2009 HALF YEAR FINANCIAL REPORT

Financial Report and Unaudited[1] Condensed Financial Statements for the Half Year Ended June 30, 2009

1.The Condensed Financial Statements for the half year ended June 30, 2009 were subject to a limited review by Vivendi's Statutory Auditors. The Statutory Auditors' Review Report on the 2009 half year financial information follows the Condensed Financial Statements.

VIVENDI

Société anonyme with a Management Board and a Supervisory Board with a share capital of €6,758,471,945.50

Head Office: 42 avenue de Friedland – 75380 PARIS CEDEX 08 – FRANCE

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Selected key consolidated financial data

Consolidated data	Six Months Ended June 30, (unaudited) 2009		2008	Year Ended December 31, 2008	2007	2006	2005
Revenues	13,178		11,268	25,392	21,657	20,044	19,484
EBITA (a)	2,899		2,567	4,953	4,721	4,370	3,985
Earnings attributable to equity holders of the parent	1,188		1,222	2,603	2,625	4,033	3,154
Ajusted net income (a)	1,467		1,454	2,735	2,832	2,614	2,218
Financial Net Debt (a)	8,536		11,406	8,349	5,186	4,344	3,768
Equity	26,690		21,554	26,626	22,242	21,864	21,608
o/w attributable to equity holders of the parent	22,547		19,445	22,625	20,342	19,912	18,769
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)	3,204		3,065	7,056	6,507	6,111	5,448
Capital expenditures, net (capex, net) (b)	1,363		999	2,001	1,626	1,645	1,291
Cash flow from operations (CFFO) (a)	1,841		2,066	5,055	4,881	4,466	4,157
Financial investments	171		4,461	3,947	846	3,881	1,481
Financial divestments	(41)		(300)	(352)	(456)	(1,801)	(155)
Dividends paid in respect to previous fiscal year	1,639	(c)	1,515	1,515	1,387	1,152	689
Per share amounts							
Weighted average number of shares outstanding	1,177.9		1,164.9	1,167.1	1,160.2	1,153.4	1,149.6
Adjusted net income per share	**1.25**		**1.25**	**2.34**	**2.44**	**2.27**	**1.93**
Number of shares outstanding at the end of the period (excluding treasury shares)	1,223.8		1,165.2	1,170.1	1,164.7	1,155.7	1,151.0
Equity per share attributable to equity holders of the parent	18.42		16.69	19.34	17.47	17.23	16.31
Dividends per share paid in respect to previous fiscal year	**1.40**	(c)	**1.30**	**1.30**	**1.20**	**1.00**	**0.60**

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

o/w: of which.

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 the 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, 2009. These indicators should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performances as presented in the 2009 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. Corresponds to cash used for capital expenditures, net of proceeds from sales of property, plant, equipment and intangible assets.
c. The 2008 dividend distribution totaled €1,639 million, of which €904 million was paid in Vivendi shares (having no impact on cash) and €735 million was paid in cash (please refer to the Condensed Statement of Changes in Equity for the six months ended June 30, 2009).

I - Financial Report for the first half of 2009 (unaudited)

Preliminary comments:

The Financial Report and the Unaudited Condensed Financial Statements for the half year ended June 30, 2009 were approved by Vivendi's Management Board on August 26, 2009 and reviewed by the Audit Committee on August 27, 2009.

The Condensed Financial Statements for the half year ended June 30, 2009 were subject to a limited review by Vivendi's Statutory Auditors. The Statutory Auditors' Review Report on the 2009 half year financial information follows the Financial Statements.

The Financial Report for the half year ended June 30, 2009 should be read in conjunction with the Financial Report for the year ended December 31, 2008, as published in the 2008 "Rapport annuel - Document de référence" that was filed under number D.09-0139 with the "Autorité des marchés financiers" (AMF) on March 19, 2009 (the "Document de référence"). Please also refer to pages 139 through 177 of the English translation[2] of the "Document de Référence" (the "2008 Annual Report") which is provided on our website (www.vivendi.com) for informational purposes.

1 2009 Major developments

1.1 Major developments for the first half of 2009

New borrowings set up by Vivendi SA and SFR: Please refer to Section 5.4.1 of this Financial Report.

The Consolidated Global Profit Tax System: By an order dated March 13, 2009, permission to use the Consolidated Global Profit Tax System under Article 209 quinquies of the French General Tax Code was renewed for the period beginning on January 1, 2009 and ending on December 31, 2011. As a reminder, the Consolidated Global Profit Tax System allows Vivendi to consolidate its own profits and losses with the profits and losses of its subsidiaries that are at least 50% directly or indirectly owned and located in France or abroad, as well as Canal+ SA. Pursuant to the terms of the order, Vivendi undertook to continue performing its previous years' commitments, in particular with regard to job creation. Please refer to Note 6.1 to the Consolidated Financial Statements for the year ended December 31, 2008 (page 218 of the 2008 Annual Report).

Merger of Neuf Cegetel and SFR: On February 26, 2009, Neuf Cegetel and SFR entered into a merger agreement pursuant to which Neuf Cegetel agreed to merge with and into SFR. This merger was completed on March 30, 2009, having retroactive tax effect from January 1, 2009.

Transactions with Jet Multimedia Group: On December 19, 2008, Jet Multimedia, a subsidiary of Neuf Cegetel, sold its Publishing and International Division, comprising of all of Jet Multimedia's subsidiaries, for €20 million, with the exception of Jet Multimedia France, which was purchased by SFR on that same day. On March 12, 2009, Neuf Cegetel, as majority shareholder of Jet Multimedia, filed a minority buyout offer with the AMF for the remaining shares of Jet Multimedia held by the public. Neuf Cegetel agreed to acquire the approximate 3.5 million Jet Multimedia shares that it did not already own, representing approximately 33% of the share capital of the company for a price of €5.75 per share.

Stock repurchase program of Activision Blizzard: On November 5, 2008, Activision Blizzard announced that its Board of Directors had authorized a stock repurchase program under which Activision Blizzard can repurchase shares of its outstanding common stock up to an amount of $1 billion. In addition, Vivendi does not intend to sell any of its Activision Blizzard shares in that program and does not have any current plans to buy additional Activision Blizzard shares. As of June 30, 2009, Activision Blizzard repurchased approximately 64 million shares of its common stock for a total amount of $668 million (€487 million), of which 51 million shares were purchased during the first half year ended June 30, 2009 for a total amount of $542 million (€402 million). Moreover, on July 31, 2009, Activision Blizzard's Board of

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

Directors authorized an increase of $250 million to the stock repurchase program bringing the total authorization to $1.25 billion. As of June 30, 2009, Vivendi holds a 56.06% interest (non-diluted) in Activision Blizzard (compared to 54.76% as of December 31, 2008).

License agreement with the NetEase.com group for *World of Warcraft®* in mainland China: On April 16, 2009, Blizzard Entertainment Inc., a subsidiary of Activision Blizzard, announced that Blizzard Entertainment®'s *World of Warcraft®* will be licensed to an affiliated company of NetEase.com, Inc. in mainland China for a term of 3 years. On July 16, 2009, Blizzard Entertainment and NetEase announced that the game *World of Warcraft®* is ready to relaunch pending receipt of the necessary approval from the Chinese government.

Dividend paid with respect to fiscal year 2008: At the Annual Shareholders' Meeting held on April 30, 2009, Vivendi's shareholders approved the Management Board's recommendations relating to the allocation of distributable earnings for the fiscal year 2008. As a result, the dividend payment was set at €1.40 per share. Vivendi's shareholders were given the option to elect to receive the dividend payment with respect to fiscal year 2008 in either shares or cash. For the dividend payment in shares, the Vivendi share price was set at €17 per share. At the end of the election period, 55.47% of rights had been exercised in favor of a dividend payment in shares, representing a strengthening of Vivendi's capital of €904 million. The corresponding capital increase took place on June 4, 2009. The payment in cash of €735 million and the delivery of 53,184,521 new shares with a par value of €5.50 per share began on June 4, 2009.

Launch of a pay-TV platform in Vietnam by Canal+ Group: On June 15, 2009, Canal+ Group and VTV, the Vietnamese public television company, announced the launch of a satellite pay-TV package in Vietnam. This launch results from a partnership between Canal+ Group and VCTV, a subsidiary of VTV, aimed at developing the pay-TV market in this country. The entity is held at 49% by Canal+ Group and 51% by VCTV, which holds the sole satellite TV license in Vietnam. Canal+ Group will ensure the operational management of the new entity via its subsidiary, Canal Overseas. The project has received the authorization from the Vietnamese authorities.

1.2 Major developments since June 30, 2009

SFR €300 million bond issue: Please refer to Section 5.4.1.2 of this Financial Report.

Acquisition of a 51% stake in Sotelma by Maroc Telecom: On July 7, 2009, Maroc Telecom was announced as the winning bidder of the international call for tenders for the acquisition of a 51% stake in Sotelma, the incumbent Malian telecoms operator for €275 million. Sotelma generated revenues of €112 million in 2007. At year-end 2008, it had over 500,000 active mobile subscribers and over 83,000 fixed-line subscribers (Source: ITU). Growth prospects for the Malian market are particularly promising, with an estimated mobile penetration rate of 26% and a fixed-line penetration rate of 0.65% at year-end 2008. The acquisition was completed on July 31, 2009.

Acquisition of an additional 62% interest in 5 sur 5 by CID: On August 27, 2009, CID, a company 40% owned by SFR and 60% by other financial investors, will acquire the 62% interest in 5 sur 5 that it did not already own. 5 sur 5 is a distribution company that has a national network with approximately 200 agencies; most of them are under the Espace SFR label.

1.3 Transactions with related parties

Please refer to Note 16 to the Condensed Financial Statements for the half year ended June 30, 2009.

2 Earnings for the first half of 2009

2.1 Consolidated earnings and adjusted net income (unaudited)

2009 SECOND QUARTER

CONSOLIDATED STATEMENT OF EARNINGS					ADJUSTED STATEMENT OF EARNINGS
	Three Months Ended June 30,		Three Months Ended June 30,		
	2009	2008	2009	2008	
Revenues	**6,648**	**5,988**	**6,648**	**5,988**	**Revenues**
Cost of revenues	(3,288)	(2,862)	(3,288)	(2,862)	Cost of revenues
Margin from operations	**3,360**	**3,126**	**3,360**	**3,126**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(1,883)	(1,755)	(1,883)	(1,755)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	29	(7)	29	(7)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(141)	(98)			
Impairment losses of intangible assets acquired through business combinations	-	(22)			
EBIT	**1,365**	**1,244**	**1,506**	**1,364**	**EBITA**
Income from equity affiliates	45	50	45	50	Income from equity affiliates
Interest	(112)	(97)	(112)	(97)	Interest
Income from investments	2	2	2	2	Income from investments
Other financial charges and income	7	12			
Earnings from continuing operations before provision for income taxes	**1,307**	**1,211**	**1,441**	**1,319**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(190)	(264)	(103)	(238)	Provision for income taxes
Earnings from continuing operations	**1,117**	**947**			
Earnings from discontinued operations	-	-			
Earnings	**1,117**	**947**	**1,338**	**1,081**	**Adjusted net income before minority interests**
Attributable to:					*Attributable to:*
Equity holders of the parent	**711**	**667**	**818**	**757**	**Adjusted net income**
Minority interests	406	280	520	324	Minority interests
Earnings attributable to equity holders of the parent per share - basic (in euros)	**0.60**	**0.57**	**0.69**	**0.65**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to equity holders of the parent per share - diluted (in euros)	**0.60**	**0.57**	**0.69**	**0.65**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

2009 HALF YEAR

CONSOLIDATED STATEMENT OF EARNINGS			ADJUSTED STATEMENT OF EARNINGS		
	Six Months Ended June 30,		Six Months Ended June 30,		
	2009	2008	2009	2008	
Revenues	**13,178**	**11,268**	**13,178**	**11,268**	**Revenues**
Cost of revenues	(6,477)	(5,363)	(6,477)	(5,363)	Cost of revenues
Margin from operations	**6,701**	**5,905**	**6,701**	**5,905**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(3,801)	(3,319)	(3,801)	(3,319)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(1)	(19)	(1)	(19)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(289)	(183)			
Impairment losses of intangible assets acquired through business combinations	-	(22)			
EBIT	**2,610**	**2,362**	**2,899**	**2,567**	**EBITA**
Income from equity affiliates	71	135	71	135	Income from equity affiliates
Interest	(220)	(134)	(220)	(134)	Interest
Income from investments	3	4	3	4	Income from investments
Other financial charges and income	(86)	(10)			
Earnings from continuing operations before provision for income taxes	**2,378**	**2,357**	**2,753**	**2,572**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(415)	(540)	(288)	(474)	Provision for income taxes
Earnings from continuing operations	**1,963**	**1,817**			
Earnings from discontinued operations	-	-			
Earnings	**1,963**	**1,817**	**2,465**	**2,098**	**Adjusted net income before minority interests**
Attributable to:					*Attributable to:*
Equity holders of the parent	**1,188**	**1,222**	**1,467**	**1,454**	**Adjusted net income**
Minority interests	775	595	998	644	Minority interests
Earnings attributable to equity holders of the parent per share - basic (in euros)	**1.01**	**1.05**	**1.25**	**1.25**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to equity holders of the parent per share - diluted (in euros)	**1.00**	**1.04**	**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 2009

For the first half of 2009, **adjusted net income** was €1,467 million, or €1.25 per share, compared to €1,454 million, or €1.25 per share for the first half of 2008. The €13 million increase (+0.9%) was primarily due to the following factors:

- a €332 million increase in EBITA, for a total amount of €2,899 million. This increase mainly reflected the improved performance of Activision Blizzard (+€281 million, including the impact of the consolidation of Activision from July 10, 2008) and Canal+ Group (+€121 million), partially offset by the decline in performance of SFR (-€44 million, in spite of the impact of the consolidation of Neuf Cegetel from April 15, 2008) and UMG (-€48 million), and the relatively stable performance of Maroc Telecom Group (+€2 million). In addition, stock options and other share-based compensation plans resulted in a net expense of €64 million for the first half of 2009 compared to a €16 million net income for the same period in 2008;
- a €186 million decrease in income tax expense, which mainly resulted from the utilization by SFR in the first half of 2009 of Neuf Cegetel's ordinary losses carried forward;
- a €64 million decrease in income from equity affiliates;
- a €86 million increase in interest expense; and
- a €354 million increase in earnings attributable to minority interests, impacted by the increase in performance of Activision Blizzard and Canal+ Group, as well as to the share attributable to the minority shareholder of SFR in the tax savings realized by SFR as a result of the utilization of Neuf Cegetel's ordinary losses carried forward.

Breakdown of the main items from the statement of earnings

Revenues were €13,178 million, compared to €11,268 million for the first half of 2008, an increase of €1,910 million (+17.0%, or +15.0% at constant currency). For a breakdown of revenues by business segment, please refer to Section 4 "Business segment performance analysis".

Restructuring charges and other operating charges and income were a charge of €1 million, compared to a charge of €19 million for the first half of 2008, a decrease of €18 million. In the first half of 2009, restructuring charges amounted to €56 million (compared to €38 million for the first half of 2008) and primarily included costs incurred by UMG (€37 million related to the restructuring of the recorded music division, compared to €29 million for the first half of 2008) and Activision Blizzard (€14 million). These incurred costs were partially offset by an earn-out income (€40 million) related to the disposal of residual real estate assets in Germany in 2007.

EBITA was €2,899 million, compared to €2,567 million for the first half of 2008, an increase of €332 million (+12.9%, or +10.7% at constant currency). For a breakdown of EBITA by business segment, please refer to Section 4 "Business segment performance analysis".

Amortization of intangible assets acquired through business combinations were €289 million, compared to €183 million for the first half of 2008, an increase of €106 million, notably due to an additional charge related to the amortization of intangible assets acquired from Activision in July 2008 (€66 million, which included internally developed franchises, developments in progress and game engines) as well as customer lists and trade names acquired from Neuf Cegetel in April 2008 (€19 million).

Intangible assets acquired through business combinations were not impaired in the first half of 2009. For the first half of 2008, impairment losses of intangible assets acquired through business combinations totaled €22 million and were essentially comprised of impairment of certain UMG music catalogs.

EBIT was €2,610 million, compared to €2,362 million for the first half of 2008, an increase of €248 million (+10.5%).

Income from equity affiliates was €71 million, compared to €135 million for the first half of 2008. Vivendi's share of income earned by NBC Universal was €72 million, compared to €118 million for the first half of 2008. In addition, for the period from January 1, to April 14, 2008, our share of income from Neuf Cegetel (fully consolidated by SFR from April 15, 2008) was €18 million.

Interest was an expense of €220 million, compared to €134 million for the first half of 2008, an increase of €86 million. Interest expense on borrowings amounted to €243 million for the first half of 2009, compared to €190 million for the first half of 2008, a €53 million increase. This increase was mainly due to the increase in average outstanding borrowings (€10.4 billion for the first half of 2009, compared to €8.4 billion for the first half of 2008), primarily resulting from the financing of the Neuf Cegetel acquisition by SFR (€4.3 billion) and the Activision acquisition (€1.1 billion), the consolidation of Neuf Cegetel's Financial Net Debt (approximately €1 billion) from April 15, 2008, as well as interest on new borrowings put into place in 2009. Interest expense on borrowings also increased due to a rise in the average interest rate on borrowings to 4.66% for the first half of 2009, compared to 4.50% for the first half of 2008.
Interest income earned on cash and cash equivalents was €23 million for the first half of 2009, compared to €56 million for the first half of 2008, a decrease of €33 million. This decrease was mainly due to the decrease in the average interest income rate to 1.35% for the first half of 2009, compared to 4.41% for the first half of 2008, slightly offset by the increase in average cash and cash equivalents to €3.4 billion for the first half of 2009, compared to €2.6 billion for the first half of 2008. As of June 30, 2009, the amount of cash and cash equivalents included Activision Blizzard's cash and cash equivalents of €1,952 million (please refer to Section 5.2 of this Financial Report).
For more information, please refer to Note 3 to the Condensed Financial Statements for the first half year ended June 30, 2009.

Other financial charges and income was a net charge of €86 million, compared to a net charge of €10 million for the first half of 2008. For the first half of 2008, it notably included the capital gain (€83 million) resulting from the early redemption of the Vivendi bonds exchangeable for Sogecable shares following the tender offer launched by Prisa for the share capital of Sogecable, and the positive increase in the value of financial derivative instruments (+€20 million), offset by the impact of certain non-cash adjustments relating to the acquisition of Neuf Cegetel by SFR (-€68 million). For more information, please refer to Note 3 to the Condensed Financial Statements for the half year ended June 30, 2009.

