2010 HALF YEAR FINANCIAL REPORT

Financial Report and Unaudited[1] Condensed Financial Statements for the Half Year Ended June 30, 2010

1 / The Condensed Financial Statements for the half year ended June 30, 2010 were subject to a limited review by Vivendi's Statutory Auditors. The Statutory Auditors' Review Report on the 2010 half year financial information follows the Condensed Financial Statements.

VIVENDI

Société anonyme with a Management Board and a Supervisory Board and a share capital of €6,800,683,329.00

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Selected key consolidated financial data

Consolidated data	Six months ended June 30, (unaudited) 2010	2009	Year ended December 31, 2009	2008	2007	2006
Revenues	13,982	13,178	27,132	25,392	21,657	20,044
EBITA (a)	3,243	2,899	5,390	4,953	4,721	4,370
Earnings attributable to Vivendi shareowners	1,267	1,188	830	2,603	2,625	4,033
Adjusted net income (a)	1,526	1,467	2,585	2,735	2,832	2,614
Financial Net Debt (a) (b)	11,460	8,536	9,566	8,349	5,186	4,344
Total equity (c)	28,010	26,690	25,988	26,626	22,242	21,864
of which Vivendi shareowners' equity (c)	23,664	22,607	22,017	22,515	20,342	19,912
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)	3,549	3,204	7,799	7,056	6,507	6,111
Capital expenditures, net (capex, net) (d)	(1,877)	(1,363)	(2,562)	(2,001)	(1,626)	(1,645)
Cash flow from operations (CFFO) (a)	1,672	1,841	5,237	5,055	4,881	4,466
Financial investments (c)	(991)	(171)	(3,050)	(3,947)	(846)	(3,881)
Financial divestments	268	41	97	352	456	1,801
Dividends paid with respect to previous fiscal year	1,721	1,639	1,639	1,515	1,387	1,152
Per share amounts						
Weighted average number of shares outstanding	1,228.9	1,177.9	1,203.2	1,167.1	1,160.2	1,153.4
Adjusted net income per share	**1.24**	**1.25**	**2.15**	**2.34**	**2.44**	**2.27**
Number of shares outstanding at the end of the period (excluding treasury shares)	1,229.2	1,223.8	1,228.8	1,170.1	1,164.7	1,155.7
Equity per share, attributable to Vivendi shareowners	19.25	18.47	17.92	19.24	17.47	17.23
Dividends per share paid with respect to previous fiscal year	**1.40**	**1.40**	**1.40**	**1.30**	**1.20**	**1.00**

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

a. Vivendi considers that the non-GAAP measures 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 the Financial Report or in the notes to the Unaudited Condensed Financial Statements for the half year ended June 30, 2010. These indicators should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performances as disclosed in the Condensed Financial Statements and the related notes, or as described in the 2010 Half Year Financial Report. Moreover, it should be emphasized that other companies may define and calculate these indicators differently than Vivendi, thereby affecting comparability.

b. As a reminder, as of December 31, 2009, Vivendi changed the definition of Financial Net Debt to include certain cash management financial assets the characteristics of which do not strictly comply with the definition of cash equivalents as defined by the Recommendation of the AMF and IAS 7. In particular, such financial assets may have a maturity of up to 12 months. Considering that no investment in such assets was made prior to 2009, the retroactive application of this change of presentation would have no impact on Financial Net Debt for the relevant periods and the information presented in respect of the previous fiscal years from 2006 to 2008, is therefore consistent. Please refer to Section 5 of the 2009 Financial Report (pages 164 to 169 of the 2009 Annual Report).

c. As a reminder, Vivendi voluntarily opted for the early application, with retroactive effect from January 1, 2009, of revised standards IFRS 3 (Business Combinations) and IAS 27 (Consolidated and Separate Financial Statements) the effects of which are described in Note 1 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 185 to 202 of the 2009 Annual Report).

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

I – Financial Report for the first half of 2010 (unaudited)

Preliminary comments:

The Financial Report and the Unaudited Condensed Financial Statements for the half year ended June 30, 2010 were approved by Vivendi's Management Board on August 27, 2010 and reviewed by the Audit Committee on August 31, 2010.

The Condensed Financial Statements for the half year ended June 30, 2010 were subject to a limited review by Vivendi's Statutory Auditors. The Statutory Auditors' Review Report on the 2010 half year financial information follows the Condensed Financial Statements.

The Financial Report for the half year ended June 30, 2010 should be read in conjunction with the Financial Report for the year ended December 31, 2009, as published in the 2009 "Rapport annuel - Document de référence" filed on March 17, 2010 with the "Autorité des marchés financiers" (AMF) under number D.10-0118 (the "Document de référence"). Please also refer to pages 139 through 173 of the English translation[2] of the "Document de Référence" (the "2009 Annual Report") which is made available on Vivendi's website (www.vivendi.com) for informational purposes.

1 Major developments

1.1 Major developments for the first half of 2010

Completion of the acquisition of 100% of GVT (Holding) S.A. in Brazil

As a reminder, on November 13, 2009, Vivendi took over GVT (Holding) S.A. (GVT) which has been fully consolidated by Vivendi since that date. As of December 31, 2009, Vivendi held an 82.45% controlling interest in GVT representing a total investment in cash of €2,469 million. For a detailed description of GVT's take over and its related impacts on financial statements, please refer to Note 2.1 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 203 to 204 of the 2009 Annual Report).

During the first half of 2010, Vivendi obtained a 100% controlling interest in GVT following the acquisition of the 17.55% equity interest it did not hold, representing an additional cash payment of €590 million, as follows:

- During the first quarter, Vivendi acquired 6.3 million GVT shares on the market for a total price of €144 million;
- On March 26, 2010, the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliàros*, "CVM") has authorized the registration of the public tender offer for the acquisition of 17.8 million GVT shares (the "Tender Offer"), not held yet by Vivendi on that date at BRL56 per share (the "Offer Price"), adjusted in accordance with the variation of the SELIC Rate (*Taxa Referencial do Sistema Especial de Liquidação e Custódia*) over the period between November 13, 2009 and April 30, 2010, the Tender Offer settlement date. On April 27, 2010, at the close of the regulatory auction, Vivendi acquired an additional 16.6 million common shares of GVT for a purchase price of €416 million and held a 99.17% controlling interest in GVT. As a result, on May 7, 2010, in accordance with Brazilian securities regulations and following the CVM's authorization, GVT was deregistered as a public company; and
- Finally, as part of the squeeze-out approved by the shareholder's meeting on June 10, 2010, GVT cancelled on June 11, 2010 its outstanding common shares and made a €30 million deposit with a Brazilian bank in order to guarantee and make the repayment to the shareholders whose shares were cancelled.

After taking into account all aspects of these constitutive items, the purchase price of 100% of GVT by Vivendi amounts to €3,038 million. As a reminder, transactions that occurred during the first half of 2010 did not have any significant impact on Vivendi's Financial Net Debt. In accordance with applicable accounting standards, the commitment to purchase shares not held by Vivendi as of December 31, 2009 was recorded as a financial liability and included in Vivendi's Financial Net Debt on that date.

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

Acquisition of Canal+ France's minority interests

As part of the combination of the Canal+ Group and TPS pay-TV activities in France finalized in January 2007, M6 was granted a put option by Vivendi on its 5.1% interest in the share capital of Canal+ France, exercisable in February 2010 at market price determined by an expert with a bottom price of €1,130 million for 15% interest in the share capital of Canal+ France (corresponding to a value of €7.5 billion for 100% interest in the share capital of Canal+ France). On February 22, 2010, M6 exercised its put option for €384 million, corresponding to the bottom price of the option on that date, and thus exited from the share capital of Canal+ France. In accordance with applicable accounting standards, since the put option initially granted to M6 was recognized as financial liabilities in Vivendi's Financial Net Debt, this transaction has no impact on Vivendi's Financial Net Debt. As a result of this transaction and the one concluded with TF1 on December 28, 2009 (please refer to Section 1.1.1 of the 2009 Annual Report, page 142), Canal+ Group (wholly owned by Vivendi) holds an 80% controlling interest in Canal+ France.

On April 15, 2010, Lagardère decided to exercise its liquidity right regarding its 20% interest in Canal+ France. As Lagardère and Vivendi had not reached an agreement regarding the sale of its interest, Lagardère decided on July 2, 2010, in accordance with the shareholders agreement signed on January 4, 2007, to launch the initial public offering (IPO) process for their 20% interest in Canal+ France. For more details, please refer to Note 26.5 to the Consolidated Financial Statements for the year ended December 31, 2009 (page 279 of the 2009 Annual Report).

Dividend paid by Vivendi to its shareholders with respect to fiscal year 2009

At the Annual Shareholders' Meeting held on April 29, 2010, the shareholders of Vivendi approved the Management Board's recommendations relating to the allocation of distributable earnings for the fiscal year 2009. As a result, the dividend payment was set at €1.40 per share, representing a total distribution of €1,721 million, paid on May 11, 2010.

Stock repurchase program of Activision Blizzard

On February 10, 2010, Activision Blizzard announced that its Board of Directors had authorized a new stock repurchase program under which Activision Blizzard can repurchase shares of its outstanding common stock up to an amount of $1 billion. During the first half year ended June 30, 2010, Activision Blizzard repurchased approximately 31 million shares of its common stock in connection with this program, for a total amount of $334 million. In addition, in January 2010, Activision Blizzard settled a $15 million purchase of 1.3 million shares of its common stock that was agreed to repurchase in December 2009 pursuant to the previous $1.25 billion stock repurchase program, completing that program. In total, Activision Blizzard repurchased approximately 32 million shares of its common stock during the first half year ended June 30, 2010, for an amount of $349 million (€267 million). As of June 30, 2010, Vivendi held an approximate 59% interest (non-diluted) in Activision Blizzard (compared to an approximate 57% as of December 31, 2009).

Moreover, in connection with the approval of its financial statements as of December 31, 2009, Activision Blizzard's Board of Directors declared a cash dividend of $0.15 per common share, paid on April 2, 2010, which represented a cash payment of $108 million from Activision Blizzard to Vivendi.

Dividend paid by SFR

At SFR's Shareholders' Meeting held on March 30, 2010, the shareholders approved the payment of a €1 billion dividend (of which €440 million to Vodafone) with respect to fiscal year 2009, which was paid in January 2010 as an interim dividend.

New borrowings and credit lines set up by Vivendi SA and SFR

Please refer to Section 5.4 of this Financial Report and to Note 14 to the Condensed Financial Statements for the half year ended June 30, 2010.

3G mobile telephony frequencies granted to SFR

In June 2010, following a call for tenders for 3G mobile telephony residual frequencies, "Arcep" (the French Regulatory Body) granted to SFR a 5 MHz frequency band for a total amount of €300 million.

GSM-R public-private partnership contract

On February 18, 2010, a group constituted by SFR, Vinci and AXA (30% each) and TDF (10%) signed the GSM-R (Global System for Mobile communications - Railway) public-private partnership contract with Réseau Ferré de France (RFF). The 15-year contract, valued at approximately €1 billion, covers the financing, building, operating and maintaining of the digital telecommunication network that enables conference mode communications (voice and data) between train drivers and teams on the ground. It will be rolled out gradually until 2015 over 14,000 km of conventional and high-speed railway lines in France.

1.2 Major developments since June 30, 2010

The main events that occurred since June 30, 2010 were as follows:

- In July 2010, Vivendi refinanced a 3-year credit line for €1 billion with an initial scheduled maturity of February 2011. In September 2010, this credit line will be early replaced by a new financing for the same amount with a 5-year term (maturing in September 2015);
- On August 26, 2010, La Poste Group announced that it would enter into exclusive negotiations with SFR in order to constitute a partnership to develop a mobile telephony offer for sale under the "La Poste" brand; and
- On August 31, 2010, Blizzard Entertainment, Inc. (a subsidiary of Activision Blizzard) and NetEase.com, Inc. will launch in mainland China *World of Warcraft®: Wrath of the Lich King™*, the second expansion for Blizzard Entertainment's award-winning subscription-based massively multiplayer online role-playing game (MMORPG).

1.3 Transactions with related parties

Please refer to Note 15 to the Condensed Financial Statements for the half year ended June 30, 2010.

2 Earnings for the first half of 2010

2.1 Consolidated earnings and adjusted net income (unaudited)

SECOND QUARTER

CONSOLIDATED STATEMENT OF EARNINGS			ADJUSTED STATEMENT OF EARNINGS		
	Three months ended June 30,		Three months ended June 30,		
	2010	2009	2010	2009	
Revenues	**7,058**	**6,648**	**7,058**	**6,648**	**Revenues**
Cost of revenues	(3,370)	(3,288)	(3,370)	(3,288)	Cost of revenues
Margin from operations	**3,688**	**3,360**	**3,688**	**3,360**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(2,031)	(1,883)	(2,031)	(1,883)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(4)	29	(4)	29	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(138)	(141)			
Impairment losses of intangible assets acquired through business combinations	(8)	-			
EBIT	**1,507**	**1,365**	**1,653**	**1,506**	**EBITA**
Income from equity affiliates	60	45	60	45	Income from equity affiliates
Interest	(127)	(112)	(127)	(112)	Interest
Income from investments	4	2	4	2	Income from investments
Other financial charges and income	(44)	(9)			
Earnings from continuing operations before provision for income taxes	**1,400**	**1,291**	**1,590**	**1,441**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(337)	(190)	(385)	(103)	Provision for income taxes
Earnings from continuing operations	**1,063**	**1,101**			
Earnings from discontinued operations	-	-			
Earnings	**1,063**	**1,101**	**1,205**	**1,338**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi shareowners	**669**	**695**	**790**	**818**	**Adjusted net income**
Non-controlling interests	394	406	415	520	Non-controlling interests
Earnings attributable to Vivendi shareowners per share - basic (in euros)	**0.54**	**0.59**	**0.64**	**0.69**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi shareowners per share - diluted (in euros)	**0.54**	**0.58**	**0.64**	**0.69**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

Nota: As a reminder, at the time of the publication of its Condensed Financial Statements as of June 30, 2009, Vivendi voluntarily opted for the early application, with retroactive effect from January 1, 2009, of revised standards IFRS 3 (Business Combinations) and IAS 27 (Consolidated and Separate Financial Statements). Please refer to Note 1 to the Condensed Financial Statements for the first half year ended June 30, 2010.

HALF YEAR

CONSOLIDATED STATEMENT OF EARNINGS					ADJUSTED STATEMENT OF EARNINGS
	Six months ended June 30,		Six months ended June 30,		
	2010	2009	2010	2009	
Revenues	**13,982**	**13,178**	**13,982**	**13,178**	**Revenues**
Cost of revenues	(6,786)	(6,477)	(6,786)	(6,477)	Cost of revenues
Margin from operations	**7,196**	**6,701**	**7,196**	**6,701**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(3,925)	(3,801)	(3,925)	(3,801)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(28)	(1)	(28)	(1)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(272)	(289)			
Impairment losses of intangible assets acquired through business combinations	(8)	-			
EBIT	**2,963**	**2,610**	**3,243**	**2,899**	**EBITA**
Income from equity affiliates	75	71	75	71	Income from equity affiliates
Interest	(245)	(220)	(245)	(220)	Interest
Income from investments	4	3	4	3	Income from investments
Other financial charges and income	(113)	(86)			
Earnings from continuing operations before provision for income taxes	**2,684**	**2,378**	**3,077**	**2,753**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(598)	(415)	(683)	(288)	Provision for income taxes
Earnings from continuing operations	**2,086**	**1,963**			
Earnings from discontinued operations	-	-			
Earnings	**2,086**	**1,963**	**2,394**	**2,465**	**Adjusted net income before non-controlling interests**
Of which					*Of which*
Earnings attributable to Vivendi shareowners	**1,267**	**1,188**	**1,526**	**1,467**	**Adjusted net income**
Non-controlling interests	819	775	868	998	Non-controlling interests
Earnings attributable to Vivendi shareowners per share - basic (in euros)	**1.03**	**1.01**	**1.24**	**1.25**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to Vivendi shareowners per share - diluted (in euros)	**1.03**	**1.00**	**1.24**	**1.24**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

2.2 Earnings review for the first half of 2010

For the first half of 2010, **adjusted net income** was €1,526 million (or €1.24 per share), compared to €1,467 million (or €1.25 per share) for the first half of 2009. The €59 million increase (+4.0%) in adjusted net income was primarily due to the impact of the following items:

- a €344 million increase in EBITA to a total of €3,243 million. This increase reflected the respective performance of Activision Blizzard (+€247 million), SFR (+€72 million), Canal+ Group (+€14 million), and Maroc Telecom Group (+€10 million), partially offset by a decline in the performance of Universal Music Group (-€52 million). In addition, this increase also reflected the consolidation of GVT (+€98 million), of which Vivendi took control on November 13, 2009;
- a €4 million increase in income from equity affiliates, attributable to NBC Universal;
- a €25 million increase in interest expense;
- a €395 million increase in income tax expense, primarily due to the increase in taxable income of Activision Blizzard and SFR, as well as the decrease in the current tax savings realized as a result of the utilization by SFR of Neuf Cegetel's prior years' tax losses carried forward; and
- a €130 million decrease in adjusted net income attributable to non-controlling interests, primarily due to the decrease in the share attributable to SFR's minority shareholder in the current tax savings realized as a result of the utilization of Neuf Cegetel's prior years' tax losses carried forward.

Breakdown of the main items from the Statement of Earnings

Revenues were €13,982 million, compared to €13,178 million for the first half of 2009, an increase of €804 million (+6.1%, or +4.8% 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 €28 million, compared to a net charge of €1 million for the first half of 2009, an increase of €27 million. In the first half of 2010, it primarily included restructuring charges for €36 million (compared to €56 million for the first half of 2009), of which €22 million incurred by UMG (compared to €37 million for the first half of 2009). For the first half of 2009, it included an earn-out income (€40 million) related to the disposal of real estate assets in Germany in 2007.

EBITA was €3,243 million, compared to €2,899 million for the first half of 2009, an increase of €344 million (+11.9%, or +10.8% 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 €272 million, compared to €289 million for the first half of 2009, a decrease of €17 million, mainly due to the €46 million decrease in amortization of Activision Blizzard's intangible assets, as a result of impairment losses recorded at year-end 2009. This decrease was partially offset by the amortization of GVT's customer base acquired in November 2009 (€28 million for the first half of 2010).

EBIT was €2,963 million, compared to €2,610 million for the first half of 2009, an increase of €353 million (+13.5%).

Income from equity affiliates was €75 million, compared to €71 million for the first half of 2009. Vivendi's share of income earned by NBC Universal was €78 million, compared to €72 million for the first half of 2009, an increase attributable to NBC Universal's performance.

Interest was an expense of €245 million, compared to €220 million for the first half of 2009, an increase of €25 million, mainly due to an increase in average outstanding borrowings, partially offset by the decrease in the group average interest rate on borrowings.
Interest expense on borrowings amounted to €261 million for the first half of 2010, compared to €243 million for the first half of 2009, a €18 million increase. This evolution was due to an increase in average outstanding borrowings to €12.9 billion for the first half of 2010 (compared to €10.4 billion for the first half of 2009), primarily resulting from the financing of the acquisition of GVT (€3.0 billion), partially offset by the decrease in the average interest rate on borrowings to 4.06% for the first half of 2010 (compared to 4.66% for the first half of 2009).
Interest income earned on cash and cash equivalents was €16 million for the first half of 2010, compared to €23 million for the first half of 2009, a decrease of €7 million. This evolution was mainly due to the decrease in the average interest income rate to 0.96% for the first half of 2010, compared to 1.35% for the first half of 2009, the average cash and cash equivalents remaining relatively stable at €3.3 billion for the first half of 2010, compared to €3.4 billion for the first half of 2009. For more information, please refer to Section 5 of this Financial Report.

Other financial charges and income were a net charge of €113 million, compared to €86 million for the first half of 2009, a €27 million increase. For more information, please refer to Note 3 to the Condensed Financial Statements for the first half year ended June 30, 2010.

Provision for income taxes was a net charge of €598 million, compared to a net charge of €415 million for the first half of 2009, an increase of €183 million. This increase was mainly due to the increase in taxable income of Activision Blizzard and SFR in the first half of 2010, as well as to the increase in tax attributes recognized in the first half of 2009.
Income taxes reported to adjusted net income was a net charge of €683 million for the first half of 2010, compared to a net charge of €288 million for the same period in 2009, a €395 million increase. This increase was driven by the increase in taxable earnings of Activision Blizzard and SFR, as well as the decrease in the share attributable to SFR's minority shareholder in the current tax savings realized as a result of the utilization of Neuf Cegetel's prior years' ordinary tax losses carried forward (€19 million, compared to €171 million for the first half of 2009). Excluding this impact, the effective tax rate reported to adjusted net income was 23.4%, compared to 17.1% for the first half of 2009, an increase of 6.3 percentage points. The change in rate was primarily due to the increase in tax attributes recognized in the first half of 2009.

Earnings attributable to non-controlling interests amounted to €819 million, compared to €775 million for the first half of 2009. The €44 million increase was primarily due to the increase in earnings attributable to Activision Blizzard non-controlling interests (+€55 million).
Adjusted net income attributable to non-controlling interests amounted to €868 million, compared to €998 million for the first half of 2009, a €130 million decrease. The increase in adjusted net income attributable to Activision Blizzard non-controlling interests (+€42 million) was notably more than offset by the decrease in the share attributable to SFR's minority shareholder in the current tax savings realized as a result of the utilization of Neuf Cegetel's prior years' ordinary tax losses carried forward (€19 million, compared to €171 million for the first half of 2009).

For the first half of 2010, **earnings attributable to Vivendi shareowners** amounted to €1,267 million (or €1.03 per share), compared to €1,188 million (or €1.01 per share) for the first half of 2009, an increase of €79 million (+6.6%).

The reconciliation of earnings attributable to Vivendi shareowners with adjusted net income is further described in Note 5 to the Condensed Financial Statements for the first half year ended June 30, 2010. For the first half of 2010, this reconciliation primarily included the amortization of intangible assets acquired through business combinations (€168 million, after taxes and non-controlling interests) and the impact of reversing the deferred tax asset (€42 million) related to the expected utilization by SFR of the remainder of Neuf Cegetel's prior years' ordinary tax losses carried forward. For the first half of 2009, this reconciliation notably included the impact of reversing the deferred tax asset (€389 million) related to the expected utilization by SFR of Neuf Cegetel's prior years' ordinary tax losses carried forward, as well as the amortization of intangible assets acquired through business combinations (€159 million, after taxes and non-controlling interests), partially offset by the increase in the savings expected in 2010 from the Consolidated Global Profit Tax System (-€158 million).

