,239
Cash management financial assets	599	940
<b>Gross cash position</b>	<b>4,392</b>	<b>4,179</b>
Bonds	(4,050)	(6,150)
Other financial liabilities, net	(166)	(162)
<b>(Net Debt) / Net cash position</b>	<b>176</b>	<b>(2,133)</b>

## Bonds maturity (€ M)



Average debt  
maturity:  
5.4 years

- € 2.1 bn bond placed in June 2019
- Credit lines available: € 3.5 bn as of July 23, 2019
- Market value of listed equity portfolio: € 3.7 bn as of June 30, 2019

# Business Unit Performances



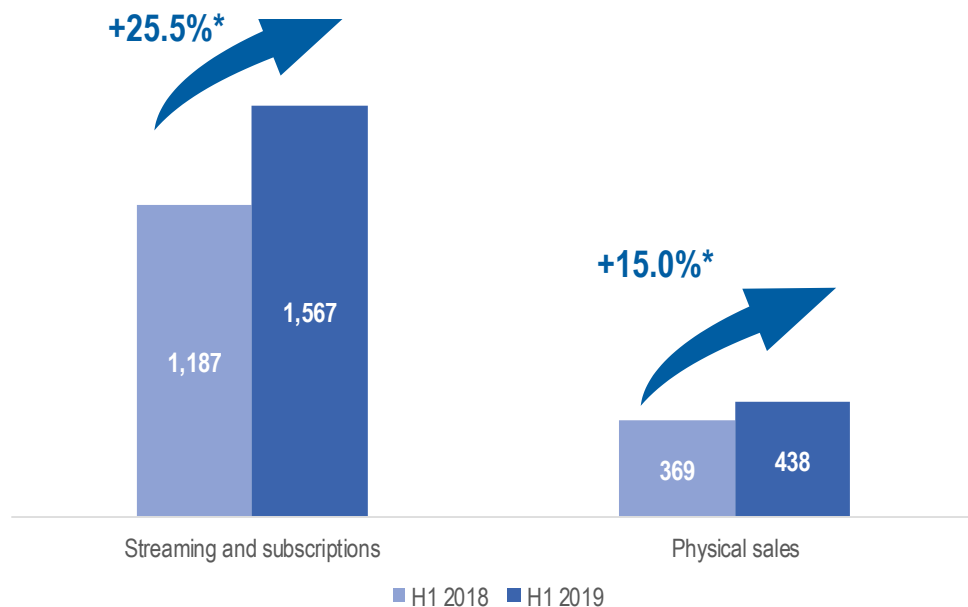
# Universal Music Group

# UNIVERSAL MUSIC GROUP

H1 2019 record results supported by recorded music growth

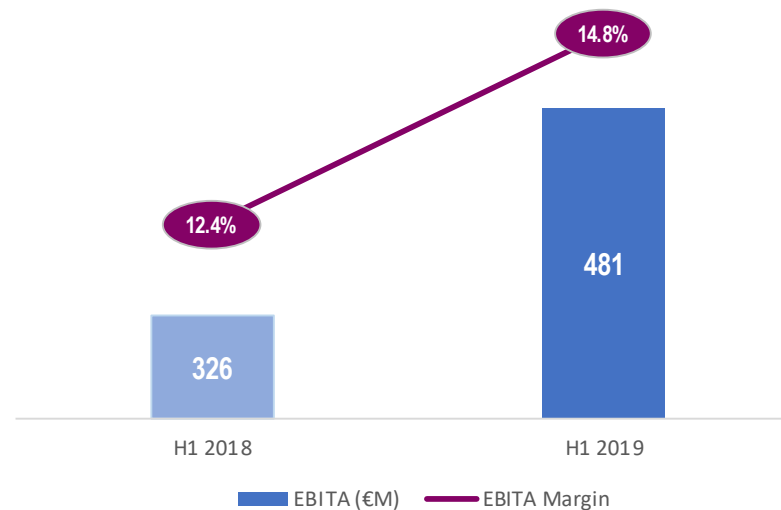
Continued growth supported by streaming & subscriptions and physical sales

- € 3,258 M revenues, +18.6% yoy\*
  - Streaming and subscriptions : +25.5%\*
  - Physical sales : +15.0%\*



