

# PRESENTATION

august 2000







**International presence** > Los Angeles, London, Munich

**Development of high-quality films** > Direct access to attractive content through longterm partnerships with established producers and major US studios

**Worldwide distribution** > highly efficient distribution network with local distributors in over 70 countries

**Profitability** > EBIT of US\$ 13 M with turnover of US\$ 116 M in 1999



**Florian Bollen** (35) **Munich**

**Chairman**

Strategy/Internet/Investor Relations

Executive, MBA UCLA  
Roland Berger, Bertelsmann,  
CEO MTG Acquisitions

**Guy East** (48) **London**

**Member of the Board**

Acquisition Europe  
International Distribution

Executive, ITC, Goldcrest, Carolco,  
Founder of Majestic (15 Oscars)  
Founder of Intermedia Ltd.

**Nigel Sinclair** (52) **L.A.**

**Member of the Board**

U.S. Acquisition / Distribution

Attorney, Partner Denton Hall in L.A.,  
Founder of media law firm Sinclair  
Tenenbaum & Co,  
Founder of Intermedia Ltd.

**Moritz Borman** (45) **L.A.**

**Vice Chairman**

U.S. Acquisition / Production

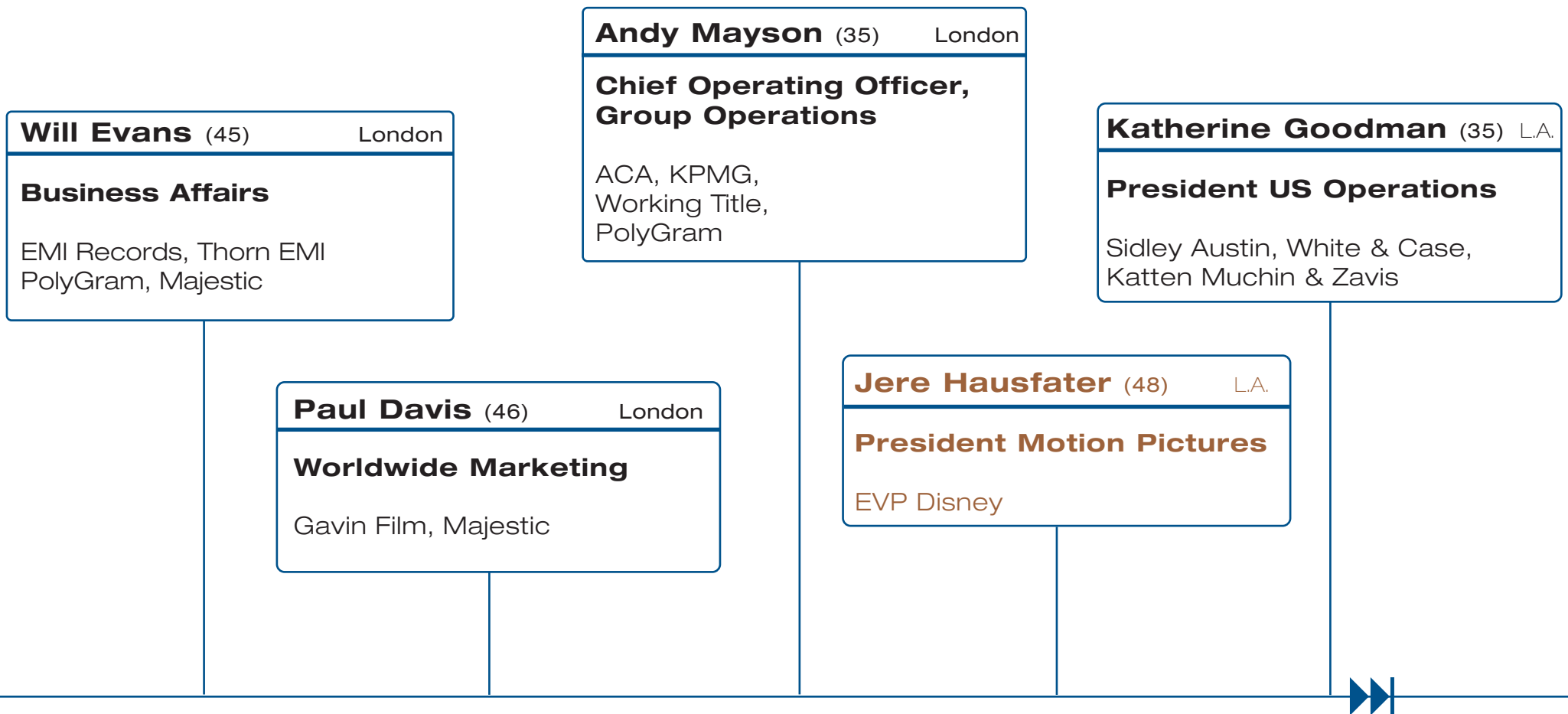
Managing Director Pacifica Film  
Distribution, Film financing, Producer

