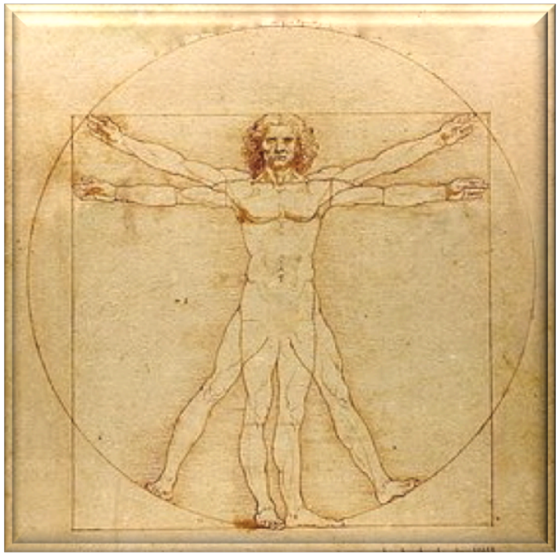
“The Future Of Film Making & Investment”



Renaissance Studio, Ltd.

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The Future Of Filmmaking & Investment

Renaissance Studio, Ltd. (“RSL”) is a virtual motion picture production and global distribution enterprise. It has been created to advance a new business model for filmmaking and investment that delivers sustainable profitability and exceptional risk adjusted returns on investment (“ROIs”) for global audiences and prescient investors. Through vast analysis, research and development, RSL has created advanced concept evaluation metrics and proprietary methodologies of film writing, development, production, distribution, marketing, advertising, risk management, investment and business practices that are designed to drive a sustainable going concern studio and a compelling IPO profile. The mission is to create a new audience and investor focused paradigm of filmmaking that:

- Exploits flaws in the existing filmmaking and business practices to deliver very extraordinary risk adjusted ROIs.
- Competes with the major studios by targeting the underserved demographics that make up to 90% of the global market.
- Utilizes proprietary story writing methodologies to create movie content that resonates with large global audiences.
- Avoids the movie industry culture and business practices that largely ignore audience preferences and investor expectations.
- Develops high concept movies with $30 million budgets in genres that average over $400 million in global revenues.
- Employs methodologies that mitigate downside risks while preserving huge upside earnings potential.
- Produces cost effective film franchises with sustainable earnings that will drive a compelling IPO profile.
- Exploits irrational 30x+ P/E multiples in the public equity markets through an IPO end game in 5 years.

RSL has identified movie industry flaws and capital market anomalies and has created proprietary methodologies to exploit them. The investment goal is convert $50 million of primary equity capital and $100 million of primary debt capital into $5+ billion of IPO proceeds in as little as 5 years. No, this is not promotional hyperbole. It is a plausible reality in search of sophisticated and prescient capital partners who will invest the time to fully understand the scenario. Yes, this is a big vision but it is grounded in profound intrinsic merit and extraordinary wealth creation potential with limited downside risks**.**

RSL’s mission is to create thought provoking, entertaining and triumph of the human spirit stories that powerfully engage viewers on intellectual, emotional, visceral, sensual, visual, audio, artistry, life relevant, sociopolitical and poignant levels. The RSL end game is to inspire large global audiences with sensational content that drives exceptional ROIs while lighting a path to a much better world.

The RSL Investment Scenario

RSL is seeking $50 million of primary equity capital (common stock) and $100 million of primary debt capital to finance a going concern movie studio. The $50 million of equity capital will be used as credibility to 1) secure debt sources of capital for RSL and 2) establish relationships with talent agencies, talent, attorneys, theater chains, distributors and other counterparties. The primary capital will serve as a liquidity bridge to cost free capital (subsidies, etc.), other debt capital sources and operating cash flow. The $150 million of primary capital will fund the early RSL movie projects as needed. The goal is to minimize advances of the primary debt.