Strong operating leverage effect

- €481m of EBITA
  - Up +43.6%\*
  - Margin : +240 bps



\* Organic growth

# UNIVERSAL MUSIC GROUP

## Key Figures

<i>in euro millions</i>	H1 2018	H1 2019	Δ (%)	Δ organic (%)
<b>Revenues</b>	<b>2,628</b>	<b>3,258</b>	<b>+24.0%</b>	<b>+18.6%</b>
Recorded music	2,121	2,596	+22.4%	+16.9%
<i>Streaming and subscriptions</i>	1,187	1,567	+32.1%	+25.5%
<i>Other digital sales (mainly downloads)</i>	237	212	-10.5%	-15.6%
<i>Physical sales</i>	369	438	+18.8%	+15.0%
<i>License and Other</i>	328	379	+15.3%	+11.7%
Music Publishing	409	467	+14.2%	+10.5%
Merchandising & Other	107	202	+89.6%	+82.3%
Intercompany Elimination	(9)	(7)		
<b>EBITA*</b>	<b>326</b>	<b>481</b>	<b>+47.3%</b>	<b>+43.6%</b>
<i>EBITA margin</i>	12.4%	14.8%	+2.4pts	
<b>CFFO</b>	<b>204</b>	<b>166</b>	<b>-18.7%</b>	

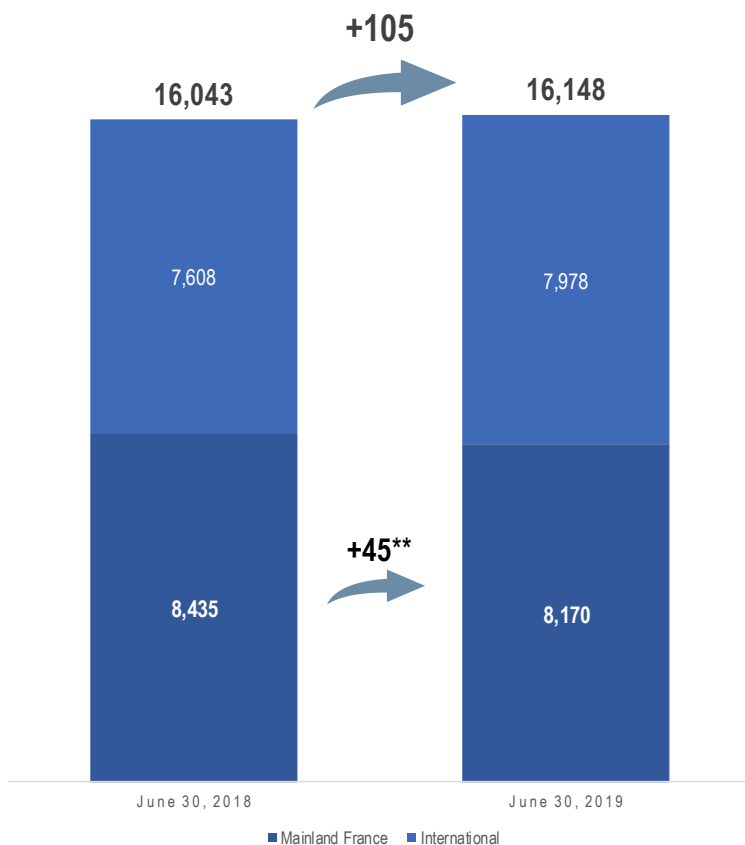
\* EBITA included the positive impacts of the initial application of IFRS 16 on 2019 figures (+€ 8 M)

