Financial Report and Unaudited Condensed Financial Statements for the Nine Months Ended September 30, 2014

NOVEMBER 14,
2014

vivendi

VIVENDI

Société anonyme with a Management Board and a Supervisory Board with a share capital of €7,416,864,702.50

Head Office: 42 avenue de Friedland – 75380 PARIS CEDEX 08 – FRANCE

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Selected key consolidated financial data

Preliminary comments:

In compliance with IFRS 5, GVT (as from the third quarter of 2014), SFR (as from the first quarter of 2014) as well as Maroc Telecom and Activision Blizzard (as from the second quarter of 2013) have been reported in Vivendi's Consolidated Financial Statements as discontinued operations. Vivendi deconsolidated Maroc Telecom group and Activision Blizzard respectively as from May 14, 2014 and October 11, 2013, i.e., the date of their effective sale by Vivendi.

The adjustments to data previously published are reported in Appendix 2 to the Financial Report and in Note 11 to the Condensed Financial Statements for the nine months ended September 30, 2014. These adjustments were made to all periods presented in the selected key consolidated financial data table below for data from the Consolidated Statements of Earnings and Cash Flows:

	Nine months ended September 30, (unaudited)		Year ended December 31,			
	2014	2013	2013	2012	2011	2010
Consolidated data						
Revenues	7,118	7,293	10,252	9,597	9,064	9,152
EBIT	674	503	637	(1,131)	1,269	777
Earnings attributable to Vivendi SA shareowners	2,752	1,411	1,967	179	2,681	2,198
of which earnings from continuing operations attributable to Vivendi SA shareowners	378	259	43	(1,565)	571	647
EBITA (a)	765	784	955	1,074	1,086	1,002
Adjusted net income (a)	442	301	454	318	270	514
Financial Net Debt (a)	8,377	16,362	11,097	13,419	12,027	8,073
Total equity	19,929	21,636	19,030	21,291	22,070	28,173
of which Vivendi SA shareowners' equity	19,525	18,314	17,457	18,325	19,447	24,058
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)	608	611	1,139	1,139	1,205	1,251
Capital expenditures, net (capex, net) (b)	(165)	(185)	(245)	(293)	(308)	(271)
Cash flow from operations (CFFO) (a)	443	426	894	846	897	980
Cash flow from operations after interest and income tax paid (CFAIT)	513	415	503	772	826	370
Financial investments	(1,146)	(70)	(107)	(1,689)	(289)	(655)
Financial divestments	4,823	666	3,471	201	4,205	1,494
Dividends paid with respect to previous fiscal year	1,348 (c)	1,325	1,325	1,245	1,731	1,721
Per share data						
Weighted average number of shares outstanding	1,344.5	1,327.8	1,330.6	1,298.9	1,281.4	1,273.8
Adjusted net income per share	**0.33**	**0.23**	**0.34**	**0.24**	**0.21**	**0.40**
Number of shares outstanding at the end of the period (excluding treasury shares)	1,349.2	1,339.0	1,339.6	1,322.5	1,287.4	1,278.7
Equity per share, attributable to Vivendi SA shareowners	14.47	13.68	13.03	13.86	15.11	18.81
Dividends per share paid with respect to previous fiscal year	**1.00** (c)	**1.00**	**1.00**	**1.00**	**1.40**	**1.40**

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

a. The non-GAAP measures of EBITA, Adjusted net income, Financial Net Debt, and Cash flow from operations (CFFO) should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance as presented in the Consolidated Financial Statements and the related notes, or as described in this Financial Report, and Vivendi considers that they are relevant indicators of the group's operating and financial performance. Each of these indicators is defined in the appropriate section of this Financial Report or in its Appendix. Moreover, it should be noted that other companies may define and calculate these indicators differently from Vivendi thereby affecting comparability.

b. Relates to cash used for capital expenditures, net of proceeds from sales of property, plant and equipment, and intangible assets.

c. On June 30, 2014, Vivendi SA paid to its shareholders an ordinary distribution of €1 per share from the additional paid-in capital.

I – Financial Report for the first nine months of 2014

Preliminary comments:

- On November 7, 2014, the Management Board approved this Financial Report and the Unaudited Condensed Financial Statements for the nine months ended September 30, 2014, which were subsequently reviewed by the Audit Committee on November 12, 2014. On November 14, 2014, the Supervisory Board reviewed the Financial Report and Unaudited Condensed Financial Statements for the nine months ended September 30, 2014, as approved by the Management Board on November 7, 2014.
- The Financial Report for the first nine months of 2014 should be read in conjunction with the Financial Report for the year ended December 31, 2013 as published in the 2013 "Rapport annuel - Document de référence" filed on April 14, 2014 with the French *Autorité des Marchés Financiers* (the "AMF") (the "*Document de référence 2013*") and the Financial Report for the half year ended June 30, 2014. Please also refer to pages 175 through 324 of the English translation[1] of the "*Document de référence 2013*" (the "2013 Annual Report") which is available on Vivendi's website (www.vivendi.com) for informational purposes.
- In compliance with IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*, GVT, SFR, Maroc Telecom, and Activision Blizzard have been reported in Vivendi's Consolidated Financial Statements as discontinued operations according to the following terms:
  - **Ongoing sales of SFR and GVT:** on June 20, 2014, Vivendi entered into an agreement with Altice/Numericable Group for the combination of SFR and Numericable Group, and on September 18, 2014, Vivendi and Telefonica entered into an agreement for the sale of GVT. As a result, SFR (as from the first quarter of 2014) and GVT (as from the third quarter of 2014) have been reported in the Consolidated Statement of Earnings and Statement of Cash Flows as discontinued operations. Their contribution to each line of Vivendi's Consolidated Statement of Financial Position for the first nine months of 2014 have been grouped under the lines "assets of discontinued businesses" and "liabilities associated with assets of discontinued businesses".
  - **Completed sales of Activision Blizzard and Maroc Telecom group:** on October 11, 2013, Vivendi deconsolidated Activision Blizzard as a result of the sale of 88% of its interest therein, and on May 14, 2014, Vivendi deconsolidated Maroc Telecom group following the sale of its interest therein. Activision Blizzard and Maroc Telecom group have been reported in the Consolidated Statement of Earnings and Statement of Cash Flows as discontinued operations.

The adjustments to data previously published are presented in Appendix 2 to the Financial Report and in Note 11 to the Condensed Financial Statements for the nine months ended September 30, 2014.

1 Significant events

1.1 Significant events during the period

1.1.1 Group's Governance

On June 24, 2014, Vivendi's General Shareholders' Meeting notably appointed three new Supervisory Board members: Ms. Katie Jacobs Stanton, Ms. Virginie Morgon, and Mr. Philippe Bénacin. The Supervisory Board comprises 13 members, including an employee shareholder representative, and an additional member representing the group's employees will join the Board by the end of 2014, in accordance with French law.
Vivendi's Supervisory Board, which was convened immediately following the General Shareholders' Meeting, appointed Mr. Vincent Bolloré as Chairman. The Board also appointed Mr. Pierre Rodocanachi as Vice-Chairman and Mr. Jean-René Fourtou, who had chaired the group since 2002, as Honorary Chairman. It appointed Mr. Daniel Camus as Chairman of the Audit Committee, and Mr. Philippe Bénacin as Chairman of the Corporate Governance, Nominations, and Remuneration Committee.

The Supervisory Board also appointed the members to the Management Board, which is currently comprised of: Messrs. Arnaud de Puyfontaine, who serves as Chairman, Hervé Philippe, and Stéphane Roussel.

[1] *This translation is qualified in its entirety by reference to the "Document de référence".*

1.1.2 SFR

Plan to sell SFR

On April 5, 2014, Vivendi's Supervisory Board unanimously decided to choose Altice/Numericable Group's offer for the sale of SFR. On June 20, 2014, following the completion of the consultation procedures with the employee representative bodies of Vivendi and Numericable Group, Vivendi entered into an agreement with Altice/Numericable Group for the combination of SFR and Numericable Group, the main details of which are presented below.

On October 27, 2014, the French Competition Authority approved the completion of this transaction, subject to conditions.

On October 29, 2014, after receiving the required regulatory authorization (AMF), Numericable Group announced the launch of a capital increase of approximately €4.7 billion. Completion of the combination of SFR and Numericable Group remains subject to the condition precedent of approval by the Numericable Group General Shareholders' Meeting scheduled for November 27, 2014 of the contribution of the portion of SFR shares to Numericable Group. This General Shareholders' Meeting will also vote to approve the change in name of the combined entity to "Numericable - SFR".

Cash proceeds at the completion date	€13.5 billion, subject to the sale price adjustment clause, which notably includes exceptional changes in net working capital, the amount of SFR's net debt, as well as certain restatements as contractually defined between the parties, at the date of completion of the sale. These potential adjustments may increase or decrease the cash consideration paid, depending on actual data as of the completion date. Notwithstanding the final outcome and on the basis of current estimates, the impact of the adjustments would be approximately -€450 million. This amount does not take into account Vivendi's commitment to contribute up to €200 million in the financing of the acquisition of Virgin Mobile by Numericable - SFR[2].
Vivendi's interest in the combined entity	20% of Numericable - SFR (publicly-listed company).
Altice's interest in the combined entity	Approximately 60% of Numericable - SFR (approximately 20% free float).
Earn-out	Potential earn-out of €750 million if the EBITDA-Capex aggregate of the combined entity is at least equal to €2 billion during any fiscal year, ending not later than December 31, 2024.
Given commitments	Limited guarantees
Governance	- Minority representation for Vivendi on the Board of Directors, or 2 out of 10 directors, subject to the detention by Vivendi of a 20% interest in Numericable - SFR (1 director if Vivendi holds between 10% and 20%). - Veto rights on certain matters subject to Vivendi retaining a 20% interest in Numericable - SFR. - Numericable - SFR is committed not to disclose to Vivendi any strategic information on the pay-TV market, the distribution of pay-TV services, or ultramarine telecommunications markets.
Liquidity - standstill	- Standard 180 day lock-up period following the date of settlement-delivery of the capital increase (expected on November 20, 2014), at the request of the banks having guaranteed the capital increase. - One year lock-up period following completion of the transaction, after which Vivendi will be able to sell or distribute its Numericable - SFR shares, without restrictions, with a right of priority for Altice (pre-emption right or first offer right). - Vivendi has undertook, for a period starting on the date of completion and expiring at the end of the 43rd month following the latter, not to acquire Numericable - SFR shares, directly or indirectly. - Subject to whether Vivendi has retained its shares, Altice will have a call option at market value (subject to a floor[3]) on Vivendi's interest, exercisable in three tranches (7%, 7%, 6%) over 1-month windows starting on the 19th, 31st, and 43rd month, respectively, following completion. - Tag-along rights for Vivendi if Altice were to sell shares.
Conditions precedent	Completion of the transaction is subject to (i) receiving the approval for the contribution of a portion of the SFR shares to Numericable Group by Numericable Group's General Shareholders' Meeting; and (ii) there having been no invocation of the "Company Material Adverse Effect" clause by the banks financing the Altice/Numericable Group offer prior to April 30, 2015.

[2] Vivendi has committed to provide up to €200 million (through a decrease in the sale price of SFR) for the financing of the acquisition by Numericable Group of Omer Telecom Limited (operating in France under the Virgin Mobile brand), for a price corresponding to an enterprise value of €325 million. The transaction is subject to approvals from the relevant regulatory authorities.

[3] Volume Weighted Average Price (VWAP) of Numericable Group's share price over the 20 business days before the completion date, grossed-up by an annual rate of 5% during the period ranging from the closing of the transaction until the date of exercise of the call option.

As from the first quarter of 2014, given the expected closing of this transaction, SFR was presented in the Consolidated Statement of Earnings, the Statement of Cash Flows and in the Statement of Financial Position of Vivendi as a discontinued operation. As of September 30, 2014, the capital gain on the sale of SFR, which will be recorded in Vivendi's Financial Statements at the completion date of the sale, is estimated at approximately €2 billion, after taxes and net of costs related to the sale. Please refer to Note 3 to the Unaudited Condensed Financial Statements for the first nine months of 2014.

Agreement to share a part of SFR's mobile access networks

On January 31, 2014, SFR and Bouygues Telecom entered into a strategic network sharing agreement. They will roll out a new shared network in an area covering 57% of the French population. This agreement will enable both operators to improve their mobile coverage and generate significant savings over time.

The agreement is based on two principles:

- the creation of a joint company, to manage the shared base station assets, in particular passive infrastructure and geographical locations in which the infrastructure and telecom equipment are deployed. SFR and Bouygues Telecom will retain full ownership of their telecom equipment assets and their frequencies; and
- the entry by the operators into a RAN-sharing service agreement covering 2G, 3G, and 4G services in the shared area. Each operator is responsible for a percentage of the shared territory, where it ensures the design, deployment, operation and maintenance of the RAN-sharing service.

This network-sharing agreement is similar to numerous arrangements already existing in other European countries. Each operator will retain its own innovative capacity as well as complete commercial and pricing independence. The agreement was modified on October 24, 2014, in particular regarding engineering choices and the completion date of the target network, which has been delayed by one year, from the end of 2017 to the end of 2018, to take into account prior deployment delays.

Taking into account this modification, SFR estimates that it represents given commitments for approximately €1,830 million and received commitments for approximately €2,210 million, representing a net commitment received of approximately €380 million, which applies over the entire duration of the long-term agreement.

Acquisition of Telindus France Group

On March 28, 2014, Vivendi and Belgacom entered into an agreement following the exclusive negotiations started on February 13, 2014, pursuant to which a subsidiary of Vivendi, SIG 50 (of whose shares will be sold to Numericable Group as part of the agreement related to the sale of SFR) would acquire 100% of Telindus France Group, a leader on the French markets of telecommunication integration and networks. On April 30, 2014, this transaction was completed following the approval of the French Competition Authority, for an amount of €88 million, net of cash acquired for €6 million.

1.1.3 Plan to sell GVT

On August 28, 2014, Vivendi's Supervisory Board decided to enter into exclusive negotiations with Telefonica to sell GVT. After receiving a positive opinion from employee representatives, on September 18, 2014 it authorized the execution of an agreement with Telefonica for the sale of GVT. This agreement, the key terms of which are described below, represents a total enterprise value of €7.45 billion (based on the stock market value and foreign exchange rates on the date the exclusive negotiations were entered into with Telefonica), corresponding to a 2014 estimated EBITDA multiple of 10x. The closing of the transaction is subject to certain conditions, including the approval by the relevant regulatory authorities, and is expected to take place during the second quarter of 2015.

Cash proceeds at the completion date	€4.66 billion before taking into account the sale price adjustment clause, which notably includes exceptional changes in net working capital, GVT's bank debt (approximately €480 million), as well as certain restatements as defined contractually between the parties, at the date of completion of the sale. These potential adjustments may increase or decrease the cash consideration paid, depending on actual data as of the completion date. Moreover, the cash proceeds, net of adjustments, will also be decreased by the tax amount related to the sale, currently estimated at approximately €485 million. The net sale price is estimated at approximately €3.75 billion.
Consideration shares	7.4% interest in Telefonica Brasil (VIVO/GVT) and 5.7% interest (8.3% voting rights) in Telecom Italia.
Financing	Capital increase at Vivo to fund cash proceeds, guaranteed by Telefonica.
Conditions precedent	Completion of the transaction is subject to obtaining approvals of ANATEL (Agência Nacional de Telecomunicações) and CADE (Conselho Administrativo de Defesa Econômica) in Brazil, and other conditions customary in this type of transaction.
Given commitments	Limited guarantees.
Liquidity	With respect to the interest of Vivendi in the combined VIVO/GVT entity: - maximum 180 day lock-up period starting as from the date of completion of the transaction; and - tag-along rights.
Governance	No specific governance rights in VIVO/GVT and Telecom Italia.

As from the third quarter of 2014, given the expected closing date of this transaction, GVT was presented in the Consolidated Statement of Earnings, the Statement of Cash Flows and in Statement of Financial Position of Vivendi as a discontinued operation.

1.1.4 Sale of Maroc Telecom group

On May 14, 2014, in accordance with the agreements entered into on November 4, 2013, Vivendi sold its 53% interest in Maroc Telecom to Etisalat and received cash proceeds in the amount for €4,138 million, after contractual price adjustment (-€49 million). At that date, Vivendi deconsolidated Maroc Telecom and recorded a capital gain of €786 million (before taxes and net of costs related to the sale) presented in "Earnings from discontinued operations" for the first nine months of 2014. In compliance with IAS 12, the deferred tax on capital gain (€86 million) was recognized as of June 30, 2013, the sale being considered as highly probable at that date. The agreements included representations and warranties customary in this type of transaction, which are described in Note 3 to the Condensed Financial Statements for the first nine months of 2014.

1.1.5 Sale of Activision Blizzard shares

On May 22, 2014, in accordance with the agreements entered into on July 25, 2013, Vivendi sold a first tranche of 41.5 million Activision Blizzard shares, representing 5.8% in value of this company, for $852 million (€623 million), and recorded a €84 million capital gain presented in "Earnings from discontinued operations". In total, taking into account the capital gain of €123 million recorded in 2013, Vivendi realized a capital gain of €207 million with respect to this first tranche.

Following this transaction, Vivendi owns a residual interest of 41.5 million Activision Blizzard shares, which is subject to a lock-up restriction that expires on January 7, 2015. As of September 30, 2014, this interest was revalued to reflect its current stock market value ($20.79 per share), i.e., a value of €677 million, and the unrealized capital gain of €138 million, which was generated during the first nine months of 2014, was recognized in "Earnings from discontinued operations".

1.1.6 Canal+ Group

Acquisition of a 51% interest in Mediaserv

On February 13, 2014, pursuant to the approval received from the French Competition Authority, Canal+ Overseas completed the acquisition of a 51% interest in Mediaserv, an overseas telecom operator.

Broadcasting rights for sport events

During the first nine months of 2014, Canal+ Group was awarded broadcasting rights to the following sport events:

- the French professional Soccer League 1, for four seasons (2016-2017 to 2019-2020): the two premium lots for an aggregate amount of €2,160 million (or €540 million per season); and
- the Champions League for three seasons (2015-2016 to 2017-2018).

On January 14, 2014, Canal+ Group was awarded broadcasting rights for the National French Rugby Championship "TOP 14" for five seasons (2014-2015 to 2018-2019). These exclusive rights related to all of the "TOP 14" matches, across all media and all territories where Canal+ Group operates. On July 30, 2014, the French Competition Authority suspended the agreement between Canal+ Group and the National Rugby League as from the 2015-2016 season and mandated that a new call for tenders process be organized for the four seasons (2015-2016 to 2018-2019). Canal+ Group and the National Rugby League appealed this decision before the Paris Court of Appeal.
On October 9, 2014, the Paris Court of Appeal dismissed the appeal from Canal+ Group and the National Rugby League and directed the National Rugby League to complete a new tender process for the rights of the "TOP 14" for the 2015-2016 season as well as the following seasons by no later than March 31, 2015. On October 30, 2014, Group Canal+ appealed against this decision.

New partnerships entered into by Studiocanal

On September 4, 2014, Studiocanal and Svensk Filmindustri entered into a strategic distribution partnership alliance on all Studiocanal films on the Nordic market (Sweden, Norway, Denmark and Finland) and the co-production of films and TV-series, capitalizing on Nordic titles and talents, aimed for the international market. Svensk Filmindustri will handle the Nordic markets and Studiocanal will distribute them internationally.

On September 8, 2014, Youkutudou.Inc., China's main digital video platform, and BestTV New Media Co Ltd, a subsidiary of Shanghai Media Group, entered into multi-year agreements with Studiocanal regarding SVOD (Subscription Video On Demand) for the broadcasting of Studiocanal's catalogue titles in China.

1.1.7 Universal Music Group (UMG)

Acquisition of Eagle Rock Entertainment Group Limited

On April 8, 2014, UMG acquired the entire issued share capital of Eagle Rock Entertainment Group Limited, an independent producer and distributor of music films and programming for DVD, television and digital media.

Sale of Beats interest

On August 1, 2014, UMG sold its interest in Beats to Apple for a net amount of €250 million (of which €221 million were received during the period).The net gain on sale, recorded as other income in the Statement of Earnings, amounted to €179 million.

1.1.8 Other

Distribution to shareholders

On June 30, 2014, Vivendi SA paid to its shareholders an ordinary distribution of €1 per share from additional paid-in capital representing a total amount of €1,348 million.

Watchever

In Germany, Vivendi is carrying out a transformation plan at Watchever in order to reduce costs while exploring new content and platform monetization models. In this respect, an exceptional provision of €50 million has been recorded.

1.2 Subsequent events

The significant events that have occurred between September 30 and November 7, 2014 (the date of the Management Board meeting that approved Vivendi's Financial Statements for the nine months ended September 30, 2014) were as follows:

- October 6, 2014: Administrative Court ruling on the Consolidated Global Profit Tax System (please refer to Section 6);
- October 8, 2014: Studiocanal extended its multi-year SVOD agreement with Amazon in the UK and Germany. Amazon will therefore have the exclusive first pay TV rights to all Studiocanal theatrical titles in both territories, as well as hundreds of library titles added to its service;
- October 9, 2014: the Paris Court of Appeal dismissed the appeal of Canal+ Group and the National Rugby League regarding the exclusive broadcasting rights to the "TOP 14" for the four seasons 2015-2016 to 2018-2019 and directed the National Rugby League to complete a new tender process by no later than March 31, 2015. On October 30, 2014, Group Canal+ appealed against this decision;
- October 16, 2014: Canal+ Group and ITI Group announced that they were jointly considering the strategic options regarding their 51% interest in TVN (FTA broadcaster in Poland);
- October 27, 2014: the French Competition Authority approved, subject to certain conditions, the sale of SFR to Numericable Group (please refer to Section 1.1.2); and
- October 28, 2014: Canal+ Overseas entered into agreement for the acquisition of a majority interest in Thema (please refer to Section 4.2).

2 Earnings analysis

Preliminary comments:

In compliance with IFRS 5, GVT (as from the third quarter of 2014), SFR (as from the first quarter of 2014) as well as Maroc Telecom group and Activision Blizzard (as from the second quarter of 2013) have been reported in Vivendi's Consolidated Financial Statements as discontinued operations. Vivendi deconsolidated Maroc Telecom group and Activision Blizzard respectively as from May 14, 2014 and October 11, 2013.

In practice, income and charges from these four businesses have been reported as follows:

- *their contribution until the effective divestiture, if any, to each line of Vivendi's Consolidated Statement of Earnings (before non-controlling interests) has been grouped under the line "Earnings from discontinued operations";*
- *in accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information; and*
- *their share of net income has been excluded from Vivendi's adjusted net income.*

The adjustments to data previously published are presented in Appendix 2 to the Financial Report and in Note 11 to the Condensed Financial Statements for the nine months ended September 30, 2014.

2.1 Consolidated Statement of Earnings and Adjusted Statement of Earnings

THIRD QUARTER

CONSOLIDATED STATEMENT OF EARNINGS			ADJUSTED STATEMENT OF EARNINGS		
	Three months ended September 30,		Three months ended September 30,		
	2014	2013 (a)	2014	2013 (a)	
Revenues	**2,412**	**2,432**	**2,412**	**2,432**	**Revenues**
Cost of revenues	(1,401)	(1,401)	(1,401)	(1,401)	Cost of revenues
Margin from operations	**1,011**	**1,031**	**1,011**	**1,031**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(669)	(698)	(669)	(698)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(32)	(38)	(32)	(38)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(85)	(89)			
Impairment losses on intangible assets acquired through business combinations	-	-			
Other income	179	7			
Other charges	(9)	(10)			
EBIT	**395**	**203**	**310**	**295**	**EBITA**
Income from equity affiliates	(10)	2	(10)	2	Income from equity affiliates
Interest	(32)	(64)	(32)	(64)	Interest
Income from investments	-	(5)	-	(5)	Income from investments
Other financial income	4	3			
Other financial charges	(13)	(23)			
Earnings from continuing operations before provision for income taxes	**344**	**116**	**268**	**228**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(23)	(47)	(67)	(112)	Provision for income taxes
Earnings from continuing operations	**321**	**69**			
Earnings from discontinued operations	535	527			
Earnings	**856**	**596**	**201**	**116**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi SA shareowners	**839**	**376**	**189**	**79**	**Adjusted net income**
continuing operations	**309**	**31**			
discontinued operations	530	345			
Non-controlling interests	17	220	12	37	Non-controlling interests
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	**0.62**	**0.28**	**0.14**	**0.06**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	**0.62**	**0.28**	**0.14**	**0.06**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

a. Data published with respect to the third quarter of 2013 has been adjusted following the application of IFRS 5 (please refer to the preliminary comment above).

