Financial Report and Unaudited Condensed Financial Statements for the Nine Months Ended September 30, 2009

VIVENDI

Société anonyme with a Management Board and a Supervisory Board with a share capital of €6,758,509,356.50

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Selected key consolidated financial data

Consolidated data	Nine Months Ended September 30, (unaudited) 2009	2008	Year Ended December 31, 2008	2007	2006	2005
Revenues	19,525	17,777	25,392	21,657	20,044	19,484
EBITA (a)	4,245	3,848	4,953	4,721	4,370	3,985
Earnings attributable to equity holders of the parent	1,788	3,982	2,603	2,625	4,033	3,154
Adjusted net income (a)	2,112	2,079	2,735	2,832	2,614	2,218
Financial Net Debt (a)	8,279	9,376	8,349	5,186	4,344	3,768
Equity	27,126	27,044	26,626	22,242	21,864	21,608
of which attributable to equity holders of the parent	22,588	23,154	22,625	20,342	19,912	18,769
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)	5,087	4,795	7,056	6,507	6,111	5,448
Capital expenditures, net (capex, net) (b)	1,974	1,485	2,001	1,626	1,645	1,291
Cash flow from operations (CFFO) (a)	3,113	3,310	5,055	4,881	4,466	4,157
Financial investments	668	3,903	3,947	846	3,881	1,481
Financial divestments	(32)	(338)	(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	1,194.6	1,165.7	1,167.1	1,160.2	1,153.4	1,149.6
Adjusted net income per share	**1.77**	**1.78**	**2.34**	**2.44**	**2.27**	**1.93**
Number of shares outstanding at the end of the period (excluding treasury shares)	1,228.8	1,169.3	1,170.1	1,164.7	1,155.7	1,151.0
Equity per share attributable to equity holders of the parent	18.38	19.80	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.

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 nine months ended September 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 Financial Report for the nine months ended September 30, 2009. 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 nine months ended September 30, 2009).

I - Financial Report for the nine months ended September 30, 2009 (unaudited)

Preliminary comments:

The Financial Report and the Unaudited Condensed Financial Statements for the nine months ended September 30, 2009 were approved by Vivendi's Management Board on November 12, 2009.

The Financial Report for the nine months ended September 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") and with the Financial Report for the half year ended June 30, 2009. Please also refer to pages 139 through 177 of the English translation[1] of the "Document de Référence" (the "2008 Annual Report") and the English translation of the Financial Report for the half year ended June 30, 2009 which are provided on our website (www.vivendi.com) for informational purposes.

1 2009 Major developments

1.1 Major developments for the first nine months of 2009

1.1.1 ACQUISITIONS OF INVESTMENTS

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 controlling interest of 51% in Sotelma, the incumbent Malian telecoms operator. The acquisition of this 51% interest was completed on July 31, 2009 for a total enterprise value of €312 million (representing a purchase price of €278 million plus the assumption of €43 million in net debt, net of cash acquired of €9 million). In 2008, revenues and EBITDA of Sotelma amounted to €114 million[2] and €38 million[2], respectively. 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 company has been fully consolidated since August 1, 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. The project has received the authorization from the Vietnamese authorities. Canal+ Group manages the operations of the new entity via its subsidiary, Canal Overseas. The company has been fully consolidated since July 1, 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, acquired 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.

1.1.2 OTHER

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

[1] This translation is qualified in its entirety by reference to the "Document de référence".
[2] These figures have been prepared under local GAAP on a provisional basis and are in the process of being reviewed by the auditors.

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).

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.

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 initial amount of $1 billion, which authorized amount was increased to $1.25 billion on July 31, 2009. 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 September 30, 2009, Activision Blizzard repurchased 89 million shares of its common stock for a total amount of $960 million (€691million) since the inception of this program, of which 76 million shares were purchased during the nine months ended September 30, 2009 for a total amount of $834 million (€606 million). As of September 30, 2009, Vivendi held an approximate 57% 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 China: In April 2009, Blizzard agreed to license *World of Warcraft* to an affiliated company of NetEase.com, Inc. ("NetEase") in China for a term of three years. *World of Warcraft* was unavailable to players in China from June 7, 2009 (local), the date on which the prior license arrangements expired, until July 30, 2009 (local), when NetEase began making the game available to the previous players in China in a test format without charge. Subsequently, NetEase advised Blizzard that it received the necessary regulatory approval, and accordingly, relaunched the game to subscribers in China on September 19, 2009. There are indications of ongoing regulatory uncertainty regarding NetEase's operation of *World of Warcraft* in China, which could impact its ability to continue to make the game available on a paying basis without interruption.

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.

1.2 Transactions underway as of September 30, 2009

Minority buyout offer of Jet Multimedia: Following the purchase in December 2008 of Jet Multimedia France by SFR, SFR filed a minority buyout offer in September 2009, with the "Autorité des marchés financiers" (AMF) for the remaining shares of Jet Multimedia held by the public for a price of €6.50 per share. At the closing date of the offer, October 28, 2009, SFR held a 98% interest in Jet Multimedia.

1.3 Major developments since September 30, 2009

Setting up and funding of VEVO: On October 19, 2009, VEVO, the new premium music video and entertainment service powered by YouTube, received a strategic investment from Abu Dhabi Media Company, multi-platform media organizations. With this transaction, VEVO was formed as an independent and fully funded entity with Universal Music Group, Sony Music Entertainment and Abu Dhabi Media Company as founding shareholders. VEVO is expected to launch in the United States and Canada later this year. VEVO aims to become a premium destination and syndication network for the very best in top-notch music video content that will leverage the massive existing traffic of YouTube.

GVT:

- **Vivendi has purchased 37.9% of GVT and holds unconditional call options on an additional 19.6% of GVT:** Vivendi is launching a mandatory tender offer at BRL56 for 100% of GVT Vivendi has purchased 37.9% of GVT and holds unconditional call options on an additional 19.6% of GVT. On November 13, 2009, Vivendi signed a share purchase agreement with Swarth Investments LLC, Swarth Investments Holdings LLC and Global Village Telecom (Holland) BV, the founding and controlling shareholders of GVT (Holding) SA. This has resulted in the acquisition of 38,422,666 GVT shares corresponding to 29.9% of GVT's outstanding voting share capital, at BRL56 per share. Vivendi has acquired 10,286,631 shares (this is the addition of 6,365,800 shares bought on the market at price between BRL49 and BRL50, and of 3,920,831 shares bought on November 13, 2009 OTC at BRL56) from third parties corresponding to 8.0% of GVT's voting outstanding share capital. On November 13, 2009, Vivendi has also entered into unconditional call option agreements with third parties and therefore acquired the right to purchase 25,134,327 GVT shares at BRL55 per share corresponding to 19.6% of GVT's outstanding voting share capital. In total, Vivendi has purchased 37.9% of GVT's outstanding voting share capital, and has a right to purchase 19.6% of GVT's voting outstanding share capital. The total amount of shares acquired by Vivendi, upon the exercise of the call options, is 73,843,624 corresponding to 57.5% of GVT's voting outstanding share capital and 53.7% of GVT's capital, on a fully diluted basis.

- **Vivendi is launching a mandatory tender offer at BRL56 for 100% of GVT:** In accordance with Brazilian law, Vivendi is filing a mandatory tender offer at BRL56 for 100% of GVT's share capital, due to its purchase of the control of GVT. The tender offer notice will provide detailed terms and conditions (including potential additional considerations) of the above mentioned transactions. Vivendi's tender offer will be launched, once registered with the CVM (the Comissão de Valores Mobiliàros, the securities and exchange commission of Brazil), at a price of BRL56 per GVT share. This values 100% of the company's equity at approximately BRL7.2 billion or EUR2.8 billion. Vivendi will analyze the opportunity to delist GVT shares from the BM&FBOVESPA according to the result of the tender offer.
- GVT is the leading alternative telecommunications operator in Brazil, enjoying annual growth of around 30%. GVT is the best performing Brazilian broadband operator and is closest to consumer needs in quality and service. Vivendi plans to be present for the long term in Brazil. Vivendi’s aim is to further reinforce GVT's dynamism, give it a definitive shareholder and rapidly expand the company in those regions of Brazil where it currently has only a small presence or none at all. The acquisition of GVT is totally aligned with the strategy of Vivendi of secular expansion in rapid growth economies.

2 Earnings

2.1 Consolidated earnings and adjusted net income (unaudited)

2009 THIRD QUARTER

CONSOLIDATED STATEMENT OF EARNINGS	Three Months Ended September 30, 2009	Three Months Ended September 30, 2008	Three Months Ended September 30, 2009	Three Months Ended September 30, 2008	ADJUSTED STATEMENT OF EARNINGS
Revenues	**6,347**	**6,509**	**6,347**	**6,509**	**Revenues**
Cost of revenues	(3,078)	(3,115)	(3,078)	(3,115)	Cost of revenues
Margin from operations	**3,269**	**3,394**	**3,269**	**3,394**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(1,892)	(1,968)	(1,892)	(1,968)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(31)	(145)	(31)	(145)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(135)	(179)			
Impairment losses of intangible assets acquired through business combinations	-	(4)			
EBIT	**1,211**	**1,098**	**1,346**	**1,281**	**EBITA**
Income from equity affiliates	47	51	47	51	Income from equity affiliates
Interest	(116)	(119)	(116)	(119)	Interest
Income from investments	2	1	2	1	Income from investments
Other financial charges and income	(30)	2,281			
Earnings from continuing operations before provision for income taxes	**1,114**	**3,312**	**1,279**	**1,214**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(152)	(254)	(160)	(253)	Provision for income taxes
Earnings from continuing operations	**962**	**3,058**			
Earnings from discontinued operations	-	-			
Earnings	**962**	**3,058**	**1,119**	**961**	**Adjusted net income before minority interests**
Attributable to:					*Attributable to:*
Equity holders of the parent	**600**	**2,760**	**645**	**625**	**Adjusted net income**
Minority interests	362	298	474	336	Minority interests
Earnings attributable to equity holders of the parent per share - basic (in euros)	**0.49**	**2.36**	**0.52**	**0.54**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to equity holders of the parent per share - diluted (in euros)	**0.49**	**2.35**	**0.52**	**0.53**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

2009 FIRST NINE MONTHS

CONSOLIDATED STATEMENT OF EARNINGS	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008	ADJUSTED STATEMENT OF EARNINGS
Revenues	**19,525**	**17,777**	**19,525**	**17,777**	**Revenues**
Cost of revenues	(9,555)	(8,478)	(9,555)	(8,478)	Cost of revenues
Margin from operations	**9,970**	**9,299**	**9,970**	**9,299**	**Margin from operations**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(5,693)	(5,287)	(5,693)	(5,287)	Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations
Restructuring charges and other operating charges and income	(32)	(164)	(32)	(164)	Restructuring charges and other operating charges and income
Amortization of intangible assets acquired through business combinations	(424)	(362)			
Impairment losses of intangible assets acquired through business combinations	-	(26)			
EBIT	**3,821**	**3,460**	**4,245**	**3,848**	**EBITA**
Income from equity affiliates	118	186	118	186	Income from equity affiliates
Interest	(336)	(253)	(336)	(253)	Interest
Income from investments	5	5	5	5	Income from investments
Other financial charges and income	(116)	2,271			
Earnings from continuing operations before provision for income taxes	**3,492**	**5,669**	**4,032**	**3,786**	**Adjusted earnings from continuing operations before provision for income taxes**
Provision for income taxes	(567)	(794)	(448)	(727)	Provision for income taxes
Earnings from continuing operations	**2,925**	**4,875**			
Earnings from discontinued operations	-	-			
Earnings	**2,925**	**4,875**	**3,584**	**3,059**	**Adjusted net income before minority interests**
Attributable to:					*Attributable to:*
Equity holders of the parent	**1,788**	**3,982**	**2,112**	**2,079**	**Adjusted net income**
Minority interests	1,137	893	1,472	980	Minority interests
Earnings attributable to equity holders of the parent per share - basic (in euros)	**1.50**	**3.42**	**1.77**	**1.78**	**Adjusted net income per share - basic (in euros)**
Earnings attributable to equity holders of the parent per share - diluted (in euros)	**1.49**	**3.40**	**1.76**	**1.78**	**Adjusted net income per share - diluted (in euros)**

In millions of euros, except per share amounts.

