vivendi press release

Paris, May 11, 2010

Note: *This press release contains unaudited consolidated earnings established under IFRS, which were approved by Vivendi's Management Board on May 11, 2010.*

Vivendi: First Quarter Revenues + 6%
EBITA + 14.1%
2010 Outlook Confirmed

First quarter 2010

- **Revenues: €6.9 billion, an increase of 6.0% compared to first quarter 2009.**
- **GVT brings growth (+36.5%[1] in revenues) and profitability (+46.8%[1] in adjusted EBITDA). Annual guidance has already been improved.**
- **EBITA[2]: €1.6 billion, an increase of 14.1% and 14.7% at constant currency. Very good results from Activision Blizzard and SFR.**
- **Adjusted net income[3]: €736 million, an increase of 13.4%.**
- **2010 guidance confirmed: slight increase in EBITA and high dividend maintained.**

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[1] *In BRL and in accordance with the local Brazilian accounting standards.*
[2] *For the definition of adjusted earnings before interest and income taxes see Appendix I.*
[3] *For the reconciliation of earnings attributable to equity holders of the parent and adjusted net income see Appendix IV.*

Comments on First Quarter 2010 Revenues and EBITA by Vivendi's Business Units

Activision Blizzard

Once again, Activision Blizzard's reported results were significantly better than expected. First quarter performance was driven by strong global consumer demand for *Call of Duty* and *World of Warcraft*. *Call of Duty: Modern Warfare 2*, launched on November 10, 2009, was the #1 title overall in the U.S. and Europe in the first quarter of 2010, illustrating the continued momentum of Activision Blizzard's catalogue. Additionally, during the quarter, Activision Blizzard launched DreamWork's *How to Train Your Dragon* and the *Call of Duty: Modern Warfare 2 Stimulus Package*, which shattered Xbox LIVE records with more than one million downloaded during the first 24 hours of its release.

Activision Blizzard's revenues were €945 million, a 29.3% increase with EBITA of €377 million more than double the prior year. These results benefited from the accounting principles requiring that revenues and related cost of sales associated with games with an online component be deferred over the estimated customer service period. The balance of the deferred operating margin was €464 million on March 31, 2010 versus €733 million on December 31, 2009 and €379 million on March 31, 2009.

Activision Publishing recently announced a 10-year alliance with Bungie, one of the premier studios in the games industry and the developer of blockbuster game franchises including *Halo, Myth* and *Marathon*. This alliance will allow Activision Blizzard to broaden its product portfolio with a new franchise from one of the industry's most creative, successful and proven studios.

Moreover, Blizzard Entertainment recently confirmed the highly anticipated real-time strategy game *StarCraft II: Wings of Liberty* will arrive in stores on July 27, 2010.

On April 15, 2010, Activision Blizzard increased their US GAAP and US non-GAAP EPS[4] guidance for the 2010 calendar year that was provided on February 10, 2010. The company still expects US GAAP net revenues of $4.2 billion and US non-GAAP net revenues of $4.4 billion. For the 2010 calendar year, the company now expects US GAAP earnings per diluted share of $0.49 (versus $0.09 in 2009). On a US non-GAAP basis, the company expects earnings per diluted share to be $0.72 for the 2010 calendar year (versus $0.69 in 2009).

Universal Music Group

Universal Music Group's (UMG) revenues were €889 million, a 13.4% decrease compared to the same period last year (-12.6% at constant currency). The decline is due to a fall in recorded music sales, particularly in Europe and Asia, as a result of fewer major local and international releases and reduced demand for physical product.

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[4] *Activision Blizzard provides, on a non-GAAP basis, net revenues, operating margin and EPS forecasts both including (in accordance with US GAAP) and excluding (non-GAAP) the impact of the following main items: changes in deferred net revenues and related costs of sales in respect of certain online-enabled games; expenses related to equity-based compensation costs and the amortization and depreciation of intangibles and the associated changes in cost of sales resulting from purchase price accounting adjustments from the business combination.*

Despite strong music download growth, particularly outside North America, digital sales decreased 1.7% at constant currency due to weak ringtone sales.

