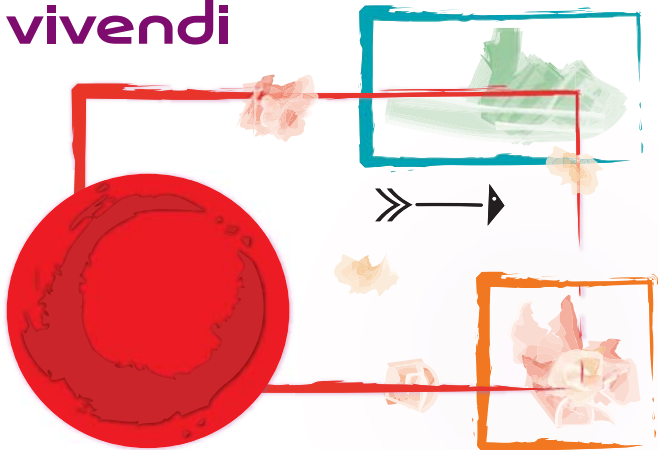
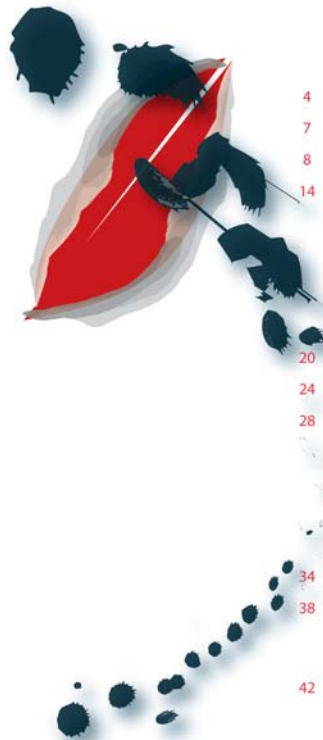


vivendi

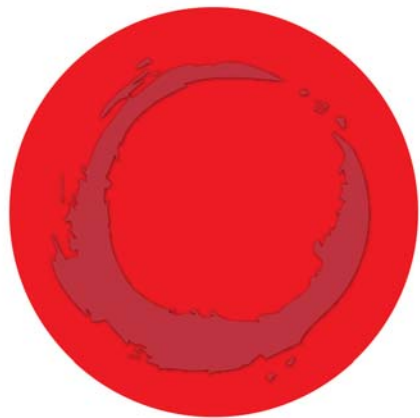


2005 KEY FIGURES
2006 OUTLOOK



GROUP	
4	Message from Jean-Bernard Lévy
7	Simplified Organization Chart
8	2005 Key Figures
14	Corporate Governance
MEDIA	
20	Universal Music Group
24	Vivendi Games
28	Canal+ Group
TELECOMS	
34	SFR
38	Maroc Telecom
42	ADDRESSES AND INFORMATION

GROUP



Message from Jean-Bernard Lévy
Simplified Organization Chart
2005 Key Figures
Corporate Governance





Message from Jean-Bernard Lévy

"Together, we have succeeded in making Vivendi a solid, profitable and dynamic group, as illustrated by our strong commercial and financial results for 2005.

2005 was both an eventful and successful year for Vivendi. Our performance exceeded our objectives and our strategy of strengthening our media and telecommunications activities, which we began implementing in 2003, is now bearing fruit. In 2005, Vivendi posted solid growth in adjusted net income (+55% over the prior year) and all of our businesses showed excellent performances in their respective markets. Our shareholders benefit directly from these strong results with a dividend of €1.00 per share for fiscal year 2005 (+67% compared to 2004).

For Vivendi, the year was marked by a number of major events and in particular by the draft agreement reached with TPS which was followed, in February 2006,

by a draft agreement with Lagardère. The combination of our respective pay-TV businesses will give rise to a major player in the French market, while placing Vivendi in a position to better respond to the new competitive environment created by the emergence of new players, in particular cable and Internet operators.

Our businesses are either number one or number two in almost all of the markets in which we operate and, more importantly, they are continuing to innovate and gain market share. Universal Music Group has strengthened its leadership position in recorded music and leads the world in digital music distribution. Vivendi Games created the most successful online game ever, World of Warcraft. Canal+ Group has reinforced its position as the French leader in pay-TV. SFR has contributed more than any other company to the dynamism of the third generation (3G) mobile telephony market in France and Maroc Telecom has continued to set the pace in mobile telephony and high-speed Internet services in Morocco.

...

In a world of digital communications, mobility and high-speed services, Vivendi is in an excellent position to meet the growing demands of consumers for entertainment and interactive media. Vivendi's activities are focused on customer satisfaction. Our businesses – which present strong operational complementarities – create and provide consumers with the content they want most (music, games and television) on a variety of distribution platforms (mobile phones, the Internet and digital and satellite television) while focusing on technological innovations and variety in the services they offer.

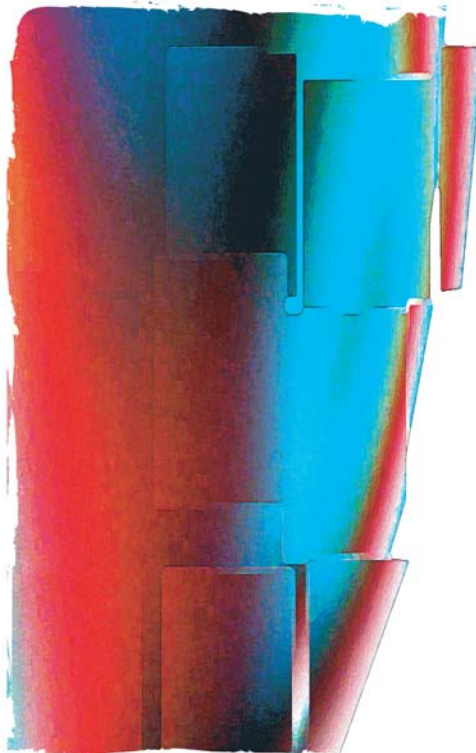
With the development of 3G telephony, pay-TV penetration, legal downloading and on-demand services, worldwide growth prospects for our businesses are strong. It is in this context of growth that Vivendi will continue to invest in creation, content, subscriber management and loyalty, and future technologies.