Assets

RSL's primary assets will consist of intellectual property in the form of the RSL 150 page RSL business plan, its proprietary methodologies and the full rights to 14 feature motion picture screenplays. The produced movies will become assets of RSL as they are produced. RSL will not invest in "bricks and mortar" movie studio facilities because they would dilute the risk adjusted ROI of RSL and limit production location flexibility. RSL will lease its corporate facilities on short term leases and contract the production of all of its motion picture projects to top tier execution teams with vast movie production experience in the most cost effective locales.

Capital Recovery & ROIs

The Base Case RSL forecast assumes that:

- The first 11 RSL films will be produced over 4 years on budgets that are 29% of the genre average. RSL will operate at a fraction of studio overhead levels and produce movies that are driven by innovative story elements and characters rather than costly effects.
- The 11 films will achieve average revenues at 45% of the genre average. This will produce $207 million of RSL income in year 4.

While these assumptions are reasonable, they leave a substantial margin for error before any losses would occur. <u>After the second film achieves success, RSL expects to fully eliminate downside risks through partial international rights presales.</u>

Full recovery of the primary capital is expected in year 2 - 3. The IPO will provide exit liquidity in year 5. Based on the current 30x P/E ratio of Lions Gate Entertainment "LGF") as a proxy, and year 4 projected income of $207 million, RSL common stock would be worth $6+ billion. RSL encourages you to invest the time to read the full 38 page presentation before reaching any conclusions.

The Concepts - Make Great Movies That A Lot Of People Want To See

RSL is grounded in a group of key concepts and realities that can be summarized as follows:

- Movies are the only medium with the global reach to light a path to a much better world. Humanity is being by senseless, violent and depraved conflicts that are inflicting enormous human suffering. Movies are the best available means to help shift human consciousness toward a new age of peace, reconciliation and prosperity. This is not hopeless idealism. It is a human imperative and a realistic vision in search of leaders who will act.
- Employ risk mitigation strategies unlock the most exceptional risk adjusted return on investment profile in the capital markets.
- Making compelling movies that address the most important issues of our times is the path to huge cinematic and ROI success.
- Almost everyone loves a great movie but there are very few great movies. Everyone wonders, why?
- There is a huge "disaffected" global audience of people who are mystified that the movie industry does not make many movies they want to see.
- Everyone knows the recurring feeling of wanting to go to a movie and finding nothing that inspires them to go to the theater.
- The movie industry is systematically ignoring the viewing preferences of up to 90% of its potential consumers.
- 89% of adults in North America saw only two movies in theaters on average in 2014. This is not a demand problem. It is a quality supply issue that professional, market focused content creation methodologies can resolve.
- The major limitation on movie demand is the quantity of compelling movie supply. RSL methodologies exploit this reality.
- There is no market on earth where there is a greater disconnect between product features and consumer preferences.
- The public equity markets are highly overvalued and ripe for exploitation with a compelling IPO profile in the movie industry.
- Perhaps no industry is more vulnerable to a market insurgency strategy that exploits all of the above realities.

All of the above assertions are validated by common sense and the personal experience of everyone who enjoys movies.

RSL offers a plausible path to 10,000% return on investment.

Creating Exceptional Risk Adjusted Returns On Investment

In theory, the ideal investment is one where downside risks are completely mitigated and upside ROIs are unlimited. This theory is deemed to be impossible by intuition and the laws of finance, risk and markets. However, there are unique features in the motion picture industry that make it plausible to convert this theory into a plausible reality. Please consider the following example:

Movie Project ($Millions)	Amount	Comments
Production Budget	$ 30	The budget for a single movie project
Less: Government subsidies/rebates	($ 6)	Subsidies from government entities as inducements
Less: Talent compensation deferrals	($ 3)	Converting actor/directors into investors
Less: Foreign presales of movie rights	($ 19)	Pre-selling a portion of the movie rights to distributors
Less: Brand integration revenues	($ 3)	From companies to promote their brands in the movie
Net Capital At Risk Estimate	$ 0	

The above scenario is unlikely to occur until RSL produces at least two major movies that receive strong global market acceptance to create confidence with the talent, brands and foreign distributors. It becomes a highly probable outcome once RSL establishes its ability to create sustainable film franchises that compete in high revenue genres and resonate with large international audiences.

