



## **RLJ ENTERTAINMENT AND AMC NETWORKS FORM STRATEGIC PARTNERSHIP FOR STREAMING SERVICES**

*Bob Johnson, Founder and Chairman of RLJ Entertainment, and Josh Sapan, President and CEO of AMC Networks, Strongly Commit to Bringing Consumers More Diverse, High-Quality Content to SVOD Streaming Channels and Independent Film Distribution*

**SILVER SPRING, MD and NEW YORK, NY** (October 17, 2016) -- RLJ Entertainment (NASDAQ: RLJE), the entertainment content distribution company which owns and operates Acorn TV, the premier streaming service for British mystery and drama, and UMC (Urban Movie Channel), the first urban-focused subscription streaming service, has formed a strategic partnership with AMC Networks (NASDAQ: AMCX), the company behind several of the most recognized brands and shows in entertainment, including AMC, BBC AMERICA, WE tv (a leading network for African American audiences), SundanceTV, AMC Networks International, IFC, and IFC Films. The announcement was made by RLJ Entertainment Chairman Bob Johnson, the founder of Black Entertainment Television (BET), and AMC Networks President and CEO Josh Sapan.

The partnership builds on each company's long track-record of successfully developing high-quality content for targeted audiences and capitalizing on new technology and changing viewing habits to make that content available to consumers.

As part of the agreement, AMC Networks has invested \$65 million in the form of loans to RLJ Entertainment to refinance the company's existing senior credit facility, add working capital, reduce the cost of capital through lower interest rates, and provide revised covenants that will allow for increased operational flexibility. In addition, AMC Networks has received warrants which, if exercised, would provide AMC Networks with at least 50.1% of the outstanding RLJ Entertainment common stock on a fully diluted basis.

AMC Networks' support and investment will accelerate the distribution and development of diverse content and independent films from RLJ Entertainment across multiple platforms, including its direct-to-consumer streaming video-on-demand channels: **Acorn TV** is the premier SVOD destination for world-class British television, with more than 370,000 paying monthly subscribers (which has grown by 92 percent since December 31, 2015) and a deep library that includes thousands of hours of programming, including exclusive, award-winning content. **UMC** is quickly becoming a leading destination for African American and urban viewers, with a rapidly growing fan base seeking diversity of creative voices.

By aligning Acorn TV and UMC with AMC Networks and its channels and film business – most notably BBC AMERICA, WE tv and IFC Films, which serve similar audiences -- Acorn TV and UMC will have the potential to cross-promote, develop and distribute content ultimately reaching even more viewers of high-quality British television dramas, urban content, and independent film.

Commenting on the new partnership and investment by AMC Networks, **Mr. Johnson** stated, “I am both delighted and excited that RLJ Entertainment is joining with the AMC Networks family to help capitalize on the opportunities that exist to provide consumers with more diverse content across multiple platforms. RLJ Entertainment has a leading position, through Acorn TV with British television programming, and through UMC with quality urban-focused content, and independent films that we will be able to further develop and grow with the capital and support of AMC Networks.”

Johnson continued: “Josh Sapan, who I am proud to call a friend and whom I’ve known for more than 20 years, is a visionary CEO and an absolute advocate for producing and delivering to audiences of all interests the best in quality and award-winning entertainment. As founder of RLJ Entertainment, I look forward to the future of this new chapter in our business and entering into a relationship with one of the most dynamic and creative content companies in the entertainment industry.”

“We have deep respect for Bob Johnson and the many businesses he’s built, from BET to Acorn TV and UMC” said **Josh Sapan**, President and CEO of AMC Networks. “Bob is a talented entrepreneur with a real understanding of the power of strong brands and a proven ability to identify and provide premium content to a wide range of audiences by tapping into the demand for content that uniquely fits their specific consumer interests. Much like the early days of cable, and AMC Networks’ own history of providing quality programming to targeted audiences, RLJ Entertainment’s Acorn TV and UMC appeal to consumers with quality programming that represents diverse voices. Our investment is a strategic opportunity to provide capital and additional resources to RLJ Entertainment as they continue to explore their many opportunities for growth, and while we consider the many potentially powerful synergies with our innovative partners at the BBC, and our own WE tv network.”

The RLJ Entertainment board of directors unanimously approved the transaction and the transaction was closed after receiving the approval of RLJ Entertainment stockholders on October 14, 2016.

