Financial Report and Unaudited Condensed Financial Statements for the Nine Months Ended September 30, 2013

NOVEMBER 14
2013

vivendi

VIVENDI

Société anonyme with a Management Board and a Supervisory Board with a share capital of €7,364,613,910.50

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Selected key consolidated financial data

	Nine months ended September 30, (unaudited)		Year ended December 31,			
	2013	2012 (a)	2012 (a)	2011	2010	2009
Consolidated data						
Revenues	16,190	16,347	22,577	28,813	28,878	27,132
EBITA (b)	2,121	2,854	3,163	5,860	5,726	5,390
Earnings attributable to Vivendi SA shareowners	1,411	1,658	179	2,681	2,198	830
Adjusted net income (b)	1,248	1,600	1,705	2,952	2,698	2,585
Financial Net Debt (b)	16,362	15,011	13,419	12,027	8,073	9,566
Total equity	21,636	22,576	21,291	22,070	28,173	25,988
of which Vivendi SA shareowners' equity	18,314	19,932	18,325	19,447	24,058	22,017
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)	2,795	3,555	5,189	8,034	8,569	7,799
Capital expenditures, net (capex, net) (c)	(2,040)	(3,271)	(3,976)	(3,340)	(3,357)	(2,562)
Cash flow from operations (CFFO) (b)	755	284	1,213	4,694	5,212	5,237
Financial investments	(105)	(1,501)	(1,731)	(636)	(1,397)	(3,050)
Financial divestments	676	22	204	4,701	1,982	97
Dividends paid with respect to previous fiscal year	1,325	1,245	1,245	1,731	1,721	1,639 (d)
Per share data						
Weighted average number of shares outstanding (e)	1,327.8	1,290.9	1,298.9	1,281.4	1,273.8	1,244.7
Adjusted net income per share (e)	**0.94**	**1.24**	**1.31**	**2.30**	**2.12**	**2.08**
Number of shares outstanding at the end of the period (excluding treasury shares) (e)	1,339.0	1,323.1	1,322.5	1,287.4	1,278.7	1,270.3
Equity per share, attributable to Vivendi SA shareowners (e)	13.68	15.06	13.86	15.11	18.81	17.33
Dividends per share paid with respect to previous fiscal year	**1.00**	**1.00**	**1.00**	**1.40**	**1.40**	**1.40**

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

a. As from the second quarter of 2013, in compliance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), as a result of the plans to sell Activision Blizzard and Maroc Telecom group (please refer to Section 1.1), Activision Blizzard and Maroc Telecom group have been reported in the 2013 and 2012 Consolidated Statement of Earnings and Statement of Cash Flows as well as the Statement of Financial Position as of September 30, 2013 as discontinued operations (please refer to Section 1.1.2.3 of this Financial Report and to Note 6 to the Condensed Financial Statements for the nine months ended September 30, 2013).
Moreover, data published with respect to fiscal year 2012 has been adjusted following the application of amended IAS 19 (Employee Benefits), whose application is mandatory in the European Union beginning on or after January 1, 2013, with retrospective effect from January 1, 2012 (please refer to Note 1 to the Condensed Financial Statements for the nine months ended September 30, 2013).
These adjustments are presented in Appendix 1 to the Financial Report and in Note 12 to the Condensed Financial Statements for the nine months ended September 30, 2013.

Data presented with respect to fiscal years from 2009 to 2011 corresponds to historical data and has not been adjusted.

b. Vivendi considers that the non-GAAP measures of EBITA, Adjusted net income, Financial Net Debt, and Cash flow from operations (CFFO) 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. These indicators should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance as disclosed in the Consolidated Financial Statements and the related notes, or as described in this Financial Report. It should be noted that other companies may define and calculate these indicators differently from Vivendi thereby affecting comparability.

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

d. The dividend distribution with respect to fiscal year 2008 totaled €1,639 million, of which €904 million was paid in shares (with no impact on cash) and €735 million was paid in cash.

e. The number of shares, adjusted net income per share, and the equity per share, attributable to Vivendi SA shareowners have been adjusted for all periods previously published in order to reflect the dilution arising from the grant to each shareowner on May 9, 2012 of one bonus share for each 30 shares held, in accordance with IAS 33 (Earnings Per Share).

I - Financial Report for the first nine months of 2013

Preliminary comments:

On November 14, 2013, the Financial Report and Unaudited Condensed Financial Statements for the nine months ended September 30, 2013 were approved by Vivendi's Management Board, after having considered the Audit Committee's recommendation given at its meeting held on November 12, 2013.

The Financial Report for the first nine months of 2013 should be read in conjunction with the Financial Report for the year ended December 31, 2012 as published in the 2012 "*Rapport annuel - Document de référence*" filed on March 18, 2013 with the "*Autorité des marchés financiers*" (AMF) (the "*Document de référence 2012*") and the Financial Report for the half year ended June 30, 2013. Please also refer to pages 168 through 211 of the English translation[1] of the "*Document de référence 2012*" (the "2012 Annual Report") which is available on Vivendi's website (www.vivendi.com) for informational purposes.

1 Significant events

1.1 Significant events during the first nine months of 2013

1.1.1 Ongoing strategic review

As publicly announced to shareholders on several occasions in 2012 and 2013, Vivendi's Management and Supervisory Boards are carrying out a review of the group's strategic development marked by a desire to strengthen its position in media and content and to maximize the value of its Telecom activities. To this end, in July 2013, Vivendi announced its intention to sell its interests in Activision Blizzard and Maroc Telecom, and, in September 2013, the study of the project of the flotation of SFR. During the second half of 2013, the following transactions occurred:

- on July 22, 2013, SFR entered into exclusive negotiations with Bouygues Telecom to share a portion of their mobile networks;
- on September 11, 2013, the Supervisory Board decided to launch the study to split the group in two separate companies: (i) a new international media group based in France, with very strong positions in music (where it is the worldwide undisputed leader), in European cinema, as well as in pay-TV in France, Africa, Vietnam, and Poland, and in the Internet and associated services in Brazil (ii) SFR, which would gain a greater strategic autonomy. The decision to implement this project could be taken at the beginning of 2014 and submitted to the 2014 General Shareholders' Meeting;
- on October 11, 2013, Vivendi completed the sale of 88% of its interest in Activision Blizzard for $8.2 billion (or approximately €6 billion), in cash. In addition, Vivendi retained 83 million Activision Blizzard shares, representing 11.9% of Activision Blizzard's outstanding share capital, subject to a staggered 15-month lock-up period;
- on November 4, 2013, Vivendi signed a definitive agreement with Etisalat for the sale of Vivendi's 53% interest in Maroc Telecom group for €4.2 billion in cash, including a €310 million dividend with respect to fiscal year 2012. The completion of this transaction is contingent upon the satisfaction of certain closing conditions, including receipt of required regulatory approvals in Morocco and the countries where Maroc Telecom group operates, as well as the finalization of the shareholders' agreement between Etisalat and the Kingdom of Morocco. The transaction is expected to be completed early 2014; and
- on November 5, 2013, Vivendi acquired Lagardère Group's 20% interest in Canal+ France for €1,020 million in cash.

As a result of these transactions, Vivendi began to significantly reduce its debt by implementing a bond repurchase program in US dollar and euro for an aggregate amount of €3.1 billion; thus gaining greater financial flexibility.

In addition, regarding GVT, on October 1, 2013, Vivendi announced that EchoStar Technologies L.L.C. and GVT entered into negotiations to form a joint venture for pay-TV services in Brazil.

[1] *This translation is qualified in its entirety by reference to the "Document de référence 2012".*

1.1.2 Sale of Activision Blizzard and Maroc Telecom group

1.1.2.1 Activision Blizzard

On October 11, 2013, Vivendi completed the sale of 88% of its interest in Activision Blizzard, or 600.64 million shares priced at $13.60 per share, for $8,169 million (€6,045 million) in cash. The key terms of the agreements announced on July 26, 2013 are as follows:

- through the acquisition of a Vivendi subsidiary, Activision Blizzard repurchased 428.68 million shares at $13.60 per share for a cash consideration of $5,830 million;
- concomitantly, Vivendi sold 171.97 million Activision Blizzard shares at $13.60 per share for a cash consideration of $2,339 million to an investor group (ASAC II LP) led by Mr. Robert Kotick, Activision Blizzard's Chief Executive Officer, and Mr. Brian Kelly, the Chairman of the Board of Directors. ASAC II LP owns approximately 24.7% of the outstanding share capital (following the repurchase of 428.68 million shares by Activision Blizzard);
- pursuant to the simultaneous closings of both sales on October 11, 2013, Vivendi retained 83 million Activision Blizzard shares, representing 11.9% of Activision Blizzard's outstanding share capital (following the repurchase of 428.68 million shares by Activision Blizzard). Vivendi's remaining ownership is subject to a staggered 15-month lock-up period as described in Note 6 to the Condensed Financial Statements for the nine months ended September 30, 2013. The sale proceeds from the remaining ownership are estimated at a total of $1,129 million (€832 million), assuming the hypothesis of $13.60 per share and at $1,418 million (€1,045 million), assuming the hypothesis of Activision Blizzard's share price on October 11, 2013 of $17.08 per share; and
- the agreement governing the transaction includes certain continuing commitments given by the parties (please refer to Note 6 to the Condensed Financial Statements for the nine months ended September 30, 2013).

Accounting treatment of Activision Blizzard as of September 30, 2013

As of September 30, 2013, Vivendi owned 683.64 million shares of, or approximately 60.85% interest in, Activision Blizzard. In the Condensed Financial Statements for the nine months ended September 30, 2013, Activision Blizzard has been accounted for as a discontinued operation, in compliance with IFRS 5 (please refer to section 1.1.2.3 below).

Deconsolidation of Activision Blizzard as from October 11, 2013

As from October 11, 2013, as a result of the sale of 600.64 million shares of, or a 53.46% interest in Activision Blizzard, Vivendi lost control of and deconsolidated Activision Blizzard. In the Consolidated Financial Statements for the year ended December 31, 2013, the remaining 11.9% interest in Activision Blizzard will be recorded as assets held for sale, subject to the lock-up restrictions.

Estimated gain on sale

From an accounting perspective and in accordance with IFRS, Vivendi is considered to have sold 100% of its interest in Activision Blizzard following the loss of control of this subsidiary. The gain on sale will be determined as the difference between the value at 100% of Activision Blizzard shares owned by Vivendi at a price of $13.60 per share (net of costs to sell) (or €6,855 million) and Activision Blizzard's net assets, as recorded in Vivendi's Consolidated Statements at the date of the loss of control (or €4,490 million, based on the Statement of Financial Position as of September 30, 2013). Moreover, in accordance with IFRS, foreign currency translation adjustments and other items to be directly recognized in equity related to Activision Blizzard will be reclassified to profit or loss, i.e. a gain of approximately €550 million as of September 30, 2013. The gain will be recognized in the Consolidated Statements for the fourth quarter of 2013 under the line "Earnings from discontinued operations" and is estimated at approximately €2,915 million.

1.1.2.2 Maroc Telecom group

On November 4, 2013, Vivendi entered into a definitive agreement with Etisalat, with whom exclusive negotiations had begun on July 22, 2013, for the sale of Vivendi's 53% interest in Maroc Telecom group. The key terms of this agreement are as follows (according to the terms known to date):

- this agreement values the interest in Maroc Telecom group at MAD 92.6 per share, or sale proceeds for Vivendi of €4.2 billion in cash, including a €310 million dividend with respect to fiscal year 2012. Taking into account Maroc Telecom group's net debt, the transaction reflects a proportional enterprise value of €4.5 billion for Vivendi's interest, equal to an EBITDA multiple of 6.2x; and
- the completion of this transaction is contingent upon the satisfaction of certain closing conditions, including receipt of required regulatory approvals in Morocco and the countries where Maroc Telecom group operates, as well as the finalization of the shareholders' agreement between Etisalat and the Kingdom of Morocco. This transaction is expected to be completed early 2014.

1.1.2.3 Accounting implications in the Condensed Financial Statements

As from the second quarter of 2013, and in compliance with IFRS 5 taking into account the anticipated closing dates of the current sales, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Earnings, Statement of Cash Flows, and Statement of Financial Position as discontinued operations. In practice, Activision Blizzard and Maroc Telecom group have been reported as follows:

- their contribution 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 in the Consolidated Financial Statements (2013 and 2012) to ensure consistency of information. Their share of net income has been excluded from Vivendi's adjusted net income;
- their contribution 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 in the Consolidated Financial Statements (2013 and 2012) to ensure consistency of information. Their cash flow from operations (CFFO), cash flow from operations before capital expenditures, net (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; and
- their contribution to each line of Vivendi's Consolidated Statement of Financial Position as of September 30, 2013 has been grouped under the lines "assets of discontinued businesses" and "liabilities associated with assets of discontinued businesses". Their financial debt and cash have been excluded from Vivendi's Financial Net Debt as of September 30, 2013.

Please refer to Note 6 to the Condensed Financial Statements for the nine months ended September 30, 2013.

1.1.3 Project to share a portion of SFR's mobile networks

On July 22, 2013, SFR and Bouygues Telecom announced that, following preliminary discussions, they had entered into exclusive negotiations to share a portion of their mobile networks. This network-sharing would be comparable to similar arrangements already implemented in other European countries. Each operator would maintain a capacity for independent innovation and retain complete commercial independence.

Bouygues Telecom and SFR intend to enter into this strategic agreement by year-end 2013, which will be subject to the prior opinion of employee representative bodies of both companies, and the review of the French Competition Authority and the French Telecommunications Regulatory Agency.

From an accounting perspective, this announcement had no impact on the accounts of the nine months ended September 30, 2013.

1.1.4 Completion of the acquisition of EMI Recorded Music by Vivendi and Universal Music Group (UMG)

As a reminder, Vivendi and UMG completed the acquisition of 100% of the recorded music business of EMI Group Global Limited (EMI Recorded Music) on September 28, 2012. EMI Recorded Music has been fully consolidated since that date. The purchase price, in enterprise value, amounted to £1,130 million (€1,404 million). The authorization by the European Commission was notably conditioned upon the divestment of the Parlophone, Now, and Mute labels. In accordance with IFRS 5, Vivendi reported these assets as assets held for sale at market value (less costs to sell), in the Statements of Financial Position, until completion of the sale.

On February 7, 2013, Vivendi and UMG announced the signing of the sale of Parlophone Label Group to Warner Music Group for an enterprise value of £487 million to be paid in cash. Following the approval by the European Commission on May 15, 2013, the sale of Parlophone Label Group was completed on July 1, 2013 and Vivendi received consideration of £501 million (€591 million), including the provisional estimated contractual price adjustments (£14 million).

Moreover, the divestments of Sanctuary, Now, and Mute were completed. The aggregate amount of divestments made in compliance with the conditions imposed by the regulatory authorities in connection with the acquisition of EMI Recorded Music was £546 million, less costs to sell (approximately €684 million, including a €39 million gain on foreign exchange hedging and consideration in tne amount of €14 million remaining payable as of September 30, 2013).

1.1.5 Financial Net Debt change

For a detailed description of the new financings set up in the first nine months of 2013 as well as the repayments made in October and November 2013 as a result of the closing of the Activision Blizzard sale, please refer to Section 5. For a detailed description of the maturities of the bonds and bank credit facilities as of September 30, 2013, please refer to Note 8 to the Condensed Financial Statements for the nine months ended September 30, 2013.

1.1.6 Other

Canal+ Group's plan to acquire a 51% interest in Mediaserv

On July 12, 2013, Canal+ Overseas entered into an agreement with Loret Group to acquire a 51% majority interest in Mediaserv, an overseas telecom operator. This transaction remains subject to approval by the French Competition Authority.

Dividend paid by Vivendi SA with respect to fiscal year 2012

At the Annual Shareholders' Meeting held on April 30, 2013, Vivendi's shareholders approved the dividend distribution of €1 per share, representing a total distribution of €1,325 million, paid in cash on May 17, 2013 by a withdrawal from reserves, following the coupon detachment on May 14, 2013. The additional contribution of 3% on dividends was recorded as a tax charge in the consolidated earnings (€40 million) at the time of the payment of the dividend by Vivendi on May 17, 2013.

Capital increase in connection with the group's employee stock purchase plan

On July 25, 2013, Vivendi undertook a €149 million capital increase subscribed to by employees as part of the group's employee stock purchase plan.

1.2 Significant events since September 30, 2013

The significant events that have occurred since September 30, 2013 were as follows:

- October 1, 2013: Vivendi and EchoStar announced a plan to form a joint venture for Pay-TV services in Brazil. This transaction is subject to execution of definitive agreements and all corporate and governmental approvals;
- October 11, 2013: Vivendi completed the sale of 88% of its interest in Activision Blizzard (please refer to Section 1 above);
- October 24, 2013: Vivendi announced the early redemption of 78% of the group's US dollar-denominated bonds, representing $2.1 billion (please refer to Section 5);
- October 25, 2013: Vivendi announced the early redemption of two euro-denominated bonds for a total amount of €1.5 billion (please refer to Section 5);
- November 4, 2013: Vivendi and Etisalat entered into a definitive agreement for the sale of Vivendi's 53% interest in Maroc Telecom group (please refer to Section 1 above); and
- November 5, 2013: Vivendi acquired Lagardère Group's 20% interest in Canal+ France for €1,020 million in cash (please refer to Note 2 to the Condensed Financial Statements for the nine months ended September 30, 2013).

2 Earnings analysis

Preliminary comments:

As from the second quarter of 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Earnings as discontinued operations. In practice, income and charges from these two businesses have been reported as follows:

- *Their contribution 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.*

Moreover, data published with respect to fiscal year 2012 has been adjusted following the application of amended IAS 19, whose application is mandatory in the European Union beginning on or after January 1, 2013, with retrospective effect from January 1, 2012 (please refer to Note 1 to the Condensed Financial Statements for the nine months ended September 30, 2013).

These adjustments are presented in Appendix 1 to this Financial Report and in Note 12 to the Condensed Financial Statements for the nine months ended September 30, 2013.

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,		
	2013	2012 (a)	2013	2012 (a)	
Revenues	**5,348**	**5,339**	**5,348**	**5,339**	**Revenues**
Cost of revenues	(3,094)	(2,847)	(3,094)	(2,847)	Cost of revenues
Margin from operations	**2,254**	**2,492**	**2,254**	**2,492**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(1,483)	(1,537)	(1,483)	(1,537)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(41)	(7)	(41)	(7)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(117)	(107)			
Impairment losses on intangible assets acquired through business combinations	-	-			
Other income	7	4			
Other charges	(10)	(27)			
EBIT	**610**	**818**	**730**	**948**	**EBITA**
Income from equity affiliates	(1)	(6)	(1)	(6)	Income from equity affiliates
Interest	(137)	(130)	(137)	(130)	Interest
Income from investments	(5)	2	(5)	2	Income from investments
Other financial income	3	5			
Other financial charges	(77)	(40)			
Earnings from continuing operations before provision for income taxes	**393**	**649**	**587**	**814**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(160)	(306)	(145)	(299)	Provision for income taxes
Earnings from continuing operations	**233**	**343**			
Earnings from discontinued operations	363	347			
Earnings	**596**	**690**	**442**	**515**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi SA shareowners	**376**	**493**	**403**	**473**	**Adjusted net income**
Non-controlling interests	220	197	39	42	Non-controlling interests
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	**0.28**	**0.38**	**0.30**	**0.36**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	**0.28**	**0.38**	**0.30**	**0.36**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

a. Data published with respect to fiscal year 2012 has been adjusted following the application of IFRS 5 and amended IAS 19 (please refer to the preliminary comments above).

