
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

SCHEDULE 13E-3

**RULE 13e-3 TRANSACTION STATEMENT UNDER SECTION 13(e)
OF THE SECURITIES EXCHANGE ACT OF 1934
AMENDMENT NO. 5**

STARZ

(Name of the Issuer)

**Starz
Lions Gate Entertainment Corp.
Orion Arm Acquisition Inc.
Dr. John C. Malone**
(Name of Person(s) Filing Statement)

**Series A Common Stock, par value \$0.01 per share and
Series B Common Stock, par value \$0.01 per share**
(Title of Class of Securities)

**Series A common stock: 85571Q102
Series B common stock: 85571Q201**
(CUSIP Number of Class of Securities)

**David I. Weil, Esq.
Chief Legal Officer
Starz
9242 Beverly Blvd., Suite 200
Beverly Hills, California 90210
(720) 852-7700**

**Wayne Levin
General Counsel and Chief Strategic
Officer
Lions Gate Entertainment Corp.
2700 Colorado Avenue
Santa Monica, California 90404
(310) 449-9200**

**Dr. John C. Malone
c/o Liberty Media Corporation
12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5400**

(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices and Communications on Behalf of the Persons Filing Statement)

With copies to:

**Renee Wilm, Esq.
Jonathan Gordon, Esq.
Courtney York, Esq.
Baker Botts L.L.P.
30 Rockefeller Plaza
New York, New York 10112
(212) 408-2500**

**David E. Shapiro, Esq.
Gordon S. Moodie, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
(212) 403-1000**

**Steven D. Miller
Sherman & Howard L.L.C.
633 Seventeenth Street, Suite 3000
Denver, Colorado 80202
(303) 297-2900**

This statement is filed in connection with (check the appropriate box):

- a. The filing of solicitation materials or an information statement subject to Regulation 14A (17 CFR 240.14a-1 to 240.14b-2), Regulation 14C [17 CFR 240.14c-1 to 240.14c-101] or Rule 13e-3(c) [§240.13e-3(c)] under the Securities Exchange Act of 1934.
- b. The filing of a registration statement under the Securities Act of 1933.
- c. A tender offer.
- d. None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies:

Check the following box if the filing is a final amendment reporting the results of the transaction:

INTRODUCTION

This Amendment No. 5 to this Rule 13e-3 Transaction Statement on Schedule 13E-3, together with the exhibits hereto (as amended, this “Transaction Statement”), is being filed with the Securities and Exchange Commission (the “SEC”) by (a) Starz, a Delaware corporation and the issuer of the Starz common stock that is the subject of the Rule 13e-3 transaction; (b) Lions Gate Entertainment Corp., a corporation organized and existing under the corporate laws of British Columbia (“Lions Gate”); (c) Orion Arm Acquisition Inc., a Delaware corporation and a wholly owned subsidiary of Lions Gate (“Merger Sub”); and (d) Dr. John C. Malone (collectively, the “Filing Persons”).

On June 30, 2016, Lions Gate entered into an Agreement and Plan of Merger (the “merger agreement”) with Starz and Merger Sub. The merger agreement provides that Merger Sub will merge with and into Starz, with Starz continuing as the surviving corporation and becoming an indirect wholly owned subsidiary of Lions Gate (the “merger”).

Under the terms of the merger agreement, immediately prior to consummation of the proposed merger, Lions Gate will effect a reorganization of its outstanding share capital (the “reclassification”), pursuant to which each existing Lions Gate common share, without par value (the “Lions Gate common shares”), will be converted into 0.5 shares of newly issued Class A voting shares, without par value, of Lions Gate (the “Lions Gate voting shares”) and 0.5 shares of newly issued Class B non-voting shares, without par value, of Lions Gate (the “Lions Gate non-voting shares”) and together with the Lions Gate voting shares, the “Lions Gate post-reclassification shares”), subject to the terms and conditions of the merger agreement.

Following the reclassification, in the proposed merger, (a) each share of Starz Series A common stock, par value \$0.01 (the “Starz Series A common stock”), will be converted into the right to receive \$18.00 in cash and 0.6784 Lions Gate non-voting shares, and (b) each share of Starz Series B common stock, par value \$0.01 (the “Starz Series B common stock,” and together with the Starz Series A common stock as the “Starz common stock”), will be converted into the right to receive \$7.26 in cash, 0.6321 Lions Gate non-voting shares and 0.6321 Lions Gate voting shares, in each case, subject to the terms and conditions of the merger agreement and, in each case, except for (i) any shares of Starz common stock held by Lions Gate or any of its wholly owned subsidiaries including Merger Sub, (ii) in the event that the Lions Gate minority approval as defined and required under Ontario Securities Commission Rule 56-501 – *Restricted Shares* or an exemption therefrom is not obtained, Lions Gate will issue Lions Gate non-voting shares issuable to Starz stockholders resident in the province of Ontario in connection with the merger to a trustee who will sell such shares and distribute the proceeds to such Ontario resident Starz stockholders, pursuant to the terms and conditions of the merger agreement and (iii) any shares of Starz common stock held by any Starz stockholder who is entitled to demand and properly demands appraisal of such shares in accordance with Section 262 of the General Corporation Law of the State of Delaware (and who does not fail to perfect or otherwise effectively withdraw their demand or waive or lose the right to appraisal). These exchange ratios are fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger, except in certain limited circumstances reflecting changes to the stock of Lions Gate or Starz.

At the effective time of the merger, upon the terms and subject to the conditions of the merger agreement, outstanding Starz equity awards will be adjusted as follows: (a) each Starz stock option that is outstanding and unexercised immediately prior to the effective time, whether vested or unvested, will be converted into an option, on substantially the same terms and conditions as were applicable to such Starz stock option immediately prior to the effective time (including vesting terms), to purchase the number of Lions Gate non-voting shares (rounded down to the nearest whole share) determined by multiplying the number of shares of Starz common stock subject to the Starz stock option by the equity award exchange ratio, at an exercise price per share determined by dividing the per-share exercise price of the Starz stock option by the equity award exchange ratio and rounding the resulting quotient up to the nearest whole cent; (b) each Starz restricted stock unit award that is outstanding immediately prior to the effective time will be converted into a restricted stock unit award (subject to vesting, repurchase or other lapse restrictions), on the same terms and conditions as were applicable to such Starz restricted stock unit award immediately prior to the effective time (including time- and performance-based vesting terms), relating to the number of Lions Gate non-voting shares determined by multiplying the number of shares of Starz common stock subject to the Starz restricted stock unit award immediately prior to the effective time by the equity award exchange

ratio, rounded to the nearest whole share; and (c) each Starz restricted stock award that is outstanding immediately prior to the effective time will be converted into a restricted stock award (subject to vesting, repurchase or other lapse restrictions), on the same terms and conditions as were applicable to such Starz restricted stock award immediately prior to the effective time (including vesting terms), relating to the number of Lions Gate non-voting shares determined by multiplying the number of shares of Starz common stock subject to the Starz restricted stock award immediately prior to the effective time by the equity award exchange ratio, rounded to the nearest whole share.

On November 4, 2016, Lions Gate filed with the SEC Amendment No. 6 to its registration statement on Form S-4 (Registration No. 333-212792), which includes a joint proxy statement/prospectus of Lions Gate and Starz (the “joint proxy statement/prospectus”) relating to the special meeting of Lions Gate common shareholders and the special meeting of Starz common stockholders.

At the special meeting of Lions Gate common shareholders, Lions Gate common shareholders will be asked to consider and vote upon (1) a series of four proposals to implement the reclassification (collectively, the “Lions Gate reclassification proposals”); (2) a proposal to approve the issuance of Lions Gate non-voting shares and Lions Gate voting shares to holders of Starz Series A common stock and Starz Series B common stock in connection with the merger agreement (the “Lions Gate merger issuance proposal”); (3) a proposal to approve the issuance of Lions Gate common shares to John C. Malone, Robert R. Bennett and certain of their respective affiliates (collectively the “M-B stockholders”), in connection with the stock exchange agreement, dated as of June 30, 2016 (the “exchange agreement”), by and between Lions Gate, Merger Sub and the M-B stockholders, pursuant to which, if the merger agreement is terminated (a) by Lions Gate because the Starz board of directors changes its recommendation in favor of the transactions contemplated by the merger agreement, (b) by Starz in order to enter into a superior transaction or (c) by either party because Starz’s stockholders fail to approve the Starz merger proposal (as defined within this joint proxy statement/prospectus), then the M-B stockholders will sell to Merger Sub all shares of Starz Series B common stock held by them (the “Lions Gate exchange issuance proposal”); (4) a proposal to approve all issuances by Lions Gate of New Issue Securities (as defined in the investor rights agreement, dated as of November 10, 2015 and amended as of June 30, 2016 (the “investor rights agreement”), by and among Lions Gate and certain of its stockholders, including Liberty Global plc (“LGP”), Discovery Communications, Inc. (“Discovery”), MHR Fund Management, LLC (“MHR”) and certain of their respective affiliates), to LGP, Discovery and MHR in connection with their exercise of preemptive rights of first offer under the investor rights agreement during the five-year period following the receipt of such stockholder approval (the “Lions Gate preemptive rights proposal”); (5) a proposal to approve the amendment of the Articles of Lions Gate to extend indemnities currently provided for in the Articles of Lions Gate in favor of directors and former directors of Lions Gate to also apply to officers and former officers of Lions Gate (the “Lions Gate indemnity proposal”); and (6) a proposal to approve the adjournment of the Lions Gate special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Lions Gate merger issuance proposal and each of the Lions Gate reclassification proposals if there are insufficient votes at the time of such adjournment to approve such proposals (the “Lions Gate adjournment proposal”). Approval of each of the Lions Gate reclassification proposals by Lions Gate shareholders, and consummation of the reclassification by Lions Gate, are conditions to the closing of the merger. In addition, approval of the Lions Gate merger issuance proposal by Lions Gate shareholders is a condition to the closing of the merger. Approval of the Lions Gate exchange issuance proposal, the Lions Gate preemptive rights proposal, the Lions Gate indemnity proposal and the Lions Gate adjournment proposal are not conditions to the consummation of the merger. The Lions Gate merger issuance proposal is conditioned on the approval of each of the Lions Gate reclassification proposals, and each of the Lions Gate reclassification proposals are conditioned on the approval of the Lions Gate merger issuance proposal, but no other proposal is conditioned on the approval of any other proposal. The reclassification will occur immediately prior to completion of the merger only if all other conditions to the merger have been satisfied, and the merger will only occur if the reclassification occurs. The exchange will not occur if the merger occurs.

At the special meeting of Starz common stockholders, Starz common stockholders will be asked to consider and vote upon the proposals to (1) approve the adoption of the merger agreement (the “Starz merger proposal”); (2) approve, by advisory (nonbinding) vote, the compensation that may be paid or become payable to the named executive officers of Starz in connection with the merger (the “Starz compensation proposal”); and (3) approve the adjournment of the Starz special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Starz merger proposal, if there are insufficient votes at the time of such adjournment to approve such proposal (the “Starz adjournment proposal”). The merger will not occur unless Starz stockholders approve the Starz merger

proposal. Approval of the Starz compensation proposal and Starz adjournment proposal are not conditions to the consummation of the merger.

The cross-references below are being supplied pursuant to General Instruction G to Schedule 13E-3 and show the location in the joint proxy statement/prospectus of the information required to be included in responses to the items of Schedule 13E-3. Pursuant to General Instruction F to Schedule 13E-3, the information contained in the joint proxy statement/prospectus, including all annexes, exhibits and appendices thereto, is incorporated in its entirety herein by reference, and the responses to each item in this Transaction Statement are qualified in their entirety by the information in the joint proxy statement/prospectus. As of the date hereof, the joint proxy statement/prospectus is in preliminary form and is subject to completion or amendment.

Each of PJT Partners LP, LionTree Advisors LLC, and Raine Securities LLC has consented to the inclusion of its respective materials filed as Exhibits under Item 16 of this Transaction Statement.

EXPLANATORY NOTE

This Transaction Statement is being filed solely to re-file Exhibit (c)(10) in response to certain inquiries received from the SEC in connection with confidential treatment requests for certain portions of such Exhibit. Except for the foregoing, this Transaction Statement does not amend Amendment No. 4 to this Transaction Statement in any way and does not modify or update any disclosures contained therein.

TABLE OF CONTENTS

| | | |
|--------------------------|--|----|
| Item 1. | Summary Term Sheet | 1 |
| Item 2. | Subject Company Information | 1 |
| Item 3. | Identity and Background of Filing Persons | 1 |
| Item 4. | Terms of the Transaction | 2 |
| Item 5. | Past Contacts, Transactions, Negotiations and Agreements | 3 |
| Item 6. | Purposes of the Transaction and Plans or Proposals | 4 |
| Item 7. | Purposes, Alternatives, Reasons and Effects | 6 |
| Item 8. | Fairness of the Transaction | 8 |
| Item 9. | Reports, Opinions, Appraisals and Negotiations | 9 |
| Item 10. | Source and Amounts of Funds or Other Consideration | 10 |
| Item 11. | Interest in Securities of the Subject Company | 10 |
| Item 12. | The Solicitation or Recommendation | 10 |
| Item 13. | Financial Statements | 11 |
| Item 14. | Persons/Assets, Retained, Employed, Compensated and Used | 12 |
| Item 15. | Additional Information | 12 |
| Item 16. | Exhibits | 13 |

[SIGNATURES](#)

Item 1. Summary Term Sheet (Regulation M-A, Item 1001)

The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

Item 2. Subject Company Information (Regulation M-A Item 1002)

(a) **Name and Address.**

Starz
8900 Liberty Circle
Englewood, Colorado 80112
(720) 852-7700

(b) **Securities.** The subject classes of equity securities to which this Transaction Statement relates are (i) the Series A Common Stock, par value \$0.01 per share (the “Starz Series A common stock”), of Starz and (ii) the Series B Common Stock, par value \$0.01 per share, of Starz (the “Starz Series B common stock”). As of October 31, 2016, 87,562,102 shares of Starz Series A common stock and 9,858,316 shares of Starz Series B common stock were outstanding.

(c) **Trading Market and Price.** The information set forth in the joint proxy statement/prospectus under the caption “Comparative Stock Prices and Dividends” is incorporated herein by reference.

(d) **Dividends.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Comparative Stock Prices and Dividends”

“The Merger Agreement—Dividends”

(e) **Prior Public Offerings.** None.

(f) **Prior Stock Purchases.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Agreements with Shareholders of Lions Gate and Stockholders of Starz—The 2015 Stock Exchange Agreement”

Item 3. Identity and Background of Filing Persons (Regulation M-A Item 1003)

(a)-(c) **Name and Address, Business and Background of Entities, Business and Background of Natural Persons.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary—Information About the Companies”

“Information About the Companies”

“Other Important Information Regarding the Parties”

“Where You Can Find More Information”

Item 4. Terms of the Transaction (Regulation M-A Item 1004)

(a) **Material Terms.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“The Lions Gate Special Meeting”

“The Starz Special Meeting”

“Comparison of Rights of Lions Gate Shareholders and Starz Stockholders”

“Special Factors”

“Special Factors—Accounting Treatment”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Certain Tax Consequences of the Transactions”

Annex A—Agreement and Plan of Merger

(c) **Different Terms.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Interests of Starz Directors and Executive Officers in the Merger”

“Special Factors—The Merger Agreement—Consideration to Starz Stockholders in the Merger”

“Special Factors—The Merger Agreement—Treatment of Starz Stock Options and Other Equity-Based Awards in the Merger”

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz”

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz—The 2015 Stock Exchange Agreement”

(d) **Appraisal Rights.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary—Appraisal Rights”

“Special Factors—Appraisal Rights”

(e) **Provisions for Unaffiliated Security Holders.** The information set forth in the joint proxy statement/prospectus under the caption “Provisions for Unaffiliated Security Holders” is incorporated herein by reference.

(f) **Eligibility for Listing or Trading.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Special Factors—Listing of Lions Gate Voting Shares and Lions Gate Non-Voting Shares in the Merger”

“Description of Lions Gate Capital Stock”

Item 5. Past Contacts, Transactions, Negotiations and Agreements (*Regulation M-A Item 1005*)

(a) **Transactions.** None.

(b)-(c) **Significant Corporate Events, Negotiations or Contracts.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors— Interests of Starz Directors and Executive Officers in the Merger”

(e) **Agreements Involving the Subject Company’s Securities.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors— The Merger Agreement”

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz”

“Special Factors— Interests of Starz Directors and Executive Officers in the Merger”

“Special Factors— The Merger Agreement—Consideration to Starz Stockholders in the Merger”

“Special Factors— The Merger Agreement—Treatment of Starz Stock Options and Other Equity-Based Awards in the Merger”

“Where You Can Find More Information”

Annex A—Agreement and Plan of Merger

Annex E—Lions Gate Voting Agreements

Annex F—Starz Voting Agreement

Annex G—Exchange Agreement

Annex H—Investor Rights Agreement

Annex I—Amendment to Investor Rights Agreement

Annex K—Voting and Standstill Agreement

Annex L—Amendment to Voting and Standstill Agreement

Annex M—Letter Agreement

Item 6. Purposes of the Transaction and Plans or Proposals (*Regulation M-A Item 1006*)

(b) **Use of Securities Acquired.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors— The Merger Agreement—Consideration to Starz Stockholders in the Merger”

“Special Factors— The Merger Agreement—Treatment of Starz Stock Options and Other Equity-Based Awards in the Merger”

“Special Factors—Delisting and Deregistration of Starz Common Stock and Lions Gate Common Shares”

“Special Factors— Exchange of Shares in the Merger”

(c)(1)-(8) **Plans.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors— The Merger Agreement”

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz”

“Special Factors—Interests of Starz Directors and Executive Officers in the Merger”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors—Delisting and Deregistration of Starz Common Stock and Lions Gate Common Shares”

“Special Factors—Listing of Lions Gate Voting Shares and Lions Gate Non-Voting Shares in the Merger”

“Special Factors— The Merger Agreement—Directors and Management Following the Merger”

“Special Factors— The Merger Agreement—Organizational Documents”

“Special Factors—Source and Amount of Funds”

“Special Factors—Plans for Starz after the Merger”

Item 7. Purposes, Alternatives, Reasons and Effects (Regulation M-A Item 1013)

(a) **Purposes.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors— The Merger Agreement”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors—Plans for Starz after the Merger”

(b) **Alternatives.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

(c) **Reasons.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

(d) **Effects.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—The Merger Agreement”

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors—Delisting and Deregistration of Starz Common Stock and Lions Gate Common Shares”

“Special Factors—Listing of Lions Gate Voting Shares and Lions Gate Non-Voting Shares in the Merger”

“Special Factors—The Merger Agreement—Directors and Management Following the Merger”

“Special Factors—The Merger Agreement—Organizational Documents”

“Special Factors—Plans for Starz after the Merger”

“Security Ownership of Certain Beneficial Owners and Management”

“Certain Tax Consequences of the Transactions”

Item 8. Fairness of the Transaction (Regulation M-A Item 1014)

(a)-(b) **Fairness; Factors Considered in Determining Fairness.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors—Opinions of Starz’s Financial Advisors”

“Special Factors—Position of Lions Gate and Merger Sub as to the Fairness of the Merger”

“Special Factors—Position of Dr. John C. Malone as to the Fairness of the Merger”

Annex C—Opinion of LionTree Advisors LLC

Annex D—Opinion of Raine Securities LLC

(c) **Approval of Security Holders.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“The Lions Gate Special Meeting—Required Vote”

“The Starz Special Meeting—Required Vote”

“Special Factors—The Merger Agreement”

(d) **Unaffiliated Representatives.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary”

“Questions and Answers”

“Special Factors—Background of the Merger”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors—Opinions of Starz’s Financial Advisors—Opinion of Raine Securities LLC”

“The Starz Special Meeting—Recommendation of the Starz Board of Directors; Fairness of the Merger”

Annex D—Opinion of Raine Securities LLC

(e) **Approval of Directors.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

(f) **Other Offers.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Special Factors—Background of the Merger”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

Item 9. Reports, Opinions, Appraisals and Negotiations (*Regulation M-A Item 1015*)

(a)-(b) **Report, Opinion or Appraisal; Preparer and Summary of the Report, Opinion or Appraisal.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Opinion of Lions Gate’s Financial Advisor”

“Special Factors—Opinions of Starz’s Financial Advisors”

Annex B—Opinion of PJT Partners LP

Annex C—Opinion of LionTree Advisors LLC

Annex D—Opinion of Raine Securities LLC

The materials dated May 23, 2016 and June 23, 2016, each prepared by PJT Partners LP and reviewed by the board of directors of Lions Gate, are attached hereto as Exhibits (c)(1) through (c)(3) and are incorporated by reference herein.

The materials dated June 14, 2016, June 20, 2016, June 22, 2016 and June 29, 2016, each prepared by LionTree Advisors LLC and reviewed by the board of directors of Starz, are attached hereto as Exhibits (c)(4) through (c)(9) and are incorporated by reference herein.

The materials dated June 15, 2016, June 22, 2016, June 23, 2016 and June 29, 2016, each prepared by Raine Securities LLC and reviewed by the Starz Special Committee, are attached hereto as Exhibits (c)(10) through (c)(16) and are incorporated by reference herein.

(c) **Availability of Documents.** The reports, opinions or appraisals referenced in this Item 9 will be made available for inspection and copying at the principal executive offices of

Starz during its regular business hours by any interested holder of Starz common stock or representative who has been designated in writing.

Item 10. Source and Amounts of Funds or Other Consideration (Regulation M-A Item 1007)

(a)-(b) **Source of Funds; Conditions.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary”

“Special Factors—Source and Amount of Funds”

Annex A—Agreement and Plan of Merger

(c) **Expenses.** The information set forth in the joint proxy statement/prospectus under the following caption “Special Factors—Merger Fees and Expenses” is incorporated herein by reference.

(d) **Borrowed Funds.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary”

“Special Factors—Source and Amount of Funds”

Annex A—Agreement and Plan of Merger

Item 11. Interest in Securities of the Subject Company (Regulation M-A Item 1008)

(a) **Securities Ownership.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Security Ownership of Certain Beneficial Owners and Management”

(b) **Securities Transactions.** The information set forth in the joint proxy statement/prospectus under the caption “Transactions in Starz Common Stock” is incorporated herein by reference.

Item 12. The Solicitation or Recommendation (Regulation M-A Item 1012)

(d) **Intent to Tender or Vote in a Going Private Transaction.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”;

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz”

“The Starz Special Meeting”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

(e) **Recommendation of Others.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“The Starz Special Meeting”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“The Lions Gate Special Meeting”

Item 13. Financial Statements (Regulation M-A Item 1010)

(a) **Financial Information.** The audited financial statements set forth in Starz’s Annual Report on Form 10-K for the year ended December 31, 2015 and the unaudited financial statements set forth in Starz’s Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2016 and June 30, 2016 are incorporated by reference herein. The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary—Selected Historical Financial Data of Starz”

“Summary—Ratio of Earnings to Fixed Charges of Starz”

“Summary—Equivalent and Comparative Per Share Information”

“Where You Can Find More Information”

(b) **Pro Forma Information.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Summary—Equivalent and Comparative Per Share Information”

“Unaudited Pro Forma Condensed Combined Financial Statements”

Item 14. Persons/Assets, Retained, Employed, Compensated and Used (Regulation M-A Item 1009)

(a)-(b) **Solicitations and Recommendations; Employees and Corporate Assets.** The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“Questions and Answers”

“Summary”

“Special Factors—Background of the Merger”

“Special Factors—Starz’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Starz Special Committee and Starz Board of Directors; Fairness of the Merger”

“Special Factors—Agreements with Shareholders of Lions Gate and Stockholders of Starz”

“The Starz Special Meeting”

“Special Factors—Lions Gate’s Purpose and Reasons for the Merger and Other Proposals; Recommendations of the Lions Gate Board of Directors”

“Special Factors—Fees and Expenses”

Item 15. Additional Information (Regulation M-A Item 1011)

(b) The information set forth in the joint proxy statement/prospectus under the following captions is incorporated herein by reference:

“The Starz Special Meeting—Proposal 2: The Starz Compensation Proposal”

“Special Factors—Interests of Starz Directors and Executive Officers in the Merger”

(c) **Other Material Information.** The information set forth in the joint proxy statement/prospectus, including all annexes, exhibits and appendices thereto, is incorporated herein by reference.

Item 16. Exhibits (*Regulation M-A Item 1016*)

(a)(1) The preliminary joint proxy statement/prospectus of Lions Gate (incorporated herein by reference to Amendment No. 6 to Form S-4 filed by Lions Gate on November 4, 2016 (Registration No. 333-212792)).