2.3 Vivendi's outlook for 2010

Vivendi improves its outlook for 2010:

- increase in EBITA;
- adjusted net income 2010 higher than 2009; and
- €1.40 per share dividend with respect to fiscal year 2010 and Vivendi reiterates its permanent commitment to deliver dividends with a distribution rate of at least 50% of adjusted net income.

Moreover, Vivendi expects Financial Net Debt to be below €7 billion at the end of 2010, assuming the $5.8 billion from the sale of 20% of NBC Universal is received by end 2010.

For a description of 2010 outlook by business unit, please refer to Section 4 of this Financial Report.

The 2010 outlook above regarding revenues, EBITA, EBITA margin rates, adjusted net income and EBITDA 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 2 of the 2009 Annual Report could have an impact on the group's operations and its capacity to achieve its forecasts for 2010.

In addition Vivendi considers that the non-GAAP measures, EBITA, adjusted net income and EBITDA are relevant indicators of the group's operating performance. Each of these indicators is defined in the appropriate section of this Financial Report.

3 Cash flow from operations analysis (unaudited)

Preliminary comment:

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 Condensed Financial Statements.

For the first half of 2010, **cash flow from operations before capital expenditures (CFFO before capex, net)** generated by business operations amounted to €3,549 million (compared to €3,204 million for the first half of 2009), a €345 million increase (+10.8%). This evolution was mainly driven by the increase in EBITDA after changes in net working capital (+€311 million), primarily attributable to the respective performances of Canal+ Group, Maroc Telecom Group and SFR, as well as the integration of GVT (consolidated since November 13, 2009), partially offset by the unfavorable impact in net working capital of Activision Blizzard. This evolution also reflected the decrease in restructuring charges paid (+€57 million), offset by the decrease in dividends received from equity affiliates (-€20 million). For the first half of 2010, dividends received from NBC Universal amounted to €151 million, compared to €171 million for the same period in 2009.

For the first half of 2010, **capital expenditures, net** amounted to €1,877 million, compared to €1,363 million for the first half of 2009, a €514 million increase (+37.7%). This evolution primarily reflected the financial impact (€300 million) of the grant to SFR of an additional band of 3G mobile telephony frequencies (please refer to Section 1.1 of this Report), as well as the integration of GVT (+€186 million) consolidated since November 2009, and the increase in capital expenditures at Maroc Telecom Group (+€104 million). **Cash flow from operations (CFFO) after capital expenditures, net** generated by business operations amounted to €1,672 million, compared to €1,841 million for the first half of 2009, a €169 million decrease (-9.2%).

For the first half of 2010, **cash flow from operations after interest and income taxes paid (CFAIT)** was €1,045 million, compared to €1,822 million for the first half of 2009, a €777 million decrease (-42.6%). In addition to the decrease in CFFO, the evolution of CFAIT was primarily affected by the increase in income taxes paid, net, which was notably driven by the €253 million decrease in the payment received as part of the Consolidated Global Profit Tax System, due to the utilization by SFR of Neuf Cegetel's prior years' ordinary tax losses carried forward in 2009, as well as the favorable impact in the first half of 2009 from reimbursements related to the refund of tax payments for fiscal year 2008 (-€212 million). In addition, the evolution of CFAIT also included the increase in interest paid (-€25 million), as well as the unfavorable impact of foreign exchange transactions (-€109 million), which generated a net cash payment of €40 million for the first half of 2010, compared to a net cash inflow of €69 million for the same period in 2009.

(in millions of euros)		Six months ended June 30, 2010	2009	V€	V%
Revenues		13,982	13,178	+804	+6.1%
Operating expenses excluding depreciation and amortization		(9,459)	(9,196)	-263	-2.9%
EBITDA	(a)	*4,523*	*3,982*	*+541*	*+13.6%*
Restructuring charges paid		(40)	(97)	+57	+58.8%
Content investments, net		(231)	(228)	-3	-1.3%
Neutralization of change in provisions included in EBITDA		(140)	(90)	-50	-55.6%
Other cash operating items excluded from EBITDA		(5)	(11)	+6	+54.5%
Other changes in net working capital		(712)	(526)	-186	-35.4%
Net cash provided by operating activities before income tax paid	(b)	***3,395***	***3,030***	***+365***	***+12.0%***
Dividends received from equity affiliates	(c)	151	171	-20	-11.7%
of which NBC Universal		*151*	*171*	*-20*	*-11.7%*
Dividends received from unconsolidated companies	(c)	3	3	-	-
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)		**3,549**	**3,204**	**+345**	**+10.8%**
Capital expenditures, net (capex, net)	(d)	(1,877)	(1,363)	-514	-37.7%
of which SFR		*(1,196)*	*(954)*	*-242*	*-25.4%*
Maroc Telecom Group		*(330)*	*(226)*	*-104*	*-46.0%*
GVT		*(186)*	*na**	*-186*	*na**
Cash flow from operations (CFFO)		**1,672**	**1,841**	**-169**	**-9.2%**
Interest paid, net	(e)	(245)	(220)	-25	-11.4%
Other cash items related to financial activities	(e)	(76)	25	-101	na*
Financial activities cash payments		***(321)***	***(195)***	***-126***	***-64.6%***
Payment received from the French State Treasury as part of the Consolidated Global Profit Tax System		182	435	-253	-58.2%
Other taxes paid		(488)	(259)	-229	-88.4%
Income tax (paid)/received, net	(b)	***(306)***	***176***	***-482***	***na****
Cash flow from operations after interest and income tax paid (CFAIT)		**1,045**	**1,822**	**-777**	**-42.6%**

na*: not applicable.

a. EBITDA, a non-GAAP measure, is described in Section 4.2 of this Financial Report.

b. As presented in operating activities of Vivendi's Statement of Cash Flows (please refer to Section 5.3).

c. As presented in investing activities of Vivendi's Statement of Cash Flows (please refer to Section 5.3).

d. Consists of capital expenditures, net of proceeds from property, plant and equipment and intangible assets as presented in investing activities of Vivendi's Statement of Cash Flows (please refer to Section 5.3).

e. As presented in financing activities of Vivendi's Statement of Cash Flows (please refer to Section 5.3).

(in millions of euros)	Six months ended June 30, 2010	2009	% Change
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)			
Activision Blizzard	217	384	-43.5%
Universal Music Group	14	(7)	na*
SFR	2,020	1,926	+4.9%
Maroc Telecom Group	822	711	+15.6%
GVT	176	na*	na*
Canal+ Group	247	126	+96.0%
NBC Universal dividends	151	171	-11.7%
Holding & Corporate	(81)	(97)	+16.5%
Non-core operations and others	(17)	(10)	-70.0%
Total Vivendi	**3,549**	**3,204**	**+10.8%**
Cash flow from operations (CFFO)			
Activision Blizzard	186	367	-49.3%
Universal Music Group	1	(23)	na*
SFR	824	972	-15.2%
Maroc Telecom Group	492	485	+1.4%
GVT	(10)	na*	na*
Canal+ Group	127	(22)	na*
NBC Universal dividends	151	171	-11.7%
Holding & Corporate	(81)	(98)	+17.3%
Non-core operations and others	(18)	(11)	-63.6%
Total Vivendi	**1,672**	**1,841**	**-9.2%**

na*: not applicable.

4 Business segment performance analysis

4.1 Revenues and EBITA by business segment (unaudited)

SECOND QUARTER

	Three months ended June 30,			
(in millions of euros)	2010	2009	% Change	% Change at constant rate
Revenues				
Activision Blizzard	758	762	-0.5%	-6.9%
Universal Music Group	1,011	983	+2.8%	-3.0%
SFR	3,163	3,112	+1.6%	+1.6%
Maroc Telecom Group	722	665	+8.6%	+7.7%
GVT	230	na*	na*	na*
Canal+ Group	1,182	1,139	+3.8%	+2.9%
Non-core operations and others, and elimination of intersegment transactions	(8)	(13)	+38.5%	+38.5%
Total Vivendi	**7,058**	**6,648**	**+6.2%**	**+3.7%**
EBITA				
Activision Blizzard	243	195	+24.6%	+16.9%
Universal Music Group	91	101	-9.9%	-17.3%
SFR	734	686	+7.0%	+7.0%
Maroc Telecom Group	312	300	+4.0%	+2.9%
GVT	55	na*	na*	na*
Canal+ Group	256	218	+17.4%	+16.7%
Holding & Corporate	(27)	9	na*	na*
Non-core operations and others	(11)	(3)	x 3.7	x 3.5
Total Vivendi	**1,653**	**1,506**	**+9.8%**	**+7.3%**

HALF YEAR

	Six months ended June 30,			
(in millions of euros)	2010	2009	% Change	% Change at constant rate
Revenues				
Activision Blizzard	1,703	1,493	+14.1%	+12.8%
Universal Music Group	1,900	2,009	-5.4%	-7.9%
SFR	6,248	6,140	+1.8%	+1.8%
Maroc Telecom Group	1,382	1,305	+5.9%	+6.1%
GVT	444	na*	na*	na*
Canal+ Group	2,327	2,258	+3.1%	+2.3%
Non-core operations and others, and elimination of intersegment transactions	(22)	(27)	+18.5%	+18.5%
Total Vivendi	**13,982**	**13,178**	**+6.1%**	**+4.8%**
EBITA				
Activision Blizzard	620	373	+66.2%	+65.5%
Universal Music Group	159	211	-24.6%	-28.0%
SFR	1,368	1,296	+5.6%	+5.6%
Maroc Telecom Group	596	586	+1.7%	+1.8%
GVT	98	na*	na*	na*
Canal+ Group	486	472	+3.0%	+2.4%
Holding & Corporate	(65)	(28)	x 2.3	x 2.3
Non-core operations and others	(19)	(11)	-72.7%	-64.5%
Total Vivendi	**3,243**	**2,899**	**+11.9%**	**+10.8%**

na*: not applicable.

The information presented above takes into account the consolidation of the following entities from the reported dates:

- at Maroc Telecom Group: Sotelma (August 1, 2009); and
- GVT (November 13, 2009).

4.2 Comments on operating performance of controlled business segments

Preliminary comments:

- *Vivendi Management evaluates the performance of Vivendi's controlled business segments and allocates necessary resources to them based on certain operating performance indicators, notably 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 and the impairment of goodwill and other intangibles acquired through business combinations that are included in EBIT. Please refer to Note 1.2.3 to the Consolidated Financial Statements for the year ended December 31, 2009 (page 186 of the 2009 Annual Report).*
    - *As defined by Vivendi, EBITDA corresponds to EBITA as presented in the Consolidated 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 Condensed Statement of Earnings by each operating segment - Please refer to Note 2 to the Condensed Financial Statements for the first half year ended June 30, 2010).*

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

- *As a reminder, the Vivendi group operates through six businesses at the heart of the worlds of content, platforms and interactive networks; as of June 30, 2010, Vivendi's ownership interest in each business is as follows:*
    - *Activision Blizzard: 59%;*
    - *Universal Music Group (UMG): 100%;*
    - *SFR: 56%;*
    - *Maroc Telecom Group: 53%;*
    - *GVT: 100% (please refer to Section 1.1); and*
    - *Canal+ Group: 100% (since February 22, 2010, Canal+ Group holds 80% interest in Canal+ France; please refer to Section 1.1).*

Activision Blizzard

Activision Blizzard's revenues reached €1 703 million, up 14.1%, and EBITA €620 million, up 66.2%. These results benefited from the accounting principles requiring revenues and related cost of sales associated with online component games to be deferred over the estimated customer service period. The balance of deferred operating margin was €318 million as of June 30, 2010, versus €733 million as of December 31, 2009, and versus €261 million as of June 30, 2009.

Activision Blizzard results were fueled by the continued success of *Call of Duty* and *World of Warcraft* games. For the first six months of the calendar year, in the U.S. and Europe, *Call of Duty* was the #1 third party franchise[3] and life-to-date sales of map packs for *Call of Duty* surpassed 20 million units.

StarCraft II: Wings of Liberty sold more than 1.5 million units in the first 48 hours after its July 27 release, setting a record for the fastest-selling strategy game of all time.

For the holiday season, Activision Blizzard has a strong slate of games such as *Call of Duty: Black Ops, World of Warcraft: Cataclysm, Guitar Hero: Warriors of Rock, DJ Hero 2, Tony Hawk: SHRED, Spider-Man: Shattered Dimensions, GoldenEye 007, James Bond 007: Blood Stone* and *Bakugan*.

Activision Blizzard has recently reaffirmed its calendar year 2010 outlook. Therefore, on a non-GAAP basis, Activision Blizzard expects net revenues of $4.4 billion and $0.72 earnings per diluted share as provided on May 6, 2010. In IFRS, EBITA outlook is increased to more than €630 million, versus more than €600 million provided at the beginning of the year.

Universal Music Group (UMG)

Universal Music Group's (UMG) revenues were €1,900 million, a 5.4% decline compared to the same period last year (a 7.9% decline at constant currency). Fewer major local and international releases and reduced demand for physical product countered strong growth in merchandising sales and increased digital sales.

[3] According to the NPD Group, Charttrack and Gfk.

Major recorded music sales included Lady Gaga, Black Eyed Peas, Eminem, Justin Bieber, Florence & The Machine and Coeur de Pirate in addition to the debut release from Drake. The first half brought new mobile music service opportunities with major telcos such as Singapore's SingTel and India's Reliance Communications.

UMG's EBITA was €159 million, a 24.6% decline compared to the same period last year. Lower revenues and an unfavorable sales mix more than offset operating cost savings and a reduction in restructuring charges.

In the second half 2010, the albums slate includes artists such as Black Eyed Peas, Kanye West, Mariah Carey, Michel Sardou, Florent Pagny, Akon, Zazie, Maroon 5 and Duffy.

Vevo, launched in December 2009 in the United States, is already the #1 music video website with 44.7 million unique viewers in July 2010.

SFR

SFR's revenues increased by 1.8% to €6,248 million compared to the same period last year, despite a market that remains very competitive and despite substantial tariff cuts resulting from regulatory decisions. Revenues increased by 6.1% excluding the regulated price cut impacts.

Mobile revenues[4] reached €4,430 million, a 0.3% decrease compared to the same period last year. Mobile service revenues[5] decreased by 0.6% to €4,222 million. Mobile service revenues increased by 5.3% excluding the impact of the 31% mobile voice termination regulated price cut on July 1, 2009 and the 33% SMS voice termination regulated price cut on February 1, 2010.

For the first half of 2010, SFR achieved very good commercial results, adding 540,000 new postpaid net adds. The iPhone's success was confirmed with 440,000 new customers. SFR's postpaid mobile customer base reached 15.347 million at the end of June 2010, improving the customer mix by 5.1 percentage points year-on-year to attain 74.6%. The total mobile customer base reached 20.562 million. Data represented 26.3% of the mobile service revenues at the end of June 2010, compared to 22.1% for the same period in 2009, due to "smartphones".

Broadband Internet and fixed revenues[4] were €1,975 million, a 5.9% increase compared to the same period in 2009. More specifically, broadband Internet mass market revenues increased by 14.0%.

SFR's broadband Internet segment continues its excellent commercial performance. During the first half 2010, SFR added 238,000 net new active customers, representing about 40%[6] market share. At the end of June 2010, SFR's broadband Internet customer base totalled 4.682 million, a 12.7% increase compared to the same period in 2009.

SFR's EBITDA was €2,114 million, a 6.6% increase compared to same period last year. This growth included €42 million of non-recurring items ("non-cash") related to the termination by third party of some indefeasible right of use (IRU) of SFR's fixed network.

SFR's mobile EBITDA was €1,706 million, a 1.7% increase compared to same period last year. Growth in customer bases, the expansion of mobile Internet and the strict control of fixed costs offset the impact of regulation.

SFR's broadband Internet and fixed EBITDA was €408 million, a 33.3% increase compared to the same period in 2009. Growth was driven by the effects of broadband Internet growth and the €42 million positive non-recurring items. Excluding the impact of those non-recurring items, EBITDA growth achieved 19.6%. For the calendar year, SFR is improving once again its outlook: broadband Internet and fixed EBITDA is now expected to enjoy a double-digit increase[7].

SFR's EBITA was €1,368 million, a 5.6% increase compared to the same period last year.

Maroc Telecom Group

Maroc Telecom Group's revenues were €1,382 million, up 5.9% year on year (+2.2% at constant currency and constant perimeter[8]). This growth was driven by the resilience of the Moroccan domestic market and the solid performances of its subsidiaries.

Maroc Telecom Group's customer base increased to 23.6 million as of June 30, 2010, up 20% year on year. This growth reflected a continued sustained growth in the mobile customer base in Morocco (+11.3%) and especially in its subsidiaries in Africa, where it reached nearly 5.6 million customers.

Maroc Telecom Group's EBITDA stood at €804 million, up 4.6% year on year (+3.7% at constant currency and constant perimeter).

Maroc Telecom Group's EBITA was €596 million, up 1.7% year on year (+2.6% at constant currency and constant perimeter). The EBITA margin rate remained at a high level, 43.1%, due to a continuous cost optimization policy both in Morocco and in its subsidiaries.

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

[5] Mobile service revenues are determined as mobile revenues excluding revenues from net equipment sales.

[6] According to SFR.

[7] Including €50 million of non-recurring positive items for 2010 full year (including €42 million for first half 2010).

[8] Constant perimeter includes the consolidation of Sotelma, as if the transaction had occurred on January 1, 2009. For your information, Sotelma's revenues were €54 million for the first half of 2009.

GVT

In IFRS, GVT's revenues, EBITDA and EBITA, for first half 2010, reached €444 million, €184 million and €98 million, respectively. Vivendi took control of GVT which was consolidated on November 13, 2009 and 100% owned from April, 27, 2010.

In accordance with local Brazilian accounting standards, GVT's net revenues reached BRL 1,087 million, an increase of 39.0% compared to the same period last year (with the rise in Brazilian real, the increase in euro was 72.9%). Net revenues growth was mainly driven by a 73.0% increase in broadband service revenues and a 32.2% increase in voice service revenues. Due to GVT's value proposition, the net additions of lines in service (LIS) totaled 646,900, an increase of 56.8% compared to the same period last year. As of June 30, 2010, the total number of the lines in service was 3.463 million.

Adjusted EBITDA[9] was BRL 444 million, an increase of 49.5% (with the rise in Brazilian real, the increase in euro was 85.5%). Adjusted EBITDA margin was 40.8%, compared to 38.0% for the same period last year. These results are due to GVT's focus on expansion in markets with higher margins, better product mix and continued cost optimization.

For the first half of 2010, GVT announced the expansion of its coverage in the Northeast region, with operations in three additional cities: Fortaleza (State of Ceara), Joao Pessoa and Campina Grande (State of Paraíba). For the first time, GVT has opened its services in the State of Sao Paulo in two cities (Sorocaba and Jundiaí).

Since the acquisition by Vivendi, GVT has benefited from increased investments in geographical expansion. For 2010, GVT has once again increased its capital expenditures, leading to a total of BRL 1.5 billion. GVT will open in at least five additional cities before December.

As a result of this better than expected performance, GVT increased its annual guidance in local Brazilian accounting standards and local currency: for 2010, revenues are now expected to increase by 34% and adjusted EBITDA by 44%, versus +29% and +35% respectively forecasted in May 2010 and versus +26% and +30% forecasted at the beginning of the year.

Canal+ Group

Canal+ Group revenues were €2,327 million, a 3.1% increase compared to the same period last year.

Over the past twelve months, Canal+ France's subscription base (metropolitan France, French overseas territories and Africa) posted a net growth of 356,000 subscriptions. In metropolitan France, gross subscriptions increased year-on-year and churn rate among digital subscribers improved to 11.6%, compared to 13% at the end of June 2009.

The continued growth of average revenue per subscriber (+€1.9 to €46.3 compared as of June 30, 2009) was mainly attributable to increased sales of options (HD, DVR, Foot+ which has nearly 1 million subscribers) and the success of the new "+Le Cube" set-top box.

Subscription base growth was also driven by the strong performances of Canal+ and CanalSat in territories operated by Canal+ Overseas (French overseas territories and Africa).

As a result of increased efforts to digitize Canal+ subscribers, the analog portfolio was close to 100,000 at the end of June 2010, representing now a small fraction of Canal+ subscribers.

Canal+ in Poland continued to grow despite a tougher competitive environment.

Canal+ Group's EBITA was €486 million, a 3.0% increase compared to the same period last year. Sustained investment in subscriber acquisition was a key driver behind the good commercial performances in the first half of 2010 in metropolitan France. Canal+ Group continued to invest in international operations, especially in Vietnam with the launch of its K+ multi-channel offer.

Holding & Corporate

Holding & Corporate EBITA was -€65 million, compared to -€28 million for the first half of 2009. In the first half of 2009, EBITA included an earn-out income (€40 million) in connection with the disposal of real estate assets in Germany in 2007.

[9] Adjusted EBITDA, a performance measurement used by GVT's management, is defined as net income (loss) for the period excluding income and social contribution taxes, financial income and expenses, depreciation, amortization, results of sale and transfer of fixed assets / extraordinary items and stock option expense.

5 Treasury and capital resources

Preliminary comments:

Vivendi considers Financial Net Debt, a non-GAAP measure, to be an important indicator in measuring Vivendi's indebtedness. As of December 31, 2009, Vivendi changed the definition of Financial Net Debt to now include certain cash management financial assets the characteristics of which do not strictly comply with the definition of cash equivalents as defined by the Recommendation of the AMF and IAS 7. In particular, such financial assets may have a maturity of up to 12 months. Financial Net Debt should be considered in addition to, and not as a substitute for, other GAAP measures reported on the Condensed 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 of Vivendi's debt covenants. Please refer to Section "Treasury and capital resources" of the 2009 Financial Report (pages 164 to 169 of the 2009 Annual Report).

