



HOULIHAN LOKEY
PUBLICATIONS
Houlihan Lokey Financial Advisors

Media & Entertainment

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1 Week S&P Change: -1.4%

INDEX ^{(1) (2)}	% of 52-Week High	% of 52-Week Low	EBITDA Margin	Median EV/		P / E Current	1 Week Sector Change
				LTM EBITDA	NFY EBITDA		
Diversified Media	82.1%	233.6%	21.7%	7.9 x	8.0 x	14.8 x	-2.8%
Film & TV	78.3%	207.4%	34.2%	11.1 x	20.0 x	13.7 x	-2.9%
TV Broadcasting	64.7%	972.3%	29.9%	8.1 x	10.1 x	7.4 x	-3.1%
Radio Broadcasting	65.9%	469.7%	24.5%	8.2 x	9.9 x	6.6 x	-4.0%
Satellite Radio	65.3%	1,280.0%	17.9%	12.9 x	12.9 x	NMF	-7.2%
Outdoor	65.0%	300.9%	19.3%	10.7 x	12.1 x	NMF	-5.5%
Newspaper Publishing	52.5%	605.2%	14.1%	6.2 x	9.1 x	6.3 x	-6.1%
Magazine Publishing	71.4%	327.4%	9.6%	8.4 x	6.2 x	9.2 x	-7.7%
Interactive Entertainment	52.3%	150.9%	27.0%	12.9 x	7.0 x	19.0 x	0.9%
Digital Media	96.1%	194.9%	28.5%	10.5 x	12.4 x	26.8 x	0.2%

Sources: Public Company filings and Wall Street Forward Estimates. Pricing as of Thursday, September 24, 2009.

(1) See page 12 for Index components.

(2) No Index provided for Music, Cable Networks or Sports due to limited public comparables.



GENERAL NEWS

Dow Jones Plans to Close *Far Eastern Economic Review*

Wsj.com reported that News Corp.-owned Dow Jones & Co. said it plans to close its 63-year-old magazine *Far Eastern Economic Review* as the company redirects resources to its other news outlets in Asia. According to the source, Dow Jones previously cut the staff and publishing schedule of the Hong Kong-based magazine, but the publication has continued to struggle with losses amid the proliferation of global news outlets and the migration of readers to the Web, and Dow Jones said in a statement that the situation was unsustainable. The closure is planned for December and the company said the *Review's* remaining six editorial employees will be offered positions elsewhere at the company.

Disney/ABC TV Group Announces Exclusive Distribution Deal With Getty Images

Allheadlinenews.com reported that Disney/ABC Television Group (DATG) has entered into a deal with visual content and other digital media distributor Getty Images, Inc., allowing Getty to be the exclusive worldwide third-party distributor of all imagery owned by DATG. The companies announced that under the terms of their agreement, Getty will have exclusive third-party rights for marketing the DATG images to editorial users to promote the TV company's line-up of programming. The agreement involves DATG's various properties, including ABC Daytime, ABC Entertainment Group, ABC News, ABC Family, Disney Channel, Disney XD, Hyperion Publishing and SOAPnet.

***LIFE* Magazine Archive Now Available on Google Books**

Life Inc., a subsidiary of Time Inc., announced that more than 1,860 issues from the *LIFE* Archive are now available online through Google Books. The scanned magazines cover *LIFE Magazine* issues from 1936-1972, allowing readers to search and view full content from the magazine. According to the company, this is the first time that the public will have comprehensive electronic access to entire *LIFE Magazine* issues. The company added that this announcement follows a previous partnership between Google and Life Inc. in November 2008, with *LIFE* making the contents of its image collection available through Google Image Search. The *LIFE* photography collection on Google Image Search includes more than 10 million images.

CBS Launches Residential Real Estate Site

Crainsnewyork.com reported that, in a joint venture between CBS Television and LMG digitalMedia, a company that helps clients build their online brands, a new residential real estate site has recently launched called CBS Real Estate Market. According to the source, the site is an outgrowth of an approach CBS made to LMG digitalMedia two years ago when CBS was looking for ways to monetize its New York audience of 3 million unique visitors. As a result, the two firms agreed to start the real estate site which currently boasts more than 25,000 apartment listings for sale or rent. The site carries exclusive listings from Property Strategies Group, a residential brokerage LMG founded a year ago, as well as those from other brokerages which are supplied via a partnership with the Real Estate Board of New York. Simon Mills, chief executive of LMG digitalMedia, says that he also plans to establish relationships with other industry groups to expand its listings beyond New York City and to ultimately roll the site out to the 13 markets that CBS serves across the nation.

