



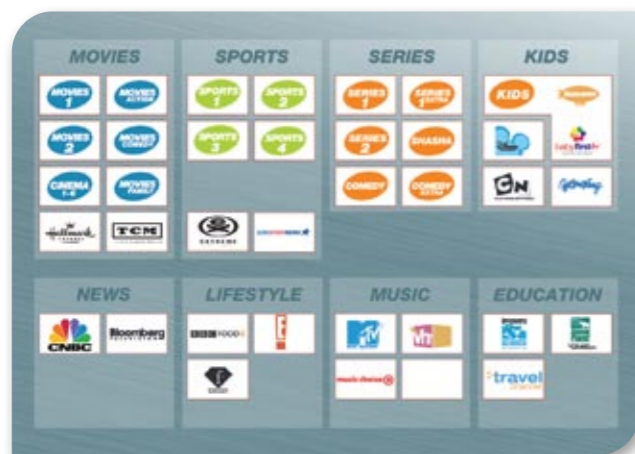
MARKET

The Middle East and North Africa broadcast sector continues to exhibit encouraging signs. Several countries are looking towards market liberalisation and the TV market is benefiting from this. In addition other positive factors are exhibited, such as the common language and culture for much of the region, its relative wealth (driven by oil revenues), positive demographics weighted towards young adults and high rates of TV consumption.

There is an upward trend in the number of FTA satellite channels with a growth of 270% over the number of channels recorded in 2004. Based on Arab Advisors Group research, by mid August 2007, the total number of FTA satellite channels reached 370 on Arabsat, Nilesat and Noorsat, a 27.6% increase since January 2007.

FTA satellite channels have multiple revenue streams. The most common revenue streams for channels mainly come from advertising (TV and online), Interactivity revenues (SMS and MMS interaction) and special programme sponsorships. In some cases successful channels take it a step further and set up in-house production units producing series and popular programmes that generate additional advertising revenues as

well. Reality series production, for example, is especially popular in this context where channels create or recreate foreign formats catering to the Arab region. Such programmes are considered



lower in budget than others since the shows are unscripted and the "stars" are regular individuals and not celebrities (most of the time). Additionally, in many cases reality shows include interactivity

such as voting, and hence become another revenue generating feature for the channel. Given the boom in supply the question arises as to whether the continuous increase in the FTA satellite channels is sustainable.

Showtime Arabia is the leading Pay TV network in the Middle East and North Africa broadcasting the very best and latest blockbuster movies through its exclusive deals with the leading Hollywood studios including Paramount, Dreamworks, Sony Columbia, NBC Universal, Disney and local producers; exclusive premium sports including the world's most popular football league, the Premier League, the Rugby World Cup and other major sporting events and the best international series and shows.

ACHIEVEMENTS

On April 1st 2007 Showtime Arabia re-launched its locally-produced platform with more, great programming and new features offering more choice, more control and a better customer experience at no extra cost.

With the vast number of channels now available in the region Showtime Arabia developed a simpler and easier way for viewers to identify their favourite shows across its locally produced premium TV channels while continuing to offer the best selection of international partner channels.

The new channels incorporate a modern new look and are now branded Showcinema, Showmovies, Showsports, Showseries, Showcomedy, Showkids, Showtoday and Showshasha. Showtime puts its name on its channels as a sign of its commitment to deliver the best television entertainment and customer experience.

The content of each of these new channels offers television fans the best in entertainment throughout the Middle East and North Africa region. The content is carefully scheduled by Dubai-based programming teams and acquired from the world's premier studios and sport leagues. Showtime is currently airing exclusively the latest seasons of the world's best award winning action and drama series including Lost, Desperate Housewives, Prison Break, Heroes, Greys Anatomy, House and Ugly Betty at least one full year ahead of any other channel.

Showtime has also secured the exclusive rights to broadcast all 380 matches per season of the English Premier League between 2007 and 2010.

Football fans can expect to see all games live and exclusively on the Showsports and other Showtime channels in both Arabic and English with dedicated studios in both languages.

Showtime's commitment to their customers goes beyond the region's best programming. With Showbox, the most advanced and first digital video recorder in the region, and Showguide, their electronic programming guide and print magazine. Via the Showbox they have also launched Show on Demand, the region's first video on demand service. Showtime Arabia uses an innovative company culture and technology to provide customers with the maximum TV viewing experience.



HISTORY

Showtime started broadcasting in April 1996 from PanAmSat-4 (PAS-4) using the MPEG-2 worldwide digital standard of the first dedicated Western network in the Middle East and began its encrypted service in September of the same year. The Showtime network consisted of just seven channels: The Movie Channel, TV Land, Paramount, Nickelodeon, MTV Europe, VHI and Bloomberg Information TV.

