



## VIACOM, PARAMOUNT, MGM AND LIONSGATE FORM NEW JOINT VENTURE TO CREATE AN INNOVATIVE PREMIUM ENTERTAINMENT SERVICE

**Next-Generation Premium Television Channel and Video on Demand Service to Offer New and Classic Box Office Hits and Original Television Series from Paramount, Paramount Vantage, MGM, United Artists and LIONSGATE® for Distribution in the Premium Pay Television Window Beginning Fall of 2009**

NEW YORK, April 20, 2008 – Viacom Inc. (NYSE: VIA and VIA.B), its Paramount Pictures unit, Metro-Goldwyn-Mayer Studios Inc. (MGM) and Lionsgate (NYSE: LGF) have formed a joint venture that creates a next-generation premium television channel and video on demand service that combines new and classic feature film output and original television series of five leading studios. The new premium channel, which will launch in the fall of 2009, was announced jointly today by Philippe Dauman, President and Chief Executive Officer of Viacom Inc.; Brad Grey, Chairman and Chief Executive Officer of Paramount Pictures; Harry E. Sloan, Chairman and CEO, Metro-Goldwyn-Mayer Studios Inc. (MGM); and Jon Feltheimer, Co-Chairman and Chief Executive Officer of Lionsgate.

The new venture will have access to Paramount and Paramount Vantage titles released theatrically on or after January 1, 2008 and MGM, United Artists and Lionsgate titles released theatrically on or after January 1, 2009. The venture's programming slate will have exclusive access during the pay television window to such recent and highly anticipated films as Iron Man, Star Trek, Pink Panther 2, Cloverfield, The Curious Case of Benjamin Button, Shutter Island, GI Joe, Love Guru, and Valkyrie, along with many others currently in production including planned new installments of Robocop and Outer Limits.

In addition, the new venture will have access to motion picture titles spanning the vast libraries of the five studios, which libraries include Braveheart, Forrest Gump and the Mission: Impossible, The Godfather and Star Trek franchises from Paramount; the James Bond, Pink Panther and Rocky franchises from MGM; and Dirty Dancing, Reservoir Dogs, Crash, Monster's Ball, the Saw franchise, the Tyler Perry catalogue and The Blair Witch Project from Lionsgate. The new venture will also feature new original television series created by the five studios.

Viacom will provide operational support to the venture, including marketing and affiliate services through its MTV Networks division.

Dauman said: "This venture has the potential to be a game changer for the industry. We are building an innovative service that will use traditional and new digital distribution technologies to bring great film and television entertainment directly to the consumer. By combining the output of Paramount with MGM and Lionsgate, two film and television powerhouses, we are creating a premium film and television programming brand with unique flexibility to bring consumers the very best blockbuster movies and innovative TV series.

"We are extremely pleased to be in business with MGM and Lionsgate in this exciting new venture which will provide our companies with a strong presence in the premium TV marketplace well into the future."

Grey said, "For close to a century, Paramount has produced and distributed some of America's best-known and beloved films -- a tradition that continues today, with an outstanding lineup set through 2009. That commitment to great entertainment is matched by Paramount's focus on creating new and innovative platforms that offer more access and flexibility to consumers. We look forward to launching this historic premium entertainment service with a strong slate that includes new releases like Cloverfield, Iron Man, and Star Trek alongside Paramount's legendary library."

Sloan said, "At MGM, we are very pleased to have found two partners that share our vision of providing first-run movies and premium-quality original television programming across linear and digital platforms in a new way. Our approach delivers unique flexibility for program distributors as well as consumer options that will provide the highest quality entertainment. The newly revitalized MGM, under the direction of Mary Parent, Chairman, Worldwide Motion Picture Group, is preparing to bring top projects to the venture including the newly acquired Robert Ludlum's *The Maratense Circle*, which will star Denzel Washington as well as franchised movies based on James Bond, Pink Panther, and Thomas Crown."

Feltheimer said, "We are excited to be working with two of the most respected studios in the business to start a new venture which marshals the historic legacy of the past, the filmed entertainment leadership of the present and a vision for the digital marketplace of the future. Our prestigious and prolific libraries, diverse and commercially powerful new feature film releases and enormous television series development expertise combine to make this a formidable and uniquely compelling entertainment service from day one. This is a true next-generation premium content offering for the consumer."

Paramount has been a leading producer and distributor of motion pictures since 1912 and has a library consisting of approximately 3,500 motion pictures. In 2007, the studio theatrically released *Transformers*, *Blades of Glory*, *Norbit*, *Beowulf*, *Sweeney Todd: The Demon Barber of Fleet Street*, *The Kite Runner*, *There Will Be Blood* and *No Country for Old Men*, among others, receiving 26 Academy Award nominations and winning 7 Academy Awards. The Paramount library boasts Oscar winners *Braveheart*, *Forrest Gump*, and *Titanic*, as well as such classics as *The Ten Commandments*, *Breakfast at Tiffany's* and *Sunset Boulevard*. In addition, several of the most successful franchises in film history, including *Mission: Impossible*, *Star Trek*, *The Godfather* and *Indiana Jones*, are part of the Paramount Pictures library. Paramount's leadership has also produced some of the most celebrated programs on television, including HBO's *The Sopranos*.

