VIVENDI
French *Société Anonyme* with a Management Board and Supervisory Board
with a share capital of 7,184,288,078.00 euros
Registered office: 42, avenue de Friedland - 75008 PARIS, France
RCS 343 134 763 PARIS
(the "**Company**")

Report of the Management Board
to the Bondholder Meetings to be held on March 13, 2019

€700 million bond issued on December 1, 2009 maturing in December 2019 (ISIN FR0010830034)
(the "**2019 Bonds**")
€1 000 million bond issued on May 26, 2016 maturing in May 2021 (ISIN FR0013176302)
(the "**2021 Bonds**")
€600 million bond issued on November 24, 2016 maturing in November 2023 (ISIN FR0013220399)
(the "**2023 Bonds**")
€850 million bond issued on September 18, 2017 maturing in September 2024 (ISIN FR0013282571)
(the "**2024 Bonds**")
€500 million bond issued on May 26, 2016 maturing in May 2026 (ISIN FR0013176310)
(the "**2026 Bonds**"; and together with the 2019 Bonds, the 2021 Bonds, the 2023 Bonds and the 2024 Bonds, the "**Bonds**")

We have invited you to this bondholders' meeting to submit for your approval the proposed terms of the Company's conversion into a European Company (a "**European Company**", also known as ***Societas Europaea***, or "**SE**").

Since 2014, the Vivendi Group has worked on building a world-class content, media and communications European group. The Group's expansion in recent years, particularly in Europe, has led the Company's Management Board, with the support of the Supervisory Board, to carry out a reflection process on the best way of reinforcing the integration of the Company's European subsidiaries and giving the Group greater cohesion and better visibility on a European scale.

These considerations led your Management Board to conclude that the Company's legal form should better reflect this European dimension, for its employees, shareholders and other stakeholders, by proposing to shareholders that Vivendi's legal form be changed from a *Société Anonyme* with a Management Board and Supervisory Board to a European Company, as encouraged by the legislator precisely to support this reality.

Vivendi considers that adopting the status of a European Company – which a number of major groups, particularly within the CAC 40, have already chosen to do – would convey a strong image in the vast majority of countries where the Group operates. It would give Vivendi a recognized status on a European scale and would provide greater consistency between the Company's legal framework and the Group's economic and cultural environment.

The conversion into a European Company would be governed by (i) the provisions of the EC Regulation n° 2157/2001 dated October 8, 2001 on the Statute for a European company (hereafter the "**SE Regulation**") (and in particular by Article 2§4 and 37 relating to the formation of an SE by conversion), (ii) Articles L. 225-245-1 and R. 229-20 to R. 229-22 of the French Commercial Code, and (iii) the provisions of Articles L. 2351-1 *et seq*. of the French Labor Code (*Code du travail*) which transposes into French law Council Directive 2001/86/EC of October 8, 2001, supplementing the Statute for a European Company with regard to the involvement of employees (hereafter the "**SE Directive**").

In accordance with the SE Regulation, an existing public limited-liability company that is formed in accordance with the law of an EU Member State and has its central administration structure based in the European Union can be converted into an SE if:

- it has had, for at least two years, a subsidiary governed by the law of another Member State; and

- its subscribed share capital amounts to at least €120,000.

Vivendi meets these two conditions as it is a public liability company (*Société Anonyme*) formed under the laws of France, having its registered office in France, a share capital of 7,184,288,078.00 euros and has held directly, for more than two years, several subsidiaries based in the European Union.

The Company will continue to be governed in particular by the French legal provisions applicable to a *Société Anonyme* with a Management Board and Supervisory Board.

The conversion will not result in either the wingding-up of the Company, or in the creation of a new legal entity. It will not entail any changes in the corporate purpose, registered office or share capital of the Company, whose name will be followed by the words "*Société Européenne*" or "SE".

The Company's current by-laws will be adapted to comply with the provisions of the SE Regulation.

Vivendi SE will retain a two-tier governance structure consisting of a Management Board and a Supervisory Board, in accordance with the provisions of Articles 38 b) and 39 to 42 of the SE Regulation. The composition of the Company's governing and controlling bodies will not be modified by the conversion. All delegations of authority and authorizations granted to the Management Board by any general shareholders' meeting of the Company and any delegations of authority granted within the Company prior to the conversion of the Company's corporate form into a European Company shall remain in full force and effect after such conversion.

The conversion will not affect the financial rights, nor the proportionate voting rights of each shareholder in the Company. The conversion will not, in itself, have any impact on the value of Vivendi's shares. The conversion will not affect the rights of the Company's creditors. Creditors existing prior to the conversion will retain all of their rights vis-à-vis the Company after the completion of the conversion.

No change will be made to the employment contracts of the employees of the Company or of its subsidiaries and establishments as a result of the conversion into a European Company. Accordingly, these employment contracts will continue in effect under the same terms and conditions as those that were in force before the final conversion became effective.

The proposed conversion of the legal form of the Company into a European Company will be submitted to the approval of the general meeting of shareholders of the Company.

The Company may not be registered as a European Company unless the negotiating procedure with regard to the involvement of employees, as provided by Articles L.2351-1 et seq. of the French Labor Code, has been completed and the conversion has been approved by the general meeting of the shareholders.

The Management Board