EXECUTIVES IN THE NEWS

Barry Chamberlain Named Executive Vice President, Sales, CBS Studios International

CBS Corporation announced that Barry Chamberlain has been promoted to Executive Vice President, Sales, CBS Studios International. Prior to his promotion, Chamberlain served as Senior Vice President, Sales for CBS Studios International. Mr. Chamberlain will continue to oversee CBS's sales offices in Latin America, Asia and Australia, developing and implementing sales strategies in these territories. In addition, Mr. Chamberlain will oversee CBS Studios International's format business, which licenses rights and coordinates the production of localized programming based on CBS-owned content.



GENERAL NEWS

Blockbuster Adds Branded VOD Channels

Videobusiness.com reported that Blockbuster reached agreements with two cable-TV operators to launch Blockbuster-branded video-on-demand channels in Iowa and West Virginia in exchange for in-store promotions for the multichannel service operators. Blockbuster's branded VOD channels will go into effect for Suddenlink customers in Charleston, West Virginia, and for Mediacom's subscribers in Des Moines, Iowa, which will serve as test markets for broader expansion. According to Kevin Lewis, Blockbuster's senior VP of digital entertainment, Blockbuster entered into the agreement largely because the rental chain and cable companies complement each other.

Starz Digital Media Now Available on iTunes Store

Multichannel.com reported that Starz Digital Media is making new and vintage movie programming available on the iTunes Store. Content from Starz Media's Overture Films, Anchor Bay Films, Anchor Bay Entertainment and Manga Entertainment will now be available on iTunes.

The Weinstein Co. Scheduled to Cut More Jobs

Reuters.com reported that, according to the *New York Post*, The Weinstein Co. plans to lay off about 36 employees at its studio and may also close its books division, in a bid to bring its payroll in line with its number of releases. According to the paper, restructuring firm Miller Buckfire has recommended that Weinstein reduce the number of employees to 90 to bring it into line with other studios that have similar release schedules. The source added that the exact timing of the reductions is unclear.

Dezenove, UMedia Reach Development Agreement

Screendaily.com reported that Brazilian production company Dezenove and French independent production and distribution company UMedia have signed a three-year, multi-picture development agreement. As part of the deal, UMedia will handle worldwide distribution and may also co-produce at least three films by Dezenove's Sara Silveira. The source added that it is a first and last look deal. The first project under the deal will be *Hard Labor (Trabalhar Cansa)*, by Juliana Rojas and Marco Dutra. Terms of the deal were not reported.

Barcelona Company Takes 20% Equity Stake in *Memoria*

Variety.com reported that Barcelona-based independent production company Zip Films will be a minority co-producer on Henning Carlsen's film adaptation of Gabriel Garcia Marquez's short novel *Memoria de mis putas tristes*. Zip takes Spain, Portugal, Israel and Andorra rights on *Memoria* against a 20% equity stake in the project, Zip CEO Jordi Rediu said at the San Sebastian Film Festival. Budgeted at \$7 million, the picture is also financed by Mexico's Memorias del Sabio Production and Mercer Films and Denmark's Crone Films, said the report.

Cinereach to Grant 12 Films \$250,000

Variety.com reported that Cinereach, the nonprofit foundation that funds socially relevant cinema, will supply 12 films with \$250,000 each in grant money. Selected projects include both documentaries and narrative features, and represent 10 different nationalities.

EXECUTIVES IN THE NEWS

Former Sony Financial Chief Brian Robertson to Head CTBF

Screendaily.com reported that Brian Robertson has been appointed chief executive of the Cinema and Television Benevolent Fund (CTBF). He replaces Peter Hore, whose retirement was announced on July 20. Mr. Robertson joins the CTBF from Sony Pictures, where he was chief financial officer for the U.K. for 15 years, and was also responsible for Europe. He will begin work at the CTBF on October 1 but will not officially take over the role until November 16. The source added that Mr. Hore will stay in a consultancy role for at least a year after his retirement, and will continue to assist on CTBF projects.



GENERAL NEWS

Cherry Lane Partners With INgrooves for Digital Distribution

Reuters.com reported that Cherry Picked Records, the record division of Cherry Lane Music Group, has partnered with INgrooves, a provider of digital distribution, marketing and promotion services to the independent music community. The deal will have INgrooves providing digital distribution services, including downloading, streaming, ringtones, and video distribution for Cherry Picked owned and administered masters.