FIRST NINE MONTHS

CONSOLIDATED STATEMENT OF EARNINGS			ADJUSTED STATEMENT OF EARNINGS		
	Nine months ended September 30,		Nine months ended September 30,		
	2014	2013 (a)	2014	2013 (a)	
Revenues	**7,118**	**7,293**	**7,118**	**7,293**	**Revenues**
Cost of revenues	(4,243)	(4,267)	(4,243)	(4,267)	Cost of revenues
Margin from operations	**2,875**	**3,026**	**2,875**	**3,026**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(2,022)	(2,142)	(2,022)	(2,142)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(88)	(100)	(88)	(100)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(251)	(265)			
Impairment losses on intangible assets acquired through business combinations	-	(5)			
Other income	182	35			
Other charges	(22)	(46)			
EBIT	**674**	**503**	**765**	**784**	**EBITA**
Income from equity affiliates	(12)	(4)	(12)	(4)	Income from equity affiliates
Interest	(65)	(201)	(65)	(201)	Interest
Income from investments	3	20	3	20	Income from investments
Other financial income	16	10			
Other financial charges	(49)	(61)			
Earnings from continuing operations before provision for income taxes	**567**	**267**	**691**	**599**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(143)	100	(196)	(185)	Provision for income taxes
Earnings from continuing operations	**424**	**367**			
Earnings from discontinued operations	2,599	1,760			
Earnings	**3,023**	**2,127**	**495**	**414**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi SA shareowners	**2,752**	**1,411**	**442**	**301**	**Adjusted net income**
continuing operations	**378**	**259**			
discontinued operations	2,374	1,152			
Non-controlling interests	271	716	53	113	Non-controlling interests
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	**2.05**	**1.06**	**0.33**	**0.23**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	**2.04**	**1.06**	**0.33**	**0.23**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

a. Data published with respect to the first nine months of 2013 has been adjusted following the application of IFRS 5 (please refer to the preliminary comment above).

2.2 Earnings review

Earnings attributable to Vivendi SA shareowners analysis

For the first nine months of 2014, **earnings attributable to Vivendi SA shareowners** amounted to €2,752 million (or €2.05 per share), compared to €1,411 million (or €1.06 per share) for the first nine months of 2013, a €1,341 million increase (+95.0%), €119 million with respect to continuing operations and €1,222 million with respect to discontinued operations.

Earnings attributable to Vivendi SA shareowners for continuing operations (mainly Canal+ Group, UMG, and Corporate) amounted to €378 million, compared to €259 million for the first nine months of 2013, a €119 million increase. This change was primarily due to a decrease in interest expense (€136 million) as well as the gain on the sale of UMG's interest in Beats (€179 million), partially offset by the increase in income tax expense (€243 million).

Earnings attributable to Vivendi SA shareowners, after non-controlling interest, for discontinued operations amounted to €2,374 million, compared to €1,152 million for the first nine months of 2013, a €1,222 million increase. For the first nine months of 2014, the amount notably included the gain on the sale of Maroc Telecom (€786 million) as well as the revaluation at stock market price of Vivendi's residual interest in Activision Blizzard (€222 million).

Adjusted net income analysis

For the first nine months of 2014, **adjusted net income** was €442 million (or €0.33 per share[4]) compared to €301 million in 2013 (€0.23 per share), a €141 million increase (+46.6%). As a reminder, as a result of the application of IFRS 5 to Activision Blizzard, Maroc Telecom, GVT, and SFR, the Adjusted Statement of Earnings presents the results of Canal+ Group, Universal Music Group (UMG) and the group's other activities, as well as Corporate costs. The increase in adjusted net income notably resulted from:

- a decrease in interest expense (+€136 million); and
- a decrease in the share of adjusted net income attributable to non-controlling interests (+€60 million);

partially offset by :

- a decrease in EBITA (-€19 million);
- a decrease in income from equity affiliates (-€8 million);
- a decrease in income from investments (-€17 million); and
- an increase in income tax expense (-€11 million).

Detailed analysis of the main items from the Statement of Earnings

Revenues were €7,118 million, compared to €7,293 million for the first nine months of 2013 (-2.4%, or -1.1% at constant currency and perimeter[5]). Revenues were impacted in the amount of €101 million as a result of the appreciation of the euro, mainly against the U.S. dollar (USD) and the Japanese yen (JPY). For a breakdown of revenues by business segment, please refer to Section 4 of this Financial Report.

EBITA was €765 million, compared to €784 million for the first nine months of 2013, a €19 million decrease (-2.5%, or +2.6% at constant currency and perimeter[5]). This change mainly reflected the decline in Canal+ Group (-€21 million), offset by Universal Music Group's good performance (+€19 million), despite the appreciation of the euro. At constant currency and perimeter[5], EBITA increased by €20 million (+2.6%), primarily reflecting the good performance of Universal Music Group (+€64 million), tempered by the Canal+ Group decrease (-€25 million). Restructuring charges and other operating charges and income amounted to a net charge of €88 million (compared to a net charge of €100 million for the first nine months of 2013) and notably included restructuring charges for €77 million (compared to €70 million for the first nine months of 2013). In Germany, Vivendi is carrying out a transformation plan at Watchever. In this respect, an exceptional provision of €50 million was recorded. In addition, UMG's restructuring charges decreased by €47 million.

For a breakdown of EBITA by business segment, please refer to Section 4 of this Financial Report.

EBIT was €674 million, compared to €503 million for the first nine months of 2013, a €171 million increase (+34.0%). In this amount:

- amortization of intangible assets acquired through business combinations was €251 million, compared to €265 million for the first nine months of 2013, a €14 million decrease;
- impairment losses on intangible assets acquired through business combinations amounted to €5 million for the first nine months of 2013 and related to goodwill attributable to certain Universal Music Group assets held for sale; and
- other charges and income were a €160 million net income and mainly included the gain on the sale of UMG's interest in Beats (€179 million). For the first nine months of 2013, other charges and income were a net charge of €11 million.

Income from equity affiliates was a €12 million charge, compared to a €4 million charge for the first nine months of 2013.

Interest was an expense of €65 million, compared to €201 million for the first nine months of 2013, a €136 million decrease (-67.7%).
For the first nine months of 2014, interest expense on borrowings amounted to €224 million, compared to €385 million for the first nine months of 2013. This €161 million decrease was attributable (i)for €103 million, to the decrease in the average outstanding borrowings to €11.3 billion for the first nine months of 2014 (compared to €16.4 billion for the first nine months of 2013 and (ii) for €58 million, to the decrease in the average interest rate on borrowings to 2.66% for the first nine months of 2014 (compared to 3.13% for the first nine months of 2013). This change reflected the impact of the early redemption of bonds for an aggregate amount of €3 billion carried out in October and November 2013, pursuant to the sale of 88% of Vivendi's interest in Activision Blizzard, as well as the impact of the redemption, at maturity, of other bonds for €700 million in October 2013 and €894 million in January 2014. Furthermore, bank credit facilities were redeemed pursuant to the sale of Maroc Telecom on May 14, 2014.
Moreover, as a result of the application of IFRS 5 to GVT and SFR, interest expense was presented net of the interest received by Vivendi SA on the financings granted to SFR and GVT, at market conditions (in the amount of €4,854 million and €1,113 million as of September 30, 2014, respectively), for €150 million for the first nine months of 2014 (compared to €181 million for the first nine months of 2013).
Interest income earned on cash and cash equivalents amounted to €9 million for the first nine months of 2014, compared to €3 million for the first nine months of 2013. This change was related to the increase in average cash and cash equivalents to €1.3 billion for the first nine months of 2014 (compared to €0.3 billion for the first nine months of 2013), which reflected the impact of the sales.

[4] For the details of adjusted net income per share, please refer to Appendix 1 to this Financial Report.
[5] Constant perimeter reflects the following changes in the scope of consolidation:

- *at Canal+ Group: it excludes the impacts in 2014 of the acquisitions of Red Production Company (December 5, 2013) and of Mediaserv (February 13, 2014); and*
- *at UMG: it excludes the 2013 impacts of operating the Parlophone Label Group repertoire.*

Income from investments amounted to €3 million, compared to €20 million for the first nine months of 2013. In 2013, it included interest income paid by PLG for €10 million and the dividend paid by Beats to UMG for €8 million.

Other financial charges and income were a net charge of €33 million, compared to a net charge of €51 million for the first nine months of 2013.

Earnings from continuing operations before provision for income taxes amounted to €567 million, compared to €267 million for the first nine months of 2013, a €300 million increase (+112.4%).

Income taxes reported to adjusted net income was a net charge of €196 million, compared to €185 million for the first nine months of 2013, an €11 million increase (+5.7%). This change mainly reflected the increase in the current tax savings expected related to Vivendi SA's Tax Group System (+€38 million) during the first nine months of 2014, primarily attributable to Canal+ Group, offset by the favorable impact during the first nine months of 2013 of certain non-recurring items (+€56 million). The effective tax rate reported to adjusted net income was at 27.9% (compared to 30.7% for the first nine months of 2013).
In addition, **provision for income taxes** was a net charge of €143 million, compared to a net gain of €100 million for the first nine months of 2013. In addition to the non-recurring items explaining the increase in income taxes reported to adjusted net income, this €243 million unfavorable impact reflected the change in tax savings related to Vivendi SA's Tax Group System, which was a €54 million income for the first nine months of 2014 (compared to a €178 million income for the first nine months of 2013, primarily related to SFR being part of Vivendi's Tax Group System). In 2014, SFR was assumed not to be part of Vivendi SA's Tax Group System, under the assumption that its sale to Numericable Group would be completed by the end of the year.

Earnings from discontinued operations (before non-controlling interests) amounted to €2,599 million, compared to €1,760 million for the first nine months of 2013. They included:

- with respect to SFR, net earnings of €973 million for the first nine months of 2014, compared to €471 million for the first nine months of 2013. SFR's net earnings took into account the discontinuation of the amortization of tangible and intangible assets since April 1, 2014, in compliance with IFRS 5[6] (+€817 million impact for the period) as well as the costs related to the undergoing sale;
- with respect to GVT, net earnings of €199 million for the first nine months of 2014, compared to €76 million for the first nine months of 2013. GVT's net earnings took into account the discontinuation of the amortization of tangible and intangible assets since September 1, 2014, in compliance with IFRS 5 (+€31 million impact for the period);
- with respect to Maroc Telecom group, the capital gain on its sale on May 14, 2014 (€786 million) as well as net earnings until the effective divestiture date (€407 million, before non-controlling interests), which took into account the discontinuation of the amortization of tangible and intangible assets since July 1, 2013, in compliance with IFRS 5 (+€181 million impact for the period). For the first nine months of 2013, Maroc Telecom group's net earnings were €607 million, before non-controlling interests and before deferred taxes related to its expected sale (-€86 million); and
- with respect to Activision Blizzard, the capital gain on the divestiture of 41.5 million Activision Blizzard shares on May 22, 2014 (€84 million), the revaluation at stock market price of the 41.5 million Activision Blizzard shares still owned by Vivendi as of September 30, 2014 (€138 million), as well as the dividend received by Vivendi (€12 million). For the first nine months of 2013, earnings from discontinued operations included Activision Blizzard's net earnings (€692 million, before non-controlling interests).

Please refer to Note 3 to the Condensed Financial Statements for the nine months ended September 30, 2014.

Earnings attributable to non-controlling interests amounted to €271 million, compared to €716 million for the first nine months of 2013, a €445 million decrease (-62.1%). This change was primarily reflected to the impacts of the sales of Activision Blizzard on October 11, 2013 (-€269 million) and of Maroc Telecom group on May 14, 2014 (-€120 million), as well as the acquisition of Canal+ Group's non-controlling interest on November 5, 2013 (-€75 million).
Adjusted net income attributable to non-controlling interests amounted to €53 million, compared to €113 million for the first nine months of 2013, a €60 million decrease resulting from the acquisition of the non-controlling interest in Canal+ Group.

The reconciliation of earnings attributable to Vivendi SA shareowners to adjusted net income is further described in Appendix 1 to this Financial Report. For the first nine months of 2014, this reconciliation primarily included earnings from discontinued operations (+€2,374 million, after non-controlling interests). The reconciliation also included the gain on the sale of UMG's interest in Beats (€179 million) and the amortization of intangible assets acquired through business combinations (-€172 million, after taxes). For the first nine months of 2013, this reconciliation primarily included earnings from discontinued operations (€1,152 million, after non-controlling interests), partially offset by other financial charges and income (-€51 million), as well as the amortization and impairment losses on intangible assets acquired through business combinations (-€187 million, after taxes).

[6] *When an activity is discontinued, IFRS 5 requires discontinuing the amortization of the operation's tangible and intangible assets. Therefore, for SFR, reported as a discontinued operation since March 31, 2014, Vivendi discontinued the amortization of tangible and intangible assets as from the second quarter of 2014, resulting in a positive impact of €812 million on earnings from discontinued operations for the second and third quarters of 2014.*

3 Cash flow from operations analysis

Preliminary comments:

- *The non-GAAP measures cash flow from operations (CFFO), cash flow from operations before capital expenditures (CFFO before capex, net), and cash flow from operations after interest and taxes (CFAIT) should be considered in addition to, and not as substitutes for, other GAAP measures of operating and financial performance as presented in the Consolidated Financial Statements and the related notes or as described in the Financial Report, and Vivendi considers that they are relevant indicators of the group's operating and financial performance.*
- *In compliance with IFRS 5, GVT (as from the third quarter of 2014), SFR (as from the first quarter of 2014) as well as Maroc Telecom group and Activision Blizzard (as from the second quarter of 2013) have been reported in Vivendi's Consolidated Financial Statements as discontinued operations. Vivendi deconsolidated Maroc Telecom group and Activision Blizzard respectively as from May 14, 2014 and October 11, 2013.*

  In practice, income and charges from these four businesses have been reported as follows:
  - *their contribution until the effective sale, if any, to each line of Vivendi's Consolidated Statement of Cash Flows has been grouped under the line "Cash flows from discontinued operations";*
  - *in accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information; and*
  - *their cash flow from operations (CFFO), cash flow from operations before capital expenditures (CFFO before capex, net) and cash flow from operations after interest and income taxes (CFAIT) have been excluded from Vivendi's CFFO, CFFO before capex, net and CFAIT.*

During the first nine months of 2014, cash flow from operations (CFFO) generated by business segments was €443 million (compared to €426 million for the same period in 2013), a €17 million increase (+4.0%).

During the first nine months of 2014, cash flow from operations after interest and income taxes paid (CFAIT) was €513 million, compared to €415 million for the first nine months of 2013, a €98 million increase (+23.7%). The €136 million decrease in interest paid, net, primarily resulting from the redemption of bonds following the sale of 88% of Vivendi's interest in Activision Blizzard, as well as the €79 million increase in gains on foreign exchange hedging, were offset by the unfavorable change in cash flows related to income tax (-€140 million), due notably to the reimbursement received from the French State Treasury as part of the Vivendi SA's French Tax Group (€78 million received for the first nine months of 2014, compared to €201 million for the same period in 2013).

(in millions of euros)		Nine months ended September 30, 2014	2013 (a)	% Change
Revenues		7,118	7,293	-2.4%
Operating expenses excluding depreciation and amortization		(6,039)	(6,174)	+2.2%
EBITDA	(b)	*1,079*	*1,119*	*-3.6%*
Restructuring charges paid		(73)	(76)	+3.8%
Content investments, net		(85)	(189)	+55.2%
of which content investments paid		*(1,723)*	*(1,750)*	*+1.5%*
recoupments of advances/consumption of rights included in EBITDA		*1,638*	*1,561*	*+5.0%*
Neutralization of change in provisions included in EBITDA		(139)	(98)	-41.0%
Other cash operating items excluded from EBITDA		(13)	(54)	+76.9%
Other changes in net working capital		(166)	(101)	-65.7%
Net cash provided by operating activities before income tax paid	(c)	***603***	***601***	***+0.3%***
Dividends received from equity affiliates	(d)	3	2	+66.7%
Dividends received from unconsolidated companies	(d)	2	8	-74.1%
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)		**608**	**611**	**-0.5%**
Capital expenditures, net (capex, net)	(e)	(165)	(185)	+10.8%
Cash flow from operations (CFFO)		**443**	**426**	**+4.0%**
Interest paid, net	(f)	(65)	(201)	+67.7%
Other cash items related to financial activities	(f)	53	(32)	na
Financial activities cash payments		***(12)***	***(233)***	***+94.7%***
Payment received from the French State Treasury as part of the Vivendi SA's French Tax Group and Consolidated Global Profit Tax Systems		78	201	-61.2%
Other taxes paid		4	21	-80.0%
Income tax (paid)/received, net	(c)	***82***	***222***	***-63.0%***
Cash flow from operations after interest and income tax paid (CFAIT)		**513**	**415**	**+23.7%**

a. Data published with respect to the first nine months of 2013 has been adjusted following the application of IFRS 5 (please refer to the preliminary comments above).

b. EBITDA, a non-GAAP measure, is described in Section 4 of this Financial Report.

c. As presented in net cash provided by operating activities of continuing operations in the Financial Net Debt changes table (please refer to Section 5.3).

d. As presented in net cash provided by/(used for) investing activities of continuing operations in the Financial Net Debt changes table (please refer to Section 5.3).

e. Relates to cash used for capital expenditures, net of proceeds from sales of property, plant and equipment, and intangible assets as presented in the investing activities of continuing operations in the Financial Net Debt changes table (please refer to Section 5.3).

f. As presented in net cash provided by/(used for) financial activities of continuing operations in the Financial Net Debt changes table (please refer to Section 5.3).

4 Business segment performance analysis

Preliminary comments:

- *Vivendi Management evaluates the performance of Vivendi's business segments and allocates the necessary resources to them based on certain operating performance indicators, notably the non-GAAP measures EBITA (Adjusted Earnings Before Interest and Income Taxes) and EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization):*
  - *the difference between EBITA and EBIT consists of the amortization of intangible assets acquired through business combinations, the impairment of goodwill and other intangibles acquired through business combinations, and EBIT's "other charges" and "other income" as defined in Note 1.2.3 to the Consolidated Financial Statements for the year ended December 31, 2013; and*
  - *as defined by Vivendi, EBITDA is calculated as EBITA as presented in the Adjusted Statement of Earnings, before depreciation and amortization of tangible and intangible assets, restructuring charges, gains/(losses) on the sale of tangible and intangible assets, and other non-recurring items (as presented in the Consolidated Statement of Earnings by operating segment - Please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2013).*

  Moreover, it should be noted that other companies may define and calculate EBITA and EBITDA differently from Vivendi, thereby affecting comparability.

- *In compliance with IFRS 5, GVT (as from the third quarter of 2014), SFR (as from the first quarter of 2014) as well as Maroc Telecom group and Activision Blizzard (as from the second quarter of 2013) have been reported in Vivendi's Consolidated Financial Statements as discontinued operations. In practice, income and charges from these four businesses have been reported as follows:*
  - *their contribution until the effective sale, if any, to each line of Vivendi's Consolidated Statement of Earnings (before non-controlling interests) has been grouped under the line "Earnings from discontinued operations";*
  - *in accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information; and*
  - *their share of net income has been excluded from Vivendi's adjusted net income.*

  Vivendi deconsolidated Maroc Telecom group and Activision Blizzard respectively as from May 14, 2014 and October 11, 2013.

4.1 Revenues and EBITA by business segment

THIRD QUARTER

	Three months ended September 30,				
(in millions of euros)	2014	2013	% Change	% Change at constant rate	% Change at constant rate and perimeter (a)
Revenues					
Canal+ Group	1,300	1,257	+3.4%	+3.1%	+0.3%
Universal Music Group	1,094	1,162	-5.9%	-5.5%	-4.2%
Other	23	18			
Elimination of intersegment transactions	(5)	(5)			
Total Vivendi	**2,412**	**2,432**	**-0.9%**	**-0.9%**	**-1.7%**
EBITA					
Canal+ Group	206	217	-4.7%	-4.8%	-6.1%
Universal Music Group	121	112	+8.4%	+7.3%	+15.0%
Other	-	(20)			
Corporate	(17)	(14)			
Total Vivendi	**310**	**295**	**+5.0%**	**+4.4%**	**+6.3%**

FIRST NINE MONTHS

	Nine months ended September 30,				
(in millions of euros)	2014	2013	% Change	% Change at constant rate	% Change at constant rate and perimeter (a)
Revenues					
Canal+ Group	3,967	3,857	+2.8%	+2.8%	+0.5%
Universal Music Group	3,097	3,398	-8.9%	-5.8%	-3.5%
Other	69	51			
Elimination of intersegment transactions	(15)	(13)			
Total Vivendi	**7,118**	**7,293**	**-2.4%**	**-1.0%**	**-1.1%**
EBITA					
Canal+ Group	626	647	-3.2%	-3.3%	-3.9%
Universal Music Group	274	255	+7.6%	+11.3%	+29.1%
Other	(87)	(57)			
Corporate	(48)	(61)			
Total Vivendi	**765**	**784**	**-2.5%**	**-1.4%**	**+2.6%**

a. Constant perimeter reflects the following changes in the scope of consolidation:
- at Canal+ Group: it excludes the impacts in 2014 of the acquisitions of Red Production Company (on December 5, 2013) and of Mediaserv (on February 13, 2014); and
- at UMG: it excludes the 2013 impacts of operating the Parlophone Label Group repertoire.

4.2 Comments on the operating performance of business segments

Canal+ Group

Canal+ Group's revenues amounted to €3,967 million, a 2.8% increase compared to the first nine months of 2013 (+0.5% at constant currency and perimeter).

Canal+ Group had a total of 14.8 million subscriptions, up 605,000 year-on-year. This evolution is notably due to strong performances in Africa and Vietnam, as well as the growth in mainland France of Canalplay, its unlimited subscription video on demand offer, which had more than 520,000 subscribers on September 30. These good performances generated growth in the group's pay-TV operations, despite a VAT increase in mainland France (from 7% to 10%) on January 1, 2014.

In France, revenues from free-to-air television also rose, bolstered by the increase in the audience of D8, which is confirming its leadership among digital terrestrial television channels.

Studiocanal's revenues grew significantly, notably due to strong theatrical releases and rights sales (television and subscription video on demand), as well as the integration of Red, the British TV series production company.

Canal+ Group's EBITA was €626 million compared to €647 million for the first nine months of 2013. This change mainly reflected higher programming costs and the impact of the VAT increase in France, partially offset by strong results in other countries.

On October 24, Canal+ Group launched A+, a new 100% African channel broadcast in more than 20 countries in West and Central Africa through Canalsat. To strengthen its activities in the region, Canal+ Overseas announced that it acquired a majority equity stake in Thema, a company specializing in the distribution of general, thematic and ethnic television channels in France and abroad. Among others, Thema publishes the TV African fiction channel Nollywood.

After having been approached recently by various strategic and financial investors, Canal+ Group and ITI Group decided to jointly review their strategic options regarding the 51% stake in TVN Group.

Universal Music Group

Universal Music Group's (UMG) revenues were €3,097 million, down 5.8% at constant currency (-8.9% at actual currency) compared to the first nine months of 2013. Excluding the impact of Parlophone Label Group (divested in 2013 as part of the EMI Recorded Music acquisition remedies) and at constant currency, UMG's revenues were down 3.5% compared to the first nine months of 2013 due to the rapid transformation of the recorded music industry.

Recorded music digital sales were flat compared to the first nine months of 2013 at constant currency and perimeter, as significant growth in subscription and streaming revenues offset the decline in digital download sales. However, total recorded music revenues declined due to the continued industry decline in physical sales.

Recorded music best sellers for the first nine months of 2014 included sales from the Disney 'Frozen' soundtrack, breakthrough releases from Sam Smith, Ariana Grande and 5 Seconds Of Summer, and carryover sales from Katy Perry and Lorde.

UMG's EBITA was €274 million, up 11.3% at constant currency (+7.6% at actual currency) compared to the first nine months of 2013 and up 29.1% excluding last year's contribution from divested Parlophone Label Group. The favorable performance reflected overhead savings and lower restructuring and integration costs, partially offset by lower revenues.

Corporate

Corporate EBITA was -€48 million (compared to -€61 million for the first nine months of 2013), a €13 million increase, notably due to non-recurring items related to pensions.

Discontinued operations:

SFR

SFR's revenues amounted to €7,396 million, a 4.2% decrease on a comparable basis (-2.9%[7] at actual perimeter) compared to the first nine months of 2013. The decline in revenues has decelerated: on a comparable basis, it was -3.2% during the third quarter of 2014, versus -4.7% during the first half of 2014.

