



First Quarter 2004 Earnings

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First Quarter 2004 Performance Overview

Very encouraging results...

in € million - French GAAP

	2004 Actual	2003 Pro forma ⁽⁴⁾ actual exchange rate	Pro forma growth 2004 / 2003	Growth on comparable basis ⁽⁶⁾	
				At actual currency	At constant currency
Revenue	5 973	5 916 ⁽⁴⁾	+ 1%	+ 5%	+ 11%
Operating Income	930	731 ⁽⁴⁾	+ 27%	+ 24%	+ 29%
Adjusted Net Income (Loss) ⁽¹⁾	239	-56 ⁽⁵⁾	up € 295 million		
Net Loss	-6	-319 ⁽⁵⁾	up € 313 million		
Cash Flow from Operations (after capex net of disposals and restructuring but before tax and financing costs) ⁽²⁾	1 268	840 ⁽⁴⁾	+ 51%		
Proportionate Cash Flow from Operations ⁽³⁾	873	444 ⁽⁴⁾	x 2		
Net Debt (in billion)	11.6	15.3 ⁽⁵⁾	≈ -3.7 billion		

(1) For a reconciliation of net income (loss) to adjusted net income (loss) please refer to slide 23 of the present document.

(2) Net cash provided by operating activities net of capital expenditures and before financing costs and taxes.

(3) Defined as cash flow from operations excluding the minority stake.

(4) The pro forma information illustrates the effect of the divestitures of Telepiu in April 2003 and of Comareg in May 2003 as if these transactions had occurred at the beginning of 2003.

(5) Actual numbers.

(6) Comparable basis essentially illustrates the effect of the divestitures at Canal+ Group (Telepiu, Canal+ Nordic, Canal+ Belgium and Flemish, etc), VUE (Spencer Gifts), VUP (Comareg and Atica & Scipione) and Vivendi Telecom Hungary, the abandonment of Internet operations and includes the full consolidation of Télécom Développement at SFR Cegetel Group as if those transactions has occurred at the beginning of 2003.

Consolidated First Quarter 2004 Income Statement

in € million - French GAAP

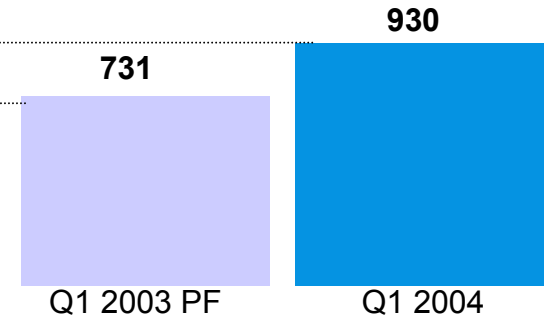
	2004 Actual	2003 Actual
Revenues	5 973	6 232
Operating Income	930	844
Financing expense	-162	-180
Other financial expenses, net of provisions	-121	-146
Gain on businesses sold, net of provisions	11	81
Income tax expense	-297	-307
Income before equity interest, goodwill amortization and minority interests	361	292
Equity in (losses) earnings of unconsolidated companies	45	-72
Goodwill amortization	-146	-283
Income (loss) before minority interests	260	-63
Minority interests	-266	-256
Net income (loss)	-6	-319
Adjusted net income (loss)	239	-56

