Rainbow Media Enterprises, Inc.
Form S-4/A
June 05, 2012
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As filed with the Securities and Exchange Commission on June 5, 2012

Registration No. 333-180910

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

AMC Networks Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**4841**	**27-5403694**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(IRS Employer Identification No.)**

11 Penn Plaza

New York, NY, 10001

(212) 324-8500

(Address, including zip code, and telephone number, including area code, of Registrant s principal executive offices)

(FOR CO-REGISTRANTS, PLEASE SEE TABLE OF CO-REGISTRANTS ON THE FOLLOWING PAGE)

James G. Gallagher, Esq.

Executive Vice President and General Counsel

AMC Networks Inc.

11 Penn Plaza

New York, NY, 10001

(212) 324-8500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies To:

John P. Mead, Esq.

Robert W. Downes, Esq.

Sullivan & Cromwell LLP

125 Broad Street

New York, New York 10004-2498

(212) 558-4000

Approximate date of commencement of proposed sale of the securities to the public:

As soon as practicable after the effective date of this registration statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer	¨	Accelerated filer	¨
Non-accelerated filer	x (Do not check if a smaller reporting company)	Smaller reporting company	¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in concluding this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ¨
Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ¨

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price[(1)]	Amount of registration fee
7.75% Senior Notes due 2021	$700,000,000	100%	$700,000,000	$80,220[(3)]
Guarantees of the 7.75% Senior Notes due 2021[(2)]	NA	NA	NA	NA

(1) Estimated in accordance with Rule 457(f) under the Securities Act of 1933, as amended (the Securities Act), solely for purposes of calculating the registration fee.
(2) Represents the guarantees of the 7.75% Senior Notes due 2021, to be issued by the Co-Registrants. Pursuant to Rule 457(n) under the Securities Act, no additional registration fee is being paid in respect of the guarantees. The guarantees are not traded separately.
(3) Previously paid.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the SEC, acting pursuant to said Section 8(a), may determine.

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TABLE OF CO-REGISTRANTS

Exact Name of Co-Registrant as Specified in its Charter	State	Primary Standard Industrial Classification No.	I.R.S. Employer Identification No.	State or Other Jurisdiction of Incorporation or Organization
11 PENN TV, LLC	Delaware	4841	01-0689406	DE
AMC FILM HOLDINGS LLC	Delaware	4841	04-3734671	DE
AMC NETWORKS BROADCASTING & TECHNOLOGY	New York	4841	11-2542002	NY
AMC/SUNDANCE CHANNEL GLOBAL NETWORKS LLC	Delaware	4841	27-0813860	DE
AMC TELEVISION PRODUCTIONS LLC	Delaware	4841	27-2310716	DE
AMERICAN MOVIE CLASSICS COMPANY LLC	New York	4841	11-2840178	NY
AMERICAN MOVIE CLASSICS IV HOLDING CORPORATION	Delaware	4841	65-1189249	DE
CROSSED PENS DEVELOPMENT LLC	Delaware	4841	45-3576275	DE
DIGITAL STORE LLC	Delaware	4841	27-0933987	DE
FIVE MOONS PRODUCTIONS I LLC	Delaware	4841	45-3576409	DE
IFC ENTERTAINMENT HOLDINGS LLC	Delaware	4841	27-0934047	DE
IFC ENTERTAINMENT LLC	Delaware	4841	11-3616018	DE
IFC FILMS LLC	Delaware	4841	11-3561503	DE
IFC IN THEATERS LLC	Delaware	4841	20-4459072	DE
IFC PRODUCTIONS I L.L.C.	Delaware	4841	11-3369804	DE
IFC THEATRES CONCESSIONS LLC	Delaware	4841	20-8774978	DE
IFC THEATRES, LLC	Delaware	4841	11-3554063	DE
IPTV LLC	Delaware	4841	61-1678090	DE
LS VOD COMPANY LLC	Delaware	4841	11-3544990	DE
LS VOD HOLDINGS LLC	Delaware	4841	11-3562802	DE
MAKING WAVES STUDIO PRODUCTIONS LLC	Delaware	4841	45-3576566	DE
RAINBOW FILM HOLDINGS LLC	Delaware	4841	11-3587524	DE
RAINBOW MEDIA ENTERPRISES, INC.	Delaware	4841	20-1092081	DE
RAINBOW MEDIA HOLDINGS LLC	Delaware	4841	11-3342870	DE
RAINBOW NATIONAL SERVICES LLC	Delaware	4841	20-1361543	DE
RAINBOW PROGRAMMING HOLDINGS LLC	Delaware	4841	20-1361503	DE
RECTIFY PRODUCTIONS LLC	Delaware	4841	45-3989305	DE
RED MONDAY PROGRAMMING LLC	Delaware	4841	45-3576699	DE
RMH GE HOLDINGS I, INC.	Delaware	4841	59-3762711	DE
RNC HOLDING CORPORATION	Delaware	4841	11-3361228	DE
RNC II HOLDING CORPORATION	Delaware	4841	11-3527223	DE
RNS CO-ISSUER CORPORATION	Delaware	4841	20-1382064	DE
SELECTS VOD LLC	Delaware	4841	27-0933903	DE
SLEUTH SECRETS PRODUCTIONS LLC	Delaware	4841	45-3576807	DE
SPORTS ON DEMAND LLC	Delaware	4841	04-3734666	DE
SUNDANCE CHANNEL ASIA LLC	Delaware	4841	27-0841492	DE
SUNDANCE CHANNEL EUROPE LLC	Delaware	4841	27-0834302	DE
SUNDANCE CHANNEL L.L.C.	Delaware	4841	13-3838288	DE
SUNDANCE FILM HOLDINGS LLC	Delaware	4841	45-4952641	DE
THE INDEPENDENT FILM CHANNEL LLC	Delaware	4841	11-3569217	DE
TWD PRODUCTIONS III LLC	Delaware	4841	45-4318830	DE
TWD PRODUCTIONS II LLC	Delaware	4841	27-4826915	DE
TWD PRODUCTIONS LLC	Delaware	4841	27-1833132	DE
WE TV ASIA LLC	Delaware	4841	27-2037277	DE
WE: WOMEN S ENTERTAINMENT LLC	Delaware	4841	11-3496672	DE
WEDDING CENTRAL LLC	Delaware	4841	27-0482721	DE
YEAH IPTV LLC	Delaware	4841	36-4727461	DE

Address, including Zip Code, and Telephone Number, including Area Code, of each Co-Registrant s Principal Executive Offices: 11 Penn Plaza, New York, NY 10001, (212) 324-8500.

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The information in this prospectus is not complete and may be changed. We may not exchange for these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, dated June 5, 2012

Preliminary Prospectus

AMC Networks Inc.

Offer to Exchange up to

$700,000,000 principal amount of our 7.75% Senior Notes due 2021

which have been registered under the Securities Act of 1933

For Any and All Outstanding Unregistered 7.75% Senior Notes due 2021

We are offering to exchange up to $700,000,000 aggregate principal amount of our new 7.75% Senior Notes due 2021 (the new notes) for an equivalent amount of our outstanding, unregistered 7.75% Senior Notes due 2021 (the old notes , together with the new notes, the notes). The new notes will be identical in all material respects to the old notes, except that the new notes are registered under the Securities Act of 1933, as amended (the Securities Act) and there are certain differences relating to transfer restrictions, registration rights and payment of additional interest in case of non-registration. **The exchange offer will expire at 5:00 p.m., New York City time, on July 9, 2012, subject to our right to extend the expiration date.** You must tender your old notes by the deadline to obtain new notes.

The notes are our unsecured senior obligations and rank equally in right of payment with all of our existing and future unsecured senior indebtedness and effectively junior to all of our existing and future secured indebtedness up to the value of the collateral securing such indebtedness. Our obligations under the notes are guaranteed on a senior unsecured basis by each of our existing and future domestic restricted subsidiaries, subject to certain exceptions. The guarantees rank equally with all of the guarantors existing and future unsecured senior indebtedness and effectively junior to any existing and future secured indebtedness of the guarantors up to the value of the collateral securing such indebtedness. Our non-U.S. subsidiary, and any future non-U.S. subsidiaries, are not guarantors. See Description of Notes Note Guarantees.

We agreed with the initial purchasers of the old notes to make this offer and to register the issuance of the new notes after the initial sale of the old notes. This offer applies to any and all old notes tendered by the expiration date of the exchange offer.

Terms of Exchange Offer

The exchange offer will expire at 5:00 p.m., New York City time, on July 9, 2012 subject to our right to extend the expiration date.

There is no established trading market for the new notes, and AMC Networks Inc. does not intend to apply for listing of the new notes on any securities exchange.

See Risk Factors beginning on page 15 for a discussion of matters that participants in the exchange offer should consider in connections with this offer and an investment in the new notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2012.

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Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for original notes where such new notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. AMC Networks Inc. has agreed that, starting on the date that the exchange offer commences and ending on the close of business on the day that is 90 days following that date, they will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

AMC Networks Inc. has not authorized any person to give you any information or to make any representations about the exchange offer other than those contained in this prospectus. If you are given any information or representations that are not discussed in this prospectus, you must not rely on that information or those representations. This prospectus is not an offer to sell or a solicitation of an offer to buy any securities other than the securities to which it relates. In addition, this prospectus is not an offer to sell or the solicitation of an offer to buy those securities in any jurisdiction in which the offer or solicitation is not authorized, or in which the person making the offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make an offer or solicitation. The delivery of this prospectus and any exchange made under this prospectus do not, under any circumstances, mean that there has not been any change in the affairs of AMC Networks Inc. since the date of this prospectus or that information contained in this prospectus is correct as of any time subsequent to its date.

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This prospectus incorporates business and financial information about us that is not included in or delivered with this prospectus. You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different information. The information contained in this prospectus is accurate only as of its date regardless of the time of delivery of this prospectus or of any exchange of our old notes for new notes.

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In connection with the exchange offer, we have filed with the U.S. Securities and Exchange Commission, or the SEC, a registration statement on Form S-4, under the Securities Act of 1933, relating to the new notes to be issued in the exchange offer. As permitted by SEC rules, this prospectus omits information included in the registration statement. For a more complete understanding of the exchange offer, you should refer to the registration statement, including its exhibits.

The public may read and copy any reports or other information that we file with the SEC. Such filings are available to the public over the Internet at the SEC s website at http://www.sec.gov. The SEC s website is included in this prospectus as an inactive textual reference only. You may also read and copy any document that we file with the SEC at its public reference room at Room 1580, 100 F Street, N.E., Washington D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330. You may also obtain a copy of the registration statement relating to the exchange offers and other information that we file with the SEC at no cost by calling us or writing to us at the following address:

AMC Networks Inc.

11 Penn Plaza

New York, NY, 10001

Attn: Investor Relations

(212) 324-8500

You will not be charged for any of the documents that you request.

In order to ensure timely delivery of the requested documents, requests should be made no later than July 2, 2012, which is five business days before the date this exchange offer expires. In the event that we extend the exchange offer, we urge you to submit your request at least five business days before the expiration date, as extended.

Certain Terms Used in This Prospectus

Unless the context requires otherwise and other than in Description of Notes, when used in this prospectus, AMC, we, us and our refer to AM Networks Inc., its consolidated subsidiaries and their respective predecessors.

Cautionary Note Regarding Forward Looking Statements

This prospectus contains statements that constitute forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995. This prospectus contains statements concerning our future operating results and future financial performance. Words such as expects, anticipates, believes, estimates, may, will, should, could, potential, continue, intends, plans and similar words a discussion of future operating results and future financial performance identify forward-looking statements. 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 the forward-looking statements as a result of various factors. Factors that may cause such differences to occur include, but are not limited to:

- the level of our revenues;
- market demand for new programming services;
- demand for advertising inventory;

the demand for our programming among cable and other multichannel distribution platforms, including DBS and platforms operated by telecommunications providers (we refer collectively to these cable and other multichannel distributors as multichannel video distributors or distributors) and our ability to maintain and renew affiliation agreements with multichannel video distributors;

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- the cost of, and our ability to obtain or produce, desirable programming content for our networks and film distribution businesses;
- market demand for our services internationally and for our film distribution business, and our ability to profitably provide those services;
- the security of our program rights and other electronic data;
- the loss of any of our key personnel and artistic talent;
- the highly competitive nature of the cable programming industry;
- changes in both domestic and foreign laws or regulations under which we operate;
- the outcome of litigation and other proceedings, including the matters described in the notes to our consolidated financial statements;
- general economic conditions in the areas in which we operate;
- our substantial debt and high leverage;
- reduced access to capital markets or significant increases in costs to borrow;
- the level of our expenses;
- the level of our capital expenditures;
- future acquisitions and dispositions of assets;
- whether pending uncompleted transactions, if any, are completed on the terms and at the times set forth (if at all);
- other risks and uncertainties inherent in our programming businesses;
- financial community and rating agency perceptions of our business, operations, financial condition and the industry in which we operate, and the additional factors described herein, and
- the factors described under Risk Factors herein.

We disclaim any obligation to update or revise the forward-looking statements contained herein, except as otherwise required by applicable federal securities laws.

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PROSPECTUS SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus, but does not contain all the information that is important to you. You should read this entire prospectus carefully, including the sections titled Risk Factors and our consolidated financial statements and the related notes included elsewhere in this prospectus before making an investment decision.

In this prospectus, the terms AMC Networks, the Company, we, us and our refer to AMC Networks Inc., together with its direct and indirect subsidiaries, unless otherwise specified or the context otherwise requires. The term AMC Networks Inc. refers to AMC Networks Inc., but not its direct or indirect subsidiaries.

Our Company

AMC Networks owns and operates several of cable television s most recognized brands delivering high quality content to audiences and a valuable platform to distributors and advertisers. Since our founding in 1980, we have been a pioneer in the cable television programming industry, having created or developed some of the industry s leading programming networks. We have, since our inception, focused on programming of film and original productions, including through our creation of Bravo and AMC in 1980 and 1984, respectively. Bravo, which we sold to NBC Universal in 2002, was the first network dedicated to film and the performing arts. We have continued this dedication to quality programming and storytelling through our creation of The Independent Film Channel (today known as IFC) in 1994 and WE tv (which we launched as Romance Classics in 1997) and our acquisition of Sundance Channel in June 2008.

We manage our business through two reportable operating segments: (i) National Networks, which includes AMC, WE tv, IFC and Sundance Channel and (ii) International and Other, which includes AMC/Sundance Channel Global, our international programming business; IFC Films, our independent film distribution business; and AMC Networks Broadcasting & Technology, our network technical services business. Our National Networks are distributed throughout the United States (U.S.) via cable and other multichannel video programming distribution platforms, including direct broadcast satellite (DBS) and platforms operated by telecommunications providers (we refer collectively to these cable and other multichannel video programming distributors as multichannel video programming distributors or distributors). In addition to our extensive U.S. distribution, AMC, IFC and Sundance Channel are available in Canada and Sundance Channel and WE tv are available in other countries throughout Europe and Asia. We earn revenue principally from the affiliation fees paid by distributors to carry our programming networks and from advertising sales. In 2011, affiliation fees and other revenue accounted for 62% of our consolidated revenues, net and advertising sales accounted for 38% of our consolidated revenues, net.

National Networks

We own four nationally distributed entertainment programming networks: AMC, WE tv, IFC and Sundance Channel, which are available to our distributors in high-definition and/or standard-definition formats. Our programming networks principally generate their revenues from affiliation fees paid by multichannel video programming distributors and from the sale of advertising, although we also earn ancillary revenues from sources such as licensing of original programming and digital distribution arrangements. As of March 31, 2012, AMC, WE tv and IFC had 96.4 million, 76.5 million and 66.1 million Nielsen subscribers, respectively, and Sundance Channel had 42.4 million viewing subscribers (for a discussion of the difference between Nielsen subscribers and viewing subscribers, see Business Subscriber and Viewer Measurement below).