At the end of September 2014, SFR's total mobile customer base reached 21.414 million, a 1.3%[8] increase compared to the end of September 2013. The total postpaid mobile customer base reached 18.314 million, or 85.5% of the total mobile customer base. The broadband Internet residential customer base increased by 14,000 in the first nine months of 2014, to 5.271 million.

Retail[9] revenues amounted to €4,831 million, down 6.3% compared to the first nine months of 2013.

Within the Mobile Retail market[9], the postpaid customer base decreased by 66,000 in the first nine months of 2014. As of September 30, 2014, the postpaid mobile retail customer base reached 11.315 million, a 0.8%[8,9] increase compared to the end of September 2013. SFR's total mobile retail customer base (postpaid and prepaid) reached 14.182 million.

Within the Fixed Retail market[9], the broadband Internet residential customer base in mainland France reached 5.217 million at the end of September 2014, with 8,000 net additions compared to year-end 2013. Within the broadband Internet customer base[9], the Fiber-to-the-home (FTTH) customer base reached 249,000. The "Multi-Packs de SFR" offer increased by 328,000 customers compared to the end of September 2013 and had 2.576 million subscribers, representing 49.4% of the broadband Internet customer base.

In a challenging macro-economic environment, B2B[10] revenues amounted to €1,349 million, down 6.7% on a comparable basis (+0.6%[7] at actual perimeter) compared to the first nine months of 2013.

Wholesale and others[11] revenues increased by 8.7% compared to the end of September 2013, to €1,217 million, mainly due to growth in the Wholesale business.

Excluding non-recurring items[12], SFR's EBITDA amounted to €1,975 million, a 10.3% decrease compared to the end of September 2013. Including non-recurring items, SFR's EBITDA amounted to €1,779 million.

GVT

GVT's revenues were €1,307 million, a 12.7% increase at constant currency compared to the first nine months of 2013. This performance was driven by continued growth of the core segment (retail and SME), which increased 14.1% at constant currency; including a 59.9% year-on-year increase in pay-TV. This service, which represents 13.7% of GVT's total revenues, had 814,511 pay-TV subscribers at the end of September 2014, reflecting a 43.8% growth compared to the end of September 2013.

GVT pursued its expansion in Brazil in a controlled and targeted manner and launched its services in three additional cities during the third quarter of 2014 and now operates in 156 cities, compared to 149 cities as of September 30, 2013.

GVT's EBITDA was €516 million, an 8.7% increase at constant currency compared to the first nine months of 2013. Its EBITDA margin reached 39.5% (41.7% for its telecom activities alone), which is the highest margin in the Brazilian telecom operator market.

In September, in a nationwide survey conducted by CVA (CustomerValueAdded), GVT's broadband service was recognized as the one offering the best cost-benefit ratio to customers among all the telecom players in Brazil. In addition, in October and for the sixth time, GVT was named one of the best companies to work for by Voce SA/Exame Magazine, the main Brazilian Business publication.

[7] *Includes Telindus revenues from May 1, 2014. On a 2013 comparable basis, SFR's revenues exclude Telindus revenues.*
[8] *Final first nine months of 2013 portfolio excludes 92k inactive lines which were cancelled in the fourth quarter of 2013.*
[9] *Metropolitan market, all brands combined.*
[10] *Metropolitan market, SFR Business Team and Telindus brands.*
[11] *Notably include Wholesale revenues, SRR (SFR's subsidiary in La Réunion) revenues and elimination of intersegment operations.*
[12] *An expense of €196 million was recorded in the first nine months of 2014 as a result of developments in legal disputes. These developments pertain in particular to certain litigation described in the 2013 Financial Statements.*

5 Treasury and capital resources

Preliminary comment:

Financial Net Debt, a non-GAAP measure, should be considered in addition to, and not as a substitute for, other GAAP measures as presented in the Consolidated Statement of Financial Position, as well as other measures of indebtedness reported in accordance with GAAP, and Vivendi considers that it is a relevant indicator in measuring the group's indebtedness. Vivendi Management uses Financial Net Debt for reporting, management, and planning purposes, as well as to comply with certain debt covenants of Vivendi.

5.1 Summary of Vivendi's exposure to credit and liquidity risks

As of September 30, 2014, Vivendi's Financial Net Debt was €8,377 million, compared to €11,097 million as of December 31, 2013, a €2,720 million decrease.

In May 2014, Vivendi sold its 53% interest in Maroc Telecom group for €4,138 million and sold 41.5 million Activision Blizzard shares for €623 million (please refer to Section 1.1). Vivendi notably used this cash to redeem its drawn bank credit facilities and to pay to its shareholders an ordinary distribution of €1 per share from additional paid-in capital for €1,348 million.

As a reminder, on March 4, 2013, a letter of credit for €975 million, maturing in March 2016, was issued in connection with Vivendi's appeal against the Liberty Media judgment (please refer to Note 28 to the Consolidated Financial Statements for the year ended December 31, 2013 contained in the 2013 Annual Report (page 287). This letter of credit is guaranteed by a syndicate of fifteen international banks with which Vivendi has signed a Reimbursement Agreement which includes an undertaking by Vivendi to reimburse the banks for any amounts paid out under the letter of credit. On July 16, 2014, Vivendi strengthened the guarantees given to the banks that are parties to the Reimbursement Agreement by placing a cash deposit of €975 million in an escrow account. This cash deposit could be used in priority against any claim made against Vivendi, if any, and if the banks were called with respect to the letter of credit. This deposit, which significantly reduces the letter of credit's financing cost, resulted in a €975 million increase in the group's Financial Net Debt. Prior to the placing of this deposit, the letter of credit was recorded as an off-balance sheet financial commitment, with no impact on Vivendi's Financial Net Debt.

On September 18, 2014, Vivendi and Telefonica entered into an agreement for the sale of GVT. The agreement represents a total enterprise value of €7.45 billion. The final agreement is subject to certain conditions, including the approval by the relevant regulatory authorities. The closing of the transaction is expected to take place during the second quarter of 2015. After taking into account the estimated tax impact, GVT's external debt and the price adjustments at the closing of the transaction, the expected net amount at completion of the sale is estimated to be approximately €3.8 billion.

On October 27, 2014, the French Competition Authority approved, subject to conditions, the combination of SFR and Numericable Group (for a description of the transaction, please refer to Section 1.1.2). Completion remains subject to the condition precedent of the approval by the Numericable Group General Shareholders' Meeting scheduled for November 27, 2014 of a contribution of the portion of SFR shares to Numericable Group. Cash proceeds from the sale are expected on the completion date for approximately €12.9 billion, or €13.5 billion, net of the current estimated price adjustments (-€450 million) and of Vivendi's commitment to contribute in the financing of the acquisition of Virgin Mobile by Numericable Group (-€200 million), without taking into account the potential earn-out (+€750 million).

On October 29, 2014, Vivendi set up a new €2 billion bank credit facility with a pool of 17 banks, which will become effective once Vivendi receives the proceeds from the sale of SFR and cancels its existing bank credit facilities. This bank credit facility matures in five years and has two one-year renewal options.

As of November 7, 2014, the date of the Management Board meeting that approved Vivendi's Financial Statements for the nine months ended September 30, 2014, Vivendi SA had €7,140 million confirmed undrawn credit facilities. Considering the amount of commercial paper issued at that date, and backed to bank credit facilities for €3,390 million, these facilities were available for an aggregate amount of €3,750 million.

(in millions of euros)	Cash and cash equivalents	Borrowings and other financial items (a)	Financial Net Debt
Financial Net Debt as of December 31, 2013	**(1,041)**	**12,138**	**11,097**
Outflows/(inflows) related to continuing operations:			
Operating activities	(685)	-	(685)
Investing activities	(3,517)	97	(3,420)
Financing activities	2,730	(1,481)	1,249
Foreign currency translation adjustments of continuing operations	(1)	47	46
Outflows/(inflows) related to continuing operations	**(1,473)**	**(1,337)**	**(2,810)**
Outflows/(inflows) related to discontinued operations	581	(411)	170
Reclassification of Financial Net Debt from discontinued operations as of September 30, 2014	316	(396)	(80)
Change related to discontinued operations	**897**	**(807)**	**90**
Financial Net Debt as of September 30, 2014	**(1,617)**	**9,994**	**8,377**

a. "Other financial items" include commitments to purchase non-controlling interests, derivative financial instruments (assets and liabilities), and cash deposits backed to borrowings.

Financial Net Debt change during the first nine months of 2014

As of September 30, 2014, Vivendi's Financial Net Debt amounted to €8,377 million (compared to €11,097 million as of December 31, 2013), a €2,720 million decrease.

This change notably reflected:

- proceeds from the sales completed during the first nine months of 2014 for €4,823 million. They included €4,138 million with respect to the sale of Vivendi's 53% interest in Maroc Telecom group, €623 million received with respect to the sale of 41.5 million Activision Blizzard shares, and €221 million with respect to the sale of UMG's interest in Beats;
- cash provided by operating activities of continuing operations[13] (€685 million); and
- cash received from the exercise of stock options by the executive management and employees (€151 million);

partially offset by:

- the cash outflow related to the €1 per share distribution made to Vivendi SA shareowners (€1,348 million);
- the placing of a cash deposit in an escrow account in relation to the appeal against the Liberty Media judgment (€975 million);
- acquisitions (€236 million) made by Canal+ Group for an aggregate amount of €185 million (acquisition of Mediaserv and of an additional 9% interest in N-Vision) and by UMG for an aggregate amount of €51 million (acquisition of Eagle Rock and capital increase in an equity affiliate, Vevo);
- cash outflows related to capital expenditures from continuing operations[13] (€165 million); and
- restatement of Financial Net Debt from discontinued operations (€90 million).

[13] *Continuing operations relate to Canal+ Group, Universal Music Group, other activities, and Corporate.*

5.2 Financial Net Debt as of September 30, 2014

As of September 30, 2014, Vivendi's Financial Net Debt, in IFRS, amounted to €8,377 million. Borrowings and other financial liabilities amounted to €9,994 million (compared to €12,138 million as of December 31, 2013), a €2,144 million decrease.

The group's bonds amounted to €6,667 million, of which €4,717 million have a buyback (make-whole) option. Bonds amounted to €7,827 million as of December 31, 2013. The €1,160 million decrease during the period was primarily related to the redemption in January 2014 of the €894 million bond and to the reclassification, in compliance with IFRS 5, of SFR's €300 million bond (redeemed in July 2014). The bond debt represented 66.1% of the borrowings in the group's Statement of Financial Position (compared to 64.1% as of December 31, 2013).

As of September 30, 2014, Vivendi SA's total confirmed credit facilities amounted to €7,140 million (unchanged compared to December 31, 2013). As of September 30, 2014, none of these credit facilities were drawn. Considering the €3,019 million commercial paper issued as of that date and backed to bank credit facilities, these facilities were available up to a maximum amount of €4,121 million. Following the completion of the sale of SFR, these bank credit facilities will be cancelled and replaced by a new €2 billion bank credit facility.

The "economic" average term of the group's debt was 3.8 years as of September 30, 2014 (compared to 4.2 years as of December 31, 2013).

Moreover, as of September 30, 2014, the group's cash and cash equivalents amounted to an aggregate amount of €1,617 million. In this amount, Vivendi SA placed €1,187 million, primarily in short-term bank deposits and in UCITS.

(in millions of euros)	Refer to Notes to the Consolidated Financial Statements	September 30, 2014 (a)	December 31, 2013
Borrowings and other financial liabilities		10,222	12,266
of which long-term (b)	7	*6,801*	*8,737*
short-term (b)	7	*3,421*	*3,529*
Derivative financial instruments in assets (c)		(228)	(126)
Cash deposits backing borrowings (c)		-	(2)
		9,994	**12,138**
Cash and cash equivalents (b)		(1,617)	(1,041)
Financial Net Debt		**8,377**	**11,097**

a. As of September 30, 2014, in compliance with IFRS 5, Vivendi's Financial Net Debt does not exclude either GVT's external Financial Net Debt (€273 million) or SFR's external cash, net (€68 million).

b. As presented in the Consolidated Statement of Financial Position.

c. Included in the Financial Assets items of the Consolidated Statement of Financial Position.

5.3 Analysis of Financial Net Debt changes

(in millions of euros)	Refer to section	Nine months ended September 30, 2014 - Impact on cash and cash equivalents	Impact on borrowings and other financial items	Impact on Financial Net Debt
EBIT	2	**(674)**	**-**	**(674)**
Adjustments		(180)	-	(180)
Content investments, net	3	85	-	85
Gross cash provided by operating activities before income tax paid		***(769)***	***-***	***(769)***
Other changes in net working capital		166	-	166
Net cash provided by operating activities before income tax paid	3	***(603)***	***-***	***(603)***
Income tax paid, net	3	(82)	-	(82)
Net cash provided by operating activities of continuing operations		**(685)**	**-**	**(685)**
Net cash provided by operating activities of discontinued operations		(2,050)	-	(2,050)
Operating activities		**(2,735)**	**-**	**(2,735)**
Financial investments				
Purchases of consolidated companies, after acquired cash		58	97	155
Investments in equity affiliates		81	-	81
Increase in financial assets		1,007	-	1,007
of which cash deposit related to Vivendi's appeal against the Liberty Media judgment	5	*975*	-	*975*
Total financial investments		***1,146***	***97***	***1,243***
Financial divestments				
Proceeds from sales of consolidated companies, after divested cash		(3,944)	-	(3,944)
of which proceeds from the sale of the 53% interest in Maroc Telecom group	1	*(4,138)*	-	*(4,138)*
Decrease in financial assets		(879)	-	(879)
of which proceeds from the sale of 41.5 million Activision Blizzard shares	1	*(623)*	-	*(623)*
proceeds from the sale of UMG's interest in Beats	1	*(221)*	-	*(221)*
Total financial divestments		***(4,823)***	***-***	***(4,823)***
Financial investment activities		**(3,677)**	**97**	**(3,580)**
Dividends received from equity affiliates		(3)	-	(3)
Dividends received from unconsolidated companies		(2)	-	(2)
Net investing activities excluding capital expenditures and proceeds from sales of property, plant, equipment and intangible assets		**(3,682)**	**97**	**(3,585)**
Capital expenditures		168	-	168
Proceeds from sales of property, plant, equipment and intangible assets		(3)	-	(3)
Capital expenditures, net	3	***165***	***-***	***165***
Net cash provided by/(used for) investing activities of continuing operations		**(3,517)**	**97**	**(3,420)**
Net cash provided by/(used for) investing activities of discontinued operations		1,912	55	1,967
Investing activities		**(1,605)**	**152**	**(1,453)**
Transactions with shareowners				
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans		(151)	-	(151)
of which exercise of stock options by executive management and employees		*(151)*	-	*(151)*
(Sales)/purchases of Vivendi SA's treasury shares		37	-	37
Distribution to Vivendi SA's shareowners (€1 per share)	1	1,348	-	1,348
Other transactions with shareowners		3	-	3
Dividends paid by consolidated companies to their non-controlling interests		32	-	32
Total transactions with shareowners		***1,269***	***-***	***1,269***
Transactions on borrowings and other financial liabilities				
Setting up of long-term borrowings and increase in other long-term financial liabilities		-	-	-
Principal payments on long-term borrowings and decrease in other long-term financial liabilities		1,666	(1,666)	-
of which bank credit facilities		*1,655*	*(1,655)*	-
Principal payments on short-term borrowings		1,005	(1,005)	-
of which bonds		*894*	*(894)*	-
Other changes in short-term borrowings and other financial liabilities		(1,222)	1,222	-
of which commercial paper		*(1,113)*	*1,113*	-
Non-cash transactions		-	(32)	(32)
Interest paid, net	3	65	-	65
Other cash items related to financial activities	3	(53)	-	(53)
Total transactions on borrowings and other financial liabilities		***1,461***	***(1,481)***	***(20)***
Net cash provided by/(used for) financing activities of continuing operations		**2,730**	**(1,481)**	**1,249**
Net cash provided by/(used for) financing activities of discontinued operations		721	(487)	234
Financing activities		**3,451**	**(1,968)**	**1,483**
Foreign currency translation adjustments of continuing operations		(1)	47	46
Foreign currency translation adjustments of discontinued operations		(2)	21	19
Reclassification of Financial Net Debt from discontinued operations		316	(396)	(80)
Change in Financial Net Debt		**(576)**	**(2,144)**	**(2,720)**

5.4 Changes in financings

In January 2014, Vivendi redeemed the 7.75% bond issued in January 2009, for €894 million, upon its contractual maturity. For a detailed analysis of the group's bonds as of September 30, 2014, please refer to Note 7 to the Unaudited Condensed Financial Statements for the nine months ended September 30, 2014.

Moreover, on October 29, 2014, Vivendi set up a new €2 billion bank credit facility with a pool of 17 banks, which will become effective once Vivendi receives the proceeds from the sale of SFR and cancels its existing bank credit facilities. This bank credit facility matures in five years and has two one-year renewal options.

6 Litigation

In the normal course of its business, Vivendi is subject to various lawsuits, arbitrations and governmental, administrative or other proceedings (collectively "Legal Proceedings").

Certain Legal Proceedings involving Vivendi or its subsidiaries (as plaintiff or defendant) are described in Note 28 to the Consolidated Financial Statements for the year ended December 31, 2013, contained in the 2013 Annual Report (pages 309-315) and in Section 3 of Chapter 1 contained in the 2013 Annual Report (pages 35-41). The following paragraphs update such disclosure through November 7, 2014, the date of the Management Board meeting held to approve Vivendi's financial statements for the first nine months of fiscal year 2014.

To the company's knowledge, there are no Legal Proceedings or any facts of an exceptional nature (including, to the company's knowledge, any pending or threatened proceedings) in which it is a defendant, which may have or have had in the recent past a significant effect on the company and on its group's financial position, profit, business and property, other than those described herein.

Trial of Vivendi's Former Officers in Paris

In October 2002, the financial department of the Paris Public Prosecutor's office (Parquet de Paris) launched an investigation into the publication of allegedly false or misleading information regarding the financial situation and forecasts of the Company and the publication of allegedly untrue or inaccurate financial statements for the fiscal years 2000 and 2001. Additional charges were brought in this investigation relating to purchases by the Company of its own shares between September 1, 2001 and December 31, 2001. Vivendi joined the proceedings as a civil party.

The trial took place from June 2 to June 25, 2010, before the 11th Chamber of the Paris Tribunal of First Instance (Tribunal de Grande Instance de Paris), following which the Public Prosecutor asked the Court to drop the charges against the defendants. On January 21, 2011, the Court rendered its judgment, in which it confirmed the previous recognition of Vivendi as a civil party. Messrs. Jean Marie Messier, Guillaume Hannezo, Edgar Bronfman Jr. and Eric Licoys received suspended sentences and fines. Messrs. Jean Marie Messier and Guillaume Hannezo were also ordered to pay damages to shareholders who are entitled to reparation as civil parties. The former Vivendi officers as well as some civil parties appealed the decision. The appeal proceedings were held from October 28 to November 26, 2013, before the Paris Court of Appeal. The Public Prosecutor requested a 20-month suspended prison sentence and a fine of €150,000 for Mr. Jean-Marie Messier for misuse of corporate assets and dissemination of false or misleading information, a 10-month suspended prison sentence and a fine of €850,000 for Mr. Guillaume Hannezo for insider trading, and a 10-month suspended prison sentence and a fine of €5 million for Mr. Edgar Bronfman Jr. for insider trading. In the course of the trial, a number of civil parties submitted an application to the Paris Court of Appeal for a priority preliminary ruling on constitutionality. The application concerned the impossibility, for a civil party, to appeal a decision by a first instance court to drop charges. Since the same question is currently pending before the Constitutional Council, the Court of Appeal has stayed the proceedings with regard to the issues relating to the dropped charges, and heard oral arguments on these issues on April 8 and 9, 2014. On May 19, 2014, the Paris Court of Appeal rendered its judgment. Regarding the acts determined by the lower criminal court to constitute the dissemination of false or misleading information, the Court held that these acts did not meet the criteria for such an offense. The Court upheld the conviction against

Jean-Marie Messier for misuse of corporate assets and he received a 10-month suspended sentence and a €50,000 fine. The Paris Court of Appeal also upheld the convictions against Messrs. Hannezo and Bronfman for insider trading and they received fines in the amount of €850,000 (of which €425,000 is suspended) and €5 million (of which €2.5 million is suspended), respectively. Finally, the Court set aside the lower court's order for the payment of damages (€10 per share) to certain shareholders and former shareholders of Vivendi (the "civil action"). With regard to Vivendi, the Court upheld the validity of its status as a civil party to the proceedings, exonerated it from any responsibility and voided the demand for damages brought against it by certain shareholders or former shareholders.

Actions against Activision Blizzard, Inc., its Board of Directors, and Vivendi

In August 2013, a derivative action was initiated in the Los Angeles Superior Court by an individual shareholder against Activision Blizzard, Inc. ("Activision Blizzard" or the "Company"), all of the members of its Board of Directors and against Vivendi. The plaintiff alleges that Activision Blizzard's Board of Directors and Vivendi breached their fiduciary duties by approving the divestment of Vivendi's share ownership in the Company. The plaintiff, Todd Miller, claims that the transaction would not only be disadvantageous to Activision Blizzard but that it would also confer a disproportionate advantage to a group of investors led by Robert Kotick and Brian Kelly, the Company's Chief Executive Officer and Co-Chairman of the Board, respectively, and that those breaches of fiduciary duty were aided and abetted by Vivendi.

On September 11, 2013, a second derivative action based on essentially the same allegations was initiated in the Delaware Court of Chancery by another minority shareholder of Activision Blizzard, Anthony Pacchia.

On the same day, another minority shareholder, Douglas Hayes, initiated a similar action and also requested that the closing of the sale transaction be enjoined pending approval of the transaction by Activision Blizzard's shareholders. On September 18, 2013, the Delaware Court of Chancery granted the motion enjoining the closing of the transaction. However, on October 10, 2013, the Delaware Supreme Court overturned this decision, allowing for the completion of the transaction. The case will proceed on the merits.

On November 2, 2013, the Delaware Court of Chancery consolidated the Pacchia and Hayes actions into a single action entitled *In Re Activision Blizzard Inc. Securities Litigation* and named Anthony Pacchia lead plaintiff.

On March 14, 2014, a similar new action was initiated in the Delaware Court of Chancery by a minority shareholder, Mark Benston. This action has been consolidated into the *In Re Activision Blizzard Inc. Securities Litigation* proceeding currently underway.

The discovery process is complete. Each of the defendants filed motions to dismiss certain of the complaints against them. These motions were denied by the Court on June 6, 2014. The trial is scheduled to be held in December 2014.

Telefonica against Vivendi in Brazil

On May 2, 2011, TELESP, Telefonica's Brazilian subsidiary, filed a claim against Vivendi before the Civil Court of São Paulo (3ª Vara Cível do Foro Central da Comarca da Capital do Estado de São Paulo). The company is seeking damages for having been blocked from acquiring control of GVT and damages in the amount of 15 million Brazilian reals (currently approximately €4.9 million) corresponding to the expenses incurred by TELESP in connection with its offer for GVT. At the beginning of

September 2011, Vivendi filed an objection to jurisdiction, challenging the jurisdiction of the courts of São Paulo to hear a case involving parties from Curitiba. This objection was dismissed on February 14, 2012, which was confirmed on April 4, 2012 by the Court of Appeal.

On April 30, 2013, the Court dismissed Telefonica's claim for lack of sufficient and concrete evidence of Vivendi's responsibility for Telefonica's failing to acquire GVT. The Court notably highlighted the inherently risky nature of operations in the financial markets, of which Telefonica must have been aware. Moreover, the Court dismissed Vivendi's counterclaim for compensation for the damage it suffered as a result of the defamatory campaign carried out against it by Telefonica. On May 28, 2013, Telefonica appealed the Court's decision to the 5th Chamber of Private Law of the Court of Justice of the State of São Paulo.

On September 18, 2014, within the framework of agreements entered into between Vivendi and Telefonica concerning the sale of GVT, the parties agreed to end this dispute without payment to either side.

