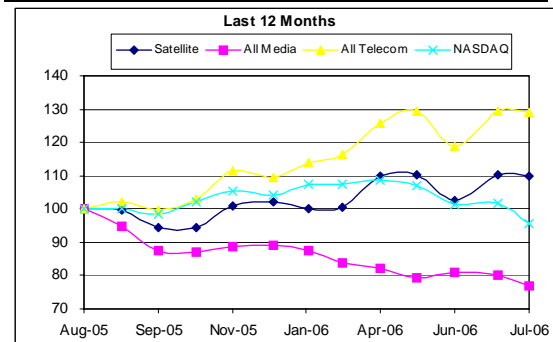


FROM THE GROUND UP

August 2006
Inside this Issue:

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Near Earth Market Indices


See page 6 for details on index constituents.

THE WAY WE SEE IT...

Satellite: [1] Despite showing strong financial numbers, satellite TV providers saw their subscriber growth rates decline due to recent triple play offerings from the cable companies. This combined with their recent inactivity in the AWS auction could pave the way for a deal with Clearwire or other major spectrum holders. [2] Alltel and XM Satellite Radio announce deal that allows Alltel's 11 million customers to listen to XM Satellite radio on their cell phones

Video: In what could be a groundbreaking deal, Google will distribute the video content of Viacom's MTV Networks to hundreds of websites, effectively acting as a new syndication mechanism for video content. The two companies will share revenues from ads embedded in the video clips.

WiMax: The AWS auction currently underway appears to be pricing WiMax players out of the larger markets, and the DBS companies have now dropped out of the bidding process. The largest regional licenses are currently being bid at approximately \$1.30 per MHz/PoP, well above current valuations for 2.5 GHz spectrum (which are closer to \$0.20 per MHz/PoP). In aggregate, all licenses are currently averaging approximately \$0.40 per MHz/PoP based on bidding to date. The auction process is far from over, and prices can only rise further before it ends. Top remaining bidders include the major wireless carriers and some of the top cable companies.

Media: Radio companies post mixed to down Q2 earnings results, reflecting a somewhat treacherous advertising environment for traditional media companies.

New Media: [1] Verizon introduces new wireless phone device, called Chocolate, which will double as a music player and seems to be modeled after the iPod. This follows music entertainment rollouts by Cingular and Motorola. [2] Alltel recently also announced a joint venture for a mobile podcast service. This suggests music distribution is moving towards personal wireless technology. [3] Google announces deal with News Corp to provide search and advertising to most of Fox Interactive's Web sites, chief among them MySpace. The deal guarantees Google will make minimum revenue sharing payments of \$900 million to News Corp from 2007 to 2010 which trumps the \$580 million News Corp paid for MySpace.

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THE CURRENT SPOT-BEAM

HOW TO BUILD MEDIA EQUITY VALUE ONE SHARE POINT AT A TIME

The fastest way to increase equity value in radio or television station ownership is to increase ratings. A single share point can be worth millions in cash flow, and even more when considering exit value multiples.

A single share point can be worth millions in cash flow, and even more when considering exit value multiples.

Yet it is astonishing to realize how little investors know about what goes on in the belly of the beast known as Arbitron and Nielson. These two companies not only dictate what advertisers pay for spot rates, but they also provide the math which calculates eventual success or failure for a media investment.

Consider the following. One share point increase (basically, a one-percent increase in the share of available listeners or viewers) among Adults 25 to 54 in the top 30 US markets can be worth \$2m to \$9m in radio profits for the year, and at least triple that for television profits. Just one share point! These numbers of course vary by market size and the competitive structure within the market, but the equity power generated by the ratings is an undeniable fact in media. At exit time... cash flow multiples compound the benefit and produce the return on investment.

The 30 percent who "vote" yield an enormous amount of equity power relative to your media investment.