FIRST NINE MONTHS

CONSOLIDATED STATEMENT OF EARNINGS			ADJUSTED STATEMENT OF EARNINGS		
	Nine months ended September 30,		Nine months ended September 30,		
	2013	2012 (a)	2013	2012 (a)	
Revenues	**16,190**	**16,347**	**16,190**	**16,347**	**Revenues**
Cost of revenues	(9,283)	(8,825)	(9,283)	(8,825)	Cost of revenues
Margin from operations	**6,907**	**7,522**	**6,907**	**7,522**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(4,671)	(4,610)	(4,671)	(4,610)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(115)	(58)	(115)	(58)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(352)	(311)			
Impairment losses on intangible assets acquired through business combinations	(5)	(93)			
Other income	35	12			
Other charges	(49)	(82)			
EBIT	**1,750**	**2,380**	**2,121**	**2,854**	**EBITA**
Income from equity affiliates	(9)	(19)	(9)	(19)	Income from equity affiliates
Interest	(413)	(406)	(413)	(406)	Interest
Income from investments	21	6	21	6	Income from investments
Other financial income	47	11			
Other financial charges	(236)	(123)			
Earnings from continuing operations before provision for income taxes	**1,160**	**1,849**	**1,720**	**2,435**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(332)	(657)	(353)	(712)	Provision for income taxes
Earnings from continuing operations	**828**	**1,192**			
Earnings from discontinued operations	1,299	1,063			
Earnings	**2,127**	**2,255**	**1,367**	**1,723**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi SA shareowners	**1,411**	**1,658**	**1,248**	**1,600**	**Adjusted net income**
Non-controlling interests	716	597	119	123	Non-controlling interests
Earnings attributable to Vivendi SA shareowners per share - basic (in euros)	**1.06**	**1.28**	**0.94**	**1.24**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi SA shareowners per share - diluted (in euros)	**1.06**	**1.28**	**0.94**	**1.24**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

a. Data published with respect to fiscal year 2012 has been adjusted following the application of IFRS 5 and amended IAS 19 (please refer to the preliminary comments above).

2.2 Earnings review

Adjusted net income analysis

For the first nine months of 2013, **adjusted net income** was €1,248 million (or €0.94 per share[2]) compared to €1,600 million (or €1.24 per share) in 2012. This €352 million decrease (-22.0%) resulted primarily from:

- a €733 million decrease in EBITA to a total of €2,121 million (compared to €2,854 million for the first nine months of 2012). This change mainly reflected the decline in the performances of SFR (-€610 million), Canal+ Group (-€75 million, including the increase in transition costs related to D8/D17 and "n" for -€24 million), and GVT (-€43 million, primarily due to the decline in value of the Brazilian Real; stable at constant currency), offset by the performance of Universal Music Group (+€17 million, despite the increase in restructuring charges for -€31 million and integration costs related to EMI Recorded Music for -€9 million);
- a €10 million increase attributable to change in income from equity affiliates;
- a €7 million increase in interest;
- a €15 million increase in income from investments;
- a €359 million decrease in income tax expense, mainly reflecting the impact of the decline in the group's business segments' taxable income (+€261 million), primarily due to SFR, partially offset by the decrease in the current tax savings related to Vivendi SA's tax group System (-€35 million); and
- a €4 million decrease in adjusted net income attributable to non-controlling interests.

[2] *For the details of adjusted net income per share, please refer to Appendix 1 to this Financial Report.*

Breakdown of the main items from the Statement of Earnings

Revenues were €16,190 million, compared to €16,347 million for the first nine months of 2012 (-1.0%, or +1.0% at constant currency). For a breakdown of revenues by business segment, please refer to Section 4 of this Financial Report.

Restructuring charges and other operating charges and income amounted to a net charge of €115 million, compared to a net charge of €58 million for the first nine months of 2012, a €57 million increase. For the first nine months of 2013, restructuring charges were €91 million (compared to €63 million for the first nine months of 2012) and included €68 million incurred by UMG (compared to €37 million in 2012) and €22 million incurred by SFR (compared to €19 million in 2012). For the first nine months of 2013, transition costs incurred by Canal+ Group and UMG amounted to €28 million (of which €19 million related to "n" and €9 million related to D8/D17, compared to €4 million for the first nine months of 2012) and €20 million (compared to €11 million for the first nine months of 2012), respectively.

EBITA was €2,121 million, compared to €2,854 million for the first nine months of 2012, a €733 million decrease (-25.7%, or -23.8% at constant currency). For a breakdown of EBITA by business segment, please refer to Section 4 of this Financial Report.

Amortization of intangible assets acquired through business combinations was €352 million, compared to €311 million for the first nine months of 2012, a €41 million increase (+13.2%), mainly related to the amortization of music rights and catalogs acquired by Universal Music Group from EMI Recorded Music on September 28, 2012.

Impairment losses on intangible assets acquired through business combinations amounted to €5 million, compared to €93 million for the first nine months of 2012, which were related to certain music catalogs of Universal Music Group classified as assets held for sale as part of the acquisition project of EMI Recorded Music.

Other charges and income amounted to a net charge of €14 million, compared to a net charge of €70 million for the first nine months of 2012. They notably included acquisition costs (€8 million for the first nine months of 2013, compared to €45 million for the same period in 2012).

EBIT was €1,750 million, compared to €2,380 million for the first nine months of 2012, a €630 million decrease (-26.5%).

Income from equity affiliates was a €9 million charge, compared to a €19 million charge for the first nine months of 2012.

Interest was an expense of €413 million, compared to €406 million for the first nine months of 2012. For the first nine months of 2013, interest expense on borrowings was stable at €429 million, compared to €428 million for the first nine months of 2012. This change was attributable to the increase in average outstanding borrowings to €17.2 billion (compared to €16.2 billion for the first nine months of 2012), notably reflecting the impact of the financing of the acquisition of EMI Recorded Music on September 28, 2012 (€1.4 billion), net of the proceeds from the sale of Parlophone Label Group on July 1, 2013 (€0.6 billion), offset by the decrease in the average interest rate on borrowings to 3.32% for the first nine months of 2013 (compared to 3.52% for the first nine months of 2012). Interest income earned on cash and cash equivalents amounted to €16 million, compared to €22 million for the first nine months of 2012, a €6 million decrease.

Income from investments amounted to €21 million, compared to €6 million for the first nine months of 2012. It included interest and dividends received from unconsolidated companies.

Other financial charges and income amounted to a net charge of €189 million, compared to a net charge of €112 million for the first nine months of 2012. They mainly included a €119 million foreign exchange loss (compared to €51 million for the first nine months of 2012) on GVT's intercompany euro loan from Vivendi, due to the decline in value of the Brazilian Real.

Income taxes reported to adjusted net income was a net charge of €353 million, compared to a net charge of €712 million for the first nine months of 2012, a €359 million decrease. This change mainly reflected the impact of the decline in the group's business segments' taxable income (+€261 million), primarily due to SFR, as well as the favorable impact of certain non-recurring items (+€92 million), which reflected the change, during the period, in assessment of risks related to previous years' income taxes, partially offset by the decrease in the current tax savings related to Vivendi SA's tax group System (-€35 million). The effective tax rate reported to adjusted net income was 20.4%. Excluding the favorable impact of certain non-recurring items, the effective tax rate reported to adjusted net income was 25.8% for the first nine months of 2013 (compared to 29.0% for the first nine months of 2012).
In addition, **provision for income taxes** was a net charge of €332 million, compared to a net charge of €657 million for the first nine months of 2012, a €325 million decrease. In addition to the items that explained the decrease in income taxes reported to adjusted net income, this change reflected the additional contribution of 3% on Vivendi SA's dividend for fiscal year 2012 (€40 million) as well as the change in deferred tax savings related to Vivendi SA's tax group System, which was a €61 million charge for the first nine months of 2013 (compared to a €48 million charge for the first nine months of 2012).

Earnings from discontinued operations (before non-controlling interests) amounted to €1,299 million, compared to €1,063 million for the first nine months of 2012. It included Activision Blizzard's earnings (€692 million for the first nine months of 2013, compared to €608 million for the first nine months of 2012) and Maroc Telecom group's earnings (€607 million for the first nine months of 2013, compared to €455 million for the first nine months of 2012). The €236 million increase in earnings from discontinued operations was notably related to the end of the amortization of tangible and intangible assets of these two businesses, in accordance with accounting standards

(+€147 million for the first nine months of 2013). Please refer to Note 6 to the Condensed Financial Statements for the nine months ended September 30, 2013.

Earnings attributable to non-controlling interests amounted to €716 million, compared to €597 million for the first nine months of 2012. The €119 million increase was mainly attributable to the impact of Activision Blizzard (+€34 million) and Maroc Telecom group (+€92 million).
Adjusted net income attributable to non-controlling interests amounted to €119 million, compared to €123 million for the first nine months of 2012, and primarily included Canal+ Group's non-controlling interests.

For the first nine months of 2013, **earnings attributable to Vivendi SA shareowners** amounted to €1,411 million (or €1.06 per share), compared to €1,658 million (or €1.28 per share) for the first nine months of 2012, a €247 million decrease (-14.9%).

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 2013, this reconciliation primarily included earnings from discontinued operations (€696 million, after non-controlling interests), partially offset by other financial charges and income (-€189 million), as well as the amortization and impairment losses on intangible assets acquired through business combinations (-€241 million, after taxes). For the first nine months of 2012, this reconciliation primarily included earnings from discontinued operations (€586 million, after non-controlling interests), partially offset by other financial charges and income (-€112 million), as well as the amortization and impairment losses on intangible assets acquired through business combinations (-€301 million, after taxes).

2.3 2013 Outlook

Preliminary comments:

The outlook for 2013 presented below regarding revenues, EBITA, EBITDA, EBITDA margin rates, and capital expenditures is based on data, assumptions, and estimates considered as reasonable by Vivendi Management. They are subject to change or modification due to uncertainties related in particular to the economic, financial, competitive and/or regulatory environment. Moreover, the materialization of certain risks described in Chapter 1 of the 2012 Annual Report (pages 51 through 53) could have an impact on the group's operations and its ability to achieve its outlook for 2013. Finally, Vivendi considers that the non-GAAP measures, EBITA, EBITDA, and capital expenditures are relevant indicators of the group's operating and financial performance.

For the fourth quarter of 2013, Vivendi's priorities remain cash flow generation, the achievement of initial synergies' generated by the acquisitions made in 2012, the acceleration of SFR's adaptation to challenging market conditions, and the further study of the de-merger plan. Vivendi confirms full year outlook for all the group's subsidiaries such as announced on August 29, 3013:

Canal+ Group
Canal+ Group maintains its 2013 EBITA outlook to around €650 million, excluding transition costs, adjusted on August 29, 2013 (compared to an EBITA outlook of around €670 million, excluding restructuring charges related to pay-TV in Poland, as announced on February 26, 2013).

Universal Music Group
For 2013, UMG maintains its outlook of an increase in EBITA, with a positive contribution from EMI Recorded Music, including restructuring charges. Synergies related to the EMI Recorded Music acquisition, which are expected to be over £100 million, are on track to be delivered by the end of 2014.

GVT
For 2013, GVT maintains its outlook adjusted on August 29, 2013 and expects revenue growth in the mid 10's, at constant currency and an EBITDA margin above 40% (compared to revenue growth in low 20's, at constant currency and an EBITDA margin slightly above 40%, as announced on February 26, 2013). Moreover, GVT expects its EBITDA-Capex to be close to breakeven.

SFR
SFR maintains its outlook adjusted on August 29, 2013 as a result of the adverse decision of the European Court of Justice regarding the "Copé tax" on electronic communications. 2013 EBITDA is expected to be around €2.8 billion (compared to an EBITDA outlook close to €2.9 billion as announced on February 26, 2013), its Capex outlook should be around €1.6 billion. The change in EBITDA in the third quarter of 2013 reflected increasing benefits from the opex adaptation plan, in advance on the savings expected for 2013. Since end of 2011, operating expenditures, both fixed and variable, decreased by approximately €900 million, excluding non-recurring items (+€51 million for the third quarter of 2012).

3 Cash flow from operations analysis

Preliminary comments:

- *Vivendi considers that 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) are relevant indicators of the group's operating and financial performance. These indicators should be considered in addition to, and not as substitutes for, other GAAP measures as reported in Vivendi's Cash Flow Statement, contained in the group's Consolidated Financial Statements.*
- *As from the second quarter of 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Cash Flows as discontinued operations. In practice, cash flows from these two businesses have been reported as follows:*
  - *Their contribution 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, net (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.*

For the first nine months of 2013, cash flow from operations (CFFO) generated by business segments was €755 million (compared to €284 million for the first nine months of 2012), an improvement of €471 million. As a reminder, in 2012, capital expenditures included the acquisition by SFR of 4G mobile spectrum for €1,065 million. Excluding this impact, CFFO decreased by €594 million. It is noted that for the first time since its acquisition by Vivendi in 2009, GVT recorded positive cash flow from operations (CFFO) in the third quarter of 2013.

For the first nine months of 2013, cash flow from operations before capital expenditures (CFFO before capex, net) generated by business segments amounted to €2,795 million (compared to €3,555 million for the first nine months of 2012), a €760 million decrease. This change reflected a decrease in EBITDA after changes in net working capital (-€685 million), primarily related to SFR's decrease. Moreover, it reflected the increase in restructuring charges paid by UMG and SFR (+€107 million) as well as content investments (+€68 million).

For the first nine months of 2013, capital expenditures, net amounted to €2,040 million (compared to €3,271 million for the first nine months of 2012), a €1,231 million decrease, notably attributable to the acquisition by SFR in January 2012 of 4G mobile spectrum for €1,065 million. Excluding this impact, capital expenditures, net decreased by €166 million.

For the first nine months of 2013, cash flow from operations after interest and income taxes (CFAIT) was a €186 million net cash inflow (compared to a €448 million net cash outflow for the first nine months of 2012), a €634 million improvement. In addition to the improvement in CFFO (+€471 million), this change reflected the €129 million decrease in income taxes paid, net, mainly attributable to the decrease in the amount of income tax paid by Group's entities (€464 million), partially offset by the decrease in the reimbursements received by Vivendi SA's French Tax Group (€201 million received in 2013, compared to €530 million received in 2012). For the first nine months of 2013, the amount of income tax paid included the new additional contribution of 3% on the dividend paid by Vivendi SA (€40 million).

In addition, the improvement in CFAIT reflected the favorable impact related to the €27 million decrease in foreign exchange losses, which included, for the first nine months of 2012, a €78 million foreign exchange loss attributable to the redemption in April 2012 of a $700 million bond, slightly offset by the €7 million increase in interest expense.

(in millions of euros)		Nine months ended September 30, 2013	2012 (a)	€ Change	% Change
Revenues		16,190	16,347	-157	-1.0%
Operating expenses excluding depreciation and amortization		(12,339)	(11,939)	-400	-3.4%
EBITDA	(b)	*3,851*	*4,408*	*-557*	*-12.6%*
Restructuring charges paid		(176)	(69)	-107	x 2.6
Content investments, net		(189)	(214)	+25	+11.7%
of which content investments paid		*(1,750)*	*(1,682)*	*-68*	*-4.0%*
recoupments of advances/consumption of rights included in EBITDA		*1,561*	*1,468*	*+93*	*+6.3%*
Neutralization of change in provisions included in EBITDA		(81)	(68)	-13	-19.1%
Other cash operating items excluded from EBITDA		(55)	(13)	-42	x 4.2
Other changes in net working capital		(565)	(492)	-73	-14.8%
Net cash provided by operating activities before income tax paid	(c)	***2,785***	***3,552***	***-767***	***-21.6%***
Dividends received from equity affiliates	(d)	2	2	-	-
Dividends received from unconsolidated companies	(d)	8	1	+7	x 8.0
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)		**2,795**	**3,555**	**-760**	**-21.4%**
Capital expenditures, net (capex, net)	(e)	(2,040)	(3,271)	+1,231	+37.6%
of which GVT		*(614)*	*(720)*	*+106*	*+14.7%*
SFR (g)		*(1,242)*	*(2,349)*	*+1,107*	*+47.1%*
Cash flow from operations (CFFO)		**755**	**284**	**+471**	**x 2.7**
Interest paid, net	(f)	(413)	(406)	-7	-1.7%
Other cash items related to financial activities	(f)	(43)	(84)	+41	+48.8%
of which gains/(losses) on currency transactions		*(23)*	*(50)*	*+27*	*+54.0%*
Financial activities cash payments		***(456)***	***(490)***	***+34***	***+6.9%***
Payment received from the French State Treasury as part of the Vivendi SA's French Tax Group and Consolidated Global Profit Tax Systems		201	536	-335	-62.5%
Other taxes paid		(314)	(778)	+464	+59.6%
Income tax (paid)/received, net	(c)	***(113)***	***(242)***	***+129***	***+53.3%***
Cash flow from operations after interest and income tax (CFAIT)		**186**	**(448)**	**+634**	**na***

na*: not applicable.

a. Data published with respect to fiscal year 2012 has been adjusted following the application of IFRS 5 (please refer to the preliminary comments above) and amended IAS 19.

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 5.2).

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 5.2).

e. Relates to cash used for capital expenditures, net of proceeds from property, plant and equipment, and intangible assets as presented in the investing activities of continuing operations in Financial Net Debt changes table (please refer to Section 5.2).

f. As presented in net cash provided by/(used for) financing activities of continuing operations in the Financial Net Debt changes table (please refer to Section 5.2).

g. In 2012, SFR's capital expenditures notably included the acquisition of 4G spectrum for €1,065 million in January 2012.

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, 2012; 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 Condensed Financial Statements for the nine months ended September 30, 2013).*

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

- *As from the second quarter of 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Earnings as discontinued operations. In practice, income and charges from these two businesses have been reported as follows:*
  - *their contribution 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.*

- *Data presented below also takes into account the consolidation of the following entities as from the indicated dates:*
  - *at Canal+ Group: D8 and D17 (September 27, 2012) and "n" (November 30, 2012); and*
  - *at Universal Music Group: EMI Recorded Music (September 28, 2012).*

- *Moreover, as of January 1, 2013, Vivendi applied, with retrospective effect from January 1, 2012, amended IAS 19, whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1 to the Condensed Financial Statements for the nine months ended September 30, 2013). As a result, the 2012 Financial Statements, notably EBITA, were adjusted in accordance with the new standard.*

Please refer to Appendix 1 of this Financial Report for a presentation of the adjustments made on data previously published.

4.1 Revenues and EBITA by business segment

THIRD QUARTER

	Three months ended September 30,			
(in millions of euros)	2013	2012	% Change	% Change at constant rate
Revenues				
Canal+ Group	1,257	1,177	+6.8%	+7.4%
Universal Music Group	1,162	981	+18.5%	+27.7%
GVT	413	429	-3.7%	+13.9%
SFR	2,508	2,747	-8.7%	-8.7%
Non-core operations and others, and elimination of intersegment transactions	8	5	na*	na*
Total Vivendi	**5,348**	**5,339**	**+0.2%**	**+3.4%**
EBITA				
Canal+ Group	217	239	-9.2%	-9.3%
Universal Music Group	112	82	+36.6%	+46.8%
GVT	102	118	-13.6%	+1.9%
SFR	334	537	-37.8%	-37.8%
Holding & Corporate	(14)	(25)	+44.0%	+43.6%
Non-core operations and others	(21)	(3)	na*	na*
Total Vivendi	**730**	**948**	**-23.0%**	**-20.1%**

FIRST NINE MONTHS

	Nine months ended September 30,			
(in millions of euros)	2013	2012	% Change	% Change at constant rate
Revenues				
Canal+ Group	3,857	3,647	+5.8%	+5.9%
Universal Music Group	3,398	2,903	+17.1%	+21.9%
GVT	1,297	1,282	+1.2%	+14.4%
SFR	7,616	8,508	-10.5%	-10.5%
Non-core operations and others, and elimination of intersegment transactions	22	7	na*	na*
Total Vivendi	**16,190**	**16,347**	**-1.0%**	**+1.0%**
EBITA				
Canal+ Group	647	722	-10.4%	-10.5%
Universal Music Group	255	238	+7.1%	+12.5%
GVT	298	341	-12.6%	-1.1%
SFR	1,040	1,650	-37.0%	-37.0%
Holding & Corporate	(61)	(89)	+31.5%	+31.3%
Non-core operations and others	(58)	(8)	na*	na*
Total Vivendi	**2,121**	**2,854**	**-25.7%**	**-23.8%**

na*: not applicable.

4.2 Comments on the operating performance of business segments

Canal+ Group

Canal+ Group revenues were €3,857 million, up 5.8% compared to the first nine months of 2012. This increase was primarily due to the integration of new activities in free-to-air television (D8 and D17) in France and to the "n" platform in Poland.

At the end of September 2013, Canal+ Group's total portfolio reached nearly 14 million subscriptions, compared to 13 million one year ago. This strong growth is due to the integration of the "n" subscribers as well as the good performances recorded in Africa and Vietnam.

The success of the free-to-air channel D8 is confirmed. Its audience share reached 3.2% in September (+1.1 point year-on-year), ranking D8 first among the French digital terrestrial television channels for the first time ever.

Canal+ Group's EBITA was €675 million, excluding €28 million in transition costs related to the integration of new businesses. The year-on-year change mainly resulted from an increase in programming costs, due to sustained investments in content and one additional calendar day in the French Ligue 1 soccer competition, as well as a slowdown in the economic environment which had a negative impact on the advertising market.