Parabole Réunion

In July 2007, the Group Parabole Réunion filed a legal action before the Paris Tribunal of First Instance following the termination of its rights to exclusively distribute the TPS channels in Reunion Island, Mayotte, Madagascar and Mauritius. Pursuant to a decision dated September 18, 2007, Canal+ Group was prohibited, under fine, from allowing the broadcast by third parties of these channels or those replacement channels that have substituted these channels. Canal+ Group appealed this decision. In a ruling dated June 19, 2008, the Paris Court of Appeal partially reversed the judgment and stated that these replacement channels were not to be granted exclusively if the channels were made available to third parties prior to the merger with TPS. Parabole Réunion was again unsuccessful in its claims concerning the content of the channels in question. On September 19, 2008, Parabole Réunion appealed to the French Supreme Court. On November 10, 2009, the French Supreme Court dismissed the appeal brought by Parabole Réunion. In the context of this dispute, various jurisdictions have taken the opportunity to recall that in the event of the loss of the TPS Foot channel, Canal+ Group must make available to Parabole Réunion a channel of similar attractiveness. Noncompliance with this order would result in a penalty. On September 24, 2012, Parabole Réunion filed a claim against Canal+ France, Canal+ Group and Canal+ Distribution before the enforcement magistrate of the Court of First Instance of Nanterre (Tribunal de grande instance de Nanterre) seeking enforcement of this fine (a request for such enforcement having been previously rejected by the enforcement magistrate of Nanterre, the Paris Court of Appeal and the French Supreme Court). On November 6, 2012, Parabole Réunion expanded its claim to cover the TPS Star, Cinecinema Classic, Cult and Star channels. On April 9, 2013, the enforcement magistrate dismissed in part Parabole Réunion's claim and declared the rest inadmissible. He took care to recall that Canal+ Group had no legal obligation with respect to the content or the maintaining of programming on channels made available to Parabole Réunion. Parabole Réunion filed an appeal against this judgment. On May 22, 2014, the Versailles Court of Appeal declared the appeal filed by Parabole

Réunion inadmissible. Parabole Réunion filed an appeal before the French Supreme Court. At the same time, Parabole Réunion filed a second appeal against the April 9, 2013 judgment, which appeal will be argued on September 17, 2014.

In parallel, on August 11, 2009, Parabole Réunion filed a complaint against Canal+ Group before the Paris Tribunal of First Instance, requesting that the Tribunal order Canal+ Group to make available a channel with a level of attractiveness similar to that of TPS Foot in 2006 and to pay damages. On April 26, 2012, Parabole Réunion filed a complaint against Canal+ France, Canal+ Group and Canal+ Distribution before the Paris Tribunal of First Instance asking the Tribunal to acknowledge the failure of the companies of the Group to fulfill their contractual obligations to Parabole Réunion and their commitments to the Ministry of Economy. These two actions have been consolidated into a single action. On April 29, 2014, the Paris Tribunal of First Instance recognized the contractual liability of Canal+ Group due to the degradation of the quality of channels made available to Parabole Réunion. The Tribunal ordered an expert report on the damages suffered by Parabole Réunion, rejecting the assessment produced by the latter.

BeIN Sports against the National Rugby League and Canal+ Group

On March 11, 2014, beIN Sports lodged a complaint with the French Competition authority against Canal+ Group and the National Rugby League, challenging the award to Canal+ Group of exclusive broadcasting rights to the “TOP 14” for the 2014-2015 to 2018-2019 seasons. On July 30, 2014, the French Competition Authority imposed interim measures suspending Canal+ Group’s agreement with the National Rugby League as from the 2015-2016 season and mandated that a new call for tenders process be organized. Canal+ Group and the National Rugby League appealed this decision before the Paris Court of Appeal.

On October 9, 2014, the Paris Court of Appeal dismissed the appeal of Canal+ Group and the National Rugby League and directed the National Rugby League to complete a new tender process for rights to the “TOP 14” for the 2015-2016 season as well as the following seasons by no later than March 31, 2015. On October 30, 2014, Canal+ Group appealed against this decision.

Aston France against Canal+ Group

On September 25, 2014, Aston notified the French Competition Authority about Canal+ Group’s decision to stop selling its satellite subscription called "cards only" (enabling the reception of Canal+/Canalsat programs on Canal Ready-labeled satellite decoders, manufactured and distributed by third parties, including Aston). Canal+ Group should appear before the French Competition Authority in mid-November. In parallel, on September 30, 2014, Aston filed a request for injunctive relief against Canal+ Group before the Commercial Court of Paris, seeking a stay of the decision of the Canal+ Group to terminate the Canal Ready partnership agreement and thus stop the marketing of satellite subscriptions called "cards only". On October 17, 2014, the Paris Commercial Court issued an order denying Aston’s requests.

Capitol Records and EMI Music Publishing against MP3tunes

On November 9, 2007, Capitol Record and EMI Music Publishing filed a joint complaint against MP3tunes and its founder, Michael Robertson, for copyright infringement on the sideload.com and mp3tunes.com websites. The trial was held in March 2014, and, on March 19, 2014, the jury returned a verdict favorable to EMI and Capital Records. It found the defendants liable for knowingly allowing the unauthorized content on the websites. On March 26, 2014, the jury awarded damages in the amount of $41 million.

Tax audits

The fiscal year ended December 31, 2013 and prior years are open to tax audits by the respective tax authorities in the jurisdictions in which Vivendi has or had operations. Various tax authorities have proposed adjustments to the taxable income reported for prior years. It is not possible, at this stage of the current tax audits, to accurately assess the impact that could result from an unfavorable outcome of certain of these audits. Vivendi Management believes that these tax audits will not have a material and unfavorable impact on the financial position or liquidity of the group.

Regarding Vivendi SA, in respect of the Consolidated Global Profit Tax System, the consolidated income reported for fiscal years 2006, 2007, and 2008 is under audit by the French tax authorities. This tax audit started in January 2010. In addition, in January 2011, the French tax authorities began a tax audit on the consolidated income reported for fiscal year 2009 and in February 2013, the French tax authorities began a tax audit on the consolidated income reported for fiscal year 2010. Finally, the audit of Vivendi SA’s tax group System for the years 2011 and 2012 group started in July 2013. All of these audits were ongoing as of September 30, 2014. Vivendi Management believes that it has serious legal means to defend the positions it has chosen for the determination of the taxable income of the fiscal years under audit. In any event, a provision for the impact of the Consolidated Global Profit Tax System in 2011 has been accrued (€366 million), as well as a provision for the impact in relation to the use of tax credits in 2012 (€231 million). On October 6, 2014, the Administrative Court of Montreuil ruled in favor of Vivendi in the proceedings relating to the effects of the Consolidated Global Profit Tax System in 2011. Although this ruling is subject to appeal, at this stage, Vivendi Management does not believe that developments in any of these audits or proceedings should lead to an adjustment in the amount of the provisions. As a reminder, the tax attributes recognized by Vivendi SA with respect to the fiscal years under audit, representing tax savings of €1,527 million as of December 31, 2013, were recognized in the Consolidated Statement of Financial Position for €163 million.

Regarding Vivendi's US tax group, the fiscal years ending December 31, 2005, 2006, and 2007 were under a tax audit. The consequences of this tax audit did not materially impact the amount of tax attributes. Vivendi's US tax group was also under audit for fiscal years ending December 31, 2008, 2009, and 2010. This tax audit is now closed and its consequences did not materially impact the amount of tax attributes. On June 26, 2014, the American tax authorities began a tax audit for fiscal year 2011 and 2012, and on July 11, 2014, stated that they will undertake a tax audit for fiscal year 2013, after the filing of the tax return for that period. The audit with respect to these fiscal years was ongoing as of September 30, 2014. Vivendi Management believes that it has serious legal means to defend the positions it has chosen for the determination of the taxable income of the fiscal years under audit.

Finally, regarding Maroc Telecom, the fiscal years ending December 31, 2005, 2006, 2007, and 2008 were under a tax audit. This tax audit is now closed following the execution of a Memorandum Agreement on December 19, 2013, effective as of December 31, 2013.

Discontinued operation: SFR

Orange against SFR and Bouygues Telecom

On April 29, 2014, Orange filed a complaint with the French Competition Authority concerning the agreement signed on January 31, 2014, between SFR and Bouygues Telecom to share a part of their mobile access networks. Orange alleges that this agreement constitutes a collusive practice, by concerted effort and horizontal agreement, between competitors. Orange is requesting an immediate suspension of the agreement's implementation. On September 25, 2014, the French Competition Authority rejected Orange's request for interim measures. Orange appealed that decision on October 24, 2014.

Complaint of Bouygues Telecom against SFR and Orange in Connection with the Call Termination and Mobile Markets

Bouygues Telecom brought a claim before the French Competition Council against SFR and Orange for certain alleged unfair trading practices in the call termination and mobile markets ("price scissoring"). On May 15, 2009, the French Competition Authority (the "Authority") resolved to postpone its decision on the issue and remanded the case for further investigation. On December 13, 2010, SFR was heard on these allegations by the instructing magistrate. On August 18, 2011, SFR received a notification of grievances in which the Authority noted the existence of abusive price discrimination practices. On December 13, 2012, the Authority fined SFR €66 million. SFR has appealed this decision. The case was argued before the Paris Court of Appeal on February 20, 2014. The Paris Court of Appeal rendered a decision on June 19, 2014, in which it requested an Amicus Curiae from the European Commission on the economic and legal issues raised in this case and stayed the proceedings on the merits of the case pending the opinion to be delivered. It also dismissed SFR's procedural claims.

Following the decision of the French Competition Authority on December 13, 2012, Bouygues Telecom, OMEA and El Telecom (NRJ Mobile) brought a claim before the Paris Commercial Court against SFR for damages suffered. They are seeking damages of €623.6 million, €67.9 million and €28.6 million, respectively. Pursuant to the settlement concluded between SFR and Bouygues Telecom in June 2014, the hearing held on September 5, 2014 to close the conciliation proceedings terminated this dispute between the two companies. Regarding the dispute between SFR and El Telecom and OMEA, on October 14, 2014, the Paris Commercial Court stayed the proceedings pending the decision of the Paris Court of Appeal.

Complaint lodged with the French Competition Authority by Orange Réunion, Orange Mayotte, and Outremer Télécom against Société Réunionnaise du Radiotéléphone (SRR)

Orange Réunion, Orange Mayotte and Outremer Télécom notified the French Competition Authority about alleged unfair price discrimination practices implemented by SRR on the consumer market and the business market. On September 16, 2009, the French Competition Authority imposed protective measures on SRR, pending its decision on the merits.

SRR was required to end price differences that exceed the costs borne by SRR based on the network called (off-net/on-net). The French Competition Authority found that SRR had not fully complied with the order it had imposed and, on January 24, 2012, ordered SRR to pay a fine of €2 million. With regard to the proceedings on the merits, on July 31, 2013, SRR signed a statement of no contest to grievances and a letter of commitments. Accordingly, the Deputy Reporter General proposed to the College of the French Competition Authority that the fine incurred by SRR be reduced.

Following the French Competition Authority's decision of September 16, 2009, Outremer Télécom sued SRR on June 17, 2013, before the Paris Commercial Court for damages it claims to have suffered as a result of SRR's practices. On November 13, 2013, the Court stayed the proceedings until the French Competition Authority issues its decision on the merits of the case.

On June 13, 2014, the French Competition Authority issued its decision concerning the consumer market component of the complaint, imposing a sanction of €45,939,000 on SFR and its subsidiary SRR. The business market component is still being investigated by the French Competition Authority. Following the June 13, 2014 decision of the French Competition Authority, on October 8, 2014, Orange Réunion filed a claim against SFR and SRR before the Paris Commercial Court for the damage it allegedly suffered as a result of SRR's practices.

SFR against Orange

On April 24, 2012, SFR filed a complaint against Orange before the Paris Commercial Court for practices constituting an abuse of its dominant position in the secondary residence market. On February 12, 2014, the Paris Commercial Court ordered Orange to pay €51 million in damages.

Orange appealed this decision. On April 2, 2014, Orange also requested a suspension of the provisional execution of the Paris Commercial Court's decision. On July 4, 2014, the request was denied. On October 8, 2014, the Paris Court of Appeal set aside the decision of the Paris Commercial Court. On October 13, 2014, SFR received service of the October 8, 2014 judgment of the Paris Court of Appeal and an order to return the amounts paid under the provisional execution. The amount payable to Orange has been provisioned.

Orange against SFR

On August 10, 2011, Orange filed a claim against SFR before the Paris Commercial Court. Orange asked the Court to compel SFR to stop the overflow traffic at the point of interconnection of their respective networks. On December 10, 2013, SFR was ordered to pay €22,133,512 to Orange. On January 10, 2014, SFR appealed this decision. The case will be argued before the Paris Court of Appeal on November 22, 2014.

SFR against Iliad, Free and Free mobile: unfair competition by disparagement

In June 2014, SFR filed a complaint against Iliad, Free and Free Mobile before the Commercial Court of Paris for unfair competition seeking recognition that Iliad/Free is guilty of disparaging the services of SFR at the time of the launch of Free Mobile as well as subsequently.

7 Forward looking statements

Cautionary note

This Financial Report contains forward-looking statements with respect to Vivendi's financial condition, results of operations, business, strategy, plans, and outlook of Vivendi, including the impact of certain transactions. Although Vivendi believes that such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Vivendi's control, including, but not limited to, the risks related to antitrust and other regulatory approvals as well as any other approvals which may be required in connection with certain transactions and the risks described in the documents of the group filed with the Autorité des Marchés Financiers (the "AMF") (the French securities regulator), which are also available in English on Vivendi's website (www.vivendi.com). Accordingly, we caution you against relying on forward looking statements. These forward-looking statements are made as of the date of this Financial Report. Vivendi disclaims any intention or obligation to provide, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

8 Other Disclaimers

Unsponsored ADRs

Vivendi does not sponsor an American Depositary Receipt (ADR) facility in respect of its shares. Any ADR facility currently in existence is "unsponsored" and has no ties whatsoever to Vivendi. Vivendi disclaims any liability in respect of any such facility.

Translation

This Financial Report is an English translation of the French version of the report and is provided for informational purposes only. This translation is qualified in its entirety by the French version, which is available on the company's website (www.vivendi.com). In the event of any inconsistencies between the French version of this Financial Report and the English translation, the French version will prevail.

II - Appendices to the Financial Report: Unaudited supplementary financial data

1. Adjusted net income

Adjusted net income, a non-GAAP measure, should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance, as presented in the Consolidated Financial Statements and the related notes or as described in the Financial Report, and Vivendi considers that it is a relevant indicator to assess the group's operating and financial performance. Vivendi Management uses adjusted net income for reporting, management, and planning purposes because it better illustrates the underlying performance of continuing operations by excluding most non-recurring and non-operating items. Adjusted net income is defined in Note 1.2.3 to the Consolidated Financial Statements for the year ended December 31, 2013.

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

	Three months ended September 30,		Nine months ended September 30,	
(in millions of euros)	2014	2013	2014	2013
Earnings attributable to Vivendi SA shareowners (a)	**839**	**376**	**2,752**	**1,411**
Adjustments				
Amortization of intangible assets acquired through business combinations	85	89	251	265
Impairment losses on intangible assets acquired through business combinations (a)	-	-	-	5
Other income (a)	(179)	(7)	(182)	(35)
Other charges (a)	9	10	22	46
Other financial income (a)	(4)	(3)	(16)	(10)
Other financial charges (a)	13	23	49	61
Earnings from discontinued operations (a)	(535)	(527)	(2,599)	(1,760)
of which capital gain on the divestiture of Maroc Telecom group	-	-	*(786)*	-
capital gain on Activision Blizzard shares	*2*	-	*(222)*	-
Change in deferred tax asset related to Vivendi SA's French Tax Group and to the Consolidated Global Profit Tax Systems	(13)	(36)	22	(140)
Non-recurring items related to provision for income taxes	(4)	-	5	(58)
Provision for income taxes on adjustments	(27)	(29)	(80)	(87)
Non-controlling interests on adjustments	5	183	218	603
Adjusted net income	**189**	**79**	**442**	**301**

a. As reported in the Consolidated Statement of Earnings.

Adjusted net income per share

	Three months ended September 30,				Nine months ended September 30,			
	2014		2013		2014		2013	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Adjusted net income (in millions of euros)	189	189	79	79	442	442	301	301
Number of shares (in millions)								
Weighted average number of shares outstanding (a)	1,348.3	1,348.3	1,335.6	1,335.6	1,344.5	1,344.5	1,327.8	1,327.8
Potential dilutive effects related to share-based compensation	-	5.6	-	4.2	-	6.2	-	4.1
Adjusted weighted average number of shares	**1,348.3**	**1,353.9**	**1,335.6**	**1,339.8**	**1,344.5**	**1,350.7**	**1,327.8**	**1,331.9**
Adjusted net income per share (in euros)	0.14	0.14	0.06	0.06	0.33	0.33	0.23	0.23

a. Net of treasury shares (430,070 shares for the first nine months of 2014).

2. Adjustment of comparative information

In compliance with IFRS 5, GVT (as from the third quarter of 2014), SFR (as from the first quarter of 2014) as well as Maroc Telecom group and Activision Blizzard (as from the second quarter of 2013) have been reported in Vivendi's Consolidated Financial Statements as discontinued operations. Vivendi deconsolidated Maroc Telecom group and Activision Blizzard respectively as from May 14, 2014 and October 11, 2013.

In practice, income and charges from these four businesses have been reported as follows:

- their contribution until the effective divestiture, if any, to each line of Vivendi's Consolidated Statement of Earnings (before non-controlling interests) has been grouped under the line "Earnings from discontinued operations";
- their share of net income has been excluded from Vivendi's adjusted net income; and
- in accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information.

The adjustments to data published for the first quarter and the first half of 2014 are reported below and only relate to GVT.

	2014		
(in millions of euros, except per share amounts)	Three months ended March 31,	Three months ended June 30,	Six months ended June 30,
Adjusted earnings before interest and income taxes (EBITA) (as previously published)	**268**	**358**	**626**
Reclassifications related to the application of IFRS 5 for GVT	- 83	- 88	- 171
Adjusted earnings before interest and income taxes (EBITA) (restated)	**185**	**270**	**455**
Adjusted net income (as previously published)	**161**	**194**	**355**
Reclassifications related to the application of IFRS 5 for GVT	- 52	- 50	- 102
Adjusted net income (restated)	**109**	**144**	**253**
Adjusted net income per share (as previously published)	**0.12**	**0.14**	**0.26**
Adjusted net income per share (restated)	**0.08**	**0.11**	**0.19**

The adjustments to data published in the 2013 Annual Report are reported below and relate to GVT and SFR.

(in millions of euros, except per share amounts)	2013 Three months ended March 31,	Three months ended June 30,	Six months ended June 30,
Adjusted earnings before interest and income taxes (EBITA) (as published (a))	**629**	**762**	**1,391**
Reclassifications related to the application of IFRS 5 for GVT	- 99	- 98	- 197
Reclassifications related to the application of IFRS 5 for SFR	- 328	- 377	- 705
Adjusted earnings before interest and income taxes (EBITA) (restated)	**202**	**287**	**489**
Adjusted net income (as published (a))	**366**	**479**	**845**
Reclassifications related to the application of IFRS 5 for GVT	- 70	- 67	- 137
Reclassifications related to the application of IFRS 5 for SFR	- 232	- 254	- 486
Adjusted net income (restated)	**64**	**158**	**222**
Adjusted net income per share (as published (a))	**0.28**	**0.36**	**0.64**
Adjusted net income per share (restated)	**0.05**	**0.12**	**0.17**

(in millions of euros, except per share amounts)	2013 Three months ended September 30,	Nine months ended September 30,	Three months ended December 31,	Year ended December 31,
Adjusted earnings before interest and income taxes (EBITA) (as published (a))	**730**	**2,121**	**312**	**2,433**
Reclassifications related to the application of IFRS 5 for GVT	- 101	- 298	- 107	- 405
Reclassifications related to the application of IFRS 5 for SFR	- 334	- 1,039	- 34	- 1,073
Adjusted earnings before interest and income taxes (EBITA) (restated)	**295**	**784**	**171**	**955**
Adjusted net income (as published (a))	**403**	**1,248**	**292**	**1,540**
Reclassifications related to the application of IFRS 5 for GVT	- 75	- 212	- 62	- 274
Reclassifications related to the application of IFRS 5 for SFR	- 249	- 735	- 77	- 812
Adjusted net income (restated)	**79**	**301**	**153**	**454**
Adjusted net income per share (as published (a))	**0.30**	**0.94**	**0.22**	**1.16**
Adjusted net income per share (restated)	**0.06**	**0.23**	**0.11**	**0.34**

a. As published in the 2013 Annual Report.

The Consolidated Statements of Earnings and Adjusted Statement of Earnings are presented below:

Year ended December 31, 2013:

CONSOLIDATED STATEMENT OF EARNINGS	Year ended December 31, 2013	Year ended December 31, 2013	ADJUSTED STATEMENT OF EARNINGS
Revenues	**10,252**	**10,252**	**Revenues**
Cost of revenues	(6,097)	(6,097)	Cost of revenues
Margin from operations	**4,155**	**4,155**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(3,008)	(3,008)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(192)	(192)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(350)		
Impairment losses on intangible assets acquired through business combinations	(6)		
Other income	88		
Other charges	(50)		
EBIT	**637**	**955**	**EBITA**
Income from equity affiliates	(21)	(21)	Income from equity affiliates
Interest	(266)	(266)	Interest
Income from investments	66	66	Income from investments
Other financial income	13		
Other financial charges	(300)		
Earnings from continuing operations before provision for income taxes	**129**	**734**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	17	(170)	Provision for income taxes
Earnings from continuing operations	**146**		
Earnings from discontinued operations	2,633		
Earnings	**2,779**	**564**	**Adjusted net income before non-controlling interests**
Of which			*Of which*
Earnings attributable to Vivendi SA shareowners	**1,967**	**454**	**Adjusted net income**
continuing operations	**43**		
discontinued operations	1,924		
Non-controlling interests	812	110	Non-controlling interests
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	**1.48**	**0.34**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	**1.47**	**0.34**	**Adjusted net income per share - diluted (in euros)**

Six months ended June 30, 2014 and 2013:

CONSOLIDATED STATEMENT OF EARNINGS	Six months ended June 30,		Six months ended June 30,		ADJUSTED STATEMENT OF EARNINGS
	2014	2013	2014	2013	
Revenues	**4,706**	**4,861**	**4,706**	**4,861**	**Revenues**
Cost of revenues	(2,842)	(2,866)	(2,842)	(2,866)	Cost of revenues
Margin from operations	**1,864**	**1,995**	**1,864**	**1,995**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(1,353)	(1,444)	(1,353)	(1,444)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(56)	(62)	(56)	(62)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(166)	(176)			
Impairment losses on intangible assets acquired through business combinations	-	(5)			
Other income	3	28			
Other charges	(13)	(36)			
EBIT	**279**	**300**	**455**	**489**	**EBITA**
Income from equity affiliates	(2)	(6)	(2)	(6)	Income from equity affiliates
Interest	(33)	(137)	(33)	(137)	Interest
Income from investments	3	25	3	25	Income from investments
Other financial income	12	7			
Other financial charges	(36)	(38)			
Earnings from continuing operations before provision for income taxes	**223**	**151**	**423**	**371**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(120)	147	(129)	(73)	Provision for income taxes
Earnings from continuing operations	**103**	**298**			
Earnings from discontinued operations	2,064	1,233			
Earnings	**2,167**	**1,531**	**294**	**298**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi SA shareowners	**1,913**	**1,035**	**253**	**222**	**Adjusted net income**
continuing operations	**69**	**228**			
discontinued operations	1,844	807			
Non-controlling interests	254	496	41	76	Non-controlling interests
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	**1.42**	**0.78**	**0.19**	**0.17**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	**1.42**	**0.78**	**0.19**	**0.17**	**Adjusted net income per share - diluted (in euros)**

First quarters ended March 31, 2014 and 2013:

CONSOLIDATED STATEMENT OF EARNINGS	1st Quarter ended March 31, 2014	1st Quarter ended March 31, 2013	1st Quarter ended March 31, 2014	1st Quarter ended March 31, 2013	ADJUSTED STATEMENT OF EARNINGS
Revenues	**2,317**	**2,388**	**2,317**	**2,388**	**Revenues**
Cost of revenues	(1,448)	(1,439)	(1,448)	(1,439)	Cost of revenues
Margin from operations	**869**	**949**	**869**	**949**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(691)	(704)	(691)	(704)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	7	(43)	7	(43)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(83)	(80)			
Impairment losses on intangible assets acquired through business combinations	-	(20)			
Other income	-	-			
Other charges	(2)	(26)			
EBIT	**100**	**76**	**185**	**202**	**EBITA**
Income from equity affiliates	(6)	(7)	(6)	(7)	Income from equity affiliates
Interest	(11)	(71)	(11)	(71)	Interest
Income from investments	-	14	-	14	Income from investments
Other financial income	3	4			
Other financial charges	(15)	(20)			
Earnings from continuing operations before provision for income taxes	**71**	**(4)**	**168**	**138**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(67)	44	(40)	(38)	Provision for income taxes
Earnings from continuing operations	**4**	**40**			
Earnings from discontinued operations	584	759			
Earnings	**588**	**799**	**128**	**100**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi SA shareowners	**431**	**534**	**109**	**64**	**Adjusted net income**
continuing operations	**(10)**	**7**			
discontinued operations	441	527			
Non-controlling interests	157	265	19	36	Non-controlling interests
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	**0.32**	**0.40**	**0.08**	**0.05**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	**0.32**	**0.40**	**0.08**	**0.05**	**Adjusted net income per share - diluted (in euros)**