(a)(2) Form of Proxy Card (incorporated herein by reference to the joint proxy statement/prospectus)

(a)(3) Letter to Starz Stockholders and Lions Gate Shareholders (incorporated herein by reference to the joint proxy statement/prospectus)

(a)(4) Notice of Special Meeting of Stockholders of Starz (incorporated herein by reference to the joint proxy statement/prospectus)

(a)(5) Joint Press Release, dated June 30, 2016 (incorporated herein by reference to Exhibit 99.1 to Lions Gate's Current Report filed on Form 8-K with the SEC on June 30, 2016)

(a)(6) Investor Presentation, dated June 30, 2016 (incorporated herein by reference to Exhibit 99.2 to Lions Gate's Current Report filed on Form 8-K with the SEC on June 30, 2016)

(a)(7) Transcript of Conference Call, held on June 30, 2016 (incorporated herein by reference to Lions Gate's filing on June 30, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(8) Employee Communication of Lions Gate, issued on June 30, 2016 (incorporated herein by reference to Lions Gate's filing on June 30, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(9) Letter to Lions Gate Shareholders (incorporated herein by reference to Lions Gate's filing on July 29, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(10) Press Release of Starz, dated July 28, 2016 (incorporated herein by reference to Exhibit 99.1 to Starz's Current Report filed on Form 8-K with the SEC on August 1, 2016)

(a)(11) Excerpts of communications relating to the proposed merger (incorporated herein by reference to Exhibit 99.2 to Starz's Current Report filed on Form 8-K with the SEC on August 1, 2016)

(a)(12) Press Release of Lions Gate, dated August 4, 2016 (incorporated herein by reference to Lions Gate's filing on August 4, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(13) Transcript of Conference Call, held on August 4, 2016 (incorporated herein by reference to Lions Gate's filing on August 4, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(14) Employee Communication of Lions Gate, issued on August 19, 2016 (incorporated herein by reference to Lions Gate's filing on August 19, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(15) Employee Communication of Lions Gate, issued on September 1, 2016 (incorporated herein by reference to Lions Gate's filing on September 1, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(16) Transcript of Presentation, given on September 15, 2016 (incorporated herein by reference to Lions Gate's filing on September 19, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(17) Press Release dated September 22, 2016 (incorporated herein by reference to Exhibit 99.1 to Lions Gate's Current Report filed on Form 8-K with the SEC on September 22, 2016)

(a)(18) Excerpts of communications relating to the proposed merger (incorporated herein by reference to Starz's filing on September 27, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(19) Excerpts from Preliminary Financing Materials (incorporated herein by reference to Exhibit 99.1 to Lions Gate's Current Report filed on Form 8-K with the SEC on September 27, 2016)

(a)(20) Excerpts from Preliminary Offering Memorandum (incorporated herein by reference to Exhibit 99.1 to Lions Gate's Current Report filed on Form 8-K with the SEC on September 30, 2016)

(a)(21) Press Release dated October 13, 2016 (incorporated herein by reference to Exhibit 99.1 to Lions Gate's Current Report filed on Form 8-K with the SEC on October 13, 2016)

(a)(22) Employee Communication of Lions Gate, issued on October 28, 2016 (incorporated herein by reference to Lions Gate's filing on October 28, 2016 with the SEC pursuant to Rule 425 of the Securities Act of 1933)

(a)(23) Letter to Starz employees, dated October 28, 2016 (incorporated herein by reference to Exhibit 99.1 to Starz's Current Report filed on Form 8-K with the SEC on October 28, 2016)

(b)(1) Commitment Letter, dated as of June 27, 2016, among Lions Gate Entertainment Corp., and JPMorgan Chase Bank, N.A., Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Deutsche Bank AG New York Branch, Deutsche Bank AG Cayman Islands Branch, and Deutsche Bank Securities Inc. (incorporated herein by reference to Exhibit 10.9 of Lions Gate's Current Report filed on Form 8-K with the SEC on August 1, 2016)

(b)(2) Indenture, dated October 27, 2016, by and between LG FinanceCo Corp. and Deutsche Bank Trust Company Americas, as trustee (incorporated herein by reference to Exhibit 4.1 to Lions Gate's Current Report filed on Form 8-K with the SEC on October 27, 2016)

(c)(1)† Materials prepared by PJT Partners LP and presented to the Lions Gate board of directors on May 23, 2016

(c)(2)*† Materials prepared by PJT Partners LP and presented to the Lions Gate board of directors on June 23, 2016

(c)(3) Opinion of PJT Partners LP presented to the Lions Gate board of directors on June 30, 2016 (incorporated herein by reference to Annex B of the joint proxy statement/prospectus)

(c)(4)*† Preliminary presentation of LionTree Advisors LLC prepared for the Starz board of directors, dated June 14, 2016

(c)(5)† Preliminary presentation of LionTree Advisors LLC prepared for the Starz board of directors, dated June 20, 2016

(c)(6)† Preliminary presentation of LionTree Advisors LLC prepared for the Starz board of directors, dated June 22, 2016

(c)(7)† Presentation of LionTree Advisors LLC prepared for the Starz board of directors, dated June 29, 2016

(c)(8)† Preliminary opinion of LionTree Advisors LLC prepared for the Starz board of directors, dated June 22, 2016

(c)(9) Opinion of LionTree Advisors LLC prepared for the Starz board of directors, dated June 29, 2016 (incorporated herein by reference to Annex C of the joint proxy statement/prospectus)

(c)(10)* Preliminary Financial Presentation of Raine Securities LLC prepared for the Starz Special Committee, dated June 15, 2016

(c)(11)† Financial Presentation of Raine Securities LLC prepared for the Starz Special Committee, dated June 22, 2016

(c)(12)† Financial Presentation of Raine Securities LLC prepared for the Starz Special Committee, dated June 23, 2016

(c)(13)† Financial Presentation of Raine Securities LLC prepared for the Starz Special Committee, dated June 29, 2016

(c)(14)† Preliminary opinion of Raine Securities LLC prepared for the Starz Special Committee, dated June 22, 2016

(c)(15)† Preliminary opinion of Raine Securities LLC prepared for the Starz Special Committee, dated June 23, 2016

(c)(16) Opinion of Raine Securities LLC presented to the Starz Special Committee, dated June 29, 2016 (incorporated herein by reference to Annex D of the joint proxy statement/prospectus)

(d)(1) Agreement and Plan of Merger, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Starz, and Orion Arm Acquisition Inc. (incorporated herein by reference to Annex A of the joint proxy statement/prospectus)

(d)(2) Stock Exchange Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Orion Arm Acquisition Inc., and the stockholders listed on Schedule 1 thereto (incorporated herein by reference to Annex H of the joint proxy statement/prospectus)

(d)(3) Voting Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Starz, Liberty Global plc, and Liberty Global Incorporated Limited (incorporated herein by reference to Annex E-1 of the joint proxy statement/prospectus)

(d)(4) Voting Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Starz, Discovery Communications, Inc., and Discovery Lightning Investments Ltd. (incorporated herein by reference to Annex E-2 of the joint proxy statement/prospectus)

(d)(5) Stock Exchange Agreement, dated as of February 10, 2015, by and among Lions Gate Entertainment Corp., LG Leopard Canada LP and the stockholders listed on Schedule 1 thereto (incorporated by reference to Exhibit 10.1 of Lions Gate's Current Report filed on Form 8-K with the SEC on February 11, 2015)

(d)(6) Voting Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Starz, and the stockholders listed on Schedule A thereto, including certain affiliates of Dr. John C. Malone (incorporated herein by reference to Annex E-3 of the joint proxy statement/prospectus)

(d)(7) Voting Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Starz, and the stockholders listed on Schedule A thereto, including certain affiliates of Mark H. Rachesky, M.D. (incorporated herein by reference to Annex E-4 of the joint proxy statement/prospectus)

(d)(8) Voting Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Starz, LG Leopard Canada LP and the stockholders listed on Schedule A thereto (incorporated herein by reference to Annex F of the joint proxy statement/prospectus)

(d)(9) Voting and Standstill Agreement, dated as of November 10, 2015, by and among Lions Gate Entertainment Corp., Liberty Global plc, Discovery Communications, Inc., Liberty Global Incorporated Limited, Discovery Lightning Investments Ltd., Dr. John C. Malone and affiliates of MHR Fund Management, LLC (incorporated herein by reference to Annex K of the joint proxy statement/prospectus)

(d)(10) Amendment to Voting and Standstill Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., Liberty Global plc, Discovery Lightning Investments Ltd., Dr. John C. Malone, MHR Fund Management, LLC, Liberty Global Incorporated Limited, Discovery Communications, Inc. and certain affiliates of MHR Fund Management, LLC (incorporated herein by reference to Annex L of the joint proxy statement/prospectus)

(d)(11) Investor Rights Agreement, dated as of November 10, 2015, by and among Lions Gate Entertainment Corp., Liberty Global plc, Discovery Communications, Inc., Liberty Global Incorporated Limited, Discovery Lightning Investments Ltd. and affiliates of MHR Fund Management, LLC (incorporated herein by reference to Annex F of the joint proxy statement/prospectus)

(d)(12) Amendment No 1. to Investor Rights Agreement, dated as of June 30, 2016, by and among Lions Gate Entertainment Corp., MHR Fund Management, LLC, Liberty Global Incorporated Limited, Discovery Lightning Investments Ltd., Liberty Global plc, Discovery Communications, Inc., and the affiliated funds of MHR Fund Management, LLC party thereto (incorporated herein by reference to Annex I of the joint proxy statement/prospectus)

(d)(13) Letter Agreement, dated as of November 3, 2016, by and among Lions Gate Entertainment Corp., Starz, and Orion Arm Acquisition Inc. (incorporated herein by reference to Annex M of the joint proxy statement/prospectus)

(f)(1) Section 262 of the General Corporation Law of the State of Delaware (incorporated herein by reference to Annex J of the joint proxy statement/prospectus)

(f)(2) Statutory merger dissenters' rights as described under "Special Factors—Appraisal Rights" (incorporated herein by reference to the joint information statement/prospectus)

(g) None

* Certain portions of this exhibit have been redacted and separately filed with the Securities and Exchange Commission pursuant to a request for confidential treatment.

† Previously filed.

SIGNATURES

After due inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated as of November 7 , 2016

STARZ

By: /s/ David I. Weil
Name: David I. Weil
Title: Chief Legal Officer

LIONS GATE ENTERTAINMENT CORP.

By: /s/ Wayne Levin
Name: Wayne Levin
Title: General Counsel and Chief Strategic Officer

ORION ARM ACQUISITION, INC.

By: /s/ Wayne Levin
Name: Wayne Levin
Title: President, General Counsel and Secretary

DR. JOHN C. MALONE

By: /s/ Dr. John C. Malone

Name: Dr. John C. Malone

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

PRELIMINARY DRAFT
Work in Progress

As of 6/15/2016

Project Galaxy

Presentation on Potential Saturn Transactions

June 15, 2016

RAINE

Confidential information has been omitted and filed separately with the Securities and Exchange Commission.
Confidential treatment has been requested with respect to this omitted information.

The accompanying materials were compiled on a confidential basis by Raine Securities LLC ("Raine") for the use and benefit of the Special Committee of the Board of Directors (the "Special Committee") of Saturn (together with its subsidiaries, the "Company"), in its capacity as such, solely in connection with the Special Committee's evaluation of the potential transaction referred to herein.

Neither Raine nor any of its affiliates, nor any of their respective officers, directors, employees, advisors, agents or representatives, represents or warrants as to the accuracy or completeness of any of the materials set forth herein. Nothing contained in the accompanying materials is, or shall be relied upon as, a promise or representation as to the past, present or future.

It should be understood that these materials, including any valuations and/or estimates or projections contained or referred to herein, were prepared or derived from information supplied by or at the request of Saturn or derived from public sources, without any independent verification by Raine. This information, including any valuations, estimates or projections, involves numerous and significant assumptions and subjective determinations by Saturn and other sources, which may or may not be correct. Raine assumes no responsibility for independent verification of such information and has relied on such information being complete and accurate in all material respects. Accordingly, no representation or warranty, express or implied, can be made or is made by Raine as to the accuracy or completeness of any such information or the achievability of any such valuations and/or estimates or projections. To the extent such information includes any estimates or projections of future financial performance, Raine has assumed that such estimates or projections have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the person preparing such estimates or projections, as the case may be (or, with respect to estimates and forecasts obtained from public sources, that the same represent reasonable estimates). The accompanying material does not represent an opinion as to the prices at which Saturn or any other transaction participant or any interests therein actually would be acquired, sold or traded.

Except where otherwise indicated, this presentation speaks as of the date hereof and is necessarily based upon the information available to Raine and financial, stock market and other conditions and circumstances existing and disclosed to Raine as of the date hereof. Raine does not have any obligation to update, review or reaffirm these materials. The presentation is incomplete without reference to, and should be viewed solely in conjunction with, the oral briefing provided by Raine. Under no circumstances should the delivery of this presentation imply that any information or analyses included in this presentation would be the same if made as of any other date.

These materials are not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. No single analysis contained herein can be deemed more or less important than any other analysis and these analyses must be considered, in their totality, with the oral briefing provided by Raine. Prior to approving any transaction, the Special Committee should determine, without reliance on Raine or its affiliates, the economic risks and merits as well as the legal, tax and accounting characterizations and consequences of any such transaction. In this regard, by accepting these materials, the Special Committee acknowledges that Raine is not in the business of providing (and the Special Committee is not relying on Raine for) legal, tax or accounting advice, and the Special Committee should receive (and rely on) separate and qualified legal, tax and accounting advice. These materials do not constitute an offer or solicitation to sell or purchase any securities.

Raine is not acting in any capacity as a fiduciary or agent of the Special Committee or Saturn or the holder of any interest in Saturn.

In the ordinary course of each of Raine's investment banking and investment management activities, Raine or its affiliates may hold positions in equity, debt or other securities of Saturn or any other company that may be involved in the potential transaction.

THIS PRESENTATION IS CONFIDENTIAL AND WAS NOT PREPARED WITH A VIEW TO PUBLIC DISCLOSURE OR FILING THEREOF UNDER STATE OR FEDERAL SECURITIES LAWS OR OTHERWISE. THIS PRESENTATION MAY NOT BE COPIED BY, OR DISCLOSED OR MADE AVAILABLE TO, ANY PERSON WITHOUT THE PRIOR WRITTEN APPROVAL OF RAINE.

THIS PRESENTATION IS NOT INTENDED TO BE USED OR RELIED UPON, AND SHOULD NOT BE USED OR RELIED UPON, BY ANY PERSON OTHER THAN THE SPECIAL COMMITTEE AND MAY NOT BE USED BY ANY OTHER PERSON WITHOUT PRIOR WRITTEN APPROVAL OF RAINE.

Raine shall not have liability, whether direct or indirect, in contract or tort or otherwise, to any person in connection with this presentation.

Summary of Current Proposals

Represents Series A Shares

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

| | Comet | Luna | Axis | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------------|---|---|---|---------|------|------|-------|----------|---------|---------|---------|---------|---------------|---------|---------|---------|---------|---------------|---------|---------|---------|---------|---------------|---------|---------|---------|---------|--|
| Consideration | <ul style="list-style-type: none"> \$33.00 fixed value, OR 0.60x fixed exchange ratio <ul style="list-style-type: none"> Non-voting shares 100% Stock | <ul style="list-style-type: none"> \$20.00 Cash + 0.566 Luna Shares <ul style="list-style-type: none"> Non-voting shares (to be created) ~62% Cash / 38% Stock | <ul style="list-style-type: none"> Dr. M sells 50% of B shares to Axis <ul style="list-style-type: none"> RB sells 100% of B shares to Axis Dr. M exchanges remaining 50% of B shares to A shares @ 10% premium Saturn issues primary A shares to get Axis to 51% voting Total cash investment of \$700mm | | | | | | | | | | | | | | | | | | | | | | | | | |
| Value (as of 6/13/16) | <ul style="list-style-type: none"> Fixed Value: \$33.00, OR Fixed exchange ratio : <ul style="list-style-type: none"> \$31.27 @ Market \$32.16 @ 30-day VWAP \$32.82 @ 60-day VWAP \$32.74 @ 90-day VWAP | <p style="text-align: center;"><u>Assuming Luna Voting Share Premium of:</u></p> <table border="1"> <thead> <tr> <th></th> <th>0.0%</th> <th>2.5%</th> <th>5.0%</th> <th>10.0%</th> </tr> </thead> <tbody> <tr> <td>@ Market</td> <td>\$32.03</td> <td>\$31.88</td> <td>\$31.74</td> <td>\$31.46</td> </tr> <tr> <td>@ 30-Day VWAP</td> <td>\$32.06</td> <td>\$31.91</td> <td>\$31.77</td> <td>\$31.49</td> </tr> <tr> <td>@ 60-Day VWAP</td> <td>\$31.97</td> <td>\$31.82</td> <td>\$31.68</td> <td>\$31.40</td> </tr> <tr> <td>@ 90-Day VWAP</td> <td>\$31.96</td> <td>\$31.81</td> <td>\$31.67</td> <td>\$31.40</td> </tr> </tbody> </table> | | 0.0% | 2.5% | 5.0% | 10.0% | @ Market | \$32.03 | \$31.88 | \$31.74 | \$31.46 | @ 30-Day VWAP | \$32.06 | \$31.91 | \$31.77 | \$31.49 | @ 60-Day VWAP | \$31.97 | \$31.82 | \$31.68 | \$31.40 | @ 90-Day VWAP | \$31.96 | \$31.81 | \$31.67 | \$31.40 | <ul style="list-style-type: none"> \$28.62 Series A (10% premium) \$33.38 Series B (20% premium) |
| | 0.0% | 2.5% | 5.0% | 10.0% | | | | | | | | | | | | | | | | | | | | | | | | |
| @ Market | \$32.03 | \$31.88 | \$31.74 | \$31.46 | | | | | | | | | | | | | | | | | | | | | | | | |
| @ 30-Day VWAP | \$32.06 | \$31.91 | \$31.77 | \$31.49 | | | | | | | | | | | | | | | | | | | | | | | | |
| @ 60-Day VWAP | \$31.97 | \$31.82 | \$31.68 | \$31.40 | | | | | | | | | | | | | | | | | | | | | | | | |
| @ 90-Day VWAP | \$31.96 | \$31.81 | \$31.67 | \$31.40 | | | | | | | | | | | | | | | | | | | | | | | | |
| Series B Premium | 10% | 10% (stock portion converted to Luna voting stock) | 10% on exchange 17% on share sale relative value | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax Treatment to Shareholders | Tax-free | Taxable | Taxable on sold secondary shares Tax-free to the company | | | | | | | | | | | | | | | | | | | | | | | | | |
| Financing Certainty | No financing required | Requires debt & equity commitment papers for \$2bn cash consideration | Cash available from B/S | | | | | | | | | | | | | | | | | | | | | | | | | |
| Due Diligence Outstanding | Review of un-redacted agreements and Encore information | Financial due diligence in process, entered VDR on Thursday | Has not started | | | | | | | | | | | | | | | | | | | | | | | | | |
| Affiliate Agreements | <ul style="list-style-type: none"> Axis: covenant to not enter renewal longer than 5 years or go dark for 45+ days Charter: 1 year extension TWC: deletion of termination right | <ul style="list-style-type: none"> Axis: stated no conditionality Charter: no conditionality | <ul style="list-style-type: none"> Axis: 5-year extension with 3.75% annual increase | | | | | | | | | | | | | | | | | | | | | | | | | |

Table of Contents

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

-
- I. Saturn – Stock Price & Shareholder Summary
 - II. Saturn – Financial Projections
 - III. Saturn – Preliminary Standalone Valuation

 - IV. Comet – Company Overview
 - V. Comet – Preliminary Standalone Valuation
 - VI. Comet – Preliminary Combination Analysis

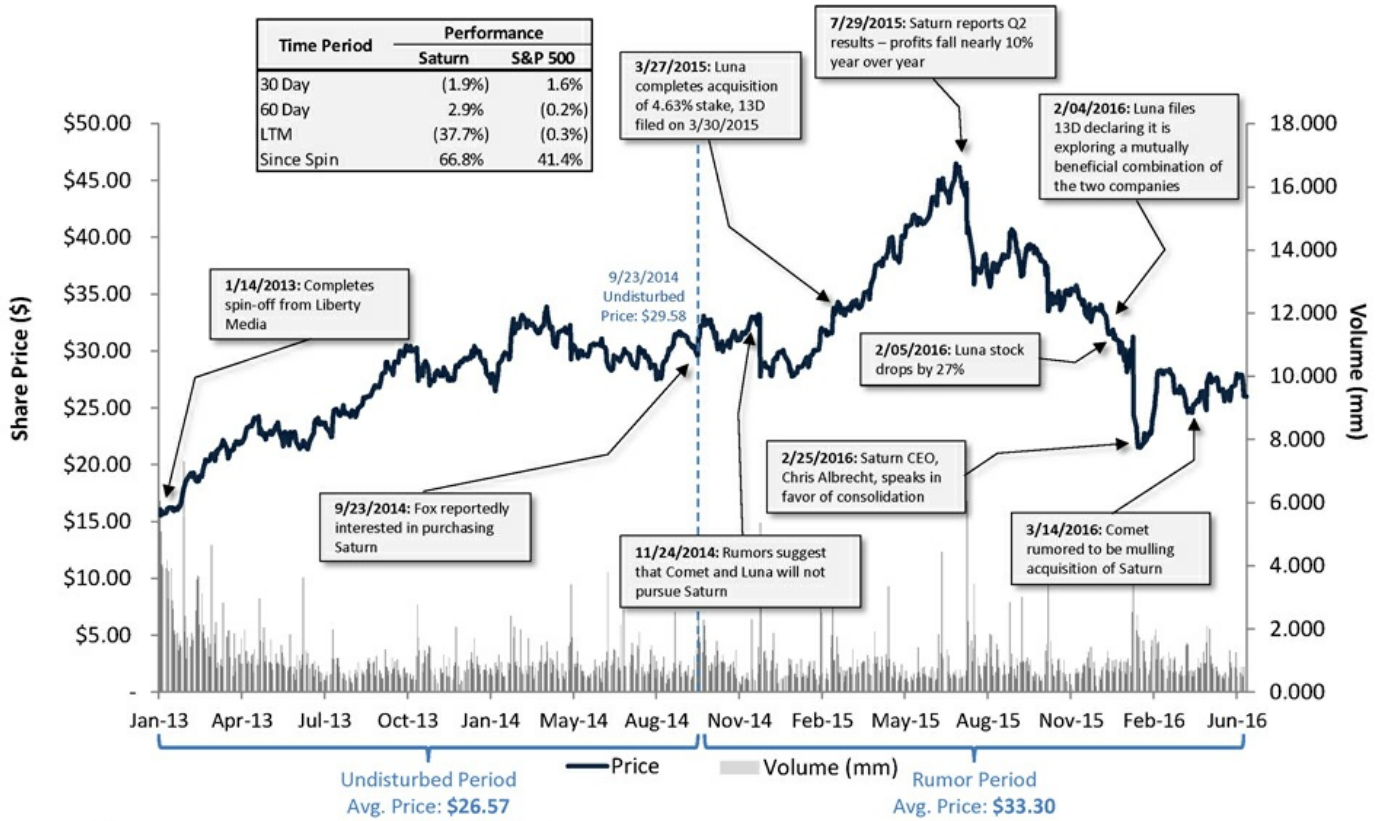
 - VII. Luna – Company Overview
 - VIII. Luna – Preliminary Combination Analysis
- Appendix A: Preliminary Supplemental Valuation Material
Appendix B: Differential Consideration

I. Saturn – Stock Price & Shareholder Summary

Annotated Stock Price Performance

Series A Shares – Since Saturn Spin-off

(\$ per share)



Source: Capital IQ as of June 13, 2016. Comments per publically available information.

