

## **PRESS RELEASE**

Paris, December 18, 2003 — The CANAL+ Group is pleased to announce its €3 billion recapitalization by its shareholder, Vivendi Universal. The transaction, which had no cash flow impact as it was financed by capitalizing shareholder advances, was approved by the Vivendi Universal Board of Directors on September 23 and carried out today following a CANAL+ Group extraordinary general assembly.

Today, having cleaned up its balance sheet, considerably lowered its debt and returned to profit, the CANAL+ Group is ready to enter 2004 with confidence and determination.

For Bertrand Meheut, Chairman of the CANAL+ Group Executive Board, "Vivendi Universal's decision to recapitalize our company is the result of our spectacular turnaround in 2003 and our solid financial and business performance. The recapitalization rewards the dedicated efforts of all our teams who worked so hard to bring the company back to profit and attests to our shareholder's confidence in the CANAL Group's ability to pursue its growth."

In 2003, the CANAL+ Group will report an annual operating profit for the first time since 1996. It will also generate positive cash flow from operations for the year. Following recapitalization and the disposal of non-strategic or unprofitable assets with an aggregate enterprise value of €1.3 billion, consolidated debt will be reduced to around €850 million at year-end, versus €5.1 billion at December 31, 2002.

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