Canal+ Group

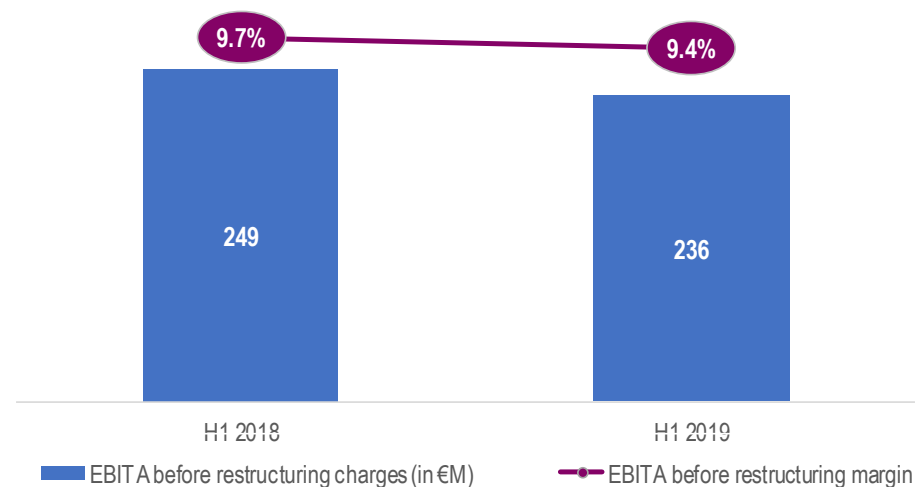
# CANAL+ GROUP



## Subscriber base\* growth driven by international activities



## Evolution of EBITA before restructuring charges



\* In thousands

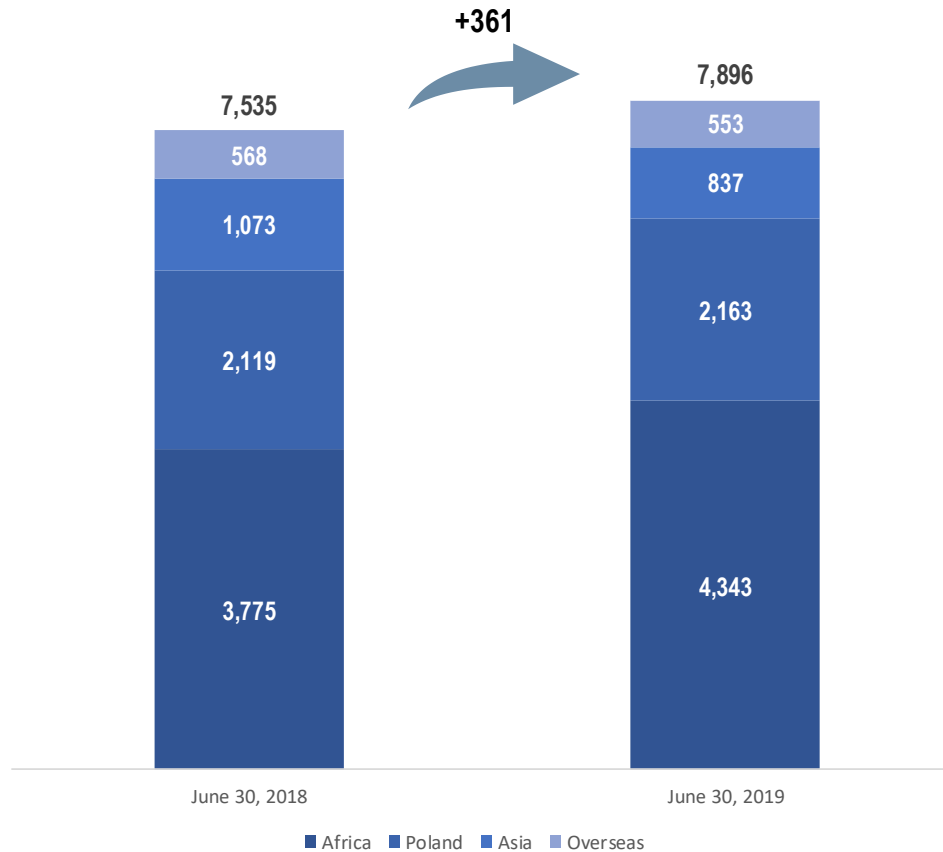
\*\* Number of Canal+ channel subscribers

# CANAL+ GROUP

International



- Continued growth of the subscriber base\*, driven by Africa and Poland



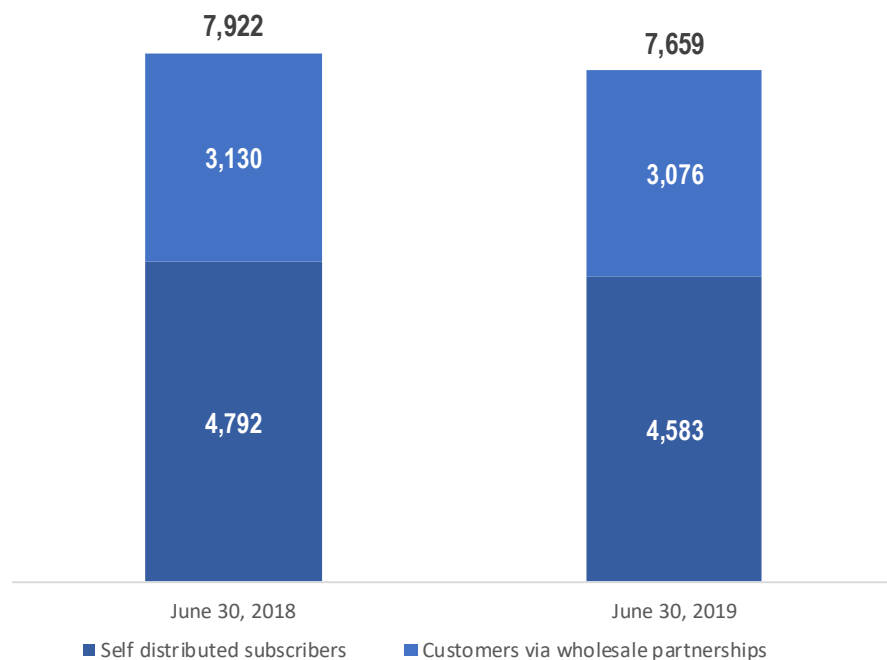
\* In thousands, excluding collective contracts

