

FOR IMMEDIATE RELEASE

VIVENDI UNIVERSAL GAMES ACQUIRES HIGH MOON STUDIOS

LOS ANGELES – January 5, 2006 – Vivendi Universal Games (VU Games) today announced that it has completed the purchase of leading independent developer, High Moon Studios. Under the agreement, VU Games will retain High Moon's team of more than 100 development professionals, as well as rights to the studio's intellectual properties. John Rowe, president and CEO of High Moon, will continue to manage the studio from its state-of-the-art facility located in Carlsbad, CA. Financial terms of the transaction were not disclosed.

"VU Games and High Moon are already collaborating on a soon-to-be-announced project based on a major entertainment license," said Bruce Hack, CEO of VU Games. "Our acquisition of the studio is another major step forward in building the company's position as a leader in next generation console games."

Over the past year, High Moon earned numerous accolades for its development accomplishments. In December, High Moon was named among the "Top 50 Technology Innovators of 2005" by IT Week for applying Agile Methodology to its development of next-generation games. The studio's adoption of the innovative R&D method also earned it a "2005 Workplace Excellence Award" from the San Diego chapter of the Society for Human Resource Management. High Moon's critically acclaimed first-person shooter *Darkwatch* has been recognized with several art and animation awards, including five Davey Awards, two Aurora Awards and a Telly.

"High Moon has assembled an experienced team of development professionals who are passionate about creating compelling interactive entertainment for audiences around the world," said John Rowe, president and CEO, High Moon Studios. "We are happy to be a part of Vivendi Universal Games, and we believe that the acquisition is a very positive step for the growth of our studio."

High Moon Studios, LLC was represented in this transaction by Daniel H. Petree of P2 Partners, and by ECA Securities, LLC, an affiliate of Europlay Capital Advisors, LLC.

About High Moon Studios

Headquartered in the coastal city of Carlsbad in San Diego County, California, High Moon Studios employs more than 100 game developers at a state-of-the-art, fully equipped game development facility. High Moon is best known for its critically acclaimed first-person shooter "Darkwatch," and is currently working on additional original properties for next-generation video game consoles. For more information on High Moon Studios, please visit www.highmoonstudios.com. For more information and a dedicated forum on "Darkwatch," please visit the official web site at www.darkwatch.com.

About Vivendi Universal Games

Vivendi Universal Games (www.vugames.com) is a global developer, publisher and distributor of multi-platform interactive entertainment. The company is a leader in the subscription-based massively multi-player online (MMO) games category, holds leading positions in the PC, console and handheld games markets, and is an emerging player in mobile and wireless games. Its development studios and publishing labels include Blizzard Entertainment®, Radical Entertainment, Sierra® Entertainment, Massive Entertainment™ and Swordfish Studios. VU Games' library of over 700 titles features owned intellectual properties including *Warcraft*®, *StarCraft*®, *Diablo*® and *World of Warcraft*™ from Blizzard Entertainment; *Crash Bandicoot*®, *Spyro The Dragon*®, *Empire Earth*®, *Leisure Suit Larry*™, *Ground Control*® and *Tribes*®. VU Games also maintains strategic relationships with industry leading content partners, including Universal Music Group, NBC Universal, Twentieth Century Fox, and Ludlum Entertainment.

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