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

The main factors notably considered in assessing Vivendi's financial position are as follows:

- As of June 30, 2010, the group's Financial Net Debt amounted to €11.5 billion. This amount included SFR's Financial Net Debt of €6.3 billion, which includes €2.7 billion in revolving facilities granted to SFR by Vivendi SA under market terms. The group's Financial Net Debt also included the net cash position of Activision Blizzard for €2.3 billion as of June 30, 2010 (including US treasuries and government agency securities). Please refer to Section 5.2 below.
- As of August 27, 2010, the date of the Management Board meeting which approved the Financial Statements for the first half year ended June 30, 2010:
    - The available undrawn facilities of Vivendi SA, net of commercial paper, amounted to €3.4 billion, and available credit lines of SFR, net of commercial paper, amounted to approximately €1.5 billion. Under the terms of their bank facilities, Vivendi SA and SFR are required to comply with certain financial covenants computed on June 30, and December 31, of each year. In the event of non-compliance with such financial covenants, the lenders could require the cancellation or early repayment of the bank facilities. As of June 30, 2010, Vivendi SA and SFR were in compliance with their financial covenants. Please refer to Note 14.5 to the Condensed Financial Statements for the half year ended June 30, 2010.
    - Vivendi's credit rating is BBB Stable (Standard & Poor's and Fitch) and Baa2 Stable (Moody's) and the "economic" average term[10] of the group's debt was 4 years, compared to 3.9 years at year-end 2009. SFR's credit rating is BBB+ (Fitch) and the "economic" average term[11] of SFR's debt was 2.9 years, compared to 2.3 years at year-end 2009.
    - The total amount of bonds issued by Vivendi SA and SFR was €7.5 billion, representing approximately 53% of gross borrowings, compared to approximately 62% as of December 31, 2009. The "economic" average term of the bonds issued by the group was 4.2 years, compared to 4.1 years as of December 31, 2009.

[10] *Considers that all undrawn amounts on available medium-term credit lines may be used to repay group borrowings with the shortest term.*
[11] *Excludes intercompany loans with Vivendi.*

5.2 Financial Net Debt changes

As of June 30, 2010, Vivendi's Financial Net Debt amounted to €11,460 million (compared to €9,566 million as of December 31, 2009), of which 55% is attributable to SFR, compared to 62% as of December 31, 2009.

Vivendi's Financial Net Debt also included Activision Blizzard's net cash position for €2,301 million, of which €500 million ($615 million) was invested in US treasuries and government agency securities with a maturity exceeding three months, included in the current Financial Assets items of the Consolidated Statement of Financial Position.

	June 30, 2010		December 31, 2009	
(in millions of euros)	Vivendi	*of which SFR*	Vivendi	*of which SFR*
Borrowings and other financial liabilities	14,619	*6,542*	13,262	*6,482*
of which long-term (a)	*11,326*	*2,516*	*8,355*	*2,211*
short-term (a)	*3,293*	*1,376*	*4,907*	*1,621*
revolving facilities granted to SFR by Vivendi SA	-	*2,650*	-	*2,650*
Derivative financial instruments in assets (b)	(127)	*(5)*	(30)	*(2)*
Cash deposits backing borrowings (b)	(19)	-	(49)	-
Cash management financial assets (b) (c)	(500)	-	(271)	-
	13,973	***6,537***	**12,912**	***6,480***
Cash and cash equivalents (a)	(2,513)	*(237)*	(3,346)	*(545)*
of which Activision Blizzard's cash and cash equivalents	*(1,798)*	*na**	*(1,925)*	*na**
Financial Net Debt	**11,460**	***6,300***	**9,566**	***5,935***

na*: not applicable.

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

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

c. Includes US treasuries and government agency securities, with a maturity exceeding three months, at Activision Blizzard.

For the first half of 2010, Financial Net Debt increased by €1,894 million: net cash decreased by €833 million and borrowings and other financial liabilities increased by €1,061 million.

Net cash used for investing activities amounted to €2,446 million, and primarily included capital expenditures, net (€1,877 million) as well as the completion of the acquisition of 100% of GVT (€576 million, please refer to Section 1.1), offset by dividends received by Vivendi SA from NBC Universal (€151 million).

Net cash used for financing activities amounted to €1,812 million, mainly including payments to Vivendi SA's and its subsidiaries' shareowners (€3,251 million) as well as the repayment of bank facilities and borrowings (€1,980 million), partially offset by borrowings put into place (including a €750 million new bond issue placed by Vivendi SA) and the drawing by Vivendi SA and SFR under their facilities of a cumulative amount of €3,740 million. Payments to the group' shareowners primarily included dividend paid by Vivendi to its shareowners (€1,721 million), the dividend paid by consolidated subsidiaries to their non-controlling interests (€902 million, of which €440 million related to the dividend paid by SFR to its non-controlling interest), the acquisition of M6's minority interest in Canal+ France (€384 million) and the stock repurchase program of Activision Blizzard (€267 million).

Net cash provided by operating activities amounted to €3,089 million. For further information about net cash provided by operating activities, please refer to Section 3 "Cash flow from operations analysis" above.

(in millions of euros)	Cash and cash equivalents	Borrowings and other financial liabilities (a)	Impact on Financial Net Debt
Financial Net Debt as of December 31, 2009	**(3,346)**	**12,912**	**9,566**
Outflows/(inflows) generated by:			
Operating activities	(3,089)	-	(3,089)
Investing activities	2,446	(704)	1,742
Financing activities	1,812	1,601	3,413
Foreign currency translation adjustments (b)	(336)	164	(172)
Change in Financial Net Debt over the period	833	1,061	1,894
Financial Net Debt as of June 30, 2010	**(2,513)**	**13,973**	**11,460**

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

b. Primarily relates to the impact of Euro/Dollar exchange rate fluctuations on cash and cash equivalents of Activision Blizzard and on the nominal value of the dollar denominated bonds issued in April 2008 (please refer to Note 14 to the Condensed Financial Statements for the first half year ended June 30, 2010), respectively.

5.3 Analysis of Financial Net Debt changes

(in millions of euros)		Refer to section	Six months ended June 30, 2010 Impact on cash and cash equivalents	Impact on borrowings and other financial liabilities	Impact on Financial Net Debt
EBIT		2	**(2,963)**	**-**	**(2,963)**
Adjustments			(1,375)	-	(1,375)
Content investments, net			231	-	231
Gross cash provided by operating activities before income tax paid			***(4,107)***	***-***	***(4,107)***
Other changes in net working capital			712	-	712
Net cash provided by operating activities before income tax paid		3	***(3,395)***	***-***	***(3,395)***
Income tax paid, net		3	306	-	306
Operating activities	**A**		**(3,089)**	**-**	**(3,089)**
Financial investments					
Purchases of consolidated companies, after acquired cash			661	(568)	93
of which Completion of the acquisition of GVT		1.1	*576*	*(555)*	*21*
- Payments made to acquire shares that Vivendi did not own as of December 31, 2009			*590*	*(590)*	*-*
- Foreign exchange hedging gain on GVT shares acquired			*(50)*	*50*	*-*
- Adjustment in estimate of the purchase price			*-*	*(15)*	*(15)*
- Other			*36*	*-*	*36*
payment to the beneficiaries of Neuf Cegetel restricted stock plans			*26*	*-*	*26*
Investments in equity affiliates			9	-	9
Increase in financial assets			321	(299)	22
Total financial investments			***991***	***(867)***	***124***
Financial divestments					
Proceeds from sales of consolidated companies, after divested cash			1	-	1
Disposal of equity affiliates			1	-	1
Decrease in financial assets			(270)	163	(107)
Total financial divestments			***(268)***	***163***	***(105)***
Financial investment activities			**723**	**(704)**	**19**
Dividends received from equity affiliates		3	(151)	-	(151)
Dividends received from unconsolidated companies			(3)	-	(3)
Investing activities excluding capital expenditures and proceeds from sales of property, plant, equipment and intangible assets, net			**569**	**(704)**	**(135)**
Capital expenditures			1,949	-	1,949
Proceeds from sales of property, plant, equipment and intangible assets			(72)	-	(72)
Capital expenditures, net		3	***1,877***	***-***	***1,877***
Investing activities	**B**		**2,446**	**(704)**	**1,742**

Please refer to the next page for the end of this table.

Continued from previous page.

(in millions of euros)		Refer to section	Six months ended June 30, 2010 Impact on cash and cash equivalents	Impact on borrowings and other financial liabilities	Impact on Financial Net Debt
Transactions with shareowners					
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans			(1)	-	(1)
Other transactions with shareowners			362	(384)	(22)
of which exercise by M6 of its put option on its Canal+ France shares		1.1	*384*	*(384)*	-
(Sales)/purchases of treasury shares			267	-	267
of which stock repurchase program of Activision Blizzard		1.1	*267*	-	*267*
Dividends paid by Vivendi SA (€1.40 per share)		1.1	1,721	-	1,721
Dividends paid by consolidated companies to their non-controlling interests			902	-	902
of which SFR			*440*	-	*440*
Maroc Telecom SA			*361*	-	*361*
Total transactions with shareowners			***3,251***	***(384)***	***2,867***
Transactions on borrowings and other financial liabilities					
Setting up of long-term borrowings and increase in other long-term financial liabilities			(3,174)	3,174	-
of which Vivendi SA			*(2,360)*	*2,360*	-
SFR			*(780)*	*780*	-
Principal payments on long-term borrowings and decrease in other long-term financial liabilities			196	(196)	-
Principal payments on short-term borrowings			1,784	(1,784)	-
of which Vivendi SA		5.4	*780*	*(780)*	-
SFR			*638*	*(638)*	-
GVT		5.4	*137*	*(137)*	-
Other changes in short-term borrowings and other financial liabilities			(566)	566	-
of which Vivendi SA's commercial paper			*(304)*	*304*	-
Non-cash transactions			-	225	225
Interest paid, net		3	245	-	245
Other cash items related to financial activities		3	76	-	76
Total transactions on borrowings and other financial liabilities			***(1,439)***	***1,985***	***546***
Financing activities	**C**		**1,812**	**1,601**	**3,413**
Foreign currency translation adjustments	D		(336)	164	(172)
Change in Financial Net Debt	**A+B+C+D**		**833**	**1,061**	**1,894**

5.4 Borrowings put into place/redeemed in 2010

Vivendi SA

- In March 2010, Vivendi placed a €750 million bond issue with a 7 year maturity and a 4% coupon. It was issued at a price of 99.378% with a 4.10% interest. This bond issue was primarily aimed at refinancing a €630 million bond maturing on April 6, 2010.
- In July 2010, Vivendi refinanced a 3-year credit line for €1 billion with an initial scheduled maturity of February 2011. In September 2010, this credit line will be early replaced by a new financing for the same amount with a 5-year term (maturing in September 2015).

SFR

- In January 2010, SFR put into place a new securitization program of €280 million (maturing in January 2015), increased to €310 million in July 2010.
- In April 2010, SFR early redeemed the Syndicated facility ("Club Deal") tranche A for €248 million, initially expired in July 2010.
- In May 2010, SFR refinanced the current credit facility of €1.2 billion dated July 2004 maturing in April 2011; the new credit facility for the same amount will expire in June 2015. This credit facility was not drawn on June 30, 2010.

GVT

- The $200 million bond issued by GVT in June 2006 at a 12% nominal interest rate with an initial scheduled maturity of September 2011 was redeemed in full in January and February 2010 thanks to GVT's cash and cash equivalents. The nominal value of this borrowing recorded in Vivendi's short-term borrowings as of December 31, 2009, amounted to €137 million.
- On June 21, 2010, GVT received BNDES's authorization regarding the request to repay in advance BRL250 million (approximately €113 million) of the loan granted by BNDES to GVT. The partial reimbursement of this loan occurred on July 15, 2010.

5.5 Available credit facilities as of August 27, 2010

As of August 27, 2010, the date of Vivendi's Management Board meeting which approved the Financial Statements for the half year ended June 30, 2010, Vivendi SA had available committed bank facilities in the amount of €6 billion, of which €1.8 billion was drawn. Considering the amount of commercial paper issued, and backed on bank facilities for €0.8 billion, these lines were available in an aggregate amount of €3.4 billion.

SFR had available committed bank facilities in the amount of €3.8 billion (including facilities related to securitization programs on receivables), of which €1.5 billion was drawn. Considering the amount of commercial paper issued at this date and backed on bank facilities for €0.8 billion, these credit lines were available for an aggregate amount of €1.5 billion.

6 Forward looking statements – Major risks and uncertainties

Forward looking statements

This Financial Report contains forward-looking statements with respect to Vivendi's financial condition, results of operations, business, strategy, plans, expectations regarding the payment of dividends as well as the anticipated impact of certain litigations. 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 these forward-looking statements as a result of a number of risks and uncertainties, many of which are outside of Vivendi's control, including but not limited to, the risks described in the 2009 "Rapport annuel - Document de référence" filed with the Autorité des Marchés Financiers (AMF) (the French securities regulator) and which is also available in English on Vivendi's web site (www.vivendi.com). The present forward-looking statements are made as of the date of this Financial Report and 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.

Major risks and uncertainties for the remaining six months of the fiscal year

Vivendi is not aware of any risks or uncertainties other than the above-mentioned for the six months ended December 31, 2010. For a description of 2010 outlook of Vivendi and by business unit, please refer to Paragraph 2.3 "Vivendi's outlook for 2010" and 4.2 "Comments on operating performance for controlled business segments" of this Financial Report.

7 Disclaimer

This Financial Report is an English translation of the French version of such report and is provided for informational purposes. This translation is qualified in its entirety by the French version, which is available on the company's web site (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 - Appendix to Financial Report: Unaudited supplementary financial data

1 Reconciliation of Activision Blizzard U.S. GAAP revenues and EBITA to IFRS

As reported below, the reconciliation of Activision Blizzard's U.S. GAAP revenue and EBITA to IFRS as of June 30, 2010, June 30, 2009 and December 31, 2009 is based on:
- Activision Blizzard's data prepared in compliance with U.S. GAAP standards, in US dollars, contained in its Form 10-Q for the first half year ended June 30, 2010, available on Activision Blizzard's website (www.activisionblizzard.com), and non-GAAP comparable measures, published by Activision Blizzard in its earnings release on August 5, 2010; and
- Data relating to Activision Blizzard established in accordance with IFRS standards, in euros, as published by Vivendi in its Unaudited Condensed Financial Statements for the first half year ended June 30, 2010.

Combination of Vivendi Games and Activision on July 9, 2008

As a reminder, on July 9, 2008, a wholly-owned subsidiary of Activision merged with and into Vivendi Games, and hence Vivendi Games became a wholly-owned subsidiary of Activision, which was renamed Activision Blizzard.

Non-GAAP measures of Activision Blizzard

Activision Blizzard provides net revenues, net income, earnings per share, operating margin data and guidance both including (in accordance with US GAAP) and excluding (non-GAAP) the impact of:

a. the change in deferred income and related costs of sales resulting from the deferral of net revenues; as explained in the "Deferral of Activision revenue" and "Change in recognition of revenue at Blizzard" paragraphs in the Appendix to the 2009 Financial Report (pages 170 to 171 of the 2009 Annual Report) and of Note 1.3.4.1 to the Consolidated Financial Statements for the year ended December 31, 2009 (page 189 of the 2009 Annual Report);
b. expenses related to equity-based compensation costs;
c. costs related to the business combination of Activision, Inc. and Vivendi Games, Inc. (including transaction and integration costs);
d. restructuring charges;
e. impairment of intangible assets acquired through business combinations;
f. the amortization of intangibles and the associated changes in cost of sales resulting from purchase price accounting adjustments from the business combination of Activision and Vivendi Games;
g. Activision Blizzard's non-core exit operations (which, until July 1, 2009, consisted of the operating results of products and operations from the historical Vivendi Games, Inc. businesses that were divested, exited or wound-down by Activision Blizzard); and
h. the associated tax benefits.

Nota:

For a definition of EBITA, please refer to Note 1.2.3 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 186 and 187 of the 2009 Annual Report).

Reconciliation of Activision Blizzard U.S. GAAP revenues and EBITA to IFRS

Reconciliation of U.S. GAAP revenues to IFRS:

	Three months ended June 30, (unaudited)		Six months ended June 30, (unaudited)		Year ended December 31, 2009 (unaudited)
	2010	2009	2010	2009	
Non-GAAP Measurement (U.S. GAAP basis):					
Non-GAAP Net Revenues (in millions of dollars)	**683**	**801**	**1,397**	**1,525**	**4,775**
Eliminate non-GAAP adjustments:					
Changes in deferred net revenues (a)	284	237	878	493	(497)
Other (b)	-	-	-	1	1
U.S. GAAP Measurement:					
Net Revenues in U.S. GAAP (in millions of dollars), as published by Activision Blizzard	**967**	**1,038**	**2,275**	**2,019**	**4,279**
Eliminate U.S. GAAP vs. IFRS differences:	*na**	*na**	*na**	*na**	*na**
IFRS Measurement:					
Net Revenues in IFRS (in millions of dollars)	**967**	**1,038**	**2,275**	**2,019**	**4,279**
Translate from dollars to euros:					
Net Revenues in IFRS (in millions of euros), as published by Vivendi	**758**	**762**	**1,703**	**1,493**	**3,038**
of which					
Activision	484	472	1,151	898	1,819
Blizzard	234	244	460	485	922
Distribution	40	46	92	110	297
Non-core operations	-	-	-	-	-

Reconciliation of U.S. GAAP EBITA to IFRS:

	Three months ended June 30, (unaudited)		Six months ended June 30, (unaudited)		Year ended December 31, 2009 (unaudited)
	2010	2009	2010	2009	
Non-GAAP Measurement (U.S. GAAP basis):					
Non-GAAP Operating Income/(Loss) (in millions of dollars)	**101**	**156**	**266**	**275**	**1,234**
Eliminate non-GAAP adjustments:					
Changes in deferred net revenues and related cost of sales (a)	227	164	637	331	(383)
Equity-based compensation expense (c)	(17)	(43)	(60)	(71)	(154)
One time costs related to the Vivendi transaction and integration	-	(3)	-	(17)	(24)
Restructuring charges (d)	(1)	(15)	(4)	(30)	(23)
Impairment of intangibles acquired through business combinations	-	-	-	-	(409)
Amortization of intangibles acquired through business combinations and purchase price accounting related adjustments (e)	(10)	(38)	(28)	(83)	(259)
Other (b)	-	(3)	-	(8)	(8)
U.S. GAAP Measurement:					
Operating Income/(Loss) in U.S. GAAP (in millions of dollars), as published by Activision Blizzard	**300**	**218**	**811**	**397**	**(26)**
Eliminate U.S. GAAP vs. IFRS differences:					
Equity-based compensation expense (c)	2	9	3	8	(6)
Impairment of intangibles acquired through business combinations	-	-	-	-	(37)
Restructuring charges (d)	-	13	-	11	13
Other	(3)	(15)	(10)	(1)	8
IFRS Measurement:					
Operating Income/(Loss) in IFRS (in millions of dollars)	**299**	**225**	**804**	**415**	**(48)**
Eliminate items excluded from EBITA:					
Impairment of intangible assets acquired through business combinations	-	-	-	-	446
Amortization of intangible assets acquired through business combinations (e)	11	40	28	89	269
EBITA in IFRS (in millions of dollars)	**310**	**265**	**832**	**504**	**667**
Translate from dollars to euros:					
EBITA in IFRS (in millions of euros), as published by Vivendi	**243**	**195**	**620**	**373**	**484**
of which					
Activision	126	78	389	145	56
Blizzard	118	117	232	231	420
Distribution	(1)	1	(1)	(2)	9
Non-core operations	-	(1)	-	(1)	(1)

na*: not applicable.

a. Relates to the impact of the change in deferred net revenues, and related costs of sales associated with certain of the company's online-enabled games:
   - For the first half of 2010, in both U.S. GAAP and IFRS, the net recognition of revenues amounted to $878 million (€651 million) and, after taking into account related costs of sales, the recognition of margin from operations amounted to $637 million (€474 million).
   - As of June 30, 2010, in both U.S. GAAP and IFRS, the deferred net revenues balance in the Statement of Financial Position amounted to $482 million (€392 million), compared to $1,426 million (€991 million) as of December 31, 2009. After taking into account related costs of sales, the deferred margin balance in the Statement of Financial Position amounted to $392 million (€318 million) as of June 30, 2010, compared to $1,054 million (€733 million) as of December 31, 2009.

b. Relates to the products and operations reported from historical Vivendi Games businesses that were wound-down, exited or divested by Activision Blizzard as part of its restructuring and integration plans following the merger (non-core operations). Prior to July 1, 2009, non-core operations were managed as a stand-alone operating segment, however, in light of the decreasing significance of non-core operations, as of that date Activision Blizzard ceased its management as a separate operating segment and consequently Activision Blizzard is no longer providing separate operating segment disclosure.

c. In IFRS, existing Activision stock options were neither re-measured at fair value nor allocated to the cost of the business combination at the closing date; hence the incremental fair value recorded in U.S. GAAP is reversed, net of costs capitalized.

d. Restructuring charges include severance costs, facility exit costs, and balance-sheet write down and exit costs from the cancellation of projects. In IFRS, accrual for restructuring activities is recorded at the time the company is committed to the restructuring plan. In U.S. GAAP, the corresponding expense is recorded on the basis of the actual timing of the restructuring activities.

e. Reflects amortization of intangible assets and the increase in the fair value of inventories and associated cost of sales, all of which relate to purchase price accounting adjustments. Increase in the fair value of inventories and associated cost of sales are not excluded from EBITA.

2 Revenues and EBITA by business segment – 2010 and 2009 quarter data

	2010	
(in millions of euros)	1st Quarter ended March 31	2nd Quarter ended June 30
Revenues		
Activision Blizzard	945	758
Universal Music Group	889	1,011
SFR	3,085	3,163
Maroc Telecom Group	660	722
GVT	214	230
Canal+ Group	1,145	1,182
Non-core operations and others, and elimination of intersegment transactions	(14)	(8)
Total Vivendi	**6,924**	**7,058**
EBITA		
Activision Blizzard	377	243
Universal Music Group	68	91
SFR	634	734
Maroc Telecom Group	284	312
GVT	43	55
Canal+ Group	230	256
Holding & Corporate	(38)	(27)
Non-core operations and others	(8)	(11)
Total Vivendi	**1,590**	**1,653**

	2009			
(in millions of euros)	1st Quarter ended March 31	2nd Quarter ended June 30	3rd Quarter ended Sept. 30	4th Quarter ended Dec. 31
Revenues				
Activision Blizzard	731	762	493	1,052
Universal Music Group	1,026	983	969	1,385
SFR	3,028	3,112	3,090	3,195
Maroc Telecom Group	640	665	694	695
GVT	na*	na*	na*	104
Canal+ Group	1,119	1,139	1,110	1,185
Non-core operations and others, and elimination of intersegment transactions	(14)	(13)	(9)	(9)
Total Vivendi	**6,530**	**6,648**	**6,347**	**7,607**
EBITA				
Activision Blizzard	178	195	33	78
Universal Music Group	110	101	58	311
SFR	610	686	690	544
Maroc Telecom Group	286	300	319	339
GVT	na*	na*	na*	20
Canal+ Group	254	218	282	(102)
Holding & Corporate	(37)	9	(28)	(35)
Non-core operations and others	(8)	(3)	(8)	(10)
Total Vivendi	**1,393**	**1,506**	**1,346**	**1,145**

na*: not applicable.