**Andreas Konle** (30) **Munich**

**Chief Financial Officer**

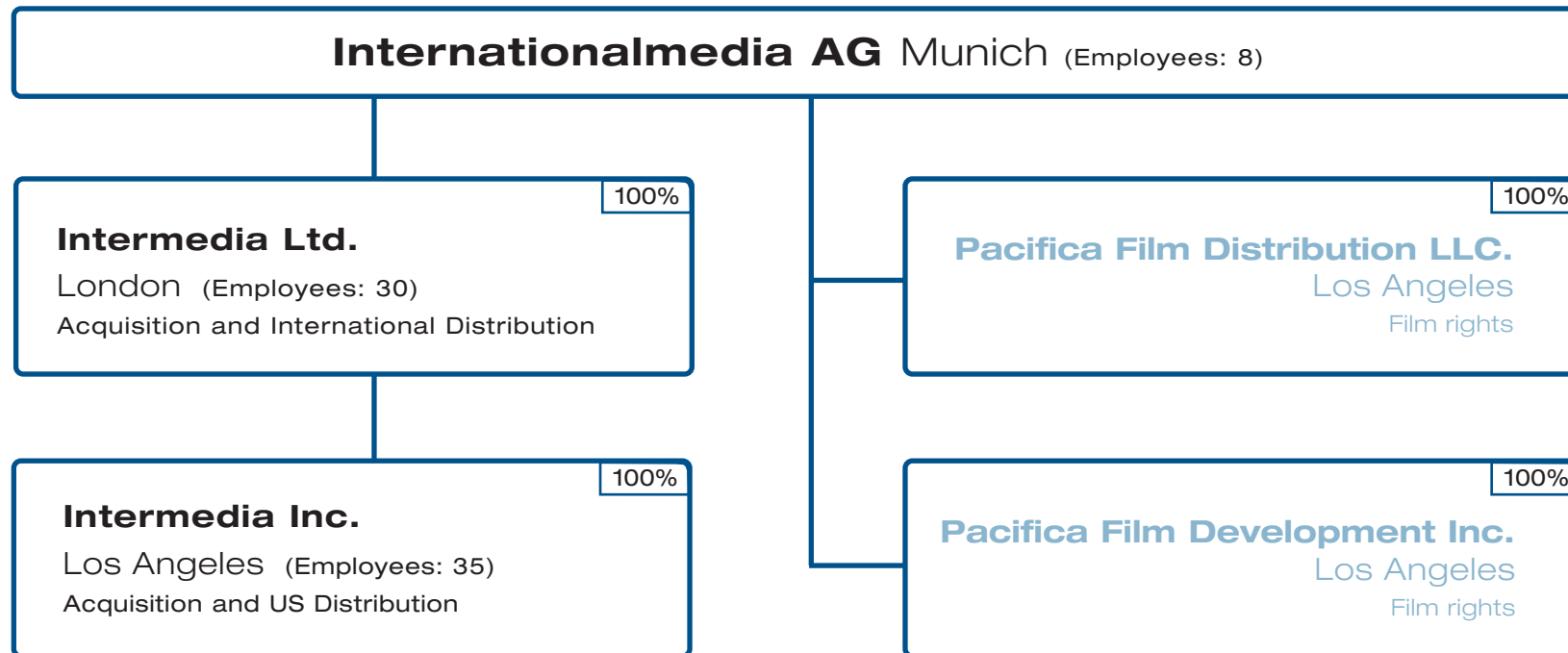
MBA, CPA  
KPMG





- > **Antoinette Hiebeler-Hasner**  
Chairman, Tax consultant, Munich
- > **Stefan v. Moers**  
Vice-chairman, Lawyer, Munich
- > **Matthias Deyle**  
Film producer, Munich
- > **Dr. Matthias Hink**  
Head of Global Finance, Dresdner Kleinwort Benson, London
- > **Tony Stewart**  
Managing director of Hornbeam Holdings, Sydney
- > **Hugh Grant**  
Actor / Producer







- 1996** > Foundation of Internationalmedia Group
- 1997** > Appointed to service distribution rights of: "Crocodile Dundee I+II", "Dances with Wolves"  
> Profitable in first year of operations
- 1998** > "Sliding Doors". Most successful British film of the year  
> 2 Oscar Nominations for "Hilary and Jackie"
- 1999** > Acquisition of MEI-Library  
> Passed USD 100 M turnover
- 2000** > Worldwide distribution of over 50 owned and serviced films  
> 2 Oscar Nominations for "Sweet and Lowdown"  
> 18 May: IPO



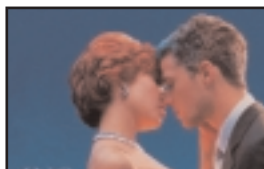
> **OWNED FILMS** (worldwide copyrights)



**Hilary & Jackie** (1998)  
Emily Watson  
Rachel Griffiths



**Sliding Doors** (1998)  
Gwyneth Paltrow



**Playing by Heart** (1998)  
Sean Connery  
Gillian Anderson

**And many more including:**

- Clay Pigeons
- Brombeerzeit
- Whatever Happened to Harold Smith

> **SERVICED FILMS** (distribution rights)



**Deconstructing Harry**  
(1997)  
Woody Allen  
Demi Moore



**Celebrity** (1998)  
Kenneth Branagh  
Leonardo Di Caprio



**The Spanish Prisoner** (1998)  
Steve Martin  
Campbell Scott

**And many more including:**

- Sweet and Lowdown
- Just Looking
- Wild Man Blues
- Head above Water / Kopf über Wasser
- Barbier von Sibirien
- Woman Talking Dirty

> **LIBRARY** (including MEI Films)



**Crocodile Dundee I + II**  
Paul Hogan



**Richard III**  
Ian McKellen  
Annette Bening



**Dances with Wolves**  
Kevin Costner

**And many more including:**

- Amazon
- Caught
- The Grass Harp
- Jefferson in Paris
- The Big One
- Vanya On 42nd Street



**Sliding Doors** (Owned)

- > British Academy Nomination, Best British Film 99
- European Film Award, Winner Best Screenplay 98
- San Diego Film Festival, Winner Critics Award

**Hilary & Jackie** (Owned)

- > 2 Oscar Nominations 99
- 5 British Academy Nominations 99
- 2 Golden Globe Nominations 99
- Golden Lion Nomination Venice 98
- 2 Screen Guild Award Nominations 98
- Best British Independent Film Winner 99

**Deconstructing Harry** (Serviced)

- > Oscar Nomination, Best Screenplay 99
- European Film Award Nomination 99

**Sweet & Lowdown** (Serviced)

- > 2 Oscar Nominations 00
- 2 Golden Globe Nominations 00

**Dances with Wolves** (Library)

- > 12 Oscar Nominations 91
- Winner 7 Oscars including Best Film 91
- 9 Golden Globe Nominations, Winner 3 Golden Globes 91
- 9 British Academy Nominations 92

**Nurse Betty** (Owned)

- > Best Screenplay, Cannes 00





**The Wedding Planner**  
Jennifer Lopez  
Matthew McConaughey



**Enigma**  
Kate Winslet



**Where the Money is**  
Paul Newman



**Cuba and the Night**  
John Cusack  
Jennifer Lopez



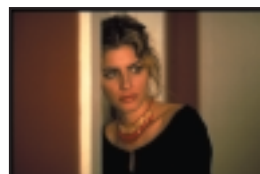
**Up the Villa**  
Kristin Scott-Thomas  
Sean Penn



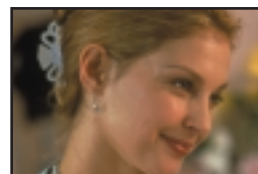
**Sweet and Lowdown**  
Sean Penn  
Samantha Morton