Provision for income taxes was a net charge of €415 million, compared to a net charge of €540 million for the first half of 2008. This decrease was notably due to the change in savings related to the Consolidated Global Profit Tax System, resulting in income of €265 million for the first half of 2009, compared to income of €158 million for the same period in 2008. The 2008 income of €158 million reflected the lower expected tax savings from the Consolidated Global Profit Tax System following SFR's anticipated utilization in 2009 of Neuf Cegetel's ordinary losses carried forward. For more information, please refer to Note 4 to the Condensed Financial Statements for the first half year ended June 30, 2009.
In addition, income taxes reported to adjusted net income was a net charge of €288 million for the first half of 2009, compared to a net charge of €474 million for the same period in 2008. The €186 million decrease in income taxes reported to adjusted net income was mainly due to the current tax savings of €389 million realized by SFR in the first half of 2009 due to the utilization of Neuf Cegetel's ordinary losses carried forward (of which €218 million was allocated to the share attributable to the group and €171 million was allocated to the share attributable to the minority shareholder of SFR), partially offset by a €189 million decrease in current tax savings generated by the Consolidated Global Profit Tax System during the first half of 2009 (€107 million, compared to €296 million for the same period in 2008). This

€186 million decrease in income taxes reported to adjusted net income was notably due to the share attributable to the minority shareholder of SFR in current tax savings recorded by SFR for the first half of 2009, and the main reason for the decrease in the effective tax rate to 10.7% for the period, compared to 19.5% for the first half of 2008.
As a reminder, Neuf Cegetel's ordinary losses carried forward were fully recognized in SFR's statement of financial position (€807 million) as part of the purchase price allocation of Neuf Cegetel. Please refer to Note 6 to the Consolidated Financial Statements for the year ended December 31, 2008 (pages 218 through 222 of the 2008 Annual Report).

Earnings attributable to minority interests amounted to €775 million, compared to €595 million for the first half of 2008. The €180 million increase was mainly due to Activision Blizzard's minority interests and the improved performance of Canal+ Group and Maroc Telecom Group. Adjusted net income attributable to minority interests amounted to €998 million, compared to €644 million for the first half of 2008. In addition to the contribution of Activision Blizzard's minority interests and the increase in contribution of Canal+ Group and Maroc Telecom Group, the €354 million increase also included the share attributable to minority interests for the first half of 2009 in the current tax savings realized by SFR (€171 million) as a result of SFR's utilization of Neuf Cegetel's ordinary losses carried forward in 2009.

For the first half of 2009, **earnings attributable to equity holders of the parent** amounted to €1,188 million, or €1.01 per share, compared to €1,222 million, or €1.05 per share for the first half of 2008, resulting in a decrease of €34 million (-2.8%).

The reconciliation of earnings attributable to equity holders of the parent with adjusted net income is further described in Note 5 to the Condensed Financial Statements for the first half year ended June 30, 2009. For the first half of 2009, this reconciliation notably included the impact of reversing the deferred tax asset (-€389 million) related to the utilization by SFR of Neuf Cegetel's ordinary tax losses carried forward, as well as amortization of intangible assets acquired through business combinations (-€159 million, after tax and minority interests), partially offset by the increase of the savings expected in 2010 from the Consolidated Global Profit Tax System (+€158 million). For the first half of 2008, this reconciliation notably included the impact of certain non-cash adjustments related to the purchase price allocation of Neuf Cegetel by SFR (-€68 million), the decline in the savings expected in 2009 from the Consolidated Global Profit Tax System following the acquisition of Neuf Cegetel by SFR (-€138 million), as well as the amortization and impairment losses of intangible assets acquired through business combinations (-€126 million, after tax and minority interests), offset by capital gains from the early redemption of the Vivendi bonds exchangeable for Sogecable shares (+€83 million).

2.3 Vivendi's outlook for 2009

Vivendi confirmed its full year forecasts of strong growth in EBITA, and solid Adjusted Net Income leading to another strong dividend, with a distribution rate of at least 50% of Adjusted Net Income. These forecasts are based on an assumed exchange rate of €1 for US$1.40 and the achievement of each business's financial objectives, as described below.

Activision Blizzard

On a non-GAAP (US GAAP) basis[3], net revenue is expected to reach approximately US$4.5 billion and earnings per share is expected to reach US$0.63[4].

Universal Music Group

EBITA is expected to decrease due to more challenging music market conditions and higher restructuring costs than expected.

SFR

Mobile: SFR mobile services revenues should slightly decrease, and EBITDA should report a mid-single digit decrease, partly due to strong commercial results (iPhone).

Broadband Internet and fixed: on a pro forma basis (as if Neuf Cegetel had been consolidated from January 1, 2008), SFR broadband Internet and fixed revenues should report a slight growth, excluding switched voice, and EBITDA a very slight decrease.
In addition, following the merger of SFR and Neuf Cegetel, SFR is on track to deliver the €75 million-€100 million synergy target in 2009.

Maroc Telecom Group[5]

Revenue growth is forecasted at around 2% in Dirhams and the EBITA margin is expected to be at around 45%.

[3] Please refer to the appendix to this Financial Report.
[4] Information is as of August 5, 2009 and has not been updated.
[5] Excluding Sotelma, the Malian incumbent telecom operator, in which Maroc Telecom Group acquired a 51% stake in July 2009.

Canal+ Group

Canal+ Group should report a slight growth in revenues, at constant currency, and around 10% increase in EBITA, despite higher than expected negative impact of currencies.

Please also refer to Section 6 "Major risks and uncertainties for the remaining six months of the fiscal year".

3 Cash flow from operations (unaudited)

Preliminary comment: *Vivendi considers that the non-GAAP measures cash flow from operations (CFFO) 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, not as substitutes for, other GAAP measures as reported in Vivendi's cash flow statement, presented within the group's Condensed Financial Statements.*

For the first half of 2009, cash flow from operations after interest and income tax paid (CFAIT) was €1,822 million, compared to €1,106 million for the first half of 2008, a €716 million increase (+64.7%). This increase was primarily due to the increase in cash flow from operations before capital expenditures, net (+€139 million) and the decrease in income tax paid, net (-€920 million), partially offset by the increase in capital expenditures, net (+€364 million).

Cash flow from operations before capital expenditures, net (CFFO before capex, net) generated by business operations amounted to €3,204 million for the first half of 2009 (compared to €3,065 million for the first half of 2008), a €139 million increase (+4.5%) resulting from the growth in EBITDA after changes in net working capital (+€274 million). This increase was primarily driven by the impact of the consolidation of Neuf Cegetel from April 15, 2008 and Activision from July 10, 2008, as well as the increase in dividends received from equity affiliates (+€28 million). For the first half of 2009, dividends received from NBC Universal amounted to €171 million, compared to €142 million for the same period in 2008. They were partially offset by the increase in restructuring charges paid over the first half of 2009 (+€46 million) and in net working capital.
For the first half of 2009, capital expenditures, net amounted to €1,363 million, compared to €999 million for the first half of 2008, a €364 million increase (+36.4%), primarily due to SFR (+€294 million), mainly reflecting the integration of broadband Internet and fixed operations. For the first half of 2009, after capital expenditures, net, cash flow from operations (CFFO) generated by business operations amounted to €1,841 million, compared to €2,066 million for the first half of 2008, a €225 million decrease (-10.9%).

In addition, for the first half of 2009, income taxes were a net cash inflow of €176 million, compared to a net payment of €744 million for the first half of 2008, a positive impact of €920 million. This impact primarily resulted from the savings realized by SFR during this first half (€447 million) due to the utilization of Neuf Cegetel ordinary losses carried forward, as well as the tax reimbursement received by Vivendi as part of the Consolidated Global Profit Tax System in the second quarter of 2009 (€435 million). In 2008, the payment received as part of the Consolidated Global Profit Tax System amounted to €548 million, cashed in during the third quarter of 2008. In addition, this impact also included the reimbursement related to the refund of tax payments for the fiscal year 2008 (€212 million) primarily by French companies, offset by the increase in tax paid by Activision Blizzard (€187 million), primarily in the United States.

Finally, the increase in CFAIT also included foreign currency translation gains (€122 million), offset by the increase in interest paid, net (€86 million) resulting from new borrowings set up in 2008 and in the first half of 2009.

(in millions of euros)		Six Months Ended June 30, 2009	2008	% Change
Revenues		13,178	11,268	17.0%
Operating expenses excluding depreciation and amortization		(9,196)	(7,809)	-17.8%
EBITDA		*3,982*	*3,459*	*15.1%*
Restructuring charges paid		(97)	(51)	-90.2%
Content investments, net		(228)	(102)	x 2.2
Neutralization of change in provisions included in EBITDA		(90)	(144)	37.5%
Other cash operating items excluded from EBITDA		(11)	(30)	63.3%
Other changes in net working capital		(526)	(212)	x 2.5
Net cash provided by operating activities before income tax paid	(a)	***3,030***	***2,920***	***3.8%***
Dividends received from equity affiliates	(b)	171	143	19.6%
o/w NBC Universal		*171*	*142*	*20.4%*
Dividends received from unconsolidated companies	(b)	3	2	50.0%
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)		***3,204***	***3,065***	***4.5%***
Capital expenditures, net (capex, net)	(c)	(1,363)	(999)	-36.4%
o/w SFR		*(954)*	*(660)*	*-44.5%*
o/w Maroc Telecom Group		*(226)*	*(189)*	*-19.6%*
Cash flow from operations (CFFO)		**1,841**	**2,066**	**-10.9%**
Interest paid, net	(d)	(220)	(134)	-64.2%
Other cash items related to financial activities	(d)	25	(82)	na
Financial activities cash payments		***(195)***	***(216)***	***9.7%***
Payment received from the French State Treasury as part of the Consolidated Global Profit Tax System		435	-	na
Other taxes paid		(259)	(744)	65.2%
Income tax paid, net	(a)	***176***	***(744)***	***na***
Cash flow from operations after interest and income tax paid (CFAIT)		**1,822**	**1,106**	**64.7%**

na: not applicable

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

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

c. 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).

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

Cash flow from operations before capital expenditures, net and cash flow from operations (CFFO) by business segment were as follows:

CFFO before CAPEX, net 1st Half 2009	1st Half 2008	% Change	(in millions of euros)	CFFO 1st Half 2009	1st Half 2008	% Change
384	129	x 3.0	Activision Blizzard	367	115	x 3.2
(7)	235	na	Universal Music Group	(23)	224	na
1,926	2,007	-4.0%	SFR	972	1,347	-27.8%
711	696	2.2%	Maroc Telecom Group	485	507	-4.3%
126	21	x 6.0	Canal+ Group	(22)	(102)	78.4%
171	142	20.4%	NBC Universal dividends	171	142	20.4%
(97)	(140)	30.7%	Holding & Corporate	(98)	(141)	30.5%
(10)	(25)	60.0%	Non-core operations and others	(11)	(26)	57.7%
3,204	**3,065**	**4.5%**	**Total Vivendi**	**1,841**	**2,066**	**-10.9%**

na: not applicable

4 Business segment performance analysis

4.1 Revenues and EBITA by business segment (unaudited)

2009 SECOND QUARTER

	Three Months Ended June 30,			
(in millions of euros)	2009	2008	% Change	% Change at constant rate
Revenues				
Activision Blizzard	762	223	x 3.4	x 3.0
Universal Music Group	983	1,011	-2.8%	-7.5%
SFR	3,112	2,987	4.2%	4.2%
Maroc Telecom Group	665	640	3.9%	1.6%
Canal+ Group	1,139	1,139	-	1.9%
Non-core operations and others, and elimination of intersegment transactions	(13)	(12)	-8.3%	-8.3%
Total Vivendi	**6,648**	**5,988**	**11.0%**	**8.6%**
EBITA				
Activision Blizzard	195	42	x 4.6	x 4.0
Universal Music Group	101	148	-31.8%	-35.8%
SFR	686	716	-4.2%	-4.2%
Maroc Telecom Group	300	316	-5.1%	-7.2%
Canal+ Group	218	181	20.4%	22.5%
Holding & Corporate	9	(28)	na	na
Non-core operations and others	(3)	(11)	72.7%	86.2%
Total Vivendi	**1,506**	**1,364**	**10.4%**	**8.0%**

2009 HALF YEAR

	Six Months Ended June 30,			
(in millions of euros)	2009	2008	% Change	% Change at constant rate
Revenues				
Activision Blizzard	1,493	444	x 3.4	x 3.0
Universal Music Group	2,009	2,044	-1.7%	-5.3%
SFR	6,140	5,289	16.1%	16.1%
Maroc Telecom Group	1,305	1,254	4.1%	2.0%
Canal+ Group	2,258	2,254	0.2%	1.9%
Non-core operations and others, and elimination of intersegment transactions	(27)	(17)	-58.8%	-58.8%
Total Vivendi	**13,178**	**11,268**	**17.0%**	**15.0%**
EBITA				
Activision Blizzard	373	92	x 4.1	x 3.6
Universal Music Group	211	259	-18.5%	-23.1%
SFR	1,296	1,340	-3.3%	-3.3%
Maroc Telecom Group	586	584	0.3%	-1.8%
Canal+ Group	472	351	34.5%	36.4%
Holding & Corporate	(28)	(39)	28.2%	26.9%
Non-core operations and others	(11)	(20)	45.0%	49.5%
Total Vivendi	**2,899**	**2,567**	**12.9%**	**10.7%**

na: not applicable

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

– at UMG: Univision Music Group (May 5, 2008);
– at Canal+ Group: Kinowelt (April 2, 2008);
– at SFR: Neuf Cegetel (April 15, 2008); and
– at Activision Blizzard: Activision (July 10, 2008). 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. On the date of the merger, Vivendi held a 54.47% (non-diluted) controlling interest in Activision Blizzard. From an accounting perspective, Vivendi Games is deemed the acquirer of Activision, thus, the figures reported in this Financial Report under the caption "Activision Blizzard", correspond to: (a) Vivendi Games' historical figures from January 1 to July 9, 2008; and (b) the combined business operations of Activision and Vivendi Games from July 10, 2008.

4.2 Comments on revenues and EBITA for controlled business segments

Activision Blizzard (approximately 56% Vivendi economic interest, non-diluted)

Activision Blizzard[6] reported better than expected results driven by *Call of Duty* and *Guitar Hero* franchises as well as *World of Warcraft*. During a challenging economic climate, Activision Blizzard was the #1 U.S. third-party console and handheld publisher[7]. For the first half of 2009, Activision Blizzard had two of the top-five best-selling titles in the U.S.A and Europe – *Guitar Hero World Tour* and *Call of Duty: World at War*.

In IFRS, Activision Blizzard's revenues were €1,493 million and EBITA was €373 million. EBITA notably includes the positive impact of the change in deferred margin which amounted to €245 million ($331 million). As of June 30, 2009, the deferred margin stock amounted to €261 million.

For the 2009 calendar year, on a non-GAAP basis[8], Activision Blizzard is re-affirming its earnings per diluted share outlook of $0.63 but has adjusted its outlook for net revenues from $4.8 billion to $4.5 billion. Revenue guidance was modified as a result of moving the anticipated releases of *Singularity* and *StarCraft II* to 2010 in addition to lower market expectations. However, the revenues will be offset in part by stronger-than-expected performance of a few higher margin titles, as well as online revenues, better than expected synergy savings, and a lower effective tax rate.

Before the end of the year, Activision Blizzard will release its strongest video game slate ever based on some of the industry's most successful franchises, including *Infinity Ward's Call of Duty: Modern Warfare 2, Guitar Hero 5, DJ Hero, Band Hero* and *Tony Hawk: RIDE.*

On July 31, 2009, Activision Blizzard's Board of Directors authorized an increase of $250 million to the company's stock repurchase program bringing the total to $1.25 billion. As of June 30, 2009, Activision Blizzard had purchased approximately 64 million shares ($668 million) in total and Vivendi had a 56.06% non-diluted ownership interest in Activision Blizzard.

Universal Music Group (UMG) (100% Vivendi economic interest)

Revenues

Universal Music Group's revenues of €2,009 million declined 1.7% compared to the same period last year. A 29% growth in digital sales and higher merchandising and music publishing activity was offset by falling demand for physical product and lower licensing income. Recorded music best sellers included new releases from U2, Eminem and Black Eyed Peas as well as Lady Gaga's debut album.

EBITA

Universal Music Group's EBITA of €211 million, an 18.5% decrease compared to the same period last year, with lower recorded music revenues and an unfavorable sales mix, notably a decline in licensing income including copyright settlements, more than offsetting growth in music publishing and contributions from new business initiatives in addition to cost savings. EBITA was also impacted by restructuring costs of €37 million associated with the ongoing reorganization, while last year included certain copyright settlements and the receipt of equity in MySpace Music venture and benefited from credits from the downward valuation of compensation schemes linked to equity value.

UMG continued its expansion beyond the traditional recorded music business in the period. Agreements were reached with YouTube to launch a music video service ("VEVO") and with Formula One to organize "F1 Rocks", a series of concerts. UMG acquired Frank Sinatra's international catalogue rights. Bravado, UMG's merchandising arm, entered into agreements with the Rolling Stones and the Michael Jackson estate.

[6] *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.*
[7] *According to the NPD Group, Charttrack and GFk.*
[8] *For the definition of non-GAAP basis, please refer to the Appendix to this Financial Report.*

SFR (56% Vivendi economic interest)

Revenues

SFR's revenues increased by 16.1% to €6,140 million compared to the same period in 2008, due to the consolidation of Neuf Cegetel since April 15, 2008. On a comparable basis[9], SFR's revenues decreased by 0.3%.

Mobile revenues[10] amounted to €4,442 million, a 0.6% increase compared to the same period in 2008. Mobile service revenues[11] increased by 0.5% to €4,250 million. This improvement was due to the growth in the customer base and data revenues (+34% compared to the same period in 2008 due to unlimited SMS and MMS offers and mobile Internet development for the mass market and the Enterprise segment). However, the roaming traffic and out of bundle usage decreased, reflecting the impact of the economic slowdown on SFR's results. For the first half of 2009, SFR has strengthened its market share, adding 559,000 new net mobile customers[12]. This represents a 61% market share of net adds. In addition, SFR improved its customer mix (+1.8 percentage point year-on-year to reach 69.5%), adding 466,000 new postpaid customers in the first half of 2009, achieving a total of 14.048 million postpaid customers by the end of June 2009. Moreover, the launch of the iPhone was a great success with 225,000 units sold in less than three months.

Broadband Internet and fixed revenues[7] reached €1,865 million, decreasing by 3.6% on a comparable basis compared to the same period in 2008. Excluding the impacts of the decrease in switched voice revenues, regulatory changes and the sale of assets of Club Internet network, broadband Internet and fixed revenues increased by 4.5%. After a very strong first quarter 2009, SFR continued to perform well during the second quarter of 2009, obtaining 112,000 new net broadband Internet active customers, resulting in 275,000 new net broadband Internet active customers over the first six months of the year. At the end of June 2009, SFR broadband Internet customer base increased by 11.3% on a comparable basis compared to the same period in 2008 and totaled 4.154 million customers. In the Enterprise market, SFR had 169,000 data links connected to the SFR network (+10.5% on a comparable basis compared to June 2008).

EBITA

SFR's EBITDA amounted to €1,983 million, down by €151 million on a comparable basis. SFR's EBITDA included the surtax created by the French government to finance the state-owned audiovisual sector reform.

SFR's mobile EBITDA decreased by €110 million year-on-year to €1,677 million. This decline was due to the 1.8 percentage point increase in customer acquisition and retention costs (gross adds and the launch of the iPhone) and the increase in variable fees and interconnection costs due to widespread use of unlimited voice, data and email offers.

SFR's broadband Internet and fixed EBITDA, including Neuf Cegetel operations since April 15, 2008, decreased by €41 million on a comparable basis to €306 million. The positive effects of mass market ADSL growth and the stable results of Enterprise and Wholesale segments in a difficult economic environment were more than offset by the increase in customer acquisition and retention costs, by the decline in switched voice revenues and by the impact of the sale of assets of Club Internet network in the first half of 2008.

EBITA amounted to €1,296 million, decreasing by €112 million on a comparable basis, compared to the same period in 2008.

