



Report Summarizing
Media Sector Activity

JUNE-JULY 2014

In This Issue:

- Walgreens Tests Google's Augmented Reality
- The Corporate Social Media Summit – Highlights
- Major Media CPM Comparison
- PJSC's Mark Boidman: Tech Enabled Shopping Environments
- London Stock Exchange Acquires Russell Investments
- CBS Outdoor Acquires Certain Van Wagner Assets

June 2014 (Pending)
\$2,700,000,000

London
Stock Exchange Group

Has agreed to acquire

Russell
Investments

The undersigned is serving as
advisor to London Stock Exchange
Group

PETER J. SOLOMON COMPANY

July 2014 (Pending)
\$690,000,000

CBS
OUTDOOR

Has agreed to acquire the major
market outdoor advertising portfolio of

Van Wagner

The undersigned is serving as
advisor to CBS Outdoor

PETER J. SOLOMON COMPANY

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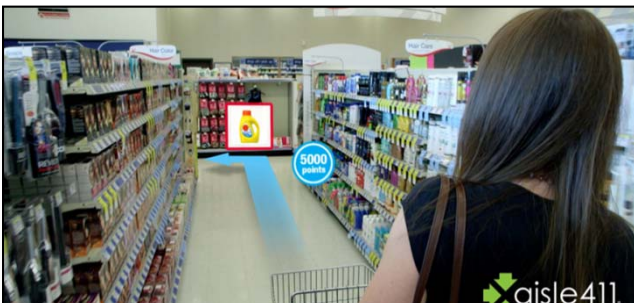
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Walgreens Tests Google's Augmented Reality

- In 2012 **Walgreens** partnered with **Aisle411**, a consumer service enabling customers to use their smartphones to find products in stores
 - Aisle411's users are able to access a map with the aisle number and a precise location of the targeted object in a particular store
 - The app allows shoppers to scan barcodes to read product reviews and learn about in-store promotions
- Recently Aisle411 teamed up with **Google** to test Google's Tango technology, which would add 3-D imagery to its in-store maps
 - The technology creates a three dimensional map of a retail location with the help of a sophisticated camera, capturing 2 million data points a second to ascertain user's orientation
 - Claims to have a ~10cm accuracy
- In June, Walgreens tested the technology at four stores in Chicago, New York, Seattle and St. Louis
 - *"This initiative enables us to further explore how Walgreens can create an even more convenient and relevant customer experience,"* said a Walgreens spokeswoman. *"The test allows participants to reimagine the retail experience and explore what future enhancements could be made to better meet customer need."*



Source: Wall Street Research.

FIFA World Cup 2014 Gathered Record TV Audiences

- With the highest number of Americans drawn to TV screens in the event's history, World Cup 2014 became a premier ad platform
 - According to YouTube's stats, people have watched more than 1.2 billion minutes of World Cup ads globally in 2014
 - Nielsen reported that the U.S. / Portugal game was the most-watched soccer game in American history, attracting 25 million TV viewers
 - *"We're advertising in every single game, on ESPN and Univision,"* said Vinay Shahani, Vice President for Marketing at Volkswagen of America, as part of *"an integrated campaign across the World Cup."*
 - With commercial breaks only at halftime, ads during soccer matches tend to be of longer length
 - Appealing to advertisers who are looking to tell more elaborate, engaging stories about their brands



- Viewers were also more actively engaged with social media – e.g., President Obama tweeted his support for the U.S. team
 - GlobalWebIndex's survey found that 51% of U.S. audiences turned to social networks to see other people's comments about matches

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Connecting OOH & Mobile

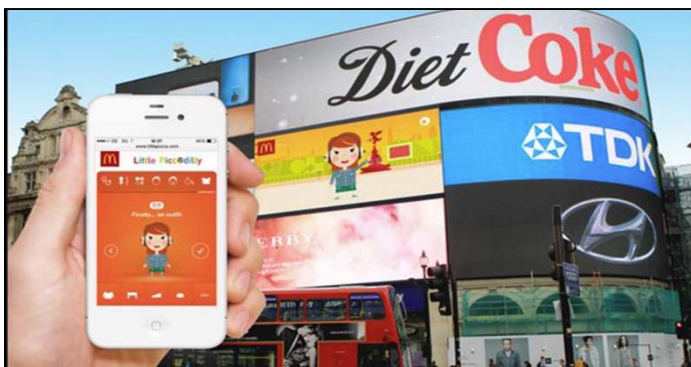
- **Clear Channel Outdoor** (CCO) launched a technology platform **Connect** for connecting out-of-home advertisements with consumers' smartphones
 - With Connect, CCO aims to position itself as a partner for marketers who face difficulties reaching consumers on smartphone screens
 - The interactive advertising platform turns outdoor structures into digital interfaces that passers-by can activate through mobile location sensors
 - An ad on a bus stand could ask the consumer to swipe for more information, then send them to a mobile website or an app
 - Presence in several European markets
 - Ability to reach mobile consumers via integrated campaigns at national scale (29 markets, including the top 10 U.S. DMAs)
 - *“Combining the visual impact of out of home with the interactive and data-rich capabilities of mobile will help our clients create more engaging and measurable campaigns to build their brands and achieve their sales goals,”* said Suzanne Grimes, President and COO of Clear Channel Outdoor – North America

WindowsWear

- Fashion-tech startup launched only in November 2012 by Jon Harari and Michael Niemtzwow
- WindowsWear’s display network currently covers ~26,000 windows across the globe, adding ~2,000 each month
 - Present in Barcelona, Hong Kong, London, Los Angeles, Mexico City, Milan, New York, Paris
 - Features content from 550 different brands

TubeMogul’s IPO Up Over 50%

- **TubeMogul** is a platform that enables buying video inventory in real-time across multiple devices, in multiple formats, offering such capabilities as ad serving, targeting, optimization and brand measurement
 - Went public Friday, July 18th
 - Stock was up more than 50% on its first day – closed at \$11.50 / share
 - Initial public offering of \$7 a share was significantly lower than previously targeted range of \$11-13
 - TubeMogul’s competitors **YuMe** and **Tremor** have seen shares decline ~35% and 60% respectively since their debut
 - The company’s revenue grew from \$15M in 2011 to \$57M in 2013
 - Added **Mondelez Intl.** as a high profile customer



Source: Wall Street Research.