First Quarter 2004 Pro Forma Operating Income

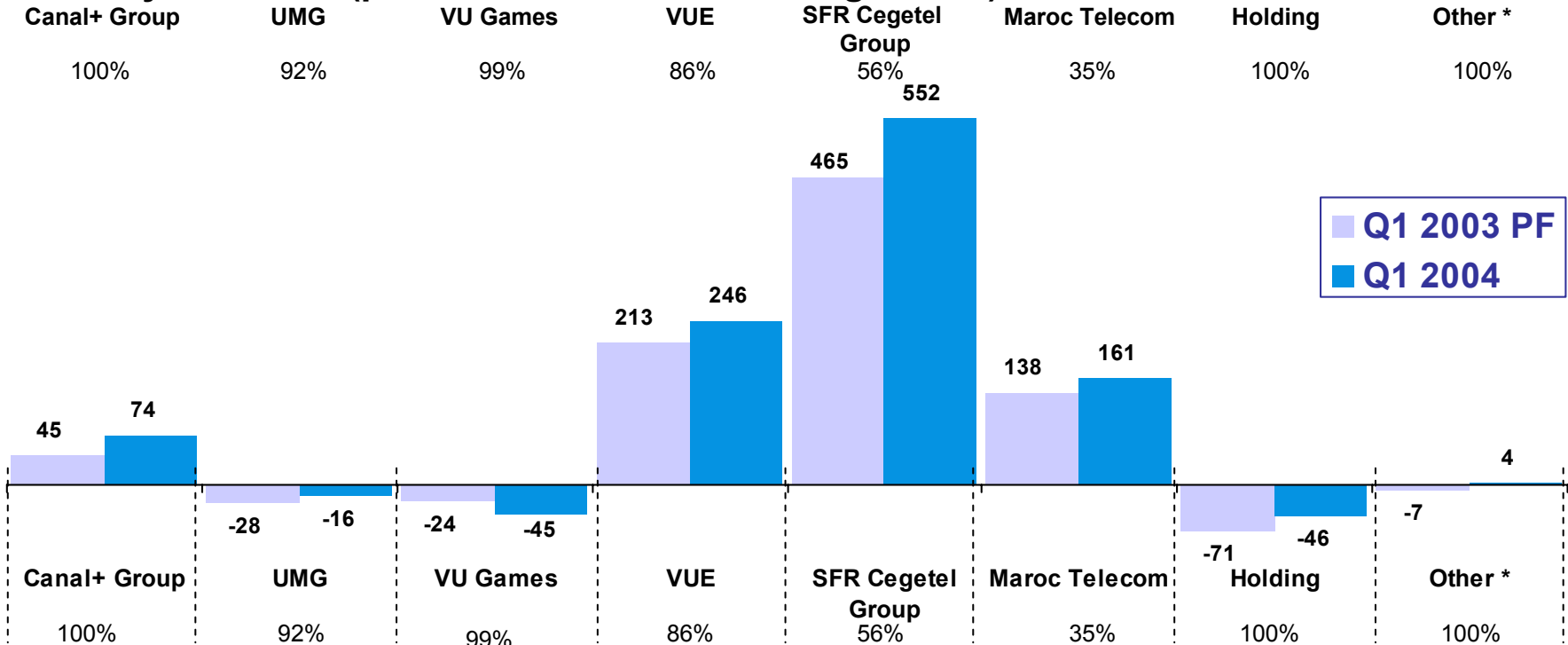
In € million, French GAAP

Total Group Pro Forma operating income up 27% at actual exchange rates

Up 32% on constant currency basis



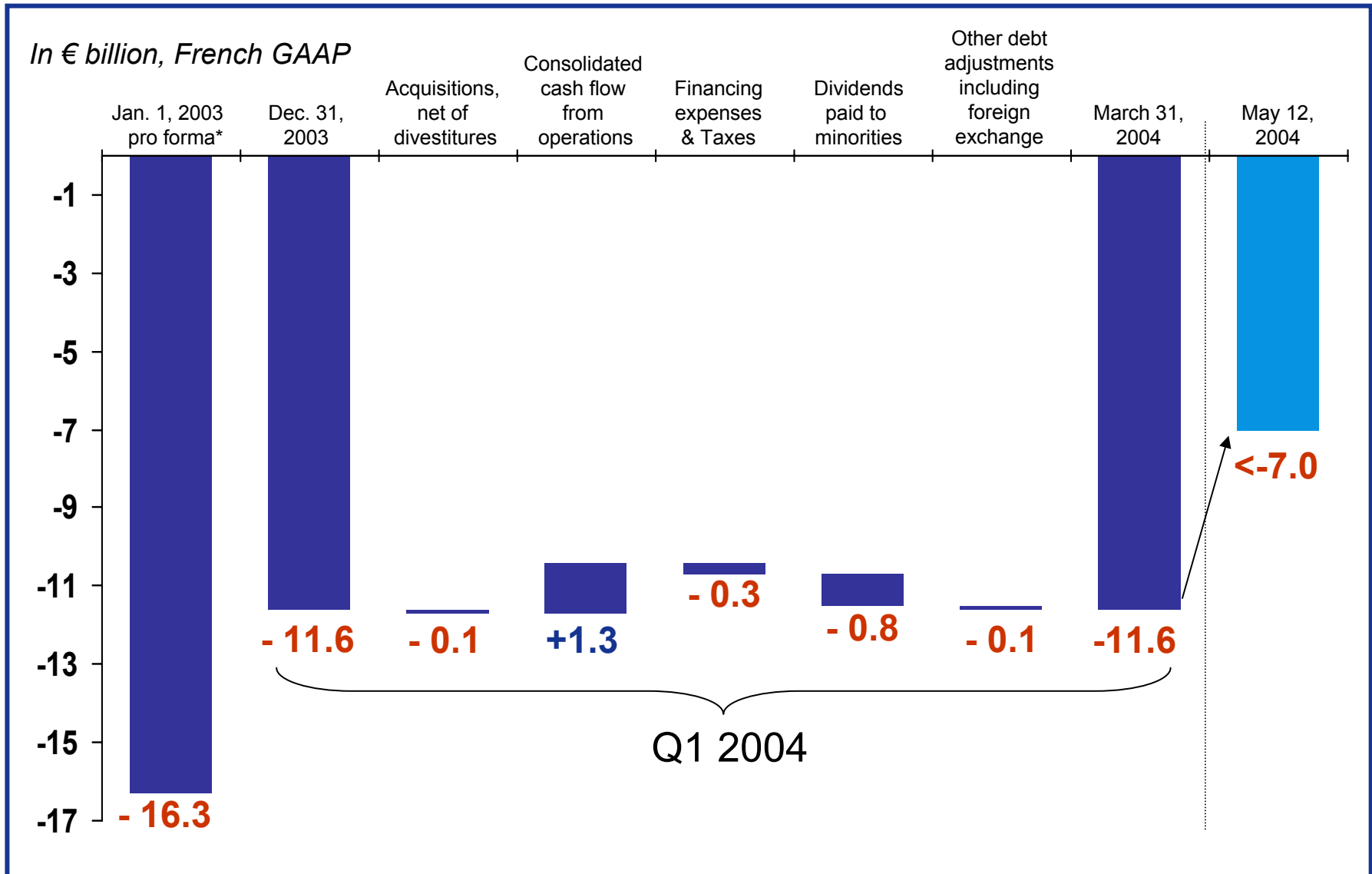
Details by business (pro forma at actual exchange rates):



Note: The % of economic interest is provided for informational purposes only. The reported numbers are 100% consolidated.

* Correspond to Vivendi Universal Publishing (VUP) activities in Brazil (Atica & Scipione) deconsolidated since January 1, 2004, Internet operations abandoned since January 1, 2004, Vivendi Telecom International, Vivendi Valorisation, other non core businesses.

Overview of Net Debt Evolution



* Pro forma for the € 4 billion acquisition of 26% of SFR Cegetel Group in January 2003

<i>In € billion</i>	Total consideration	
Assets sold during 2nd half 2002	6.6	
Assets sold in 2003	2.9	
Assets sold during Q1 2004	0.1	
VUE transaction in May 2004	5.0	
Transactions signed but not closed in 2004	~0.6	
Total closed or signed at end-May 2004	~ 15.2	
Other divestitures expected by end-2004	~ 1	~ 3
Total divestitures expected	~ 16	~ 18