Paperless Ticketing Slows Down Bruce Springsteen Show

Ticketnews.com reported that the Bruce Springsteen show on September 16 at the Bi-Lo Center in Greenville, South Carolina, the venue's first to feature paperless ticketing, appears to have largely been successful, but there were some problems. According to the source, it seems many people did not know they needed to present two pieces of ID at the venue, and long lines prevented some concertgoers from getting inside by the time the show started. Paperless ticketing is a major initiative Ticketmaster is using in an effort to control more of the ticketing landscape after ceding the secondary market to dozens of other companies. According to the source, company officials and artists have said paperless ticketing will help put more tickets in the hands of fans, but it also increases the number of hassles associated with ticket purchase and eliminates much of the opportunity to resell or transfer tickets.

TRANSACTIONS

Australia's Sanity in Management Buyout

Billboard.biz reported that Australian music and DVD specialist Sanity Entertainment has changed hands in a management buyout. According to the source, a consortium led by the Sydney-based entertainment specialist's CEO Ray Itaoui has acquired the business from Brett Blundy Retail Capital for an undisclosed sum.

EXECUTIVES IN THE NEWS

VEVO Appoints David Kohl to Executive Vice President, Customer Sales and Operations

Msn.com reported that David Kohl has been appointed Executive Vice President of Customer Sales and Operations for VEVO, the music video and entertainment service created by Universal Music Group in partnership with Sony Music Entertainment and YouTube. Prior to joining VEVO, Mr. Kohl served as Head of Sales and Publishing for Nokia Interactive Advertising. Mr. Kohl will report to Rio Caraeff, Vevo's president and CEO.

LEGAL/REGULATORY

Eminem's Music Publisher Takes Apple to Court

Billboard.biz reported that Eight Mile Style LLC, Eminem's publisher, and a co-plaintiff, Martin Affiliated LLC, are suing Apple Inc., claiming they never authorized the use of 93 songs available in a downloadable format on Apple's iTunes service. Eight Mile is also suing Aftermath Records, which controls the recordings in question, saying it did not have the right to make deals on digital downloads. According to the source, it is unclear from court documents how much money is at stake, but the plaintiffs claim Apple wrongfully gained \$2.5 million through iTunes downloads. The publisher also believes it should get a share of Apple's profit from the sale of iPods, added the source. In addition, Eight Mile claims Aftermath wrongfully collected \$4 million off Eminem's songs on iTunes. Apple denies the allegations and says it has a valid agreement with Aftermath Records.

French Assembly, Senate Adopt Final Anti-Piracy Bill

Billboard.biz reported that the French National Assembly has now adopted the final bill on the sanctions side of the three-strikes Creation and Internet bill to prevent illegal file-sharing, by 258 votes to 131. According to the source, the bill, passed in the Assembly on September 22, follows the first part of the law passed in June, which created a new state agency, the Higher Authority for the Distribution of Works and the Protection of Copyright on the Internet (Hadopi), to oversee a system of educational warning letters. After two warnings, Hadopi will defer repeat offenders cases to a judge, who will be able to rule through an "ordonnance pénale" (penal order), a simplified process that should enable swift rulings. The judge will be entitled to have the infringer's internet access cut for up to a year and to impose fines of €1,500 or €3,000 if the offender has previously been fined in a similar case.



GENERAL NEWS

BBC Increases Children's TV Spending by £25m

Variety.com reported that the BBC is planning to increase its spending on children's programs by £25 million over the next three years. The source added that money raised through recent efficiency savings would also be used to increase BBC Two's drama funding by 50% over the same period. According to the source, details of how the extra children's money will be spent have yet to be worked out, but the BBC said it wanted to strengthen its position as "the cornerstone of home-produced children's output in the U.K."

Toonz Animation, Liberation Entertainment Reach Distribution Deal

Variety.com reported that India's Toonz Animation, a provider of animation to U.S. and European producers, has signed a distribution deal with Liberation Entertainment, an integrated independent entertainment distribution company. Under the agreement, Liberation will serve as the exclusive distributor of Toonz productions including season two of *Wolverine*; *The X-Men*, co-produced with Marvel; and the original *Speed Racer Classic* series. According to the source, the deal is worth more than \$50 million.

Financial Times Strikes Bloomberg TV Deal for Lex Columnists

Guardian.co.uk reported that the *Financial Times*'s Lex commentary team has reached a deal with business news broadcaster Bloomberg TV in the hope of raising its profile and revenues. Columnists for the Lex column, a daily feature on the back page of the first section, will appear on the financial channel every weekday to expand on commentary addressed in the day's column. The clips will also be available on the FT.com Web site, where the newspaper group will run advertising alongside them. The *Financial Times* said the deal will help its commentators reach Bloomberg's 200 million global viewers and those visiting Bloomberg.com.