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The Corporate Social Media Summit

- Key takeaways and trends:
 - Social media should be integrated into every department of an Organization
 - Setting up social profiles
 - Be “socially native”
 - Build social networks to enhance collaboration and communication
 - “Internal media should be about the culture, not governance”
 - Social customer care is a must
 - “32% of social customers expect a response within 30 minutes”
 - “46% expect it within 1 hour”
 - Fast social response builds brand advocates
 - “~80% of negative social comments can be turned into a positive if the response is quick enough”
 - Engagement directly correlates with brand loyalty and awareness
 - 1% increase in engagement leads to 11-12% increase of likelihood of customer to stay
 - Integrating customer feedback is a must-have in a social strategy
 - Visual, agile and creative content is key
 - Invest in brand ambassadors
 - “About 150 active employee advocates will create the same reach as 1 million fans”
 - Data-driven businesses perform better



Time Inc. Is Optimistic about its Future

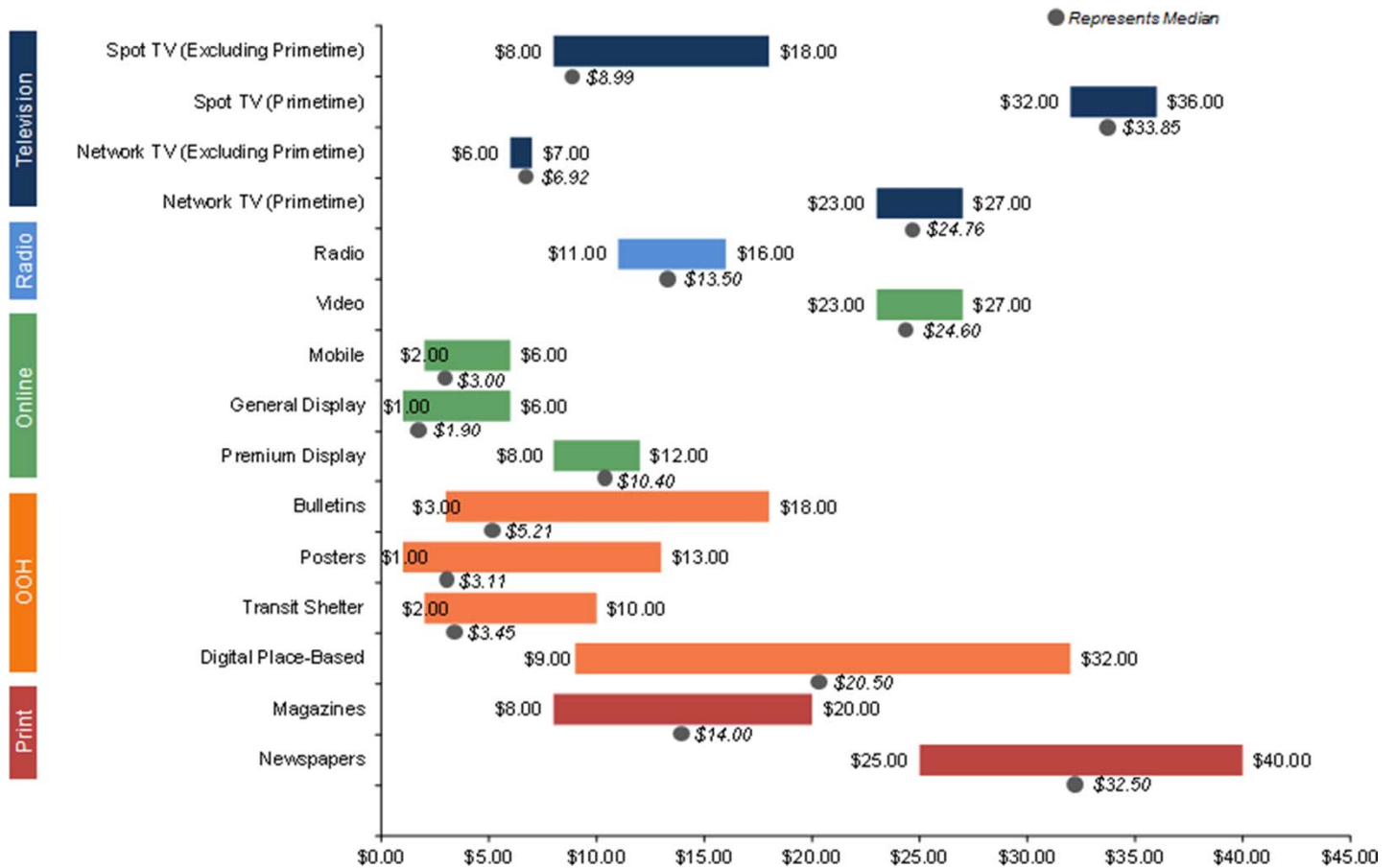
- Time Inc.'s shares have been up ~20% since its IPO in May 2014
 - The nation's only pure-play public magazine company after it was spun-off from Time Warner
 - Owns 90 magazine titles globally (23 in the U.S.) with industry-leading content:
 - People (accounting for 19% of the company's revenues), Sports Illustrated, and InStyle were the Nos. 1, 3 and 4 magazines last year based on U.S. ad revenues
 - 70M monthly online readers
 - 2013 Revenue: \$3.4B, Adj. EBITDA: \$587M
 - Targeted dividend payout: 30% of FCF
 - Raised \$1.4B of funded debt in connection with the spin-off
 - In June, the company announced that it sold off its Grupo Editorial Expansion, Mexico's second-largest magazine publisher
 - "Time Inc.'s prime focus today is on growing core assets in the U.S. and U.K.," Time Inc. CEO Joe Ripp said in a statement
- Advertising made up 67% of all magazine industry revenue in 2013



Source: Wall Street Research, company's investor presentation.