Major sales in the period included titles from Lady Gaga, Black Eyed Peas, Justin Bieber and Stromae.

UMG's EBITA were €68 million (-38.2% and -37.7% at constant currency compared to the same period last year). The gross margin lost on lower revenues was only partially offset by cost management initiatives.

SFR

SFR's revenues increased by 1.9% to €3,085 million compared to the first quarter of 2009, despite a market that remains very competitive and substantial tariff cuts resulting from national and European regulations. The strategy to invest in mobile and broadband Internet customer bases (acquisitions, retentions and migrations) and the growth in mobile Internet more than offset the impacts of regulators' decisions.

Mobile revenues[5] reached €2,185 million, a 0.2% increase compared to the first quarter of 2009. Mobile service revenues[6] decreased by 1.2% to €2,079 million. Excluding the impact of the 31% mobile voice termination regulated price cut made as of July 1, 2009 and of the 33% SMS voice termination regulated price cut made as of February 1, 2010, mobile service revenues increased by 4.3%.

For the first quarter of 2010, SFR achieved good commercial results, adding almost 225,000 new postpaid net adds. The iPhone's success was confirmed with 227,000 new customers. SFR's postpaid mobile customer base reached 15.032 million at the end of March 2010, which improved the customer mix by 4.2 percentage points year-on-year to reach 73.8%. Data revenues represented 26.5% of the mobile revenues at the end of March 2010, compared to 21.9% for the same period in 2009, due to the popularity of "smartphones".

Broadband Internet and fixed revenues[5] were €981 million, a 5.0% increase compared to the same period in 2009. More specifically, broadband Internet mass market' revenues increased by 14.6% to €471 million.

SFR's broadband Internet segment continues its excellent commercial performance. During the first quarter 2010, SFR added 148,000 net new active customers. At end March 2010, SFR's broadband Internet customer base totalled 4.592 million, a 13.6% increase compared to the same period in 2009. Thanks to its organic growth, SFR has returned to second place in the broadband Internet market.

SFR's EBITDA were €985 million, a 2.6% increase compared to first quarter 2009.

SFR's mobile EBITDA were €834 million, a 0.8% increase compared to first quarter 2009. The growth in the customer bases and in the SMS usage and data usage offset the voice and SMS termination price cuts.

SFR's broadband Internet and fixed EBITDA were €151 million, a 13.5% increase compared to the same period in 2009. The growth is due to the positive effects of broadband Internet growth.

SFR's EBITA were €634 million, a 3.9% increase compared to the first quarter of 2009.

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

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

Maroc Telecom Group

Maroc Telecom Group achieved revenues of €660 million, a 3.1% increase compared to the first quarter of 2009 (up 0.5% at constant currency and constant perimeter[7]).

The company's customer base stood at 22.4 million on March 31, 2010, a 14% increase compared to end March 2009, as a result of the continued growth in the mobile businesses both in Morocco and among all the subsidiaries in Africa.

Maroc Telecom Group's EBITDA were of €380 million, a 4.0% increase at constant currency and constant perimeter (+0.4% at actual currency and perimeter) and an EBITA of €284 million, a 6.3% increase at constant currency and constant perimeter compared to the first quarter of 2009 (-0.7% at actual currency and perimeter).

The EBITA growth was due to the combined impact of the rise in revenues, tight control of operating expenses and the marked improvement in the overall margin of the subsidiaries.

GVT

As included in Vivendi's Statement of Earnings, GVT's revenues and EBITA, for first quarter 2010, reached €214 million and €43 million respectively (as a reminder, on November 13, 2009, Vivendi took control of GVT, which was fully consolidated from then on).