2.2 Earnings review for the first nine months of 2009

For the first nine months of 2009, **adjusted net income** was €2,112 million, or €1.77 per share, compared to €2,079 million, or €1.78 per share for the first nine months of 2008. The €33 million increase (+1.6%) was primarily due to the following factors:

- a €397 million increase in EBITA, for a total amount of €4,245 million. This increase mainly reflected the improved performance of Activision Blizzard (+€373 million, including the impact of the consolidation of Activision from July 10, 2008), Canal+ Group (+€133 million), and SFR (+€20 million, including the impact of the consolidation of Neuf Cegetel from April 15, 2008), partially offset by the decline in performance of UMG (-€139 million), and the relatively stable performance of Maroc Telecom Group (-€8 million). In addition, on a consolidated basis, EBITA included an increase in stock option and other share-based compensation plan costs (net expense of €112 million for the first nine months of 2009, compared to €1 million for the same period in 2008);
- a €279 million decrease in income tax expense, which mainly resulted from the utilization by SFR in the first nine months of 2009 of Neuf Cegetel's ordinary losses carried forward;
- a €68 million decrease in income from equity affiliates;
- a €83 million increase in interest expense; and

- a €492 million increase in earnings attributable to minority interests, primarily impacted by the share attributable to the minority shareholder of SFR (€265 million) in the tax savings realized by SFR as a result of the utilization of Neuf Cegetel's ordinary losses carried forward and by the increase in performance of Activision Blizzard.

Breakdown of the main items from the statement of earnings

Revenues were €19,525 million, compared to €17,777 million for the first nine months of 2008, an increase of €1,748 million (+9.8%, or +8.3% 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 €32 million, compared to a charge of €164 million for the first nine months of 2008, a decrease of €132 million. For the first nine months of 2009, it included restructuring charges totaling €70 million, which primarily included costs incurred by UMG (€49 million). These incurred costs were partially offset by an earn-out income (€40 million) related to the disposal of real estate assets in Germany in 2007. For the first nine months of 2008, it mainly included restructuring charges totaling €186 million, comprising costs at SFR (€110 million) as part of the consolidation of Neuf Cegetel, at Activision Blizzard (€35 million) as part of the consolidation of Activision, and at UMG (€41 million).

EBITA was €4,245 million, compared to €3,848 million for the first nine months of 2008, an increase of €397 million (+10.3%, or +8.7% 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 €424 million, compared to €362 million for the first nine months of 2008, an increase of €62 million, notably due to an additional charge related to the amortization of intangible assets acquired from Activision in July 2008 (€31 million, which mainly included internally developed franchises, developments in progress and game engines) as well as customer lists acquired from Neuf Cegetel in April 2008 (€19 million).

Intangible assets acquired through business combinations were not impaired in the first nine months of 2009. For the first nine months of 2008, impairment losses of intangible assets acquired through business combinations were €26 million and were primarily comprised of the write-off of certain of UMG's music catalogs (€15 million) and goodwill at Sierra which Activision Blizzard has exited or wound down (€5 million).

EBIT was €3,821 million, compared to €3,460 million for the first nine months of 2008, an increase of €361 million (+10.4%).

Income from equity affiliates was €118 million, compared to €186 million for the first nine months of 2008. Vivendi's share of income earned by NBC Universal was €127 million, compared to €173 million for the first nine months 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 €336 million, compared to €253 million for the first nine months of 2008, an increase of €83 million. Interest expense on borrowings amounted to €366 million for the first nine months of 2009, compared to €328 million for the same period in 2008, a €38 million increase. This increase was mainly due to the increase in average outstanding borrowings (€10.5 billion for the first nine months of 2009, compared to €9.2 billion for the same period in 2008), primarily resulting from the financing of the Neuf Cegetel acquisition by SFR (€4.3 billion in April 2008) and the Activision acquisition (€1.1 billion in July 2008), the consolidation of Neuf Cegetel's Financial Net Debt (approximately €1 billion), as well as interest on new borrowings put into place in 2009. This increase was slightly offset by the decrease in the average interest rate on borrowings to 4.64% for the first nine months of 2009, compared to 4.77% for the same period in 2008.
Interest income earned on cash and cash equivalents was €30 million for the first nine months of 2009, compared to €75 million for the same period in 2008, a decrease of €45 million. This decrease was mainly due to the decrease in the average interest income rate to 1.15% for the first nine months of 2009, compared to 4.12% for the same period in 2008, slightly offset by the increase in average cash and cash equivalents to €3.4 billion for the first nine months of 2009, compared to €2.4 billion for the same period in 2008. As of September 30, 2009, the amount of cash and cash equivalents included Activision Blizzard's cash and cash equivalents of €1,608 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 nine months ended September 30, 2009.

Other financial charges and income was a net charge of €116 million, compared to a net income of €2,271 million for the first nine months of 2008. For the first nine months of 2008, it mainly included the consolidation gain (€2,318 million) generated by the combination of Vivendi Games and Activision following the creation of Activision Blizzard, as well as 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, offset mainly by the impact of certain non-cash adjustments (-€68 million) relating to the acquisition of Neuf Cegetel by SFR.
For more information, please refer to Note 3 to the Condensed Financial Statements for the nine months ended September 30, 2009.

Provision for income taxes was a net charge of €567 million, compared to a net charge of €794 million for the first nine months of 2008. This €227 million decrease was notably due to the change in savings related to the Consolidated Global Profit Tax System, resulting in income of €397 million for the first nine months of 2009, compared to income of €236 million for the same period in 2008. The 2008 income of €236 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 nine months ended September 30, 2009.
In addition, income taxes reported to adjusted net income was a net charge of €448 million for the first nine months of 2009, compared to a net charge of €727 million for the same period in 2008. The €279 million decrease in income taxes reported to adjusted net income was mainly due to the current tax savings of €602 million realized by SFR in the first nine months of 2009 due to the utilization of Neuf Cegetel's ordinary losses carried forward (of which €337 million was allocated to the share attributable to the group and €265 million was allocated to the share attributable to the minority shareholder of SFR), partially offset by a €283 million decrease in current tax savings generated by the Consolidated Global Profit Tax System during the first nine months of 2009 (€160 million, compared to €443 million for the same period in 2008). This €279 million decrease was notably due to the share attributable to the minority shareholder of SFR in current tax savings recorded by SFR for the first nine months of 2009, and was the main reason for the decrease in the effective tax rate reported to adjusted net income to 11.4% for the period, compared to 20.2% for the first nine months 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 €1,137 million, compared to €893 million for the first nine months of 2008. The €244 million increase was mainly due to Activision Blizzard's minority interests (€162 million).
Adjusted net income attributable to minority interests amounted to €1,472 million, compared to €980 million for the first nine months of 2008. In addition to the contribution of Activision Blizzard's minority interests, the €492 million increase also included the share attributable to minority interests for the first nine months of 2009 in the current tax savings realized by SFR (€265 million) as a result of SFR's utilization of Neuf Cegetel's ordinary losses carried forward in 2009.

For the first nine months of 2009, **earnings attributable to equity holders of the parent** amounted to €1,788 million, or €1.50 per share, compared to €3,982 million, or €3.42 per share for the first nine months of 2008, resulting in a decrease of €2,194 million (-55.1%).

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 nine months ended September 30, 2009. For the first nine months of 2009, this reconciliation notably included the impact of reversing the deferred tax asset (-€602 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 (-€233 million, after tax and minority interests), partially offset by the increase in the savings expected in 2010 from the Consolidated Global Profit Tax System (+€237 million). For the first nine months of 2008, this reconciliation notably included the consolidation gain (€2,318 million) generated by the combination of Vivendi Games and Activision following the creation of Activision Blizzard, as well as the capital gain (+€83 million) following the early redemption of bonds exchangeable for Sogecable shares, offset by 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 from the Consolidated Global Profit Tax System in 2009 (-€207 million) due to the anticipation of the merger of Neuf Cegetel and SFR, as well as the amortization and impairment losses of intangible assets acquired through business combinations (-€214 million, after tax and minority interests).

2.3 Vivendi's outlook for 2009

2009 outlook confirmed: Vivendi forecasts strong growth in EBITA.

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 nine months of 2009, cash flow from operations after interest and income tax paid (CFAIT) was €2,873 million, compared to €2,511 million for the first nine months of 2008, a €362 million increase (+14.4%). This evolution was primarily due to the €636 million decrease in income tax paid, net and the €292 million increase in cash flow from operations before capital expenditures, partially offset by the €489 million increase in capital expenditures, net.

Cash flow from operations before capital expenditures (CFFO before capex, net) generated by business operations amounted to €5,087 million for the first nine months of 2009 (compared to €4,795 million for the same period in 2008), a €292 million increase (+6.1%) resulting from the growth in EBITDA after changes in net working capital (+€464 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 (+€70 million). For the first nine months of 2009, dividends received from NBC Universal amounted to €266 million, compared to €195 million for the same period in 2008. They were partially offset by the increase in content investments, in net working capital and in restructuring charges paid over the first nine months of 2009.
For the first nine months of 2009, capital expenditures, net amounted to €1,974 million, compared to €1,485 million for the first nine months of 2008, a €489 million increase (+32.9%), primarily due to SFR (+€374 million), mainly reflecting the integration of broadband Internet and fixed operations. For the first nine months of 2009, after capital expenditures, net, cash flow from operations (CFFO) generated by business operations amounted to €3,113 million, compared to €3,310 million for the same period in 2008, a €197 million decrease (-6.0%).

In addition, for the first nine months of 2009, income taxes were a net cash inflow of €66 million, compared to a net payment of €570 million for the first nine months of 2008, a positive impact of €636 million. This impact primarily resulted from the savings realized by SFR during the first nine months of 2009 (-€647 million) due to the utilization of Neuf Cegetel ordinary losses carried forward. In addition, this favorable 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 tax paid by Activision Blizzard (+€153 million), primarily in the United States, and by the €113 million decrease in payment received as part of the Consolidated Global Profit Tax System.

Finally, the increase in CFAIT also included a €22 million increase in foreign currency translation gains, offset by increases in interest paid, net and in premium on borrowing issuance totaling €91 million, resulting from new borrowings set up in 2008 and in the first nine months of 2009.

