

# vivendi

*Further strengthen our leadership  
in the entertainment sector*

January, 2008

IMPORTANT NOTICE: INVESTORS ARE STRONGLY URGED TO READ THE IMPORTANT  
DISCLAIMER AT THE END OF THIS PRESENTATION

## Vivendi: clear strategy, in the digital media age

- Capitalize on consumer demand for mobility and broadband that drives new services and new revenue streams in the world of entertainment
- Further strengthen our leadership in superior content and distribution businesses to enhance growth and value

# Vivendi's strategy into action

- In 2003 we achieved a streamlined perimeter focusing on five businesses with the goal to reach the highest level of leadership and profitability
- In recent years, we have executed on our strategy, reshaping and strengthening our businesses to position them to maximize value and achieve growth
- We will continue to seize opportunities to strengthen our businesses and increase ownership (e.g. Canal + France, SFR)

# Vivendi strengthens its leadership in its businesses

Two recent significant announcements complete and strengthen our leadership in our businesses...

- Vivendi and Activision will create Activision Blizzard, leader in interactive entertainment, world's largest and most profitable "pure play" video game publisher
- SFR / Neuf Cegetel : creation of a real contender to France Telecom in all segments

# Vivendi strengthens its leadership in its businesses

... Following strategic transactions finalized over the last 18 months :

- UMG: Acquisition of Bertelsmann Music Publishing  
Acquisition of Sanctuary
- Canal + Group: Acquisition of TPS and creation of Canal + France
- SFR: Acquisition of fixed and ADSL activities of Télé2 France
- Maroc Telecom: Acquisition of 51% of Onatel (Burkina Faso)  
Acquisition of 51% of Gabon Telecom

# Activision Blizzard


*tele*  
*internet*  
*mobile*  
*jeux*  
*musique*  
*cinéma*

**vivendi**

Le DIVERTISSEMENT EST UN BESOIN VITAL

Le divertissement est vital comme boire, manger, dormir. Vivendi investit toute son énergie et tous ses talents pour vous offrir d'extraordinaires univers de divertissement. Un développement porté par les sociétés du groupe, toutes leaders sur leurs marchés: Universal Music Group, Groupe Canal+, SFR, Maroc Telecom, Vivendi Games.

**vivendi**



## Vivendi Games and Activision to create Activision Blizzard: a worldwide leader

### Proposed merger of Activision and Vivendi Games

- Excellent complementary businesses
  - Activision's strengths - Console + US market
  - Vivendi Games' strengths - Online / PC + Asia
- Global leader in dynamic, high margin online games
  - Opportunity to expand Activision franchises online
- Compelling financial rationale
  - Accretive to Activision stockholders
  - Slightly accretive to Vivendi stockholder
- World class management team
  - Proven track record of innovation, integration and delivering strong returns to stockholders



## Activision Blizzard enhances Vivendi's Strategy

Further strengthens our leadership position in the entertainment sector

- Exchange 100% stake in highly profitable medium-size worldwide publisher plus cash for majority stake in a global interactive entertainment leader
- Invest \$1.7B to \$2.4B cash demonstrating our commitment to the video game industry, one of the fastest growing segments in the entertainment industry
- Opportunities of synergies, UMG / Guitar Hero<sup>®</sup>
- Plans to develop online services for Activision's franchises
- Opportunity to optimize Vivendi Games' console franchises
- Become long term majority stockholder in the most profitable pure play company in the sector



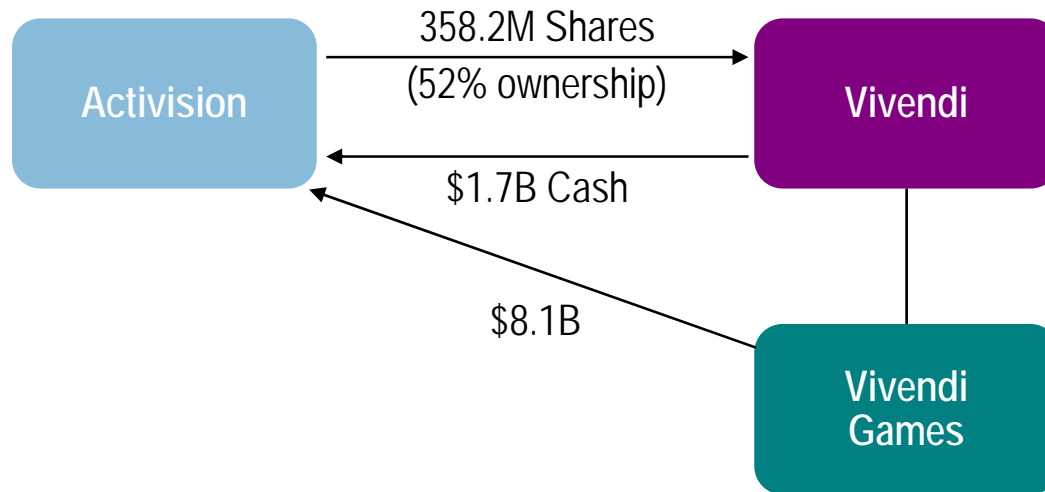


## Activision Blizzard: many benefits for Vivendi

- Investment in a high margin sector with rapid growth
- Use our financial flexibility to enhance the growth of our assets
- Realization of Vivendi Games' value by unlocking the value of Blizzard Entertainment
- Accelerated optimization of Vivendi's investments in Sierra
- A deal with high potential that allows Vivendi to increase the leverage on its balance sheet and to continue implementing its strategy