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PJSC Major Media CPM Comparison



CPM (Cost Per Mille or Cost Per Thousand) is a commonly used measurement in advertising. Radio, television, newspaper, magazine, out-of-home advertising, and online advertising can be purchased on the basis of showing the ad to one thousand viewers. It is used in marketing as a benchmarking metric to calculate the relative cost of an advertising campaign or an ad message in a given medium.

The “cost per thousand advertising impressions” metric (CPM) is calculated by dividing the cost of an advertising placement by the number of impressions (expressed in thousands) that it generates. CPM is useful for comparing the relative efficiency of various advertising opportunities or media and in evaluating the overall costs of advertising campaigns.

Source: Peter J. Solomon Company Estimates as of July 2014 based on SEC filings, news, research and other industry sources.

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Sector News

Out-Of-Home Media

- 7/22: Prominent Brazilian digital signage transit network, **Nemooh Servicos de Mídia LTDA**, has deployed its first 1,000 screens in 500 buses with **BroadSign International's** digital signage software platform
 - Expansion plans involve attaining 4,000 screens in 2,000 buses by the end of 2015
- 7/21: **CBS Outdoor** announced that it would purchase Van Wagner Communications' billboard and certain other display businesses for \$690 million
- 7/16: **Clear Channel Outdoor** is launching a technology platform for connecting out-of-home advertisements with consumers' smartphones
- 7/15: **Clear Channel Outdoor Canada** – was selected as exclusive media provider by City Center Terminal Corp. for Billy Bishop Toronto airport Terminal
 - 10 year contract to provide a comprehensive advertising program
 - Contract is effective September 1, 2014
 - BBTCA terminal is Clear Channel Outdoor Canada's second major expansion this year: earlier in 2014, the company acquired the rights to advertising media at Toronto's Union Station serving over 65 million commuters annually
- 7/2: **Ontario Lottery & Gaming Corp.** chose **Green Energy** for digital signage network including 1,200 digital signs at all 19 OLG gaming sites and four OLG corporate offices
- 6/27: **Creative Realities**, digital experiences designer, entered into a merger agreement with **Wireless Ronin Technologies**, digital media solutions company
- 6/17: **CBS Outdoor Americas** struck a deal with **Windsor Outdoor** to purchase more than 35 billboard structures with over 70 display faces in Chicago and the surrounding metropolitan area

Radio / Music

- 7/16: **Sirius XM** announced that its Board of Directors has approved a \$2 billion common stock repurchase program. The company will fund the purchases with cash on hand and future cash flow from operations and borrowing
- 7/16: **Sony** and **Universal Music Group** are facing a probe by the U.S. Justice Department over alleged price coordination in music licensing
- 7/14: **SoundCloud**, the Germany-based music-streaming service is planning on selling stakes in the company to **Sony Music**, **Warner Music** and **Universal Music**, at a company wide valuation of \$500-\$600 million
- 7/13: **Spotify** is preparing to enter the Canadian market
- 7/3: Anthony Cumia of **Opie & Anthony** was fired by Sirius XM after making a series of racist tweets following an off-air incident with a black woman
- 7/2: **Google** acquired **Songza**, a music streaming service that curates songs based on a user's current activity
- 7/1: **NAD** launches **Spotify Connect** in its Masters M50 Digital Music Player
- 6/19: **T-Mobile** is teaming up with **Rhapsody** to introduce a new ad-free Internet radio service
- 6/12: **Amazon** rolled out its Prime Music streaming service, offering Prime members unlimited access to ad-free streaming to more than a million songs
- 6/11: **Apple** ramped up its iTunes Radio service with its first sports content station ESPN Radio

Source: Company press releases and Wall Street Research.

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Sector News

Broadcasting / Telecommunications

- 7/17: **DIRECTV** is set to introduce a standalone subscription service for NFL Sunday Ticket that does not require users to have a DIRECTV satellite TV subscription
- 7/17: **21st Century Fox** values **HBO** at more than \$20 billion as part of its cash-and-stock takeover bid for HBO's parent company, **Time Warner**. Time Warner rejected the bid
- 7/16: **Comcast** teamed up with **TiVo** to work on a non-CableCARD security platform. The platform would allow TiVo boxes bought at retail to access Comcast's full lineup of linear programming
- 7/15: **Facebook** is teaming up with **Nielsen** to track users' TV viewing habits. The move is expected to help advertisers better target audiences
- 7/15: **Microsoft** will cut 18,000 jobs over the next year, mainly from the **Nokia** business which Microsoft purchased for \$7.2 billion
- 7/14: Semiconductor group **Vishay Intertechnology** is buying **Capella Microsystems** for \$205 million. Capella designs circuits for telecommunications, mobile phones, hand held devices and other electronics
- 7/14: **Yahoo** acquired **RayV**, a Los Angeles based company focused on online video streaming in the mobile space
- 7/9: **Verizon** released a transparency report saying that it received 73,234 subpoenas regarding .1% of its U.S. customers
- 7/4: **CBS** fully divested its 81% ownership in **CBS Outdoor Americas** through a tax-free exchange offer
- 7/1: **Yahoo** struck a deal with **Sony Pictures Television** to revive the canceled **NBC** series **Community** for a new season. 13 new episodes will be available exclusively on Yahoo Screen, Yahoo's video streaming service
- 6/30: **AT&T** is selling its remaining 23.81% stake in Latin American telecom operator **América Móvil**
- 6/26: **Sony** announced an acquisition of UK-based satellite television broadcaster **CSC Media Group** for about £107 million (\$182 million)
- 6/24: **Microsoft** unveiled the **Nokia X2**. It will rollout in July for a suggested price of €99 (\$133)
- 6/23: **Foxconn** is hiring 100,000 people to prepare for the mass production of iPhone 6; Foxconn will handle 70% of the iPhone 6 orders
- 6/18: **Amazon** unveiled its first smartphone; Amazon's **Fire** will ship on July 25th and the 32 GB version will retail for \$199 with a two year contract
- 6/17: **Level 3 Communications** agreed to buy **tw telecom** in a stock-and-cash transaction valued at \$7.3 billion
- 6/13: **BlackBerry** reached an agreement with **EnStream**, a Canadian joint telecom venture to provide the infrastructure for a mobile payment platform
- 6/11: **Google** struck a deal to buy **Skybox Imaging** for \$500 million in cash, subject to adjustments. Google hopes that Skybox's satellites will help keep Google Maps accurate
- 6/9: **Cinven** has agreed to spend €510 million (\$696 million) on **Gas Natural Fenosa Telecomunicaciones**, which provides infrastructure in Spain and Latin America for telecom operators
- 6/5: **TV Everywhere** content consumption increased 246% y/y bolstered by an increased usage of mobile devices, gaming consoles, and OTT content

Source: Company press releases and Wall Street Research.