AMC. AMC is a television network dedicated to the highest quality storytelling, whether commemorating favorite films from every genre and decade or creating acclaimed original programming. In addition to presenting popular feature films from its comprehensive movie library, AMC features original programming that includes critically-acclaimed and award-winning original scripted dramatic series such as *Mad Men*, *Breaking Bad*, *The Killing*, *Hell on Wheels* and *The Walking Dead*, which in 2011 was the highest rated drama in basic cable history among the key demographic of adults aged 18-49 and 25-54. The network also recently launched its first unscripted series, *Talking Dead*, with two additional unscripted series, *Comic Book Men*, which debuted in February 2012, and *The Pitch*, which debuted in April 2012.

WE tv. WE tv is a women s network that showcases a modern view of family life. The network s original programming presents stories from a woman s perspective and features celebrities and personalities as they experience life s defining moments such as getting married, having children and raising a family. WE tv s original series include *Braxton Family Values*, *Joan and Melissa: Joan Knows Best?*, *Bridezillas* and *My Fair Wedding with David Tutera*. Additionally, WE tv s programming includes series such as *Frasier*, *Golden Girls* and *Charmed* as well as feature films, with exclusive license rights to certain films from studios such as Paramount, Sony and Warner Bros.

IFC. IFC is a network dedicated to presenting independent film and original alternative comedy series with an indie perspective. Since its launch in 1994, IFC has created and championed programming that challenges the conventions of storytelling and provides a unique perspective through its original series, notable independent film collection and cult television shows. The network s original content includes comedy series *Portlandia* (from the creators of *Saturday Night Live*) and David Cross *The Increasingly Poor Decisions of Todd Margaret*. IFC s programming also includes series such as *Arrested Development*, *Freaks and Geeks* and *Malcolm in the Middle*, along with films from the most significant independent film distributors including Fox Searchlight, Miramax, Sony Classics, IFC Films and Lionsgate.

Sundance Channel. Launched in 1996 and acquired by us in 2008, Sundance Channel is the television network that showcases creative icons and emerging talent through entertaining, immersive stories of invention, fashion, film, travel and design. Sundance Channel features independent films and original programming including the fashion series *All on the Line with Joe Zee*, the celebrity vehicle *The Mortified Sessions*, *Iconoclasts*, and the Peabody Award-winning franchise *Brick City*, in addition to other series that highlight what is just about to hit in the worlds of product design, pop culture, style and food.

International and Other

In addition to our National Networks, we also operate AMC/Sundance Channel Global, which is our international programming business; IFC Films, our independent film distribution business; and AMC Networks Broadcasting & Technology, our network technical services business. Our International and Other segment also includes VOOM HD Holdings LLC (VOOM HD), which we are in the process of winding down, and which continues to sell certain limited amounts of programming internationally through program license agreements.

AMC/Sundance Channel Global. AMC/Sundance Channel Global s business principally consists of seven distinct channels in ten languages spread across eighteen countries, focusing primarily on AMC in Canada and global versions of the Sundance Channel and WE tv brands. Principally generating revenues from affiliation fees, AMC/Sundance Channel Global reached approximately 8.7 million viewing subscribers in Canada, Europe and Asia as of December 31, 2011, and has broad availability to distributors in Europe and in Asia through satellite and fiber delivery that can facilitate future expansion.

IFC Films. IFC Films, which was formerly referred to as IFC Entertainment, encompasses our independent film distribution business, which makes independent films available to a worldwide audience. IFC Films operates three distribution labels: Sundance Selects, IFC Films and IFC Midnight, all of which distribute critically acclaimed independent films across virtually all available media platforms, including in theaters, on cable/satellite video-on-demand (reaching nearly 50 million homes), DVDs and cable network television, and streaming/downloading to computers and other electronic devices.

AMC Networks Broadcasting & Technology. AMC Networks Broadcasting & Technology is a full-service network programming feed origination and distribution company, supplying an array of services to the network programming industry. AMC Networks Broadcasting & Technology s operations are housed in Bethpage, New York, where AMC Networks Broadcasting & Technology consolidates origination and satellite communications functions in a 55,000 square-foot facility designed to keep AMC Networks at the forefront of network origination and distribution technology. AMC Networks Broadcasting & Technology has nearly 30 years experience across its network services groups, including affiliate engineering, network operations, traffic and scheduling that provide day-to-day delivery of any programming network, in high or standard definition.

Our Strengths

Our strengths include:

Strong Industry Presence and Portfolio of Brands. We have operated in the cable programming industry for more than 30 years and over this time we have continually enhanced the value of our network portfolio. Our programming network brands are well known and well regarded by our key constituents our viewers, distributors and advertisers and have developed strong followings within their respective targeted demographics, increasing our value to distributors and advertisers. AMC (which targets adults aged 25 to 54), WE tv (which targets women aged 18 to 49 and 25 to 54), IFC (which targets adults aged 18 to 49) and Sundance Channel (which targets adults aged 25 to 54) have established themselves as important within their respective markets. Our deep and established presence in the industry and the recognition we have received for our brands through industry awards and other honors lend us a high degree of credibility with distributors and content producers, and help provide us with stable affiliate and studio relationships, advantageous channel placements and heightened viewer engagement.

Broad Distribution and Penetration of Our National Networks. Our national networks are broadly distributed in the U.S. AMC, WE tv, IFC and Sundance Channel are each carried by all major multichannel video programming distributors. Our national networks are available to a significant percentage of subscribers in these distributors systems. This broad distribution and penetration provides us with a strong national platform on which to maintain, promote and grow our business.

Compelling Programming. We continually refine our mix of programming and, in addition to our popular film content, have increasingly focused on highly visible, critically-acclaimed original programming, including the award-winning *Mad Men*, *Breaking Bad* and *The Walking Dead*, which in 2011 was cable television s highest rated drama ever among adults aged 18-49 and 25-54. Other popular series include *The Killing*, *Hell on Wheels*, *Braxton Family Values*, *Bridezillas*, *Portlandia* and *The Increasingly Poor Decisions of Todd Margaret*. Our focus on quality original programming, targeting specific audiences, has allowed us in recent years to increase our programming networks ratings and their viewership within these respective targeted demographics.

Recurring Revenue from Affiliation Agreements. Our affiliation agreements with multichannel video programming distributors are a recurring source of revenue. We generally seek to structure these agreements so that they are long-term in nature and to stagger their expiration dates, thereby increasing the predictability and stability of our affiliation fee revenues.

Desirable Advertising Platform. Our national networks have a strong connection with each of their respective targeted demographics, which make our programming networks an attractive platform to advertisers.

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Although all of our programming networks were originally operated without advertising, we have been incrementally migrating our networks to an advertiser-supported model. We have experienced significant growth in our advertising revenues in recent years, which has allowed us to develop high-quality programming.

Our Business Strategy

Our strategy is to maintain and improve our position as a leading programming and entertainment company by owning and operating several of the most popular and award-winning brands in cable television that create engagement with audiences globally across multiple media and distribution platforms. The key focuses of our strategy are:

Continued Development of High-Quality Original Programming. We intend to continue developing strong original programming across all of our programming networks to enhance our brands, strengthen our relationships with our viewers, distributors and advertisers, and increase distribution and audience ratings. We believe that our continued investment in original programming supports future growth in our two principal revenue streams affiliation fee revenue from our distributors and advertising revenue. We also intend to continue to expand the exploitation of our original programming across multiple media and distribution platforms.

Increased Distribution of Our Programming Networks. Of our four national networks, only AMC is substantially fully distributed in the U.S. We intend to continue to seek increased distribution of our other national networks to grow affiliate and advertising revenues. In addition, we are expanding the distribution of our programming networks around the globe. We first expanded beyond the U.S. market with the launch in Canada of IFC (in 2001) and AMC (in 2006), and we have recently launched Sundance Channel in the Canadian market (in 2010). We are building on this base by distributing an international version of Sundance Channel, which is currently distributed in twelve countries in Europe and four countries in Asia, with additional expansion planned in 2012 and future years. We have also launched an international version of WE tv in four countries in Asia, with further expansion planned in other Asian markets.

Continued Growth of Advertising Revenue. We have a proven track record of significantly increasing revenue by introducing advertising on networks that were previously not advertiser-supported. We first accomplished this in 2002, when we moved AMC and WE tv to an advertiser-supported model. Most recently, in December 2010, we moved IFC to such a model. We seek to continue to evolve the programming on each of our networks to achieve even stronger viewer engagement within their respective core targeted demographics, thereby increasing the value of our programming to advertisers and allowing us to obtain higher advertising rates. For example, we have begun to refine the programming mix on IFC to include alternative comedy programming, such as *Portlandia* and *The Increasingly Poor Decisions of Todd Margaret*, in order to increase IFC s appeal to its targeted demographic of adults aged 18 to 49. We are also continuing to seek additional advertising revenue at AMC and WE tv through higher Nielsen Media Research (Nielsen) ratings in desirable demographics.

Increased Control of Content. We believe that control (including long-term contract arrangements) and ownership of content is becoming increasingly important, and we intend to increase our control position over our programming content. We currently control, own or have long-term license agreements covering significant portions of our content across our programming networks as well as in our independent film distribution business operated by IFC Films. We intend to continue to focus on obtaining the broadest possible control rights (both as to territory and platforms) for our content.

Exploitation of Emerging Media Platforms. The technological landscape surrounding the distribution of entertainment content is continuously evolving as new digital platforms emerge. We intend to distribute our content across as many of these new platforms as possible, when it makes business sense to do so, so that our

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viewers can access our content where, when and how they want it. To that end, our programming networks are allowing many of our distributors to offer our content to subscribers on computers and other digital devices, and on video-on-demand platforms, all of which permit subscribers to access programs at their convenience. We also have launched our own direct-to-consumer digital platform, SundanceNow, which makes our IFC Films library of independent films available to consumers in the U.S. and around the globe, and have made some of our content available on third-party digital platforms such as Netflix and iTunes. Our national networks each host dedicated websites that promote their brands, provide programming information and provide access to content. In addition, AMC owns the film-focused websites filmsite.org and filmcritic.com, which together with amctv.com deliver over 4 million unique visitors each month.

Key Challenges

We face a number of challenges, including:

- intense competition in the markets in which we operate;
- a limited number of distributors for our programming networks;
- continuing availability of desirable programming; and
- significant levels of debt and leverage, as a result of the debt financing agreements described under Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources.

See Risk Factors for a discussion of these and other matters you should carefully consider in connection with this offering.

Spin-off and Related Financing Transactions Overview

On June 30, 2011 (the Distribution Date), we became a stand-alone public company pursuant to a subsidiary spin-off from Cablevision Systems Corporation (Cablevision), our former corporate parent. On the Distribution Date, all of the outstanding shares of our Class A Common Stock were distributed to holders of Cablevision Class A Common Stock and all of the outstanding shares of our Class B Common Stock were distributed to the holders of Cablevision Class B Common Stock. We refer to this distribution of securities as the Stock Distribution. In the Stock Distribution, each holder of Cablevision common stock received a distribution of one share of our common stock for every four shares of Cablevision common stock held as of the close of business, New York City time, on June 16, 2011, which was the record date for the Stock Distribution.

On the Distribution Date, we issued $700 million in aggregate principal amount of the old notes and $550 million in senior secured term loans incurred under our Credit Facility (as defined below) to CSC Holdings LLC (CSC Holdings), a wholly-owned subsidiary of Cablevision, pursuant to a contribution agreement with Cablevision and CSC Holdings, as partial consideration for the transfer to us of the AMC Networks business on June 6, 2011. We refer to our issuance of the old notes and the senior secured term loans to CSC Holdings as the Debt Distribution. Following the Debt Distribution, CSC Holdings exchanged the old notes with the selling noteholders in the old notes offering, each of which was an affiliate of one of the Initial Purchasers in the old notes offering, in satisfaction and discharge of outstanding CSC Holdings indebtedness. We refer to this exchange as the Debt Exchange, and we refer to the Stock Distribution, the Debt Distribution and the Debt Exchange collectively as the Distribution. Following the Distribution, the selling noteholders in the old notes offering transferred the old notes to the Initial Purchasers in the old notes offering, who offered the old notes to investors in a transaction exempt from the registration requirements of the Securities Act.

Concurrently with the Distribution, we entered into a senior secured credit facility (the Credit Facility) with a syndicate of lenders, as described further under Description of New Senior Secured Credit Facility, and Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Debt Financing Agreements Senior Secured Credit Facility, under which we incurred the senior secured term loan portion of the debt relating to the Distribution. We borrowed an additional $1,175 million under our Credit Facility for cash proceeds that we primarily used to repay our debt that was outstanding immediately prior to the Distribution Date (excluding capital leases). We refer to this additional borrowing and the application of the proceeds thereof as the Standalone Financing. We refer to the Debt Distribution, the Debt Exchange and the Standalone Financing collectively as the Financing Transactions, and the Financing Transactions, together with the Stock Distribution, as the Transactions. See Management s Discussion and Analysis of Financial Condition and Results of Operations Business Overview Spin-off from Cablevision for more information.

Company Information

We are a Delaware corporation incorporated on March 9, 2011. Our principal executive office is located at 11 Penn Plaza, New York, NY 10001, and our telephone number is (212) 324-8500. Our internet address is *http://www.amcnetworks.com* and the investor relations section of our website is located at *http://investor.amcnetworks.com*. We make available, free of charge through the investor relations section of our website, our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as well as our proxy statements, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. **The information on, or accessible through, our Internet site is not part of this prospectus.**

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SUMMARY OF THE EXCHANGE OFFER

The Exchange Offer	We are offering to exchange $1,000 principal amount of our 7.75% Senior Notes due 2021 registered under the Securities Act, which we refer to as the new notes, for each $1,000 principal amount of our outstanding 7.75% Senior Secured Notes due 2021 issued on June 30, 2011 in a private offering, which we refer to as the old notes. Old notes must be exchanged in a minimum amount of $2,000. In order to exchange an old note, you must follow the required procedures and we must accept the old note for exchange. We will exchange all notes validly offered for exchange, or tendered, and not validly withdrawn. As of the date of this **prospectus**, $700,000,000 aggregate principal amount of old notes are outstanding.
Expiration Date	Our exchange offer expires at 5:00 p.m., New York City time, on July 9, 2012, unless we extend the expiration date. We may extend the expiration date for any reason. We will complete the exchange and issue the new notes promptly after that date.
Resale of New Notes	Based on interpretive letters of the SEC staff to third parties, we believe that you may offer for resale, resell and otherwise transfer the new notes issued pursuant to the exchange offer without compliance with the registration and prospectus delivery provisions of the Securities Act, if you:

- are not a broker-dealer that acquired the old notes from us or in market-making transactions or other trading activities;
- acquire the new notes issued in the exchange offer in the ordinary course of your business;
- are not participating, and do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the new notes issued in the exchange offer; and
- are not an affiliate of ours, as defined in Rule 405 of the Securities Act.

By tendering your notes as described in The Exchange Offer Procedures for Tendering, you will be making representations to this effect. If you fail to satisfy any of these conditions, you cannot rely on the position of the SEC set forth in the no-action letters referred to above and you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new notes. If you are a broker-dealer that acquired old notes as a result of market-making or other trading activities, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new notes as described in this summary under Restrictions on Sale by Broker-Dealers below. We base our belief on interpretations by the SEC staff in no-action letters issued to other issuers in exchange offers like ours. We cannot guarantee that the SEC would make a similar decision about our exchange offer. If our

	belief is wrong, you could incur liability under the Securities Act. We will not protect you against any loss incurred as a result of this liability under the Securities Act.
Restrictions on Sale by Broker-Dealers	If you are a broker-dealer that has received new notes for your own account in exchange for old notes that were acquired as a result of market-making or other trading activities, you must acknowledge that you will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the new notes. A broker-dealer may use this **prospectus** for a period of 90 days commencing on the day the exchange offer is consummated or at such time that such broker-dealer no longer owns any Registrable Securities (as defined under The Exchange Offer, below).
Consequences If You Do Not Exchange Your Old Notes	If you are eligible to participate in the exchange offer and you do not tender your old notes, you will not have any further registration or exchange rights and your old notes will continue to be subject to transfer restrictions. These transfer restrictions and the availability of new notes could adversely affect the trading market for your notes.
Procedures for Tendering Old Notes	If you wish to accept the exchange offer, the following must be delivered to the exchange agent: your old notes by timely confirmation of book-entry transfer through The Depository Trust Company (DTC); an agent s message from DTC, stating that the tendering participant agrees to be bound by the letter of transmittal and the terms of the exchange offer; and all other documents required by the letter of transmittal. These actions must be completed before the expiration of the exchange offer. You must comply with DTC s standard procedures for electronic tenders, by which you will agree to be bound by the letter of transmittal.
Guaranteed Delivery Procedures	If you are a registered holder of the outstanding notes and wish to tender your outstanding notes in the exchange offer but cannot comply with the applicable procedures under DTC s Automated Tender Offer Program prior to the expiration date you may tender your outstanding notes by following the procedures described under the caption The Exchange Offer Guaranteed Delivery Procedures.
Withdrawal Rights	You may withdraw your tender of old notes any time prior to the expiration date.
Tax Consequences	The exchange of notes pursuant to the exchange offer will not be a taxable event for U.S. federal income tax purposes. See Material United States Federal Income Tax Considerations.