# Transaction Structure & Terms

Step One (at closing):

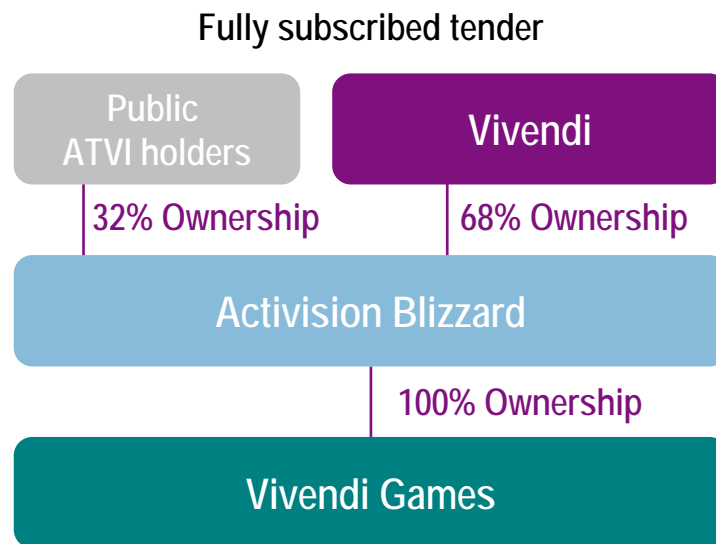


- Vivendi acquires 358.2 million shares in exchange for its gaming assets (valued at \$8.1 billion) and \$1.7 billion cash
- Value of \$27.50 per Activision share, 31% premium to Activision based on a 20-day average before announcement
- Results in Vivendi ownership of 52%
- Results in 686 million fully diluted shares outstanding for the new company

# Transaction Structure & Terms

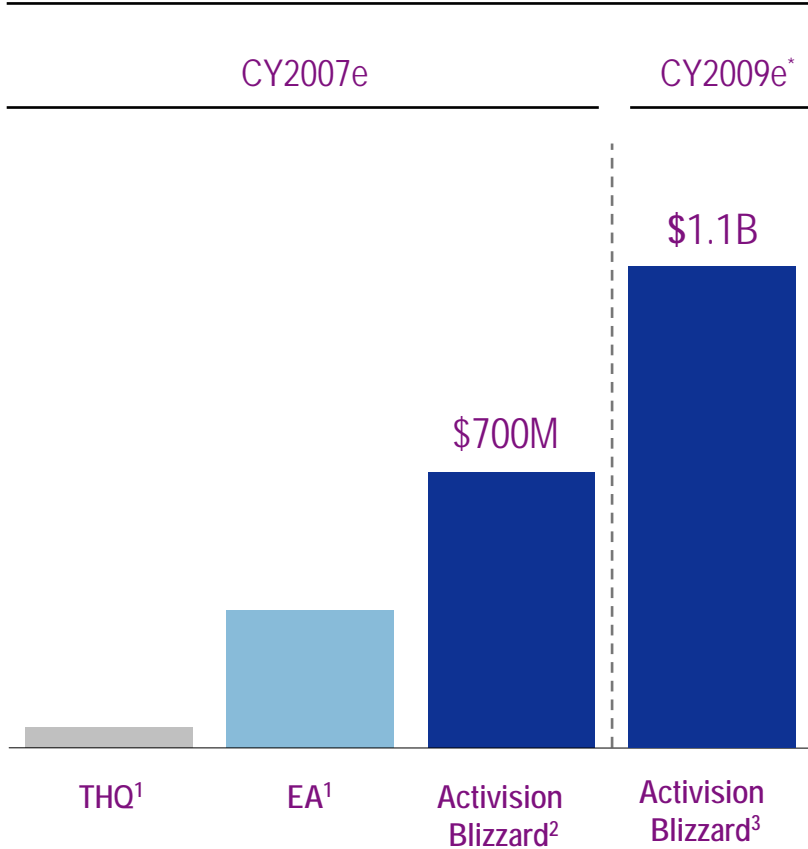
## Step Two (post closing):

- \$4 billion cash tender offer for up to 146.5 million shares at \$27.50 per share, representing 50% of outstanding Activision shares (pre-transaction)
- Fully subscribed tender would result in Vivendi ownership of 68% and 564.9 million fully diluted shares outstanding
- Anticipated funding by:
  - Activision Blizzard cash on hand at closing
  - Additional Vivendi cash \$0.7 billion
  - Balance newly issued Activision Blizzard debt
- Activision Blizzard debt not expected to exceed \$0.8 billion