In accordance with local Brazilian accounting standards, GVT's net revenues reached BRL 513 million, an increase of 36.5%. With the rise in Brazilian real, the increase in euro amounts to 70%.

Net revenue growth for the first quarter of 2010 was mainly driven by a 65.9% increase in broadband service revenues and a 31.6% increase in voice service revenues. Net additions were 301,400 lines in service, an increase of 59.9% compared to the first quarter of last year. This growth reflects GVT's competitive value proposition.

Adjusted EBITDA[8] were BRL207 million, an increase of 46.8%. With the rise in Brazilian real, the increase in euro amounts to 83%. As a result, adjusted EBITDA margin was 40.3%, compared to 37.5% in the first quarter of 2009, an increase of 2.8 percentage points. These increases are a result of GVT's focus on expansion in markets with higher margins and better products mix to the final customer combined with a continued focus on cost and expense optimization.

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[7] Constant perimeter includes the consolidation of Sotelma, as if this transaction had occurred on January 1, 2009 and the withdrawal in the accounts of Mobisud France. For your information, Sotelma's revenues were €27 million for the first quarter of 2009.

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

For the first quarter of 2010, GVT announced the expansion of its coverage in the Northeast region, with operations in three new cities: Fortaleza (State of Ceara), Joao Pessoa and Campina Grande (State of Paraiba).

Since the arrival of Vivendi, GVT has increased investments in geographical expansion. For 2010, GVT has decided an additional BRL205 million in capital expenditures, leading to a total capital expenditures of BRL1.1 billion. GVT will accelerate, in particular, its expansion in Northeast and Southeast regions launching twelve to fifteen new cities until December.

As a result of this better than expected performance, GVT increased its annual guidance in local Brazilian accounting standards and local currency: for 2010, adjusted EBITDA are now expected to increase by 35% and revenues by 29%.

Canal+ Group

Canal+ Group revenues were €1,145 million, a 2.3% increase year-on-year.

Over the past twelve months, Canal+ France's subscriber base (Metropolitan France, French Overseas territories and Africa) recorded a net growth of +315,000 subscriptions. In metropolitan France, subscriber additions increased year-on-year and digital subscriber churn decreased to 12% compared to 13.3% at the end of March 2009. Subscriber growth was also driven by strong results from Canal+ and CanalSat in territories operated by Canal Overseas (French overseas territories and Africa, including North African countries). Canal+ in Poland continued to grow despite tough competition and StudioCanal revenues were temporarily impacted by a timing shift in film sales outside France.

Canal+ Group's EBITA were €230 million compared to €254 million in the same period last year. This change was due to a temporary Ligue 1 football broadcasting schedule, with one additional match day compared to the first quarter of 2009. Continued investments in growing the group's subscriber base have led to strong sales over the first quarter in metropolitan France. As a result of increased migration of Canal+ subscribers from analog to digital, the channel's analog subscriber base fell below the 200,000 mark at the end of March 2010 and now represents less than 5% of total Canal+ subscribers.

Canal+ Group has continued its investments in international operations, particularly with the successful launch in early 2010 of its K+ multi-channel offer in Vietnam.

Comments on Vivendi's First Quarter 2010 Financial Indicators

Revenues reached €6,924 million, compared to €6,530 million for the first quarter of 2009, an increase of 6.0% (+6.0% at constant currency).

EBITA were €1,590 million, compared to €1,393 million for the first quarter of 2009, an increase of 14.1% (+14.7% at constant currency). This increase reflected, in particular, the results of Activision Blizzard (+€199 million) and SFR (+€24 million), as well as the consolidation of GVT since November 13, 2009 (+€43 million).

Income from equity affiliates was €15 million, compared to €26 million for the first quarter of 2009. It is due mainly to Vivendi's 20% stake in NBC Universal for which Vivendi received a dividend of €122 million for the first quarter of 2010.