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Sector News

Other Key Digital Media, Entertainment, and Tech Headlines

- 7/16: **Apple** and **IBM** entered into an exclusive partnership to bring IBM's data and analytics capabilities to iPhone and iPad devices
- 7/10: **Google Ventures** is setting up a \$100 million fund to invest in European startups
- 7/7: **Facebook** is gearing up to open its first office in China, the social networking company struck a three year lease for over 800 meters of office space in Beijing. Facebook.com is currently blocked in China
- 7/7: Patrick Pruniaux, vice president of sales for Tag Heuer, joined **Apple** in a bid to help the tech company launch the rumored iWatch device this autumn
- 7/7: **Expedia** agreed to acquire Australian online travel company **Wotif.com Holdings** for a total cash consideration of A\$703 million (\$660 million)
- 7/3: **Yahoo** shut down some of its less popular products including Newlook Service, Research Reports, People Search, Xobni and Bookmarks.yahoo.com
- 7/1: **Oracle** issued \$10 billion in new debt. Analysts predict a portion of the debt will be used for share buybacks
- 7/1: **Twitter** agreed to acquire **TapCommerce**, a firm that engages in mobile retargeting and re-engagement advertising
- 7/1: **Google** announced plans to shut down **Orkut** – a social media platform, popular in Brazil – on September 30, 10 years after the network was launched
- 6/30: **Paramount's** *Transformers: Age of Extinction* brought in \$100 million on its opening weekend
- 6/25: **GoPro's** IPO sold about \$427 million worth of company stock
- 6/23: **Oracle** announced plans to acquire **MICROS Systems** for \$5 billion
- 6/23: **Google's Nest Labs** struck a deal to acquire home-monitoring camera startup **Dropcam** for \$555 million cash, subject to adjustments
- 6/17: **Apple** struck a binding agreement with U.S. states and other complainants to settle all claims related to a dispute over e-book price fixing
- 6/13: **LinkedIn** is facing a lawsuit which claims it violated customers' privacy rights for marketing purposes by accessing users' external emails
- 6/13: **EBay** unit PayPal introduced a new website called PassPort, for merchants. The new site will help merchants explore sales data analytics
- 6/11: **Alibaba** has bought its way into the U.S. market with the launch of 11Main.com, a direct-to-consumer online shop
- 6/9: **Amazon** launched a new payments service that allows customers to use credit card details stored on Amazon.com to pay for a range of services by other merchants
- 6/6: **Google** unveiled a new prototype tablet which allows developers to build 3-D applications. It will be sold as a \$1,024 development kit later this year
- 6/5: **Alibaba Group Holding** struck a deal to acquire a 50% stake in Evergrande football club in Guangzhou, China, for 1.2 billion Chinese Yuan (\$192 million)

Source: Company press releases and Wall Street Research.

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Technology-enabled Shopping Environments (July 2014)

By PJSC's Mark Boidman

SOUND & VIDEO CONTRACTOR

According to a recent Wall Street Research report, by 2017, 60 percent of all U.S. retail sales will in some way involve online transactions or research, and approximately 10 percent of total U.S. retail sales will be online purchases (versus approximately 5 percent today).

To prepare for such expected increases in online transactions and related in-store decreases in foot traffic, as well as a shift in purchasing power from baby boomers to millennials, brick-and-mortar retailers would be well advised to make an investment in visual communications to allow consumers to interact with brands, as well as products or services. In particular, mobile communications and/or digital signage create an experiential shopping environment in-store.

By facilitating an omni-channel shopping experience with visual communications, traditional brick-and-mortar retailers can be better positioned to level the playing field with e- and m-commerce to better compete with the ease and convenience of online shopping.

Interactive digital signage can enhance the in-store shopping experience in the following ways:

- Providing contextually relevant content and advertising when a consumer is in action mode and/or at the point of sale
- Facilitating product research and education more easily before purchase
- Enabling mobile payments/m-commerce
- Offering wayfinding solutions



Many retailers have responded slowly to the empowered consumer who has changed the retail game because of online and mobile technology. Most retailers have failed to acknowledge that consumers' in-store expectations have evolved as a result of online and mobile technologies.

We now expect an interactive, personalized, engaging shopping experience with access to large amounts of product information and recommendations, as well as the ability to capture and transmit images, known as "share and compare."

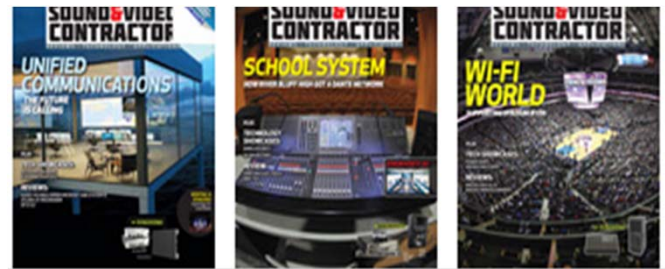
Digital signage, including tablets, should be strategically placed in-store in high-traffic locations. By way of illustration, Moblty is a company that facilitates this type of interaction on its in-store network tablets using content and advertising. Moblty provides instant feedback as to how the consumer is viewing and responding to an advertiser's in-store offers. This insight, coupled with the ability to remotely adjust offers in realtime, provides brands and advertisers with the tools to ensure that their in-store offers are relevant to the consumer and the environment.