Use of Proceeds	We will not receive any cash proceeds from the exchange or the issuance of new notes in connection with the exchange offer. Old notes that are validly tendered and exchanged will be retired and canceled. We will pay all expenses incident to the exchange offer.
Exchange Agent	U.S. Bank National Association is serving as exchange agent in connection with the exchange offer. The address and telephone number of the exchange agent are set forth under The Exchange Offer Exchange Agent. U.S. Bank National Association is also the trustee under the indenture governing the notes.

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SUMMARY OF THE TERMS OF THE NEW NOTES

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The following is not intended to be complete. You should carefully review the Description of Notes section of this prospectus, which contains a more detailed description of the terms and conditions of the notes. Capitalized terms not otherwise defined herein shall have the meanings given them in the Description of Notes section of this prospectus.

Issuer	AMC Networks Inc.
Securities	$700,000,000 aggregate principal amount of 7.75% Senior Notes due 2021.
Maturity	The notes will mature on July 15, 2021.
Interest	Interest on the notes is payable semi-annually in arrears on each January 15 and July 15.
Ranking	The notes will be the unsecured senior obligations of the issuer. Accordingly, the notes will rank: effectively behind all of our existing and future senior secured debt, including borrowings under our senior secured credit facility; equally with any of our future senior unsecured debt; ahead of any of our future debt that expressly provides for its subordination to the notes; and structurally behind all of the existing and future liabilities of our subsidiaries that are not guarantors, including trade payables. As of March 31, 2012, AMC Networks and its subsidiaries had $2,241 million of indebtedness (excluding capital lease obligations) on a consolidated basis (including the notes), including $1,554 million of borrowings under our senior secured credit facility on that date. In addition, as of such date, AMC Networks had an additional $500 million of availability under its revolving credit facility.
Guarantees	All of our direct and indirect domestic restricted subsidiaries, other than our future insignificant subsidiaries, if any, are guarantors of the notes. The guarantees of the notes are unsecured senior obligations of the guarantors. Accordingly, they rank effectively behind all existing and future senior secured debt of

	the guarantors, including the guarantors guarantee obligations under our senior secured credit facility, equally to all future senior unsecured debt of the guarantors and ahead of all future subordinated debt of the guarantors.
Optional Redemption	We may redeem some or all of the notes, at our option, at any time on or after July 15, 2016, at the redemption prices set forth in this prospectus, plus accrued and unpaid interest, if any, to the redemption date.
	See Description of Notes Optional Redemption.

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Certain Covenants	The indenture governing the notes, among other things, limits our ability and the ability of our restricted subsidiaries to: incur or guarantee additional debt or sell disqualified stock; create liens; pay dividends on or redeem or repurchase stock; make specified types of investments; sell stock in our restricted subsidiaries; restrict the ability of restricted subsidiaries to make dividends or other payments from restricted subsidiaries; enter into certain transactions with affiliates; and sell assets or merge with other companies. These covenants contain important exceptions, limitations and qualifications. For more details, see Description of Notes Certain Covenants.
Suspension of Covenants	If on any date the notes have Investment Grade Ratings, as defined, and no default or event of default has occurred and is continuing under the indenture, most of the covenants, as well as our obligation to offer to repurchase the notes following certain asset sales events, will be subject to suspension. See Description of Notes Certain Covenants Suspension of Covenants Upon Investment Grade Ratings.

Investing in the notes involves risks. You should refer to Risk Factors beginning on page 15 for a discussion of risks you should consider before deciding whether to invest in the notes.

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Summary Consolidated Historical Financial Data

The operating and balance sheet data included in the following selected financial data as of December 31, 2011 and 2010 and for each year in the three-year period ended December 31, 2011 have been derived from the audited annual consolidated financial statements of AMC Networks Inc. and its subsidiaries included elsewhere in this prospectus. The operating and balance sheet data included in the following selected financial data as of December 31, 2009 and 2008 and for the year ended December 31, 2008 have been derived from the audited annual consolidated financial statements of AMC Networks Inc. and its subsidiaries for such year, which are not included in this prospectus. The operating and balance sheet data included in the following selected financial data as of and for the year ended December 31, 2007 have been derived from the unaudited annual consolidated financial statements of AMC Networks Inc. and its subsidiaries, which are not included in this prospectus. The operating and balance sheet data included in the following selected financial data for the three months ended March 31, 2012 and 2011 and as of March 31, 2012 have been derived from the unaudited interim consolidated financial statements of AMC Networks Inc. and its subsidiaries included elsewhere in this prospectus and as of March 31, 2011 have been derived from the unaudited interim consolidated financial statements of AMC Networks Inc. and its subsidiaries which are not included in this prospectus, and, in the opinion of the management of the Company, reflect all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of such data for the respective interim periods. The financial information presented below does not necessarily reflect what our results of operations and financial position would have been through 2011 if we had operated as a separate publicly-traded entity prior to July 1, 2011. The results of operations for the three month period ended March 31, 2012 are not necessarily indicative of the results that might be expected for future interim periods or for the full year ending December 31, 2012. The selected financial data presented below should be read in conjunction with the annual and interim consolidated financial statements included elsewhere in this prospectus and with Management s Discussion and Analysis of Financial Condition and Results of Operations and Unaudited Pro Forma Condensed Consolidated Financial Information.

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	Three Months Ended March 31, 2012	2011	Years Ended December 31, 2011	2010	2009	2008	2007
	(Dollars in thousands, except per share amounts)						
Operating Data(a):							
Revenues, net	$ 326,239	$ 272,903	$ 1,187,741	$ 1,078,300	$ 973,644	$ 893,557	$ 754,447
Operating expenses:							
Technical and operating (excluding depreciation and amortization shown below)	104,930	90,411	425,961	366,093	310,365	314,960	276,144
Selling, general and administrative	99,222	86,921	335,656	328,134	313,904	302,474	256,995
Restructuring (credit) expense(b)	(3)	(34)	(240)	(2,218)	5,162	46,877	2,245
Depreciation and amortization	25,051	24,926	99,848	106,455	106,504	108,349	81,101
	229,200	202,224	861,225	798,464	735,935	772,660	616,485
Operating income	97,039	70,679	326,516	279,836	237,709	120,897	137,962
Other income (expense):							
Interest expense, net	(29,692)	(17,893)	(94,796)	(73,412)	(78,942)	(99,905)	(113,841)
Loss on investments, net						(103,238)	(1,812)
Gain on equity derivative contracts						66,447	24,183
Loss on extinguishment of debt and write-off of deferred financing costs	(312)		(20,973)			(2,424)	(22,032)
Miscellaneous, net	12	72	(137)	(162)	187	379	3,140
	$ (29,992)	$ (17,821)	$ (115,906)	$ (73,574)	$ (78,755)	$ (138,741)	$ (110,362)
Income (loss) from continuing operations before income taxes	67,047	52,858	210,610	206,262	158,954	(17,844)	27,600
Income tax expense	(23,970)	(23,136)	(84,248)	(88,073)	(70,407)	(2,732)	(12,227)
Income (loss) from continuing operations	43,077	29,722	126,362	118,189	88,547	(20,576)	15,373
Income (loss) from discontinued operations, net of income taxes	104	96	92	(38,090)	(34,791)	(26,866)	(25,867)
Net income (loss)	$ 43,181	$ 29,818	$ 126,454	$ 80,099	$ 53,756	$ (47,442)	$ (10,494)
Income (loss) from continuing operations per share:							
Basic(c)	$ 0.62	$ 0.43	$ 1.82	$ 1.71	$ 1.28	$ (0.30)	$ 0.22
Diluted(c)	$ 0.60	$ 0.43	$ 1.79	$ 1.71	$ 1.28	$ (0.30)	$ 0.22
Balance Sheet Data(a):							
Program rights, net	$ 1,009,365	$ 895,690	$ 1,000,780	$ 783,830	$ 683,306	$ 649,020	$ 553,555
Investment securities pledged as collateral							472,347
Total assets	2,125,809	1,924,312	2,183,934	1,853,896	1,934,362	1,987,917	2,423,442
Program rights obligations	614,028	557,511	619,029	454,825	435,638	465,588	416,960
Note payable/advances to related parties					190,000	190,000	130,000
Credit facility debt(d)	1,554,097	412,500	1,604,846	475,000	580,000	700,000	500,000
Collateralized indebtedness							402,965
Senior notes(d)	686,671	299,619	686,434	299,552	299,283	299,014	298,745
Senior subordinated notes(d)		324,134		324,071	323,817	323,564	323,311
Capital lease obligations	16,860	19,198	15,677	20,252	24,611	21,106	24,432
Total debt	2,257,628	1,055,451	2,306,957	1,118,875	1,227,711	1,343,684	1,549,453
Stockholders (deficiency) equity	(1,004,857)	81,374	(1,036,995)	24,831	(236,992)	(278,502)	(570,665)

(a) We acquired Sundance Channel in June 2008. The results of Sundance Channel s operations have been included in the consolidated financial statements from the date of acquisition.

(b) In December 2008, we decided to discontinue funding the domestic programming business of VOOM HD. In connection with this decision we recorded restructuring expense (credit) in each of the years from 2008 to 2011 and for the three months ended March 31, 2012 and 2011.

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(c) Common shares assumed to be outstanding during the years ended December 31, 2010, 2009, 2008 and 2007 totaled 69,161,000, representing the number of shares of AMC Networks common stock issued to Cablevision shareholders on the Distribution Date, and excludes unvested outstanding restricted shares, based on a distribution ratio of one share of AMC Networks common stock for every four shares of Cablevision common stock outstanding.

(d) As part of the Distribution, we incurred $2,425,000 of debt (the New AMC Networks Debt), consisting of $1,725,000 aggregate principal amount of senior secured term loans and $700,000 aggregate principal amount of senior unsecured notes. Approximately $1,063,000 of the proceeds of the New AMC Networks Debt was used to repay all pre-Distribution outstanding Company debt (excluding capital leases), including principal and accrued and unpaid interest to the date of repayment, and, as partial consideration for Cablevision s contribution of the membership interests in Rainbow Media Holdings LLC (RMH) to the Company, $1,250,000, net of discount, of New AMC Networks Debt was issued to CSC Holdings, a wholly-owned subsidiary of Cablevision, which is reflected as a deemed capital distribution in the consolidated statement of stockholders (deficiency) equity for the year ended December 31, 2011. See Note 1 to the annual consolidated financial statements included elsewhere herein.

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RISK FACTORS

Investing in the notes involves a high degree of risk. You should consider carefully the following risks, together with the financial and other information contained in this prospectus, before deciding whether to invest in the notes. Additional risks and uncertainties not currently known to us, or those we currently view to be immaterial, may also materially and adversely affect our business, financial condition or results of operations. If any of the following risks actually occurs, our business, financial condition and results of operations would suffer.

Risks Related to the Exchange Offer

If you fail to exchange the old notes, they will remain subject to transfer restrictions, and it may be harder for you to resell and transfer your old notes.

The old notes were not registered under the Securities Act or under the securities laws of any state. Any old notes that remain outstanding after this exchange offer may continue to be subject to restrictions on their transfer. Thus, you may not resell the old notes, offer them for resale or otherwise transfer them unless they are subsequently registered or an exemption from the registration requirements of the Securities Act and applicable state securities laws is available. If you do not exchange your old notes for new notes by this exchange offer, or if you do not properly tender your old notes in this exchange offer, you will not be able to resell, offer to resell or otherwise transfer your old notes unless they are registered under the Securities Act or unless you resell them, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act. After this exchange offer, holders of old notes will not have any further rights to have their old notes exchanged for new notes registered under the Securities Act. The liquidity of the market for old notes that are not exchanged could be adversely affected by this exchange offer and you may be unable to sell your old notes.

Late deliveries of old notes and other required documents could prevent a holder from exchanging its old notes.

Holders are responsible for complying with all exchange offer procedures. The issuance of new notes in exchange for old notes will only occur upon completion of the procedures described in this prospectus under The Exchange Offer. Therefore, holders of old notes who wish to exchange them for new notes should allow sufficient time for timely completion of the exchange procedure. Neither we nor the exchange agent are obligated to extend the offer or notify you of any failure to follow the proper procedure or waive any defect if you fail to follow the proper procedure.

If you are a broker-dealer, your ability to transfer the new notes may be restricted.

A broker-dealer that purchased old notes for its own account as part of market-making or trading activities must comply with the prospectus delivery requirements of the Securities Act when it sells the new notes. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their new notes.

Risks Relating to Our Business and Indebtedness

Our substantial debt and high leverage could adversely affect our business.

We have a significant amount of debt. As of March 31, 2012, we have $2,241 million of total debt, excluding capital leases, $1,554 million of which is senior secured debt under our senior secured credit facility and $687 million of which is senior unsecured debt.

Our substantial amount of debt could have important consequences. For example, it could:

- increase our vulnerability to general adverse economic and industry conditions;

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- require us to dedicate a substantial portion of our cash flow from operations to make interest and principal payments on our debt, thereby limiting the availability of our cash flow to fund future programming investments, capital expenditures, working capital, business activities and other general corporate requirements;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- place us at a competitive disadvantage compared with our competitors; and
- limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity.

In the long term, we do not expect to generate sufficient cash from operations to repay at maturity our outstanding debt obligations. As a result, we will be dependent upon our ability to access the capital and credit markets. Failure to raise significant amounts of funding to repay these obligations at maturity could adversely affect our business. If we are unable to raise such amounts, we would need to take other actions including selling assets, seeking strategic investments from third parties or reducing other discretionary uses of cash.

A substantial portion of our debt bears interest at variable rates. If market interest rates increase, variable rate debt will create higher debt service requirements, which could adversely affect our cash flow. While we have entered into hedging agreements for a portion of our variable rate debt limiting our exposure to higher interest rates, such agreements do not offer complete protection from this risk.

The agreements governing our debt, including our senior secured credit facility and the indenture governing the notes, contain various covenants that impose restrictions on us that may affect our ability to operate our business.

The agreements governing our senior secured credit facility and the indenture governing the notes contain covenants that, among other things, limit our ability to:

- borrow additional money or guarantee debt;
- create liens;
- pay dividends on or redeem or repurchase stock;
- make specified types of investments;
- enter into certain transactions with affiliates; and
- sell assets or merge with other companies.

Our senior secured credit facility requires that we comply with specified financial ratios and tests, including, but not limited to, a leverage ratio and an interest coverage ratio.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants and maintain these financial tests and ratios. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity for the debt under these agreements and to foreclose upon any collateral securing the debt. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations. In addition, the limitations imposed by financing agreements on our ability to incur additional debt and to take other actions might significantly impair our ability to obtain other financing.

To service our debt, we will require a significant amount of cash, which may not be available to us.