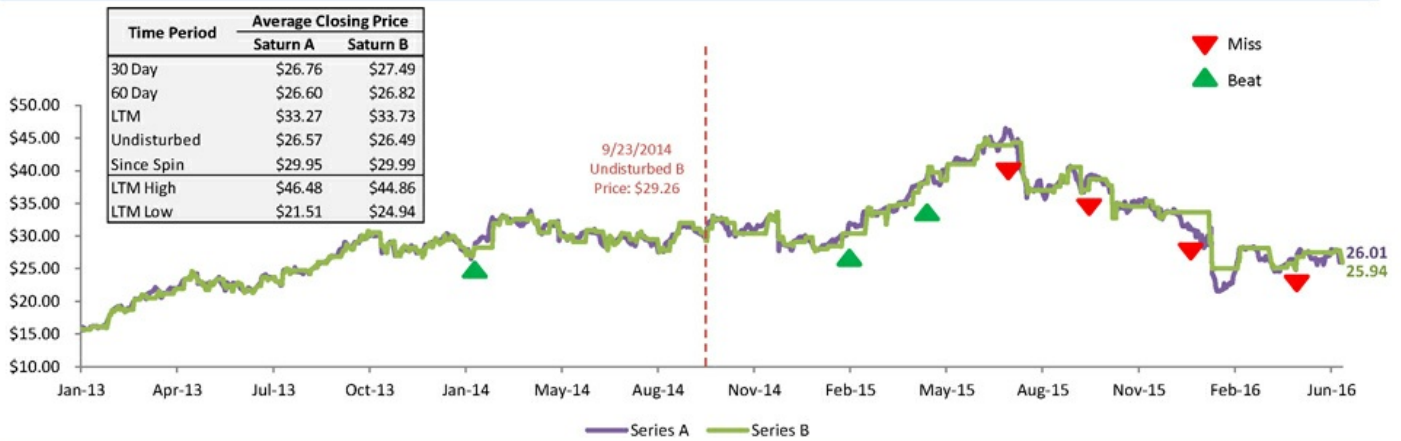
Saturn Stock Price Performance

Since Saturn Spin-off

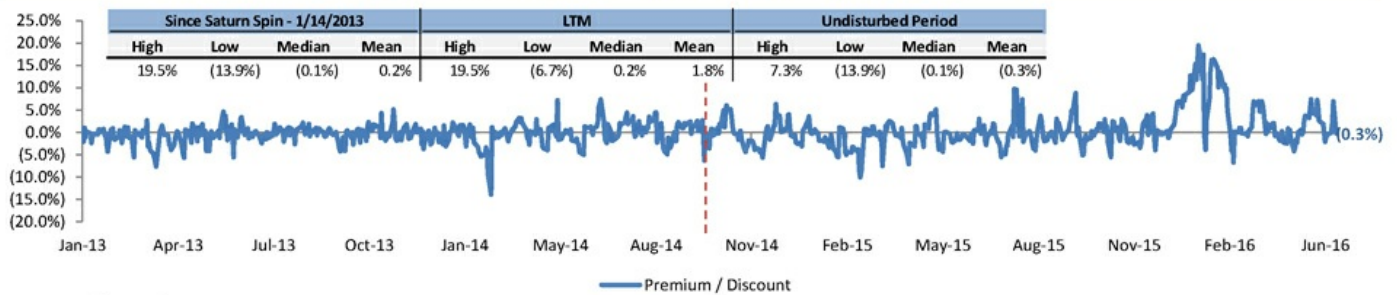
(\$ per share)

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Series A and Series B Share Price Since January 14, 2013



Daily Premium / Discount of Series B Share Price to Series A Share Price

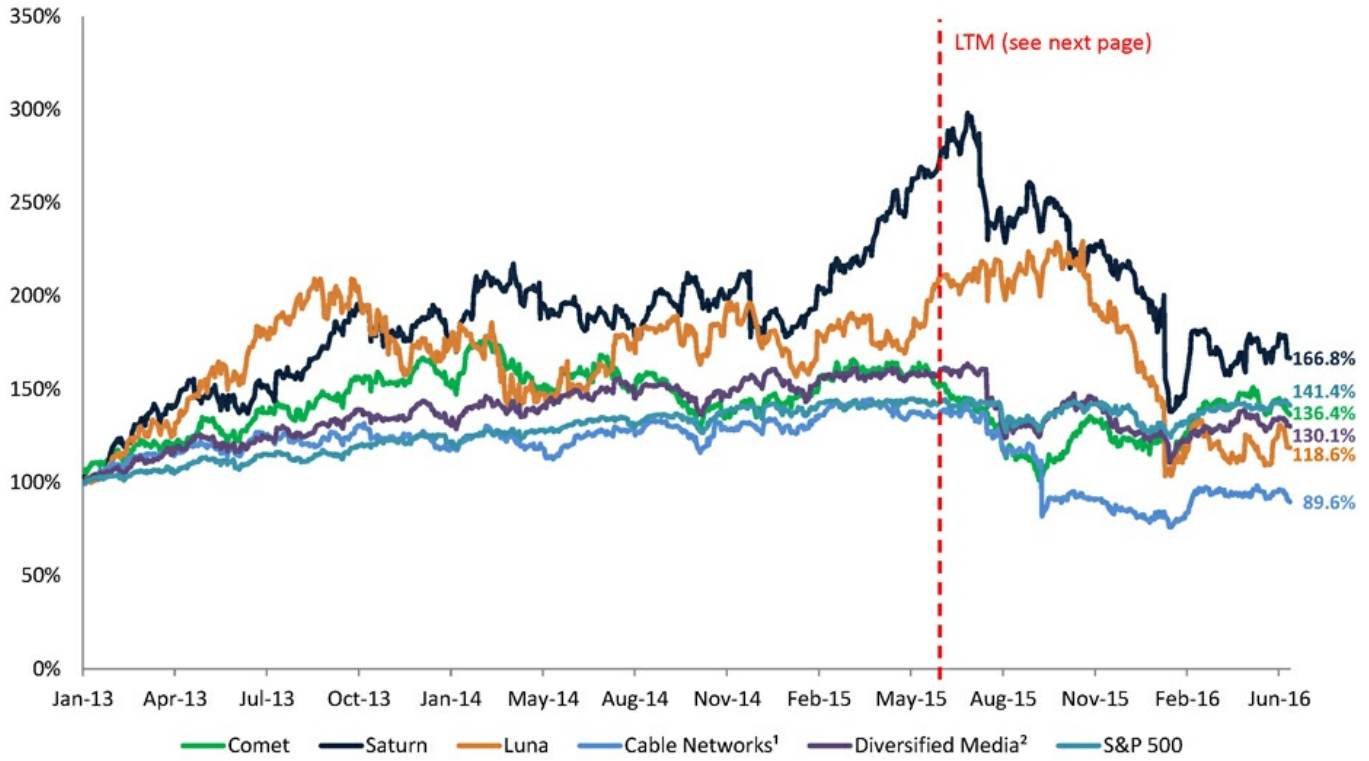


Source: Capital IQ as of June 13, 2016.

Relative Stock Price Performance Since Spin

Saturn Series A, Comet Class B, Luna vs. Industry Peers and S&P 500 Index

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

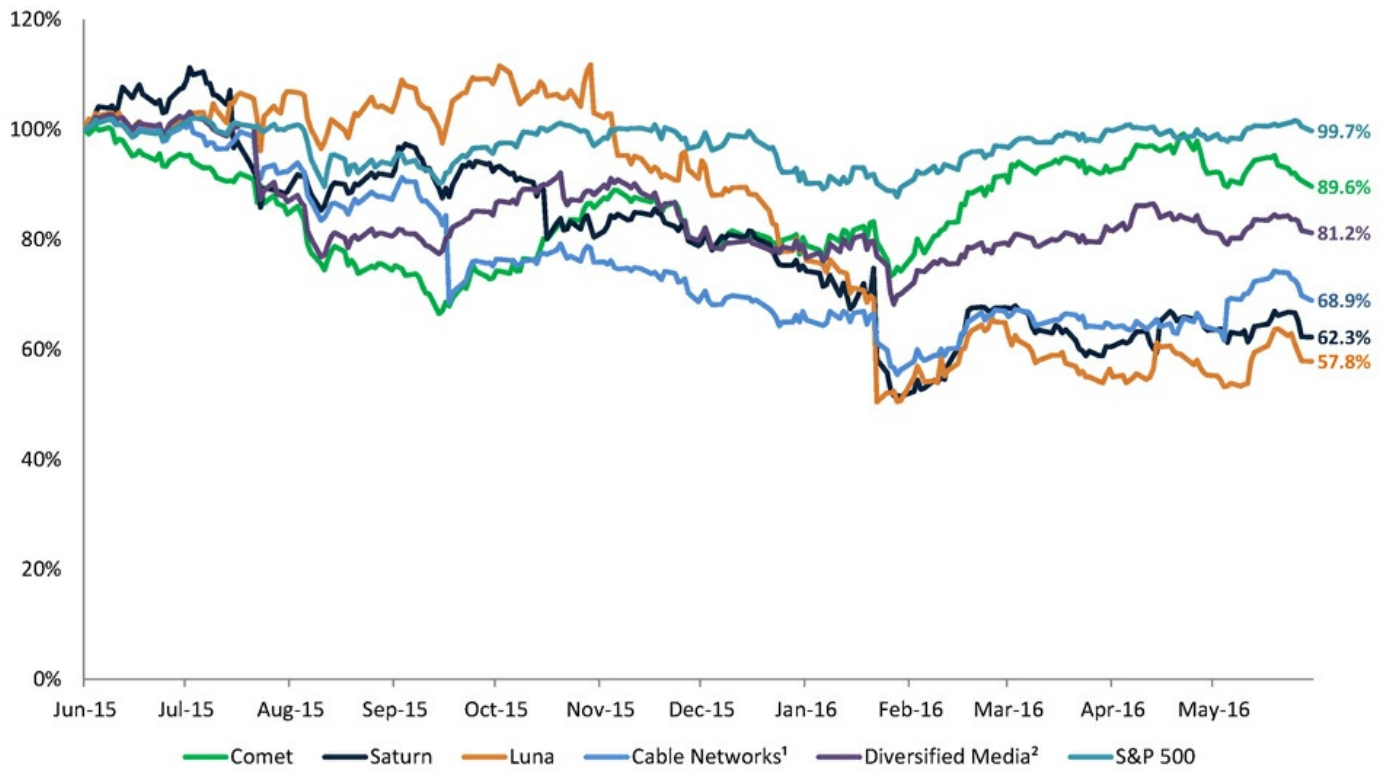


Source: Capital IQ as of June 13, 2016.
¹ AMC Networks, MSG Networks, Scripps, Discovery.
² Time Warner, Fox, Disney, Viacom.

LTM Relative Stock Price Performance

Saturn Series A, Comet Class B, Luna vs. Industry Peers and S&P 500 Index

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT



Source: Capital IQ as of June 13, 2016.

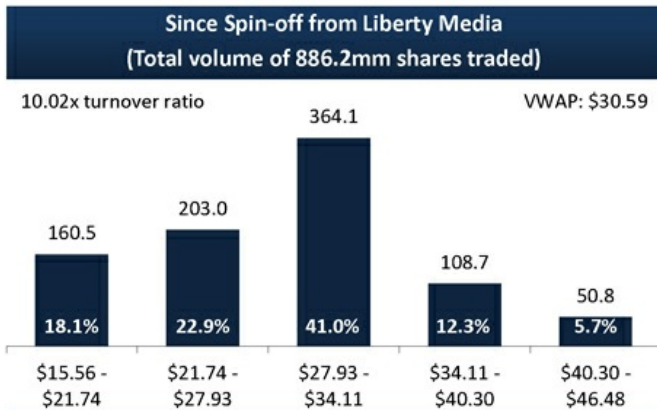
¹ AMC Networks, MSG Networks, Scripps, Discovery.

² Time Warner, Fox, Disney, Viacom.

Recent Trading Activity by Volume

Represents Series A Shares

(\$ per share, units in millions)



Source: Capital IQ as of June 13, 2016.

Saturn Wall Street Research Views

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Analyst Targets

| Date | Firm | Valuation | | Rating | Target Price | % Premium to | % Premium to |
|------------------------------|--------------------------|----------------------|---------------|----------------|----------------|--------------|--------------|
| | | Methodology | Multiple Year | | | Current | Publish Day |
| 4/29/2016 | Deutsche Bank | Blended ¹ | | Buy | \$47.00 | 80.7% | 89.4% |
| 4/29/2016 | FBN Securities | DCF | | Outperform | \$35.38 | 36.0% | 42.5% |
| 4/29/2016 | Evercore ISI | DCF | | Buy | \$33.00 | 26.9% | 33.0% |
| 4/29/2016 | Pivotal Research Group | EBITDA Multiple | 2016 | Buy | \$32.00 | 23.0% | 28.9% |
| 5/2/2016 | CLSA | P/FCF Multiple | 2017 | Outperform | \$31.00 | 19.2% | 13.9% |
| 5/1/2016 | Macquarie | EBITDA Multiple | 2017 | Neutral | \$28.00 | 7.7% | 2.9% |
| 4/29/2016 | Drexel Hamilton | EBITDA Multiple | N/A | Hold | \$27.50 | 5.7% | 10.8% |
| 4/29/2016 | Morgan Stanley | P/FCF Multiple | 2020 | Equal-weight | \$27.00 | 3.8% | 8.8% |
| 4/29/2016 | FBR & Co. | OIBDA Multiple | 2016 | Market Perform | \$26.00 | (0.0%) | 4.8% |
| 4/28/2016 | Pacific Crest Securities | EBITDA Multiple | NTM | Sector Weight | \$26.00 | (0.0%) | 4.8% |
| Average | | | | | \$31.29 | 20.3% | 24.0% |
| Median | | | | | \$29.50 | 13.4% | 12.4% |
| Current Trading Price | | | | | \$26.01 | | |

Source: Wall Street Research and Bloomberg. Current trading price as of 6/13/2016.

¹ Blended valuation methodology of DCF and M&A.

Saturn Shareholder Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

- Holders of Series A and Series B shares are entitled to 1 and 10 votes per share, respectively
- Upon completion of the Q1 2015 share swap, Luna granted an irrevocable proxy to affiliates of Dr. Malone to vote 2,118,038 shares of Series A common stock and 2,590,597 shares of Series B common stock Exchange Shares in matters submitted to a vote of Saturn's shareholders, other than for proposals related to extraordinary transactions, including business combinations, or proposals related to the issuance or sale of securities
- Therefore, Dr. Malone controls 48% of the shareholder vote on an election of directors and 33% of the vote on the proposals related to extraordinary transactions or the issuance or sale of securities, while only maintaining a 6% economic ownership stake

| Shareholder | Series (Shares) | | Series (Economic %) | | Series (Voting %) | |
|---|-------------------|------------------|---------------------|--------------|-------------------|--------------|
| | A | B | A | B | A | B |
| Fidelity Management & Research Company | 12,403,384 | | 12.6% | | 6.6% | |
| ClearBridge Investments | 6,340,512 | | 6.4% | | 3.4% | |
| The Vanguard Group | 5,812,056 | | 5.9% | | 3.1% | |
| Horizon Kinetics | 5,024,545 | | 5.1% | | 2.7% | |
| BlackRock Institutional Trust Company | 2,861,434 | | 2.9% | | 1.5% | |
| Boston Partners | 2,325,745 | | 2.4% | | 1.2% | |
| Luna | 2,118,038 | 2,590,597 | 2.2% | 2.6% | 1.1% | 13.8% |
| Gregory B Maffei | 1,822,456 | | 1.9% | | 1.0% | |
| York Capital Management | 1,445,947 | | 1.5% | | 0.8% | |
| Pinnacle Associates | 1,356,995 | | 1.4% | | 0.7% | |
| TIAA Global Asset Management | 1,355,329 | | 1.4% | | 0.7% | |
| Fidelity Institutional Asset Management | 1,343,618 | | 1.4% | | 0.7% | |
| Voya Investment Management | 1,308,102 | | 1.3% | | 0.7% | |
| State Street Global Advisors (US) | 1,128,138 | | 1.1% | | 0.6% | |
| Columbia Wanger Asset Management | 1,071,259 | | 1.1% | | 0.6% | |
| Two Sigma Investments | 1,052,378 | | 1.1% | | 0.6% | |
| Ratan Capital Management | 985,860 | | 1.0% | | 0.5% | |
| Norges Bank Investment Management | 891,883 | | 0.9% | | 0.5% | |
| John Malone | 136,537 | 6,186,729 | 0.1% | 6.3% | 0.1% | 33.1% |
| Other | 37,790,196 | 1,080,990 | 38.4% | 1.1% | 20.2% | 5.8% |
| Total | 88,574,412 | 9,858,316 | 90.0% | 10.0% | 47.3% | 52.7% |

Source: Company filings, Thomson One, as of 6/10/2016.

Note: Share ownership percentages reflect percent of common shares outstanding (excluding dilutive securities).

Saturn Crossover Analysis

Top 25 Economic Saturn Shareholders

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

| Shareholder | Saturn (Economic %) | Comet (Economic %) | Luna (Economic %) |
|---|------------------------|-----------------------|----------------------|
| Fidelity Management & Research Company | 12.60% | | 5.75% |
| ClearBridge Investments | 6.44% | 0.46% | 1.52% |
| John Malone | 6.42% | | 3.37% |
| The Vanguard Group | 5.90% | 5.45% | 5.03% |
| Horizon Kinetics | 5.10% | 0.06% | |
| Luna | 4.78% | | Company |
| BlackRock Institutional Trust Company | 2.91% | 3.73% | 2.14% |
| Boston Partners | 2.36% | 2.37% | |
| Pinnacle Associates | 1.38% | 0.07% | |
| Fidelity Institutional Asset Management | 1.37% | | 0.01% |
| Voya Investment Management | 1.33% | 0.13% | 0.08% |
| State Street Global Advisors (US) | 1.15% | 3.70% | 0.75% |
| Two Sigma Investments | 1.07% | 0.57% | |
| Ratan Capital Management | 1.00% | | |
| Norges Bank Investment Management | 0.91% | 0.65% | 0.53% |
| Dimensional Fund Advisors | 0.76% | 0.35% | 0.30% |
| Sarbit Advisory Services | 0.72% | | 0.65% |
| Gabelli Funds | 0.69% | 0.97% | 0.02% |
| Naya Management | 0.55% | | 3.70% |
| Neuberger Berman | 0.54% | | 1.57% |
| UBS Securities | 0.14% | 0.09% | 0.19% |
| Morgan Stanley Wealth Management | 0.07% | 1.09% | 0.00% |
| The Boston Company Asset Management | 0.04% | 1.06% | |
| JP Morgan Asset Management | 0.03% | 2.25% | |
| Columbia Threadneedle Investments (US) | 0.01% | 1.31% | 0.14% |

 Represents Saturn Shareholder / Luna Shareholder Crossover

Source: Company filings, Thomson One, as of 6/10/2016.

II. Saturn – Financial Projections

Saturn Financial Summary

Saturn Management Case

(\$ in millions)

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

| | Actuals | | | Management | | | Commentary |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|---|
| | 2013A | 2014A | 2015A | 2016E | 2017E | 2018E | |
| Revenue | | | | | | | |
| 1 Networks | \$1,298 | \$1,312 | \$1,324 | \$1,389 | \$1,484 | \$1,561 | 1 Partner agreements renewed at terms consistent with current agreements; CHTR keeps CHTR and TWX systems under separate agreements through plan period |
| 2 Distribution | 450 | 322 | 354 | 315 | 311 | 311 | |
| 3 Animation | 32 | 32 | 25 | 0 | 0 | 0 | |
| Eliminations | (2) | (1) | (3) | (4) | (7) | (5) | |
| Total Revenue | \$1,778 | \$1,664 | \$1,700 | \$1,700 | \$1,789 | \$1,868 | 2 Assumes Weinstein Co. has four replenishments annually or a total of \$80M and reflects steady state revenue and Adjusted OIBDA; Saturn Originals revenue and adjusted OIBDA based on ultimates |
| YoY Growth (%) | 9.0% | (6.4%) | 2.2% | 0.0% | 5.2% | 4.4% | |
| Expenses | | | | | | | |
| 4 Programming | 632 | 598 | 653 | 633 | 665 | 662 | 3 Reduction due to impact of Film Roman sale in 2015 |
| Operating | 394 | 293 | 300 | 264 | 270 | 266 | |
| Advertising & Marketing | 149 | 144 | 157 | 169 | 177 | 191 | |
| 5 General & Administrative | 125 | 127 | 129 | 144 | 134 | 137 | |
| Total Expenses | \$1,301 | \$1,162 | \$1,239 | \$1,210 | \$1,246 | \$1,255 | 4 Programming costs driven by increase in original content production and reduction of costs associated with Disney output deal |
| YoY Growth (%) | (20.2%) | (10.6%) | 6.6% | (2.3%) | 3.0% | 0.7% | |
| Pre-SBC OIBDA | | | | | | | |
| | \$477 | \$502 | \$462 | \$490 | \$543 | \$612 | 5 Excludes stock based compensation |
| % Margin | 26.8% | 30.1% | 27.1% | 28.8% | 30.3% | 32.8% | |
| YoY Growth (%) | 7.2% | 5.2% | (8.0%) | 6.2% | 10.7% | 12.9% | |
| Stock Based Compensation | 34 | 31 | 33 | 31 | 31 | 30 | |
| Post-SBC OIBDA | | | | | | | |
| | \$443 | \$471 | \$429 | \$460 | \$511 | \$582 | |
| % Margin | 24.9% | 28.3% | 25.2% | 27.0% | 28.6% | 31.2% | |
| Free Cash Flow | | | | | | | |
| Net Income | 250 | 269 | 236 | 247 | 287 | 341 | 6 Excludes investment and cash received from equity investee |
| Net Program Amort. / (Payments) | 181 | 167 | 199 | 198 | 338 | 288 | |
| Net Film/TV Amort. / (Investments) | (90) | (260) | (194) | (272) | (284) | (288) | |
| D&A & Other | 66 | 80 | 53 | 65 | 59 | 50 | |
| Δ Working Capital | (94) | (49) | (44) | 3 | (47) | (47) | |
| Capital Expenditure | (15) | (11) | (17) | (24) | (19) | (13) | |
| Free Cash Flow | \$298 | \$195 | \$233 | \$218 | \$335 | \$332 | |

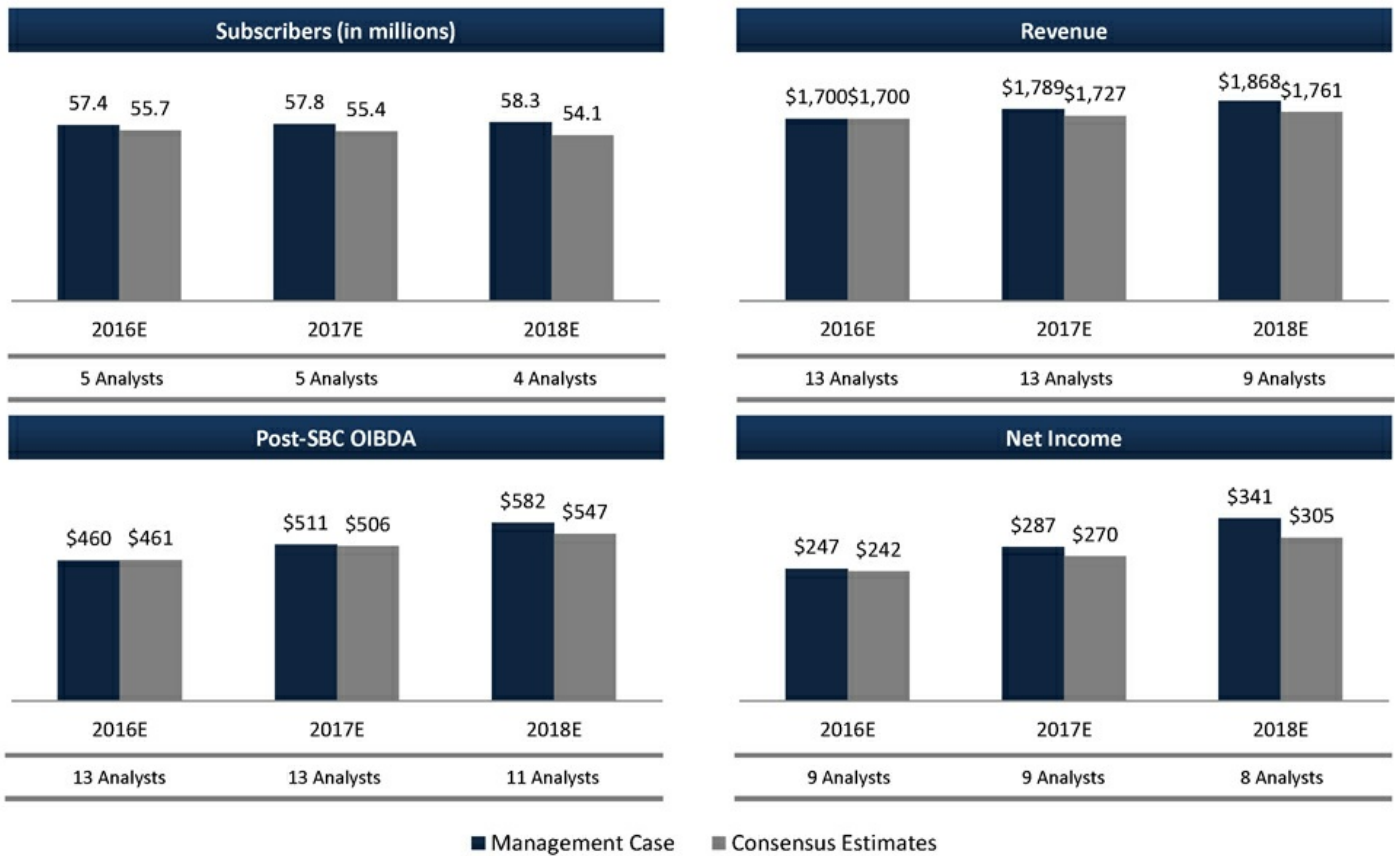
Source: Company management.

