

October 26, 2011

The Empire Club Presents

The Business of Culture in a Culture-Driven Business, a 50-Year Perspective

Chairman: Verity Craig, President, The Empire Club of Canada

Welcome Address by Verity Craig

I hope you all enjoyed your lunch. Before I introduce our keynote speaker today, it gives me great pleasure to introduce our head table guests. I would ask each guest to rise for a brief moment and be seated as his or her name is called, and I request our audience to refrain from applause until all have been introduced. My hero, Captain Dr. John Niles, Senior Minister, St. Andrews United, Past President Empire Club of Canada. Brittany Barber, student, Rosedale School of the Arts; Robin Sears, Senior Partner, Navigator Ltd., Director, Empire Club of Canada, and our first Vice President Sydney Horn, Partner, Stikeman Elliott, and board member, Astral Media, Daryl White, Deputy Head Investment and Corporate Banking Canada, Global Head Equity Capital Markets, BMO Capital Markets; Jacques Pyrazine, Executive Vice President and Chief Operations Officer, Astral Media Inc, President Astral Radio, Cam di Prata, Executive Vice President and Head of Corporate and Investment Banking, National Bank Financial and our sponsors for sponsor for today thank you, and Director, Empire Club of Canada Ian Greenberg, President and Chief Executive Officer Astral, who I will formally introduce in a few minutes My name is Verity Craig, Managing Director of CB Management, President Empire Club of Canada. Ladies and gentlemen, this is your head table.

I want to very quickly recognize a few special guests in our audience today, and I'm delighted to let you know that we have two tables of students Rosedale Heights School of the Arts and Harbord Collegiate students. Thank you for joining us, could you please rise and be recognized? Thank you.

Head Table

Distinguished Guest Speaker

Ian Greenberg, President and Chief Executive Officer Astral Media

Guests

Jacques Parisien, Executive Vice President and Chief Operations Officer, Astral Media Inc., President, Astral Radio

Cam di Prata, Executive Vice President and Head of Corporate and Investment Banking, National Bank Financial, and Director, The Empire Club of Canada.

Captain Dr. John Niles, Senior Minister, St. Andrews United, and Past President, Empire Club of Canada.

Ms. Brittany Barber, Student, Rosedale School of the Arts

Robin Sears, Senior Partner, Navigator Limited, and Director, Empire Club of Canada

Sydney M. Horn, Partner, Stikeman Elliott, and Board Member, Astral Media; and

Daryl White, Deputy head of Investment and Corporate Banking, Canada Global Head Equity Capital Markets, BMO Capital Markets

Introduction by Verity Craig

It is now my delight and honor to introduce our keynote speaker for this afternoon Mr. Ian Greenberg, President and Chief Executive Officer of Astral Media.

Ian Greenberg might not be a household name, but all of us know the power of the Astral brands: The Movie Network, HBO, Canada, Disney, Virgin, to name just a few. But that's just the tip of the iceberg: they are number one in radio station ownership in Canada, they're a leader in the outdoor advertising space, and they're on top of the rapidly evolving digital space, with an advertising network reaching 3 million consumers.

Celebrating their 50th anniversary this year, Astral was founded by Ian and his three older brothers Angreen, running photo development booths for Miracle Mart. Named in the memory of their mother, Annie Greenberg. Angreen has never stopped developing and adapting to the changing world. Clearly this is a remarkable story.

Assuming leadership of the company in 1995 Ian Greenberg has spearheaded the transformation of Astral Media into a pure play media company. Inducted into the Canadian Broadcasting Hall of Fame in 2008, Ian received the prestigious Ted Rogers and Velma Rogers Graham Award for his unique contribution to the Canadian Broadcasting System. In 1993, Mr. Greenberg and his brothers were awarded the Eleanor Roosevelt Humanities Award.

Currently, he is a member of the Canadian Council of Chief Executives, a governor of the Montreal's Jewish General Hospital, and a member of the Board of Directors of Cineplex, Inc. He and his wife, Linda, live in Montreal and have three children and nine grandchildren.

Before I introduce Mr. Greenberg, I would like to draw your attention to the screens for a short video. Ladies and gentlemen, please join me in welcoming Mr. Ian Greenberg.

[Video is shown.]