► Closing of the NBC Universal transaction:

- Deal value: VUE at \$14.2 billion; NBCU at \$43 billion pre-synergies
- VU received 18.5% of NBCU (20% controlled)
- VU received \$3.4 billion in net cash proceeds (i.e. €2.9 billion)
- Net debt reduction of \$5.9 billion (i.e. €5 billion)

Estimated Debt Situation before and after the NBCU Closing

<i>In € billion</i>	End March 2004	NBCU impact	End March 2004 pro forma post NBCU
Secured debt	4.5	-3.7	0.8
Bank facilities (€ 3bn + € 2.5bn + € 0.2bn = € 5.7bn)	2.9*	-2.9	-
VUE securitization & Term loan B (\$1,670m)	1.4	-1.4	-
Promissory note to NBCU (related to Pref. A)		0.6	0.6
Capital Leases	0.2		0.2
Unsecured subsidiary debt	3.7	-2.2	1.5
Preferred A (\$787m)	0.7	-0.7	-
Preferred B (\$1,775m)	1.5	-1.5	-
Other subsidiaries	1.5		1.5
Other unsecured debt	4.9	0.3	5.2
New syndicated bank facility (€ 2.7bn)			Undrawn
€High Yield 2010	1.1		1.1
€High Yield 2008	1.3		1.3
Vinci and Sogecable exchangeable bond	1.1		1.1
NPV of cash coupons of Pref. B, net of taxes		0.3	0.3
Others	1.4		1.4
Gross debt	13.1	-5.6	7.5
Cash at Group VU level	-1.5	0.6	-0.9
Net debt	11.6	-5.0	6.6
Undrawn credit facilities	2.8	-0.1	2.7