Our businesses, which have been showing encouraging indicators in 2006, are developing at the same pace as in 2005. We expect 2006 to be another year of sustained growth, with even higher levels of profitability, which should lead to an 11% to 13% increase in adjusted net income (without taking into account the developments currently underway in the pay-TV sector in France). 2006 should also see a further increase in the dividend.

Against this highly favorable background, the decision to change the Group's name marks a significant step forward. Vivendi has a new vitality, and is now a solid, high-performance group. Its new identity "Vivendi" – without the "Universal" name, which we were obliged to remove over time – communicates the enormous potential for life, culture and creativity that underpins our Group.*



Jean-Bernard Lévy
Chairman of the Management Board and
Chief Executive Officer



MEDIA

Universal Music Group
100%

Vivendi Games
100%

Canal+ Group
100%



vivendi

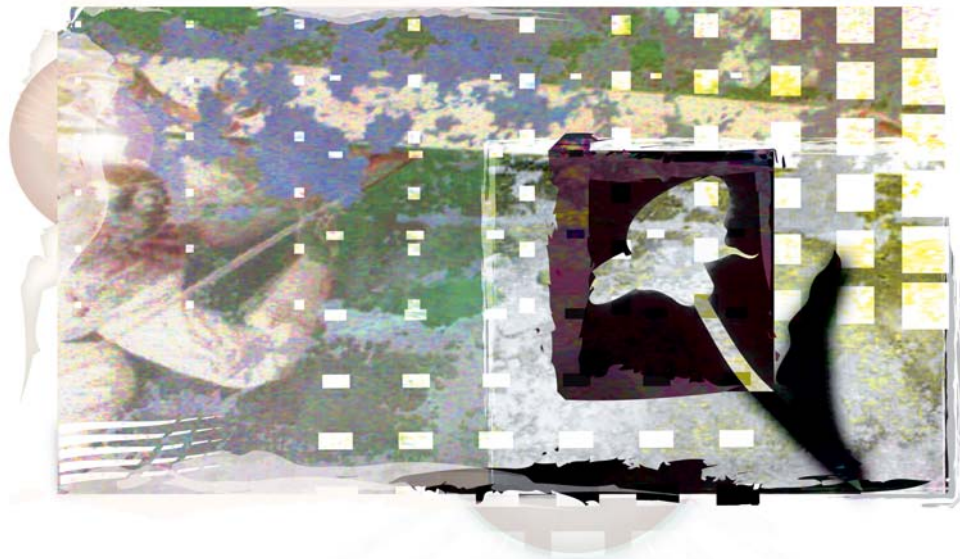


SFR
56%

Maroc Telecom
51%

TELECOMS

Vivendi holds 20% of NBC Universal, a world leader in media and entertainment.
SFR holds 28% of Neuf Cegetel, the leading alternative fixed-line telecommunications operator in France.
At March 15, 2006. The percentages correspond to Vivendi's stake in each company.



...
Revenues post a 7%* increase

Vivendi's consolidated revenues increased by 7%* in 2005 to reach €19,484 million.

Universal Music Group's (UMG) revenues grew by 1.6%* (at constant currency) thanks to **dynamic U.S. and music publishing markets**. New album releases from artists including Mariah Carey, 50 Cent and Eminem were among the world's best sellers for 2005. UMG's digital music sales increased almost threefold in 2005 with strong growth in Internet and mobile phone sales.

Vivendi Games' revenues increased by 34.9%*: this improvement is the result of the **extraordinary success of World of Warcraft**, as well as strong sales from games including 50 Cent: Bulletproof, Robots, Hulk II and F.E.A.R.

Canal+ Group's 4%* revenue increase was driven by **strong performances in pay-TV** due to increased revenue per subscriber and a larger subscription base. The group's total portfolio at the end of 2005 reached 8.25 million subscriptions, more than 1.1 million of which were new subscriptions.

SFR's 7%* revenue increase largely reflected the **growth of its customer base** combined with stable annual revenues per customer. With 17.2 million customers (+9%) at the end of December 2005, SFR, once again, illustrated its ongoing **commercial dynamism**. SFR also recorded excellent performances in the 3G market with more than one million 3G-exclusive customers by the end of December 2005.

Maroc Telecom's revenues grew by 16.0%* at constant currency due to **strong mobile (+31.5%) and Internet performances**. Revenues for the fixed-line and Internet activities increased by 5.9%* at constant currency, thanks to a growing customer base, an increase in high-speed Internet activities and growth in international traffic.

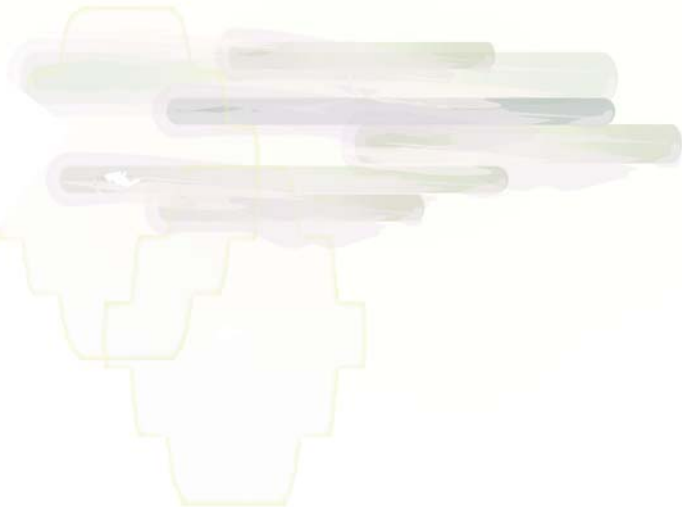
Earnings from operations up by 14%*

Thanks to strong performances from each of our businesses, which all recorded positive earnings from operations, Vivendi's **consolidated earnings from operations increased by 14%*** to reach €3,746 million.

The strong growth in UMG's earnings from operations (+18.8%* at constant currency) reflects an **increase in UMG's share of the global physical music market**, continued cost saving efforts and lower restructuring charges in comparison to 2004.