Mr. Ian Greenberg, President and Chief Executive Officer Astral Media

Thank you very much, President Craig for your generous introduction. Members of the Board of Directors of Empire Club and distinguished guests, it is my pleasure to be here with you this afternoon to talk about Astral on the occasion of our 50th anniversary.

A month ago, I had the pleasure of meeting Chris Hughes, one of the founders of Facebook. At just 27 years old Hughes's approaching billionaire status, is responsible for spearheading the social media strategy credited for getting Barack Obama elected, is the founder of Jumo, a social network philanthropic organization, and is absolutely prolific in his knowledge and usage of new media.

I met Chris as he came to address my senior management team on the changing media landscape. During that presentation, Chris had a lot of interesting things to say, but one of the things that stuck with me most was his statement that traditional media is not dead, nor is it likely to die, so long as it embraces new media, and evolves to meet the needs of today's demanding consumer.

The need for traditional media to evolve is certainly not a new concept. But coming from a person who can be credited with or blamed for irrevocably changing the way we all communicate, the comments, the comments resonated all the more.

In this regard, Chris and I are in full agreement as I do feel that traditional media will continue to play a rich and integral role in culture and communication as long as it evolves. Now change of

this magnitude, though exciting should not be undertaken lightly. It can be difficult that must be executed with long term vision and rigor.

In some cases, a company must fundamentally change what it is and what it does in order to affect change that will position it in the long term. This is something I've experienced firsthand and let me tell you, it's not easy. It involves a lot of difficult decisions, a strong risk tolerance, and lots of sleepless nights, but, if undertaken properly, the so called "calculated bets" can yield amazing results.

This year, Astral celebrates its 50th year as a proud and successful Canadian company. But we didn't get here by standing still and hoping the world wouldn't change. In fact, just the opposite. We changed and adapted our business many times over the last 50 years. And as a result, where we are today isn't even remotely close to where we started, and the company is stronger because of it.

In 1961 my brothers Harold, Harvey, Sydney and I founded Angreen Photo and managed the photo retailing concessions in Miracle Mart stores. Winning these elusive rights to sell photo products on the Expo 67 site, as well as souvenir slides worldwide, provided us with a solid financial foundation we needed to build our company.

Over the next few years, we entered into other businesses such as video cassette duplication, film production, motion picture laboratories and Sound Studios, as well as CD replication. In 1983, my brothers and I entered the broadcasting business when we took control of two struggling pay television channels, First Choice and Premier Choix --today known as The Movie Network and Super Écran This was a defining moment for us and set the framework for the growth of our company.

But here's where it gets interesting and brings me back to my earlier point about evolution. In 1995 things were going pretty well for us. We had already been in business for 34 years, and our hard work paid off for us. But when we took a hard look at our asset base and, more importantly, looked at the way the industry was changing and where the potential for growth lay, we knew we had to make some changes; we had to evolve.

So that year we decided to focus exclusively on media and divest ourselves of two thirds of our asset base. These assets included our 140 photo retailing outlets across Canada, the very business in which we had gotten our start.

To put the scale of this evolution into perspective. When we initially initiated this divestiture, Astral's annual revenues amounted to 333 million with EBITDA sitting at 32 million. Media properties at that time accounted for less than 1/3 of our business at \$106 million revenues, and \$23 million in EBITDA. So, we were cutting out two thirds of our business operations in order to focus on the remaining third. We saw the greatest growth potential in media.

So, we changed course and steered our ship into the waters of pure play media. To say the shift was difficult would be an understatement. This decision meant parting ways with over 1500 of our employees, many of which had been with since the beginning. In the years that followed our

transformation into a pure play media company, we acquired Radio Mutuelle and Telemedia, enabling Astral to enter and quickly become a key player in the radio industry, as well as to make our first foray into the out of home advertising sector.

In 2007, we completed the acquisition of standard radio and became the country's largest radio operator from Vancouver to Halifax. We also launched numerous television stations over the years to become the largest pay especially television broadcaster in the country in both languages, with brands like HBO, Canada, and Disney XD in our stable of properties.

In our out of home, Astral has evolved over the years from a regional player to a truly Canadian media leader with the country's first and largest digital outdoor advertising network with 39 phases in Montreal, Toronto and Vancouver. As I stand here today, Astral has 22 pay and specialty television networks, 83 radio stations, over 9500 out of home advertising faces and 100 plus websites. We have grown from a business of four employees to one boasting 2800 staff coast to coast. And yesterday when we released our Q4 and fiscal 2011 year-end financial results, we announced that Astral recorded a 15th consecutive year of profitable growth. That is 60 consecutive quarters of growth, a feat that only a handful of public traded Canadian companies have achieved in recent history.