(in millions of euros)		Nine Months Ended September 30, 2009	2008	V€	V%
Revenues		19,525	17,777	+1,748	9.8%
Operating expenses excluding depreciation and amortization		(13,635)	(12,433)	-1,202	-9.7%
EBITDA		*5,890*	*5,344*	*+546*	*10.2%*
Restructuring charges paid		(151)	(88)	-63	-71.6%
Content investments, net		(343)	(58)	-285	x 5.9
Neutralization of change in provisions included in EBITDA		(87)	(292)	+205	70.2%
Other cash operating items excluded from EBITDA		(15)	(70)	+55	78.6%
Other changes in net working capital		(476)	(239)	-237	-99.2%
Net cash provided by operating activities before income tax paid	(a)	***4,818***	***4,597***	***+221***	***4.8%***
Dividends received from equity affiliates	(b)	266	196	+70	35.7%
of which NBC Universal		*266*	*195*	*+71*	*36.4%*
Dividends received from unconsolidated companies	(b)	3	2	+1	50.0%
Cash flow from operations, before capital expenditures, net (CFFO before capex, net)		***5,087***	***4,795***	***+292***	***6.1%***
Capital expenditures, net (capex, net)	(c)	(1,974)	(1,485)	-489	-32.9%
of which SFR		*(1,364)*	*(990)*	*-374*	*-37.8%*
of which Maroc Telecom Group		*(343)*	*(273)*	*-70*	*-25.6%*
Cash flow from operations (CFFO)		**3,113**	**3,310**	**-197**	**-6.0%**
Interest paid, net	(d)	(336)	(253)	-83	-32.8%
Other cash items related to financial activities	(d)	30	24	+6	25.0%
of which fees and premium on borrowing issuance		*(38)*	*(30)*	*-8*	*-26.7%*
of which gains on currency transactions		*78*	*56*	*+22*	*39.3%*
Financial activities cash payments		***(306)***	***(229)***	***-77***	***-33.6%***
Payment received from the French State Treasury as part of the Consolidated Global Profit Tax System		435	548	-113	-20.6%
Other taxes paid		(369)	(1,118)	+749	67.0%
Income tax (paid)/received, net	(a)	***66***	***(570)***	***+636***	***na***
Cash flow from operations after interest and income tax paid (CFAIT)		**2,873**	**2,511**	**+362**	**14.4%**

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).

4 Business segment performance analysis

4.1 Revenues and EBITA by business segment (unaudited)

2009 THIRD QUARTER

	Three Months Ended September 30,			
(in millions of euros)	2009	2008	% Change	% Change at constant rate
Revenues				
Activision Blizzard	493	475	3.8%	-3.3%
Universal Music Group	969	1,098	-11.7%	-14.1%
SFR	3,090	3,131	-1.3%	-1.3%
Maroc Telecom Group	694	676	2.7%	1.7%
Canal+ Group	1,110	1,137	-2.4%	-0.4%
Non-core operations and others, and elimination of intersegment transactions	(9)	(8)	-12.5%	-12.5%
Total Vivendi	**6,347**	**6,509**	**-2.5%**	**-3.1%**
EBITA				
Activision Blizzard	33	(59)	na	na
Universal Music Group	58	149	-61.1%	-62.2%
SFR	690	626	10.2%	10.2%
Maroc Telecom Group	319	329	-3.0%	-3.9%
Canal+ Group	282	270	4.4%	5.9%
Holding & Corporate	(28)	(24)	-16.7%	-20.2%
Non-core operations and others	(8)	(10)	20.0%	11.9%
Total Vivendi	**1,346**	**1,281**	**5.1%**	**4.7%**

na: not applicable

2009 FIRST NINE MONTHS

	Nine Months Ended September 30,			
(in millions of euros)	2009	2008	% Change	% Change at constant rate
Revenues				
Activision Blizzard	1,986	919	x 2.2	94.8%
Universal Music Group	2,978	3,142	-5.2%	-8.4%
SFR	9,230	8,420	9.6%	9.6%
Maroc Telecom Group	1,999	1,930	3.6%	1.9%
Canal+ Group	3,368	3,391	-0.7%	1.1%
Non-core operations and others, and elimination of intersegment transactions	(36)	(25)	-44.0%	-44.0%
Total Vivendi	**19,525**	**17,777**	**9.8%**	**8.3%**
EBITA				
Activision Blizzard	406	33	x 12.3	x 11.1
Universal Music Group	269	408	-34.1%	-37.4%
SFR	1,986	1,966	1.0%	1.0%
Maroc Telecom Group	905	913	-0.9%	-2.6%
Canal+ Group	754	621	21.4%	23.2%
Holding & Corporate	(56)	(63)	11.1%	9.1%
Non-core operations and others	(19)	(30)	36.7%	37.7%
Total Vivendi	**4,245**	**3,848**	**10.3%**	**8.7%**

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

- 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. As of September 30, 2009, Vivendi held an approximate 57% non-diluted interest in Activision Blizzard;
- at UMG: Univision Music Group (May 5, 2008);
- at SFR: Neuf Cegetel (April 15, 2008);
- at Maroc Telecom Group: Sotelma (August 1, 2009); and
- at Canal+ Group: Kinowelt (April 2, 2008).

4.2 Comments on revenues and EBITA for controlled business segments

Activision Blizzard (57% Vivendi economic interest, non-diluted)

Activision Blizzard, once again, reported better than expected results and the company's full year guidance remains unchanged despite a challenging software market. Performance was driven by a strong consumer response to *Guitar Hero 5*™, *Marvel*™: *Ultimate Alliance 2*, *Wolfenstein*™ and the continued success of *Guitar Hero* and *Call of Duty* franchises as well as Blizzard Entertainment's *World of Warcraft*. For the first nine months of 2009, *Guitar Hero World Tour* and *Call of Duty: World at War* were respectively the #1 and #2 bestselling titles in North America (NPD Group) and Europe (Charttrack and Gfk). Blizzard Entertainment's *World of Warcraft* continues its substantial lead in MMORPG category.

In IFRS, Activision Blizzard's revenues were €1,986 million and EBITA was €406 million.

For the calendar year 2009, on a non-GAAP basis[3], Activision Blizzard expects net revenues of $4.5 billion and earnings per diluted share of $0.63.

Activision Blizzard has already shipped four of its five holiday titles – *Call of Duty: Modern Warfare 2, DJ Hero*, *Band Hero* and *Bakugan Battle Brawlers*. The much anticipated *Call of Duty: Modern Warfare 2* has become the biggest launch in history across all forms of entertainment with estimated sales of $310 million in North America and the United Kingdom alone in the first 24 hours. *Tony Hawk*: *RIDE* will be released next week in the United States.

As of September 30, 2009, Activision Blizzard had purchased $960 million, or approximately 89 million of its common shares, under its annual stock repurchase program since the program's inception. As of September 30, 2009, Vivendi held an approximate 57% non-diluted ownership interest in Activision Blizzard.

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

Revenues

Universal Music Group's revenues of €2,978 million declined 5.2% compared to the first nine months of 2008. A 21% growth in digital sales, higher merchandising and music publishing activity were offset by falling demand for physical product and lower license income in addition to a light release schedule. At constant currency, revenues declined by 8.4%.

Major recorded music sellers included new releases from U2, Eminem and Black Eyed Peas, and Lady Gaga and Taylor Swift's debut albums.

EBITA

Universal Music Group's EBITA of €269 million declined 34.1% compared to the same period last year with lower recorded music sales and an unfavorable sales mix. A decline in licensing income including copyright settlements, offset growth in music publishing and contributions from new business initiatives, such as merchandising, in addition to cost savings. EBITA for the first nine months of 2009 was also impacted by restructuring costs of €49 million associated with the ongoing reorganization, while 2008 included certain copyright settlements and the impact of the agreements of the MySpace Music venture and benefited from credits from the downward valuation of compensation plans linked to equity value.

[3] *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 9.6% to €9,230 million compared to the same period in 2008, due to the consolidation of Neuf Cegetel since April 15, 2008. On a comparable basis[4], SFR's revenues decreased by 0.5%.

Mobile revenues[5] amounted to €6,684 million, a 0.5% decrease compared to the same period in 2008. Mobile service revenues[6] decreased by 1% on a comparable basis to €6,364 million, but increased by 0.2% on a comparable basis and excluding July 1, 2009 31% mobile voice termination regulated price cut.

The data part in Mobile service revenues increased from 17% in 2008 to 23% for the first nine months of 2009. The growth in the customer base and data revenues (+34% compared to September 2008 due to unlimited SMS and MMS offers and mobile Internet development) was offset by the impact of the economic slowdown on the roaming traffic and out of bundle usage and also by the impact of a mobile voice termination regulated price cut.

For the first nine months of 2009, SFR achieved very good commercial results, adding approximately 573,000 new net mobile customers. This is particularly true in the postpaid segment with 831,000 new postpaid net adds since the beginning of 2009, a 39% market share increase. The customer base reached 14.413 million postpaid customers at the end of September 2009, SFR thus improved its customer mix by 2.3 percentage points year-on-year to reach 71.3%. Furthermore, the successful launch of the iPhone was confirmed with 385,000 units sold in less than six months.

Broadband Internet and fixed revenues reached €2,796 million, decreasing by 3.3% 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 2.4%.

With a 32% net increase in market share in the quarter, SFR once again continued to perform well in the ADSL segment for the fourth successive quarter. For the first nine months of the year, the net growth of new active broadband Internet customers amounted to 404,000. At the end of September 2009, SFR broadband Internet customer base increased by 14.7% compared to the same period in 2008 and totaled 4.283 million customers.

EBITA

SFR's EBITDA amounted to €3,027 million, down by €169 million on a comparable basis. SFR's EBITDA included notably the additional tax created by the French government to finance the state-owned audiovisual sector reform.

SFR's mobile EBITDA decreased by €165 million year-on-year to €2,529 million. This decline was mainly due to the imposition of additional taxes and regulated cuts.

SFR's broadband Internet and fixed EBITDA, including Neuf Cegetel operations since April 15, 2008, were almost stable on a comparable basis at €498 million. The positive effects of mass market ADSL growth and the stable results of the Enterprise and Wholesale segments in a difficult economic environment were offset by the increase in customer acquisition and retention costs, by the decline in switched voice revenues and by the creation of additional taxes.

Including amortization, costs and restructuring provisions linked to the combination of SFR and Neuf Cegetel, EBITA was €1,986 million, decreasing by €45 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[7] totaled €1,999 million, up 3.6% compared to the same period in 2008 (+1.1% at constant currency and at constant perimeter[8]). Despite a continuing difficult economic environment, revenue growth was driven by both an ongoing leadership position in Morocco and the solid performance of Maroc Telecom's subsidiaries. The Group's customer base reached 21.411 million customers as of September 30, 2009, up 11.2% year-on-year, with the consolidation of Sotelma (750,000 customers in Mali as of September 30, 2009) and the continued growth in all activities of its African subsidiaries, mainly mobile, in which the customer base now amounted to 3.983 million customers (compared to 2.434 million at the end of September 2008).

[4] 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.

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

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

[7] For the first nine months of 2009, Maroc Telecom Group's revenues included Sotelma, consolidated on August 1, 2009, for €18 million.

[8] Constant perimeter includes the consolidation of Sotelma, as if this transaction had occurred on August 1, 2008.

EBITA

Maroc Telecom Group's EBITA was €905 million, down 0.9% compared to the same period in 2008 (-3% at constant currency and at constant perimeter). The EBITA evolution mainly resulted from the costs associated with maintaining promotional activities in Morocco as well as from network development, which led to increases in amortization and depreciation.

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

Revenues

Canal+ Group revenues were €3,368 million, an increase of 1.1% at constant currency.

Over the past twelve months, subscriber growth at Canal+ France continued to be impacted by the portfolio change of scope carried out in 2008 (which amounted to 73,000 subscriptions). Excluding this adjustment, net portfolio growth was 177,000 subscriptions year-on-year, which represented a significant improvement compared with the first half year (+94,000 year-on-year at June 30, 2009), notably due to the acquisition of Multichoice's French speaking subscriber base in Central Africa (39,000 subscriptions).
Since the beginning of the year, 348,000 Canal+ analog subscribers were transferred to digital, which brought Canal+'s digitization portfolio rate to 90%, up from 78% a year earlier.

Revenues from the Group's other operations increased, primarily as a result of subscriber portfolio growth in Poland, increased advertising revenues on i>TELE, and a strong performance at StudioCanal which benefited from the integration of Kinowelt in April 2008.

EBITA

Canal+ Group EBITA amounted to €754 million, a €133 million increase compared to the same period in 2008 (+21.4%).
EBITA growth was driven by Canal+ France notably due to price increases, cost reductions and the full effect of the TPS merger synergies (primarily, a new French football "Ligue 1" contract). EBITA also benefited from favorable, temporary, calendar effects on certain costs (programming, analogue subscriber digitization, international developments).