With an increase of €243 million in 2005 (at constant currency), Vivendi Games registered positive earnings from operations and confirmed the turnaround of its business. This strong progression is the result of **a strategy, implemented in 2004**, which included both the business turnaround and new developments (online and studio acquisitions) which led to a better balanced product portfolio.

*See the first footnote on page 13.



...

Canal+ Group's **earnings from operations were almost equal to those of 2004*** despite higher marketing costs due to record subscriber additions and to the beginning of the exclusive broadcasting contract for French League 1 soccer matches in the second half of 2005. These investments will be amortized from 2006 when portfolio net growth and higher revenue per subscriber achieved in 2005 will produce their full effect. Pay-TV operations in Poland performed strongly, mainly due to an increased subscription portfolio, and the film activity benefited from the success of a number of Working Title productions.

SFR's 3.6%* earnings from operations increase mainly reflected **growth in network revenues** (excluding the chargeback of call terminations between mobile operators), the **success of 3G services** and strict cost control.

Maroc Telecom's earnings from operations increased by 14.2%* at constant currency, thanks to **strong development in the mobile telephone and high-speed Internet businesses**. Excluding the non-recurring impact of the voluntary departure plan introduced in 2004, Maroc Telecom's earnings from operations increased by almost 16%* at constant currency.

Adjusted net income, attributable to equity holders of the parent, up by 55%**
Vivendi's adjusted net income, attributable to equity holders of the parent, which illustrates the Group's performance**

by excluding most non-recurring and non-operating items, increased by 55% to €2,078 million against €1,338 million in 2004. This improvement of €740 million was primarily the result of growth in earnings from operations (€513 million), the reduction of financing expenses (€188 million) and an increase in income from equity affiliates (€105 million). The adjusted net income attributable to equity holders of the parent** per share reached €1.81 in 2005, against €1.17 in 2004. **These strong results enable Vivendi to pay a dividend of €1.00 per share** for fiscal year 2005. This dividend distribution represents a global amount of €1.15 billion against €689 million in 2004.

NB: The financial information has been established according to IFRS requirements. In applying these standards, the fixed-line activity of SFR (Cegetel) is no longer integrated in Vivendi's revenues and earnings from operations: the figures relating to SFR in 2004 and 2005 concern the mobile activity only.

*The comparable basis essentially illustrates the effect of the divestitures that occurred in 2004 (mainly Canal+ Benelux, UMD's music clubs, Kancel and Monaco Telecom), of the divestitures that occurred in 2005 (mainly NC Numéricable) and includes the full consolidation of minority stakes in distribution subsidiaries at SFR and of MaorTel at Maroc Telecom as if these transactions had occurred as at January 1, 2004. In 2004, comparable basis also includes estimated mobile-to-mobile sales at SFR applying the 2005 rate. Comparable basis results are not necessarily indicative of the combined results that would have occurred had the events actually occurred as at January 1, 2004.

**Adjusted net income (loss), attributable to equity holders of the parent, includes earnings from operations, other income from ordinary activities, income (loss) from equity affiliates, interest, and tax and minority interests relating to these items. As a consequence, it excludes other charges from ordinary activities (corresponding to impairment of goodwill and other intangible assets losses, if any), other financial charges and income and earnings from discontinued operations as presented in the consolidated statement of earnings, the tax and minority interests relating to these adjustments, as well as non recurring tax items. Adjusted net income (loss), attributable to equity holders of the parent never includes adjustments in earnings from operations.



Corporate Governance

At the shareholders' meeting on April 28, 2005, shareholders approved the changes to the Company's governance structure. Vivendi is controlled by a Supervisory Board, chaired by Jean-René Fourtou, and a Management Board, chaired by Jean-Bernard Lévy (see pages 16-17 for the composition of each structure).

The Supervisory Board

Vivendi's Supervisory Board currently comprises 12 members. Ten of these members are independent (as defined by French law) and five are not French citizens.

The Supervisory Board determines Vivendi's major strategic orientations and monitors the management of the Group by the Management Board. The Supervisory Board authorizes the Management Board to conduct significant operations such as the issuance of shares, credit facilities and acquisitions or divestitures. The Supervisory Board is informed quarterly, through a report from the Management Board, of the market in general, the Group's financial results, possible divestitures or acquisitions, employee relations and internal control procedures.

The Supervisory Board met five times between April 28 and December 31, 2005. Its activities primarily focused on the nomination of the Management Board's Chairman and members, the composition of the Supervisory Board's Committees, the closing of accounts, examination of the 2006 budget and analysis of strategic issues concerning the media and telecommunications sectors.

The Management Board

Vivendi's Management Board is chaired by Jean-Bernard Lévy and comprises the businesses' chief executives and Vivendi's Chief Financial Officer. The Management Board's mission is to manage the Group and implement its strategy. It is responsible for the budget, treasury, debt, internal audit, human resources and communications policies.

The Management Board met eight times between April 28 and December 31, 2005. Its activities during this period focused on the examination of the half-yearly and quarterly accounts, analysis of the Group's businesses, the 2006 budget, quarterly activity reports for the Supervisory Board, monitoring the divestitures, mergers and acquisitions in progress, implementing changes to the governance structure and the Group's withdrawal from the New York Stock Exchange.

The Supervisory Board's Committees

The Supervisory Board has created four specialized Committees with fixed compositions and roles, which conduct their activities under the Supervisory Board's responsibility. The role of these Committees is to examine and prepare for the Supervisory Board's deliberations.

- **The Strategy Committee's** mission covers strategic orientations and partnerships, acquisitions and divestitures, significant financial transactions and treasury. The Committee is chaired by Claude Bébéar and comprises six Supervisory Board members, including five independent members.

- **The Audit Committee** covers the review of accounts, accounting methods, internal control and the selection of auditors. The Committee is chaired by Henri Lachmann and comprises four independent Supervisory Board members with financial or accounting skills. At least one member must be a financial expert, with a thorough understanding of accounting standards and practical experience in the preparation of financial statements and in the application of accounting standards.

- **The Human Resources Committee** reviews the remuneration of directors. The Committee also reviews the recruitment and the remuneration of key senior executives, the allocation of stock options and other similar products as well as Supervisory Board members' fees. The Committee is chaired by Paul Fribourg and comprises four independent Supervisory Board members.

