



NEWS RELEASE

VIVENDI ENTERTAINMENT PARTNERS WITH DIC ENTERTAINMENT FOR NORTH AMERICAN DIGITAL DISTRIBUTION

Inspector Gadget, Madeline and Horseland Among DIC's Popular Children's Programming

LOS ANGELES, May 27, 2008 – Vivendi Entertainment has partnered with leading Children's media company DIC Entertainment (DIC) to make DIC's popular programs available to consumers via digital and mobile exploitation through a variety of digital channels, both on-line and mobile. The announcement was made today by Yolanda Macias, Senior Vice President, Acquisitions, Vivendi Entertainment, and Frederic Soulie, Vice President, Interactive & New Media, DIC Entertainment.

The agreement between the two companies covers all forms of electronic transmission including Video On Demand, electronic sell-through and Mobile. DIC has one of the largest libraries of animation with approximately 3,000 half-hours of programming, including some of the most recognizable children's brands in the world such as Inspector Gadget™, Madeline™, Horseland™, Dino Squad™, Liberty's Kids™, Sonic The Hedgehog™, Super Mario Bros™ and The Littles™.

"As we continue to expand, we are delighted to be working with the team at DIC," said Macias. "The company is a well-established leader in children's programming and has created one of the largest animation catalogs in the industry."

"We're excited to partner with an industry leader like Vivendi Entertainment," said Soulie. "Vivendi's digital distribution team excels at evaluating emerging technologies and digital distribution, and we believe our partnership will significantly extend the reach of our catalog."

"Vivendi Entertainment is committed to providing our partners with the state of the art distribution services, including the most comprehensive digital platform in the business," commented Tom O'Malley, President, Vivendi Entertainment.

DIC's President Jeffrey Edell adds, "The digital landscape is key for content producers and distributors to expand their distribution opportunities, and DIC's consultant Artie Ripp has

been instrumental in assisting us in driving our business in this arena by forging this partnership with Vivendi.”

DIC’s programming will be made available for downloading through a broad array of digital partners which include download providers, mobile carriers and the next generation of in-home device manufactures. DIC’s content has appeared on virtually every major broadcast outlet and is currently broadcast each Saturday morning on CBS’ television block “KEWLopolis.”

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. Vivendi has built an extensive catalog of over 1,000 titles and its customer-centric business model was founded on the principles of collaboration and financial transparency.

About DIC Entertainment

DIC Entertainment, a fully-integrated global brand management company, is dedicated to creating, developing, producing, distributing, marketing and merchandising family-based intellectual properties. The Company serves as the worldwide licensor or agent for brands such as McDonald’s, Strawberry Shortcake, Madeline, Mommy & Me, The Beginner’s Bible and Eloise. DIC has distinguished itself by building one of the largest libraries of animation worldwide with approximately 3,000 half-hours of programming, including Inspector Gadget™, Dino Squad™, Strawberry Shortcake™, Horseland™, Sabrina™, Madeline™, Liberty’s Kids™, Sonic The Hedgehog™ and Care Bears™. In 2007, DIC and CBS launched a new educational and informational Saturday morning programming block, “KEWLopolis on CBS.” As a pre-eminent supplier of kid’s programming worldwide, DIC has developed strategic partnerships with key broadcast partners throughout North America, Europe, Asia, Latin America, Africa and Australia. DIC is headquartered in Burbank, California with offices in New York, Paris and London.

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