



NEWS RELEASE

VIVENDI ENTERTAINMENT EXPANDS INTO THEATRICAL DISTRIBUTION

Los Angeles, California, Thursday, March 6, 2008 – Vivendi Entertainment, formerly Vivendi Visual Entertainment (VVE), an established player in the DVD space, has expanded into theatrical releasing. As part of this expansion, Vivendi will partner with filmmakers to distribute a slate of 8-14 films per year. This new division will provide theatrical distribution and marketing services, as well as coordinate P & A funding. The announcement was made today by Tom O'Malley, who has been named President of Vivendi Entertainment. Formerly, Mr. O'Malley served as General Manager of VVE.

"This expansion into theatrical releasing is a natural evolution for us," stated Jim Urie, President & CEO of Universal Music Group Distribution. "And there is no one better to guide Vivendi Entertainment than Tom. His leadership and innovation have played a key part in building the company and this promotion recognizes all of his success." Mr. O'Malley will continue to report to Mr. Urie.

"Vivendi Entertainment now offers a full array of distribution services including theatrical, home entertainment, digital and television," added Mr. O'Malley. "Launching the theatrical distribution division allows us to expand the services we provide to our customers and improve our overall market position. We offer an alternative to filmmakers in that we do not produce our own films, instead our business model exists to provide focus and dedicated distribution and marketing services. The cornerstones for the company will continue to be collaboration and financial transparency."

In addition, Mr. O'Malley has tapped industry veteran Mike Doban to lead theatrical distribution. "I'm very excited to be part of Vivendi Entertainment. Given Vivendi's philosophy, I am confident that we will offer high quality films to both exhibitors and audiences," commented Mr. Doban. He brings 27 years experience in theatrical distribution and exhibition, including 15 years at United Artists. Additionally, he was co-founder of Freestyle Releasing where he supervised such releases as *The Illusionist* and *An American Haunting*.

About Vivendi Entertainment

Vivendi Entertainment provides producers and independent studios a full array of distribution services, including theatrical releasing, home entertainment, digital delivery and television. Representing a vast range of genres including action, comedy, thriller, urban, family, fitness and stand-up comedies among others, Vivendi has been a favorite choice of independent content providers since its inception. Launched in September 2004 as a DVD distributor, Vivendi has built an extensive catalog of over 1,000 titles and its products are available in over 85,000 retail locations. To capitalize on the emerging digital video business, Vivendi utilizes a multi-million dollar digital infrastructure that provides accurate and reliable asset management, distribution and reporting. Vivendi also provides a comprehensive and integrated television release strategy across all television windows. Its customer-centric business model was founded on the principles of collaboration and financial transparency. Vivendi Entertainment is part of the Universal Music Group family of companies.

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