**Love's Labour's Lost**  
Kenneth Branagh  
Alicia Silverstone



**Whipped**  
Amanda Peet



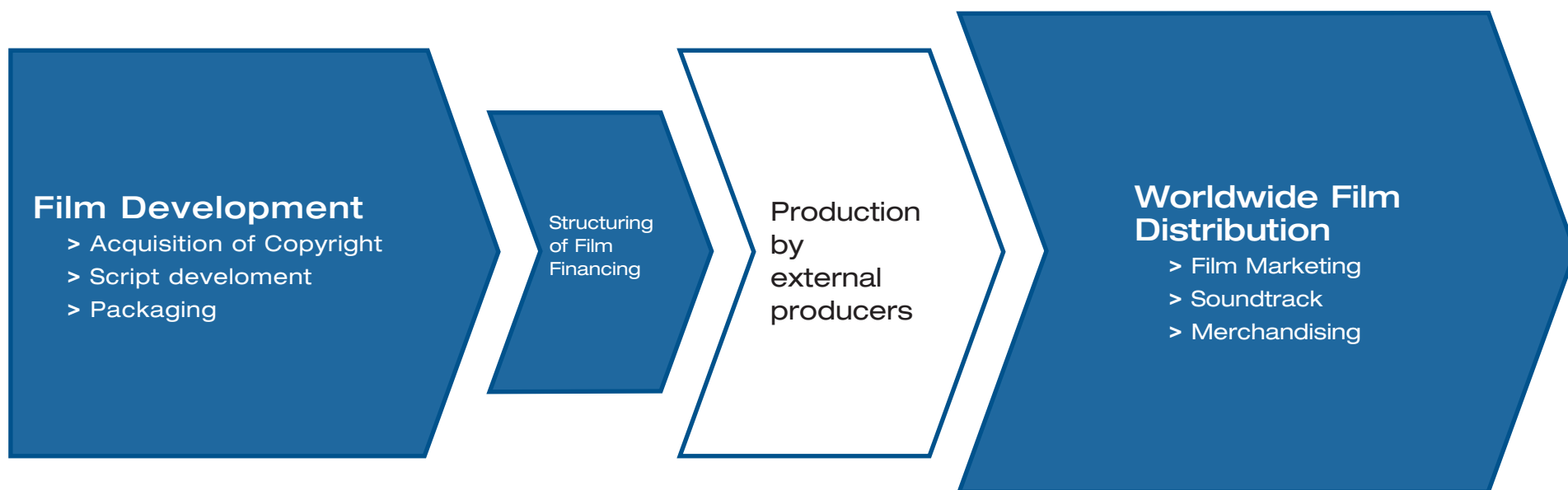
**Where the Heart Is**  
Natalie Portman  
Ashley Judd



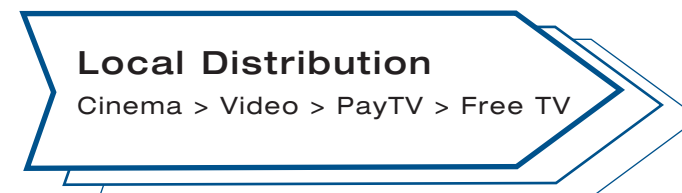
**Blow Dry**  
Heidi Klum  
Alan Rickman  
Natasha Richardson







- ▶ Internationalmedia Activities
- ◀ External activities



>> Focus on **Copyright Ownership**  
and **Worldwide Exploitation**



- > **Mirage Enterprises (Sydney Pollack)**  
The Firm, The Talented Mr. Ripley  
Internationalmedia: Sliding Doors (1998), Up at the Villa (2000),  
The Quiet American (2001)
- > **Scott Free Productions (Ridley & Tony Scott)**  
Alien, Top Gun  
Internationalmedia: Clay Pigeons (1998), Where the Money is (2000)
- > **Fountainbridge Films (Sean Connery)**  
Just Cause, Entrapment  
Internationalmedia: Absolute Zero (in development)
- > **Tig Productions (Kevin Costner)**  
The Bodyguard, Message in a Bottle  
Internationalmedia: Dances with Wolves (library)
- > **Outlaw Productions (Robert Newmyer)**  
sex, lies and videotape, Don Juan de Marco  
Internationalmedia: Mindhunters, National Security (in development)
- > **Mark Johnson Productions (Mark Johnson)**  
Rain Man, Bugsy, Good Morning Vietnam  
Internationalmedia: Project with Sebastian Junger (The perfect storm)
- > **Saturn Pictures (Nicolas Cage, Norm Macdonald)**  
The Rock, Face/Off, City of Angels



> **Archer Street (Anand Tucker)**

Welcome to Sarajevo

Internationalmedia: Hilary and Jackie (1998), The Railwayman (in development)

> **The Shakespeare Film Company, London (Kenneth Branagh)**

Henry V, Much Ado About Nothing, Hamlet

Internationalmedia: Love's Labour's Lost (2000)

> **West Eleven Films (Ruth Jackson)**

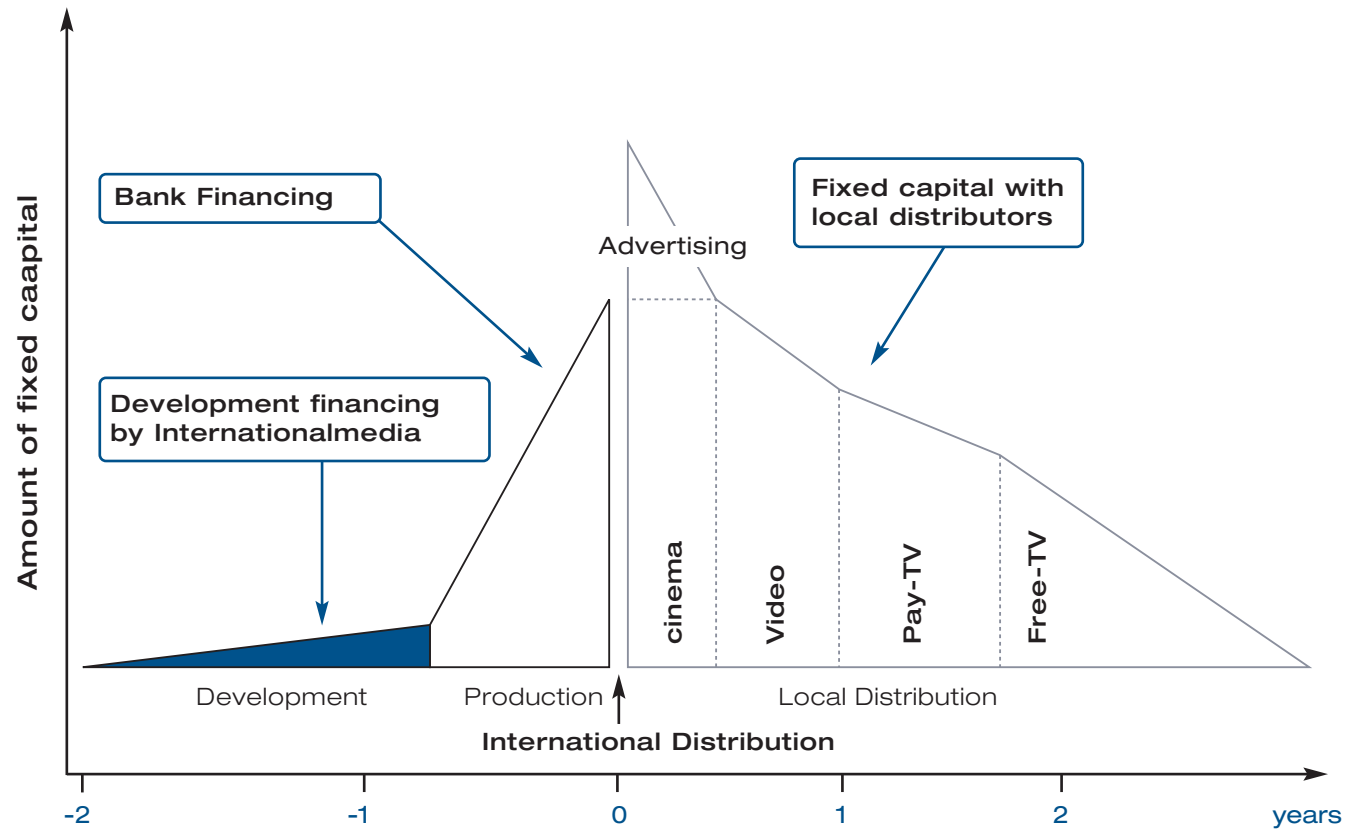
Internationalmedia: The Land Girls (1998), Whatever Happened to Harold Smith (2000),  
Blow Dry (2000)