So how much do you know about ratings services that dictate our futures? Here are some interesting facts you need to know:

- 70 out of 100 people will never participate in a ratings survey. These people don't answer telephone surveys, they don't have the time, and they never will. You may be one of the ratings "non-respondents".
- The 30 percent who "vote" yield an enormous amount of equity power relative to your media investment.
- The people who vote are different from the people who don't vote. More importantly, audience research tells us how they are different, why they are different, and what motivates them to vote in the first place.
- Just as politicians target those who vote, radio and TV stations need to develop campaigns that reach out to the voters, and avoid expenses related to non-voters.
- Although frowned upon by Arbitron and Nielson, there are ways to reach out to these voters legally.

Just as politicians target those who vote, radio and TV stations need to develop campaigns that reach out to the voters...

THE CURRENT SPOT-BEAM (cont.)

FINDING THE VOTERS

Since Arbitron and Nielson essentially call people up at random and ask them for their opinions, it is not surprising to find that voters tend to be people who like to offer up their opinions. These are the people who once they agree to do something (like take a seven day survey) they complete the assignment. They are not contest players.... they are the media voters.

There are many important strategies that can be employed to reach out to this important group. First and foremost, this is a strategy that is based upon the goal of eventually having a relationship with the 30 percent of an audience that matters. We are reaching out to people who control the ratings, and control our profits.

Media outlets can begin by asking these opinion givers for their opinions! Frequent listener clubs, advisory boards, viewer hot lines, interactive and responsive websites all contribute to the registration of high probability voters. Think of it this way. If a person takes the time to call a station, or even email a suggestion, they are far more likely to participate with Arbitron or Nielson than a person who would never consider making the effort. Register these opinion givers. Sign them up. Reward them.

Winning the ratings battle requires good programming. It also takes good voter marketing strategies. Frequently, too much effort is focused on programming without a task force in place to get out and win the vote. Presidential campaigns usually aren't won by the candidate with better content. Campaigns are won by the candidate who wins the hearts and minds of the people who VOTE.

In a world where a share point can be the difference between success and failure.... take the time to research and market to the voters. Remember that it is more important to reach the people who count, than it is to count the people you reach.

Frequently, too much effort is focused on programming without a task force in place to get out and win the vote.

... this is a strategy that is based upon the goal of eventually having a relationship with the 30 percent of an audience that matters.

By Ted Bolton

Ted Bolton, PhD is president of Bolton Research Corporation. He has advised media outlets, owners and financial institutions for over 20 years. Dr. Bolton has also owned, operated and sold 30 media properties across the United States.

If you are interested in his marketing seminars on Ratings, Ownership and Audience Marketing Strategies, he can be reached at brcted@aol.com or at 305-343-9999.

A recap of recent articles in this column:

As the mid-August capital markets begin to fade, so that even the Wall Street Journal “Money and Investing” section is these days a mere fraction of its usual size, we attempt to do our share to fill the growing void with (what will hopefully serve as) food for thought. In lieu of the topical overview that normally appears in this column, for the current issue we provide a summary of articles recently published here, that seem to have withstood the test of rapidly changing market conditions. A number of consistent themes emerge, as you will see, and we encourage you to click here to review the source articles in their entirety.

November 2005: **Too much money and too few deals... something will have to give**
... the aggregate dollar amount of deal flow may not suffice to satisfy all of the virtually identical appetites and needs of private equity funds, hedge funds, SPACs, and other growing and multiplying sources of business capital...

December 2005: **Fund of Funds of Fundss of Fundsss, or, Intermediation runs wild**
... contrary to conventional wisdom that speaks to the disintermediation phenomenon as investors become increasingly sophisticated, it seems that intermediation has only redefined itself and may be more widespread than ever...

January 2006: **The rising tide of financial buyers**
... the line between financial and strategic buyers is becoming increasingly blurred, and few shareholders have historically been as inclined as private equity funds to implement and monitor strict management controls and shed assets...