3. Revenues and EBITA by business segment - 2014 and 2013 quarterly data

	2014		
(in millions of euros)	1st Quarter ended March 31	2nd Quarter ended June 30	3rd Quarter ended Sept. 30
Revenues			
Canal+ Group	1,317	1,350	1,300
Universal Music Group	984	1,019	1,094
Other	21	25	23
Elimination of intersegment transactions	(5)	(5)	(5)
Total Vivendi	**2,317**	**2,389**	**2,412**
EBITA			
Canal+ Group	175	245	206
Universal Music Group	56	97	121
Other	(20)	(67)	-
Corporate	(26)	(5)	(17)
Total Vivendi	**185**	**270**	**310**

	2013			
(in millions of euros)	1st Quarter ended March 31	2nd Quarter ended June 30	3rd Quarter ended Sept. 30	4th Quarter ended Dec. 31
Revenues				
Canal+ Group	1,286	1,314	1,257	1,454
Universal Music Group	1,091	1,145	1,162	1,488
Other	16	17	18	20
Elimination of intersegment transactions	(5)	(3)	(5)	(3)
Total Vivendi	**2,388**	**2,473**	**2,432**	**2,959**
EBITA				
Canal+ Group	183	247	217	(36)
Universal Music Group	55	88	112	256
Other	(14)	(23)	(20)	(23)
Corporate	(22)	(25)	(14)	(26)
Total Vivendi	**202**	**287**	**295**	**171**

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III - Condensed Financial Statements for the First Nine Months of 2014

Condensed Statement of Earnings

	Note	Three months ended September 30, (unaudited) 2014	2013 (a)	Nine months ended September 30, (unaudited) 2014	2013 (a)	Year ended December 31, 2013 (a)
Revenues	2	**2,412**	**2,432**	**7,118**	**7,293**	**10,252**
Cost of revenues		(1,401)	(1,401)	(4,243)	(4,267)	(6,097)
Selling, general and administrative expenses		(754)	(787)	(2,273)	(2,407)	(3,358)
Restructuring charges and other operating charges and income		(32)	(38)	(88)	(100)	(192)
Impairment losses on intangible assets acquired through business combinations		-	-	-	(5)	(6)
Other income		179	7	182	35	88
Other charges		(9)	(10)	(22)	(46)	(50)
Earnings before interest and income taxes (EBIT)		**395**	**203**	**674**	**503**	**637**
Income from equity affiliates		(10)	2	(12)	(4)	(21)
Interest	4	(32)	(64)	(65)	(201)	(266)
Income from investments		-	(5)	3	20	66
Other financial income		4	3	16	10	13
Other financial charges		(13)	(23)	(49)	(61)	(300)
Earnings from continuing operations before provision for income taxes		**344**	**116**	**567**	**267**	**129**
Provision for income taxes	5	(23)	(47)	(143)	100	17
Earnings from continuing operations		**321**	**69**	**424**	**367**	**146**
Earnings from discontinued operations	3	535	527	2,599	1,760	2,633
Earnings		**856**	**596**	**3,023**	**2,127**	**2,779**
Of which						
Earnings attributable to Vivendi SA shareowners		**839**	**376**	**2,752**	**1,411**	**1,967**
of which **earnings from continuing operations attributable to Vivendi SA shareowners**		**309**	**31**	**378**	**259**	**43**
earnings from discontinued operations attributable to Vivendi SA shareowners		530	345	2,374	1,152	1,924
Non-controlling interests		17	220	271	716	812
of which earnings from continuing operations		12	38	46	108	103
earnings from discontinued operations		5	182	225	608	709
Earnings from continuing operations attributable to Vivendi SA shareowners per share - basic	6	0.23	0.02	0.28	0.20	0.03
Earnings from continuing operations attributable to Vivendi SA shareowners per share - diluted	6	0.23	0.02	0.28	0.20	0.03
Earnings from discontinued operations attributable to Vivendi SA shareowners per share - basic	6	0.39	0.26	1.77	0.86	1.45
Earnings from discontinued operations attributable to Vivendi SA shareowners per share - diluted	6	0.39	0.26	1.76	0.86	1.44
Earnings attributable to Vivendi SA shareowners per share - basic	6	**0.62**	**0.28**	**2.05**	**1.06**	**1.48**
Earnings attributable to Vivendi SA shareowners per share - diluted	6	0.62	0.28	2.04	1.06	1.47

In millions of euros, except per share amounts, in euros.

a. In compliance with IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*, GVT (as from the third quarter of 2014), SFR (as from the first quarter of 2014) as well as Maroc Telecom and Activision Blizzard (as from the second quarter of 2013) have been reported in the Consolidated Statement of Earnings as discontinued operations (please refer to Note 3).
Vivendi deconsolidated Maroc Telecom group and Activision Blizzard respectively as from May 14, 2014 and October 11, 2013.
The adjustments to data as previously published are presented in Note 11.

The accompanying notes are an integral part of the Condensed Financial Statements.

Condensed Statement of Comprehensive Income

(in millions of euros)	Three months ended September 30, (unaudited) 2014	Three months ended September 30, (unaudited) 2013	Nine months ended September 30, (unaudited) 2014	Nine months ended September 30, (unaudited) 2013	Year ended December 31, 2013
Earnings	**856**	**596**	**3,023**	**2,127**	**2,779**
Actuarial gains/(losses) related to employee defined benefit plans, net	(1)	1	(2)	(2)	(23)
Items not reclassified to profit or loss	**(1)**	**1**	**(2)**	**(2)**	**(23)**
Foreign currency translation adjustments (a)	307	(417)	637	(442)	(1,429)
Unrealized gains/(losses), net	(134)	(23)	(126)	3	58
of which hedging instruments	*(24)*	*(23)*	*(65)*	*1*	*(21)*
assets available for sale	*(110)*	*-*	*(61)*	*2*	*79*
Other impacts, net	7	6	26	18	15
Items to be subsequently reclassified to profit or loss	**180**	**(434)**	**537**	**(421)**	**(1,356)**
Charges and income directly recognized in equity	**179**	**(433)**	**535**	**(423)**	**(1,379)**
Total comprehensive income	**1,035**	**163**	**3,558**	**1,704**	**1,400**
of which					
Total comprehensive income attributable to Vivendi SA shareowners	**1,019**	**(26)**	**3,293**	**1,006**	**789**
Total comprehensive income attributable to non-controlling interests	16	189	265	698	611

a. Includes the change in foreign currency translation adjustments related to the EUR/BRL exchange rate fluctuations with respect to GVT, now classified as a discontinued operation, for €123 million for the first nine months of 2014 and -€369 million for the same period in 2013.

The accompanying notes are an integral part of the Condensed Financial Statements.

Condensed Statement of Financial Position

(in millions of euros)	Note	September 30, 2014 (unaudited)	December 31, 2013
ASSETS			
Goodwill		9,144	17,147
Non-current content assets		2,576	2,623
Other intangible assets		240	4,306
Property, plant and equipment		717	7,541
Investments in equity affiliates		309	446
Non-current financial assets	7	1,496	654
Deferred tax assets		757	733
Non-current assets		**15,239**	**33,450**
Inventories		124	330
Current tax receivables		685	627
Current content assets		1,406	1,149
Trade accounts receivable and other		1,672	4,898
Current financial assets		60	45
Cash and cash equivalents		1,617	1,041
		5,564	**8,090**
Assets held for sale	3	677	1,078
Assets of discontinued businesses	3	24,666	6,562
Current assets		**30,907**	**15,730**
TOTAL ASSETS		**46,146**	**49,180**
EQUITY AND LIABILITIES			
Share capital		7,417	7,368
Additional paid-in capital		5,123	8,381
Treasury shares		(6)	(1)
Retained earnings and other		6,991	1,709
Vivendi SA shareowners' equity		**19,525**	**17,457**
Non-controlling interests		404	1,573
Total equity		**19,929**	**19,030**
Non-current provisions		2,716	2,904
Long-term borrowings and other financial liabilities	7	6,801	8,737
Deferred tax liabilities		626	680
Other non-current liabilities		104	757
Non-current liabilities		**10,247**	**13,078**
Current provisions		285	619
Short-term borrowings and other financial liabilities	7	3,421	3,529
Trade accounts payable and other		5,119	10,416
Current tax payables		450	79
		9,275	**14,643**
Liabilities associated with assets held for sale		-	-
Liabilities associated with assets of discontinued businesses	3	6,695	2,429
Current liabilities		**15,970**	**17,072**
Total liabilities		**26,217**	**30,150**
TOTAL EQUITY AND LIABILITIES		**46,146**	**49,180**

The accompanying notes are an integral part of the Condensed Financial Statements.

Condensed Statement of Cash Flows

(in millions of euros)	Note	Nine months ended September, 30 (unaudited) 2014	2013 (a)	Year ended December 31, 2013 (a)
Operating activities				
EBIT	2	674	503	637
Adjustments		180	388	557
Including amortization and depreciation of tangible and intangible assets		*474*	*493*	*666*
Content investments, net		(85)	(189)	(148)
Gross cash provided by operating activities before income tax paid		***769***	***702***	***1,046***
Other changes in net working capital		(166)	(101)	36
Net cash provided by operating activities before income tax paid		***603***	***601***	***1,082***
Income tax paid, net		82	222	205
Net cash provided by operating activities of continuing operations		***685***	***823***	***1,287***
Net cash provided by operating activities of discontinued operations	3	2,050	3,046	3,953
Net cash provided by operating activities		**2,735**	**3,869**	**5,240**
Investing activities				
Capital expenditures	2	(168)	(203)	(278)
Purchases of consolidated companies, after acquired cash		(58)	(34)	(42)
Investments in equity affiliates		(81)	-	-
Increase in financial assets		(1,007)	(36)	(65)
Investments		***(1,314)***	***(273)***	***(385)***
Proceeds from sales of property, plant, equipment and intangible assets	2	3	18	33
Proceeds from sales of consolidated companies, after divested cash		3,944	(4)	2,739
Disposal of equity affiliates		-	8	8
Decrease in financial assets		879	662	724
Divestitures		***4,826***	***684***	***3,504***
Dividends received from equity affiliates		3	2	3
Dividends received from unconsolidated companies		2	8	54
Net cash provided by/(used for) investing activities of continuing operations		***3,517***	***421***	***3,176***
Net cash provided by/(used for) investing activities of discontinued operations	3	(1,912)	(3,776)	(4,363)
Net cash provided by/(used for) investing activities		**1,605**	**(3,355)**	**(1,187)**
Financing activities				
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans		151	186	195
Sales/(purchases) of Vivendi SA's treasury shares		(37)	-	-
Distribution to Vivendi SA's shareowners		(1,348)	(1,325)	(1,325)
Other transactions with shareowners		(3)	(1)	(1,046)
Dividends paid by consolidated companies to their non-controlling interests		(32)	(27)	(33)
Transactions with shareowners		***(1,269)***	***(1,167)***	***(2,209)***
Setting up of long-term borrowings and increase in other long-term financial liabilities	7	-	2,520	2,405
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	7	(1,666)	(1,897)	(1,910)
Principal payment on short-term borrowings	7	(1,005)	(452)	(5,161)
Other changes in short-term borrowings and other financial liabilities	7	1,222	49	36
Interest paid, net	4	(65)	(201)	(266)
Other cash items related to financial activities		53	(32)	(330)
Transactions on borrowings and other financial liabilities		***(1,461)***	***(13)***	***(5,226)***
Net cash provided by/(used for) financing activities of continuing operations		***(2,730)***	***(1,180)***	***(7,435)***
Net cash provided by/(used for) financing activities of discontinued operations	3	(721)	1,372	1,017
Net cash provided by/(used for) financing activities		**(3,451)**	**192**	**(6,418)**
Foreign currency translation adjustments of continuing operations		1	(15)	(20)
Foreign currency translation adjustments of discontinued operations	3	2	(61)	(72)
Change in cash and cash equivalents		**892**	**630**	**(2,457)**
Reclassification of discontinued operations' cash and cash equivalents	3	(316)	(3,653)	(396)
Cash and cash equivalents				
At beginning of the period		**1,041**	**3,894**	**3,894**
At end of the period		**1,617**	**871**	**1,041**

a. In compliance with IFRS 5, GVT (as from the third quarter of 2014), SFR (as from the first quarter of 2014) as well as Maroc Telecom and Activision Blizzard (as from the second quarter of 2013) have been reported in the Consolidated Statement of Cash Flows as discontinued operations (please refer to Note 3).
Vivendi deconsolidated Maroc Telecom group and Activision Blizzard respectively as from May 14, 2014 and October 11, 2013.
The adjustments to data as previously published are published in Note 11.

The accompanying notes are an integral part of the Condensed Financial Statements.

Condensed Statements of Changes in Equity

First nine months of 2014 (unaudited)

(in millions of euros, except number of shares)	Capital					Retained earnings and other				Total equity
	Common shares		Additional paid-in capital	Treasury shares	Subtotal	Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Subtotal	
	Number of shares (in thousands)	Share capital								
BALANCE AS OF DECEMBER 31, 2013	1,339,610	7,368	8,381	(1)	15,748	5,236	184	(2,138)	3,282	19,030
Attributable to Vivendi SA shareowners	1,339,610	7,368	8,381	(1)	15,748	3,604	185	(2,080)	1,709	17,457
Attributable to non-controlling interests	-	-	-	-	-	1,632	(1)	(58)	1,573	1,573
Contributions by/distributions to Vivendi SA shareowners	8,911	49	(3,258)	(5)	(3,214)	1,987	-	-	1,987	(1,227)
Sales/(purchases) of Vivendi SA's treasury shares	-	-	-	(37)	(37)	-	-	-	-	(37)
Allocation of Vivendi SA's 2013 result	-	-	(2,004)	-	(2,004)	2,004	-	-	2,004	-
Distribution to Vivendi SA's shareowners (€1 per share)	-	-	(1,348)	-	(1,348)	-	-	-	-	(1,348)
Capital increase related to Vivendi SA's share-based compensation plans	8,911	49	94	32	175	(17)	-	-	(17)	158
Changes in Vivendi SA's ownership interest in its subsidiaries that do not result in a loss of control	-	-	-	-	-	2	-	-	2	2
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	8,911	49	(3,258)	(5)	(3,214)	1,989	-	-	1,989	(1,225)
Contributions by/distributions to non-controlling interests	-	-	-	-	-	(105)	-	-	(105)	(105)
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(105)	-	-	(105)	(105)
Changes in non-controlling interests that result in a gain/(loss) of control	-	-	-	-	-	(1,328)	-	-	(1,328)	(1,328)
of which sale of the 53% interest in Maroc Telecom group	-	-	-	-	-	(1,328)	-	-	(1,328)	(1,328)
Changes in non-controlling interests that do not result in a gain/(loss) of control	-	-	-	-	-	(1)	-	-	(1)	(1)
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	-	-	-	-	-	(1,434)	-	-	(1,434)	(1,434)
Earnings	-	-	-	-	-	3,023	-	-	3,023	3,023
Charges and income directly recognized in equity	-	-	-	-	-	24	(126)	637	535	535
TOTAL COMPREHENSIVE INCOME (C)	-	-	-	-	-	3,047	(126)	637	3,558	3,558
TOTAL CHANGES OVER THE PERIOD (A+B+C)	8,911	49	(3,258)	(5)	(3,214)	3,602	(126)	637	4,113	899
Attributable to Vivendi SA shareowners	8,911	49	(3,258)	(5)	(3,214)	4,767	(127)	642	5,282	2,068
Attributable to non-controlling interests	-	-	-	-	-	(1,165)	1	(5)	(1,169)	(1,169)
BALANCE AS OF SEPTEMBER 30, 2014	1,348,521	7,417	5,123	(6)	12,534	8,838	58	(1,501)	7,395	19,929
Attributable to Vivendi SA shareowners	1,348,521	7,417	5,123	(6)	12,534	8,371	58	(1,438)	6,991	19,525
Attributable to non-controlling interests	-	-	-	-	-	467	-	(63)	404	404

The accompanying notes are an integral part of the Condensed Financial Statements.

First nine months of 2013 (unaudited)

(in millions of euros, except number of shares)	Capital					Retained earnings and other				Total equity
	Common shares		Additional paid-in capital	Treasury shares	Subtotal	Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Subtotal	
	Number of shares (in thousands)	Share capital								
BALANCE AS OF JANUARY 01, 2013	***1,323,962***	**7,282**	**8,271**	**(25)**	**15,528**	**6,346**	**126**	**(709)**	**5,763**	**21,291**
Attributable to Vivendi SA shareowners	***1,323,962***	***7,282***	***8,271***	***(25)***	***15,528***	***3,529***	***129***	***(861)***	***2,797***	***18,325***
Attributable to non-controlling interests	-	-	-	-	-	***2,817***	***(3)***	***152***	***2,966***	***2,966***
Contributions by/distributions to Vivendi SA shareowners	***15,059***	***83***	***102***	***24***	***209***	***(1,301)***	-	-	***(1,301)***	***(1,092)***
Dividends paid by Vivendi SA (€1 per share)	-	-	-	-	-	(1,325)	-	-	(1,325)	(1,325)
Capital increase related to Vivendi SA's share-based compensation plans	*15,059*	83	102	24	209	24	-	-	24	233
of which Vivendi Employee Stock Purchase Plans (July 25 , 2013)	*12,286*	*68*	*81*	-	*149*	-	-	-	-	*149*
Changes in Vivendi SA's ownership interest in its subsidiaries that do not result in a loss of control	-	-	-	-	-	***75***	-	-	***75***	***75***
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	***15,059***	**83**	**102**	**24**	**209**	**(1,226)**	-	-	**(1,226)**	**(1,017)**
Contributions by/distributions to non-controlling interests	-	-	-	-	-	***(426)***	-	-	***(426)***	***(426)***
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(426)	-	-	(426)	(426)
Changes in non-controlling interests that result in a gain/(loss) of control	-	-	-	-	-	***(3)***	-	-	***(3)***	***(3)***
Changes in non-controlling interests that do not result in a gain/(loss) of control	-	-	-	-	-	***87***	-	-	***87***	***87***
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	-	-	-	-	-	**(342)**	-	-	**(342)**	**(342)**
Earnings	-	-	-	-	-	***2,127***	-	-	***2,127***	***2,127***
Charges and income directly recognized in equity	-	-	-	-	-	***16***	***3***	***(442)***	***(423)***	***(423)***
TOTAL COMPREHENSIVE INCOME (C)	-	-	-	-	-	**2,143**	**3**	**(442)**	**1,704**	**1,704**
TOTAL CHANGES OVER THE PERIOD (A+B+C)	***15,059***	***83***	***102***	***24***	***209***	***575***	***3***	***(442)***	***136***	***345***
Attributable to Vivendi SA shareowners	*15,059*	*83*	*102*	*24*	*209*	*193*	*1*	*(414)*	*(220)*	*(11)*
Attributable to non-controlling interests	-	-	-	-	-	*382*	*2*	*(28)*	*356*	*356*
BALANCE AS OF SEPTEMBER 30, 2013	***1,339,021***	**7,365**	**8,373**	**(1)**	**15,737**	**6,921**	**129**	**(1,151)**	**5,899**	**21,636**
Attributable to Vivendi SA shareowners	***1,339,021***	***7,365***	***8,373***	***(1)***	***15,737***	***3,722***	***130***	***(1,275)***	***2,577***	***18,314***
Attributable to non-controlling interests	-	-	-	-	-	***3,199***	***(1)***	***124***	***3,322***	***3,322***

The accompanying notes are an integral part of the Condensed Financial Statements.

Year ended December 31, 2013

(in millions of euros, except number of shares)	Capital					Retained earnings and other				Total equity
	Common shares		Additional paid-in capital	Treasury shares	Subtotal	Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Subtotal	
	Number of shares (in thousands)	Share capital								
BALANCE AS OF JANUARY 01, 2013	***1,323,962***	**7,282**	**8,271**	**(25)**	**15,528**	**6,346**	**126**	**(709)**	**5,763**	**21,291**
Attributable to Vivendi SA shareowners	***1,323,962***	***7,282***	***8,271***	***(25)***	***15,528***	***3,529***	***129***	***(861)***	***2,797***	***18,325***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***2,817***	***(3)***	***152***	***2,966***	***2,966***
Contributions by/distributions to Vivendi SA shareowners	***15,648***	***86***	***110***	***24***	***220***	***(1,296)***	**-**	**-**	***(1,296)***	***(1,076)***
Dividends paid by Vivendi SA (€1 per share)	-	-	-	-	-	(1,325)	-	-	(1,325)	(1,325)
Capital increase related to Vivendi SA's share-based compensation plans	*15,648*	86	110	24	220	29	-	-	29	249
of which Vivendi Employee Stock Purchase Plans (July 25 , 2013)	*12,286*	*68*	*81*	-	*149*	-	-	-	-	*149*
Changes in Vivendi SA's ownership interest in its subsidiaries that do not result in a loss of control	**-**	**-**	**-**	**-**	**-**	***(581)***	**-**	**-**	***(581)***	***(581)***
of which acquisition of Lagadère Group's non-controlling interest in Canal+ France	-	-	-	-	-	(636)	-	-	(636)	(636)
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	***15,648***	**86**	**110**	**24**	**220**	**(1,877)**	**-**	**-**	**(1,877)**	**(1,657)**
Contributions by/distributions to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***(431)***	**-**	**-**	***(431)***	***(431)***
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(431)	-	-	(431)	(431)
Changes in non-controlling interests that result in a gain/(loss) of control	**-**	**-**	**-**	**-**	**-**	***(1,273)***	**-**	**-**	***(1,273)***	***(1,273)***
of which sale of 88% of the ownership interest in Activision Blizzard	-	-	-	-	-	(1,272)	-	-	(1,272)	(1,272)
Changes in non-controlling interests that do not result in a gain/(loss) of control	**-**	**-**	**-**	**-**	**-**	***(300)***	**-**	**-**	***(300)***	***(300)***
of which acquisition of Lagadère Group's non-controlling interest in Canal+ France	-	-	-	-	-	(387)	-	-	(387)	(387)
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	**-**	**-**	**-**	**-**	**-**	**(2,004)**	**-**	**-**	**(2,004)**	**(2,004)**
Earnings	**-**	**-**	**-**	**-**	**-**	***2,779***	**-**	**-**	***2,779***	***2,779***
Charges and income directly recognized in equity	**-**	**-**	**-**	**-**	**-**	***(8)***	***58***	***(1,429)***	***(1,379)***	***(1,379)***
TOTAL COMPREHENSIVE INCOME (C)	**-**	**-**	**-**	**-**	**-**	**2,771**	**58**	**(1,429)**	**1,400**	**1,400**
TOTAL CHANGES OVER THE PERIOD (A+B+C)	***15,648***	***86***	***110***	***24***	***220***	***(1,110)***	***58***	***(1,429)***	***(2,481)***	***(2,261)***
Attributable to Vivendi SA shareowners	*15,648*	*86*	*110*	*24*	*220*	*75*	*56*	*(1,219)*	*(1,088)*	*(868)*
Attributable to non-controlling interests	-	-	-	-	-	*(1,185)*	*2*	*(210)*	*(1,393)*	*(1,393)*
BALANCE AS OF DECEMBER 31, 2013	***1,339,610***	**7,368**	**8,381**	**(1)**	**15,748**	**5,236**	**184**	**(2,138)**	**3,282**	**19,030**
Attributable to Vivendi SA shareowners	***1,339,610***	***7,368***	***8,381***	***(1)***	***15,748***	***3,604***	***185***	***(2,080)***	***1,709***	***17,457***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***1,632***	***(1)***	***(58)***	***1,573***	***1,573***

The accompanying notes are an integral part of the Condensed Financial Statements.