> **Telltale Films (Kate Winslet)**

Internationalmedia: Enigma (2000), Therese Raquin (2001)







>> **low fixed capital** allows **high film turnover**  
and **reduced risk**



### Nordamerika

- > Miramax
- > Universal
- > Paramount
- > MGM
- > Disney

Umsatzanteil: 34 %

### Deutschland

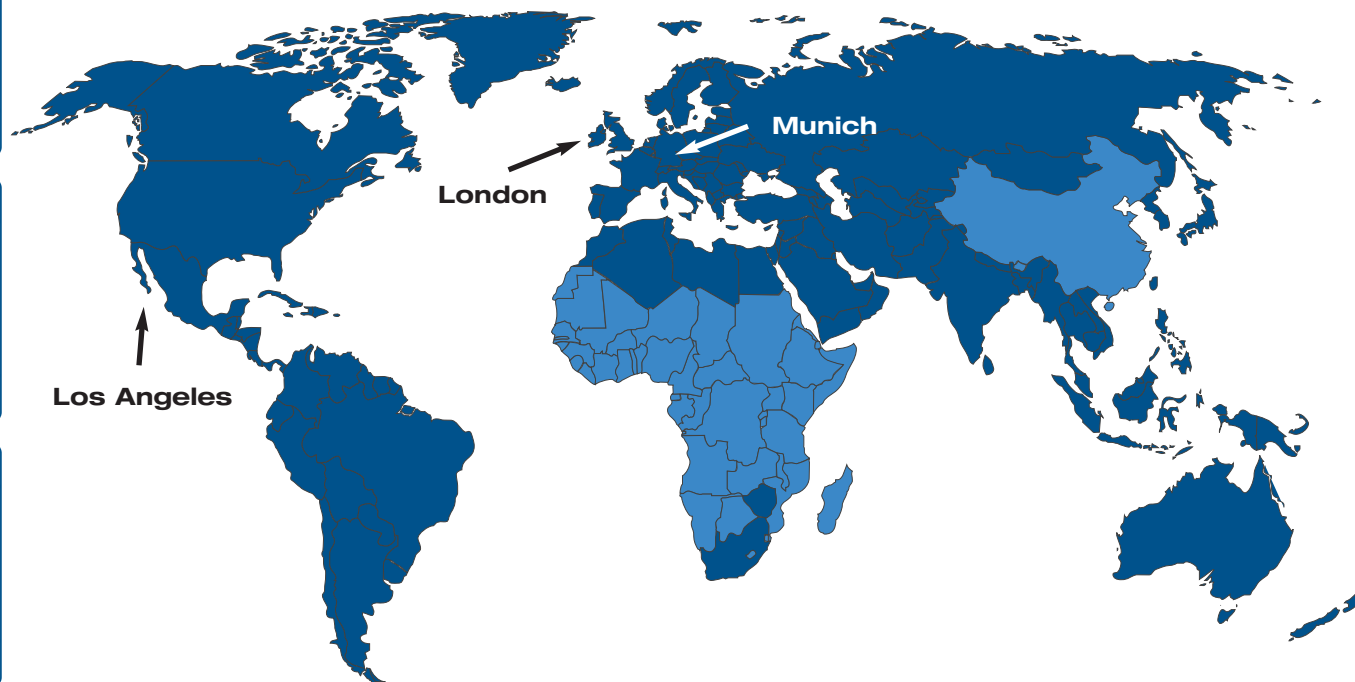
- > Kinowelt
- > Odeon
- > Helkon
- > Senator
- > Buena Vista
- > CLT-UFA

Umsatzanteil: 11%

### United Kingdom

- > Pathé
- > Buena Vista
- > Film Four
- > Universal
- > Warner Bros

Umsatzanteil: 11%



### Frankreich

- > UGC
- > Bac Film
- > Pathé
- > Pyramide
- > Pricel

Umsatzanteil: 8%

### Italien

- > Medusa
- > Cattleya
- > Cecchi Gori
- > Life International

Umsatzanteil: 8%

### Japan

- > Nippon Herald
- > Gaga
- > Prenom
- > Shochiku
- > Asmik Ace
- > Entertainment
- > Kazui
- > Pony Canyon
- > Tohokushinsha

Umsatzanteil: 7%

 Internationalmedia Markets





- > About **2000 films** are produced per year worldwide
- > ..**300** of which are distributed worldwide in cinemas
- > ..**almost all** of these come from the **US** and the **UK**
- > ..and generate over **80 %** of the **worldwide box office**