Regarding the Group's other operations, StudioCanal fully benefited from the Kinowelt integration and pay-TV in Poland was impacted by an unfavourable exchange rate.

Holding & Corporate

EBITA

Holding & Corporate's EBITA was -€56 million, a €7 million improvement compared to the first nine months of 2008. For the first nine months of 2009, EBITA included an earn-out income (€40 million) in connection with the disposal of real estate assets in Germany in 2007. In addition, the net increase in the provision for stock-options and other share-based compensation plans amounted to €8 million for the first nine months of 2009, compared to a net reversal of €25 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 September 30, 2009, the group's Financial Net Debt amounted to €8.3 billion, including SFR's Financial Net Debt for €6.5 billion, which includes revolving facilities granted to SFR by Vivendi SA under market terms for €3.1 billion. In addition, the group's Financial Net Debt 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. It also included the net cash position of Activision Blizzard (€1,608 million as of September 30, 2009). Please refer to Section 5.2 below).

- As of November 12, 2009, the date of the Management Board meeting which approved the Financial Statements for the nine months ended September 30, 2009:
  - Vivendi's credit rating is BBB Stable (Standard & Poor's and Fitch) and Baa2 Stable (Moody's) and its "economic" average term[9] was 3.6 years, compared to 4.1 years at year-end 2008. SFR's credit rating is BBB+ (Fitch) and its "economic" average term[10] was 2.4 years, compared to 2.9 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 and represented approximately 59% of gross borrowings, compared to 44% as of December 31, 2008. The "economic" average term of bond issued by the group was 3.3 years. The amount of Vivendi SA bonds notably included the bonds issued in 2009 for €1 billion (January 2009) and two extensions of the original bonds for an amount of €320 million. The amount of SFR bonds notably included the bond issued in July 2009 for €300 million and the extension, collected in January 2009, for €200 million (please refer to Section 5.4.1 below); and
  - The available undrawn facilities of Vivendi SA, net of commercial paper, amounted to €3.7 billion, and available credit lines of SFR, net of commercial paper, amounted to approximately €1.4 billion (please refer to Section 5.4.2, below). 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. 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 and, considering that the revolving facility of €1.5 billion, maturing in August 2009, was terminated early in June 2009, no reimbursement or cancellation of any significant bond issue should occur before 2012.

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

5.2 Financial Net Debt changes

As of September 30, 2009, Vivendi's Financial Net Debt amounted to €8,279 million, compared to €8,349 million as of December 31, 2008, 79% of which is attributable to SFR, compared to 85% on December 31, 2008. Please note that, in January 2009, SFR paid a €750 million dividend to its shareholders with respect to fiscal year 2008. As a reminder, the impact on SFR's Financial Net Debt resulting from the take over of Neuf Cegetel by SFR in April 2008 amounted to approximately €5.5 billion (including €4.5 billion related to the acquisition of the 60.15% equity interest in Neuf Cegetel not yet owned by SFR and €1 billion related to the Financial Net Debt assumed). Thus, in 2008, Vivendi notably granted a €3 billion credit facility to SFR under market terms. As agreed with its shareholders, in order to repay this loan, SFR will reduce the amount of dividend payments over the 2008, 2009 and 2010 three fiscal years.

In addition, as of September 30, 2009, Activision Blizzard's positive net cash position was €1,608 million, which was primarily invested in money market funds with initial maturities not exceeding 90 days (compared to €2,117 million as of December 31, 2008). Moreover, Activision Blizzard held €156 million ($228 million) of US government agency securities included in the short-term Financial Assets items of the Condensed Statement of Financial Position as of September 30, 2009.

	September 30, 2009		December 31, 2008	
(in millions of euros)	Vivendi	*of which SFR*	Vivendi	*of which SFR*
Borrowings and other financial liabilities	11,529	*7,313*	11,630	*7,525*
of which long-term (a)	*7,265*	*2,739*	*9,975*	*3,255*
of which short-term (a)	*4,264*	*1,474*	*1,655*	*570*
of which revolving facilities granted to SFR by Vivendi SA	-	*3,100*	-	*3,700*
Derivative financial instruments in assets (b)	(14)	-	(99)	-
Cash deposits backing borrowings (b)	(57)	*(24)*	(30)	-
	11,458	***7,289***	**11,501**	***7,525***
Cash and cash equivalents (a)	(3,179)	*(774)*	(3,152)	*(440)*
of which Activision Blizzard's cash and cash equivalents	*(1,608)*	*na*	*(2,117)*	*na*
Financial Net Debt	**8,279**	***6,515***	**8,349**	***7,085***

na: not applicable

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

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

For the first nine months of 2009, Financial Net Debt decreased by €70 million, reflecting a €43 million decrease in borrowings and other derivative instruments and a €27 million increase in net cash over the period.

Net cash used for financing activities amounted to €2,474 million, mainly including the payments to Vivendi SA's and its subsidiaries' shareholders (€2,019 million) as well as the repayment of bank facilities and borrowings (€3,171 million), virtually offset by new borrowings and commercial papers put into place (€3,022 million, of which €2,031 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 (€784 million), the dividend paid in cash by Vivendi SA to its shareholders (€735 million) and the stock repurchase program of Activision Blizzard (€606 million).

Net cash used for investing activities amounted to €2,341 million, and primarily included capital expenditures, net (€1,974 million) and the acquisition of a 51% stake in Sotelma by Maroc Telecom (€269 million, after acquired cash), partially offset by dividends received from NBC Universal (€266 million).

These net cash outflows were primarily financed by the net cash provided by operating activities (€4,884 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	(4,884)	-	(4,884)
Investing activities	2,341	98	2,439
Financing activities	2,474	(93)	2,381
Foreign currency translation adjustments	42	(48)	(6)
Change in Financial Net Debt over the period	(27)	(43)	(70)
Financial Net Debt as of September 30, 2009	**(3,179)**	**11,458**	**8,279**

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	Nine Months Ended September 30, 2009 — Impact on cash and cash equivalents	Impact on borrowings and other	Impact on Financial Net Debt
EBIT		2	**(3,821)**	**-**	**(3,821)**
Adjustments			(1,816)	-	(1,816)
Content investments, net			343	-	343
Gross cash provided by operating activities before income tax paid			***(5,294)***	***-***	***(5,294)***
Other changes in net working capital			476	-	476
Net cash provided by operating activities before income tax paid		3	***(4,818)***	***-***	***(4,818)***
Income tax paid, net		3	(66)	-	(66)
Operating activities	**A**		**(4,884)**	**-**	**(4,884)**
Financial investments					
Purchases of consolidated companies, after acquired cash			432	115	547
of which acquisition of Sotelma by Maroc Telecom		1.1	*269*	*43*	*312*
of which payment to the beneficiaries of Neuf Cegetel restricted stock plans			*83*	-	*83*
Investments in equity affiliates			1	-	1
Increase in financial assets			235	(24)	211
Total financial investments			***668***	***91***	***759***
Financial divestments					
Proceeds from sales of consolidated companies, after divested cash			(17)	-	(17)
Decrease in financial assets			(15)	7	(8)
Total financial divestments			***(32)***	***7***	***(25)***
Financial investment activities			**636**	**98**	**734**
Dividends received from equity affiliates		3	(266)	-	(266)
Dividends received from unconsolidated companies			(3)	-	(3)
Investing activities excluding capital expenditures and proceeds from sales of property, plant, equipment and intangible assets, net			**367**	**98**	**465**
Capital expenditures			2,023	-	2,023
Proceeds from sales of property, plant, equipment and intangible assets			(49)	-	(49)
Capital expenditures, net		3	***1,974***	***-***	***1,974***
Investing activities	**B**		**2,341**	**98**	**2,439**
Transactions with shareholders					
Net proceeds from issuance of common shares and other transactions with shareholders			(106)	-	(106)
of which exercise of stock options by executive management and employees			*(48)*	-	*(48)*
of which capital increase subscribed by employees in connection with the stock purchase plan			*(71)*	-	*(71)*
(Sales)/purchases of treasury shares			606	-	606
of which stock repurchase program of Activision Blizzard		1.1	*606*	-	*606*
Dividends paid by Vivendi SA, €1.40 per share (June 2009) (a)		1.1	735	-	735
Dividends paid by consolidated companies to their minority shareholders			784	-	784
of which SFR			*330*	-	*330*
of which Maroc Telecom SA			*396*	-	*396*
Total dividends and other transactions with shareholders			***2,019***	***-***	***2,019***
Transactions on borrowings and other financial liabilities					
Setting up of long-term borrowings and increase in other long-term financial liabilities			(2,031)	2,031	-
of which Vivendi SA		5.4.1	*(1,320)*	*1,320*	-
of which SFR		5.4.1	*(500)*	*500*	-
Principal payments on long-term borrowings and decrease in other long-term financial liabilities			2,828	(2,828)	-
of which Vivendi SA			*1,850*	*(1,850)*	-
of which SFR			*760*	*(760)*	-
Principal payments on short-term borrowings			343	(343)	-
Other changes in short-term borrowings and other financial liabilities			(991)	991	-
of which SFR's commercial paper			*(524)*	*524*	-
Non cash transactions			-	108	108
Interest paid, net		3	336	-	336
Other cash items related to financial activities		3	(30)	(52)	(82)
Total transactions on borrowings and other financial liabilities			***455***	***(93)***	***362***
Financing activities	**C**		**2,474**	**(93)**	**2,381**
Foreign currency translation adjustments	D		42	(48)	(6)
Change in Financial Net Debt	**A+B+C+D**		**(27)**	**(43)**	**(70)**

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 nine months ended September 30, 2009).

5.4 Changes in borrowings in 2009 and credit ratings

5.4.1 BORROWINGS PUT INTO PLACE IN 2009

Vivendi SA

Vivendi SA put into place the following borrowings for a total amount of €1,320 million:

- In January 2009, a 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 January 2009, 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; and
- In April 2009, 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

SFR put into place the following borrowings for a total amount of €500 million:

- In January 2009, 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; and
- In July 2009, an euro bond issue of €300 million with a July 2014 maturity at a 5% rate.

5.4.2 AVAILABLE UNDRAWN FACILITIES

As of November 12, 2009 and February 24, 2009, the dates of Vivendi's Management Board meetings which approved the financial statements for the nine months ended September 30, 2009 and the year ended December 31, 2008, respectively, Vivendi SA and SFR had the following credit facilities:

		As of November 12, 2009			As of February 24, 2009		
(in millions of euros)	Maturity	Nominal value	Drawn	Undrawn	Nominal value	Drawn	Undrawn
Vivendi SA's credit facilities							
€2.0 billion revolving facility (April 2005)	April 2012	2,000	900	1,100	2,000	-	2,000
€2.0 billion revolving facility (August 2006)							
of which initial credit line	August 2012	271	-	271	271	-	271
of which extended credit line	August 2013	1,729	900	829	1,729	-	1,729
Revolving facility (a)	August 2009	-	-	-	1,500	-	1,500
€2.0 billion revolving facility (February 2008)							
of which tranche 1	February 2011	1,000	-	1,000	1,000	-	1,000
of which tranche 2	February 2013	1,000	-	1,000	1,000	-	1,000
Subtotal		***6,000***	***1,800***	***4,200***	***7,500***	***-***	***7,500***
Commercial paper issued (b)		*na*	*na*	*(468)*	*na*	*na*	*(435)*
Total of Vivendi SA's available credit facilities		**6,000**	**1,800**	**3,732**	**7,500**	**-**	**7,065**
SFR's credit facilities							
€1.2 billion revolving facility (November 2004)							
of which initial credit line	April 2010	40	-	40	40	-	40
of which extended credit line	April 2011	1,160	470	690	1,160	1,020	140
€450 million revolving facility (November 2005)	November 2012	450	290	160	450	450	-
€850 million revolving facility (May 2008)	May 2013	850	-	850	850	-	850
€100 million revolving facility (November 2008)	February 2010	100	-	100	100	-	100
Syndicated loan "Club Deal" (July 2005)							
of which tranche A	July 2010	248	248	-	248	248	-
of which tranche B - "revolver"	March 2012	492	-	492	492	-	492
Securitization program (March 2006)	March 2011	280	280	-	300	300	-
Structured financing (UK Lease)	November 2010	100	100	-	100	100	-
Subtotal		***3,720***	***1,388***	***2,332***	***3,740***	***2,118***	***1,622***
Commercial paper issued (b)		*na*	*na*	*(908)*	*na*	*na*	*(571)*
Total of SFR's available credit facilities		**3,720**	**1,388**	**1,424**	**3,740**	**2,118**	**1,051**
Total of Vivendi SA's and SFR's available credit facilities		**9,720**	**3,188**	**5,156**	**11,240**	**2,118**	**8,116**

na: not applicable

a. This revolving facility was early terminated in June 2009.