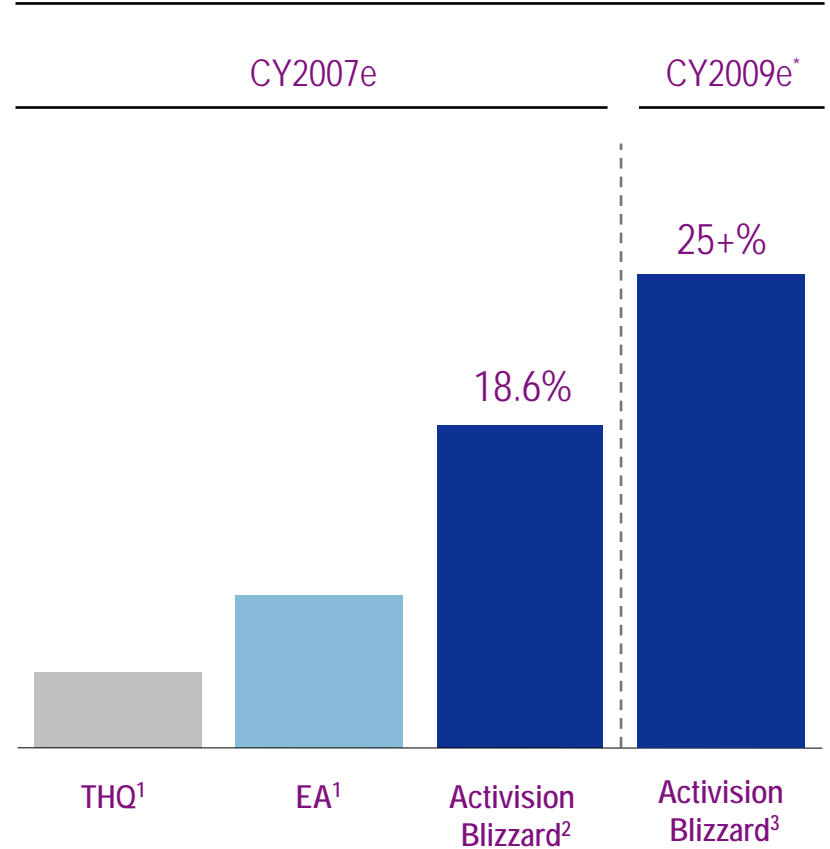


# Most Profitable Pure-Play in Sector

## Operating Income



## Operating Margin



<sup>1</sup> Projected CY07 - Wall Street estimates and company financials

<sup>2</sup> ATVI Proforma estimates

<sup>3</sup> ATVI Proforma estimates including synergies

\*CY09 Projections are proforma non GAAP diluted EPS excluding equity-based compensation and impact of purchase price accounting

# Activision Blizzard Earnings Power

Calendar 2009\*

Operating Margin :	25%+
Revenue :	\$4.3 Billion
Operating Income :	\$1.1 Billion
EPS :	\$1.20+

Activision Blizzard business  
growth of 14% with 3-4 points of  
margin expansion  
over 2 years

Improve Sierra's operating  
performance by \$160 million,  
delivering 3-4 margin points

Includes \$50-\$100 million in cost synergies

*\*CY09 Projections are proforma non GAAP excluding equity-based compensation and impact of purchase price accounting*



## Next Steps

Expected closing 1H 2008

Activision  
shareholder vote  
(more than 50%  
approval required)

Regulatory and  
antitrust approvals

Closing

- Tender offer opens
- Integration begins

Tender offer closes

- A transaction welcomed by the investor community :
  - Activision's share price increased \$3 after announcement
  - Shares have continued to increase in price since then, like other stocks in the sector
- A worldwide leader ideally positioned to maximize growth and enhance profitability

*musique* *internet* *mobile*  
*télé* *jeux* *cinéma*

**vivendi**

**Le DIVERTISSEMENT EST UN BESOIN VITAL**

Le divertissement est vital comme boire, manger, dormir. Vivendi investit toute son énergie et tous ses talents pour vous offrir d'extraordinaires univers de divertissement. Un développement porté par les sociétés du groupe, toutes leaders sur leurs marchés: Universal Music Group, Groupe Canal+, SFR, Maroc Telecom, Vivendi Games.