- **The Corporate Governance Committee's** mission covers nomination proposals for the Supervisory Board and Management Board's members and chairmen, the composition and missions of the Committees, independence criteria for Supervisory Board members, and corporate governance recommendations. The Committee is chaired by Claude Bébéar and comprises five Supervisory Board members, including four independent members.

Vivendi has also established a **Disclosure Committee** which is responsible for overseeing and reviewing the distribution of information regarding the Group to investors, regulatory authorities, market authorities and the general public. Its members are Vivendi executives.



2005 Key Figures

Revenue breakdown by principal business segments (in € millions)



REVENUES	€19,484 million (against €17,883 million in 2004, +6.6%*)
EARNINGS FROM OPERATIONS	€3,746 million (against €3,233 million in 2004, +14.0%*)
ADJUSTED NET INCOME, attributable to equity holders of the parent**	€2,078 million (against €1,338 million in 2004, +55%)
EARNINGS, attributable to equity holders of the parent	€3,154 million (against €3,767 million in 2004)
DIVIDEND FOR FISCAL YEAR 2005	€1.00 per share (against €0.60 for fiscal year 2004, +67%)
NUMBER OF EMPLOYEES	34,031 in 75 countries (at December 31, 2005)

Vivendi is listed in Paris ("Compartment A" of Eurolist by Euronext Paris™ S.A., ISIN FR0000127771) and on the New York Stock Exchange (V). Vivendi is included in the CAC 40 index.

*See the first footnote on page 13. **See the second footnote on page 13.

SUPERVISORY BOARD

JEAN-RENÉ FOURTOU
Chairman of the Supervisory Board

HENRI LACHMANN[○]
Vice Chairman of the Supervisory Board
Chairman and CEO of Schneider Electric S.A.

CLAUDE BÉBÉAR
Chairman of the Supervisory Board of Axa Group

GÉRARD BRÉMOND[○]
Chairman and CEO of Pierre et Vacances Group

FERNANDO FALCÓ Y FERNÁNDEZ DE CÓRDOVA^{○●}
Vice Chairman of Sogecable

SARAH FRANK^{○●}
Member of the Board of the Foundation of the New York Chapter
of the National Academy of Television Arts and Sciences

PAUL FRIBOURG^{○●}
Chairman and CEO of ContiGroup Companies, Inc.

GABRIEL HAWAWINI^{○●}
Dean of INSEAD

PATRICK KRON[○]
Chairman and CEO of Alstom

ANDRZEJ OLECHOWSKI^{○●}
Senior Adviser of Central Europe Trust Polska

PIERRE RODOCANACHI[○]
Chairman of the Advisory Board of Booz Allen Hamilton

KAREL VAN MIERT^{○●}
Former Vice President of the European Commission

[○]Independent Member
[●]Non-French citizen

MANAGEMENT BOARD

JEAN-BERNARD LÉVY
Chairman of the Management Board and CEO

ABDESLAM AHIZOUNE
Chairman of the Management Board of Maroc Telecom

JACQUES ESPINASSE
Chief Financial Officer of Vivendi

FRANK ESSER
Chairman and CEO of SFR

BERTRAND MEHEUT
Chairman of the Executive Board of Canal+ Group

DOUG MORRIS
Chairman and CEO of Universal Music Group

RENÉ PÉNISSON
Chairman of Vivendi Games
Senior Executive Vice President, Human Resources of Vivendi

SENIOR EXECUTIVES

Along with Jean-Bernard Lévy, Jacques Espinasse
and René Pénisson, Vivendi's Senior Executives are:

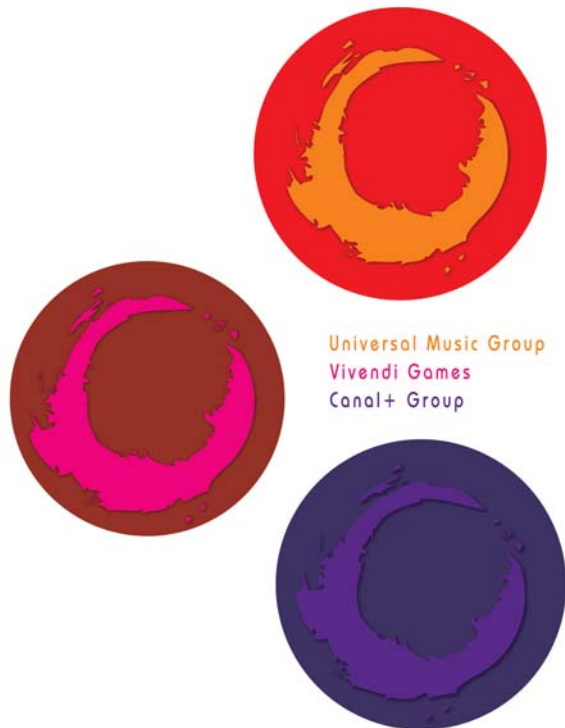
ROBERT DE METZ
Senior Executive Vice President, Strategy and Development

JEAN-FRANÇOIS DUBOS
Executive Vice President and General Counsel
Secretary of the Supervisory and Management Boards

MICHEL BOURGEOIS
Executive Vice President, Communications and Public Affairs

RÉGIS TURRINI
Executive Vice President, Mergers and Acquisitions

MEDIA



Universal Music Group
Vivendi Games
Canal+ Group



Universal Music Group

2005 REVENUES
€4,893 million

2005 EARNINGS FROM OPERATIONS
€480 million

EMPLOYEES
7,915

Universal Music Group (UMG) is the world's No. 1 music company with global operations encompassing recorded music, music videos, DVDs and music publishing. UMG is also the world leader in the thriving digital distribution market. Present in 75 countries, UMG held an estimated 25.6% of the global physical music market and a slightly higher share of the global digital music market in 2005.

Recorded music

UMG's recorded music business is the largest in the world with particularly strong positions in the important North American and European markets, which together account for nearly three quarters of global sales. In 2005 the group's best-selling albums included new releases from Mariah Carey, 50 Cent, Black Eyed Peas, Eminem, Kanye West and Jack Johnson in addition to very strong carryover sales from Gwen Stefani. Other best-sellers included debut releases from The Game, The Pussycat Dolls, Fallout Boy, Akon and the U.K.'s Kaiser Chiefs. Best-sellers from outside

the U.S. included Latin artists Juanes and Daddy Yankee, Germany's Rammstein, Brazil's Ivete Sangalo and France's Chimène Badi.