February 2006: **The hedge funds’ hedge**
... the increasingly assertive participation of hedge funds in (often private) credit capital may be a way for such investors to do what the blueprint calls for – to hedge – in a manner akin to going long the enterprise value at a discount...

March 2006: **“Back to the future” investing** (guest columnist, Noson Lawen Partners)
... so many private equity firms have now hopped on the [“bigger is better”] bandwagon that transactions focusing on properties of scale have become competitive shoving matches of the first order...

April 2006: **Beware the “liquidity hug”**
... the opposite of a “liquidity crunch” may have an equally precarious impact for businesses, as management is pushed to undertake strategies beyond the scope of an immediate opportunity, to feed the investment appetite of capital providers...

FROM THE DEAL SIDE (cont.)

May 2006: Public financing vehicles for private companies (Part 1)

... primarily as a reflection of hedge funds' escalating liquidity, innovative structures (such as SPACs) are being devised to help these funds expand beyond their core investment strategies...

June 2006: Liquidity vs. Uncertainty, the battle begins

... it appears that liquidity may have at last met a potent adversary – uncertainty – as statements from industry executives and market observers have lately divulged timidity, hedging, and lack of certitude, in the face of rapidly evolving business conditions, conflicting economic signals, and treacherous geopolitics...

July 2006: Public financing vehicles for private companies (Part 2)

... private companies seeking growth capital of \$10-\$50 million have lesser access to the IPO market than their larger peer group, but are able to achieve similar results with a reverse merger and simultaneous private placement (PIPE)...

By Dan Ramsden

In addition to this newsletter, which appears monthly, Near Earth also maintains a research library of whitepapers on select Satellite, Media, and Telecommunications subjects, all available at (<http://www.nearearthllc.com/analysis/presentation.asp>). We hope you will take time to peruse our publications, and we look forward to hearing from you in the future.

NEAR EARTH ANALYSIS: MARKET COMPARABLES

Public Market Valuation Analysis of Selected Companies in the NEAR EARTH TELECOM INDEX