# SFR / Neuf Cegetel: a compelling opportunity at the right time

- First Fixed / Mobile alternative operator in Europe
- Alternative leader in France and creation of a real contender to France Télécom in all segments (Mass Market and Enterprises)
- Change in scale and financial support of SFR allowing for FTTH networks deployment
- Accelerate convergence opportunities
- Enhance SFR's growth profile

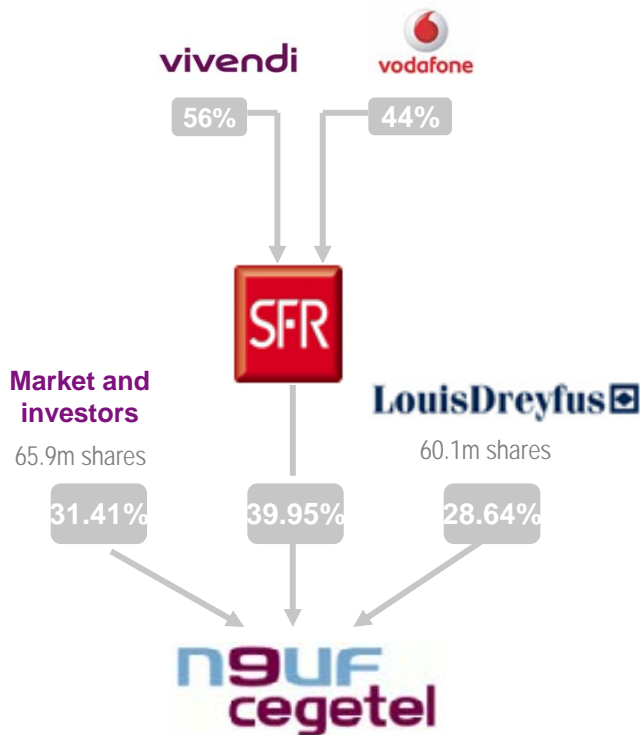
## SFR has been an active player in fixed-ADSL since deregulation

- SFR has participated in fixed telecom since 1997: 86% Cegetel + 49% of Telecom Development JV with SNCF
- SFR has taken part in the consolidation of the sector: Cegetel + Neuf Telecom merger creating a viable entity in August 2005
- SFR has taken opportunities since then to increase its stake from 28% to 40% before the IPO of Neuf Cegetel in October 2006

Opportunity to take control of Neuf Cegetel today following the agreement reached with Group Louis Dreyfus for SFR to acquire its 29% stake

# Potential transaction terms

## Ownership structure before transaction

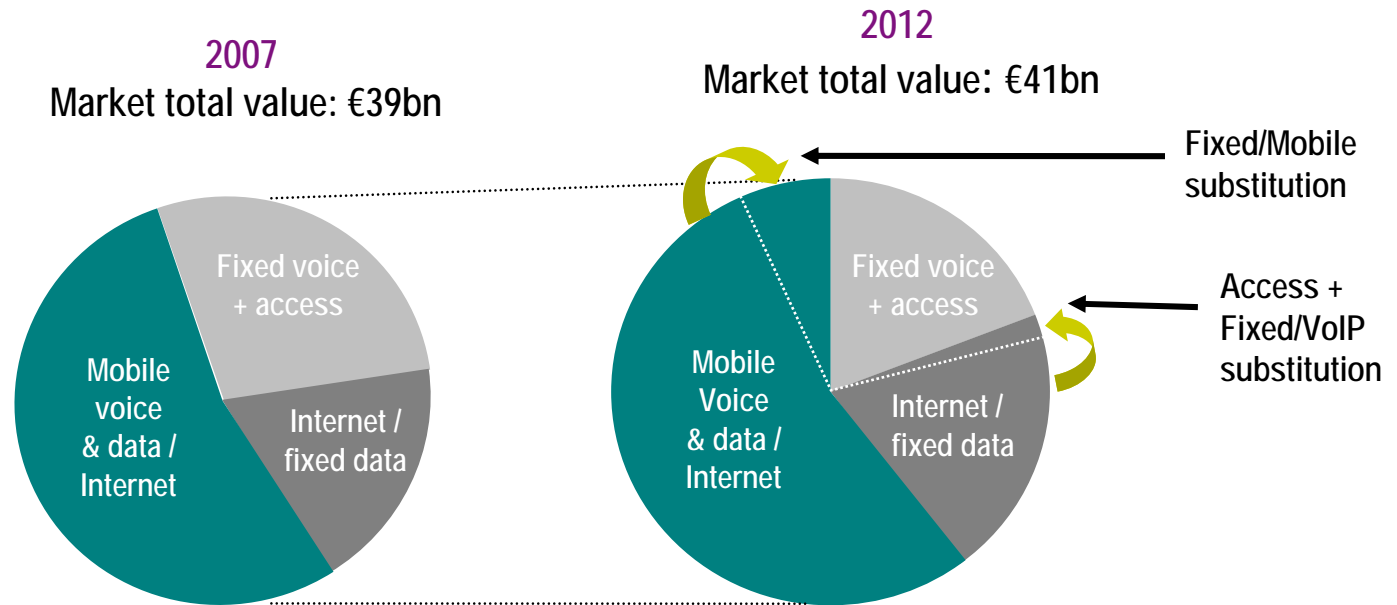


- Potential acquisition <sup>(1)</sup> of Group Louis Dreyfus' stake in Neuf Cegetel, increasing SFR ownership to 68.59% <sup>(2)</sup>
  - Price per share of €34.50 (dividend attached). Depending on when the transaction is completed, up to €40m additional payment
  - Signing of an agreement subject to consultation of Workers Councils representatives
  - Execution subject to antitrust approval
- Followed by a Public Offer for remaining shares not owned
  - Attractive price per share at €36.50 (2007 dividend attached) in cash: +15.0% premium to 6-month average price
- Transaction value of €4.5bn
- Expected closing in 2008