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

5.4.3 INTERCOMPANY LOANS

As of November 12, 2009 and February 24, 2009, the dates of Vivendi's Management Board meetings which approved the financial statements for the nine months ended September 30, 2009 and the year ended December 31, 2008, respectively, Vivendi SA granted the following credit lines to SFR and Activision Blizzard:

(in millions of euros, except where noted)	Maturity	As of November 12, 2009 Nominal value	Drawn	Undrawn	As of February 24, 2009 Nominal value	Drawn	Undrawn
Revolving facilities granted by Vivendi SA to SFR							
€700 million revolving facility (December 2006)	December 2009	700	700	-	700	700	-
€3 billion revolving facility (July 2008)							
of which tranche A	July 2009	-	-	-	1,000	1,000	-
of which tranche B	July 2010	1,000	1,000	-	1,000	1,000	-
of which tranche C	December 2012	1,000	1,000	-	1,000	1,000	-
€1.5 billion revolving facility (June 2009)	June 2013	1,500	-	1,500	-	-	-
Total		**4,200**	**2,700**	**1,500**	**3,700**	**3,700**	**-**
Loan facility granted by Vivendi SA to Activision Blizzard (in millions of dollars)							
$475 million loan facility (July 2008)	March 2011	475	-	475	475	-	475

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 to banks, and thus cancelling Vivendi's undertaking.

5.4.4 AVERAGE MATURITY

As of November 12, 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) and the economic average term of SFR's consolidated debt was estimated at 2.4 years (compared to 2.9 years at the end of 2008).

5.4.5 VIVENDI AND SFR CREDIT RATINGS

As of November 12, 2009, the date of the Management Board meeting which approved the Financial Statements for the nine months ended September 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	Stable
		Short-term *corporate*	A-2	Stable
		Senior unsecured debt	BBB	Stable
Moody's	September 13, 2005	Long-term senior unsecured debt	Baa2	Stable
Fitch Ratings	December 10, 2004	Long-term senior unsecured debt	BBB	Stable

As of November 12, 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	Stable

6 Forward looking statements

This Financial Report contains forward-looking statements with respect to Vivendi's financial condition, results of operations, business, strategy and plans as well as expectations regarding the payment of dividends. Although Vivendi believes that such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance. Actual results may differ materially from these forward-looking statements as a result of a number of risks and uncertainties, many of which are outside of Vivendi's control, including but not limited to, the risks described in the 2008 Document de Référence 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.

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

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

As reported below, the reconciliation of Activision Blizzard's U.S. GAAP revenue and EBITA to IFRS as of September 30, 2009, September 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 quarterly period ended September 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 November 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 nine months ended September 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 associated with certain of the company's online-enabled games for Microsoft, Sony, Nintendo and PC platforms and for *World of Warcraft* boxed software, including the sale of expansion packs and other online 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 divested, exited or 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 has become 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. 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 Vivendi and 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 September 30, (unaudited) 2009	Three Months Ended September 30, (unaudited) 2008	Nine Months Ended September 30, (unaudited) 2009	Nine Months Ended September 30, (unaudited) 2008	Year Ended December 31, 2008 (unaudited)
Non-GAAP Measurement (U.S. GAAP basis):					
Comparable Basis Net Revenues of Core Operations (in millions of dollars)	**755**	**770**	**2,280**	**2,689**	**5,032**
Eliminate comparable basis adjustments:					
Activision - operations prior to July 10, 2008	na	(53)	na	(1,310)	(1,310)
Non-GAAP Net Revenues of Core Operations (in millions of dollars)	**755**	**717**	**2,280**	**1,379**	**3,722**
Eliminate non-GAAP adjustments:					
Changes in deferred net revenues (a)	(52)	(12)	441	(8)	(713)
Net revenues of non-core exit operations (b)	-	6	1	16	17
U.S. GAAP Measurement:					
Net Revenues in U.S. GAAP (in millions of dollars), as published by Activision Blizzard	**703**	**711**	**2,722**	**1,387**	**3,026**
Eliminate U.S. GAAP vs. IFRS differences:					
Effect of alignment of deferred net revenues balance with U.S. GAAP (a)	na	14	na	12	(63)
IFRS Measurement:					
Net Revenues in IFRS (in millions of dollars)	**703**	**725**	**2,722**	**1,399**	**2,963**
Translate from dollars to euros:					
Net Revenues in IFRS (in millions of euros), as published by Vivendi	**493**	**475**	**1,986**	**919**	**2,091**
of which:					
Activision	233	240	1,131	300	1,146
Blizzard	222	194	707	572	770
Distribution	38	37	148	37	164
Non-core operations	-	4	-	10	11

Reconciliation of U.S. GAAP EBITA to IFRS:

	Three Months Ended September 30, (unaudited) 2009	Three Months Ended September 30, (unaudited) 2008	Nine Months Ended September 30, (unaudited) 2009	Nine Months Ended September 30, (unaudited) 2008	Year Ended December 31, 2008 (unaudited)
Non-GAAP Measurement (U.S. GAAP basis):					
Comparable Basis Operating Income/(Loss) of Core Operations (in millions of dollars)	**75**	**113**	**350**	**556**	**1,200**
Eliminate comparable basis adjustments:					
Activision - operating income/(loss) generated prior to July 10, 2008	na	9	na	(167)	(167)
Non-GAAP Operating Income/(Loss) of Core Operations (in millions of dollars)	**75**	**122**	**350**	**389**	**1,033**
Eliminate non-GAAP adjustments:					
Changes in deferred net revenues and related cost of sales (a)	9	(12)	341	(7)	(496)
Results of non-core exit operations (b)	-	(110)	(8)	(251)	(266)
Equity-based compensation expense (c)	(36)	(26)	(107)	(47)	(90)
One time costs related to the Vivendi transaction, integration and restructuring (d)	(6)	(78)	(53)	(78)	(122)
Amortization of intangibles acquired through business combinations and purchase price accounting related adjustments (e)	(33)	(90)	(117)	(92)	(292)
U.S. GAAP Measurement:					
Operating Income/(Loss) in U.S. GAAP (in millions of dollars), as published by Activision Blizzard	**9**	**(194)**	**406**	**(86)**	**(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	14	na	11	(58)
Equity-based compensation expense (c)	(7)	(5)	1	26	30
One time costs related to the Vivendi transaction, integration and restructuring (d)	2	-	13	-	-
Other	5	5	4	7	8
IFRS Measurement:					
Operating Income/(Loss) in IFRS (in millions of dollars)	**9**	**(180)**	**424**	**(42)**	**(253)**
Eliminate items excluded from EBITA:					
Impairment of intangible assets acquired through business combinations	-	7	-	7	7
Amortization of intangible assets acquired through business combinations (e)	38	90	127	90	302
EBITA in IFRS (in millions of dollars)	**47**	**(83)**	**551**	**55**	**56**
Translate from dollars to euros:					
EBITA in IFRS (in millions of euros), as published by Vivendi	**33**	**(59)**	**406**	**33**	**34**
of which:					
Activision	(72)	(51)	73	(67)	(76)
Blizzard	100	88	331	286	323
Distribution	5	1	3	1	15
Non-core operations	-	(97)	(1)	(187)	(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 nine months of 2009, in both U.S. GAAP and IFRS, the change in deferred net revenues resulted in the recognition of $441 million (€329 million) in net revenues and, after taking into account related costs of sales, the recognition of $341 million (€252 million) in margin from operations. These impacts were mainly due to the recognition during the first nine months of 2009 of a portion of the net revenues and margin from operations deferred at the end of fiscal year 2008; and
   - As of September 30, 2009, in both U.S. GAAP and IFRS, the deferred net revenues balance in the Statement of Financial Position amounted to $471 million (€321 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 divested, exited or 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.

2. Revenues and EBITA by business segment – 2009 and 2008 Quarters

	2009		
(in millions of euros)	1st Quarter Ended March 31	2nd Quarter Ended June 30	3rd Quarter Ended Sept. 30
Revenues			
Activision Blizzard	731	762	493
Universal Music Group	1,026	983	969
SFR	3,028	3,112	3,090
Maroc Telecom Group	640	665	694
Canal+ Group	1,119	1,139	1,110
Non-core operations and others, and elimination of intersegment transactions	(14)	(13)	(9)
Total Vivendi	**6,530**	**6,648**	**6,347**
EBITA			
Activision Blizzard	178	195	33
Universal Music Group	110	101	58
SFR	610	686	690
Maroc Telecom Group	286	300	319
Canal+ Group	254	218	282
Holding & Corporate	(37)	9	(28)
Non-core operations and others	(8)	(3)	(8)
Total Vivendi	**1,393**	**1,506**	**1,346**

	2008			
(in millions of euros)	1st Quarter Ended March 31	2nd Quarter Ended June 30	3rd Quarter Ended Sept. 30	4th Quarter Ended Dec. 31
Revenues				
Activision Blizzard	221	223	475	1,172
Universal Music Group	1,033	1,011	1,098	1,508
SFR	2,302	2,987	3,131	3,133
Maroc Telecom Group	614	640	676	671
Canal+ Group	1,115	1,139	1,137	1,163
Non-core operations and others, and elimination of intersegment transactions	(5)	(12)	(8)	(32)
Total Vivendi	**5,280**	**5,988**	**6,509**	**7,615**
EBITA				
Activision Blizzard	50	42	(59)	1
Universal Music Group	111	148	149	278
SFR	624	716	626	576
Maroc Telecom Group	268	316	329	311
Canal+ Group	170	181	270	(53)
Holding & Corporate	(11)	(28)	(24)	3
Non-core operations and others	(9)	(11)	(10)	(11)
Total Vivendi	**1,203**	**1,364**	**1,281**	**1,105**

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

- 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. As of September 30, 2009, Vivendi held an approximate 57% non-diluted interest in Activision Blizzard;
- at UMG: Univision Music Group (May 5, 2008);
- at SFR: Neuf Cegetel (April 15, 2008);
- at Maroc Telecom Group: Sotelma (August 1, 2009); and
- at Canal+ Group: Kinowelt (April 2, 2008).

