

COMPANY OVERVIEW

SBS International Profile

In March of 1992, the national private broadcaster of South Korea, Seoul Broadcasting System (SBS), established an American branch, SBS International. SBS International took an important role in the video rental industry by offering exclusive programs to Korean viewers all over the world. Currently, SBS International's core region of operation is not only limited in the US, but also spans to Central and South America, Europe, the Middle East, and Africa. SBS International aims to become the industry leader in providing content overseas.

A breakthrough took place in 2004 when America's largest satellite service provider, DirecTV, and SBS International worked together to provide a 24-hour SBS channel. In 2006, a drama-oriented channel, SBS PLUS, also launched on DirecTV. Based on the success with the satellite broadcast service and the emphasis to advance cable television, an agreement was made on May 1st, 2010 with America's largest communication network, Verizon, to incorporate the SBS channel onto their FiOS TV network. In addition, SBS International covers baseball and basketball game events, the FIFA World Cup, the PGA/LPGA Tour, the NFL, The Golf Channel, and more, offering our many home viewers world-famous sporting events and a whole new level of watching sports.

SBS Channel Information

SBS Channel

The SBS channel offers popular SBS dramas, variety shows, documentaries as well as all sorts of opportunity programs. In addition, SBS provides diverse news and report programs and content to American viewers. Since February of 2010, SBS International has produced SBS EVENING NEWS, which broadcasts news as it takes place in the American community, as well as news from Korea. With its slogan, "Hopeful News, Fresh News", SBS EVENING NEWS aims to provide differentiated, first-class news for its viewers.

SBS PLUS Channel

To meet the viewer's demand for a multi-channel, we put together an entertainment channel that combines classic SBS dramas, cultural arts programs and sports programs, creating an entirely revamped channel. In addition to entertaining cultural programs, mixed with fresh SBS dramas, SBS PLUS also presents viewers with the chance to watch popular SBS drama hits from the past, with English-subtitles. Particularly since SBS dramas are rather difficult to watch in the US, along with transmitting acquired broadcasts of domestic and foreign sports programs, we have received a great response from our viewers.



MAIN OPERATIONS & HISTORY OF SBS INTERNATIONAL

Main Operations

BROADCASTING

DBS / DTH Satellite Broadcast (U.S. and Canada)
24-hr Premium / Basic Cable Channels (U.S.)

PROGRAM SALES AND DISTRIBUTION

Video/DVD Rental & Sales
Program Sales and Distributions to North, Central and South America
Cable & Internet VOD
IPTV & Mobile

PRODUCTIONS AND SALES

DVD Productions and Distribution
Production of Local Programs including Local News

ADVERTISING SALES

Video/Satellite/Cable

LICENSING

Brand licensing, Remake & Format Sales

MISC

Events & Concerts

History of SBS International

1992 March	Founding of <i>SBS USA</i>
2003 June	Mission of <i>SBS International</i> is changed
2003 Dec	Opening of Los Angeles Branch
2004	Signed to become a title sponsor for the LPGA Tour Opening Game
2004 Oct	<i>SBS</i> channel launches on satellite cable provider, DirecTV
2006 Oct	<i>SBS Plus</i> channel launches on satellite cable provider, DirecTV
2007 Jul	www.SBS-INT.com launches online
2007 Jul	Exclusive live broadcaster of 2007 AFC Asian Cup
2007 Oct	Agreement met with Telemundo International for distribution rights in South America
2008	Covered the 2010 Beijing Olympics Soccer preliminary rounds
2008 Nov	Started offering CDN services to provide <i>SBS</i> programs to video retailers
2009 May	Signed to become a title sponsor for the PGA Tour Opening Game
2010 Feb	Launched first broadcast of <i>SBS EVENING NEWS</i>
2010 May	<i>SBS</i> channel launches on Verizon's fiber-optic network, FiOS TV
2010 May	Host of '2010 World Cup Joint Cheer Festival' and live broadcast in Korean
2011 Mar	<i>SBS</i> channel launches on the largest cable provider in US, Time Warner Cable

PROGRAMMING

Drama

SBS drama line-up brings you the best Korean TV dramas, from contemporary to traditional, suited for different tastes. Considering drama is the most watched genre by Korean viewers, more than 30 hours (18%) of hit dramas per week will satisfy the hunger for dramas for the audience. In particular, SBS dramas, out of all networks in Korea, top the weekly rating chart according to major media research companies, including TNS Media Korea.