Fiscal 2011 also marked the first time in the history of our company that we hit and surpassed the billion-dollar revenue mark, while EBITDA reached 319 million, to put this achievement in perspective. And as I mentioned a moment ago, our media revenues were \$106,000, 15 years ago, while EBITDA stood at \$23 million.

Now, some might think it's time to sit back, relax and bask in the glory of our achievements. But our work at Astral is not done. By the very definition of the word evolution is never complete but is rather a constant and progressive process. So, as I stand here today, we have begun yet another phase of our company's evolution precipitated by changes that are taking place within our industries, many of which are triggered by the new media technologies and opportunities that I mentioned at the outset.

In our out of home business, this means looking at new opportunities beyond the traditional horizontal structures. This includes investing in new digital structures and pursuing projects that are larger in scope and present greater long-term returns. Such projects include the budget, include the Montreal airport, le Transport Montréal, the equivalent of Toronto's GO Train network, and of course the City of Toronto for its street furniture. The latter initiative has resulted in a complete reimagining and re-engineering of the street furniture, bus shelters, newspaper boxes, and park benches that are part of Toronto's outdoor space. Astral was awarded this 20-year contract in 2007, which with a total of 26,000 items of urban street furniture, represents the second largest integrated street furniture contract to have ever been awarded in North America.

In our radio business, our evolution is taking place by developing new technologies that embrace the way in which people are consuming music, and offering programming that is unique and provides an important point of differentiation. This includes partnering with some of the largest global radio groups for branding and programming agreements. Both Sir Richard Branson's

Virgin radio and Group NRJ, the world's largest private radio group, have partnered with Astral in Canada to bring listeners some of the most coveted radio brands in the world.

We are also leveraging technology to bring listeners apps for mobile devices. I am proud to say that it's announced earlier this week Astral will become the first radio broadcaster in North America to launch a streaming and on-demand music service available on the web and through mobile applications, offering our listeners access to the greatest part of the world's music library.

And then there is our television division, which is without a doubt facing some of the greatest changes. The television industry has changed more in the last five years than it has in the last 25 years. Consumer behavior has changed, content delivery systems have changed and platforms have changed to alter the television experience. And not surprisingly, Astral is changing right along with it.

Our television business is built on four cornerstones: great content, long-term relationships with world renowned brands and distribution partners, premium Canadian programming and best-in-class technology. With regard to content, we have exclusive multiyear supply deals in place with most of the major studios including Universal, Sony, Warner Brothers, Disney Alliance and EOne. These deals ensure that our subscribers get early first windows on new movie releases, in addition to having access to a rich library of older titles, through our channels, MPix and CinéPub We also have aligned ourselves with strong internationally renowned brands like HBO and Disney to ensure that we are the Canadian destination for original series, films and documentaries. In fact, HBO and Disney selected Astral to launch branded channels, HBO Canada, Disney Jr, and Disney XD, marking the first time in their company's history that they've entrusted a non-affiliated company to run a service bearing their name anywhere in the world.

We also have long term agreements in place with such content providers as Showtime and Starz to offer their premium programming on our TMN service, running day and date with the US. To complement this offering, we also continue to work with Canadian independent producers to develop premium Canadian films and series for our services. These include series such as Call Me Fitz which recently won seven Gemini awards, and films such as Barney's Version, which was nominated for an Academy Award in 2010.

But all the content in the world won't matter if we can't offer this programming in the manner and on the platform that consumers want. And this is where our television business is evolving the most.

Astral has always been on the vanguard of technology. We were the first to introduce scrambled services on satellite distribution to protect our business model and that of our distribution partners. The first to launch in high definition, the first to offer Dolby 5.1 audio. We were also the first to offer subscription video on demand, or SVOD. Last year, we were we were the first to offer an online broadband streaming service with our affiliate partners that enable subscribers to view our content on any computer. This service is now available with Rogers, with Bell TV and with Videotron, and the offering continues to expand to other platforms such as mobile and tablets.