Universal Music Group

Universal Music Group (UMG) revenues were €3,398 million, up 21.9% at constant currency (+17.1% at actual currency) compared to the first nine months of 2012. At constant currency and constant perimeter (i.e., excluding revenues from EMI Recorded Music, acquired at the end of September 2012), revenues increased 0.9% year-on-year for the first nine months of 2013 and 6.7% in the third quarter alone compared to the same quarter of the previous year. Digital sales represented 53.9% of recorded music sales for the first nine months of 2013, compared to 47.6% a year earlier.

Recorded music best sellers for the first nine months of 2013 included artists and bands such as Imagine Dragons, Rihanna, Robin Thicke, Drake, Taylor Swift and France's Stromae and Vanessa Paradis.

UMG's EBITA of €255 million was up 12.5% at constant currency (+7.1% at actual currency) compared to the first nine months of 2012. Excluding restructuring and integration costs, EBITA was up 19.9%. In the third quarter alone at constant currency, EBITA increased by 46.8% due to higher sales and strict cost management.

The synergies related to the EMI Recorded Music acquisition are on track and should reach the target of more than £100 million by the end of 2014.

GVT

GVT revenues increased by 14.4% at constant currency (+1.2% at actual currency) compared to the first nine months of 2012, reaching €1,297 million. This performance was achieved despite the slowdown in the Brazilian economy and the social protests that took place in most of the country's large cities in June.

By the end of September 2013, GVT was operating in 149 cities, compared to 137 cities at the same time last year, and launched operations in the city of São Paulo.

The average broadband speed provided to GVT´s subscriber base is now 13.2 Mbps, remaining the fastest one in the country according to Akamai Institute. As a result, GVT customers enjoy speeds equivalent to those provided in countries with the fastest broadband speed in the world.

GVT's pay-TV service continues to perform well and generated revenues of €125 million during the first nine months of 2013. The number of subscribers reached about 567,000 as of September 30, 2013 (+81.7% year-on-year), representing a 22.6% penetration rate among GVT's broadband customer base.

GVT's EBITDA reached €531 million, a 14.0% increase at constant currency (+0.6% at actual currency) compared to the first nine months of 2012, and its EBITDA margin remained strong at 40.9%.

GVT's EBITA was €298 million, a 1.1% decrease at constant currency (-12.6% at actual currency) compared to the first nine months of 2012, due to increased depreciation expenses related to the development in pay-TV.

On October 1, 2013, Vivendi and Echostar announced the start of negotiations to create a pay-TV joint-venture in Brazil. The future entity intends to fully benefit from the country's fast-growing pay-TV market which would also benefit from the expected higher demand driven by two key global events to be held in the country: the Fifa World Cup in 2014 and the Olympic Games in 2016.

SFR

SFR revenues were €7,616 million, a 10.5% decrease compared to the first nine months of 2012 due to the impact of price cuts in response to the competitive environment and to tariff cuts imposed by the regulators[3]. Excluding the impact of the tariff cuts imposed by the regulators, revenues decreased by 7.5%.

Mobile revenues[4] amounted to €4,758 million, down 16.5%. Excluding the impact of regulated price cuts, mobile revenues decreased by 12.2%.

During the first nine months of 2013, SFR's postpaid mobile customer base increased by 1,169,000 net additions. At the end of September, SFR's postpaid mobile customer base reached 17.732 million, a 7.8% increase year-on-year. In the Mass Market Postpaid Voice customer market, in the third quarter, SFR recorded its best sales performance since the fourth quarter of 2011. The customer mix (the percentage of the number of postpaid customers in the total customer base) amounted to 83.5%, a 4.7 percentage point increase year-on-year. SFR's total mobile customer base reached 21.237 million. Mobile Internet usage continued to progress, with 56% of SFR customers equipped with a smartphone (47% at the end of September 2012).

Broadband Internet and fixed revenues[4] amounted to €2,953 million, a 0.2% decrease. Excluding the impact of regulated price cuts, broadband Internet and fixed revenues increased by 0.9%.

At the end of September 2013, the broadband Internet residential customer base reached 5.209 million, with 134,000 net additions since December 31, 2012 and an acceleration of fiber recruitments. The "Multi-Packs de SFR" offer reached 2.248 million subscribers at the end of September 2013, representing 43% of the broadband Internet customer base, a rate growing over time.

SFR's EBITDA amounted to €2,201 million, a 19.5% decrease compared to the first nine months of 2012. Excluding non-recurring positive items[5], EBITDA decreased by 18.0%. The pace of the decrease has slowed down: EBITDA for the 2013 third quarter was €731 million, down 12.6% compared to the third quarter of 2012, excluding non-recurring items.

In Mobile, SFR has been accelerating the roll-out of its very high speed network and 4G was present in 415 cities by November 1, 2013. SFR expects to cover at least 40% of the population (i.e., a presence in 1,200 cities) with 4G, and 70% of the population with Dual Carrier[6] by the end of 2013.

On September 24, 2013, SFR launched its new 4G "Formules Carrées" mobile subscriptions with access to high value content (iCoyote, Napster, Canalplay, Gameloft, and SFR Presse).

In Fixed, SFR successfully launched its 1 Gbps fiber pilot in June, and as of now offers this download speed to its eligible fiber customers at no additional charge.

SFR continues to implement its adaptation plan. Since year-end 2011, operating expenditures, both fixed and variable, decreased by about €900 million excluding non-recurring items[5].

Holding & Corporate

Holding & Corporate EBITA was -€61 million (compared to -€89 million for the first nine months of 2012), a €28 million increase, primarily related to the decrease in charges related to litigations in 2013.

[3] *Tariff cuts imposed by regulatory decision:*
- *i) 33% decrease in mobile voice termination regulated price on July 1, 2012 and a further 20% decrease on January 1, 2013;*
- *ii) 33% decrease in SMS termination regulated price on July 1, 2012;*
- *iii) Roaming tariff cuts on July 1, 2012 and on July 1, 2013; and*
- *iv) 50% decrease in fixed voice termination regulated price on July 1, 2012 and a further 47% decrease on January 1, 2013.*

[4] *Mobile revenues and broadband Internet and fixed revenues are determined as revenues before elimination of intersegment operations within SFR.*

[5] *+€51 million in the third quarter of 2012.*

[6] *Up to 42 Mbit/s through a systematic dual connection to the network.*

5 Treasury and capital resources

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

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

As part of the strategic review undertaken by the Supervisory and Management Boards, Vivendi announced in July 2013 its plans to sell its interests in Activision Blizzard and Maroc Telecom, and in September 2013, the study of the project of the flotation of SFR. In the meantime, Vivendi has pursued its financing policy of expiring credit bank facilities or bonds. Thus, Vivendi early refinanced a €1.5 billion bank credit facility, maturing in May 2014 with a new bank credit facility for the same amount, maturing in March 2018, and issued a new €750 million bond, with a coupon of 2.375%, which early refinances the €894 million residual amount bond issued in January 2009 with a coupon of 7.75%, maturing in January 2014.

On October 11, 2013, Vivendi completed the sale of 88% of its interest in Activision Blizzard for $8.2 billion (approximately €6 billion) in cash. Vivendi used cash on hand to early redeem most of its US dollar-denominated bonds, as well as a portion of its most short-term euro-denominated bonds, for a total amount of approximately €3.1 billion (including $2.1 billion and €1.5 billion), either through a tender offer or a make-whole redemption. In addition, Vivendi used the available balance to repay drawn bank credit. These operations were as follows:

- 72% redemption of three US dollar-denominated bonds, following a tender offer:
  - $459 million redeemed on the $700 million bond, maturing in January 2018;
  - $541 million redeemed on the $800 million bond, maturing in April 2022;
  - $555 million redeemed on the $650 million bond, maturing in January 2018;
- early full redemption of one US dollar-denominated bond and two euro-denominated bonds:
  - $550 million, maturing in April 2015;
  - €500 million, maturing in November 2015;
  - €1,000 million, maturing in July 2015;
- repayment of €1,750 million drawn credit bank facilities.

Vivendi also redeemed, upon its contractual maturity, a €700 million bond, refinanced in December 2012, by a bond for the same amount, maturing in January 2020, and cancelled SFR's €1.2 billion credit bank facility, undrawn as of September 30, 2013.

Moreover, on November 5, 2013, Vivendi acquired the 20% non-controlling interest in Canal+ France held by Lagardère for €1,020 million.

Therefore if the proceeds from the sale of 88% of Vivendi's interest in Activision Blizzard (€6 billion) and the acquisition of 20% interest in Canal+ France (€1 billion) are taken into account, Vivendi's adjusted Financial Net Debt would be approximately €11.4 billion (compared to €16.4 billion as of September 30, 2013 and €13.4 billion as of December 31, 2012). In addition, assuming the hypothesis that the sale of the 53% interest in Maroc Telecom group would be completed early 2014 at announced conditions, Vivendi's adjusted Financial Net Debt would amount to approximately €7.2 billion.

As of November 14, 2013, Vivendi's bonds outstanding amounted to approximately €7.8 billion (compared to €11.6 billion as of September 30, 2013). Moreover, Vivendi SA had available confirmed credit facilities in the aggregate amount of €7,140 million, of which €775 million was drawn. Given the amount of commercial paper issued at that date, and backed to bank credit facilities for €2,817 million, these facilities were available for an aggregate amount of €3,548 million.

Finally, regarding the Supervisory Board's decision to launch a study to separate the group into a media group on the one hand and SFR on the other, subject to information and consultation procedures with the relevant French employee representative bodies and approvals by the relevant regulatory authorities, its approval could be submitted to the 2014 General Shareholders' Meeting during the first half of 2014. The potential impacts of this separation on the group's financing structure will become effective if and when a final decision to implement such a transaction is taken.

(in millions of euros)	Cash and cash equivalents	Borrowings and other financial items (a)	Impact on Financial Net Debt
Financial Net Debt as of December 31, 2012	**(3,894)**	**17,313**	**13,419**
Outflows/(inflows) related to continuing operations:			
Operating activities	(2,672)	-	(2,672)
Investing activities	1,459	(16)	1,443
Financing activities	1,226	440	1,666
Foreign currency translation adjustments of continuing operations	32	(82)	(50)
Outflows/(inflows) related to continuing operations	**45**	**342**	**387**
Outflows/(inflows) related to discontinued operations	(675)	354	(321)
Reclassification of Financial Net Debt from discontinued operations as of September 30, 2013	3,653	(776)	2,877
Change related to discontinued operations	**2,978**	**(422)**	**2,556**
Financial Net Debt as of September 30, 2013	**(871)**	**17,233**	**16,362**
Transactions completed:			
Net proceeds from the sale of the 88% interest in Activision Blizzard ($8.2 billion) (October 11, 2013)			(6,005)
Acquisition of the 20% interest in Canal+ France (November 5, 2013)			1,020
			(4,985)
Expected proceeds from the sale of the 53% interest in Maroc Telecom group (b)			**(4,187)**
Financial Net Debt as of September 30, 2013 adjusted for transactions completed and in progress			**7,190**

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

b. Assuming the hypothesis that the sale of the 53% interest in Maroc Telecom group would be completed early 2014 according to the terms known to date.

5.2 Financial Net Debt changes and analysis during the first nine months of 2013

Financial Net Debt as of September 30, 2013

As from June 30, 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Financial Position as discontinued businesses. In practice, Activision Blizzard's and Maroc Telecom group's assets and liabilities have been grouped under the specific lines "assets of discontinued businesses" and "liabilities associated with assets of discontinued businesses", respectively. As of September 30, 2013, this accounting reclassification resulted in a €2,877 million increase in Vivendi's Financial Net Debt, including Activision Blizzard's net cash position[7] (€3,349 million) and Maroc Telecom group's Financial Net Debt (€472 million) as of that date.

Moreover, the cash inflows related to the expected proceeds from the sale of 88% of its interest in Activision Blizzard and its 53% interest in Maroc Telecom group had no impact on Vivendi's Financial Net Debt as of September 30, 2013.

As of September 30, 2013:

- Vivendi's Financial Net Debt, in IFRS, amounted to €16,362 million, notably due to the €2,877 million increase in Financial Net Debt related to the accounting reclassification of Activision Blizzard and Maroc Telecom group. Excluding this impact, Vivendi's Financial Net Debt would have amounted to €13,485 million.
- The group's bond debt amounted to €11,604 million (compared to €10,888 million as of December 31, 2012). The bond debt represented 66.9% of the borrowings in the group's Statement of Financial Position (compared to 61.5% as of December 31, 2012). If the redemptions made in October and November 2013, in advance or at maturity, for approximately €3,770 million, are taken into account, Vivendi's bond debt would amount to approximately €7.8 billion.
- The total amount of the group's confirmed credit facilities amounted to €8,863 million (compared to €9,039 million as of December 31, 2012). The group's aggregate amount of credit facilities neither drawn nor backed by commercial paper amounted to €3,829 million (compared to €3,361 million as of December 31, 2012).
- Vivendi SA's and SFR's total confirmed credit facilities amounted to €8,340 million as of September 30, 2013 (unchanged since December 31, 2012) and included €2,600 million in available swinglines. All these credit facilities have a maturity greater than one year. These credit facilities were drawn for €1,770 million as of September 30, 2013. Considering the €2,815 million commercial paper issued as of that date and backed to bank credit facilities, these facilities were available up to a maximum amount of €3,755 million.
- The "economic" average term of the group's debt was 4.1 years as of September 30, 2013 (compared to 4.4 years as of December 31, 2012). Taking into account the repayments made in October and November 2013, it was 4.2 years.

On March 4, 2013, a letter of credit for €975 million was issued in connection with Vivendi's appeal against the Liberty Media judgment. This off-balance sheet financial commitment has no impact on Vivendi's Financial Net Debt.

Contractual agreements regarding credit facilities and letters of credit granted to Vivendi SA (notably the letter of credit issued in connection with the appeal against the Liberty Media judgment) do not include provisions that tie the conditions of the loan to its financial strength ratings from rating agencies. They contain customary provisions related to events of default and, at the end of each half-year, Vivendi is required to comply with a financial covenant. The credit facilities granted to group companies other than Vivendi SA are intended to finance either the general needs of the borrowing subsidiary or a specific project.

[7] Activision Blizzard's net cash position includes its cash and cash equivalents as well as management financial assets, net.

(in millions of euros)	Refer to Notes to the Consolidated Financial Statements	September 30, 2013 (a)	December 31, 2012
Borrowings and other financial liabilities		17,397	17,757
of which long-term (b)	8	*8,899*	*12,667*
short-term (b)	8	*8,498*	*5,090*
Derivative financial instruments in assets (c)		(164)	(137)
Cash deposits backing borrowings (c)		-	(6)
Cash management financial assets (c) (d)		na*	(301)
		17,233	**17,313**
Cash and cash equivalents (b)		(871)	(3,894)
of which Activision Blizzard		*na**	*(2,989)*
Financial Net Debt		**16,362**	**13,419**

na*: not applicable.

a. In compliance with IFRS 5, Vivendi's Financial Net Debt as of September 30, 2013 no longer includes Activision Blizzard's net cash position and Maroc Telecom group's Financial Net Debt.

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

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

d. As of December 31, 2012, included Activision Blizzard's US treasuries and government agency securities, with a maturity exceeding three months.

Financial Net Debt changes during the first nine months of 2013

As of September 30, 2013, Vivendi's Financial Net Debt amounted to €16,362 million (compared to €13,419 million as of December 31, 2012), a €2,943 million increase. This change notably reflected the following transactions:

- the €2,877 million increase related to the accounting reclassification of Activision Blizzard's net cash position[7] as of September 30, 2013 (€3,349 million), and Maroc Telecom group's Financial Net Debt as of September 30, 2013 (€472 million), partially offset by cash flows generated by these two businesses (€321 million for the first nine months of 2013);
- cash payments related to dividends paid to Vivendi SA shareowners (€1,325 million);
- cash payments related to capital expenditures of continuing operations[8] (€2,040 million, of which €1,242 million for SFR and €614 million for GVT); and
- partially offset by the cash generated by continuing operations from operating activities (€2,672 million), the proceeds from the sale by UMG of Parlophone and other labels (€662 million), and by the capital increase subscribed employees in connection with Vivendi SA's employee stock purchase plan in July 2013 (€149 million).

[8] *Continuing operations relate to Canal+ Group, Universal Music Group, GVT, SFR, Holding & Corporate, as well as non-core operations.*

Analysis of Financial Net Debt changes during the first nine months of 2013

(in millions of euros)	Refer to section	Nine months ended September 30, 2013 Impact on cash and cash equivalents	Impact on borrowings and other financial items	Impact on Financial Net Debt
EBIT	2	**(1,750)**	**-**	**(1,750)**
Adjustments		(1,789)	-	(1,789)
Content investments, net		189	-	189
Gross cash provided by operating activities before income tax paid		***(3,350)***	***-***	***(3,350)***
Other changes in net working capital		565	-	565
Net cash provided by operating activities before income tax paid	3	***(2,785)***	***-***	***(2,785)***
Income tax paid, net	3	113	-	113
Net cash provided by operating activities of continuing operations		***(2,672)***	***-***	***(2,672)***
Net cash provided by operating activities of discontinued operations		***(1,197)***	***-***	***(1,197)***
Operating activities		**(3,869)**	**-**	**(3,869)**
Financial investments				
Purchases of consolidated companies, after acquired cash		34	1	35
Investments in equity affiliates		3	-	3
Increase in financial assets		68	-	68
Total financial investments		***105***	***1***	***106***
Financial divestments				
Proceeds from sales of consolidated companies, after divested cash		(5)	(17)	(22)
Disposal of equity affiliates		(8)	-	(8)
Decrease in financial assets		(663)	-	(663)
of which proceeds from the sales of Parlophone and other labels by UMG	1	*(662)*	-	*(662)*
Total financial divestments		***(676)***	***(17)***	***(693)***
Financial investment activities		**(571)**	**(16)**	**(587)**
Dividends received from equity affiliates		(2)	-	(2)
Dividends received from unconsolidated companies		(8)	-	(8)
Net investing activities excluding capital expenditures and proceeds from sales of property, plant, equipment and intangible assets		**(581)**	**(16)**	**(597)**
Capital expenditures		2,062	-	2,062
Proceeds from sales of property, plant, equipment and intangible assets		(22)	-	(22)
Capital expenditures, net	3	***2,040***	***-***	***2,040***
Net cash provided by/(used for) investing activities of continuing operations		***1,459***	***(16)***	***1,443***
Net cash provided by/(used for) investing activities of discontinued operations		***1,896***	***(1,467)***	***429***
Investing activities		**3,355**	**(1,483)**	**1,872**
Transactions with shareowners				
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans		(186)	-	(186)
of which capital increase subscribed by employees in connection with the stock purchase plan		*(149)*	-	*(149)*
exercise of stock options by executive management and employees		*(37)*	-	*(37)*
(Sales)/purchases of Vivendi SA's treasury shares		-	-	-
Dividends paid by Vivendi SA (€1 per share)	1	1,325	-	1,325
Other transactions with shareowners		1	-	1
Dividends paid by consolidated companies to their non-controlling interests		31	-	31
Total transactions with shareowners		***1,171***	***-***	***1,171***
Transactions on borrowings and other financial liabilities				
Setting up of long-term borrowings and increase in other long-term financial liabilities		(2,606)	2,606	-
of which bank credit facilities		*(1,770)*	*1,770*	-
bonds		*(750)*	*750*	-
Principal payments on long-term borrowings and decrease in other long-term financial liabilities		1,908	(1,908)	-
of which bank credit facilities		*1,894*	*(1,894)*	-
Principal payments on short-term borrowings		463	(463)	-
of which commercial paper		*441*	*(441)*	-
Other changes in short-term borrowings and other financial liabilities		(166)	166	-
Non-cash transactions		-	39	39
Interest paid, net	3	413	-	413
Other cash items related to financial activities	3	43	-	43
Total transactions on borrowings and other financial liabilities		***55***	***440***	***495***
Net cash provided by/(used for) financing activities of continuing operations		***1,226***	***440***	***1,666***
Net cash provided by/(used for) financing activities of discontinued operations		***(1,418)***	***1,824***	***406***
Financing activities		**(192)**	**2,264**	**2,072**
Foreign currency translation adjustments of continuing operations		32	(82)	(50)
Foreign currency translation adjustments of discontinued operations		44	(3)	41
Reclassification of Financial Net Debt from discontinued operations		3,653	(776)	2,877
Change in Financial Net Debt		**3,023**	**(80)**	**2,943**

Financings put into place during the first nine months of 2013

- On March 28, 2013, Vivendi completed the early refinancing of a €1.5 billion bank credit facility maturing in May 2014 by entering into a new bank credit facility for the same amount with a five-year maturity.
- On July 9, 2013, Vivendi issued a €750 million bond, maturing in January 2019, with a 2.375% coupon, and an effective rate of 2.51%. This transaction enabled the refinancing of the bond issued in January 2009, with a 7.75% coupon and maturing in January 2014.