The information presented above takes into account the consolidation of the following entities from the reported dates:

- at Maroc Telecom Group: Sotelma (August 1, 2009); and
- GVT (November 13, 2009).

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III - Condensed Financial Statements for the half year ended June 30, 2010 (unaudited)

Condensed Statement of Earnings

	Note	Three months ended June 30, (unaudited) 2010	2009	Six months ended June 30, (unaudited) 2010	2009	Year ended December 31, 2009
Revenues	2	**7,058**	**6,648**	**13,982**	**13,178**	**27,132**
Cost of revenues		(3,370)	(3,288)	(6,786)	(6,477)	(13,627)
Selling, general and administrative expenses		(2,169)	(2,024)	(4,197)	(4,090)	(8,703)
Restructuring charges and other operating charges and income		(4)	29	(28)	(1)	(46)
Impairment losses of intangible assets acquired through business combinations		(8)	-	(8)	-	(920)
Earnings before interest and income taxes (EBIT)	2	**1,507**	**1,365**	**2,963**	**2,610**	**3,836**
Income from equity affiliates		60	45	75	71	171
Interest	3	(127)	(112)	(245)	(220)	(458)
Income from investments		4	2	4	3	7
Other financial charges and income	3	(44)	(9)	(113)	(86)	(795)
Earnings from continuing operations before provision for income taxes		**1,400**	**1,291**	**2,684**	**2,378**	**2,761**
Provision for income taxes	4	(337)	(190)	(598)	(415)	(675)
Earnings from continuing operations		**1,063**	**1,101**	**2,086**	**1,963**	**2,086**
Earnings from discontinued operations		-	-	-	-	-
Earnings		**1,063**	**1,101**	**2,086**	**1,963**	**2,086**
Of which						
Earnings attributable to Vivendi shareowners		**669**	**695**	**1,267**	**1,188**	**830**
Non-controlling interests		394	406	819	775	1,256
Earnings from continuing operations attributable to Vivendi shareowners per share - basic	6	0.54	0.59	1.03	1.01	0.69
Earnings from continuing operations attributable to Vivendi shareowners per share - diluted	6	0.54	0.58	1.03	1.00	0.69
Earnings attributable to Vivendi shareowners per share - basic	6	**0.54**	**0.59**	**1.03**	**1.01**	**0.69**
Earnings attributable to Vivendi shareowners per share - diluted	6	0.54	0.58	1.03	1.00	0.69
Adjusted net income	5	**790**	**818**	**1,526**	**1,467**	**2,585**
Adjusted net income per share - basic	6	**0.64**	**0.69**	**1.24**	**1.25**	**2.15**
Adjusted net income per share - diluted	6	0.64	0.69	1.24	1.24	2.14

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

Nota: As a reminder, at the time of the publication of its Condensed Financial Statements as of June 30, 2009, Vivendi voluntarily opted for the early application, with retroactive effect from January 1, 2009, of revised standards IFRS 3 (Business Combinations) and IAS 27 (Consolidated and Separate Financial Statements). Please refer to Note 1 to the Condensed Financial Statements for the first half year ended June 30, 2010.

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

Condensed Statement of Comprehensive Income

(in millions of euros)	Three months ended June 30, (unaudited) 2010	2009	Six months ended June 30, (unaudited) 2010	2009	Year ended December 31, 2009
Net income	**1,063**	**1,101**	**2,086**	**1,963**	**2,086**
Foreign currency translation adjustments	**1,423**	**(459)**	**2,559** (a)	**(21)** (a)	**(325)** (a)
Assets available for sale	-	3	-	(2)	8
Cash flow hedge instruments	16	13	13	(55)	(46)
Net investment hedge instruments	(122)	(1)	(196) (b)	(18)	(17)
Tax	(3)	(5)	(1)	13	9
Unrealized gains/(losses)	**(109)**	**10**	**(184)**	**(62)**	**(46)**
Charges and income directly recorded in equity related to equity affiliates	-	(2)	(9)	(2)	2
Other	-	4	2	(7)	(35)
Other impacts on retained earnings	**-**	**2**	**(7)**	**(9)**	**(33)**
Charges and income directly recognized in equity	**1,314**	**(447)**	**2,368**	**(92)**	**(404)**
Total comprehensive income	**2,377**	**654**	**4,454**	**1,871**	**1,682**
Of which					
Total comprehensive income attributable to Vivendi shareowners	**1,879**	**290**	**3,436**	**930**	**407**
Total comprehensive income attributable to non-controlling interests	498	364	1,018	941	1,275

a. Includes changes in foreign currency translation adjustments relating to the investment in NBC Universal of €663 million for the first half of 2010, €17 million for the first half of 2009 and -€101 million for fiscal year 2009.

b. Relates to the change in fair value of the derivative instruments hedging Vivendi’s net investment in NBC Universal: please refer to Note 9.

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

Condensed Statement of Financial Position

(in millions of euros)	Note	June 30, 2010 (unaudited)	December 31, 2009
ASSETS			
Goodwill	7	25,898	24,516
Non-current content assets	8	3,488	3,196
Other intangible assets		4,529	4,342
Property, plant and equipment		7,557	7,264
Investments in equity affiliates	9	4,753	4,146
Non-current financial assets	10	526	476
Deferred tax assets		2,154	1,843
Non-current assets		**48,905**	**45,783**
Inventories		564	777
Current tax receivables		102	284
Current content assets	8	875	1,004
Trade accounts receivable and other		6,167	6,467
Current financial assets	10	622	464
Cash and cash equivalents		2,513	3,346
		10,843	**12,342**
Assets held for sale		-	-
Current assets		**10,843**	**12,342**
TOTAL ASSETS		**59,748**	**58,125**
EQUITY AND LIABILITIES			
Share capital		6,761	6,759
Additional paid-in capital		8,061	8,059
Treasury shares		(4)	(2)
Retained earnings and other		8,846	7,201
Vivendi shareowners' equity		**23,664**	**22,017**
Non-controlling interests		4,346	3,971
Total equity		**28,010**	**25,988**
Non-current provisions	11	2,104	2,090
Long-term borrowings and other financial liabilities	14	11,326	8,355
Deferred tax liabilities		1,179	1,104
Other non-current liabilities		1,158	1,311
Non-current liabilities		**15,767**	**12,860**
Current provisions	11	490	563
Short-term borrowings and other financial liabilities	14	3,293	4,907
Trade accounts payable and other		11,531	13,567
Current tax payables		657	239
		15,971	**19,276**
Liabilities associated with assets held for sale		-	1
Current liabilities		**15,971**	**19,277**
Total liabilities		**31,738**	**32,137**
TOTAL EQUITY AND LIABILITIES		**59,748**	**58,125**

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

Condensed Statement of Cash Flows

(in millions of euros)	Note	Six months ended June, 30 (unaudited) 2010	2009	Year ended December 31, 2009
Operating activities				
EBIT		2,963	2,610	3,836
Adjustments		1,375	1,174	3,648
Including amortization and depreciation of tangible and intangible assets		*1,512*	*1,349*	*3,800*
Content investments, net	8	(231)	(228)	(310)
Gross cash provided by operating activities before income tax paid		***4,107***	***3,556***	***7,174***
Other changes in net working capital		(712)	(526)	315
Net cash provided by operating activities before income tax paid		***3,395***	***3,030***	***7,489***
Income tax paid, net		(306)	176	(137)
Net cash provided by operating activities		**3,089**	**3,206**	**7,352**
Investing activities				
Capital expenditures		(1,949)	(1,396)	(2,648)
Purchases of consolidated companies, after acquired cash		(661)	(129)	(2,682)
Investments in equity affiliates	9	(9)	(1)	(9)
Increase in financial assets	10	(321)	(41)	(359)
Investments		***(2,940)***	***(1,567)***	***(5,698)***
Proceeds from sales of property, plant, equipment and intangible assets		72	33	86
Proceeds from sales of consolidated companies, after divested cash		(1)	12	15
Disposal of equity affiliates	9	(1)	-	-
Decrease in financial assets	10	270	29	82
Divestitures		***340***	***74***	***183***
Dividends received from equity affiliates	9	151	171	306
Dividends received from unconsolidated companies		3	3	4
Net cash provided by/(used for) investing activities		**(2,446)**	**(1,319)**	**(5,205)**
Financing activities				
Net proceeds from issuance of common shares in connection with Vivendi SA's share-based compensation plans		1	2	73
Other transactions with shareowners		(362)	23	(723)
Sales/(purchases) of treasury shares (a)		(267)	(402)	(792)
Dividends paid in cash by Vivendi SA to its shareowners		(1,721)	(735)	(735)
Dividends and reimbursements of contribution of capital paid by consolidated companies to their non-controlling interests		(902)	(745)	(786)
Transactions with shareowners		***(3,251)***	***(1,857)***	***(2,963)***
Setting up of long-term borrowings and increase in other long-term financial liabilities	14	3,174	1,520	3,240
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	14	(196)	(2,586)	(2,817)
Principal payment on short-term borrowings	14	(1,784)	(227)	(449)
Other changes in short-term borrowings and other financial liabilities	14	566	1,008	1,452
Interest paid, net	3	(245)	(220)	(458)
Other cash items related to financial activities		(76)	25	33
Transactions on borrowings and other financial liabilities		***1,439***	***(480)***	***1,001***
Net cash provided by/(used for) financing activities		**(1,812)**	**(2,337)**	**(1,962)**
Foreign currency translation adjustments		336	43	9
Change in cash and cash equivalents		**(833)**	**(407)**	**194**
Cash and cash equivalents				
At beginning of the period		**3,346**	**3,152**	**3,152**
At end of the period		**2,513**	**2,745**	**3,346**

a. Relates to the stock repurchase programs of Activision Blizzard.

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

Condensed Statements of Changes in Equity

Six months ended June 30, 2010 (unaudited)

	Capital					Retained earnings and other				
(in millions of euros, except number of shares)	Common shares: *Number of shares* (in thousands)	Common shares: Amount	Additional paid-in capital	Treasury Shares	Sub-total	Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Sub-total	**Total equity**
BALANCE AS OF DECEMBER 31, 2009	***1,228,859***	**6,759**	**8,059**	**(2)**	**14,816**	**13,333**	**(81)**	**(2,080)**	**11,172**	**25,988**
Attributable to Vivendi SA shareowners	***1,228,859***	***6,759***	***8,059***	***(2)***	***14,816***	***9,379***	***(55)***	***(2,123)***	***7,201***	***22,017***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***3,954***	***(26)***	***43***	***3,971***	***3,971***
Contributions by/distributions to Vivendi SA shareowners	***488***	***2***	***2***	***(2)***	***2***	***(1,697)***	**-**	**-**	***(1,697)***	***(1,695)***
Dividends paid by Vivendi SA (€1.4 per share)	-	-	-	-	-	(1,721)	-	-	(1,721)	**(1,721)**
Capital increase related to Vivendi SA share-based compensation plans	*488*	2	2	(2)	2	24	-	-	24	**26**
Changes in Vivendi SA ownership interest in its subsidiaries that do not result in a loss of control	**-**	**-**	**-**	**-**	**-**	***(94)***	**-**	**-**	***(94)***	***(94)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(112)	-	-	(112)	**(112)**
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	***488***	**2**	**2**	**(2)**	**2**	**(1,791)**	**-**	**-**	**(1,791)**	**(1,789)**
Contributions by/distributions to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***(509)***	**-**	**-**	***(509)***	***(509)***
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(509)	-	-	(509)	**(509)**
Changes in non-controlling interests that result in a gain/(loss) of control	**-**	**-**	**-**	**-**	**-**	***(4)***	**-**	**-**	***(4)***	***(4)***
Changes in non-controlling interests that do not result in a gain/(loss) of control	**-**	**-**	**-**	**-**	**-**	***(130)***	**-**	**-**	***(130)***	***(130)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(156)	-	-	(156)	**(156)**
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	**-**	**-**	**-**	**-**	**-**	**(643)**	**-**	**-**	**(643)**	**(643)**
Earnings	**-**	**-**	**-**	**-**	**-**	***2,086***	**-**	**-**	***2,086***	***2,086***
Charges and income directly recognized in equity	**-**	**-**	**-**	**-**	**-**	***(7)***	***(184)***	***2,559***	***2,368***	***2,368***
TOTAL COMPREHENSIVE INCOME (C)	**-**	**-**	**-**	**-**	**-**	**2,079**	**(184)**	**2,559**	**4,454**	**4,454**
TOTAL CHANGES OVER THE PERIOD (A+B+C)	***488***	***2***	***2***	***(2)***	***2***	***(355)***	***(184)***	***2,559***	***2,020***	***2,022***
Attributable to Vivendi SA shareowners	*488*	*2*	*2*	*(2)*	*2*	*(522)*	*(187)*	*2,354*	*1,645*	*1,647*
Attributable to non-controlling interests	-	-	-	-	-	*167*	*3*	*205*	*375*	*375*
BALANCE AS OF JUNE 30, 2010	***1,229,347***	**6,761**	**8,061**	**(4)**	**14,818**	**12,978**	**(265)**	**479**	**13,192**	**28,010**
Attributable to Vivendi SA shareowners	***1,229,347***	***6,761***	***8,061***	***(4)***	***14,818***	***8,857***	***(242)***	***231***	***8,846***	***23,664***
Attributable to non-controlling interests	**-**	**-**	**-**	**-**	**-**	***4,121***	***(23)***	***248***	***4,346***	***4,346***

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

Six months ended June 30, 2009 (unaudited)

(in millions of euros, except number of shares)	Capital					Retained earnings and other				Total equity
	Common shares		Additional paid-in capital	Treasury Shares	Sub-total	Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Sub-total	
	Number of shares (in thousands)	Amount								
BALANCE AS OF DECEMBER 31, 2008	***1,170,197***	**6,436**	**7,406**	**(2)**	**13,840**	**14,576**	**(35)**	**(1,755)**	**12,786**	**26,626**
Attributable to Vivendi SA shareowners	***1,170,197***	***6,436***	***7,406***	***(2)***	***13,840***	***10,460***	***(17)***	***(1,768)***	***8,675***	***22,515***
Attributable to non-controlling interests	***-***	***-***	***-***	***-***	***-***	***4,116***	***(18)***	***13***	***4,111***	***4,111***
Contributions by/distributions to Vivendi SA shareowners	***53,754***	***296***	***610***	***-***	***906***	***(1,621)***	***-***	***-***	***(1,621)***	***(715)***
Dividends paid by Vivendi SA (€1.4 per share)	*53,185*	293	611	**-**	904	(1,639)	-	-	(1,639)	**(735)**
of which capital increase related to dividends paid in shares	*53,185*	*293*	*611*	-	*904*	*(904)*	-	-	*(904)*	**-**
paid in cash	-	-	-	-	-	*(735)*	-	-	*(735)*	***(735)***
Capital increase related to Vivendi SA share-based compensation plans	*569*	3	(1)	-	2	18	-	-	18	**20**
Changes in Vivendi SA ownership interest in its subsidiaries that do not result in a loss of control	***-***	***-***	***-***	***(1)***	***(1)***	***(122)***	***-***	***-***	***(122)***	***(123)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(150)	-	-	(150)	**(150)**
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	***53,754***	**296**	**610**	**(1)**	**905**	**(1,743)**	**-**	**-**	**(1,743)**	**(838)**
Contributions by/distributions to non-controlling interests	***-***	***-***	***-***	***-***	***-***	***(770)***	***-***	***-***	***(770)***	***(770)***
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(785)	-	-	(785)	**(785)**
Changes in non-controlling interests that result in a gain/(loss) of control	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***
Changes in non-controlling interests that do not result in a gain/(loss) of control	***-***	***-***	***-***	***-***	***-***	***(199)***	***-***	***-***	***(199)***	***(199)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(252)	-	-	(252)	**(252)**
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	**-**	**-**	**-**	**-**	**-**	**(969)**	**-**	**-**	**(969)**	**(969)**
Earnings	***-***	***-***	***-***	***-***	***-***	***1,963***	***-***	***-***	***1,963***	***1,963***
Charges and income directly recognized in equity	***-***	***-***	***-***	***-***	***-***	***(9)***	***(62)***	***(21)***	***(92)***	***(92)***
TOTAL COMPREHENSIVE INCOME (C)	**-**	**-**	**-**	**-**	**-**	**1,954**	**(62)**	**(21)**	**1,871**	**1,871**
TOTAL CHANGES OVER THE PERIOD (A+B+C)	***53,754***	***296***	***610***	***(1)***	***905***	***(758)***	***(62)***	***(21)***	***(841)***	***64***
Attributable to Vivendi SA shareowners	*53,754*	*296*	*610*	*(1)*	*905*	*(570)*	*(51)*	*(192)*	*(813)*	*92*
Attributable to non-controlling interests	-	-	-	-	-	*(188)*	*(11)*	*171*	*(28)*	*(28)*
BALANCE AS OF JUNE 30, 2009	***1,223,951***	**6,732**	**8,016**	**(3)**	**14,745**	**13,818**	**(97)**	**(1,776)**	**11,945**	**26,690**
Attributable to Vivendi SA shareowners	***1,223,951***	***6,732***	***8,016***	***(3)***	***14,745***	***9,890***	***(68)***	***(1,960)***	***7,862***	***22,607***
Attributable to non-controlling interests	***-***	***-***	***-***	***-***	***-***	***3,928***	***(29)***	***184***	***4,083***	***4,083***

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

Year ended December 31, 2009

(in millions of euros, except number of shares)	Capital					Retained earnings and other				Total equity
	Common shares		Additional paid-in capital	Treasury Shares	Sub-total	Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Sub-total	
	Number of shares (in thousands)	Amount								
BALANCE AS OF DECEMBER 31, 2008	**1,170,197**	**6,436**	**7,406**	**(2)**	**13,840**	**14,576**	**(35)**	**(1,755)**	**12,786**	**26,626**
Attributable to Vivendi SA shareowners	***1,170,197***	***6,436***	***7,406***	***(2)***	***13,840***	***10,460***	***(17)***	***(1,768)***	***8,675***	***22,515***
Attributable to non-controlling interests	-	-	-	-	-	***4,116***	***(18)***	***13***	***4,111***	***4,111***
Contributions by/distributions to Vivendi SA shareowners	***58,662***	***323***	***653***	-	***976***	***(1,604)***	-	-	***(1,604)***	***(628)***
Dividends paid by Vivendi SA (€1.4 per share)	*53,185*	293	611	-	904	(1,639)	-	-	(1,639)	**(735)**
of which capital increase related to dividends paid in shares	*53,185*	*293*	*611*	-	*904*	*(904)*	-	-	*(904)*	**-**
paid in cash	-	-	-	-	-	*(735)*	-	-	*(735)*	**(735)**
Capital increase related to Vivendi SA share-based compensation plans	*5,477*	30	42	-	72	35	-	-	35	**107**
of which Vivendi Employee Stock Purchase Plans (July 30, 2009)	*4,862*	*27*	*44*	-	*71*	-	-	-	-	***71***
Changes in Vivendi SA ownership interest in its subsidiaries that do not result in a loss of control	-	-	-	-	-	***(277)***	-	-	***(277)***	***(277)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(310)	-	-	(310)	**(310)**
CHANGES IN EQUITY ATTRIBUTABLE TO VIVENDI SA SHAREOWNERS (A)	***58,662***	**323**	**653**	-	**976**	**(1,881)**	-	-	**(1,881)**	**(905)**
Contributions by/distributions to non-controlling interests	-	-	-	-	-	***(1,210)***	-	-	***(1,210)***	***(1,210)***
of which dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(1,225)	-	-	(1,225)	**(1,225)**
Changes in non-controlling interests that result in a gain/(loss) of control	-	-	-	-	-	***190***	-	-	***190***	***190***
of which goodwill of Sotelma non-controlling interests	-	-	-	-	-	206	-	-	206	**206**
Changes in non-controlling interests that do not result in a gain/(loss) of control	-	-	-	-	-	***(395)***	-	-	***(395)***	***(395)***
of which Activision Blizzard's stock repurchase program	-	-	-	-	-	(482)	-	-	(482)	**(482)**
CHANGES IN EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (B)	-	-	-	-	-	**(1,415)**	-	-	**(1,415)**	**(1,415)**
Earnings	-	-	-	-	-	***2,086***	-	-	***2,086***	***2,086***
Charges and income directly recognized in equity	-	-	-	-	-	***(33)***	***(46)***	***(325)***	***(404)***	***(404)***
TOTAL COMPREHENSIVE INCOME (C)	-	-	-	-	-	**2,053**	**(46)**	**(325)**	**1,682**	**1,682**
TOTAL CHANGES OVER THE PERIOD (A+B+C)	***58,662***	***323***	***653***	-	***976***	***(1,243)***	***(46)***	***(325)***	***(1,614)***	***(638)***
Attributable to Vivendi SA shareowners	*58,662*	*323*	*653*	-	*976*	*(1,081)*	*(38)*	*(355)*	*(1,474)*	*(498)*
Attributable to non-controlling interests	-	-	-	-	-	*(162)*	*(8)*	*30*	*(140)*	*(140)*
BALANCE AS OF DECEMBER 31, 2009	***1,228,859***	**6,759**	**8,059**	**(2)**	**14,816**	**13,333 (a)**	**(81)**	**(2,080)**	**11,172**	**25,988**
Attributable to Vivendi SA shareowners	***1,228,859***	***6,759***	***8,059***	***(2)***	***14,816***	***9,379***	***(55)***	***(2,123)***	***7,201***	***22,017***
Attributable to non-controlling interests	-	-	-	-	-	***3,954***	***(26)***	***43***	***3,971***	***3,971***

a. Mainly includes previous years' earnings which were not distributed and 2009 comprehensive income.

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

Notes to the Condensed Financial Statements

On August 27, 2010, the Management Board approved the Financial Report and the unaudited Condensed Financial Statements for the first half year ended June 30, 2010 and they were reviewed by the Audit Committee on August 31, 2010.

The unaudited Condensed Financial Statements for the first half year ended June 30, 2010 should be read in conjunction with the audited Consolidated Financial Statements of Vivendi for the year ended December 31, 2009, as published in the 2009 "Rapport annuel - Document de référence" filed on March 17, 2010 with the "Autorité des marchés financiers" (AMF) under number D.10-0118 (the "Document de référence"). Please also refer to pages 174 to 288 of the English translation[1] of the "Document de référence" (the "2009 Annual Report") which is made 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 half of 2010 are presented and have been prepared in accordance with the provisions of IAS 34 "Interim financial reporting" as endorsed in the European Union (EU) and published by the International Accounting Standards Board (IASB). As a result, Vivendi applied the same accounting methods used for the Consolidated Financial Statements for the year ended December 31, 2009 (please refer to Note 1 "Accounting policies and valuation methods" presented in those financial statements from pages 185 to 202 of the 2009 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. 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.
- Compensation costs recorded for stock options, employee benefits and profit-sharing have been included on a pro rata basis of the estimated cost for the year, adjusted for non-recurring events which occurred over the period, if necessary.