Movie Project ($Millions)	Amount	Comments
Operating Income Estimate (see page 15)	$ 46	Based on 45% of genre average and 6% of "Avatar" revenues
Multiplied by 4 movies per year	x 4.5	The RSL goal is 4.5 movies per year by year 4
Annual RSL Income Estimate	$ 207	Year 4 annual income for IPO valuation purposes
Multiplied by 30x Price/Earnings Multiple	x 30	Reasonable P/E ratio for IPO relative to market comps
Net IPO Proceeds Estimate	$ 6,210	Equates to a 13,000%+ ROI on a $50 million equity investment

Under the above scenarios, RSL could ultimately eliminate downside risks while preserving exceptional upside ROIs.

Returns On Investment

Understanding Rate Of Return On Investment Dynamics

The chart below illustrates the variances of rates of return on investment on 3 successful films.

Description ($ millions)	Avatar	Gone Girl	Dances With Wolves
Known global box office/DVD Revenue	$3,174	$393	$415
Less: Theater/Distributor Takes at 60%	($1,904)	($236)	($249)
Less: Production Budget	($ 425)	($ 61)	($ 19)
Less: P&A/Marketing Budget Estimate	($ 100)	($ 40)	($ 15)
Estimated Gross Profit	**$ 745**	**$ 56**	**$142**
Gross profit As % Production Budget	**175%**	**92%**	**747%**

This chart demonstrates that the major studio model of making very large budget films can achieve high gross revenues and absolute gross profits. However, the large budgets substantially reduce the rates of return on investment ceiling versus smaller budget films that resonate in high revenue ceiling genres. Which project would you choose if you had $19 million to invest in motion pictures?

The RSL business model is based on the "Dances With Wolves" scenario. Modest budget movies in high revenue ceiling genres. "Dances With Wolves" succeeded so spectacularly because is contained a broad diversity of compelling resonance elements that resonated with large global audiences. Those elements engaged audiences on a broad range of thought provoking, emotional, romantic, sensual, intimate, poignant, human, visual, audio, cultural and life relevant levels with almost no CGI.

Creating film concepts that will resonate like "Dances With Wolves" requires much more skill than producing shallow story contrivances that rely of gratuitous action, violence, horror, sexuality, depravity and CGI, etc. but they offer much higher rates of return on investment than Avatar when they succeed.

The project level rates of return on investment will then be exponentially increased by establishing a going concern studio that is designed to create a compelling IPO profile in year 5 that can deliver up to 30x+ project level earnings in year 4.

The RSL Business Plan Progression

1) **COMPLETED** - Complete a thorough financial, creative, risk and capital markets analysis of the movie industry over many years.
2) **COMPLETED** - Create and employ financial metrics to evaluate movie concepts and avoid the 85%+ of movie projects that lose money for production equity. RSL can now project the financial success or failure of movie projects over 90% of the time.
3) **COMPLETED** - Employ the evaluation metrics to develop movie content and writing methodologies that 1) avoid poor concepts, 2) skillfully imbed a diversity of compelling resonance elements that match the viewing preferences of broad spectrum global demographics into all RSL projects to insure consistently strong international market acceptance and 3) deliver movie concepts that have sustainable franchise potential.
4) **COMPLETED** - Employ the RSL methodologies to write and develop an initial group of movie projects that can be produced on $30 million budgets in the action/thriller/clandestine genres that average over $400 million in global box office/DVD revenues of.