Earlier this month, we also announced that our Disney XD channel would be one of the first Canadian services to be offered on the Xbox. So, we are not only offering the best content, we are going beyond the television screen to offer this content on the platforms that consumers want. And I might add we are doing this at no additional fee to subscribers. Talk about evolution, our television business is virtually unrecognizable from where it was when we launched our first network in 1983. However, our radio and television businesses both operated in regulated industries, which mean we must all follow certain rules of engagement set by the CRTC.

But while many Canadian broadcasters are working tirelessly to evolve to meet consumer demand and ensure a strong sector, in our view, the regulatory environment in which we operate has not yet sufficiently evolved to address the changes in the competitive landscape.

In the last few years, new players have emerged that offer television programs and movies online. These services are primarily foreign services that are unregulated and operate within the Canadian Broadcasting sector, without any rules or obligations, yet compete head-to-head with regulated players that do.

To provide some context. The Canadian television broadcasting industry has been built gradually over the years thanks to a finely established equilibrium of rights and obligations that have resulted in a highly entrepreneurial sector that is strong, culturally relevant and a key driver of economic growth. The Canadian Broadcasting System currently employs more than 210,000 people to whom it pays annually \$16 billion in salaries, the majority of which are right here in Ontario. In the last decade, the economic activity generated by the Canadian broadcasting industry grew from \$9 billion to \$15.7 billion. In addition to having an economic impact the Canadian broadcasting industry also has an important cultural mandate. The Canadian Broadcasting System was established to ensure that Canadians have access to the best programming from around the world, but also to ensure that Canadian culture as it is represented in film and television remained strong.

To achieve this, broadcasters are committed to support production of Canadian film and television by contributing a key percentage of their revenues. Last year alone, Astral contributed \$170 million to Canadian content. So, a strong Broadcasting System benefits everyone. It benefits our domestic economy. And it benefits our Indigenous culture by ensuring that broadcasters pay back into the system to ensure that Canadian stories are told, and our Canadian culture remains strong. In fact, the Canadian television model has earned a very strong reputation internationally over the years and is today recognized around the world as an example of success.

So here is the challenge. Some foreign services operating Canada, yet do not employ Canadians do not pay any Canadian taxes do not make any contribution to Canadian culture or Canadian content. Now, let me preempt those who may take my comments as a challenge against foreign online broadcasters in Canada. I am not saying that these companies shouldn't do business in Canada. I am not saying that consumers shouldn't have access to foreign online services. I think there is a place for these services. And we are fully willing and able to compete with these foreign services, providing that there is a level playing field.

I can't stress this point enough, Astral is not against competition. competition has in fact already

positively transformed our sector since we got involved nearly 30 years ago. Competition brings choice to consumers, offers diversity and promotes innovation, fair pricing and a superior product. But we are against unfair competition that has Canadian broadcasters contributing to a system while foreign players do not. The CRTC needs to level the playing field and create and enforce consistent rules of engagement to ensure that every company, regardless of country of origin, and platform has comparable obligations and opportunities. This will be best for all players competing, be best for our economy, be best for our culture and ultimately be best for the consumer.

This past summer, the CRTC concluded a fact-finding exercise to gather information about the impact of foreign online service providers on the Canadian Broadcasting System. Astral was one of the many companies that submitted research and comment as part of the exercise. In a nutshell, Astral requested that the CRTC evolves its regulatory framework to allow for increased flexibility for Canadian media companies, in order to address the inconsistency is present in the current framework and leveled the playing field. Earlier this month, the CRTC announced that at this time, it will not consider a general review of the new media exemption order and not review potential policy changes. However, the CRTC did commit to revisiting its decision in the spring of 2012, and we remain optimistic that action will be taken at that time to introduce some basic rules to bring greater equality to the competitive landscape.

Now, again, let me be clear, I am not suggesting a reduction in regulation, I am suggesting an evolution of regulation. The Canadian Broadcasting System is a fine balance. And this balance is maintained by a regulatory framework that must be dynamic to respond to environmental and market forces, just like the one I discussed.