Our ability to make payments on, or repay or refinance, our debt, including the notes, and to fund planned distributions and capital expenditures, will depend largely upon our future operating performance. Our future

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performance, to a certain extent, is subject to general economic, financial, competitive, regulatory and other factors that are beyond our control. In addition, our ability to borrow funds in the future to make payments on our debt will depend on the satisfaction of the covenants in our senior secured credit facility and our other debt agreements, including the indenture governing the notes and other agreements we may enter into in the future. Specifically, we will need to maintain certain specified financial ratios. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us under our senior secured credit facility or from other sources in an amount sufficient to enable us to service our debt, including the notes, or to fund our other liquidity needs. Furthermore, in the long-term, we do not expect to generate sufficient cash from operations to repay at maturity the debt that was incurred as part of the Financing Transactions. As a result, we will be dependent upon our ability to access the capital and credit markets.

In addition, prior to the repayment of the notes, we will be required to repay or refinance our senior secured credit facility. We cannot assure you that we will be able to repay or refinance any of our debt, including our senior secured credit facility, on commercially reasonable terms or at all. If we were unable to make payments or refinance our debt or obtain new financing under these circumstances, we would have to consider other options, such as:

- sales of assets;
- sales of equity; and/or
- negotiations with our lenders to restructure the applicable debt.

Our senior secured credit facility and the indenture governing the notes restrict, and market or business conditions may limit, our ability to do some of these things.

Despite our current levels of debt, we may still be able to incur substantially more debt. This could further exacerbate the risks associated with our substantial debt.

We may be able to incur additional debt in the future. The terms of our new senior secured credit facility and the indenture governing the notes allow us to incur substantial amounts of additional debt, subject to certain limitations. In addition, we may refinance all or a portion of our debt, including borrowings under our senior secured credit facility, and obtain the ability to incur more debt as a result. If new debt is added to our current debt levels, the related risks we could face would be magnified.

Our business depends on the appeal of our programming to our distributors and our viewers, which may be unpredictable and volatile.

Our business depends in part upon viewer preferences and audience acceptance of the programming on our networks. These factors are often unpredictable and volatile, and subject to influences that are beyond our control, such as the quality and appeal of competing programming, general economic conditions and the availability of other entertainment activities. We may not be able to anticipate and react effectively to shifts in tastes and interests in our markets. A change in viewer preferences could cause our programming to decline in popularity, which could cause a reduction in advertising revenues and jeopardize renewal of our contracts with distributors. In addition, our competitors may have more flexible programming arrangements, as well as greater amounts of available content, distribution and capital resources, and may be able to react more quickly than we can to shifts in tastes and interests.

To an increasing extent, the success of our business depends on original programming, and our ability to predict accurately how audiences will respond to our original programming is particularly important. Because original programming often involves a greater degree of commitment on our part, as compared to acquired programming that we license from third parties, and because our network branding strategies depend significantly on a relatively small number of original programs, a failure to anticipate viewer preferences for such programs could be especially detrimental to our business. We periodically review the programming usefulness of our program rights based on a series of factors, including ratings, type and quality of program material, standards and practices, and fitness for exhibition. We have incurred write-offs of programming rights in the past, and may incur future programming rights write-offs if it is determined that program rights have no future usefulness.

In addition, feature films constitute a significant portion of the programming on our AMC, IFC and Sundance Channel programming networks. In general, the popularity of feature-film content on linear television is declining, due in part to the broad availability of such content through an increasing number of distribution platforms. Should the popularity of feature-film programming suffer significant further declines, we may lose viewership or be forced to rely more heavily on original programming, which could increase our costs.

If our programming does not gain the level of audience acceptance we expect, or if we are unable to maintain the popularity of our programming, our ratings may suffer, which will negatively affect advertising revenues, and we may have a diminished bargaining position when dealing with distributors, which could reduce our affiliation fee revenues. We cannot assure you that we will be able to maintain the success of any of our current programming, or generate sufficient demand and market acceptance for our new programming.

If economic instability persists in the U.S. or in other parts of the world, our results of operations could be adversely affected.

Our business is significantly affected by prevailing economic conditions. We derive substantial revenues from advertising spending by U.S. businesses, and these expenditures are sensitive to general economic conditions and consumer buying patterns. Financial instability or a general decline in economic conditions in the U.S. could adversely affect advertising rates and volume, resulting in a decrease in our advertising revenues.

Decreases in U.S. consumer discretionary spending may affect cable television and other video service subscriptions, in particular with respect to digital service tiers on which certain of our programming networks are carried. This could lead to a decrease in the number of subscribers receiving our programming from multichannel video distributors, which could have a negative impact on our viewing subscribers and affiliation fee revenues. Similarly, a decrease in viewing subscribers would also have a negative impact on the number of viewers actually watching the programs on our programming networks, which could also impact the rates we are able to charge advertisers.

Furthermore, world-wide financial instability may affect our ability to penetrate new markets. Because our networks are highly distributed in the U.S., our ability to expand the scope of our operations internationally is important to the continued growth of our business. Our inability to negotiate favorable affiliation agreements with foreign distributors or to secure advertisers for those markets could negatively affect our results of operations.

Because a limited number of distributors account for a large portion of our business, the loss of any significant distributor would adversely affect our revenues.

Our programming networks depend upon agreements with a limited number of cable television system operators and other multichannel video programming distributors. In 2011, Comcast and DirecTV each accounted for at least 10% of our consolidated revenues, net. The loss of any significant distributor could have a material adverse effect on our revenues.

In addition, we have in some instances made upfront payments to distributors in exchange for additional subscribers or have agreed to waive or accept lower affiliation fees if certain numbers of additional subscribers are provided. We also may help fund our distributors efforts to market our programming networks or we may permit distributors to offer promotional periods without payment of subscriber fees. As we continue our efforts to add viewing subscribers, our net revenues may be negatively affected by these deferred carriage fee arrangements, discounted subscriber fees or other payments.

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If we are unable to renew our programming networks affiliation agreements, which expire at various dates through 2018, our revenues will be negatively affected.

Our programming networks have affiliation agreements that will expire at various dates through 2018. As of December 31, 2011, approximately 41% of our subscribers are under affiliation agreements that expire prior to December 31, 2013. Failure to renew these affiliation agreements, or renewal on less favorable terms, or the termination of those agreements could have a material adverse effect on our business. A reduced distribution of our programming networks would adversely affect our affiliation fee revenue, and impact our ability to sell advertising or the rates we charge for such advertising. Even if affiliation agreements are renewed, we cannot assure you that the renewal rates will equal or exceed the rates that we currently charge these distributors.

Furthermore, the largest multichannel video programming distributors have significant leverage in their relationship with programming networks. The two largest cable distributors provide service to approximately 35 percent of U.S. households receiving multichannel video programming distribution service, while the two largest DBS distributors provide service to an additional 33 percent of such households. Further consolidation among multichannel video distributors could increase this leverage.

In some cases, if a distributor is acquired, the affiliation agreement of the acquiring distributor will govern following the acquisition. In those circumstances, the acquisition of a distributor that is party to one or more affiliation agreements with our programming networks on terms that are more favorable to us could adversely impact our financial condition and results of operations.

We are subject to intense competition, which may have a negative effect on our profitability or on our ability to expand our business.

The cable programming industry is highly competitive. Our programming networks compete with other programming networks and other types of video programming services for marketing and distribution by cable and other multichannel video programming distribution systems. In distributing a programming network, we face competition with other providers of programming networks for the right to be carried by a particular cable or other multichannel video programming distribution system and for the right to be carried by such system on a particular tier of service.

Certain programming networks affiliated with broadcast networks like NBC, ABC, CBS or Fox may have a competitive advantage over our programming networks in obtaining distribution through the bundling of carriage agreements for such programming networks with a distributor s right to carry the affiliated broadcasting network. In addition, our ability to compete with certain programming networks for distribution may be hampered because the cable television or other multichannel video programming distributors through which we seek distribution may be affiliated with these programming networks. Because such distributors may have a substantial number of subscribers, the ability of such programming networks to obtain distribution on the systems of affiliated distributors may lead to increased affiliation and advertising revenue for such programming networks because of their increased penetration compared to our programming networks. Even if the affiliated distributors carry our programming networks, they may place their affiliated programming network on a more desirable tier, thereby giving their affiliated programming network a competitive advantage over our own. As a result of the Distribution, the Company is no longer owned by Cablevision, which may impact the competitive landscape in which we operate because some of our distributors have other commercial relationships with Cablevision. Because of these other relationships, the Company has from time to time in the past achieved greater distribution or more favorable terms than it might have achieved as a stand-alone company. As a result, the Company s ability to pursue cross-company initiatives that might provide such benefits are limited, since as separate public companies, we and Cablevision are required to assess any such initiatives from our own business perspectives.

In addition to competition for distribution, we also face intense competition for viewing audiences with other cable and broadcast programming networks, home video products and Internet-based video content providers, some of which are part of large diversified entertainment or media companies that have substantially greater resources than us. To the extent that our viewing audiences are eroded by competition with these other sources of programming content, our ratings would decline, negatively affecting advertising revenues, and we may face difficulty renewing affiliation agreements with distributors on acceptable terms, which could cause affiliation fee revenues to decline. In addition, competition for advertisers with these content providers, as well as with other forms of media (including print media, Internet websites and radio), could affect the amount we are able to charge for advertising time on our programming networks, and therefore our advertising revenues.

An important part of our strategy involves exploiting identified markets of the cable television viewing audience that are generally well defined and limited in size. Our programming networks have faced and will continue to face increasing competition obtaining distribution and attracting advertisers as other programming networks seek to serve the same or similar markets.

Our programming networks success depends upon the availability of programming that is adequate in quantity and quality, and we may be unable to secure or maintain such programming.

Our programming networks success depends upon the availability of quality programming, particularly original programming and films, that is suitable for our target markets. While we produce some of our original programming, we obtain most of the programming on our networks (including original programming, films and other acquired programming) through agreements with third parties that have produced or control the rights to such programming. These agreements expire at varying times and may be terminated by the other parties if we are not in compliance with their terms.

We compete with other programming networks to secure desired programming. Competition for programming has increased as the number of programming networks has increased. Other programming networks that are affiliated with programming sources such as movie or television studios or film libraries may have a competitive advantage over us in this area. In addition to other cable programming networks, we also compete for programming with national broadcast television networks, local broadcast television stations, video-on-demand services and Internet-based content delivery services, such as Netflix, iTunes and Hulu. Some of these competitors have exclusive contracts with motion picture studios or independent motion picture distributors or own film libraries.

We cannot assure you that we will ultimately be successful in negotiating renewals of our programming rights agreements or in negotiating adequate substitute agreements in the event that these agreements expire or are terminated.

Our programming networks have entered into long-term programming acquisition contracts that require substantial payments over long periods of time, even if we do not use such programming to generate revenues.

Our programming networks have entered into numerous contracts relating to the acquisition of programming, including rights agreements with film companies. These contracts typically require substantial payments over extended periods of time. We must make the required payments under these contracts even if we do not use the programming.

Increased programming costs may adversely affect our profits.

We incur costs for the creative talent, including actors, writers and producers, who create our original programming. Some of our original programming has achieved significant popularity and critical acclaim, which has increased and could continue to increase the costs of such programming in the future. An increase in the costs of programming may lead to decreased profitability or otherwise adversely affect our business.

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A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may further increase our future borrowing costs and reduce our access to capital.

The debt ratings for our notes are below the investment grade category, which results in higher borrowing costs as well as a reduced pool of potential purchasers of our debt as some investors will not purchase debt securities that are not rated in an investment grade rating category. In addition, there can be no assurance that any rating assigned will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency, if in that rating agency s judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. A lowering or withdrawal of a rating may further increase our future borrowing costs and reduce our access to capital.

We may not be able to adapt to new content distribution platforms and to changes in consumer behavior resulting from these new technologies, which may adversely affect our business.

We must successfully adapt to technological advances in our industry, including the emergence of alternative distribution platforms. Our ability to exploit new distribution platforms and viewing technologies will affect our ability to maintain or grow our business. Additionally, we must adapt to changing consumer behavior driven by advances such as digital video recorders, video-on-demand, Internet-based content delivery and mobile devices. Such changes may impact the revenues we are able to generate from our traditional distribution methods, either by decreasing the viewership of our programming networks on cable and other multichannel video programming distribution systems or by making advertising on our programming networks less valuable to advertisers. If we fail to adapt our distribution methods and content to emerging technologies, our appeal to our targeted audiences might decline and there could be a negative effect on our business.

We face risks from doing business internationally.

We distribute our programming outside the U.S. As a result, our business is subject to certain risks inherent in international business, many of which are beyond our control. These risks include:

- laws and policies affecting trade and taxes, including laws and policies relating to the repatriation of funds and withholding taxes, and changes in these laws;
- changes in local regulatory requirements, including restrictions on content;
- differing degrees of protection for intellectual property;
- the instability of foreign economies and governments;
- fluctuating foreign exchange rates;
- war and acts of terrorism;
- anti-corruption laws and regulations such as the Foreign Corrupt Practices Act and the U.K. Bribery Act that impose stringent requirements on how we conduct our foreign operations and changes in these laws and regulations;
- foreign privacy and data protection laws and regulation and changes in these laws;

- varying attitudes towards the piracy of intellectual property; and

- shifting consumer preferences regarding the viewing of video programming.

Events or developments related to these and other risks associated with international trade could adversely affect our revenues from non-U.S. sources, which could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

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Our business is limited by regulatory constraints, both domestic and foreign, which may adversely impact our operations.

Although most aspects of our business generally are not directly regulated by the FCC, under the Communications Act of 1934, there are certain FCC regulations that govern our business either directly or indirectly. See Business Regulation. Furthermore, to the extent that regulations and laws, either presently in force or proposed, hinder or stimulate the growth of the cable television and satellite industries, our business will be affected.

The U.S. Congress and the FCC currently have under consideration, and may in the future adopt, new laws, regulations and policies regarding a wide variety of matters that could, directly or indirectly, affect our operations.

The regulation of cable television services, satellite carriers, and other multichannel video programming distributors is subject to the political process and has been in constant flux over the past two decades. Further material changes in the law and regulatory requirements must be anticipated. We cannot assure you that our business will not be adversely affected by future legislation, new regulation or deregulation.

An important aspect of our growth strategy involves the expansion of our programming networks and brands into markets outside the U.S. The distribution of our programming networks in foreign markets is subject to laws and regulations specific to those countries. Changes in laws and regulations of foreign jurisdictions could adversely affect our business and ability to access new foreign markets.

Theft of our content, including digital copyright theft and other unauthorized exhibitions of our content, may decrease revenue received from our programming and adversely affect our businesses and profitability.

The success of our businesses depends in part on our ability to maintain and monetize our intellectual property rights to our entertainment content. We are fundamentally a content company and theft of our brands, television programming, digital content and other intellectual property has the potential to significantly affect us and the value of our content. Copyright theft is particularly prevalent in many parts of the world that lack effective copyright and technical protective measures similar to those existing in the U.S. or that lack effective enforcement of such measures. The interpretation of copyright, privacy and other laws as applied to our content, and piracy detection and enforcement efforts, remain in flux. The failure to strengthen, or the weakening of existing, intellectual property laws could make it more difficult for us to adequately protect our intellectual property and negatively affect its value.

Content theft has been made easier by the wide availability of higher bandwidth and reduced storage costs, as well as tools that undermine security features such as encryption and the ability of pirates to cloak their identities online. In addition, we and our numerous production and distribution partners operate various technology systems in connection with the production and distribution of our programming, and intentional or unintentional acts could result in unauthorized access to our content, a disruption of our services, or improper disclosure of confidential information. The increasing use of digital formats and technologies heightens this risk. Unauthorized access to our content could result in the premature release of television shows, which is likely to have a significant adverse effect on the value of the affected programming.

Copyright theft has an adverse effect on our business because it reduces the revenue that we are able to receive from the legitimate sale and distribution of our content, undermines lawful distribution channels and inhibits our ability to recoup or profit from the costs incurred to create such works. Efforts to prevent the unauthorized distribution, performance and copying of our content may affect our profitability and may not be successful in preventing harm to our business.

Protection of electronically stored data is costly and if our data is compromised in spite of this protection, we may incur additional costs, lost opportunities and damage to our reputation.