TRANSACTIONS

TargetCast Networks Buys Ripple TV

Paidcontent.org reported that out-of-home digital advertising company TargetCast Networks (TCN) has acquired Ripple TV, a retail digital advertising network. Financial terms were not disclosed. Ripple TV stated that it raised \$4 million in funding from DFJ and Trinity Ventures in March. Mediaweek.com reported that the deal brings together Ripple's network in 650 "fast casual" locations such as Borders, The Coffee Bean and Tully's Coffee with TCN's network across 750 "casual dining" locations such as Applebee's, Chili's and Hooters, for a combined reach of about 3.9 million weekly viewers. TCN, which will rebrand Ripple TV's screens under its own logo, is backed by Claremont Creek Ventures.

EXECUTIVES IN THE NEWS

Hasbro Inc. Announces Key Executive Appointments for Hasbro Studios

Hasbro Inc. announced the appointment of key executives at the company's newly formed Hasbro Studios. Stephen J. Davis, President of Hasbro Studios, has named the following individuals to take on key roles as part of the Hasbro Studios management team: Bob Boden, currently Senior Vice President, Programming and Production Fox Reality Channel, will be Head of Reality and Game Show Development and Production; Michael J. Vogel, currently Director, Animated Programming, Sony Pictures Television, will serve as Head of Boys Animation; Brian Charles Lenard, Director, Scripted Development, RDF Media Group, Pangea Management Group and RDF USA, will serve as of Head of Story Development; Mary Beth Bambridge, Head of Strategic Planning, William Morris Endeavour Entertainment, will be the company's Head of Finance; and Kevin Healy, Head of Business and Legal Affairs, Hasbro Entertainment and Licensing will serve as Hasbro Studios' Head of Legal and Business Affairs.

TV Bureau of Advertising Hires Steve Lanzano as President

Variety.com reported that Steve Lanzano has been named president of the Television Bureau of Advertising (TVB). Mr. Lanzano will succeed Christopher Rohrs as president of the organization, following Mr. Rohrs announcement of his intent to step down at the end of this year. Mr. Lanzano will join TVB after serving for more than five years as chief operating officer for advertising firm MPG US.

Frank Radice Resigns From NATAS

Hollywoodreporter.com reported that Frank Radice has resigned as president of the National Academy of Television Arts & Sciences, due to significant differences between himself and management. Mr. Radice had held the position for less than a year.



GENERAL NEWS

Citadel Makes Overdue \$2 Million Payment, Avoiding Technical Default

Wsj.com reported that Citadel Broadcasting Corp. made an overdue \$2 million interest payment, a move that allows the company to avoid going into technical default on its debt. However, according to the source, the company must have \$150 million in cash on hand by January 15 to meet conditions on its senior debt, and the company has said in financial filings that it will be “difficult” to meet the requirement and that it is negotiating with senior debtholders over its future. According to the source, senior lenders agree they should swap a substantial amount of the \$2 billion they are owed for equity in Citadel, but the lenders remain at odds over how much debt a restructured Citadel should carry.

Arbitron Introduces Radio Performance Software

Fmqb.com reported that Arbitron announced the introduction of the Arbitron Survey Analytics Program (ARB-ASAP), a Web-based radio management dashboard and strategic upgrade to mission-critical solutions that enhance utility and feature functionality for radio station GMs and PDs. According to the source, the ARB-ASAP gives users multiple performance metrics, allowing them to quickly access trends for station and cluster performance, competitor performance, and Arbitron sample performance. The source added that this service will launch in October 2009 and will be provided to Arbitron eBookSM Clients at no additional cost.

iBiquity and NAB Announce FM Digital Tech Advances

Fmqb.com reported that iBiquity Digital Corporation and NAB FASTROAD announced that the first two stages of a project to develop on-channel digital booster technology for FM in-band/on-channel (IBOC) digital radio have now been completed. This work has been undertaken by iBiquity Digital Corporation, developers of the HD Radio IBOC system used by U.S. broadcasters to transition to digital radio, and is being co-funded by iBiquity and NAB FASTROAD.