But while the structure needs to remain flexible, it must also remain fundamentally intact. That's what Astral is advocating here; a degree of flexibility to the regulatory structure to keep the broadcasting system strong. This concept has already been incorporated in other regulatory measures such as the all-important rule of domestic ownership, an effective Canadian control and telecommunications and broadcasting sectors. So, it is not without precedent. This measure allows for some degree of foreign ownership of a Canadian company, to ensure that operations are well funded and opportunities for growth are leveraged. But it also sets a maximum level of ownership to ensure that a company remains Canadian. And the operational benefits remain in Canada and do not flow out of our border to a significant degree. A perfect example of flexibility within a structure. Astral applauds the Canadian government's position on foreign ownership as it pertains to broadcasting as it clearly recognizes the importance of an industry that encourages the production of Canadian content, that reflects Canadian culture and values, as well as the economic impact that this sector has in the overall economy. So, as you can see, there is a lot going on within broadcasting these days, which has forced not only Astral to evolve, but also the industry in which we do businesses.

Ladies and gentlemen, many years ago, I came to the conclusion that we work in the most exciting and dynamic industry in the world. This is in large part due to the fundamental human component of our business, and because we have a direct impact on the collective identity and values that we all share as Canadians. I personally have spent over 12,000 days of my life working at Astral, never losing sight of the great luck that I have and more importantly, the

immense responsibility that is incumbent upon us as holders of broadcasting licenses.

It will therefore come as no surprise to you that people often ask me about my contribution to the successes of our industry over the years but most often they inquire about my contribution and role in the success of Astral as the company CEO. I have had to answer this question many times. So recently, on a day when I was working from my Montréal office, I decided to invite a TV crew to follow me for a few hours so that you can see for yourself what I actually do.

[Video is Shown.]

My day-to-day life rationale is pretty predictable. People are always asking me what it's like to be CEO of a company like Astral. They expect its board meetings and high finance one day in a jet plane the other, but the truth is, is pretty much the same thing. Every day. I take a few phone calls in the morning. "Hello, welcome to Astral Ian speaking. Yes, of course, Entourage. It's one of our biggest hits on HBO, Canada. Please give me a moment. All right, here we are. It airs on Sunday nights at 10:30pm. Thank you for calling and enjoy the show."

I usually have a second cup of coffee around 10:30 a.m. "Out of home control center; Good morning. The GM Cruz ad on the 13th nor digital board? Consider it done." Oops, that's really gonna make my boss nervous.

"Everything's okay with lighting. All right. All right. Everyone on position. We're live in 20 seconds. Ian can ask you for that right to left pan shot and then you close up on the VJ?" "Of course. Anything for you, André." "Great. Thanks, Christina. It's on you. We're live."

After lunch, if the weather's nice, I'll sometimes take a short walk downtown around the office to stretch my legs. "Hi, Jeff." "Hi Ian." "Let me see if I can give you a hand." "Sure. Can you hold this for me?" "So, how's your wife?" "She's fine. Thanks for asking." "Good." I love this routine. Astral is my second family in "Hi, listen, we got a bit of a situation on our hands. Our main guests for Moore in the morning completely bailed on us. Can you step in?"

JM: *Ian Greenberg joins us now from the studio of our sister station CJD 800 in Montreal. Ian, thank you very much for joining us here on Newstalk 1010.*

IG: *Oh, it's my pleasure, John.*

JM: *Believe the company actually reached a significant milestone quite recently. Am I right?*

IG: *Indeed, we are yet again breaking new ground...*

[End of Video.]

Live Interview with Ian Greenburg and John Moore

JM: So here's our chance to continue this interview. Um, for those folks who don't know me, my name is John Moore. I'm the morning man on an Astral Radio's great jewel here in Toronto, or that's how I like to refer to it. Newstalk 1010, the former CFRB. And, Ian, I know that Verity said off the top that you may not be a household name, but you are in my house because you paid for it.

So, I had some questions for you based on your remarks. And I wanted to start because yesterday was a remarkable day for Astral Media, unveiling their fiscal year results. And once again, since you've taken over that's 60 quarters in a row of not only, you know, holding the line would be great not losing a lot of money would be great, but growth. What is your formula for that

growth?

IG: Well, you know, the performance of Astral obviously cannot be done by one person, ie me. It's done because I've surrounded myself with a great group of colleagues, given them freedom, and as long as they show sort of the financial discipline we've set up and are able to reach performance levels that we've set up, they run it almost as if it's their own business. And so, I've been very fortunate to have this great group of colleagues, we've had a lot of fun. I can tell you the truth, it's much easier to have fun running a company when you're profitable for 15 years as opposed when you're not. And so, it's the same group that has been together with me for 15 years. And I just always say in life, I'm just a very lucky guy because I go from home where I have a lot of love. And then I go to see my colleagues; when they produce their financial results, that gives me a lot of love. So, I'm in love.