| (\$ in millions, except per share data) | | Stock Price: | | Enterprise Value as a Multiple of: | | | Price as a Multiple of: | | | |
|--|------------------------------|------------------------|----------------------|------------------------------------|------------|----------|-------------------------|---------------|---------------|-------|
| Company | 8/15/06 | Market Value of Equity | Enterprise Value (a) | LTM Sales | LTM EBITDA | LTM EBIT | LTM EPS | 2006E EPS (b) | 2007E EPS (b) | |
| Satellite Capacity Leasing (FSS) | | | | | | | | | | |
| LORL | Loral Space & Comm (new) | \$ 27.41 | \$548.2 | \$534.4 | 0.7x | 11.3x | n/m | n/m | n/m | |
| SESG.PA | SES Global S.A. (c) | \$ 13.23 | \$9,092.9 | \$13,050.5 | 7.5x | 10.9x | 20.0x | 16.8x | 13.8x | |
| | | | | Mean | 5.3x | 11.3x | 25.4x | | | |
| Satellite Equipment Manufacturers & Integrators | | | | | | | | | | |
| GILT | Gilat Satellite Networks | \$ 8.19 | \$189.2 | \$208.0 | 0.9x | 7.9x | n/m | 73.7x | n/m | |
| GCOM | Globecommm | \$ 7.23 | \$111.9 | \$86.2 | 0.7x | 13.9x | 24.9x | 28.0x | 25.8x | |
| VSAT | ViaSat | \$ 26.87 | \$769.6 | \$761.8 | 1.8x | 15.0x | 26.4x | 32.8x | 22.2x | |
| ORB | Orbital Sciences | \$ 17.50 | \$1,044.8 | \$964.6 | 1.3x | 13.3x | 16.5x | 31.8x | 29.2x | |
| RADN | Radyne Comstream Inc. | \$ 10.71 | \$201.0 | \$180.3 | 1.3x | 8.1x | 9.6x | 15.8x | 15.3x | |
| CDV | COM DEV International (d) | \$ 4.28 | \$257.9 | \$264.8 | 2.3x | 14.1x | 20.7x | 36.7x | 27.8x | |
| | | | | Mean | 1.4x | 12.1x | 19.6x | 36.5x | 24.0x | |
| Towers | | | | | | | | | | |
| AMT | American Tower | \$ 34.72 | \$14,887.9 | \$18,421.8 | 19.5x | 33.2x | n/m | n/m | n/m | |
| CCI | Crown Castle | \$ 33.65 | \$7,433.9 | \$7,436.5 | 11.0x | 24.5x | n/m | n/m | n/m | |
| SBAC | SBA Communications | \$ 24.60 | \$2,262.0 | \$2,990.1 | 10.1x | 26.8x | n/m | n/m | n/m | |
| GSL | Global Signal | \$ 44.93 | \$3,126.9 | \$4,829.4 | 10.1x | 23.2x | n/m | n/m | n/m | |
| | | | | Mean | 12.7x | 26.9x | | | | |
| General Telecom | | | | | | | | | | |
| AT | Alltel | \$ 56.11 | \$21,860.5 | \$25,186.3 | 2.4x | 6.6x | 11.3x | 16.3x | 17.7x | |
| T | AT&T (new) | \$ 30.36 | \$117,918.2 | \$143,980.2 | 2.6x | 8.0x | 15.8x | 19.2x | 13.7x | |
| VZ | Verizon Communications, Inc. | \$ 34.39 | \$101,622.5 | \$167,492.5 | 2.0x | 5.6x | 11.0x | 14.1x | 13.4x | |
| S | Sprint Nextel Corporation | \$ 16.29 | \$48,821.1 | \$64,611.1 | 1.5x | 4.9x | 17.6x | 29.0x | 12.4x | |
| | | | | Mean | 2.1x | 6.3x | 13.9x | 19.7x | 14.3x | |
| TELECOM SERVICES INDEX (excludes Towers stocks) | | | | | | | | | | |
| | | | | High | 7.5x | 15.0x | 30.9x | 73.7x | 29.2x | 25.0x |
| | | | | Mean | 2.0x | 10.0x | 18.6x | 28.6x | 17.4x | 14.8x |
| | | | | Low | 0.7x | 4.9x | 9.6x | 14.1x | 12.4x | 11.6x |

Public Market Valuation Analysis of Selected Companies in the NEAR EARTH MEDIA INDEX

