Paris, December 20, 2007

Planned agreement between SFR and the Louis Dreyfus group

Vivendi confirms the planned agreement between its subsidiary SFR and the Louis Dreyfus group relating to the potential sale of the latter’s stake in Neuf Cegetel.

The transaction would represent an important step in SFR’s strategy by:
- investing in fiber optics capacity;
- accelerating its fixed-line/mobile convergence strategy for businesses and individuals;
- integrating a growing asset.

Commenting on the transaction, Jean-Bernard Lévy, Chairman of Vivendi’s Management Board, stated: “This investment is a very attractive opportunity for Vivendi to strengthen its position and development in one of its main business sectors. The planned agreement would make it possible to merge two companies with increasingly complementary and healthy businesses and would create value for Vivendi shareholders.”

Following SFR’s purchase of Louis Dreyfus group’s stake at a share price of €34.50*, the transaction would be completed by a public offering for Neuf Cegetel at a share price of €36.50*.

SFR would finance this transaction through debt, notably with Vivendi granting a loan under market terms. To repay this loan, SFR has agreed to considerably reduce dividend payments that it would pay in the three next financial years.

This transaction would contribute to an optimization of Vivendi’s financial structure. In order to preserve its strategic and financial flexibility, Vivendi plans to raise funds of €1-€2 billion from its shareholders at the appropriate time. The potential amount of this capital increase and the precise timetable will depend on market conditions.

This transaction would be accretive for Vivendi in terms of adjusted net profit per share in 2009.

*2007 coupon attached

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