The group's strength in discovering, maintaining and promoting successful artists flows from a diverse family of record labels which includes popular music labels such as Island Def Jam Music Group, Interscope Geffen A&M Records, Lost Highway Records, MCA Nashville, Mercury Nashville, Mercury Records, Polydor and Universal Motown Records Group, as well as classical labels Decca, Deutsche Grammophon and Philips, and jazz labels Verve, GRP and Impulse! Records.

Sales from prior releases account for a significant and stable part of UMG's recorded music revenues each year. UMG owns the largest catalog of recorded music in the world featuring some of the most influential and legendary recording artists of our time.

Digital distribution

UMG holds a leadership position in digital distribution and strongly supports and encourages the legal distribution of music via the Internet and over mobile, cable and satellite networks by making a significant amount of its content available in a digitized form (UMG offers the largest digital distribution catalog). Legal digital distribution of music continued



...

to boom in 2005 reflecting growth in the U.S., European and Japanese markets, and evolving into a significant revenue stream for UMG.

Digital distribution of music via mobile phones also generated significant revenues in the U.S. through strong sales of **mastertone products** (including ring tones, ringback tones, videos and images). UMG sold over 48 million mastertones in the U.S. in 2005, a 380% increase over the 2004 total. Mobile revenues continued to grow rapidly outside the U.S., nearly doubling in 2005.

UMG led the industry in 2005 in establishing a business model for **music video assets** in which rights holders and artists are paid for free-to-consumer video streams viewed via portals such as Yahoo!, AOL and MSN. UMG sold well over **one million music video downloads** in the U.S. in less than three months, accounting for nearly half of all iTunes' music video sales. Outside the U.S., revenue streams from videos (excluding the mobile video market) are less developed, but should mature in 2006 with additional streaming revenue and the continued expansion of download offerings.



Music publishing

Through Universal Music Publishing Group (UMPG), UMG is also active in the **music publishing market**. UMG acquires rights to musical compositions (as opposed to recordings) in order to license them for use in recordings and related uses, such as in films, advertisements or live performances. **UMG is the number three global music publishing company** with over one million owned or administered titles.

UMG represents some of the world's **most important contemporary songwriters and artists** and boasts a publishing catalog which includes some of the world's **most popular songs**, such as American Pie, Strangers in the Night and Girl from Ipanema. Among the significant artists and songwriters represented are ABBA, Anastacia, Avril Lavigne, 50 Cent, The Beach Boys, Mary J. Blige, Jon Bon Jovi, The Corrs, Gloria Estefan, No Doubt, Prince, Michel Sardou, Paul Simon, André Rieu, Andrew Lloyd Webber and U2. **Legendary composers** represented include Leonard Bernstein, Elton John and Bernie Taupin, and Henry Mancini.



Vivendi Games

2005 REVENUES
€641 million

2005 EARNINGS FROM OPERATIONS
€41 million

EMPLOYEES
2,657

Vivendi Games is a **global developer, publisher and distributor of interactive entertainment**. The company is the world leader in the subscription-based massively multi-player online (MMO) games category and holds leading market positions in PC and console games.

Six global development studios

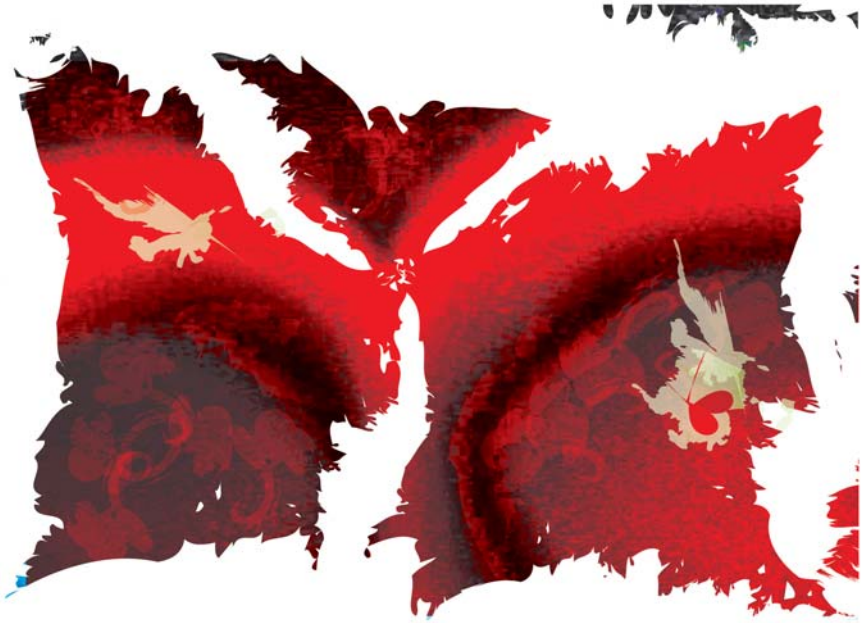
Vivendi Games owns **six global development studios** including Blizzard Entertainment, Sierra Entertainment, Radical Entertainment, Massive Entertainment, Swordfish Studios and High Moon Studios.

Blizzard Entertainment, best known for its **Warcraft, StarCraft and Diablo** franchises, continued to take the online games market by storm in 2005 with **World of Warcraft**, the world's most popular MMO game. With **more than six million customers** (February, 2006), World of Warcraft is the only MMO game playing in all key markets including North America,

Europe, Australia, New Zealand, South Korea, China and Taiwan. In May 2005, Blizzard expanded its activity through the acquisition of Swingin' Ape Studios, now called Blizzard Console.