   RSL has written 14 high concept screenplays that can be produced on budgets of $30 million each to compete in these genres and launch up to 10 sustainable franchises. The remaining 4 are sequels to the primary 10.
5) **COMPLETED** - Develop and write a comprehensive business plan to exploit the underserved global movie markets. The huge markets that include the 90% of people who are not inspired by shallow story contrivances or gratuitous action, violence, depravity, horror and CGI that dominate modern cinema. Employ advanced methods to minimize costs and risks and maximize ROIs for global audiences and RSL investors.
6) **IN PROCESS** - Raise $50 million of primary equity capital and $100 million of primary debt capital to launch a new movie studio that will 1) attract top executives and talent, 2) fund all of its projects plus $25 million of P&A per film, 3) bypass the studios to contract directly with the theater chains, sales agents and international distributors, 4) control its content, advertising, marketing, distribution and roll outs and 5) avoid the faulty industry development culture, business and marketing practices and bloated costs.
7) **THE FUTURE** - Execute the RSL business plan: 1) assemble the optimum executive team, 2) produce at least 11 films over the first four years, 3) establish consistent earnings that validate the RSL vision and 4) deliver a compelling IPO profile and 5) execute an IPO in year 5 that delivers 30x+ the year 4 earnings and a 10,000%+ ROI on the $50 million equity investment.

Important Note

RSL has elected to defer the hiring of its full executive team and the packaging of its movie projects until the primary capital is committed. The commitment will allow RSL to project the credibility to hire the optimum executive and execution teams for each project and insure broad global distribution. No production funds will be advanced until the investors approve the executive team and the project plans/budgets/talent/packages for each film project. This is a by far superior approach to the current industry practices.

VALUE PROPOSITION

Exploiting Movie Industry Flaws & Equity Market Metrics

Renaissance Studio, Ltd. ("RSL") is not a traditional movie producer seeking funds to develop, produce and distribute motion pictures within the confines of the deeply flawed movie industry culture and business practices. RSL a new paradigm of filmmaking and investment that operates outside of the movie industry status quo that largely ignores the preference of large global audiences and exploits equity investors rather than rewarding them for the risks they take.

The RSL concept is inspired by an exploitative capital markets perspective rather than fealty to the obsolete conventional of the film industry. Serious consideration of the RSL value proposition will reveal a very plausible and lucrative business and capital markets strategy that supports these assertions. Please consider the following key elements of the RSL value proposition:

- A visionary and seasoned leader with long term and broad spectrum experience. A professional who is a life student of history, politics, religion, geopolitics, cultures, human nature, screenwriting, psychology, philosophy, sociology, business, markets, advertising, economics, industries, analytics, advanced metrics and the capital markets.
- A highly sophisticated business investment and capital markets approach to exploiting the movie industry.
- Extensive creative, market and financial analysis of the motion picture industry. This includes the financial analysis of all the major studios, producers, directors, actors and movies that achieved above $25 million in box office revenue over the last decade.
- The creation of metrics for the analysis of the relationships between motion picture concepts, budgets and markets. These methodologies dramatically reduce the concept to market problems that cause 85% of movies to lose money for equity investors.
- Vast industry research and development of the methodologies and business practices to successfully exploit the status quo.
- Proprietary story writing methodologies that skillfully match story resonance elements with global audience preferences.
- Risk management methodologies that dramatically reduce and may ultimately eliminate downside equity risk.
- Laser focus on creating consistently profitable movies and sustainable film franchises to optimize the IPO profile and proceeds.
- Intellectual property that includes a 150 page business plan, proprietary methodologies and an initial 14 film slate of screenplays that are designed to launch up to 10 major film franchises that compete successfully with the major studios.
- The very plausible opportunity to achieve a 10,000% ROE by producing movies that light a path to a much better world.

RSL may represent the most exceptional risk adjusted ROI opportunity in the capital markets today.

The Capital Markets Exploitation Opportunity

The quantitative easing (money printing) policies of the Federal Reserve Bank have injected trillions of dollars of liquidity into the economy. This liquidity has produced irrational anomalies in public stock market valuation metrics that produce equity values far above rational fundamentals. This reality represents an opportunity for insightful investors to achieve extraordinary risk adjusted rates of return in investment (“ROIs”) through capital markets exploitation. RSL’s capital markets strategy is designed to exploit this situation to deliver enormous ROIs to RSL investors. The strategy can be summarized as follows:

- Produce the thirteen films over 4 years
- Launch up to 10 successful film franchises in 4 different genres
- Establish a strong cinematic and earnings track record
- Pursue an IPO in year 5 that can deliver 30x+ the annual project level earnings

This strategy is grounded in the reality that the market cap of Lions Gate Entertainment ("LGF") increased from $1.1 billion to as high as $5 billion between January 2012 and October 2013 based largely on the success of one major film franchise, "The Hunger Games". RSL has much bigger ambitions with its initial focus on creating up to 10 major franchises.