We are known as a top producer of dramas, always experimenting with new methods and innovations. Beautiful visuals and creative scripts are what make dramas so popular. Even in the global market, we are proud to be the main source of spreading the 'Korean Wave' to other countries.



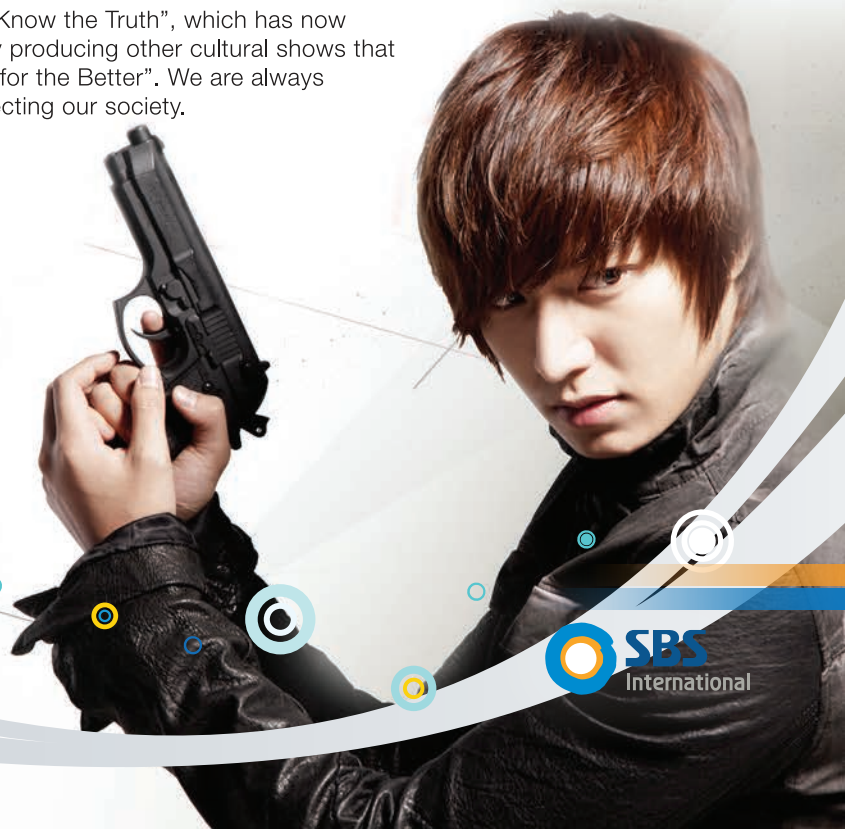
Culture & Society

We became the pioneer of video journalism in Korea with "Know the Truth", which has now become the prototype of video journalism. We are currently producing other cultural shows that deal with societal issues, including "My Child has changed for the Better". We are always seeking new ways to approach and address the issues affecting our society.



Entertainment

SBS brings to viewers laughs and joy through entertainment programs. Daily talk shows, such as 'Good Morning' respectively take on their unique entertainment show structure. They address familiar issues, adolescence, relationships, and celebrity gossip, which definitely attracts the demographic of females age 19 and over.



PROGRAMMING

Sports

SBS sports programs are full of excitement. SBS airs up to date sports news twice daily, "Sports Today" and Sports Wide". SBS introduces a variety of golf programs, such as "Alumni Golf Tournament", "Couple's Golf", "Golf Clinic", etc. SBS original golf programs are very popular among its viewers, since the Korean gold demographic has grown, along with world famous Korean golf fever. SBS has made a large contribution to popularize gold by hosting and televising the coverage of golf tournaments such as the season opening LPGA tournament, SBS Open in Hawaii.

SBS retains exclusive local broadcasting rights to the 2010 Vancouver Olympics, 2010 FIFA World Cup South Africa, 2012 London Olympics, 2014 FIFA World Cup Brazil, 2014 Sochi Olympics and 2016 Rio Olympics, and will deliver all the excitement and emotions of the games to viewers in Korea.