Saturn Financial Projections Comparison

Saturn Management Case vs. Consensus Estimates

(\$ in millions, except subscribers)

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT



Source: Company Management, Wall Street Research, Capital IQ.

III. Saturn – Preliminary Standalone Valuation

Saturn Analysis at Various Prices

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Saturn Management Case Projections | Assumes 10% Premium to Series B (High Vote) Shares
(\$ in millions, except per share values) | Calendar Years Ended 12/31

| | | | | | | | |
|--|---------------|---------|---------|---------|---------|---------|---------|
| Series A (Low Vote) Share Price | | \$26.01 | \$28.61 | \$29.91 | \$31.21 | \$32.51 | \$33.81 |
| Premium to: | Metric | | | | | | |
| Share Price (6/13/2016) | | - | 10.0% | 15.0% | 20.0% | 25.0% | 30.0% |
| Undisturbed Price (9/23/2014) | | 29.58 | (12.1%) | (3.3%) | 1.1% | 5.5% | 14.3% |
| Undisturbed Period Avg.(1/14/13 - 9/23/14) | | 26.57 | (2.1%) | 7.7% | 12.6% | 17.5% | 27.3% |
| LTM High | | 46.48 | (44.0%) | (38.4%) | (35.6%) | (32.8%) | (30.1%) |
| LTM Low | | 21.51 | 20.9% | 33.0% | 39.1% | 45.1% | 51.2% |
| LTM Average | | 33.27 | (21.8%) | (14.0%) | (10.1%) | (6.2%) | (2.3%) |

| | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Implied Equity Value | \$2,688 | \$3,002 | \$3,146 | \$3,291 | \$3,435 | \$3,581 |
| Plus: Total Debt | 1,120 | 1,120 | 1,120 | 1,120 | 1,120 | 1,120 |
| Less: Cash | (10) | (10) | (10) | (10) | (10) | (10) |
| Less: Unconsolidated Assets ¹ | (25) | (25) | (25) | (25) | (25) | (25) |
| Total Enterprise Value | \$3,772 | \$4,086 | \$4,231 | \$4,376 | \$4,520 | \$4,666 |

Management

| | <u>Post-SBC OIBDA</u> | <u>TEV / OIBDA Multiple</u> | | | | | |
|-------|-----------------------|-----------------------------|-------|-------|-------|-------|-------|
| LTM | \$400 | 9.4x | 10.2x | 10.6x | 10.9x | 11.3x | 11.7x |
| 2016E | 460 | 8.2 | 8.9 | 9.2 | 9.5 | 9.8 | 10.1 |
| 2017E | 511 | 7.4 | 8.0 | 8.3 | 8.6 | 8.8 | 9.1 |

| | <u>Net Income</u> | <u>P/E Multiple</u> | | | | | |
|-------|-------------------|---------------------|-------|-------|-------|-------|-------|
| LTM | 217 | 17.4x | 18.8x | 19.5x | 20.1x | 20.8x | 21.5x |
| 2016E | 247 | 15.3 | 16.5 | 17.1 | 17.7 | 18.3 | 18.9 |
| 2017E | 287 | 13.1 | 14.2 | 14.7 | 15.2 | 15.7 | 16.2 |

Note: Stock prices per CapitalIQ as of 6/13/2016.

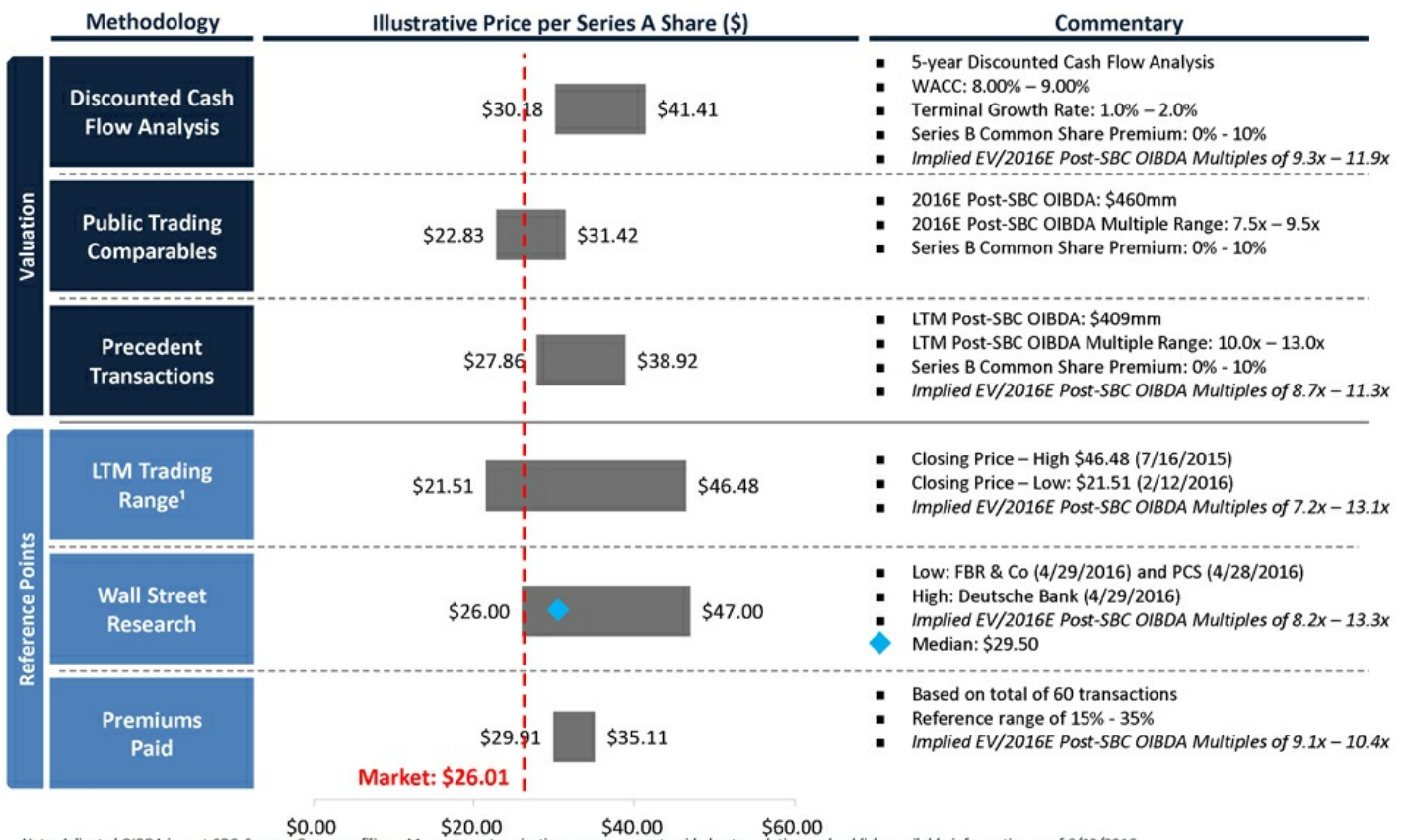
¹ Unconsolidated Assets includes initial PlayCo investment of \$19.1 million followed by advances totaling \$6.3 million.

Saturn Preliminary Valuation Summary

Saturn Management Case

(\$ in millions, except per share values) | Calendar Years Ended 12/31

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT



Note: Adjusted OIBDA is post-SBC. Source: Company filings, Management projections, management guided extrapolation and publicly available information as of 6/13/2016.

¹LTM Trading Range based on high and low date of Saturn Class A.

Saturn Preliminary Discounted Cash Flows Analysis

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Saturn Management Case

(\$ in millions, except per share values) | Calendar Years Ended 12/31

Unlevered Free Cash Flow Overview

| | Management Case | | | Extrapolation Guided by Mgmt. ¹ | | Terminal Year |
|--|-----------------|---------|---------|--|---------|---------------|
| | Q2 - Q4 2016E | 2017E | 2018E | 2019E | 2020E | |
| Revenue | \$1,268 | \$1,789 | \$1,868 | \$1,930 | \$1,995 | \$1,995 |
| % Growth | | 5.2% | 4.4% | 3.3% | 3.4% | |
| Pre-SBC OIBDA | \$363 | \$543 | \$612 | \$633 | \$654 | \$654 |
| % Margin | 28.6% | 30.3% | 32.8% | 32.8% | 32.8% | |
| Less: Stock Based Compensation | (22) | (31) | (30) | (31) | (32) | (32) |
| Post-SBC OIBDA | \$341 | \$511 | \$582 | \$602 | \$622 | \$622 |
| Less: Other income (expense), net | (12) | (4) | 5 | 0 | 0 | 0 |
| Less: D&A | (18) | (24) | (26) | (26) | (26) | (26) |
| EBIT | \$311 | \$484 | \$562 | \$576 | \$596 | \$596 |
| Less: Taxes @ 35.0% | (109) | (169) | (197) | (202) | (209) | (209) |
| Unlevered Net Income | \$202 | \$315 | \$365 | \$375 | \$388 | \$388 |
| Plus: Other non-op. and non-cash items | 22 | 4 | (5) | 0 | 0 | 0 |
| Plus: D&A | 18 | 24 | 26 | 26 | 26 | 26 |
| Plus: Content Amort./Investment | (36) | 55 | 0 | 0 | 0 | 0 |
| Less: Capex | (22) | (19) | (13) | (13) | (13) | (26) |
| Less: Change in Working Capital | 30 | (47) | (47) | (47) | (47) | (47) |
| Unlevered Free Cash Flow | \$215 | \$331 | \$326 | \$340 | \$354 | \$341 |

Implied Price per Share

| Discount Rate | Implied Price per Share (No Series B Premium) | | | | | Implied Price per Share (10% Series B Premium) | | | | |
|---------------|---|---------|---------|---------|---------|--|---------|---------|---------|---------|
| | Perpetuity Growth Rate | | | | | Perpetuity Growth Rate | | | | |
| | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% |
| 8.00% | \$35.76 | \$37.01 | \$38.37 | \$39.83 | \$41.41 | \$35.45 | \$36.69 | \$38.03 | \$39.48 | \$41.05 |
| 8.25% | 34.31 | 35.47 | 36.71 | 38.05 | 39.50 | 34.01 | 35.16 | 36.39 | 37.72 | 39.16 |
| 8.50% | 32.95 | 34.02 | 35.17 | 36.41 | 37.74 | 32.65 | 33.73 | 34.87 | 36.09 | 37.41 |
| 8.75% | 31.66 | 32.67 | 33.74 | 34.89 | 36.11 | 31.37 | 32.38 | 33.45 | 34.58 | 35.80 |
| 9.00% | 30.45 | 31.39 | 32.39 | 33.47 | 34.60 | 30.18 | 31.11 | 32.11 | 33.17 | 34.30 |

Implied Terminal Multiple

| Discount Rate | Implied Terminal Multiple ('20E Post-SBC OIBDA) | | | | |
|---------------|---|-------|-------|-------|-------|
| | Perpetuity Growth Rate | | | | |
| | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% |
| 8.00% | 8.2x | 8.5x | 8.9x | 9.3x | 9.7x |
| 8.25% | 7.9 | 8.2 | 8.6 | 8.9 | 9.3 |
| 8.50% | 7.7 | 8.0 | 8.3 | 8.6 | 9.0 |
| 8.75% | 7.4 | 7.7 | 8.0 | 8.3 | 8.6 |
| 9.00% | 7.2 | 7.5 | 7.7 | 8.0 | 8.3 |

Source: Company Management.

¹ Extrapolation based on guidance from management provided on 6/11/2016.

Note: Valuation as of 3/31/2016.

Saturn Preliminary Comparable Companies Analysis

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in millions, except per share values) | Calendar Years Ended 12/31

| | Market Valuation | | | | Growth Profile | | Key Metrics | | Valuation Metrics | | | | | | Leverage | | |
|---------------------------------|--------------------------|-----------|------------|-----------------|----------------|-------------|-----------------------|--------------|---------------------|-------------|-------------|---------------------------------|--------------|--------------|----------------|--------------|---------------|
| | Stock Price ¹ | % 52 Week | Equity | Adj. Enterprise | CY2016-CY2018 | | Post-SBC OIBDA Margin | | EV / Post-SBC OIBDA | | | Net Income / Equity Value (P/E) | | | Net Debt / LTM | | |
| | 6/13/2016 | High | Value | Value | Revenue | OIBDA | CY2016 | CY2017 | LTM | CY2016 | CY2017 | Avg. | LTM | CY2016 | CY2017 | Avg. | Pre-SBC OIBDA |
| Comet - Consensus | \$ 52.11 | 88.7% | \$ 24,202 | \$ 31,792 | 2.8% | 5.5% | 23.7% | 23.8% | 9.9x | 9.2x | 9.1x | 9.8x | 16.8x | 12.9x | 11.8x | 13.5x | 2.3x |
| Saturn - Management | 26.01 | 55.8% | 2,688 | 3,772 | 1.8% | 9.1% | 27.0% | 28.6% | 9.4 | 8.2 | 7.4 | 7.7 | 12.6 | 10.4 | 8.6 | 10.8 | 2.8x |
| Saturn - Consensus | 26.01 | 55.8% | 2,688 | 3,772 | 1.8% | 13.0% | 25.2% | 27.4% | 9.4 | 8.8 | 8.0 | 8.1 | 12.6 | 10.9 | 8.9 | 10.6 | 2.8x |
| Luna - Management ² | 21.25 | 51.3% | 3,169 | 2,658 | 1.0% | 96.2% | 2.4% | 5.1% | 68.3 | 41.0 | 18.8 | 32.5 | 64.6 | 51.2 | 40.7 | 50.3 | 20.2x |
| Luna - Consensus ² | 21.25 | 51.3% | 3,169 | 2,658 | 4.1% | 54.2% | 4.1% | 8.8% | 68.3 | 25.4 | 11.0 | 20.6 | 64.6 | 38.3 | 18.6 | 31.4 | 20.2x |
| Cable Networks | | | | | | | | | | | | | | | | | |
| Discovery | \$ 25.97 | 74.3% | \$ 16,205 | \$ 23,127 | 6.0% | 5.8% | 37.2% | 37.3% | 9.5x | 9.4x | 8.9x | 9.3x | 16.0x | 12.7x | 11.3x | 13.0x | 3.1x |
| Scripps | 62.89 | 91.9% | 8,154 | 10,962 | 4.3% | 4.0% | 41.1% | 41.0% | 7.6 | 7.9 | 7.5 | 7.7 | 10.5 | 12.1 | 11.5 | 11.4 | 2.4x |
| AMC Networks | 60.05 | 68.9% | 4,470 | 6,892 | 5.1% | 4.4% | 32.3% | 32.2% | 7.9 | 7.7 | 7.3 | 7.6 | 12.3 | 10.1 | 9.3 | 10.4 | 2.6x |
| MSG Networks | 16.58 | 19.3% | 1,256 | 2,474 | 3.8% | 4.8% | 46.6% | 46.6% | 5.7 | 8.0 | 7.8 | 7.0 | 7.4 | 8.1 | 8.1 | 7.9 | 3.1x |
| Cable Networks Median | | | | | 4.7% | 4.6% | 39.1% | 39.1% | 7.8x | 8.0x | 7.7x | 7.6x | 11.4x | 11.1x | 10.3x | 10.9x | 2.8x |
| Diversified Media | | | | | | | | | | | | | | | | | |
| Walt Disney | \$ 97.57 | 79.9% | \$ 160,709 | \$ 174,940 | 5.1% | 5.6% | 30.6% | 30.5% | 10.5x | 10.1x | 9.6x | 10.0x | 18.0x | 16.7x | 15.4x | 16.6x | 0.9x |
| Time Warner | 73.13 | 80.1% | 58,932 | 78,111 | 5.4% | 3.6% | 28.2% | 28.6% | 9.7 | 9.5 | 8.8 | 9.3 | 14.8 | 13.6 | 12.0 | 13.4 | 2.7x |
| Twenty-First Century Fox | 28.91 | 83.3% | 55,304 | 59,758 | 5.8% | 8.1% | 25.1% | 25.4% | 9.4 | 8.4 | 7.9 | 8.5 | 25.0 | 15.1 | 12.8 | 16.3 | 2.3x |
| Viacom | 41.24 | 60.2% | 16,678 | 28,105 | 2.2% | 0.5% | 27.8% | 29.0% | 7.4 | 7.6 | 7.1 | 7.4 | 7.4 | 8.2 | 7.6 | 7.7 | 3.3x |
| Diversified Media Median | | | | | 5.3% | 4.6% | 28.0% | 28.8% | 9.6x | 8.9x | 8.4x | 8.9x | 16.4x | 14.4x | 12.4x | 14.8x | 2.5x |

Source: Public filings and Capital IQ as of 6/13/2016.

¹Stock Price reflects primary stock listing; enterprise value calculation considers all classes of stock.

²Luna debt excludes production loans and only includes convertible debt that is out of the money.

Preliminary Select Precedent Transactions

U.S. Cable Networks

(\$ in millions)

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

| Announced Date | Target | Acquiror | % Acquired | Implied EV | EV / LTM Revenue | EV / LTM OIBDA |
|----------------|---|--------------------------------|------------|-----------------------|-------------------|--------------------|
| 1/22/2014 | Pasiones / Centroamerica TV / TV Dominicana | Hemisphere Media Group | 100.0% | \$100 | 4.3x ¹ | 8.1x ¹ |
| 2/12/2013 | NBCUniversal | Comcast | 49.0% | \$38,936 ² | 1.6x ² | 9.5x ² |
| 3/4/2013 | Outdoor Channel Holdings Inc. | Kroenke Sports & Entertainment | 100.0% | \$208 | 2.7x ³ | 22.8x ³ |
| 12/3/2009 | NBCUniversal | Comcast | 51.0% | \$28,269 ⁴ | 1.8x ⁴ | 10.0x ⁴ |
| 11/5/2009 | Travel Channel | Scripps Interactive | 65.0% | \$975 | 4.5x ⁵ | 15.3x ⁵ |
| Average | | | | | 3.0x | 13.1x |
| Median | | | | | 2.7x | 10.0x |

Source: Filings, Wall Street Research, Publicly Available Information.

¹ Multiples based upon 2013 Revenue and OIBDA.

² Includes adjustments for the Weather Channel and Other unconsolidated investments and third party noncontrolling interests in RSNs per NBCU 2013 10K. Multiples based upon 2012 Revenue and OIBDA.

³ Multiples based upon 2012 Revenue and OIBDA.

⁴ Includes adjustments for AETN and other unconsolidated investments per DB research 12/11/2009 dated. Multiples based upon 2009 Revenue and OIBDA.

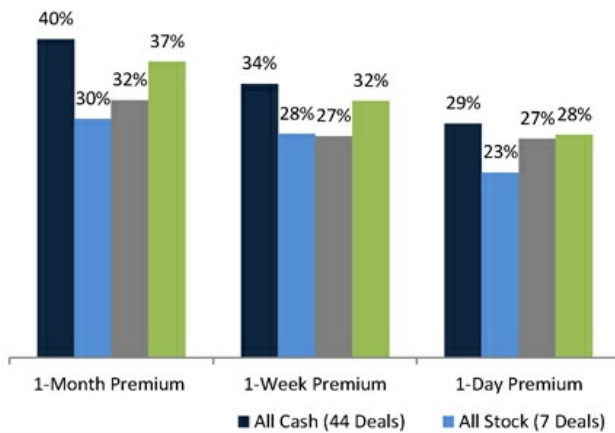
⁵ Multiples based upon 2009 Revenue and OIBDA.

Illustrative Premiums Paid Analysis

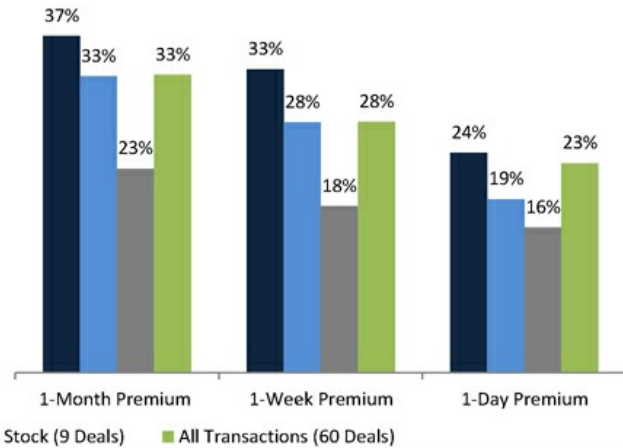
PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Premium Paid for Transactions with Enterprise Value Between \$1.0bn and \$10.0bn

Average (%)



Median (%)



Analysis Criteria

- All publicly announced transactions with a U.S. Target
- Transaction enterprise value between \$1,000mm and \$10,000mm
- Announced within last 10 years (6/8/2006 to 6/8/2016)
- Premium to unaffected price (adjusted for leaks)
- Excludes financial institutions and real estate transactions
- Excludes transactions marketed as mergers-of-equals

Source: CapitalIQ as of 6/10/2016.

IV. Comet – Company Overview

Comet Overview

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

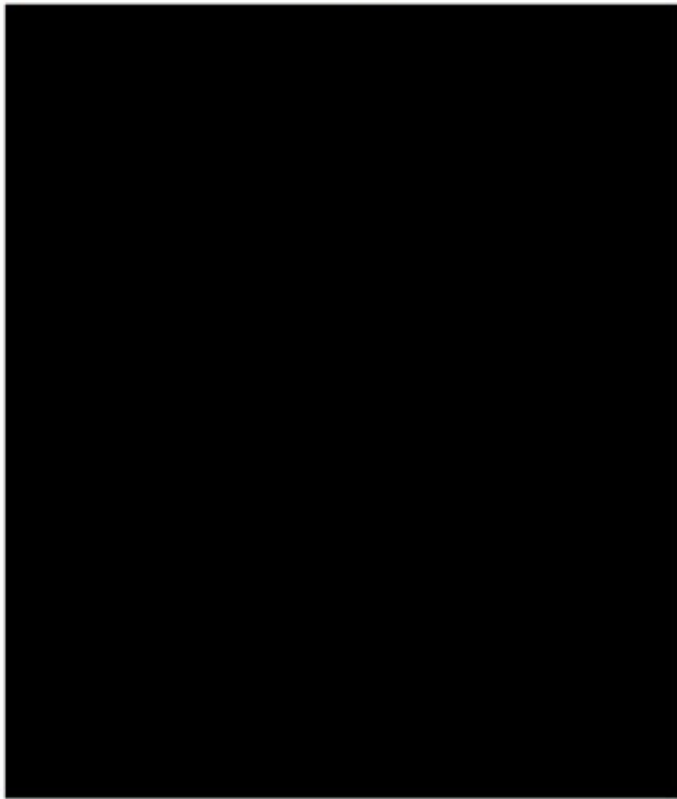
Company Overview

- Comet is a U.S. mass media corporation focused on commercial broadcasting, publishing and television production
- Principal strategy is to create and acquire premium content that is widely accepted by audiences, and to generate both advertising and non-advertising revenues from the distribution of this content on multiple media platforms and to various geographic locations
- Operates businesses including broadcast networks, cable networks, content production and distribution, television and radio stations, Internet-based businesses and consumer publishing
- Owns the currently most-watched television network in the U.S. and one of the world's largest libraries of entertainment content
- Completed spin-off from ██████ in January 2006
- Founded in 1986 and based in New York with 16,260 full-time and part-time salaried employees (as of December 2015)

Recent Developments

- June 2016 – Rumors of a potential merger between ██████ and Comet
- May 2016 – Announcement that Comet is seeking acquisitions
- March 2016 – Rumors Comet is considering multiple strategic alternatives for radio business
- March 2016 – Announcement that the recently launched Comet SVOD service plans to launch three to four original series per year
- February 2016 – ██████ resigns as Executive Chairman, and is replaced by ██████
- January 2016 – Reports that the Company faces shareholder lawsuit regarding the decisions of Comet's board related to ██████

Portfolio



Source: Wall Street Research, Company Filings, Company Website.

Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Comet Business Segments Overview

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in billions) | Calendar Years Ended 12/31

| Segment Overview | | | Segment Allocation ¹ | | |
|------------------|-----------------------------|---|---------------------------------|-------------|--|
| | Segment Description | Key Brands / Properties | 2015A Revenue | 2015A OIBDA | |
| Entertainment | Television Network | <ul style="list-style-type: none"> • Distribution of a comprehensive schedule of broadcast programming to 200+ affiliates • 50/50 JV with [REDACTED] | | | |
| | TV Production & Syndication | | | | <ul style="list-style-type: none"> • Produces, acquires and / or distributes programming worldwide • Multiple JVs for global distribution |
| | Comet Films | | | | <ul style="list-style-type: none"> • Produces, acquires and distributes theatrical motion pictures across all genres • Budget for each film ~\$50mm, plus advertising • Multi-year distribution agreement with Luna |
| | Comet Interactive | | | | <ul style="list-style-type: none"> • Publisher of premium content on the internet, including [REDACTED] |
| Local Broadcast | Television Stations | <ul style="list-style-type: none"> • Owns 30 broadcast TV stations, with several located in the 6 largest U.S. television markets | | | |
| | Radio Stations | <ul style="list-style-type: none"> • Owns and operates 117 radio stations serving 26 U.S. markets with 77% located in the 25 largest U.S. radio markets | | | |
| Cable Networks | Showtime Networks | <ul style="list-style-type: none"> • Premium subscription program services in the U.S. with 78 million subscriptions • Owns majority of [REDACTED] network, which has 34 million subscriptions | | | |
| | Comet Sports Network | | | | <ul style="list-style-type: none"> • 24/7 cable program service that provides sports content, with a strong focus on college sports, to ~55 million subscribers |
| Non-Core Assets | Publishing Business | <ul style="list-style-type: none"> • Publishes and distributes consumer books in printed, digital and audio formats throughout the U.S. and internationally • Offers marketing services, magazine, and restaurants & bars | | | |
| | Other Assets | | | | <ul style="list-style-type: none"> • Offers marketing services, magazine, and restaurants & bars |

Source: SEC filings, Wall Street Research. Subscriber metrics from Comet 2016 10-Q (5/4/2016).
1. Excludes intersegment eliminations and corporate/eliminations.

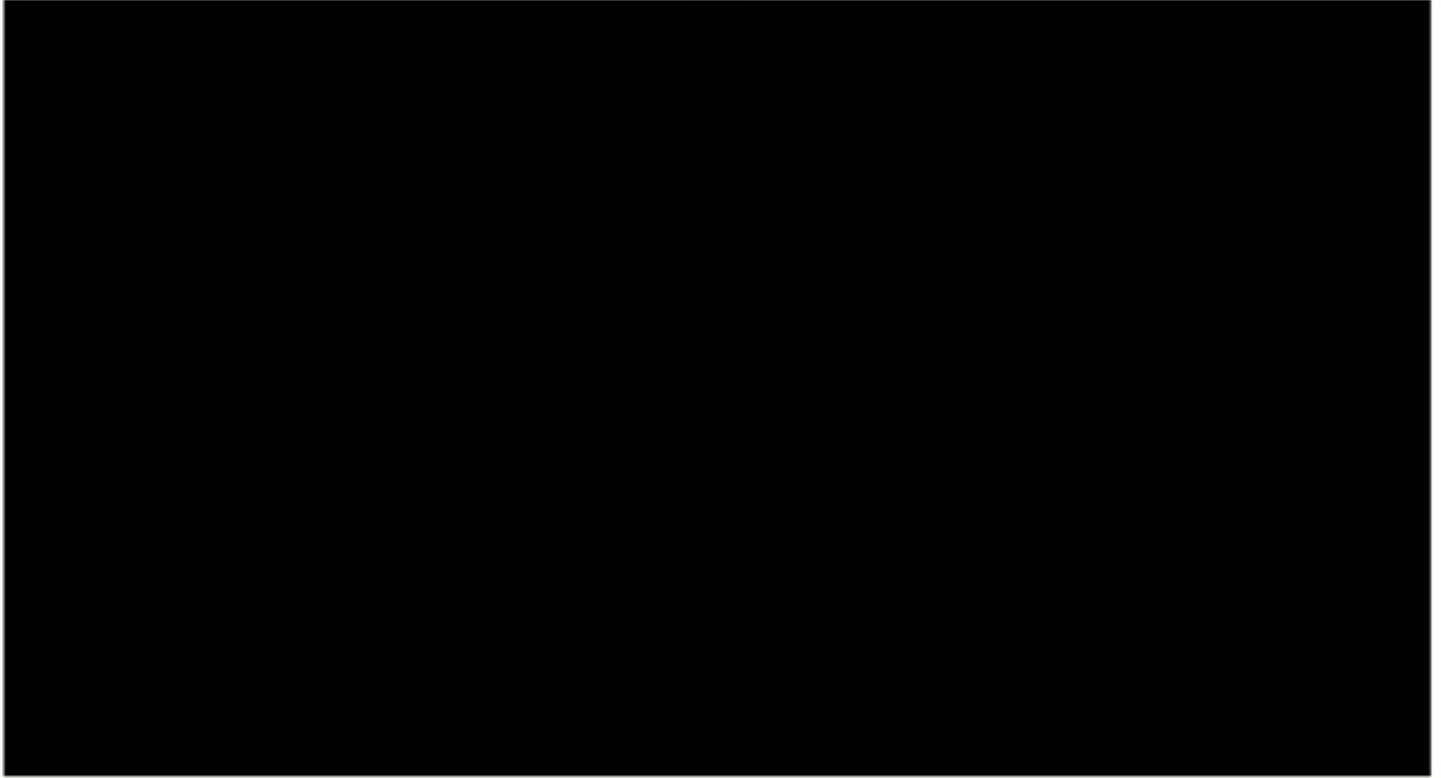
Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Management Team & Board of Directors

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Management Team

Board of Directors



Source: Company Website.

Confidential information has been omitted and filed separately with the Securities and Exchange Commission.
Confidential treatment has been requested with respect to this omitted information.

Comet Shareholder Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

- As of the latest filings, [REDACTED] is the controlling shareholder of Comet, owning 79.5% of the Class A common stock (1 vote per share)
 - [REDACTED], the controlling shareholder, chairman of the board of directors and chief executive officer of [REDACTED] is the Chairman Emeritus of Comet and [REDACTED]
- The Class B common stock is nonvoting; therefore [REDACTED] controls the shareholder vote on matters including the election of directors and approval of transactions which represent a change of control

| Shareholder | Class (Shares) | | Class (Economic %) | | Class (Voting %) | | Saturn Shareholder? |
|--|-------------------|--------------------|--------------------|--------------|------------------|-------------|---------------------|
| | A | B | A | B | A | B | |
| Capital World Investors | | 32,750,165 | | 7.2% | | | |
| The Vanguard Group | 13,654 | 24,660,311 | 0.0% | 5.4% | 0.0% | | ✓ |
| BlackRock Institutional Trust Company | 4,188 | 16,902,054 | 0.0% | 3.7% | 0.0% | | ✓ |
| State Street Global Advisors (US) | | 16,740,382 | | 3.7% | | | ✓ |
| Franklin Mutual Advisers | | 11,912,476 | | 2.6% | | | |
| Boston Partners | | 10,728,773 | | 2.4% | | | ✓ |
| JP Morgan Asset Management | 21,570 | 10,181,658 | 0.0% | 2.2% | 0.1% | | ✓ |
| [REDACTED] | 30,010,939 | 9,446,293 | 6.6% | 2.1% | 79.5% | | |
| Highfields Capital Management | | 8,297,063 | | 1.8% | | | |
| Glenview Capital Management | | 7,823,056 | | 1.7% | | | |
| Chieftain Capital Management | | 6,940,424 | | 1.5% | | | |
| Columbia Threadneedle Investments (US) | | 5,943,842 | | 1.3% | | | ✓ |
| TIAA Global Asset Management | | 5,728,656 | | 1.3% | | | |
| Morgan Stanley Wealth Management | 4,064 | 4,931,688 | 0.0% | 1.1% | 0.0% | | ✓ |
| The Boston Company Asset Management | | 4,817,931 | | 1.1% | | | ✓ |
| Fred Alger Management | | 4,761,737 | | 1.1% | | | |
| Fidelity Management & Research Company | | 4,517,886 | | 1.0% | | | ✓ |
| Gabelli Funds | 3,652,857 | 739,813 | 0.8% | 0.2% | 9.7% | | ✓ |
| Gross Asset Management | 2,174,863 | | 0.5% | 0.0% | 5.8% | | |
| Other | 1,844,769 | 227,489,008 | 0.4% | 50.2% | 4.9% | | |
| Total | 37,726,904 | 415,313,216 | 8.3% | 91.7% | 100.0% | 0.0% | |

Source: Company filings, Thomson One.
Note: As of 6/10/2016.

Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Comet Stock Price Performance

Since January 14, 2013 (Date of Saturn Spin-off)

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Comet B and Comet A Share Price



Daily Premium / Discount of Comet A to Comet B



Source: Capital IQ as of June 13, 2016.

Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Comet Financial Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Comet Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions) | Calendar Years Ended 12/31

Revenue



| Year | Number of Analysts |
|-------|--------------------|
| 2013A | 31 |
| 2014A | 29 |
| 2015A | 18 |

Post-SBC OIBDA



| Year | Number of Analysts |
|-------|--------------------|
| 2013A | 26 |
| 2014A | 26 |
| 2015A | 17 |

Capex



| Year | Number of Analysts |
|-------|--------------------|
| 2013A | 22 |
| 2014A | 21 |
| 2015A | 13 |

Net Income



| Year | Number of Analysts |
|-------|--------------------|
| 2013A | 27 |
| 2014A | 27 |
| 2015A | 15 |

Source: Filings, Capital IQ.

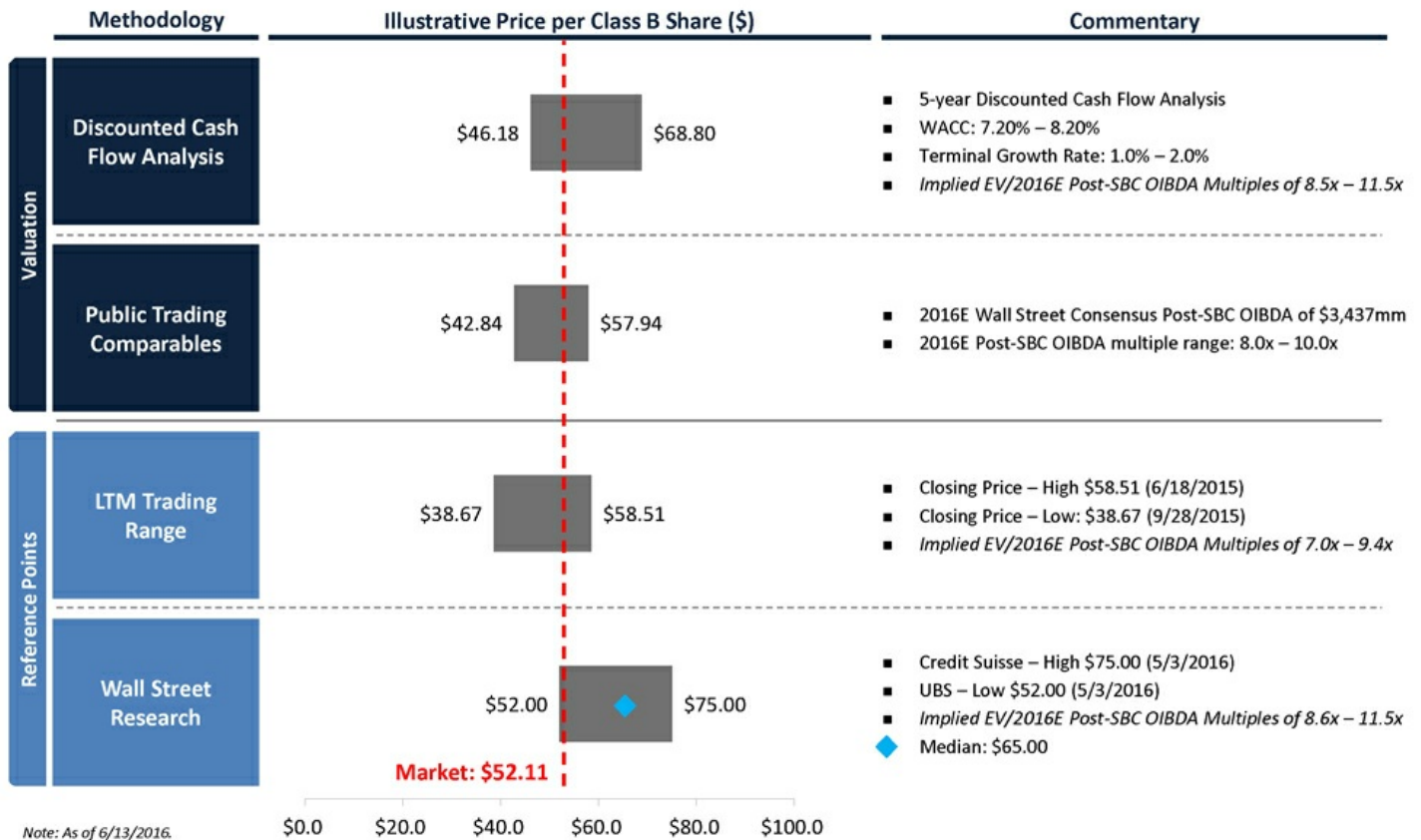
V. Comet – Standalone Valuation

Comet Preliminary Valuation Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Comet Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions, except per share values) | Calendar Years Ended 12/31



Note: As of 6/13/2016.

Source: Company filings, equity research

Comet Preliminary Discounted Cash Flows Analysis

Comet Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions, except per share values) | Calendar Years Ended 12/31

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Unlevered Free Cash Flow Overview

| | Wall Street Projections | | | | | Terminal Year |
|----------------------------------|-------------------------|----------|----------|----------|----------|---------------|
| | Q2 - Q4 2016 | 2017E | 2018E | 2019E | 2020E | |
| Net Revenue | \$10,683 | \$14,724 | \$15,356 | \$16,230 | \$16,887 | \$16,887 |
| % Growth | | 37.8% | 4.3% | 5.7% | 4.0% | 0.0% |
| Adjusted OIBDA (Post-SBC) | \$2,552 | \$3,509 | \$3,824 | \$4,147 | \$4,595 | \$4,595 |
| % Margin | 23.9% | 23.8% | 24.9% | 25.5% | 27.2% | 27.2% |
| Less: D&A | (200) | (264) | (264) | (263) | (264) | (234) |
| EBIT | \$2,353 | \$3,245 | \$3,560 | \$3,883 | \$4,331 | \$4,360 |
| Less: Taxes @ 38.0% | (894) | (1,233) | (1,353) | (1,476) | (1,646) | (1,657) |
| Unlevered Net Income | \$1,459 | \$2,012 | \$2,207 | \$2,408 | \$2,685 | \$2,703 |
| Plus: D&A | 200 | 264 | 264 | 263 | 264 | 234 |
| Less: Capex | (176) | (218) | (231) | (232) | (234) | (234) |
| Less: Change in Working Capital | (800) | (730) | (638) | (496) | (419) | (419) |
| Unlevered Free Cash Flow | \$683 | \$1,328 | \$1,602 | \$1,943 | \$2,296 | \$2,284 |

Implied Price per Share

| Discount Rate | Implied Price per Share (No Premium) | | | | |
|---------------|--------------------------------------|---------|---------|---------|---------|
| | Perpetuity Growth Rate | | | | |
| | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% |
| 7.25% | \$56.96 | \$59.56 | \$62.38 | \$65.45 | \$68.80 |
| 7.50% | 54.05 | 56.44 | 59.02 | 61.82 | 64.87 |
| 7.75% | 51.37 | 53.56 | 55.92 | 58.49 | 61.26 |
| 8.00% | 48.87 | 50.89 | 53.07 | 55.41 | 57.96 |
| 8.25% | 46.55 | 48.42 | 50.42 | 52.58 | 54.91 |

| Discount Rate | Implied Price per Share (10% Premium) | | | | |
|---------------|---------------------------------------|---------|---------|---------|---------|
| | Perpetuity Growth Rate | | | | |
| | 1.0% | 1.3% | 1.5% | 1.8% | 2.0% |
| 7.25% | \$56.50 | \$59.08 | \$61.88 | \$64.93 | \$68.26 |
| 7.50% | 53.62 | 55.99 | 58.55 | 61.32 | 64.35 |
| 7.75% | 50.96 | 53.13 | 55.47 | 58.02 | 60.77 |
| 8.00% | 48.48 | 50.48 | 52.64 | 54.97 | 57.49 |
| 8.25% | 46.18 | 48.03 | 50.02 | 52.16 | 54.47 |

Implied Terminal Multiple

| Discount Rate | Implied Terminal Multiple ('20E Post-SBC OIBDA) | | | | |
|---------------|---|-------|-------|-------|-------|
| | Perpetuity Growth Rate | | | | |
| | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% |
| 7.25% | 8.3x | 8.7x | 9.1x | 9.5x | 10.0x |
| 7.50% | 8.0 | 8.4 | 8.7 | 9.1 | 9.6 |
| 7.75% | 7.7 | 8.0 | 8.4 | 8.8 | 9.2 |
| 8.00% | 7.5 | 7.7 | 8.1 | 8.4 | 8.8 |
| 8.25% | 7.2 | 7.5 | 7.8 | 8.1 | 8.4 |

Source: Morgan Stanley research model for change in net working capital and Capital IQ as of 6/13/2016 for all other metrics.
Note: Valuation as of 3/31/2016.

Comet Preliminary Comparable Companies Analysis

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in millions, except per share values) | Calendar Years Ended 12/31

| | Market Valuation | | | | Growth Profile | | Key Metrics | | Valuation Metrics | | | | | | Leverage | | |
|---------------------------------|--------------------------|-----------|------------|-----------------|----------------|-------------|-----------------------|--------------|---------------------|-------------|-------------|---------------------------------|--------------|--------------|----------------|--------------|---------------|
| | Stock Price ¹ | % 52 Week | Equity | Adj. Enterprise | CY2016-CY2018 | | Post-SBC OIBDA Margin | | EV / Post-SBC OIBDA | | | Net Income / Equity Value (P/E) | | | Net Debt / LTM | | |
| | 6/13/2016 | High | Value | Value | Revenue | OIBDA | CY2016 | CY2017 | LTM | CY2016 | CY2017 | Avg. | LTM | CY2016 | CY2017 | Avg. | Pre-SBC OIBDA |
| Comet - Consensus | \$ 52.11 | 88.7% | \$ 24,202 | \$ 31,792 | 2.8% | 5.5% | 23.7% | 23.8% | 9.9x | 9.2x | 9.1x | 9.8x | 16.8x | 12.9x | 11.8x | 13.5x | 2.3x |
| Saturn - Management | 26.01 | 55.8% | 2,688 | 3,772 | 1.8% | 9.1% | 27.0% | 28.6% | 9.4 | 8.2 | 7.4 | 7.7 | 12.6 | 10.4 | 8.6 | 10.8 | 2.8x |
| Saturn - Consensus | 26.01 | 55.8% | 2,688 | 3,772 | 1.8% | 13.0% | 25.2% | 27.4% | 9.4 | 8.8 | 8.0 | 8.1 | 12.6 | 10.9 | 8.9 | 10.6 | 2.8x |
| Luna - Management ² | 21.25 | 51.3% | 3,169 | 2,658 | 1.0% | 96.2% | 2.4% | 5.1% | 68.3 | 41.0 | 18.8 | 32.5 | 64.6 | 51.2 | 40.7 | 50.3 | 20.2x |
| Luna - Consensus ² | 21.25 | 51.3% | 3,169 | 2,658 | 4.1% | 54.2% | 4.1% | 8.8% | 68.3 | 25.4 | 11.0 | 20.6 | 64.6 | 38.3 | 18.6 | 31.4 | 20.2x |
| Cable Networks | | | | | | | | | | | | | | | | | |
| Discovery | \$ 25.97 | 74.3% | \$ 16,205 | \$ 23,127 | 6.0% | 5.8% | 37.2% | 37.3% | 9.5x | 9.4x | 8.9x | 9.3x | 16.0x | 12.7x | 11.3x | 13.0x | 3.1x |
| Scripps | 62.89 | 91.9% | 8,154 | 10,962 | 4.3% | 4.0% | 41.1% | 41.0% | 7.6 | 7.9 | 7.5 | 7.7 | 10.5 | 12.1 | 11.5 | 11.4 | 2.4x |
| AMC Networks | 60.05 | 68.9% | 4,470 | 6,892 | 5.1% | 4.4% | 32.3% | 32.2% | 7.9 | 7.7 | 7.3 | 7.6 | 12.3 | 10.1 | 9.3 | 10.4 | 2.6x |
| MSG Networks | 16.58 | 19.3% | 1,256 | 2,474 | 3.8% | 4.8% | 46.6% | 46.6% | 5.7 | 8.0 | 7.8 | 7.0 | 7.4 | 8.1 | 8.1 | 7.9 | 3.1x |
| Cable Networks Median | | | | | 4.7% | 4.6% | 39.1% | 39.1% | 7.8x | 8.0x | 7.7x | 7.6x | 11.4x | 11.1x | 10.3x | 10.9x | 2.8x |
| Diversified Media | | | | | | | | | | | | | | | | | |
| Walt Disney | \$ 97.57 | 79.9% | \$ 160,709 | \$ 174,940 | 5.1% | 5.6% | 30.6% | 30.5% | 10.5x | 10.1x | 9.6x | 10.0x | 18.0x | 16.7x | 15.4x | 16.6x | 0.9x |
| Time Warner | 73.13 | 80.1% | 58,932 | 78,111 | 5.4% | 3.6% | 28.2% | 28.6% | 9.7 | 9.5 | 8.8 | 9.3 | 14.8 | 13.6 | 12.0 | 13.4 | 2.7x |
| Twenty-First Century Fox | 28.91 | 83.3% | 55,304 | 59,758 | 5.8% | 8.1% | 25.1% | 25.4% | 9.4 | 8.4 | 7.9 | 8.5 | 25.0 | 15.1 | 12.8 | 16.3 | 2.3x |
| Viacom | 41.24 | 60.2% | 16,678 | 28,105 | 2.2% | 0.5% | 27.8% | 29.0% | 7.4 | 7.6 | 7.1 | 7.4 | 7.4 | 8.2 | 7.6 | 7.7 | 3.3x |
| Diversified Media Median | | | | | 5.3% | 4.6% | 28.0% | 28.8% | 9.6x | 8.9x | 8.4x | 8.9x | 16.4x | 14.4x | 12.4x | 14.8x | 2.5x |

Source: Public filings and Capital IQ as of 6/13/2016.

¹Stock Price reflects primary stock listing; enterprise value calculation considers all classes of stock.

²Luna debt excludes production loans and only includes convertible debt that is out of the money.

Comet Research Target Prices

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Analyst Targets

| Date | Firm | Valuation Methodology | Multiple Year | Rating | Target Price | % Premium to | |
|------------------------------|------------------------|-----------------------|---------------|------------|----------------------|--------------|--------------|
| | | | | | | Current | Publish Day |
| 5/3/2016 | Credit Suisse | EBITDA Multiple | 2016 | Outperform | \$75.00 | 43.9% | 34.7% |
| 5/4/2016 | RBC Capital Markets | EBITDA Multiple | 2016/2017 | Outperform | \$70.00 | 34.3% | 25.8% |
| 5/20/2016 | Telsey Advisory Group | Blended ¹ | | Outperform | \$67.00 | 28.6% | 28.6% |
| 5/16/2016 | Topeka Capital Markets | EBITDA Multiple | 2017 | Buy | \$66.00 | 26.7% | 23.4% |
| 5/4/2016 | Deutsche Bank | DCF | | Buy | \$65.00 | 24.7% | 16.8% |
| 5/4/2016 | Wells Fargo | DCF | | Outperform | \$65.00 ⁴ | 24.7% | 16.8% |
| 5/4/2016 | Evercore ISI | DCF | | Buy | \$65.00 | 24.7% | 16.8% |
| 5/4/2016 | Wedbush | Sum-of-the-Parts | | Outperform | \$65.00 | 24.7% | 16.8% |
| 5/3/2016 | Macquarie | P/E Multiple | N/A | Outperform | \$65.00 | 24.7% | 16.8% |
| 5/3/2016 | PiperJaffray | DCF | | Overweight | \$65.00 | 24.7% | 16.8% |
| 5/4/2016 | BMO Capital Markets | Blended ³ | | Outperform | \$63.00 | 20.9% | 13.2% |
| 5/4/2016 | Guggenheim | P/E Multiple | 2016 | Buy | \$63.00 | 20.9% | 13.2% |
| 5/4/2016 | JP Morgan | P/E Multiple | 2017 | Overweight | \$62.00 | 19.0% | 11.4% |
| 5/4/2016 | Morgan Stanley | EBITDA Multiple | 2016 | Overweight | \$61.00 | 17.1% | 9.6% |
| 5/4/2016 | Cowen and Company | Blended ² | | Outperform | \$59.00 | 13.2% | 6.0% |
| 5/3/2016 | UBS | DCF | | Neutral | \$52.00 | (0.2%) | (6.6%) |
| Average | | | | | \$64.25 | 23.3% | 16.2% |
| Median | | | | | \$65.00 | 24.7% | 16.8% |
| Current Trading Price | | | | | \$52.11 | | |

Source: Wall Street Research and Bloomberg. Current trading price as of 6/13/2016.