* Amount drawn out of the € 5.7 billion

The rating reflects:

- ▶ Strong management execution of its asset disposals with the sale of 80% of VU's interest in VUE to NBC,
- ▶ Strong management focus on cash flow generation,
- ▶ Increase in VU's financial flexibility with €5.7 billion secured facilities replaced by €2.7 billion unsecured facility,
- ▶ Significant dividend flows from SFR Cegetel Group and Maroc Telecom,
- ▶ Ongoing improvement in VU's operating performance.

Should the €2.2 billion Veolia Environnement call options be exercised, this would trigger a rating review.

Tender Offer for the High-Yield Notes

► Transaction structure

- Up to € 1 billion cash deployed
- Focus on \$-denominated debt through “waterfall” mechanism
- Bond tender and consent solicitation linked
- Total consideration close to prior day’s pre-launch closing price
- Holders must respond by June 8 to receive total consideration; offer expires on June 24

Title of Senior Notes	Outstanding Principal Amount	Acceptance Priority Level	Purchase Price ⁽¹⁾	Consent Payment ⁽¹⁾	Total Consideration ⁽¹⁾
9.25% due 2010	\$935,000,000	1	\$1,140.00	\$30.00	\$1,170.00
6.25% due 2008	\$975,000,000	2	\$1,015.00	\$30.00	\$1,045.00
9.50% due 2010	€325,000,000	3	€1,160.00	€30.00	€1,190.00
6.25% due 2008	€500,000,000	4	€1,042.50	€30.00	€1,072.50

(1) Per \$1,000 principal amount or €1,000 principal amount, as the case may be

► Transaction rationale

- Further step in VU's financial restructuring with a substantial decrease in the future cost of debt: approximately € 65 million per annum from 2005
- By re-deploying cash proceeds from disposals in an efficient manner, demonstrates to investors and rating agencies VU's commitment towards the efficient use of funding sources and active debt management
- Accelerates removal of "fall away" high yield covenants

The Group Reiterates its 2004 Guidance

2004 assumption: €1=\$1.20

	<u>2004 Guidance</u> (1)	<u>2003</u> <u>Pro Forma</u> (1)
Operating income →	Strong growth on a pro forma basis (1)	€2,265m
Cash Flow from operations →	Stable on a pro forma basis (1)	€2,880m
Adjusted Net income →	Very strong growth	€349m (2)
Net debt – year end →	Below €5 billion after the sale of Veolia shares	€11.6bn (2)

- (1) Pro Forma:
 - Excludes VUE and Telepiu
 - Excludes dividends received from NBC Universal
- (2) Actual numbers

▶ To continue to focus on debt reduction through:

- Sale of non-core assets;
- Focus on cash flow from operations within businesses;
- Further reductions in holding & corporate costs.

▶ To improve our businesses performance:

- Continue to strengthen Canal+ Group's performance;
- Improve Universal Music Group and Vivendi Universal Games operations;
- Launch 3G at SFR.



Business Performance

Canal+ Group: First Quarter 2004 Performance



First quarter 2004

	1st quarter ended March 31,			Pro forma Growth 2004/2003	Comparable growth *
	2004	2003 pro forma	2003 comparable basis		
Revenue	923	930	855	-1%	8%
Operating Income	74	45	44	64%	68%
Operating Margin	8%	5%	5%	+ 3 points	+ 3 points

in € million - French GAAP

2004 Guidance

- ▶ Revenue: approximately €3.3 billion
- ▶ Operating income above €130 million
- ▶ Cash flow from operations: close to operating income

* Comparable basis essentially illustrates the effect of the divestitures of Telepiu, Canal+ Nordic, Canal+ Belgium and Flemish, etc

Revenue up 8% on a comparable basis:

- **French Pay TV up 7%:**
 - ▶ All pay television operations grew in the quarter
 - ▶ Premium channel:
 - Larger audience, higher satisfaction rate
 - Gross adds up 20% compared to Q1 2003

• StudioCanal up 28%:

- ▶ Revenues growth driven by the releases of *Les Rivières Pourpres 2*, *Podium* and *RRRrrrr!!!*, and continuing DVD sales of *Les Nuls L'intégrule*

Operating Income up 68% on a comparable basis:

- ▶ French Pay TV up 76%
 - Strong improvement driven by the Premium Channel's savings with positive impact of the cost control process
- ▶ StudioCanal's operating income doubled, mostly due to revenue growth

Music: First Quarter 2004 Performance



First quarter 2004

in € million - French GAAP

	1st quarter ended March 31,		Growth 2004/2003	Growth 2004/2003 at constant currency
	2004	2003		
Revenue	978	1 100	-11%	-5%
Operating Loss	-16	-28	43%	36%

2004 Guidance

- ▶ Worldwide revenue is projected to decline slightly at constant currency along with the industry
- ▶ Operating income expected to grow compared to 2003
- ▶ Cash flow from operations: below 2003 level

Revenue down 5% at constant currency:

- ▶ Growth in the U.K., Germany and Latin America was more than offset by declines in North America and France
- ▶ Unfavorable 2003 Q1 basis with *50 Cent* strong sales
- ▶ Top 5 sellers: *Kanye West*, *Guns N' Roses' greatest hits*, *The Black Eyed Peas*, *Sheryl Crow* and *No Doubt*

Operating Income up from €(28) million to €(16) million:

- ▶ Improvement driven by cost savings: lower marketing and overhead expenses
- ▶ Partly offset by the margin impact of the drop in sales volumes and the increase in catalog amortization expenses (from 20 to 15 years)

Vivendi Universal Games: First Quarter 2004 Performance



First quarter 2004

	1st quarter ended March 31,		Growth 2004/2003	Growth 2004/2003 at constant currency
	2004	2003		
Revenue	77	106	-27%	-17%
Operating Loss	-45	-24	-88%	-x2.2

in € million - French GAAP

2004 Guidance

- ▶ Revenue: decline in a transition year
- ▶ Operating Income: improvement but still negative
- ▶ Cash flow from operations: improvement but still negative

Revenue down 17% at constant currency:

- ▶ Significant inventory disposal sales early 2003
- ▶ Lower unit sales
- ▶ Top selling products were *Baldurs Gate Dark Alliance 2*, *The Simpsons Hit & Run* and *Counter Strike Condition Zero*

Operating loss increased from €24 million to € 45 million, due to:

- ▶ Non-recurring costs associated with the turn-around plan
- ▶ Change in estimate resulting in substantially all internal development costs being expensed as incurred
- ▶ Titles cancelled and carrying value of other titles reduced

Vivendi Universal Entertainment: First Quarter 2004 Performance



First quarter 2004

	1st quarter ended March 31,		2004/2003 Growth	Growth on a comparable basis* at constant currency
	2004	2003		
Revenue	1 493	1 446	3%	27%
Operating Income	246	213	15%	27%
Operating Margin	16%	15%	+1 point	

in € million - French GAAP

2004 Guidance

- ▶ Revenues: up versus 2003
- ▶ Operating income: flat with 2003
- ▶ Cash flow from operations: down versus 2003

* Comparable basis illustrates the effect of the divestiture of Spencer Gifts

Revenue up 27% on a comparable basis at constant currency:

- **Universal Pictures Group: +35%**
 - ▶ Stronger video performance with *American Wedding*, *Cat in the Hat*, *The Rundown*, *Intolerable Cruelty* and *Lost in Translation*
 - ▶ Theatrical performance was driven by *Along Came Polly* and *Dawn of the Dead*
- **Universal Television Group: +15%**
 - ▶ Stronger advertising and affiliate revenues (+14%)
 - ▶ Increased licensing revenues including for *Law & Order: Special Victims Unit*

Operating Income up 27% on a comparable basis at constant currency:

- ▶ Growing thanks to strong revenues
- ▶ Universal Pictures Group: +2%
- ▶ Universal Television Group: +33%
- ▶ Universal Parks & Resorts: +25%

SFR Cegetel Group: First Quarter 2004 Performance

SFR cegetel

First quarter 2004

in € million - French GAAP

	First Quarter ended March 31,		Growth 2004/2003	Comparable basis *
	2004	2003		
Revenue	2 058	1 781	16%	14%
Operating Income	552	465	19%	17%
Operating margin	27%	26%	+1 point	