# CANAL+ GROUP

Mainland France



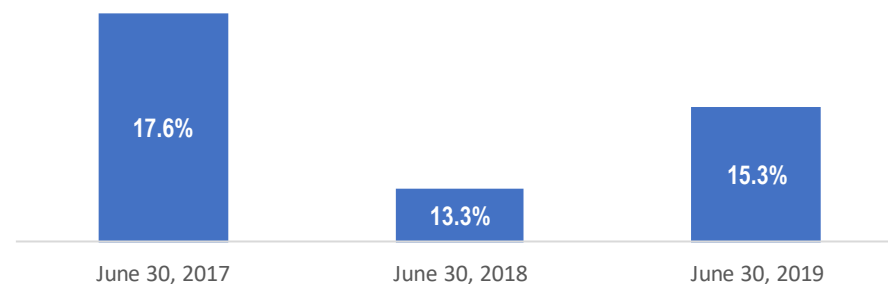
## Evolution of the individual subscriber base\*



## Growth of the subscriber base without commitment\*



## Evolution of churn\*\*



\* In thousands, excluding collective contracts

\*\* Churn per individual retail subscriber with commitment, over a 12-month period, excluding customers via wholesale partnerships with telecom providers and customers benefiting from free cancellation

# CANAL+ GROUP

## Key figures



<i>in euro millions</i>	H1 2018	H1 2019	Δ (%)	Δ organic (%)
<b>Revenues</b>	<b>2,575</b>	<b>2,518</b>	<b>-2.2%</b>	<b>-2.2%</b>
TV International	782	808	+3.3%	+3.7%
TV mainland France	1,591	1,520	-4.5%	-4.5%
Studiocanal	202	190	-6.2%	-6.7%
<b>EBITA before restructuring charges</b>	<b>249</b>	<b>236</b>	<b>-5.2%</b>	<b>-4.8%</b>
<i>EBITA before restructuring margin</i>	9.7%	9.4%	-0.3pts	
Restructuring charges	(28)	(3)		
<b>EBITA</b>	<b>221</b>	<b>233</b>	<b>+5.4%</b>	<b>+5.9%</b>
<b>CFFO</b>	<b>172</b>	<b>174</b>	<b>+1.1%</b>	