For a detailed analysis of the bonds and bank credit facilities as of September 30, 2013, please refer to Note 8 to the Condensed Financial Statements for the nine months ended September 30, 2013.

6 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* (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.

7 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. EBITA (Adjusted Earnings Before Interest and Income Taxes) and adjusted net income

Vivendi considers EBITA (Adjusted Earnings Before Interest and Income Taxes) and adjusted net income, non-GAAP measures, to be relevant indicators of the group's operating and financial performance. Vivendi Management uses EBITA and adjusted net income because they illustrate the underlying performance of continuing operations more effectively by excluding most non-recurring and non-operating items. EBITA and adjusted net income are defined in Note 1.2.3 to the Consolidated Financial Statements for the year ended December 31, 2012.

Adjustment of comparative information

As from the second quarter of 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Earnings as discontinued operations. In practice, income and charges from these two businesses have been reported as follows:

- Their contribution to each line of Vivendi's Consolidated Statement of Earnings (before non-controlling interests) has been grouped under the line "Earnings from discontinued operations"; and
- Their share of net income has been excluded from Vivendi's adjusted net income.

Moreover, as of January 1, 2013, Vivendi applied, with retrospective effect from January 1, 2012, amended IAS 19, whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1 to the Condensed Financial Statements for the nine months ended September 30, 2013).

As a result, the 2012 Financial Statements and the first quarter of 2013 Financial Statements were adjusted, as the case may be, as presented below:

(in millions of euros, except per share amounts)	2012 Three months ended March 31,	Three months ended June 30,	Six months ended June 30,	Three months ended September 30,
Adjusted earnings before interest and income taxes (EBITA) (as previously published)	**1,621**	**1,316**	**2,937**	**1,394**
Reclassifications related to the application of IFRS 5 for Activision Blizzard	- 395	- 177	- 572	- 182
Reclassifications related to the application of IFRS 5 for Maroc Telecom Group	- 273	- 190	- 463	- 266
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 2	+ 2	+ 4	+ 2
Adjusted earnings before interest and income taxes (EBITA) (restated)	**955**	**951**	**1,906**	**948**
Adjusted net income (as previously published)	**823**	**706**	**1,529**	**665**
Reclassifications related to the application of IFRS 5	- 272	- 134	- 406	- 194
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 2	+ 2	+ 4	+ 2
Provision for income taxes	-	-	-	-
Adjusted net income (restated)	**553**	**574**	**1,127**	**473**
Adjusted net income per share (as previously published)	**0.64**	**0.55**	**1.19**	**0.51**
Adjusted net income per share (restated)	**0.43**	**0.45**	**0.88**	**0.36**

(in millions of euros, except per share amounts)	2012 Nine months ended September 30,	Three months ended December 31,	Year ended December 31,	2013 Three months ended March 31,
Adjusted earnings before interest and income taxes (EBITA) (as previously published)	**4,331**	**952**	**5,283**	**1,344**
Reclassifications related to the application of IFRS 5 for Activision Blizzard	- 754	- 395	- 1,149	- 442
Reclassifications related to the application of IFRS 5 for Maroc Telecom Group	- 729	- 259	- 988	- 273
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 6	+ 11	+ 17	na*
Adjusted earnings before interest and income taxes (EBITA) (restated)	**2,854**	**309**	**3,163**	**629**
Adjusted net income (as previously published)	**2,194**	**356**	**2,550**	**672**
Reclassifications related to the application of IFRS 5	- 600	- 259	- 859	- 306
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 6	+ 11	+ 17	na*
Provision for income taxes	-	- 3	- 3	na*
Adjusted net income (restated)	**1,600**	**105**	**1,705**	**366**
Adjusted net income per share (as previously published)	**1.70**	**0.27**	**1.96**	**0.51**
Adjusted net income per share (restated)	**1.24**	**0.08**	**1.31**	**0.28**

na*: not applicable.

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

(in millions of euros)	Three months ended September 30, 2013	2012	Nine months ended September 30, 2013	2012
Earnings attributable to Vivendi SA shareowners (a)	**376**	**493**	**1,411**	**1,658**
Adjustments				
Amortization of intangible assets acquired through business combinations	117	107	352	311
Impairment losses on intangible assets acquired through business combinations (a)	-	-	5	93
Other income (a)	(7)	(4)	(35)	(12)
Other charges (a)	10	27	49	82
Other financial income (a)	(3)	(5)	(47)	(11)
Other financial charges (a)	77	40	236	123
Earnings from discontinued operations (a)	(363)	(347)	(1,299)	(1,063)
Change in deferred tax asset related to Vivendi SA's French Tax Group and to the Consolidated Global Profit Tax Systems	30	37	61	48
Non-recurring items related to provision for income taxes	41	9	84	25
Provision for income taxes on adjustments	(56)	(39)	(166)	(128)
Non-controlling interests on adjustments	181	155	597	474
Adjusted net income	**403**	**473**	**1,248**	**1,600**

a. As reported in the Consolidated Statement of Earnings.

Adjusted net income per share

	Three months ended September 30,				Nine months ended September 30,			
	2013		2012		2013		2012	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Adjusted net income (in millions of euros)	403	403	473	473	1,248	1,248	1,600	1,600
Number of shares (in millions)								
Weighted average number of shares outstanding (a)	1,335.6	1,335.6	1,298.9	1,298.9	1,327.8	1,327.8	1,290.9	1,290.9
Potential dilutive effects related to share-based compensation	-	4.2	-	2.6	-	4.1	-	2.1
Adjusted weighted average number of shares	**1,335.6**	**1,339.8**	**1,298.9**	**1,301.5**	**1,327.8**	**1,331.9**	**1,290.9**	**1,293.0**
Adjusted net income per share (in euros)	0.30	0.30	0.36	0.36	0.94	0.94	1.24	1.24

a. Net of treasury shares (approximately 0.7 million shares for the first nine months of 2013).

2. Revenues and EBITA by business segment - 2013 and 2012 quarterly data

Preliminary comments:

- *As from the second quarter of 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Earnings as discontinued operations. In practice, income and charges from these two businesses have been reported as follows:*
  - *Their contribution 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.*
- *Data presented below also takes into account the consolidation of the following entities as from the indicated dates:*
  - *at Canal+ Group: D8 and D17 (September 27, 2012) and "n" (November 30, 2012); and*
  - *at Universal Music Group: EMI Recorded Music (September 28, 2012).*
- *Moreover, as of January 1, 2013, Vivendi applied, with retrospective effect from January 1, 2012, amended IAS 19, whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1 to the Condensed Financial Statements for the nine months ended September 30, 2013). As a result, the 2012 Financial Statements, notably EBITA, were adjusted in accordance with the new standard.*

Please refer to Appendix 1 of this Financial Report for a presentation of the adjustments made on the data previously published.

(in millions of euros)	2013 1st Quarter ended March 31	2013 2nd Quarter ended June 30	2013 3rd Quarter ended Sept. 30
Revenues			
Canal+ Group	1,286	1,314	1,257
Universal Music Group	1,091	1,145	1,162
GVT	438	446	413
SFR	2,594	2,514	2,508
Non-core operations and others, and elimination of intersegment transactions	6	8	8
Total Vivendi	**5,415**	**5,427**	**5,348**
EBITA			
Canal+ Group	183	247	217
Universal Music Group	55	88	112
GVT	99	97	102
SFR	328	378	334
Holding & Corporate	(22)	(25)	(14)
Non-core operations and others	(14)	(23)	(21)
Total Vivendi	**629**	**762**	**730**

(in millions of euros)	2012 1st Quarter ended March 31	2012 2nd Quarter ended June 30	2012 3rd Quarter ended Sept. 30	2012 4th Quarter ended Dec. 31
Revenues				
Canal+ Group	1,232	1,238	1,177	1,366
Universal Music Group	961	961	981	1,641
GVT	432	421	429	434
SFR	2,927	2,834	2,747	2,780
Non-core operations and others, and elimination of intersegment transactions	4	(2)	5	9
Total Vivendi	**5,556**	**5,452**	**5,339**	**6,230**
EBITA				
Canal+ Group	236	247	239	(59)
Universal Music Group	68	88	82	288
GVT	116	107	118	147
SFR	561	552	537	(50)
Holding & Corporate	(23)	(41)	(25)	(11)
Non-core operations and others	(3)	(2)	(3)	(6)
Total Vivendi	**955**	**951**	**948**	**309**

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III - Condensed Financial Statements for the first nine months of 2013

Condensed Statement of Earnings

	Note	Three months ended September 30, (unaudited)		Nine months ended September 30, (unaudited)		Year ended December 31, 2012 (a)
		2013	2012 (a)	2013	2012 (a)	
Revenues	3	**5,348**	**5,339**	**16,190**	**16,347**	**22,577**
Cost of revenues		(3,094)	(2,847)	(9,283)	(8,825)	(12,672)
Selling, general and administrative expenses		(1,600)	(1,644)	(5,023)	(4,921)	(6,905)
Restructuring charges and other operating charges and income		(41)	(7)	(115)	(58)	(273)
Impairment losses on intangible assets acquired through business combinations		-	-	(5)	(93)	(760)
Reserve accrual regarding the Liberty Media Corporation litigation in the United States	10	-	-	-	-	(945)
Other income		7	4	35	12	19
Other charges		(10)	(27)	(49)	(82)	(236)
Earnings before interest and income taxes (EBIT)		**610**	**818**	**1,750**	**2,380**	**805**
Income from equity affiliates		(1)	(6)	(9)	(19)	(38)
Interest	4	(137)	(130)	(413)	(406)	(544)
Income from investments		(5)	2	21	6	7
Other financial income		3	5	47	11	37
Other financial charges		(77)	(40)	(236)	(123)	(204)
Earnings from continuing operations before provision for income taxes		**393**	**649**	**1,160**	**1,849**	**63**
Provision for income taxes	5	(160)	(306)	(332)	(657)	(604)
Earnings from continuing operations		**233**	**343**	**828**	**1,192**	**(541)**
Earnings from discontinued operations	6	363	347	1,299	1,063	1,505
Earnings		**596**	**690**	**2,127**	**2,255**	**964**
Of which						
Earnings attributable to Vivendi SA shareowners		**376**	**493**	**1,411**	**1,658**	**179**
of which earnings from continuing operations attributable to Vivendi SA shareowners		194	303	715	1,072	(654)
earnings from discontinued operations attributable to Vivendi SA shareowners		182	190	696	586	833
Non-controlling interests		220	197	716	597	785
of which earnings from continuing operations		39	40	113	120	113
earnings from discontinued operations		181	157	603	477	672
Earnings from continuing operations attributable to Vivendi SA shareowners per share - basic	7	0.14	0.23	0.54	0.83	(0.50)
Earnings from continuing operations attributable to Vivendi SA shareowners per share - diluted	7	0.14	0.23	0.54	0.83	(0.50)
Earnings from discontinued operations attributable to Vivendi SA shareowners per share - basic	7	0.14	0.15	0.52	0.45	0.64
Earnings from discontinued operations attributable to Vivendi SA shareowners per share - diluted	7	0.14	0.15	0.52	0.45	0.64
Earnings attributable to Vivendi SA shareowners per share - basic	7	**0.28**	**0.38**	**1.06**	**1.28**	**0.14**
Earnings attributable to Vivendi SA shareowners per share - diluted	7	0.28	0.38	1.06	1.28	0.14

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

a. As from the second quarter of 2013, in compliance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), Activision Blizzard and Maroc Telecom group have been reported in the Consolidated Statement of Earnings with respect to fiscal years 2013 and 2012 as discontinued operations (please refer to Note 6).
In addition, data published with respect to fiscal year 2012 was adjusted following the impacts related to the application of amended IAS 19 (Employee Benefits), whose application is mandatory in the European Union as of January 1, 2013, with retrospective effect from January 1, 2012 please refer to Note 1).
These adjustments are presented in Note 12.

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

Condensed Statement of Comprehensive Income

(in millions of euros)	Note	Three months ended September 30, (unaudited) 2013	Three months ended September 30, (unaudited) 2012 (a)	Nine months ended September 30, (unaudited) 2013	Nine months ended September 30, (unaudited) 2012 (a)	Year ended December 31, 2012 (a)
Earnings		**596**	**690**	**2,127**	**2,255**	**964**
Actuarial gains/(losses) related to employee defined benefit plans, net		1	(15)	(2)	(47)	(61)
Items not reclassified to profit or loss		**1**	**(15)**	**(2)**	**(47)**	**(61)**
Foreign currency translation adjustments		(417)	(341)	(442)	(266)	(605)
of which changes in foreign currency translation adjustments relating to discontinued operations	6	*(168)*	*(137)*	*(107)*	*14*	*(113)*
Unrealized gains/(losses), net		(23)	(12)	3	25	103
of which hedging instruments		*(23)*	*(11)*	*1*	*19*	*40*
assets available for sale		*-*	*(1)*	*2*	*6*	*63*
Other impacts, net		6	1	18	1	-
Items to be subsequently reclassified to profit or loss		**(434)**	**(352)**	**(421)**	**(240)**	**(502)**
Charges and income directly recognized in equity		**(433)**	**(367)**	**(423)**	**(287)**	**(563)**
Total comprehensive income		**163**	**323**	**1,704**	**1,968**	**401**
of which						
Total comprehensive income attributable to Vivendi SA shareowners		**(26)**	**153**	**1,006**	**1,373**	**(362)**
Total comprehensive income attributable to non-controlling interests		189	170	698	595	763

a. As of January 1, 2013, Vivendi applied, with retrospective effect as from January 1, 2012, amended IAS 19 (Employee Benefits) and IAS 1 (Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income), each of whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1). As a result, the 2012 Financial Statements were adjusted in accordance with the new standards (please refer to Note 12).

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

Condensed Statement of Financial Position

(in millions of euros)	Note	September 30, 2013 (unaudited)	December 31, 2012 (a)	January 1st, 2012 (a)
ASSETS				
Goodwill		19,737	24,656	25,029
Non-current content assets		2,774	3,327	2,485
Other intangible assets		4,283	5,190	4,329
Property, plant and equipment		7,434	9,926	9,001
Investments in equity affiliates		424	388	135
Non-current financial assets		580	488	379
Deferred tax assets		1,216	1,445	1,447
Non-current assets		**36,448**	**45,420**	**42,805**
Inventories		353	738	805
Current tax receivables		532	819	542
Current content assets		1,365	1,044	1,066
Trade accounts receivable and other		4,943	6,587	6,730
Current financial assets		54	364	478
Cash and cash equivalents		871	3,894	3,304
		8,118	**13,446**	**12,925**
Assets held for sale	2	-	667	-
Assets of discontinued businesses	6	15,390	-	-
Current assets		**23,508**	**14,113**	**12,925**
TOTAL ASSETS		**59,956**	**59,533**	**55,730**
EQUITY AND LIABILITIES				
Share capital		7,365	7,282	6,860
Additional paid-in capital		8,373	8,271	8,225
Treasury shares		(1)	(25)	(28)
Retained earnings and other		2,577	2,797	4,295
Vivendi SA shareowners' equity		**18,314**	**18,325**	**19,352**
Non-controlling interests		3,322	2,966	2,619
Total equity		**21,636**	**21,291**	**21,971**
Non-current provisions		2,992	3,258	1,679
Long-term borrowings and other financial liabilities	8	8,899	12,667	12,409
Deferred tax liabilities		854	991	728
Other non-current liabilities		931	1,002	864
Non-current liabilities		**13,676**	**17,918**	**15,680**
Current provisions		582	711	586
Short-term borrowings and other financial liabilities	8	8,498	5,090	3,301
Trade accounts payable and other		9,886	14,196	13,987
Current tax payables		200	321	205
		19,166	**20,318**	**18,079**
Liabilities associated with assets held for sale	2	-	6	-
Liabilities associated with assets of discontinued businesses	6	5,478	-	-
Current liabilities		**24,644**	**20,324**	**18,079**
Total liabilities		**38,320**	**38,242**	**33,759**
TOTAL EQUITY AND LIABILITIES		**59,956**	**59,533**	**55,730**

a. As of January 1, 2013, Vivendi applied, with retrospective effect as from January 1, 2012, amended IAS 19 (Employee Benefits), whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1). As a result, the 2012 Financial Statements were adjusted in accordance with the new standard (please refer to Note 12).

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) 2013	2012 (a)	Year ended December 31, 2012 (a)
Operating activities				
EBIT	3	1,750	2,380	805
Adjustments		1,789	1,878	4,456
Including amortization and depreciation of tangible and intangible assets		*1,949*	*1,881*	*3,275*
reserve accrual regarding the Liberty Media Corporation litigation in the United States		-	-	*945*
other income from EBIT		*(35)*	*(12)*	*(19)*
other charges from EBIT		*49*	*82*	*236*
Content investments, net		(189)	(214)	(145)
Gross cash provided by operating activities before income tax paid		***3,350***	***4,044***	***5,116***
Other changes in net working capital		(565)	(492)	69
Net cash provided by operating activities before income tax paid		***2,785***	***3,552***	***5,185***
Income tax paid, net		(113)	(242)	(353)
Net cash provided by operating activities of continuing operations		***2,672***	***3,310***	***4,832***
Net cash provided by operating activities of discontinued operations	6	***1,197***	***1,136***	***2,274***
Net cash provided by operating activities		**3,869**	**4,446**	**7,106**
Investing activities				
Capital expenditures	3	(2,062)	(3,284)	(3,999)
Purchases of consolidated companies, after acquired cash		(34)	(1,437)	(1,374)
Investments in equity affiliates		(3)	(40)	(322)
Increase in financial assets		(68)	(24)	(35)
Investments		***(2,167)***	***(4,785)***	***(5,730)***
Proceeds from sales of property, plant, equipment and intangible assets	3	22	13	23
Proceeds from sales of consolidated companies, after divested cash		5	14	13
Disposal of equity affiliates		8	4	11
Decrease in financial assets		663	4	180
Divestitures		***698***	***35***	***227***
Dividends received from equity affiliates		2	2	3
Dividends received from unconsolidated companies		8	1	1
Net cash provided by/(used for) investing activities of continuing operations		***(1,459)***	***(4,747)***	***(5,499)***
Net cash provided by/(used for) investing activities of discontinued operations	6	***(1,896)***	***(463)***	***(543)***
Net cash provided by/(used for) investing activities		**(3,355)**	**(5,210)**	**(6,042)**
Financing activities				
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans		186	126	131
Sales/(purchases) of Vivendi SA's treasury shares		-	-	(18)
Dividends paid by Vivendi SA to its shareowners		(1,325)	(1,245)	(1,245)
Other transactions with shareowners		(1)	(1)	(1)
Dividends paid by consolidated companies to their non-controlling interests		(31)	(32)	(33)
Transactions with shareowners		***(1,171)***	***(1,152)***	***(1,166)***
Setting up of long-term borrowings and increase in other long-term financial liabilities		2,606	6,165	5,833
Principal payment on long-term borrowings and decrease in other long-term financial liabilities		(1,908)	(4,199)	(4,211)
Principal payment on short-term borrowings		(463)	(2,521)	(2,494)
Other changes in short-term borrowings and other financial liabilities		166	3,070	2,808
Interest paid, net	4	(413)	(406)	(544)
Other cash items related to financial activities		(43)	(84)	(96)
Transactions on borrowings and other financial liabilities		***(55)***	***2,025***	***1,296***
Net cash provided by/(used for) financing activities of continuing operations		***(1,226)***	***873***	***130***
Net cash provided by/(used for) financing activities of discontinued operations	6	***1,418***	***(449)***	***(557)***
Net cash provided by/(used for) financing activities		**192**	**424**	**(427)**
Foreign currency translation adjustments of continuing operations		(32)	(3)	(29)
Foreign currency translation adjustments of discontinued operations	6	(44)	8	(18)
Change in cash and cash equivalents		**630**	**(335)**	**590**
Reclassification of discontinued operations' cash and cash equivalents	6	**(3,653)**	**-**	**-**
Cash and cash equivalents				
At beginning of the period		**3,894**	**3,304**	**3,304**
At end of the period		**871**	**2,969**	**3,894**

a. As from the second quarter of 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in the Consolidated Statement of Cash Flows with respect to fiscal years 2013 and 2012 as discontinued operations (please refer to Note 6). In addition, data published with respect to fiscal year 2012 has been adjusted following the impacts related to the application of amended IAS 19, whose application is mandatory in the European Union as of January 1, 2013 (please refer to Note 1). These adjustments are presented in Note 12.