2004 Guidance

- ▶ Revenue: grow more than 7% (excluding mobile-to-mobile)
- ▶ Operating Income: grow by more than 13%
- ▶ Cash flow from operations: grow by approximately 7%

Revenue up 14% on a comparable basis * :

- ▶ Mobile, up 15% to €1,755 million:
 - Continuing growth trend of customer base
 - 12-month rolling ARPU up 3% to €435
 - Favorable customer mix: 58.5% post paid versus 54.2% in 1Q 2003
 - Non voice ARPU up 49% to €43 yoy, driven by strong growth of SMS volumes and take-off of other data services
- ▶ Fixed, up 9% to €303 million:
 - Launch of the broadband Internet activity of Cegetel, following merger between retail and backbone at the end of 2003

Operating Income up 17% on a comparable basis*:

- ▶ Mobile, up 18% to €557 million thanks to growing revenues and strong control of customers acquisition and retention costs
- ▶ Fixed telephony operating loss from €1 to €5 million: higher revenues more than offset by DSL retail start up costs

VIVENDI
UNIVERSAL

* Comparable basis illustrates the full consolidation of Telecom Developpement as if the merger with Cegetel had occurred at the beginning of 2003

Maroc Telecom: First Quarter 2004 Performance



First quarter 2004

in € million - French GAAP

	1st quarter ended March 31,		Growth 2004/2003	Growth 2004/2003 at constant currency
	2004	2003		
Revenue	376	357	5%	9%
Operating Income	161	138	17%	20%
Operating Margin	43%	39%	+4 points	

2004 Guidance

- ▶ Revenue: slight increase in Dirhams
- ▶ Operating margin: remain stable
- ▶ Cash flow from operations: slight decrease

Revenue up 9% at constant currency:

- **Fixed : +4%**
 - ▶ Growth in the customer base by 35 000 lines compared to end 2003
 - ▶ Strong incoming international revenue

- **Mobile: +15%**

- ▶ Growth in the customer base by 139 000 lines compared to end 2003
- ▶ Strong outgoing traffic and roaming revenue, higher handset revenue and increasing fixed incoming traffic

Operating Income up 20% at constant currency:

- ▶ Due to revenue growth and efficient control of costs and lower bad debts
- ▶ Despite higher fixed termination costs and higher number of handsets sold



Details on First Quarter 2004 Accounts

First Quarter 2004 Segment Revenues

in € million - French GAAP

	Actual		Pro Forma* Growth		Comparable basis **
	Actual 2004	Actual growth	at actual exchange rate	at constant exchange rate	at constant exchange rate
Canal+ Group (100%)	923	-21%	-1%	0%	9%
Universal Music Group (92%)	978	-11%	-11%	-5%	-5%
VU Games (99%)	77	-27%	-27%	-17%	-17%
Vivendi Universal Entertainment (86%)	1 493	3%	3%	21%	27%
Total Media	3 471	-9%	-3%	7%	11%
SFR Cegetel Group (56%)	2 058	16%	16%	16%	14%
Maroc Telecom (35%)	376	5%	5%	9%	9%
Total Telecom	2 434	14%	14%	14%	13%
Other	68	-65%	-65%	-63%	-16%
Total Vivendi Universal excluding VUP assets sold in 2003	5 973	-3%	1%	7%	11%

Note: The % is provided for informational purposes only. The reported numbers are 100% consolidated.

* The pro forma information illustrates the effect of the divestitures of Telepiu in April 2003 and of Comareg in May 2003 as if these transactions had occurred at the beginning of 2003.

** Comparable basis essentially illustrates the effect of the divestitures at Canal+ Group (Telepiu, Canal+ Nordic, Canal+ Belgium and Flemish, etc), VUE (Spencer Gifts), VUP (Comareg and Atica & Scipione) and Vivendi Telecom Hungary, the abandonment of Internet operations and includes the full consolidation of Telecom Développement at SFR Cegetel Group as if those transactions has occurred at the beginning of 2003.