| (\$ in millions, except per share data) | | Stock Price: | | Enterprise Value as a Multiple of: | | | Price as a Multiple of: | | |
|--|------------------------------|--------------|------------------------|------------------------------------|-----------|------------|-------------------------|---------------|---------------|
| Ticker | Company | 8/15/06 | Market Value of Equity | Enterprise Value (a) | LTM Sales | LTM EBITDA | LTM EBIT | 2006E EPS (b) | 2007E EPS (b) |
| Satellite Television (DBS) | | | | | | | | | |
| BSY | British Sky Broadcasting (f) | \$ 7.81 | \$13,995.94 | \$14,988.60 | 1.9x | 6.7x | 8.9x | 13.1x | 12.0x |
| DISH | EchoStar Communications | \$ 32.96 | \$14,922.1 | \$17,660.0 | 2.0x | 7.4x | 12.4x | 21.0x | 16.4x |
| DTV | DirecTV Group Inc. | \$ 17.29 | \$22,618.8 | \$23,027.7 | 1.7x | 9.5x | 15.0x | 16.8x | 14.7x |
| | | | | Mean | 1.8x | 7.9x | 12.1x | 17.0x | 14.4x |
| Television | | | | | | | | | |
| TVL | LIN TV Corp. | \$ 6.48 | \$329.8 | \$1,318.4 | 3.1x | 10.4x | 23.5x | n/m | 24.0x |
| SBGI | Sinclair Broadcast Group | \$ 7.83 | \$670.5 | \$2,073.8 | 3.0x | 9.3x | 12.5x | 18.6x | 22.4x |
| UVN | Univision Communications | \$ 33.49 | \$11,326.3 | \$12,670.8 | 6.0x | 17.8x | 20.4x | 31.3x | 27.5x |
| YBTVA | Young Broadcasting Inc. | \$ 2.51 | \$52.9 | \$779.2 | 3.8x | n/m | n/m | n/m | n/m |
| | | | | Mean | 4.0x | 12.5x | 18.8x | 25.0x | 24.6x |
| Satellite Radio (DARS) | | | | | | | | | |
| SIRI | Sirius Satellite Radio | \$ 3.75 | \$5,233.3 | \$5,733.6 | 13.5x | n/m | n/m | n/m | n/m |
| WRSP | Worldspace | \$ 2.21 | \$82.0 | \$33.5 | 2.4x | n/m | n/m | n/m | n/m |
| XMSR | XM Satellite Radio | \$ 11.01 | \$2,861.1 | \$3,916.0 | 5.1x | n/m | n/m | n/m | n/m |
| | | | | Mean | 7.0x | | | | |
| Radio | | | | | | | | | |
| CCU | Clear Channel | \$ 27.80 | \$13,797.0 | \$21,915.2 | 3.2x | 9.9x | 13.9x | 21.1x | 18.3x |
| CMLS | Cumulus Media Inc. | \$ 9.27 | \$562.6 | \$1,120.6 | 3.4x | 12.8x | 16.6x | 44.1x | 38.6x |
| CXR | Cox Radio Inc. | \$ 15.01 | \$1,460.0 | \$1,868.4 | 4.3x | 11.7x | 12.5x | 18.8x | 18.8x |
| EMMS | Emmis Communications Corp. | \$ 11.50 | \$649.4 | \$1,344.0 | 3.5x | 17.0x | 21.6x | n/m | n/m |
| ETM | Entercom Communications | \$ 23.68 | \$1,113.5 | \$1,767.5 | 4.1x | 11.2x | 12.5x | 16.8x | 15.3x |
| ROIA | Radio One Inc. | \$ 5.84 | \$576.5 | \$1,525.4 | 4.1x | 10.7x | 12.2x | n/m | n/m |
| | | | | Mean | 3.8x | 12.2x | 14.9x | 25.2x | 22.7x |
| NewsPrint | | | | | | | | | |
| DJ | Dow Jones | \$ 35.70 | \$2,985.1 | \$3,639.2 | 2.0x | 16.1x | 30.3x | 31.3x | 22.3x |
| MNI | The McClatchy Company | \$ 42.15 | \$1,982.2 | \$2,134.6 | 1.8x | 6.6x | 8.1x | 14.7x | 14.9x |
| NYT | New York Times | \$ 22.15 | \$3,215.4 | \$4,306.5 | 1.3x | 8.5x | 12.1x | 13.9x | 14.0x |
| TRB | Tribune | \$ 31.24 | \$9,529.7 | \$11,805.4 | 2.1x | 8.1x | 9.7x | 15.4x | 13.8x |
| WPO | Washington Post | \$ 744.75 | \$7,157.0 | \$7,329.5 | 2.0x | 9.8x | n/m | 19.6x | 18.5x |
| | | | | Mean | 1.8x | 9.8x | 15.0x | 19.0x | 16.7x |
| MEDIA SERVICES INDEX (excludes Satellite Radio (DARS) stocks) | | | | | | | | | |
| | | | | High | 6.0x | 17.8x | 30.3x | 44.1x | 38.6x |
| | | | | Mean | 3.0x | 10.8x | 14.2x | 19.8x | 20.8x |
| | | | | Low | 1.3x | 6.6x | 8.1x | 13.1x | 12.0x |

(a) Calculated as Market Value of Equity plus total debt, minority interest and preferred stock, less cash & equivalents

(b) EPS estimates from Thompson First Call. Near Earth does not estimate EPS and does not condone or validate these estimates.

