

Financial information for the first quarter 2020

April 20, 2020

Revenue in the first quarter 2020: €5,966 million

+1% at constant scope and exchange rates

+5% as reported

Revenue in the first quarter 2020

At constant scope and exchange rates, the Group's revenue for the first quarter of 2020 was up by 1% at €5,966 million. This change mainly includes:

- a 5% drop in the transportation and logistics business, which was penalized by the fall in air traffic and, to a lesser extent, by a slowdown in maritime and the loss of the Douala terminal in Cameroon. Excluding the loss of Douala, the port concessions activity is growing.
- the 6% drop in the oil logistics business, due to the fall in the price of oil products, although volumes sold were up slightly.
- the increase in communication activities (+4%), essentially driven by the growth of Universal Music Group (+13%) and the Canal+ group (+1%).
- and the increase in the electricity storage and systems business (+3%), mainly due to the growth of the battery, dedicated terminals and Polyconseil divisions.

Revenue as reported increased by 5% compared to the first quarter of 2019, given a scope effect of €174 million, mainly related to the full consolidation of M7 and Editis by Vivendi, and positive foreign exchange impacts of €50 million.

Change in revenue by business

(in € millions)	1 st quarter				
	2020	2019 ⁽¹⁾	2019	Growth published	Growth organic
Transportation and logistics	1,394	1,468	1,483	-6%	-5%
Oil logistics	631	669	665	-5%	-6%
Communications	3,868	3,706	3,458	+12%	+4%
Electricity Storage and Systems	65	63	75	-14%	+3%
Other (agricultural assets, media and holdings)	8	8	8	-8%	-9%
Total Bolloré Group revenue	5,966	5,914	5,690	5%	1%

(1) at constant scope and exchange rates

At constant scope and exchange rates, compared to the first quarter of 2019, changes in the main sectors were as follows:

■ **Transportation and logistics, oil logistics:**

Revenue for the transportation and logistics business was down by 5% due to the drop in revenue from freight forwarding and logistics, which was penalized by the fall in air traffic volumes and, to a lesser extent, by those of maritime due to the loss of the Douala terminal in Cameroon. Excluding Douala, the port terminals continued to grow, mainly TICT in Nigeria, Conakry Terminal in Guinea, Freetown Terminal in Sierra Leone, and Abidjan Terminal in the Republic of Côte d'Ivoire.

Rail activity was down for Sitarail, but benefited from the increase in the Camrail locomotive fleet.

Revenue for oil logistics slumped by 6% due to the fall in the price of oil products, slightly compensated by the increase in volumes.

■ **Communications:**

Revenue for communications activities, corresponding to Vivendi's activities, grew organically by 4% compared to the first quarter of 2019. Vivendi benefited from the strong growth of Universal Music Group (UMG) (+13%), thanks to the increase in revenue from subscriptions and streaming (+17%), as well as the receipt of a digital royalty claim. Music publishing revenues grew by 17.7% at constant currency and perimeter compared to the first quarter of 2019, also driven by increased subscription and streaming revenues. These changes offset the slight drop in physical sales (-1%) and merchandising (-5%) compared to the first quarter of 2019. The Canal+ group also contributed to this growth in the activity (+1%), thanks in particular to international revenue growth.

■ **Electricity storage and systems:**

Revenue from industrial activities (electricity storage, plastic films, dedicated terminals and systems) was up by 3% compared to the first quarter of 2019, thanks to growth in the battery, dedicated terminals (terminals and access control gates for train stations and airports), driven by the excellent momentum of Automatic Systems, and by Polyconseil.

First quarter highlights and recent events:

▪ **Vivendi - Agreement with Tencent**

On March 31, 2020, Vivendi announced that it had finalized the disposal of 10% of the capital of Universal Music Group to a consortium led by Tencent, three months after the agreement signed on December 31, 2019, based on an enterprise value of €30 billion for 100% of the capital of UMG. The consortium led by Tencent, including Tencent Music Entertainment and other financial co-investors, has the option of acquiring up to an additional 10% on the basis of the same valuation until January 15, 2021.