Based on the recent LGF public equity markets metrics of a 30x+ P/E ratio, the RSL end game is to create a compelling going concern studio profile that will deliver above $200 million in annual earnings in year four and close to $5 billion in IPO proceeds after year five. This scenario can plausibly deliver a 100x ROI on the goal of $50 million of actual primary equity capital at risk.

It Sounds Too Good To Be Taken Seriously

Yes, a 10,000% ROI sound to good to be true but a close examination of the RSL business plan and projects will confirm that this outcome is entirely plausible.

The Risks Must Be Very High & Unmanageable

No, there is the very real potential to eliminate downside equity risks through subsidies, brand integration, international presales and talent compensation deferrals that convert major movie talent into investors while preserving up to 75% of the earnings upside.

A Comparison Of Lions Gate Entertainment ("LGF") To RSL

LGF is a valuable point of reference because it is the only movie studio that is a public company and not part of a diversified conglomerate. As such, it provides a valuable comparison that supports of the strength of RSL business and capital market strategies.

http://finance.yahoo.com/q/mh?s=LGF+Major+Holders

The link above demonstrates that LGF is largely owned by 20 institutions and mutual funds. All of them would reflexively refuse to consider investment in RSL despite the comparative realities below:

- RSL has superior methodologies for the writing and development of cost effective and exceptional movie franchises that will consistently resonate with large global audiences. Examination of the RSL methodologies and content will confirm this assertion.
- "The Hunger Games" is the only major franchise success in LGF's 20 year history. It expires in 2015 and will leave a huge earnings void that threatens equity values. There is nothing in the current LGF slate that appears likely to solve this major issue.
- RSL has a far superior future slate to LGF if maximizing global market acceptance, earnings success and ROIs are the objectives.
- The initial RSL slate includes up to 8 major franchise possibilities so the opportunity to exceed the LGF earnings is very real.
- The risk adjusted ROI potential of RSL equity investments is exponentially higher than LGF at its current 20x P/E multiple.
- The RSL IPO strategy offers a natural exit strategy in year 4-5 with 30x+ ROIs and would not impair market values.
- RSL will spend a small fraction of the $250 million that LGF expends annually on G&A expenses.
- RSL will make 4 superior movies per year with high revenue ceilings and broad global market acceptance potential rather than the 1 successful, 1 okay and 8 unsuccessful films that LGF released in 2014. RSL will mitigate downside market acceptance risks.
- Unlike LGF, RSL will invest nothing in non-feature film investments that are dilutive to RSL's feature film rate of ROI profile.
- RSL will not be burdened by the over $2 billion of debt on LGF's balance sheet.
- The ownership rights to RSL can be acquired for a small fraction of the highly inflated $4 billion LGF market cap.

Given the 1) inflated market value of LGF stock, 2) the pending end of "The Hunger Games" franchise, 3) the absence of projects to fill the huge earnings void beyond FYE 3/31/2016, 4) the heavy LGF debt burden and 5) the sad state of LGF's future slate, the downside risk of an LGF stock investment or hold at current market value is enormous relative to an investment in RSL.

RSL offers and exponentially greater risk adjusted ROI opportunity than LGF.