(c) Converted to US \$ from Euro at an exchange rate of .7871 Euro per US \$

(d) Converted to US \$ from CS at an exchange rate of 1.1356 CS per US \$

(f) Converted to US \$ from British Pound at an exchange rate of 1.8439 US \$ per British Pound

n/m Not Meaningful

Member of NEAR EARTH SATELLITE INDEX

NEAR EARTH ANALYSIS: M&A TRANSACTIONS

Selected Satellite, Telecom & Media Transactions

(US\$ in millions)

| Date Announced | Acquiror | Target | Equity Value (a) | Transaction Value (b) | Transaction Value/ | |
|--|---------------------------|-------------------------------------|------------------|-----------------------|--------------------|------------|
| | | | | | LTM Sales | LTM EBITDA |
| Satellite Operators | | | | | | |
| 04/21/04 | KKR | PanAmSat Corporation | \$3,532.0 | \$4,300.0 | 5.2x | 7.7x |
| 06/06/04 | Blackstone Group | New Skies Satellites NV | 956.0 | 956.0 | 4.5x | 7.7x |
| 08/17/04 | Zeus Holdings | Intelsat Ltd. | 3,100.0 | 5,000.0 | 5.2x | 7.6x |
| 08/29/05 | Intelsat Ltd. | PanAmSat Holding Corporation | 3,065.0 | 6,271.1 | 7.5x | 9.7x |
| 12/14/05 | SES Global | New Skies Satellites NV | 760.0 | 1,160.0 | 5.0x | 8.0x |
| | | | | Mean | 5.5x | 8.1x |
| Ground Equipment | | | | | | |
| 12/06/04 | SkyTerra / Apollo | HNS (Hughes' VSAT, Broadband) | \$110.0 | \$415.0 | 0.8x | n/d |
| 03/03/05 | Radyne Comstream | Xicom Technology | 41.0 | 46.0 | 1.1x | n/d |
| 08/15/05 | Stratos | Xantic | 191.0 | 191.0 | 1.1x | n/d |
| 09/29/05 | International Datacasting | Proflin (c) | 4.5 | 3.9 | 1.1x | n/d |
| 11/11/05 | SkyTerra / Apollo | HNS (Hughes' VSAT, Broadband) | 155.0 | 460.0 | 0.8x | n/d |
| 11/18/05 | Cisco | Scientific Atlanta | 6,900.0 | 5,300.0 | 2.7x | 13.2x |
| 11/21/05 | Viasat | Efficient Channel Coding Inc. | 25.5 | 25.5 | n/d | n/d |
| 02/08/06 | Tandberg Television | Skystream | 80.0 | 80.0 | 2.6x | n/d |
| | | | | Mean | 1.5x | |
| Towers | | | | | | |
| 07/04/04 | Global Signal | Lattice Communications | \$115.0 | \$115.0 | 9.4x | n/d |
| 05/04/05 | American Tower | Spectrasite | 3,100.0 | 3,800.0 | 10.2x | 17.0x |
| 03/17/06 | Crown Castle | Trintel Communications | 145.0 | 145.0 | 10.1x | n/d |
| 03/17/06 | SBA Communications Corp | AAT Communications Corp | 1,002.0 | 1,002.0 | 12.0x | 17.9x |
