

Paris, January 9, 2007

The Austrian Supreme Court has confirmed that the arbitration award dated November 26, 2004 does not affect Vivendi's rights with respect to its investment in PTC

On December 18, 2006 the Austrian Supreme Court delivered a final judgment in the dispute between Vivendi's subsidiary Elektrim Telekomunikacja ("Telco"), Deutsche Telekom and Elektrim with respect to the arbitration award issued in Austria dated November 26, 2004.

The Supreme Court confirmed that Telco was not a party to that arbitration, which was between DT and Elektrim alone, and therefore that the arbitration award dated November 26, 2004 could not affect Telco's rights. Thus Telco's ownership of 48% of PTC cannot be challenged on the basis of the Vienna arbitration.

After the arbitration tribunal, the court at first instance and the Vienna Appeal Court, the Austrian Supreme Court is the fourth tribunal to confirm the position taken by Telco and Vivendi, which had throughout been disputed by DT and Elektrim in their attempt to strip Telco of its 48% stake in PTC.

The Supreme Court definitively and unambiguously rejected the interpretation put forward by Deutsche Telekom and Elektrim, according to which the arbitration was binding on Telco and therefore had the effect of stripping it of its investment in PTC without any compensation being due. This voluntarily erroneous interpretation was based on an extract from the arbitration award to distort its meaning.

DT is the party that commenced the arbitration proceedings which resulted in the award being issued in Vienna in 2004. By bringing their dispute before the Vienna arbitration tribunal, DT and Elektrim undertook that they would abide by and apply in good faith the judgment of the tribunal and its final interpretation by the Austrian Supreme Court.

Deutsche Telekom, which claims to be the owner of the 48% stake in PTC, is now therefore obliged to return it to Telco without delay.

*
* *

Extracts from the judgment follow:

"Upon the action of the first Defendant [DT] the arbitral tribunal had determined with final and binding effect only against the second Defendant [Elektrim] that the transfer of shares in Polska Telefonia Cyfrowa,

established in 1995, from the second Defendant [Elektrim] to the Plaintiff [Telco] was legally ineffective. As regards the Plaintiff [Telco] the arbitral tribunal passed a decision on lack of jurisdiction stating explicitly that in the arbitration proceedings it [the Arbitral Tribunal] thus could not deal with claims asserted by the first Defendant [DT] against the Plaintiff [Telco]"

"In the present case the arbitral award has the effect of a final and binding court judgement between the parties. Hence, it follows beyond any doubt that the effect of a final and binding arbitral award – as well as a court judgement – does in principle only extend to the parties" ...

"It is a condition precedent to the affirmation of the standing to file an annulment claim against an arbitral award that the arbitral award pursuant to its objective content interferes with the rights of the Plaintiff [Telco] asserting the annulment [of the award]. This is not the case here."

Important disclaimer:

This press release 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 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). 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, or directly from Vivendi. The present forward-looking statements are made as of the date of the present press release 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.