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

Condensed Statements of Changes in Equity

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 (a)	Net unrealized gains/(losses)	Foreign currency translation adjustments	Subtotal	
	Number of shares (in thousands)	Share capital								
BALANCE AS OF DECEMBER 31, 2012 - AS PUBLISHED	***1,323,962***	**7,282**	**8,271**	**(25)**	**15,528**	**6,491**	**126**	**(709)**	**5,908**	**21,436**
Attributable to Vivendi SA shareowners	***1,323,962***	***7,282***	***8,271***	***(25)***	***15,528***	***3,669***	***129***	***(861)***	***2,937***	***18,465***
Attributable to non-controlling interests	-	-	-	-	-	***2,822***	***(3)***	***152***	***2,971***	***2,971***
Adjustments related to the application of amended IAS 19, with retrospective effect, net of income taxes	-	-	-	-	-	- 145	-	-	- 145	- 145
Attributable to Vivendi SA shareowners	-	-	-	-	-	*- 140*	-	-	*- 140*	*- 140*
Attributable to non-controlling interests	-	-	-	-	-	*- 5*	-	-	*- 5*	*- 5*
BALANCE AS OF JANUARY 01, 2013 - RESTATED (a)	***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***

a. As of January 1, 2013, Vivendi applied, with retrospective effect as from January 1, 2012, amended IAS 19 (Employee Benefits), whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1). As a result, the 2012 Financial Statements were adjusted in accordance with the new standard.

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

First nine months of 2012 (unaudited)

(in millions of euros, except number of shares)	Capital: Common shares – Number of shares (in thousands)	Capital: Common shares – Share capital	Capital: Additional paid-in capital	Capital: Treasury shares	Capital: Subtotal	Retained earnings and other: Retained earnings (a)	Retained earnings and other: Net unrealized gains/(losses)	Retained earnings and other: Foreign currency translation adjustments	Retained earnings and other: Subtotal	Total equity
BALANCE AS OF DECEMBER 31, 2011 - AS PUBLISHED	***1,247,263***	**6,860**	**8,225**	**(28)**	**15,057**	**7,094**	**23**	**(104)**	**7,013**	**22,070**
Attributable to Vivendi SA shareowners	***1,247,263***	***6,860***	***8,225***	***(28)***	***15,057***	***4,641***	***23***	***(274)***	***4,390***	***19,447***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***2,453***	**-**	***170***	***2,623***	***2,623***
Adjustments related to the application of amended IAS 19, with retrospective effect, net of income taxes	-	-	-	-	-	- 99	-	-	- 99	- 99
Attributable to Vivendi SA shareowners	-	-	-	-	-	*- 95*	-	-	*- 95*	*- 95*
Attributable to non-controlling interests	-	-	-	-	-	*- 4*	-	-	*- 4*	*- 4*
BALANCE AS OF JANUARY 01, 2012 - RESTATED (a)	***1,247,263***	**6,860**	**8,225**	**(28)**	**15,057**	**6,995**	**23**	**(104)**	**6,914**	**21,971**
Attributable to Vivendi SA shareowners	***1,247,263***	***6,860***	***8,225***	***(28)***	***15,057***	***4,546***	***23***	***(274)***	***4,295***	***19,352***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***2,449***	**-**	***170***	***2,619***	***2,619***
Contributions by/distributions to Vivendi SA shareowners	***76,220***	***419***	***43***	***20***	***482***	***(1,209)***	**-**	**-**	***(1,209)***	***(727)***
Capital increase related to Direct 8 and Direct Star acquisition (September 27, 2012)	*22,356*	123	213	-	336	-	-	-	-	336
Dividends paid by Vivendi SA (€1 per share)	-	-	-	-	-	(1,245)	-	-	(1,245)	(1,245)
Grant of one bonus share for each 30 shares held (May 9, 2012)	*41,575*	229	(229)	-	-	-	-	-	-	-
Capital increase related to Vivendi SA's share-based compensation plans	*12,289*	67	59	20	146	36	-	-	36	182
of which Vivendi Employee Stock Purchase Plans (July 19, 2012)	*12,289*	*67*	*60*	-	*127*	-	-	-	-	*127*
Changes in Vivendi SA's ownership interest in its subsidiaries that do not result in a loss of control	**-**	**-**	**-**	**-**	**-**	***(66)***	**-**	**-**	***(66)***	***(66)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(110)	-	-	(110)	(110)
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	***76,220***	**419**	**43**	**20**	**482**	**(1,275)**	**-**	**-**	**(1,275)**	**(793)**
Contributions by/distributions to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***(478)***	**-**	**-**	***(478)***	***(478)***
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(478)	-	-	(478)	(478)
Changes in non-controlling interests that do not result in a gain/(loss) of control	**-**	**-**	**-**	**-**	**-**	***(92)***	**-**	**-**	***(92)***	***(92)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(131)	-	-	(131)	(131)
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	**-**	**-**	**-**	**-**	**-**	**(570)**	**-**	**-**	**(570)**	**(570)**
Earnings	**-**	**-**	**-**	**-**	**-**	***2,255***	**-**	**-**	***2,255***	***2,255***
Charges and income directly recognized in equity	**-**	**-**	**-**	**-**	**-**	***(46)***	***25***	***(266)***	***(287)***	***(287)***
TOTAL COMPREHENSIVE INCOME (C)	**-**	**-**	**-**	**-**	**-**	**2,209**	**25**	**(266)**	**1,968**	**1,968**
TOTAL CHANGES OVER THE PERIOD (A+B+C)	***76,220***	***419***	***43***	***20***	***482***	***364***	***25***	***(266)***	***123***	***605***
Attributable to Vivendi SA shareowners	*76,220*	*419*	*43*	*20*	*482*	*339*	*26*	*(267)*	*98*	*580*
Attributable to non-controlling interests	-	-	-	-	-	*25*	*(1)*	*1*	*25*	*25*
BALANCE AS OF SEPTEMBER 30, 2012 - RESTATED (a)	***1,323,483***	**7,279**	**8,268**	**(8)**	**15,539**	**7,359**	**48**	**(370)**	**7,037**	**22,576**
Attributable to Vivendi SA shareowners	***1,323,483***	***7,279***	***8,268***	***(8)***	***15,539***	***4,885***	***49***	***(541)***	***4,393***	***19,932***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***2,474***	***(1)***	***171***	***2,644***	***2,644***

a. As of January 1, 2013, Vivendi applied, with retrospective effect as from January 1, 2012, amended IAS 19 (Employee Benefits), whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1). As a result, the 2012 Financial Statements were adjusted in accordance with the new standard.

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

Year ended December 31, 2012

(in millions of euros, except number of shares)	Capital: Common shares – Number of shares (in thousands)	Capital: Common shares – Share capital	Capital: Additional paid-in capital	Capital: Treasury shares	Capital: Subtotal	Retained earnings and other: Retained earnings (a)	Retained earnings and other: Net unrealized gains/(losses)	Retained earnings and other: Foreign currency translation adjustments	Retained earnings and other: Subtotal	Total equity
BALANCE AS OF DECEMBER 31, 2011 - AS PUBLISHED	***1,247,263***	**6,860**	**8,225**	**(28)**	**15,057**	**7,094**	**23**	**(104)**	**7,013**	**22,070**
Attributable to Vivendi SA shareowners	***1,247,263***	***6,860***	***8,225***	***(28)***	***15,057***	***4,641***	***23***	***(274)***	***4,390***	***19,447***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***2,453***	**-**	***170***	***2,623***	***2,623***
Adjustments related to the application of amended IAS 19, with retrospective effect, net of income taxes	-	-	-	-	-	- 99	-	-	- 99	- 99
Attributable to Vivendi SA shareowners	-	-	-	-	-	*- 95*	-	-	*- 95*	*- 95*
Attributable to non-controlling interests	-	-	-	-	-	*- 4*	-	-	*- 4*	*- 4*
BALANCE AS OF JANUARY 01, 2012 - RESTATED (a)	***1,247,263***	**6,860**	**8,225**	**(28)**	**15,057**	**6,995**	**23**	**(104)**	**6,914**	**21,971**
Attributable to Vivendi SA shareowners	***1,247,263***	***6,860***	***8,225***	***(28)***	***15,057***	***4,546***	***23***	***(274)***	***4,295***	***19,352***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***2,449***	**-**	***170***	***2,619***	***2,619***
Contributions by/distributions to Vivendi SA shareowners	***76,699***	***422***	***46***	***3***	***471***	***(1,201)***	**-**	**-**	***(1,201)***	***(730)***
Capital increase related to Direct 8 and Direct Star acquisition (September 27, 2012)	*22,356*	123	213	-	336	-	-	-	-	336
Vivendi SA's stock repurchase program	-	-	-	(18)	(18)	-	-	-	-	(18)
Dividends paid by Vivendi SA (€1 per share)	-	-	-	-	-	(1,245)	-	-	(1,245)	(1,245)
Grant of one bonus share for each 30 shares held (May 9, 2012)	*41,575*	229	(229)	-	-	-	-	-	-	-
Capital increase related to Vivendi SA's share-based compensation plans	*12,768*	70	62	21	153	44	-	-	44	197
of which Vivendi Employee Stock Purchase Plans (July 19, 2012)	*12,289*	*67*	*60*	-	*127*	-	-	-	-	*127*
Changes in Vivendi SA's ownership interest in its subsidiaries that do not result in a loss of control	**-**	**-**	**-**	**-**	**-**	***65***	**-**	**-**	***65***	***65***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(110)	-	-	(110)	(110)
Gain on the dilution of Canal+ Group's interest by 24% in Cyfra+ following the creation of nc+	-	-	-	-	-	114	-	-	114	114
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	***76,699***	**422**	**46**	**3**	**471**	**(1,136)**	**-**	**-**	**(1,136)**	**(665)**
Contributions by/distributions to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***(481)***	**-**	**-**	***(481)***	***(481)***
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(481)	-	-	(481)	(481)
Changes in non-controlling interests that result in a gain/(loss) of control	**-**	**-**	**-**	**-**	**-**	***133***	**-**	**-**	***133***	***133***
of which ITI Neovision non-controlling interests	-	-	-	-	-	131	-	-	131	131
Changes in non-controlling interests that do not result in a gain/(loss) of control	**-**	**-**	**-**	**-**	**-**	***(68)***	**-**	**-**	***(68)***	***(68)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(131)	-	-	(131)	(131)
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	**-**	**-**	**-**	**-**	**-**	**(416)**	**-**	**-**	**(416)**	**(416)**
Earnings	**-**	**-**	**-**	**-**	**-**	***964***	**-**	**-**	***964***	***964***
Charges and income directly recognized in equity	**-**	**-**	**-**	**-**	**-**	***(61)***	***103***	***(605)***	***(563)***	***(563)***
TOTAL COMPREHENSIVE INCOME (C)	**-**	**-**	**-**	**-**	**-**	**903**	**103**	**(605)**	**401**	**401**
TOTAL CHANGES OVER THE PERIOD (A+B+C)	***76,699***	***422***	***46***	***3***	***471***	***(649)***	***103***	***(605)***	***(1,151)***	***(680)***
Attributable to Vivendi SA shareowners	*76,699*	*422*	*46*	*3*	*471*	*(1,017)*	*106*	*(587)*	*(1,498)*	*(1,027)*
Attributable to non-controlling interests	-	-	-	-	-	*368*	*(3)*	*(18)*	*347*	*347*
BALANCE AS OF DECEMBER 31, 2012 - RESTATED (a)	***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***

a. As of January 1, 2013, Vivendi applied, with retrospective effect as from January 1, 2012, amended IAS 19 (Employee Benefits), whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1). As a result, the 2012 Financial Statements were adjusted in accordance with the new standard.

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

Notes to the Condensed Financial Statements

On November 14, 2013, 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, 2013, after having considered the Audit Committee's recommendation given at its meeting held on November 12, 2013.

The Unaudited Condensed Financial Statements for the nine months ended September 30, 2013 should be read in conjunction with the audited Consolidated Financial Statements of Vivendi for the year ended December 31, 2012, as published in the 2012 "*Rapport annuel - Document de référence*" filed on March 18, 2013 with the "*Autorité des marchés financiers*" (AMF) (the "*Document de référence 2012*") and the unaudited Condensed Financial Statements for the first half of 2013. Please also refer to pages 212 to 319 of the English translation[1] of the "*Document de référence 2012*" (the "2012 Annual Report") which is available on Vivendi's website (www.vivendi.com) for informational purposes.

Note 1 Accounting policies and valuation methods

1.1 Interim Financial Statements

The Condensed Financial Statements of Vivendi for the first nine months of 2013 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, 2012 (please refer to Note 1 presented in the Consolidated Financial Statements from pages 222 to 237 of the 2012 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 the pre-tax earnings of the period. 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 share-based compensation, employee benefits and profit-sharing have been included on a pro rata basis of the estimated cost for the year, adjusted, if applicable, for any non-recurring events that occurred over the period.

1.2 New IFRS standards and interpretations applicable from January 1, 2013

The new IFRS described in Note 1.6 "New IFRS Standards and IFRIC Interpretations that have been published but are not yet effective" of Vivendi's audited Consolidated Financial Statements for the year ended December 31, 2012 (page 237 of the 2012 Annual Report), are applicable as from January 1, 2013.

The major subjects for Vivendi concern:
- Presentation of other items in the condensed statement of comprehensive income;
- Employee benefit plans; and
- Principles of consolidation.

1.2.1 Presentation of Financial Statements

Amendments to IAS 1 - *Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income*, as published by IASB on June 16, 2011, were endorsed by the EU on June 5, 2012 and published in the EU Official Journal on June 6, 2012. These amendments mandatorily apply to periods beginning on or after January 1, 2013, with retrospective effect as from January 1, 2012. They relate to the presentation of items of other comprehensive income (denominated "Charges and income directly recognized in equity" in the Condensed Statement of Comprehensive Income), which are henceforth grouped according to whether or not they are recycled in the Statement of Earnings.

[1] *This translation is qualified in its entirety by reference to the "Document de référence 2012".*

1.2.2 Employee benefit plans

Amendments to IAS 19 (Employee Benefits) as published by IASB on June 16, 2011, were endorsed by the EU on June 5, 2012, and published in the EU Official Journal on June 6, 2012. These amendments mandatorily apply to periods beginning on or after January 1, 2013, with retrospective effect as from January 1, 2012. The main impacts of these amendments for Vivendi are:

- Elimination of the "corridor method" relating to the recognition through profit and loss for the year of actuarial gains and losses on defined employee benefit plans: thus, actuarial gains and losses not yet recognized as of December 31, 2011 were recorded against consolidated equity as of January 1, 2012;
- As from January 1, 2012, actuarial gains and losses are immediately recognized in other comprehensive income in the Statement of Comprehensive Income, and will no longer be recycled in profit and loss. As a consequence, the Consolidated Financial Statements for the year ended December 31, 2012 were adjusted to reflect the cancellation of the recognition of actuarial gains and losses in selling, administrative and general expenses, and the recording of actuarial gains and losses generated in 2012 in items of other comprehensive income not reclassified to profit and loss;
- As from January 1, 2012, past service costs resulting from plan amendments or curtailments are immediately recognized in profit and loss, as selling, administrative and general expenses, unvested rights being no longer spread over the vesting period. As a consequence, past service costs not yet recognized as of December 31, 2011 were recorded against consolidated equity as of January 1, 2012, and the Consolidated Financial Statements for the year ended December 31, 2012 were adjusted to reflect the cancellation of the recognition of past service costs in selling, administrative and general expenses; and
- Expected return on plan assets is calculated using the discount rate retained for the valuation of the benefit obligation.

Due to the retrospective application of the amendments to IAS 19 (Employee Benefits), the Consolidated Financial Statements for the year ended December 31, 2012 were adjusted for comparison purposes. A detailed description of these adjustments is presented in Note 12.

1.2.3 Principles of consolidation

New 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*, as published by the IASB on May 12, 2011, were endorsed by the EU on December 11, 2012 and published in the EU Official Journal on December 29, 2012. These standards mandatorily apply to periods beginning on or after January 1, 2014. However, Vivendi elected to early apply them to the interim Financial Statements for the year 2013 and, retrospectively, as of January 1, 2012. The application of these standards had no material impact on Vivendi's financial statements.

Consolidation

IFRS 10 supersedes IAS 27 revised - *Consolidated and Separate Financial Statements*, and interpretation SIC 12 - *Consolidation - Special Purpose Entities*. The principle of control is based on the following three criteria to be fulfilled simultaneously in order to conclude that the parent company exercises control:

- a parent company has power over a subsidiary when the parent company has existing rights that give it the current ability to direct the relevant activities of the subsidiary, i.e., the activities that significantly affect the subsidiary's returns. Power may arise from existing or potential voting rights, or contractual agreements. Voting rights must be substantial, i.e., they shall be exercisable at any time, without limitation particularly during decision making related to significant activities. The assessment of the exercise of power depends on the nature of the subsidiary's relevant activities, the internal decision-making process, and the allocation of rights among the subsidiary's other shareowners;
- the parent company is exposed, or has rights, to variable returns from its involvement with the subsidiary which may vary as a result of the subsidiary's performance. The concept of returns is broadly defined and includes, among others, dividends and other distributions of economic benefits, changes in the value of the investment in the subsidiary, economies of scale, and business synergies; and
- the parent company has the ability to use its power to affect the returns. Power without any impact on returns does not qualify as control.

All companies in which Vivendi has a controlling interest are fully consolidated.

Consolidated Financial Statements of a group are presented as those of a single economic entity with two categories of owners: Vivendi SA shareowners and the owners of non-controlling interests. A non-controlling interest is defined as the equity in a subsidiary that is not attributable, directly or indirectly, to a parent. As a result, changes in a parent's ownership interest in a subsidiary that do not result in a loss of control only impact equity, as control does not change within the economic entity.

Accounting for joint arrangements

IFRS 11 supersedes IAS 31 – *Financial Reporting of Interests in Joint Ventures,* and interpretation SIC 13 - *Jointly Controlled Entities - Non-monetary Contributions by Venturers,* and establishes principles for financial reporting by parties to a joint arrangement.

In a joint arrangement, parties are bound by a contractual arrangement, giving these parties joint control of the arrangement. An entity that is a party to an arrangement shall assess whether the contractual arrangement gives all the parties or a group of the parties, control of the arrangement collectively. Once it has been established that all the parties or a group of the parties collectively control the arrangement, joint control exists only when decisions about the relevant activities require the unanimous consent of the parties that collectively control the arrangement.

Joint arrangements are classified into two categories:

- Joint operations: these are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint operator shall recognize 100% of wholly-owned assets/liabilities, expenses/revenues of the joint operation, and its share of any of those items held jointly; and
- Joint ventures: these are joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers. Each joint venturer shall recognize its interest in a joint venture as an investment, and shall account for that investment using the equity method in accordance with IAS 28 (please refer below).

The elimination of proportionate consolidation for joint ventures has no impact on Vivendi, which already accounted for under the equity method companies that were jointly controlled by Vivendi, directly or indirectly, and a limited number of other shareholders under the terms of a contractual arrangement.

Equity Accounting

Entities over which Vivendi exercises significant influence as well as joint ventures are accounted for under the equity method.

Significant influence is presumed to exist when Vivendi holds, directly or indirectly, at least 20% of the voting rights in an entity unless it can be clearly demonstrated that Vivendi does not exercise significant influence. Significant influence can be evidenced through other criteria, such as representation on the Board of Directors or the entity's equivalent governing body, participation in policy making processes, material transactions with the entity or the interchange of managerial personnel.

1.2.4 Other

New standard IFRS 13 - *Fair Value Measurement*, relating to the definition of the concept of fair value in terms of measurement and disclosures, as issued by the IASB on May 12, 2011, was endorsed by the EU on December 11, 2012 and published in the EU Official Journal on December 29, 2012. IFRS 13 applies prospectively and mandatorily to periods beginning on or after January 1, 2013. There has been no significant impact on Vivendi's valuation methods, nor on the information disclosed in the notes to the financial statements, pursuant to its application.