| 05/08/06 | Crown Castle | Mountain Union Telecom LLC | | 309.0 | 11.9x | n/d |
| | | | | Mean | 10.7x | 17.4x |
| General Telecom (Long Distance) | | | | | | |
| 01/24/05 | France Telecom | Equant | \$1,576.0 | \$1,172.0 | 0.4x | 5.3x |
| 01/31/05 | SBC | AT&T Long Distance | 15,815.0 | 21,560.0 | 0.8x | 4.0x |
| 02/14/05 | Verizon | MCI | 8,508.0 | 8,992.0 | 0.5x | 5.6x |
| 07/25/05 | VSNL | Teleglobe | 177.0 | 238.0 | 0.2x | 7.1x |
| | | | | Mean | 0.5x | 5.5x |
| General Telecom (Wireless) | | | | | | |
| 02/17/04 | Cingular | AT&T Wireless | \$40,770.0 | \$47,105.0 | 2.8x | 10.7x |
| 12/15/04 | Sprint Corp | Nextel Communications Inc | 28,449.0 | 36,200.0 | 2.7x | 7.1x |
| 01/05/05 | Alltel | Western Wireless | 4,300.0 | 6,181.0 | 3.2x | 10.7x |
| 07/01/05 | Sprint Nextel Corporation | US Unwired, Inc. | 1,000.0 | 1,266.0 | 2.9x | 13.2x |
| 03/06/06 | AT&T (new) | Bell South | 67,000.0 | 89,000.0 | 4.3x | 10.7x |
| | | | | Mean | 3.2x | 10.5x |
| Television | | | | | | |
| 03/31/05 | Lin TV Corp. | WNDY-TV, WWHO-TV | \$85.0 | \$85.0 | 4.3x | 12.9x |
| 05/10/05 | Various Acquirors (d) | Emmis Comm TV Portfolio | 1,350.0 | 1,350.0 | 5.2x | 14.6x |
| 06/30/05 | Univision Communications | WLII (2 TV Stations in Puerto Rico) | 190.0 | 190.0 | 4.0x | 16.7x |
| | | | | Mean | 4.5x | 14.7x |
| Radio | | | | | | |
| 09/29/04 | Capital Radio | GWR Group | \$611.0 | \$728.0 | 3.1x | 13.4x |
| 06/21/05 | Emap PLC | Scottish Radio Holdings | 713.0 | 793.0 | 4.5x | 17.7x |
| 11/01/05 | Cumulus Media Inc. | Susquehanna Radio | 1,200.0 | 1,200.0 | n/d | 15.0x |
| 02/07/06 | Citadel Broadcasting | Disney (ABC Radio) | 1,500.0 | 2,700.0 | 4.7x | 13.5x |
| | | | | Mean | 4.1x | 14.9x |
| Internet Media | | | | | | |
| 11/14/04 | Dow Jones | Market Watch Inc. | \$519.0 | \$463.0 | 5.7x | 38.6x |
| 02/17/05 | New York Times | About, Inc | 410.0 | 410.0 | 10.0x | 30.0x |
| 03/21/05 | IAC | AskJeeves | 1,850.0 | 1,850.0 | 5.8x | 19.0x |
| 06/06/05 | E.W.Scripps Co. | Shopzilla Inc. | 525.0 | 525.0 | 4.0x | 15.9x |
| 07/18/05 | News Corp. | Intermix (MySpace.com) | 580.0 | 571.0 | 6.4x | n/m |
| 3/6/2006 | NBC Universal | iVillage Inc. | 600.0 | 550.0 | 6.0x | 32.4x |
| | | | | Mean | 6.3x | 27.2x |