▪ **Tender offer on Blue Solutions by Bolloré**

On March 12, 2020, Bolloré SE announced a proposed alternative simplified tender offer targeting the shares of its subsidiary Blue Solutions, comprising a purchase arm at a price of 17 euros per share and an exchange arm with an exchange ratio of 4.5 Bolloré SE shares for 1 Blue Solutions share.

This offer followed on from the commitment made at the time of the simplified tender offer carried out in 2017 at a price of €17 per share. On this occasion, Bolloré SE undertook to make a new offer in 2020 at the same price in the event that the Blue Solutions share price remained below €17.

As the exceptional market trends resulting from the Covid-19 outbreak have caused the envisaged exchange arm to lose all interest, Bolloré SE announced on March 17, 2020 that its proposed offer now consisted only of a purchase offer at an unchanged price of 17 euros per Blue Solutions share.

Bolloré SE filed the modified proposal with the AMF on April 8, 2020.

The offer covers all existing Blue Solutions shares not held by Bolloré SE, representing about 22.07% of the share capital and 20.70% of the voting rights. Bolloré SE intends to implement a mandatory de-listing on Blue Solutions after the offer, in application of article L. 433-4 II of the French Monetary and Financial Code and articles 237-1 et seq. of the AMF General Regulation.

Bolloré Participations SE, the holding company of the Bolloré Group, which currently holds 17.60% of the capital and 17.91% of the voting rights of Blue Solutions, having taken note of the abandonment of the exchange arm to which it had initially expressed its intention of tendering its shares, has indicated that it will now tender them to the purchase arm.

At its meeting of April 8, 2020, the Board of Directors of Bolloré SE, after taking note of a report issued by Accuracy on April 7, 2020, validating the interest of Bolloré SE's acquisition of Bolloré Participations SE's stake in Blue Solutions at the price of the tender offer, in view of the Blue Solutions business plan and the gains linked to the tax consolidation of Blue Solutions by Bolloré SE made possible by the acquisition, authorized – without the directors concerned taking part in discussions or the vote – the tendering of Blue Solutions shares held by Bolloré Participations SE to the offer.

- **Impact of the health crisis:**

At this stage, the impact of the Covid-19 crisis on the Group activities remains limited. In the context of air and sea freight markets, which have been difficult since the 2nd half of 2019, the transportation and logistics activities are currently benefiting from exceptional transport of freight related to the health crisis, which partly offsets the slowdown in the usual flows. Revenue in the communications activity (Vivendi) has not been significantly affected by the consequences of Covid-19, for which the impact varies across the different activities of the Group and the geographic areas in which it operates.

Each of the Group's business lines is analyzing the potential consequences of this crisis carefully. It is currently impossible to determine with certainty how long it will last and how it will affect the revenue and annual results of the Group.

The Group is confident of the resilience of its main business lines. It is doing everything possible to ensure the continuity of its activities and to best serve its customers, while following the instructions from the authorities of each country where it is established.

- **Group liquidity:**

The Group has significant financing capacity. At March 31, 2020, the Group's liquid assets, undrawn confirmed credit lines and liquid investments, stood at €2.5 billion at the level of Bolloré, and reached €9.6 billion including Vivendi.

Furthermore, the Group has few payments due in 2020, with only 5% of the Group's confirmed drawn and undrawn credits due for repayment this year. In April 2020, the Bolloré Group had already renewed the €150 million 4-year financing and, at the end of March 2020, extended the maturity of its €1,300 million syndicated loan until 2025.

Lastly, the simplified tender offer for the shares of Blue Solutions not held by Bolloré SE will be financed by a credit line dedicated to the offer, as indicated in the tender note.

- **Vivendi share repurchase program:**

Between January 1 and March 6, 2020, Vivendi repurchased 23.02 million shares, i.e., 1.76% of the share capital as of the implementation date of the share buyback program, representing a €559 million outflow. Consequently, the aggregate number of repurchased shares under the program amounted to 130.93 million shares, i.e., 10% of the share capital (as of the implementation date of the share buyback program) in accordance with the authorization of the Shareholders' Meeting on April 15, 2019.

As of today, Vivendi holds 35.50 million treasury shares, representing 2.99% of its share capital, of which 8.14 million shares allocated to cover performance share plans, 8.25 million shares held for transfer to employees or officers of Vivendi group entities (employee shareholding plan) and 19.10 million shares designated for cancellation.