(1) Memorandum of understanding between Group Louis Dreyfus and SFR

(2) Fully diluted

# French Telecom market growth driven by mobile and Internet



Two growing segments: Internet and Mobile representing €5bn growth in 5 years

# A fast changing telecom landscape

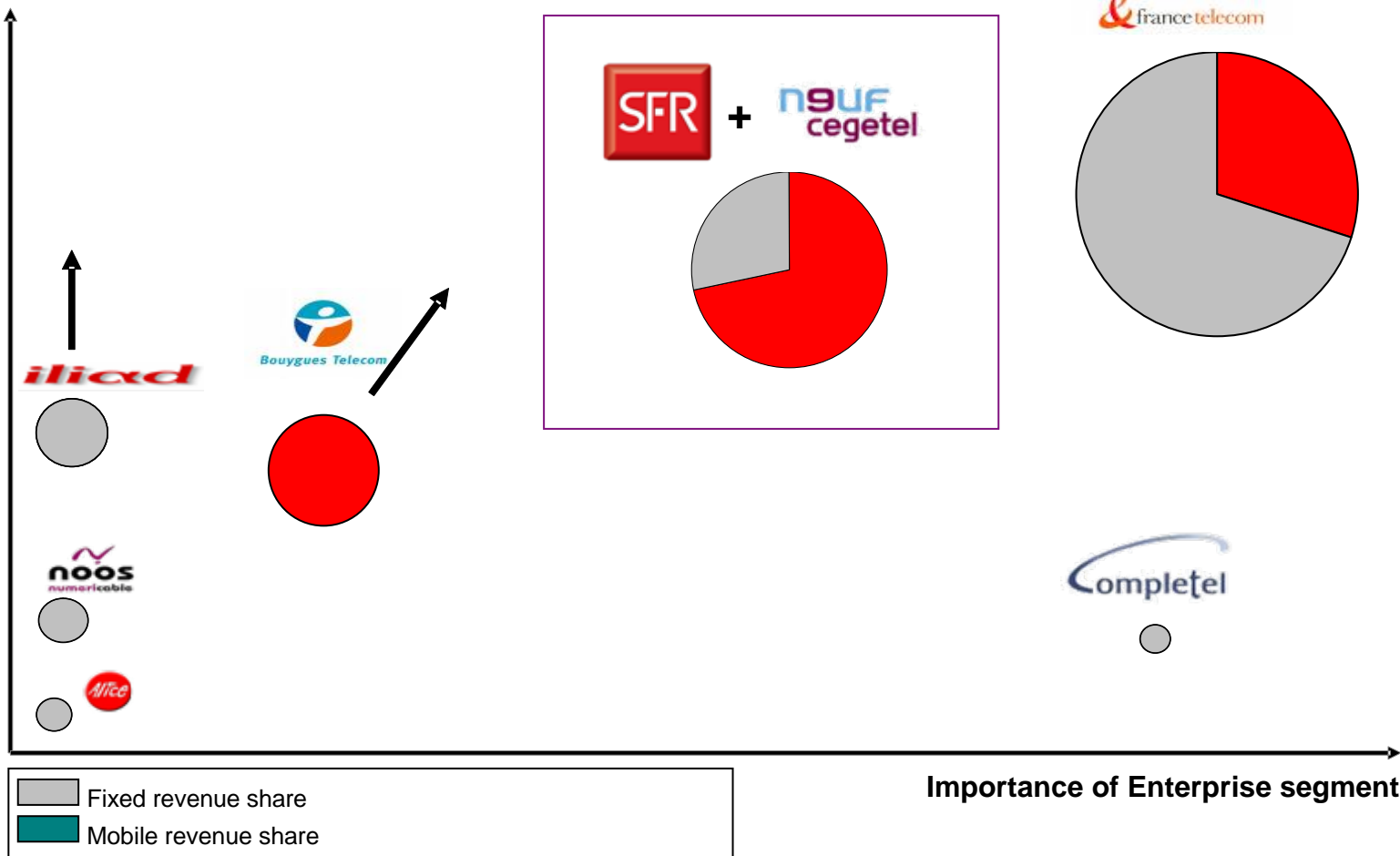
- FTTH technology breakthrough
- Growing demand for convergent offering, including in the Enterprise segment
- Increasing need for capacity (especially at home) driven by new usage  
Evolution of voice and data offerings: continuity of usage, simplicity, personalization, abundance offers
- ADSL market consolidation

## Reach scale and flexibility to cope with rapid market changes

- Alternative leader and creation of a real contender to France Télécom in all segments (fixed/mobile and Mass Market/Enterprise)  
equivalent market share target of 33%
- Scale to accelerate FTTH deployment  
SFR's financial resources + Neuf Cegetel's know-how
- Full portfolio of mobile and fixed broadband technologies  
3G/3G+, ADSL, WIFI-WIMAX
- A complete service offer to meet customer's changing needs (incl. enterprises)
- Valorization of SFR's investments  
brand, retail network, technical platforms