(a) When Equity Value was not disclosed, Transaction Value was used

(b) Calculated as Value of Equity plus interest bearing liabilities and preferred stock, less cash & equivalents

(c) Values reflect closing figures. Converted at 1.1757 C\$ per US\$

(d) Transaction includes the divestiture of Emmis' TV portfolio to: Lin TV (\$260M), Journal Comm (\$235M), Gray (\$186M), Blackstone (\$259M)

It also includes estimated transaction value of \$410M for the final sale of 3 TV stations. This is predicted to occur sometime in 2005.

n/d Not Disclosed

n/m Not Meaningful

NEAR EARTH ANNOUNCEMENTS

Near Earth LLC recently launched its online library. This library provides free access to timely analysis related to the Satellite, Media & Telecommunications industries at <http://www.nearearthllc.com/analysis/whitepapers.asp>.

The initial papers in the library include:

- “IPTV - The Future of Television?” (41 pages)
- “Analysis of the Fixed Satellite Services Industry” (38 pages)
- “Analysis of the GEO Satellite Manufacturing Industry” (27 pages)
- “Mobile Satellite Service w/ Valuation of Ancillary Terrestrial Components (ATC)” (21 pages)

In addition, external analysis from the law firm of Brown Raysman titled “US Telecom Laws and Transactions” (65 pages) and industry consultants HNS/Frost & Sullivan titled “Broadband Satellite Services” (19 pages) are also available at the site.

While we believe these contribute useful industry insights, we do not publish investment valuations or recommendations of any kind and publications should not be construed as direct or indirect recommendations to buy or sell any security. For our complete disclosure statement, see the last page.

Near Earth LLC professionals will be at the following conferences. If you would like to schedule a meeting during one of these events, please email John Stone at John@nearearthllc.com

| | |
|----------------|---|
| October 23-26 | NAB New York, New York |
| November 28th | ISCe Satellite Investment Symposium, New York |
| November 29-30 | SATCON, New York |

Near Earth LLC runs an investment club called The Near Earth Investment Club and serves as the Club administrator/organizer as well as the primary sourcer and screener of investment opportunities. The Club periodically offers participation in primarily media, telecom and satellite industry-related, often uniquely structured, investments to its members. It is designed to provide active accredited investors with significant deal flow and issuers with access to "smart" and relatively "fast" capital.

- Diverse pool of Satellite, Media and Telecom-related investment opportunities from seed capital rounds to late stage capital and from restructurings and distressed opportunities to private investments in public companies. Club investment opportunities come from a variety of sources including transactions Near Earth LLC is engaged to complete and opportunities Near Earth or Club members find through their extensive industry contacts.
- Investments are screened by Near Earth LLC professionals and sometimes by Advisory Board or Club members with highly relevant backgrounds, before being presented to the full Club for investment consideration.
- Low minimum investment amounts (typically \$25,000 - \$50,000).
- Each member makes his or her own independent investment decisions on each investment opportunity and holds and votes their own shares.
- Near Earth charges no fund management fees and does not take any percentage of the investment upside. However, Near Earth may charge a 2% sourcing fee in certain cases where it receives no other compensation from the transaction. In no cases, will investors be charged a fee without notification in advance of making an investment decision.

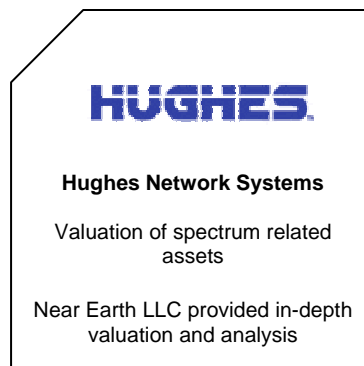
If you would like to be considered for membership in this fund, please contact Dan Ramsden at dan@nearearthllc.com.

ABOUT NEAR EARTH LLC

Near Earth is a specialized Investment Bank which brings the highest quality senior level attention to companies in the greater commercial satellite/space, telecom, media, entertainment, and technology industries.

Near Earth provides a full range of capital raising, advisory and consulting services to companies and their Boards. To enhance its own capabilities, Near Earth is allied with [Thomas Weisel Partners](#) and serves as their exclusive satellite industry investment banking partner. We also work with Thomas Weisel on medium to larger transactions in our other industries of focus. This alliance gives our clients the benefits of Near Earth's unmatched industry expertise, along with the strong execution capabilities of Thomas Weisel Partners for public market transactions, large private placements and M&A deals. We also provide financial advisory services, valuation, structuring, and due diligence support to private equity, hedge and distressed debt funds. Please contact us if you would like our assistance with a contemplated satellite, telecom or media investment or portfolio divestment.

Featured Transaction



For more information about our current transactions or about Near Earth LLC, please visit our website at www.nearearthllc.com or contact us at our location below:

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