NUMERICABLE GROUP ANNOUNCES THE LAUNCH OF A BONDS ISSUANCE TO PARTIALLY FINANCE THE ACQUISITION OF SFR

Paris, April 14 2014 – Numericable Group (the "Company," and together with its consolidated subsidiaries, the "Group") announces today the launch of an up to €6,040 million senior note offering, represented by high yield senior notes of the Company, denominated in Euros or in US dollars, to finance a portion of the purchase price of SFR

Presentation of the Acquisition

The Company recalls that it has submitted an offer (the "Offer") to Vivendi to acquire 100% of the capital of SFR (other than 10 shares in SFR held by a minority shareholder) and all of the shares of another subsidiary of Vivendi, SIG 50 (the "Acquisition"), the terms of which have been accepted by Vivendi's Supervisory Board on April 5, 2014. On the same day, Vivendi consented an exclusivity period to the Company until February 28, 2015 in order to allow for the consultation of the employee representative bodies of the various relevant parties, allow for the satisfaction of the conditions precedent specified in the acquisition documentation and, more generally, finalize and complete the Acquisition by April 30, 2015. This exclusivity period will terminate early under certain circumstances, including if the Company does not resubmit its Offer to Vivendi in a binding form on the later of (i) July 31, 2014 and (ii) five days following the end of the employee representative bodies consultation process. Should the Offer terminate in such circumstances, Vivendi shall be entitled to certain amounts from the Company and Altice by way of compensation. The Offer also provides that, until the end of the exclusivity period, the Company and Altice S.A. will not initiate or enter into any transaction which may impact their ability to complete the Acquisition. If the Master Agreement or the Acquisition Agreement (as defined below) are not entered into by September 30, 2014 for reasons not due to Vivendi or SFR, Vivendi may proceed with the spin-off or IPO of SFR, with Altice S.A. and the Company being in such case entitled to payment by Vivendi, upon first demand from Altice S.A. or the Company, of all amounts incurred by Altice S.A. and the Company as a result of the early termination of the banks' commitment letter of which a copy was transmitted to Vivendi (including all interests, costs, fees, penalties, indemnities or other related thereto), as well as all costs relating to the financing of the Acquisition.

Vivendi’s indemnification undertaking must be reiterated by Vivendi upon notification that it intends to proceed with the spin-off or the IPO.

The Offer included drafts of the underlying transaction documentation including, inter alia, a master agreement establishing the overall contractual framework for the Acquisition and describing the various steps to its completion (the “Master Agreement”) intended to be entered into as soon as the employee representative bodies consultation processes have been completed, which shall have annexed to it as drafts, intended to be entered into in due course, (i) the share purchase agreement for the acquisition of SFR and SIG 50 (the “Acquisition Agreement”), (ii) the contribution agreement pursuant to which Vivendi is to contribute a portion of SFR’s stock to the Company in exchange for shares representing 20% of the Company’s share capital and (iii) the shareholders’ agreement between Vivendi, Altice France and Altice S.A. governing the relationship between Vivendi and Altice France as shareholders of the Company (the “Altice Vivendi Shareholders’ Agreement”).

The Offer provides that, upon the date of completion of the Acquisition (the “Completion Date”), (i) Vivendi will sell to the Company a portion of the shares it holds in SFR, as well as all its outstanding shares in SIG 50 for a price of e13.5 billion on a cash-free/debt-free basis, (ii) the Company will acquire the shareholder loan of Vivendi to SFR, at a price corresponding to the principal amount of such shareholder’s loan at the Completion Date, including any interest due until such Completion Date, and (iii) Vivendi will contribute the rest of the shares it holds in SFR to the Company in exchange for new shares of common stock to be issued by the Company representing 20% of its capital (after completion of the Rights Issue described below but not taking into account the potential dilution resulting from the exercise of certain stock options granted or to be granted by the Company) (the “Contribution”). The acquisition price of the SFR shares will be subject to certain adjustments depending, in particular, on SFR’s and SIG 50’s net cash or net debt positions on the Completion Date. Further, Vivendi is entitled to an earn-out of €750 million, payable in cash, if the operational cash flow (defined as EBITDA – Capex) of the combined group resulting from the Acquisition reaches at least two billion euros during a financial year.

The Offer also references a March 25, 2014 letter from Altice S.A. and the Company to Vivendi and SFR pursuant to which Altice S.A. and the Company commit not to reduce employment within SFR and the Numericable Group for a 36-month period following the end of the initial exclusivity period, except under specific circumstances.

As a result of the Contribution and completion of the Acquisition, the capital of the Company will be owned as follows: (i) Vivendi: 20%, (ii) Altice France: approximately 59.7% (taking into account shares currently held by certain minority shareholders for which it currently holds a call option, and including the shares of the Company to be acquired by Altice France from entities affiliated to Cinven and Carlyle) and (iii) free float: approximately 20.3%, including the shares held by the Company’s management through the Fiberman vehicle.

