

Financial Summary

(in thousands)	Yr 1	Yr 2	Yr 3
Net Revenue	\$ 30,690	\$ 475,190	\$ 811,455
Cost of Sales			
Production costs-original programming	\$ 4,800	\$ 15,000	\$ 33,000
Agency fees	\$ 769	\$ 5,408	\$ 5,408
Original programming royalty fees	\$ 462	\$ 5,408	\$ 5,408
Licensing Fees (non Punch Programming)	\$ 180	\$ 288	\$ 288
Cable Provider Access Fees	\$ -	\$ -	\$ -
Music licensing fees	\$ 225	\$ 390	\$ 390
Total Cost of Sales	\$ 6,436	\$ 26,494	\$ 44,495
Gross Margin	\$ 24,254	\$ 448,696	\$ 766,961
%	79%	94%	95%
General & Administrative Expenses			
Salaries & benefits	\$ 8,052	\$ 19,655	\$ 29,050
Advertising, marketing & public relations	\$ 6,618	\$ 30,644	\$ 36,144
Other	\$ 3,357	\$ 6,629	\$ 10,963
Total General & Administrative Expenses	\$ 18,027	\$ 56,928	\$ 76,157
Operating Profit	\$ 6,227	\$ 391,768	\$ 690,804
Depreciation & Amortization	\$ 129	\$ 769	\$ 1,673
Taxes	\$ 1,220	\$ 175,949	\$ 310,109
Net Profit	\$ 4,878	\$ 215,049	\$ 379,022
	16%	45%	47%



**Path to \$1.3 BILLION
in revenue by year 4
after the close of the IPO**

Demographics

The New Urban Americans								
City	Caucasian		African American		Hispanic		Asian/PI/Hi	
	1990	2010	1990	2010	1990	2010	1990	2010
NYC	60.7%	44.0%	28.7%	25.6%	24.4%	28.6%	7.0%	12.8%
LA	56.8%	50.3%	14.0%	8.7%	39.9%	47.7%	9.8%	14.0%
Chicago	45.3%	45.0%	39.1%	32.9%	19.6%	28.5%	3.7%	5.5%
Phil, PA	75.3%	39.0%	39.9%	44.2%	5.6%	12.5%	2.7%	5.4%
Detroit	75.7%	10.6%	75.7%	82.7%	2.8%	6.8%	1.8%	1.3%
Dallas	67.6%	50.7%	29.5%	25.0%	20.9%	42.4%	2.2%	2.9%
Atlanta	71.0%	38.4%	67.1%	54.0%	2.0%	5.2%	0.9%	3.1%
Wash. D.C.	64.5%	38.5%	65.8%	50.7%	5.4%	9.1%	1.8%	0.1%

Source: U.S. Census Bureau

America's Changing Demographics						
(in millions)	1990		2000		2010	
	%	#	%	#	%	#
Caucasian	80.3%	199.7	75.1%	211.3	72.4%	223.5
African American	12.0%	29.8	12.3%	34.6	12.6%	38.9
Hispanic (any race)	8.8%	21.9	12.5%	35.2	16.3%	50.3
Asian & PI/Hi	2.9%	7.2	3.8%	10.7	5.0%	15.4
Total US Population		248.7		281.4		308.7

Source: U.S. Bureau of the Census

Television Distribution Sources					
# of households					
Market Break	African				total
	Caucasian	American	Hispanic	Asian	
Broadcast Only	4	5	8	2	19
Wired Cable	24	21	23	8	76
Telco	4	3	4	2	13
Satellite	14	10	17	4	45
Total	45	39	52	16	152

Source: Nielsen

Television Distribution Sources				
% of households				
Market Break	African			
	Caucasian	American	Hispanic	Asian
Broadcast Only	9%	12%	16%	11%
Wired Cable	53%	54%	45%	51%
Telco	8%	8%	7%	15%
Satellite	31%	26%	34%	25%

Source: Nielsen

Urban TV Viewers		
2010		
(in millions)	%	#
Caucasian	20%	45
African American	12.6%	39
Hispanic (any race)	16.3%	51
Asian & PI/Hi	5.0%	16
Total US Population	33.9%	151

Source: U.S. Bureau of the Census



**Financial Projections
Pathways to Success**



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