Sierra Entertainment is one of the original developers and largest worldwide publishers of interactive entertainment software. Sierra is renowned for releasing critically acclaimed and award-winning titles that represent a wide variety of entertainment for both console and PC platforms. The studio's top-selling titles in 2005 included **50 Cent: Bulletproof**, created in collaboration with hip-hop music sensation 50 Cent, **Crash Tag Team Racing**, **Robots and F.E.A.R.**

In 2005, Sierra Entertainment strengthened its development capabilities through the acquisition of three independent studios including Vancouver-based Radical Entertainment, which developed Vivendi Games' critically acclaimed 2005 release **Hulk: Ultimate Destruction** and the commercially successful **The Simpsons: Hit & Run** which Vivendi Games released in 2003. Sierra also acquired U.K.-based Swordfish Studios and High Moon Studios, based in California. Through Massive Entertainment, creator of the **Ground Control** PC franchise, Sierra continues to maintain its position as a leading developer in the real time strategy genre.



...

Over 700 titles

Vivendi Games' library of over 700 titles features owned intellectual properties, including Warcraft, StarCraft, Diablo and World of Warcraft from Blizzard Entertainment, and Crash Bandicoot, Spyro, Empire Earth, Leisure Suit Larry, Ground Control and Tribes.

Vivendi Games also maintains commercial relationships with leading industry content partners including NBC Universal and 20th Century Fox. In 2005, Sierra signed an exclusive global agreement to publish games based on the literary works of Robert Ludlum, whose books have sold more than 290 million copies worldwide and generated the theatrical box office hits, The Bourne Identity and The Bourne Supremacy.

New developments

In the subscription-based MMO games market, World of Warcraft from Blizzard Entertainment will continue to build its customer base with an expansion pack, **World of Warcraft: The Burning Crusade**, and additional content patches bringing attractive new features throughout the year.

The 2006 PC and console product line-up includes **StarCraft: Ghost** from Blizzard Entertainment, and Sierra titles such as **Scarface: The World is Yours**, **Ice Age II**, **Caesar IV**, **Empire Earth II: The Art of Supremacy**, and **SWAT 4: The Stetchkov Syndicate**.

Vivendi Games will intensify its development efforts in 2006 for the next generation of consoles from Sony, Microsoft and Nintendo. The company's newly acquired studios have diversified internal development competencies and are well positioned to develop next-generation titles for the coming years.

Vivendi Games has also created a new mobile division: **Vivendi Games Mobile**, which will begin publishing and distributing games in 2006 through mobile carriers and portals.



Canal+ Group

2005 REVENUES
€3,452 million

2005 EARNINGS FROM OPERATIONS
€203 million

EMPLOYEES
3,880

Canal+ Group is the leading producer of pay-TV channels in France, as well as a major player in pay-TV channel distribution and in the production and distribution of films.

A pioneer in pay-TV

A pioneer in the field of pay-TV since 1984, Canal+ is the leading premium general-interest channel in France with 5.06 million subscriptions at the end of 2005. Canal+ is available via terrestrial, satellite, cable and ADSL networks and through digital terrestrial television (DTT). Canal+ offers a unique programming format, with exclusive broadcasts of recent films, the best in sport, documentaries, news, French and foreign drama, fiction and entertainment.

The channel broadcasts 430 films a year of which 300 are first runs on French TV, amounting to 25 films shown for the first time each month. In 2005, Canal+ invested more than €135 million to acquire French-language films. The channel also offers the best in American movies as a result of its agreements with major Hollywood studios.

Canal+ has developed unparalleled expertise in sports coverage which is characterized in particular by exclusive rights, the absence of commercial breaks, incisive commentaries and an exciting, innovative production style. Since July, 2005, and for three seasons, Canal+ (along with Canal+ Sport and Foot+) holds exclusive rights to broadcast French League 1 soccer matches. The channel's sporting line-up also features the Champions League, horse racing, rugby and American basketball.

Information programming is well represented in the channel's line-up with programs such as La Matinale and 90 Minutes and daily shows such as Le Grand Journal de Canal+. Entertainment programs also feature strongly (Les Guignols de l'Info, 7 Jours au Groland) as well as original fiction (Nuit Noire), and quality series (24, The Shield).



...

Since March 2005, Canal+ has been offering "Canal+ Le Bouquet" to its digital services subscribers. Le Bouquet features four premium content channels built around Canal+, and is the first multi-channel premium offer in France. By the end of 2005, 52% of subscribers had chosen Le Bouquet.

The best in theme-based channels

Canal+ Group edits a total of 17 specialized channels intended primarily for the French market. The channels focus on viewers' favorite themes including cinema (with seven channels under the CinéCinéma banner), sport (Sport+), continuous news (i>Télé), documentaries (four Planète channels), series (Jimmy), humor (Comédie) and lifestyle (Seasons and Cuisine TV).

CanalSat - the leader in digital pay-TV

CanalSat leads the French digital pay-TV market with almost 3.2 million subscriptions at the end of 2005. CanalSat offers more than 280 channels and services, 55 of which are satellite exclusives, including some of the biggest names in television such as Canal J, MTV and CinéCinéma. Fourteen new channels were added to the package in September 2005, including Discovery Real Time, FOXlife and Sci Fi. CanalSat is available via satellite and ADSL, and since June 2005, via mobile telephones.

Television via ADSL, DTT and mobile TV

Canal+ Group offers services across all television distribution platforms. Via ADSL, the group transmits Canal+ Le Bouquet and CanalSat (100 channels and services) through three telecommunications operators.

Canal+ Group is also present in DTT. Since March 2005, the group has broadcast Canal+'s free-to-air programs and, since November 2005, two pay-TV packages. i>Télé, available via DTT since October 2005, is the only free-to-air French general information channel available continuously.

In mobile TV, Canal+ Group launched two offers for 3G mobile telephones in 2005: CanalSat Mobile, a package of 30 CanalSat channels for subscribers to SFR's 3G service, which offers real TV channels live, and the Canal+ Orange Vidéo offer via the Orange World portal.

Video on demand with CanalPlay

Launched in October 2005, CanalPlay (www.canalplay.com) is Canal+ Group's legal video downloading service. Accessible via a PC (through a French ADSL service provider), CanalPlay offers a large variety of videos for downloading with a catalog of almost 1,000 videos. The service enables customers to watch what they want when they want: after downloading the selected video, customers have one month to watch the film, either at home or elsewhere via a laptop computer.