Amendments to various IFRS included in the Annual Improvements to IFRSs 2009-2011 Cycle as published by the IASB on May 2012, were endorsed by the EU on March 27, 2013 and published in the EU Official Journal on March 28, 2013. These amendments mandatorily apply to periods beginning on or after January 1, 2013, retrospectively from January 1, 2012. Their application has had no significant impact on Vivendi's financial statements.

Note 2 Major changes in the scope of consolidation

2.1 Ongoing strategic review

As publicly announced to shareholders on several occasions in 2012 and 2013, Vivendi's Management and Supervisory Boards are carrying out a review of the group's strategic development marked by a desire to strengthen its position in media and content and to maximize the value of its Telecom activities. To this end, in July 2013, Vivendi announced its intention to sell its interests in Activision Blizzard and Maroc Telecom, and, in September 2013, the study of the project of the flotation of SFR. During the second half of 2013, the following transactions occurred:

- on July 22, 2013, SFR entered into exclusive negotiations with Bouygues Telecom to share a portion of their mobile networks;
- on September 11, 2013, the Supervisory Board decided to launch the study to split the group in two separate companies: (i) a new international media group based in France, with very strong positions in music (where it is the worldwide undisputed leader), in European cinema, as well as in pay-TV in France, Africa, Vietnam, and Poland, and in the Internet and associated services in Brazil (ii) SFR, which would gain a greater strategic autonomy. The decision to implement this project could be taken at the beginning of 2014 and submitted to the 2014 General Shareholders' Meeting;
- on October 11, 2013, Vivendi completed the sale of 88% of its interest in Activision Blizzard for $8.2 billion (or approximately €6 billion), in cash. In addition, Vivendi retained 83 million Activision Blizzard shares, representing 11.9% of Activision Blizzard's outstanding share capital, subject to a staggered 15-month lock-up period (please refer to Note 6);
- on November 4, 2013, Vivendi signed a definitive agreement with Etisalat for the sale of Vivendi's 53% interest in Maroc Telecom group for €4.2 billion in cash, including a €310 million dividend with respect to fiscal year 2012. The completion of this transaction is contingent upon the satisfaction of certain closing conditions, including receipt of required regulatory approvals in Morocco and the countries where Maroc Telecom group operates, as well as the finalization of the shareholders' agreement between Etisalat and the Kingdom of Morocco. The transaction is expected to be completed early 2014; and
- on November 5, 2013, Vivendi acquired Lagardère Group's 20% interest in Canal+ France for €1,020 million in cash.

As a result of these transactions, Vivendi began to significantly reduce its debt by implementing a bond repurchase program in US dollar and euro for an aggregate amount of €3.1 billion; thus gaining greater financial flexibility.

In addition, regarding GVT, on October 1, 2013, Vivendi announced that EchoStar Technologies L.L.C. and GVT entered into negotiations to form a joint venture for pay-TV services in Brazil.

2.2 Acquisition of Lagardère group's non-controlling interest in Canal+ France

On November 5, 2013, Vivendi acquired Lagardère Group's 20% interest in Canal+ France, for €1,020 million in cash. In accordance with IFRS 10, Vivendi will record this transaction as an acquisition of a non-controlling interest. The difference between the consideration paid and the carrying value of acquired non-controlling interest will be recorded in the fourth quarter of 2013 as a deduction from equity attributable to Vivendi SA shareowners (estimated at approximately -€700 million as of September 30, 2013). In addition, Vivendi and Lagardère Group have settled all disputes between them (please refer to Note 10).

2.3 Completion of the acquisition of EMI Recorded Music by Vivendi and Universal Music Group (UMG)

As a reminder, Vivendi and UMG completed the acquisition of 100% of the recorded music business of EMI Group Global Limited (EMI Recorded Music) on September 28, 2012. EMI Recorded Music has been fully consolidated since that date. The purchase price, in enterprise value, amounted to £1,130 million (€1,404 million). The authorization by the European Commission was notably conditioned upon the divestment of the Parlophone, Now, and Mute labels. In accordance with IFRS 5, Vivendi reported these assets as assets held for sale at market value (less costs to sell), in the Statements of Financial Position, until completion of the sale.

On February 7, 2013, Vivendi and UMG announced the signing of the sale of Parlophone Label Group to Warner Music Group Group for an enterprise value of £487 million to be paid in cash. Following the approval by the European Commission on May 15, 2013, the sale of Parlophone Label Group was completed on July 1, 2013 and Vivendi received a consideration of £501 million (€591 million), including the provisional estimated contractual price adjustments (£14 million).

Moreover, the divestments of Sanctuary, Now, and Mute were completed. The aggregate amount of divestments made in compliance with the conditions imposed by the regulatory authorities in connection with the acquisition of EMI Recorded Music was £546 million, less costs to sell (approximately €684 million, including a €39 million gain on foreign exchange hedging and consideration in the amount of €14 million remaining payable as of September 30, 2013).

Note 3 Segment data

Vivendi's interests in Activision Blizzard and Maroc Telecom group, discontinued businesses as of September 30, 2013, are no longer reported in segment data as a result of the application of IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations). The 2012 Consolidated Statements were adjusted in order to make the information consistent and Activision Blizzard's and Maroc Telecom group's assets and liabilities were reclassified as unallocated assets and liabilities as of September 30, 2013 (please refer to Note 6).

Moreover, as of January 1, 2013, Vivendi applied, with retrospective effect as from January 1, 2012, amended IAS 19 (Employee Benefits), whose application is mandatory in the European Union beginning on or after January 1, 2013 (please refer to Note 1).

For a detailed description of the adjustments made to the previously published Financial Statements, please refer to Note 12.

Statement of Earnings

Three months ended September 30, 2013

(in millions of euros)	Canal+ Group	Universal Music Group	GVT	SFR	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	1,254	1,161	413	2,503	-	17	-	5,348
Intersegment revenues	3	1	-	5	-	1	(10)	-
Revenues	**1,257**	**1,162**	**413**	**2,508**	**-**	**18**	**(10)**	**5,348**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(976)	(1,011)	(236)	(1,775)	(11)	(37)	10	(4,036)
Charges related to share-based compensation plans	(1)	(2)	-	(2)	(2)	-	-	(7)
EBITDA	**280**	**149**	**177**	**731**	**(13)**	**(19)**	**-**	**1,305**
Restructuring charges	-	(15)	-	(5)	1	-	-	(19)
Gains/(losses) on sales of tangible and intangible assets	(1)	-	-	(2)	-	-	-	(3)
Other non-recurring items	(8)	(9)	1	-	(2)	(1)	-	(19)
Depreciation of tangible assets	(39)	(13)	(71)	(222)	-	(1)	-	(346)
Amortization of intangible assets excluding those acquired through business combinations	(15)	-	(5)	(168)	-	-	-	(188)
Adjusted earnings before interest and income taxes (EBITA)	**217**	**112**	**102**	**334**	**(14)**	**(21)**	**-**	**730**
Amortization of intangible assets acquired through business combinations	(3)	(86)	(11)	(17)	-	-	-	(117)
Impairment losses on intangible assets acquired through business combinations	-	-	-	-	-	-	-	-
Other income								7
Other charges								(10)
Earnings before interest and income taxes (EBIT)								**610**
Income from equity affiliates								(1)
Interest								(137)
Income from investments								(5)
Other financial income								3
Other financial charges								(77)
Provision for income taxes								(160)
Earnings from discontinued operations								363
Earnings								**596**
Of which								
Earnings attributable to Vivendi SA shareowners								**376**
Non-controlling interests								220

Three months ended September 30, 2012

(in millions of euros)	Canal+ Group	Universal Music Group	GVT	SFR	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	1,174	980	429	2,740	-	16	-	5,339
Intersegment revenues	3	1	-	7	-	1	(12)	-
Revenues	**1,177**	**981**	**429**	**2,747**	**-**	**17**	**(12)**	**5,339**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(863)	(877)	(246)	(1,858)	(22)	(18)	12	(3,872)
Charges related to share-based compensation plans	(3)	(2)	(1)	(2)	(1)	(1)	-	(10)
EBITDA	**311**	**102**	**182**	**887**	**(23)**	**(2)**	**-**	**1,457**
Restructuring charges	-	(4)	-	(8)	-	(1)	-	(13)
Gains/(losses) on sales of tangible and intangible assets	(1)	-	-	1	-	-	-	-
Other non-recurring items	1	(4)	-	(3)	(1)	-	-	(7)
Depreciation of tangible assets	(54)	(12)	(58)	(206)	(1)	-	-	(331)
Amortization of intangible assets excluding those acquired through business combinations	(18)	-	(6)	(134)	-	-	-	(158)
Adjusted earnings before interest and income taxes (EBITA)	**239**	**82**	**118**	**537**	**(25)**	**(3)**	**-**	**948**
Amortization of intangible assets acquired through business combinations	-	(75)	(14)	(17)	-	(1)	-	(107)
Impairment losses on intangible assets acquired through business combinations	-	-	-	-	-	-	-	-
Other income								4
Other charges								(27)
Earnings before interest and income taxes (EBIT)								**818**
Income from equity affiliates								(6)
Interest								(130)
Income from investments								2
Other financial income								5
Other financial charges								(40)
Provision for income taxes								(306)
Earnings from discontinued operations								347
Earnings								**690**
Of which								
Earnings attributable to Vivendi SA shareowners								**493**
Non-controlling interests								197

Nine months ended September 30, 2013

(in millions of euros)	Canal+ Group	Universal Music Group	GVT	SFR	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	3,849	3,395	1,297	7,600	-	49	-	16,190
Intersegment revenues	8	3	-	16	-	2	(29)	-
Revenues	**3,857**	**3,398**	**1,297**	**7,616**	**-**	**51**	**(29)**	**16,190**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(3,000)	(3,003)	(765)	(5,391)	(56)	(103)	29	(12,289)
Charges related to share-based compensation plans	(10)	(9)	(1)	(24)	(5)	(1)	-	(50)
EBITDA	**847**	**386**	**531**	**2,201**	**(61)**	**(53)**	**-**	**3,851**
Restructuring charges	-	(68)	-	(22)	(1)	-	-	(91)
Gains/(losses) on sales of tangible and intangible assets	(7)	11	-	(3)	-	-	-	1
Other non-recurring items	(28)	(20)	-	-	1	(1)	-	(48)
Depreciation of tangible assets	(121)	(54)	(217)	(664)	-	(2)	-	(1,058)
Amortization of intangible assets excluding those acquired through business combinations	(44)	-	(16)	(472)	-	(2)	-	(534)
Adjusted earnings before interest and income taxes (EBITA)	**647**	**255**	**298**	**1,040**	**(61)**	**(58)**	**-**	**2,121**
Amortization of intangible assets acquired through business combinations	(5)	(259)	(37)	(50)	-	(1)	-	(352)
Impairment losses on intangible assets acquired through business combinations	-	(5)	-	-	-	-	-	(5)
Other income								35
Other charges								(49)
Earnings before interest and income taxes (EBIT)								**1,750**
Income from equity affiliates								(9)
Interest								(413)
Income from investments								21
Other financial income								47
Other financial charges								(236)
Provision for income taxes								(332)
Earnings from discontinued operations								1,299
Earnings								**2,127**
Of which								
Earnings attributable to Vivendi SA shareowners								**1,411**
Non-controlling interests								716

Nine months ended September 30, 2012

(in millions of euros)	Canal+ Group	Universal Music Group	GVT	SFR	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	3,634	2,899	1,282	8,488	-	44	-	16,347
Intersegment revenues	13	4	-	20	-	3	(40)	-
Revenues	**3,647**	**2,903**	**1,282**	**8,508**	**-**	**47**	**(40)**	**16,347**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(2,729)	(2,571)	(752)	(5,744)	(73)	(50)	40	(11,879)
Charges related to share-based compensation plans	(10)	(11)	(2)	(29)	(7)	(1)	-	(60)
EBITDA	**908**	**321**	**528**	**2,735**	**(80)**	**(4)**	**-**	**4,408**
Restructuring charges	-	(37)	-	(19)	(6)	(1)	-	(63)
Gains/(losses) on sales of tangible and intangible assets	(1)	-	(1)	1	-	-	-	(1)
Other non-recurring items	-	(10)	-	-	(2)	(1)	-	(13)
Depreciation of tangible assets	(129)	(36)	(169)	(627)	(1)	(1)	-	(963)
Amortization of intangible assets excluding those acquired through business combinations	(56)	-	(17)	(440)	-	(1)	-	(514)
Adjusted earnings before interest and income taxes (EBITA)	**722**	**238**	**341**	**1,650**	**(89)**	**(8)**	**-**	**2,854**
Amortization of intangible assets acquired through business combinations	(1)	(216)	(42)	(50)	-	(2)	-	(311)
Impairment losses on intangible assets acquired through business combinations	-	(93)	-	-	-	-	-	(93)
Other income								12
Other charges								(82)
Earnings before interest and income taxes (EBIT)								**2,380**
Income from equity affiliates								(19)
Interest								(406)
Income from investments								6
Other financial income								11
Other financial charges								(123)
Provision for income taxes								(657)
Earnings from discontinued operations								1,063
Earnings								**2,255**
Of which								
Earnings attributable to Vivendi SA shareowners								**1,658**
Non-controlling interests								597

Statement of Financial Position

(in millions of euros)	Canal+ Group	Universal Music Group	GVT	SFR	Holding & Corporate	Non-core operations and others	**Total Vivendi**
September 30, 2013							
Segment assets (a)	7,724	8,287	4,854	20,651	197	234	41,947
incl. investments in equity affiliates	*193*	*85*	-	*146*	-	-	*424*
Unallocated assets (b)							18,009
Total Assets							**59,956**
Segment liabilities (c)	2,781	3,188	520	3,428	4,420	54	14,391
Unallocated liabilities (d)							23,929
Total Liabilities							**38,320**
Increase in tangible and intangible assets	147	35	568	1,012	-	6	1,768
Capital expenditures, net (capex, net) (e)	159	19	614	1,242	-	6	2,040

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

b. Unallocated assets include deferred tax assets, current tax receivables, cash and cash equivalents as well as assets held for sale and assets of discontinued businesses (€8,887 million for Activision Blizzard and €6,504 million for Maroc Telecom group).

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, current tax payables as well as liabilities associated with assets held for sale and assets of discontinued businesses (€2,944 million for Activision Blizzard and €2,534 million for Maroc Telecom group).

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

Note 4 Interest

(in millions of euros)	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012	Year ended December 31, 2012
(Charge)/Income					
Interest expense on borrowings	(144)	(140)	(429)	(428)	(572)
Interest income from cash and cash equivalents	7	10	16	22	28
Interest	**(137)**	**(130)**	**(413)**	**(406)**	**(544)**
Fees and premiums on borrowings and credit facilities issued/redeemed and early unwinding of hedging derivative instruments	*(4)*	*(3)*	*(13)*	*(11)*	*(15)*
	(141)	***(133)***	***(426)***	***(417)***	***(559)***

Note 5 Income taxes

(in millions of euros)	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012	Year ended December 31, 2012
(Charge)/Income					
Impact of the Vivendi SA's French Tax Group and Consolidated Global Profit Tax Systems	51 (a)	28	178 (a)	226	333
Other components of the provision for income taxes	(211)	(334)	(510)	(883)	(937)
Provision for income taxes	**(160)**	**(306)**	**(332)**	**(657)**	**(604)**

a. Primarily related to 25% and 75%, respectively, of the expected tax saving for the 2014 fiscal year.

Note 6 Discontinued operations

As from the second quarter of 2013, and in compliance with IFRS 5 taking into account the anticipated closing dates of the current sales, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Earnings, Statement of Cash Flows, and Statement of Financial Position as discontinued operations. In practice, Activision Blizzard and Maroc Telecom group have been reported as follows:

- their contribution 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 reported in the Consolidated Financial Statements (2013 and 2012) to ensure consistency of information;
- their contribution 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 reported in the Consolidated Financial Statements (2013 and 2012) to ensure consistency of information; and
- their contribution to each line of Vivendi's Consolidated Statement of Financial Position as of September 30, 2013 has been grouped under the lines: "Assets of discontinued businesses" and "Liabilities associated with assets of discontinued businesses".

6.1 Activision Blizzard

On October 11, 2013, Vivendi completed the sale of 88% of its interest in Activision Blizzard, or 600.64 million shares priced at $13.60 per share, for $8,169 million (€6,045 million) in cash. The key terms of the agreements announced on July 26, 2013 are as follows:

- through the acquisition of a Vivendi subsidiary, Activision Blizzard repurchased 428.68 million shares at $13.60 per share for a cash consideration of $5,830 million;
- concomitantly, Vivendi sold 171.97 million Activision Blizzard shares at $13.60 per share for a cash consideration of $2,339 million to an investor group (ASAC II LP) led by Mr. Robert Kotick, Activision Blizzard's Chief Executive Officer, and Mr. Brian Kelly, the Chairman of the Board of Directors. ASAC II LP owns approximately 24.7% of the outstanding share capital (following the repurchase of 428.68 million shares by Activision Blizzard);
- pursuant to the simultaneous closings of both sales on October 11, 2013, Vivendi retained 83 million Activision Blizzard shares, representing 11.9% of Activision Blizzard's outstanding share capital (following the repurchase of 428.68 million shares by Activision Blizzard). Vivendi's remaining ownership is subject to a staggered 15-month lock-up period as described below. The sale proceeds from the remaining ownership are estimated at a total of $1,129 million (€832 million), assuming the hypothesis of $13.60 per share and at $1,418 million (€1,045 million), assuming the hypothesis of Activision Blizzard's share price on October 11, 2013 of $17.08 per share; and
- the agreement governing the transaction includes certain continuing commitments given by the parties.

Accounting treatment of Activision Blizzard as of September 30, 2013

As of September 30, 2013, Vivendi owned 683.64 million shares of, or an approximate 60.85% interest in, Activision Blizzard. In the Condensed Financial Statements for the nine months ended September 30, 2013, Activision Blizzard has been accounted for as a discontinued operation, in compliance with IFRS 5.

Deconsolidation of Activision Blizzard as from October 11, 2013

As from October 11, 2013, as a result of the sale of 600.64 million shares of, or a 53.46% interest in Activision Blizzard, Vivendi lost control of and deconsolidated Activision Blizzard. In the Consolidated Financial Statements for the year ended December 31, 2013, the remaining 11.9% interest in Activision Blizzard will be recorded as assets held for sale, subject to the lock-up restrictions.

Estimated gain on sale

From an accounting perspective and in accordance with IFRS, Vivendi is considered to have sold 100% of its interest in Activision Blizzard following the loss of control of this subsidiary. The gain on sale will be determined as the difference between the value at 100% of Activision Blizzard shares owned by Vivendi at a price of $13.60 per share (net of costs to sell) (or €6,855 million) and Activision Blizzard's net assets, as recorded in Vivendi's Consolidated Statements at the date of the loss of control (or €4,490 million, based on the Statement of Financial Position as of September 30, 2013). Moreover, in accordance with IFRS, foreign currency translation adjustments and other items to be directly recognized in equity related to Activision Blizzard will be reclassified to profit or loss, i.e. a gain of approximately €550 million as of September 30, 2013. The gain will be recognized in the Consolidated Statements for the fourth quarter of 2013 under the line "Earnings from discontinued operations" and is estimated at approximately €2,915 million.

Commitments given in connection with the sale of Activision Blizzard

As part of the sale of 88% of Vivendi's interest in Activision Blizzard which was completed on October 11, 2013 (the "Closing Date"), Vivendi, ASAC II LP, and Activision Blizzard gave certain reciprocal commitments customary for this type of transaction (representations, warranties, and covenants). Vivendi, ASAC II LP, and Activision Blizzard undertook to indemnify each other against any losses stemming from any breach of their respective commitments. Such indemnification is unlimited as to time and amount.

In addition, Vivendi has agreed to indemnify Activision Blizzard with respect to any tax or other liabilities of Amber Holding Subsidiary Co. ("Amber"), the Vivendi subsidiary acquired by Activision Blizzard, relating to periods preceding the Closing Date. Such indemnification is unlimited as to time and amount. Tax attributes (mainly net operating loss) held by Amber and assumed by Activision Blizzard were approximately $676 million, which represent a potential future tax benefit of approximately $245 million. Vivendi agreed to indemnify Activision Blizzard, under certain circumstances, with respect to these tax attributes, subject to a cap of $200 million limited to taxable years ending on or prior to December 31, 2016.