Rep. Towns Claims Problems With PPM

Fmqb.com reported that Rep. Edolphus Towns (D-NY), Chairman of the U.S. House of Representatives Committee on Oversight and Government Reform, announced that the Media Ratings Council (MRC) has found “persistent problems” with Arbitron’s Portable People Meter. Rep. Towns launched his own investigation into the PPM earlier this year, as a result of minority broadcasters’ well-documented complaints about Arbitron’s methodology. *Dow Jones* reports that according to the House Oversight Committee, the MRC said Arbitron “consistently

undercounts minority populations across the country,” and that Arbitron’s sample sizes were “unacceptably low” to accurately measure minority audiences’ listening habits.

Coleman Insights Acquires mediaEKG

Fmqb.com reported that Coleman Insights has completed its acquisition of mediaEKG, a media research firm whose patent pending technology provides media properties with consumer feedback on their content more quickly and less expensively than traditional techniques. Terms of the deal were not reported. As part of the acquisition, Coleman Insights will immediately begin offering mediaEKG services to its clients, and mediaEKG President Sam Milkman will join Coleman Insights as VP and head of its new Philadelphia office. Mr. Milkman previously served as Operations Director of WXRK/New York, Research Director of WHTZ/New York and PD of WMMR/Philadelphia.

EXECUTIVES IN THE NEWS

David Edgar Named OM for Clear Channel-Pittsburgh

Fmqb.com reported that David Edgar has been appointed as Operations Manager of Clear Channel Radio-Pittsburgh. Mr. Edgar will oversee the operations for all of Clear Channel’s six radio stations in Pittsburgh and he will serve as PD for both CHR WKST (96.1 KISS) and Classic Hits WWSW. Mr. Edgar was most recently Director of Operations for Emmis-Indianapolis

LEGAL/REGULATORY

Clear Channel Sued Over WVAZ/Chicago Dropping Tom Joyner

Fmqb.com reported that Reach Media has sued Clear Channel Radio over Urban AC WVAZ (V103)/Chicago’s dropping of the syndicated *Tom Joyner Morning Show* in March, in favor of Steve Harvey’s syndicated show. The *Chicago Tribune* reports that Reach Media has filed suit, claiming the company lost out on over \$800,000 in affiliation fees and net advertising revenue.



GENERAL NEWS

New York Times Now Being Delivered on Bloomberg Terminals

Paidcontent.org reported that *The New York Times* has licensed its real-time news feed to Bloomberg for use on its terminals. While the *NYT* is available via RSS in real time, this is the first time the paper has licensed a real-time feed. In addition to the complete print edition, the agreement includes *NYT* blogs, posts on the nytimes.com and breaking news alerts for Bloomberg Professional subscribers.

WSJ to Publish Two Web-Only Issues

Wwd.com reported that next year, *WSJ*, the year-old magazine from the Wall Street Journal, will add two online-only issues to the editorial calendar, to be released in July and October, to bridge the quarterly print publications. Editor in chief Tina Gaudoin said the magazine already had experimented with two smaller online-only issues that were “well received” by readers and advertisers, and that the forthcoming issues would include many of the same departments seen in the print edition. Ms. Gaudoin added that the Web-only issues will include the same length, the same quality and the same integrity as the magazine.

Seattle Times Joins QuadrantONE

Editorandpublisher.com reported that *The Seattle Times* is now an affiliate of national online advertising network quadrantONE, a joint venture of major media companies that focuses on premium advertisers seeking prime audiences and national reach. QuadrantONE is backed by Tribune, Gannett, Hearst and The New York Times Co.

Calif. Print Weekly Going Online-Only

Editorandpublisher.com reported that the *Danville* (California) *Weekly* will publish its last print edition October 2 and go online only. According to the paper’s publisher Gina Channell-Allen, the “dismal economy” has accelerated the paper’s plans to go online-only and reduce the company’s cost and environmental impact of printing and mailing a newspaper. The paper has already launched *Danville Express*, an e-mail digest that is delivered to more than 5,000 people three times a week, she noted. When the print edition is folded, the *Express* will move to Monday through Friday publication.

TRANSACTIONS

Thomson Reuters Looks Set to Buy Breakingviews

Editorandpublisher.com reported that, according to *The Sunday Times*, Thomson Reuters is looking to buy financial commentary site Breakingviews.com. Breakingviews offers financial columns carried by major newspapers worldwide, including *The New York Times*, *Le Monde* in Paris, *El Pais*

in Spain and *Handelsblatt* in Germany. *The Sunday Times* of London, which first reported the possible deal, said the parties had agreed on a price of £10 million.

Harbinger Capital Reduces Stake in New York Times Co.