1.2. New IFRS applicable as of January 1, 2010

The new IFRS effective from January 1, 2010, as described in Note 1.5 "New IFRS standards and IFRIC interpretations that have been published but are not yet effective" to the audited Consolidated Financial Statements of Vivendi for the year ended December 31, 2009 (page 202 of the 2009 Annual Report), which were applicable to the first half year ended June 30, 2010, had no material impact on Vivendi's Financial Statements.

In addition and as a reminder, as of June 30, 2009, Vivendi voluntarily opted for the early application, with retroactive effect from January 1, 2009, of revised standards IFRS 3 (Business Combinations) and IAS 27 (Consolidated and Separate Financial Statements) the effects of which are described in Note 1 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 185 to 202 of the 2009 Annual Report). As a result, certain reclassifications have been made in the Condensed Financial Statements for the second quarter and first half of 2009, having no impact on the Statement of Earnings for the first half of 2009.

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

Note 2 Segment data

The group operates through six businesses at the heart of the worlds of content, platforms and interactive networks: Activision Blizzard, Universal Music Group, SFR, Maroc Telecom Group (which consolidates Sotelma since August 1, 2009), GVT (consolidated since November 13, 2009) and Canal+ Group.

Statement of Earnings

Three months ended June 30, 2010

(in millions of euros)	Activision Blizzard	Universal Music Group	SFR	Maroc Telecom Group	GVT	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	758	1,008	3,163	712	230	1,180	-	7	-	7,058
Intersegment revenues	-	3	-	10	-	2	-	2	(17)	-
Revenues	**758**	**1,011**	**3,163**	**722**	**230**	**1,182**	**-**	**9**	**(17)**	**7,058**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(464)	(901)	(2,024)	(298)	(128)	(869)	(29)	(15)	17	(4,711)
Charges related to stock options and other share-based compensation plans	(12)	(3)	(10)	-	(1)	(4)	(1)	(1)	-	(32)
EBITDA	**282**	**107**	**1,129**	**424**	**101**	**309**	**(30)**	**(7)**	**-**	**2,315**
Restructuring charges	(1)	(6)	(6)	-	-	-	(1)	-	-	(14)
Gains/(losses) on sales of tangible and intangible assets	(1)	-	(15)	(3)	-	-	-	-	-	(19)
Other non-recurring items	-	-	-	3	1	-	4	(2)	-	6
Depreciation of tangible assets	(11)	(10)	(249)	(87)	(45)	(35)	-	(1)	-	(438)
Amortization of intangible assets excluding those acquired through business combinations	(26)	-	(125)	(25)	(2)	(18)	-	(1)	-	(197)
Adjusted earnings before interest and income taxes (EBITA)	**243**	**91**	**734**	**312**	**55**	**256**	**(27)**	**(11)**	**-**	**1,653**
Amortization of intangible assets acquired through business combinations	(8)	(77)	(25)	(6)	(14)	(8)	-	-	-	(138)
Impairment losses of intangible assets acquired through business combinations	-	(8)	-	-	-	-	-	-	-	(8)
Earnings before interest and income taxes (EBIT)	**235**	**6**	**709**	**306**	**41**	**248**	**(27)**	**(11)**	**-**	**1,507**
Income from equity affiliates										60
Interest										(127)
Income from investments										4
Other financial charges and income										(44)
Provision for income taxes										(337)
Earnings from discontinued operations										-
Earnings										**1,063**
Of which										
Earnings attributable to Vivendi shareowners										**669**
Non-controlling interests										394

Three months ended June 30, 2009

(in millions of euros)	Activision Blizzard	Universal Music Group	SFR	Maroc Telecom Group	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	762	981	3,108	658	1,137	-	2	-	6,648
Intersegment revenues	-	2	4	7	2	-	-	(15)	-
Revenues	**762**	**983**	**3,112**	**665**	**1,139**	**-**	**2**	**(15)**	**6,648**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(492)	(863)	(2,080)	(274)	(865)	(28)	(4)	15	(4,591)
Charges related to stock options and other share-based compensation plans	(24)	-	(9)	-	(5)	(1)	-	-	(39)
EBITDA	**246**	**120**	**1,023**	**391**	**269**	**(29)**	**(2)**	**-**	**2,018**
Restructuring charges	(1)	(14)	1	-	-	(2)	-	-	(16)
Gains/(losses) on sales of tangible and intangible assets	-	8	(6)	-	(3)	-	-	-	(1)
Other non-recurring items	-	-	(1)	(3)	-	41	-	-	37
Depreciation of tangible assets	(15)	(13)	(201)	(61)	(25)	(1)	-	-	(316)
Amortization of intangible assets excluding those acquired through business combinations	(35)	-	(130)	(27)	(23)	-	(1)	-	(216)
Adjusted earnings before interest and income taxes (EBITA)	**195**	**101**	**686**	**300**	**218**	**9**	**(3)**	**-**	**1,506**
Amortization of intangible assets acquired through business combinations	(30)	(74)	(24)	(5)	(8)	-	-	-	(141)
Impairment losses of intangible assets acquired through business combinations	-	-	-	-	-	-	-	-	-
Earnings before interest and income taxes (EBIT)	**165**	**27**	**662**	**295**	**210**	**9**	**(3)**	**-**	**1,365**
Income from equity affiliates									45
Interest									(112)
Income from investments									2
Other financial charges and income									(9)
Provision for income taxes									(190)
Earnings from discontinued operations									-
Earnings									**1,101**
Of which									
Earnings attributable to Vivendi shareowners									**695**
Non-controlling interests									406

Six months ended June 30, 2010

(in millions of euros)	Activision Blizzard	Universal Music Group	SFR	Maroc Telecom Group	GVT	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	1,703	1,895	6,246	1,362	444	2,322	-	10	-	13,982
Intersegment revenues	-	5	2	20	-	5	-	2	(34)	-
Revenues	**1,703**	**1,900**	**6,248**	**1,382**	**444**	**2,327**	**-**	**12**	**(34)**	**13,982**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(942)	(1,698)	(4,122)	(577)	(259)	(1,736)	(66)	(27)	34	(9,393)
Charges related to stock options and other share-based compensation plans	(43)	(2)	(12)	(1)	(1)	(5)	(1)	(1)	-	(66)
EBITDA	**718**	**200**	**2,114**	**804**	**184**	**586**	**(67)**	**(16)**	**-**	**4,523**
Restructuring charges	(3)	(22)	(10)	-	-	-	(1)	-	-	(36)
Gains/(losses) on sales of tangible and intangible assets	(1)	-	(10)	(3)	-	-	-	-	-	(14)
Other non-recurring items	-	-	-	(1)	1	-	3	(1)	-	2
Depreciation of tangible assets	(22)	(19)	(454)	(157)	(83)	(69)	-	(1)	-	(805)
Amortization of intangible assets excluding those acquired through business combinations	(72)	-	(272)	(47)	(4)	(31)	-	(1)	-	(427)
Adjusted earnings before interest and income taxes (EBITA)	**620**	**159**	**1,368**	**596**	**98**	**486**	**(65)**	**(19)**	**-**	**3,243**
Amortization of intangible assets acquired through business combinations	(20)	(147)	(49)	(12)	(28)	(16)	-	-	-	(272)
Impairment losses of intangible assets acquired through business combinations	-	(8)	-	-	-	-	-	-	-	(8)
Earnings before interest and income taxes (EBIT)	**600**	**4**	**1,319**	**584**	**70**	**470**	**(65)**	**(19)**	**-**	**2,963**
Income from equity affiliates										75
Interest										(245)
Income from investments										4
Other financial charges and income										(113)
Provision for income taxes										(598)
Earnings from discontinued operations										-
Earnings										**2,086**
Of which										
Earnings attributable to Vivendi shareowners										**1,267**
Non-controlling interests										819

Six months ended June 30, 2009

(in millions of euros)	Activision Blizzard	Universal Music Group	SFR	Maroc Telecom Group	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	1,493	2,002	6,135	1,291	2,254	-	3	-	13,178
Intersegment revenues	-	7	5	14	4	-	-	(30)	-
Revenues	**1,493**	**2,009**	**6,140**	**1,305**	**2,258**	**-**	**3**	**(30)**	**13,178**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(971)	(1,750)	(4,142)	(535)	(1,687)	(64)	(13)	30	(9,132)
Charges related to stock options and other share-based compensation plans	(47)	4	(15)	(1)	(6)	1	-	-	(64)
EBITDA	**475**	**263**	**1,983**	**769**	**565**	**(63)**	**(10)**	**-**	**3,982**
Restructuring charges	(14)	(37)	(3)	-	-	(2)	-	-	(56)
Gains/(losses) on sales of tangible and intangible assets	-	8	(7)	-	(3)	-	-	-	(2)
Other non-recurring items	-	-	-	(3)	-	38	-	-	35
Depreciation of tangible assets	(30)	(23)	(402)	(131)	(53)	(1)	-	-	(640)
Amortization of intangible assets excluding those acquired through business combinations	(58)	-	(275)	(49)	(37)	-	(1)	-	(420)
Adjusted earnings before interest and income taxes (EBITA)	**373**	**211**	**1,296**	**586**	**472**	**(28)**	**(11)**	**-**	**2,899**
Amortization of intangible assets acquired through business combinations	(66)	(148)	(49)	(11)	(15)	-	-	-	(289)
Impairment losses of intangible assets acquired through business combinations	-	-	-	-	-	-	-	-	-
Earnings before interest and income taxes (EBIT)	**307**	**63**	**1,247**	**575**	**457**	**(28)**	**(11)**	**-**	**2,610**
Income from equity affiliates									71
Interest									(220)
Income from investments									3
Other financial charges and income									(86)
Provision for income taxes									(415)
Earnings from discontinued operations									-
Earnings									**1,963**
Of which									
Earnings attributable to Vivendi shareowners									**1,188**
Non-controlling interests									775

As of June 30, 2010, income from equity affiliates mainly comprised the group's pro rata share in earnings of NBC Universal for €63 million for the second quarter of 2010, compared to €43 million for the second quarter of 2009 and €78 million for the first half of 2010, compared to €72 million for the first half of 2009. This investment is allocated to the Holding & Corporate business segment.

Statement of Financial Position

(in millions of euros)	Activision Blizzard	Universal Music Group	SFR	Maroc Telecom Group	GVT	Canal+ Group	Holding & Corporate	Non-core operations and others	**Total Vivendi**
June 30, 2010									
Segment assets (a)	4,503	8,326	19,780	6,031	4,274	7,216	4,775	73	54,978
incl. investments in equity affiliates (b)	*1*	*107*	*22*	-	-	*8*	*4,615*	-	*4,753*
Unallocated assets (c)									4,770
Total Assets									**59,748**
Segment liabilities (d)	948	2,533	6,248	1,596	368	2,506	1,080	3	15,282
Unallocated liabilities (e)									16,456
Total Liabilities									**31,738**
Increase in tangible and intangible assets	45	19	922	224	190	93	-	1	1,494
Net industrial investments (capex, net) (f)	31	13	1,196	330	186	120	-	1	1,877

Additional operating segment data is presented in Note 7 “Goodwill” and Note 8 “Content assets and commitments”.

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

b. Holding & Corporate operating segment includes the 20% interest in NBC Universal (please refer to Note 9).

c. Unallocated assets include deferred tax assets, current tax receivables, cash and cash equivalents as well as assets held for sale.

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

e. Unallocated liabilities include borrowings and other financial liabilities, deferred tax liabilities, current tax payables as well as liabilities associated with assets held for sale.

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

Note 3 Financial charges and income

Interest

(in millions of euros)	Three months ended June 30, 2010	Three months ended June 30, 2009	Six months ended June 30, 2010	Six months ended June 30, 2009	Year ended December 31, 2009
Interest expense on borrowings	133	122	261	243	486
Interest income from cash and cash equivalents	(6)	(10)	(16)	(23)	(28)
Interest	**127**	**112**	**245**	**220**	**458**
Premium related to early redemption of borrowings and fees related to issuance or cancellation of lines of credit	*1*	*3*	*6*	*7*	*14*
	128	***115***	***251***	***227***	***472***

Other financial charges and income

(in millions of euros)	Three months ended June 30, 2010	Three months ended June 30, 2009	Six months ended June 30, 2010	Six months ended June 30, 2009	Year ended December 31, 2009
Other capital gain on the divestiture of businesses	3	3	3	3	23
Downside adjustment on the divestiture of businesses	4	-	(8)	(3)	(26)
Other capital gain on financial investments	1	14	3	15	72
of which the consolidation gain on the dilution of UMG's interest in Vevo by 49.9%	-	-	-	-	*56*
Downside adjustment on financial investments	-	(8)	-	(13)	(13)
Reserve accrued regarding the Securities Class Action in the United States	-	-	-	-	(550)
Depreciation of the minority stake in NBC Universal	-	-	-	-	(82)
Financial components of employee benefits	(6)	(6)	(13)	(12)	(25)
Premium related to early redemption of borrowings and fees related to issuance or cancellation of lines of credit	(1)	(3)	(6)	(7)	(14)
Change in derivative instruments	(7)	7	(18)	(8)	(13)
Effect of undiscounting assets and liabilities	(8)	(16)	(17)	(35)	(56)
Other	(30)	-	(57)	(26)	(111)
Other financial charges and income	**(44)**	**(9)**	**(113)**	**(86)**	**(795)**

Note 4 Income taxes

(in millions of euros)	Three months ended June 30, 2010	Three months ended June 30, 2009	Six months ended June 30, 2010	Six months ended June 30, 2009	Year ended December 31, 2009
Provision for income taxes					
Impact of the Consolidated Global Profit Tax System	146 (a)	133	292 (a)	265	473
Other components of the provision for income taxes	(483)	(323)	(890)	(680)	(1,148) (b)
Provision for income taxes	**(337)**	**(190)**	**(598)**	**(415)**	**(675)**

a. Relates to 25% and 50% of the expected tax savings relating to the 2011 fiscal year, respectively.

b. Includes -€750 million related to the utilization of Neuf Cegetel's prior years' ordinary tax losses carried forward.

Note 5 Reconciliation of earnings attributable to Vivendi shareowners and adjusted net income

(in millions of euros)	Note	Three months ended June 30, 2010	Three months ended June 30, 2009	Six months ended June 30, 2010	Six months ended June 30, 2009	Year ended December 31, 2009
Earnings attributable to Vivendi shareowners (a)		**669**	**695**	**1,267**	**1,188**	**830**
Adjustments						
Amortization of intangible assets acquired through business combinations		138	141	272	289	634
Impairment losses of intangible assets acquired through business combinations (a)		8	-	8	-	920
Other financial charges and income (a)	3	44	9	113	86	795
Change in deferred tax asset related to the Consolidated Global Profit Tax System		(20)	(79)	(40)	(158)	(292)
Non-recurring items related to provision for income taxes		27 (b)	207 (c)	58 (b)	389 (c)	572 (d)
Provision for income taxes on adjustments		(55)	(41)	(103)	(104)	(352)
Non-controlling interests on adjustments		(21)	(114)	(49)	(223)	(522)
Adjusted net income		**790**	**818**	**1,526**	**1,467**	**2,585**

a. As presented in the Condensed Statement of Earnings.

b. Relates to the impact of reversing the deferred tax asset related to the expected utilization by SFR of the remainder of Neuf Cegetel's prior years' ordinary tax losses carried forward for €22 million in the second quarter of 2010 and €42 million in the first half of 2010, respectively.

c. Relates to the impact of reversing the deferred tax asset related to the expected utilization by SFR of the remainder of Neuf Cegetel's prior years' ordinary tax losses carried forward.

d. Relates to the cancellation of a credit for the consumption of the deferred tax asset related to the utilization by SFR of Neuf Cegetel's prior years' ordinary tax losses carried forward (€420 million for the share attributable to the group and €330 million for the share attributable to the non-controlling interest in SFR).

Note 6 Earnings per share

	Three months ended June 30, 2010		Three months ended June 30, 2009		Six months ended June 30, 2010		Six months ended June 30, 2009		Year ended December 31, 2009	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Earnings (in millions of euros)										
Earnings attributable to Vivendi shareowners	669	668 (a)	695	693 (a)	1,267	1,264 (a)	1,188	1,183 (a)	830	829 (a)
Adjusted net income	790	789 (a)	818	815 (a)	1,526	1,523 (a)	1,467	1,461 (a)	2,585	2,581 (a)
Number of shares (in millions)										
Weighted average number of shares outstanding restated (b)	1,229.1	1,229.1	1,185.7	1,185.7	1,228.9	1,228.9	1,177.9	1,177.9	1,203.2	1,203.2
Potential dilutive effects related to share-based compensation	-	2.0	-	1.6	-	2.1	-	1.7	-	1.8
Adjusted weighted average number of shares	**1,229.1**	**1,231.1**	**1,185.7**	**1,187.3**	**1,228.9**	**1,231.0**	**1,177.9**	**1,179.6**	**1,203.2**	**1,205.0**
Earnings per share (in euros)										
Earnings attributable to Vivendi shareowners per share	0.54	0.54	0.59	0.58	1.03	1.03	1.01	1.00	0.69	0.69
Adjusted net income per share	0.64	0.64	0.69	0.69	1.24	1.24	1.25	1.24	2.15	2.14

Earnings from discontinued operations are not applicable over the presented periods. Therefore, the caption "earnings from continuing operations attributable to Vivendi shareowners" relates to earnings attributable to Vivendi shareowners.

a. Includes the potential dilutive effect related to employee stock option and restricted stock plans of Activision Blizzard.

b. Net of treasury shares (179,564 shares as of June 30, 2010).

Note 7 Goodwill

(in millions of euros)	June 30, 2010	December 31, 2009
Goodwill, gross	38,648	36,105
Impairment losses	(12,750)	(11,589)
Goodwill	**25,898**	**24,516**

Changes in goodwill

(in millions of euros)	Goodwill as of December 31, 2009	Changes in value of commitments to purchase non-controlling interests	Business combinations	Divestitures, changes in foreign currency translation adjustments and other		Goodwill as of June 30, 2010	
Activision Blizzard	2,096	-	-	345		2,441	
of which Activision	*2,048*	-	-	*336*		*2,384*	
Blizzard	*45*	-	-	*8*		*53*	
Universal Music Group	3,652	-	3	656		4,311	
SFR	9,170	-	-	-		9,170	
of which Mobile	*6,982*	-	-	-		*6,982*	
Broadband Internet and fixed	*2,188*	-	-	-		*2,188*	
Maroc Telecom Group	2,407	-	1	54		2,462	
of which Maroc Telecom SA	*1,764*	-	-	*48*		*1,812*	
subsidiaries	*643*	-	*1*	*6*		*650*	
GVT	2,150	-	(16)	329		2,463	(a)
Canal+ Group	5,012	(4)	4	2		5,014	
of which Canal+ France	*4,694*	*(4)*	-	*(1)*		*4,689*	
StudioCanal	*165*	-	*4*	*2*		*171*	
Non-core operations and others	29	-	8	-		37	
Total	**24,516**	**(4)**	**-**	**1,386**	(b)	**25,898**	

a. As a reminder, on November 13, 2009, Vivendi took over GVT (Holding) S.A. (GVT) which has been fully consolidated by Vivendi since that date. As of December 31, 2009, Vivendi held an 82.45% controlling interest in GVT representing a total investment in cash of €2,469 million. For a detailed description of GVT's take over and its related impacts on financial statements, please refer to Note 2.1 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 203 to 204 of the 2009 Annual Report).

   During the first half of 2010, Vivendi obtained a 100% controlling interest in GVT following the acquisition of the 17.55% equity interest it did not hold, representing an additional cash payment of €590 million, as follows:

   - During the first quarter, Vivendi acquired 6.3 million GVT shares on the market for a total price of €144 million;
   - On March 26, 2010, the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliàros*, "CVM") has authorized the registration of the public tender offer for the acquisition of 17.8 million GVT shares (the "Tender Offer"), not held yet by Vivendi on that date at BRL56 per share (the "Offer Price"), adjusted in accordance with the variation of the SELIC Rate (*Taxa Referencial do Sistema Especial de Liquidação e Custódia*) over the period between November 13, 2009 and April 30, 2010, the Tender Offer settlement date. On April 27, 2010, at the close of the regulatory auction, Vivendi acquired an additional 16.6 million common shares of GVT for a purchase price of €416 million and held a 99.17% controlling interest in GVT. As a result, on May 7, 2010, in accordance with Brazilian securities regulations and following the CVM's authorization, GVT was deregistered as a public company; and
   - Finally, as part of the squeeze-out approved by the shareholder's meeting on June 10, 2010, GVT cancelled on June 11, 2010 its outstanding common shares and made a €30 million deposit with a Brazilian bank in order to guarantee and make the repayment to the shareholders whose shares were cancelled.

   As a reminder, transactions that occurred during the first half of 2010 did not have any significant impact on Vivendi's Financial Net Debt. In accordance with applicable accounting standards, the commitment to purchase shares not held by Vivendi as of December 31, 2009 was recorded as a financial liability and included in Vivendi's Financial Net Debt on that date.

   After taking into account all aspects of these constitutive items, the purchase price of 100% of GVT by Vivendi amounts to €3,038 million. Considering a €329 million foreign currency translation recognized in the first half year ended June 30, 2010, the preliminary goodwill amounted to €2,463 million as of June 30, 2010. The purchase price and its allocation will be finalized within the 12-month period prescribed by accounting standards and the final amount of goodwill may significantly differ from the amount of the preliminary goodwill.

b. Includes changes in foreign currency translation adjustments for €1,385 million mainly related to fixed exchange ratio fluctuations of the euro against the US dollar and the Brazilian real.

Due to the change in the recent economic environment and the volatile behavior of financial markets, Vivendi assessed whether as of June 30, 2010, there was any indication that any CGU or groups of CGU may be impaired at that date. Vivendi management concluded that there were no triggering events that would indicate any reduction in the value of any CGU or groups of CGU, compared to December 31, 2009. In addition, Vivendi will perform an annual impairment test of the carrying value of goodwill and other intangible assets during the fourth quarter of 2010.