When executed, the Master Agreement will require Vivendi to ensure that Maroc Telecom (a Moroccan telecommunication business owned by SFR) will be transferred by SFR to a third party or to one of

Vivendi's subsidiaries prior to the Completion Date and Vivendi shall enter into an indemnification agreement in favor of SFR to cover the latter from any potential claim from the purchaser of Maroc Telecom, including in particular under any representations and warranties that would be consented to him. The Company has agreed that it will refinance the full amount of its and its subsidiaries existing indebtedness no later than on the Completion Date.

The Altice Vivendi Shareholders' Agreement when entered into will provide, in particular, that (i) Altice France will have the majority of seats on the Board of Directors of the Company, (ii) Vivendi will have limited veto rights as long as it holds a certain minimum percentage of the Company's shares and (iii) while Altice France holds the majority of the share capital in the Company, Vivendi will vote as directed by Altice France on dividend distributions. The Altice Vivendi Shareholders' Agreement shall provide that (subject to certain conditions being met) the parties will ensure that, each year after the Completion Date, a minimum level of dividends is distributed.

The Altice Vivendi Shareholders' Agreement will also contain certain restrictions on the sale of shares to be held by Vivendi in the Company after the Completion Date (the "Vivendi's Numericable Group Shares") including (i) a lock-up period expiring 12 months after the Completion Date, and (ii) preemption rights for Altice France to purchase Vivendi's Numericable Group Shares for a specified period, these preemption rights being governed by specific arrangements in the event of block trades (such as accelerated book-building processes) or distributions of Vivendi's Numericable Group Shares to Vivendi's shareholders. In addition, Altice France will be granted a call option over Vivendi's Numericable Group Shares, exercisable, at a price based on the market price of the Company's stock, subject to certain specific arrangements (including certain minimum price[1]), within specified windows (7%, 7%, 6%), over a period comprised between the 19th and the 43rd month following the Completion Date (it being specified that Vivendi will not be prohibited from selling shares outside the call option exercise windows, but subject to Altice France's preemption rights as mentioned above). Should Altice France not exercise any of the options, it shall nonetheless retain a right of first refusal exercise upon Vivendi selling any Vivendi's Numericable Group Shares.

The Altice Vivendi Shareholders' Agreement shall grant Vivendi (i) a proportional tag-along right and (ii) a full tag-along right exercisable in particular if Altice no longer controls the Company. Further, until the expiration of the call options and preemption rights mentioned above, Altice France may not acquire for cash shares in the Company's stock from other shareholders.

The Acquisition is subject to certain conditions precedent including antitrust approval, the grant of certain exemptions and the issuance of certain clearances or authorizations by French market authorities. The parties are to initiate the process for informing and consulting their respective workers' councils and other applicable employee representative bodies with respect to the Acquisition.

[1] VWAP of Numericable Group stock price over the 20 business days before closing, grossed-up by an annual rate of 5% during the period ranging from the Compleiton Date until the exercise date of the call option by Altice.

Refinancing Transactions

The existing outstanding indebtedness of the Company and its subsidiaries, which amounts to €2,638 million under the senior facility agreement entered into by Ypso France on June 6, 2006, the senior secured notes issued on February 14, 2012, and the senior secured notes issued on October 18, 2012 (collectively, the "Existing Indebtedness"), will be refinanced on or around the issue date for the notes offering being launched today (the "Refinancing Transactions"). The finance leases and the perpetual subordinated notes will remain on the balance sheet of Numericable.

Financing of the Acquisition and the Refinancing Transactions

The Acquisition and the Refinancing Transactions, together with related fees and expenses, will be financed as follows:

- the Company intends to issue €6,040 million (equivalent) of high yield senior notes. Until the Completion Date, the gross proceeds from the offering of each series notes will be deposited into segregated escrow accounts for the benefit of the holders of the applicable notes. These escrow accounts will be controlled by an agent, and pledged on a first ranking basis in favor of, the Trustee on behalf of the holders of the applicable notes. The proceeds of the notes will be released to the Company upon delivery of an officer's certificate to the escrow agent to the effect that, among other things, the Acquisition will be consummated promptly upon such release. If the conditions for the release of escrow proceeds are not satisfied prior to April 30, 2015 or upon the occurrence of certain other events, the notes will be subject to a special mandatory redemption at 100% of the principal amount plus accrued and unpaid interest and additional amounts, if any.

- the Company intends to enter into a €5,600 million (equivalent) term loan. The borrowers thereunder may draw such term loan on two occasions at any time (subject to compliance with certain conditions) on or prior to the earlier of (a) the date on which the portion of the lenders' commitments under the term loan not related to the Refinancing Transactions cease to exist by virtue of the Acquisition being abandoned or funded by other means, (b) July 31, 2014 unless the exclusivity granted to the Company in respect of the Acquisition has been extended or (c) April 30, 2015. The first drawdown under this term loan shall be in an amount of up to €2,750 million and will be utilized to complete the Refinancing Transactions and pay associated fees and expenses. The remaining amount available under the term loan shall be drawn on the Completion Date.