Maroc Telecom Group (53% Vivendi economic interest)

Revenues

Maroc Telecom Group's revenues were €1,305 million, up 4.1% compared to the same period in 2008 (+2.0% at constant currency). Against the backdrop of a more challenging economic climate, the key factors driving revenue growth were Maroc Telecom's continued leadership on its domestic market and the solid operating performances of its subsidiaries in Mauritania, Burkina Faso and Gabon.

EBITA

Maroc Telecom Group's EBITA amounted to €586 million, a slight increase of 0.3% year on year (down 1.8% at constant currency). In spite of profit margin gains across the Group's subsidiaries, the EBITA evolution was impacted by increases in promotional initiatives in Morocco that were required to bolster market growth as well as network development which led to increases in maintenance costs and in amortization and depreciation.

[9] Comparable basis mainly illustrates the full consolidation of Neuf Cegetel (excluding Edition and International parts of Jet Multimedia) as if this acquisition had taken place on January 1, 2008.

[10] Mobile revenues and broadband Internet and fixed revenues correspond to revenues before elimination of intersegment operations within SFR.

[11] Mobile service revenues correspond to mobile revenues excluding revenues from net equipment sales.

[12] SFR including Debitel and Neuf Mobile offers clients (438,000 added in SFR customer base at the end of June 2008) and excluding wholesale customer total base. Wholesale customer base can be estimated at 983,000 at the end of June 2009.

The Canal+ Group (100% Vivendi economic interest; Vivendi economic interest in Canal+ France: 65%)

Revenues

Canal+ Group revenues at the end of June 2009 were €2,258 million, a 1.9% increase at constant currency and 0.2% in actual currency.

Over the past twelve months, Canal+ France's net subscription growth continued to be impacted by the portfolio change of scope carried out in 2008. Excluding this adjustment, net portfolio growth was +94,000 subscriptions year-on-year, which represented an improvement compared with first quarter (+75,000 year-on-year at March 31, 2009). This trend is expected to continue to the end of the year, despite the continued slowdown in the economy. Subscriber growth is notably driven by strong Canal+ and CanalSat performances in territories operated by Canal Overseas (French overseas territories and Africa, including North Africa countries). The June announcement of the pay-TV launch operations in Vietnam is expected to strengthen Canal+ Group's growth potential outside France.

In addition, migration of analog subscribers was accelerated over the past six months with nearly 240,000 upgrades to digital since January 2009, ahead of targets.

Regarding the group's other operations, Canal+ in Poland continues to post strong net additions (more than 290,000 extra subscribers year-on-year), and StudioCanal is benefiting from the integration of German affiliate Kinowelt and successful movie releases (*Coco*, *Le Code a Changé*,…).

EBITA

Canal+ Group EBITA grew strongly to reach €472 million, a +€121 million year-on-year increase compared to the same period in 2008 (+34.5%).

EBITA growth was driven by the pay-TV operations of Canal+ France due to the continued benefits of TPS merger synergies, both on distribution and programming costs (new French "Ligue 1" contract). In addition, nearly 300,000 customers subscribed for premium options (HD, multi-room, PVR, etc.) and contributed to the improved results.

Holding & Corporate

EBITA

Holding & Corporate's EBITA was -€28 million, a €11 million increase compared to the first half of 2008. In the first half of 2009, EBITA included an earn-out income (€40 million) in connection with the disposal of residual real estate assets in Germany in 2007. In addition, the net reversal in the provision for stock options and other share-based compensation plans amounted to €1 million for the first half of 2009, compared to a net reversal of €21 million for the same period in 2008.

5 Treasury and capital resources

Preliminary comment: *Vivendi considers Financial Net Debt, a non-GAAP measure, to be an important indicator measuring Vivendi's indebtedness. Financial Net Debt should be considered in addition to, and not as a substitute for, other GAAP measures reported in the Consolidated Statement of Financial Position, as well as other measures of indebtedness reported in accordance with GAAP. Vivendi Management uses Financial Net Debt for reporting and planning purposes, as well as to comply with certain of Vivendi's debt covenants. Please refer to Section "Treasury and capital resources" of the 2008 Financial Report (pages 165 through 172 of the 2008 Annual Report).*

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

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

- As of June 30, 2009:
  - the group's Financial Net Debt amounted to €8.5 billion, including SFR's Financial Net Debt for €7.0 billion, resulted from revolving facilities granted to SFR by Vivendi SA under market terms for €3.7 billion (please refer to Section 5.2 and 5.4.6, below). The group's Financial Net Debt also included the financial liability recorded in respect of the put option granted to TF1 and M6 on their 15% stake in Canal+ France (€1.1 billion), which is exercisable in February 2010, as well as the net cash position of Activision Blizzard (€1,952 million as of June 30, 2009; please refer to Section 5.2, below); and
  - The total amount of Vivendi SA and SFR committed bank facilities was €9.7 billion, of which €1.8 billion was drawn and €6.6 billion was undrawn, including €1.3 billion in commercial paper backed by these lines.

- As of August 26, 2009, the date of the Management Board meeting which approved the Financial Statements for the first half year ended June 30, 2009:
  - Vivendi's credit rating is BBB Stable (Standard & Poor's and Fitch) and Baa2 Stable (Moody's) and its "economic" average term[13] was 3.6 years, compared to 4.1 years at year-end 2008 (please refer to Section 5.4.4 and 5.4.5, below);
  - the total amount of Vivendi SA and SFR bonds amounted to €6.0 billion, including bonds issued since the beginning of 2009 in an aggregate amount of €1.8 billion, i.e., a €1 billion bond issued by Vivendi SA in January 2009 and a €300 million bond issue by SFR in July 2009, as well as three extensions, issued and collected in January 2009 and April 2009, of the original bonds issued by Vivendi SA and SFR for a total amount of €520 million (please refer to Section 5.4.1, below). As a result, the total amount of bonds issued represented approximately 61% of borrowings, compared to 44% as of December 31, 2008; and
  - The available undrawn facilities of Vivendi SA, net of commercial paper, amounted to approximately €5.7 billion, and available credit lines of SFR, net of commercial paper, amounted to approximately €1.5 billion at the same date. The bank facilities of Vivendi SA and SFR require them to comply with certain financial covenants computed on June 30, and December 31, of each year. They are described in more detail in Note 14 to the Condensed Financial Statements for the half year ended June 30, 2009. 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, 2009, Vivendi SA and SFR were in compliance with their covenants.

- Consequently, Vivendi has significant bank credit lines available until 2011. The revolving facility of €1.5 billion, maturing in August 2009 was terminated early in June 2009, therefore no reimbursement or cancellation of any significant bond issue should occur before 2012.

[13] Considers that all undrawn amounts on available medium-term credit lines may be used to repay group borrowings with the shortest term.

5.2 Financial Net Debt changes

As of June 30, 2009, Vivendi's Financial Net Debt amounted to €8,536 million, compared to €8,349 million as of December 31, 2008, approximately 85% of which is attributable to SFR (stable compared to December 31, 2008). Please note that SFR paid a €750 million dividend to its shareholders in the first half year of 2009.

(in millions of euros)	June 30, 2009		December 31, 2008	
		o/w SFR		*o/w SFR*
Borrowings and other financial liabilities	11,337	*7,419*	11,630	*7,525*
o/w long-term (a)	*7,197*	*2,782*	*9,975*	*3,255*
o/w short-term (a)	*4,140*	*937*	*1,655*	*570*
o/w revolving facilities granted to SFR by Vivendi (b)	-	*3,700*	-	*3,700*
Derivative financial instruments in assets (c)	(12)	-	(99)	-
Cash deposits backing borrowings (c)	(44)	*(20)*	(30)	-
	11,281	***7,399***	**11,501**	***7,525***
Cash and cash equivalents (a)	(2,745)	*(361)*	(3,152)	*(440)*
o/w Activision Blizzard's cash and cash equivalents	*(1,952)*	-	*(2,117)*	-
Financial Net Debt	**8,536**	***7,038***	**8,349**	***7,085***

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

b. Please refer to Section 5.4.6 below.

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

For the first half of 2009, Financial Net Debt increased by €187 million, reflecting a €407 million decrease in net cash over the period, partially offset by a €220 million decrease in borrowings and other derivative instruments.
Net cash used for financing activities amounted to €2,337 million, including the payments to Vivendi SA's and its subsidiaries' shareholders (€1,857 million) and the repayment of bank facilities and borrowings (€2,813 million), partially offset by new borrowings and commercial papers put into place (€2,528 million, of which €1,520 million were long-term borrowings). The payments to the group's entities' shareholders primarily included the dividends paid by the consolidated subsidiaries to their minority shareholders (€745 million), the dividend paid in cash by Vivendi SA to its shareholders (€735 million) and the stock repurchase program of Activision Blizzard (€402 million).
Net cash used for investing activities amounted to €1,319 million, and primarily included capital expenditures, net (€1,363 million), partially offset by dividends received from NBC Universal (€171 million).
These net cash outflows were primarily financed by the net cash provided by operating activities (€3,206 million). For further information about net cash provided by operating activities, please refer to Section 3 "Cash flow from operations" above.

(in millions of euros)	Cash and cash equivalents	Borrowings and other (a)	Impact on Financial Net Debt
Financial Net Debt as of December 31, 2008	**(3,152)**	**11,501**	**8,349**
Outflows/(inflows) generated by:			
Operating activities	(3,206)	-	(3,206)
Investing activities	1,319	(22)	1,297
Financing activities	2,337	(209)	2,128
Foreign currency translation adjustments	(43)	11	(32)
Change in Financial Net Debt over the period	407	(220)	187
Financial Net Debt as of June 30, 2009	**(2,745)**	**11,281**	**8,536**

a. "Other" comprises commitments to purchase minority interests, derivative financial instruments and cash deposits backing borrowings.

5.3 Analysis of Financial Net Debt changes

(in millions of euros)		Refer to section	Six Months Ended June 30, 2009 Impact on cash and cash equivalents	Impact on borrowings and other	Impact on Financial Net Debt
EBIT		2	**(2,610)**	**-**	**(2,610)**
Adjustments			(1,174)	-	(1,174)
Content investments, net			228	-	228
Gross cash provided by operating activities before income tax paid			***(3,556)***	***-***	***(3,556)***
Other changes in net working capital			526	-	526
Net cash provided by operating activities before income tax paid		3	***(3,030)***	***-***	***(3,030)***
Income tax paid, net		3	(176)	-	(176)
Operating activities	**A**		**(3,206)**	**-**	**(3,206)**
Financial investments					
Purchases of consolidated companies, after acquired cash			129	(8)	121
o/w payment to the beneficiairies of Neuf Cegetel restricted stock plans			*83*	-	*83*
Investments in equity affiliates			1	-	1
Increase in financial assets			41	(20)	21
Total financial investments			***171***	***(28)***	***143***
Financial divestments					
Proceeds from sales of consolidated companies, after divested cash			(12)	-	(12)
Decrease in financial assets			(29)	6	(23)
Total financial divestments			***(41)***	***6***	***(35)***
Financial investment activities			**130**	**(22)**	**108**
Dividends received from equity affiliates		3	(171)	-	(171)
Dividends received from unconsolidated companies			(3)	-	(3)
Investing activities excluding capital expenditures and proceeds from sales of property, plant, equipment and intangible assets, net			**(44)**	**(22)**	**(66)**
Capital expenditures			1,396	-	1,396
Proceeds from sales of property, plant, equipment and intangible assets			(33)	-	(33)
Capital expenditures, net		3	***1,363***	***-***	***1,363***
Investing activities	**B**		**1,319**	**(22)**	**1,297**
Transactions with shareholders					
Net proceeds from issuance of common shares and other transactions with shareholders			(25)	-	(25)
(Sales)/purchases of treasury shares			402	-	402
o/w stock repurchase program of Activision Blizzard		1.1	*402*	-	*402*
Dividends paid in cash by Vivendi SA, €1.40 per share (June 2009) (a)		1.1	735	-	735
Dividends paid by consolidated companies to their minority shareholders			745	-	745
o/w SFR			*330*	-	*330*
o/w Maroc Telecom SA			*369*	-	*369*
Total dividends and other transactions with shareholders			***1,857***	***-***	***1,857***
Transactions on borrowings and other financial liabilities					
Setting up of long-term borrowings and increase in other long-term financial liabilities			(1,520)	1,520	-
o/w Vivendi SA's bonds		5.4.1.1	*(1,120)*	*1,120*	-
o/w Vivendi SA's additional redeemable bonds		5.4.1.1	*(200)*	*200*	-
o/w SFR's additional redeemable bonds		5.4.1.1	*(200)*	*200*	-
Principal payments on long-term borrowings and decrease in other long-term financial liabilities			2,586	(2,586)	-
o/w Vivendi SA's revolving facility of €2.0 billion (due in April 2012)		5.4.3	*710*	*(710)*	-
o/w Vivendi SA's revolving facility of €2.0 billion (due in August 2013)		5.4.3	*990*	*(990)*	-
o/w SFR's revolving facility of €1.2 billion (due in April 2011)			*670*	*(670)*	-
o/w MAD 6 billion notes - tranche B: 4 billion (due in December 2011)			*178*	*(178)*	-
Principal payments on short-term borrowings			227	(227)	-
Other changes in short-term borrowings and other financial liabilities			(1,008)	1,008	-
o/w Vivendi SA's commercial paper			*(246)*	*246*	-
o/w SFR's commercial paper			*(406)*	*406*	-
o/w Maroc Telecom's bank overdraft and credit facility			*(464)*	*464*	-
Non cash transactions			-	124	124
Interest paid, net		3	220	-	220
Other cash items related to financial activities		3	(25)	(48)	(73)
o/w fees and premium on borrowing issuances			*35*	*(35)*	-
Total transactions on borrowings and other financial liabilities			***480***	***(209)***	***271***
Financing activities	**C**		**2,337**	**(209)**	**2,128**
Foreign currency translation adjustments	D		(43)	11	(32)
Change in Financial Net Debt	**A+B+C+D**		**407**	**(220)**	**187**

a. The 2008 dividend distribution totaled €1,639 million, of which €904 million was paid in Vivendi shares (having no impact on cash) and €735 million was paid in cash (please refer to the Condensed Statement of Changes in Equity for the six months ended June 30, 2009).

5.4 Changes in borrowings in 2009 and credit ratings

5.4.1 EXTERNAL BORROWINGS

5.4.1.1 Put into place during the first half year ended June 30, 2009

Vivendi SA

In January 2009, Vivendi SA put into place the following financings:

- a new bond issue of €1 billion aimed at optimizing debt structure and increasing its average maturity. This fixed-rate bond is denominated in euros with a 5-year maturity, a 7.75% coupon and an issue price of 99.727%, corresponding to a 7.82% yield; and
- a new tranche of €200 million of the €500 million original bond issue dated October 2006, with a 2013 maturity. This new tranche is denominated in euros with a 4.5% coupon and an issue price of 87.550% of the nominal value, corresponding to a 7.738% yield.

In April 2009, Vivendi SA placed a new tranche of €120 million of the €1 billion original bond issue, dated January 2009. This new tranche is denominated in euros with a 7.75% coupon and an issue price of 107.579% of the nominal value, corresponding to a 5.86% yield.

SFR

In January 2009, SFR placed a €200 million increase of its €800 million original bond issue, dated July 2005, with a 2012 maturity. This increase was in addition to a €200 million initial increase of this bond issue in May 2008. This new tranche of the 2012 original bond issue is denominated in euros with a 3.375% coupon, and an issue price of 94.212% of the nominal value, corresponding to a 5.236% yield.

5.4.1.2 Put into place after June 30, 2009

In July 2009, SFR placed €300 million euro bond issue with a July 2014 maturity at a 5% rate.

5.4.2 INTERCOMPANY LOANS

Credit line to SFR: In June 2009, Vivendi SA granted a €1.5 billion revolving credit line to SFR with a 4-year maturity which is repayable at maturity in June 2013, and a 2.5% margin on Euribor rate.

NBC Universal's cash contribution agreement: Pursuant to a cash contribution agreement dated February 2009, the shareholders of NBCU had agreed to make certain cash contributions to NBCU. These cash contributions would have enabled NBCU to refinance the portion of its $1,670 million indebtedness in excess of approximately $1,200 million should NBCU have not succeeded in refinancing such amount with third party lenders before August 2009. In August 2009, NBCU succeeded in refinancing its indebtedness, and thus cancelling Vivendi's undertaking.

5.4.3 AVAILABLE UNDRAWN FACILITIES AS OF AUGUST 26, 2009

Vivendi SA

As of August 26, 2009, the date of Vivendi's Management Board meeting which approved the financial statements for the first half year ended June 30, 2009, Vivendi SA had available committed bank facilities in the amount of €6.0 billion, as follows:

- a syndicated loan facility of €2 billion (maturing in April 2012);
- a syndicated loan facility of €2 billion (maturing in August 2013 for €1.7 billion, maturing in August 2012 for the remaining amount due); and
- a syndicated loan of €2 billion, consisting of two tranches of €1 billion each under a revolving facility (maturing in February 2011 and February 2013, respectively). In addition, the tranche of €1.5 billion under a revolving facility (maturing in August 2009) was terminated early in June 2009.

As of August 26, 2009, these facilities were undrawn. Considering the amount of bank-backed commercial paper issued at this date for €0.3 billion, these lines were available in an aggregate amount of €5.7 billion.

SFR

As of August 26, 2009, the date of Vivendi's Management Board meeting which approved the financial statements for the half year ended June 30, 2009, SFR had committed bank facilities in the amount of €3.7 billion available, notably including a €1.2 billion credit line (maturing in April 2011), a €450 million credit line (maturing in November 2012), a €850 million credit line (maturing in May 2013), as well as a €740 million syndicated loan ("Club Deal") (maturing in July 2010 for the tranche A of €248 million and in March 2012 for the tranche B of €492 million).

As of August 26, 2009, the SFR's credit lines were drawn for €1.4 billion. Considering the amount of bank-backed commercial paper issued at this date for €0.8 billion, these credit lines were available for an aggregate amount of €1.5 billion.

Activision Blizzard

On April 29, 2008, Vivendi SA granted a loan to Activision Blizzard as part of the Activision Blizzard transaction, only available from the date Activision Blizzard was created (on July 9, 2008). The sole tranche remaining available under this loan facility notably consists of a revolving tranche of $475 million, maturing in March 2011, with a 1.20% margin based on the LIBOR rate, aimed at funding, in particular, working capital needs after completion of the transaction. As of August 26, 2009, this loan was undrawn.

5.4.4 AVERAGE MATURITY

As of August 26, 2009, the "economic" average term of Vivendi's and its subsidiaries' consolidated debt was estimated at 3.6 years (compared to 4.1 years at the end of 2008).

