

Assumptions

10 Year T-Bill (9/22/04)	4.04%
Risk Premium	7.5%
Beta (2-Year Regression)	1.63
Cost of Equity	16.27%
Terminal Beta	1.00
Terminal Cost of Equity	11.54%
Tax Rate	40.1%
Capitalize FoxBox	No



Valuation by: Jeff Galak and Vladimir Vukicevic

PV of growth phase	125,990
PV of Terminal Growth	148,851
plus: Cash and Mkt Securities	117,340
Value of Equity	392,181
Divide: Shares Outstanding	15,492
Intrinsic Value	25.31
Current Price	20.51
Upside Potential	23.4%

	NOW	HYPERGROWTH				DECLINING GROWTH				TERMINAL	
Year	0	1	2	3	4	5	6	7	8	9	10
	2004E	2005E	2006E	2007E	2008E	2009E	2010E	2011E	2012E	2013E	Terminal
Sales Growth											
Licensing											
Total Segment Sales	59,438	64,193	69,329	74,875	80,865	86,862	92,798	98,598	104,185	109,481	114,408
Growth (CAGR = 6.77%)		8.0%	8.0%	8.0%	8.0%	7.4%	6.8%	6.3%	5.7%	5.1%	4.5%
Advertising Media & Broadcasting											
Total Segment Sales	22,695	24,737	26,963	29,390	32,035	34,678	37,279	39,795	42,183	44,398	46,395
Growth (CAGR = 7.41%)		9.0%	9.0%	9.0%	9.0%	8.3%	7.5%	6.8%	6.0%	5.3%	4.5%
TV Film Production/Distribution											
Total Segment Sales	25,937	28,530	31,383	34,522	37,974	41,423	44,806	48,054	51,098	53,866	56,290
Growth (CAGR = 8.06%)		10.0%	10.0%	10.0%	10.0%	9.1%	8.2%	7.3%	6.3%	5.4%	4.5%
Total Sales	108,069	117,460	127,675	138,787	150,874	162,963	174,883	186,447	197,466	207,744	217,093
Growth (CAGR = 7.22%)		8.7%	8.7%	8.7%	8.7%	8.0%	7.3%	6.6%	5.9%	5.2%	4.5%
EBIT Margin	21.48%	21.16%	20.84%	20.53%	20.22%	19.92%	19.62%	19.33%	19.04%	18.75%	18.47%
Growth (CAGR = -1.5%)		-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%
EBIT	23,217	24,856	26,612	28,494	30,511	32,462	34,313	36,034	37,591	38,954	40,097
plus: FoxBox	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Adjusted EBIT	48,217	49,856	51,612	53,494	55,511	57,462	59,313	61,034	62,591	63,954	65,097
less: Taxes	19,329	19,986	20,690	21,445	22,253	23,035	23,777	24,467	25,091	25,638	26,096
EBIT*(1-t)	3,888	4,870	5,922	7,050	8,258	9,427	10,536	11,567	12,500	13,317	14,001
Depreciation & Am	39,235	38,963	42,351	46,037	50,046	54,056	58,010	61,846	65,501	68,911	72,012
Depreciation/Sales		33.2%	33.2%	33.2%	33.2%	33.2%	33.2%	33.2%	33.2%	33.2%	33.2%
plus: Dep & Am (ADJUSTED)	14,235	13,963	17,351	21,037	25,046	29,056	33,010	36,846	40,501	43,911	47,012
OCF	18,123	18,833	23,273	28,086	33,304	38,483	43,546	48,413	53,001	57,227	61,013
Net Working Capital	(104)	(113)	(122)	(133)	(145)	(156)	(168)	(179)	(189)	(199)	(208)
NWC/Sales		-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
less: ΔNWC		(9)	(10)	(11)	(12)	(12)	(11)	(11)	(11)	(10)	(9)
CapEx	5,445	6,095	6,824	7,641	8,555	9,487	10,419	11,330	12,199	13,005	13,727
CapEx/Sales		5.0%	5.2%	5.3%	5.5%	5.7%	5.8%	6.0%	6.1%	6.2%	6.3%
Growth in CapEx/Sales		3.0%	3.0%	3.0%	3.0%	2.7%	2.3%	2.0%	1.7%	1.3%	1.0%
less: CapEx	5,445	6,095	6,824	7,641	8,555	9,487	10,419	11,330	12,199	13,005	13,727
FCFE	12,678	12,746	16,459	20,456	24,761	29,008	33,139	37,094	40,812	44,232	47,295
Growth (CAGR = 12.71%)		0.5%	29.1%	24.3%	21.0%	17.2%	14.2%	11.9%	10.0%	8.4%	6.9%
PV Factor	1.00	0.86	0.74	0.64	0.55	0.47	0.40	0.35	0.30	0.26	0.22
PV of FCFE	12,678	10,963	12,176	13,016	13,551	13,654	13,417	12,917	12,224	11,394	