We maintain information in digital form as necessary to conduct our business, including confidential and proprietary information regarding our distributors, advertisers, viewers and employees as well as personal information. Data maintained in digital form is subject to the risk of intrusion, tampering and theft. We develop and maintain systems to prevent this from occurring, but the development and maintenance of these systems is costly and requires ongoing monitoring and updating as technologies change and efforts to overcome security measures become more sophisticated. Moreover, despite our efforts, the possibility of intrusion, tampering and theft cannot be eliminated entirely, and risks associated with each of these remain. In addition, we provide confidential, proprietary and personal information to third parties when it is necessary to pursue business objectives. While we obtain assurances that these third parties will protect this information and, where appropriate, monitor the protections employed by these third parties, there is a risk the confidentiality of data held by third parties may be compromised. If our data systems are compromised, our ability to conduct our business may be impaired, we may lose profitable opportunities or the value of those opportunities may be diminished and, as described above, we may lose revenue as a result of unlicensed use of our intellectual property. Further, a penetration of our network security or other misappropriation or misuse of personal consumer or employee information could subject us to business, litigation and reputation risk, which could have a negative effect on our business, financial condition and results of operations.

If our technology facility fails or its operations are disrupted, our performance could be hindered.

Our programming is transmitted by our subsidiary, AMC Networks Broadcasting & Technology. AMC Networks Broadcasting & Technology uses its technology facility for a variety of purposes, including signal processing, program editing, promotions, creation of programming segments to fill short gaps between featured programs, quality control, and live and recorded playback. Like other facilities, this facility is subject to interruption from fire, lightning, adverse weather conditions and other natural causes. Equipment failure, employee misconduct or outside interference could also disrupt the facility s services. Although we have an arrangement with a third party to re-broadcast the previous 48 hours of our networks programming in the event of a disruption, we currently do not have a backup operations facility for our programming.

In addition, we rely on third-party satellites in order to transmit our programming signals to our distributors. As with all satellites, there is a risk that the satellites we use will be damaged as a result of natural or man-made causes, or will otherwise fail to operate properly. Although we maintain in-orbit protection providing us with back-up satellite transmission facilities should our primary satellites fail, there can be no assurance that such back-up transmission facilities will be effective or will not themselves fail.

Any significant interruption at AMC Networks Broadcasting & Technology s facility affecting the distribution of our programming, or any failure in satellite transmission of our programming signals, could have an adverse effect on our operating results and financial condition.

A significant amount of our book value consists of intangible assets that may not generate cash in the event of a voluntary or involuntary sale.

At March 31, 2012, our consolidated financial statements included approximately $2.1 billion of consolidated total assets, of which approximately $369 million were classified as intangible assets. Intangible assets primarily include affiliation agreements and affiliate relationships, advertiser relationships, indefinite-lived intangible assets and goodwill. While we believe that the carrying values of our intangible assets are recoverable, you should not assume that we would receive any cash from the voluntary or involuntary sale of these intangible assets, particularly if we were not continuing as an operating business.

The loss of any of our key personnel and artistic talent could adversely affect our business.

We believe that our future success will depend to a significant extent upon the performance of our senior executives. We generally do not maintain key man insurance. In addition, we depend on the availability of a

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number of writers, directors, producers, artistic talent and others, who are employees of third-party production companies that create our original programming. The loss of any significant personnel or artistic talent, or our artistic talent losing their current audience base, could have an adverse effect on our business.

Risks Related to the Distribution

We may have a significant indemnity obligation to Cablevision if the Distribution is treated as a taxable transaction.

Prior to the Distribution, Cablevision received a private letter ruling from the Internal Revenue Service (IRS) to the effect that, among other things, the Distribution and certain related transactions would qualify for tax-free treatment under the Internal Revenue Code (the Code) to Cablevision, the Company, and holders of Cablevision common stock. Although a private letter ruling from the IRS generally is binding on the IRS, if the factual representations or assumptions made in the letter ruling request were untrue or incomplete in any material respect, Cablevision would not be able to rely on the ruling. Furthermore, the IRS will not rule on whether a distribution satisfies certain requirements necessary to obtain tax-free treatment under the Code. Rather, the ruling was based upon representations by Cablevision that these conditions were satisfied, and any inaccuracy in such representations could invalidate the ruling.

If the Distribution does not qualify for tax-free treatment for U.S. federal income tax purposes, then, in general, Cablevision would be subject to tax as if it had sold the common stock of our Company in a taxable sale for its fair market value. Cablevision s stockholders would be subject to tax as if they had received a distribution equal to the fair market value of our common stock that was distributed to them, which generally would be treated first as a taxable dividend to the extent of Cablevision s earnings and profits, then as a non-taxable return of capital to the extent of each stockholder s tax basis in his or her Cablevision stock, and thereafter as capital gain with respect to the remaining value. It is expected that the amount of any such taxes to Cablevision s stockholders and Cablevision would be substantial.

As part of the Distribution, we entered into a Tax Disaffiliation Agreement with Cablevision, which sets out each party s rights and obligations with respect to deficiencies and refunds, if any, of federal, state, local or foreign taxes for periods before and after the Distribution and related matters such as the filing of tax returns and the conduct of IRS and other audits. Pursuant to the Tax Disaffiliation Agreement, we are required to indemnify Cablevision for losses and taxes of Cablevision resulting from the breach of certain covenants and for certain taxable gain recognized by Cablevision, including as a result of certain acquisitions of our stock or assets. If we are required to indemnify Cablevision under the circumstances set forth in the Tax Disaffiliation Agreement, we may be subject to substantial liabilities, which could have a material negative effect on our business, results of operations, financial position and cash flows.

The tax rules applicable to the Distribution may restrict us from engaging in certain corporate transactions or from raising equity capital beyond certain thresholds for a period of time after the Distribution.

To preserve the tax-free treatment of the Distribution to Cablevision and its stockholders, under the Tax Disaffiliation Agreement with Cablevision, for the two-year period following the Distribution, we are subject to restrictions with respect to:

- entering into any transaction pursuant to which 50% or more of our equity securities or assets would be acquired, whether by merger or otherwise, unless certain tests are met;
- issuing equity securities, if any such issuances would, in the aggregate, constitute 50% or more of the voting power or value of our capital stock;
- certain repurchases of our common shares;
- ceasing to actively conduct our business;

amendments to our organizational documents (i) affecting the relative voting rights of our stock or (ii) converting one class of our stock to another;

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liquidating or partially liquidating; and

taking any other action that prevents the Distribution and related transactions from being tax-free.

Furthermore, the Tax Disaffiliation Agreement limits our ability to pre-pay, pay down, redeem, retire or otherwise acquire the notes or the Term B Facility (as defined below) debt. These restrictions may for a time limit our ability to pursue strategic transactions of a certain magnitude that involve the issuance or acquisition of our stock or engage in new businesses or other transactions that could increase the value of our business. These restrictions may also limit our ability to raise significant amounts of cash through the issuance of stock, especially if our stock price were to suffer substantial declines, or through the sale of certain of our assets.

Our historical financial results as a business segment of Cablevision and our unaudited pro forma condensed consolidated financial statements may not be representative of our results as a separate, stand-alone company.

The historical financial information through December 31, 2011 included in this prospectus has been derived from the consolidated financial statements and accounting records of Cablevision and does not necessarily reflect what our financial position, results of operations or cash flows would have been had we operated as a separate, stand-alone company prior to July 1, 2011. Although Cablevision accounted for our Company as a business segment, we were not operated as a separate, stand-alone company for the historical periods through June 30, 2011. The historical costs and expenses through June 30, 2011 reflected in our consolidated financial statements include an allocation for certain corporate functions historically provided by Cablevision, including general corporate expenses and employee benefits and incentives. These allocations were based on what we and Cablevision considered to be reasonable reflections of the historical utilization levels of these services required in support of our business. Prior to its termination on June 30, 2011, our historical costs have also included a management fee paid to Cablevision calculated based on certain of our subsidiaries gross revenues (as defined under the terms of the consulting agreement) on a monthly basis. The historical information does not necessarily indicate what our results of operations, financial position, cash flows or costs and expenses will be in the future. Our pro forma financial information set forth under Unaudited Pro Forma Condensed Consolidated Financial Information reflects changes that have occurred in our debt service costs as a result of the Transactions. However, there can be no assurances that this unaudited pro forma condensed consolidated financial information is reflective of our future costs as a separate, stand-alone company.

Our ability to operate our business effectively may suffer if we do not effectively establish our own financial, administrative and other support functions in order to operate as a separate, stand-alone company, and we cannot assure you that the transition services Cablevision has agreed to provide us will be sufficient for our needs.

Historically, we have relied on financial, administrative and other resources of Cablevision to support the operation of our business. As a result of our separation from Cablevision, we have expanded our financial, administrative and other support systems and contracted with third parties to replace certain of Cablevision s systems. We also have established our own credit and banking relationships and are performing our own financial and operational functions. Any failure or significant downtime in our own financial or administrative systems or in Cablevision s financial or administrative systems during the transition period could impact our results or prevent us from performing other administrative services and financial reporting on a timely basis and could materially harm our business, financial condition and results of operations.

In connection with the Distribution, we rely on Cablevision s performance under various agreements.

In connection with the Distribution, we entered into various agreements with Cablevision, including a Distribution Agreement, a Tax Disaffiliation Agreement, a Transition Services Agreement, an Employee Matters Agreement and certain other related party agreements and arrangements. These agreements govern our relationship with Cablevision subsequent to the Distribution and provide for the allocation of employee benefits, taxes and certain other liabilities and obligations attributable to periods prior to the Distribution. These

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agreements also include arrangements with respect to transition services and a number of on-going commercial relationships. The Distribution Agreement includes an agreement that we and Cablevision agree to provide each other with indemnities with respect to liabilities arising out of the businesses that were transferred to us by Cablevision. We are also party to other arrangements with Cablevision. We and Cablevision rely on each other to perform each entity s obligations under these agreements. If Cablevision were to breach or to be unable to satisfy its material obligations under these agreements, including a failure to satisfy its indemnification obligations, we could suffer operational difficulties or significant losses.

If we are unable to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, or our internal control over financial reporting is not effective, the reliability of our financial statements may be questioned and the market value of the notes and our stock price may suffer.

Section 404 of the Sarbanes-Oxley Act of 2002 requires any company subject to the reporting requirements of the U.S. securities laws to do a comprehensive evaluation of its and its consolidated subsidiaries internal control over financial reporting. To comply with this statute, we will be required in 2012 to document and test our internal control procedures, and our management will be required to assess and issue a report concerning our internal control over financial reporting. In addition, our independent auditors will be required to issue an opinion on the effective operation of the Company s internal control over financial reporting as of December 31, 2012. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation to meet the detailed standards under the rules. During the course of its testing, our management may identify material weaknesses or deficiencies which may not be remedied in time to meet the deadline imposed by the Sarbanes-Oxley Act of 2002. If our management cannot favorably assess the effectiveness of our internal control over financial reporting or we or our auditors identify material weaknesses in our internal controls, investor confidence in our financial results may weaken, and the market value of our notes and our stock price may suffer.

We are controlled by the Dolan family, which may create certain conflicts of interest and which means certain stockholder decisions can be taken without the consent of the majority of the holders of our Class A Common Stock.

We have two classes of common stock:

- Class B Common Stock, which is generally entitled to ten votes per share and is entitled collectively to elect 75% of our Board of Directors, and

- Class A Common Stock, which is entitled to one vote per share and is entitled collectively to elect the remaining 25% of our Board of Directors.

As of December 31, 2011, the Dolan family, including trusts for the benefit of members of the Dolan family, collectively beneficially own all of our Class B Common Stock, less than 2% of our outstanding Class A Common Stock and approximately 70% of the total voting power of all our outstanding common stock. Of this amount, Cablevision s Chairman, Charles F. Dolan, our Executive Chairman, and his spouse beneficially owned approximately 57.7% of our outstanding Class B Common Stock, less than 1% of our outstanding Class A Common Stock and approximately 41% of the total voting power of all our outstanding common stock. The members of the Dolan family holding Class B Common Stock have executed a stockholders agreement pursuant to which, among other things, the voting power of the holders of our Class B Common Stock will be cast as a block with respect to all matters to be voted on by holders of Class B Common Stock. The Dolan family is able to prevent a change in control of our Company and no person interested in acquiring us will be able to do so without obtaining the consent of the Dolan family.

Charles F. Dolan, members of his family and certain related family entities, by virtue of their stock ownership, have the power to elect all of our directors subject to election by holders of Class B Common Stock and are able collectively to control stockholder decisions on matters on which holders of all classes of our common stock vote together as a single class. These matters could include the amendment of some provisions of our certificate of incorporation and the approval of fundamental corporate transactions.

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In addition, the affirmative vote or consent of the holders of at least 66 $^{2}/3$% of the outstanding shares of the Class B Common Stock, voting separately as a class, is required to approve:

- the authorization or issuance of any additional shares of Class B Common Stock, and

- any amendment, alteration or repeal of any of the provisions of our certificate of incorporation that adversely affects the powers, preferences or rights of the Class B Common Stock.

As a result, Charles F. Dolan, members of his family and certain related family entities also collectively have the power to prevent such issuance or amendment.

We have adopted a written policy whereby an independent committee of our Board of Directors will review and approve or take such other action as it may deem appropriate with respect to certain transactions involving the Company and its subsidiaries, on the one hand, and certain related parties, including Charles F. Dolan and certain of his family members and related entities on the other hand. See Certain Relationships and Related Transactions Related Party Transaction Approval Policy. This policy does not address all possible conflicts which may arise, and there can be no assurance that this policy will be effective in dealing with conflict scenarios.

The members of the Dolan family group have entered into an agreement with the Company in which they agreed that during the 12-month period beginning on the Distribution Date, the Dolan family group must obtain the prior approval of a majority of the Company s independent directors prior to acquiring common stock of the Company through a tender offer that results in members of the Dolan family group owning more than 50% of the total number of outstanding shares of common stock of the Company. For purposes of this agreement, the term independent directors means the directors of the Company who have been determined by our Board of Directors to be independent directors for purposes of NASDAQ corporate governance standards.

We are a controlled company for NASDAQ purposes, which allows us not to comply with certain of the corporate governance rules of NASDAQ.

Charles F. Dolan, members of his family and certain related family entities have entered into a stockholders agreement relating, among other things, to the voting of their shares of our Class B Common Stock. As a result, we are a controlled company under the corporate governance rules of NASDAQ. As a controlled company, we have the right to elect not to comply with the corporate governance rules of NASDAQ requiring: (i) a majority of independent directors on our Board of Directors, (ii) an independent compensation committee and (iii) an independent corporate governance and nominating committee. Our Board of Directors has elected for the Company to be treated as a controlled company under NASDAQ corporate governance rules and not to comply with the NASDAQ requirement for a majority independent board of directors and an independent corporate governance and nominating committee because of our status as a controlled company.

We share a senior executive and certain directors with Cablevision and The Madison Square Garden Company, which may give rise to conflicts.

Our Executive Chairman, Charles F. Dolan, also serves as the Chairman of Cablevision. As a result, a senior executive officer of the Company will not be devoting his full time and attention to the Company s affairs. In addition, eight members of our Board of Directors are also directors of Cablevision and seven members of our Board are also directors of The Madison Square Garden Company (MSG), an affiliate of Cablevision and the Company. These directors may have actual or apparent conflicts of interest with respect to matters involving or affecting each company. For example, the potential for a conflict of interest exists when we on one hand, and Cablevision or MSG on the other hand, consider acquisitions and other corporate opportunities that may be suitable for us and either or both of them. Also, conflicts may arise if there are issues or disputes under the commercial arrangements that exist between Cablevision or MSG and us. In addition, certain of our directors and officers, including Charles F. Dolan, own Cablevision or MSG stock, restricted stock units and options to purchase, and stock appreciation rights in respect of, Cablevision or MSG stock, as well as cash performance awards with any payout based on Cablevision s or MSG s performance. These ownership interests could create actual, apparent or potential conflicts of interest when these individuals are faced with decisions that could have different implications for our Company, Cablevision or MSG. See Certain Relationships and Related Transactions Certain Relationships and Potential Conflicts of Interest for a description of our related party transaction approval policy that we have adopted to help address such potential conflicts that may arise.