5.4.5 VIVENDI AND SFR CREDIT RATINGS

As of August 26, 2009, the date of the Management Board meeting which approved the Financial Statements for the half year ended June 30, 2009, 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	
		Short-term *corporate*	A-2	Stable
		Senior unsecured debt	BBB	
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 26, 2009, 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	

5.4.6 SFR AND MAROC TELECOM GROUP FINANCIAL NET DEBT, AND ACTIVISION BLIZZARD NET CASH POSITION

As of June 30, 2009, SFR's Financial Net Debt amounted to €7,038 million, compared to €7,085 million as of December 31, 2008. Please note that SFR paid a €750 million dividend to its shareholders in the first half year of 2009. SFR's Financial Net Debt included borrowings of €7,283 million, compared to €7,431 million as of December 31, 2008. As of June 30, 2009, borrowings notably included revolving facilities of €3,700 million granted by Vivendi SA to SFR as follows:

- €700 million granted in December 2006, maturing in December 2009, with a 0.15% margin based on Euribor rate;
- €3 billion granted in April 2008, repayable in the amount of €1 billion at each maturity date period, i.e., July 1, 2009, July 1, 2010 and December 31, 2012, with a 0.35% margin based on Euribor rate; and
- In addition, a credit facility of €1.5 billion was granted in June 2009, with a 4-year maturity which is repayable at maturity in June 2013, and a 2.5% margin based on Euribor rate. This credit facility, undrawn as of June 30, 2009, was drawn for €650 million as of August 26, 2009.

As of June 30, 2009, Maroc Telecom Group's Financial Net Debt amounted to €471million, compared to a positive net cash position of €32 million as of December 31, 2008. Please note that Maroc Telecom SA paid a €816 million dividend to its shareholders in the first half year of 2009.

As of June 30, 2009, Activision Blizzard's positive net cash position was €1,952 million, compared to €2,117 million as of December 31, 2008.

6 Forward looking statements – Major risks and uncertainties

Forward looking statements

This Financial Report contains forward-looking statements with respect to the financial condition, results of operations, business, strategy and plans of Vivendi. 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 Section 4 of Chapter 2 of the 2008 Document de Référence (page 55 and following pages) filed with the Autorité des marchés financiers (AMF) (the French securities regulator) and which are 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

As a result of the first half of 2009 earnings, Vivendi confirmed its full year forecasts of strong growth in EBITA, and solid Adjusted Net Income leading to another strong dividend, with a distribution rate of at least 50% of Adjusted Net Income. For further details, please refer to Section 2 "Earnings for the first half of 2009", and Paragraph 2.3 "Vivendi's Outlook for 2009" of this Financial Report. Vivendi is not aware of any risks or uncertainties other than the above-mentioned for the six months ended December 31, 2009.

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 control.

II - Appendix to Financial Report: unaudited supplementary financial data

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, 2009, June 30, 2008 and December 31, 2008 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, 2009, 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, 2009; 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, 2009.

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. On the date of the merger, Vivendi held a 54.47% (non-diluted) controlling interest in Activision Blizzard. From an accounting perspective, Vivendi Games is deemed the acquirer of Activision; thus, the figures reported under the caption "Activision Blizzard", correspond to: (a) Vivendi Games' historical figures from January 1 to July 9, 2008; and (b) the combined business operations of Activision and Vivendi Games from July 10, 2008.

Non-GAAP measures of Activision Blizzard

Activision Blizzard provides net revenues, net income (loss), earnings (loss) 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 below in the paragraphs "Deferral of Activision revenue" and "Change in recognition of revenue at Blizzard", Activision Blizzard's non-GAAP results exclude the impact of the change in deferred income and related costs of sales generated by certain of the company's online-enabled games for Microsoft, Sony, Nintendo and PC platforms and by *World of Warcraft* boxed software, including the sale of expansion packs and other ancillary revenues, in order to provide comparable year-over-year performance;

b. Activision Blizzard's non-core exit operations, which consists of the operating results of products and operations from the historical Vivendi Games, Inc. businesses that the company has exited or substantially wound-down;

c. expenses related to equity-based compensation costs;

d. one-time costs related to the business combination of Activision, Inc. and Vivendi Games, Inc. (including transaction costs, integration costs, and restructuring activities);

e. 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; and

f. the associated tax benefits.

Deferral of Activision revenues

For most of Activision Blizzard's console game titles released through September 30, 2008, the on-line functionality has not been an important component of gameplay and accordingly, for these titles, revenue is considered to be earned and recognized upon delivery.

However, as online functionality becomes a more important component of gameplay, certain of the company's online-enabled games for certain platforms contain a more-than-inconsequential separate service deliverable in addition to the product, and the company's performance obligations for these games extends beyond the sale of the games. Vendor-specific objective evidence of fair value does not exist for the online services, as the company does not plan to separately charge for this component of online-enabled games. As a result, the company recognizes all of the revenues from the sale of these games ratably over the estimated service period, beginning the month following shipment. In addition, the company defers the costs of sales of those titles to match revenues.

Pursuant to IAS 18 - Revenue, the same treatment applies in IFRS as of December 31, 2008. Please refer to the appendix to the Financial Report for the year ended December 31, 2008 (footnote (a) on page 177 of the 2008 Annual Report).

Change in recognition of revenues at Blizzard

Following the completion of the Activision-Vivendi Games merger in July 2008, Activision Blizzard began a review of the accounting policies and principle of Vivendi Games in order to ensure that they were consistent with Activision's. Upon review of the accounting treatment for the revenue generated by the *World of Warcraft*'s first expansion pack, *The Burning Crusade*, Activision Blizzard determined that deferring the revenue generated by the box sale of the expansion pack over the estimated subscriber life was a preferable accounting method to the historical accounting of recognizing the revenue upon the sell-in to the retailer.

This conclusion was reached by Activision Blizzard based upon the view that the expansion pack was dependent on the initial *World of Warcraft* boxed software and the ongoing subscription service in order for the consumer to realize the full benefit of the game, and also upon the recent data gathered since the launch of *The Burning Crusade*. Therefore, revenues related to the sale of *World of Warcraft* boxed software, including the sale of expansion packs and other ancillary revenues, are deferred and recognized ratably over the estimated customer life beginning upon activation of the software and delivery of the services.

Accordingly, in the third quarter of 2008, Activision Blizzard reflected this retroactive application of the accounting principle in its U.S. GAAP financial statements. In IFRS, until the third quarter of 2008 and in accordance with IAS 18 - Revenue, revenues from the sale of boxes for Blizzard *World of Warcraft* titles were recorded upon transfer of the ownership and related risks to the distributor, net of a provision for estimated returns and rebates. Revenues generated by subscriptions and prepaid cards for online video-games were recorded on a straight-line basis over the duration of the service.

In the fourth quarter of 2008, Vivendi adopted the IFRS accounting treatment for the year ended December 31, 2008 comparable with the one of Activision Blizzard in U.S. GAAP, by recording a cumulative catch-up adjustment through the current period statement of earnings. Given the non-materiality of the impact on Vivendi's Consolidated Financial Statements, the cumulative adjustment was recorded through the current period statement of earnings, hence was not retroactively brought as an adjustment to prior years' statement of earnings. For a more detailed description of the impacts of the reconciliation of U.S. GAAP to IFRS as of December 31, 2008, please refer to the appendix to the Financial Report for the year ended December 31, 2008 (footnote (a) on page 177 of the 2008 Annual Report).

Nota:

For a definition of EBITA, please refer to Note 1.2.3 to the Consolidated Financial Statements for the year ended December 31, 2008 (page 189 of the 2008 Annual Report).

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

Reconciliation of U.S. GAAP revenue to IFRS

	Three Months Ended June 30, (unaudited)		Six Months Ended June 30, (unaudited)		Year Ended December 31, 2008 (unaudited)
	2009	2008	2009	2008	
Non-GAAP Measurement (U.S. GAAP basis):					
Comparable Basis Net Revenues of Core Operations (in millions of dollars)	**801**	**999**	**1,525**	**1,920**	**5,032**
Eliminate comparable basis adjustments:					
Activision - operations prior to July 10, 2008	na*	(654)	na*	(1,257)	(1,310)
Non-GAAP Net Revenues of Core Operations (in millions of dollars)	**801**	**345**	**1,525**	**663**	**3,722**
Eliminate non-GAAP adjustments:					
Changes in deferred net revenues (a)	237	2	493	4	(713)
Net revenues of non-core exit operations (b)	-	5	1	10	17
U.S. GAAP Measurement:					
Net Revenues in U.S. GAAP (in millions of dollars), as published by Activision Blizzard	**1,038**	**352**	**2,019**	**677**	**3,026**
Eliminate U.S. GAAP vs. IFRS differences:					
Effect of alignment of deferred net revenues balance with U.S. GAAP (a)	na*	(2)	na*	(3)	(63)
IFRS Measurement:					
Net Revenues in IFRS (in millions of dollars)	**1,038**	**350**	**2,019**	**674**	**2,963**
Translate from dollars to euros:					
Net Revenues in IFRS (in millions of euros), as published by Vivendi	**762**	**223**	**1,493**	**444**	**2,091**
of which:					
Activision	472	34	898	60	1,146
Blizzard	244	186	485	378	770
Distribution	46	-	110	-	164
Non-core operations	-	3	-	6	11

Reconciliation of U.S. GAAP EBITA to IFRS

	Three Months Ended June 30, (unaudited)		Six Months Ended June 30, (unaudited)		Year Ended December 31, 2008 (unaudited)
	2009	2008	2009	2008	
Non-GAAP Measurement (U.S. GAAP basis):					
Comparable Basis Operating Income/(Loss) of Core Operations (in millions of dollars)	**156**	**235**	**275**	**443**	**1,200**
Eliminate comparable basis adjustments:					
Activision - operating income/(loss) generated prior to July 10, 2008	na*	(104)	na*	(176)	(167)
Non-GAAP Operating Income/(Loss) of Core Operations (in millions of dollars)	**156**	**131**	**275**	**267**	**1,033**
Eliminate non-GAAP adjustments:					
Changes in deferred net revenues and related cost of sales (a)	164	3	331	5	(496)
Results of non-core exit operations (b)	(3)	(75)	(8)	(140)	(266)
Equity-based compensation expense (c)	(43)	(12)	(71)	(21)	(90)
One time costs related to the Vivendi transaction, integration and restructuring (d)	(18)	-	(47)	-	(122)
Amortization of intangibles acquired through business combinations and purchase price accounting related adjustments (e)	(38)	(1)	(83)	(2)	(292)
U.S. GAAP Measurement:					
Operating Income/(Loss) in U.S. GAAP (in millions of dollars), as published by Activision Blizzard	**218**	**46**	**397**	**109**	**(233)**
Eliminate U.S. GAAP vs. IFRS differences:					
Effect of alignment of deferred net revenues balance with U.S. GAAP and related cost of sales (a)	na*	(3)	na*	(3)	(58)
Equity-based compensation expense (c)	9	12	8	31	30
One time costs related to the Vivendi transaction, integration and restructuring (d)	13	-	11	-	-
Other	(15)	11	(1)	1	8
IFRS Measurement:					
Operating Income/(Loss) in IFRS (in millions of dollars)	**225**	**66**	**415**	**138**	**(253)**
Eliminate items excluded from EBITA:					
Impairment of intangible assets acquired through business combinations	-	-	-	-	7
Amortization of intangible assets acquired through business combinations (e)	40	-	89	-	302
EBITA in IFRS (in millions of dollars)	**265**	**66**	**504**	**138**	**56**
Translate from dollars to euros:					
EBITA in IFRS (in millions of euros), as published by Vivendi	**195**	**42**	**373**	**92**	**34**
of which:					
Activision	78	(6)	145	(16)	(76)
Blizzard	117	99	231	198	323
Distribution	1	-	(2)	-	15
Non-core operations	(1)	(51)	(1)	(90)	(228)

na*: not applicable

a. Corresponds 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, as explained in the paragraphs "Deferral of Activision revenue" and "Change in recognition of revenue at Blizzard" (see above).
   - For the first half of 2009, in both U.S. GAAP and IFRS, the change in deferred net revenues resulted in the recognition of $493 million (€365 million) in net revenues and, after taking into account related costs of sales, the recognition of $331 million (€245 million) in margin from operations. These impacts were mainly due to the recognition during the first half of 2009 of a portion of the net revenues and margin from operations deferred at the end of fiscal year 2008; and
   - As of June 30, 2009, in both U.S. GAAP and IFRS, the deferred net revenues balance in the Statement of Financial Position amounted to $423 million (€303 million), compared to $923 million (€661 million) as of December 31, 2008.

b. Reflects the results of products and operations from the historical Vivendi Games businesses that Activision Blizzard has exited or substantially wound-down.
   - Included the $61 million write-off of cancelled titles as of December 31, 2008.

c. Expenses related to equity-based compensation costs.
   - 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. Includes one-time costs related to the business combination with Vivendi Games (including transaction costs, integration costs, and restructuring costs).
   - Fees, and other transaction costs incurred by Vivendi Games until July 9, 2008, are capitalized in IFRS and expensed as incurred under U.S. GAAP;
   - Restructuring costs 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; and
   - Also includes as of December 31, 2008 the write-off of certain Vivendi Games balance sheet items (goodwill or intangible assets allocated to Sierra businesses).

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.

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III - Condensed Financial Statements for the half year ended June 30, 2009 (unaudited)

Condensed Statement of Earnings

	Note	Three Months Ended June 30, (unaudited) 2009	Three Months Ended June 30, (unaudited) 2008	Six Months Ended June 30, (unaudited) 2009	Six Months Ended June 30, (unaudited) 2008	Year Ended December 31, 2008
Revenues	2	**6,648**	**5,988**	**13,178**	**11,268**	**25,392**
Cost of revenues		(3,288)	(2,862)	(6,477)	(5,363)	(12,492)
Selling, general and administrative expenses		(2,024)	(1,853)	(4,090)	(3,502)	(8,406)
Restructuring charges and other operating charges and income		29	(7)	(1)	(19)	(194)
Impairment losses of intangible assets acquired through business combinations		-	(22)	-	(22)	(40)
Earnings before interest and income taxes (EBIT)	2	**1,365**	**1,244**	**2,610**	**2,362**	**4,260**
Income from equity affiliates		45	50	71	135	260
Interest	3	(112)	(97)	(220)	(134)	(354)
Income from investments		2	2	3	4	5
Other financial charges and income	3	7	12	(86)	(10)	579
Earnings from continuing operations before provision for income taxes		**1,307**	**1,211**	**2,378**	**2,357**	**4,750**
Provision for income taxes	4	(190)	(264)	(415)	(540)	(1,051)
Earnings from continuing operations		**1,117**	**947**	**1,963**	**1,817**	**3,699**
Earnings from discontinued operations		-	-	-	-	-
Earnings		**1,117**	**947**	**1,963**	**1,817**	**3,699**
Attributable to:						
Equity holders of the parent		**711**	**667**	**1,188**	**1,222**	**2,603**
Minority interests		406	280	775	595	1,096
Earnings from continuing operations attributable to equity holders of the parent per share - basic	6	0.60	0.57	1.01	1.05	2.23
Earnings from continuing operations attributable to equity holders of the parent per share - diluted	6	0.60	0.57	1.00	1.04	2.23
Earnings attributable to equity holders of the parent per share - basic	6	**0.60**	**0.57**	**1.01**	**1.05**	**2.23**
Earnings attributable to equity holders of the parent per share - diluted	6	0.60	0.57	1.00	1.04	2.23
Adjusted net income	5	**818**	**757**	**1,467**	**1,454**	**2,735**
Adjusted net income per share - basic	6	**0.69**	**0.65**	**1.25**	**1.25**	**2.34**
Adjusted net income per share - diluted	6	0.69	0.65	1.24	1.24	2.34

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

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

Condensed Statement of Financial Position

(in millions of euros)	Note	June 30, 2009 (unaudited)	December 31, 2008
ASSETS			
Goodwill	7	22,673	22,612
Non-current content assets	8	3,907	4,012
Other intangible assets		3,717	3,872
Property, plant and equipment		6,176	6,317
Investments in equity affiliates	9	4,344	4,441
Non-current financial assets	10	601	709
Deferred tax assets		2,215	2,195
Non-current assets		**43,633**	**44,158**
Inventories		613	763
Current tax receivables		33	588
Current content assets	8	769	927
Trade accounts receivable and other		5,929	6,777
Short-term financial assets	10	201	287
Cash and cash equivalents		2,745	3,152
		10,290	**12,494**
Assets held for sale		1	14
Current assets		**10,291**	**12,508**
TOTAL ASSETS		**53,924**	**56,666**
EQUITY AND LIABILITIES			
Share capital		6,732	6,436
Additional paid-in capital		8,016	7,406
Treasury shares		(3)	(2)
Retained earnings and other		7,802	8,785
Equity attributable to Vivendi SA's shareholders		**22,547**	**22,625**
Minority interests		4,143	4,001
Total equity		**26,690**	**26,626**
Non-current provisions	11	1,523	1,585
Long-term borrowings and other financial liabilities	14	7,197	9,975
Deferred tax liabilities		1,246	1,305
Other non-current liabilities		1,391	1,480
Non-current liabilities		**11,357**	**14,345**
Current provisions	11	590	719
Short-term borrowings and other financial liabilities	14	4,140	1,655
Trade accounts payable and other		10,895	13,218
Current tax payables		251	97
		15,876	**15,689**
Liabilities associated with assets held for sale		1	6
Current liabilities		**15,877**	**15,695**
Total liabilities		**27,234**	**30,040**
TOTAL EQUITY AND LIABILITIES		**53,924**	**56,666**

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) 2009	2008	Year Ended December 31, 2008
Operating activities				
EBIT		2,610	2,362	4,260
Adjustments		1,174	872	2,415
Including amortization and depreciation of tangible and intangible assets		*1,349*	*1,077*	*2,631*
Content investments, net	8	(228)	(102)	(159)
Gross cash provided by operating activities before income tax paid		***3,556***	***3,132***	***6,516***
Other changes in net working capital		(526)	(212)	241
Net cash provided by operating activities before income tax paid		***3,030***	***2,920***	***6,757***
Income tax paid, net		176	(744)	(1,015)
Net cash provided by operating activities		**3,206**	**2,176**	**5,742**
Investing activities				
Capital expenditures		(1,396)	(1,051)	(2,105)
Purchases of consolidated companies, after acquired cash		(129)	(4,365)	(3,735)
Investments in equity affiliates	9	(1)	(23)	(114)
Increase in financial assets	10	(41)	(73)	(98)
Investments		***(1,567)***	***(5,512)***	***(6,052)***
Proceeds from sales of property, plant, equipment and intangible assets		33	52	104
Proceeds from sales of consolidated companies, after divested cash		12	(10)	(6)
Disposal of equity affiliates	9	-	-	18
Decrease in financial assets	10	29	310	340
Divestitures		***74***	***352***	***456***
Dividends received from equity affiliates	9	171	143	296
Dividends received from unconsolidated companies		3	2	3
Net cash provided by/(used for) investing activities		**(1,319)**	**(5,015)**	**(5,297)**
Financing activities				
Net proceeds from issuance of common shares and other transactions with shareholders		25	2	101
Sales/(purchases) of treasury shares (a)		(402)	-	(85)
Dividends paid in cash by Vivendi SA to its shareholders (b)		(735)	(1,515)	(1,515)
Dividends and reimbursements of contribution of capital paid by consolidated companies to their minority shareholders		(745)	(623)	(636)
Transactions with shareholders		***(1,857)***	***(2,136)***	***(2,135)***
Setting up of long-term borrowings and increase in other long-term financial liabilities	14	1,520	2,392	3,919
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	14	(2,586)	(217)	(612)
Principal payment on short-term borrowings	14	(227)	(172)	(605)
Other changes in short-term borrowings and other financial liabilities	14	1,008	2,054	216
Interest paid, net	3	(220)	(134)	(354)
Other cash items related to financial activities		25	(82)	34
Transactions on borrowings and other financial liabilities		***(480)***	***3,841***	***2,598***
Net cash provided by/(used for) financing activities		**(2,337)**	**1,705**	**463**
Foreign currency translation adjustments		43	(13)	195
Change in cash and cash equivalents		**(407)**	**(1,147)**	**1,103**
Cash and cash equivalents				
At beginning of the period		**3,152**	**2,049**	**2,049**
At end of the period		**2,745**	**902**	**3,152**

a. Corresponds to the stock repurchase program of Activision Blizzard.

b. The 2008 dividend distribution totaled €1,639 million, of which €904 million was paid in Vivendi shares (having no impact on cash) and €735 million was paid in cash (please refer to the Condensed Statement of Changes in Equity for the six months ended June 30, 2009 - next page).

