ABOUT NU IMAGE, INC. / MILLENNIUM FILMS

Nu Image/Millennium Films is a full-service production company and distributor servicing the domestic and international markets. Nu Image/Millennium Films currently develop, finance, produce and distribute approximately 15-18 films a year, with locations shooting around the world. Nu Image was founded in 1992 with partners Avi Lerner, Danny Dimbort and Trevor Short. Originally dedicated to the action and thriller genres, Nu Image created Millennium Films in 1996 to address the market's growing need for theatrical quality films and higher budget action features. The two divisions have together produced more than 230 films, including the recent theatrical releases THE BLACK DAHLIA, 88 MINUTES, THE WICKER MAN, LONELY HEARTS, and 16 BLOCKS. Upcoming Nu Image/Millennium releases include RAMBO, THE CLEANER, MAD MONEY, DAY OF THE DEAD, MAJOR MOVIE STAR, THE CODE and RIGHTEOUS KILL.

ABOUT LIONSGATE

Lionsgate is the leading independent filmed entertainment studio, winning the 2005 Best Picture Academy Award(R) for CRASH, and the Company is a premier producer and distributor of motion pictures, television programming, home entertainment, family entertainment and video-on-demand content. Its prestigious and prolific library of nearly 12,000 motion picture titles and television episodes is a valuable source of recurring revenue and a foundation for the growth of the Company's core businesses. The Lionsgate brand is synonymous with original, daring, quality entertainment in markets around the globe.

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LIONSGATE

Nu Image/Millennium Films and Lionsgate Join Forces on CONAN THE BARBARIAN Franchise Films

SANTA MONICA, Calif., Jan. 11 -- NU IMAGE/MILLENNIUM FILMS and LIONSGATE(R) (NYSE:LGF), the leading independent filmed entertainment studio, have announced a deal for Lionsgate to acquire North American distribution rights to the highly coveted film series CONAN THE BARBARIAN, based on Robert E. Howard's mythical conquering hero. The companies most recently partnered on RAMBO, which Lionsgate is co-releasing (with The Weinstein Company) on January 25th. The announcement was jointly made by Danny Dimbort, Trevor Short and Avi Lerner, founders of Nu Image/Millennium Films, and Jason Constantine, Lionsgate Executive Vice President of Acquisitions and Co-Productions.

Nu Image/Millennium's Boaz Davidson and Joe Gatta are producing the film, along with Fredrick Malmberg of Paradox Entertainment, George Furla and Henry Winterstern. Executive producers include Nu Image's Dimbort, Short and Lerner. Production is slated to take place in Bulgaria in summer/fall 2008.

"We could not be happier to be back in business with Lionsgate," said Dimbort. "They have done a phenomenal job with RAMBO and know how to release a high-profile property. CONAN is an amazing franchise and they will treat it in kind."

"We are delighted to join Nu Image/Millennium Films in bringing Conan the Barbarian back to the big screen," said Constantine. "This is a character unlike any other in the action/adventure canon, with an unlimited potential for stories that are exciting and different. And given the production expertise and creativity of our friends at Nu Image/Millennium, this Conan is sure to conquer."

Commented Lerner, "Lionsgate was our choice from the beginning. Jon Feltheimer has a great crew with good instincts, a fantastic understanding of distribution and a wonderful marketing machine. They will give these films the right attention and make them a huge success."

The deal was negotiated for Lionsgate by Constantine, Eda Kowan, Vice President Acquisitions, and Wendy Jaffe, Executive Vice President Legal & Business Affairs, Acquisitions and Co-Productions; and by Lerner and Lonnie Ramati, Executive Vice President Business and Legal Affairs, for Nu Image/Millennium Films.