Wsj.com reported that Harbinger Capital Partners has sold five million shares of New York Times Co., and reduced its stake in the publisher from 20% to 16.4%. Harbinger began accumulating its stake nearly two years ago, ultimately gaining two seats on the company’s board. According to the source, the investment firm indicated it does not intend to shed its stake completely.

Zelnick, Crovitz Team Up for Possible BusinessWeek Bid

Businessweek.com reported that ZelnickMedia LLC, a New York-based investment firm, is partnering with the former publisher of *The Wall Street Journal*, L. Gordon Crovitz, to make a possible bid for *BusinessWeek*, yet it appears no formal bid has been made, according to executives familiar with the situation. The source added that interest by the Zelnick-Crovitz team follows the recent bid by Bloomberg LP which was largely seen as the front runner for *BusinessWeek*.

EXECUTIVES IN THE NEWS

Stephen Duggan Resigns as CEO of Alpha Media

Paidcontent.org reported that Stephen Duggan resigned his post as CEO of Alpha Media group (AMG), the parent of *Maxim* magazine. According to an internal memo, the company said it is searching for an interim chief executive to replace Mr. Duggan.

Joe Lagani to Become SVP of Ad Sales for iVillage

Paidcontent.org reported that, two years after arriving at Glam Media from Condé Nast, publishing industry veteran Joe Lagani has left the company to join NBC Universal’s women’s magazine publisher iVillage. Mr. Lagani will become iVillage’s SVP of advertising sales, where he will have responsibility for display, sponsorship and content integration revenue. He will report to Jodi Kahn, iVillage’s EVP and Peter Naylor, SVP, NBC Universal Digital Ad Sales.



GENERAL NEWS

Nintendo to Cut Price of Wii

Variety.com reported that, in an effort to re-energize slowing sales of the popular videogame console as the holiday shopping season approaches, Nintendo will reduce the price of its Wii by \$50 next week. The move, which had been expected for months, follows late-August price reductions for Microsoft's Xbox 360 and Sony's PlayStation 3. According to the company, the Wii will sell for \$199, instead of the current \$249, starting September 27.

Netflix Looks to Be on All Consoles

Gamesindustry.biz reported that Netflix CEO Reed Hastings has said that the company intends to offer its service across a majority of home entertainment platforms, including Sony and Nintendo consoles. The company currently has an exclusive deal with Microsoft for the service in the U.S., but there have long been rumors that the movie rental and streaming business will eventually appear on the PlayStation 3 and Wii. Mr. Hastings also said the firm has its sights set on the mobile market, but home consoles are currently a higher priority for the company.

Sony PS3 Sales Jump After Price Cut; Shortage Possible

Reuters.com reported that sales of the PlayStation 3 video game console increased about 300% in the three weeks following a \$100 price cut last month to about \$300. Jack Tretton, chief executive of Sony Computer Entertainment of America, said he expects the price cuts and a lineup of popular games due ahead of the Christmas holiday to lift the entire video game industry, following some six months of sales declines. He also noted that higher demand for the PS3 could leave some retailers with product shortages.

Vicious Engine to Support PSP Minis Program

Gamasutra.com reported that developer Vicious Cycle Software has signed a deal with Sony Computer Entertainment Europe to provide its Vicious Engine middleware to developers of Sony's PSP Minis. Vicious Engine is designed as a portable engine for game development on personal computers, consoles and handheld systems. It has been used in parent company D3Publisher's titles, like *Dead Head Fred* and *Puzzle Quest: Challenge of the Warlords*.

DICE Founder Launches New Studio and Free-To-Play Game

Gamesindustry.biz reported that Antic Entertainment, a casual gaming company started up by DICE Sweden founder Fredrik Liljegren, has announced both the opening of a new development studio and the release of *Junk: Battles*, its first free-to-play game.

TRANSACTIONS

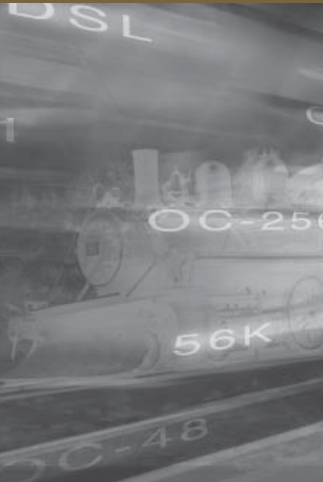
IGN Acquires Family Game Site What They Play

Gamasutra.com reported that family-oriented gaming site What They Play has been acquired by Imagine Games Network (IGN). Founded in 2007, What They Play largely consists of hundreds of synopses of game content for use by parents to determine if games are appropriate for their children. The site was initially funded by raising \$3 million in investment money under the company name What They Like. What They Like was intended to branch out into other forms of entertainment, which would have their own content-summarizing sites, but IGN gave no indication as to whether it will continue along those lines or keep its new acquisition focused on games. The terms of the deal were not disclosed.