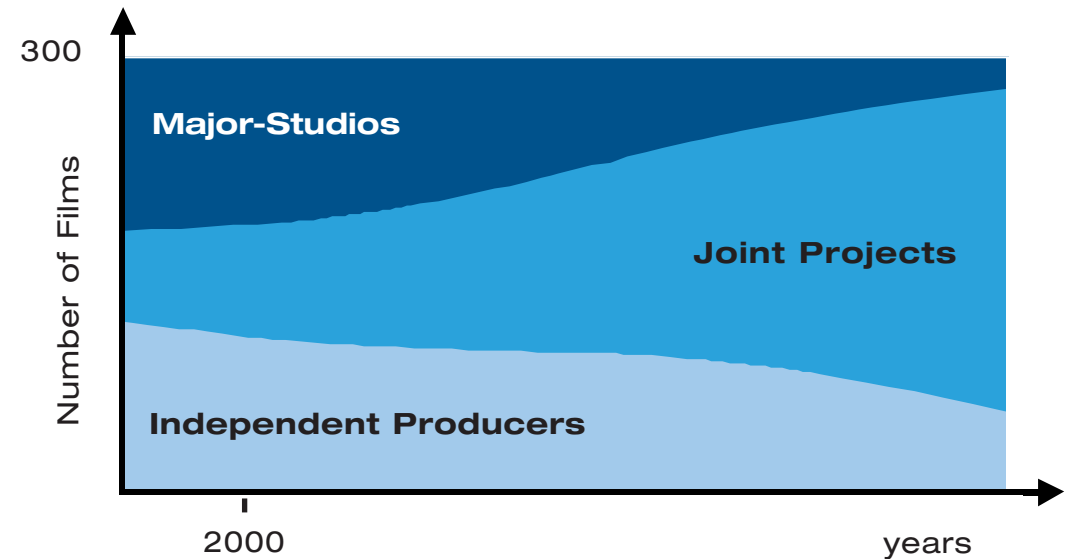


>> Internationalmedia concentrates on the  
**financially most attractive** area of the market



## Of these 300 Films ...

- > **approx. 50% are from US Major Studios**
  - ... with own production companies
  - ... with own local distribution offices
  - >> increasing focus on the US market
  
- > **approx. 50% are from Independent producers**
  - ... without own distribution channels
  - >> distribution through worldwide distribution companies



- >> **the number of joint projects is increasing**

(Joint Projects are films, which are exploited in the US by Major Studios and in the rest of the world by independent distribution companies.)



The **demand** for high quality feature films is **increasing**

- > Traditional exploitation
  - Increasing number of Multiplexes
  - Increasing competition among TV-stations
- > New distribution channels
  - pay-per-view, Video on Demand
  - DVD
  - Broadband Internet Distribution
- > New Media companies (Digital Platforms, Internet) with high content demand
- > New requirements through technical developments, e.g. High Definition Television





**Establishment of new distribution channels**

- > Broadband Internet Distribution
- > Alliances with Internet suppliers
- > Mobile Commerce

**Establishment of new business opportunities through optimal exploitation of copyrights**

- > Soundtracks
- > Traditional Merchandising
- > Internet Merchandising (e.g. Thingworld.com)

**Development of core business through**

- > Enlargement of producer alliances with top film makers
- > Strengthening of global distribution network
- > Acquisition of Content Companies and Libraries





**Increase of..**

- > Profitability
- > Brand name
- > Market position



Internationalmedia - a **leading Content-House** of the future



FINANCE

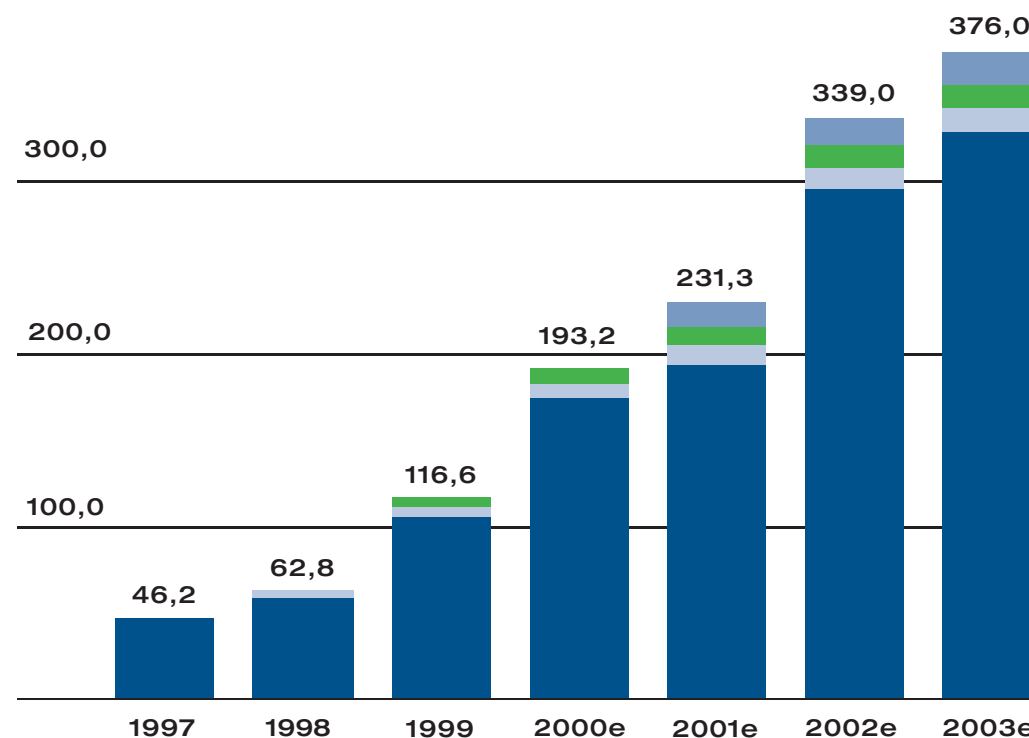
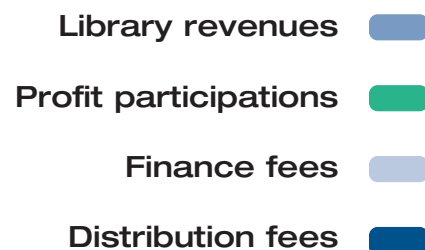


## Basis of fiscal planning

- > Pro forma financial statements for 1997 – 1999
- > target goals on pre-IPO basis 2000 – 2003
- > consolidated accounting in US – GAAP
- > Auditors: KPMG, Munich
- > Revenues from...
  - Soundtrack
  - Merchandising
  - Internetare not included