Films with StudioCanal

StudioCanal is a major player in the production, acquisition and distribution of films. Its library of more than 5,000 European and American films includes titles such as Basic Instinct, Les Bronzés and The Pianist. In 2005, two of StudioCanal's films were among the 10 biggest box-office hits in France: Million Dollar Baby by Clint Eastwood (3.2 million tickets sold) and The Russian Dolls by Cédric Klapisch (nearly 2.9 million tickets sold). These films also achieved very high DVD sales, each selling over 400,000 copies. This performance, together with that of comedy DVDs such as De Caunes/Garcia 2, once again positioned StudioCanal at No. 1 for end-of-year video sales.

French pay-TV consolidation project

In January 2006, Vivendi, TF1 and M6 signed an agreement aimed at bringing together the French pay-TV activities of Canal+ Group and TPS. The new entity will be a leader in the French audiovisual landscape and contribute to revitalizing and expanding the French television market by providing consumers a richer, more diversified and more attractive offer. In February, Vivendi and Canal+ Group announced a second agreement under which Lagardère, already a partner of Canal+ Group through CanalSat, would join the capital of the new entity through a 20% stake. Vivendi, through its 65% stake in Canal+ Group, would have exclusive control of the new entity. Both agreements are subject to the approval of French regulatory and competition authorities.

TELECOMS



SFR
Maroc Telecom





SFR

2005 REVENUES €8,687 million	2005 EARNINGS FROM OPERATIONS €2,422 million	EMPLOYEES 8,033
--	--	---------------------------

SFR, a subsidiary of Vivendi which holds 56% of its capital and Vodafone which holds 44%, is the **second largest mobile telecommunications operator in France**. SFR also holds a 28% stake in the country's No. 2 fixed-line operator Neuf Cegetel. SFR increased its customer base by 9% (1.4 million new customers) at December 31, 2005, reaching a total of **17.2 million customers** (excluding the customer base on behalf of third parties). Its market share rose to 35.8% (based on the French telecommunications regulatory authority, ARCEP, and operators' publications) and for the third year running, SFR was the market leader in 2005 in terms of net sales with 39.4% of the French market.

SFR drives France's 3G market

SFR was the **first operator to launch third generation (3G) mobile services in France** in 2004, and in 2005 the company passed the one-million-customer mark for 3G-exclusive customers. SFR continues to drive this market segment by launching

new services and creating new uses which are now possible through its high-speed mobile network. Access to SFR's 3G services is available across all pricing plans including subscriptions, pre-paid and blocked accounts.

SFR's **music portal offers 500,000 downloadable titles** thanks to agreements with the world's major record companies. The portal is among the five leading legal music downloading platforms in France with 830,000 downloads in 2005 and one million by mid-January, 2006. SFR's music services are rapidly diversifying with offers such as **Le Pass Musique Illimitée**, a unique service in Europe which enables subscribers to rent music on an unlimited basis; **Radio DJ**, an offer which proposes a radio station that adapts automatically to customers' preferences, or artists' mini-sites with downloadable screen savers and ring tones.

SFR's 3G subscribers also have access to **"TV-Video", an offering of 54 veritable channels**, including 30 from the CanalSat Mobile line-up: Canal+'s free-to-air programs, i-Télé, L'Equipe TV, MCM Pop, Canal J, Planète, France 2, France 3 and so on. This offer attracted close to 20,000 customers by the end of December, 2005, only six months after its launch. The offer also includes more than **60 video programs** including sport, comedy and information programs as well as fiction programs such as a mini-series created especially for mobile telephones, 24: La Conspiration, inspired by



...
the cult series 24. By the end of 2005, 4.3 million TV-Video sessions had been viewed by SFR customers, with a significant acceleration towards the end of the year (1.2 million sessions in December alone).

SFR's video calling service, which enables callers to see each other when they speak, met with great success: **nearly two million video calls** had been transmitted via SFR's network by the end of 2005.

Vodafone live! the reference in mobile multimedia

SFR more than doubled its Vodafone live! customer base with 4.8 million clients at the end of 2005 against 2.2 million in 2004. The popularity of text and multimedia messages also continued to grow throughout 2005: the volume of text messages sent increased by nearly 1 billion to **5.4 billion** and multimedia messages increased almost threefold to **98 million**. Voice-only utilization saw strong growth in 2005 with an increase of 10.5% taking the average monthly communication time per customer to approximately five hours (or 296 minutes). This significant increase can, to some extent, be attributed to new pricing offers including unlimited communications with three selected SFR customers.

Innovating for the corporate sector and professionals

SFR's corporate market saw strong commercial activity and **significant strategic innovation** in 2005. The launch in October of SFR Service Management, an integrated deployment and mobile phone management offer, illustrates SFR's initiative in promoting a global approach specifically tailored to the corporate sector. Data services registered a significant increase in 2005, notably through BlackBerry® mobile messaging offers and the PC Vodafone Mobile Connect Card, which provides customers with access to the Internet and emails via their own computer, even outside the office environment. The launch of Pro Box at the beginning of 2006 is also aimed at fulfilling the same ambition: **offering fully inclusive services to help customers save time**.

France's best mobile network

SFR's services are backed by a high-quality network as confirmed, once again, by ARCEP's 2005 quality and customer satisfaction survey: SFR came first or equal first in 56 out of 59 criteria studied, making it the only operator to have achieved this ranking for two consecutive years. At the end of 2005, its GSM/GPRS network covered 98% of the French population while the UMTS (3G) network covered 60% of the population. 3G coverage should increase during 2006 thanks to a significant investment program. SFR has also made a commitment to the French government, along with other telecommunications operators, to cover "dead zones" (zones with no reception) throughout France: in 2005, SFR deployed 163 sites covering more than 250 communities, more than half the sites planned for all French operators in 2005. Finally, for several years SFR has placed at the heart of its priorities **the integration of its infrastructure into the environment**: in 2005, 90% of new mobile phone relay masts installed by SFR were integrated into landscapes and cityscapes.