OPERATING/MARKET PERFORMANCE

The Game Group PLC Announces Half Year 2009 Financial Results

The Game Group PLC reported financial results for the six month period ended 31 July 2009. The company reported revenue for the period of £690.8 million, compared to £742.6 million in 2008. The company also reported operating profit of £13 million for the half year of 2009, compared to operating profit of £35.5 million for the half year of 2008. According to the company, the overall Group performance can be attributed to the slower rate of hardware sales and the paucity of major software launches, particularly compared to the first half of last year.



GENERAL NEWS

Nielsen, Facebook Partner for Studies

Hollywoodreporter.com reported that Nielsen has struck a global, multiyear partnership with Facebook that will explore the effectiveness of advertising on the popular online social network. As part of the deal, Nielsen will design and execute the studies while data collection and consumer privacy will be handled by Facebook, which boasts 300 million users. The deal also calls for Nielsen to be Facebook's preferred market research provider. According to the source, the first product stemming from the relationship is called BrandLift, which will leverage data from user polls already at Facebook. Financial details of the partnership were not disclosed.

Google CEO Sees One Small Acquisition a Month

Reuters.com reported that, according to Chief Executive Eric Schmidt, Google Inc expects to buy one small company a month as it rekindles its acquisition engine and moves beyond the worst phase of the global recession. The source added that Google has historically maintained a steady pace of acquiring small, privately held companies, but it slowed down its rate of acquisitions earlier this year when Mr. Schmidt said that prices were too high for his liking. In August, Google announced the purchase of video software maker On2 Technologies for \$106.5 million, its first acquisition of a public company.

TRANSACTIONS

Twitter to Raise \$100 Million From Insight, T. Rowe Price, Other Investors

Wsj.com reported that Twitter is nearing a deal to close as much as \$100 million of new funding from as many as seven investors, according to people familiar with the deal. According to the report, the investor group includes mutual fund company T. Rowe Price and private-equity firm Insight Venture Partners, which are new investors to Twitter. The \$100 million investment is about twice as much as Twitter was reportedly expected to bring in this latest round of fund-raising. Other investors in this round include venture-capital firms Spark Capital and Institutional Venture Partners, which have previously invested in Twitter. According to the source, the investors are valuing Twitter, which has yet to generate revenue or finalize its plans for making money, at about \$1 billion. A person familiar with the deal said investors are applying a similar value to Twitter as that applied to Facebook, which at one point was valued at \$15 billion.

Yahoo Puts Zimbra Up for Sale

Allthingsd.com reported that Yahoo has been attempting to sell Zimbra, the open-source email company it bought in late 2007 for \$350 million. Zimbra is only one of the many assets of Yahoo that are now for sale, including its personals business, its HotJobs online classified unit and many more. According to the source, the effort to unload Zimbra is yet

another sign that the company is trying to slim down its diverse portfolio, as it strives to redefine itself with a new, pricey marketing campaign that seeks to position Yahoo primarily as a consumer company. The source added that potential buyers for Zimbra include Comcast and Google, as well as private-equity investors.

Financial Search Engine Centro Acquires BarNone

Centro, Inc., a vertical search engine designed to help consumers find personal financial products that complement their specific credit profile, announced the acquisition of BarNone, Inc., a provider of credit-based lead generation, processing and tracking services for the automotive industry. Centro acquired BarNone from First Advantage Corporation. Terms of the acquisition were not disclosed.

Rubicon Project Lands \$9 Million Third Round Led by NBCU

Paidcontent.org reported that NBC Universal's Peacock Fund led a \$9 million third round for online ad inventory manager The Rubicon Project. NBCU provided \$6 million, with the rest provided by existing backers Clearstone Venture Partners and Mayfield Fund. According to the source, with this round, Los Angeles-based Rubicon has raised \$42 million since launching two years ago. The funding will support further acquisitions by Rubicon, which recently bought behavioral targeting data provider Others Online.

LEGAL/REGULATORY

Facebook Settles *Beacon* Lawsuit: Shuts Service and Establishes \$9.5 Million Privacy Fund

Cnet.com reported that Facebook has settled a year-old class action lawsuit that targeted the social network's alleged failure to provide adequate information and privacy controls to users with regard to Beacon, an advertising program which shared information about users' information on third-party partner sites in Facebook news feeds. As part of the settlement, all remaining vestiges of Beacon will be shut down completely. Also as part of the settlement, which is still pending approval from a judge, a \$9.5 million "settlement fund" has been established to set up an independent foundation to "fund projects and initiatives that promote the cause of online privacy, safety, and security."