¹ Blended valuation methodology including DCF, P/E Multiple, EBITDA Multiple, PEG Multiple, P/FCF Multiple, and Sum-of-the-Parts. Price target is the average of P/E Multiple and DCF.

² Blended valuation methodology including DCF, P/E Multiple and EBITDA Multiple.

³ Blended valuation methodology including DCF, P/E Multiple, EBITDA Multiple, and Sum-of-the-Parts.

⁴ Midpoint of valuation range of \$64.00 to \$66.00.

RAINE

34

VI. Comet – Combination Analysis

Preliminary Comet + Saturn – 100% Stock

PRIVATE AND CONFIDENTIAL

PRELIMINARY DRAFT

Saturn Mngmt. Case & Comet Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions, except per share values) | Calendar Years Ended 12/31 | Excludes Synergies

| | Comet @ Market | \$33 Fixed Value Offer | | 0.60x Exchange Ratio Offer @ Market | |
|---|-------------------|-------------------------|--------------------|-------------------------------------|--------------------|
| | | Saturn @ Comet Offer | Pro Forma Comet | Saturn @ Comet Offer | Pro Forma Comet |
| Low Vote Share Price | \$52.11 | \$33.00 | \$52.11 | \$31.27 | \$52.11 |
| % Premium to Market | 0.0% | 26.9% | 0.0% | 20.2% | 0.0% |
| Equity Value | \$24,202 | \$3,489 | \$27,691 | \$3,297 | \$27,498 |
| Plus: Total Debt | \$8,323 | \$1,120 | \$9,443 | \$1,120 | \$9,443 |
| Less: Cash | (411) | (10) | (421) | (10) | (421) |
| Minority Interest / (Uncon. Asset) | (322) | (25) | (347) | (25) | (347) |
| Total Enterprise Value | \$31,792 | \$4,574 | \$36,366 | \$4,382 | \$36,173 |
| Valuation & Leverage Metrics | | | | | |
| Enterprise Value / 2016E Post-SBC OIBDA | 9.2x | 9.9x | 9.3x | 9.5x | 9.3x |
| Enterprise Value / 2017E Post-SBC OIBDA | 9.1 | 8.9 | 9.0 | 8.6 | 9.0 |
| 2016E EPS Accretion / (Dilution) | | | (1.1%) | | (0.4%) |
| Net Debt / 2016E Pre-SBC OIBDA | 2.2x | 2.3x | 2.2x | 2.3x | 2.2x |
| Economic Ownership | | | | | |
| Comet | 100.0% | 0.0% | 87.3% | 0.0% | 88.0% |
| Saturn | 0.0% | 100.0% | 12.7% | 100.0% | 12.0% |

Implied Saturn Price @ 0.60x Fixed Exchange Ratio:

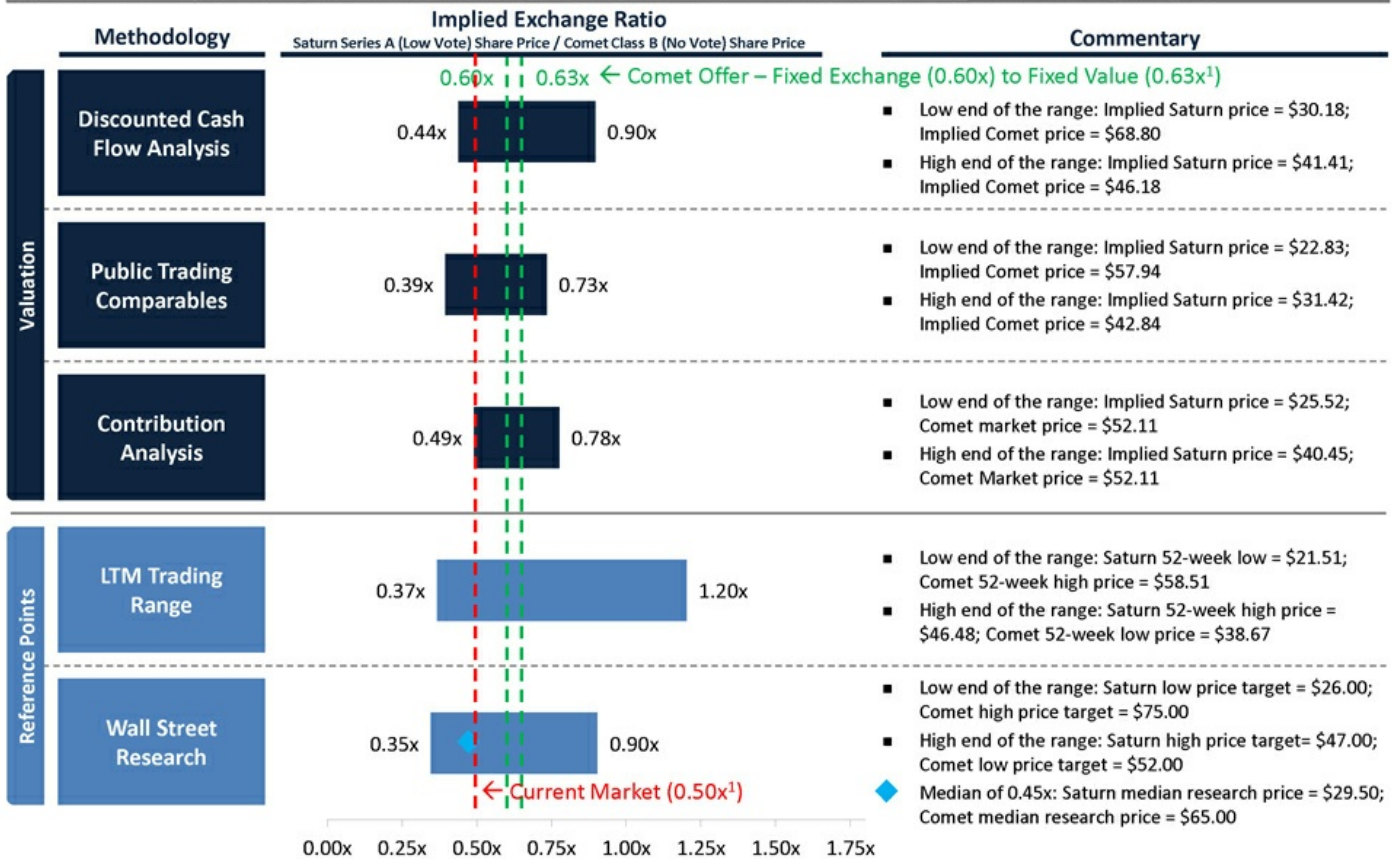
- \$31.27 @ Market
- \$32.16 @ 30-day VWAP
- \$32.82 @ 60-day VWAP
- \$32.74 @ 90-day VWAP

Source: Management projections and Wall Street Research. Current trading price as of 6/13/2016.

Preliminary Implied Exchange Ratio Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Saturn Mngmt. Case & Comet Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE
(\$ in millions, except per share values) | Calendar Years Ended 12/31 | Excludes Synergies

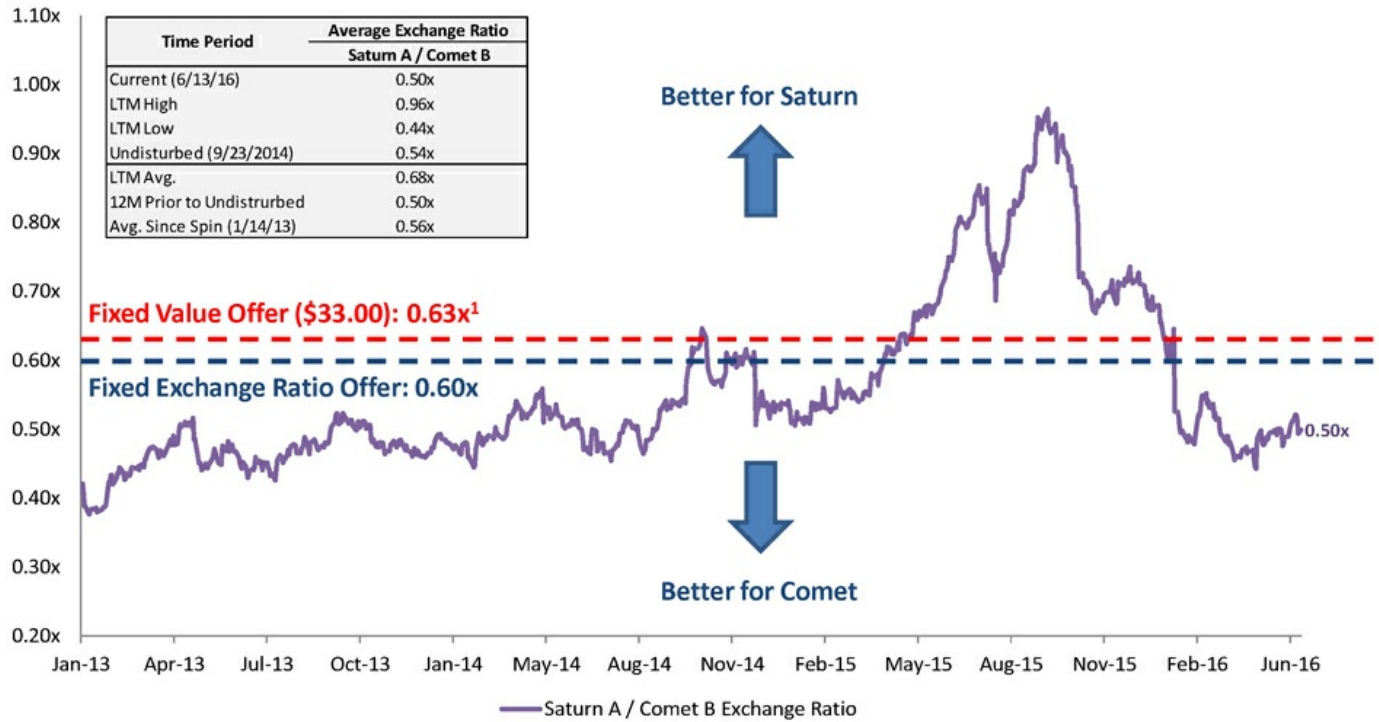


Source: Company filings, Management projections, Wall Street research.
Notes: Data as of 6/13/2016.
¹ Based on market prices as of 6/13/2016.

Saturn Series A / Comet B Exchange Ratio

Since Saturn Spin-off from Liberty Media

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT



Source: Capital IQ as of June 13, 2016.
¹ Based on market price as of 6/13/2016.

Preliminary Contribution Analysis

PRIVATE AND CONFIDENTIAL

PRELIMINARY DRAFT

Saturn Mngmt. Case & Comet Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions) | Calendar Years Ended 12/31

| | Comet | Saturn | Pro Forma Combined | Implied Exchange | Contribution (%) |
|-----------------------|----------|---------|--------------------|------------------|------------------|
| Revenue | | | | | |
| LTM | \$14,235 | \$1,735 | \$15,970 | 0.52x | 89% 11% |
| 2016E | 14,532 | 1,700 | 16,232 | 0.49x | 90% 10% |
| 2017E | 14,724 | 1,789 | 16,513 | 0.51x | 89% 11% |
| Adjusted OIBDA | | | | | |
| LTM | \$2,777 | \$433 | \$3,210 | 0.70x | 87% 13% |
| 2016E | 3,437 | 460 | 3,897 | 0.58x | 88% 12% |
| 2017E | 3,509 | 511 | 4,020 | 0.65x | 87% 13% |
| Net Income | | | | | |
| LTM | \$1,334 | \$217 | \$1,551 | 0.78x | 85% 15% |
| 2016E | 1,870 | 247 | 2,118 | 0.59x | 88% 12% |
| 2017E | 2,040 | 287 | 2,328 | 0.63x | 88% 12% |

Source: Comet per Capital IQ consensus estimates as of 6/13/2016. Saturn per company management.

VII. Luna – Company Overview

Company Overview

- Leading global entertainment company with a strong and diversified presence in motion picture production and distribution, television programming and syndication, home entertainment, family entertainment, digital distribution, new channel platforms and international distribution and sales
- Has become one of the major independent studios for leading intellectual property owners, third-party distributors and digital platforms
- The Company's feature films have grossed more than \$7 billion at the global box office over the past four years, and Luna and its predecessor companies have earned 77 Academy Award® nominations and 20 Oscar wins
- 16,000-title film and television library, one of the biggest content catalogues in the world
- Focused on expanding into location-based entertainment, video games and virtual reality to extend the longevity of existing franchises awhile identifying exciting new properties

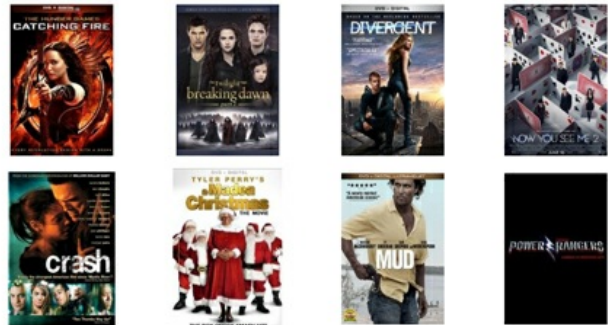
Recent Developments

- June 2016 – The Company announces it is seeking acquisitions
- April 2016 – Confirmed significant output agreement with Fox Networks Group's Pay TV and Basic Cable channels across LatAm
- March 2016 – Announced partnership with Comic-Con International for newly named subscription video-on-demand (SVOD) platform
- February 2016 – Luna rumored to be seeking acquisition of Saturn
- January 2016 – Investments in film ticketing company Atom Tickets and video gaming company Next Games Oy
- November 2015 – Acquired majority stake in Pilgrim Studios, Inc.

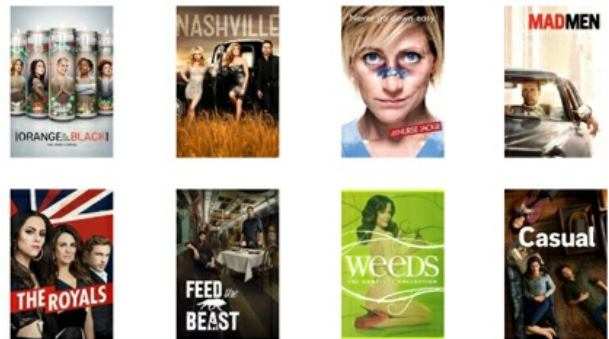
Source: Wall Street Research, Company Filings, Company Website.

Illustrative Key Properties

Earned 70 Academy Award Nominations and 20 Academy Award Wins

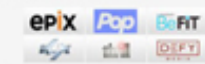


Earned 186 Emmy nominations and 29 Primetime Emmy wins



Luna Business Segments Overview

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

| Segment | Description |
|--|--|
| MOVIES  | <ul style="list-style-type: none"> Diverse theatrical slate of tentpole, star-driven event films and branded properties includes 15 – 20 wide releases each year from its Luna and Summit Entertainment labels, and another 25 or more films annually from the Company's other six labels and partnerships Has released three of the four biggest young adult franchises of the past decade Reach a global audience through an international distribution infrastructure in the UK, Latin America and nearly 20 theatrical output agreements globally, and strong distribution partnerships with leading companies in China and India |
| TV  | <ul style="list-style-type: none"> Leading supplier of premium content to cable, broadcast and digital platforms Grown from \$8mm in revenue in 2000 to nearly \$700mm in fiscal 2016, a compounded annual growth rate of over 20% Programming roster includes nearly 80 shows on 40 different U.S. networks with 15 new scripted series planned for this year Building a nonfiction business alongside its premium scripted programming, with investment in leading reality producer Pilgrim Studios Has become a leading source of content for its own portfolio of channels as well (<i>Graves / EPIX; Nightcap / POP</i>, etc.) |
| HOME ENTERTAINMENT  | <ul style="list-style-type: none"> New distribution and replication agreements with Fox and Cinram Capitalizes on new technology, pioneering new business models and creating new windowing and pricing strategies to adapt to changing viewer habits Home Ent. business finished among the top five major studios in 2012, driven by <i>Hunger Games</i> and <i>Twilight</i> franchises |
| CHANNELS  | <ul style="list-style-type: none"> Launched its emerging channel business in 2006 as an extension of its growing content business, taking equity positions in nine branded channels globally Includes Pop, the JV between Comet and Luna, as well as EPIX, which is operated with partners Viacom and MGM |
| INTERNATIONAL  | <ul style="list-style-type: none"> Global network of output deals with blue-chip partners in France, Germany, Spain, Benelux, Scandinavia, Russia, Poland and Austria/New Zealand that mitigate risk and increase the Company's international theatrical visibility Operates a self-distribution company in the U.K. and a JV with IDC serving the LatAm marketplace Partnered with Astro's Celestial Pictures serving Asia and with Universal Pictures for film distribution and Celestial Tiger for Channel delivery in India |

Source: Company Website, Wall Street Research.

Management Team & Board of Directors

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Management Team



Jon Feltheimer
Chief Executive Officer



Michael Burns
Vice Chairman



Steve Beeks
Co-Chief Operating Officer & Co-President, Motion Picture Group



Brian Goldsmith
Co-Chief Operating Officer



Wayne Levin
General Counsel and Chief Strategic Officer



James W. Barge
Chief Financial Officer

Board of Directors

Michael Burns
Vice Chairman

Dr. John C. Malone
Chairman of the Board, Liberty Media Corporation

Gordon Crawford
Formerly, Senior Vice President, Capital Research Management

G. Scott Paterson
Vice Chairman, Neulion Inc.

Arthur Evrensel
Partner, Michael, Evrensel & Pawar LLP

Mark H. Rachesky, M.D.
President and Founder, MHR Fund Management LLC

Jon Feltheimer
Chief Executive Officer

Daryl Simm
Chairman and CEO, Omnicom Media Group

Emily Fine
Principal, MHR Fund Management LLC

Hardwick Simmons
Formerly Chairman and CEO, NASDAQ

Michael T. Fries
President and Chief Executive Officer, Liberty Global

Phyllis Yaffe
Formerly CEO, Alliance Atlantis Communications

Harald Ludwig
President and CEO, Malcuan Capital Corporation

David M. Zaslav
Chief Executive, Discovery Communications

Source: Company Website.

RAINE

43

Luna Shareholder Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

- John Malone owns an effective 5% of Luna through his pro-rata voting interests in Discovery Communications (29% of voting rights) and Liberty Global (26% of voting rights)
- Malone and his affiliates have four board seats at Luna equivalent to 29% of the directors
 - Affiliates include Luna CEO Jon Feltheimer (who sits on the board of Saturn), Liberty CEO Michael Fries, and Discovery CEO David Zaslav

| Shareholder | Shares | % | Saturn Shareholder? |
|--|--------------------|---------------|---------------------|
| MHR Fund Management | 30,211,049 | 20.5% | |
| Capital World Investors | 8,819,000 | 6.0% | |
| Fidelity Management & Research Company | 8,468,505 | 5.8% | ✓ |
| Capital Research Global Investors | 7,829,000 | 5.3% | |
| The Vanguard Group | 7,403,290 | 5.0% | ✓ |
| Naya Management | 5,443,495 | 3.7% | ✓ |
| Discovery Communications, Inc. | 5,000,000 | 3.4% | |
| Liberty Global | 5,000,000 | 3.4% | |
| John Malone | 4,967,695 | 3.4% | ✓ |
| Kornitzer Capital Management | 4,613,348 | 3.1% | |
| Fairpointe Capital | 4,397,602 | 3.0% | |
| Shapiro Capital Management | 3,341,300 | 2.3% | |
| BlackRock | 3,145,992 | 2.1% | ✓ |
| Jefferies | 3,103,300 | 2.1% | |
| LLBH Private Wealth Management | 3,051,416 | 2.1% | |
| Matrix Capital Management Company | 2,786,400 | 1.9% | |
| Neuberger Berman | 2,315,179 | 1.6% | ✓ |
| ClearBridge Investments | 2,231,884 | 1.5% | ✓ |
| Calamos Advisors | 1,951,074 | 1.3% | |
| Michael Raymond Burns | 1,693,356 | 1.2% | |
| Other | 31,454,912 | 21.4% | |
| Total | 147,227,797 | 100.0% | |

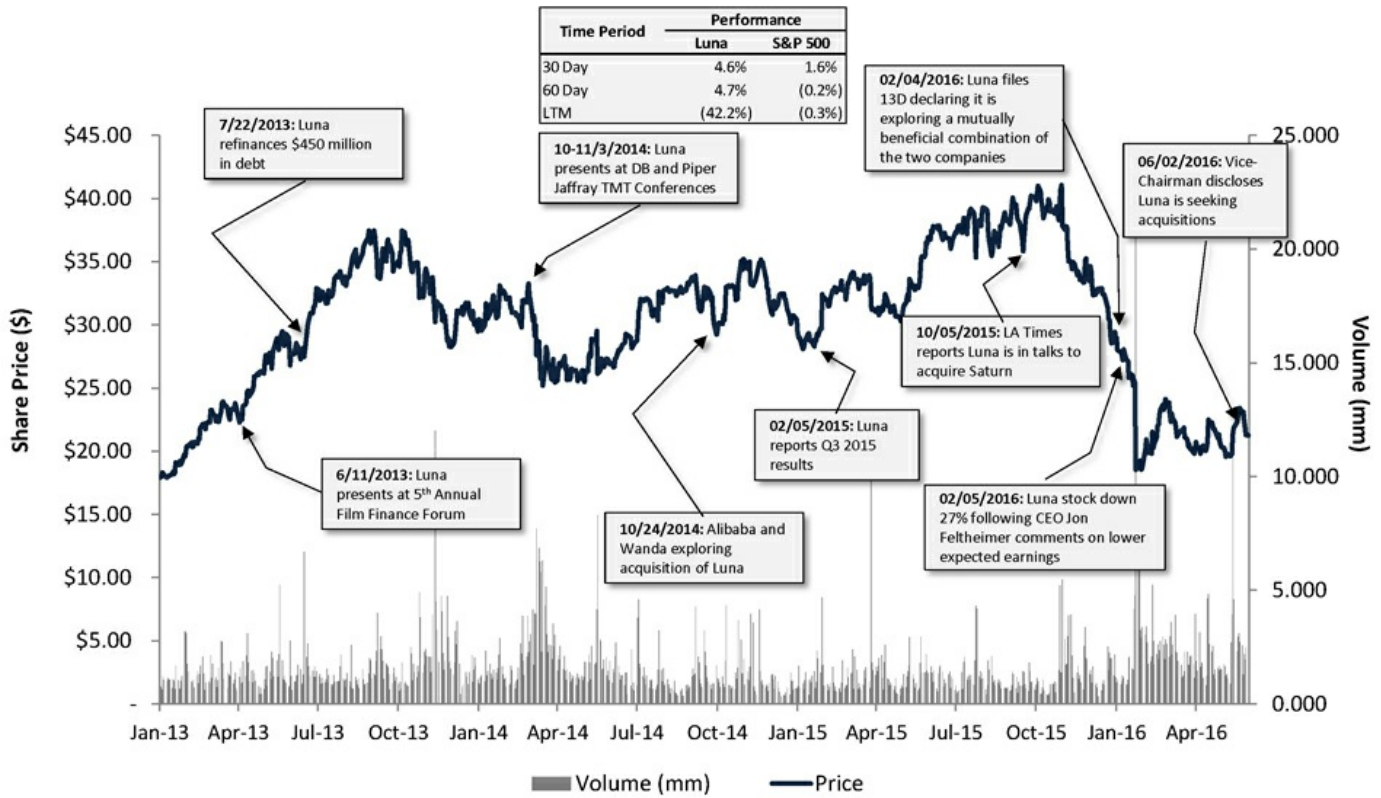
Source: Company filings, Thomson One.
Note: As of 6/10/2016.

 John Malone Affiliated Shareholders

Luna Stock Price Performance

Since January 14, 2013 (Date of Saturn Spin-off from Liberty Media)

(\$ per share)



Source: Capital IQ as of 6/13/2016.