**sales revenues in USD M**  
1999-2003e CAGR approx. 45%

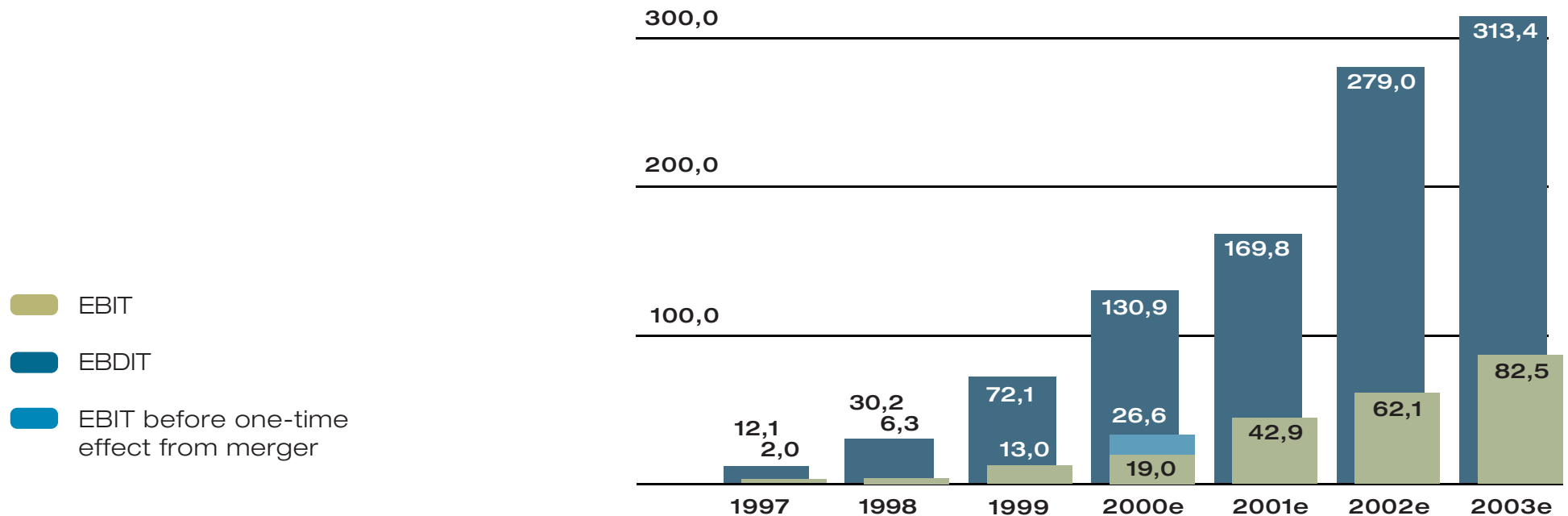


>> A **high proportion of the turnover** in 2000 and 2001 is already **secured through contracts**



**in USD M**

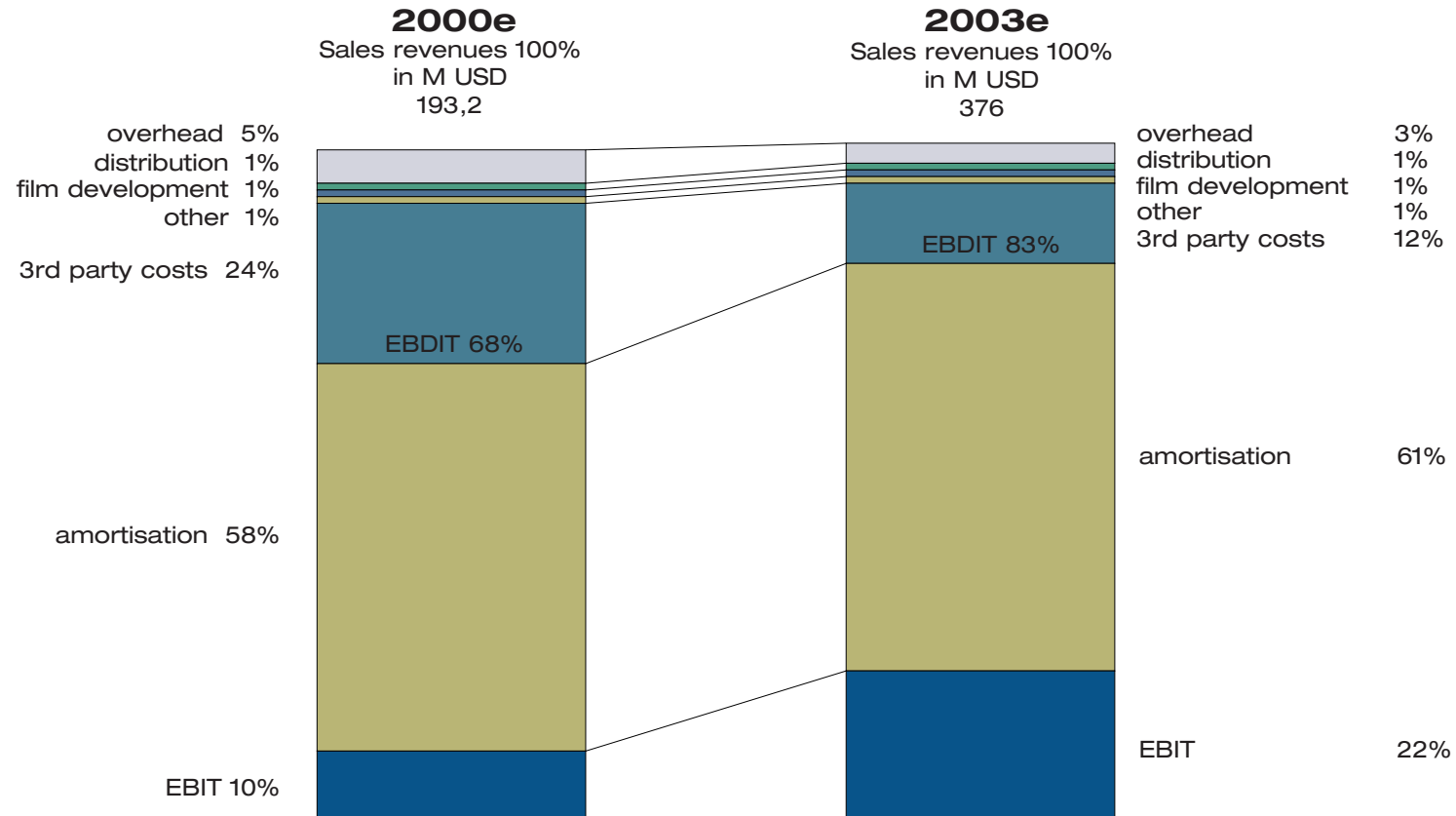
1999 – 2003e CAGR EBDIT approx. 60%  
1999 – 2003e CAGR EBIT approx. 80%