GENERAL NEWS

NFL Labor Fears Affect Deals for Executives, Coaches

Sportsbusinessjournal.com reported that, with the NFL collective-bargaining agreement expiring in March 2011, some NFL clubs are asking top-level employees to take pay cuts as steep as 50% or agree to be terminated with little notice if there is a work stoppage in 2011. Clauses to that effect began appearing in coaches' contracts about six months ago, and have been included in contracts of other high-level NFL club employees as well, including contracts for scouts and high-level business-side executives. According to the source, if no deal is reached by the time the collective-bargaining agreement expires, owners are expected to lock players out, meaning little or no work for thousands of other NFL club employees.

SportsTweets to Aggregate Twitter Posts

Sportsbusinessjournal.com reported that Los Angeles-based Sports Media Ventures Inc. (SMV) has created SportsTweets.com, the third Twitter aggregation site the company has built this year. According to the source, SportsTweets.com will collate tweets from individual fans, official team and league feeds, and select media outlets. The site will form a triumvirate of sorts with SMV's two other Twitter aggregations: AthleteTweets.com, which focuses on player feeds; and SportsBlogTweets.com, which collects more than 260 sports blogger feeds. The source added that SportsTweets.com seeks to build on its predecessors by offering a dual-stream rivalry mode in which feeds devoted to two separate teams can be viewed simultaneously. The tweets are collated using a combination of hashtags and SMV's internally designed filtering algorithms and will be available for every team in the four major pro leagues and most major college athletic programs.

Visa Extends NFL Deal

Sportsbusiness.com reported that credit card company Visa has agreed a five-year extension of its sponsorship deal with the NFL. The *San Francisco Business Times* reports that the deal is worth around \$8 million per season, and now runs until the end of the 2014 season. The company has sponsored the NFL since 1995.

Courtside LED Signs Give Knicks Flexibility

Sportsbusinessjournal.com reported that the New York Knicks are the first NBA franchise to install LED courtside technology. The report stated that the new signs aim to drive advertising revenue while adding more dynamic messaging during games at Madison Square Garden. Until now, the NBA prohibited teams from using LED technology along the scorer's table mainly because of player safety issues from the surface-mounted lights protruding from the LED signs. However, league officials gave the Knicks approval on a new LED system after a test this summer during the WNBA Liberty home games with new LED signs by Mitsubishi that are recessed and spring mounted to the scorer's table to protect players. Knicks and NBA officials said the new LED system allows for more customized courtside advertising inventory along with the ability for teams to tie all their scoreboard and ribbon-board LED down to court level, improving the in-game presentation.

MLS Cup to Appear in Prime Time on ESPN, Opposite Sunday Night Football

Sportsbusinessjournal.com reported that for the first time in its 14-year history, the Major League Soccer (MLS) championship game will be televised on cable, rather than broadcast television. ESPN will carry MLS Cup 2009 on November 22 at 8:30 p.m., where it will be aired opposite the highly rated *Sunday Night Football* on NBC. Previously games aired Sunday afternoons on ABC. According to the source, executives from both the league and the network decided to move the match to ESPN so that it could start later at its West Coast site, Seattle's Qwest Field. They believe a later start will enhance the in-stadium atmosphere, which should make it more appealing on television.

TRANSACTIONS

Russia's Mikhail Prokhorov to Buy 80% Stake in New Jersey Nets

Bloomberg.com reported that Russian billionaire Mikhail Prokhorov agreed to invest \$200 million in return for a 80% stake in the New Jersey Nets basketball team, 45% of the Barclays Center development project and an option for as much as 20 percent of Atlantic Yards Development Co.



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Definitions: % of 52-week high/low is the market weighted current stock price divided by either the high or the low. EBITDA is Earnings before interest, taxes, depreciation, and amortization. EV stands for Enterprise Value. EBITDA margin is the EBITDA divided by Revenue. P/E is the price to earnings ratio. The 1-week sector change is the change in value of the aggregate market capitalizations from the previous Thursday's close to this Thursday's close. The 1-week S&P change is the change in the Standard and Poor's 500 index from the previous Thursday's close to this Thursday's close. LTM is the latest 12-month period. NFY is the projected next fiscal year. NFY multiples are based on First Call estimates.

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