Maroc Telecom

2005 REVENUES €1,860 million	2005 EARNINGS FROM OPERATIONS €762 million	EMPLOYEES 11,251
---------------------------------	---	---------------------

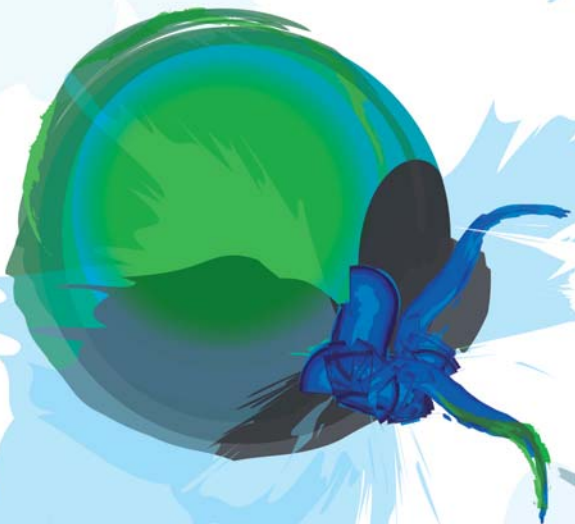
Maroc Telecom is Morocco's historic telecommunications operator and the country's market leader in fixed-line and mobile telecommunications and Internet access. Vivendi holds 51% of Maroc Telecom, which is listed on the Casablanca and Paris stock exchanges.

Morocco's leading mobile operator

In mobile telephony, Maroc Telecom had nearly **8.8 million customers at the end of 2005**, an increase of 2.4 million (38.3%) against the previous year, giving the operator a 66.7% market share (source: ANRT, the Moroccan telecommunications regulatory authority).

In 2005, Maroc Telecom continued to improve its **commercial offer** and introduce **new services** in order to retain existing customers and attract new ones. The year was notably marked by the introduction of a more comprehensive handset range, a reduction in pack prices and the commercialization of low-tariff phone cards. Maroc Telecom also expanded its range of offers by launching no-commitment pricing plans and developing its points-based loyalty program which now remunerates incoming traffic with loyalty points. **These innovations enabled Maroc Telecom to increase usage** among its pre-paid clients, which represent 96% of mobile clients, and to increase its subscriber base.

Maroc Telecom remained the reference in text and multimedia messaging in Morocco with more than **1.1 billion text messages** sent in 2005 – more than doubling the previous year's performance. Since 2004, Maroc Telecom has offered post-paid customers roaming for text and multimedia messaging and, in 2005, the operator introduced the first packaged text and multimedia message offers in Morocco (100 or 500 text and/or multimedia messages). Maroc Telecom also launched its "GPRS Free Access" offer which enables customers to benefit from all GPRS services without subscription or commitment.



...

In 2005, Maroc Telecom focused on developing its mobile telephony network to increase both population and geographical coverage. By the end of the year, it had 4,180 base stations (up from 3,750 at the end of 2004), covering 97% of the Moroccan population.

More than 1.3 million fixed-line clients

In fixed-line telephony, Maroc Telecom offers a range of voice, data and Internet access services to residential, professional and corporate customers. In 2005, **the number of connections grew by 2.4%** to exceed 1.3 million clients by the end of the year. The residential client base represented almost 885,000 fixed lines by the end of 2005. This performance is primarily due to the success of the El Manzil brand offer which includes calling plans, packages and capped-fee plans with refill options. The number of **professional and corporate customers reached almost 293,000** by the end of 2005, an increase of 3.5% against 2004. In addition to voice services, Maroc Telecom also provides companies with data transmission solutions including digital and analog lease lines and VPN IP links.

Public telephony strongly progressed in 2005, reaching 164,000 lines by the end of the year, an increase of 21%. Maroc Telecom's public telephone network is comprised of a network of public booths and phone shops, which are managed by private entrepreneurs who lease lines from Maroc Telecom.

Maroc Telecom offers residential, professional and corporate customers Internet access packages under the Menara brand, **which holds 98% of the Internet access market in Morocco**. The Menara brand covers a range of different customer needs with options from the Libre Accès no-commitment offer (which charges customers according to their consumption), through to WiFi and unlimited access via ADSL. 2005 was marked by a **strong growth in Internet clients**, in particular via ADSL (96% of customers) following a price reduction in March 2005. At the end of 2005, Maroc Telecom had more than 252,000 Internet customers.

Maroc Telecom's fixed-line telephony and data transmission network provides coverage throughout the country and has a switching capacity of more than 1.9 million lines. The operator manages **a fully digitized network** as well as a fiber optic interurban infrastructure capable of carrying data at high speed. To meet customers' needs, the international Internet bandwidth increased fivefold in 2005 to reach 7.1 Gbits/second at the end of the year.

Addresses and Information

Head Office

42 avenue de Friedland
75380 Paris cedex 08
France

Telephone: +33 (0) 1 71 71 10 00
Fax: +33 (0) 1 71 71 10 01

New York Office

800 Third Avenue
New York, NY 10022
U.S.A.

Telephone: +1 212 572 7000

Shareholder Information

For shareholders calling from France: 0 811 902 209 (price of a local call).
For shareholders calling from other countries: +33 (0) 1 71 71 34 99.
Shareholder Relations can be contacted by telephone between 9.00 am and 6.00 pm,
Monday to Friday (Paris time: UTC/GMT +1 hour or +2 hours daylight saving time).

Internet Sites

Vivendi: www.vivendi.com
Universal Music Group: www.umusic.com
Vivendi Games: www.vivendigames.com
Canal+ Group: www.canalplusgroupe.com
SFR: www.sfr.fr
Maroc Telecom: www.maroctelecom.ma

The 2005 Annual Report is available on the Group's web site (www.vivendi.com)
and can also be posted to shareholders upon request by contacting Vivendi's offices
(see contact details above).

Conception and editorial: Vivendi - Corporate Communications.

Creation and production: arthur & eve, 12 rue Deguerry - 75011 Paris - +33 (0) 1 43 38 86 76
(graphic design and illustrations: Eve Paoli for arthur & eve, SARL).





vivendi

**viven!
di**

Through unity comes intensity.
This intensity is today
expressed in just
one word...
Vivendi
One word
which represents
the creative force
of the women
and men
throughout our Group.

De l'unicité naît l'intensité.
Cette intensité s'exprime
aujourd'hui
dans un seul nom...
Vivendi
Un seul nom
qui représente
la force de création
des hommes
et des femmes
de tout un Groupe.