JM: All right. Now, if we look at this 15-year period that we're talking about, though, we've been through two recessions, and we're in pretty grim times right now. How did you pull it off?

IG: Well, it's not as grim as the newspapers say. But you know, through good times and bad times, it's a matter of having discipline. It's a matter of keeping a balance sheet strong. So then regardless of how difficult business may be, we've always got the financial wherewithal to withstand any currents that are running against us. I view presently as sort of just a bump in the road on the on the advertising side. I've complete faith that in short term, I have faith in the Canadian economy, and I have faith that eventually world leaders will come to their senses and do what is right. We'll get rid of a lot of the uncertainty, and again, as long as I have my same team with me, will just work harder and keep going.

JM: Something you've emphasized over the last few years, just as employees and I work in two different divisions, is that Astral Media, particularly after the acquisition of Standard Radio, was consolidating and bringing together people from very diverse fields, but you keep saying, "One company, one vision." And in particular, I can attest from working in two different divisions that there's a certain culture in the company and I was hoping you could talk a bit about that, and what influences the values that you like to bring to Astral?

IG: Well, you know, over the years, I've met many fine people who have taught me a lot. But there are three people in particular who brought values to me that I share with my colleagues all the time. One of them is Jack Welsh, who was an inspiration to me when I went to Harvard for a three month Advanced Management Program, back in 1990. And the things he taught me is you've got to be number one, or number two in your business or get out. And the fact is, when I looked at the businesses we were in then, and said, "Where's the future?" I realized, either because of technology, or because of global competition, we could not be number one, or number two, which led to the transformation of Astral in 1996, whereby we exited every business except the media and concentrated in our pure play. So the values I learned there are also about people. As an example, he was the first person I ever heard say, "Treat your VP of HR, as important as you treat your VP of finance." And so it's people who make a company, what ends up being the success that it may achieve. So those were the two things I learned from, Jack Welsh.

Another one of my inspirations for values was Ted Rogers. There were many times in his career

where people thought it was over and time to give up, and Ted always had the same answer: no matter how tough the going gets, just roll up your sleeves and work harder, continue to work harder, work hard, have good people believe in your business, and eventually, it'll work out. And that was a great inspiration to me through all the ups and downs over the last 50 years.

And third, I know he'll be embarrassed, he's director of our companies in the room today, Jack Hawkwell. I remember going to him for values a few years ago, maybe five or six years ago. And I said at that time, I said, "You know, it's pretty tough to grow organically." And he said, "You know, the moment you start thinking that you have no growth left organically is that they you should step aside, because if you don't believe in yourself, your people won't believe in it." And it's interesting in many of the businesses, I thought six or seven years ago were at maturity, where there was not much growth left, have doubled in size over the last seven years. So those are values I learned from people who I look up to as mentors and inspirations to me. And I try to share that with all my colleagues.

JM: You mentioned Jack Welsh, and maybe I'm telling tales out of school, but I understand you were presented with a gift from him in honor of yesterday's landmark.

IG: Well, yesterday, of course, we had just accomplished our 15th year and my board of directors has heard about Jack Welsh and the inspiration he's meant to me. And one of the directors had contact with Jack Welsh, his office, and got Jack Welsh to inscribe in a book, to me personally, congratulating me on the 15 years of growth and how to set up in a beautiful frame, which will be hanging -there's a fight now whether it'll hang in my office in Montreal, my office in Toronto, or my wife wants it in the basement, their exercise room, because that will be inspiration for me to go the exercise room more often.

JM: We keep coming back to notions of growth. So, I wonder what your vision of growth for the company is, in the coming years, whether natural or through acquisition, what do you forecast?

IG: You know, this whole idea that I talked about before of organic growth has got to stay with us. And as an example, that forces us to look at what can we do to increase, as an example, subscribers to our paid television services, and that forces us to look to more advances in technology. And my dream in the next fiscal year of Astral is that consumers, once they pay for their pay subscription will be able to look at that product on their TV set, on their computer, on their iPad on their mobile phone, as a matter of fact that they're watching it on TV, and then they have to leave the house for some appointment, they can pick up exactly where they left off and their tablet. And if their tablet is too big and embarrassing, they can switch to their mobile phone and the program will follow on their mobile phone. And so, this is something we didn't think of two years ago. And so again, by thinking organically that you must, because we're an exciting industry, it offers us these opportunities. And as we sit here next year, at this time, whatever I just described to you will actually be available to all of you. On one condition, you become a subscriber to our service.