Lastly, the 83 million Activision Blizzard shares Vivendi retained are subject to a two-tiered lock-up provision:

- during the 180 day period following the Closing Date (i.e., until April 9, 2014), Vivendi cannot sell, transfer, hedge or otherwise dispose of any Activision Blizzard shares directly or indirectly;
- during the 90 day period following the expiry of this first lock-up period (i.e., from April 10 through July 8, 2014), Vivendi can sell Activision Blizzard shares provided they constitute no more than the lesser of 50% of Vivendi's 83 million remaining shares and 9% of the outstanding shares of Activision Blizzard; and
- following this 90 day sale window, Vivendi is subject to another 180 day lock-up provision (i.e., from July 9 through January 4, 2015).

Thereafter, Vivendi may sell its remaining Activision Blizzard shares without restriction.

Activision Blizzard has agreed to file a registration statement prior to each sale window to enable Vivendi to sell the Activision Blizzard shares in a public offering.

Prior to any sale of Activision Blizzard shares by Vivendi in a market offering that occurs prior to the second anniversary of the Closing Date (October 11, 2015), Vivendi must notify Activision Blizzard of its intention to sell shares and Activision Blizzard may, at its election, offer to purchase some or all of the shares that Vivendi intends to sell in such market offering. Vivendi may accept or decline such offer at its sole discretion.

ASAC II LP is also subject to a lock-up provision of 180 days following the Closing Date (i.e., until April 9, 2014), provided that it may sell its Activision Blizzard shares so long as the net proceeds from such sales are used to pay amounts under its loans.

Statement of Earnings

Activision Blizzard (in millions of euros)	Three months ended September 30, 2013	2012	Nine months ended September 30, 2013	2012	Year ended December 31, 2012
Revenues	521	673	2,328	2,404	3,768
EBITDA	124	211	989	867	1,315
Adjusted earnings before interest and income taxes (EBITA)	121	182	895	754	1,149
Earnings before interest and income taxes (EBIT)	121	182	891	750	1,128
Earnings before provision for income taxes	73	184	846	755	1,131
Provision for income taxes	9	(8)	(154)	(147)	(258)
Earnings from discontinued operations	**82**	**176**	**692**	**608**	**873**
Of which					
Attributable to Vivendi SA shareowners	50	108	423	373	536
Non-controlling interests	32	68	269	235	337

6.2 Maroc Telecom group

On November 4, 2013, Vivendi entered into a definitive agreement with Etisalat, with whom exclusive negotiations had begun on July 22, 2013, for the sale of Vivendi's 53% interest in Maroc Telecom group. The key terms of this agreement are as follows (according to the terms known to date):

- this agreement values the interest in Maroc Telecom group at MAD 92.6 per share, or sale proceeds for Vivendi of €4.2 billion in cash, including a €310 million dividend with respect to fiscal year 2012. Taking into account Maroc Telecom group's net debt, the transaction reflects a proportional enterprise value of €4.5 billion for Vivendi's interest, equal to an EBITDA multiple of 6.2x; and
- the completion of this transaction is contingent upon the satisfaction of certain closing conditions, including receipt of required regulatory approvals in Morocco and the countries where Maroc Telecom group operates, as well as the finalization of the shareholders' agreement between Etisalat and the Kingdom of Morocco. This transaction is expected to be completed early 2014.

Statement of Earnings

Maroc Telecom Group (in millions of euros)	Three months ended September 30, 2013	2012	Nine months ended September 30, 2013	2012	Year ended December 31, 2012
Revenues	627	665	1,927	2,028	2,689
EBITDA	357	377	1,112	1,128	1,506
Adjusted earnings before interest and income taxes (EBITA)	356	266	891	729	988
Earnings before interest and income taxes (EBIT)	357	261	878	710	962
Earnings before provision for income taxes	347	252	855	690	933
Provision for income taxes	(66)	(81)	(248)	(235)	(301)
Earnings from discontinued operations	**281**	**171**	**607**	**455**	**632**
Of which					
Attributable to Vivendi SA shareowners	132	82	273	213	297
Non-controlling interests	149	89	334	242	335

Equity

As of September 30, 2013:

- equity attributable to Maroc Telecom group's non-controlling interests was €1,081 million; and
- other comprehensive income related to Maroc Telecom group included foreign currency translation adjustments for €44 million, related to an unrealized foreign exchange loss attributable to the decline in value of the Moroccan dirham since 2001, which will be reclassified as a gain on sale of Maroc Telecom group upon its completion.

Note 7 Earnings per share

	Three months ended September 30,				Nine months ended September 30,				Year ended December 31, 2012	
	2013		2012		2013		2012			
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Earnings (in millions of euros)										
Earnings from continuing operations attributable to Vivendi SA shareowners	194	194	303	303	715	715	1,072	1,072	(654)	(654)
Earnings from discontinued operations attributable to Vivendi SA shareowners	182	182 (a)	190	190 (a)	696	693 (a)	586	584 (a)	833	830 (a)
Earnings attributable to Vivendi SA shareowners	376	376 (a)	493	493 (a)	1,411	1,408 (a)	1,658	1,656 (a)	179	176 (a)
Number of shares (in millions)										
Weighted average number of shares outstanding (b)	1,335.6	1,335.6	1,298.9	1,298.9	1,327.8	1,327.8	1,290.9	1,290.9	1,298.9	1,298.9
Potential dilutive effects related to share-based compensation	-	4.2	-	2.6	-	4.1	-	2.1	-	3.5
Adjusted weighted average number of shares	**1,335.6**	**1,339.8**	**1,298.9**	**1,301.5**	**1,327.8**	**1,331.9**	**1,290.9**	**1,293.0**	**1,298.9**	**1,302.4**
Earnings per share (in euros)										
Earnings from continuing operations attributable to Vivendi SA shareowners per share	0.14	0.14	0.23	0.23	0.54	0.54	0.83	0.83	(0.50)	(0.50)
Earnings from discontinued operations attributable to Vivendi SA shareowners per share	0.14	0.14	0.15	0.15	0.52	0.52	0.45	0.45	0.64	0.64
Earnings attributable to Vivendi SA shareowners per share	0.28	0.28	0.38	0.38	1.06	1.06	1.28	1.28	0.14	0.14

a. Only includes the potential dilutive effect related to stock option and restricted stock plans of Activision Blizzard for a non-material amount.

b. Net of treasury shares (approximately 0.7 million as of September 30, 2013).

Note 8 Borrowings and other financial liabilities

	September 30, 2013			December 31, 2012		
(in millions of euros)	Total	Long-term	Short-term	Total	Long-term	Short-term
Bonds	11,604	6,640	4,964	10,888	10,188	700
Bank credit facilities (drawn confirmed)	2,219	2,176	43	2,423	2,326	97
Commercial paper issued	2,815	-	2,815	3,255	-	3,255
Bank overdrafts	238	-	238	192	-	192
Other bank borrowings	100	-	100	625	34	591
Accrued interest to be paid	270	-	270	205	-	205
Other	98	65	33	126	86	40
Nominal value of borrowings	**17,344**	8,881	8,463	**17,714**	12,634	5,080
Cumulative effect of amortized cost and reevaluation due to hedge accounting	(19)	(19)	-	(1)	4	(5)
Commitments to purchase non-controlling interests	8	8	-	8	8	-
Derivative financial instruments	64	29	35	36	21	15
Borrowings and other financial liabilities	**17,397**	**8,899**	**8,498**	**17,757**	**12,667**	**5,090**

8.1 Bonds

(in millions of euros)	Interest rate (%) nominal	Interest rate (%) effective	Maturity	September 30, 2013		Maturing before September 30, 2014	2015	2016	2017	2018	Maturing after September 30, 2018	December 31, 2012
€750 million (July 2013)	2.375%	2.51%	Jan-19	750	(a)	-	-	-	-	-	750	-
€700 million (December 2012)	2.500%	2.65%	Jan-20	700		-	-	-	-	-	700	700
$550 million (April 2012)	2.400%	2.50%	Apr-15	420	(b)	420	-	-	-	-	-	420
$650 million (April 2012)	3.450%	3.56%	Jan-18	481	(c)	410	-	-	-	71	-	491
$800 million (April 2012)	4.750%	4.91%	Apr-22	591	(c)	400	-	-	-	-	191	604
€1,250 million (January 2012)	4.125%	4.31%	Jul-17	1,250		-	-	-	1,250	-	-	1,250
€500 million (November 2011)	3.875%	4.04%	Nov-15	500	(d)	500	-	-	-	-	-	500
€500 million (November 2011)	4.875%	5.00%	Nov-18	500		-	-	-	-	-	500	500
€1,000 million (July 2011)	3.500%	3.68%	Jul-15	1,000	(d)	1,000	-	-	-	-	-	1,000
€1,050 million (July 2011)	4.750%	4.67%	Jul-21	1,050		-	-	-	-	-	1,050	1,050
€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		300	-	-	-	-	-	300
€1,120 million (January 2009)	7.750%	7.69%	Jan-14	894	(a)	894	-	-	-	-	-	894
$700 million (April 2008)	6.625%	6.85%	Apr-18	518	(c)	340	-	-	-	178	-	529
€700 million (October 2006)	4.500%	5.47%	Oct-13	700	(e)	700	-	-	-	-	-	700
Nominal value of bonds				**11,604**		4,964	-	-	2,500	249	3,891	**10,888**

The bonds denominated in euro are listed on the Luxembourg Stock Exchange.

The bonds denominated in US dollar were converted into euro based on the closing rate, i.e., 1.3525 EUR/USD as of September 30, 2013 (1.3244 EUR/USD as of December 31, 2012).

a. On July 9, 2013, Vivendi issued a €750 million bond, maturing in January 2019. This transaction enabled the refinancing of the bond issued in January 2009, maturing in January 2014.

b. A USD/EUR foreign currency hedge (cross-currency swap) was set up to hedge this US dollar denominated bond with a 1.3082 EUR/USD rate, or a €420 million counter value at maturity. As of September 30, 2013, the counter value of this bond converted at the closing rate amounted to €407 million. On November 15, 2013, Vivendi exerciced the full make-whole call and early redeemed this bond. As a result, this bond was recorded as a short-term borrowing as of September 30, 2013.

c. On October 25, 2013, Vivendi early redeemed $1,555 million in bonds, through tender offers:
   - $555 million on the $650 million bond issued in April 2012, initially maturing in January 2018;
   - $541 million on the $800 million bond issued in April 2012, initially maturing in April 2022; and
   - $459 million on the $700 million bond issued in April 2008, initially maturing in April 2018.

   As a result, €1,150 million were recorded as short-term borrowings as of September 30, 2013.

d. On November 11, 2013, Vivendi early redeemed (make-whole) the full amount of these two bonds which were recorded as short-term borrowings as of September 30, 2013.

e. This bond was redeemed in October 2013 upon its contractual maturity.

8.2 Bank credit facilities

(in million of euros)	Maturity	Maximum amount	September 30, 2013	Maturing before September 30, 2014	2015	2016	2017	2018	Maturing after September 30, 2018	December 31, 2012
€1.5 billion revolving facility (March 2013)	Mar-18	1,500 (a)	475	-	-	-	-	475	-	-
€1.5 billion revolving facility (May 2012)	May-17	1,500	320	-	-	-	320	-	-	-
€1.1 billion revolving facility (January 2012)	Jan-17	1,100	-	-	-	-	-	-	-	-
€40 million revolving facility (January 2012)	Jan-15	40	-	-	-	-	-	-	-	-
€5.0 billion revolving facility (May 2011)										
tranche B: €1.5 billion	-	- (a)	-	-	-	-	-	-	-	725
tranche C: €2.0 billion	May-16	2,000	500	-	-	500	-	-	-	819
€1.0 billion revolving facility (September 2010)	Sep-15	1,000	475	-	475	-	-	-	-	350
€1.2 billion revolving facility - SFR (June 2010)	Jun-15	1,200 (b)	-	-	-	-	-	-	-	-
GVT - BNDES	-	488	422	31	76	82	71	51	111	406
Maroc Telecom - MAD 3 billion loan	Jul-14	-	-	-	-	-	-	-	-	94
Canal+ Group - VSTV	-	36	27	12	4	11	-	-	-	29
Drawn confirmed bank credit facilities			**2,219**	**43**	**555**	**593**	**391**	**526**	**111**	**2,423**
Undrawn confirmed bank credit facilities			6,644	10	1,775	1,511	2,291	1,035	22	6,616
Total of group's bank credit facilities			**8,863**	**53**	**2,330**	**2,104**	**2,682**	**1,561**	**133**	**9,039**
Commercial paper issued (c)			2,815	2,815						3,255

a. On March 28, 2013, Vivendi completed the early refinancing of a €1.5 billion bank credit facility maturing in May 2014 by entering into a new bank credit facility for the same amount with a five-year maturity.

b. On October 23, 2013, the €1.2 billion revolving facility of SFR was cancelled.

c. The commercial paper is backed to confirmed bank credit facilities. It is recorded as short-term borrowing on the Consolidated Statement of Financial Position. On February 20, 2013, Vivendi increased the maximum amount authorized by the Banque de France regarding Vivendi SA's commercial paper program from €4 to €5 billion.

Vivendi SA bank credit facilities, when drawn, bear interest at floating rates.

Moreover, on March 4, 2013, a letter of credit for €975 million was issued in connection with Vivendi's appeal against the Liberty Media judgment (please refer to Note 10). This off-balance sheet financial commitment has no impact on Vivendi's net debt.

8.3 Credit ratings

On November 14, 2013, the date of the Management Board meeting that approved the Condensed Financial Statements for the first nine months of 2013, the credit ratings of Vivendi were as follows:

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

a. On August 5, 2013, Standard & Poor's rating agency maintained Vivendi's rating and long-term corporate debt outlook.

b. On March 4, 2013, Moody's rating agency confirmed Vivendi's long-term senior unsecured debt at Baa2 and revised its outlook to negative.

Note 9 Commitments

- Sale of Activision Blizzard and Maroc Telecom group: please refer to Note 6; and
- Acquisition of Lagardère group's non-controlling interest in Canal+ France: please refer to Note 2.

Note 10 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 27 to the Consolidated Financial Statements for the year ended December 31, 2012, contained in the 2012 Annual Report (pages 310 to 315) and in Section 3 of Chapter 1 contained in the 2012 Annual Report (pages 45 to 50). The following paragraphs update such disclosure through November 14, 2013, the date of the Management Board meeting held to approve Vivendi's Financial Statements for the nine months ended September 30, 2013.

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.

Complaint of Liberty Media Corporation

On March 28, 2003, Liberty Media Corporation and certain of its affiliates filed suit against Vivendi and Jean-Marie Messier and Guillaume Hannezo in the District Court for the Southern District of New York for claims arising out of the agreement entered into by Vivendi and Liberty Media relating to the formation of Vivendi Universal Entertainment in May 2002. The plaintiffs allege that the defendants violated certain provisions of the US Exchange Act of 1934 and breached certain contractual representations and warranties. The case had been consolidated with the securities class action for pre-trial purposes but was subsequently deconsolidated on March 2, 2009. The judge granted Liberty Media's request that they be permitted to avail themselves of the verdict rendered by the securities class action jury with respect to Vivendi's liability (theory of "collateral estoppel").

The Liberty Media jury returned its verdict on June 25, 2012. It found Vivendi liable to Liberty Media for making certain false or misleading statements and for breaching several representations and warranties contained in the parties' agreement and awarded damages to Liberty Media in the amount of €765 million. Vivendi filed certain post-trial motions challenging the jury's verdict, including motions requesting that the Court set aside the jury's verdict for lack of evidence and order a new trial.

On January 9, 2013, the Court confirmed the jury's verdict. It also awarded Liberty Media pre-judgment interest accruing from December 16, 2001 until the date of the entry of judgment, using the average rate of return on one-year U.S. Treasury bills. On January 17, 2013, the Court entered a final judgment in the total amount of €945 million, including pre-judgment interest, but stayed its execution while it considered two pending post-trial motions, which were denied on February 12, 2013.

On February 15, 2013, Vivendi filed with the Court a Notice of Appeal against the judgment awarded, for which it believes it has strong arguments. On March 13, 2013, Vivendi filed a motion in the Second Circuit Court of Appeals requesting that the Court stay the Liberty Media appeal until the Class Action judgment is entered so that the two appeals can be heard simultaneously. On April 4, 2013, the Court of Appeals issued an Order granting Vivendi's motion, agreeing to hear the Liberty Media case together with the Class Action. The appeal in the Liberty Media case is stayed until Vivendi can appeal from the Class Action final judgment.

On the basis of the verdict rendered on June 25, 2012, and following the entry of the final judgment by the Court, at December 31, 2012, Vivendi recognized a provision in the amount of €945 million.

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 trial began on October 28 and will continue through November 26, 2013 before the Paris Court of Appeal.

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

In August 2013, a derivative action was initiated in 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*.

Vivendi Deutschland against Fig

Further to a claim filed by CGIS BIM (a subsidiary of Vivendi) against FIG to obtain the release of part of a payment remaining due pursuant to a buildings sale contract, FIG obtained, on May 29, 2008, the annulment of the sale following a judgment of the Berlin Court of Appeal, which overruled a judgment rendered by the Berlin High Court. CGIS BIM was ordered to repurchase the buildings and to pay damages. Vivendi delivered a guarantee so as to pursue settlement negotiations. As no settlement was reached, on September 3, 2008, CGIS BIM challenged the validity of the reasoning of the judgment. On April 23, 2009, the Regional Berlin Court issued a decision setting aside the judgment of the Berlin Court of Appeal dated May 29, 2008. On June 12, 2009, FIG appealed that decision. On December 16, 2010, the Berlin Court of Appeal rejected FIG's appeal and confirmed the decision of the Regional Berlin Court in April 2009, which decided in CGIS BIM's favor and confirmed the invalidity of the reasoning of the judgment and therefore overruled the order for CGIS BIM to repurchase the building and pay damages and interest. This decision is now final. In parallel, FIG filed a second claim for additional damages in the Berlin Regional Court which was served on CGIS BIM on March 3, 2009. On June 19, 2013, the Berlin Regional Court ordered CGIS BIM to pay FIG the sum of €3.9 million together with interest from February 27, 2009. CGIS BIM has appealed this decision.

Lagardère against Vivendi, Canal+ Group and Canal+ France

On February 12, 2013, Lagardère Holding TV, a 20% shareholder of Canal+ France, and Mr. Dominique D'Hinnin and Mr. Philippe Robert, members of the Supervisory Board of Canal+ France, filed a complaint against Vivendi, Canal+ Group and Canal+ France with the Paris Commercial Court. The Lagardère group is seeking nullification of the cash management agreement entered into between Canal+ France and Canal+ Group on the grounds that it constitutes a related party agreement and hence, is seeking restitution, under penalty, from Canal+ Group, of the entire cash surplus given over by Canal+ France under the agreement. The parties have agreed to the appointment of a mediator to help find an amicable solution to the dispute between them. On June 10, 2013, the Paris Commercial Court appointed Mr. René Ricol as the mediator. Following the mediation process, which ended on October 14, 2013, the different parties entered into a settlement agreement dated November 5, 2013, which put an end to the disputes between them.

Vivendi's complaint against France Télécom before the European Commission for abuse of a dominant position

On March 2, 2009, Vivendi and Free jointly filed a complaint against France Télécom before the European Commission (the "Commission"), for abuse of a dominant position. Vivendi and Free allege that France Télécom imposes excessive tariffs on offers for access to its fixed network and on telephone subscriptions. In July 2009, Bouygues Telecom joined in this complaint. In a letter dated February 2, 2010, the Commission informed the parties of its intention to dismiss the complaint. On September 17, 2010, Vivendi filed an appeal before the Court of First Instance of the European Union in Luxemburg. On October 16, 2013, the Court denied Vivendi's appeal.

Compañía de Aguas de Aconquija and Vivendi against the Republic of Argentina

On August 20, 2007, the International Center for Settlement of Investment Disputes ("ICSID") issued an arbitration award in favor of Vivendi and Compañia de Aguas de Aconquija ("CAA"), its Argentinian subsidiary, relating to a dispute that arose in 1996 regarding the water concession it held between 1995 and 1997, in the Argentinian Province of Tucuman. The arbitration award held that the actions of the provincial authorities had infringed the rights of Vivendi and its subsidiary, and were in breach of the provisions of the Franco-Argentine Bilateral Investment Protection Treaty. The arbitration tribunal awarded Vivendi and its subsidiary damages of US$105 million plus interest and costs.

On December 13, 2007, the Argentinian Government filed an application to vacate the arbitration award on the basis, among others, of an alleged conflict of interest regarding one of the arbitrators. The ICSID appointed an ad hoc committee to rule on this application.