# Creation of a real contender to France Télécom in all segments

Fixed/mobile convergence



Source: Brokers estimates and SFR estimates for CY2007

vivendi

# Neuf Cegetel: Steady growth

## A strong track record of growth

Pro forma - bn€	At Neuf Cegetel merger (2005)	FY2007E
<b>DSL mass market subs</b>	<b>1.2 m</b>	<b>&gt;3.1 m*</b>
Market share	13%	>21%*
<b>Enterprise data links</b>	<b>103k</b>	<b>&gt;165k*</b>
<b>Revenue</b>	<b>1.8</b>	<b>3.3**</b>
<b>EBITDA</b>	<b>0.2</b>	<b>0.7**</b>
EBITDA margin	9,7%	>21%**
<b>Capex</b>	<b>0.3</b>	<b>0.4**</b>
<b>CFFO</b>	<b>-0.1</b>	<b>0.3**</b>

\* Neuf Cegetel Data as of Sept. 2007

\*\*JCF Consensus / January, 2008.

**neuf  
cegetel**

## Strong 2008 outlook

- Mass Market Revenue growth: >20%
- EBITDA Margin end 08: 25%
- Operating cash flow: €450

**neuf  
cegetel**

SFR / Neuf Cegetel's transaction: accretive on Vivendi's  
Adjusted Net Income in 2009

**vivendi**



# SFR and Neuf Cegetel: highly complementary platforms

- Strong #2 in mass market for both mobile and ADSL in France
  - SFR: #2 mobile operator with 18m customers
  - 9C: first alternative fixed / internet operator with 3.1m DSL customers (21% broadband market share)
- Premier alternative broadband networks
  - SFR: Largest 3G+ network in France
  - 9C: Premier Alternative IP network in France ; the most extensive network with >70% home passed
- Leadership in mass market services
  - SFR: market shaper of mobile internet
  - 9C: track record of innovation in ADSL
- Dynamism in enterprise segment
  - SFR: Strong growth of enterprise lines and revenues (~10% annual growth)
  - 9C: Strong penetration in the enterprise segment with 165k data links (~20% IP services market share)
- Best in class in customer service
  - SFR: large retail commercial network
  - 9C: strong in direct sales and Internet channels

# Vivendi: Other recent strategic events

**vivendi**  
LE DIVERTISSEMENT EST UN BESOIN VITAL

Le divertissement est vital  
comme boire, manger, dormir.  
Vivendi investit toute son énergie et  
tous ses talents pour vous offrir d'extraordinaires  
univers de divertissement. Un développement porté par les  
sociétés du groupe, toutes leaders sur leurs marchés:  
Universal Music Group, Groupe Canal+, SFR,  
Maroc Telecom, Vivendi Games.



# Universal Music Group strengthens its global leadership

## Integration of BMGP on track

The acquisition of BMGP enhances the strategic position and value of Universal Music Group as the world's leading recorded music company and music publishing company

- €1,639 million paid in December 2006
- Unique, irreplaceable catalog in an attractive low risk, high margin business
- Accretive to Vivendi's Adjusted Net Income 12 months from closing\*

- €362m Revenues in 2006

- €99m EBITDA in 2006

Ongoing disposals requested by the European Commission should represent ~8% of 2006 revenues

- Expected to generate €30m to €35m recurring cost savings from 2008

- Anticipated restructuring costs of ~ €50m split equally between 2007 and 2008

\*Closing in May 2007

# Canal+ Group: Success of the TPS integration



- CanalSat/TPS integration process on track:
  - Voluntary redundancy plan finalized
  - Launch of the technical migration of TPS subscribers
- Exclusive content renegotiated and secured:
  - Acquisition of top sports events: French Premiership (TOP 14) rugby championship, English Premier League, Wimbledon
  - Contracts renewed with leading theme channels (Disney, Warner)
- A strategy driven by customer satisfaction and portfolio growth:
  - CanalSat: a new multi-channel offer enhanced with TPS content
  - Canal+ Le Bouquet expands its offer with the launch of *Canal+ Family*, a new premium channel
  - New 2.0 platform, [www.canalplus.fr](http://www.canalplus.fr), leveraging Canal+ content and values



## Canal+ Group: 2010 objectives announced in March 2007 are confirmed

■ Robust growth in projected revenue :

> €5 billion in annual income

11.5 million subscriptions to CANAL+ France

■ Significant cost synergies projected:

> €350 million euros

2010 EBITA

> €1 billion

# Maroc Telecom: International development



- Integration of the recent acquisitions of Onatel (Burkina Faso) and Gabon Télécom to enhance future growth and profitability:
  - Growth of mobile customer base by more than 40% in the first nine months
  - Reorganisation: cost killing, IFRS compliant, refinancing
  - Launch of new services and promotions
  - Increase of capex: coverage and capacity
- Launch of Mobisud, MVNO in France and Belgium:
  - New partnerships with Phone® house in France and Western Union® in Belgium
- Vivendi acquires 2% of Maroc Telecom capital, increasing its stake to 53%

# Vivendi : Impact on balance sheet of the recent transactions

**vivendi**

**Le DIVERTISSEMENT EST UN BESOIN VITAL**

Le divertissement est vital comme boire, manger, dormir. Vivendi investit toute son énergie et tous ses talents pour vous offrir d'extraordinaires univers de divertissement. Un développement porté par les sociétés du groupe, toutes leaders sur leurs marchés: Universal Music Group, Groupe Canal+, SFR, Maroc Telecom, Vivendi Games.