JM: I have one last question for you, and that's about your vision of the future of broadcasting and the media industry for Canada?

IG: Well, you know, I think, as I said, in my speech, I think it's one of the greatest industries in

the world. I love it. I love the dynamics of it. And the interesting thing is, you know, many formats were threatened over the years -radio has been threatened by TV 50 years ago, TV is threatened by all other forms of viewing opportunities. And that's why it's so important to keep up and to evolve technologically.

I think we saw what happened to the music business. And we, as part of the television industry want to make sure we stay ahead of the curve technologically to offer consumers what they want, where they want it. Now they want to watch it, and I'm also convinced that through government regulations and the CRTC, that whatever they have built over the last years, will be maintained. Because I think, as I said before, it's good for the country from a cultural point of view is good from an economic point of view. And it's the last bastion as Canadians that we have something that we control. So I think on all those grounds, I remain completely optimistic about the future.

JM: Excellent. And I want to tell you what a pleasure it is for me to be here. But you know, I get up at three in the morning. So it's a pleasure just to be conscious. But I want to thank you for your presentation and for your answers to the questions and I'm sure everyone would like to express their thanks for your presentation today. Thank you. Thank you, John.

Note of Appreciation by Cam di Prata, Executive Vice President and Head of Corporate and Investment Banking, National Bank Financial, and Director, The Empire Club of Canada.

So, I first met Ian in 1998. And this unique pleasure was facilitated by an introduction of our dear friend Sidney Horne, who with great fortune is with us today at the head table. At the time, I recall, Ian to be a very intense, highly focused businessperson. He was focused in on his company's ambitious transformation to a pure play media company, which we saw on the video and through the discussion today. But one thing that was very clear was the enormity of the task at hand was always superseded with his clear vision, and his unrelenting drive for his bold growth objectives. So, 60 consecutive quarters of uninterrupted growth later, a diversified revenue base of over a billion dollars in a stock price that is appreciated from \$8 a share back then, to over \$35. Today, we no doubt can agree that Ian's business credentials speak for themselves and are beyond reproach.

However, what is equally important to note, unless you found the opportunity, of course to meet with him personally, is that Ian is one of the most authentic human beings that I've ever encountered. In Ian, what you see is what you get, there's no posturing. You get thoughtful views that come straight from the heart. And in fact, the best advice I ever was given was that if you can't handle the truth, whatever you do, don't ask Ian for about what he thinks.

He has an infectious sense of humor, as we've seen, and he is a man of the highest integrity, a man or a man of his word. And as he did today, one who is not afraid to speak up loudly and decisively, about issues requiring leadership and direction. Ian it's been a pleasure to be associated with you for at least 14 years and many more to come. And on behalf of the Empire Club and the guests in attendance today, please accept first of all our heartfelt congratulations on Astral's 15th anniversary. We wish you much continued success and we thank you for sharing your views today. Come back again soon.

Concluding Remarks by Verity Craig

Thank you, Cam. It seems that I have a little bit of reprinting to do.

As a token of our appreciation on behalf of the Empire Club, I would like to present him with a

copy of *Who Said That?* It's a selection of quotes and notes from 100 years of speakers at the Empire Club. And I'll give this before you leave.

And finally in front of you, each of you should have a list of upcoming events. And I'll just go through a couple of wonderful speakers. We have ahead November 4, Dr. Barry McClellan, President and Chief Executive Officer of Sunnybrook Health Sciences Center. On November 17, Chief of Police William Blair, and on December 2, we have the Country Manager for Dell, Canada.

I'd like to thank National Bank for sponsoring. And I'd also like to thank Spencer Stewart for sponsoring the student tables. I'd like to thank the National Post as our print media sponsor, and Rogers TV. We are now on Twitter and Facebook, and as our website [www dot Empire Club.org](http://www.dotEmpireClub.org).

Thank you all for coming. We look forward to seeing you soon. This meeting is now adjourned.