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

Condensed Statements of Changes in Equity

Six months ended June 30, 2009 (unaudited)

(in millions of euros, except number of shares)	Attributable to Vivendi SA shareholders									Minority interests	**Total equity**
	Common shares		Additional paid-in capital	Treasury shares	Retained Earnings and Other				**Equity, attributable to equity holders of the parent**		
	Number of shares (in thousands)	Amount			Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Total			
BALANCE AS OF DECEMBER 31, 2008	**1,170,197**	**6,436**	**7,406**	**(2)**	**10,570**	**(17)**	**(1,768)**	**8,785**	**22,625**	**4,001**	**26,626**
Dividends paid by Vivendi SA (€1.4 per share) (a)	53,185	293	611	-	(1,639)	-	-	(1,639)	**(735)**	-	**(735)**
o/w capital increase related to dividends paid in shares	*53,185*	*293*	*611*	-	*(904)*	-	-	*(904)*	**-**	-	**-**
o/w paid in cash	-	-	-	-	*(735)*	-	-	*(735)*	***(735)***	-	***(735)***
Exercise of stock options	116	1	1	-	-	-	-	-	**2**	-	**2**
Other transactions with shareholders	453	2	(2)	(1)	19	-	-	19	**18**	-	**18**
Dividends and other transactions with Vivendi SA shareholders	**53,754**	**296**	**610**	**(1)**	**(1,620)**	**-**	**-**	**(1,620)**	**(715)**	**-**	**(715)**
Dividends	-	-	-	-	-	-	-	-	**-**	(785)	**(785)**
Other transactions with minority interests	-	-	-	-	(324) (b)	-	-	(324)	**(324)**	(8)	**(332)**
Transactions with minority interests	**-**	**-**	**-**	**-**	**(324)**	**-**	**-**	**(324)**	**(324)**	**(793)**	**(1,117)**
Earnings	-	-	-	-	1,188	-	-	1,188	**1,188**	775	**1,963**
Charges and income directly recognized in equity	-	-	-	-	16	(51)	(192)	(227)	**(227)**	160	**(67)**
Total recognized charges and income for the period	**-**	**-**	**-**	**-**	**1,204**	**(51)**	**(192)**	**961**	**961**	**935**	**1,896**
Total changes over the period	***53,754***	***296***	***610***	***(1)***	***(740)***	***(51)***	***(192)***	***(983)***	***(78)***	***142***	***64***
BALANCE AS OF JUNE 30, 2009	**1,223,951**	**6,732**	**8,016**	**(3)**	**9,830**	**(68)**	**(1,960)**	**7,802**	**22,547**	**4,143** (c)	**26,690**

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

a. At the Annual Shareholders' Meeting held on April 30, 2009, Vivendi's shareholders approved the Management Board's recommendations relating to the allocation of distributable earnings for the fiscal year 2008. As a result, the dividend payment was set at €1.40 per share. Vivendi's shareholders were given the option to make an election to receive their 2008 dividend payment in either shares or cash.
   - For the dividend payment in shares, the Vivendi share price was set at €17 per share. At the end of the election period, 55.47% of rights had been exercised in favor of payment in shares, which represents a strengthening of Vivendi's equity capital of €904 million. The corresponding capital increase was recognized on June 4, 2009.
   - The dividend payment of €735 million in cash took place beginning June 4, 2009.

b. Resulting from Activision Blizzard's stock repurchase program authorized by its Board of Directors on November 5, 2008. Please refer to Note 2.2 to the Consolidated Financial Statements for the year ended December 31, 2008 (page 208 of the 2008 Annual Report).

c. Includes cumulative foreign currency translation adjustments of €194 million.

Six months ended June 30, 2008 (unaudited)

(in millions of euros, except number of shares)	Attributable to Vivendi SA shareholders									Minority interests	**Total equity**
	Common shares		Additional paid-in capital	Treasury shares	Retained Earnings and Other				**Equity, attributable to equity holders of the parent**		
	Number of shares (in thousands)	Amount			Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Total			
BALANCE AS OF DECEMBER 31, 2007	**1,164,743**	**6,406**	**7,332**	**(2)**	**9,209**	**134**	**(2,737)**	**6,606**	**20,342**	**1,900**	**22,242**
Dividends paid by Vivendi S.A. (€1.3 per share)	-	-	-	-	(1,515)	-	-	(1,515)	**(1,515)**	-	**(1,515)**
Exercise of stock options	117	1	1	-	-	-	-	-	**2**	-	**2**
Other transactions with shareholders	424	2	-	-	26	-	-	26	**28**	-	**28**
Dividends and other transactions with Vivendi SA shareholders	**541**	**3**	**1**	**-**	**(1,489)**	**-**	**-**	**(1,489)**	**(1,485)**	**-**	**(1,485)**
Dividends	-	-	-	-	-	-	-	-	**-**	(435)	**(435)**
Other transactions with minority interests	-	-	-	-	-	-	-	-	**-**	47	**47**
Transactions with minority interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(388)**	**(388)**
Earnings	-	-	-	-	1,222	-	-	1,222	**1,222**	595	**1,817**
Charges and income directly recognized in equity	-	-	-	-	342	(109)	(867)	(634)	**(634)**	2	**(632)**
Total recognized charges and income for the period	**-**	**-**	**-**	**-**	**1,564**	**(109)**	**(867)**	**588**	**588**	**597**	**1,185**
Total changes over the period	***541***	***3***	***1***	***-***	***75***	***(109)***	***(867)***	***(901)***	***(897)***	***209***	***(688)***
BALANCE AS OF JUNE 30, 2008	**1,165,284**	**6,409**	**7,333**	**(2)**	**9,284**	**25**	**(3,604)**	**5,705**	**19,445**	**2,109** (a)	**21,554**

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

a. Includes cumulative foreign currency translation adjustments of -€63 million.

Year ended December 31, 2008

(in millions of euros, except number of shares)	Attributable to Vivendi SA shareholders									Minority interests	**Total equity**
	Common shares		Additional paid-in capital	Treasury shares	Retained Earnings and Other				**Equity, attributable to equity holders of the parent**		
	Number of shares (in thousands)	Amount			Retained earnings	Net unrealized gains/(losses)	Foreign currency translation adjustments	Total			
BALANCE AS OF DECEMBER 31, 2007	**1,164,743**	**6,406**	**7,332**	**(2)**	**9,209**	**134**	**(2,737)**	**6,606**	**20,342**	**1,900**	**22,242**
Dividends paid by Vivendi S.A. (€1.3 per share)	-	-	-	-	(1,515)	-	-	(1,515)	**(1,515)**	-	**(1,515)**
Exercise of stock options	348	2	4	-	-	-	-	-	**6**	-	**6**
Employee Stock Purchase Plans (July 24, 2008)	4,494	25	70	-	-	-	-	-	**95**	-	**95**
Other transactions with shareholders	612	3	-	-	40	-	-	40	**43**	-	**43**
Dividends and other transactions with Vivendi SA shareholders	**5,454**	**30**	**74**	**-**	**(1,475)**	**-**	**-**	**(1,475)**	**(1,371)**	**-**	**(1,371)**
Creation of Activision Blizzard (July 9, 2008)	-	-	-	-	-	-	-	-	**-**	1,399	**1,399**
Dividends	-	-	-	-	-	-	-	-	**-**	(440)	**(440)**
Other transactions with minority interests	-	-	-	-	(69)	-	-	(69)	**(69)**	4	**(65)**
Transactions with minority interests	**-**	**-**	**-**	**-**	**(69)**	**-**	**-**	**(69)**	**(69)**	**963**	**894**
Earnings	-	-	-	-	2,603	-	-	2,603	**2,603**	1,096	**3,699**
Charges and income directly recognized in equity	-	-	-	-	302	(151)	969	1,120	**1,120**	42	**1,162**
Total recognized charges and income for the period	**-**	**-**	**-**	**-**	**2,905**	**(151)**	**969**	**3,723**	**3,723**	**1,138**	**4,861**
Total changes over the period	***5,454***	***30***	***74***	***-***	***1,361***	***(151)***	***969***	***2,179***	***2,283***	***2,101***	***4,384***
BALANCE AS OF DECEMBER 31, 2008	**1,170,197**	**6,436**	**7,406**	**(2)**	**10,570** (a)	**(17)**	**(1,768)**	**8,785**	**22,625**	**4,001** (b)	**26,626**

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

a. Mainly includes previous years' earnings which were not distributed and 2008 earnings attributable to equity holders of the parent.

b. Includes cumulative foreign currency translation adjustments of -€24 million.

Condensed Statement of Recognized Charges and Income

(in millions of euros)	Six Months Ended June 30, 2009 (unaudited)			Six Months Ended June 30, 2008 (unaudited)			Year Ended December 31, 2008		
	Attributable to Vivendi SA's shareholders	Minority interests	Total	Attributable to Vivendi SA's shareholders	Minority interests	Total	Attributable to Vivendi SA's shareholders	Minority interests	Total
Net income	**1,188**	**775**	**1,963**	**1,222**	**595**	**1,817**	**2,603**	**1,096**	**3,699**
Foreign currency translation adjustments	**(192)** (a)	**171**	**(21)**	**(867)** (a)	**(11)**	**(878)**	**969** (a)	**66**	**1,035**
Assets available for sale	(1)	(1)	(2)	(75)	-	(75)	(85)	-	(85)
Valuation gains/(losses) taken to equity	*(1)*	*(1)*	*(2)*	*7*	-	*7*	*(2)*	-	*(2)*
Transferred to profit or loss on divestiture	-	-	-	*(82)*	-	*(82)*	*(83)*	-	*(83)*
Cash flow hedge instruments	(39)	(16)	(55)	(33)	20	(13)	(91)	(37)	(128)
Net investment hedge instruments	(18)	-	(18)	8	-	8	9	-	9
Tax	7	6	13	(9)	(7)	(16)	16	13	29
Unrealized gains/(losses)	**(51)**	**(11)**	**(62)**	**(109)**	**13**	**(96)**	**(151)**	**(24)**	**(175)**
Charges and income directly recorded in equity related to equity affiliates	-	-	-	(3)	-	(3)	(3)	-	(3)
Asset revaluation surplus	-	-	-	345	-	345	341 (b)	-	341
Other	16	-	16	-	-	-	(36)	-	(36)
Other impacts on retained earnings	**16**	**-**	**16**	**342**	**-**	**342**	**302**	**-**	**302**
Charges and income directly recognized in equity	**(227)**	**160**	**(67)**	**(634)**	**2**	**(632)**	**1,120**	**42**	**1,162**
TOTAL RECOGNIZED CHARGES AND INCOME FOR THE PERIOD	**961**	**935**	**1,896**	**588**	**597**	**1,185**	**3,723**	**1,138**	**4,861**

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

a. Includes changes in foreign currency translation adjustments relating to the investment in NBC Universal of €17 million for the first half of 2009, -€426 million for the first half of 2008 and €160 million in fiscal year 2008.

b. Includes the positive revaluation of Neuf Cegetel's assets and liabilities. Please refer to Note 2.1 to the Consolidated Financial Statements of Vivendi for the year ended December 31, 2008 (pages 206 through 208 of the 2008 Annual Report).

Notes to the Condensed Financial Statements

On August 26, 2009, the Management Board approved the Financial Report and the unaudited Condensed Financial Statements for the first half year ended June 30, 2009 and they were reviewed by the Audit Committee on August 27, 2009.

The unaudited Condensed Financial Statements for the first half year ended June 30, 2009 should be read in conjunction with the audited Consolidated Financial Statements of Vivendi for the year ended December 31, 2008, as published in the 2008 "Rapport annuel - Document de référence" that was filed under number D.09-0139 with the "Autorité des marchés financiers" (AMF) on March 19, 2009 (the "Document de référence"). Please also refer to pages 179 through 290 of the English translation[1] of the "Document de référence" (the "2008 Annual Report") which is provided on our 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 2009 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, except as described in paragraph 1.2 below, Vivendi applied the same accounting methods used for the Consolidated Financial Statements for the year ended December 31, 2008 (please refer to Note 1 "Accounting policies and valuation methods" presented in those financial statements from pages 188 through 205 of the 2008 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 notably takes into consideration 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

New IFRS applicable from January 1, 2009

The new IFRS effective from January 1, 2009, 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, 2008 (page 205 of the 2008 Annual Report), which were effective from the first half year ended June 30, 2009, had no material impact on Vivendi's Financial Statements.

Early application of IFRS 3 and IAS 27 revised standards from January 1, 2009

The IFRS 3 - Business Combinations - and IAS 27 - Consolidated and Separate Financial Statements - revised standards were published by the IASB on January 10, 2008, adopted by the EU on June 3, 2009, and published in the EU Official journal on June 12, 2009. They will go into mandatory effect for accounting periods beginning on or after January 1, 2010. However, Vivendi voluntarily opted for the early application of these standards to its Condensed Financial Statements for the first half year ended June 30, 2009. Pursuant to the provisions of the IFRS 3 and IAS 27 revised standards, in the event of the acquisition of an additional interest in a consolidated subsidiary, Vivendi recognizes the excess of the acquisition cost over the carrying value of minority interests acquired, deducted from equity attributable to Vivendi SA's shareholders.

As of June 30, 2009, the impact of the early adoption of the IFRS 3 and IAS 27 revised standards on Vivendi's Condensed Financial Statements for the first half year ended June 30, 2009 mainly relate to the accounting treatment of the repurchase by Activision Blizzard of its shares of common stock, which was recognized as a deduction from equity attributable to Vivendi SA shareholders in an amount corresponding to the excess of the acquisition cost (€402 million) over the carrying value of the related minority interests (€78 million), and thus do not constitute any rise to additional goodwill.

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

Note 2 Segment data

The group operates through five different communication and entertainment businesses: Activision Blizzard (please refer to note a below), Universal Music Group, SFR (please refer to note b below), Maroc Telecom Group, and Canal+ Group.

Statement of Earnings

Three Months Ended June 30, 2009

(in millions of euros)	Activision Blizzard (a)	Universal Music Group	SFR (b)	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)
Gain/(losses) on sale 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									7
Provision for income taxes									(190)
Earnings from discontinued operations									-
Earnings									**1,117**
Attributable to:									
Equity holders of the parent									**711**
Minority interests									406

Three Months Ended June 30, 2008

(in millions of euros)	Activision Blizzard (a)	Universal Music Group	SFR (b)	Maroc Telecom Group	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	223	1,007	2,986	630	1,139	-	3	-	5,988
Intersegment revenues	-	4	1	10	-	-	(1)	(14)	-
Revenues	**223**	**1,011**	**2,987**	**640**	**1,139**	**-**	**2**	**(14)**	**5,988**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(169)	(833)	(1,899)	(243)	(916)	(38)	(14)	14	(4,098)
Charges related to stock options and other share-based compensation plans	-	(3)	(12)	(1)	(4)	(2)	-	-	(22)
EBITDA	**54**	**175**	**1,076**	**396**	**219**	**(40)**	**(12)**	**-**	**1,868**
Restructuring charges	-	(17)	(10)	-	-	(1)	-	-	(28)
Gain/(losses) on sale of tangible and intangible assets	-	1	(1)	-	-	-	-	-	-
Other non-recurring items	1	-	1	-	(2)	13	2	-	15
Depreciation of tangible assets	(10)	(11)	(220)	(61)	(23)	-	-	-	(325)
Amortization of intangible assets excluding those acquired through business combinations	(3)	-	(130)	(19)	(13)	-	(1)	-	(166)
Adjusted earnings before interest and income taxes (EBITA)	**42**	**148**	**716**	**316**	**181**	**(28)**	**(11)**	**-**	**1,364**
Amortization of intangible assets acquired through business combinations	-	(62)	(23)	(6)	(7)	-	-	-	(98)
Impairment losses of intangible assets acquired through business combinations	-	(21)	-	(1)	-	-	-	-	(22)
Earnings before interest and income taxes (EBIT)	**42**	**65**	**693**	**309**	**174**	**(28)**	**(11)**	**-**	**1,244**
Income from equity affiliates									50
Interest									(97)
Income from investments									2
Other financial charges and income									12
Provision for income taxes									(264)
Earnings from discontinued operations									-
Earnings									**947**
Attributable to:									
Equity holders of the parent									**667**
Minority interests									280

Six Months Ended June 30, 2009

(in millions of euros)	Activision Blizzard (a)	Universal Music Group	SFR (b)	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)
Gain/(losses) on sale 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**
Attributable to:									
Equity holders of the parent									**1,188**
Minority interests									775

Six Months Ended June 30, 2008

(in millions of euros)	Activision Blizzard (a)	Universal Music Group	SFR (b)	Maroc Telecom Group	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	444	2,039	5,285	1,242	2,255	-	3	-	11,268
Intersegment revenues	-	5	4	12	(1)	-	(1)	(19)	-
Revenues	**444**	**2,044**	**5,289**	**1,254**	**2,254**	**-**	**2**	**(19)**	**11,268**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(336)	(1,746)	(3,343)	(507)	(1,819)	(72)	(21)	19	(7,825)
Charges related to stock options and other share-based compensation plans	7	10	(14)	(2)	(6)	21	-	-	16
EBITDA	**115**	**308**	**1,932**	**745**	**429**	**(51)**	**(19)**	**-**	**3,459**
Restructuring charges	-	(29)	(10)	1	-	-	-	-	(38)
Gain/(losses) on sale of tangible and intangible assets	-	1	(1)	3	-	-	-	-	3
Other non-recurring items	1	1	1	(1)	(1)	14	-	-	15
Depreciation of tangible assets	(20)	(22)	(353)	(124)	(50)	(2)	-	-	(571)
Amortization of intangible assets excluding those acquired through business combinations	(4)	-	(229)	(40)	(27)	-	(1)	-	(301)
Adjusted earnings before interest and income taxes (EBITA)	**92**	**259**	**1,340**	**584**	**351**	**(39)**	**(20)**	**-**	**2,567**
Amortization of intangible assets acquired through business combinations	-	(126)	(30)	(12)	(15)	-	-	-	(183)
Impairment losses of intangible assets acquired through business combinations	-	(21)	-	(1)	-	-	-	-	(22)
Earnings before interest and income taxes (EBIT)	**92**	**112**	**1,310**	**571**	**336**	**(39)**	**(20)**	**-**	**2,362**
Income from equity affiliates									135
Interest									(134)
Income from investments									4
Other financial charges and income									(10)
Provision for income taxes									(540)
Earnings from discontinued operations									-
Earnings									**1,817**
Attributable to:									
Equity holders of the parent									**1,222**
Minority interests									595

a. 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. On the date of the merger, Vivendi held a 54.47% (non-diluted) controlling interest in Activision Blizzard. From an accounting perspective, Vivendi Games is deemed the acquirer of Activision; thus, the figures reported in this Financial Report under the caption "Activision Blizzard", correspond to: (a) Vivendi Games' historical figures from January 1 to July 9, 2008; and (b) the combined business operations of Activision and Vivendi Games from July 10, 2008. As of June 30, 2009, Vivendi holds a 56.06% interest (non-diluted) in Activision Blizzard.

b. Following the acquisition by SFR of the 60.15% equity interest in Neuf Cegetel that it did not own during the second quarter of 2008, Neuf Cegetel has been fully consolidated by SFR from April 15, 2008.