Luna Research Target Prices

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Analyst Targets

| Date | Firm | Valuation Methodology | Multiple Year | Rating | Target Price | % Premium to | % Premium to |
|------------------------------|------------------------|-----------------------|---------------|----------------|----------------|--------------|--------------|
| | | | | | | Current | Publish Day |
| 5/26/2016 | Topeka Capital Markets | LFCF Multiple | 2017 | Buy | \$40.00 | 88.2% | 102.4% |
| 6/5/2016 | Evercore ISI | DCF | | Buy | \$32.00 | 50.6% | 36.6% |
| 6/7/2016 | PiperJaffray | DCF | | Overweight | \$30.00 | 41.2% | 30.6% |
| 5/27/2016 | Jefferies | EBITDA Multiple | 2018 | Buy | \$29.00 | 36.5% | 36.4% |
| 6/6/2016 | Barrington Research | EBITDA Multiple | 2017 | Outperform | \$27.00 | 27.1% | 17.4% |
| 5/27/2016 | Macquarie | EBITDA Multiple | 2018 | Outperform | \$27.00 | 27.1% | 27.0% |
| 5/26/2016 | JP Morgan | P/E Multiple | 2018 | Overweight | \$26.00 | 22.4% | 31.6% |
| 5/27/2016 | Goldman Sachs | Blended ¹ | 2017 | Neutral | \$24.00 | 12.9% | 12.9% |
| 5/27/2016 | RBC Capital Markets | EBITDA Multiple | 2016/17 | Sector Perform | \$23.00 | 8.2% | 8.2% |
| 5/27/2016 | Cowen and Company | Blended ² | | Market Perform | \$22.00 | 3.5% | 1.1% |
| Average | | | | | \$28.00 | 31.8% | 30.4% |
| Median | | | | | \$27.00 | 27.1% | 28.8% |
| Current Trading Price | | | | | \$21.25 | | |

Source: Wall Street Research and Bloomberg. Current trading price as of 6/13/2016.

¹ Blended valuation methodology of 85% EBITDA Multiple and 15% M&A.

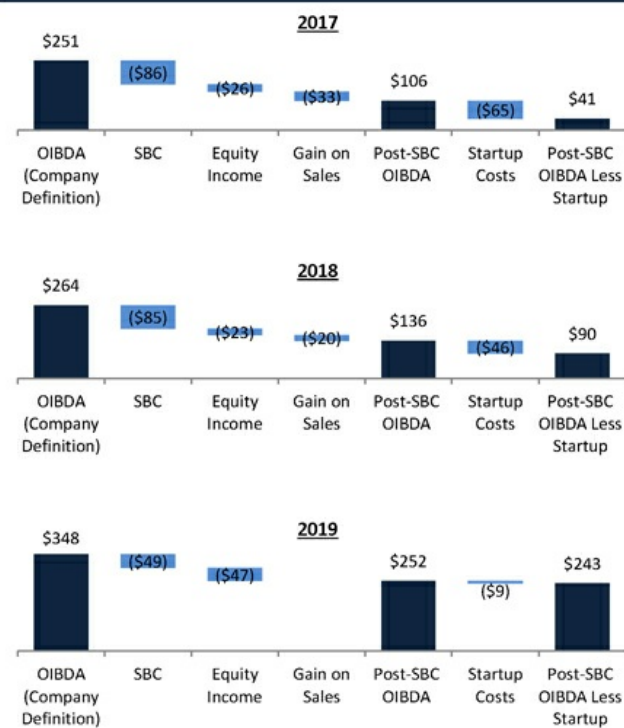
² Blended valuation methodology including DCF, P/E Multiple, EBITDA Multiple, and Sum-of-the-Parts.

Luna Management Plan vs. Wall Street Summary

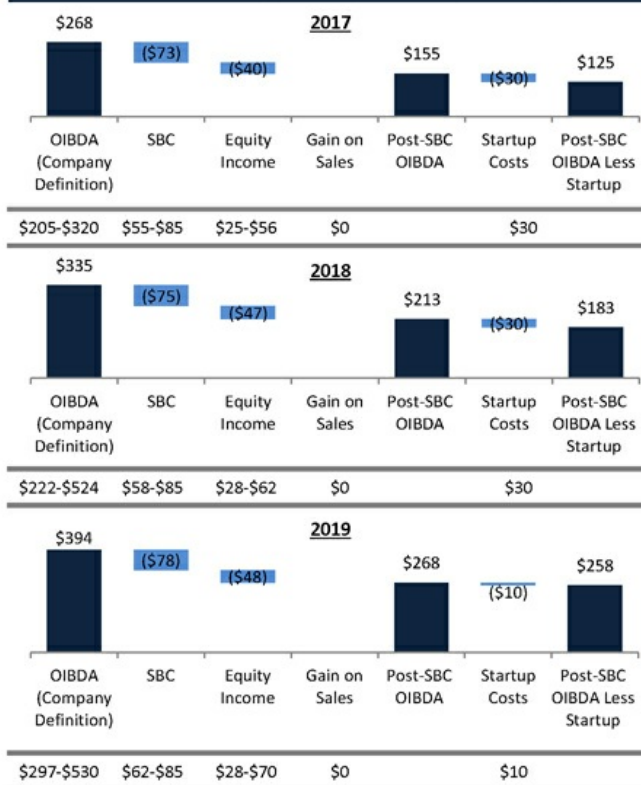
PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in millions) | Fiscal Years Ended 3/31

Management



Wall Street Projections (incl. Analyst Range)



Source: Company Management, Filings, and Capital IQ as of June 13, 2016.

Luna Calendar Year Financial Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Luna Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions) | Calendar Years Ended 12/31

Revenue



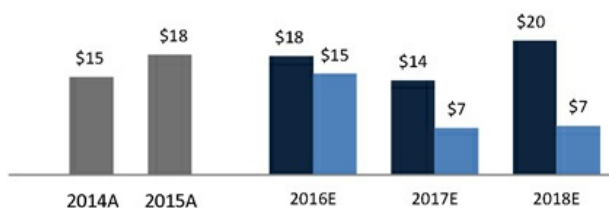
Number of Analysts: 2014A (16), 2015A (13), 2018E (8)

Post-SBC OIBDA¹



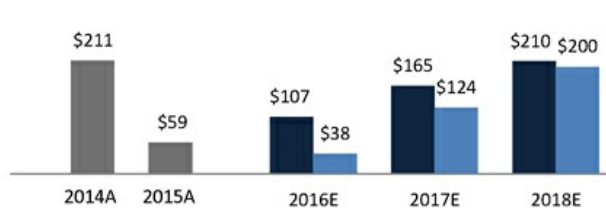
Number of Analysts: 2014A (15), 2015A (13), 2018E (8)

Capex



Number of Analysts: 2014A (10), 2015A (9), 2018E (5)

Net Income



Number of Analysts: 2014A (9), 2015A (11), 2018E (11)

■ Management Case ■ Consensus Estimates

Source: Company Management, Filings, and Capital IQ as of June 13, 2016.

¹Adjusted OIBDA is post stock-based compensation and excludes equity interests.

Luna Preliminary Comparable Companies Analysis

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in millions, except per share values) | Calendar Years Ended 12/31

| | Market Valuation | | | | Growth Profile | | Key Metrics | | Valuation Metrics | | | | | | Leverage | | |
|---------------------------------|--------------------------|-----------|------------|-----------------|----------------|-------------|-----------------------|--------------|---------------------|-------------|-------------|---------------------------------|--------------|--------------|----------------|--------------|---------------|
| | Stock Price ¹ | % 52 Week | Equity | Adj. Enterprise | CY2016-CY2018 | | Post-SBC OIBDA Margin | | EV / Post-SBC OIBDA | | | Net Income / Equity Value (P/E) | | | Net Debt / LTM | | |
| | 6/13/2016 | High | Value | Value | Revenue | OIBDA | CY2016 | CY2017 | LTM | CY2016 | CY2017 | Avg. | LTM | CY2016 | CY2017 | Avg. | Pre-SBC OIBDA |
| Comet - Consensus | \$ 52.11 | 88.7% | \$ 24,202 | \$ 31,792 | 2.8% | 5.5% | 23.7% | 23.8% | 9.9x | 9.2x | 9.1x | 9.8x | 16.8x | 12.9x | 11.8x | 13.5x | 2.3x |
| Saturn - Management | 26.01 | 55.8% | 2,688 | 3,772 | 1.8% | 9.1% | 27.0% | 28.6% | 9.4 | 8.2 | 7.4 | 7.7 | 12.6 | 10.4 | 8.6 | 10.8 | 2.8x |
| Saturn - Consensus | 26.01 | 55.8% | 2,688 | 3,772 | 1.8% | 13.0% | 25.2% | 27.4% | 9.4 | 8.8 | 8.0 | 8.1 | 12.6 | 10.9 | 8.9 | 10.6 | 2.8x |
| Luna - Management ³ | 21.25 | 51.3% | 3,169 | 2,658 | 1.0% | 96.2% | 2.4% | 5.1% | 68.3 | 41.0 | 18.8 | 32.5 | 64.6 | 51.2 | 40.7 | 50.3 | 20.2x |
| Luna - Consensus ³ | 21.25 | 51.3% | 3,169 | 2,658 | 4.1% | 54.2% | 4.1% | 8.8% | 68.3 | 25.4 | 11.0 | 20.6 | 64.6 | 38.3 | 18.6 | 31.4 | 20.2x |
| Standalone Film Studio | | | | | | | | | | | | | | | | | |
| Dreamworks ² | \$ 27.12 | 91.2% | \$ 2,350 | \$ 2,709 | 16.7% | 44.0% | 12.1% | 17.0% | 21.3x | 24.0x | 14.8x | 19.2x | 18.9x | 51.7x | 35.2x | 55.9x | 2.0x |
| Cable Networks | | | | | | | | | | | | | | | | | |
| Discovery | \$ 25.97 | 74.3% | \$ 16,205 | \$ 23,127 | 6.0% | 5.8% | 37.2% | 37.3% | 9.5x | 9.4x | 8.9x | 9.3x | 16.0x | 12.7x | 11.3x | 13.0x | 3.1x |
| Scripps | 62.89 | 91.9% | 8,154 | 10,962 | 4.3% | 4.0% | 41.1% | 41.0% | 7.6 | 7.9 | 7.5 | 7.7 | 10.5 | 12.1 | 11.5 | 11.4 | 2.4x |
| AMC Networks | 60.05 | 68.9% | 4,470 | 6,892 | 5.1% | 4.4% | 32.3% | 32.2% | 7.9 | 7.7 | 7.3 | 7.6 | 12.3 | 10.1 | 9.3 | 10.4 | 2.6x |
| MSG Networks | 16.58 | 19.3% | 1,256 | 2,474 | 3.8% | 4.8% | 46.6% | 46.6% | 5.7 | 8.0 | 7.8 | 7.0 | 7.4 | 8.1 | 8.1 | 7.9 | 3.1x |
| Cable Networks Median | | | | | 4.7% | 4.6% | 39.1% | 39.1% | 7.8x | 8.0x | 7.7x | 7.6x | 11.4x | 11.1x | 10.3x | 10.9x | 2.8x |
| Diversified Media | | | | | | | | | | | | | | | | | |
| Walt Disney | \$ 97.57 | 79.9% | \$ 160,709 | \$ 174,940 | 5.1% | 5.6% | 30.6% | 30.5% | 10.5x | 10.1x | 9.6x | 10.0x | 18.0x | 16.7x | 15.4x | 16.6x | 0.9x |
| Time Warner | 73.13 | 80.1% | 58,932 | 78,111 | 5.4% | 3.6% | 28.2% | 28.6% | 9.7 | 9.5 | 8.8 | 9.3 | 14.8 | 13.6 | 12.0 | 13.4 | 2.7x |
| Twenty-First Century Fox | 28.91 | 83.3% | 55,304 | 59,758 | 5.8% | 8.1% | 25.1% | 25.4% | 9.4 | 8.4 | 7.9 | 8.5 | 25.0 | 15.1 | 12.8 | 16.3 | 2.3x |
| Viacom | 41.24 | 60.2% | 16,678 | 28,105 | 2.2% | 0.5% | 27.8% | 29.0% | 7.4 | 7.6 | 7.1 | 7.4 | 7.4 | 8.2 | 7.6 | 7.7 | 3.3x |
| Diversified Media Median | | | | | 5.3% | 4.6% | 28.0% | 28.8% | 9.6x | 8.9x | 8.4x | 8.9x | 16.4x | 14.4x | 12.4x | 14.8x | 2.5x |

Source: Public filings and Capital IQ as of 6/13/2016.

¹Stock Price reflects primary stock listing; enterprise value calculation considers all classes of stock.

²Dreamworks figures as of April 29th, 2016 prior to acquisition by Comcast.

³Luna debt excludes production loans and only includes convertible debt that is out of the money.

VIII. Luna – Combination Analysis

Preliminary Luna + Saturn - \$20 Cash + 0.566 Luna Shares **PRELIMINARY DRAFT**

Saturn Mngmt. Case & Luna Mnmgt. Case - PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions, except per share values) | Calendar Years Ended 12/31 | Excludes Synergies

| | Assuming Luna Voting Share Premium of: | | | | \$20 Cash + 0.566 Luna Shares to Low Vote Shares | | | | | |
|---|--|---------|---------|---------|--|------------------------|-----------------------------|------------------------|-------------------|--|
| | 0.0% | 2.5% | 5.0% | 10.0% | No Luna Voting Share Prem. | | 10% Luna Voting Share Prem. | | | |
| | | | | | Luna @ Market | Saturn @ Luna Offer | Pro Forma Luna | Saturn @ Luna Offer | Pro Forma Luna | |
| @ Market | \$32.03 | \$31.88 | \$31.74 | \$31.46 | | | | | | |
| @ 30-Day VWAP | \$32.06 | \$31.91 | \$31.77 | \$31.49 | | | | | | |
| @ 60-Day VWAP | \$31.97 | \$31.82 | \$31.68 | \$31.40 | | | | | | |
| @ 90-Day VWAP | \$31.96 | \$31.81 | \$31.67 | \$31.40 | | | | | | |
| Low Vote Share Price | | | | | \$21.25 | \$32.03 | \$21.25 | \$31.46 | \$20.25 | |
| % Premium to Market | | | | | 0.0% | 23.1% | 0.0% | 21.0% | (4.7%) | |
| Equity Value | | | | | \$3,164 | \$3,381 | \$4,874 | \$3,318 | \$4,850 | |
| Plus: Total Debt | | | | | \$846 | \$1,120 | \$3,478 | \$1,120 | \$3,476 | |
| Less: Cash | | | | | (58) | (10) | (68) | (10) | (68) | |
| Minority Interest / (Uncon. Asset) ¹ | | | | | (1,177) | (25) | (1,203) | (25) | (1,203) | |
| Total Enterprise Value | | | | | \$2,775 | \$4,466 | \$7,082 | \$4,403 | \$7,056 | |
| Valuation & Leverage Metrics | | | | | | | | | | |
| Enterprise Value / 2016E Post-SBC OIBDA | | | | | 40.4x | 9.7x | 13.5x | 9.6x | 13.5x | |
| Enterprise Value / 2017E Post-SBC OIBDA | | | | | 18.5 | 8.7 | 10.8 | 8.6 | 10.8 | |
| 2016E EPS Accretion / (Dilution) | | | | | | | 229.7% | | 228.2% | |
| 2017E EPS Accretion / (Dilution) | | | | | | | 67.7% | | 66.9% | |
| Net Debt / 2016E Pre-SBC OIBDA | | | | | 4.9x | 2.3x | 5.2x | 2.3x | 5.2x | |
| Economic Ownership | | | | | | | | | | |
| Luna | | | | | 100.0% | 0.0% | 64.9% | 0.0% | 64.6% | |
| Third Party Investor | | | | | 0.0% | 0.0% | 10.3% | 0.0% | 10.7% | |
| Saturn | | | | | 0.0% | 100.0% | 24.8% | 100.0% | 24.7% | |

Assumes \$2.0bn of cash to Saturn S/Hs and \$500mm Third Party Equity Raise

Source: Management projections. Current trading price as of 6/13/2016.

Note: Assumes 6% external interest rate on new debt and 19% tax rate.

¹ Luna unconsolidated investment in Saturn valued at offer valuation. Includes \$450mm NPV adjustment for Luna tax rate differential vs. US peers.

Preliminary Luna + Saturn Liquidity Profile

PRIVATE AND CONFIDENTIAL

PRELIMINARY DRAFT

Saturn Mngmt. Case & Luna Mnmgt. Case – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions, except per share values) | Calendar Years Ended 12/31 | Excludes Synergies

| (\$ in millions) | 2013E | 2014E | 2015E | 2016E | 2017E | 2018E | 2019E |
|---|--------------|--------------|--------------|----------------|--------------|--------------|--------------|
| Saturn Pre-SBC OIBDA | \$477 | \$502 | \$462 | \$490 | \$543 | \$612 | \$633 |
| Lunar Pre-SBC OIBDA ¹ | 383 | 337 | 156 | 161 | 226 | 281 | 346 |
| Synergies | TBD | TBD | TBD | TBD | TBD | TBD | TBD |
| Pro Forma Pre-SBC OIBDA | \$859 | \$839 | \$618 | \$651 | \$769 | \$893 | \$979 |
| % Growth | | (2.4%) | (26.4%) | 5.4% | 18.0% | 16.2% | 9.5% |
| Less: Combined Capex | | | | | (\$26) | (\$20) | (\$20) |
| Less: Combined Film & TV Inv. (Net of Amort.) | | | | | 156 | (13) | 0 |
| Less: NWC | | | | | (40) | (97) | (59) |
| Less: Other Adjustments | | | | | (46) | (17) | (2) |
| Unlevered Pre-Tax Cash Flows | | | | | \$812 | \$746 | \$897 |
| Less: PF Interest Expense (assumes 6%) | | | | | (209) | (209) | (209) |
| Less: Luna Standalone Cash Taxes | | | | | (11) | (12) | (14) |
| Less: Saturn PF Cash Taxes | | | | | -- | -- | -- |
| Free Cash Flow | | | | | \$592 | \$525 | \$674 |
| Total Debt | | | | \$3,478 | 3,478 | 3,478 | 3,478 |
| Cash | | | | 68 | 659 | 1,184 | 1,858 |
| Total Debt / PF Pre-SBC OIBDA | | | | 5.3x | 4.5x | 3.9x | 3.6x |
| Net Debt / PF Pre-SBC OIBDA | | | | 5.2 | 3.7 | 2.6 | 1.7 |

Requires additional diligence

Source: Management projections. Current trading price as of 6/13/2016.

Note: Assumes 6% external interest rate on new debt.

¹ Excludes equity income from affiliates and gain on sales of affiliates.

RAINE

52

Perspectives on Luna Standalone

"On April 1, 2016, Moody's revised Luna's rating outlook to negative from stable and affirmed its Ba3 Corporate Family rating (CFR) and the Ba3 senior secured debt rating. The change in the company's rating outlook was driven by higher than expected debt levels for the rating as well as weaker than expected operating results at its Motion Pictures segment.... Elevated debt-to-EBITDA of 9.2x (as of 12/31/2015, incorporating Moody's standard adjustments) and high gross debt levels, weakly position the company in the Ba3 rating category.

Supporting the company's Ba3 CFR rating is the perceived value of Luna's assets, particularly its film and TV library. Its assets include its library consisting of over 16,000 motion picture titles and television episodes and programs, the company's 31.2% stake in EPIX, and its 50% ownership of Pop (formerly referred to as TVGuide Network, now with CBS (Baa2 senior unsecured, stable outlook) as its partner)."

Source: Moody's Credit Opinion, Luna, April 4, 2016

Perspectives on Luna and Saturn Combination

"Moody's believes that a merger with Saturn would be strategically beneficial due to the potential for collaboration between the two companies. We believe, the deal will enable Luna to leverage its production capabilities to benefit from the increasing demand for original programming and theatrical output which are important to Saturn, and thereby boost revenues and profitability for the combined entity. The deal will also bring financial advantages to Luna as Saturn has a stronger balance sheet with low leverage of 2.5x (Moody's adjusted), a good track record of stable profitability and generates strong annual cash flows of over \$200 million. Moody's notes that if the two companies agree to a deal, Luna could retain a "Ba" rating if management is committed to its credit ratings and the transaction is funded with stock, a moderate amount of new debt and proceeds from potential asset sales. Moody's will continue to monitor developments during upcoming quarters as they unfold and evaluate the impact on Luna's credit profile."

Appendix A: Supplemental Valuation Material

Saturn / Comet Research Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ per Share)

| Saturn Series A | | | | | Comet Class B | | | | | Implied Exchange Ratio |
|-----------------|--------------------------|----------------|--------------|----------------------|---------------|------------------------|------------|--------------|----------------------|------------------------|
| Date | Firm | Rating | Target Price | % Premium to Current | Date | Firm | Rating | Target Price | % Premium to Current | Saturn / Comet |
| 5/2/2016 | CLSA | Outperform | \$31.00 | 19.2% | 5/20/2016 | Telsey Advisory Group | Outperform | \$67.00 | 28.6% | |
| 5/1/2016 | Macquarie | Neutral | \$28.00 | 7.7% | 5/3/2016 | Macquarie | Outperform | \$65.00 | 24.7% | 0.43x ¹ |
| 4/29/2016 | Pivotal Research Group | Buy | \$32.00 | 23.0% | 5/16/2016 | Topeka Capital Markets | Buy | \$66.00 | 26.7% | |
| 4/29/2016 | Morgan Stanley | Equal-weight | \$27.00 | 3.8% | 5/4/2016 | Morgan Stanley | Overweight | \$61.00 | 17.1% | 0.44x |
| 4/29/2016 | Evercore ISI | Buy | \$33.00 | 26.9% | 5/4/2016 | Evercore ISI | Buy | \$65.00 | 24.7% | 0.51x |
| 4/29/2016 | Deutsche Bank | Buy | \$47.00 | 80.7% | 5/4/2016 | Deutsche Bank | Buy | \$65.00 | 24.7% | 0.72x |
| 4/29/2016 | FBN Securities | Outperform | \$35.38 | 36.0% | 5/4/2016 | JP Morgan | Overweight | \$62.00 | 19.0% | |
| 4/29/2016 | FBR & Co. | Market Perform | \$26.00 | (0.0%) | 5/4/2016 | Cowen and Company | Outperform | \$59.00 | 13.2% | |
| 4/29/2016 | Drexel Hamilton | Hold | \$27.50 | 5.7% | 5/4/2016 | Wells Fargo | Outperform | \$65.00 | 24.7% | |
| 4/28/2016 | Pacific Crest Securities | Sector Weight | \$26.00 | (0.0%) | 5/4/2016 | RBC Capital Markets | Outperform | \$70.00 | 34.3% | |
| | | | | | 5/4/2016 | BMO Capital Markets | Outperform | \$63.00 | 20.9% | |
| | | | | | 5/4/2016 | Guggenheim | Buy | \$63.00 | 20.9% | |
| | | | | | 5/4/2016 | Wedbush | Outperform | \$65.00 | 24.7% | |
| | | | | | 5/3/2016 | Credit Suisse | Outperform | \$75.00 | 43.9% | |
| | | | | | 5/3/2016 | UBS | Neutral | \$52.00 | (0.2%) | |
| | | | | | 5/3/2016 | PiperJaffray | Overweight | \$65.00 | 24.7% | |
| Average | | | A \$31.29 | 20.3% | | | | B \$64.25 | 23.3% | A/B 0.49x |
| Median | | | C \$29.50 | 13.4% | | | | D \$65.00 | 24.7% | C/D 0.45x |

Note: Current price as of 6/13/2016.

Source: Wall Street Research, Capital IQ.

¹ Macquarie has two different analysts for Saturn (Amy Yong) and Comet (Tim Nollen) estimates.

Saturn / Luna Research Summary

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ per Share)

| Saturn Series A | | | | | Luna | | | | | Implied Exchange Ratio |
|-----------------|--------------------------|----------------|--------------|----------------------|-----------------|------------------------|----------------|--------------|----------------------|------------------------|
| Date | Firm | Rating | Target Price | % Premium to Current | Date | Firm | Rating | Target Price | % Premium to Current | Saturn / Luna |
| 5/2/2016 | CLSA | Outperform | \$31.00 | 19.2% | 6/7/2016 | PiperJaffray | Overweight | \$30.00 | 41.2% | 1.04x |
| 5/1/2016 | Macquarie | Neutral | \$28.00 | 7.7% | 5/27/2016 | Macquarie | Outperform | \$27.00 | 27.1% | |
| 4/29/2016 | Evercore ISI | Buy | \$33.00 | 26.9% | 6/5/2016 | Evercore ISI | Buy | \$32.00 | 50.6% | 1.03x |
| 4/29/2016 | Pivotal Research Group | Buy | \$32.00 | 23.0% | 6/6/2016 | Barrington Research | Outperform | \$27.00 | 27.1% | |
| 4/29/2016 | Morgan Stanley | Equal-weight | \$27.00 | 3.8% | 5/27/2016 | Goldman Sachs | Neutral | \$24.00 | 12.9% | |
| 4/29/2016 | Deutsche Bank | Buy | \$47.00 | 80.7% | 5/27/2016 | RBC Capital Markets | Sector Perform | \$23.00 | 8.2% | |
| 4/29/2016 | FBN Securities | Outperform | \$35.38 | 36.0% | 5/27/2016 | Jefferies | Buy | \$29.00 | 36.5% | |
| 4/29/2016 | FBR & Co. | Market Perform | \$26.00 | (0.0%) | 5/27/2016 | Cowen and Company | Market Perform | \$22.00 | 3.5% | |
| 4/29/2016 | Drexel Hamilton | Hold | \$27.50 | 5.7% | 5/26/2016 | Topeka Capital Markets | Buy | \$40.00 | 88.2% | |
| 4/28/2016 | Pacific Crest Securities | Sector Weight | \$26.00 | (0.0%) | 5/26/2016 | JP Morgan | Overweight | \$26.00 | 22.4% | |
| Average | | | | | B | | | | | A/B |
| A \$31.29 20.3% | | | | | B \$28.00 31.8% | | | | | 1.12x |
| Median | | | | | D | | | | | C/D |
| C \$29.50 13.4% | | | | | D \$27.00 27.1% | | | | | 1.09x |

Note: Current price as of 6/13/2016.
Source: Wall Street Research, Capital IQ.