Notes to the Condensed Financial Statements

On November 7, 2014, during a meeting held at Vivendi's headquarters, the Management Board approved the Financial Report and the Unaudited Condensed Financial Statements for the nine months ended September 30, 2014, which were subsequently reviewed by the Audit Committee on November 12, 2014. On November 14, 2014, the Supervisory Board reviewed the Financial Report and Unaudited Condensed Financial Statements for the nine months ended September 30, 2014, as approved by the Management Board on November 7, 2014.

The Unaudited Condensed Financial Statements for the nine months ended September 30, 2014 should be read in conjunction with the audited Consolidated Financial Statements of Vivendi for the year ended December 31, 2013, as published in the "*Rapport annuel - Document de référence*" filed on April 14, 2014 with the French "*Autorité des marchés financiers*" (AMF) (the "*Document de référence 2013*") and the unaudited Condensed Financial Statements for the first half of 2014. Please also refer to pages 210 to 324 of the English translation[1] of the "*Document de référence 2013*" (the "2013 Annual Report") which is available on Vivendi's website (www.vivendi.com).

Note 1 Accounting policies and valuation methods

1.1 Interim Financial Statements

Vivendi's interim Condensed Financial Statements for the first nine months of 2014 are presented and have been prepared in accordance with IAS 34 - *Interim Financial Reporting* as endorsed in the European Union (EU) and published by the International Accounting Standards Board (IASB). As a result, except as described in paragraph 1.2 below, Vivendi has applied the same accounting methods used in its Consolidated Financial Statements for the year ended December 31, 2013 (please refer to Note 1 "Accounting policies and valuation methods" presented in the Financial Statements from pages 220 to 235 of the 2013 Annual Report) and the following provisions were applied:

- Provisions for income taxes have been calculated on the basis of the estimated effective annual tax rate applied to pre-tax earnings. The assessment of the annual effective tax rate takes into consideration notably the recognition of anticipated deferred tax assets for the full year which were not previously recognized; and
- Compensation costs recorded for stock options, employee benefits and profit-sharing have been included on a pro-rata basis of the estimated cost for the year, adjusted, if necessary, for any non-recurring events which occurred over the period.

1.2 New IFRS applicable as of January 1, 2014

Vivendi applied from the first quarter of 2014 IFRIC 21 interpretation - *Levies*, issued by the IFRS Interpretation Committee (IFRS IC) on May 20, 2013, endorsed by the EU on June 13, 2014 and published in the EU Official Journal on June 14, 2014. IFRIC 21 clarifies the treatment of certain levies, in accordance with IAS 37 - *Provisions, Contingent Liabilities and Contingent Assets*.

IFRIC 21 specifically addresses the accounting of a liability to pay a levy imposed by public authorities on entities in accordance with legislation (i.e., laws or regulations), except for income tax and value-added taxes. Applying this interpretation has led to the modification, where necessary, of the analysis of the obligating event triggering recognition of the liability. This interpretation, which mandatorily applies to accounting periods beginning on or after January 1, 2014, and retrospectively as from January 1, 2013, had no material impact on Vivendi's Financial Statements.

In addition and as a reminder, as from the Condensed Financial Statements for the first quarter of 2013, Vivendi voluntarily opted for the early application, with retrospective effect as from January 1, 2012, of the standards relating to the principles of consolidation: IFRS 10 - *Consolidated Financial Statements*, IFRS 11 - *Joint Arrangements*, IFRS 12 - *Disclosure of Interests in Other Entities*, IAS 27 - *Separate Financial Statements*, and IAS 28 - *Investments in Associates and Joint Ventures*, the effect of which are described in Note 1 to the Consolidated Financial Statements for the year ended December 31, 2013 – pages 220 to 235 of the 2013 Annual Report. The application of these standards had no material impact on Vivendi's Financial Statements.

[1] *This translation is qualified in its entirety by reference to the "Document de référence 2013".*

Note 2 Segment data

Pursuant to IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations,* Vivendi's interests in GVT, SFR, Maroc Telecom, and Activision Blizzard, which, as of September 30, 2014, were discontinued operations, are no longer reported in segment data:

- on September 18, 2014, Vivendi and Telefonica entered into an agreement for the sale of GVT;
- on June 20, 2014, Vivendi entered into an agreement with Altice/Numericable Group for the combination of SFR and Numericable Group;
- on May 14, 2014, Vivendi deconsolidated Maroc Telecom group following the sale of its interest therein; and
- on October 11, 2013, Vivendi deconsolidated Activision Blizzard as a result of the sale of 88% of its interest therein.

The previously published Statements of Earnings were adjusted to ensure consistency of information: the adjustments to data as previously published are presented in Note 11.

As of September 30, 2014, assets and liabilities of GVT and SFR were reclassified as unallocated assets in the Statement of Financial Position. As of December 31, 2013, Maroc Telecom group's assets and liabilities were reclassified as unallocated assets.

Consolidated Statements of Earnings

Three months ended September 30, 2014

(in millions of euros)	Canal+ Group	Universal Music Group	Other operations	Corporate	Eliminations	**Total Vivendi**
External revenues	1,296	1,093	23	-	-	2,412
Intersegment revenues	4	1	-	-	(5)	-
Revenues	**1,300**	**1,094**	**23**	**-**	**(5)**	**2,412**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(1,035)	(966)	(21)	(12)	5	(2,029)
Charges related to share-based compensation plans	-	17	(1)	-	-	16
EBITDA	**265**	**145**	**1**	**(12)**	**-**	**399**
Restructuring charges	-	(5)	(2)	(5)	-	(12)
Gains/(losses) on sales of tangible and intangible assets	-	-	-	-	-	-
Other non-recurring items	(2)	(4)	2	-	-	(4)
Depreciation of tangible assets	(40)	(15)	(1)	-	-	(56)
Amortization of intangible assets excluding those acquired through business combinations	(17)	-	-	-	-	(17)
Adjusted earnings before interest and income taxes (EBITA)	**206**	**121**	**-**	**(17)**	**-**	**310**
Amortization of intangible assets acquired through business combinations	(1)	(83)	(1)	-	-	(85)
Impairment losses on intangible assets acquired through business combinations	-	-	-	-	-	-
Other income						179
Other charges						(9)
Earnings before interest and income taxes (EBIT)						**395**
Income from equity affiliates						(10)
Interest						(32)
Income from investments						-
Other financial income						4
Other financial charges						(13)
Provision for income taxes						(23)
Earnings from discontinued operations						535
Earnings						**856**
Of which						
Earnings attributable to Vivendi SA shareowners						**839**
earnings from continuing operations attributable to Vivendi SA shareowners						**309**
earnings from discontinued operations attributable to Vivendi SA shareowners						530
Non-controlling interests						17

Three months ended September 30, 2013

(in millions of euros)	Canal+ Group	Universal Music Group	Other operations	Corporate	Eliminations	**Total Vivendi**
External revenues	1,254	1,161	17	-	-	2,432
Intersegment revenues	3	1	1	-	(5)	-
Revenues	**1,257**	**1,162**	**18**	**-**	**(5)**	**2,432**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(976)	(1,010)	(37)	(11)	5	(2,029)
Charges related to share-based compensation plans	(1)	(3)	-	(2)	-	(6)
EBITDA	**280**	**149**	**(19)**	**(13)**	**-**	**397**
Restructuring charges	-	(15)	-	-	-	(15)
Gains/(losses) on sales of tangible and intangible assets	(1)	-	-	-	-	(1)
Other non-recurring items	(8)	(9)	-	(1)	-	(18)
Depreciation of tangible assets	(39)	(13)	(1)	-	-	(53)
Amortization of intangible assets excluding those acquired through business combinations	(15)	-	-	-	-	(15)
Adjusted earnings before interest and income taxes (EBITA)	**217**	**112**	**(20)**	**(14)**	**-**	**295**
Amortization of intangible assets acquired through business combinations	(3)	(86)	-	-	-	(89)
Impairment losses on intangible assets acquired through business combinations	-	-	-	-	-	-
Other income						7
Other charges						(10)
Earnings before interest and income taxes (EBIT)						**203**
Income from equity affiliates						2
Interest						(64)
Income from investments						(5)
Other financial income						3
Other financial charges						(23)
Provision for income taxes						(47)
Earnings from discontinued operations						527
Earnings						**596**
Of which						
Earnings attributable to Vivendi SA shareowners						**376**
earnings from continuing operations attributable to Vivendi SA shareowners						**31**
earnings from discontinued operations attributable to Vivendi SA shareowners						345
Non-controlling interests						220

Nine months ended September 30, 2014

(in millions of euros)	Canal+ Group	Universal Music Group	Other operations	Corporate	Eliminations	**Total Vivendi**
External revenues	3,955	3,095	68	-	-	7,118
Intersegment revenues	12	2	1	-	(15)	-
Revenues	**3,967**	**3,097**	**69**	**-**	**(15)**	**7,118**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(3,158)	(2,763)	(102)	(37)	15	(6,045)
Charges related to share-based compensation plans	(2)	15	(1)	(6)	-	6
EBITDA	**807**	**349**	**(34)**	**(43)**	**-**	**1,079**
Restructuring charges	-	(21)	(50)	(6)	-	(77)
Gains/(losses) on sales of tangible and intangible assets	1	(1)	-	-	-	-
Other non-recurring items	(5)	(11)	1	1	-	(14)
Depreciation of tangible assets	(126)	(42)	(2)	-	-	(170)
Amortization of intangible assets excluding those acquired through business combinations	(51)	-	(2)	-	-	(53)
Adjusted earnings before interest and income taxes (EBITA)	**626**	**274**	**(87)**	**(48)**	**-**	**765**
Amortization of intangible assets acquired through business combinations	(3)	(246)	(2)	-	-	(251)
Impairment losses on intangible assets acquired through business combinations	-	-	-	-	-	-
Other income						182
Other charges						(22)
Earnings before interest and income taxes (EBIT)						**674**
Income from equity affiliates						(12)
Interest						(65)
Income from investments						3
Other financial income						16
Other financial charges						(49)
Provision for income taxes						(143)
Earnings from discontinued operations						2,599
Earnings						**3,023**
Of which						
Earnings attributable to Vivendi SA shareowners						**2,752**
earnings from continuing operations attributable to Vivendi SA shareowners						**378**
earnings from discontinued operations attributable to Vivendi SA shareowners						2,374
Non-controlling interests						271

Nine months ended September 30, 2013

(in millions of euros)	Canal+ Group	Universal Music Group	Other operations	Corporate	Eliminations	**Total Vivendi**
External revenues	3,849	3,395	49	-	-	7,293
Intersegment revenues	8	3	2	-	(13)	-
Revenues	**3,857**	**3,398**	**51**	**-**	**(13)**	**7,293**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(3,000)	(3,003)	(103)	(56)	13	(6,149)
Charges related to share-based compensation plans	(10)	(9)	(1)	(5)	-	(25)
EBITDA	**847**	**386**	**(53)**	**(61)**	**-**	**1,119**
Restructuring charges	-	(68)	-	(2)	-	(70)
Gains/(losses) on sales of tangible and intangible assets	(7)	11	-	-	-	4
Other non-recurring items	(28)	(20)	-	2	-	(46)
Depreciation of tangible assets	(121)	(54)	(2)	-	-	(177)
Amortization of intangible assets excluding those acquired through business combinations	(44)	-	(2)	-	-	(46)
Adjusted earnings before interest and income taxes (EBITA)	**647**	**255**	**(57)**	**(61)**	**-**	**784**
Amortization of intangible assets acquired through business combinations	(5)	(259)	(1)	-	-	(265)
Impairment losses on intangible assets acquired through business combinations	-	(5)	-	-	-	(5)
Other income						35
Other charges						(46)
Earnings before interest and income taxes (EBIT)						**503**
Income from equity affiliates						(4)
Interest						(201)
Income from investments						20
Other financial income						10
Other financial charges						(61)
Provision for income taxes						100
Earnings from discontinued operations						1,760
Earnings						**2,127**
Of which						
Earnings attributable to Vivendi SA shareowners						**1,411**
earnings from continuing operations attributable to Vivendi SA shareowners						**259**
earnings from discontinued operations attributable to Vivendi SA shareowners						1,152
Non-controlling interests						716

Statement of Financial Position

(in millions of euros)	Canal+ Group	Universal Music Group	Other operations	Corporate	GVT	SFR	**Total Vivendi**
September 30, 2014							
Segment assets (a)	7,932	8,335	242	1,235	-	-	17,744
incl. investments in equity affiliates	*222*	*87*	-	-	-	-	*309*
Unallocated assets (b)							28,402
Total Assets							**46,146**
Segment liabilities (c)	2,804	2,347	130	2,943	-	-	8,224
Unallocated liabilities (d)							17,993
Total Liabilities							**26,217**
Increase in tangible and intangible assets	128	34	6	-	-	-	168
Capital expenditures, net (capex, net) (e)	125	34	6	-	-	-	165
December 31, 2013							
Segment assets (a)	7,500	8,256	251	154	4,674	18,304	39,139
incl. investments in equity affiliates	*220*	*74*	-	-	-	*152*	*446*
Unallocated assets (b)							10,041
Total Assets							**49,180**
Segment liabilities (c)	2,631	2,600	78	2,926	548	5,913	14,696
Unallocated liabilities (d)							15,454
Total Liabilities							**30,150**
Increase in tangible and intangible assets	213	54	8	1	776	1,665	2,717
Capital expenditures, net (capex, net) (e)	211	26	8	-	769	1,610	2,624

a. Segment assets include goodwill, content assets, other intangible assets, property, plant and equipment, investments in equity affiliates, financial assets, inventories and trade accounts receivable, and other.

b. Unallocated assets include deferred tax assets, current tax receivables, as well as cash and cash equivalents. As of September 30, 2014, they also include GVT's and SFR's assets, in the process of being discontinued, for €24,666 million, as well as the remaining 41.5 million Activision Blizzard shares held by Vivendi, valued at €677 million. As of December 31, 2013, they included Maroc Telecom group's assets for €6,562 million and 83 million Activision Blizzard shares, valued at €1,078 million.

c. Segment liabilities include provisions, other non-current liabilities, and trade accounts payable.

d. Unallocated liabilities include borrowings and other financial liabilities, deferred tax liabilities, as well as current tax payables. As of September 30, 2014, they also included liabilities associated with GVT's and SFR's assets, in the process of being discontinued, for €6,695 million (excluding financial liabilities owed to Vivendi SA). As of December 31, 2013, they included liabilities associated with assets of Maroc Telecom group for €2,429 million.

e. Relates to cash used for capital expenditures, net of proceeds from sales of property, plant and equipment, and intangible assets.

Note 3 Discontinued operations

In compliance with IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*, GVT, SFR, Maroc Telecom, and Activision Blizzard have been reported in Vivendi's Consolidated Financial Statements as discontinued operations according to the following terms:

- **Ongoing sales of SFR and GVT:** on June 20, 2014, Vivendi entered into an agreement with Altice/Numericable Group for the combination of SFR and Numericable Group, and on September 18, 2014, Vivendi and Telefonica entered into an agreement for the sale of GVT. As a result, SFR (as from the first quarter of 2014) and GVT (as from the third quarter of 2014) have been reported in the Consolidated Statement of Earnings and Statement of Cash Flows as discontinued operations. Their contribution to each line of Vivendi's Consolidated Statement of Financial Position as of September 30, 2014 has been grouped under the lines "assets of discontinued businesses" and "liabilities associated with assets of discontinued businesses".
- **Completed divestitures of Activision Blizzard and Maroc Telecom group:** on October 11, 2013, Vivendi deconsolidated Activision Blizzard as a result of the sale of 88% of its interest therein, and on May 14, 2014, Vivendi deconsolidated Maroc Telecom group following the sale of its interest therein. Activision Blizzard and Maroc Telecom group have been reported in the Consolidated Statement of Earnings and Statement of Cash Flows as discontinued operations.

The adjustments to data previously published are presented in Note 11.

3.1 SFR

3.1.1 Plan to sell SFR

On April 5, 2014, Vivendi's Supervisory Board unanimously decided to choose Altice/Numericable Group's offer for the sale of SFR. On June 20, 2014, following the completion of the consultation procedures with the employee representative bodies of Vivendi and Numericable Group, Vivendi entered into an agreement with Altice/Numericable Group for the combination of SFR and Numericable Group, the main details of which are presented below.

On October 27, 2014, the French Competition Authority approved the completion of this transaction, subject to conditions.

On October 29, 2014, after receiving the required regulatory authorization (AMF), Numericable Group announced the launch of a capital increase of approximately €4.7 billion. Completion of the combination of SFR and Numericable Group remains subject to the condition precedent of approval by the Numericable Group General Shareholders' Meeting scheduled for November 27, 2014 of the contribution of the portion of SFR shares to Numericable Group. This General Shareholders' Meeting will also vote to approve the change in name of the combined entity to "Numericable - SFR".

Cash proceeds at the completion date	€13.5 billion, subject to the sale price adjustment clause, which notably includes exceptional changes in net working capital, the amount of SFR's net debt, as well as certain restatements as contractually defined between the parties, at the date of completion of the sale. These potential adjustments may increase or decrease the cash consideration paid, depending on actual data as of the completion date. Notwithstanding the final outcome and on the basis of current estimates, the impact of the adjustments would be approximately -€450 million. This amount does not take into account Vivendi's commitment to contribute up to €200 million in the financing of the acquisition of Virgin Mobile by Numericable - SFR[2].
Vivendi's interest in the combined entity	20% of Numericable - SFR (publicly-listed company).
Altice's interest in the combined entity	Approximately 60% of Numericable - SFR (approximately 20% free float).
Earn-out	Potential earn-out of €750 million if the EBITDA-Capex aggregate of the combined entity is at least equal to €2 billion during any fiscal year, ending not later than December 31, 2024.
Given commitments	Limited guarantees
Governance	- Minority representation for Vivendi on the Board of Directors, or 2 out of 10 directors, subject to the detention by Vivendi of a 20% interest in Numericable - SFR (1 director if Vivendi holds between 10% and 20%). - Veto rights on certain matters subject to Vivendi retaining a 20% interest in Numericable - SFR. - Numericable - SFR is committed not to disclose to Vivendi any strategic information on the pay-TV market, the distribution of pay-TV services, or ultramarine telecommunications markets.
Liquidity - standstill	- Standard 180 day lock-up period following the date of settlement-delivery of the capital increase (expected on November 20, 2014), at the request of the banks having guaranteed the capital increase. - One year lock-up period following completion of the transaction, after which Vivendi will be able to sell or distribute its Numericable - SFR shares, without restrictions, with a right of priority for Altice (pre-emption right or first offer right). - Vivendi has undertook, for a period starting on the date of completion and expiring at the end of the 43rd month following the latter, not to acquire Numericable - SFR shares, directly or indirectly. - Subject to whether Vivendi has retained its shares, Altice will have a call option at market value (subject to a floor[3]) on Vivendi's interest, exercisable in three tranches (7%, 7%, 6%) over 1-month windows starting on the 19th, 31st, and 43rd month, respectively, following completion. - Tag-along rights for Vivendi if Altice were to sell shares.
Conditions precedent	Completion of the transaction is subject to (i) receiving the approval for the contribution of a portion of the SFR shares to Numericable Group by Numericable Group's General Shareholders' Meeting; and (ii) there having been no invocation of the "Company Material Adverse Effect" clause by the banks financing the Altice/Numericable Group offer prior to April 30, 2015.

As from the first quarter of 2014, given the expected closing of this transaction, SFR was presented in the Consolidated Statement of Earnings, the Statement of Cash Flows and in Statement of Financial Position of Vivendi as a discontinued operation. The data presented

[2] Vivendi has committed to provide up to €200 million (through a decrease in the sale price of SFR) for the financing of the acquisition by Numericable Group of Omer Telecom Limited (operating in France under the Virgin Mobile brand), for a price corresponding to an enterprise value of €325 million. The transaction is subject to approvals from the relevant regulatory authorities.

[3] Volume Weighted Average Price (VWAP) of Numericable Group's share price over the 20 business days before the completion date, grossed-up by an annual rate of 5% during the period ranging from the closing of the transaction until the date of exercise of the call option.

below relates to the contribution of the operating segment "SFR", which includes SFR S.A. and its subsidiaries, as well as the interest held by Vivendi, through the company SIG 50, in the telecommunication products and services distribution operations.

The capital gain on the sale of SFR will be calculated as the difference between the sale price of 100% of SFR and the value of SFR's net assets, as recorded in Vivendi's Financial Statements at the completion date of the sale and will be recorded at that date, under the line "Earnings from discontinued operations". The components of the sale price are (i) the €13.5 billion, paid in cash, subject to the price adjustment clause, which notably includes exceptional changes in net working capital, the amount of SFR's net debt, as well as certain restatements as contractually defined between the parties, at the completion date of the sale, as well as (ii) the value of the remaining 20% interest in Numericable - SFR. The potential earn-out (€750 million) is excluded from this calculation at this stage. Based on current estimates, the impact of the adjustments of the sale price would be approximately -€450 million. SFR's net assets in Vivendi's Financial Statements at the date of sale include completed or on-going acquisitions (€200 million to finance the acquisition of Virgin Mobile by Numericable - SFR and €88 million for the acquisition of Telindus, net of cash acquired for €6 million), as well as the share of SFR's earnings up to the date of the sale (€962 million as of September 30, 2014, of which €812 million related to the discontinuation of amortization). Based on the foregoing and on SFR's Statement of Financial Position as of September 30, 2014, excluding the potential earn-out, the capital gain on the sale of SFR is estimated at approximately €2 billion (after taxes and net of costs related to the sale).

3.1.2 Commitments

Agreement to share a part of SFR's mobile access networks

On January 31, 2014, SFR and Bouygues Telecom entered into a strategic network sharing agreement. They will roll out a new shared network in an area covering 57% of the French population. This agreement will enable both operators to improve their mobile coverage and generate significant savings over time.

The agreement is based on two principles:

- the creation of a joint company, to manage the shared base station assets, in particular passive infrastructure and geographical locations in which the infrastructure and telecom equipment are deployed. SFR and Bouygues Telecom will retain full ownership of their telecom equipment assets and their frequencies; and
- the entry by the operators into a RAN-sharing service agreement covering 2G, 3G, and 4G services in the shared area. Each operator is responsible for a percentage of the shared territory, where it ensures the design, deployment, operation and maintenance of the RAN-sharing service.

This network-sharing agreement is similar to numerous arrangements already existing in other European countries. Each operator will retain its own innovative capacity as well as complete commercial and pricing independence. The agreement was modified on October 24, 2014, in particular regarding engineering choices and the completion date of the target network, which has been delayed by one year, from the end of 2017 to the end of 2018, to take into account prior deployment delays.

Taking into account this modification, SFR estimates that it represents given commitments for approximately €1,830 million and received commitments for approximately €2,210 million, representing a net commitment received of approximately €380 million, which applies over the entire duration of the long-term agreement.

"Oise THD" contract

On March 27, 2014, within the framework of its public service outsourcing activity in place since 2004 in the Oise department, SFR entered into an agreement for the "Oise THD" project involving the operating and marketing of 280,000 FTTH outlets for an aggregate amount of €125 million over 15 years.

3.1.3 Other information on SFR

Acquisition of Telindus France Group

On March 28, 2014, Vivendi and Belgacom entered into an agreement following the exclusive negotiations started on February 13, 2014, pursuant to which a subsidiary of Vivendi, SIG 50 (whose shares will be sold to Numericable Group as part of the agreement related to the sale of SFR) would acquire 100% of Telindus France Group, a leader on the French markets of telecommunication integration and networks. On April 30, 2014, this transaction was completed following the approval of the French Competition Authority, for an amount of €88 million, net of cash acquired for €6 million.

Guarantees related to the sale of Maroc Telecom group

Vivendi has agreed to counter-guarantee SFR for any amount that could be claimed by Etisalat or any third party other than Etisalat in relation with the sale of its interest in Maroc Telecom:

- With respect to the sale agreement signed with Etisalat, this commitment will expire at the expiry of the right to appeal from Etisalat against Vivendi and SFR, i.e. on May 14, 2018; and
- This commitment, which will also cover any amount that SFR may be required to pay to any third-party other than Etisalat, will expire in the absence of any request from Numericable Group within the applicable statutes of limitations.

Litigation

A description of litigation in which SFR is a party (plaintiff or defendant) is presented in Note 9.