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Technology-enabled Shopping Environments (Continued)

SOUND & VIDEO CONTRACTOR

Importantly, digital signage allows advertisers to push their content remotely and in real-time to any number of displays in targeted areas. Consumers can then interact with the content and advertising, which can be downloaded to their mobile phones. Advertisers can also update offers across the network in accordance with a regular schedule or in real-time to meet market demand. Moblty is already working with advertisers to determine the effectiveness of their offers by tracking distribution, click-throughs, and redemptions.



Technology is now available in-store to increase dwell time and deliver a personalized shopping experience. At the 2014 NEC Showcase in London, Scala—a digital signage solutions company—presented such types of technological capabilities. Using Bluetooth Low Energy, Scala was able to demonstrate the capability to pinpoint a consumer’s in-store location. Using “beacon” technology, Scala sends personalized notifications in realtime to the consumer about items that are on sale nearby or products that may be interesting to the consumer. What really caught my attention was Scala’s demonstration of a consumer lifting a bottle of whiskey that automatically engaged a light sensor identifying the consumer’s selection. This triggered relevant content on the display screen in front of the consumer.

In closing, interactive visual communications not only create an experiential shopping environment in-store, but they also bridge the communication gap between the consumer and the brand, permit collection of data to more effectively target and engage consumers, and provide critical information on consumer activity in the retail environment.

Sound & Video Contractor:
http://svconline.com/digitalsignage/features/technology-enabled_shopping_environments/




Source: Sound & Video Contractor from July 9, 2014.

London Stock Exchange Acquires Russell Investments


- Announced June 26, 2014

Pending
June 2014
\$2,700,000,000



London
Stock Exchange Group

Has agreed to acquire



*The undersigned is serving as
advisor to London Stock
Exchange Group*

PETER J. SOLOMON COMPANY

Transaction Details

- LSEG acquired Frank Russell Company from Northwestern Mutual for total cash consideration of \$2.7 billion
 - 11.4x EV / 2013 EBITDA of \$236 million
 - Approximately \$1.6 billion of the consideration will be financed from an equity rights offering, with the remaining \$1.1 billion financed from existing and new LSEG bank debt facilities
- Investors reacted favorably to the announcement, as LSEG's stock price increased 6.1% on the day of the announcement
- Acquisition rationale:
 - Building a strong US footprint
 - Strategic fit with FTSE
 - Creating a global index leader

London Stock Exchange Overview

- LSEG is a leading diversified international exchange group
 - Operates a broad range of equity, bond and derivatives markets
 - Leading developer of high performance trading platforms and capital markets software and provides access to an extensive range of real-time and reference data products and market-leading post-trade services
 - Owns leading index provider FTSE, which creates and manages over 250,000 equity, bond and alternative asset class indices

Russell Investments Overview

- Russell Investments is comprised of two primary businesses
 - Index business is the No. 1 provider of benchmarks to US focused equity funds and has strong relationships with leading asset managers and exchanges
 - 2013 Revenue: \$170MM
 - 2013 EBITDA: \$83MM
 - Investment Management business is composed of two main sub-units: the Investment Management division (\$256B of AUM) and the Implementation Services division
 - 2013 IM Revenue: \$784 million
 - 2013 IM EBITDA: \$153 million

Source: Company press release and other publicly available information.

CBS Outdoor To Acquire Certain Van Wagner Assets for \$690 million

- Announced July 21, 2014

Pending
July 2014
\$690,000,000



Has agreed to acquire the major market outdoor advertising portfolio of



The undersigned is serving as advisor to CBS Outdoor

PETER J. SOLOMON COMPANY

Transaction Details

- CBS Outdoor (“CBSO”) announced that it has agreed to acquire Van Wagner’s major market portfolio of outdoor advertising assets for \$690 million in cash
 - The purchase price represents an acquisition multiple of 10.8x 2013 Adjusted OIBDA
- Van Wagner adds over 1,100 large format signs in 11 top U.S. markets to CBSO’s extensive out-of-home media portfolio
 - Also includes 8,000 other outdoor advertising displays which account for ~20% of the acquired revenues
- Transaction represents strategic opportunity to acquire complementary top-market assets and enhance growth
 - Leverages CBSO operating expense infrastructure
- Transaction expected to close in early 2015 and is immediately accretive to AFFO per share
- CBSO stock was up ~4.5% on date of announcement

CBS Outdoor Overview

- CBS Outdoor is one of the largest out-of-home media companies in the Americas with a market capitalization of ~\$4 billion
- Portfolio consists of ~330,000 displays in the U.S. and ~26,200 displays across Canada and Latin America
 - Operates displays in all of the 25 largest U.S. markets and in over 180 markets in the U.S., Canada and Latin America
- In FY 2013, CBS Outdoor generated revenue of \$1.3 billion and adjusted OIBDA of \$393 million

Van Wagner Major Market Portfolio

- 1,100 large format billboard displays in 11 top U.S. markets
 - New York, Los Angeles, Chicago, Dallas, Philadelphia, Washington, D.C., Miami, Boston, San Francisco, Minneapolis-St. Paul, and Las Vegas
- 2013 revenues of the acquired assets were \$206 million
 - Over 90% of acquired revenues are derived from REIT eligible assets
- Transaction excludes Van Wagner’s Sports and Entertainment, Blimp and Aerial divisions

Source: Company press release and other publicly available information.

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Market Indicators

	7/24/14	Performance				
		% of 52 Week High	1- Day % Change	1-Week % Change	1-Month % Change	YTD % Change
		Nasdaq Composite	4,472	99.69%	(0.04%)	2.49%
Dow Jones Industrial	17,084	99.68%	(0.02%)	0.63%	0.87%	27.37%
S&P 500	1,988	100.00%	0.05%	1.52%	1.29%	35.94%

	Bloomberg Economic Forecast				
	3Q14E	4Q14E	1Q15E	2Q15E	3Q15E
Real GDP (%)	3.10	3.10	3.00	3.00	3.00
Core CPI (%)	2.10	2.30	2.30	2.20	2.20
Fed Funds	0.25%	0.25%	0.25%	0.38%	0.63%
3 Mo. LIBOR	0.27%	0.34%	0.42%	0.58%	0.81%
10 Yr Treasury	2.85%	3.05%	3.18%	3.35%	3.47%
Unemployment (%)	6.10	6.00	5.90	5.80	5.70