CAPITAL REQUIREMENTS

RSL Primary Capital Requirements

RSL is not in business to raise incremental funds to produce individual movies because that approach very seldom produces superior ROIs for equity investors. RSL's strategy is to build a major new film production and global distribution company with a strong enterprise value and IPO profile. This ambitious approach requires a significant initial capital commitment to 1) create credibility, 2) provide funding for the initial slate, and 3) fund the production, global distribution and advertising of world class movies. The major segments of the capital budget are as follows:

• **Film production**	$ 319,750,000	Initial eleven film slate
• **Studio/Office/CAPEX**	$ 0	Facilities leased – See project/operating budgets
• **Film Marketing/Advertizing**	$ 264,000,000	Needed to insure distribution & maximize ROIs
• **Corporate Expenses**	$ 37,100,000	To create going concern enterprise value – 4 years
Total Budget	**$ 620,850,000**	Includes initial eleven film slate
Less: Cost Free Capital	($ 47,625,000)	15% of Production Costs – Estimated Subsidies
* **Less: Foreign Presales**	($212,000,000)	10% of Base Case Revenues - Estimated
* **Less: Operating Cash Flow**	($208,535,000)	From $1,122,000.000 Base Case Net Revenue
RSL Primary Capital Request	**$150,000,000**	$50 million primary equity component included

- **Important Notes** – The Foreign Presales and Operating Cash Flow amounts are subsets of the $1,122,000,000 Base Case Net Revenue. The remaining $701,465,000 of net revenue offers a 4.7x coverage multiple on the $150,000,000 capital request.

Primary Capital Facility

- **Tranche A** - $ 50,000,000 - Primary equity
- **Tranche B** - $100,000,000 - Credibility and bridge to other sources of debt working capital

Total - $150,000,000 – The goal is to minimize the amounts actually advanced / at risk through uses of other capital

The main functions of the Primary Capital Facility will be financial credibility and as a bridge to other capital sources.

Action/Thriller/Clandestine Genre Focus

RSL will achieve consistent financial success by producing movies with production budgets below $30 million per film in genres that have very large international revenue track records. The chart below summarizes the major films in the RSL target genres since 2006.

Movie $ Millions	Global Box Office & DVD	Production Budget	Prints & Advert.	Theater Take	Est. Gross Profit	Distrib Fees	Est. To Producer
Casino Royale	$679	($102)	($40)	($340)	$197	($51)	$146
Mission Impossible 3	$448	($150)	($60)	($224)	$14	($34)	($20)
Bourne Ultimatum	$567	($130)	($50)	($284)	$103	($43)	$60
The Kingdom	$121	($73)	($30)	($60)	($42)	($9)	($51)
Quantum Solace	$646	($230)	($75)	($323)	$18	($48)	($30)
Knight & Day	$294	($117)	($60)	($147)	($30)	($22)	($52)
Salt	$345	($130)	($70)	($172)	($27)	($26)	($53)
Green Zone	$116	($100)	($50)	($58)	($92)	($9)	($101)
The Tourist	$301	($100)	($50)	($150)	$1	($23)	($22)
Ides of March	$88	($23)	($20)	($44)	$1	($7)	($6)
Mission Impossible 4	$740	($145)	($70)	($370)	$155	($56)	$100
Safe House	$245	($85)	($40)	($122)	($2)	($18)	($20)
Act Of Valor	$123	($12)	($10)	($61)	$40	($9)	$31
Hunger Games	$888	($80)	($40)	($444)	$324	($67)	$257
Skyfall	$1,205	($200)	($75)	($602)	$328	($90)	$238
Bourne Legacy	$332	($125)	($60)	($166)	($19)	($25)	($44)
Zero Dark 30	$165	($53)	($30)	($82)	$0	($12)	($12)
Catching Fire	$1,061	($130)	($50)	($530)	$351	($80)	$272
Jack Ryan	$132	($60)	($35)	($66)	($29)	($10)	($39)
3 Days To Kill	$32	($28)	($25)	($16)	($37)	($2)	($39)
Totals	$8,528	($2,073)	($940)	($4,261)	$1,254	($639)	$615
Averages	$426	($104)	($47)	($213)	$63	($32)	$31
DWF Base Case	$162	($30)	($24)	($81)	$27	($9)	$18
As % Genre Avg.	38%	(29%)	(51%)		43%		

Superior & Cost Effective Content That Resonates In High Revenue Genres

The chart on the previous page demonstrates that the action/thriller/clandestine genre for films that reached broad release achieved average global box office and DVD revenues of $426 million since 2006. The average production budget for those same movies was $104 million. 13 of the 20 films lost money for production equity on box office and DVD revenues alone. The overall earnings performance of the movies reflects the reality that high budget movies in the genre do not produce consistent ROIs.