Saturn Preliminary WACC Analysis

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in millions)

| Comparable Companies | Levered Beta ¹ | Total Net Debt | Fully Diluted Equity Value | Net Debt / Equity | Net Debt / Total Cap. | Tax Rate | Unlevered Beta |
|----------------------|---------------------------|----------------|-------------------------------|-------------------|--------------------------|--------------|----------------|
| Saturn | 0.951 | \$1,110 | \$2,688 | 41.3% | 29.2% | 35.0% | 0.75 |
| Discovery | 1.071 | 7,609 | 16,205 | 47.0% | 32.0% | 38.0% | 0.83 |
| Scripps | 1.008 | 3,495 | 8,154 | 42.9% | 30.0% | 38.0% | 0.80 |
| AMC Networks | 1.041 | 2,336 | 4,470 | 52.3% | 34.3% | 38.0% | 0.79 |
| Average | 1.018 | \$3,638 | \$7,879 | 45.9% | 31.4% | 37.3% | 0.79 |
| Median | 1.025 | \$2,916 | \$6,312 | 44.9% | 31.0% | 38.0% | 0.79 |

| Market Inputs | |
|---------------------|-------|
| Risk Free Rate | 2.01% |
| Market Risk Premium | 7.00% |
| Size Premium | 1.65% |

| Saturn Cost of Debt | |
|--------------------------------|--------|
| Estimated Pre-Tax Cost of Debt | 4.25% |
| Tax Rate | 35.00% |
| After-Tax Cost of Debt | 2.77% |

| Saturn Cost of Equity | |
|-----------------------|--------|
| Risk Free Rate | 2.01% |
| Unlevered Beta | 0.79 |
| Levered Beta | 0.99 |
| Market Risk Premium | 7.00% |
| Size Premium | 1.65% |
| Saturn Cost of Equity | 10.62% |

| Saturn Weighted Average Cost of Capital | |
|--|--------------|
| Saturn Debt to Capitalization ¹ | 28.26% |
| Saturn Equity to Capitalization | 71.74% |
| Weighted Average Cost of Debt | 0.78% |
| Weighted Average Cost of Equity | 7.62% |
| Saturn WACC | 8.40% |

Source: Public filings, Ibbotson, Bloomberg as of 6/13/2016.

¹ Debt to capitalization based on management guided future Net Debt to OIBDA target of 2.5x.

Comet Preliminary WACC Analysis

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in millions)

| Comparable Companies | Levered Beta ¹ | Total Net Debt | Fully Diluted Equity Value | Net Debt / Equity | Gross Debt / Total Cap. | Tax Rate | Unlevered Beta |
|--------------------------|---------------------------|-----------------|-------------------------------|-------------------|----------------------------|--------------|----------------|
| Comet | 1.063 | \$7,912 | \$24,202 | 32.7% | 24.6% | 38.0% | 0.88 |
| Walt Disney | 1.027 | 16,126 | 160,709 | 10.0% | 9.1% | 38.0% | 0.97 |
| Time Warner | 0.800 | 22,448 | 58,932 | 38.1% | 27.6% | 38.0% | 0.65 |
| Twenty-First Century Fox | 1.099 | 14,752 | 55,304 | 26.7% | 21.1% | 38.0% | 0.94 |
| Viacom | 1.318 | 12,768 | 16,678 | 76.6% | 43.4% | 38.0% | 0.89 |
| Average | 1.061 | \$14,801 | \$63,165 | 36.8% | 25.2% | 38.0% | 0.87 |
| Median | 1.063 | \$14,752 | \$55,304 | 32.7% | 24.6% | 38.0% | 0.89 |

| Market Inputs | |
|--------------------------------|---------|
| Risk Free Rate | 2.01% |
| Market Risk Premium | 7.00% |
| Size Premium | (0.32%) |
| Comet Cost of Debt | |
| Estimated Pre-Tax Cost of Debt | 4.68% |
| Tax Rate | 38.00% |
| After-Tax Cost of Debt | 2.90% |
| Comet Cost of Equity | |
| Risk Free Rate | 2.01% |
| Unlevered Beta | 0.89 |
| Levered Beta | 1.09 |
| Market Risk Premium | 7.00% |
| Size Premium | (0.32%) |
| Comet Cost of Equity | 9.34% |

| Comet Weighted Average Cost of Capital | |
|---|--------------|
| Comet Debt to Capitalization ¹ | 26.45% |
| Comet Equity to Capitalization | 73.55% |
| Weighted Average Cost of Debt | 0.77% |
| Weighted Average Cost of Equity | 6.87% |
| Comet WACC | 7.64% |

Source: Public filings, Bloomberg as of 6/13/2016, Ibbotson

¹ Debt to capitalization based on management guided future Net Debt to OIBDA target of between 2.50x and 2.75x

Appendix B: Differential Consideration

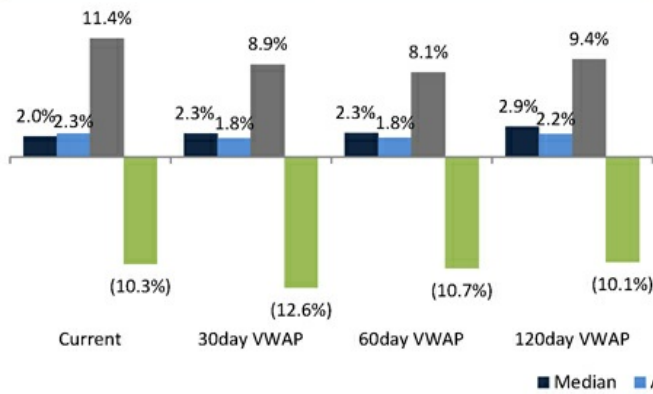
Public Trading – Market Premium

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

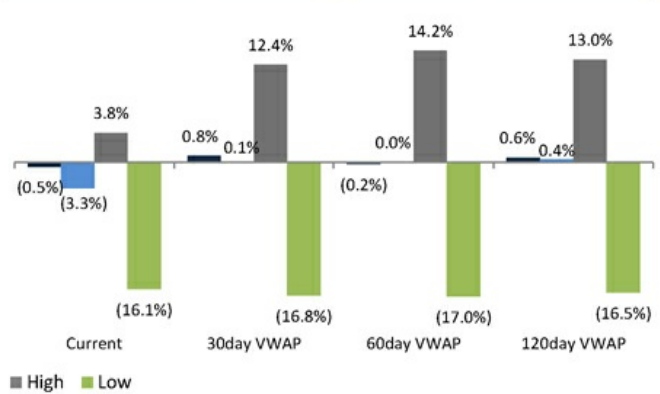
Analysis Description

- An analysis of 21 companies with differential voting rights for stock classes shows that there is typically a market premium attached to stock classes with greater voting rights.
- Analysis Criteria
 - Primary and secondary listings on major US exchanges
 - Industry classification of media or information technology or telecommunication services (TMT)

Market Premium for Vote over No-Vote¹



Market Premium for High Vote over Low Vote²



¹Screening criteria of companies in TMT sector with differential voting rights for primary and secondary listings on major US stock exchanges.

²Vote over No-Vote companies: Google, Bel Fuse, Comet, Discovery, Liberty Broadband, News Corporation, Radio One, Reading International, The Liberty Braves, Liberty Media, The Liberty SiriusXM Group, Twenty-First Century Fox, Viacom, Zillow

³High Vote over Low Vote companies: Discovery Communications, Gray Television, John Wiley & Sons, Liberty TripAdvisor Holdings, QAD, Saturn

Source: Capital IQ as of June 13, 2016.

Public Trading – Market Premium Detail

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

| Comparing Vote to No Vote | | | Market Premium / (Discount) | | | |
|--------------------------------|---------------|----------|-----------------------------|----------------|----------------|----------------|
| Company Name | Current Price | | Vote to Non Vote | | | |
| | High Vote | No Vote | Current | 30day VWAP | 60day VWAP | 120day VWAP |
| Alphabet Inc. | \$731.88 | \$718.27 | 1.9% | 1.9% | 2.1% | 2.5% |
| Bel Fuse Inc. | \$15.55 | \$17.33 | (10.3%) | (12.6%) | (10.7%) | (10.1%) |
| Comet | \$56.35 | \$52.11 | 8.1% | 6.7% | 6.6% | 7.6% |
| Discovery Communications, Inc. | \$25.97 | \$24.82 | 4.6% | 4.0% | 3.2% | 3.4% |
| Liberty Broadband Corporation | \$58.44 | \$58.99 | (0.9%) | 0.0% | 0.1% | 0.2% |
| News Corporation | \$11.78 | \$11.55 | 2.0% | 3.3% | 3.6% | 4.3% |
| Radio One Inc. | \$2.82 | \$2.72 | 3.7% | (1.3%) | (1.6%) | 0.8% |
| Reading International, Inc. | \$12.59 | \$12.50 | 0.7% | 2.4% | 1.8% | (1.4%) |
| The Liberty Braves Group | \$14.79 | \$14.50 | 2.0% | 3.1% | 3.3% | 3.3% |
| The Liberty Media Group | \$18.56 | \$18.12 | 2.4% | 2.2% | 2.3% | 2.3% |
| The Liberty SiriusXM Group | \$32.60 | \$30.75 | 6.0% | 4.1% | 4.3% | 4.3% |
| Twenty-First Century Fox, Inc. | \$28.98 | \$28.91 | 0.2% | 0.8% | 0.2% | 0.4% |
| Viacom, Inc. | \$45.94 | \$41.24 | 11.4% | 8.9% | 8.1% | 9.4% |
| Zillow Group, Inc. | \$32.62 | \$32.71 | (0.3%) | 1.6% | 2.3% | 3.9% |
| Low | | | (10.3%) | (12.6%) | (10.7%) | (10.1%) |
| Median | | | 2.0% | 2.3% | 2.3% | 2.9% |
| Average | | | 2.3% | 1.8% | 1.8% | 2.2% |
| High | | | 11.4% | 8.9% | 8.1% | 9.4% |

| Comparing High Vote to Low Vote | | | Market Premium / (Discount) | | | |
|------------------------------------|---------------|----------|-----------------------------|----------------|----------------|----------------|
| Company Name | Current Price | | High Vote to Low Vote | | | |
| | High Vote | Low Vote | Current | 30day VWAP | 60day VWAP | 120day VWAP |
| Discovery Communications, Inc. | \$26.05 | \$25.97 | 0.3% | 0.7% | 0.3% | 0.4% |
| Gray Television, Inc. | \$11.05 | \$10.65 | 3.8% | 12.4% | 14.2% | 13.0% |
| John Wiley & Sons Inc. | \$48.50 | \$51.84 | (6.4%) | (1.4%) | (1.1%) | (1.5%) |
| Liberty TripAdvisor Holdings, Inc. | \$22.47 | \$22.65 | (0.8%) | 4.7% | 4.6% | 6.3% |
| QAD Inc. | \$16.07 | \$19.15 | (16.1%) | (16.8%) | (17.0%) | (16.5%) |
| Saturn | \$25.94 | \$26.01 | (0.3%) | 1.0% | (0.7%) | 0.9% |
| Low | | | (16.1%) | (16.8%) | (17.0%) | (16.5%) |
| Median | | | (0.5%) | 0.8% | (0.2%) | 0.6% |
| Average | | | (3.3%) | 0.1% | 0.0% | 0.4% |
| High | | | 3.8% | 12.4% | 14.2% | 13.0% |

Source: Capital IQ as of June 13, 2016 and company filings or investor relations.

Precedent Transactions - Differential Consideration

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

(\$ in millions)

Analysis Description

- Of 58 transactions with classes of stock with unequal voting since 2008, 3 transactions resulted in the high vote class receiving a premium for their shares
 - Analysis Criteria
 - All publicly announced transactions with a US or non-US public target and at least one SEC filer participant
 - Deals valued over \$100 million
 - Announced since 2008
 - Target with classes of stock with unequal voting
- Plus, select additional pre-2008 transactions that resulted in differential consideration for unequal voting classes of stock

Differential Consideration Transaction Detail

| Ann. Date | Target | Acquiror | Trx. Equity Value | % High Vote Voting | Ownership Economic | High Vote to Low Vote Premium | Total Premium Consid. as % of Total Consid. | Low Vote Consid. |
|-----------|---------------------------------------|--|-------------------|--------------------|------------------------|-------------------------------|---|------------------|
| Feb-13 | Assisted Living Concepts, Inc. | TPG | \$279 | 59.0% | 12.6% | 7.5% | 0.9% | 1.1% |
| Dec-11 | Delphi Financial Group, Inc. | Tokio Marine Holdings, Inc. | 2,743 | 49.9% | 12.3% | 20.1% | 2.4% | 2.8% |
| Sep-09 | Affiliated Computer Services, Inc. | Xerox Corporation | 6,467 | 41.2% | 6.6% | 74.2% | 4.6% | 5.2% |
| Nov-04 | Robert Mondavi Corporation | Constellation Brands, Inc. | 1,031 | 83.4% | 36.9% | 16.5% | 5.2% | 8.3% |
| Feb-00 | SFX Entertainment | Clear Channel Communications, Inc. | 3,378 | 28.4% | 3.8% | 66.7% | 2.5% | 2.6% |
| Mar-99 | Century Communications Corp. | Adelphia Communications Corporation | 3,597 | 92.3% | 54.5% | 9.1% | 4.7% | 10.9% |
| Jun-98 | Tele-Communications Inc. ¹ | AT&T Corp. | 36,023 | 56.8% | 11.6% | 10.0% | 1.1% | 1.3% |
| Aug-97 | SFX Broadcasting, Inc. | Capstar Broadcasting Partners Inc. / Hicks, Muse, Tate & Furst, Inc. | 1,108 | 49.3% | 8.1% | 30.0% | 2.4% | 2.6% |
| Aug-96 | Home Shopping Network, Inc. | Silver King Communications, Inc. | 1,197 | 74.3% | 22.4% | 20.0% | 4.3% | 5.8% |
| | | | | | Low | 7.5% | 0.9% | 1.1% |
| | | | | | Median | 20.0% | 2.5% | 2.8% |
| | | | | | Mean | 28.2% | 3.1% | 4.5% |
| | | | | | High | 74.2% | 5.2% | 10.9% |
| | | | | | Satellite Offer | 10.0% | 0.9% | 1.1% |

¹ TCI Group Series A and Series B consideration (excludes TCI Ventures Group and Liberty Media Group tracking stocks).

Source: Dealpoint Data as of 6/10/2016. Public filings.

Appendix D: Supplemental Combination Analyses

Preliminary Comet + Saturn – 100% Stock

PRIVATE AND CONFIDENTIAL
PRELIMINARY DRAFT

Saturn Mngmt. Case & Comet Wall Street Projections – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions, except per share values) | Calendar Years Ended 12/31 | Excludes Synergies

| | Saturn @ Market | -\$33 Fixed Offer; 10% B Premium | | | 0.60x Exchange Offer; 10% B Premium | | |
|--|--------------------|----------------------------------|-------------------------|--------------------|-------------------------------------|-------------------------|--------------------|
| | | Comet @ Market | Saturn @ Comet Offer | Pro Forma Comet | Comet @ Market | Saturn @ Comet Offer | Pro Forma Comet |
| Low Vote Share Price | \$26.01 | \$52.11 | \$33.00 | \$52.11 | \$52.11 | \$31.27 | \$52.11 |
| % Premium to Market | 0.0% | 0.0% | 26.9% | 0.0% | 0.0% | 20.2% | 0.0% |
| High Vote Share Price | \$25.94 | \$55.72 | \$36.30 | \$55.72 | \$55.72 | \$34.39 | \$55.72 |
| % Premium to Market | 0.0% | 0.0% | 39.9% | 0.0% | 0.0% | 32.6% | 0.0% |
| % Premium to A Shares | (0.3%) | 6.9% | 10.0% | 6.9% | 6.9% | 10.0% | 6.9% |
| TSM Share Count | 103.4 | 461.8 | 104.8 | 528.8 | 461.8 | 104.5 | 525.1 |
| Equity Value | \$2,688 | \$24,202 | \$3,489 | \$27,691 | \$24,202 | \$3,297 | \$27,498 |
| Plus: Total Debt | \$1,120 | \$8,323 | \$1,120 | \$9,443 | \$8,323 | \$1,120 | \$9,443 |
| Less: Cash | (10) | (411) | (10) | (421) | (411) | (10) | (421) |
| Plus/Less: Minority Interest / (Unconsol. Asset) | (25) | (322) | (25) | (347) | (322) | (25) | (347) |
| Total Enterprise Value | \$3,772 | \$31,792 | \$4,574 | \$36,366 | \$31,792 | \$4,382 | \$36,173 |
| Financials | | | | | | | |
| 2016E Post-SBC OIBDA | \$460 | \$3,437 | \$460 | \$3,897 | \$3,437 | \$460 | \$3,897 |
| 2017E Post-SBC OIBDA | 511 | 3,509 | 511 | 4,020 | 3,509 | 511 | 4,020 |
| 2016E Net Income | \$247 | 1,870 | \$247 | \$2,118 | \$1,870 | \$247 | \$2,118 |
| 2017E Net Income | 287 | 2,040 | 287 | 2,328 | 2,040 | 287 | 2,328 |
| Valuation | | | | | | | |
| Enterprise Value / 2016E Post-SBC OIBDA | 8.2x | 9.2x | 9.9x | 9.3x | 9.2x | 9.5x | 9.3x |
| Enterprise Value / 2017E Post-SBC OIBDA | 7.4 | 9.1 | 8.9 | 9.0 | 9.1 | 8.6 | 9.0 |
| Equity Value / 2016E Net Income | 10.9x | 12.9x | 14.1x | 13.1x | 12.9x | 13.3x | 13.0x |
| Equity Value / 2017E Net Income | 9.3 | 11.9 | 12.1 | 11.9 | 11.9 | 11.5 | 11.8 |
| Accretion / (Dilution) | | | | | | | |
| 2016E Net Income | | | | (1.1%) | | | (0.4%) |
| 2017E Net Income | | | | (0.4%) | | | 0.3% |
| Leverage | | | | | | | |
| Total Debt / 2016E Pre-SBC OIBDA | 2.3x | 2.3x | 2.3x | 2.3x | 2.3x | 2.3x | 2.3x |
| Net Debt / 2016E Pre-SBC OIBDA | 2.3 | 2.2x | 2.3x | 2.2x | 2.2x | 2.3x | 2.2x |
| Economic Ownership | | | | | | | |
| Comet | 0.0% | 100.0% | 0.0% | 87.3% | 100.0% | 0.0% | 88.0% |
| Saturn | 100.0% | 0.0% | 100.0% | 12.7% | 0.0% | 100.0% | 12.0% |

Note: Prices as of 6/13/2016.

Preliminary Luna + Saturn - \$20 Cash + 0.566 Luna Shares

PRIVATE AND CONFIDENTIAL

PRELIMINARY DRAFT

Saturn Mngmt. Case & Luna Mngmt. Case – PENDING SATURN MANAGEMENT APPROVED CASE

(\$ in millions, except per share values) | Calendar Years Ended 12/31 | Excludes Synergies

| | Saturn Market | \$20 Cash + 0.566 Luna Shares; 10% B Premium | | | | | \$20 Cash + 0.566 L Shares; 10% B Prem. 10% No Vote Disc. | | | | |
|--|------------------|--|-------------------------|---------------------|--------------------|--------------------|---|-------------------------|---------------------|--------------------|--------------------|
| | | Luna @ Market ¹ | Saturn @ Lunar Offer | Saturn Trx. Adj. | Equity Issuance | Pro Forma Comet | Luna @ 5% Non-Vote Disc. | Saturn @ Comet Offer | Saturn Trx. Adj. | Equity Issuance | Pro Forma Comet |
| Low Vote Share Price | \$26.01 | \$21.25 | \$32.03 | | \$21.25 | \$20.25 | \$31.46 | | | \$20.25 | |
| % Premium to Market | 0.0% | 0.0% | 23.1% | | 0.0% | (4.7%) | 21.0% | | | (4.7%) | |
| High Vote Share Price | \$25.94 | \$21.25 | \$35.23 | | \$21.25 | \$22.27 | \$34.61 | | | \$22.27 | |
| % Premium to Market | 0.0% | 0.0% | 35.8% | | 0.0% | 4.8% | 33.4% | | | 4.8% | |
| % Premium to A Shares | (0.3%) | 0.0% | 10.0% | | 0.0% | 10.0% | 10.0% | | | 10.0% | |
| TSM Share Count | 103.4 | 148.9 | 104.6 | | 229.3 | 148.9 | 104.5 | | | 230.5 | |
| Equity Value | \$2,688 | \$3,164 | \$3,381 | (\$2,171) | \$500 | \$4,874 | \$3,164 | \$3,318 | (\$2,166) | \$500 | \$4,850 |
| Plus: Total Debt | \$1,120 | \$846 | \$1,120 | \$2,012 | (\$500) | \$3,478 | \$846 | \$1,120 | \$2,010 | (\$500) | \$3,476 |
| Less: Cash | (10) | (58) | (10) | -- | (68) | (68) | (58) | (10) | -- | (68) | (68) |
| Plus/Less: MI / (UA) / (NPV Tax Benefit) | (25) | (1,177) | (25) | -- | (1,203) | (1,203) | (1,177) | (25) | -- | (1,203) | (1,203) |
| Less: Saturn Minority Stake | -- | (159) | -- | 159 | -- | -- | (156) | -- | 156 | -- | -- |
| Total Enterprise Value | \$3,772 | \$2,616 | \$4,466 | \$0 | \$7,082 | \$2,618 | \$4,403 | \$0 | \$7,056 | | |
| Financials | | | | | | | | | | | |
| 2016E Net Income | \$247 | \$38 | \$247 | (\$92) | \$194 | \$38 | \$247 | (\$92) | | \$194 | |
| 2017E Net Income | 287 | 124 | 287 | (\$92) | 320 | 124 | 287 | (\$92) | | 320 | |
| Valuation | | | | | | | | | | | |
| Enterprise Value / 2016E Post-SBC OIBDA | 8.2x | 40.4x | 9.7x | | 13.5x | 40.4x | 9.6x | | | 13.5x | |
| Enterprise Value / 2017E Post-SBC OIBDA | 7.4 | 18.5 | 8.7 | | 10.8 | 18.5 | 8.6 | | | 10.8 | |
| Equity Value / 2016E Net Income | 10.9x | 82.9x | 13.7x | | 25.1x | 82.9x | 13.4x | | | 25.0x | |
| Equity Value / 2017E Net Income | 9.3 | 25.6 | 11.8 | | 15.2 | 25.6 | 11.5 | | | 15.2 | |
| Accretion / (Dilution) | | | | | | | | | | | |
| 2016E Net Income | | | | | 229.7% | | | | | 228.2% | |
| 2017E Net Income | | | | | 67.7% | | | | | 66.9% | |
| Leverage | | | | | | | | | | | |
| Total Debt / 2016E Pre-SBC OIBDA | 2.3x | 5.3x | 2.3x | | 5.3x | 5.3x | 2.3x | | | 5.3x | |
| Net Debt / 2016E Pre-SBC OIBDA | 2.3 | 4.9x | 2.3x | | 5.2x | 4.9x | 2.3x | | | 5.2x | |
| Economic Ownership | | | | | | | | | | | |
| Comet | 0.0% | 100.0% | 0.0% | | 64.9% | 100.0% | 0.0% | | | 64.6% | |
| Third Party Investors | 0.0% | 0.0% | 0.0% | | 10.3% | 0.0% | 0.0% | | | 10.7% | |
| Saturn | 100.0% | 0.0% | 100.0% | | 24.8% | 0.0% | 100.0% | | | 24.7% | |

Note: Assumes 6% external interest rate on new debt and 15% tax rate. Assumes incremental 2% tax rate on Saturn debt and 19% tax rate. Prices as of 6/13/2016.

¹ Luna unconsolidated investment in Saturn valued at offer valuation.

RAINE

65