>> **83% of capitalised costs** of a film are **amortised in year 1**



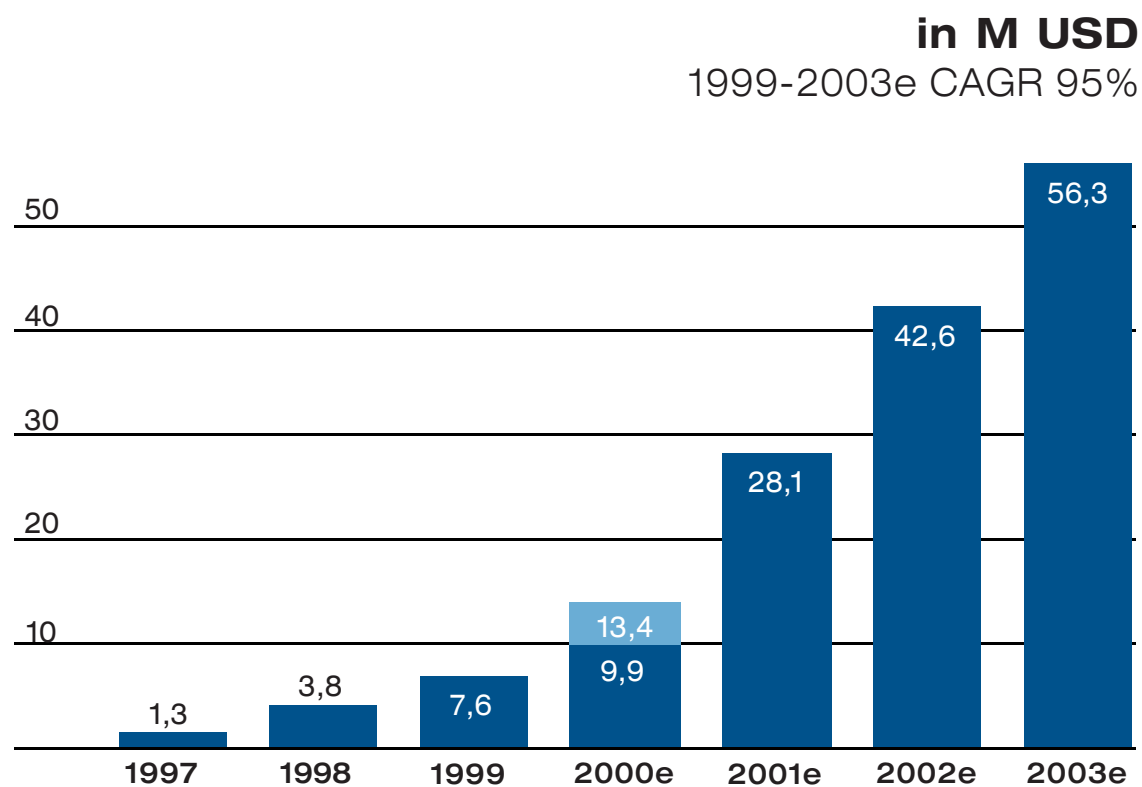
## > REVENUE AND COST STRUCTURE



>> Reduction of third party costs and a lean cost structure **increase profit margins**

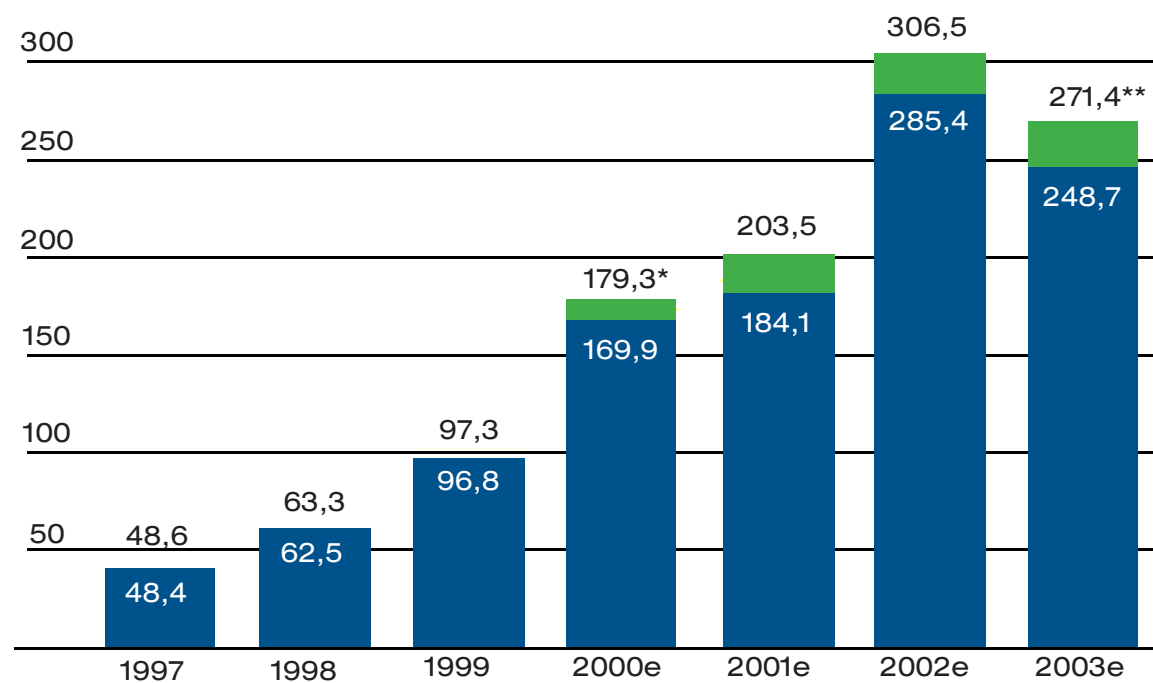
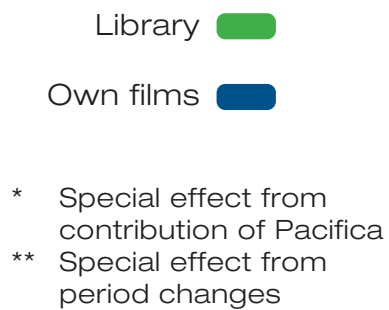