News

Start the day with up-to date news from Korea and around the world. "Morning Wide", a live morning news show, delivers news from SBS News bureau around the world and Korea. "SBS 8 O'clock News", which broke the conventional 9 o'clock time slot, opened a new horizon in prime-time news. For faster news, we built 'Open Studio', the most advanced digital news studio in Korea. SBS International produces SBS EVENING NEWS, which broadcasts news as it takes place in the American community, as well as news from Korea. With its slogan, "Hopeful News, Fresh News", SBS EVENING NEWS aims to provide differentiated, first-class news for its viewers.

Current Affairs & Documentaries

SBS has expanded current affair programs that explore the future of our society, as well as cultural programs that educate viewers. We are committed to producing various types of special documentaries that incorporate diverse points of view. Our main documentary program, "SBS Special", has played an important role in establishing our reputation abroad. We make our documentaries with the goal of providing high-quality content in an accessible, entertaining way.



MEDIA FACTS

Korean-language TV programming is reaching more audiences than ever before and is available through satellite and cable providers, as well as terrestrial TV. Los Angeles and New York City are the most developed Korean broadcast markets. SBS Channel is currently provided nationwide through TV providers, including DIRECTV and Verizon FIOS TV, and regional cable operators, such as Time Warner and Cablevision.

Demographics of Korean Americans

State	Korean Population
California	643,641
New York	170,700
Texas	153,000
Washington	134,000
New Jersey	112,500
Virginia	98,793
Illinois	82,960
Georgia	71,697
Maryland	68,151
Hawaii	45,294
Other States	190,617
Total	1,771,353

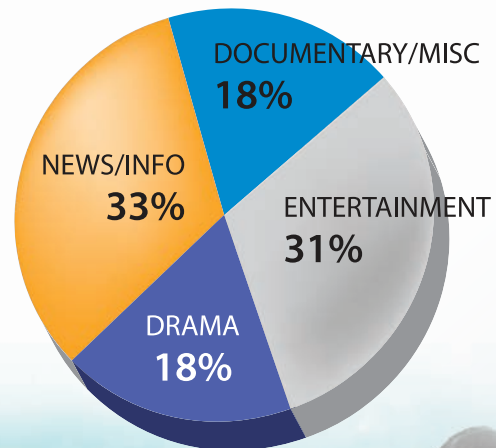
*U.S. Census Bureau (<http://factfinder.census.gov>)
 *Homeland Security (<http://www.dhs.gov>)
 *Ministry of Foreign Affairs and Trade, 2011 (Korea)

Korean American Market

- ◆ One of the fastest growing racial groups in the U.S.
- ◆ 41% population growth since 1992
- ◆ Highest median HHI greater than \$9,000, ahead of Non-Hispanic White
- ◆ Highest level of educational attainment: 44% BA or higher
 55% of Koreans have felt proud to be Koreans living in the U.S. and out of them, 27% indicated that the popularity of Korean entertainment has helped them feel this way.
- ◆ Koreans who reside in the U.S. depend on Korean media over American media to acquire information such as local news, current events, etc. Out of many Korean mediums, Korean-Americans rely heavily on newspaper and televisions.

SBS Program Percentage Analysis

SBS airs Korea's best programs, loved by all age groups, as well as advertisers promoting specific products to targeted audiences.