- Plan to transform and reorganize Canal+'s activities in France



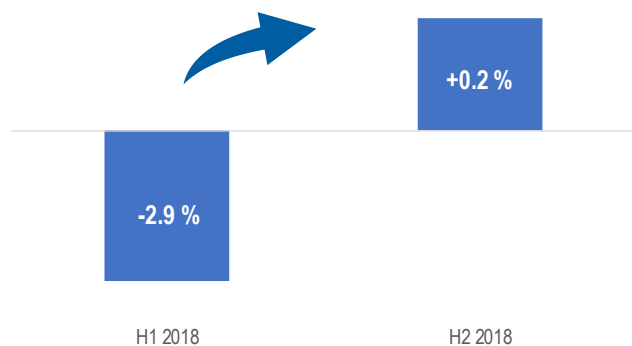
Havas Group

# HAVAS GROUP

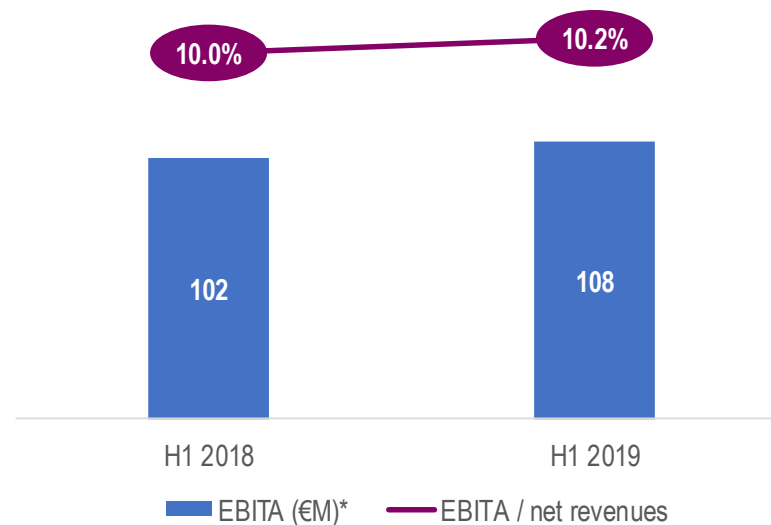
Solid performances



## Net revenues: evolution of organic growth



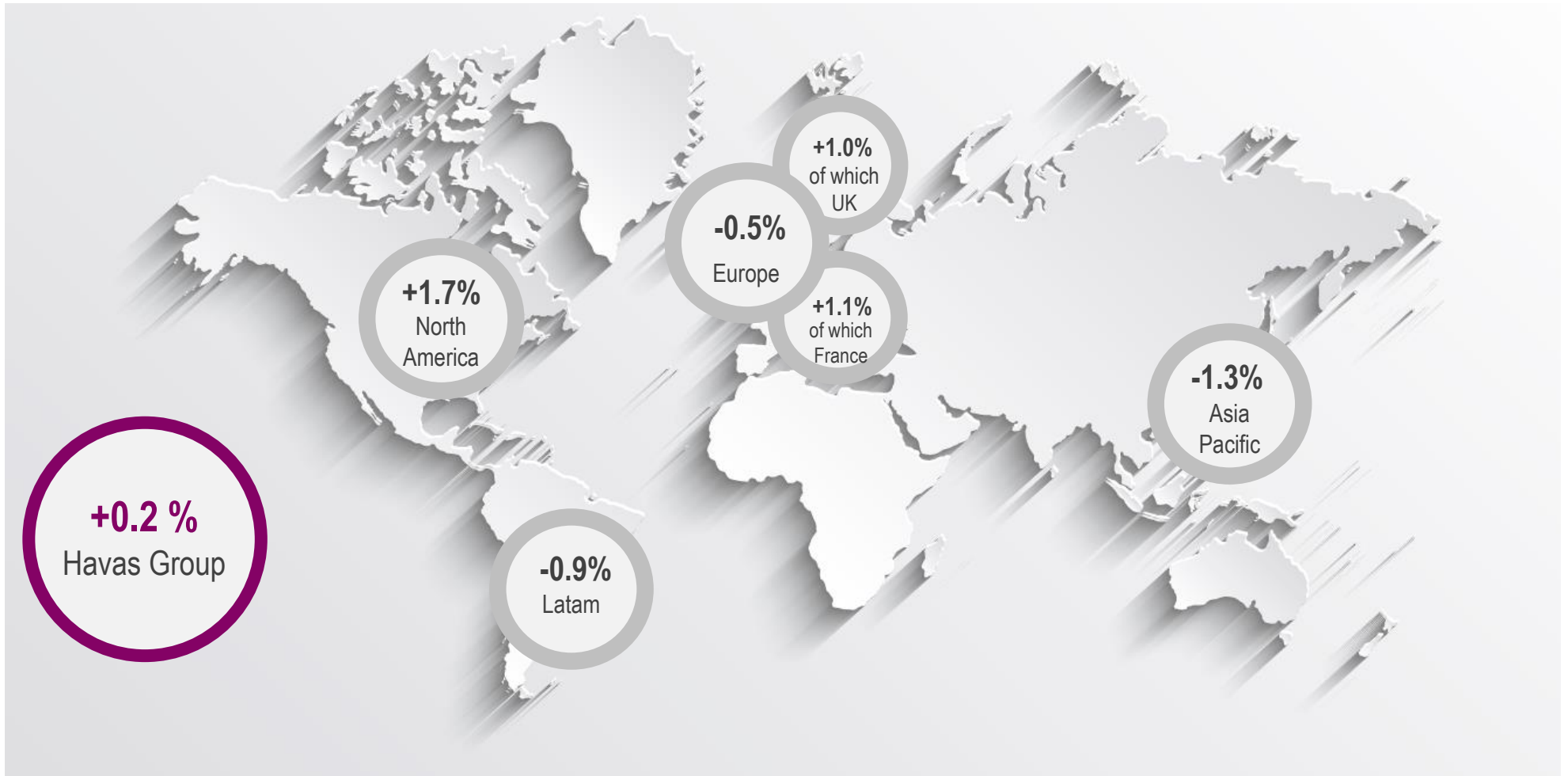
## Evolution of EBITA\*



\* EBITA included the positive impacts of the initial application of IFRS 16 on 2019 figures (+€ 8 M)

# HAVAS GROUP

## Organic Growth Net Revenue - H1 2019



# HAVAS GROUP

## Key Figures



<i>in euro millions</i>	H1 2018	H1 2019	Δ (%)	Δ organic (%)
Revenues	1,073	1,114	+3.8%	+0.2%
<b>Net revenues</b>	<b>1,020</b>	<b>1,061</b>	<b>+4.0%</b>	<b>+0.2%</b>
<b>EBITA before restructuring charges*</b>	<b>109</b>	<b>115</b>	<b>+5.7%</b>	<b>+2.1%</b>
<i>EBITA before restructuring charges / net revenues</i>	10.7%	10.8%	+0.1 pt	
Restructuring charges	(7)	(7)		
<b>EBITA*</b>	<b>102</b>	<b>108</b>	<b>+5.8%</b>	<b>+2.0%</b>
<i>EBITA / net revenues</i>	10.0%	10.2%	+0.2pt	
<b>CFFO</b>	<b>(104)</b>	<b>(72)</b>	<b>+30.5%</b>	

### H1 2018

- FX : -6.5%
- Acquisitions : +1.4%
- Organic growth : -2.9%

### H1 2019

- FX : +2.8%
- Acquisitions : +1.0%
- Organic growth : +0.2%

\* EBITA before restructuring charges and EBITA included the impacts of the initial application of IFRS 16 on 2019 figures (+€ 8 M)

Editis

# EDITIS

## Key figures



- Acquisition of 100% of Editis, France #2 publishing group, completed on January 31, 2019

<i>in euro millions</i>	<b>H1 2018</b> <i>5-month proforma</i>	<b>H1 2019*</b> <i>(5 months)</i>	<b>Δ</b> <b>proforma</b> <b>(%)</b>
<b>Revenues</b>	<b>257</b>	<b>260</b>	<b>+1.2%</b>
Literature	121	125	+3.3%
Education & Reference	57	53	-6.3%
Diffusion & Distribution	79	82	+3.5%
<b>EBITA</b>	<b>7</b>	<b>4</b>	
<b>CFFO</b>	<b>na</b>	<b>(87)</b>	

\* Editis has been consolidated since February 1, 2019.