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III - Condensed Financial Statements for the nine months ended September 30, 2009 (unaudited)

Condensed Statement of Earnings

	Note	Three Months Ended September 30, (unaudited)		Nine Months Ended September 30, (unaudited)		Year Ended December 31, 2008
		2009	2008	2009	2008	
Revenues	2	**6,347**	**6,509**	**19,525**	**17,777**	**25,392**
Cost of revenues		(3,078)	(3,115)	(9,555)	(8,478)	(12,492)
Selling, general and administrative expenses		(2,027)	(2,147)	(6,117)	(5,649)	(8,406)
Restructuring charges and other operating charges and income		(31)	(145)	(32)	(164)	(194)
Impairment losses of intangible assets acquired through business combinations		-	(4)	-	(26)	(40)
Earnings before interest and income taxes (EBIT)	2	**1,211**	**1,098**	**3,821**	**3,460**	**4,260**
Income from equity affiliates		47	51	118	186	260
Interest	3	(116)	(119)	(336)	(253)	(354)
Income from investments		2	1	5	5	5
Other financial charges and income	3	(30)	2,281	(116)	2,271	579
Earnings from continuing operations before provision for income taxes		**1,114**	**3,312**	**3,492**	**5,669**	**4,750**
Provision for income taxes	4	(152)	(254)	(567)	(794)	(1,051)
Earnings from continuing operations		**962**	**3,058**	**2,925**	**4,875**	**3,699**
Earnings from discontinued operations		-	-	-	-	-
Earnings		**962**	**3,058**	**2,925**	**4,875**	**3,699**
Attributable to:						
Equity holders of the parent		**600**	**2,760**	**1,788**	**3,982**	**2,603**
Minority interests		362	298	1,137	893	1,096
Earnings from continuing operations attributable to equity holders of the parent per share - basic	6	0.49	2.36	1.50	3.42	2.23
Earnings from continuing operations attributable to equity holders of the parent per share - diluted	6	0.49	2.35	1.49	3.40	2.23
Earnings attributable to equity holders of the parent per share - basic	6	**0.49**	**2.36**	**1.50**	**3.42**	**2.23**
Earnings attributable to equity holders of the parent per share - diluted	6	0.49	2.35	1.49	3.40	2.23
Adjusted net income	5	**645**	**625**	**2,112**	**2,079**	**2,735**
Adjusted net income per share - basic	6	**0.52**	**0.54**	**1.77**	**1.78**	**2.34**
Adjusted net income per share - diluted	6	0.52	0.53	1.76	1.78	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 Comprehensive Income

(in millions of euros)	Three Months Ended September 30, (unaudited) 2009	Three Months Ended September 30, (unaudited) 2008	Nine Months Ended September 30, (unaudited) 2009	Nine Months Ended September 30, (unaudited) 2008	Year Ended December 31, 2008
Net income	**962**	**3,058**	**2,925**	**4,875**	**3,699**
Foreign currency translation adjustments	**(654)**	**966**	**(675)** (a)	**88** (a)	**1,035** (a)
Assets available for sale	(7)	(14)	(9)	(89)	(85)
Valuation gains/(losses) taken to equity	*10*	*(13)*	*8*	*(6)*	*(2)*
Transferred to profit or loss on divestiture	*(17)*	*(1)*	*(17)*	*(83)*	*(83)*
Cash flow hedge instruments	11	5	(44)	(8)	(128)
Net investment hedge instruments	-	(24)	(18)	(16)	9
Tax	1	13	14	(3)	29
Unrealized gains/(losses)	**5**	**(20)**	**(57)**	**(116)**	**(175)**
Charges and income directly recorded in equity related to equity affiliates	(2)	(4)	(2)	(7)	(3)
Asset revaluation surplus	-	(4)	-	341 (b)	341 (b)
Other	(40)	12	(24)	12	(36)
Other impacts on retained earnings	**(42)**	**4**	**(26)**	**346**	**302**
Charges and income directly recognized in equity	**(691)**	**950**	**(758)**	**318**	**1,162**
Total comprehensive income	**271**	**4,008**	**2,167**	**5,193**	**4,861**
of which:					
Total comprehensive income attributable to equity holders of the parent	**91**	**3,617**	**1,052**	**4,205**	**3,723**
Total comprehensive income attributable to minority interests	180	391	1,115	988	1,138

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 -€182 million for the first nine months of 2009, -€129 million for the first nine months of 2008 and €160 million for the 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 for the year ended December 31, 2008 (pages 206 through 208 of the 2008 Annual Report).

Condensed Statement of Financial Position

(in millions of euros)	September 30, 2009 (unaudited)	December 31, 2008
ASSETS		
Goodwill	22,876	22,612
Non-current content assets	3,642	4,012
Other intangible assets	3,845	3,872
Property, plant and equipment	6,179	6,317
Investments in equity affiliates	4,085	4,441
Non-current financial assets	517	709
Deferred tax assets	2,105	2,195
Non-current assets	**43,249**	**44,158**
Inventories	677	763
Current tax receivables	34	588
Current content assets	1,246	927
Trade accounts receivable and other	6,049	6,777
Short-term financial assets	367	287
Cash and cash equivalents	3,179	3,152
	11,552	**12,494**
Assets held for sale	-	14
Current assets	**11,552**	**12,508**
TOTAL ASSETS	**54,801**	**56,666**
EQUITY AND LIABILITIES		
Share capital	6,759	6,436
Additional paid-in capital	8,060	7,406
Treasury shares	(2)	(2)
Retained earnings and other	7,771	8,785
Equity attributable to Vivendi SA's shareholders	**22,588**	**22,625**
Minority interests	4,538	4,001
Total equity	**27,126**	**26,626**
Non-current provisions	1,464	1,585
Long-term borrowings and other financial liabilities	7,265	9,975
Deferred tax liabilities	1,137	1,305
Other non-current liabilities	1,239	1,480
Non-current liabilities	**11,105**	**14,345**
Current provisions	555	719
Short-term borrowings and other financial liabilities	4,264	1,655
Trade accounts payable and other	11,473	13,218
Current tax payables	278	97
	16,570	**15,689**
Liabilities associated with assets held for sale	-	6
Current liabilities	**16,570**	**15,695**
Total liabilities	**27,675**	**30,040**
TOTAL EQUITY AND LIABILITIES	**54,801**	**56,666**

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

Condensed Statement of Cash Flows

(in millions of euros)	Note	Nine Months Ended September 30, (unaudited) 2009	2008	Year Ended December 31, 2008
Operating activities				
EBIT		3,821	3,460	4,260
Adjustments		1,816	1,434	2,415
Including amortization and depreciation of tangible and intangible assets		*2,038*	*1,722*	*2,631*
Content investments, net		(343)	(58)	(159)
Gross cash provided by operating activities before income tax paid		***5,294***	***4,836***	***6,516***
Other changes in net working capital		(476)	(239)	241
Net cash provided by operating activities before income tax paid		***4,818***	***4,597***	***6,757***
Income tax paid, net		66	(570)	(1,015)
Net cash provided by operating activities		**4,884**	**4,027**	**5,742**
Investing activities				
Capital expenditures		(2,023)	(1,548)	(2,105)
Purchases of consolidated companies, after acquired cash		(432)	(3,704)	(3,735)
Investments in equity affiliates		(1)	(97)	(114)
Increase in financial assets		(235)	(102)	(98)
Investments		***(2,691)***	***(5,451)***	***(6,052)***
Proceeds from sales of property, plant, equipment and intangible assets		49	63	104
Proceeds from sales of consolidated companies, after divested cash		17	(8)	(6)
Disposal of equity affiliates		-	18	18
Decrease in financial assets		15	328	340
Divestitures		***81***	***401***	***456***
Dividends received from equity affiliates		266	196	296
Dividends received from unconsolidated companies		3	2	3
Net cash provided by/(used for) investing activities		**(2,341)**	**(4,852)**	**(5,297)**
Financing activities				
Net proceeds from issuance of common shares and other transactions with shareholders		106	97	101
Sales/(purchases) of treasury shares (a)		(606)	3	(85)
Dividends paid in cash by Vivendi SA to its shareholders		(735)	(1,515)	(1,515)
Dividends and reimbursements of contribution of capital paid by consolidated companies to their minority shareholders		(784)	(633)	(636)
Transactions with shareholders		***(2,019)***	***(2,048)***	***(2,135)***
Setting up of long-term borrowings and increase in other long-term financial liabilities		2,031	2,906	3,919
Principal payment on long-term borrowings and decrease in other long-term financial liabilities		(2,828)	(616)	(612)
Principal payment on short-term borrowings		(343)	(194)	(605)
Other changes in short-term borrowings and other financial liabilities		991	1,474	216
Interest paid, net	3	(336)	(253)	(354)
Other cash items related to financial activities		30	24	34
Transactions on borrowings and other financial liabilities		***(455)***	***3,341***	***2,598***
Net cash provided by/(used for) financing activities		**(2,474)**	**1,293**	**463**
Foreign currency translation adjustments		(42)	121	195
Change in cash and cash equivalents		**27**	**589**	**1,103**
Cash and cash equivalents				
At beginning of the period		**3,152**	**2,049**	**2,049**
At end of the period		**3,179**	**2,638**	**3,152**

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

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

Condensed Statements of Changes in Equity

Nine months ended September 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)**
of which capital increase related to dividends paid in shares	*53,185*	*293*	*611*	-	*(904)*	-	-	*(904)*	**-**	-	**-**
of which paid in cash	-	-	-	-	*(735)*	-	-	*(735)*	***(735)***	-	***(735)***
Exercise of stock options	116	1	1	-	-	-	-	-	**2**	-	**2**
Vivendi Employee Stock Purchase Plans (July 30, 2009)	4,862	27	44	-	-	-	-	-	**71**	-	**71**
Other transactions with shareholders	456	2	(2)	-	28	-	-	28	**28**	-	**28**
Dividends and other transactions with Vivendi SA shareholders	**58,619**	**323**	**654**	**-**	**(1,611)**	**-**	**-**	**(1,611)**	**(634)**	**-**	**(634)**
Dividends	-	-	-	-	-	-	-	-	**-**	(783)	**(783)**
Other transactions with minority interests	-	-	-	-	(455) (b)	-	-	(455)	**(455)**	205	**(250)**
Transactions with minority interests	**-**	**-**	**-**	**-**	**(455)**	**-**	**-**	**(455)**	**(455)**	**(578)**	**(1,033)**
Earnings	-	-	-	-	1,788	-	-	1,788	**1,788**	1,137	**2,925**
Charges and income directly recognized in equity	-	-	-	-	(26)	(45)	(665)	(736)	**(736)**	(22)	**(758)**
Total comprehensive income	**-**	**-**	**-**	**-**	**1,762**	**(45)**	**(665)**	**1,052**	**1,052**	**1,115**	**2,167**
Total changes over the period	***58,619***	***323***	***654***	**-**	***(304)***	***(45)***	***(665)***	***(1,014)***	***(37)***	***537***	***500***
BALANCE AS OF SEPTEMBER 30, 2009	**1,228,816**	**6,759**	**8,060**	**(2)**	**10,266**	**(62)**	**(2,433)**	**7,771**	**22,588**	**4,538** (c)	**27,126**

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. Please refer to Section 1.1.2 to the Financial Report for the nine months ended September 30, 2009.

c. Includes cumulative foreign currency translation adjustments of €14 million.

Nine months ended September 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**
Vivendi Employee Stock Purchase Plans (July 24, 2008)	4,494	25	70	-	-	-	-	-	**95**	-	**95**
Other transactions with shareholders	427	2	-	(10)	33	-	-	33	**25**	-	**25**
Dividends and other transactions with Vivendi SA shareholders	**5,038**	**28**	**71**	**(10)**	**(1,482)**	**-**	**-**	**(1,482)**	**(1,393)**	**-**	**(1,393)**
Creation of Activision Blizzard (July 9, 2008)	-	-	-	-	-	-	-	-	**-**	1,397	**1,397**
Dividends	-	-	-	-	-	-	-	-	**-**	(436)	**(436)**
Other transactions with minority interests	-	-	-	-	-	-	-	-	**-**	41	**41**
Transactions with minority interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,002**	**1,002**
Earnings	-	-	-	-	3,982	-	-	3,982	**3,982**	893	**4,875**
Charges and income directly recognized in equity	-	-	-	-	346	(118)	(5)	223	**223**	95	**318**
Total comprehensive income	**-**	**-**	**-**	**-**	**4,328**	**(118)**	**(5)**	**4,205**	**4,205**	**988**	**5,193**
Total changes over the period	***5,038***	***28***	***71***	***(10)***	***2,846***	***(118)***	***(5)***	***2,723***	***2,812***	***1,990***	***4,802***
BALANCE AS OF SEPTEMBER 30, 2008	**1,169,781**	**6,434**	**7,403**	**(12)**	**12,055**	**16**	**(2,742)**	**9,329**	**23,154**	**3,890** (a)	**27,044**

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

a. Includes cumulative foreign currency translation adjustments of €41 million.