Share Price Performance

	Stock Price 7/24/14	1-Week % Change	1 - Month % Change	YTD % Change
Out-of-Home Media				
APG SGA	CHF 317.84	(0%)	(0%)	16%
AirMedia Group	\$2.20	5%	(8%)	2%
CBS Outdoor Americas Inc.	\$34.32	4%	2%	NA
Clear Channel Outdoor	7.69	(1%)	(7%)	(24%)
Clear Media	HK\$1.01	(1%)	10%	17%
JCDecaux	€37.45	1%	2%	(7%)
Lamar	\$51.80	(2%)	0%	0%
Mood Media	CAD 0.51	26%	6%	(31%)
National CineMedia	\$16.46	(2%)	(5%)	(16%)
RMG Networks	2.37	4%	13%	(0.5)
Ströer	23.09	2%	32%	38%

Out-of-Home Median	1%	2%	(3%)
Out-of-Home Mean	3%	4%	(6%)

Broadcasting	Stock Price	1-Week %	1 - Month %	YTD %
Entravision	\$5.94	1%	11%	(2%)
Gray Television	12.75	1%	14%	(13%)
LIN Media	27.40	(2%)	9%	(1%)
Media General	20.85	(6%)	18%	(6%)
Nexstar Broadcasting Group	48.16	(1%)	12%	(13%)
Sinclair Broadcast Group	33.53	0%	15%	(5%)

Broadcasting Median	(0%)	13%	(6%)
Broadcasting Mean	(1%)	13%	(7%)

Diversified Media	Stock Price	1-Week %	1 - Month %	YTD %
CBS	\$58.51	(5%)	(1%)	(7%)
Discovery	82.88	(2%)	11%	(7%)
Disney	86.80	2%	5%	14%
Hemisphere Media Group	11.36	1%	(1%)	(1%)
News Corp.	18.29	1%	5%	2%
Scripps Networks	83.17	(3%)	2%	(3%)
Time Warner	84.01	(2%)	23%	22%
Viacom	85.62	(2%)	0%	(2%)

Diversified Media Median	(2%)	3%	(1%)
Diversified Media Mean	(1%)	6%	2%

	Stock Price 7/24/14	1-Week % Change	1 - Month % Change	YTD % Change
Radio				
Beasley Broadcast Group	\$6.32	(6%)	13%	(31%)
CC Media	8.55	3%	20%	22%
CBS Outdoor Americas Inc.	34.32	4%	2%	NA
Cumulus Media	5.60	(7%)	(15%)	(30%)
Emmis Communications	2.63	(0%)	(13%)	(4%)
Entercom Communications	10.07	(5%)	(3%)	(7%)
Radio One	4.78	(1%)	--	18%
Saga Communications	37.73	0%	(2%)	(25%)
Salem Communications	9.01	(2%)	(4%)	(1%)
Sirius XM Radio	3.45	(0%)	1%	(1%)
Spanish Broadcasting System	5.70	4%	3%	56%

Radio Median	(0%)	--	(3%)
Radio Mean	(1%)	0%	(0%)

Advertising/Marketing	Stock Price	1-Week %	1 - Month %	YTD %
Dentsu	¥39.69	0%	(2%)	(3%)
Havas	\$8.10	3%	(2%)	(0%)
Interpublic	20.15	6%	3%	14%
Omnicom	72.86	3%	2%	(2%)
Publicis	€78.33	(2%)	(6%)	(13%)
WPP	£21.06	1%	(1%)	(9%)

Advertising/Marketing Median	2%	(2%)	(2%)
Advertising/Marketing Mean	2%	(1%)	(2%)

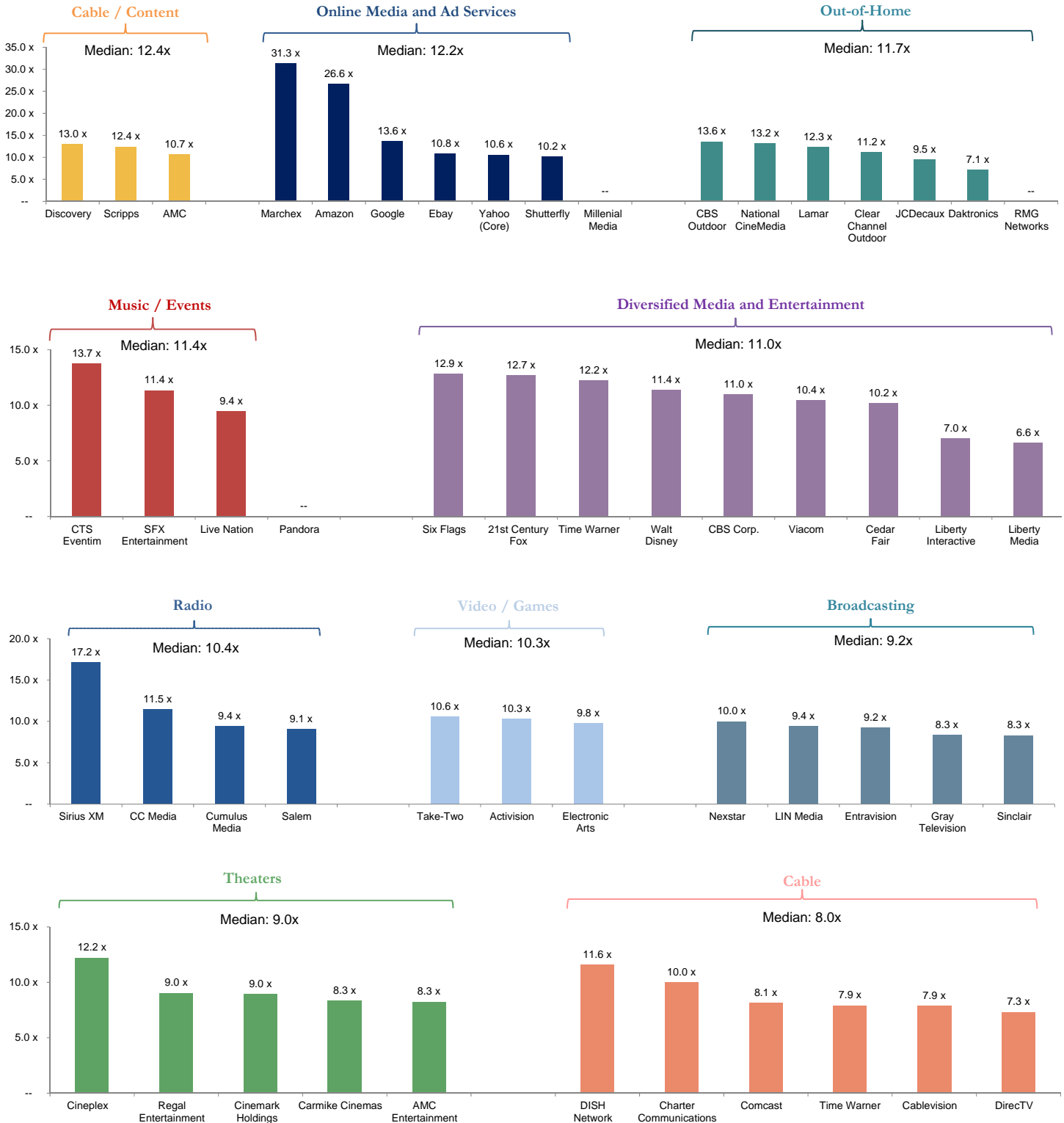
New Media	Stock Price	1-Week %	1 - Month %	YTD %
eBay	\$53.23	4%	8%	(1%)
Google	603.01	4%	5%	8%
Marchex	11.66	(0%)	(2%)	18%
Millennium Media	3.67	0%	(18%)	(50%)
Yahoo!	36.17	9%	8%	(9%)
Facebook	74.98	13%	15%	37%
Amazon	358.61	2%	10%	(10%)
Zulily	35.98	1%	(2%)	(11%)