Our overlapping directors and executive officer with Cablevision and MSG may result in the diversion of corporate opportunities to and other conflicts with Cablevision or MSG and provisions in our amended and restated certificate of incorporation may provide us no remedy in that circumstance.

The Company s amended and restated certificate of incorporation acknowledges that directors and officers of the Company may also be serving as directors, officers, employees, consultants or agents of Cablevision and its subsidiaries or MSG and its subsidiaries and that the Company may engage in material business transactions with such entities. The Company has renounced its rights to certain business opportunities and the Company s amended and restated certificate of incorporation provides that no director or officer of the Company who is also serving as a director, officer, employee, consultant or agent of Cablevision and its subsidiaries or MSG and its subsidiaries will be liable to the Company or its stockholders for breach of any fiduciary duty that would otherwise exist by reason of the fact that any such individual directs a corporate opportunity (other than certain limited types of opportunities set forth in our certificate of incorporation) to Cablevision or any of its subsidiaries or MSG or any of its subsidiaries instead of the Company, or does not refer or communicate information regarding such corporate opportunities to the Company. These provisions in our amended and restated certificate of incorporation also expressly validate certain contracts, agreements, assignments and transactions (and amendments, modifications or terminations thereof) between the Company and Cablevision or any of its subsidiaries or MSG or any of its subsidiaries and, to the fullest extent permitted by law, provide that the actions of the overlapping directors or officers in connection therewith are not breaches of fiduciary duties owed to the Company, any of its subsidiaries or their respective stockholders.

Risks Relating to the Notes

The right to receive payment on the notes being offered hereby and the guarantees of the notes are unsecured and effectively junior to the claims of the lenders under our senior secured credit facility and to the liabilities of our non-guarantor subsidiaries.

Our obligations under the notes are unsecured, whereas our obligations under our senior secured credit facility are secured by all of our assets and all assets of our restricted subsidiaries, and by a pledge of the equity interests in our subsidiary guarantors. As a result of this structure, the notes and the guarantees are effectively subordinated to all of our and each guarantor s secured indebtedness, including indebtedness under our senior secured credit facility, to the extent of the value of the collateral.

In addition, although most of our existing subsidiaries are guarantors of the notes, some of our existing subsidiaries are not, and future subsidiaries of ours may not be, guarantors of the notes. The notes are structurally subordinated to all indebtedness and other obligations, including trade payables, of these non-guarantor subsidiaries.

If we or any of our restricted subsidiaries become bankrupt or insolvent, or if an event of default occurs under our senior secured credit facility, the lenders under our senior secured credit facility could declare all amounts owed thereunder immediately due and payable. If we were unable to repay that indebtedness, the lenders could foreclose on the pledged assets to the exclusion of you, as a holder of the notes, even if an event of default exists at such time under the indenture governing the notes. In any such event, because the notes are not secured by any of our assets or the assets of our restricted subsidiaries, there could be no assets remaining to satisfy the unsecured claims of noteholders, or if any assets remain, they may be insufficient to satisfy your claim.

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As of March 31, 2012, we had approximately $1,554 million in secured borrowings under our term loan facility and an additional $500 million available under our new revolving credit facility. The indenture governing the notes permits the incurrence of substantial additional indebtedness by us and our restricted subsidiaries in the future, including secured indebtedness, subject to certain restrictions.

The notes and the guarantees may not be enforceable because of fraudulent conveyance laws.

The issuer s issuance of the notes and the guarantors guarantees of the notes may be subject to review under federal bankruptcy law or relevant state fraudulent conveyance laws if a bankruptcy lawsuit is commenced by or on behalf of the issuer s or the guarantors unpaid creditors. Under these laws, if in such a lawsuit a court were to find that, at the time the issuer or a guarantor incurred debt (including debt represented by the notes or the guarantee of the notes), the issuer or such guarantor:

- incurred this debt with the intent of hindering, delaying or defrauding current or future creditors; or

- received less than reasonably equivalent value or fair consideration for incurring this debt and the issuer or the guarantor, as applicable:

  - was insolvent or was rendered insolvent by reason of the related financing transactions;

  - was engaged, or about to engage, in a business or transaction for which its remaining assets constituted unreasonably small capital to carry on its business; or

  - intended to incur, or believed that it would incur, debts beyond its ability to pay these debts as they mature, as all of the foregoing terms are defined in or interpreted under the relevant fraudulent transfer or conveyance statutes;

then the court could void the notes or the guarantee or subordinate the amounts owing under the notes or the guarantee to the issuer s or the guarantor s currently existing or future debt or take other actions detrimental to you.

Furthermore, in a 2009 case, *Official Committee of Unsecured Creditors of TOUSA, Inc.* v. *Citicorp North America, Inc.*, the U.S. Bankruptcy Court in the Southern District of Florida held that a savings clause similar to the savings clause used in the indenture was unenforceable. As a result, the subsidiary guarantees were found to be fraudulent conveyances. We do not know if that decision will be followed. However, if the *TOUSA* decision were to be followed or upheld, the risk that the guarantees would be deemed fraudulent conveyances would be significantly increased. If a court declares the notes or guarantees to be void, or if the notes or guarantees must be limited or voided in accordance with their terms, any claim a note holder may make against us for amounts payable on the notes could, with respect to amounts claimed against us or the guarantors, be subordinated to our indebtedness and the indebtedness of our guarantors, including trade payables.

The measure of insolvency for purposes of the foregoing considerations will vary depending upon the law of the jurisdiction that is being applied in any such proceeding. Generally, an entity would be considered insolvent if, at the time it incurred the debt or issued the guarantee:

- it could not pay its debts or contingent liabilities as they became due;

- the sum of its debts, including contingent liabilities, was greater than its assets, at fair valuation; or

- the current fair saleable value of its assets was less than the amount required to pay the probable liability on its total existing debts and liabilities, including contingent liabilities, as they became absolute and mature.

If the notes or a guarantee is voided as a fraudulent conveyance or found to be unenforceable for any other reason, you will not have a claim against that obligor and will only be a creditor of the issuer or any guarantor whose obligation was not set aside or found to be unenforceable. In addition, the loss of a guarantee constitutes a default under the indenture, which default would cause all outstanding notes, as well as borrowings under our senior secured credit facility, to become immediately due and payable.

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We believe that, at the time the issuer and the guarantors initially incurred the debt represented by the notes and the guarantees, the issuer and the guarantors:

- were not insolvent or rendered insolvent by the incurrence;
- had sufficient capital to run our or their businesses effectively; and
- were able to pay obligations on the notes and the guarantees as they mature or became due.

In reaching the foregoing conclusions, we have relied upon our analyses of internal cash flow projections and estimated values of the assets and liabilities of the issuer and the guarantors. In addition, we have relied on a limitation contained in the guarantors guarantees that limits each guarantee as necessary to prevent it from constituting a fraudulent conveyance under applicable law. However, a court passing on these questions might not reach the same conclusions.

Our credit ratings may not reflect all the risks of any investment in the notes.

Our credit ratings are an independent assessment of our ability to pay debt obligations as they become due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the notes. Our credit ratings, however, may not reflect the potential impact that risks related to structural, market or other factors discussed in this prospectus may have on the value of your notes.

An active public market may not exist for the notes, which may hinder your ability to liquidate your investment.

The notes are not listed on any securities exchange. The liquidity of the trading market in the notes, and the market price quoted for the notes, may be adversely affected by changes in the overall market for fixed income securities and by changes in our financial performance or prospects or in the prospects for companies in our industry in general. As a result, we cannot assure you that an active trading market will exist for the notes. If no active trading market exists, you may not be able to resell your notes at their fair market value or at all.

We may be unable to repurchase notes in the event of a change of control.

Upon the occurrence of certain kinds of change of control events, you will have the right as a holder of the notes, to require us to repurchase all outstanding notes at 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase. Any holders of debt securities that we may issue in the future that rank equally in right of payment with the notes may also have this right. We may not be able to pay you the required price for your notes at that time because we may not have available funds to pay the repurchase price. In addition, the terms of other existing or future debt may prevent us from paying you. Our failure to repurchase tendered notes or to make payments upon the exercise of the holders option to require repurchase of the notes in the event of certain change of control events would constitute an event of default under the indenture governing the notes, which in turn would constitute a default under our Credit Facility. In addition, the occurrence of a change of control would also constitute an event of default under our Credit Facility. Furthermore, any future indebtedness we may incur may restrict our ability to repurchase the notes, including following a change of control event. Any default under our Credit Facility would result in a default under the indenture governing the notes if the lenders accelerate the debt under our Credit Facility.

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USE OF PROCEEDS

Neither AMC nor the Guarantors will receive any proceeds from the issuance of the new notes in the exchange offer. In consideration for issuing the new notes as contemplated in this prospectus, we will receive in exchange a like principal amount of old notes, the terms of which are identical in all material respects to the new notes. The old notes surrendered in exchange for the new notes will be cancelled.

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CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and capitalization as of March 31, 2012. You should read the following information together with the sections entitled Management s Discussion and Analysis of Financial Condition and Results of Operations and our annual and interim consolidated financial statements and the accompanying notes included elsewhere in this prospectus.

	March 31, 2012 (in thousands) (unaudited)
Cash and cash equivalents	$ 224,182
Borrowings under Credit Facility(1)	$ 1,554,097
Capital lease obligations	16,860
Senior notes(2)	686,671
Total Debt	2,257,628
Total shareholder s deficiency	(1,004,857)
Total Capitalization	$ 1,252,771

(1) Our Credit Facility, which includes $1,554 million outstanding under the term loan facility and an undrawn upon $500 million revolving credit facility, is described in more detail below under Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Debt Financing Agreements Senior Secured Credit Facility and Description of New Senior Secured Credit Facility.

(2) The new notes issued in connection with the exchange offer will be for an equivalent amount of outstanding old notes and the new notes will be identical in all material respects to the old notes outstanding at March 31, 2012, except that the new notes will be registered under the Securities Act. Accordingly, upon consummation of the exchange offer, our capitalization will be unchanged from that reflected in the table above.

RATIO OF EARNINGS TO FIXED CHARGES

	For the Three Months Ended March 31,		For the Years Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
Ratio of earnings to fixed charges	3.2	3.7	3.1	3.6	2.9	0.8(a)	1.2

(a) For the year ended December 31, 2008, earnings were insufficient to cover fixed charges by $17.8 million.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The operating and balance sheet data included in the following selected financial data as of December 31, 2011 and 2010 and for each year in the three-year period ended December 31, 2011 have been derived from the audited annual consolidated financial statements of AMC Networks Inc. and its subsidiaries included elsewhere in this prospectus. The operating and balance sheet data included in the following selected financial data as of December 31, 2009 and 2008 and for the year ended December 31, 2008 have been derived from the audited annual consolidated financial statements of AMC Networks Inc. and its subsidiaries for such year, which are not included in this prospectus. The operating and balance sheet data included in the following selected financial data as of and for the year ended December 31, 2007 have been derived from the unaudited annual consolidated financial statements of AMC Networks Inc. and its subsidiaries, which are not included in this prospectus. The operating and balance sheet data included in the following selected financial data for the three months ended March 31, 2012 and 2011 and as of March 31, 2012 have been derived from the unaudited interim consolidated financial statements of AMC Networks Inc. and its subsidiaries included elsewhere in this prospectus and as of March 31, 2011 have been derived from the unaudited interim consolidated financial statements of AMC Networks Inc. and its subsidiaries which are not included in this prospectus, and, in the opinion of management reflect all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of such data for the respective interim periods. The financial information presented below does not necessarily reflect what our results of operations and financial position would have been through 2011 if we had operated as a separate publicly-traded entity prior to July 1, 2011. The results of operations for the three month period ended March 31, 2012 are not necessarily indicative of the results that might be expected for future interim periods or for the full year ending December 31, 2012. The selected financial data presented below should be read in conjunction with the annual and interim consolidated financial statements included elsewhere in this prospectus and with Management s Discussion and Analysis of Financial Condition and Results of Operations and Unaudited Pro Forma Condensed Consolidated Financial Information.

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	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011	Years Ended December 31, 2011	2010	2009	2008	2007
	(Dollars in thousands, except per share amounts)						
Operating Data(a):							
Revenues, net	$ 326,239	$ 272,903	$ 1,187,741	$ 1,078,300	$ 973,644	$ 893,557	$ 754,447
Operating expenses:							
Technical and operating (excluding depreciation and amortization shown below)	104,930	90,411	425,961	366,093	310,365	314,960	276,144
Selling, general and administrative	99,222	86,921	335,656	328,134	313,904	302,474	256,995
Restructuring (credit) expense(b)	(3)	(34)	(240)	(2,218)	5,162	46,877	2,245
Depreciation and amortization	25,051	24,926	99,848	106,455	106,504	108,349	81,101
	229,200	202,224	861,225	798,464	735,935	772,660	616,485
Operating income	97,039	70,679	326,516	279,836	237,709	120,897	137,962
Other income (expense):							
Interest expense, net	(29,692)	(17,893)	(94,796)	(73,412)	(78,942)	(99,905)	(113,841)
Loss on investments, net						(103,238)	(1,812)
Gain on equity derivative contracts						66,447	24,183
Loss on extinguishment of debt and write-off of deferred financing costs	(312)		(20,973)			(2,424)	(22,032)
Miscellaneous, net	12	72	(137)	(162)	187	379	3,140
	$ (29,992)	$ (17,821)	$ (115,906)	$ (73,574)	$ (78,755)	$ (138,741)	$ (110,362)
Income (loss) from continuing operations before income taxes	67,047	52,858	210,610	206,262	158,954	(17,844)	27,600
Income tax expense	(23,970)	(23,136)	(84,248)	(88,073)	(70,407)	(2,732)	(12,227)
Income (loss) from continuing operations	43,077	29,722	126,362	118,189	88,547	(20,576)	15,373
Income (loss) from discontinued operations, net of income taxes	104	96	92	(38,090)	(34,791)	(26,866)	(25,867)
Net income (loss)	$ 43,181	$ 29,818	$ 126,454	$ 80,099	$ 53,756	$ (47,442)	$ (10,494)
Income (loss) from continuing operations per share:							
Basic(c)	$ 0.62	$ 0.43	$ 1.82	$ 1.71	$ 1.28	$ (0.30)	$ 0.22
Diluted(c)	$ 0.60	$ 0.43	$ 1.79	$ 1.71	$ 1.28	$ (0.30)	$ 0.22
Balance Sheet Data(a):							
Program rights, net	$ 1,009,365	$ 895,690	$ 1,000,780	$ 783,830	$ 683,306	$ 649,020	$ 553,555
Investment securities pledged as collateral							472,347
Total assets	2,125,809	1,924,312	2,183,934	1,853,896	1,934,362	1,987,917	2,423,442
Program rights obligations	614,028	557,511	619,029	454,825	435,638	465,588	416,960
Note payable/advances to related parties					190,000	190,000	130,000
Credit facility debt(d)	1,554,097	412,500	1,604,846	475,000	580,000	700,000	500,000
Collateralized indebtedness							402,965
Senior notes(d)	686,671	299,619	686,434	299,552	299,283	299,014	298,745
Senior subordinated notes(d)		324,134		324,071	323,817	323,564	323,311
Capital lease obligations	16,860	19,198	15,677	20,252	24,611	21,106	24,432
Total debt	2,257,628	1,055,451	2,306,957	1,118,875	1,227,711	1,343,684	1,549,453
Stockholders (deficiency) equity	(1,004,857)	81,374	(1,036,995)	24,831	(236,992)	(278,502)	(570,665)

(a) We acquired Sundance Channel in June 2008. The results of Sundance Channel s operations have been included in the consolidated financial statements from the date of acquisition.

(b) In December 2008, we decided to discontinue funding the domestic programming business of VOOM HD. In connection with this decision we recorded restructuring expense (credit) in each of the years from 2008 to 2011 and for the three months ended March 31, 2012 and 2011.