MGM owns the world's largest modern film library and it is comprised of celebrated titles from the United Artists, Orion Pictures, Goldwyn Entertainment and PolyGram Filmed Entertainment libraries. The rich and extensive library has earned 205 Academy Awards including 15 for Best Picture for such films as *Dances With Wolves*, *Rain Man*, *The Silence of the Lambs*, *Annie Hall*, *Platoon*, *Midnight Cowboy* and *West Side Story*. MGM films have also won 156 Golden Globe Awards and 147 British Academy Awards. With approximately 4,100 films and over 10,400 hours of television programming, the MGM library includes such tentpole feature film franchises as *Rocky* and *Pink Panther* and the celebrated James Bond franchise, the longest running and most profitable film brand in history. The studio also has a successful television track record, with programs like People's Choice Award winner *Stargate Atlantis*, which has begun production on its fifth original season and the ratings-winning series *American Gladiators* for NBC.

Lionsgate is the leading independent producer and distributor of motion pictures, television programming, home entertainment, family entertainment, video on demand and digitally delivered content. The Lionsgate filmed entertainment library comprises approximately 12,000 titles, including such evergreen hits as *Dirty Dancing*, *Reservoir Dogs*, *Terminator 2: Judgment Day*, *Total Recall*, *Basic Instinct*, *The Blair Witch Project*, *Crash*, *Monster's Ball*, the *Saw* franchise, the hit television series *Weeds* and the entire Tyler Perry catalogue. Recent Lionsgate hits include *Forbidden Kingdom*, Tyler Perry's *Meet The Browns*, *The Bank Job*, *Rambo*, *Saw 4*, *3:10 To Yuma*, *Good Luck Chuck*, Tyler Perry's *Why Did I Get Married?* and *War*. Lionsgate won the 2005 Best Picture Academy Award (R) for *Crash* and has earned 31 Academy Award (R) nominations in the past nine years, more than any other independent studio. In addition, Lionsgate's fast-growing television business has generated the recent hit comedy *Weeds* and critical sensation *Mad Men*.

About Viacom Viacom, consisting of BET Networks, MTV Networks and Paramount Pictures, is the world's leading entertainment content company. It engages audiences on television, motion picture and digital platforms through many of the world's best known entertainment brands, including MTV, VH1, CMT, Logo, Harmonix, Nickelodeon, Noggin, Nick at Nite, *AddictingGames*, *Neopets*, COMEDY CENTRAL, Spike TV, TV Land, AtomFilms, Gametrailers, BET, Paramount Pictures, DreamWorks Pictures and Paramount Vantage. Viacom's global reach includes approximately 150 channels and 300 online properties in 160 countries and territories.

### **About Paramount Pictures**

Paramount Pictures Corporation (PPC), a global producer and distributor of filmed entertainment, is a unit of Viacom (NYSE: VIA, VIA.B), a leading content company with prominent and respected film, television and digital entertainment brands. The company's labels include Paramount Pictures, Paramount Vantage, Paramount Classics, DreamWorks Pictures, MTV Films and Nickelodeon Movies. PPC operations also include Paramount Digital Entertainment, Paramount Home Entertainment, Paramount Pictures International, Paramount Licensing Inc., Paramount Studio Group, and Worldwide Television Distribution.

### **About Metro-Goldwyn-Mayer Inc.**

Metro-Goldwyn-Mayer Inc., through its operating subsidiaries, is actively engaged in the worldwide production and distribution of motion pictures, television programming, home video, interactive media, music and licensed merchandise. The company owns the world's largest library of modern films, comprising around 4,100 titles. Operating units include Metro-Goldwyn-Mayer Studios Inc., Metro-Goldwyn-Mayer Pictures Inc., United Artists Films Inc., Ventanazul, MGM Television Entertainment Inc., MGM Networks Inc., MGM Domestic Networks LLC, MGM Distribution Co., MGM International Television Distribution Inc., Metro-Goldwyn-Mayer Home Entertainment LLC, MGM ON STAGE, MGM Music, MGM Worldwide Digital Media, MGM Consumer Products and MGM Interactive. In addition, MGM has ownership interests in international TV channels reaching nearly 120 countries. MGM ownership is as follows: Providence Equity Partners (29%), TPG (21%), Sony Corporation of America (20%), Comcast (20%), DLJ Merchant Banking Partners (7%) and Quadrangle Group (3%). For more information, visit [www.mgm.com](http://www.mgm.com).

### **About Lionsgate**

Lionsgate is the leading independent producer and distributor of motion pictures, television programming, home entertainment, family entertainment, video-on-demand and digitally delivered content. Its prestigious and prolific library of approximately 12,000 motion picture titles and television episodes is a stable source of recurring revenue and is a foundation for the growth of the Company's core businesses. The Lionsgate brand name is synonymous with original, daring, quality entertainment in markets around the globe.

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