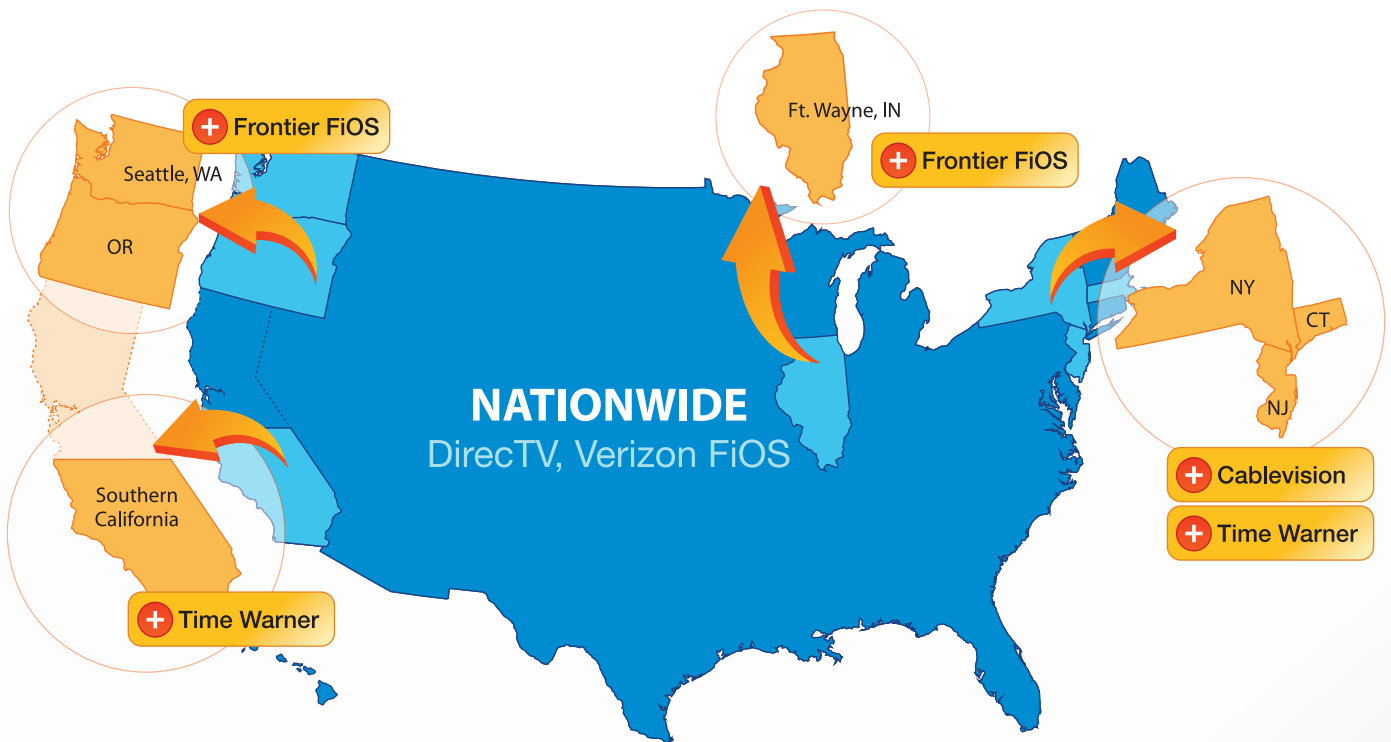


SBS INTERNATIONAL AFFILIATES & BROADCAST PARTNERS

Premium Channel (24-Hour)

Media	Content	Company	Coverage Region	Channel Number
Satellite	SBS	DIRECTV	Nationwide	2080
	SBS Plus	DIRECTV	Nationwide	2084
Cable	SBS	Verizon FiOS	Nationwide	1762
	SBS	Time Warner	Southern California	652
	SBS	Frontier FiOS	Seattle, WA / Oregon / Ft. Wayne, IN	1762

Digital Basic & Premium Cable (24-Hour)



Media	Content	Company	Coverage Region	Channel Number
Digital Basic Cable (24-Hour)	SBS	Time Warner	New York, New Jersey	531
Digital Premium Cable (24-Hour)	SBS	Cablevision	CT/NJ/NY	263

ADVERTISING RATES

SBS Channel Advertising Rate

Package Type	Time	Price	Duration
News (Prime Time)	06:50~08:35	\$350	:30s
	20:00~20:40		
Drama & Entertainment (Prime Time)	08:35~10:30	\$300	:30s
	18:50~22:40		
Program A	10:30~18:50	\$250	:30s
Program B	22:40~05:30	\$200	:30s

Video Advertising Rate

Location	# of Episode	Type	Duration
In Between Programs	22 Episodes/Week	Standard	:30s
Program Title	6 Episodes/Week (Drama)	Banner	:15s
Mid-Rolls	16 Episodes/Week (Entertainment&Culture)	Motion	:13s
Post-Rolls	6 Episodes/Week (Drama)	Standard	:10s

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