Vista Service Pack 1 installed fine on my PC and didn't break anything. I didn't really notice any performance increase, but that may be because I had already installed most of the existing performance fixes from Windows Update that were basically little bits of SP1 that Microsoft released early. I do think file copying is faster now than it was when Vista was first released, and as previously mentioned, the progress bars are not as indicative of copy speed as you might think.

PS: If you REALLY want to speed up Vista's file copy a bit go into Device Manager, right click on each of your Disk Drives (might only work on SATA, not sure) and tick Enable Advanced Performance on the Policies tab. This will increase the cache size for the disk and make transfers and such appear faster, but at the cost of potentially losing data in the event of a power cut. Your choice.