Q&A

# Appendices



# Key performance indicators

# UNIVERSAL MUSIC GROUP

## Key Performance Indicators



<i>in euro millions - IFRS</i>	Q2 2018	Q2 2019	Δ organic (%)
Recorded music	1,142	1,389	+14.9%
Subscriptions and streaming	630	830	+23.2%
Other digital sales (mainly downloads)	117	108	
Physical sales	213	245	+10.8%
License and Other	182	206	+8.8%
Music Publishing	201	242	+16.6%
Merchandising and Other	67	130	+88.2%
Intercompany elimination	(4)	(5)	
<b>Revenues - Universal Music Group</b>	<b>1,406</b>	<b>1,756</b>	<b>+18.4%</b>

### Recorded Music: Best Sellers\*

H1 2018	H1 2019
Post Malone	Billie Eilish
Kendrick Lamar	Ariana Grande
Drake	A Star Is Born OST
Migos	King & Prince
Imagine Dragons	back number

\* Based on revenues

\*\* Non-exhaustive selected of release schedule, subject to change

<i>in euro millions</i>	H1 2018	H1 2019	Δ organic (%)
North America	991	1,230	+13.3%
Europe	678	781	+15.4%
Asia	273	370	+29.9%
Latin America	74	87	+25.8%
Rest of the world	105	128	+22.0%
<b>Recorded music revenues</b>	<b>2,121</b>	<b>2,596</b>	<b>+16.9%</b>

### SELECTED H2 2019 RELEASES\*\*

Alma	Niska
The Avenor	Perfume (Best of)
DJ Snake	RADWIMPS
Frozen 2 OST	Star Wars: Rise of
Mabel	Skywalker OST
Milky Chance	Taylor Swift
The Lion King OST	Volbeat
Lionel Richie (Live)	

# CANAL+ GROUP

## Key Performance Indicators



	June 30, 2018	June 30, 2019	Δ
<i>in thousands</i>			
<b>Individual subscribers</b>	<b>15,457</b>	<b>15,555</b>	<b>+98</b>
International	7,535	7,896	+361
Mainland France	7,922	7,659	-263
<i>Self distributed subscribers</i>	4,792	4,583	-209
<i>Customers via wholesale partnerships</i>	3,130	3,076	-54
<b>Collective contracts</b>	<b>586</b>	<b>593</b>	<b>+7</b>
<b>Total</b>	<b>16,043</b>	<b>16,148</b>	<b>+105</b>

	June 30, 2018	June 30, 2019	Δ
<b>Mainland France</b>			
Churn (%)*	13.3%	15.3%	+2.0pts
ARPU per Premium subscriber (€)**	45.5	44.5	-1.0

\* Churn per individual retail subscriber with commitment, over a 12-month period, excluding customers via wholesale partnerships with telecom providers and customers benefiting from free cancellation

\*\* Net ARPU per individual premium subscriber with and without commitment, excluding wholesale partnerships with telecom providers

# HAVAS GROUP

## Q2 2019 Net Revenue Organic Growth



## H1 2019 best sellers\*

Michel Bussi  
Marc Levy  
Raphelle Giordano  
Franck Thilliez  
Bernard Minier



\* Source GfK

# OTHER BUSINESSES

## Revenues and EBITA

<b>Revenues</b>	<b>H1 2018</b>	<b>H1 2019</b>
<i>in euro millions - IFRS</i>		
Gameloft	141	133
Vivendi Village	52	66
New Initiatives	32	34
Intercompany Elimination	(25)	(30)
<b>Revenues - Other businesses</b>	<b>200</b>	<b>203</b>

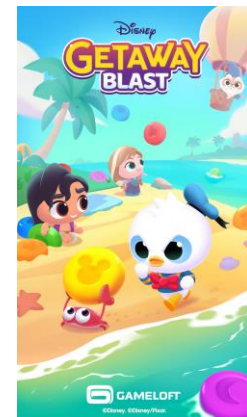
<b>EBITA</b>	<b>H1 2018</b>	<b>H1 2019</b>
<i>in euro millions</i>		
Gameloft	(8)	(11)
Vivendi Village	(6)	(9)
New Initiatives	(43)	(29)
Corporate	(50)	(59)
<b>EBITA - Other businesses</b>	<b>(107)</b>	<b>(108)</b>

