

## Entertainment One Releases Annual 2012 Financial Results

Group sees 103% increase in Profit Before Tax<sup>1</sup>

TORONTO/LONDON – MAY 28, 2012 – Entertainment One Ltd. ('Entertainment One' or 'the Group'), a leading international entertainment content owner and distributor, announces its annual financial results for the year ended 31 March 2012. The Group reported revenue of US\$803 million<sup>3</sup> up 7% from 2011 and profit before tax<sup>1</sup> up 103% from 2011 at US\$37 million<sup>3</sup>, with underlying EBITDA<sup>2</sup> up 23.8% from last year at US\$84 million<sup>3</sup>.

"It has been a very positive year for Entertainment One," said Darren Throop, President & CEO, Entertainment One. "I am delighted to report another strong set of results, which clearly illustrate the strength of our strategy of continued investment in content. The growth in our Television business and doubling of digital sales have been particular highlights and demonstrate the success of our multi-platform strategy. I am also pleased to report that Peppa Pig's international success continues and am excited about the licensing and merchandising roll out in the US later this year."

Entertainment One is currently the leading independent television production studio in Canada. Through new commissions and renewal of existing programs, the company delivered 237 half hours of original television in various genres in the fiscal year.

Major television activities include:

- Call Me Fitz (TMN & DIRECTV)
- Haven (Showcase & Syfy)
- Hell on Wheels (AMC)
- The Walking Dead (AMC)
- Mary Mary (WEtv)
- Peppa Pig (Nick Jr.)
- Party at Tiffany's (OWN)
- Rookie Blue (Global & ABC)

- The Firm (Global & NBC)
- Saving Hope (CTV & NBC)

The Company released 152 films theatrically over the year including *The Twilight Saga: Breaking Dawn – Part 1*, *We Need to Talk About Kevin* and *Tinker, Tailor, Soldier, Spy*. In August 2011, Entertainment One announced an expansion of its North American film operations and an increasing focus and commitment to theatrical distribution in the US.

Entertainment One expanded both the international television and the international film businesses in the UK and Europe earlier this year. Through these expansions, the Group expects to broaden its distribution network, attain greater access to premium content from around the globe, and source major television co-production and financing opportunities worldwide. The Group now operates in the UK, the US, Canada, Benelux, Australia, New Zealand, Germany, France, Scandinavia, and South Africa.

After successful participation in recent international television and film markets in Cannes, the Company is now preparing for the debut of television hospital-drama *Saving Hope* in the US and Canada, as well as the theatrical release of acclaimed director David Cronenberg's *Cosmopolis*, dark comedy *Killer Joe* starring Matthew McConaughey and Emile Hirsch, Ken Loach-directed *The Angels' Share* and the much-anticipated fifth and final installment of *The Twilight Saga: Breaking Dawn – Part 2*.

"I look forward to the year ahead and we plan to continue to drive further value for our shareholders through both organic growth and acquisition opportunities," said Throop. "The Board today noted the recent speculation in the market regarding a possible acquisition of Alliance Films and the potential for an associated capital raising exercise. The Board confirmed it has held discussions with the shareholders of Alliance Films but there can be no certainty this will lead to a transaction. In any event the Company would only undertake such a transaction on acceptable terms, and on the basis that the Directors believe it would be financially and strategically value enhancing for the Company and its shareholders. Should a transaction be agreed the Company would intend to raise funds through a combination of committed debt facilities and, subject to market conditions, the proceeds of an equity placing that would be fully underwritten by a limited group of institutional investors."

1 Adjusted profit before tax is profit before tax from continuing operations before operating one-off items, share-based payment charges, one-off items within taxation and net finance charges, depreciation and amortisation of acquired intangible assets.

2 Underlying EBITDA is profit for the year from continuing operations before operating one-off items, share-based payment charges, interest, tax, depreciation and amortisation of intangible assets. Underlying EBITDA is reconciled to operating profit in the 'Other Financial Information' section of the Company's preliminary announcement.

3 The Group publishes its results in pounds sterling. The USD figures quoted in this release uses the Group's published figures and translates them into USD at a rate of £1=USD1.598, the closing exchange rate at 31 March 2012.

#### Cautionary Statement

The Preliminary Announcement contains certain forward-looking statements with respect to the financial condition, results, operations and businesses of Entertainment One Ltd. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Nothing in the Preliminary Announcement should be construed as a profit forecast.

A copy of Entertainment One's Preliminary Announcement for the year ended 31 March 2012 can be found on our website at [www.entertainmentonegroup.com](http://www.entertainmentonegroup.com). Copies of the Annual Report for the year ended 31 March 2012 will be available to shareholders shortly.