(c)

Common shares assumed to be outstanding during the years ended December 31, 2010, 2009, 2008 and 2007 totaled 69,161,000, representing the number of shares of AMC Networks common stock issued to Cablevision shareholders on the Distribution Date, and excludes unvested outstanding restricted shares, based on a distribution ratio of one share of AMC Networks common stock for every four shares of Cablevision common stock outstanding.

(d) As part of the Distribution, we incurred $2,425,000 of the New AMC Networks Debt, consisting of $1,725,000 aggregate principal amount of senior secured term loans and $700,000 aggregate principal amount of senior unsecured notes. Approximately $1,063,000 of the proceeds of the New AMC Networks Debt was used to repay all pre-Distribution outstanding Company debt (excluding capital leases), including principal and accrued and unpaid interest to the date of repayment, and, as partial consideration for Cablevision s contribution of the membership interests in RMH to the Company, $1,250,000, net of discount, of New AMC Networks Debt was issued to CSC Holdings, a wholly-owned subsidiary of Cablevision, which is reflected as a deemed capital distribution in the consolidated statement of stockholders (deficiency) equity for the year ended December 31, 2011. See Note 1 to the annual consolidated financial statements included elsewhere herein.

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UNAUDITED PRO FORMA

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following unaudited pro forma condensed consolidated statement of income for the year ended December 31, 2011 is based on the historical consolidated financial statements of the Company. The unaudited pro forma condensed consolidated financial information presented below should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated annual financial statements and corresponding notes thereto included elsewhere in this prospectus. The unaudited pro forma condensed consolidated financial statements reflect certain known impacts as a result of the Distribution, the separation of the Company from Cablevision and the Financing Transactions (collectively, the Transactions). The unaudited pro forma condensed consolidated financial statements have been prepared giving effect to the Transactions as if they had occurred as of January 1, 2011.

The unaudited pro forma condensed consolidated financial information set forth below has been derived from the consolidated annual financial statements of the Company for the year ended December 31, 2011 included elsewhere within this prospectus, and reflect certain assumptions that we believe are reasonable.

Although we have not reflected any expected cost savings as a pro forma adjustment, following the Distribution, we now incur corporate costs to operate our business as a separate, stand-alone public entity, which have been lower than our historical expenses prior to the Distribution, including corporate allocations from and management fees paid to Cablevision, which are no longer charged to us subsequent to the Distribution. For the period between January 1, 2011 and the Distribution Date of June 30, 2011, our results of operations included corporate and administrative charges from Cablevision of $17 million, and management fees charged by Cablevision to certain subsidiaries of the Company of $14 million. Corporate costs to operate our business as a separate, stand-alone public entity principally relate to areas that include, but are not limited to:

- additional personnel including human resources, finance, accounting, compliance, tax, treasury, internal audit and legal;
- additional professional fees associated with audits, tax, legal and other services;
- insurance premiums;
- board of directors fees;
- stock market listing fees, investor relations costs and fees for preparing and distributing periodic filings with the Securities and Exchange Commission; and
- other administrative costs and fees, including anticipated incremental executive compensation costs related to existing and new executive management.

These unaudited pro forma condensed consolidated financial statements reflect all other adjustments that, in the opinion of management, are necessary to present fairly the pro forma condensed consolidated results of operations of the Company for the period indicated. The unaudited pro forma condensed consolidated financial information is for illustrative and informational purposes only and is not intended to represent or be indicative of what our financial condition or results of operations would have been had the Company operated historically as a company independent of Cablevision or if the Transactions had occurred on the date indicated. The unaudited pro forma condensed consolidated financial information also should not be considered representative of our future consolidated results of operations.

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AMC NETWORKS INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2011

(DOLLARS IN THOUSANDS)

	Historical	Pro Forma Adjustments	Pro Forma
Revenues, net	$ 1,187,741	$	$ 1,187,741
Operating expenses:			
Technical and operating (excluding depreciation and amortization shown below)	425,961		425,961
Selling, general and administrative	335,656		335,656
Restructuring credits	(240)		(240)
Depreciation and amortization	99,848		99,848
	861,225		861,225
Operating income	326,516		326,516
Other income (expense):			
Interest expense	(95,870)	(22,857)(1)(3)	(118,727)
Interest income	1,074		1,074
Write-off of deferred financing costs	(6,247)	5,703(1)	(544)
Loss on extinguishment of debt	(14,726)	14,535(1)	(191)
Miscellaneous, net	(137)		(137)
	(115,906)	(2,619)	(118,525)
Income from continuing operations before income taxes	210,610	(2,619)	207,991
Income tax expense	(84,248)	4,250(2)	(79,998)
Income from continuing operations	$ 126,362	$ 1,631	$ 127,993
Pro forma basic net income from continuing operations per share			$ 1.85
Pro forma diluted net income from continuing operations per share			$ 1.81
Pro forma basic weighted average common shares (in thousands)			69,283
Pro forma diluted weighted average common shares (in thousands)			70,731

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The unaudited pro forma adjustments to the accompanying historical financial information for the year ended December 31, 2011 are described below (dollars in thousands):

Statement of Income

(1) Resulting from the issuance of the old notes and the incurrence of indebtedness under our senior secured credit facility on June 30, 2011, and repayment of all pre-Distribution outstanding debt (excluding capital leases) on June 30, 2011, the adjustment represents the net impact of (i) elimination of historical interest expense related to pre-Distribution debt and the associated amortization of deferred financing costs and accretion of the discounts, offset by (ii) an increase in interest expense for the notes and $1,725,000 aggregate principal amount of senior secured term loans, the related amortization of deferred financing costs, the accretion of the discount on the notes and the senior secured credit facility and the commitment fee on the undrawn revolving line of credit (for the period January 1, 2011 to June 30, 2011). The deferred financing costs are being amortized over the applicable life of the senior secured term loans and the notes. The interest rate on the $1,725,000 aggregate principal amount of senior secured term loans is a variable rate based on LIBOR, the Federal Funds rate or the U.S. prime rate and the interest rate on the $700,000 aggregate principal amount of notes is 7.75%. For purposes of the pro forma statement of income, interest expense on the term loans for the period of January 1, 2011 to June 30, 2011 was estimated using the applicable rate at December 31, 2011 of 2.03% for the Term A Facility (as defined below) and 4.00% for the Term B Facility (as defined below). If the indexed rate on the senior secured term loans increased or decreased by 1%, pro forma interest expense for the year ended December 31, 2011 would increase or decrease by approximately $17,000. For further information regarding our financing arrangements, see Management s Discussion and Analysis of Financial Condition and Results of Operations Debt Financing Agreements below.

(2) Includes the pro forma adjustments to reduce income tax expense by $3,281 for the period between January 1, 2011 and the Distribution Date of June 30, 2011, to reflect the reduction in the applicable corporate income tax rates effective July 1, 2011 that have been lower for the Company on a stand-alone basis as compared with the applicable Cablevision corporate tax rates used by the Company for that period in its historical financial statements, as well as the income tax impact related to the pro forma adjustments discussed above.

(3) The new notes issued in connection with the exchange offer will be for an equivalent amount of outstanding old notes and the new notes will be identical in all material respects to the old notes outstanding at December 31, 2011, except that the new notes will be registered under the Securities Act. Accordingly, consummation of the exchange offer has no impact on interest expense reflected for the old notes in the pro forma statement of income.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You are encouraged to read the following discussion and analysis of our financial condition and results of operations together with our annual and interim consolidated financial statements and related notes appearing at the end of this prospectus. All dollar amounts in this section, unless otherwise indicated, are presented in thousands.

This Management s Discussion and Analysis of Financial Condition and Results of Operations contains statements that constitute forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995. In this Management s Discussion and Analysis of Financial Condition and Results of Operations, there are statements concerning our future operating results and future financial performance. Words such as expects, anticipates, believes, estimates, may, will, should, could, potential, continue, intends, words and terms used in the discussion of future operating results and future financial performance identify forward-looking statements. You 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 the forward-looking statements as a result of various factors. Factors that may cause such differences to occur include, but are not limited to:

- the level of our revenues;
- market demand for new programming services;
- demand for advertising inventory;
- the demand for our programming among cable and other multichannel distribution platforms, including DBS and platforms operated by telecommunications providers (we refer collectively to these cable and other multichannel distributors as multichannel video distributors or distributors) and our ability to maintain and renew affiliation agreements with multichannel video distributors;
- the cost of, and our ability to obtain or produce, desirable programming content for our networks and film distribution businesses;
- market demand for our services internationally and for our film distribution business, and our ability to profitably provide those services;
- the security of our program rights and other electronic data;
- the loss of any of our key personnel and artistic talent;
- the highly competitive nature of the cable programming industry;
- changes in both domestic and foreign laws or regulations under which we operate;

the outcome of litigation and other proceedings, including the matters described in the notes to our consolidated financial statements;

general economic conditions in the areas in which we operate;

our substantial debt and high leverage;

reduced access to capital markets or significant increases in costs to borrow;

the level of our expenses;

the level of our capital expenditures;

future acquisitions and dispositions of assets;

whether pending uncompleted transactions, if any, are completed on the terms and at the times set forth (if at all);

other risks and uncertainties inherent in our programming businesses;

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financial community and rating agency perceptions of our business, operations, financial condition and the industry in which we operate, and the additional factors described herein; and

the factors described under Risk Factors.

We disclaim any obligation to update or revise the forward-looking statements contained herein, except as otherwise required by applicable federal securities laws.

All dollar amounts and subscriber data included in the following Management s Discussion and Analysis of Financial Condition and Results of Operations are presented in thousands.

Introduction

Management s discussion and analysis (MD&A) of our results of operations and financial condition is provided as a supplement to, and should be read in conjunction with, the audited annual consolidated financial statements and unaudited interim consolidated financial statements and notes thereto included elsewhere herein to enhance the understanding of our financial condition, changes in financial condition and results of our operations. Our MD&A is organized as follows:

Business Overview. This section provides a general description of our business and our reportable segments, as well as other matters that we believe are important in understanding our results of operations and financial condition and in anticipating future trends.

Consolidated Results of Operations. This section provides an analysis of our results of operations for the three months ended March 31, 2012 and 2011, and for the years ended December 31, 2011, 2010 and 2009. Our discussion is presented on both a consolidated and segment basis. Our two segments are: (i) National Networks and (ii) International and Other.

Liquidity and Capital Resources. This section provides a discussion of our financial condition as of March 31, 2012 as well as an analysis of our cash flows for the three months ended March 31, 2012 and 2011, and for the years ended December 31, 2011, 2010 and 2009. The discussion of our financial condition and liquidity includes summaries of (i) our primary sources of liquidity and (ii) our contractual obligations and off-balance sheet arrangements that existed at December 31, 2011, along with any significant changes at March 31, 2012.

Critical Accounting Policies and Estimates. This section provides a discussion of our accounting policies considered to be important to an understanding of our financial condition and results of operations, and which require significant judgment and estimates on the part of management in their application.

Business Overview

We manage our business through the following two reportable segments:

National Networks: Includes four nationally distributed programming networks: AMC, WE tv, IFC and Sundance Channel. These programming networks are distributed throughout the U.S. (U.S.) via cable and other multichannel distribution platforms, including DBS and platforms operated by multichannel video distributors; and

International and Other: Principally includes AMC/Sundance Channel Global, our international programming business; IFC Films, our independent film distribution business; and AMC Networks Broadcasting & Technology, our network technical services business, which supplies services primarily to our national programming networks. AMC and Sundance Channel are distributed in Canada and Sundance Channel and WE tv are distributed in other countries throughout Europe and Asia. The International and Other reportable segment also includes VOOM HD, which we are in the process of winding down, and which continues to sell certain limited amounts of programming internationally through program license agreements.

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The tables presented below set forth our consolidated revenues, net, operating income (loss) and adjusted operating cash flow (AOCF), defined below, for the periods indicated.

	Three Months Ended March 31, 2012	2011	For the years ended December 31, 2011	2010	2009
Revenues, net					
National Networks	$ 304,223	$ 251,845	$ 1,082,358	$ 994,573	$ 896,493
International and Other	26,346	25,381	125,573	104,499	95,921
Inter-segment eliminations	(4,330)	(4,323)	(20,190)	(20,772)	(18,770)
Consolidated revenues, net	$ 326,239	$ 272,903	$ 1,187,741	$ 1,078,300	$ 973,644
Operating income (loss)					
National Networks	$ 109,218	$ 81,895	$ 349,272	$ 312,525	$ 278,816
International and Other	(12,684)	(11,512)	(21,890)	(29,603)	(37,934)
Inter-segment eliminations	505	296	(866)	(3,086)	(3,173)
Consolidated operating income	$ 97,039	$ 70,679	$ 326,516	$ 279,836	$ 237,709
AOCF					
National Networks	$ 133,372	$ 106,356	$ 447,555	$ 419,051	$ 380,824
International and Other	(8,207)	(7,104)	(4,976)	(14,686)	(13,553)
Inter-segment eliminations	505	296	(866)	(3,086)	(3,173)
Consolidated AOCF	$ 125,670	$ 99,548	$ 441,713	$ 401,279	$ 364,098

We evaluate segment performance based on several factors, of which the primary financial measure is business segment AOCF. We define AOCF, which is a non-GAAP financial measure, as operating income (loss) before depreciation and amortization, share-based compensation expense or benefit and restructuring expense or credit.

We believe that AOCF is an appropriate measure for evaluating the operating performance on both a business segment and consolidated basis. AOCF and similar measures with similar titles are common performance measures used by investors, analysts and peers to compare performance in the industry.

Internally, we use revenues, net and AOCF measures as the most important indicators of our business performance, and evaluate management s effectiveness with specific reference to these indicators. AOCF should be viewed as a supplement to, and not a substitute for, operating income (loss), net income (loss), cash flows from operating activities and other measures of performance and/or liquidity presented in accordance with GAAP. Since AOCF is not a measure of performance calculated in accordance with GAAP, this measure may not be comparable to similar measures with similar titles used by other companies.

The following is a reconciliation of consolidated AOCF to operating income for the periods indicated:

	Three Months Ended March 31, 2012	2011	For the years ended December 31, 2011	2010	2009
Operating income	$ 97,039	$ 70,679	$ 326,516	$ 279,836	$ 237,709
Share-based compensation expense	3,583	3,977	15,589	17,206	14,723
Restructuring (credit) expense	(3)	(34)	(240)	(2,218)	5,162
Depreciation and amortization	25,051	24,926	99,848	106,455	106,504

AOCF	$ 125,670	$ 99,548	$ 441,713	$ 401,279	$ 364,098

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National Networks

In our National Networks segment, which accounted for 91% of our consolidated revenues for the year ended December 31, 2011, we earn revenues in two principal ways. First, we receive affiliation fees from distributors. These revenues are generally based on a per subscriber fee under multi-year contracts, commonly referred to as affiliation agreements, which generally provide for annual affiliation rate increases. The specific affiliation fee revenues we earn vary from period to period, distributor to distributor and also vary among our networks, but are generally based upon the number of each distributor s subscribers who receive our programming, referred to as viewing subscribers. The terms of certain other affiliation agreements provide that the affiliation fee revenues we earn are a fixed contractual monthly fee. Other sources of distribution revenue include the licensing of original programming for foreign and digital distribution to distributors, which is recognized upon availability for distribution by the licensee. Revenue from pay-per-view arrangements is recognized as programming is exhibited based on end-customer purchases as reported by the distributor.