Income taxes reported to adjusted net income were a net charge of €298 million for the first quarter of 2010, compared to a net charge of €185 million for the same period in 2009, a €113 million increase. The effective tax rate reported to adjusted net income was 20.2%, compared to 14.4% for the first quarter of 2009. This change was primarily due to the end of the utilization of Neuf Cegetel's ordinary losses.

Adjusted net income attributable to non-controlling interests was €453 million, compared to €478 million for first quarter 2009. The increase in adjusted net income attributable to non-controlling interests in Activision Blizzard (+€46 million) was notably offset by the decrease in the share attributable to SFR's non-controlling interests in the current tax savings achieved as a result of the utilization of Neuf Cegetel's ordinary losses carried forward (€9 million, compared to €80 million for first quarter 2009).

Adjusted net income was €736 million (or €0.60 per share), compared to €649 million (or €0.55 per share) for the first quarter 2009, up 13.4%.

Earnings attributable to Vivendi shareowners were €598 million (or €0.49 per share), compared to €493 million (or €0.42 per share) for first quarter 2009, an increase of 21.3%.

About Vivendi

A world leader in communications and entertainment, Vivendi controls Activision Blizzard (#1 in video games worldwide), Universal Music Group (#1 in music worldwide), SFR (#1 alternative telecoms in France), Maroc Telecom Group (#1 telecoms in Morocco), GVT (#1 alternative telecoms in Brazil), Canal+ Group (#1 in pay-TV in France) and owns 20% of NBC Universal (leading U.S. media and entertainment group).
In 2009, Vivendi achieved revenues of €27.1 billion and adjusted net income of €2.6 billion. With operations in 77 countries, the Group has about 49,000 employees. www.vivendi.com

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Date:

Thuesday, May 11, 2010
6:00 PM Paris time – 5:00 PM London time – 12:00 PM New York time
Media invited on a listen-only basis

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Internet: The conference can be followed on the Internet at http://www.vivendi.com/ir

The **slides for the presentation** will also be available online

APPENDIX I

VIVENDI
ADJUSTED STATEMENT OF EARNINGS

(IFRS, unaudited)

	1st Quarter 2010	1st Quarter 2009	% Change
Revenues	**6,924**	**6,530**	**+ 6.0%**
Cost of revenues	(3,416)	(3,189)	- 7.1%
Margin from operations	**3,508**	**3,341**	**+ 5.0%**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(1,894)	(1,918)	
Restructuring charges and other operating charges and income	(24)	(30)	
EBITA (*)	**1,590**	**1,393**	**+ 14.1%**
Income from equity affiliates	15	26	
Interest	(118)	(108)	
Income from investments	-	1	
Adjusted earnings from continuing operations before provision for income taxes	**1,487**	**1,312**	**+ 13.3%**
Provision for income taxes	(298)	(185)	
Adjusted net income before non-controlling interests	**1,189**	**1,127**	**+ 5.5%**
Non-controlling interests	(453)	(478)	
Adjusted net income (**)	**736**	**649**	**+ 13.4%**
Adjusted net income per share - basic	**0.60**	**0.55**	**+ 8.0%**
Adjusted net income per share - diluted	**0.60**	**0.55**	**+ 8.3%**

In million of euros, per share amounts in euros.

For any additional information, please refer to "Financial Report and Unaudited Condensed Financial Statements for the first quarter ended March 31, 2010", which will be released on line later on Vivendi's website (www.vivendi.com).

(*) EBITA corresponds to EBIT excluding amortization and impairment losses of intangible assets acquired through business combinations.

(**) A reconciliation of earnings, attributable to Vivendi shareowners to adjusted net income is presented in the Appendix IV.