New Media Median	3%	6%	(5%)
New Media Mean	4%	3%	(2%)

Source: Capital IQ, Bloomberg and Wall Street research.

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EV / 2014E EBITDA



(a) EBITDA numbers are based on RMG's FY14 Q3 guidance.

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Valuation Metrics

	Stock Price 7/24/14	52-Week Low	52-Week High	Equity Value (a)	Enterprise Value (a)	Valuation Multiples		Growth	
						EV / Revenue	EV / EBITDA	'12A - '14E CAGR	
						2014E	2014E	Revenue	EBITDA
Out-of-Home Media									
CBS Outdoor Americas Inc.	\$34.32	27.88	35.69	4,118	5,603	3.8 x	13.6 x	1%	4%
Clear Channel Outdoor	\$7.69	7.14	10.69	2,765	7,673	2.6 x	11.2 x	0%	(2%)
JCDecaux	€37.45	30.90	43.84	8,370	8,275	2.2 x	9.5 x	2%	7%
Lamar	\$51.80	41.36	54.48	4,928	6,806	5.3 x	12.3 x	3%	3%
National CineMedia	16.46	13.94	20.22	1,001	2,053	8.9 x	13.2 x	(3%)	1%
RMG Networks	2.37	0.89	10.94	29	33	0.4 x	NM	31%	19%
Global / U.S. Median						2.6 x	11.8 x	2%	3%
Global / U.S. Mean						3.9 x	11.6 x	7%	6%
APG SGA	CHF 317.84	241.01	337.19	937	809	2.4 x	10.5 x	(2%)	8%
Ströer	€23.09	12.74	23.35	1,128	1,628	1.7 x	9.2 x	8%	14%
Europe Median						2.1 x	9.8 x	3%	11%
Europe Mean						2.1 x	9.8 x	3%	11%
AirMedia Group	\$2.20	1.55	3.24	131	51	0.2	3.6	(1%)	(17%)
Clear Media	HK\$1.00	0.61	1.03	537	430	NA	NA	NA	NA
China Median						0.2 x	3.6 x	(1%)	(17%)
China Mean						0.2 x	3.6 x	(1%)	(17%)
Mood Media	CAD\$0.51	0.37	1.18	91	676	1.4 x	6.6 x	2%	1%
Total Out-of-Home Advertising Median						2.3 x	10.0 x	1%	2%
Total Out-of-Home Advertising Mean						3.1 x	9.5 x	1%	2%
Radio									
Beasley Broadcast Group	\$6.32	5.31	9.61	146	237	NA	NA	NA	NA
CC Media	8.55	3.70	8.55	760	20,877	3.3 x	11.5 x	1%	(1%)
Cumulus Media	5.60	3.89	8.19	1,219	3,779	2.9 x	9.4 x	9%	7%
Emmis Communications	2.63	2.19	3.67	113	289	NA	NA	NA	NA
Entercom Communications	10.07	7.68	11.47	394	880	2.3 x	7.9 x	(0%)	1%
Radio One	4.78	2.10	5.82	227	1,224	NA	NA	(1.0)	(1.0)
Salem Communications	9.01	7.20	10.34	227	517	1.9 x	9.1 x	5%	(3%)
Sirius XM Radio	3.45	2.98	4.18	20,817	24,147	5.8 x	17.2 x	7%	8%
Radio Median						2.9 x	9.4 x	3%	(0%)
Radio Mean						3.2 x	11.0 x	(13%)	(15%)
Broadcasting									
Entravision	5.94	4.27	7.36	530	847	3.4 x	9.2 x	4%	6%
Gray Television	12.75	6.01	15.17	744	1,559	3.2 x	8.3 x	6%	2%
LIN Media	27.40	14.25	29.24	1,518	2,460	3.1 x	9.4 x	13%	7%
Nexstar Broadcasting Group	48.16	28.88	56.42	1,475	2,492	3.7 x	10.0 x	21%	19%
Sinclair Broadcast Group	33.53	23.28	37.50	3,266	5,985	3.1 x	8.3 x	23%	20%
Broadcasting Median						3.2 x	9.2 x	13%	7%
Broadcasting Mean						3.3 x	9.1 x	13%	11%
Advertising/Marketing									
Interpublic	€8.10	7.20	8.58	3,320	3,600	1.5 x	9.1 x	0%	3%
WPP	£21.06	19.48	26.56	27,255	31,497	1.7 x	9.6 x	2%	3%
Publicis	€78.33	73.83	94.51	16,510	16,545	1.7 x	9.5 x	3%	1%
Omnicom	\$20.15	15.28	20.37	8,491	9,652	1.3 x	10.0 x	2%	5%
Publicis	72.86	59.70	76.87	18,299	21,506	1.4 x	9.5 x	3%	3%
Havas	¥39.69	29.77	42.98	11,443	12,811	0.5	10.3	0.1	0.2
Advertising/Marketing Median						1.4 x	9.6 x	2%	3%
Advertising/Marketing Mean						1.4 x	9.7 x	3%	6%

Source: Capital IQ.