## Vivendi : changes in the structure of the balance sheet

■ Estimated net debt, end of 2007	~€5.5bn
■ Potential impact on net debt from recent transactions: Activision Blizzard and Neuf Cegetel	€7.7bn
■ Activision Blizzard: :	€2.2bn
■ \$1.7bn in cash concurrently with the exchange of Vivendi Games for 52% of Activision Blizzard (step 1)	
■ Additional \$0.7bn during the tender offer (step 2)	
■ Activision Blizzard net debt (balance expected not to exceed \$0.8bn)	
■ Neuf Cegetel :	€5.5bn
■ Acquisition of Groupe Louis Dreyfus's stake for €2.07bn	
■ Public Offer on the remaining 31.41% not owned for a maximum amount of €2.4bn	
■ Neuf Cegetel net debt < €1bn	
■ Total pro-forma net debt end of 2007*, before capital increase of €1bn to €2bn	~ €13.2bn

\*For illustrative purposes only: the Activision Blizzard and Neuf Cegetel transactions are expected to close in 2008





## Vivendi: changes in the structure of the balance sheet

- Small margin to manoeuvre caused by the very difficult conditions in the credit market
- Given :
  - The desire to retain our financial and strategic flexibility in 2008-2009 to seize opportunities for minority buyouts (i.e. Canal + France), or growth
  - The need to maintain a quality rating
- Capital increase of € 1bn to € 2bn with preferential subscription for existing shareholders will take place after the takeover of Neuf Cegetel



## Confirmation of our 2007 goals

### 2007 Outlook

- Adjusted net income above €2.7bn <sup>(1)</sup>
- Distribution rate of at least 50% of Adjusted Net Income

<sup>(1)</sup> After transition costs related to the Canal+ / TPS merger

# Investor Relations Team

## Daniel Scolan

Executive Vice President Investor Relations  
+33.1.71.71.14.70  
[daniel.scolan@vivendi.com](mailto:daniel.scolan@vivendi.com)

## Paris

42, Avenue de Friedland  
75380 Paris cedex 08 / France  
Phone: +33.1.71.71.32.80  
Fax: +33.1.71.71.14.16

## Laurence Daniel

IR Director  
[laurence.daniel@vivendi.com](mailto:laurence.daniel@vivendi.com)

## Agnès De Leersnyder

IR Analyst  
[agnes.de-leersnyder@vivendi.com](mailto:agnes.de-leersnyder@vivendi.com)

## New York

800 Third Avenue  
New York  
NY 10022 / USA  
Phone: +1.212.572.1334  
Fax: +1.212.572.7112

## Eileen McLaughlin

IR Director  
[eileen.mclaughlin@vivendi.com](mailto:eileen.mclaughlin@vivendi.com)

For all financial or business information,  
please refer to our Investor Relations website at: <http://www.vivendi.com/ir>

## Important Legal Disclaimer (1/2)

*This presentation contains forward-looking statements with respect to the financial condition, results of operations, business, strategy and plans of Vivendi. 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 the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside our control, including, but not limited to the risk that Vivendi will not be able to obtain the necessary regulatory approvals in connection with certain transactions as well as the risks described in the documents Vivendi filed with the Autorité des Marchés Financiers (French securities regulator) and which are also available in English on our web site ([www.vivendi.com](http://www.vivendi.com)). Investors and security holders may obtain a free copy of documents filed by Vivendi with the Autorité des Marchés Financiers at [www.amf-france.org](http://www.amf-france.org), or directly from Vivendi. The present forward-looking statements are made as of the date of the present presentation 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.*

# Important Legal Disclaimer (2/2)

## Calculation of Certain Estimates

All financial information relating to Activision, Vivendi Games and Blizzard Entertainment included in this presentation, including pro forma estimates for calendar year 2007, and projections for future periods, represent the companies' respective estimates and projections and were not prepared in accordance with U.S. Generally Accepted Accounting Principles. These estimates exclude the impact of expenses related to equity-based compensation and related tax benefits, potential one-time restructuring charges of up to \$100 million that may be incurred in connection with the transaction, and the potential impact from non-cash intangible amortization resulting from purchase price accounting. In addition, these estimates assume continued net revenue growth as well as expense reductions and other synergies that may or may not be realized. Estimates for future periods are subject to significant inherent uncertainties, which increase with periods farther into the future. Actual results may differ materially and are subject to risks, including the risks described in the Cautionary Note below. To the extent that the estimates for calendar year 2007 are based on the historical performance of Activision and Vivendi Games through September 30, 2007, not all such historical information has been audited, the accounting policies of the companies may differ, and the two companies have different fiscal years. The financial information for Blizzard Entertainment contained in this presentation is presented on a stand-alone basis and does not reflect the results of operations of other Vivendi Games divisions.