- On or prior to the Completion Date, the Company will undertake a rights issue comprising of the issuance of ordinary shares with preferential subscription rights to its existing shareholders in an aggregate amount of €4,732 million (the "Rights Issue"). Altice France has entered into a binding commitment to exercise all preferential subscription rights to be allocated to it pursuant to the Rights Issue (including the rights relating to the ordinary shares to be acquired from entities affiliated to Cinven and Carlyle), amounting to €3,530 million (assuming further that Altice France will exercise the preferential subscription right attached to the shares owned by certain minority shareholders for which it currently holds a call option). J.P. Morgan Securities plc, J.P. Morgan LLC, Deutsche Bank AG, London Branch, Goldman Sachs International, Barclays Bank PLC, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Morgan Stanley & Co. International plc, or their affiliates have agreed to underwrite, on a several and not a joint or joint and several basis, up to the remaining amount of €1,202 million to be raised in the Rights Issue. The completion of the Rights Issue will be subject to certain conditions and, subject to the satisfaction of these conditions, will be completed prior to the Completion Date.

- In addition, the Company will issue shares to Vivendi S.A. representing 20% of the shares of the Company (after giving effect to the Rights Issue).

Revolving Credit Facilities

On or around the issue date for the notes offering being launched today, the Company and certain of its subsidiaries will enter into a €750 million revolving credit facilities agreement, €300 million of which will be available to be drawn on or after the date of the Refinancing Transaction. The remaining €450 million will be available on or after the Completion Date.

Presentation of the selected pro forma financial information

Below is selected pro forma financial information presented, for information purposes only, intended to illustrate the effects of the Acquisition of SFR by the Group on the consolidated statement of financial position as of December 31, 2013 and the consolidated statement of income for the year 2013 of the Group, as if this Acquisition had taken place on December 31, 2013 and January 1st, 2013, respectively.

The pro forma financial information includes (i) a pro forma condensed consolidated statement of income for the year ended December 31, 2013, which gives effect to the Acquisition, the Refinancing Transactions and their financing assuming that have been completed on January 1, 2013, and (ii) a pro forma condensed consolidated statement of financial position, which gives effect to the Acquisition, the Refinancing Transactions and their financing assuming that have been completed on December 31, 2013. This pro forma financial information was not the subject of an audit or a review by the Company's auditors.

The pro forma financial information may not be representative of the future results and financial position of the combined business activities of Numericable Group and SFR or which may have resulted from completing the Acquisition, the Refinancing Transactions or their financing at dates different to the respective dates taken into account for their establishment. The pro forma adjustments are based upon available information and certain assumptions that management of the Group believes are reasonable.

The pro forma financial information must be read in conjunction with the explanatory note as well as with the consolidated financial statements as of December 31, 2013 of the Company and of SFR (available in the 2013 registration document of Vivendi published today and available on Vivendi's website (www.vivendi.com)). The full pro forma financial information, including the explanatory note, is available, in English, on the Company's website (www.numericable.com).

Selected data from the pro forma condensed consolidated statement of income *(unaudited) (in million euros)*	**Year ended December 31, 2013**
Revenue	**11,472**
Operating expenses	(10,214)
Operating income	**1,258**
Financial costs	(940)
Income tax expense (income)	(175)
Share in net income (loss) of associates	(12)
Net income (loss)	**129**
Attributable to owners of the entity	*123*
Attributable to non-controlling interests	*6*

Selected data from the pro forma condensed consolidated statement of financial position *(unaudited) (in million euros)*	**As of December 31, 2013**
ASSETS	
Goodwill	12,023
Other intengible assets	4,238
Property, plant and equipment	5,990
Investment in associates	155
Other non-current financial assets	192
Deferred tax assets	260
Non-current assets	**22,857**
Inventories	290
Trade receivables and other receivables	2,939
Other current financial assets	6
Income tax receivables	6
Cash and cash equivalents	-
Assets classified as held for sale	-
Current assets	**3,241**

Selected data from the pro forma condensed consolidated statement of financial position *(unaudited) (in million euros)*	**As of December 31, 2013**
Total assets	**26,099**
LIABILITIES	
Total invested equity	**6,886**
Non-current financial liabilities	11,600
Non-current liabilities	**13,220**
Current liabilities	**5,993**
Liabillities classified as held for sale	-
Total equity and liabilities	**26,099**

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DISCLAIMER

No communication and no information in respect of the offering by the Company of notes (the "Notes") may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction where such steps would be required. The offering or subscription of the Notes may be subject to specific legal or regulatory restrictions in certain jurisdictions. The Company takes no responsibility for any violation of any such restrictions by any person.

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With respect to the member States of the European Economic Area, other than France, which have implemented the Prospectus Directive (each, a "relevant member State"), no action has been undertaken or will be undertaken to make an offer to the public of the Notes requiring a publication of a prospectus in any relevant member State. As a result, the Notes may only be offered in relevant member States:

(a) to qualified investors (as defined in the Prospectus Directive, including as amended by directive 2010/73/EU, to the extent that this amendment has been implemented by the relevant member State); or

(b) in any other circumstances, not requiring the issuer to publish a prospectus as provided under article 3(2) of the Prospectus Directive.

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