### **About AMC Networks Inc.**

Dedicated to producing quality programming and content for more than 30 years, AMC Networks Inc. owns and operates several of the most popular and award-winning brands in cable television. AMC, IFC, SundanceTV, WE tv, and IFC Films produce and deliver distinctive, compelling and culturally relevant content that engages audiences across multiple platforms. The Company also operates BBC America through a joint venture with BBC Worldwide. In addition, the Company operates AMC Networks International, its global division. For more information, please visit [www.amcnetworks.com](http://www.amcnetworks.com).

## **Forward Looking Statements**

*This release may contain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on AMC Networks management's current expectations and are subject to uncertainty and changes in circumstances. Investors are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties, and that actual results or developments may differ materially from those in the forward-looking statements as a result of various factors, including financial community and rating agency perceptions of AMC Networks and its business, operations, financial condition and the industries in which it operates and the factors described in AMC Networks' filings with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein. AMC Networks disclaims any obligation to update any forward-looking statements contained herein.*

## **About RLJ Entertainment**

**RLJ Entertainment, Inc.** (NASDAQ: RLJE) is an entertainment content distribution company in primarily North America, the United Kingdom, and Australia. RLJ Entertainment's titles are distributed in multiple formats including broadcast television (including satellite and cable), theatrical and non-theatrical, DVD, Blu-Ray, digital download, and digital streaming.

With its popular OTT branded channels, Acorn TV (British TV) and UMC (Urban Movie Channel), RLJ Entertainment targets distinct, premium audiences and Urban niche audiences. The company grows its proprietary digital channels through development, acquisition, and distribution of exclusive rights of program franchises and feature film content.

Through Acorn Media Enterprises, its UK development arm, RLJE owns all rights to the hit UK mystery series *Foyle's War* and is developing new programs. RLJE owns 64% of Agatha Christie Limited, which manages the intellectual property and publishing rights to some of the greatest works of mystery fiction, including stories of the iconic sleuths *Miss Marple* and *Poirot*.

For more information, please visit [RLJEntertainment.com](http://RLJEntertainment.com), [Acorn.TV](http://Acorn.TV), and [UrbanMovieChannel.com](http://UrbanMovieChannel.com).

## **Forward Looking Statements**

*This press release may include "forward looking statements" within the meaning of the "safe harbor" provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Other than statements of historical fact, all statements made by RLJE in this press release are forward-looking, including, but not limited to, statements regarding industry prospects, future results of operations or financial position, and statements of RLJE's intent, belief and current expectations about its strategic direction, prospective and future results and condition. In some cases, forward-looking statements may be identified by words such as "will," "should," "could," "may," "might," "expect," "plan," "possible," "potential," "predict," "anticipate," "believe," "estimate," "continue," "future," "intend," "project" or similar words.*

*Forward-looking statements involve risks and uncertainties that are inherently difficult to predict, which could cause actual outcomes and results to differ materially from RLJE's expectations, forecasts and assumptions. Factors that might cause such differences include, but are not limited to:*

- *RLJE's financial performance, including its ability to achieve improved results from operations, and Adjusted EBITDA;*
- *The effects of limited cash liquidity on operational performance;*
- *RLJE's obligations under the credit agreement, including its principal repayment obligations;*
- *RLJE's ability to generate sufficient cash flows from operating activities;*
- *RLJE's ability to raise additional capital to reduce debt, improve liquidity and fund capital requirements;*
- *RLJE's ability to fund planned capital expenditures and development efforts;*
- *RLJE's inability to gauge and predict the commercial success of its programming;*
- *RLJE's ability to maintain relationships with customers, employees and suppliers, including its ability to enter into revised payment plans, when necessary, with its vendors that are acceptable to all parties;*
- *Delays in the release of new titles or other content;*
- *The effects of disruptions in RLJE's supply chain;*
- *The loss of key personnel;*
- *RLJE's public securities' limited liquidity and trading; or*
- *RLJE's ability to meet the NASDAQ Capital Market continuing listing standards and maintain our listing.*

*You should carefully consider and evaluate all of the information about RLJE in this press release, including the risk factors listed above and in RLJE's Form 10-K previously filed with the Securities Exchange Commission (or SEC), including "Item 1A. Risk Factors." If any of these risks occur, RLJE's business, results of operations, and financial condition could be harmed, the price of RLJE's common stock could decline and you may lose all or part of your investment, and future events and circumstances could differ significantly from those anticipated in the forward-looking statements contained in this press release. Unless otherwise required by law, RLJE undertakes no obligation to release publicly any updates or revisions to any such forward-looking statements that may reflect events or circumstances occurring after the date of this press release.*

*Readers are referred to the most recent reports filed with the SEC by RLJE. Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made, and RLJE undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.*

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