Year ended December 31, 2008

(in millions of euros, except number of shares)	Attributable to Vivendi SA shareholders – Common shares – *Number of shares* (in thousands)	Common shares – Amount	Additional paid-in capital	Treasury shares	Retained Earnings and Other – Retained earnings	Retained Earnings and Other – Net unrealized gains/(losses)	Retained Earnings and Other – Foreign currency translation adjustments	Retained Earnings and Other – Total	**Equity, attributable to equity holders of the parent**	Minority interests	**Total equity**
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**
Vivendi 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 comprehensive income	**-**	**-**	**-**	**-**	**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.

Notes to the Condensed Financial Statements

On November 12, 2009, the Management Board approved the Financial Report and the Unaudited Condensed Financial Statements for the nine months ended September 30, 2009.

The Unaudited Condensed Financial Statements for the nine months ended September 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") and the Unaudited Condensed Financial Statements for the first half of 2009. Please also refer to pages 179 through 290 of the English translation[1] of the "Document de référence" (the "2008 Annual Report") and the English translation of the Unaudited Condensed Financial Statements for the first half of 2009 which are 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 nine months 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 for the first nine months of 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, effective from January 1, 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 September 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 nine months of 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 (€606 million) over the carrying value of the related minority interests (€117 million), and thus do not constitute any additional goodwill.

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[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 (please refer to note c. below), and Canal+ Group.

Statement of Earnings

Three Months Ended September 30, 2009

(in millions of euros)	Activision Blizzard (a)	Universal Music Group	SFR (b)	Maroc Telecom Group (c)	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	**Total Vivendi**
External revenues	493	967	3,094	684	1,108	-	1	-	6,347
Intersegment revenues	-	2	(4)	10	2	-	1	(11)	-
Revenues	**493**	**969**	**3,090**	**694**	**1,110**	**-**	**2**	**(11)**	**6,347**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(396)	(885)	(2,043)	(275)	(778)	(16)	(9)	11	(4,391)
Charges related to stock options and other share-based compensation plans	(31)	(4)	(3)	(1)	-	(9)	-	-	(48)
EBITDA	**66**	**80**	**1,044**	**418**	**332**	**(25)**	**(7)**	**-**	**1,908**
Restructuring charges	2	(12)	(4)	-	-	-	-	-	(14)
Gain/(losses) on sale of tangible and intangible assets	-	-	7	3	(1)	-	-	-	9
Other non-recurring items	-	-	-	-	-	(3)	-	-	(3)
Depreciation of tangible assets	(13)	(10)	(202)	(80)	(32)	-	(1)	-	(338)
Amortization of intangible assets excluding those acquired through business combinations	(22)	-	(155)	(22)	(17)	-	-	-	(216)
Adjusted earnings before interest and income taxes (EBITA)	**33**	**58**	**690**	**319**	**282**	**(28)**	**(8)**	**-**	**1,346**
Amortization of intangible assets acquired through business combinations	(26)	(71)	(24)	(7)	(7)	-	-	-	(135)
Impairment losses of intangible assets acquired through business combinations	-	-	-	-	-	-	-	-	-
Earnings before interest and income taxes (EBIT)	**7**	**(13)**	**666**	**312**	**275**	**(28)**	**(8)**	**-**	**1,211**
Income from equity affiliates									47
Interest									(116)
Income from investments									2
Other financial charges and income									(30)
Provision for income taxes									(152)
Earnings from discontinued operations									-
Earnings									**962**
Attributable to:									
Equity holders of the parent									**600**
Minority interests									362

Three Months Ended September 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	475	1,094	3,133	673	1,134	-	-	-	6,509
Intersegment revenues	-	4	(2)	3	3	-	1	(9)	-
Revenues	**475**	**1,098**	**3,131**	**676**	**1,137**	**-**	**1**	**(9)**	**6,509**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(460)	(936)	(2,059)	(274)	(846)	(31)	(10)	9	(4,607)
Charges related to stock options and other share-based compensation plans	(21)	8	(7)	-	(1)	4	-	-	(17)
EBITDA	**(6)**	**170**	**1,065**	**402**	**290**	**(27)**	**(9)**	**-**	**1,885**
Restructuring charges	(35)	(12)	(100)	(1)	-	-	-	-	(148)
Gain/(losses) on sale of tangible and intangible assets	1	-	-	-	(1)	-	-	-	-
Other non-recurring items	(3)	-	-	5	2	4	(2)	-	6
Depreciation of tangible assets	(14)	(9)	(213)	(57)	(28)	(1)	1	-	(321)
Amortization of intangible assets excluding those acquired through business combinations	(2)	-	(126)	(20)	7	-	-	-	(141)
Adjusted earnings before interest and income taxes (EBITA)	**(59)**	**149**	**626**	**329**	**270**	**(24)**	**(10)**	**-**	**1,281**
Amortization of intangible assets acquired through business combinations	(61)	(63)	(41)	(6)	(8)	-	-	-	(179)
Impairment losses of intangible assets acquired through business combinations	(5)	-	-	1	-	-	-	-	(4)
Earnings before interest and income taxes (EBIT)	**(125)**	**86**	**585**	**324**	**262**	**(24)**	**(10)**	**-**	**1,098**
Income from equity affiliates									51
Interest									(119)
Income from investments									1
Other financial charges and income									2,281
Provision for income taxes									(254)
Earnings from discontinued operations									-
Earnings									**3,058**
Attributable to:									
Equity holders of the parent									**2,760**
Minority interests									298

Nine Months Ended September 30, 2009

(in millions of euros)	Activision Blizzard (a)	Universal Music Group	SFR (b)	Maroc Telecom Group (c)	Canal+ Group	Holding & Corporate	Non-core operations and others	Eliminations	Total Vivendi
External revenues	1,986	2,969	9,229	1,975	3,362	-	4	-	19,525
Intersegment revenues	-	9	1	24	6	-	1	(41)	-
Revenues	**1,986**	**2,978**	**9,230**	**1,999**	**3,368**	**-**	**5**	**(41)**	**19,525**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(1,367)	(2,635)	(6,185)	(810)	(2,465)	(80)	(22)	41	(13,523)
Charges related to stock options and other share-based compensation plans	(78)	-	(18)	(2)	(6)	(8)	-	-	(112)
EBITDA	**541**	**343**	**3,027**	**1,187**	**897**	**(88)**	**(17)**	**-**	**5,890**
Restructuring charges	(12)	(49)	(7)	-	-	(2)	-	-	(70)
Gain/(losses) on sale of tangible and intangible assets	-	8	-	3	(4)	-	-	-	7
Other non-recurring items	-	-	-	(3)	-	35	-	-	32
Depreciation of tangible assets	(43)	(33)	(604)	(211)	(85)	(1)	(1)	-	(978)
Amortization of intangible assets excluding those acquired through business combinations	(80)	-	(430)	(71)	(54)	-	(1)	-	(636)
Adjusted earnings before interest and income taxes (EBITA)	**406**	**269**	**1,986**	**905**	**754**	**(56)**	**(19)**	**-**	**4,245**
Amortization of intangible assets acquired through business combinations	(92)	(219)	(73)	(18)	(22)	-	-	-	(424)
Impairment losses of intangible assets acquired through business combinations	-	-	-	-	-	-	-	-	-
Earnings before interest and income taxes (EBIT)	**314**	**50**	**1,913**	**887**	**732**	**(56)**	**(19)**	**-**	**3,821**
Income from equity affiliates									118
Interest									(336)
Income from investments									5
Other financial charges and income									(116)
Provision for income taxes									(567)
Earnings from discontinued operations									-
Earnings									**2,925**
Attributable to:									
Equity holders of the parent									**1,788**
Minority interests									1,137

Nine Months Ended September 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	919	3,133	8,418	1,915	3,389	-	3	-	17,777
Intersegment revenues	-	9	2	15	2	-	-	(28)	-
Revenues	**919**	**3,142**	**8,420**	**1,930**	**3,391**	**-**	**3**	**(28)**	**17,777**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(796)	(2,682)	(5,402)	(781)	(2,665)	(103)	(31)	28	(12,432)
Charges related to stock options and other share-based compensation plans	(14)	18	(21)	(2)	(7)	25	-	-	(1)
EBITDA	**109**	**478**	**2,997**	**1,147**	**719**	**(78)**	**(28)**	**-**	**5,344**
Restructuring charges	(35)	(41)	(110)	-	-	-	-	-	(186)
Gain/(losses) on sale of tangible and intangible assets	1	1	(1)	3	(1)	-	-	-	3
Other non-recurring items	(2)	1	1	4	1	18	(2)	-	21
Depreciation of tangible assets	(34)	(31)	(566)	(181)	(78)	(3)	1	-	(892)
Amortization of intangible assets excluding those acquired through business combinations	(6)	-	(355)	(60)	(20)	-	(1)	-	(442)
Adjusted earnings before interest and income taxes (EBITA)	**33**	**408**	**1,966**	**913**	**621**	**(63)**	**(30)**	**-**	**3,848**
Amortization of intangible assets acquired through business combinations	(61)	(189)	(71)	(18)	(23)	-	-	-	(362)
Impairment losses of intangible assets acquired through business combinations	(5)	(21)	-	-	-	-	-	-	(26)
Earnings before interest and income taxes (EBIT)	**(33)**	**198**	**1,895**	**895**	**598**	**(63)**	**(30)**	**-**	**3,460**
Income from equity affiliates									186
Interest									(253)
Income from investments									5
Other financial charges and income									2,271
Provision for income taxes									(794)
Earnings from discontinued operations									-
Earnings									**4,875**
Attributable to:									
Equity holders of the parent									**3,982**
Minority interests									893

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 September 30, 2009, Vivendi held an approximate 57% 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.

c. Includes Sotelma, fully consolidated since August 1, 2009.

As of September 30, 2009, income from equity affiliates is mainly comprised of the group's share in earnings of NBC Universal for €55 million for the third quarter of 2009 (unchanged compared to the third quarter of 2008) and €127 million for the first nine months of 2009 (compared to €173 million for the first nine months 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.