3.2 Plan to sell GVT

On August 28, 2014, Vivendi's Supervisory Board decided to enter into exclusive negotiations with Telefonica to sell GVT. After receiving a positive opinion from employee representatives, on September 18, 2014 it authorized the execution of an agreement with Telefonica for the sale of GVT. This agreement, the key terms of which are described below, represents a total enterprise value of €7.45 billion (based on the stock market value and foreign exchange rates on the date the exclusive negotiations were entered into with Telefonica), corresponding to a 2014 estimated EBITDA multiple of 10x. The closing of the transaction is subject to certain conditions, including the approval by the relevant regulatory authorities, and is expected to take place during the second quarter of 2015.

Cash proceeds at the completion date	€4.66 billion before taking into account the sale price adjustment clause, which notably includes exceptional changes in net working capital, GVT's bank debt (approximately €480 million), as well as certain restatements as defined contractually between the parties, at the date of completion of the sale. These potential adjustments may increase or decrease the cash consideration paid, depending on actual data as of the completion date. Moreover, the cash proceeds, net of adjustments, will also be decreased by the tax amount related to the sale, currently estimated at approximately €485 million. The net sale price is estimated at approximately €3.75 billion.
Consideration shares	7.4% interest in Telefonica Brasil (VIVO/GVT) and 5.7% interest (8.3% voting rights) in Telecom Italia.
Financing	Capital increase at Vivo to fund cash proceeds, guaranteed by Telefonica.
Conditions precedent	Completion of the transaction is subject to obtaining approvals of ANATEL (Agência Nacional de Telecomunicações) and CADE (Conselho Administrativo de Defesa Econômica) in Brazil, and other conditions customary in this type of transaction.
Given commitments	Limited guarantees.
Liquidity	With respect to the interest of Vivendi in the combined VIVO/GVT entity: • maximum 180 day lock-up period starting as from the date of completion of the transaction; and • tag-along rights.

As from the third quarter of 2014, given the expected closing date of this transaction, GVT was presented in the Consolidated Statement of Earnings, the Statement of Cash Flows and in Statement of Financial Position of Vivendi as a discontinued operation.

3.3 Sale of Maroc Telecom group

On May 14, 2014, in accordance with the agreements entered into on November 4, 2013, Vivendi sold its 53% interest in Maroc Telecom to Etisalat and received cash proceeds in the amount for €4,138 million, after contractual price adjustment (-€49 million). The agreements included representations and warranties customary in this type of transaction (please see below). At that date, Vivendi deconsolidated Maroc Telecom and recorded a capital gain of €786 million (before taxes and net of costs related to the sale) presented in "Earnings from discontinued operations" for the first nine months of 2014. In compliance with IAS 12, the deferred tax on capital gain (€86 million) was recognized as of June 30, 2013, the sale being considered as highly probable at that date.

The main terms of the sale are the following:

- Vivendi provided certain customary representations and warranties to Etisalat relating to SPT (the holding company of Maroc Telecom group), Maroc Telecom and its subsidiaries. Vivendi also granted a number of specific guarantees;
- the amount of any compensation due by Vivendi for indemnifiable losses sustained by Maroc Telecom or one of its subsidiaries was determined in proportion to the percentage of ownership held indirectly by Vivendi in the relevant company on the closing date (i.e., 53% for Maroc Telecom);
- Vivendi's overall indemnification obligation was capped at 50% of the initial sale price, and this threshold was increased to 100% in respect of claims related to SPT;
- the indemnification commitments provided by Vivendi, other than those regarding taxes and SPT, will remain in effect for a 24-month period following completion of the transaction (May 2016). Claims for indemnity related to tax matters must be made by January 15, 2018. The indemnity related to SPT remains in effect until the end of a 4-year period following the closing (May 2018); and
- to guarantee the payment of any specific indemnity referenced above, Vivendi delivered a bank guarantee to Etisalat in the amount of €247 million, expiring on February 15, 2018. On July 8, 2014, Vivendi received a discharge of this guarantee in the amount of €229 million.

3.4 Sale of Activision Blizzard shares

On May 22, 2014, in accordance with the agreements entered into on July 25, 2013, Vivendi sold a first tranche of 41.5 million Activision Blizzard shares, representing 5.8% in value of this company, for $852 million (€623 million), and recorded a €84 million capital gain presented in "Earnings from discontinued operations". In total, taking into account the capital gain of €123 million recorded in 2013, Vivendi realized a capital gain of €207 million with respect to this first tranche.

Following this transaction, Vivendi owns a residual interest of 41.5 million Activision Blizzard shares, which is subject to a lock-up restriction that expires on January 7, 2015 and recognized in "Assets held for sale". As of September 30, 2014, this interest was revalued to reflect its current stock market value ($20.79 per share), i.e., a value of €677 million, and the unrealized capital gain of €138 million generated during the first nine months of 2014, was recognized in "Earnings from discontinued operations".

3.5 Earnings from discontinued operations

In compliance with IFRS 5, the line "Earnings from discontinued operations" presented in Vivendi's Consolidated Statement of Earnings include operations from GVT, SFR, Maroc Telecom group (deconsolidated on May 14, 2014) and Activision Blizzard (deconsolidated on October 11, 2013).

	Nine months ended September 30, 2014				
(in million of euros)	GVT	SFR	Maroc Telecom Group	Activision Blizzard	**Total**
Revenues	1,307	7,396	969	na	9,672
EBITDA	516	1,779	530	na	2,825
Adjusted earnings before interest and income taxes (EBITA)	270	616	360	na	1,246
EBITA after discontinuation of amortization (a)	299	1,400	531	na	2,230
Earnings before interest and income taxes (EBIT)	280	1,368	531	na	2,179
Earnings before provision for income taxes	281	1,206	527	na	2,014
Provision for income taxes	(82)	(162)	(120)	na	(364)
Earnings	**199**	**1,044**	**407**	**na**	**1,650**
Capital gain on completed divestiture	-	-	786	84	870
Gain in value of the remaining interest	-	-	-	138	138
Costs related to the sale	-	(71)	-	-	(71)
Other (dividends)	-	-	-	12	12
Earnings from discontinued operations	**199**	**973**	**1,193**	**234**	**2,599**
Of which attributable to Vivendi SA shareowners	199	962	979	234	2,374
non-controlling interests	-	11	214	na	225

	Nine months ended September 30, 2013				
(in millions of euros)	GVT	SFR	Maroc Telecom Group	Activision Blizzard	**Total**
Revenues	1,297	7,616	1,927	2,328	13,168
EBITDA	531	2,201	1,112	989	4,833
Adjusted earnings before interest and income taxes (EBITA)	298	1,039	777	871	2,985
EBITA after discontinuation of amortization (a)	298	1,039	891	895	3,123
Earnings before interest and income taxes (EBIT)	259	988	878	891	3,016
Earnings before provision for income taxes	108	785	855	846	2,594
Provision for income taxes	(32)	(314)	(334)	(154)	(834)
Earnings from discontinued operations	**76**	**471**	**521**	**692**	**1,760**
Of which attributable to Vivendi SA shareowners	76	466	187	423	1,152
non-controlling interests	-	5	334	269	608

a. In compliance with IFRS 5, Vivendi discontinued the amortization of tangible and intangible assets of:
- SFR as from April 1, 2014;
- GVT as from September 1, 2014;
- Maroc Telecom group as from July 1, 2013; and
- Activision Blizzard as from July 1, 2013.

Vivendi SA granted borrowings to GVT and SFR that generated interest impacting the earnings of these businesses for €9 million and €141 million, respectively, for the first nine months of 2014, compared to €8 million and €173 million, respectively, for the first nine months of 2013.

3.6 Assets and liabilities of discontinued businesses

In compliance with IFRS 5, the lines "Assets of discontinued businesses" and "Liabilities associated with assets of discontinued businesses" presented in Vivendi's Consolidated Statement of Financial Position include GVT and SFR's contribution as of September 30, 2014 and Maroc Telecom group's contribution as of December 31, 2013.

(in millions of euros)	September 30, 2014			December 31, 2013
	GVT	SFR	**Total**	Maroc Telecom Group
Goodwill	1,747	6,799	8,546	2,392
Intangible assets	169	4,138	4,307	386
Property, plant and equipment	2,644	4,849	7,493	2,466
Trade accounts receivable and other	688	2,680	3,368	845
Cash and cash equivalents	159	134	293	396
Other	23	636	659	77
Assets of discontinued businesses	**5,430**	**19,236**	**24,666**	**6,562**
Provisions	62	582	644	78
Borrowings and other financial liabilities	1,546	4,917	6,463	710
of which Borrowings from Vivendi (a)	*1,113*	*4,854*	*5,967*	-
Trade accounts payable and other	472	4,388	4,860	1,541
Other	129	559	688	100
Liabilities	**2,209**	**10,446**	**12,655**	**2,429**
Borrowings from Vivendi (a)	(1,113)	(4,854)	(5,967)	-
Other	-	7	7	-
Liabilities associated with assets of discontinued businesses	**1,096**	**5,599**	**6,695**	**2,429**
	4,334	**13,637**	**17,971**	**4,133**

a. These borrowings from Vivendi will be redeemed on the completion dates of the sales of SFR and GVT.

Note 4 Interest

(in millions of euros)	Note	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013	Year ended December 31, 2013
(Charge)/Income						
Interest expense on borrowings	7	*(70)*	*(130)*	*(224)*	*(385)*	*(494)*
Interest income on SFR's loans	3	*31*	*62*	*141*	*173*	*212*
Interest income on GVT's loans	3	*3*	*3*	*9*	*8*	*10*
Interest expense net of borrowings		(36)	(65)	(74)	(204)	(272)
Interest income from cash and cash equivalents		4	1	9	3	6
Interest from continuing operations		**(32)**	**(64)**	**(65)**	**(201)**	**(266)**
Fees and premiums on borrowings and credit facilities issued/redeemed and early unwinding of hedging derivative instruments		(3)	(3)	(8)	(11)	(202)
		(35)	**(67)**	**(73)**	**(212)**	**(468)**

Note 5 Income taxes

(in millions of euros)	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013		Year ended December 31, 2013
(Charge)/Income						
Impact of the Vivendi SA's French Tax Group and Consolidated Global Profit Tax Systems	39	51	54	178	(a)	254
Other components of the provision for income taxes	(62)	(98)	(197)	(78)		(237)
Provision for income taxes	**(23)**	**(47)**	**(143)**	**100**		**17**

a. Mainly related to the current and deferred tax savings associated with SFR as part of Vivendi SA's Tax Group System for the first nine months of 2013. In 2014, SFR was considered to no longer be part of Vivendi's Tax Group System, under the assumption that its sale to Numericable Group would be completed by the end of the year.

Note 6 Earnings per share

	Three months ended September 30,				Nine months ended September 30,				Year ended December 31, 2013	
	2014		2013		2014		2013			
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Earnings (in millions of euros)										
Earnings from continuing operations attributable to Vivendi SA shareowners	309	309	31	31	378	378	259	259	43	43
Earnings from discontinued operations attributable to Vivendi SA shareowners	530	530	345	345	2,374	2,374	1,152	1,149	1,924	1,921
Earnings attributable to Vivendi SA shareowners	839	839	376	376	2,752	2,752	1,411	1,408	1,967	1,964
Number of shares (in millions)										
Weighted average number of shares outstanding (a)	1,348.3	1,348.3	1,335.6	1,335.6	1,344.5	1,344.5	1,327.8	1,327.8	1,330.6	1,330.6
Potential dilutive effects related to share-based compensation	-	5.6	-	4.2	-	6.2	-	4.1	-	4.7
Adjusted weighted average number of shares	**1,348.3**	**1,353.9**	**1,335.6**	**1,339.8**	**1,344.5**	**1,350.7**	**1,327.8**	**1,331.9**	**1,330.6**	**1,335.3**
Earnings per share (in euros)										
Earnings from continuing operations attributable to Vivendi SA shareowners per share	0.23	0.23	0.02	0.02	0.28	0.28	0.20	0.20	0.03	0.03
Earnings from discontinued operations attributable to Vivendi SA shareowners per share	0.39	0.39	0.26	0.26	1.77	1.76	0.86	0.86	1.45	1.44
Earnings attributable to Vivendi SA shareowners per share	0.62	0.62	0.28	0.28	2.05	2.04	1.06	1.06	1.48	1.47

a. Net of treasury shares (430,070 shares for the first nine months of 2014).

Note 7 Borrowings and other financial liabilities

	September 30, 2014			December 31, 2013		
(in millions of euros)	Total	Long-term	Short-term	Total	Long-term	Short-term
Bonds	6,667	6,667	-	7,827	6,633	1,194
Bank credit facilities (drawn confirmed)	30	12	18	2,075	2,014	61
Commercial paper issued	3,019	-	3,019	1,906	-	1,906
Bank overdrafts	205	-	205	143	-	143
Accrued interest to be paid	139	-	139	186	-	186
Other	21	6	15	73	53	20
Nominal value of borrowings	**10,081**	6,685	3,396	**12,210**	8,700	3,510
Cumulative effect of amortized cost and reevaluation due to hedge accounting	46	46	-	8	8	-
Commitments to purchase non-controlling interests	62	58	4	22	22	-
Derivative financial instruments	33	12	21	26	7	19
Borrowings and other financial liabilities	**10,222**	**6,801**	**3,421**	**12,266**	**8,737**	**3,529**

7.1 Bonds

	Interest rate (%)				Maturing before September 30,						
(in millions of euros)	nominal	effective	Maturity	September 30, 2014	2015	2016	2017	2018	2019	Maturing after September 30, 2019	December 31, 2013
€750 million (July 2013)	2.375%	2.51%	Jan-19	750	-	-	-	-	750	-	750
€700 million (December 2012)	2.500%	2.65%	Jan-20	700	-	-	-	-	-	700	700
$650 million (April 2012)	3.450%	3.56%	Jan-18	74	-	-	-	74	-	-	69
$800 million (April 2012)	4.750%	4.91%	Apr-22	204	-	-	-	-	-	204	189
€1,250 million (January 2012)	4.125%	4.31%	Jul-17	1,250	-	-	1,250	-	-	-	1,250
€500 million (November 2011)	4.875%	5.00%	Nov-18	500	-	-	-	-	500	-	500
€1,050 million (July 2011)	4.750%	4.67%	Jul-21	1,050	-	-	-	-	-	1,050	1,050
$700 million (April 2008)	6.625%	6.85%	Apr-18	189	-	-	-	189	-	-	175
Bonds with make-whole option				**4,717**	**-**	**-**	**1,250**	**263**	**1,250**	**1,954**	**4,683**
€750 million (March 2010)	4.000%	4.15%	Mar-17	750	-	-	750	-	-	-	750
€700 million (December 2009)	4.875%	4.95%	Dec-19	700	-	-	-	-	-	700	700
€500 million (December 2009)	4.250%	4.39%	Dec-16	500	-	-	500	-	-	-	500
€300 million - SFR (July 2009)	5.000%	5.05%	Jul-14	-	-	-	-	-	-	-	300
€1,120 million (January 2009)	7.750%	7.69%	Jan-14	- (a)	-	-	-	-	-	-	894
Bonds without make-whole option				**1,950**	**-**	**-**	**1,250**	**-**	**-**	**700**	**3,144**
Nominal value of bonds				**6,667**	-	-	2,500	263	1,250	2,654	**7,827**

a. Redemption in January 2014 of the bond issued in January 2009, with a 7.75% coupon, for €894 million.

7.2 Bank credit facilities

The total amount of Vivendi SA's confirmed credit facilities amounted to €7,140 million as of September 30, 2014 (unchanged compared to December 31, 2013). No facilities were drawn as of September 30, 2014. Considering the amount of commercial paper issued at that date, and backed to bank credit facilities for €3,019 million, these facilities were available for an aggregate amount of €4,121 million.

On October 29, 2014, Vivendi set up a new €2 billion bank credit facility with a pool of 17 banks, which will become effective once Vivendi receives the proceeds from the sale of SFR and cancels its existing bank credit facilities. This bank credit facility matures in five years and has two one-year renewal options.

Moreover, on March 4, 2013, a letter of credit for €975 million (maturing in March 2016) was issued in connection with Vivendi's appeal against the Liberty Media judgment (please refer to Note 28 to the Consolidated Financial Statement for the year ended December 31, 2013 - page 287 of the 2013 Annual Report). This letter of credit is guaranteed by a syndicate of fifteen international banks with which Vivendi has signed a Reimbursement Agreement which includes an undertaking by Vivendi to reimburse the banks for any amounts paid out under the letter of credit.
On July 16, 2014, Vivendi strengthened the guarantees given to the banks that are parties to the Reimbursement Agreement by placing a cash deposit of €975 million in an escrow account. This cash deposit could be used in priority against a claim made against Vivendi, if any, and if the banks were called with respect to the letter of credit. This deposit, which significantly reduces the financing cost of the letter of credit, resulted in a €975 million increase in the group's Financial Net Debt, and is already taken into account by rating agencies. Prior to the placing of this deposit, the letter of credit was recorded as an off-balance sheet financial commitment, with no impact on Vivendi's Financial Net Debt.

7.3 Credit ratings

In April 2014, the rating agencies Standard & Poor's and Moody's improved Vivendi's outlook from negative to stable and confirmed their BBB/Baa2 rating on its long-term debt.
In May 2014, the rating agency Fitch Ratings confirmed Vivendi's BBB rating on its long-term debt, with a stable outlook.

As of November 7, 2014, the date of the Management Board meeting that approved the Condensed Financial Statements for the nine months ended September 30, 2014, the credit ratings of Vivendi were as follows:

Rating agency	Rating date	Type of debt	Ratings	Outlook
Standard & Poor's	July 27, 2005	Long-term *corporate* debt	BBB	Stable
		Short-term *corporate* debt	A-2	
		Senior unsecured debt	BBB	
Moody's	September 13, 2005	Long-term senior unsecured debt	Baa2	Stable
Fitch Ratings	December 10, 2004	Long-term senior unsecured debt	BBB	Stable

Note 8 Commitments

Contractual content commitments

Canal+ Group was awarded broadcasting rights to the following sport events:

- on April 4, 2014: two premium lots of the French professional Soccer League 1, for four seasons (2016-2017 to 2019-2020) for an aggregate amount of €2,160 million (or €540 million per season); and
- on April 11, 2014: a lot of the Champions League for three seasons (2015-2016 to 2017-2018).

Share purchase and sale commitments

- On September 18, 2014, Vivendi committed itself to the sale of GVT pursuant to the agreement entered into with Telefonica (please refer to Note 3).
- On June 20, 2014, Vivendi committed itself to the combination of SFR and Numericable Group pursuant to the agreement entered into with Altice/Numericable Group (please refer to Note 3).

Contingent assets and liabilities subsequent to given or received commitments related to the divestiture or acquisition of shares

- On May 14, 2014, in accordance with the agreements entered into in November 2013, Vivendi sold its 53% interest in Maroc Telecom group to Etisalat. The sale agreements include representations and warranties customary in this type of transaction (please refer to Note 3).
- On December 23, 2013, the French State Council annulled, with a delayed effect as from July 1, 2014, the French Competition Authority's approval of the acquisition of the Direct 8 and Direct Star channels (renamed D8 and D17, respectively), which had been approved on July 23, 2012. On January 15, 2014, Vivendi and Canal+ Group submitted a new notification to the French Competition Authority. On April 2, 2014, the French Competition Authority reapproved the transaction, subject to compliance with commitments given by Vivendi and Canal+ Group. These commitments are similar to the ones contained in the previous 2012 authorization except for an additional commitment relating to the acquisition of broadcasting rights covering second and third windows for French films. All commitments are binding for a period of five years starting July 23, 2012. In 2017, the French Competition Authority will have the opportunity to request a renewal of these commitments for the same duration, if deemed necessary, after a new competitive analysis.

Note 9 Litigation

In the normal course of its business, Vivendi is subject to various lawsuits, arbitrations and governmental, administrative or other proceedings (collectively "Legal Proceedings").

Certain Legal Proceedings involving Vivendi or its subsidiaries (as plaintiff or defendant) are described in Note 28 to the Consolidated Financial Statements for the year ended December 31, 2013, contained in the 2013 Annual Report (pages 309-315) and in Section 3 of Chapter 1 contained in the 2013 Annual Report (pages 35-41). The following paragraphs update such disclosure through November 7, 2014, the date of the Management Board meeting held to approve Vivendi's financial statements for the first nine months of fiscal year 2014.

To the company's knowledge, there are no Legal Proceedings or any facts of an exceptional nature (including, to the company's knowledge, any pending or threatened proceedings) in which it is a defendant, which may have or have had in the recent past a significant effect on the company and on its group's financial position, profit, business and property, other than those described herein.

Trial of Vivendi's Former Officers in Paris

In October 2002, the financial department of the Paris Public Prosecutor's office (Parquet de Paris) launched an investigation into the publication of allegedly false or misleading information regarding the financial situation and forecasts of the Company and the publication of allegedly untrue or inaccurate financial statements for the fiscal years 2000 and 2001. Additional charges were brought in this investigation relating to purchases by the Company of its own shares between September 1, 2001 and December 31, 2001. Vivendi joined the proceedings as a civil party.

The trial took place from June 2 to June 25, 2010, before the 11th Chamber of the Paris Tribunal of First Instance (Tribunal de Grande Instance de Paris), following which the Public Prosecutor asked the Court to drop the charges against the defendants. On January 21, 2011, the Court rendered its judgment, in which it confirmed the previous recognition of Vivendi as a civil party. Messrs. Jean Marie Messier, Guillaume Hannezo, Edgar Bronfman Jr. and Eric Licoys received suspended sentences and fines. Messrs. Jean Marie Messier and Guillaume Hannezo were also ordered to pay damages to shareholders who are entitled to reparation as civil parties. The former Vivendi officers as well as some civil parties appealed the decision. The appeal proceedings were held from October 28 to November 26, 2013, before the Paris Court of Appeal. The Public Prosecutor requested a 20-month suspended prison sentence and a fine of €150,000 for Mr. Jean-Marie Messier for misuse of corporate assets and dissemination of false or misleading information, a 10-month suspended prison sentence and a fine of €850,000 for Mr. Guillaume Hannezo for insider trading, and a 10-month suspended prison sentence and a fine of €5 million for Mr. Edgar Bronfman Jr. for insider trading. In the course of the trial, a number of civil parties submitted an application to the Paris Court of Appeal for a priority preliminary ruling on constitutionality. The application concerned the impossibility, for a civil party, to appeal a decision by a first instance court to drop charges. Since the same question is currently pending before the Constitutional Council, the Court of Appeal has stayed the proceedings with regard to the issues relating to the dropped charges, and heard oral arguments on these issues on April 8 and 9, 2014. On May 19, 2014, the Paris Court of Appeal rendered its judgment. Regarding the acts determined by the lower criminal court to constitute the dissemination of false or misleading information, the Court held that these acts did not meet the criteria for such an offense. The Court upheld the conviction against

Jean-Marie Messier for misuse of corporate assets and he received a 10-month suspended sentence and a €50,000 fine. The Paris Court of Appeal also upheld the convictions against Messrs. Hannezo and Bronfman for insider trading and they received fines in the amount of €850,000 (of which €425,000 is suspended) and €5 million (of which €2.5 million is suspended), respectively. Finally, the Court set aside the lower court's order for the payment of damages (€10 per share) to certain shareholders and former shareholders of Vivendi (the "civil action"). With regard to Vivendi, the Court upheld the validity of its status as a civil party to the proceedings, exonerated it from any responsibility and voided the demand for damages brought against it by certain shareholders or former shareholders.

Actions against Activision Blizzard, Inc., its Board of Directors, and Vivendi

In August 2013, a derivative action was initiated in the Los Angeles Superior Court by an individual shareholder against Activision Blizzard, Inc. ("Activision Blizzard" or the "Company"), all of the members of its Board of Directors and against Vivendi. The plaintiff alleges that Activision Blizzard's Board of Directors and Vivendi breached their fiduciary duties by approving the divestment of Vivendi's share ownership in the Company. The plaintiff, Todd Miller, claims that the transaction would not only be disadvantageous to Activision Blizzard but that it would also confer a disproportionate advantage to a group of investors led by Robert Kotick and Brian Kelly, the Company's Chief Executive Officer and Co-Chairman of the Board, respectively, and that those breaches of fiduciary duty were aided and abetted by Vivendi.

On September 11, 2013, a second derivative action based on essentially the same allegations was initiated in the Delaware Court of Chancery by another minority shareholder of Activision Blizzard, Anthony Pacchia.

On the same day, another minority shareholder, Douglas Hayes, initiated a similar action and also requested that the closing of the sale transaction be enjoined pending approval of the transaction by Activision Blizzard's shareholders. On September 18, 2013, the Delaware Court of Chancery granted the motion enjoining the closing of the transaction. However, on October 10, 2013, the Delaware Supreme Court overturned this decision, allowing for the completion of the transaction. The case will proceed on the merits.