Accordingly, RSL is focused on creating films in this same high revenue genre on much more cost effective production budgets. This ambitious goal will be achieved through:

- Origination of superior story content with a multitude of compelling resonance elements that target large global audiences
- Offering exciting content alternatives to the very large disaffected audiences who are not attracted to current offerings
- Reductions of high cost action and CGI sequences while preserving strong cinematic appeal
- Avoid very costly studio overhead, production costs and business practices
- Employ advanced marketing and advertising methodologies that cost and revenue effective

Key Base Case Assumptions

A key "Base Case" success factor for RSL is creating films on **29%** of the genre average production budget that can deliver at least **38%** of the genre average revenue of **$426 million**. This minimum goal is only **5%** of "Avatar's" global revenue and it is attainable through superior RSL content that is imbued with a multitude of resonance elements that will inspire audiences relative to the narrow spectrum of shallow story contrivances, gratuitous action, violence and special effects that dominate these genres. RSL expects that actual revenue performance will significantly exceed the 9% differential between the cost and revenue assumptions.

The use of terrifyingly plausible/life relevant plot scenarios, strong female protagonists, triumph of the human spirit stories and a broad spectrum of other compelling resonance elements will be key factors in achieving these goals. RSL will also operate on much more cost effective corporate, production, distribution and advertising budgets than the major studios. Revenues from any source above $162 million per film on average will deliver increasingly lucrative ROIs.

Project Level ROI Scenarios

The chart below summarizes three project level ROI scenarios based on different revenue assumptions as a proportion of the $426 million global box office/DVD revenue average per film in the target genres (See page above):

Description ($Millions)	Base Case 38% Genre Avg./ 6% Avatar Revenue	Base Case 2 50% Genre Avg./ 8% of Avatar Revenue	Base Case 3 Genre Average/ 11% Avatar Revenue
Box office revenue (gross)	$140	$181	$350
+ DVD revenue (gross)	$ 22	$ 32	$ 76
+ Ancillary revenue (net)	$ 20	$ 24	$ 55
+ Government rebates	$ 6	$ 6	$ 6
+ Brand integration	$ 5	$ 5	$ 5
Total Revenue Estimate	$193	$248	$492
- Theater takes	($81)	($107)	($213)
- Distributor fees	($10)	($ 27)	($ 32)
Total Net Revenues	$102	$115	$247
- Production budget	($30)	($30)	($30)
- P&A budget	($24)	($24)	($47)
- RSL Overhead	($ 3)	($ 3)	($ 3)
Operating Income Estimate	$ 43	$58	$167
Multiplied by 30x IPO multiple	$1,075	$1,450	$4,175
RSL Income - 11 films over 4.5 years	$473	$638	$1,837
Coverage Multiple on $150 million	3.2x	4.3x	12.2x

Each of the above scenarios is a plausible outcome for the RSL movie projects on average. The "Avatar" proportions simulate the modest levels of global market penetration as points of reference.

Renaissance Studio, Ltd.

The Future of Film Making & Investment

PROFORMA

An Extraordinary Return On Investment Profile

Please consider the following plausible IPO ROI scenario for the initial RSL 11 film slate if the movies average **45%** of the genre average box office and DVD revenues. This scenario achieves a 10,000% ROE on a primary equity investment of $50 million:

	Renaissance Studio, Ltd. ($ Millions)							
Project #	Movie Title		Year 1	Year 2	Year 3	Year 4	Year 5	Total
1	Divided We Fall	Costs	$ (30)	$ (25)	$ (24)	$ -		$ (79)
		Net Revenue	$ -	$ 96	$ 27	$ -		$ 123
2	America 2.0	Costs	$ (24)	$ (30)	$ (24)	$ -		$ (79)
		Net Revenue	$ -	$ 96	$ 27	$ -		$ 123
3	Donahue Origins	Costs	$ (13)	$ (41)	$ (24)	$ -		$ (79)
		Net Revenue	$ -	$ 92	$ 4	$ 27		$ 123
4	End Game	Costs	$ (1)	$ (48)	$ (5)	$ (24)		$ (79)
		Net Revenue	$ -	$ 69	$ 27	$ 27		$ 123
5	Revelations	Costs	$ -	$ (32)	$ (20)	$ (24)		$ (76)
		Net Revenue	$ -	$ -	$ 94	$ 27		$ 120
6	Treachery	Costs	$ -	$ (26)	$ (28)	$ (24)		$ (79)
		Net Revenue	$ -	$ -	$ 96	$ 24		$ 120
7	The Coming	Costs	$ -	$ (13)	$ (38)	$ (24)		$ (76)
		Net Revenue	$ -	$ -	$ 92	$ 28		$ 120
8	Insurrection	Costs	$ -	$ (1)	$ (48)	$ (29)		$ (79)
		Net Revenue	$ -	$ -	$ 69	$ 51		$ 120
9	Not Without Honor	Costs	$ -	$ -	$ (32)	$ (44)		$ (76)
		Net Revenue	$ -	$ -	$ -	$ 120		$ 120
10	Vendetta	Costs	$ -		$ (24)	$ (52)		$ (76)
		Net Revenue				$ 94	$ 27	$ 120
11	The Warning	Costs	$ -		$ (17)	$ (59)		$ (76)
		Net Revenue				$ 94	$ 27	$ 120
	Corporate	Costs	$ (20)	$ (6)	$ (6)	$ (6)		$ (37)
	Totals		$ (88)	$ 131	$ 146	$ 207	$ 53	$ 448
				Multiplied by IPO Multiple		25	x	
				Estimated IPO Value		**$ 5,167**		

Very Important Note: The above scenario occurs if the RSL projects average only 7% of "Avatar's" global revenues.

Major Risk Considerations

Film investment involves significant risks that include but are not limited to the following:

- **Market acceptance risk** – There is no certainty that audiences will attend any movie in sufficient quantities to recover capital.
- **Distribution risk** – Movies may not be accepted by theater chains, sales agents, film buyers or international distributors.
- **Start up / Execution risk** – The risk that the RSL business plan will be effectively executed.
- **Financial risk** – The production and advertising budgets may be larger than the net revenue proceeds.
- **Completion risk** – The risk that the film will be completed on time and budget.
- **Financial transparency risk –** The risk of improper accounting, auditing and revenue collection / disbursement practices.

Risk Mitigation Factors – The magnitude of the above risks will be substantially reduced / mitigated through:

- **The ideal executive team** – The primary capital commitment will allow RSL to hire the best executive team in the industry.
- **Self funding of print & advertising expenses** – Insures broad distribution while retaining control of content and advertising.
- **Superior movies** – High concept movies that are carefully crafted to appeal to a broad spectrum of global audiences.
- **Modest production budgets in high revenue genres** – Better stories reduce the need for costly visual effects.
- **Low cost production** – Avoid inflated studio overhead, production costs, unions and soundstage expenses.
- **Cost free capital** – Significant film subsidies and brand integration revenues reduce capital at risk.
- **International presales** – RSL has the goal and to eventually presell the production budget amount in foreign markets.
- **Talent compensation deferrals** – Profitable movies and financial transparency convert directors & actors into investors.
- **Completion bonds** – To mitigate completion risk.
- **Direct theater relationships** – The primary capital and studio profile open the door to direct relationships with theaters.
- **Pre-production critiques** – Validating movie concepts with market research prior to production.

The Primary Capital will provide RSL with the credibility and financial resources to attract top tier execution teams and negotiate optimum terms with all contractors, vendors and human resources. **Additional detail on risk mitigation can be found at the link below:**

http://nebula.wsimg.com/89f9fcfe239ce948efbc067414be28f9?AccessKeyId=9E533268DA51246EF35E&disposition=0&alloworigin=1