## H2 2019 selected game releases\*

Asphalt 9: Legends (on Nintendo Switch™)

Disney Princess Majestic Quest

Disney Getaway Blast



\* Non-exhaustive selected release schedule, subject to change

# SHAREHOLDING IN TELECOM ITALIA



- Accounting for the interest in Telecom Italia
  - Under equity method of accounting since December 15, 2015
  - Share of earnings accounted with a one-quarter lag

<i>in euro millions</i>	H1 2018	H1 2019
Vivendi's share of Telecom Italia's net income	52	36
Impact of dividend paid to saving share owners	(14)	(14)
<b>Impact on Vivendi's Adjusted net income</b>	<b>38</b>	<b>22</b>
Amortization of revaluation of intangible assets related to the purchase price allocation	(30)	(30)
<b>Impact on Vivendi's Net income</b>	<b>8</b>	<b>(8)</b>



## Detailed financial results

# ADJUSTED NET INCOME

<i>in euro millions</i>	H1 2018	H1 2019	Δ (%)
<b>Revenues</b>	<b>6,476</b>	<b>7,353</b>	<b>+13.6%</b>
<b>EBITA*</b>	<b>542</b>	<b>718</b>	<b>+32.4%</b>
Other income and charges	3	-	
Income from non-operating equity affiliates	38	22	
Interest	(26)	(21)	
Income from investments	15	5	
Provision for income taxes	(159)	(148)	
Non-controlling interests	(20)	(22)	
<b>Adjusted net income*</b>	<b>393</b>	<b>554</b>	<b>+40.8%</b>

\* Details of the reconciliation between EBITA and EBIT, and Earnings attributable to Vivendi SA shareowners and Adjusted Net Income are provided in the appendices

# Q2 REVENUES BY BUSINESS UNIT

<i>in euro millions - IFRS</i>	Q2 2018	Q2 2019	Δ (%)	Δ organic (%)
Universal Music Group	1,406	1,756	+24.9%	+18.4%
Canal+ Group	1,277	1,266	-0.9%	-1.0%
Havas Group	567	589	+3.8%	+0.3%
Editis*	-	171	na	na
Other businesses and intercompany elimination	102	112	+10.2%	+11.9%
<i>Gameloft</i>	71	65		
<i>Vivendi Village</i>	29	43		
<i>New Initiatives</i>	16	19		
<i>Intercompany Elimination</i>	(14)	(15)		
<b>Total Vivendi</b>	<b>3,352</b>	<b>3,894</b>	<b>+16.2%</b>	<b>+7.7%</b>

\* Editis has been consolidated since February 1, 2019

# CASH FLOW FROM OPERATIONS

## By Business Unit

<i>in euro millions</i>	H1 2018	H2 2018	H1 2019
Universal Music Group	204	634	166
Canal+ Group	172	87	174
Havas Group	(104)	334	(72)
Editis*	-	-	(87)
Other businesses**	(140)	(61)	(145)
<b>CFFO - Vivendi</b>	<b>132</b>	<b>994</b>	<b>36</b>

\* Editis has been consolidated since February 1, 2019

\*\* The other businesses include Gameloft, Vivendi Village, New Initiatives and Corporate

# CASH FLOW FROM OPERATIONS

## Analysis

<i>in euro millions</i>	H1 2018	H2 2018	H1 2019
<b>EBITDA proforma (before IFRS 16 impact)</b>	<b>754</b>	<b>986</b>	<b>882</b>
Operating lease expenses	-	-	125
<b>EBITDA</b>	<b>754</b>	<b>986</b>	<b>1,007</b>
Operating lease expenses	-	-	(125)
Content investments paid	(1,388)	(1,346)	(1,547)
<i>of which payments to artists and repertoire owners by UMG</i>	(509)	(465)	(657)
Recoupments of advances/consumption of rights	1,189	1,408	1,275
<i>of which artists advances recoupment by UMG</i>	334	478	485
Capex	(151)	(190)	(188)
Changes in net working capital	(182)	154	(350)
Restructuring charges paid	(44)	(62)	(45)
Dividends received	12	6	6
Other	(58)	38	3
<b>CFFO</b>	<b>132</b>	<b>994</b>	<b>36</b>

# H1 IFO AND EBITDA BY BUSINESS UNIT

<b>Income from operations (IFO)</b> <i>in euro millions</i>	<b>H1 2018</b>	<b>H1 2019</b>
Universal Music Group	355	501
Canal+ Group	241	235
Havas Group	115	121
Editis*	-	6
Other businesses**	(109)	(107)
<b>Total Vivendi</b>	<b>602</b>	<b>756</b>

<b>EBITDA</b> <i>in euro millions</i>	<b>H1 2018</b>	<b>H1 2019</b>
Universal Music Group	370	549
Canal+ Group	348	350
Havas Group	134	178
Editis*	-	29
Other businesses**	(98)	(99)
<b>Total Vivendi</b>	<b>754</b>	<b>1,007</b>

\* Editis has been consolidated since February 1, 2019

\*\* The other businesses include Gameloft, Vivendi Village, New Initiatives and Corporate.