Note 8 Content assets and commitments

8.1 Content assets

	June 30, 2010			December 31, 2009
(in millions of euros)	Content assets, gross	Accumulated amortization and impairment losses	Content assets	Content assets
Internally developed franchises and other games content assets	1,388	(808)	580	523
Games advances	110	-	110	92
Music catalogs and publishing rights	6,700	(4,488)	2,212	2,037
Advances to artists and repertoire owners	614	-	614	495
Merchandising contracts and artists services	54	(30)	24	33
Film and television costs	5,073	(4,282)	791	721
Sports rights	32	-	32	299
Content assets	**13,971**	**(9,608)**	**4,363**	**4,200**
Deduction of current content assets	(885)	10	(875)	(1,004)
Non-current content assets	**13,086**	**(9,598)**	**3,488**	**3,196**

Changes in main content assets

(in millions of euros)	Six months ended June 30, 2010
Opening balance of internally developed franchises and other games content assets	**523**
Amortization, net (a)	(90)
Acquisitions/Internal developments	48
Changes in foreign currency translation adjustments and other	99
Closing balance of internally developed franchises and other games content assets	**580**

a. Includes €20 million recorded in "Amortization of intangible assets acquired through business combinations" in the Consolidated Statement of Earnings.

(in millions of euros)	Six months ended June 30, 2010
Opening balance of games advances	**92**
Payments to game developers, gross	58
Recoupment of advances, net	(56)
Changes in foreign currency translation adjustments and other	16
Closing balance of games advances	**110**

(in millions of euros)	Six months ended June 30, 2010
Opening balance of music catalogs and publishing rights	**2,037**
Amortization, net (a)	(141)
Purchases of catalogs	3
Changes in foreign currency translation adjustments and other	313
Closing balance of music catalogs and publishing rights	**2,212**

a. This amortization is recorded in "Amortization of intangible assets acquired through business combinations" in the Consolidated Statement of Earnings.

(in millions of euros)	Six months ended June 30, 2010
Opening balance of payments to artists and repertoire owners	**495**
Payments to artists and repertoire owners	324
Recoupment of advances, net	(277)
Changes in foreign currency translation adjustments and other	72
Closing balance of payments to artists and repertoire owners	**614**

(in millions of euros)	Six months ended June 30, 2010
Opening balance of film and television costs	**721**
Acquisition of coproductions and catalogs	30
Consumption of coproductions and catalogs	(40)
Acquisition of film and television rights	426
Consumption of film and television rights	(359)
Other	13
Closing balance of film and television costs	**791**

(in millions of euros)	Six months ended June 30, 2010
Opening balance of sports rights	**299**
Rights acquisition (a)	292
Rights accrual, net (a)	(253)
Consumption of broadcasting rights (b)	(307)
Other	1
Closing balance of sports rights	**32**

a. The rights are accrued upon the start of the sports event broadcasting period. They are reclassified as acquired rights upon billing by the third party, unless already expensed. The rights accrual, net, relates to accrued rights less rights transferred to acquired rights and rights consumed before their billing.

b. As of June 30, 2010, the rights to broadcast the French Professional Soccer League 1 for the 2009-2010 season were fully amortized. The residual rights for the 2010-2011 season will be recognized in the Statement of Financial Position upon the start of this season, on July 1, 2010, for €465 million.

8.2 Contractual content commitments

Commitments given recorded in the Statement of Financial Position: content liabilities

	Minimum future payments as of		
(in millions of euros)	June 30, 2010		December 31, 2009
Games royalties	15		40
Music royalties to artists and repertoire owners	1,337		1,306
Film and television rights	210		213
Sports rights	29	(a)	379
Creative talent, employment agreements and others	68	(b)	126
Total content liabilities	**1,659**		**2,064**

a. The decrease in sports rights recorded in the Statement of Financial Position was mainly due to the consumption of residual rights to broadcast the French professional Soccer League 1 for the 2009-2010 season. The residual rights for the last two seasons are recognized in commitments given not recorded in the Statement of Financial Position (please refer below).

b. The decrease compared to December 31, 2009 notably relates to the impact of the payout of the Blizzard (Activision Blizzard subsidiary) long-term incentive plan on January 9, 2010. Please refer to Note 21.3.3 to the Consolidated Financial Statements for the year ended December 31, 2009 (page 249 of the 2009 Annual Report).

Off balance sheet commitments given/(received)

	Minimum future payments as of		
(in millions of euros)	June 30, 2010		December 31, 2009
Film and television rights (a)	2,092		2,326
Sports rights	1,307	(b)	1,304
Creative talent, employment agreements and others	1,150		886
Total given	**4,549**		**4,516**
Film and television rights	(84)		(77)
Sports rights	(21)		(30)
Creative talent, employment agreements and others	not available		
Other	(178)		(92)
Total received	**(283)**		**(199)**
Total net	**4,266**		**4,317**

a. Primarily includes contracts valid over several years relating to the broadcast of future film and TV productions (mainly exclusivity contracts with major U.S. studios and pre-purchases contracts in the French movie industry), as well as StudioCanal film coproduction commitments (given and received) and broadcasting rights of CanalSat and Cyfra+ multichannel digital TV packages. As of June 30, 2010, provisions recorded relating to certain of these contracts amounted to €249 million, compared to €296 million as of December 31, 2009.

   In addition, this amount does not include given commitments related to channel right contracts for which Canal+ Group didn't grant minimum guarantees. Indeed, the amount of these commitments is variable and can't be reliably determined. As a result, these commitments are neither reported in the Statement of Financial Position nor in given commitments; they are recorded as an expense when incurred.

   According to the agreement entered into with professional film organizations on December 18, 2009, Canal+ SA is committed to invest 12.5% of its revenues in the financing of European films every year for a five-year period.

b. Mainly relates to the residual rights to broadcast the French professional Soccer League 1 awarded to Canal+ Group in February 2008 for the last of the two seasons (2010-2011 and 2011-2012) at a price of €465 million per season. These commitments will be recognized in the Statement of Financial Position upon the start of every season or upon initial payment.

Note 9 Investments in equity affiliates

(in millions of euros)	Voting interest		Value of equity affiliates	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
NBC Universal (a)	20.0%	20.0%	4,615	4,033
Other	na*	na*	138	113
			4,753	**4,146**

na*: not applicable.

Changes in equity affiliates

(in millions of euros)	Value of equity affiliates as of December 31, 2009	Changes in scope of consolidation	Income from equity affiliates	Dividends received	Changes in foreign currency translation adjustments and other		Value of equity affiliates as of June 30, 2010
NBC Universal (a)	4,033	-	78	(151)	655	(b)	4,615
Other	113	13	(3)	-	15		138
	4,146	**13**	**75**	**(151)**	**670**		**4,753**

a. Following the announcement on December 3, 2009, of the agreement reached between General Electric (GE) and Comcast Corporation (Comcast) regarding NBC Universal, Vivendi and GE entered into an agreement providing for Vivendi's full exit from NBC Universal and amending the NBC Universal initial agreements dated 2004. The main terms of this agreement can be summarized as follows:
   - Vivendi will sell its 20% interest in NBC Universal to GE (subject to the closing of the GE/Comcast transaction) and will not be a shareholder in the new entity resulting from the joint venture between NBC Universal and Comcast. The 20% interest is valued at $5.8 billion.
   - If the GE/Comcast transaction is not completed by September 26, 2010, Vivendi will on that date sell its 7.66% interest in NBC Universal to GE for $2 billion (plus an additional $222 million payable if and when the GE/Comcast Transaction closes). In addition, the remainder of Vivendi's interest (i.e., 12.34%) would be sold to GE for the balance of the $5.8 billion, if and when the GE/Comcast Transaction closes.
   - Vivendi will continue to receive quarterly dividends from NBC Universal pro rata to its then-current interest, if declared by the Board of Directors of NBC Universal. For a period of time ending on the later of September 26, 2010 and the date the agreement between GE and Comcast related to the GE/Comcast Transaction is terminated, to the extent the NBC Universal dividends are below certain specified amounts, GE will make payments to Vivendi in the amount of the difference. In the event the GE/Comcast transaction does not close, and Vivendi has received such payments from GE, Vivendi may in certain circumstances be required to repay such amounts to GE, as and when Vivendi receives dividends from NBC Universal.
   - If the GE/Comcast transaction is not completed, Vivendi has the right to an accelerated launch of an initial public offering for its remaining 12.34% interest in NBC Universal, in addition to its usual right each November. Please refer to Note 26.3 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 274 to 275 of the 2009 Annual Report).
   - In the meanwhile, the accounting treatment adopted by Vivendi with respect to its stake in NBC Universal was as follows: the agreement with GE will not change Vivendi's governance rights in NBC Universal (including in terms of dividends and membership on the board of directors) even after September 26, 2010 and until Vivendi's shareholding in NBC Universal fall below 10%. As a result, Vivendi continues to exercise a significant influence on NBC Universal and recognizes a 20% interest in NBC Universal under the equity method.

   In addition, Vivendi's 20% interest in NBC Universal is covered by a foreign currency risk hedging using forward contracts denominated in US dollars for a nominal value of $4,125 million as of June 30, 2010 (of which $500 million settled in December 2009). The maturity is expected between the end of September and mid-October 2010. From an accounting perspective, these forward contracts are qualified as net investment hedges in NBC Universal and were recorded as a net financial liability of €217 million as of June 30, 2010, of which €196 million was directly recognized in equity included in the other items of comprehensive income during the first half of 2010.

b. Includes changes in foreign currency translation adjustments for €663 million for the first half year ended June 30, 2010, representing a cumulative balance of -€340 million.

Note 10 Financial assets

(in millions of euros)	June 30, 2010	December 31, 2009
Cash management financial assets (a)	500	271
Available-for-sale securities	62	50
Derivative financial instruments	127	30
Other financial assets at fair value through profit or loss (b)	35	113
Financial assets at fair value	**724**	**464**
Cash deposits backing borrowings	19	49
Other loans and receivables	404	426
Held-to-maturity investments	1	1
Financial assets at amortized cost	**424**	**476**
Financial assets	**1,148**	**940**
Deduction of current financial assets	(622)	(464)
Non-current financial assets	**526**	**476**

a. Relates to US treasuries and government agency securities, with a maturity exceeding three months, held by Activision Blizzard for $615 million as of June 30, 2010, compared to $389 million as of December 31, 2009.

b. As of December 31, 2009, other financial assets at fair value through profit or loss primarily include some Auction Rate Securities held by Activision Blizzard for €54 million as of December 31, 2009. Activision Blizzard was granted a put option by UBS over a part of these securities which may be exercised at nominal value between June 30, 2010 and July 2, 2012. On June 30, 2010, Activision Blizzard exercised this put option.

Note 11 Provisions

(in millions of euros)	Note	December 31, 2009	Addition	Utilization	Reversal	Business combinations	Divestitures, changes in foreign currency translation adjusments and other	June 30, 2010
Employee benefit plans		*409*	*11*	*(26)*	*(10)*	-	*45*	*429*
Share-based compensation plans	13	*80*	*5*	*(65)*	*(11)*	-	*4*	*13*
Other employee provisions		*69*	*5*	*(12)*	-	-	*11*	*73*
Employee benefits		558	21	(103)	(21)	-	60	515
Restructuring costs		39	25	(24)	-	-	6	46
Litigations	17	890	18	(9)	(41)	-	(8)	850
Losses on onerous contracts		505	42	(63)	(35)	-	5	454
Contingent liabilities due to disposal		129	8	-	(1)	-	2	138
Cost of dismantling and restoring site		125	5	(1)	-	-	2	131
Other		407	44	(26)	(8)	2	41	460
Provisions		**2,653**	**163**	**(226)**	**(106)**	**2**	**108**	**2,594**
Deduction of current provisions		(563)	(69)	109	53	-	(20)	(490)
Non-current provisions		**2,090**	**94**	**(117)**	**(53)**	**2**	**88**	**2,104**

Note 12 Employee benefits

The analysis of the charge related to defined benefit plans for the first half of 2010 and 2009 is as follows:

	Six months ended June 30,					
	2010	2009	2010	2009	2010	2009
(in millions of euros)	Pension benefits		Post-retirement benefits		Total	
Current service cost	13	6	-	-	13	6
Impact on selling, administrative and general expenses	**13**	**6**	**-**	**-**	**13**	**6**
Interest cost	14	13	4	4	18	17
Expected return on plan assets	(5)	(5)	-	-	(5)	(5)
Impact on other financial charges and income	**9**	**8**	**4**	**4**	**13**	**12**
Net benefit cost	**22**	**14**	**4**	**4**	**26**	**18**

Note 13 Share-based compensation plans

13.1 Impact of the expense related to share-based compensation plans

Impact on the Statement of Earnings

(in millions of euros)		Six months ended June 30,		Year ended
Charge/(Income)	Note	2010	2009	December 31, 2009
Stock options, restricted stocks and performance shares		13	14	30
Vivendi "Stock appreciation rights" and "restricted stock units"		(11)	(17)	(9)
Employee stock purchase plans		14	7	7
Vivendi stock instruments	13.2	**16**	**4**	**28**
Activision Blizzard stock options, restricted stock units and performance shares		27	46	85
Blizzard employee cash-settled equity unit plan		1	22	42
Activision Blizzard stock instruments	13.3	**28**	**68**	**127**
UMG employee equity unit plan	13.4	**3**	**-**	**-**
Neuf Cegetel cash-settled restricted stock plans		**-**	**8**	**9**
SUBTOTAL (including Activision Blizzard's capitalized costs)		**47**	**80**	**164**
of which				
equity-settled instruments		*54*	*67*	*122*
cash-settled instruments		*(7)*	*13*	*42*
(-) Activision Blizzard's capitalized costs (a)		**19**	**(16)**	**(10)**
CHARGES/(INCOME) RELATED TO STOCK OPTIONS AND OTHER SHARE-BASED COMPENSATION PLANS		**66**	**64**	**154**

a. During the first half of 2010, €15 million were capitalized, compared to €24 million for the first half of 2009, and €34 million were amortized, compared to €8 million for the first half of 2009, representing a net impact of -€19 million, compared to €16 million for the first half of 2009.

Statement of Financial Position

(in millions of euros)	Note	June 30, 2010	December 31, 2009
Vivendi "Stock appreciation rights" and "restricted stock units"		9	20
UMG employee equity unit plan	13.4	4	-
Blizzard employee equity unit plan (a)		-	60
Provisions related to cash-settled instruments	11	**13**	**80**
Neuf Cegetel restricted stock plans (b)		41	66
Payables related to cash-settled instruments		**41**	**66**
LIABILITIES RELATED TO CASH-SETTLED INSTRUMENTS		**54**	**146**

a. As a reminder, in 2006, Blizzard implemented the Blizzard Equity Plan (BEP), an equity incentive plan for the benefit of certain key executives and employees of Blizzard. In July 2008, following the creation of Activision Blizzard, the portion of award that was vested on that date was automatically paid in cash to the beneficiaries, i.e. $106 million (€68 million) and the outstanding unvested rights were immediately vested, cancelled and extinguished and were converted into a new right to receive an amount in cash 18 months after the transaction on January 9, 2010. Please refer to Note 21.3.3 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 249 to 250 of the 2009 Annual Report). On January 9, 2010, $88 million (€61 million) was paid out as the final distribution under the Plan, and there are no longer any payment obligations under this Plan.

b. As a reminder, in connection with the consolidation of Neuf Cegetel by SFR, Vivendi assumed the residual plans of Neuf Cegetel. SFR entered into reciprocal put and call option agreements with almost all of the executives and employees of Neuf Cegetel who were granted restricted shares. Please refer to Note 21.5 to the Consolidated Financial Statements for the year ended December 31, 2009 (page 250 of the 2009 Annual Report). During the first half of 2010, €26 million was paid to the beneficiaries of Neuf Cegetel restricted stock plans.

13.2 Plans granted by Vivendi in the first half of 2010

Characteristics of the plans granted by Vivendi in the first half of 2010

During the first half of 2010, Vivendi set up equity settled stock option and performance share plans, wherever the fiscal residence of the employee, as well as stock purchase plans for its employees and retirees (employee stock purchase and leveraged plans).

In addition, for a detailed description of the various plans set up prior to January 1, 2010 and their respective accounting treatment, please refer to Notes 1.3.11 and 21 to the Consolidated Financial Statements for the year ended December 31, 2009 contained in the 2009 Annual Report (pages 201 through 202 and 239 through 250, respectively).

Stock option and performance share plans

	Stock option plan	Performance share plan
Grant date	April 15, 2010	April 15, 2010
Data at grant date:		
Options strike price (in euros) (a)	19.71	na*
Maturity (in years)	10	2
Expected term (in years)	6.5	2
Number of instruments granted (a)	5,297,200	1,084,172
Share price (in euros)	19.89	19.89
Expected volatility (b)	25%	na*
Risk-free interest rate	2.75%	na*
Expected dividend yield	7.04%	7.04%
Performance conditions achievement rate (c)	100%	100%
Discount for non-transferability (% of the share price at grant date)	na*	17.50%
Fair value of the instrument at grant date after discount (in euros)	**1.99**	**13.80**
Fair value of the plan at grant date (in millions of euros)	11	15

na*: not applicable.

a. In accordance with legal provisions, the number and strike price of active stock option plans, including the April 15, 2010 plan, as well as the number of performance share in the 2009 and 2010 plans, were adjusted to take into account the impact, for beneficiaries, of 2009 dividend distribution by a withholding on reserves, which was approved by the Annual General Shareholders' Meeting on April 29, 2010. This adjustment had no impact on share-based compensation expense related to the relevant stock option and performance share plans.

b. The volatility corresponds to the weighted average of (a) 75% of the 5-year historical volatility average of Vivendi shares (4-year as of December 31, 2009) and (b) 25% of the implied volatility based on Vivendi put and call options traded on a liquid market with a maturity of 6 months or more.

c. The vesting of stock options and performance shares is subject to the satisfaction of performance conditions. These performances are broken down as follows: adjusted net income (50%), cash flow from operations (CFFO) (30%), and the performance of Vivendi shares compared to three trading indices: DJ Stoxx Media, DJ Stoxx Telco and CAC 40 (20%).

In addition, on June 4, 2010, the Management Board granted 40,000 stock options with a strike price of €19.71 and 13,333 performance shares, without any significant impact on Vivendi financial statements.

Employee stock purchase plan

	Employee stock purchase plan	Leveraged plan (a)
Grant date	July 05, 2010	July 05, 2010
Subscription price (in euros)	13.78	13.78
Leverage	na*	10
Maturity (in years)	5	5
Data at grant date:		
Share price (in euros)	16.46	16.46
Number of shares subscribed (b)	1,576,839	5,413,389
Amount subscribed (in millions of euros)	22	75
Expected dividend yield	8.50%	8.50%
Risk-free interest rate	1.78%	1.78%
5-year interest rate	6.20%	6.20%
Fair value of the benefit per subscribed share before discount value for non-transferability (in euros)	**2.7**	**2.7**
Discount for non-transferability per subscribed share (% of the share price at grant date)	11.3%	11.3%
Fair value per subscribed share at grant date (in euros)	**0.8**	**2.5**
Fair value of the plan at grant date (in millions of euros)	1	13

na*: not applicable.

a. Under the leveraged plan implemented in June 2010, virtually all employees and retirees of Vivendi and its French and foreign subsidiaries (excluding the United States) are entitled to subscribe for Vivendi shares through a reserved share capital increase, while obtaining a discounted subscription price, and to ultimately receive the capital gain (calculated pursuant to the terms and conditions of the plan) corresponding to 10 shares for one subscribed share. Vivendi has mandated a financial institution to hedge this transaction.

b. Given the amount of subscriptions made through the traditional employee share purchase plan and the leveraged plan, the share capital was increased by €98 million on July 29, 2010, including issue premium.

In addition, the employees in the United States subscribed to an aggregate of 150,881 SAR (the economic equivalent of the leveraged plan with a cash settlement).

Activity since January 1, 2010 under active plans

Equity-settled instruments

	Stock options				Performance shares	
	Number of stock options outstanding	Weighted average strike price of stock options outstanding	Total intrinsic value	Weighted average remaining contractual life	Number of performance shares outstanding	Weighted average remaining period before issuing shares
		(in euros)	(in millions of euros)	(in years)		(in years)
Balance as of December 31, 2009	**41,666,705**	**23.5**			**1,061,511**	
Granted	5,337,200	19.7			1,097,506	
Exercised	(58,200) (a)	14.2			(431,817)	
Forfeited	(321,206)	48.6			-	
Cancelled	(304,000)	24.3			(6,338)	
Adjusted	3,550,833	21.4			119,663	
Balance as of June 30, 2010	**49,871,332**	**21.3**	**14.5**	**6.3**	**1,840,525**	**1.7**
Exercisable as of June 30, 2010	**30,830,605**	**22.0**	**14.5**		**-**	
Acquired as of June 30, 2010	**31,247,729**	**22.0**	**14.5**		**97,741**	

a. The weighted average share price for Vivendi shares on the date the options were exercised was €19.52.

Cash-settled instruments

	SAR (including former ADS converted into SAR in May 2006)				RSU	
	Number of SAR outstanding	Weighted average strike price of SAR outstanding	Total intrinsic value	Weighted average remaining contractual life	Number of restricted stock units outstanding	Weighted average remaining period before acquisition
		(in US dollars)	(in millions of US dollars)	(in years)		(in years)
Balance as of December 31, 2009	**12,078,970**	**52.3**			**282,575**	
Exercised	(12,379) (a)	12.2			(98,783)	
Forfeited	(6,579,607)	66.8			-	
Cancelled	(3,840)	41.3			(30)	
Adjusted	413,077	32.6			-	
Balance as of June 30, 2010	**5,896,221**	**32.7**	**2.8**	**4.5**	**183,762**	**-**
Exercisable as of June 30, 2010	**5,896,221**	**32.7**	**2.8**		**-**	
Acquired as of June 30, 2010	**5,896,221**	**32.7**	**2.8**		**183,762**	

a. The weighted average share price for Vivendi shares on the date the SAR were exercised was $25.06.

13.3 Plans granted by Activision Blizzard in the first half of 2010

Characteristics of the plans granted by Activision Blizzard in the first half of 2010

	Stock option plans
Weighted-average data at grant date: (a)	
Options strike price (in US dollars)	10.94
Maturity (in years)	10
Expected term (in years)	6.27
Number of instruments granted	2,155,800
Share price (in US dollars)	10.94
Expected volatility	49%
Risk-free interest rate	3.78%
Expected dividend yield	1.30%
Performance conditions achievement rate	na*
Weighted-average fair value of the option at grant date (in US dollars) (a)	**4.36**
Weighted-average fair value of the plan at grant date (in millions of US dollars) (a)	9

	Restricted stock plans
Weighted-average data at grant date: (a)	
Vesting period (in years)	4
Number of instruments granted	1,613,400
Share price (in US dollars)	10.94
Expected dividend yield	1.30%
Performance conditions achievement rate	na*
Weighted-average fair value of the instrument at grant date (in US dollars) (a)	**10.90**
Weighted-average fair value of the plan at grant date (in millions of US dollars) (a)	18

na*: not applicable.

a. Relates to the weighted-average by number of instruments for each attribution during the first half year ended June 30, 2010.