As of June 30, 2009, income from equity affiliates is mainly comprised of the group's share in earnings of NBC Universal for €43 million for the second quarter of 2009, compared to €66 million for the second quarter of 2008 and €72 million for the half year of 2009, compared to €118 million for the half year of 2008. This investment is allocated to the Holding & Corporate business segment.

The group's share in earnings of Neuf Cegetel for the period from January 1, to April 14, 2008 amounted to €18 million. This investment was allocated to the SFR operating segment until April 14, 2008.

Statement of Financial Position

(in millions of euros)	Activision Blizzard	Universal Music Group	SFR	Maroc Telecom Group	Canal+ Group	Holding & Corporate	Non-core operations and others	**Total Vivendi**
June 30, 2009								
Segment assets (a)	4,148	8,244	19,702	5,080	7,270	4,414	72	48,930
incl. investments in equity affiliates (b)	-	*32*	*52*	-	*1*	*4,259*	-	*4,344*
Unallocated assets (c)								4,994
Total Assets								**53,924**
Segment liabilities (d)	841	2,437	6,705	1,288	2,681	436	11	14,399
Unallocated liabilities (e)								12,835
Total Liabilities								**27,234**
Increase in tangible and intangible assets	18	19	585	144	105	-	1	872
Net industrial investments (capex, net) (f)	17	16	954	226	148	1	1	1,363

In addition, 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% stake 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. Corresponding to cash used for capital expenditures, net of proceeds from sales of property, plant, equipment and intangible assets.

Note 3 Financial charges and income

Interest

(in millions of euros)	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Year Ended December 31, 2008
Interest expense on borrowings	122	124	243	190	450
Interest income from cash and cash equivalents	(10)	(27)	(23)	(56)	(96)
Interest at nominal rate	**112**	**97**	**220**	**134**	**354**
Impacts of amortized cost on borrowings	*3*	*8*	*7*	*17*	*16*
Interest at effective rate	***115***	***105***	***227***	***151***	***370***

The impacts of amortized cost on borrowings are recorded under "other financial charges" (see below). This impact represents the difference between the interest at nominal rate and the interest at effective rate.

Other financial charges and income

(in millions of euros)	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Year Ended December 31, 2008
Other capital gain on the divestiture of businesses	16	1	16	2	2,332
o/w the gain on the dilution of Vivendi's interest in Vivendi Games by 45.53% following the creation of Activision Blizzard	-	-	-	-	*2,318*
Downside adjustment on the divestiture of businesses	16	(68)	(3)	(68)	(100)
o/w impact of certain non-cash adjustments relating to the acquisition of Neuf Cegetel by SFR	-	*(68)*	-	*(68)*	*(77)*
Other capital gain on financial investments	1	86	2	97	100
o/w early redemption of the Vivendi bonds exchangeable for Sogecable shares	-	*83*	-	*83*	*83*
Downside adjustment on financial investments	(8)	(4)	(13)	(5)	(134)
Depreciation of the minority stake in NBC Universal	-	-	-	-	(1,503)
Financial components of employee benefits	(6)	(8)	(12)	(14)	(28)
Impacts of amortized cost on borrowings	(3)	(8)	(7)	(17)	(16)
Change in derivative instruments	7	16	(8)	5	(37)
Effect of undiscounting assets and liabilities	(16)	-	(35)	(11)	(45)
Other	-	(3)	(26)	1	10
Other financial charges and income	**7**	**12**	**(86)**	**(10)**	**579**

Note 4 Income taxes

(in millions of euros)	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Year Ended December 31, 2008
Provision for income taxes:					
Impact of the Consolidated Global Profit Tax System	133 (a)	79	265 (a)	158	56
Other components of the provision for income taxes	(323)	(343)	(680)	(698)	(1,107)
Provision for income taxes	**(190)**	**(264)**	**(415)**	**(540)**	**(1,051)**

a. In 2009, corresponding to 25% and 50%, respectively, of the expected tax savings relating to the 2010 fiscal year. As a reminder, in 2008, the 2009 expected tax savings decreased following the anticipated utilization by SFR in 2009 of Neuf Cegetel's ordinary losses carried forward. By an order dated March 13, 2009, the permission to benefit from the tax regime provided by Article 209 quinquies of the French General Tax Code (the Consolidated Global Profit Tax System) was renewed for the period beginning January 1, 2009 and ending December 31, 2011. As a reminder, the Consolidated Global Profit Tax System allows Vivendi to consolidate its own profits and losses with the profits and losses of its subsidiaries that are at least 50% directly or indirectly owned and located in France or abroad, as well as Canal+ SA. Please refer to Note 6.1 to the Consolidated Financial Statements for the year ended December 31, 2008 (page 218 of the 2008 Annual Report).

As a reminder, Vivendi's US tax group was under tax audit for the fiscal years ended December 31, 2002, 2003 and 2004. The audit was completed on June 30, 2009. In this context, Vivendi made an affirmative claim before the tax authorities, which was met favorably by the tax authorities. Consequently, the ordinary losses carried forward of the US tax group have been increased by $975 million.

Note 5 Reconciliation of earnings attributable to equity holders of the parent and adjusted net income

(in millions of euros)	Note	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Year Ended December 31, 2008
Earnings attributable to equity holders of the parent (a)		**711**	**667**	**1,188**	**1,222**	**2,603**
Adjustments						
Amortization of intangible assets acquired through business combinations		141	98	289	183	653
Impairment losses of intangible assets acquired through business combinations (a)		-	22	-	22	40
Other financial charges and income (a)	3	(7)	(12)	86	10	(579)
Change in deferred tax asset related to the Consolidated Global Profit Tax System		(79)	69	(158)	138	378
Non-recurring items related to provision for income taxes		207	(2)	389 (b)	2	26
Provision for income taxes on adjustments		(41)	(41)	(104)	(74)	(273)
Minority interests on adjustments		(114)	(44)	(223) (b)	(49)	(113)
Adjusted net income		**818**	**757**	**1,467**	**1,454**	**2,735**

a. As presented in the condensed statement of earnings.

b. Corresponding to the cancellation of a credit for the consumption of the deferred tax asset related to the utilization by SFR of Neuf Cegetel's ordinary tax losses carried forward (€218 million for the share attributable to the group and €171 million for the share attributable to the minority shareholder of SFR). As a reminder, these ordinary tax losses carried forward were fully recognized in SFR's statement of financial position (€807 million) on April 15, 2008, as part of the purchase price allocation of Neuf Cegetel.

Please refer to Note 6 to the Consolidated Financial Statements for the year ended December 31, 2008 (pages 218 through 222 of the 2008 Annual Report).

Note 6 Earnings per share

	Three Months Ended June 30,				Six Months Ended June 30,				Year Ended December 31,	
	2009		2008		2009		2008		2008	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Earnings (in millions of euros)										
Earnings attributable to equity holders of the parent	711	709 (a)	667	667	1,188	1,183 (a)	1,222	1,222	2,603	2,606 (a)
Adjusted net income	818	815 (a)	757	757	1,467	1,461 (a)	1,454	1,454	2,735	2,735
Number of shares (in millions)										
Weighted average number of shares outstanding restated (b)	1,185.7	1,185.7	1,165.1	1,165.1	1,177.9	1,177.9	1,164.9	1,164.9	1,167.1	1,167.1
Potential dilutive effects related to share-based compensation	-	1.6	-	4.9	-	1.7	-	5.2	-	4.1
Adjusted weighted average number of shares	**1,185.7**	**1,187.3**	**1,165.1**	**1,170.0**	**1,177.9**	**1,179.6**	**1,164.9**	**1,170.1**	**1,167.1**	**1,171.2**
Earnings per share (in euros)										
Earnings attributable to equity holders of the parent per share	0.60	0.60	0.57	0.57	1.01	1.00	1.05	1.04	2.23	2.23
Adjusted net income per share	0.69	0.69	0.65	0.65	1.25	1.24	1.25	1.24	2.34	2.34

Earnings from discontinued operations are not applicable over the presented periods. Therefore, the caption "earnings from continuing operations attributable to equity holders of the parent", corresponds to earnings attributable to equity holders of the parent.

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

b. Net of treasury shares (141,052 shares as of June 30, 2009).

Note 7 Goodwill

(in millions of euros)	June 30, 2009	December 31, 2008
Goodwill, gross	33,838	33,778
Impairment losses	(11,165)	(11,166)
Goodwill	**22,673**	**22,612**

Changes in goodwill

(in millions of euros)	Goodwill as of December 31, 2008	Changes in value of commitments to purchase minority interests	Business combinations	Divestitures, changes in foreign currency translation adjustments and other	Goodwill as of June 30, 2009
Activision Blizzard	2,161	-	3	1	2,165
o/w Activision	*2,113*	-	*3*	*1*	*2,117*
o/w Blizzard	*44*	-	-	-	*44*
o/w Distribution	*4*	-	-	-	*4*
Universal Music Group	4,406	-	(5)	15	4,416
SFR	9,050	-	44	(1)	9,093
o/w Mobile	*6,907*	-	*44*	*(1)*	*6,950*
o/w Broadband Internet and fixed	*2,143*	-	-	-	*2,143*
Maroc Telecom Group	1,968	(7)	-	(3)	1,958
Canal+ Group	5,027	(18)	-	2	5,011
o/w Canal+ France	*4,709*	*(18)*	-	-	*4,691*
o/w StudioCanal	*164*	-	-	*2*	*166*
Non-core operations and others	-	-	30	-	30
Total	**22,612**	**(25)**	**72**	**14**	**22,673**

During the fourth quarter of 2008, Vivendi tested the value of goodwill allocated to its cash-generating units (CGU) or groups of CGU and ensured that the recoverable amount of CGU or groups of CGU exceeded their carrying value (including goodwill). Vivendi Management concluded that the recoverable amount of each tested CGU or group of CGU exceeded their carrying value as of December 31, 2008. Due to the change in the recent economic environment and the volatile behavior of financial markets, Vivendi assessed whether as of June 30, 2009, 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, 2008. In addition, Vivendi will perform an annual impairment test of the carrying value of goodwill and other intangible assets during the fourth quarter of 2009.

Note 8 Content assets and commitments

8.1 Content assets

(in millions of euros)	June 30, 2009			December 31, 2008
	Content assets, gross	Accumulated amortization and impairment losses	Content assets	Content assets
Internally developed franchises and other games content assets	1,245	(250)	995	1,031
Games advances	75	-	75	73
Music catalogs and publishing rights	5,937	(3,704)	2,233	2,339
Advances to artists and repertoire owners	516	-	516	459
Merchandising contracts and artists services	53	(15)	38	36
Film and television costs	4,993	(4,228)	765	716
Sports rights	54	-	54	285
Content assets	**12,873**	**(8,197)**	**4,676**	**4,939**
Deduction of current content assets	(784)	15	(769)	(927)
Non-current content assets	**12,089**	**(8,182)**	**3,907**	**4,012**

Changes in the main content assets

(in millions of euros)	Six Months Ended June 30, 2009
Opening balance of internally developed franchises and other games content assets	**1,031**
Amortization, net (a)	(121)
Acquisitions/Internal developments	64
Changes in foreign currency translation adjustments and other	21
Closing balance of internally developed franchises and other games content assets	**995**

a. Includes €63 million recorded in "Amortization of intangible assets acquired through business combinations" in the Statement of Earnings.

(in millions of euros)	Six Months Ended June 30, 2009
Opening balance of games advances	**73**
Payment to game developers, gross	70
Recoupment of advances, net	(68)
Closing balance of games advances	**75**

(in millions of euros)	Six Months Ended June 30, 2009
Opening balance of music catalogs and publishing rights	**2,339**
Amortization, net (a)	(143)
Business combinations	15
Purchases of catalogs	10
Changes in foreign currency translation adjustments and other	12
Closing balance of music catalogs and publishing rights	**2,233**

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

(in millions of euros)	Six Months Ended June 30, 2009
Opening balance of payments to artists and repertoire owners	**459**
Payment to artists and repertoire owners	352
Business combinations	1
Recoupment of advances, net	(306)
Changes in foreign currency translation adjustments and other	10
Closing balance of payments to artists and repertoire owners	**516**

(in millions of euros)	Six Months Ended June 30, 2009
Opening balance of film and television costs	**716**
Acquisition of coproductions and catalogs	27
Consumption of coproductions and catalogs	(33)
Acquisition of film and television rights	422
Consumption of film and television rights	(365)
Business combinations	4
Other	(6)
Closing balance of film and television costs	**765**

(in millions of euros)	Six Months Ended June 30, 2009
Opening balance of sports rights	**285**
Rights acquisition (a)	315
Rights accrual, net (a)	(250)
Consumption of broadcasting rights (b)	(293)
Other	(3)
Closing balance of sports rights	**54**

a. The rights are accrued upon the opening of the broadcasting period. They are reclassified as acquired rights upon billing by the third party, unless they have already been expensed. The rights accrual, net corresponds to accrued rights less rights transferred to acquired rights and rights consumed prior to their billing.

b. As of June 30, 2009, the rights to broadcast the French Professional Soccer League 1 for the 2008-2009 season were fully amortized. The residual rights for the 2009-2010 season will be recognized in the Statement of Financial Position upon the opening of this season, on July 1, 2009, for an amount of €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, 2009	December 31, 2008
Music royalties to artists and repertoire owners	1,271	1,380
Games royalties	21	58
Film and television rights	251	258
Sports rights	48 (a)	359
Creative talent, employment agreements and others	111	138
Total content liabilities	**1,702**	**2,193**

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 2008-2009 season. The residual rights for the last three seasons are recognized in commitments given not recorded in the Statement of Financial Position (please refer to the chart below).

Commitments given/(received) not recorded in the Statement of Financial Position

(in millions of euros)	Minimum future payments as of June 30, 2009	December 31, 2008
Film and television rights (a)	2,621	3,008
Sports rights	1,698 (b)	1,721
Creative talent, employment agreements and others	983	1,089
Total given	**5,302**	**5,818**
Film and television rights	(60)	(57)
Sports rights	(32)	(35)
Creative talent, employment agreements and others	not available	
Other	(123)	(11)
Total received	**(215)**	**(103)**
Total net	**5,087**	**5,715**

a. Provisions recognized in respect of rights amounted to €360 million as of June 30 2009 (compared to €389 million as of December 31, 2008).

b. Mainly corresponds to the residual rights to broadcast the French professional Soccer League 1 successfully obtained by Canal+ Group in February 2008 for the last of the three seasons (2009-2010 to 2011-2012) at a price of €465 million per season. These commitments will be recognized in the Statement of Financial Position upon the opening 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, 2009	December 31, 2008	June 30, 2009	December 31, 2008
NBC Universal	20.0%	20.0%	4,259	4,342
Other	na*	na*	85	99
			4,344	**4,441**

na*: not applicable.

Changes in equity affiliates

(in millions of euros)	Value of equity affiliates as of December 31, 2008	Impairment losses	Income from equity affiliates	Dividends received	Changes in foreign currency translation adjustments and other	Value of equity affiliates as of June 30, 2009
NBC Universal	4,342	-	72	(171)	16 (a)	4,259
Other	99	(9)	(1)	-	(4)	85
	4,441	**(9)**	**71**	**(171)**	**12**	**4,344**

a. Includes changes in foreign currency translation adjustments for €17 million.

At year-end 2008, Vivendi, with the assistance of a third-party valuation expert, performed an impairment test to determine whether the carrying value of its 20% interest in NBCU exceeded its recoverable value. Accordingly, such recoverable amount was calculated based on usual valuation methods (including DCF and comparable publicly traded companies) while using financial parameters consistent with those used in previous years. Vivendi Management concluded that such recoverable amount was lower than its carrying value, and hence recorded an impairment loss on its stake in NBCU of $2.1 billion (€1,503 million) as of December 31, 2008. Based on internal studies, Vivendi ensured that as of June 30, 2009 the value of its 20% interest in NBCU had not been impaired as compared to December 31, 2008. At year-end 2009, Vivendi will perform an annual impairment test of the carrying value of such stake.

Note 10 Financial assets

(in millions of euros)	June 30, 2009	December 31, 2008
Available-for-sale securities	50	72
Derivative financial instruments	12	99
Financial assets at fair value through profit or loss	123	128
Financial assets at fair value	**185**	**299**
Cash deposits backing borrowings	44	30
Other loans and receivables (a)	572	666
Held-to-maturity investments	1	1
Financial assets at amortized cost	**617**	**697**
Financial assets	**802**	**996**
Deduction of short-term financial assets	(201)	(287)
Non-current financial assets	**601**	**709**

a. Notably includes SFR's deposits related to Qualified Technological Equipment lease/sublease operations for €367 million as of June 30, 2009, compared to €462 million as of December 31, 2008.

Note 11 Provisions

(in millions of euros)	Note	December 31, 2008	Addition	Utilization	Reversal	Business combinations	Divestitures, changes in foreign currency translation adjusments and other	June 30, 2009
Employee benefit plans		*418*	*8*	*(26)*	*3*	-	*13*	*416*
Share-based compensation plans	*13*	*97*	*22*	*(47)*	*(17)*	-	*(1)*	*54*
Other employee provisions		*76*	*2*	*(10)*	-	-	*1*	*69*
Employee benefits		591	32	(83)	(14)	-	13	539
Restructuring costs		151	52	(63)	(34)	-	(15)	91
Litigations	17	384	20	(28)	(27)	(1)	(1)	347
Losses on onerous contracts		565	1	(40)	-	-	8	534
Contingent liabilities due to disposal		137	-	(1)	(2)	-	-	134
Cost of dismantling and restoring site		104	5	-	-	-	-	109
Other		372	43	(34)	(27)	(1)	6	359
Provisions		**2,304**	**153**	**(249)**	**(104)**	**(2)**	**11**	**2,113**
Deduction of current provisions		(719)	(77)	135	75	-	(4)	(590)
Non-current provisions		**1,585**	**76**	**(114)**	**(29)**	**(2)**	**7**	**1,523**

Note 12 Employee benefits

The analysis of the charge related to defined benefit plans for the first half of 2009 and 2008 is as follows:

	Six Months Ended June 30,					
	2009	2008	2009	2008	2009	2008
(in millions of euros)	Pension benefits		Post-retirement benefits		Total	
Current service cost	6	5	-	-	6	5
Amortization of actuarial (gains)/ losses	-	1	-	-	-	1
Amortization of past service cost	-	-	-	-	-	-
Effect of curtailments/settlements	-	1	-	-	-	1
Adjustment related to asset ceiling	-	-	-	-	-	-
Impact on selling, administrative and general expenses	**6**	**7**	**-**	**-**	**6**	**7**
Interest cost	13	20	4	4	17	24
Expected return on plan assets	(5)	(10)	-	-	(5)	(10)
Impact on other financial charges and income	**8**	**10**	**4**	**4**	**12**	**14**
Net benefit cost	**14**	**17**	**4**	**4**	**18**	**21**

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	2009	2008	December 31, 2008
Stock options, restricted stocks and performance shares		14	18	33
"Stock appreciation rights" and "restricted stock units"		(17)	(54)	(64)
Employee stock purchase plans		7	10	10
Vivendi stock instruments	13.2	**4**	**(26)**	**(21)**
Activision Blizzard stock options, restricted stock units and performance shares		46	na*	50
Blizzard employee cash-settled equity unit plan		22	3	22
Activision Blizzard stock instruments	13.3	**68**	**3**	**72**
UMG employee equity unit plan		**-**	**3**	**(4)**
Neuf Cegetel cash-settled restricted stock plans		**8**	**4**	**11**
SUBTOTAL (including Activision Blizzard's capitalized costs)		**80**	**(16)**	**58**
o/w				
Equity-settled instruments		*67*	*28*	*93*
Cash-settled instruments		*13*	*(44)*	*(35)*
(-) Activision Blizzard's capitalized costs (a)		**(16)**	**na***	**(17)**
CHARGES/(INCOME) RELATED TO STOCK OPTIONS AND OTHER SHARE-BASED COMPENSATION PLANS		**64**	**(16)**	**41**

na*: not applicable.

a. During the first half of 2009, €24 million were capitalized, compared to €19 million in 2008, and €8 million were amortized, compared to €2 million in 2008, i.e., a net impact of €16 million, compared to €17 million in 2008.