APPENDIX II

VIVENDI

CONSOLIDATED STATEMENT OF EARNINGS

(IFRS, unaudited)

	1st Quarter 2010	1st Quarter 2009	% Change
Revenues	**6,924**	**6,530**	**+ 6.0%**
Cost of revenues	(3,416)	(3,189)	- 7.1%
Margin from operations	**3,508**	**3,341**	**+ 5.0%**
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(1,894)	(1,918)	
Restructuring charges and other operating charges and income	(24)	(30)	
Amortization of intangible assets acquired through business combinations	(134)	(148)	
Impairment losses of intangible assets acquired through business combinations	-	-	
EBIT	**1,456**	**1,245**	**+ 16.9%**
Income from equity affiliates	15	26	
Interest	(118)	(108)	
Income from investments	-	1	
Other financial charges and income	(69)	(77)	
Earnings from continuing operations before provision for income taxes	**1,284**	**1,087**	**+ 18.1%**
Provision for income taxes	(261)	(225)	
Earnings from continuing operations	**1,023**	**862**	**+ 18.7%**
Earnings from discontinued operations	-	-	
Earnings	**1,023**	**862**	**+ 18.7%**
Non-controlling interests	(425)	(369)	
Earnings attributable to Vivendi shareowners	**598**	**493**	**+ 21.3%**
Earnings attributable to Vivendi shareowners per share - basic	**0.49**	**0.42**	**+ 15.5%**
Earnings attributable to Vivendi shareowners per share - diluted	**0.48**	**0.42**	**+ 15.8%**

In million of euros, per share amounts in euros.

APPENDIX III

VIVENDI

REVENUES AND EBITA BY BUSINESS SEGMENT

(IFRS, unaudited)

(in millions of euros)	1st Quarter 2010	1st Quarter 2009	% Change	% Change at constant rate
Revenues				
Activision Blizzard	945	731	+29.3%	+33.4%
Universal Music Group	889	1,026	-13.4%	-12.6%
SFR	3,085	3,028	+1.9%	+1.9%
Maroc Telecom Group	660	640	+3.1%	+4.4%
GVT	214	na	na	na
Canal+ Group	1,145	1,119	+2.3%	+1.7%
Non-core operations and others, and elimination of intersegment transactions	(14)	(14)	-	-
Total Vivendi	**6,924**	**6,530**	**+6.0%**	**+6.0%**
EBITA				
Activision Blizzard	377	178	x 2.1	x 2.2
Universal Music Group	68	110	-38.2%	-37.7%
SFR	634	610	+3.9%	+3.9%
Maroc Telecom Group	284	286	-0.7%	+0.6%
GVT	43	na	na	na
Canal+ Group	230	254	-9.4%	-9.9%
Holding & Corporate	(38)	(37)	-2.7%	-2.1%
Non-core operations and others	(8)	(8)	-	-
Total Vivendi	**1,590**	**1,393**	**+14.1%**	**+14.7%**

na: not applicable.

APPENDIX IV

VIVENDI

RECONCILIATION OF EARNINGS ATTRIBUTABLE TO VIVENDI SHAREOWNERS TO ADJUSTED NET INCOME

(IFRS, unaudited)

Vivendi considers adjusted net income, a non-GAAP measure, as a relevant indicator of the Group's operating and financial performance. Vivendi Management uses adjusted net income, because it provides a better illustration of the performance from continuing operations by excluding most non-recurring and non-operating items.

(in millions of euros)	1st Quarter 2010	1st Quarter 2009
Earnings attributable to Vivendi shareowners (*)	**598**	**493**
Adjustments		
Amortization of intangible assets acquired through business combinations (*)	134	148
Impairment losses of intangible assets acquired through business combinations (*)	-	-
Other financial charges and income (*)	69	77
Change in deferred tax asset related to the Consolidated Global Profit Tax System	(20)	(79)
Non-recurring items related to provision for income taxes	31	182
Provision for income taxes on adjustments	(48)	(63)
Non-controlling interests on adjustments	(28)	(109)
Adjusted net income	**736**	**649**

(*) As reported in the Consolidated Statement of Earnings.