On November 2, 2013, the Delaware Court of Chancery consolidated the Pacchia and Hayes actions into a single action entitled *In Re Activision Blizzard Inc. Securities Litigation* and named Anthony Pacchia lead plaintiff.

On March 14, 2014, a similar new action was initiated in the Delaware Court of Chancery by a minority shareholder, Mark Benston. This action has been consolidated into the *In Re Activision Blizzard Inc. Securities Litigation* proceeding currently underway.

The discovery process is complete. Each of the defendants filed motions to dismiss certain of the complaints against them. These motions were denied by the Court on June 6, 2014. The trial is scheduled to be held in December 2014.

Telefonica against Vivendi in Brazil

On May 2, 2011, TELESP, Telefonica's Brazilian subsidiary, filed a claim against Vivendi before the Civil Court of São Paulo (3ª Vara Cível do Foro Central da Comarca da Capital do Estado de São Paulo). The company is seeking damages for having been blocked from acquiring control of GVT and damages in the amount of 15 million Brazilian reals (currently approximately €4.9 million) corresponding to the expenses incurred by TELESP in connection with its offer for GVT. At the beginning of

September 2011, Vivendi filed an objection to jurisdiction, challenging the jurisdiction of the courts of São Paulo to hear a case involving parties from Curitiba. This objection was dismissed on February 14, 2012, which was confirmed on April 4, 2012 by the Court of Appeal.

On April 30, 2013, the Court dismissed Telefonica's claim for lack of sufficient and concrete evidence of Vivendi's responsibility for Telefonica's failing to acquire GVT. The Court notably highlighted the inherently risky nature of operations in the financial markets, of which Telefonica must have been aware. Moreover, the Court dismissed Vivendi's counterclaim for compensation for the damage it suffered as a result of the defamatory campaign carried out against it by Telefonica. On May 28, 2013, Telefonica appealed the Court's decision to the 5th Chamber of Private Law of the Court of Justice of the State of São Paulo.

On September 18, 2014, within the framework of agreements entered into between Vivendi and Telefonica concerning the sale of GVT, the parties agreed to end this dispute without payment to either side.

Parabole Réunion

In July 2007, the Group Parabole Réunion filed a legal action before the Paris Tribunal of First Instance following the termination of its rights to exclusively distribute the TPS channels in Reunion Island, Mayotte, Madagascar and Mauritius. Pursuant to a decision dated September 18, 2007, Canal+ Group was prohibited, under fine, from allowing the broadcast by third parties of these channels or those replacement channels that have substituted these channels. Canal+ Group appealed this decision. In a ruling dated June 19, 2008, the Paris Court of Appeal partially reversed the judgment and stated that these replacement channels were not to be granted exclusively if the channels were made available to third parties prior to the merger with TPS. Parabole Réunion was again unsuccessful in its claims concerning the content of the channels in question. On September 19, 2008, Parabole Réunion appealed to the French Supreme Court. On November 10, 2009, the French Supreme Court dismissed the appeal brought by Parabole Réunion. In the context of this dispute, various jurisdictions have taken the opportunity to recall that in the event of the loss of the TPS Foot channel, Canal+ Group must make available to Parabole Réunion a channel of similar attractiveness. Noncompliance with this order would result in a penalty. On September 24, 2012, Parabole Réunion filed a claim against Canal+ France, Canal+ Group and Canal+ Distribution before the enforcement magistrate of the Court of First Instance of Nanterre (Tribunal de grande instance de Nanterre) seeking enforcement of this fine (a request for such enforcement having been previously rejected by the enforcement magistrate of Nanterre, the Paris Court of Appeal and the French Supreme Court). On November 6, 2012, Parabole Réunion expanded its claim to cover the TPS Star, Cinecinema Classic, Cult and Star channels. On April 9, 2013, the enforcement magistrate dismissed in part Parabole Réunion's claim and declared the rest inadmissible. He took care to recall that Canal+ Group had no legal obligation with respect to the content or the maintaining of programming on channels made available to Parabole Réunion. Parabole Réunion filed an appeal against this judgment. On May 22, 2014, the Versailles Court of Appeal declared the appeal filed by Parabole Réunion inadmissible. Parabole Réunion filed an appeal before the French Supreme Court. At the same time, Parabole Réunion filed a second appeal against the April 9, 2013 judgment, which appeal will be argued on September 17, 2014.

In parallel, on August 11, 2009, Parabole Réunion filed a complaint against Canal+ Group before the Paris Tribunal of First Instance, requesting that the Tribunal order Canal+ Group to make available a channel with a level of attractiveness similar to that of TPS Foot in 2006 and to pay damages. On April 26, 2012, Parabole Réunion filed a complaint against Canal+ France, Canal+ Group and Canal+ Distribution before the Paris Tribunal of First Instance asking the Tribunal to acknowledge the failure of the companies of the Group to fulfill their contractual obligations to Parabole Réunion and their commitments to the Ministry of Economy. These two actions have been consolidated into a single action. On April 29, 2014, the Paris Tribunal of First Instance recognized the contractual liability of Canal+ Group due to the degradation of the quality of channels made available to Parabole Réunion. The Tribunal ordered an expert report on the damages suffered by Parabole Réunion, rejecting the assessment produced by the latter.

BeIN Sports against the National Rugby League and Canal+ Group

On March 11, 2014, beIN Sports lodged a complaint with the French Competition authority against Canal+ Group and the National Rugby League, challenging the award to Canal+ Group of exclusive broadcasting rights to the "TOP 14" for the 2014-2015 to 2018-2019 seasons. On July 30, 2014, the French Competition Authority imposed interim measures suspending Canal+ Group's agreement with the National Rugby League as from the 2015-2016 season and mandated that a new call for tenders process be organized. Canal+ Group and the National Rugby League appealed this decision before the Paris Court of Appeal.

On October 9, 2014, the Paris Court of Appeal dismissed the appeal of Canal+ Group and the National Rugby League and directed the National Rugby League to complete a new tender process for rights to the "TOP 14" for the 2015-2016 season as well as the following seasons by no later than March 31, 2015. On October 30, 2014, Canal+ Group appealed against this decision.

Aston France against Canal+ Group

On September 25, 2014, Aston notified the French Competition Authority about Canal+ Group's decision to stop selling its satellite subscription called "cards only" (enabling the reception of Canal+/Canalsat programs on Canal Ready-labeled satellite decoders, manufactured and distributed by third parties, including Aston). Canal+ Group should appear before the French Competition Authority in mid-November. In parallel, on September 30, 2014, Aston filed a request for injunctive relief against Canal+ Group before the Commercial Court of Paris, seeking a stay of the decision of the Canal+ Group to terminate the Canal Ready partnership agreement and thus stop the marketing of satellite subscriptions called "cards only". On October 17, 2014, the Paris Commercial Court issued an order denying Aston's requests.

Capitol Records and EMI Music Publishing against MP3tunes

On November 9, 2007, Capitol Record and EMI Music Publishing filed a joint complaint against MP3tunes and its founder, Michael Robertson, for copyright infringement on the sideload.com and mp3tunes.com websites. The trial was held in March 2014, and, on March 19, 2014, the jury returned a verdict favorable to EMI and Capital Records. It found the defendants liable for knowingly allowing the unauthorized content on the websites. On March 26, 2014, the jury awarded damages in the amount of $41 million.

Tax audits

The fiscal year ended December 31, 2013 and prior years are open to tax audits by the respective tax authorities in the jurisdictions in which Vivendi has or had operations. Various tax authorities have proposed adjustments to the taxable income reported for prior years. It is not possible, at this stage of the current tax audits, to accurately assess the impact that could result from an unfavorable outcome of certain of these audits. Vivendi Management believes that these tax audits will not have a material and unfavorable impact on the financial position or liquidity of the group.

Regarding Vivendi SA, in respect of the Consolidated Global Profit Tax System, the consolidated income reported for fiscal years 2006, 2007, and 2008 is under audit by the French tax authorities. This tax audit started in January 2010. In addition, in January 2011, the French tax authorities began a tax audit on the consolidated income reported for fiscal year 2009 and in February 2013, the French tax authorities began a tax audit on the consolidated income reported for fiscal year 2010. Finally, the audit of Vivendi SA's tax group System for the years 2011 and 2012 group started in July 2013. All of these audits were ongoing as of September 30, 2014. Vivendi Management believes that it has serious legal means to defend the positions it has chosen for the determination of the taxable income of the fiscal years under audit. In any event, a provision for the impact of the Consolidated Global Profit Tax System in 2011 has been accrued (€366 million), as well as a provision for the impact in relation to the use of tax credits in 2012 (€231 million). On October 6, 2014, the Administrative Court of Montreuil ruled in favor of Vivendi in the proceedings relating to the effects of the Consolidated Global Profit Tax System in 2011. Although this ruling is subject to appeal, at this stage, Vivendi Management does not believe that developments in any of these audits or proceedings should lead to an adjustment in the amount of the provisions. As a reminder, the tax attributes recognized by Vivendi SA with respect to the fiscal years under audit, representing tax savings of €1,527 million as of December 31, 2013, were recognized in the Consolidated Statement of Financial Position for €163 million.

Regarding Vivendi's US tax group, the fiscal years ending December 31, 2005, 2006, and 2007 were under a tax audit. The consequences of this tax audit did not materially impact the amount of tax attributes. Vivendi's US tax group was also under audit for fiscal years ending December 31, 2008, 2009, and 2010. This tax audit is now closed and its consequences did not materially impact the amount of tax attributes. On June 26, 2014, the American tax authorities began a tax audit for fiscal year 2011 and 2012, and on July 11, 2014, stated that they will undertake a tax audit for fiscal year 2013, after the filing of the tax return for that period. The audit with respect to these fiscal years was ongoing as of September 30, 2014. Vivendi Management believes that it has serious legal means to defend the positions it has chosen for the determination of the taxable income of the fiscal years under audit.

Finally, regarding Maroc Telecom, the fiscal years ending December 31, 2005, 2006, 2007, and 2008 were under a tax audit. This tax audit is now closed following the execution of a Memorandum Agreement on December 19, 2013, effective as of December 31, 2013.

Discontinued operation: SFR

Orange against SFR and Bouygues Telecom

On April 29, 2014, Orange filed a complaint with the French Competition Authority concerning the agreement signed on January 31, 2014, between SFR and Bouygues Telecom to share a part of their mobile access networks. Orange alleges that this agreement constitutes a collusive practice, by concerted effort and horizontal agreement, between competitors. Orange is requesting an immediate suspension of the agreement's implementation. On September 25, 2014, the French Competition Authority rejected Orange's request for interim measures. Orange appealed that decision on October 24, 2014.

Complaint of Bouygues Telecom against SFR and Orange in Connection with the Call Termination and Mobile Markets

Bouygues Telecom brought a claim before the French Competition Council against SFR and Orange for certain alleged unfair trading practices in the call termination and mobile markets ("price scissoring"). On May 15, 2009, the French Competition Authority (the "Authority") resolved to postpone its decision on the issue and remanded the case for further investigation. On December 13, 2010, SFR was heard on these allegations by the instructing magistrate. On August 18, 2011, SFR received a notification of grievances in which the Authority noted the existence of abusive price discrimination practices. On December 13, 2012, the Authority fined SFR €66 million. SFR has appealed this decision. The case was argued before the Paris Court of Appeal on February 20, 2014. The Paris Court of Appeal rendered a decision on June 19, 2014, in which it requested an Amicus Curiae from the European Commission on the economic and legal issues raised in this case and stayed the proceedings on the merits of the case pending the opinion to be delivered. It also dismissed SFR's procedural claims.

Following the decision of the French Competition Authority on December 13, 2012, Bouygues Telecom, OMEA and El Telecom (NRJ Mobile) brought a claim before the Paris Commercial Court against SFR for damages suffered. They are seeking damages of €623.6 million, €67.9 million and €28.6 million, respectively. Pursuant to the settlement concluded between SFR and Bouygues Telecom in June 2014, the hearing held on September 5, 2014 to close the conciliation proceedings terminated this dispute between the two companies. Regarding the dispute between SFR and El Telecom and OMEA, on October 14, 2014, the Paris Commercial Court stayed the proceedings pending the decision of the Paris Court of Appeal.

Complaint lodged with the French Competition Authority by Orange Réunion, Orange Mayotte, and Outremer Télécom against Société Réunionnaise du Radiotéléphone (SRR)

Orange Réunion, Orange Mayotte and Outremer Télécom notified the French Competition Authority about alleged unfair price discrimination practices implemented by SRR on the consumer market and the business market. On September 16, 2009, the French Competition Authority imposed protective measures on SRR, pending its decision on the merits.

SRR was required to end price differences that exceed the costs borne by SRR based on the network called (off-net/on-net). The French Competition Authority found that SRR had not fully complied with the order it had imposed and, on January 24, 2012, ordered SRR to pay a fine of €2 million. With regard to the proceedings on the merits, on July 31, 2013, SRR signed a statement of no contest to grievances and a letter of commitments. Accordingly, the Deputy Reporter General proposed to the College of the French Competition Authority that the fine incurred by SRR be reduced.

Following the French Competition Authority's decision of September 16, 2009, Outremer Télécom sued SRR on June 17, 2013, before the Paris Commercial Court for damages it claims to have suffered as a result of SRR's practices. On November 13, 2013, the Court stayed the proceedings until the French Competition Authority issues its decision on the merits of the case.

On June 13, 2014, the French Competition Authority issued its decision concerning the consumer market component of the complaint, imposing a sanction of €45,939,000 on SFR and its subsidiary SRR. The business market component is still being investigated by the French Competition Authority. Following the June 13, 2014 decision of the French Competition Authority, on October 8, 2014, Orange Réunion filed a claim against SFR and SRR before the Paris Commercial Court for the damage it allegedly suffered as a result of SRR's practices.

SFR against Orange

On April 24, 2012, SFR filed a complaint against Orange before the Paris Commercial Court for practices constituting an abuse of its dominant position in the secondary residence market. On February 12, 2014, the Paris Commercial Court ordered Orange to pay €51 million in damages.

Orange appealed this decision. On April 2, 2014, Orange also requested a suspension of the provisional execution of the Paris Commercial Court's decision. On July 4, 2014, the request was denied. On October 8, 2014, the Paris Court of Appeal set aside the decision of the Paris Commercial Court. On October 13, 2014, SFR received service of the October 8, 2014 judgment of the Paris Court of Appeal and an order to return the amounts paid under the provisional execution. The amount payable to Orange has been provisioned.

Orange against SFR

On August 10, 2011, Orange filed a claim against SFR before the Paris Commercial Court. Orange asked the Court to compel SFR to stop the overflow traffic at the point of interconnection of their respective networks. On December 10, 2013, SFR was ordered to pay €22,133,512 to Orange. On January 10, 2014, SFR appealed this decision. The case will be argued before the Paris Court of Appeal on November 22, 2014.

SFR against Iliad, Free and Free mobile: unfair competition by disparagement

In June 2014, SFR filed a complaint against Iliad, Free and Free Mobile before the Commercial Court of Paris for unfair competition seeking recognition that Iliad/Free is guilty of disparaging the services of SFR at the time of the launch of Free Mobile as well as subsequently.

Note 10 Subsequent events

The significant events that have occurred between September 30 and November 7, 2014 (the date of the Management Board meeting that approved Vivendi's Financial Statements for the nine months ended September 30, 2014) were as follows:

- October 6, 2014: Administrative Court ruling on the Consolidated Global Profit Tax System (please refer to Note 9);
- October 8, 2014: Studiocanal extended its multi-year SVOD agreement with Amazon in the UK and Germany. Amazon will therefore have the exclusive first pay TV rights to all Studiocanal theatrical titles in both territories, as well as hundreds of library titles added to its service;
- October 9, 2014: the Paris Court of Appeal dismissed the appeal of Canal+ Group and the National Rugby League regarding the exclusive broadcasting rights to the "TOP 14" for the four seasons 2015-2016 to 2018-2019 and directed the National Rugby League to complete a new tender process by no later than March 31, 2015. On October 30, 2014, Group Canal+ appealed against this decision (please refer to Note 9);
- October 16, 2014: Canal+ Group and ITI Group announced that they were jointly considering the strategic options regarding their 51% interest in TVN (FTA broadcaster in Poland);
- October 27, 2014: the French Competition Authority approved, subject to certain conditions, the sale of SFR to Numericable Group (please refer to Note 3.1); and
- October 28, 2014: Canal+ Overseas entered into agreement for the acquisition of a majority interest in Thema.

Note 11 Adjustment of comparative information

In compliance with IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*, GVT, SFR, Maroc Telecom group and Activision Blizzard have been reported in Vivendi's Consolidated Financial Statements as discontinued operations according to the following terms:

- **Ongoing sales SFR and GVT**: on June 20, 2014, Vivendi entered into an agreement with Altice/Numericable Group for the combination of SFR and Numericable Group, and on September 18, 2014, Vivendi and Telefonica entered into a sale agreement with GVT. As a result, SFR (as from the first quarter of 2014) and GVT (as from the third quarter of 2014) have been reported in the Consolidated Statement of Earnings and Statement of Cash Flows as discontinued operations. Their contribution to each line of Vivendi's Consolidated Statement of Financial Position as of September 30, 2014 has been grouped under the lines "assets of discontinued businesses" and "liabilities associated with assets of discontinued businesses".
- **Completed sales of Activision Blizzard and Maroc Telecom group:** on October 11, 2013, Vivendi deconsolidated Activision Blizzard as a result of the sale of 88% of its interest therein, and on May 14, 2014, Vivendi deconsolidated Maroc Telecom group following the sale of its interest therein. Activision Blizzard and Maroc Telecom group have been reported in the Consolidated Statement of Earnings and Statement of Cash Flows as discontinued operations.

The adjustments made to data previously published are presented below.

11.1 Adjustments made to the Consolidated Statement of Earnings

The adjustments to data published for the first quarter and the first half of 2014 are reported below and only relate to GVT.

	2014		
(in millions of euros)	Three months ended March 31,	Three months ended June 30,	Six months ended June 30,
Earnings before interest and income taxes (EBIT) (as previously published)	**176**	**260**	**436**
Reclassifications related to the application of IFRS 5 for GVT	- 76	- 81	- 157
Earnings before interest and income taxes (EBIT) (restated)	**100**	**179**	**279**

The adjustments to data published in the 2013 Annual Report are reported below and relate to GVT and SFR.

	2013		
(in millions of euros)	Three months ended March 31,	Three months ended June 30,	Six months ended June 30,
Earnings before interest and income taxes (EBIT) (as published (a))	**472**	**668**	**1,140**
Reclassifications related to the application of IFRS 5 for GVT	- 85	- 84	- 169
Reclassifications related to the application of IFRS 5 for SFR	- 311	- 360	- 671
Earnings before interest and income taxes (EBIT) (restated)	**76**	**224**	**300**

	2013			
(in millions of euros)	Three months ended September 30,	Nine months ended September 30,	Three months ended December 31,	Year ended December 31,
Earnings before interest and income taxes (EBIT) (as published (a))	**610**	**1,750**	**(2,185)**	**(435)**
Reclassifications related to the application of IFRS 5 for GVT	- 90	- 259	- 96	- 355
Reclassifications related to the application of IFRS 5 for SFR	- 317	- 988	+ 2,415	+ 1,427
Earnings before interest and income taxes (EBIT) (restated)	**203**	**503**	**134**	**637**

a. As published in the 2013 Financial Report.

11.2 Adjustments made to the Statement of Cash Flows

(in millions of euros)	Nine months ended September 30, 2013 Published	Reclassifications related to IFRS 5 (a)	Restated	Year ended December 31, 2013 Published	Reclassifications related to IFRS 5 (a)	Restated
Operating activities						
EBIT	1,750	- 1,247	503	(435)	+ 1,072	637
Adjustments	1,789	- 1,401	388	4,911	- 4,354	557
Content investments, net	(189)	-	(189)	(148)	-	(148)
Gross cash provided by operating activities before income tax paid	***3,350***	***- 2,648***	***702***	***4,328***	***- 3,282***	***1,046***
Other changes in net working capital	(565)	+ 464	(101)	(308)	+ 344	36
Net cash provided by operating activities before income tax paid	***2,785***	***- 2,184***	***601***	***4,020***	***- 2,938***	***1,082***
Income tax paid, net	(113)	+ 335	222	(197)	+ 402	205
Net cash provided by operating activities of continuing operations	***2,672***	***- 1,849***	***823***	***3,823***	***- 2,536***	***1,287***
Net cash provided by operating activities of discontinued operations	1,197	+ 1,849	3,046	1,417	+ 2,536	3,953
Net cash provided by operating activities	**3,869**	**-**	**3,869**	**5,240**	**-**	**5,240**
Investing activities						
Capital expenditures	(2,062)	+ 1,859	(203)	(2,674)	+ 2,396	(278)
Purchases of consolidated companies, after acquired cash	(34)	-	(34)	(43)	+ 1	(42)
Investments in equity affiliates	(3)	+ 3	-	(2)	+ 2	-
Increase in financial assets	(68)	+ 32	(36)	(106)	+ 41	(65)
Investments	***(2,167)***	***+ 1,894***	***(273)***	***(2,825)***	***+ 2,440***	***(385)***
Proceeds from sales of property, plant, equipment and intangible assets	22	- 4	18	50	- 17	33
Proceeds from sales of consolidated companies, after divested cash	5	- 9	(4)	2,748	- 9	2,739
Disposal of equity affiliates	8	-	8	8	-	8
Decrease in financial assets	663	- 1	662	727	- 3	724
Divestitures	***698***	***- 14***	***684***	***3,533***	***- 29***	***3,504***
Dividends received from equity affiliates	2	-	2	3	-	3
Dividends received from unconsolidated companies	8	-	8	54	-	54
Net cash provided by/(used for) investing activities of continuing operations	***(1,459)***	***+ 1,880***	***421***	***765***	***+ 2,411***	***3,176***
Net cash provided by/(used for) investing activities of discontinued operations	(1,896)	- 1,880	(3,776)	(1,952)	- 2,411	(4,363)
Net cash provided by/(used for) investing activities	**(3,355)**	**-**	**(3,355)**	**(1,187)**	**-**	**(1,187)**
Financing activities						
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans	186	-	186	195	-	195
Sales/(purchases) of Vivendi SA's treasury shares	-	-	-	-	-	-
Dividends paid by Vivendi SA to its shareowners	(1,325)	-	(1,325)	(1,325)	-	(1,325)
Other transactions with shareowners	(1)	-	(1)	(1,046)	-	(1,046)
Dividends paid by consolidated companies to their non-controlling interests	(31)	+ 4	(27)	(37)	+ 4	(33)
Transactions with shareowners	***(1,171)***	***+ 4***	***(1,167)***	***(2,213)***	***+ 4***	***(2,209)***
Setting up of long-term borrowings and increase in other long-term financial liabilities	2,606	- 86	2,520	2,491	- 86	2,405
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	(1,908)	+ 11	(1,897)	(1,923)	+ 13	(1,910)
Principal payment on short-term borrowings	(463)	+ 11	(452)	(5,211)	+ 50	(5,161)
Other changes in short-term borrowings and other financial liabilities	166	- 117	49	31	+ 5	36
Interest paid, net	(413)	+ 212	(201)	(528)	+ 262	(266)
Other cash items related to financial activities	(43)	+ 11	(32)	(349)	+ 19	(330)
Transactions on borrowings and other financial liabilities	***(55)***	***+ 42***	***(13)***	***(5,489)***	***+ 263***	***(5,226)***
Net cash provided by/(used for) financing activities of continuing operations	***(1,226)***	***+ 46***	***(1,180)***	***(7,702)***	***+ 267***	***(7,435)***
Net cash provided by/(used for) financing activities of discontinued operations	1,418	- 46	1,372	1,284	- 267	1,017
Net cash provided by/(used for) financing activities	**192**	**-**	**192**	**(6,418)**	**-**	**(6,418)**
Foreign currency translation adjustments of continuing operations	(32)	+ 17	(15)	(48)	+ 28	(20)
Foreign currency translation adjustments of discontinued operations	(44)	- 17	(61)	(44)	- 28	(72)
Change in cash and cash equivalents	**630**	**-**	**630**	**(2,457)**	**-**	**(2,457)**
Reclassification of cash and cash equivalents from discontinued operations	(3,653)	-	(3,653)	(396)	-	(396)
Cash and cash equivalents						
At beginning of the period	**3,894**	**-**	**3,894**	**3,894**	**-**	**3,894**
At end of the period	**871**	**-**	**871**	**1,041**	**-**	**1,041**

a. Relates to GVT and SFR.