Activity since January 1, 2010 under active plans

	Stock options				Restricted stocks	
	Number of stock options outstanding	Weighted average strike price of stock options outstanding	Total intrinsic value	Weighted average remaining contractual life	Number of restricted stocks outstanding	Weighted average remaining period before issuing shares
		(in US dollars)	(in millions of US dollars)	(in years)		(in years)
Balance as of December 31, 2009	**71,818,321**	**9.0**			**11,302,725**	
Granted	2,155,800	10.9			1,613,400	
Exercised	(4,883,511) (a)	6.7			(533,409)	
Cancelled	(5,083,276)	9.9			(2,360,347)	
Balance as of June 30, 2010	**64,007,334**	**9.2**	**156**	**6.4**	**10,022,369**	**1.4**
Exercisable as of June 30, 2010	**39,162,356**	**7.5**	**146**		**-**	
Acquired as of June 30, 2010	**39,162,356**	**7.5**	**146**		**-**	

a. The weighted average share price for Activision Blizzard shares on the date the options were exercised was $11.48.

13.4 UMG long-term incentive plan

Effective January 1, 2010, UMG implemented long term incentive arrangements under which certain key executives of UMG are awarded phantom equity units and phantom stock appreciation rights whose value is intended to reflect the value of UMG. These units are simply units of account and do not represent actual ownership interest in either UMG or Vivendi. The equity units are notional grants of equity that will be payable in cash upon settlement no later than 2015 or earlier under certain circumstances. The stock appreciation rights are essentially options on those notional shares that provide additional compensation tied to any increase in value of UMG over the term. The SAR's are also settled in cash only no later than 2015 or earlier under certain circumstances. There is a guaranteed minimum payout of $25 million.

Payouts under the plan generally coincide with terms of employment, but can be accelerated or reduced under certain circumstances. The value for both payouts and financial reporting are based upon third party valuations.

While the participants' rights vest at the end of a fixed vesting period, compensation expense is recognized over the vesting period as services are rendered. At each closing date, the expense is recognized based on the portion of the vesting period that has elapsed and the last available estimated value of UMG's equity.

As of June 30, 2010, the amount accrued under these arrangements was €3 million (nil at December 31, 2009). There have been no payments made to date.

Note 14 Borrowings and other financial liabilities

14.1 Analysis of long-term borrowings and other financial liabilities

(in millions of euros)	Nominal interest rate (%)	Effective interest rate (%)	Maturity	June 30, 2010		December 31, 2009
Bonds						
€750 million bond issue (March 2010) (a)	4.00%	4.15%	March 2017	750		-
€700 million bond issue (December 2009) (a)	4.88%	4.95%	December 2019	700		700
€500 million bond issue (December 2009) (a)	4.25%	4.39%	December 2016	500		500
€1.1 billion bond issue (January 2009) (a)	7.75%	7.69%	January 2014	1,120		1,120
€700 million bond issue (October 2006) (a)	Euribor 3 months +0.50%	-	October 2011	700		700
€700 million bond issue (October 2006) (a)	4.50%	5.47%	October 2013	700		700
€600 million bond issue (February 2005) (a)	3.88%	3.94%	February 2012	600		600
$700 million bond issue (April 2008)	6.63%	6.85%	April 2018	568	(b)	487
$700 million bond issue (April 2008)	5.75%	6.06%	April 2013	568	(b)	487
Subtotal: Vivendi SA's bonds				*6,206*		*5,294*
€1.0 billion bond issue (July 2005) (a)	3.375%	4.14%	July 2012	1,000		1,000
€300 million bond issue (July 2009) (a)	5.00%	5.05%	July 2014	300		300
Subtotal: SFR's bonds				*1,300*		*1,300*
Facilities						
€2.0 billion revolving facility	Euribor +0.250%	-	April 2012	990		450
€2.0 billion revolving facility	Euribor +0.250%	-	August 2013	1,070		-
Subtotal: Vivendi SA's facilities				*2,060*		*450*
€1.2 billion revolving facility	Euribor +0.175%	-	April 2011	-		185
€450 million revolving facility	Euribor +0.160%	-	November 2012	450		290
Syndicated loan ("Club Deal") tranche B	Euribor +0.325%	-	March 2012	320		-
Securitization programs	Euribor +0.750%	-	March 2011	-	(c)	280
Securitization programs	Euribor +0.800%	-	January 2015	280		-
Other	-	-	na*	97		96
Subtotal: SFR's facilities				*1,147*		*851*
GVT - BNDES notes	-	-	2017	142	(d)	-
Maroc Telecom - MAD 3 billion notes	5.05%	-	July 2014	177		199
Other	-	-	na*	99		119
Nominal value of borrowings				**11,131**		**8,213**
Cumulative effect of amortized cost and reevaluation due to hedge accounting	-	-	-	(10)		(68)
Borrowings				**11,121**		**8,145**
Commitments to purchase non-controlling interests				**1**		**13**
Other derivative instruments				**204**		**197**
Long-term borrowings and other financial liabilities				**11,326**		**8,355**

na*: not applicable.

a. The bonds, listed on the Luxembourg Stock Exchange, are subject to customary pari passu, negative pledge and event of default provisions.

b. As of June 30, 2010, the nominal value of these dollar denominated bonds issued in April 2008 was calculated based on the exchange rate on the closing date, i.e., 1.23 euro/US dollar (compared to 1.44 euro/US dollar as of December 31, 2009).

c. This line item was reclassified in short-term borrowings and other financial liabilities.

d. Relates to the GVT's loan with BNDES and the average rate paid was 11.57% for the first half of 2010.
This loan is subject to compliance with certain financial covenants and contains merger restrictions (please refer to Note 14.5 below). The take over of GVT by Vivendi on November 13, 2009, triggered the early repayment of this loan, which was consequently classified in short-term borrowings as of December 31, 2009. Following BNDES's approval on February 9, 2010, to waive the change-of-control trigger, this loan was reclassified as long-term borrowings. Thus, on June 21, 2010, GVT received BNDES's authorization regarding the request to repay in advance BRL250 million (approximately €113 million); this portion of the loan was consequently recognized as short-term borrowings as of June 30, 2010. This partial reimbursement occurred on July 15, 2010 thanks to the loan granted by Vivendi SA (please refer to Note 14.6).

14.2 Analysis of short-term borrowings and other financial liabilities

(in millions of euros)	Nominal interest rate (%)	Maturity	June 30, 2010	December 31, 2009
Bonds				
Vivendi SA - €630 million bond issue (April 2005)	3.63%	April 2010	-	630
GVT - $200 million bond issue	-	-	- (a)	137
Facilities				
SFR - Securitization programs	Euribor +0.750%	March 2011	300	-
SFR - Syndicated facility ("Club Deal") tranche A	Euribor +0.400%	July 2010	- (b)	248
SFR - Structured financing (UK Lease)	Euribor +0.400%	November 2010	100	100
GVT - BNDES notes	-	-	113 (c)	199
Commercial paper				
Vivendi SA	Eonia +0.07%	July 2010	872	635
SFR	Eonia +0.03%	July 2010	743	933
Bank overdrafts	-	-	526	307
Other	-	-	396	739
Nominal value of borrowings			**3,050**	**3,928**
Cumulative effect of amortized cost and reevaluation due to hedge accounting	-	-	-	(6)
Borrowings			**3,050**	**3,922**
Commitments by Vivendi to purchase outstanding GVT shares		-	2 (d)	571
Put option granted to M6 on 5% of the share capital of Canal+ France		February 2010	- (e)	384
Put options granted to various third parties by Canal+ Group and SFR		-	3	2
Commitments to purchase non-controlling interests			**5**	**957**
Other derivative instruments			**238** (f)	**28**
Short-term borrowings and other financial liabilities			**3,293**	**4,907**

a. Relates to the bond issued by GVT, denominated in US dollar, in June 2006 at a 12% nominal interest rate with an initial scheduled maturity of September 2011; the bond was redeemed in full in January and February 2010 thanks to cash and cash equivalents of GVT.

b. In April 2010, SFR early redeemed the Syndicated facility ("Club Deal") tranche A for €248 million, initially expired in July 2010.

c. Please refer to Note 14.1, footnote (d) above.

d. The acquisition of 100% of GVT was completed during the first half of 2010. Please refer to Note 7 for a detailed description of this transaction and its impacts on Vivendi's financial statements.

e. As part of the combination of the Canal+ Group and TPS pay-TV activities in France finalized in January 2007, M6 was granted a put option by Vivendi on its 5.1% interest in the share capital of Canal+ France. The present value of this option amounted to €384 million as of December 31, 2009. On February 22, 2010, M6 exercised its put option and thus exited from the share capital of Canal+ France. Please refer to Note 16.3.

f. Notably relates to the fair value of the derivative instruments hedging Vivendi's net investment in NBC Universal: please refer to Note 9.

14.3 Available credit facilities and maturity of bonds

The following table shows bonds and facilities of Vivendi SA and SFR, cumulated and due within the next five years. In this table, facility amounts relate to maximum amount (available and drawn amount, excluding amount backing commercial paper).

	June 30, 2010	Maturing before June 30,					Maturing after
(in millions of euros)		2011	2012	2013	2014	2015	June 30, 2015
Bonds							
Vivendi SA	6,206	-	1,300	568	1,820	-	2,518
SFR	1,300	-	-	1,000	-	300	-
Sub-total	***7,506***	***-***	***1,300***	***1,568***	***1,820***	***300***	***2,518***
Facilities							
Vivendi SA	6,000	1,000 (a)	2,000	1,271	1,729	-	-
SFR	3,772	500	492	1,300	-	1,480	-
Sub-total	***9,772***	***1,500***	***2,492***	***2,571***	***1,729***	***1,480***	***-***
Vivendi SA	12,206	1,000	3,300	1,839	3,549	-	2,518
SFR	5,072	500	492	2,300	-	1,780	-
Total	**17,278**	**1,500**	**3,792**	**4,139**	**3,549**	**1,780**	**2,518**

Vivendi SA and SFR notably have the following available credit facilities as of June 30, 2010 and December 31, 2009:

		As of June 30, 2010			As of December 31, 2009		
(in millions of euros)	Maturity	Maximum amount	Drawn amount	Available amount	Maximum amount	Drawn amount	Available amount
Vivendi SA							
€2.0 billion revolving facility (April 2005)	April 2012	2,000	990	1,010	2,000	450	1,550
€2.0 billion revolving facility (August 2006)							
of which initial credit line	August 2012	271	-	271	271	-	271
extended credit line	August 2013	1,729	1,070	659	1,729	-	1,729
€2.0 billion revolving facility (February 2008)							
of which tranche 1 (a)	February 2011	1,000	-	1,000	1,000	-	1,000
tranche 2	February 2013	1,000	-	1,000	1,000	-	1,000
Subtotal		***6,000***	***2,060***	***3,940***	***6,000***	***450***	***5,550***
Commercial paper issued (b)				*(880)*			*(643)*
Total of Vivendi SA's available credit facilities, net of commercial paper				**3,060**			**4,907**
SFR							
€1.2 billion revolving facility (July 2004) (c)							
of which initial credit line	April 2010	-	-	-	40	-	40
extended credit line	April 2011	-	-	-	1,160	185	975
€1.2 billion revolving facility (June 2010) (c)	June 2015	1,200	-	1,200	-	-	-
€450 million revolving facility (November 2005)	November 2012	450	450	-	450	290	160
€850 million revolving facility (May 2008)	May 2013	850	-	850	850	-	850
€100 million revolving facility (November 2008)	February 2011	100	-	100	100	-	100
Syndicated loan "Club Deal" (July 2005)							
of which tranche A	July 2010	-	-	-	248	248	-
tranche B	March 2012	492	320	172	492	-	492
Securitization program (March 2006)	March 2011	300	300	-	280	280	-
Securitization program (January 2010)	January 2015	280	280	-	-	-	-
Structured financing (UK Lease)	November 2010	100	100	-	100	100	-
Subtotal		***3,772***	***1,450***	***2,322***	***3,720***	***1,103***	***2,617***
Commercial paper issued (b)				*(743)*			*(933)*
Total of SFR's available credit facilities, net of commercial paper				**1,579**			**1,684**
Total Vivendi SA and SFR		**9,772**		**4,639**	**9,720**		**6,591**

a. This credit line will be early replaced in September 2010 by a new financing for the same amount with a 5-year term (maturing in September 2015).

b. Short-term commercial paper, backed by confirmed credit lines which are no longer available for these amounts, are included in short-term borrowings of the Consolidated Statement of Financial Position.

c. In May 2010, SFR refinanced the current credit facility of €1.2 billion maturing in April 2011; the new credit facility for the same amount will expire in June 2015.

As of August 27, 2010, the date of Vivendi's Management Board meeting which approved the Financial Statements for the first half year ended June 30, 2010, Vivendi SA had available committed bank facilities in the amount of €6 billion, of which €1.8 billion was drawn. Considering the amount of commercial paper issued at this date and backed on bank facilities for €0.8 billion, these credit lines were available for an aggregate amount of €3.4 billion.

SFR had available committed bank facilities in the amount of €3.8 billion (including facilities related to securitization programs on receivables), of which €1.5 billion was drawn. Considering the amount of commercial paper issued at this date and backed on bank facilities for €0.8 billion, these credit lines were available for an aggregate amount of €1.5 billion.

14.4 Future minimum payments related to borrowings and other financial liabilities

The following tables present the net carrying values of borrowings and other financial liabilities as presented in the Statement of Financial Position ("carrying value") and contractual undiscounted cash flows as set forth in the relevant agreements ("nominal value"):

	June 30, 2010		December 31, 2009	
(in millions of euros)	Carrying value	Nominal value	Carrying value	Nominal value
Nominal value of borrowings	*11,131*	*11,131*	*8,213*	*8,213*
Cumulative effect of amortized cost and reevaluation due to hedge accounting	*(10)*	-	*(68)*	-
Interest to be paid (a)	-	*1,953*	-	*1,728*
Borrowings	11,121	13,084	8,145	9,941
Commitments to purchase non-controlling interests	1	1	13	13
Other derivative instruments	204	270	197	225
Long-term borrowings and other financial liabilities	**11,326**	**13,355**	**8,355**	**10,179**
Nominal value of borrowings	*3,050*	*3,050*	*3,928*	*3,928*
Cumulative effect of amortized cost and reevaluation due to hedge accounting	-	-	*(6)*	-
Interest to be paid (a)	-	*21*	-	*40*
Borrowings	3,050	3,071	3,922	3,968
Commitments to purchase non-controlling interests	5	5	957	957
Other derivative instruments	238	238	28	29
Short-term borrowings and other financial liabilities	**3,293**	**3,314**	**4,907**	**4,954**
Borrowings and other financial liabilities	**14,619**	**16,669**	**13,262**	**15,133**

a. The interest to be paid on floating rate borrowings was estimated based on the floating rate as of June 30, 2010 and December 31, 2009, respectively.

14.5 Description of main financial covenants

Vivendi SA

Vivendi SA is subject to certain financial covenants pursuant to which Vivendi SA is required to comply with various financial ratios, as described hereunder. As of June 30, 2010, Vivendi was in compliance with its financial ratios.

Loans

The syndicated facilities (please refer to the table included in Note 14.3 above) contain customary provisions related to events of default and covenants relating to negative pledge, divestiture and merger transactions. In addition, at the end of each half year, Vivendi SA is required to comply with a ratio of Proportionate Financial Net Debt[2] to Proportionate EBITDA[3] over a twelve-month rolling not exceeding three for the duration of the loans. Non-compliance with this ratio could result in the early repayment of the facilities if they were drawn, or their cancellation.

The renewal of credit lines when they are drawn is contingent upon the issuer reiterating certain representations regarding its ability to comply with its obligations with respect to the contracts of the loans.

Bonds

Bonds issued by Vivendi SA (totaling €6.2 billion as of June 30, 2010) contain customary provisions related to default, negative pledge and rights of payment (pari-passu ranking). In addition, bonds issued since 2006 by Vivendi SA for a total amount of €5.6 billion contain a change in control trigger if the long-term rating of Vivendi SA is downgraded below investment grade status (Baa3/BBB-) as a result of such an event.

SFR

SFR is subject to certain financial covenants pursuant to which SFR is required to comply with various financial ratios, as described hereunder. As of June 30, 2010, SFR was in compliance with its financial ratios.

[2] Defined as Vivendi Financial Net Debt excluding cash management financial assets less the share of Financial Net Debt excluding cash management financial assets attributable to non-controlling interests of Activision Blizzard, SFR and Maroc Telecom Group.

[3] Defined as Vivendi modified EBITDA less modified EBITDA attributable to non-controlling interests of Activision Blizzard, SFR and Maroc Telecom Group plus the dividends received from entities that are not fully or proportionately consolidated.

Loans

SFR's credit lines (please refer to the table included in Note 14.3 above) contain customary default, negative pledge, and merger and divestiture covenants. These facilities are subject to a change in control provision. In addition, at the end of each half year, SFR must comply with the two following financial ratios: (i) a ratio of Financial Net Debt to consolidated EBITDA over a twelve-month rolling not exceeding 3.5; and (ii) a ratio of consolidated earnings from operations (consolidated EFO) to consolidated net financing costs (interest) equal to or greater than 3. Non-compliance with these financial ratios would constitute an event of default that could among others result in the cancellation or the early repayment of the different loans.

The renewal of credit lines when they are drawn and the launch of securitization programs are contingent upon the issuer reiterating certain representations regarding its ability to comply with its financial obligations.

Bonds

Bonds issued by SFR (totaling €1.3 billion as of June 30, 2010) contain customary provisions related to default, negative pledge and rights of payment (pari-passu ranking).

GVT

GVT is subject to certain financial covenants pursuant to which GVT is required to comply with various financial ratios, as described hereunder. As of June 30, 2010, GVT was in compliance with its financial ratios.

The loan issued by GVT with BNDES (National Bank for Economic and Social Development), for an initial aggregate amount of BRL616 million is subject to certain financial covenants pursuant to which GVT is required to comply, at the end of each half year, with at least three of the following financial ratios: (i) a ratio of equity to total asset equal to or higher than 0.40; (ii) a ratio of Financial Net Debt to consolidated EBITDA not exceeding 2.50; (iii) a ratio of current financial liabilities to EBITDA not exceeding 0.45; and (iv) a ratio of EBITDA to net financial expenses of at least 4.00.

This loan also contains a change in control trigger. The take over of GVT by Vivendi on November 13, 2009, triggered the early repayment of this loan which was consequently reclassified in short-term borrowings in the Statement of Financial Position as of December 31, 2009. Following the BNDES's approval on February 9, 2010, to waive the change-of-control trigger, this loan was reclassified as long-term borrowings. In addition, on June 21, 2010, GVT received BNDES's authorization regarding the request to repay in advance BRL250 million (approximately €113 million) of this loan. This reimbursement occurred on July 15, 2010.

14.6 Intercompany loans

		As of June 30, 2010			As of December 31, 2009		
(in millions of euros, except where noted)	Maturity	Maximum amount	Drawn amount	Available amount	Maximum amount	Drawn amount	Available amount
Revolving facilities granted by Vivendi SA to SFR							
€3 billion revolving facility (April 2008)							
of which tranche A	July 2009	-	-	-	-	-	-
tranche B	July 2010	1,000	1,000	-	1,000	1,000	-
tranche C	December 2012	1,000	1,000	-	1,000	1,000	-
€1.5 billion revolving facility (June 2009)	June 2013	1,500	650	850	1,500	650	850
Total		**3,500**	**2,650**	**850**	**3,500**	**2,650**	**850**
Loan facility granted by Vivendi to GVT (a)							
€250 million credit facility (March 2010)	March 2015	250	-	250	-	-	-
Loan facility granted by SPT to Maroc Telecom (b) (in millions of MAD)							
MAD 3,450 million revolving facility (June 2010)	March 2011	3,450	3,450	-	-	-	-
Loan facility granted by Vivendi SA to VTB (c)							
€4 billion revolving facility (November 2009)	November 2010	-	-	-	4,000	-	4,000
Loan facility granted by Vivendi SA to Activision Blizzard (d) (in millions of dollars)							
$475 million loan facility (July 2008)	March 2011	475	-	475	475	-	475

a. In July 2010, the amount of €122 million (BRL270 million) was drawn.

b. On June 2, 2010, SPT « *Société de Participations dans les Télécommunications* », a wholly-owned subsidiary of Vivendi, made its cash available to Maroc Telecom for a total amount of MAD 3,450 million (€313 million) pursuant to three short-term loan facility contracts of MAD 1,150 million each, maturing on September 2, 2010, December 2, 2010 and March 2, 2011, respectively.

c. VTB, a wholly-owned subsidiary of Vivendi organized under Brazilian law in 2009, was initially created in order to acquire 100% of the GVT shares, which acquisition was intended to be financed with this facility. Since the purchase of GVT was ultimately and primarily concluded by Vivendi SA directly and the April 2010 tender offer was concluded by VTB, financed with a capital increase, this €4 billion revolving facility was not needed anymore and was therefore cancelled (please refer to the Note 7).

d. On July 23, 2010, Activision Blizzard notified Vivendi SA regarding the cancellation of this loan facility granted in July 2008.

14.7 Average maturity of the financial debt

The average term of the instruments included in the consolidated financial debt of Vivendi and its subsidiaries may be assessed using two methodologies:

- The "accounting" average term, under which definition a short-term draw-down on a medium-term credit line is only taken into account for the term of the short-term draw-down.
- The "economic" average term, under which definition all undrawn amounts on available medium-term credit lines may be used to reimburse group borrowings with the shortest term.

Vivendi

As of June 30, 2010, the "accounting" average term of the Group's financial debt was 2.8 years, compared to 2.9 years at year-end 2009, and the "economic" average term of the Group's financial debt was 4.0 years, compared to 3.9 years at year-end 2009.

SFR

As of June 30, 2010, the "economic" average term of SFR's financial debt was 3.0 years (compared to 2.3 years at year-end 2009).