First Quarter 2004 Segment Operating Income

in € million - French GAAP

	Actual		Pro Forma * Growth		Comparable basis **
	Actual 2004	Actual growth	at actual exchange rate	at constant exchange rate	at constant exchange rate
Canal+ Group (100%)	74	-53%	64%	64%	68%
Universal Music Group (92%)	-16	43%	43%	36%	36%
VU Games (99%)	-45	-88%	-88%	-x2.2	-x2.2
Vivendi Universal Entertainment (86%)	246	15%	15%	36%	27%
Total Media	259	-19%	26%	42%	33%
SFR Cegetel Group (56%)	552	19%	19%	19%	17%
Maroc Telecom (35%)	161	17%	17%	20%	20%
Total Telecom	713	18%	18%	19%	18%
Holding and Corporate	-46	35%	35%	32%	32%
Other	4	n/a	n/a	n/a	n/a
Total Vivendi Universal excluding VUP assets sold in 2003	930	10%	27%	32%	29%

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* The pro forma information illustrates the effect of the divestitures of Telepiu in April 2003 and of Comareg in May 2003 as if these transactions had occurred at the beginning of 2003.

** Comparable basis essentially illustrates the effect of the divestitures at Canal+ Group (Telepiu, Canal+ Nordic, Canal+ Belgium and Flemish, etc), VUE (Spencer Gifts), VUP (Comareg and Atica & Scipione) and Vivendi Telecom Hungary, the abandonment of Internet operations and includes the full consolidation of Telecom Développement at SFR Cegetel Group as if those transactions has occurred at the beginning of 2003.

First Quarter 2004 Operating Income Details

in € million - French GAAP

	Revenue	Operating expenses excl. D&A	Depreciation & Amortization	Others	Operating income
Canal+ Group (100%)	923	-792	-52	-5	74
Universal Music Group (92%)	978	-898	-79	-17	-16
VU Games (99%)	77	-110	-9	-3	-45
Vivendi Universal Entertainment (86%)	1 493	-1 202	-44	-1	246
Total Media	3 471	-3 002	-184	-26	259
SFR Cegetel Group (56%)	2 058	-1 293	-211	-2	552
Maroc Telecom (35%)	376	-160	-55		161
Total Telecom	2 434	-1 453	-266	-2	713
Holding and Corporate		-41	-4	-1	-46
Other	68	-54	-11	1	4
Total Vivendi Universal	5 973	-4 550	-465	-28	930

First Quarter 2004, Adjusted Net Income (non GAAP)

in € million, French GAAP

	Quarter ended March 31,					
	2004 P&L as reported	2004 Adjustments	2004 Adjusted P&L	2003 Adjusted P&L	2003 Adjustments	2003 P&L as reported
Revenue	5 973		5 973	6 232		6 232
Operating income	930		930	844		844
Financing expense	-162		-162	-180		-180
Other financial expenses, net of provisions	-121	117	-4	-94	52	-146
Gain (losses) on businesses sold, net of provisions	11	-11			-81	81
Income tax expenses	-297	-1	-298	-273	34	-307
Equity in (losses) earnings of unconsolidated companies	45		45	-72		-72
Goodwill amortization	-146	146			283	-283
Minority interests	-266	-6	-272	-281	-25	-256
Net income (loss)	-6	245	239	-56	263	-319
Earnings (loss) per basic share	-€ 0,01		€ 0,22	-€ 0,05		-€ 0,30
Weighted average common shares outstanding (in millions)	1 071,5		1 071,5	1 070,1		1 070,1

P&L Details – First Quarter 2004

In € million – French GAAP

	Q1 2004	Q1 2003
Financing expense	(162)	(180)
• Average cost of gross debt	5.27%	4.34%
• Average gross debt (in € billion)	13.0	18.9
Foreign exchange losses	0	(80)
Other financial expenses, net of provisions	(121)	(66)
<i>of which items excluded from Adjusted net income</i>	<i>(117)</i>	<i>(52)</i>

P&L Details – First Quarter 2004

In € million – French GAAP

	Q1 2004	Q1 2003
Taxes	€(297)	€(307)
▶ Current / non-recurring		
• Taxes on current income	€(333)	€(246)
• Deferred taxes & Other	€36	€(61)
▶ Cash taxes	€(147)	€(228)

P&L Details – First Quarter 2004

In € million – French GAAP

	Q1 2004	Q1 2003
Equity in (losses) earnings of unconsolidated companies	45	(72)
<i>of which:</i>		
▶ Elektrim Telekomunikacja	47 *	(27)
▶ VUE's theme parks	(19)	(35)

* Including a capital gain of €49 million on Elnet divestiture in Q1 2004

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For any updated financial or business information, please refer to our Investor Relations website at:

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