On August 10, 2010, the ICSID rejected the Argentinian Government's application and the award of August 20, 2007 became final.

On October 10, 2013, Vivendi and CAA entered into a settlement agreement with the Argentine government which terminated their dispute.

Claim by Centenary Holdings III Ltd.

Centenary Holdings III Ltd. (CH III), a former Seagram subsidiary, divested in January 2004, was placed into liquidation in July 2005. On January 9, 2009, the liquidator of CH III sued a number of its former directors, former auditors and Vivendi. The liquidator, acting on behalf of CH III's creditors, alleges that the defendants breached their fiduciary duties.

On September 30, 2010, Vivendi and one of the former directors of CH III settled with the liquidator. This settlement put an end to the legal proceedings brought against them and assigned to Vivendi all claims filed on behalf of the creditors.

Vivendi, based on the rights of CH III obtained in the settlement, sued Stephen Bloch, a former director of CH III, and Murray Richards, the purchaser of CH III. The trial took place from June 12 through June 27, 2013, and on October 9, 2013, the High Court in London ruled in favor of Vivendi. On October 25, 2013, Court entered a judgment requiring the defendants to pay the sum of approximately £9.6 million.

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. Non-compliance 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 Group Canal+ 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.

In parallel with the foregoing proceedings, on October 21, 2008, Parabole Réunion and its shareholders filed a claim against Canal Réunion, Canal Overseas, CanalSatellite Réunion, Canal+ France, Canal+ Group and Canal+ Distribution, seeking the enforcement of the agreement entered into on May 30, 2008, pursuant to which the companies would combine their TV channel broadcasting activities in the Indian Ocean. The execution of this agreement was contingent upon the satisfaction of certain conditions precedent. As these conditions were not satisfied, the agreement became null and void. On June 15, 2009, the Commercial Court rejected Parabole Réunion's claim. Parabole Réunion appealed this decision and the appeal was denied. On May 23, 2011, Parabole Réunion appealed to the French Supreme Court. This appeal was dismissed on May 30, 2012.

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.

France Telecom against SFR

On August 10, 2011, France Telecom filed a claim against SFR before the Paris Commercial Court. France Telecom asked the Court to compel SFR to stop the overflow traffic at the point of interconnection of their respective networks. In April 2013, France Telecom increased the amount of its claim. The proceedings are underway.

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 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 will propose 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.

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 will be argued before the Paris Court of Appeal on February 20, 2014.

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. SFR is seeking a stay of these proceedings pending the decision of the Paris Court of Appeal.

Complaints against music industry majors in the United States

Several complaints have been filed before the Federal Courts in New York and California against Universal Music Group and the other music industry majors for alleged anti-competitive practices in the context of sales of CDs and Internet music downloads. These complaints have been consolidated before the Federal Court in New York. The motion to dismiss filed by the defendants was granted by the Federal Court, on October 9, 2008, but this decision was reversed by the Second Circuit Court of Appeals on January 13, 2010. The defendants filed a motion for rehearing which was denied. They filed a petition with the US Supreme Court which was rejected on January 10, 2011. The discovery process is underway. The Court has decided that the proceedings on class certification will be completed on August 14, 2014.

Koninklijke Philips Electronics against UMG

On April 30, 2008, Koninklijke Philips Electronics filed suit against UMG in the District Court for the Southern District of New York claiming breach of contract and patent infringement in connection with a license to manufacture CDs. On March 1, 2013, a jury rendered an unfavorable verdict against UMG. On August 8, 2013, the parties entered into a settlement agreement that ended this dispute.

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 (approximately 5.5 million euros) 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 Appeals.

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.

Dynamo against Vivendi

On August 24, 2011, the Dynamo investment funds filed a complaint for damages against Vivendi before the Bovespa Arbitration Chamber (São Paulo stock exchange). According to Dynamo, a former shareholder of GVT that sold the vast majority of its stake in the company before November 13, 2009 (the date on which Vivendi took control of GVT), the provision in GVT's bylaws providing for an increase in the per share purchase price when the 15% threshold is crossed (the "poison pill provision") should allegedly have applied to the acquisition by Vivendi. Vivendi, noting that this poison pill provision was waived by a GVT General Shareholders' Meeting in the event of an acquisition by Vivendi or Telefonica, denies all of Dynamo's allegations. The arbitral tribunal has been constituted and a hearing before the Bovespa Arbitration Chamber should be scheduled shortly.

Note 11 Subsequent events

The significant events that have occurred since September 30, 2013 were as follows:

- October 1, 2013: Vivendi and EchoStar announced a plan to form a joint venture for Pay-TV services in Brazil. This transaction is subject to execution of definitive agreements and all corporate and governmental approvals;
- October 11, 2013: Vivendi completed the sale of 88% of its interest in Activision Blizzard (please refer to Note 6);
- October 24, 2013: Vivendi announced the early redemption of 78% of the group's US dollar-denominated bonds, representing $2.1 billion (please refer to Note 8);
- October 25, 2013: Vivendi announced the early redemption of two euro denominated-bonds for a total amount of €1.5 billion (please refer to Note 8);
- November 4, 2013: Vivendi and Etisalat entered into a definitive agreement for the sale of Vivendi's 53% interest in Maroc Telecom group (please refer to Note 6); and
- November 5, 2013: Vivendi acquired Lagardère Group's 20% interest in Canal+ France for €1,020 million in cash (please refer to Note 2).

Note 12 Adjustment of comparative information

As from the second quarter of 2013, in compliance with IFRS 5, Activision Blizzard and Maroc Telecom group have been reported in Vivendi's Consolidated Statement of Earnings, Statement of Cash Flows, and Statement of Financial Position as discontinued operations. In practice, these two businesses have been reported as follows:

- their contribution 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 contribution 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.

Moreover, data published with respect to fiscal year 2012 was adjusted following the application of amended IAS 19, whose application is mandatory in the European Union beginning on or after January 1, 2013, with retrospective effect from January 1, 2012 (please refer to Note 1).

As a result, the 2012 and first quarter of 2013 Financial Statements were adjusted, as the case may be.

12.1 Adjustments made to the main aggregates of the Consolidated Statement of Earnings

(in millions of euros, except per share amounts)	2012			
	Three months ended March 31,	Three months ended June 30,	Six months ended June 30,	Three months ended September 30,
Earnings before interest and income taxes (EBIT) (as previously published)	**1,493**	**1,082**	**2,575**	**1,259**
Reclassifications related to the application of IFRS 5 for Activision Blizzard	- 393	- 175	- 568	- 182
Reclassifications related to the application of IFRS 5 for Maroc Telecom Group	- 266	- 183	- 449	- 261
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 2	+ 2	+ 4	+ 2
Earnings before interest and income taxes (EBIT) (restated)	**836**	**726**	**1,562**	**818**
Earnings attributable to Vivendi SA shareowners (as previously published)	**697**	**463**	**1,160**	**491**
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 2	+ 2	+ 4	+ 2
Other financial charges	-	+ 1	+ 1	-
Provision for income taxes	-	-	-	-
Earnings attributable to Vivendi SA shareowners (restated)	**699**	**466**	**1,165**	**493**
Earnings attributable to Vivendi SA shareowners per share - basic (as previously published)	**0.54**	**0.36**	**0.90**	**0.38**
Earnings attributable to Vivendi SA shareowners per share - basic (restated)	**0.54**	**0.36**	**0.91**	**0.38**

(in millions of euros, except per share amounts)	2012			2013
	Nine months ended September 30,	Three months ended December 31,	Year ended December 31,	Three months ended March 31,
Earnings before interest and income taxes (EBIT) (as previously published)	**3,834**	**(956)**	**2,878**	**1,178**
Reclassifications related to the application of IFRS 5 for Activision Blizzard	- 750	- 378	- 1,128	- 440
Reclassifications related to the application of IFRS 5 for Maroc Telecom Group	- 710	- 252	- 962	- 266
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 6	+ 11	+ 17	na
Earnings before interest and income taxes (EBIT) (restated)	**2,380**	**(1,575)**	**805**	**472**
Earnings attributable to Vivendi SA shareowners (as previously published)	**1,651**	**(1,487)**	**164**	**534**
Adjustments related to the application of amended IAS 19				
Selling, general and administrative expenses	+ 6	+ 11	+ 17	na
Other financial charges	+ 1	-	+ 1	na
Provision for income taxes	-	- 3	- 3	na
Earnings attributable to Vivendi SA shareowners (restated)	**1,658**	**(1,479)**	**179**	**534**
Earnings attributable to Vivendi SA shareowners per share - basic (as previously published)	**1.28**	**(1.12)**	**0.13**	**0.40**
Earnings attributable to Vivendi SA shareowners per share - basic (restated)	**1.28**	**(1.12)**	**0.14**	**0.40**

na: not applicable.

12.2 Adjustments related to charges and income directly recognized in equity

(in millions of euros)	Three months ended September 30, 2012			Nine months ended September 30, 2012			Year ended December 31, 2012		
	Published	Application of amended IAS 19	Restated	Published	Application of amended IAS 19	Restated	Published	Application of amended IAS 19	Restated
Earnings	**688**	**+ 2**	**690**	**2,248**	**+ 7**	**2,255**	**949**	**+ 15**	**964**
Actuarial gains/(losses) related to employee defined benefit plans, net	-	- 15	(15)	-	- 47	(47)	-	- 61	(61)
Items not reclassified to profit or loss	**-**	**- 15**	**(15)**	**-**	**- 47**	**(47)**	**-**	**- 61**	**(61)**
Foreign currency translation adjustments	(341)	-	(341)	(266)	-	(266)	(605)	-	(605)
Unrealized gains/(losses), net	(12)	-	(12)	25	-	25	103	-	103
of which *Cash flow hedge instruments*	*(12)*	-	*(12)*	*18*	-	*18*	*22*	-	*22*
Net investment hedge instruments	-	-	-	-	-	-	*17*	-	*17*
Tax	*1*	-	*1*	*1*	-	*1*	*1*	-	*1*
Hedging instruments, net	*(11)*	-	*(11)*	*19*	-	*19*	*40*	-	*40*
Assets available for sale, net	*(1)*	-	*(1)*	*6*	-	*6*	*63*	-	*63*
Other impacts, net	1	-	1	1	-	1	-	-	-
Items to be subsequently reclassified to profit or loss	**(352)**	**-**	**(352)**	**(240)**	**-**	**(240)**	**(502)**	**-**	**(502)**
Charges and income directly recognized in equity	**(352)**	**- 15**	**(367)**	**(240)**	**- 47**	**(287)**	**(502)**	**- 61**	**(563)**
Total comprehensive income	**336**	**- 13**	**323**	**2,008**	**- 40**	**1,968**	**447**	**- 46**	**401**
of which									
Total comprehensive income attributable to Vivendi SA shareowners	**166**	**- 13**	**153**	**1,411**	**- 38**	**1,373**	**(317)**	**- 45**	**(362)**
Total comprehensive income attributable to non-controlling interests	170	-	170	597	- 2	595	764	- 1	763

12.3 Adjustments made to the Statements of Financial Position

(in millions of euros)	December 31, 2012 Published	Application of amended IAS 19	December 31, 2012 Restated	December 31, 2011 Published	Application of amended IAS 19	January 1st, 2012 Restated
ASSETS						
Goodwill	24,656	-	24,656	25,029	-	25,029
Non-current content assets	3,327	-	3,327	2,485	-	2,485
Other intangible assets	5,190	-	5,190	4,329	-	4,329
Property, plant and equipment	9,926	-	9,926	9,001	-	9,001
Investments in equity affiliates	388	-	388	135	-	135
Non-current financial assets	514	- 26	488	394	- 15	379
Deferred tax assets	1,400	+ 45	1,445	1,421	+ 26	1,447
Non-current assets	**45,401**	**+ 19**	**45,420**	**42,794**	**+ 11**	**42,805**
Inventories	738	-	738	805	-	805
Current tax receivables	819	-	819	542	-	542
Current content assets	1,044	-	1,044	1,066	-	1,066
Trade accounts receivable and other	6,587	-	6,587	6,730	-	6,730
Current financial assets	364	-	364	478	-	478
Cash and cash equivalents	3,894	-	3,894	3,304	-	3,304
	13,446	**-**	**13,446**	**12,925**	**-**	**12,925**
Assets held for sale	667	-	667	-	-	-
Current assets	**14,113**	**-**	**14,113**	**12,925**	**-**	**12,925**
TOTAL ASSETS	**59,514**	**+ 19**	**59,533**	**55,719**	**+ 11**	**55,730**
EQUITY AND LIABILITIES						
Share capital	7,282	-	7,282	6,860	-	6,860
Additional paid-in capital	8,271	-	8,271	8,225	-	8,225
Treasury shares	(25)	-	(25)	(28)	-	(28)
Retained earnings and other	2,937	- 140	2,797	4,390	- 95	4,295
Vivendi SA shareowners' equity	**18,465**	**- 140**	**18,325**	**19,447**	**- 95**	**19,352**
Non-controlling interests	2,971	- 5	2,966	2,623	- 4	2,619
Total equity	**21,436**	**- 145**	**21,291**	**22,070**	**- 99**	**21,971**
Non-current provisions	3,094	+ 164	3,258	1,569	+ 110	1,679
Long-term borrowings and other financial liabilities	12,667	-	12,667	12,409	-	12,409
Deferred tax liabilities	991	-	991	728	-	728
Other non-current liabilities	1,002	-	1,002	864	-	864
Non-current liabilities	**17,754**	**+ 164**	**17,918**	**15,570**	**+ 110**	**15,680**
Current provisions	711	-	711	586	-	586
Short-term borrowings and other financial liabilities	5,090	-	5,090	3,301	-	3,301
Trade accounts payable and other	14,196	-	14,196	13,987	-	13,987
Current tax payables	321	-	321	205	-	205
	20,318	**-**	**20,318**	**18,079**	**-**	**18,079**
Liabilities associated with assets held for sale	6	-	6	-	-	-
Current liabilities	**20,324**	**-**	**20,324**	**18,079**	**-**	**18,079**
Total liabilities	**38,078**	**+ 164**	**38,242**	**33,649**	**+ 110**	**33,759**
TOTAL EQUITY AND LIABILITIES	**59,514**	**+ 19**	**59,533**	**55,719**	**+ 11**	**55,730**

12.4 Adjustments made to the Statements of Cash Flows

(in millions of euros)	Nine months ended September 30, 2012				Year ended December 31, 2012			
	Published	Reclassifications related to IFRS 5 (a)	Application of amended IAS19	Restated	Published	Reclassifications related to IFRS 5 (a)	Application of amended IAS19	Restated
Operating activities								
EBIT	3,834	- 1,460	+ 6	2,380	2,878	- 2,090	+ 17	805
Adjustments	2,418	- 534	- 6	1,878	5,199	- 726	- 17	4,456
Including amortization and depreciation of tangible and intangible assets	*2,343*	*- 462*	-	*1,881*	*3,929*	*- 654*	-	*3,275*
reserve accrual regarding the Liberty Media Corporation litigation in the United States	-	-	-	-	*945*	-	-	*945*
other income from EBIT	*(15)*	*+ 3*	-	*(12)*	*(22)*	*+ 3*	-	*(19)*
other charges from EBIT	*82*	-	-	*82*	*235*	*+ 1*	-	*236*
Content investments, net	(347)	+ 133	-	(214)	(299)	+ 154	-	(145)
Gross cash provided by operating activities before income tax paid	***5,905***	***- 1,861***	***-***	***4,044***	***7,778***	***- 2,662***	***-***	***5,116***
Other changes in net working capital	(947)	+ 455	-	(492)	90	- 21	-	69
Net cash provided by operating activities before income tax paid	***4,958***	***- 1,406***	***-***	***3,552***	***7,868***	***- 2,683***	***-***	***5,185***
Income tax paid, net	(512)	+ 270	-	(242)	(762)	+ 409	-	(353)
Net cash provided by operating activities of continuing operations	***4,446***	***- 1,136***	***-***	***3,310***	***7,106***	***- 2,274***	***-***	***4,832***
Net cash provided by operating activities of discontinued operations	***-***	***+ 1,136***	***-***	***1,136***	***-***	***+ 2,274***	***-***	***2,274***
Net cash provided by operating activities	**4,446**	**-**	**-**	**4,446**	**7,106**	**-**	**-**	**7,106**
Investing activities								
Capital expenditures	(3,679)	+ 395	-	(3,284)	(4,516)	+ 517	-	(3,999)
Purchases of consolidated companies, after acquired cash	(1,437)	-	-	(1,437)	(1,374)	-	-	(1,374)
Investments in equity affiliates	(40)	-	-	(40)	(322)	-	-	(322)
Increase in financial assets	(119)	+ 95	-	(24)	(99)	+ 64	-	(35)
Investments	***(5,275)***	***+ 490***	***-***	***(4,785)***	***(6,311)***	***+ 581***	***-***	***(5,730)***
Proceeds from sales of property, plant, equipment and intangible assets	14	- 1	-	13	26	- 3	-	23
Proceeds from sales of consolidated companies, after divested cash	14	-	-	14	13	-	-	13
Disposal of equity affiliates	4	-	-	4	11	-	-	11
Decrease in financial assets	30	- 26	-	4	215	- 35	-	180
Divestitures	***62***	***- 27***	***-***	***35***	***265***	***- 38***	***-***	***227***
Dividends received from equity affiliates	2	-	-	2	3	-	-	3
Dividends received from unconsolidated companies	1	-	-	1	1	-	-	1
Net cash provided by/(used for) investing activities of continuing operations	***(5,210)***	***+ 463***	***-***	***(4,747)***	***(6,042)***	***+ 543***	***-***	***(5,499)***
Net cash provided by/(used for) investing activities of discontinued operations	***-***	***- 463***	***-***	***(463)***	***-***	***- 543***	***-***	***(543)***
Net cash provided by/(used for) investing activities	**(5,210)**	**-**	**-**	**(5,210)**	**(6,042)**	**-**	**-**	**(6,042)**
Financing activities								
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans	126	-	-	126	131	-	-	131
Sales/(purchases) of Vivendi SA's treasury shares	-	-	-	-	(18)	-	-	(18)
Dividends paid by Vivendi SA to its shareowners	(1,245)	-	-	(1,245)	(1,245)	-	-	(1,245)
Other transactions with shareowners	(223)	+ 222	-	(1)	(229)	+ 228	-	(1)
Dividends paid by consolidated companies to their non-controlling interests	(470)	+ 438	-	(32)	(483)	+ 450	-	(33)
Transactions with shareowners	***(1,812)***	***+ 660***	***-***	***(1,152)***	***(1,844)***	***+ 678***	***-***	***(1,166)***
Setting up of long-term borrowings and increase in other long-term financial liabilities	6,180	- 15	-	6,165	5,859	- 26	-	5,833
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	(4,199)	-	-	(4,199)	(4,217)	+ 6	-	(4,211)
Principal payment on short-term borrowings	(2,604)	+ 83	-	(2,521)	(2,615)	+ 121	-	(2,494)
Other changes in short-term borrowings and other financial liabilities	3,366	- 296	-	3,070	3,056	- 248	-	2,808
Interest paid, net	(423)	+ 17	-	(406)	(568)	+ 24	-	(544)
Other cash items related to financial activities	(84)	-	-	(84)	(98)	+ 2	-	(96)
Transactions on borrowings and other financial liabilities	***2,236***	***- 211***	***-***	***2,025***	***1,417***	***- 121***	***-***	***1,296***
Net cash provided by/(used for) financing activities of continuing operations	***424***	***+ 449***	***-***	***873***	***(427)***	***+ 557***	***-***	***130***
Net cash provided by/(used for) financing activities of discontinued operations	***-***	***- 449***	***-***	***(449)***	***-***	***- 557***	***-***	***(557)***
Net cash provided by/(used for) financing activities	**424**	**-**	**-**	**424**	**(427)**	**-**	**-**	**(427)**
Foreign currency translation adjustments of continuing operations	5	- 8	-	(3)	(47)	+ 18	-	(29)
Foreign currency translation adjustments of discontinued operations	-	+ 8	-	8	-	- 18	-	(18)
Change in cash and cash equivalents	**(335)**	**-**	**-**	**(335)**	**590**	**-**	**-**	**590**
Reclassification of cash and cash equivalents from discontinued operations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cash and cash equivalents								
At beginning of the period	**3,304**	**-**	**-**	**3,304**	**3,304**	**-**	**-**	**3,304**
At end of the period	**2,969**	**-**	**-**	**2,969**	**3,894**	**-**	**-**	**3,894**

a. Includes Activision Blizzard and Maroc Telecom group.