- annual net profit
- annual net profit before effect from merger





in M USD



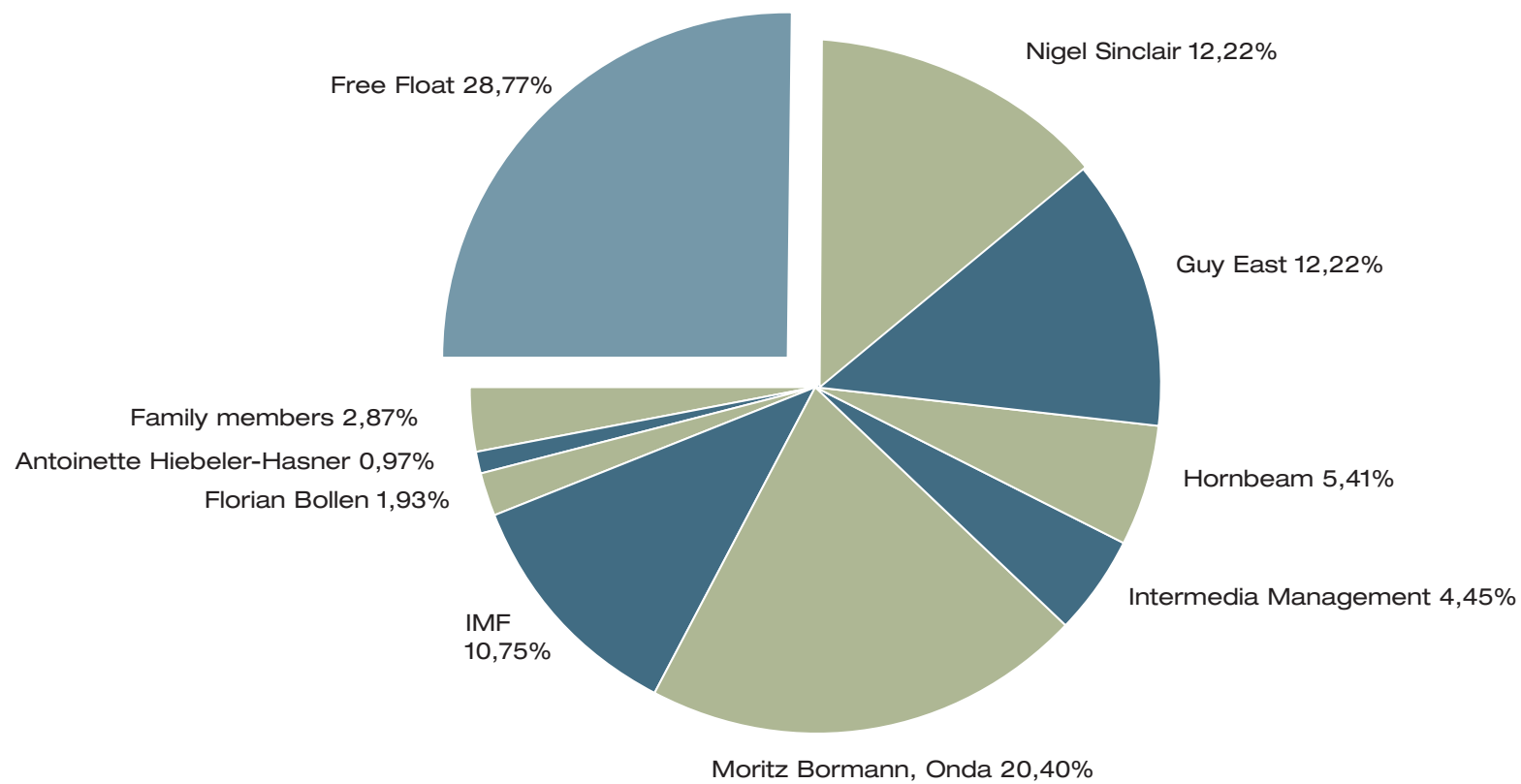
>> Further **extensive investments** in film assets

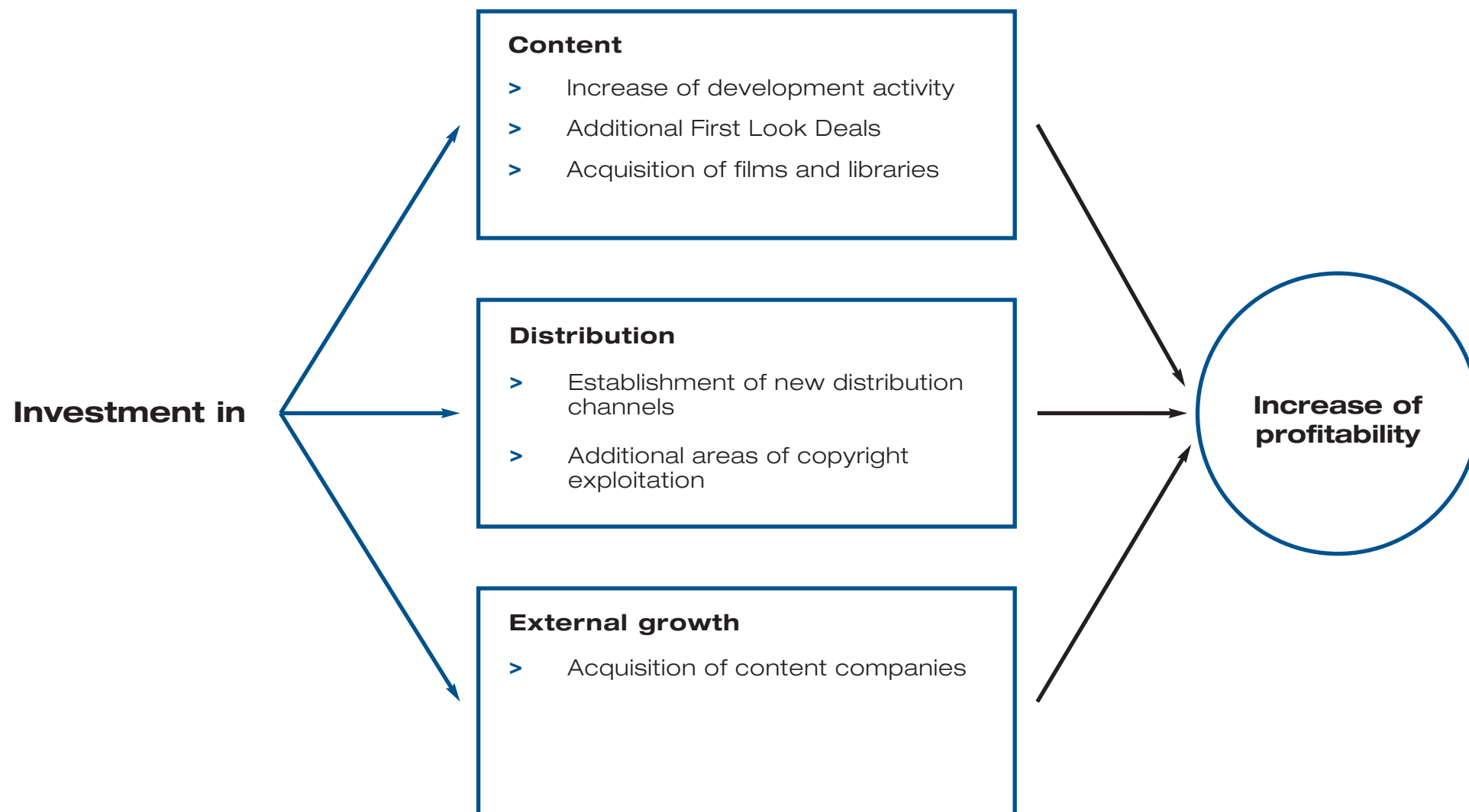


SHAREHOLDER STRUCTURE



> SHAREHOLDER STRUCTURE





>> Most of the proceeds of the issue are invested in further **development of the core business**



- > Global Player
- > Experienced Management
- > Early access to attractive content
- > Established worldwide distribution with Major Studios as US partners
- > High growth potential
- > Increasing profitability