## Cautionary Note Regarding Forward-looking Statements

Information in this presentation that involves expectations, plans, intentions or strategies regarding the future are forward-looking statements that are not facts and involve a number of risks and uncertainties. In this release they are identified by references to dates after the date of this release and words such as "outlook," "will," "will be," "remains," "to be," "plans," "believes," "may," "expects," "intends," "should," "continue," and similar expressions. Factors that could cause actual future results to differ materially from those expressed in the forward-looking statements set forth in this release include, but are not limited to, the timing and successful completion of the transactions described in this release (including the timing and receipt of stockholder and regulatory approvals and the satisfaction of other closing conditions), the combined companies' success in executing planned strategies and achieving assumed synergies and cost savings, sales of each company's titles, shifts in consumer spending trends, the seasonal and cyclical nature of the interactive game market, the ability of Activision Blizzard to predict consumer preferences among competing hardware platforms (including next-generation hardware), declines in software pricing, product returns and price protection, product delays, retail acceptance of the company's products, adoption rate and availability of new hardware and related software, industry competition, rapid changes in technology and industry standards, protection of proprietary rights, maintenance of relationships with key personnel, customers, vendors and third-party developers, international economic and political conditions, integration of recent acquisitions and identification of suitable future acquisition opportunities, and foreign exchange rate changes. Other such factors include, without limitation, the additional risks identified in Activision's most recent annual report on Form 10-K and in the documents Vivendi has filed with the Autorité des Marchés Financiers (French securities regulator) and which are also available in English on Vivendi's website ([www.vivendi.com](http://www.vivendi.com)). Investors and security holders may obtain a free copy of documents filed by Vivendi with the Autorité des Marchés Financiers at [www.amf-france.org](http://www.amf-france.org), or directly from Vivendi. The forward-looking statements in this release are based upon information available to Activision and Vivendi as of the date of this release, and neither Activision nor Vivendi assumes any obligation to update any such forward-looking statements. Forward-looking statements believed to be true when made may ultimately prove to be incorrect. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the companies' control and may cause actual results to differ materially from current expectations.

## Important Additional Information will be filed with the SEC

This communication is being made in respect of the proposed business combination involving Activision, Vivendi and Vivendi Games. In connection with the proposed transactions, Activision plans to file with the SEC a Registration Statement on Form S-4 containing a Proxy Statement as well as other documents regarding the proposed transactions. The definitive Proxy Statement will be mailed to stockholders of Activision. INVESTORS AND SECURITY HOLDERS OF ACTIVISION ARE URGED TO READ THE REGISTRATION STATEMENT, PROXY STATEMENT AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTIONS. Investors and security holders will be able to obtain free copies of the Registration Statement and the Proxy Statement (when available) and other documents filed with the SEC by Activision through the website maintained by the SEC at <http://www.sec.gov>. Free copies of the Registration Statement and the Proxy Statement (when available) and other documents filed with the SEC can also be obtained by directing a request to Activision's Investor Relations. Activision and its directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Activision's directors and executive officers is available in its Annual Report on Form 10-K for the year ended March 31, 2007, which was filed with the SEC on June 14, 2007, and its proxy statement for its 2007 annual meeting of stockholders, which was filed with the SEC on July 30, 2007. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Proxy Statement and other relevant materials to be filed with the SEC when they become available. THIS DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AN OFFER TO BUY OR THE SOLICITATION OF AN OFFER TO SELL ANY SECURITIES. THE SOLICITATION AND THE OFFER TO BUY SHARES OF ACTIVISION'S COMMON STOCK WILL ONLY BE MADE PURSUANT TO AN OFFER TO PURCHASE AND RELATED MATERIALS THAT ACTIVISION INTENDS TO FILE WITH THE SEC. ONCE FILED, ACTIVISION STOCKHOLDERS SHOULD READ THESE MATERIALS CAREFULLY PRIOR TO MAKING ANY DECISIONS WITH RESPECT TO THE OFFER BECAUSE THEY CONTAIN IMPORTANT INFORMATION, INCLUDING THE TERMS AND CONDITIONS OF THE OFFER. ONCE FILED, ACTIVISION STOCKHOLDERS WILL BE ABLE TO OBTAIN THE OFFER TO PURCHASE AND RELATED MATERIALS WITH RESPECT TO THE OFFER FREE OF CHARGE AT THE SEC'S WEBSITE AT [HTTP://WWW.SEC.GOV](http://www.sec.gov), OR FROM THE INFORMATION AGENT NAMED IN THE TENDER OFFER MATERIALS.