# INTEREST & INCOME TAX

<i>in euro millions (except where noted) – IFRS</i>	H1 2018	H1 2019
Interest expense on borrowings	(32)	(35)
Average interest rate on borrowings (%)	1.36%	1.51%
Average outstanding borrowings (in euro billions)	4.6	4.7
Interest income from cash and cash equivalents	6	14
Average interest income rate (%)	0.43%	0.74%
Average amount of cash and cash equivalents (in euro billions)	2.7	3.8
<b>Interest</b>	<b>(26)</b>	<b>(21)</b>

<i>in euro millions</i>	H1 2018		H1 2019	
	ANI*	Net income	ANI*	Net income
Impact of Vivendi SA's French Tax Group and of the Consolidated Global Profit Tax Systems	61	55	78	72
Tax charge	(220)	(320)	(226)	(254)
<b>Provision for income taxes</b>	<b>(159)</b>	<b>(265)</b>	<b>(148)</b>	<b>(182)</b>
Effective tax rate	30.0%		21.2%	
<b>Tax (payment) / reimbursement</b>	<b>(88)</b>		<b>(351)</b>	

\* ANI : Adjusted net income

# RECONCILIATION OF EBIT TO INCOME FROM OPERATIONS

<i>in euro millions</i>	H1 2018	H1 2019
<b>EBIT</b>	<b>492</b>	<b>645</b>
Amortization and depreciation on intangible assets acquired through business combinations	53	73
Other charges and income	(3)	-
<b>EBITA</b>	<b>542</b>	<b>718</b>
Restructuring charges	62	22
Share-based compensation plans	10	15
Other non-current operating charges and income	(12)	1
<b>Income from operations (IFO)</b>	<b>602</b>	<b>756</b>



# RECONCILIATION OF EARNINGS ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS TO ADJUSTED NET INCOME

<i>in euro millions</i>	H1 2018	H1 2019
<b>Earnings attributable to Vivendi SA shareowners</b>	<b>165</b>	<b>520</b>
Amortization and depreciation of intangible assets acquired through business combinations	53	73
Amortization of intangible assets related to equity affiliates	30	30
Other financial income & charges	42	(91)
Provision for income taxes on adjustments	106	34
Non-controlling interests on adjustments	(3)	(12)
<b>Adjusted net income (ANI)</b>	<b>393</b>	<b>554</b>

# Glossary and Legal Disclaimer

# GLOSSARY

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 Vivendi considers these to be relevant indicators of the group's operating and financial performance. Moreover, it should be noted that other companies may have different definitions and calculations for these indicators from Vivendi thereby affecting comparability.

△ **organic:** at constant currency and perimeter

**Net revenues (Havas Group):** correspond to revenues less pass-through costs rebilled to customers

**Adjusted earnings before interest and income taxes (EBITA):** corresponds to EBIT before the amortization of intangible assets acquired through business combinations and the impairment losses on goodwill and other intangibles acquired through business combinations.

**Income from operations:** corresponds to EBITA before share-based compensation costs, and other special items.

**Adjusted net income (ANI)** includes the following items: EBITA, income from non-operating equity affiliates, interest, income from investments, as well as taxes and non-controlling interests related to these items. It does not include the following items: the amortization of intangible assets acquired through business combinations and related to equity affiliates, the impairment losses on goodwill and other intangible assets acquired through business combinations, other income and charges related to transactions with shareowners, other financial charges and income, earnings from discontinued operations, provisions for income taxes and adjustments attributable to non-controlling interests, as well as non-recurring tax items (notably the changes in deferred tax assets pursuant to the Vivendi SA's tax group and Consolidated Global Profit Tax Systems).

**Cash flow from operations (CFFO):** Net cash provided by operating activities after capital expenditures net, dividends received from equity affiliates and unconsolidated companies and before income taxes paid.

**Cash flow from operations after interest and income tax paid (CFAIT):** Net cash provided by operating activities after capital expenditures net, dividends received from equity affiliates and unconsolidated companies, and after interests and income taxes paid.

**Capital expenditures net (Capex net):** Cash used for capital expenditures, net of proceeds from sales of property, plant and equipment, and intangible assets

**Net financial debt / Net Cash Position:** Sum of value of borrowings at amortized cost, less cash and cash equivalents, cash management financial assets as well as derivative financial instruments, net (assets and liabilities) whose underlying instruments are financial net debt items, and cash deposits backing borrowings.

The percentages of change are compared to the same period of the previous accounting year, unless otherwise stated. Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

# IMPORTANT LEGAL DISCLAIMER / CONTACTS

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