Impact on the Statement of Financial Position

(in millions of euros)	Note	June 30, 2009	December 31, 2008
"Stock appreciation rights" and "restricted stock units"		13	30
UMG employee equity unit plan (a)		-	47
Blizzard employee equity unit plan (b)		41	20
Provisions related to cash-settled instruments	11	**54**	**97**
Neuf Cegetel restricted stock plans (c)		111	144
Payables related to cash-settled instruments		**111**	**144**
LIABILITIES RELATED TO CASH-SETTLED INSTRUMENTS		**165**	**241**

a. $65 million (€46 million) was paid out as the final distribution under the Plan in January 2009. There are no longer any payment obligations under UMG Long-term Incentive Plan. Please refer to Note 21.4 to the Consolidated Financial Statements for the year ended December 31, 2008 (page 256 of the 2008 Annual Report).

b. Please refer to Note 21.3.3 to the Consolidated Financial Statements for the year ended December 31, 2008 (page 255 of the 2008 Annual Report).

c. As a reminder, in connection with the consolidation of Neuf Cegetel by SFR, Vivendi took over 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, 2008 (page 257 of the 2008 Annual Report). After the merger of Neuf Cegetel with and into SFR on March 30, 2009, these agreements remain effective. According to these agreements, Vivendi is entitled to acquire in the future 0.3% of the share capital of SFR. During the first half of 2009, €83 million was paid to the beneficiaries of Neuf Cegetel restricted stock plans.

13.2 Plans granted by Vivendi in the first half of 2009

Characteristics of the plans granted by Vivendi in the first half of 2009

During the first half of 2009, Vivendi set up stock option and performance share plans, wherever the tax residence of the beneficiaries, 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, 2009 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, 2008 contained in the 2008 Annual Report (pages 203 through 204 and 245 through 257, respectively).

Stock option and performance share plans

	Stock option plan	Performance share plan
Grant date	April 16	April 16
Data at grant date:		
Options strike price (in euros)	20.02	na*
Maturity (in years)	10	2
Expected term (in years)	6.5	2
Number of instruments granted	6,561,120	567,001
Share price (in euros)	19.57	19.57
Expected volatility	29%	na*
Risk-free interest rate	3.09%	na*
Expected dividend yield	7.15%	7.15%
Performance conditions achievement rate (a)	100%	100%
Discount for non-transferability (% of the share price at grant date)	na*	17.58%
Fair value of the granted instrument at grant date after discount (in euros)	**2.34**	**13.23**
Fair value of the plan at grant date (in millions of euros)	15	8

na*: not applicable.

a. The acquisition of stock options and performance shares is subject to the satisfaction of performance conditions including henceforth an external indicator. These performances are broken down as follows: adjusted net income (50%), cash flow from operations (CFFO) (30%) and the performance of Vivendi shares compared under three trading indicators – DJ Stoxx Media, DJ Stoxx Telco and CAC 40 (20%).

Employee stock purchase plan

	Employee stock purchase plan	Leveraged plan Europe and Morocco (a)
Grant date	July 6	July 6
Subscription price (in euros)	14.61	14.61
Leverage	na*	10
Maturity (in years)	5	5
Data at grant date:		
Share price (in euros)	16.77	16.77
Number of shares subscribed (b)	1,185,031	3,474,580
Amount subscribed (in millions of euros)	17	51
Expected dividend yield	8.35%	8.35%
Risk-free interest rate	2.50%	2.50%
5-year interest rate	6.90%	6.90%
Fair value of the benefit per share before discount value for non-transferability (in euros)	**2.2**	**2.2**
Discount for non-transferability (% of the share price at grant date)	12.0%	12.0%
Fair value per share subscribed at grant date (in euros)	**0.2**	**2.0**
Fair value of the plan at grant date (in millions of euros)	ns**	7

na*: not applicable.
ns**: not significant.

a. Under the leveraged plan implemented in June 2009, virtually all employees and retirees of Vivendi and its French and foreign subsidiaries are entitled to subscribe to 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. A financial institution mandated by Vivendi hedges this transaction.

b. Given the amount of subscriptions made through the traditional employee share purchase plan and the leveraged plan (Europe, Morocco, the United States and Germany), the share capital was increased by €27 million on July 30, 2009.

In addition, in the United States, employees subscribed to an aggregate of 141,063 shares under specific conditions due to local regulations, and in Germany, employees subscribed to an aggregate of 61,605 SAR (the economic equivalent of the leveraged plan with a cash settlement).

Activity since January 1, 2009 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 restricted stocks outstanding	Weighted average remaining period before issuing shares
		(in euros)	(in millions of euros)	(in years)		(in years)
Balance as of December 31, 2008	**43,284,077**	**28.2**			**986,827**	
Granted	6,561,120	20.0			567,001	
Exercised	(116,220) (a)	13.0			(453,023)	
Forfeited	(12,680)	72.8			-	
Cancelled	(286,940)	27.4			(21,688)	
Balance as of June 30, 2009	**49,429,357**	**27.2**	**10.7**	**5.8**	**1,079,117**	**1.4**
Exercisable as of June 30, 2009	**31,359,095**	**28.4**	**10.7**		**-**	
Acquired as of June 30, 2009	**32,094,695**	**28.4**	**10.7**		**51,101**	

a. The weighted average share price for the shares of Vivendi on the date the options were exercised was €19.02.

Cash-settled instruments

	SAR (including former ADS converted into SARs in May 2006)				RSU	
	Number of SARs outstanding	Weighted average strike price of SARs 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, 2008	**20,379,337**	**51.8**			**302,732**	
Exercised	-	-			(5,125)	
Forfeited	(3,657,424)	61.5			-	
Cancelled	(13,947)	46.5			(3,827)	
Balance as of June 30, 2009	**16,707,966**	**49.7**	**4.7**	**2.2**	**293,780**	**-**
Exercisable as of June 30, 2009	**15,584,166**	**50.3**	**4.7**		**-**	
Acquired as of June 30, 2009	**15,612,166**	**50.3**	**4.7**		**293,780**	

13.3 Plans granted by Activision Blizzard in the first half of 2009

Characteristics of the plans granted by Activision Blizzard in the first half of 2009

	Stock option plans
Weighted-average data at grant date: (a)	
Options strike price (in US dollars)	11.49
Maturity (in years)	10
Expected term (in years)	6.67
Number of instruments granted	3,193,500
Share price (in US dollars)	11.49
Expected volatility	55%
Risk-free interest rate	3.33%
Expected dividend yield	0%
Weighted-average fair value of the granted instrument at grant date (in US dollars) (a)	**5.86**
Weighted-average fair value of the plan at grant date (in millions of US dollars) (a)	19

a. Relates to the weighted-average by number of instruments for each attribution during the first half year ended June 30, 2009.

	Restricted stock plans
Weighted-average data at grant date: (a)	
Maturity (in years)	3
Number of instruments granted	578,530
Share price (in US dollars)	11.55
Expected dividend yield	0%
Weighted-average fair value of the granted instrument at grant date (in US dollars) (a)	**11.55**
Weighted-average fair value of the plan at grant date (in millions of US dollars) (a)	7

a. Relates to the weighted-average by number of instruments for each attribution during the first half year ended June 30, 2009.

Activity since January 1, 2009 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, 2008	**97,841,005**	**6.5**			**10,267,104**	
Granted	3,193,500	11.5			578,530	
Exercised	(20,424,919) (a)	2.4			(874,347)	
Cancelled	(686,828)	9.3			(87,424)	
Balance as of June 30, 2009	**79,922,758**	**7.8**	**424**	**6.3**	**9,883,863**	**1.9**
Exercisable as of June 30, 2009	**46,754,957**	**5.3**	**347**		**-**	
Acquired as of June 30, 2009	**46,754,957**	**5.3**	**347**		**65,000**	

a. The weighted average share price for the shares of Activision Blizzard on the date the options were exercised was $11.49.

Note 14 Borrowings and other financial liabilities

Analysis of long-term borrowings and other financial liabilities

(in millions of euros)	Nominal interest rate (%)	Effective interest rate (%)	Maturity	June 30, 2009	December 31, 2008
Finance leases	-	-	2010 - 2013	28	39
Asset-backed borrowings (a)				***28***	***39***
Bonds					
€1.1 billion bond issue (January 2009) (c)	7.75%	7.69%	January 2014	1,120 (b)	-
€700 million bond issue (October 2006) (c)	Euribor 3 months +0.50%	-	October 2011	700	700
€700 million bond issue (October 2006) (c)	4.50%	5.47%	October 2013	700 (d)	500
€630 million bond issue (April 2005) (c)	3.63%	3.63%	April 2010	- (e)	630
€600 million bond issue (February 2005) (c)	3.88%	3.94%	February 2012	600	600
$700 million bond issue (April 2008)	5.75%	6.06%	April 2013	501 (f)	501
$700 million bond issue (April 2008)	6.63%	6.85%	April 2018	501 (f)	501
Subtotal: Vivendi SA's bonds				*4,122*	*3,432*
SFR - €1.0 billion bond issue (July 2005) (c)	3.38%	4.14%	July 2012	1,000 (g)	800
Facilities					
MAD 6 billion notes - tranche B: 4 billion	TMP BDT 5 yrs +1.15%	-	December 2011	-	178
€2.0 billion revolving facility	Euribor +0.250%	-	April 2012	150	860
€2.0 billion revolving facility	Euribor +0.250%	-	August 2013	-	990
Subtotal: Vivendi SA's facilities				*150*	*2,028*
€1.2 billion revolving facility	Euribor +0.175%	-	April 2011	530	1,200
€450 million revolving facility	Euribor +0.160%	-	November 2012	450	450
Syndicated loan ("Club Deal") tranche A	Euribor +0.400%	-	July 2010	248	247
Securitization programs	Euribor +0.400%	-	March 2011	280	300
Structured financing (UK lease)	Euribor +0.400%	-	November 2010	100	100
Other	-	-	na*	49	55
Subtotal: SFR's facilities				*1,657*	*2,352*
Other	-	-	na*	72	97
Unsecured borrowings				***7,001***	***8,709***
Nominal value of borrowings				**7,029**	**8,748**
Cumulative effect of amortized cost	na*	-	na*	(44)	(18)
Borrowings				**6,985**	**8,730**
Put options granted to TF1 and M6 on 15% of the share capital of Canal+ France	na*	-	February 2010	- (e)	1,104
Put options granted to various third parties by Canal+ Group and SFR	na*	-	-	12	14
Commitments to purchase minority interests				**12**	**1,118**
Other derivative instruments	na*	-	-	**200**	**127**
Long-term borrowings and other financial liabilities				**7,197**	**9,975**

na*: not applicable.

a. Borrowings are considered secured whenever the creditor(s) is/are backed by a pledge on the borrower's and/or its guarantors' assets.

b. - In January 2009, Vivendi SA put into place a new bond issue of €1 billion aimed at optimizing debt structure and increasing its average maturity. This fixed-rate bond is denominated in euros with a 5-year maturity, a 7.75% coupon and an issue price of 99.727%, corresponding to a 7.82% yield.
 - In April 2009, Vivendi SA placed a new tranche of €120 million of the original bond issue. This new tranche is denominated in euros with a 7.75% coupon and an issue price of 107.579% of the nominal value, corresponding to a 5.86% yield.

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

d. In January 2009, Vivendi SA put into place a new tranche of €200 million of the €500 million original bond issue dated October 2006 with a 2013 maturity. This new tranche is denominated in euros with a 4.5% coupon, and an issue price of 87.550% of the nominal value, corresponding to a 7.738% yield.

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

f. As of June 30, 2009, 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. 1.40 euro/US dollar (unchanged compared to December 31, 2008).

g. On January 14, 2009, SFR placed a €200 million increase of its €800 million original bond issue, dated July 2005 with a 2012 maturity. This increase was in addition to a €200 million initial increase of this bond issue in May 2008. This new tranche of the 2012 original bond issue is denominated in euros with a 3.375% coupon, and an issue price of 94.212% of the nominal value, corresponding to a 5.236% yield.

Analysis of short-term borrowings and other financial liabilities

(in millions of euros)	Nominal interest rate (%)	Maturity	June 30, 2009	December 31, 2008
Current portion of finance leases	-	-	24	28
Asset-backed borrowings (a)			***24***	***28***
Vivendi SA's commercial paper	Eonia +0.25%	July 2009	561	315
SFR's commercial paper	Eonia +0.22%	August 2009	749	343
Current portion of long-term borrowings				
€630 million bond issue (April 2005) Vivendi SA	3.63%	April 2010	630	-
Other bond issue	-	-	-	206
Other borrowings	-	-	106	103
Maroc Telecom's bank overdraft and credit facility (b)	4.68%	(b)	464	-
Other	-	-	426	531
Unsecured borrowings			***2,936***	***1,498***
Nominal value of borrowings			**2,960**	**1,526**
Cumulative effect of amortized cost	-	-	(6)	(4)
Borrowings			**2,954**	**1,522**
Put options granted to TF1 and M6 on 15% of the share capital of Canal+ France	na*	February 2010	1,122	-
Put options granted to various third parties by Canal+ Group and SFR	na*	-	23	29
Commitments to purchase minority interests			**1,145**	**29**
Other derivative instruments	na*	-	**41**	**104**
Short-term borrowings and other financial liabilities			**4,140**	**1,655**

na*: no interest accrued on other financial liabilities.

a. Borrowings are considered secured whenever the creditor(s) is/are backed by a pledge on the borrower's and/or its guarantors' assets.

b. Maroc Telecom SA obtained a bank overdraft facility (maturing on December 31, 2009) and a credit facility (maturing on June 30, 2010) for a total amount of MAD 6 billion. As of June 30, 2009, they were drawn for an aggregate amount of MAD 5.2 billion.

Future minimum payments related to borrowings and other financial liabilities

Net carrying values of borrowings and other financial liabilities as presented in the Statement of Financial Position and contractual undiscounted cash flows as set forth in the relevant agreements:

	June 30, 2009		December 31, 2008	
(in millions of euros)	Carrying value	Nominal value	Carrying value	Nominal value
Nominal value of borrowings	7,029	7,029	8,748	8,748
Cumulative effect of amortized cost	(44)	-	(18)	-
Interest to be paid (a)	-	1,277	-	1,305
Borrowings	6,985	8,306	8,730	10,053
Commitments to purchase minority interests	12	12	1,118	1,153
Other derivative instruments	200	200	127	127
Long-term borrowings and other financial liabilities	**7,197**	**8,518**	**9,975**	**11,333**
Nominal value of borrowings	2,960	2,960	1,526	1,526
Cumulative effect of amortized cost	(6)	-	(4)	-
Interest to be paid (a)	-	43	-	45
Borrowings	2,954	3,003	1,522	1,571
Commitments to purchase minority interests	1,145	1,145	29	29
Other derivative instruments	41	41	104	104
Short-term borrowings and other financial liabilities	**4,140**	**4,189**	**1,655**	**1,704**
Borrowings and other financial liabilities	**11,337**	**12,707**	**11,630**	**13,037**

a. The interest to be paid on floating rate borrowings is estimated based on the floating rate as of June 30, 2009 and December 31, 2008, respectively.

Description of main financial covenants

Vivendi and its subsidiary SFR are subject to certain financial covenants pursuant to which they are required to comply with various financial ratios calculated every six months, as described hereunder. As of June 30, 2009, Vivendi and SFR were in compliance with their financial ratios.

Loans

Vivendi's two syndicated facilities (each in the amount of €2 billion, dated in April 2005 and August 2006) as well as the €2 billion loan (dated February 2008 and consisting of two tranches) 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 is required to comply with a ratio of Proportionate Financial Net Debt[2] to Proportionate EBITDA[3] 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. As of June 30, 2009, Vivendi SA was in compliance with these financial ratios.

SFR's three credit lines of €1.2 billion, €450 million and €850 million, respectively, 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 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. Moreover, facilities assumed in connection with the Neuf Cegetel merger (a €740 million syndicated loan (Club deal), a €280 million securitization program and a €100 million structured financing (UK lease)) include standard default and limitation provisions for this type of loan. The provisions relating to financial covenants, internal reorganization and change of control of these facilities contracts have been aligned with SFR's provisions. 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. As of June 30, 2009, SFR was in compliance with these financial ratios.

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

[2] Defined as Vivendi Financial Net Debt less the share of Financial Net Debt attributable to minority shareholders of SFR, Maroc Telecom Group and Activision Blizzard.

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

Bonds

Bonds issued by Vivendi (totaling €4.8 billion as of June 30, 2009) and its subsidiary SFR (totaling €1 billion as of June 30, 2009) 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 €3.5 billion contain a change-of-control trigger if their rating is downgraded below investment grade status (Baa3/BBB-) as a result of such an event.

Note 15 Commitments

The following note should be read in conjunction with Note 26 to the Consolidated Financial Statements for the year ended December 31, 2008 (pages 273 through 281 of the 2008 Annual report). The main contractual commitments undertaken during the first half year ended June 30, 2009 are described below:

15.1 Contractual obligations

(in millions of euros)	Note	June 30, 2009	December 31, 2008
Borrowings and other financial liabilities	14	12,707	13,037
Content liabilities	8	1,702	2,193
Subtotal - future minimum payments related to the consolidated statement of financial position items		**14,409**	**15,230**
Contractual content commitments	8	5,087	5,715
Commercial commitments		2,198	1,514
Operating leases and subleases		1,967	2,055
Subtotal - not recorded in the consolidated statement of financial position		**9,252**	**9,284**
Total contractual obligations		**23,661**	**24,514**

Details of commercial commitments recorded off balance sheet:

	Minimum future payments as of	
(in millions of euros)	June 30, 2009	December 31, 2008
Satellite transponders	651	734
Investment commitments	1,461 (a)	640
Other	175	203
Given commitments	**2,287**	**1,577**
Satellite transponders	(63)	(58)
Other	(26)	(5)
Received commitments	**(89)**	**(63)**
Net total	**2,198**	**1,514**

a. On May 21, 2009, Maroc Telecom and the Moroccan State entered into a third capital expenditure agreement. Pursuant to the terms of this agreement, Maroc Telecom undertook to achieve investment programs totaling MAD 10.5 billion (approximately €930 million) over the period 2009-2011. These investments, aimed at expanding and modernizing infrastructures, notably include investments dedicated to the coverage of isolated rural and mountainous regions as part of the PACTE universal telecommunications service program. More than 7,300 cities are expected to be covered by 2011.