The network is owned by Gulf DTH which is a joint media venture between KIPCO - Kuwait Projects Company (Holding) - and Viacom Inc., the world's largest provider of entertainment services.

Kuwait Projects Company (Holding) has a substantial portfolio of interests in the financial, industrial, management and advisory, real estate, media and information technology sectors. Through its Media and Information Technology sector companies, KIPCO has a controlling interest in and operates, among others, Global Direct Television, a regional distributor of digital entertainment services and ShowNet, a provider of high-speed internet via satellite.

Viacom is the number one vehicle in the world for advertisers with pre-eminent positions in broadcast and cable television, radio, outdoor advertising and online. With programming that appeals to audiences in every demographic category across virtually all media, the company is a leader in the creation, promotion and distribution of entertainment, news, sports and music. Viacom's well-known brands include: CBS, MTV, Nickelodeon, VHI, Paramount Pictures, Infinity Broadcasting, UPN, TNN, CMT, Showtime, Blockbuster and Simon & Schuster.

PRODUCT

Showtime currently offers 44 premium channels of the best in television entertainment across the genres of Movies, Sports, Series, Kids, News, Lifestyle, Music and Education for all the family to enjoy. Showtime licenses and owns more exclusive channels than any other network in the Middle East offering subscribers more choice to watch what they want, when they want.

There are four simple subscription options so that viewers can choose the selection of channels best suited to their lifestyle. The four packages available are: Platinum, Premier, Movies and Family all of which are supported by value added services such as the Electronic Programming Guide, Parental Control features, Video-On-Demand (Show on Demand) and digital video recorder (Showbox). Showtime also offers the most advanced on-line customer service site in the entertainment business. By simply connecting to Showtime's On-line Services new, and existing, customers can perform on-line transactions such as sign up for a new subscription, renew an existing subscription or order Home Cinema Events. The service provides customers with the convenience of interacting with Showtime 24 hours a day.

RECENT DEVELOPMENTS

April 2007: A complete relaunch of the platform delivering a new 'look and feel', improved programming and new features offering more choice, more control and a better customer experience at no extra cost.

Showtime further enhanced its payments options through the introduction of MasterCard Internet Gateway Service (MiGS). Available through Showtime Arabia's current website, the main function of the facility is to provide a quick, simple and secure payment process, which includes an electronic copy of the customer's bill and a breakdown of all transactions.

May 2007: The company constructed two state-of-the-art studios and supporting control rooms in Dubai to accommodate more than 500 hours of live studio coverage and 760 hours of live football broadcasting per season of the English Premier League. Showtime has also recruited the best team of football journalists, football pundit guests and celebrities to set new standards in the making of sport's greatest television show.

July 2007: Showtime customers are able to watch what they want, when they want at the touch of a button with the launch of the new Show on Demand service. The new Show on Demand service complements the existing Showbox (digital video recorder) and enables viewers to access up to 40 hours of the best movies, sport which is automatically downloaded and refreshed to their Showbox every week.

August 2007: The Showtime platform begins broadcasts in 'wide screen' to support the launch of the English Premier League.

PROMOTION

Showtime has used a multi-pronged promotional strategy region-wide as well as market-specific tailored offers. Showtime creatively promotes itself with regionally relevant through the line campaigns including award-winning above the line initiatives. Showtime also supports existing customers with home delivery of its TV Guide, one of the largest circulation magazines region wide. Showtime already has over 70 retail outlets across the Middle East Region.

BRAND VALUES

Showtime offers a compelling in home entertainment experience encapsulated in its USP: 'maximum tv'. Showtime delivers its brand promise through superiority in content – the best and latest movies, international sports and blockbuster series. Its responsible scheduling, breadth of choice and customer centric approach supports the fun, modern and humorous way in which the network appears on air and in its highly recognisable award-winning marketing campaigns.

Showtime is committed to continually improving and expanding its offer to its subscribers.

www.showtimearabia.com



Things you didn't know about SHOWTIME

- Showtime Arabia is a Middle East owned company
- Showtime was the first to launch a digital Video Recorder in the region – Showbox
- Showtime was the first to launch a satellite Video On Demand service – Show Ondemand
- Showtime is the only provider of an Arabic and English Electronic Programming Guide – EPG
- Showtoday is a free to air Showtime channel
- Home Cinema™ is the region's first pay-per-view service offering four channels and a choice of ordering methods including the first SMS and online ordering service.
- Showtime's network portal www.showtimearabia.com has all the latest programming information and can even send you email alerts for all your favorite programmes. You can also manage your subscription online!

Superbrands