Note 3 Financial charges and income

Interest

	Three Months Ended September 30,		Nine Months Ended September 30,		Year Ended
(in millions of euros)	2009	2008	2009	2008	December 31, 2008
Interest expense on borrowings	123	138	366	328	450
Interest income from cash and cash equivalents	(7)	(19)	(30)	(75)	(96)
Interest	**116**	**119**	**336**	**253**	**354**
Premium related to early redemption of borrowings and fees related to issuance or cancellation of lines of credit	*4*	*5*	*11*	*22*	*16*
	120	***124***	***347***	***275***	***370***

Other financial charges and income

	Three Months Ended September 30,		Nine Months Ended September 30,		Year Ended
(in millions of euros)	2009	2008	2009	2008	December 31, 2008
Other capital gain on the divestiture of businesses	20	2,321	36	2,323	2,332
of which the gain on the dilution of Vivendi's interest in Vivendi Games by 45.53% following the creation of Activision Blizzard	-	*2,318*	-	*2,318*	*2,318*
Downside adjustment on the divestiture of businesses	(24)	(6)	(27)	(74)	(100)
of which impact of certain non-cash adjustments relating to the acquisition of Neuf Cegetel by SFR	-	-	-	*(68)*	*(77)*
Other capital gain on financial investments	-	3	2	100	100
of which early redemption of the Vivendi bonds exchangeable for Sogecable shares	-	-	-	*83*	*83*
Downside adjustment on financial investments	1	(15)	(12)	(21)	(134)
Depreciation of the minority stake in NBC Universal	-	-	-	-	(1,503)
Financial components of employee benefits	(5)	(6)	(17)	(20)	(28)
Premium related to early redemption of borrowings and fees related to issuance or cancellation of lines of credit	(4)	(5)	(11)	(22)	(16)
Change in derivative instruments	(6)	6	(14)	12	(37)
Effect of undiscounting assets and liabilities	(6)	(17)	(41)	(28)	(45)
Other	(6)	-	(32)	1	10
Other financial charges and income	**(30)**	**2,281**	**(116)**	**2,271**	**579**

Note 4 Income taxes

(in millions of euros)	Three Months Ended September 30, 2009	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008	Year Ended December 31, 2008
Provision for income taxes:					
Impact of the Consolidated Global Profit Tax System	132 (a)	78	397 (a)	236	56
Other components of the provision for income taxes	(284)	(332)	(964)	(1,030)	(1,107)
Provision for income taxes	**(152)**	**(254)**	**(567)**	**(794)**	**(1,051)**

a. In 2009, corresponding to 25% and 75%, 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 September 30, 2009	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008	Year Ended December 31, 2008
Earnings attributable to equity holders of the parent (a)		**600**	**2,760**	**1,788**	**3,982**	**2,603**
Adjustments						
Amortization of intangible assets acquired through business combinations		135	179	424	362	653
Impairment losses of intangible assets acquired through business combinations (a)		-	4	-	26	40
Other financial charges and income (a)	3	30	(2,281)	116	(2,271)	(579)
Change in deferred tax asset related to the Consolidated Global Profit Tax System		(79)	69	(237)	207	378
Non-recurring items related to provision for income taxes		130	(2)	519 (b)	-	26
Provision for income taxes on adjustments		(59)	(66)	(163)	(140)	(273)
Minority interests on adjustments		(112)	(38)	(335)	(87)	(113)
Adjusted net income		**645**	**625**	**2,112**	**2,079**	**2,735**

a. As presented in the Condensed Statement of Earnings.

b. Corresponding to the cancellation of a credit for the consumption (€602 million) of the deferred tax asset related to the utilization by SFR of Neuf Cegetel's ordinary tax losses carried forward (€337 million for the share attributable to the group and €265 million for the share attributable to the minority shareholder of SFR).

Note 6 Earnings per share

	Three Months Ended September 30,				Nine Months Ended September 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	600	600 (a)	2,760	2,760 (a)	1,788	1,783 (a)	3,982	3,982 (a)	2,603	2,606 (a)
Adjusted net income	645	645 (a)	625	625 (a)	2,112	2,106 (a)	2,079	2,079 (a)	2,735	2,735 (a)
Number of shares (in millions)										
Weighted average number of shares outstanding restated (b)	1,227.2	1,227.2	1,168.1	1,168.1	1,194.6	1,194.6	1,165.7	1,165.7	1,167.1	1,167.1
Potential dilutive effects related to share-based compensation	-	1.6	-	4.7	-	1.7	-	5.1	-	4.1
Adjusted weighted average number of shares	**1,227.2**	**1,228.8**	**1,168.1**	**1,172.8**	**1,194.6**	**1,196.3**	**1,165.7**	**1,170.8**	**1,167.1**	**1,171.2**
Earnings per share (in euros)										
Earnings attributable to equity holders of the parent per share	0.49	0.49	2.36	2.35	1.50	1.49	3.42	3.40	2.23	2.23
Adjusted net income per share	0.52	0.52	0.54	0.53	1.77	1.76	1.78	1.78	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 and restricted stock plans of Activision Blizzard.

b. Net of treasury shares (79,564 shares as of September 30, 2009).

Note 7 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) and, if necessary, with Note 9 of these Financial Statements.

The main contractual commitments undertaken during the nine months ended September 30, 2009 are described below:

- **Capital expenditure agreement of Maroc Telecom with the Moroccan State:** 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.

- **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.

- **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 payment obligations (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).

Vivendi has not given or received any other significant commitments during the first nine months of 2009.

Note 8 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 November 12, 2009, the date of the Management Board meeting held to approve Vivendi's Financial Statements for the first nine months of 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.

Investigation by the Financial Department of the Parquet de Paris

In October 2002, the financial department of the Parquet de Paris initiated an investigation conducted by two judges concerning the alleged publication of false or misleading information regarding the financial situation or forecasts of the company, as well as the publication of untrue or inaccurate financial statements (for financial years 2000 and 2001). Additional prosecution's charges joined this investigation related to purchases by the company of its own shares between September 1, 2001 and December 31, 2001 further to the submission, on June 6, 2005, to the Parquet de Paris of an AMF investigation report. Vivendi joined as a civil party to the investigation. On January 15, 2008, the judges notified the parties of the end of the investigation. On January 23, 2009, the Public Prosecutor transmitted to the judge and the civil parties a final prosecutor's decision of dismissal. On October 16, 2009, the Judge Jean-Marie d'Huy ordered all the parties to face trial before the Criminal Court.

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 for the purpose of the discovery. On August 12, 2009, the Court issued an order to deconsolidate the individual actions, which will be judged separately, from the class action. The class action trial commenced on October 5, 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 and on September 24, 2009, the Warsaw Court of Appeal refused to recognize the Award and, the Award has no effect in Poland.

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.

Proceedings against DT before the Federal Court in the State of Washington (USA)

On October 23, 2006, Vivendi filed a civil Racketeer Influenced and Corrupt Organizations Act (RICO) complaint in federal court in the State of Washington, claiming that T-Mobile had illegally appropriated Vivendi's investment in PTC through a pattern of fraud and racketeering. Named in the complaint are T-Mobile USA, Inc., T-Mobile Deutschland GmbH Deutsche Telekom AG and Mr Zygmunt Solorz-Zak, Elektrim's main shareholder. Vivendi is claiming compensation in the amount of approximately €7.5 billion. On June 5, 2008, the Court determined that it lacked jurisdiction and dismissed Vivendi's claim. Vivendi appealed this decision. On November 2, 2009, Vivendi's appeal was dismissed.

Claim against a former Seagram subsidiary

A former Seagram subsidiary, divested in December 2001 to Diageo PLC and Pernod Ricard SA, as well as those companies and certain of their subsidiaries, were sued by the Republic of Colombia and certain of its political subdivisions before the United States District Court for the Eastern District of New York, for alleged unlawful practices, including alleged participation in a scheme to illegally distribute their liquor products in Colombia and money laundering, claimed to have had an anti-competitive effect in Colombia. Vivendi is not a party to this litigation but granted an indemnification in connection with the sale of its former subsidiary. The defendants have denied that they have any liability for any of the claims asserted in the complaint. On September 25, 2009, Diageo and Pernod Ricard withdrew and released Vivendi from any indemnity obligation for the suit.

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 Appeal. The Berlin Court of Appeal proposed a judicial mediation which the parties accepted. 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 matters

In July 2007, the Parabole Réunion group filed a suit before the Paris High Court 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.

In parallel, Parabole Réunion 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 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. On September 11, 2009, the Paris Mediation and Arbitration Center, in its award, denied most of Parabole Réunion's requests, in particular self-broadcasting of the Canal+ channel in Réunion Island. The request concerning self-broadcasting in Mauritius was granted.

Parabole Réunion has also filed a suit before the Nanterre High Court to obtain a statement recognizing the maintaining of TPS Foot since January 1, 2008, to order the disposal by Canal+ Group of a channel with equivalent attractiveness and to order Canal+ Group to pay damages. On May 28, 2009, the judge denied Parabole Réunion's claims as well as Canal+ Group's counterclaims. Parabole Réunion appealed this decision.

On August 11, 2009, Parabole Réunion filed a new lawsuit before the Paris High Court principally to obtain a statement recognizing the maintaining of the TPS Foot channel.

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. On October 5, 2009, the plaintiffs appealed this decision.

Note 9 Subsequent events

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

- **Minority buyout offer of Jet Multimedia:** Following the purchase in December 2008 of Jet Multimedia France by SFR, SFR filed a minority buyout offer in September 2009, with the "Autorité des marchés financiers" (AMF) for the remaining shares of Jet Multimedia held by the public for a price of €6.50 per share. At the closing date of the offer, October 28, 2009, SFR held a 98% interest in Jet Multimedia.

- **Setting up and funding of VEVO:** On October 19, 2009, VEVO, the new premium music video and entertainment service powered by YouTube, received a strategic investment from Abu Dhabi Media Company, multi-platform media organizations. With this transaction, VEVO was formed as an independent and fully funded entity with Universal Music Group, Sony Music Entertainment and Abu Dhabi Media Company as founding shareholders. VEVO is expected to launch in the United States and Canada later this year. VEVO aims to become a premium destination and syndication network for the very best in top-notch music video content that will leverage the massive existing traffic of YouTube.

- **GVT:**
  - **Vivendi has purchased 37.9% of GVT and holds unconditional call options on an additional 19.6% of GVT:** Vivendi is launching a mandatory tender offer at BRL56 for 100% of GVT Vivendi has purchased 37.9% of GVT and holds unconditional call options on an additional 19.6% of GVT. On November 13, 2009, Vivendi signed a share purchase agreement with Swarth Investments LLC, Swarth Investments Holdings LLC and Global Village Telecom (Holland) BV, the founding and controlling shareholders of GVT (Holding) SA. This has resulted in the acquisition of 38,422,666 GVT shares corresponding to 29.9% of GVT's outstanding voting share capital, at BRL56 per share. Vivendi has acquired 10,286,631 shares (this is the addition of 6,365,800 shares bought on the market at price between BRL49 and BRL50, and of 3,920,831 shares bought on November 13, 2009 OTC at BRL56) from third parties corresponding to 8.0% of GVT's voting outstanding share capital. On November 13, 2009, Vivendi has also entered into unconditional call option agreements with third parties and therefore acquired the right to purchase 25,134,327 GVT shares at BRL55 per share corresponding to 19.6% of GVT's outstanding voting share capital. In total, Vivendi has purchased 37.9% of GVT's outstanding voting share capital, and has a right to purchase 19.6% of GVT's voting outstanding share capital. The total amount of shares acquired by Vivendi, upon the exercise of the call options, is 73,843,624 corresponding to 57.5% of GVT's voting outstanding share capital and 53.7% of GVT's capital, on a fully diluted basis.
  - **Vivendi is launching a mandatory tender offer at BRL56 for 100% of GVT:** In accordance with Brazilian law, Vivendi is filing a mandatory tender offer at BRL56 for 100% of GVT's share capital, due to its purchase of the control of GVT. The tender offer notice will provide detailed terms and conditions (including potential additional considerations) of the above mentioned transactions. Vivendi's tender offer will be launched, once registered with the CVM (the Comissão de Valores Mobiliàros, the securities and exchange commission of Brazil), at a price of BRL56 per GVT share. This values 100% of the company's equity at approximately BRL7.2 billion or EUR2.8 billion. Vivendi will analyze the opportunity to delist GVT shares from the BM&FBOVESPA according to the result of the tender offer.
  - GVT is the leading alternative telecommunications operator in Brazil, enjoying annual growth of around 30%. GVT is the best performing Brazilian broadband operator and is closest to consumer needs in quality and service. Vivendi plans to be present for the long term in Brazil. Vivendi's aim is to further reinforce GVT's dynamism, give it a definitive shareholder and rapidly expand the company in those regions of Brazil where it currently has only a small presence or none at all. The acquisition of GVT is totally aligned with the strategy of Vivendi of secular expansion in rapid growth economies.