Details of operating leases and subleases recorded off balance sheet:

	Minimum future leases as of	
(in millions of euros)	June 30, 2009	December 31, 2008
Buildings	1,986	2,100
Other	46	41
Leases	**2,032**	**2,141**
Buildings	(65)	(86)
Subleases	**(65)**	**(86)**
Net total	**1,967**	**2,055**

15.2 Other commitments given or received relating to operations

Obligations related to the permission to use the Consolidated Global Profit Tax System: By an order dated March 13, 2009, permission to use the Consolidated Global Profit Tax System under Article 209 quinquies of the French tax code was renewed for the period beginning on January 1, 2009 and ending on December 31, 2011. Under the terms of the permission to use the Consolidated Global Profit Tax System, Vivendi undertook to continue performing its previous years' commitments, in particular with regard to job creation.

Vivendi has not given or received any other significant commitments during the first half of 2009 relating to operations.

15.3 Commitments related to divestitures or acquisitions of assets

As part of the early settlement of rental guarantees related to the last three buildings owned in Germany (Lindencorso, Anthropolis/Grindelwaldweg and Dianapark) at the end of November 2007: Vivendi agreed to continue to guarantee certain lease payments (i.e., €344 million) of the companies it sold in the transaction until December 31, 2026. Vivendi also granted standard guarantees, including tax indemnities. In return for such guarantee, Vivendi received a pledge over the cash of the divested companies for €118 million and a counter-guarantee provided by the purchaser in the amount of €200 million. Consequently, Vivendi's economic exposure to these guarantees is now covered. In addition, as part of a new agreement entered into with the acquiror in June 2009, Vivendi will receive a €40 million payment in December 2009 from an account pledged to its benefit, and could receive another payment of €10 million depending on the conditions of the reorganization of the structure. In exchange, the unwinding dates of the lease transactions have been set at the latest, respectively, at December 31, 2012 (Anthropolis/Grindenwaldweg), at March 31, 2016 (Dianapark) and at December 31, 2016 (Lindencorso).

Note 16 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, 2008 (pages 270 through 272 of the 2008 Annual Report).

As of June 30, 2009, and to the best of the company's knowledge, no transactions with related parties described hereunder are likely to have a material impact on the results, operations or financial position of the group.

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, minority shareholders 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.

For the first half of 2009, most Vivendi related companies were either equity affiliated (e.g., NBC Universal) or minority shareholders 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.

The main transactions that occurred with related parties in the first half of 2009 are the following:

- **NBC Universal's cash contribution agreement:** Pursuant to a cash contribution agreement dated February 2009, the shareholders of NBCU had agreed to make certain cash contributions to NBCU. These cash contributions would have enabled NBCU to refinance the portion of its $1,670 million indebtedness in excess of approximately $1,200 million should NBCU have not succeeded in refinancing such amount with third party lenders before August 2009. In August 2009, NBCU succeeded in refinancing its indebtedness, and thus cancelling Vivendi's undertaking.

- **Conditional compensation upon termination of employment for the Chairman of the Management Board:** As described in Note 25.1 to the Consolidated Financial Statements for the year ended December 31, 2008 (please refer to page 271 of the 2008 Annual Report), the Supervisory Board of Vivendi, at its meeting on February 26, 2009, noted the intention of Mr. Jean-Bernard Lévy, Chairman of the Management Board, to renounce his employment contract upon the renewal of his term of office on April 27, 2009, in accordance with the AFEP-MEDEF recommendations regarding the compensation of corporate officers of listed companies. The recommendations were reviewed during the joint meeting of the Corporate Governance Committee and the Human Resources Committee on November 19, 2008. On December 18, 2008, the Supervisory Board resolved to apply these recommendations in their entirety.
  At its meeting on February 26, 2009, the Supervisory Board approved details of the compensation and benefits in kind granted to the Chairman of the Management Board and compensation payable on the termination of his duties. The latter were approved at the Annual Shareholders' Meeting held on April 30, 2009, in accordance with the provisions of Article L.225-90-1 of the French Commercial Code. A breakdown of these items is presented in Sections 3.2.2.1 and 3.2.2.2 of Chapter 3 of the 2008 Annual Report (pages 107 and 108).

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 the 2008 Annual Report (pages 282 through 287). The following is an update of such disclosure through August 26, 2009, the date of the Management Board meeting held to approve Vivendi's Financial Statements for the half year ended on June 30, 2009.

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.

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 seeking damages for an unspecified amount. Vivendi contests these allegations and has not set aside any sums in its accounts for this contingency.

Fact discovery and depositions closed on June 30, 2007.

In parallel with these proceedings, the Court, on March 22, 2007, has 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 with respect to the French shareholders included in the class. On March 31, 2009, the judge denied Vivendi's motion. On April 14, 2009, Vivendi filed a petition with the United States Court of Appeals for the Second Circuit seeking leave to appeal the order denying its motion for reconsideration of the certification of a class including French shareholders.

Following the March 22, 2007 order, a number of individual cases were filed against Vivendi by plaintiffs who were excluded from the certified class. On December 14, 2007, the judge issued an order consolidating the individual actions with the securities class action. The trial is scheduled to commence at the end of September 2009 in New York.

Elektrim Telekomunikacja

Vivendi is currently a 51% shareholder in each of Elektrim Telekomunikajca Sp. z o.o. (Telco) and Carcom Warszawa (Carcom), 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. The paragraphs below discuss the most recent developments in such proceedings.

Exequatur Proceedings of the Arbitral Award rendered in Vienna on November 26, 2004

On January 18, 2007, following the appeal filed by Telco, the Polish Supreme Court overturned the decision authorizing the exequatur of the Arbitral Award rendered in Vienna (the "Vienna Award") on November 26, 2004. The case was remanded to the Warsaw Tribunal of First Instance.
On June 18, 2008, the Warsaw Tribunal of First Instance recognized the Vienna Award dated November 26, 2004, including the fourth point ruling that "the Arbitration Tribunal has no jurisdiction over Telco, and that all the DT claims against Telco cannot be fulfilled through an arbitral procedure". Telco and DT appealed this decision. On December 10, 2008, the Warsaw Court of Appeals decided it would seek advice from Austrian judicial authorities on the impact of the decision under Austrian law. On May 5, 2009, the Austrian Ministry of Justice confirmed that the Vienna Award did not apply to Telco under Austrian law.

Arbitration Proceedings before the London Court of International Arbitration (LCIA)

On August 22, 2003, Vivendi and Vivendi Telecom International SA (VTI) lodged an arbitration claim with an arbitration court under the auspices of the London Court of International Arbitration (LCIA) against Elektrim, Telco and Carcom. This litigation relates to the breaches by Elektrim of the Third Amended and Restated Investment Agreement entered into on September 3, 2001 by and among Elektrim, Telco, Carcom, Vivendi and VTI governing the conditions of the Vivendi investment and the relationship between Vivendi and Elektrim within Telco and Carcom (the "TIA").

On May 22, 2006, the LCIA arbitral court rendered a partial award confirming the validity of the TIA challenged by Elektrim. On September 18, 2008, the Warsaw Court of Appeal recognized this award in Poland.

On March 19, 2008, the arbitral court issued an award in favor of Vivendi and found that Elektrim breached the basic principles of the TIA by systematically acting against Telco's interests in furtherance of its own interest and by refusing to acknowledge Telco's right to the economic benefit of the PTC Shares and breached several provisions of the TIA. It dismissed all of Elektrim's counterclaims against Vivendi.

On February 12, 2009, the arbitral court rendered a final award. The court awarded damages to Vivendi in the amount of €1.876 billion (plus accrued interest from February 2005) for intentional breaches by Elektrim of the TIA.

On July 9, 2009, the Warsaw District Court rejected the exequatur of the final award. Vivendi will appeal this decision.

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

Elektrim started a tort action against Vivendi before the Warsaw District Court on October 4, 2006, 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 District Court dismissed Elektrim's claim. On February 26, 2009, the Warsaw District Court reversed its decision and will therefore reexamine Elektrim's claim.

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

On August 20, 2007, the International Center for Settlement of Investment Disputes (ICSID) issued an arbitration award in favor of Vivendi and its Argentine subsidiary Compañia de Aguas de Aconquija, relating to a dispute that arose in 1996 regarding the water concession in the Argentine Province of Tucuman, which was entered into in 1995 and terminated in 1997. The arbitration award held that the actions of the Provincial authorities had infringed the rights of Vivendi and its subsidiary and were in breach of the Franco-Argentine Bilateral Investment Protection Treaty.

The arbitration tribunal awarded Vivendi and its subsidiary damages of $105 million plus interest and costs. On December 13, 2007, the Argentine Government filed an application for the arbitration award to be set aside, on the basis among other things of an alleged conflict of interest regarding one of the arbitrators. On May 22, 2008, the ICSID appointed an ad hoc committee to review this application. The main hearing took place July 15 through July 17, 2009.

Vivendi Deutschland against FIG

Further to a claim filed by CGIS BIM (a subsidiary of Vivendi) against FIG to obtain the release of part of the amount remaining due pursuant to a buildings sale contract, on May 29, 2008, FIG obtained the sale cancellation pursuant to a judgment given by the Berlin Court of Appeal, which invalidated a judgment rendered by the Berlin High Court. Vivendi was ordered to repurchase the buildings and to pay damages in an amount to be determined. Vivendi delivered a guarantee so as to pursue settlement negotiation. As no settlement was reached, on September 3, 2008, CGIS BIM challenged the validity of the judgment execution. On October 8, 2008, the Berlin Court rejected CGIS BIM's demands. Vivendi appealed before the Federal Court. In its judgment dated April 23, 2009, the Berlin Regional Court declared the decision dated May 29, 2008 ineffective. On June 12, 2009, FIG appealed this decision to the Berlin Court of Appeals.
A second complaint seeking additional damages, served on CGIS on March 3, 2009, was filed by FIG with the Berlin Regional Court.

Complaint of Centenary Holdings III Limited

On January 9, 2009, the liquidator of Centenary Holdings III Limited (CH III), (a former Seagram subsidiary, divested in January 2004 and placed into liquidation in July 2005), sued a number of its former directors, former auditors and Vivendi. The liquidator, acting on behalf of CH III's creditors, alleges that the defendants breached their fiduciary duties. On June 11, 2009, all the defendants filed their defences in response to the liquidator's claims.

French Competition Council – Mobile Telephone Market

On June 29, 2007, the Commercial Chamber of the French Supreme Court partially reversed the decision rendered by the Paris Court of Appeal on December 12, 2006, confirming the order rendered by the French Competition Council ordering SFR to pay a fine of €220 million, and recognizing that an illegal agreement existed due to the exchange of information among French mobile telephone operators between 1997 and 2003 and imposing a financial penalty on this basis. The French Supreme Court remanded the case to the Paris Court of Appeal with a change in the composition of the Court. On March 11, 2009, the Paris Court of Appeal confirmed the financial penalties ordered against the three mobile telephone operators. On April 10, 2009, SFR filed an appeal with the French Supreme Court.

Complaint of Bouygues Telecom against SFR and Orange in connection with the call termination and mobile markets

Bouygues Telecom brought a claim before the French Competition Council (now known as the French Competition Authority) against SFR and Orange for certain alleged unfair trading practices on the call termination and mobile markets. On March 13, 2008, SFR received a notification of grievances and on May 19, 2008, it filed its brief in response. The French Competition Council rendered its report on August 4, 2008. On May 15, 2009, the French Competition Authority resolved to postpone its decision on the issue of "price scissoring" and remanded the case for further investigation.

Complaint of SFR against Orange on its "Unik 1 euro" offer

On December 5, 2008, SFR brought a claim before the French Competition Council against Orange for unfair trading practices relating to its "Unik 1 euro" offer. On April 2, 2009, the French Competition Authority denied SFR's request for protective measures but determined that there were grounds to pursue the matter.

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

On June 27, 2008, Neuf Cegetel voluntarily joined proceedings initiated by Free against France Telecom regarding broadcasting of the Orange Foot channel. On February 23, 2009, the Commercial Court ruled in favor of Free and Neuf Cegetel's request and determined that the Orange Foot channel offer, which made subscription to the Orange Foot channel conditional upon prior subscription to the Internet Orange offer, constituted a related sale transaction prohibited by the French Code of Consumption. Consequently, the Court ordered France Telecom to terminate its related sale practices in respect of Orange Foot channel within one month or suffer a penalty, and appointed an expert to produce a report evaluating the amount of the loss suffered by Neuf Cegetel and Free. Orange requested that the First President of the Paris Court of Appeal suspend the provisional execution of the judgment. On March 31, 2009, this request was denied. Orange also appealed on the merits of the case. On May 14, 2009, the Paris Court of Appeal reversed the judgment and denied the requests made by Neuf Cegetel and Free, considering that the prohibition of the related sale transaction was contrary to the regime established by the European Directive n° 2005/29/EC of May 11, 2005 concerning unfair business-to-consumer commercial practices. SFR Neuf appealed to the French Supreme Court.

Tenor against the SFR Cegetel Group, France Telecom Group and Bouygues Telecom

Tenor (a fixed operators association, which has now become ETNA) brought a claim before the French Competition Council alleging anti-competitive practices by France Telecom, Cegetel, SFR and Bouygues Telecom in the telecommunications sector. On October 14, 2004, the French Competition Council fined SFR, among others, for abuse of dominant position. On November 20, 2004, SFR appealed. On April 12, 2005, the Paris Court of Appeal invalidated the decision of the Competition Council. On April 29, 2005, ETNA appealed against that ruling before the French Supreme Court. On May 10, 2006, the Supreme Court reversed the decision of the Paris Court of Appeal, stating that it should have examined whether the alleged practices had an adverse impact on competition. On April 2, 2008, the Second Court of Appeal denied the requests made by SFR. On April 30, 2008, SFR appealed to the French Supreme Court. On March 3, 2009, the French Supreme Court reversed the decision dated April 2, 2008, determining that "price scissoring" practices do not constitute anti-competitive practices *per se* and remanded the case for further consideration to the Paris Court of Appeal with a change in the composition of the Court.

Action brought by SFR against the ARCEP before the French Administrative Supreme Court

On February 2, 2009, SFR filed a summary request with the French Administrative Supreme Court ("Conseil d'Etat") to challenge the ARCEP's decision to fix the gross fees in the mobile sector. SFR argues that this decision is contrary to European law and to consumer interest by providing for asymmetry in call termination prices, favorable to Bouygues Telecom. On July 24, 2009, the Conseil d'Etat partially invalidated the ARCEP's decision by determining that the fees charged to Bouygues Telecom from mid-2010 were too high.

Parabole Réunion

In July 2007, the Parabole Réunion group filed a suit before the Paris Court of First Instance following the termination of distribution on an exclusive basis of the TPS channels in the Réunion Island, Mayotte, Madagascar and Mauritius. Pursuant to a decision dated September 18, 2007, Canal+ Group was enjoined, under fine, from allowing the broadcast of these channels by a third party, unless it offered to Parabole Réunion a replacement of these channels by other channels of similar interest distributed on an exclusive basis. Canal+ Group appealed this decision. According to a judgment dated June 19, 2008, the Paris Court of Appeal reversed the judgment dated September 18, 2007 and dismissed Parabole Réunion's main claims against Canal+ Group. On September 19, 2008, Parabole Réunion appealed to the French Supreme Court. Parabole Réunion has also initiated arbitration proceedings before the Paris Mediation and Arbitration Center relating to certain aspects of the self-broadcasting of the Canal+ channel, and claims damages. On December 12, 2008, Canal+ Group requested that the arbitration be suspended until a definitive decision is reached in the proceedings pending before the Paris Commercial Court regarding its request to compel the performance of an agreement dated May 30, 2008 and proposed that Parabole Réunion enter into a new agreement with non-discriminatory price conditions. On June 15, 2009, the Commercial Court denied Parabole Réunion's requests and the Canal+ Group's counterclaims. The arbitral award is expected in September 2009.

Complaint against France Telecom before the European Commission for abuse of dominant position

On March 2, 2009, Vivendi and Free jointly filed a complaint before the European Commission against France Telecom for abuse of dominant position. Vivendi and Free claim that France Telecom imposed excessive tariffs on its offerings in respect of fixed-line and telephone subscription access. In July 2009, Bouygues Telecom joined this complaint.

Class action against Activision in the United States

In February 2008, a purported class action was filed in the United States against Activision and its directors regarding the combination of Activision and Vivendi Games, and against Vivendi and its concerned subsidiaries. The plaintiffs alleged, among other things, that Activision's directors failed to fulfil their fiduciary duties with regard to the business combination, that those breaches were aided and abetted by Vivendi and certain of its subsidiaries and that the preliminary proxy statement filed by Activision on January 31, 2008 contains statements that are false and misleading. On June 24, 2008, the plaintiffs filed their complaints requesting that the Vivendi defendants be dismissed from the lawsuit. On June 30, 2008, the Court entered its order dismissing the Vivendi defendants from the action. On July 1, 2008, the Court denied the plaintiffs' motion for preliminary injunction. In February 2009, the plaintiffs filed an amended complaint. At the beginning of May 2009, Activision Blizzard filed its brief in response to the plaintiffs' complaints. On July 24, 2009, the Court granted the defendants' motion to dismiss and rejected the plaintiffs' allegations.

Note 18 Subsequent events

The main events that occurred since June 30, 2009 were as follows:

- **SFR €300 million bond issue:** In July 2009, SFR placed a €300 million euro bond issue with a July 2014 maturity at a 5% rate.

- **Acquisition of a 51% stake in Sotelma by Maroc Telecom:** On July 7, 2009, Maroc Telecom was announced as the winning bidder of the international call for tenders for the acquisition of a 51% stake in Sotelma, the incumbent Malian telecoms operator for €275 million. Sotelma generated revenues of €112 million in 2007. At year-end 2008, it had over 500,000 active mobile subscribers and over 83,000 fixed-line subscribers (Source: ITU). Growth prospects for the Malian market are particularly promising, with an estimated mobile penetration rate of 26% and a fixed-line penetration rate of 0.65% at year-end 2008. The acquisition was completed on July 31, 2009.

- **Acquisition of an additional 62% interest in 5 sur 5 by CID:** On August 27, 2009, CID, a company 40% owned by SFR and 60% by other financial investors, will acquire the 62% interest in 5 sur 5 that it did not already own. 5 sur 5 is a distribution company that has a national network with approximately 200 agencies; most of them are under the Espace SFR label.

IV - Statement on 2009 half year Condensed Financial Statements

This is a free translation into English of the Statement on the 2009 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 2009 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 2009 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 six-month period ended June 30, 2009,
- the verification of information contained in the half-yearly management report.

These condensed half-yearly consolidated financial statements were prepared under 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 the 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 the conclusion expressed above, we draw your attention to note 1.2 to the condensed half-yearly consolidated financial statements which sets out the change in accounting method due to your Company's early application of revised IFRS 3 – Business Combinations and amended IAS 27 – Consolidated and Separate Financial Statements.

II. Specific verification

We have also verified information given in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine, August 27, 2009
French original signed by

Salustro Reydel
Member of KPMG International

Frédéric Quélin
Partner

Marie Guillemot
Partner

ERNST & YOUNG et Autres

Jean-Yves Jegourel
Partner