14.8 Vivendi and SFR credit ratings

As of August 27, 2010, the date of the Management Board meeting which approved the Financial Statements for the first half year ended June 30, 2010, the credit ratings of Vivendi were as follows:

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

As of August 27, 2010, the credit ratings of SFR were as follows:

Rating agency	Rating date	Type of debt	Ratings	Outlook
Fitch Ratings	June 8, 2009	Long-term debt	BBB+	Stable
	June 8, 2009	Short-term debt	F2	Stable

14.9 Financial Net Debt of SFR and Maroc Telecom Group, and net cash position of Activision Blizzard

As of June 30, 2010, the Financial Net Debt of SFR amounted to €6,300 million (compared to €5,935 million as of December 31, 2009) and included borrowings of €6,542 million (compared to €6,482 million as of December 31, 2009). As of June 30, 2010, borrowings notably included a revolving facility of €2,650 million granted by Vivendi SA to SFR (please refer to Note 14.6 above).

As of June 30, 2010, Maroc Telecom Group's Financial Net Debt amounted to €808 million (compared to €315 million as of December 31, 2009).

As of June 30, 2010, Activision Blizzard had a positive net cash position of €2,301 million (compared to €2,196 million as of December 31, 2009), including €500 million ($615 million), invested in securities issued by US government agencies reported under cash management financial assets in the Consolidated Statement of Financial Position (please refer to Note 10 above).

Note 15 Transactions with related parties

The following note should be read in conjunction with Note 25 to the Consolidated Financial Statements of Vivendi for the year ended December 31, 2009 (pages 269 through 271 of the 2009 Annual Report).

As a reminder, group-related parties are those companies over which the group exercises control, joint control or significant influence (joint ventures and equity affiliates), shareholders exercising joint control over group joint ventures, non-controlling interests exercising significant influence over group subsidiaries, corporate officers, group management and directors and companies over which the latter exercise control, joint control, significant influence or in which they hold significant voting rights. There are no family relationships among the related parties.

As of June 30, 2010, most Vivendi related companies were either equity affiliated (e.g., NBC Universal) or non-controlling interests which exercise significant influence on group affiliates such as Vodafone, which owns 44% of SFR, the Kingdom of Morocco, which owns 30% of Maroc Telecom Group and Lagardère, which holds a 20% interest in Canal+ France and informed Vivendi during the first half of 2010 of its intention to exercise its liquidity right regarding this interest (please refer to Note 16.3).

Vivendi has not concluded nor amended any other significant transaction with related parties during the first half year ended June 30, 2010.

Note 16 Commitments

The following note should be read in conjunction with Note 26 to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 272 to 280 of the 2009 Annual report). The main contractual commitments undertaken/revised during the first half year ended June 30, 2010 are described below:

16.1 Contractual obligations and commercial commitments

(in millions of euros)	Note	June 30, 2010	December 31, 2009
Borrowings and other financial liabilities	14	16,669	15,133
Content liabilities	8	1,658	2,064
Subtotal - future minimum payments related to the consolidated statement of financial position items		**18,327**	**17,197**
Contractual content commitments	8	4,266	4,317
Commercial commitments		2,639	2,181
Operating leases and subleases		2,517	2,466
Subtotal - not recorded in the consolidated statement of financial position		**9,422**	**8,964**
Total contractual obligations and commercial commitments		**27,749**	**26,161**

Off balance sheet commercial commitments

	Minimum future payments as of	
(in millions of euros)	June 30, 2010	December 31, 2009
Satellite transponders	642	629
Investment commitments	1,681	1,472
Other	395	167
Given commitments	**2,718**	**2,268**
Satellite transponders	(58)	(67)
Other	(21)	(20)
Received commitments	**(79)**	**(87)**
Net total	**2,639**	**2,181**

Off balance sheet operating leases and subleases

	Minimum future leases as of	
(in millions of euros)	June 30, 2010	December 31, 2009
Buildings	2,318	2,282
Other	259	234
Leases	**2,577**	**2,516**
Buildings	(60)	(50)
Subleases	**(60)**	**(50)**
Net total	**2,517**	**2,466**

16.2 Other commitments given or received relating to operations

SFR - UMTS network coverage (3G)

As a reminder, on November 30, 2009, the "Autorité de Régulation des Communications Electroniques et des Postes" or "Arcep" (the French Regulatory Body) sent a formal notice to SFR regarding its compliance, by December 31, 2013, with its undertakings in terms of UMTS network coverage, within the following schedule:

- 84% coverage of the Metropolitan population as of June 30, 2010;
- 88% coverage of the Metropolitan population as of December 31, 2010;
- 98% coverage of the Metropolitan population as of December 31, 2011; and
- 99.3% coverage of the Metropolitan population as of December 31, 2013.

As of June 30, 2010, SFR honors and exceeds its commitments relating to UMTS network coverage (3G) fixed by Arcep for this date: SFR covers 87% of the French population.

SFR - GSM-R public-private partnership contract

On February 18, 2010, a group constituted by SFR, Vinci and AXA (30% each) and TDF (10%) signed the GSM-R (Global System for Mobile communications - Railway) public-private partnership contract with Réseau Ferré de France (RFF).
The 15-year contract, valued at approximately €1 billion, covers the financing, building, operating and maintaining of the digital telecommunications network that enables conference mode communications (voice and data) between train drivers and teams on the ground. It will be rolled out gradually until 2015 over 14,000 km of conventional and high-speed railway lines in France.

Vivendi has not given or received any other significant commitments during the first half of 2010 relating to operations.

16.3 Share purchase and sale commitments

Completion of the acquisition of 100% of GVT (Holding) S.A. in Brazil

Please refer to Note 7 for a detailed description of this transaction and its impacts on Vivendi's financial statements.

Canal+ France

As part of the combination of the Canal+ Group and TPS pay-TV activities in France finalized in January 2007, M6 was granted a put option by Vivendi on its 5.1% interest in the share capital of Canal+ France, exercisable in February 2010 at market price determined by an expert with a bottom price of €1,130 million for 15% interest in the share capital of Canal+ France (corresponding to a value of €7.5 billion for 100% interest in the share capital of Canal+ France). On February 22, 2010, M6 exercised its put option for €384 million, corresponding to the bottom price of the option on that date, and thus exited from the share capital of Canal+ France. In accordance with applicable accounting standards, since the put option initially granted to M6 was recognized as financial liabilities in Vivendi's Financial Net Debt, this transaction has no impact on Vivendi's Financial Net Debt. As a result of this transaction and the one concluded with TF1 on December 28, 2009 (please refer to Section 1.1.1 of the 2009 Annual Report, page 142), Canal+ Group (wholly owned by Vivendi) holds an 80% controlling interest in Canal+ France.

On April 15, 2010, Lagardère decided to exercise its liquidity right regarding its 20% interest in Canal+ France. As Lagardère and Vivendi had not reached an agreement regarding the sale of its interest, Lagardère decided on July 2, 2010, in accordance with the shareholders agreement signed on January 4, 2007, to launch the initial public offering (IPO) process for their 20% interest in Canal+ France. For more details, please refer to Note 26.5 to the Consolidated Financial Statements for the year ended December 31, 2009 (page 279 of the 2009 Annual Report).

Note 17 Litigation

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

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, 2009 contained in the 2009 Annual Report (pages 281 to 285). The following paragraphs update such disclosure through August 27, 2010, the date of the Management Board meeting held to approve Vivendi's financial statements for the first half year ended June 30, 2010.

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 impact on the company and on its group's financial position, profit, business and property, other than those described herein.

Investigation by the Financial Department of the Parquet de Paris

On January 23, 2009, the Public Prosecutor transmitted to the judge and civil parties a final prosecutor's decision of dismissal in respect of all the matters under investigation back to 2000-2002. On October 16, 2009, the Judge Mr. Jean-Marie d'Huy ordered all the parties to face trial before the Criminal Court. Vivendi has joined the proceedings as a civil party.
The trial took place from June 2 to June 25, 2010, before the 11th Chamber of the Tribunal de Grande Instance of Paris. The Prosecutor asked the Court to drop the charges against the defendants. The judgment will be rendered on November 19, 2010.

Securities Class Action in the United States

Since July 18, 2002, sixteen claims have been filed against Vivendi, Messrs. Jean-Marie Messier and Guillaume Hannezo in the United States District Court for the Southern District of New York and in the United States District Court for the Central District of California. On September 30, 2002, the New York court decided to consolidate these claims in a single action under its jurisdiction entitled In re Vivendi Universal S.A. Securities Litigation.

The plaintiffs allege that, between October 30, 2000 and August 14, 2002, the defendants violated certain provisions of the US Securities Act of 1933 and US Securities Exchange Act of 1934, particularly with regard to financial communications. On January 7, 2003, the plaintiffs filed a consolidated class action suit that may benefit potential groups of shareholders.

On March 22, 2007, the Court decided, concerning the procedure for certification of the potential claimants as a class ("class certification"), that the persons from the United States, France, England and the Netherlands who purchased or acquired shares or ADS of Vivendi (formerly Vivendi Universal SA) between October 30, 2000 and August 14, 2002, could be included in the class.

On April 9, 2007, Vivendi filed an appeal against this decision. On May 8, 2007, the United States Court of Appeals for the Second Circuit denied both Vivendi's and some other plaintiffs' petitions seeking review of the District Court's decision with respect to class certification. On August 6, 2007, Vivendi filed a petition with the Supreme Court of the United States for a Writ of Certiori seeking to appeal the Second Circuit's decision on class certification. On October 9, 2007, the Supreme Court denied the petition.

On March 12, 2008, Vivendi filed a motion for reconsideration of the Court's class certification decision dated March 22, 2007, that included French shareholders in the plaintiff class. On March 31, 2009, the Court denied that motion.

Following the March 22, 2007 certification decision, a number of individual cases were filed against Vivendi on the same grounds as the class action. On December 14, 2007, the judge issued an order consolidating the individual actions with the securities class action for purposes of discovery. On March 2, 2009, the Court deconsolidated the Liberty Media action from the class action. On August 12, 2009, the Court issued an order deconsolidating the individual actions, including the GAMCO action, from the class action. The Liberty Media, GAMCO, and individual plaintiffs actions all remain pending against the company.

The trial of the class action lawsuit commenced on October 5, 2009, in New York.

On January 29, 2010, the jury returned its verdict. It found that 57 statements made by Vivendi between October 30, 2000, and August 14, 2002, were materially false or misleading and were made in violation of Section 10(b) of the Securities Exchange Act of 1934. Plaintiffs had alleged that those statements were false and misleading because they failed to disclose the existence of an alleged "liquidity risk" which reached its peak in December 2001. However, the jury concluded that neither Mr. Jean-Marie Messier nor Mr. Guillaume Hannezo were liable for the alleged misstatements.

As part of its verdict, the jury found that the price of Vivendi's shares was artificially inflated on each day of the class period in an amount between €0.15 and €11.00 per ordinary share and $0.13 and $10.00 per American Depository Receipt ("ADR"), depending on the date of purchase of each ordinary share or ADR. Those figures represent approximately half the amounts sought by the plaintiffs in the class action.

The jury also concluded that the inflation of the Vivendi share price fell to zero in the three weeks following the September 11, 2001, tragedy, as well as on stock exchange holidays on the Paris or New York markets (12 days) during the class period.

On March 26, 2010, Vivendi filed certain post-trial motions challenging the jury's verdict. A decision on these motions should be rendered before approval of the jury's verdict by the Court.

In the absence of precedents, it is Vivendi's view that before the judge can issue a final judgment, the process of examining shareholders' compensation claims must take place. That means that notice must be given to all potential class members in the same fashion that they were given notice about the class action. The judge must then appoint a claims administrator in charge of reviewing each claim and determining if it is valid. The process, which will be long and complex, and its details and the way it is handled may be challenged by each of the parties. The judge must then approve each compensation claim, and once all the claims have been approved, he will issue a final judgment against which each party may file an appeal.

Vivendi believes that it has solid grounds for appeal. First, it intends to challenge the Court's decision as to its jurisdiction in this case. It also intends to challenge the Court's decision to include French shareholders in the class, since it believes that this decision was based on an incorrect analysis of French law. Vivendi will also challenge the method of calculation of the plaintiffs' damages accepted by the judge, and more generally, a certain number of decisions taken by the judge during the conduct of the trial. Several aspects of the verdict will also be challenged.

On the basis of the verdict rendered on January 29, 2010, and an assessment of the matters set forth above in as an objective a manner as possible and in accordance with the accounting principles described in Notes 1.3.1 (Use of Estimates) and 1.3.9 (Provisions) of the Notes to the Consolidated Financial Statements for the year ended December 31, 2009 (pages 187 and 199 of the 2009 Annual Report), Vivendi made a provision on December 31, 2009, in an amount of €550 million in respect of the damages that Vivendi might have to pay to class plaintiffs. For the purposes of settling the accounts for the period ended December 31, 2009, Vivendi set the amount of this provision based, in part, upon potential damages calculations generated by a statistical model prepared by a US economic consulting firm and confirmed by a second US economic consulting firm which were retained by Vivendi and which are familiar with such matters.

Vivendi considers that its provision and the assumptions on which it is based may have to be amended as the proceedings progress, and consequently, the present amount of damages that Vivendi might have to pay the plaintiffs could differ significantly, in either direction, from the provision. As is permitted by current accounting standards, no details are given of the assumptions on which this estimate is based, because their disclosure at this stage of the proceedings could be prejudicial to Vivendi.

Acknowledging that no judgment in this matter has yet been rendered in the United States, on April 28, 2010, the French Court of Appeal rejected Vivendi's application for a ruling that it was improper for a number of French shareholders to participate in the American class action.

At a hearing that took place in New York on July 26, 2010, Vivendi petitioned the Court to apply the Supreme Court's decision in the Morrison v. National Australia Bank case, dated June 24, 2010, and therefore to exclude shareholders who did not purchase or sell their shares on a U.S. exchange from the class.

When new information is available, particularly the Court's decision on the post-verdict motions argued at the hearing held on July 26, 2010, Vivendi will reconsider the assumptions upon which the provision made on December 31, 2009 is based. The provision remains unchanged in the accounts for the period ended June 30, 2010.

Elektrim Telekomunikacja

Vivendi is currently a 51% shareholder in each of Elektrim Telekomunikajca Sp. z o.o. (Telco) and Carcom Warszawa (Carcom), two companies organized and existing under the laws of Poland which own, either directly or indirectly, 51% of the share capital of Polska Telefonia Cyfrowa Sp. Z.o.o. (PTC), one of the primary mobile telephone operators in Poland. These shareholdings are the subject of several litigation proceedings.

Tort claim initiated by Elektrim against Vivendi before the Warsaw District Court

On October 4, 2006, Elektrim started an action in tort against Vivendi before the Warsaw District Court, claiming that Vivendi prevented Elektrim from recovering the PTC shares following the Vienna award dated November 26, 2004. Elektrim is claiming compensation in the amount of approximately €2.2 billion corresponding to the difference between the fair market value of 48% of PTC and the price paid by DT to Elektrim upon the exercise of its call option. On January 5, 2009, the Warsaw Court dismissed Elektrim's claim. Elektrim appealed this decision. On February 26, 2009, the Warsaw District Court reversed its decision. After re-examining Elektrim's claim, the Court dismissed it again on June 28, 2010.

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

The International Center for Settlement of Investment Disputes (ICSID) appointed an ad hoc committee charged with issuing a ruling on the application to set aside the arbitration award issued on August 20, 2007 in favor of Vivendi and its Argentine subsidiary Compañía de Aguas de Aconquija (CAA) in connection with a dispute regarding the water concession in the Argentine Province of Tucumán. ICSID had awarded

Vivendi and CAA $105 million for damages plus interest and costs. The application to set aside the award was examined at a hearing that took place between July 15 and 17, 2009.

On August 10, 2010, ICSID rejected Argentina's action.

Inquiry into PSG transfers

An investigation to be carried out by an investigating judge (juge d'instruction) has been opened in connection with the terms and conditions of the transfer of PSG soccer players and the payment of intermediaries' fees between 1998 and 2002. PSG is a former subsidiary of the Vivendi group. The Judge ordered some former PSG officers to face trial before the Criminal Court. On June 30, 2010 the Criminal Court rendered its judgment in which it imposed fines and deferred prison sentences on the former officers. It also imposed a fine of €200,000 against the PSG and a fine of €150,000 against Nike France. Some PSG former officers, as well as Groupe Canal+, appealed this decision.

Neuf Cegetel claim against France Telecom regarding the broadcasting of the Orange Foot channel

On May 14, 2009, the Paris Court of Appeal reversed a judgment that had upheld the claims made by Free and Neuf Cegetel against France Telecom relating to the broadcasting of the Orange Foot channel, and held that the Orange Foot channel offer, which made subscription to the Orange Foot channel conditional upon prior subscription to the Internet Orange ADSL offer, constituted a related sale transaction prohibited by the French Code of Consumption. The Court of Appeal considered that the prohibition against related sale transactions was contrary to the regime established by the European Directive 2005/29/EC of May 11, 2005 concerning unfair business-to-consumer commercial practices. SFR appealed the decision to the French Supreme Court. On July 13, 2010, the French Supreme Court rejected SFR's appeal.

French Competition Council – mobile telephone market

On April 10, 2009, SFR appealed to the French Supreme Court against the decision of the Paris Court of Appeal dated March 11, 2009, which had confirmed the financial penalties imposed on the three operators for having entered into an illegal agreement and exchanged information between 1997 and 2003. On April 7, 2010 the French Supreme Court confirmed the decision of the Paris Court of Appeal dated March 11, 2009, with respect to SFR.

Vivendi complaint against France Telecom with the European Commission for abuse of a dominant position

On March 2, 2009, Vivendi and Free jointly filed a complaint against France Telecom with the European Commission (the "Commission"), for abuse of a dominant position. Vivendi and Free allege that France Telecom 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. Vivendi announced its intention to file a complaint before the Court of First Instance of the European Union in Luxemburg.

Action brought by the French Competition Authority regarding practices in the pay-TV sector

Further to its voluntary investigation and a complaint by France Telecom, the French Competition Authority sent Vivendi and Groupe Canal+ a notification of grievances on January 9, 2009. It alleges that Groupe Canal+ has abused its dominant position in certain pay-TV markets and that Vivendi and Groupe Canal+ colluded with TF1 and M6 on the one hand, and with Lagardère, on the other. Vivendi and Groupe Canal+ denied these allegations and intend to defend themselves against them. On April 15, 2010, the French Competition Authority provided the parties with an additional report.

Inquiry into the implementation of the undertakings granted in connection with the combination of Canal Satellite and TPS

The French Competition Authority opened an inquiry into the implementation of the undertakings granted by Group Canal+ in connection with the combination of TPS and Canal Satellite. The investigation by the Competition Authority is ongoing.

Studio Infinity Ward, subsidiary of Activision Blizzard

After concluding an internal human resources inquiry into breaches of contract and insubordination by two senior employees at Infinity Ward, Activision Blizzard terminated the employment of Jason West and Vince Zampella on March 1, 2010. On March 3, 2010, West and Zampella filed a complaint against Activision Blizzard in Los Angeles Superior Court for breach of contract and wrongful termination. On April 9, 2010, Activision Blizzard filed a cross complaint against West and Zampella, asserting claims for breach of contract and fiduciary duty. In addition, 38 current and former employees of Infinity Ward filed a complaint against Activision Blizzard in Los Angeles Superior Court on April 27, 2010 for breach of contract and violation of the Labor Code of the State of California. On July 8, 2010, an amended complaint was filed which added seven additional plaintiffs. They claim that the company failed to pay bonuses and other compensation allegedly owed to them. The Court set a trial date of May 23, 2011. Activision Blizzard does not expect these two lawsuits to have an impact on the company.

Investigation in Brazil

On November 13, 2009, following Vivendi's acquisition of Global Village Telecom (Holding) S.A. ("GVT"), the CVM (the Brazilian financial markets authority) and the Public Prosecutor opened an investigation regarding the information provided by Vivendi about transactions it carried out with certain GVT shareholders.

On May 17, 2010, Vivendi received a statement of grievance from the CVM to which it has until mid-September to respond. The CVM complains that Vivendi did not provide sufficient information concerning certain option agreements entered into between Vivendi and a third party in its press release dated November 13, 2009, announcing the acquisition of GVT's control. Vivendi intends to contest the statement and is preparing its response to the CVM.

Note 18 Subsequent events

The main events that occurred since June 30, 2010 were as follows:

- In July 2010, Vivendi refinanced a 3-year credit line for €1 billion with an initial scheduled maturity of February 2011. In September 2010, this credit line will be early replaced by a new financing for the same amount with a 5-year term (maturing in September 2015);
- On August 26, 2010, La Poste Group announced that it would enter into exclusive negotiations with SFR in order to constitute a partnership to develop a mobile telephony offer for sale under the "La Poste" brand; and
- On August 31, 2010, Blizzard Entertainment, Inc. (a subsidiary of Activision Blizzard) and NetEase.com, Inc. will launch in mainland China *World of Warcraft®: Wrath of the Lich King™*, the second expansion for Blizzard Entertainment's award-winning subscription-based massively multiplayer online role-playing game (MMORPG).

IV - Statement on 2010 half year Condensed Financial Statements

This is a free translation into English of the Statement on the 2010 half year Condensed Financial Statements issued in French and is provided solely for the convenience of English speaking readers.

I state, to my knowledge, that the Condensed Financial Statements for the first half year of 2010 were prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and results of operations of Vivendi and the companies included in its consolidation scope, and that the half year management report, contained in the first part of this Financial Report, presents a fair review of the significant events which occurred during the first six months of the fiscal year and their impact on the half year financial statements, of related parties and of the major risks and uncertainties for the remaining six months of the fiscal year.

Chairman of the Management Board

Jean-Bernard Lévy

V - Statutory auditors' review report on 2010 first half year financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your General Shareholders' Meetings and in accordance with article L.451-1-2 III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Vivendi S.A. for the period from January 1st to June 30, 2010; and
- the verification of information contained in the interim management report.

These condensed half-yearly consolidated financial statements are the responsibility of your Management Board. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that the financial statements, taken as a whole, are free from material misstatements, as we would not become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared in all material respects in accordance with IAS 34 - the standard of the IFRS as adopted by the European Union applicable to interim financial statements.

Without qualifying our conclusion, we draw your attention to Note 17 to the condensed half-yearly consolidated financial statements, which provides a description of Management's assessment in connection with the "Securities class action in the United States" and the accounting treatment adopted.

II. Specific verification

We have also verified the information presented in the interim management report in respect of the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed half-yearly consolidated financial statements.

French original signed by the Statutory Auditors

Paris La Défense, August 31, 2010	Neuilly-sur-Seine, August 31, 2010
Salustro Reydel Member of KPMG International	ERNST & YOUNG et Autres
Frédéric Quelin	Jean-Yves Jégourel