(a) Equity value and enterprise value in applicable stock price currency.

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Upcoming Events

Dates	Name	Location	Description
August 1-3, 2014	AMA 2014 Summer Marketing Educators Conference	San Francisco, CA	<ul style="list-style-type: none"> This year's conference is being organized by co-chairs Rebecca Hamilton and Alberto Sa Vinhas and supported by a team of distinguished track chairs
September 8-11, 2014	Content Marketing World 2014	Cleveland, OH	<ul style="list-style-type: none"> An opportunity to learn and network with the best and brightest in the content marketing industry.
September 15-18, 2014	Inbound 2014	Boston, MA	<ul style="list-style-type: none"> Provides attendees with the inspiration, education, and connections needed to transform their businesses to match the way purchasing behaviors are evolving in a connected and digital world
September 16-17, 2014	Social Shake-Up	Atlanta, GA	<ul style="list-style-type: none"> The event is an exploration of how entrepreneurs shake up traditional to create a brand new form of business: the Social Enterprise
September 25-26, 2014	Social Brand Forum	Iowa	<ul style="list-style-type: none"> Top 10 social media conference, bringing national social media and digital marketing thought leaders to Iowa's Creative Corridor for two days of impactful discussions
September 30, 2014	40 Under 40 – Emerging Leaders Award	New York, NY	<ul style="list-style-type: none"> Celebrate young marketing leaders who are excelling despite the challenges they are faced with today
October 8-9, 2014	C3	New York, NY	<ul style="list-style-type: none"> The conference will gather 1,000 marketers from around the world to work together and share tactics, insight, and ideas in a collaborative environment PJSC's Mark Boidman will attend
October 15-16, 2014	PivotCon	New York, NY	<ul style="list-style-type: none"> The event will examine the landscape of problems faced by today's most active Social Businesses PJSC's Mark Boidman will attend
October 15-18, 2014	ANA Masters of Marketing	Phoenix, AZ	<ul style="list-style-type: none"> The event will examine the landscape of problems faced by today's most active Social Businesses
October 21, 2014	DSE One	New York, NY	<ul style="list-style-type: none"> DSE, the world's largest International Conference and Tradeshow dedicated exclusively to showcasing innovative digital communications and interactive technology solutions for customer-facing organizations
October 22, 2014	Daily DOOH Investor Conference	New York, NY	<ul style="list-style-type: none"> Showcase of key technologies that are enabling new markets and impacting global display ecosystems
October 27-29, 2014	Brands-Only Summit	Orlando, FL	<ul style="list-style-type: none"> The event is focused on the core skills one needs to be a successful social media executive
November 3-5, 2014	Sustainable Brands '14	London, UK	<ul style="list-style-type: none"> The Sustainable Brands London conference convenes to drive innovation that leads to enhanced brand value
November 3, 2014	Ad operations: IAB Summit	New York, NY	<ul style="list-style-type: none"> Conference exploring challenges and solutions in a multiscreen world
November 5-6, 2014	Ad:tech New York	New York, NY	<ul style="list-style-type: none"> Interactive advertising and technology conference and exhibition PJSC's Mark Boidman will attend
November 19-20, 2014	SMX Social Media Marketing	Las Vegas, NV	<ul style="list-style-type: none"> A two-day, tactic-rich conference that covers all key issues for getting the most out of social marketing

PJSC Overview

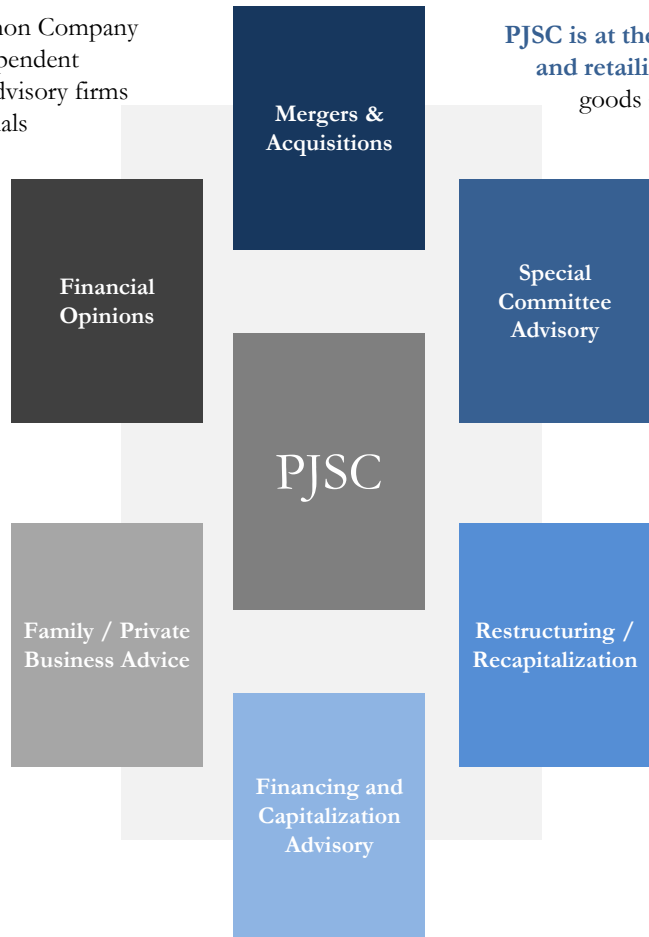
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