The second principal source of revenues is from advertising. Under our affiliation agreements with our distributors, we have the right to sell a specified amount of national advertising time on certain of our programming networks. Our advertising revenues are more variable than affiliation fee revenues because virtually all of our advertising is sold on a short-term basis, not under long-term contracts. Our advertising arrangements with advertisers provide for a set number of advertising units to air over a specific period of time at a negotiated price per unit. In certain advertising sales arrangements, our programming networks guarantee specified viewer ratings for their programming. If these guaranteed viewer ratings are not met, we are generally required to provide additional advertising units to the advertiser at no charge. For these types of arrangements, a portion of the related revenue is deferred if the guaranteed viewer ratings are not met and is subsequently recognized either when we provide the required additional advertising time, the guarantee obligation contractually expires or performance requirements become remote. Most of our advertising revenues vary based upon the popularity of our programming as measured by Nielsen. In 2011, our national programming networks had approximately 1,000 advertisers representing companies in a broad range of sectors, including the health, insurance, food, automotive and retail industries. Our AMC, WE tv and IFC programming networks use a traditional advertising sales model, while Sundance Channel principally sells sponsorships. Prior to December 2010, IFC principally sold sponsorships.

Changes in revenue are primarily derived from changes in contractual affiliation rates charged for our services, changes in the number of subscribers and changes in the prices and level of advertising on our networks. We seek to grow our revenues by increasing the number of viewing subscribers of the distributors that carry our services. We refer to this as our penetration. AMC, which is widely distributed, has a more limited ability to increase its penetration than do WE tv, IFC and Sundance Channel. WE tv, IFC and Sundance Channel, although carried by all of the larger distributors, have higher growth opportunities due to their current penetration levels with those distributors. IFC and Sundance Channel are currently carried primarily on digital tiers, while WE tv is carried on either analog expanded basic or digital tiers. Therefore, WE tv, IFC and Sundance Channel penetration rates may increase if distributors are successful in converting their analog subscribers to digital tiers of service that include those networks. Our revenues may also increase over time through contractual rate increases stipulated in most of our affiliation agreements. In negotiating for increased or extended carriage, we have, in some instances, made upfront payments in exchange for additional subscribers or extended carriage, which we record as deferred carriage fees and which are amortized as a reduction to revenue over the period of the related affiliation agreements, or agreed to waive for a specified period or accept lower per-subscriber fees if certain additional subscribers are provided. We also may help fund the distributors efforts to market our channels. We believe that these transactions generate a positive return on investment over the contract period. We seek to increase our advertising revenues by increasing the number of minutes of national advertising sold and by increasing the rates we charge for such advertising, but, ultimately, the level of our advertising revenues, in most cases, is directly related to the overall distribution of our programming, penetration of our services and the popularity (including within desirable demographic groups) of our services as measured by Nielsen.

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Our principal goal is to increase our revenues by increasing distribution and penetration of our services, and increasing our ratings. To do this, we must continue to contract for and produce high-quality, attractive programming. There is a concentration of subscribers in the hands of a few distributors, which could create disparate bargaining power between the largest distributors and us by giving those distributors greater leverage in negotiating the price and other terms of affiliation agreements.

To an increasing extent, the success of our business depends on original programming, both scripted and unscripted, across all of our networks. In recent years, we have introduced a number of scripted original series, primarily on AMC, that have been critically acclaimed, award winning and commercially successful. These successful series have resulted in higher audience ratings for our networks. Historically, in periods when we air original programming, our ratings have increased. In 2012, AMC expects to air five scripted original series. This may result in higher audience ratings for AMC. Among other things, higher audience ratings drive increased revenues particularly through higher advertising revenues. The timing of exhibition and distribution of original programming varies from period to period, which results in greater variability in our revenues, earnings and cash flows from operating activities.

Scripted original series require us to make up-front investments, which are often significant amounts. Not all of our programming efforts are commercially successful, which could result in a write-off of program rights. If it is determined that film or other program rights have no future programming usefulness based on actual demand or market conditions, a write-off of the unamortized cost is recorded in technical and operating expense. For example, in 2011, we recorded program write-offs of $18.3 million, of which approximately $17.6 million related to one scripted original series.

See Critical Accounting Policies and Estimates for a discussion of the amortization and write-off of program rights.

International and Other

Our International and Other segment includes the operations of AMC/Sundance Channel Global, IFC Films, AMC Networks Broadcasting & Technology and VOOM HD.

VOOM HD historically offered a suite of channels, produced exclusively in HD and marketed for distribution to DBS and multichannel video distributors. VOOM was available in the U.S. only on Cablevision s cable television systems and on DISH Network. On December 18, 2008, we decided to discontinue funding the domestic offerings of VOOM. Subsequently, VOOM HD terminated the domestic offerings of VOOM. VOOM HD discontinued the VOOM international channel as of December 31, 2009; however, it continued distributing the Rush HD channel in Europe through April 2011. VOOM HD, which we are in the process of winding down, continues to sell certain limited amounts of programming internationally through program license agreements. See also Business Legal Proceedings DISH Network Contract Dispute.

Although we view our international expansion as an important long-term strategy, international expansion is currently expected to represent only a small amount of our projected overall financial results over the next five years. However, international expansion could provide a benefit to our financial results if we were able to grow this portion of our business faster than expected. Similar to our domestic businesses, the most significant business challenges we expect to encounter in our international business include programming competition (from both foreign and domestic programmers), limited channel capacity on distributors platforms, the growth of subscribers on those platforms and economic pressures on affiliation fees. Other significant business challenges unique to international expansion include increased programming costs for international rights and translation (*i.e.*, dubbing and subtitling), a lack of availability of international rights for a portion of our domestic programming content, increased distribution costs for cable, satellite or fiber feeds and a limited physical presence in each territory.

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Spin-off from Cablevision

On June 30, 2011, Cablevision spun-off the Company and we became an independent public company. In connection with the Distribution, Cablevision contributed all of the membership interests of RMH to us. RMH owned, directly or indirectly, the businesses included in Cablevision s Rainbow Media segment. On June 30, 2011, Cablevision effected the Distribution of all of AMC Networks outstanding common stock. In the Distribution, each holder of Cablevision NY Group (CNYG) Class A Common Stock of record on June 16, 2011 received one share of AMC Networks Class A Common Stock for every four shares of CNYG Class A Common Stock held on the record date, which resulted in the issuance of approximately 57,813,000 shares of Class A Common Stock. Each record holder of CNYG Class B Common Stock received one share of AMC Networks Class B Common Stock for every four shares of CNYG Class B Common Stock held on the record date, which resulted in the issuance of approximately 13,534,000 shares of Class B Common Stock. Immediately prior to the Distribution, we were an indirect wholly-owned subsidiary of Cablevision. Both Cablevision and AMC Networks continue to be controlled by the Dolan Family.

As part of the Distribution, the Company incurred New AMC Networks Debt of $2,425,000, consisting of $1,725,000 aggregate principal amount of senior secured term loans and $700,000 aggregate principal amount of senior unsecured notes (see Note 8 in the accompanying annual consolidated financial statements). Approximately $1,063,000 of the proceeds of the New AMC Networks Debt was used to repay all pre-Distribution outstanding debt (excluding capital leases), including principal and accrued and unpaid interest to the date of repayment, and, as partial consideration for Cablevision s contribution of the membership interests in RMH to us, $1,250,000, net of discount, of New AMC Networks Debt was issued to CSC Holdings, a wholly-owned subsidiary of Cablevision, which is reflected as a deemed capital distribution in the consolidated statement of stockholders (deficiency) equity for the year ended December 31, 2011. CSC Holdings used such New AMC Networks Debt to satisfy and discharge outstanding CSC Holdings debt, which ultimately resulted in such New AMC Networks Debt being held by third-party investors.

2010 Transactions

On December 31, 2010, RMH transferred its membership interests in News 12 (regional news programming services), Rainbow Advertising Sales Corporation (RASCO) (a cable television advertising company), and certain other businesses to wholly-owned subsidiaries of Cablevision in contemplation of the Distribution. The operating results of these transferred entities through the date of transfer have been presented in discontinued operations for the years ended December 31, 2010 and 2009 in the accompanying annual consolidated financial statements.

Corporate Expenses

Our historical results of operations reflected in our consolidated financial statements, for periods prior to the Distribution, include management fee charges and the allocation of expenses related to certain corporate functions historically provided by Cablevision. Our results of operations after the Distribution reflect certain revenues and expenses related to transactions with or charges from related parties as described in Note 19 in the accompanying annual consolidated financial statements. As a separate, stand-alone public company, we have expanded and are continuing to expand our financial, administrative and other staff to support these new requirements. In addition, we are adding staff and systems to replace many of the functions previously provided by Cablevision. However, our corporate operating costs as a separate company subsequent to the Distribution, including those associated with being a publicly-traded company, through March 31, 2012 have been, and are expected to continue to be, lower than the historical allocation of expenses related to certain corporate functions (including management fee charges). Pursuant to a consulting agreement with Cablevision, until the Distribution Date the Company paid a management fee calculated based on certain of our subsidiaries gross revenues (as defined under the terms of the consulting agreement) on a monthly basis. We terminated the consulting agreement on the Distribution Date and did not replace it.

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We allocate certain amounts of our corporate overhead to each segment based upon their proportionate estimated usage of services. The segment financial information set forth below, including the discussion related to individual line items, does not reflect inter-segment eliminations unless specifically indicated.

Cautionary Note Concerning Historical Financial Statements

As noted above, our consolidated financial statements for periods prior to the Distribution have been derived from the consolidated financial statements and accounting records of Cablevision and reflect certain assumptions and allocations. Our financial position, results of operations and cash flows could differ from those that might have resulted had we operated autonomously or as an entity independent of Cablevision.

Our capital structure after the Distribution is different from the capital structure presented in the historical consolidated financial statements for periods prior to the Distribution and, accordingly, our interest expense in periods after June 30, 2011 as a separate independent entity is, and we expect will continue to be, materially higher than the interest expense reflected in our historical consolidated financial statements in periods prior to June 30, 2011.

Impact of Economic Conditions

Our future performance is dependent, to a large extent, on general economic conditions including the impact of direct competition, our ability to manage our businesses effectively, and our relative strength and leverage in the marketplace, both with suppliers and customers.

Additional capital and credit market disruptions could cause economic downturns, which may lead to lower demand for our products, such as lower demand for television advertising and a decrease in the number of subscribers receiving our programming networks from our distributors. We have experienced some of the effects of the recent economic downturn. Continuation of events such as these may adversely impact our results of operations, cash flows and financial position.

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Consolidated Results of Operations

Three Months Ended March 31, 2012 Compared to Three Months Ended March 31, 2011

The following table sets forth our consolidated results of operations for the periods indicated.

	Three Months Ended March 31, 2012		2011			
	Amount	% of Revenues, net	Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 326,239	100%	$ 272,903	100%	$ 53,336	20%
Operating expenses:						
Technical and operating (excluding depreciation and amortization shown below)	104,930	32	90,411	33	14,519	16
Selling, general and administrative	99,222	30	86,921	32	12,301	14
Restructuring credit	(3)		(34)		31	(91)
Depreciation and amortization	25,051	8	24,926	9	125	1
Total operating expenses	229,200	70	202,224	74	26,976	13
Operating income	97,039	30	70,679	26	26,360	37
Other income (expense):						
Interest expense, net	(29,692)	(9)	(17,893)	(7)	(11,799)	66
Write-off of deferred financing costs	(312)				(312)	
Miscellaneous, net	12		72		(60)	(83)
Total other income (expense)	(29,992)	(9)	(17,821)	(7)	(12,171)	68
Income from continuing operations before income taxes	67,047	21	52,858	19	14,189	27
Income tax expense	(23,970)	(7)	(23,136)	(8)	(834)	4
Income from continuing operations	43,077	13	29,722	11	13,355	45
Income from discontinued operations, net of income taxes	104		96		8	8
Net Income	$ 43,181	13%	$ 29,818	11%	$ 13,363	45%

The following is a reconciliation of our consolidated operating income to AOCF:

	Three Months Ended March 31, 2012	2011	$ change	% change
Operating income	$ 97,039	$ 70,679	$ 26,360	37%
Share-based compensation expense	3,583	3,977	(394)	(10)
Restructuring credit	(3)	(34)	31	(91)
Depreciation and amortization	25,051	24,926	125	1
Consolidated AOCF	$ 125,670	$ 99,548	$ 26,122	26%

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National Networks Segment Results

The following table sets forth our National Networks segment results for the periods indicated.

	Three Months Ended March 31, 2012		2011			
	Amount	% of Revenues, net	Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 304,223	100%	$ 251,845	100%	$ 52,378	21%
Technical and operating (excluding depreciation and amortization)	90,084	30	75,894	30	14,190	19
Selling, general and administrative	83,616	27	72,745	29	10,871	15
Depreciation and amortization	21,305	7	21,311	8	(6)	
Operating income	$ 109,218	36%	$ 81,895	33%	$ 27,323	33%

The following is a reconciliation of our National Networks segment operating income to AOCF:

	Three Months Ended March 31, 2012	2011	$ change	% change
Operating income	$ 109,218	$ 81,895	$ 27,323	33%
Share-based compensation expense	2,849	3,150	(301)	(10)
Depreciation and amortization	21,305	21,311	(6)	
AOCF	$ 133,372	$ 106,356	$ 27,016	25%

International and Other Segment Results

The following table sets forth our International and Other segment results for the periods indicated.

	Three Months Ended March 31, 2012		2011			
	Amount	% of Revenues, net	Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 26,346	100%	$ 25,381	100%	$ 965	4%
Technical and operating (excluding depreciation and amortization)	19,595	74	18,965	75	630	3
Selling, general and administrative	15,692	60	14,347	57	1,345	9
Restructuring credit	(3)		(34)		31	(91)
Depreciation and amortization	3,746	14	3,615	14	131	4
Operating loss	$ (12,684)	(48)%	$ (11,512)	(45)%	$ (1,172)	10%

The following is a reconciliation of our International and Other segment operating loss to AOCF deficit:

	Three Months Ended March 31,			
	2012	2011	$ change	% change
Operating loss	$ (12,684)	$ (11,512)	$ (1,172)	10%
Share-based compensation expense	734	827	(93)	(11)
Restructuring credit	(3)	(34)	31	(91)
Depreciation and amortization	3,746	3,615	131	4
AOCF deficit	$ (8,207)	$ (7,104)	$ (1,103)	16%

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Revenues, net

Revenues, net increased $53,336 to $326,239 for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. The net increase by segment was as follows:

	Three Months Ended March 31,					
	2012	% of total	2011	% of total	$ change	% change
National Networks	$ 304,223	93%	$ 251,845	92%	$ 52,378	21%
International and other	26,346	8	25,381	9	965	4
Inter-segment eliminations	(4,330)	(1)	(4,323)	(2)	(7)	
Consolidated revenues, net	$ 326,239	100%	$ 272,903	100%	$ 53,336	20%

National Networks

The increase in National Networks revenues, net is attributable to the following:

Advertising revenues increased $29,614 primarily at AMC resulting from higher ratings, higher pricing per unit sold due to an increased demand for our programming by advertisers and an increased number of original programming series, led by *The Walking Dead*, as compared to no original programming series on AMC during the three months ended March 31, 2011; and

Affiliation fee and other revenues increased $22,764 due to an increase in affiliation fee revenues of $11,366, primarily attributable to an increase in rates, including the impact of lower amortization of deferred carriage fees and an increase in other revenues of $11,398 due primarily to increased international, digital distribution and home video revenues derived from licensing our National Networks programming.

Our advertising revenues are more variable than affiliation fee revenues because virtually all of our advertising is sold on a short-term basis. Our arrangements with advertisers provide for a set number of advertising units to air over a specific period of time at a negotiated price per unit and in certain advertising arrangements, we guarantee specified viewer ratings. If these guaranteed viewer ratings are not met, we are generally required to provide additional advertising units to the advertiser, resulting in revenue being deferred until such time as the guarantee has been met. Most of our advertising revenues vary based on the timing of our original programming series premieres and the popularity of our programming as measured by Nielsen. Due to this variability, the increase in advertising revenues at AMC for the three months ended March 31, 2012 as compared to the same period in 2011 is not necessarily indicative of what we expect for the remainder of 2012.

Affiliation fee revenues are generally based on a per subscriber fee under multi-year affiliation agreements, which generally provide for annual affiliation rate increases. The specific affiliation fee revenues we earn vary from period to period, distributor to distributor and also vary among our networks, but are generally based upon the number of each distributor s subscribers who receive our programming. The terms of certain other affiliation agreements provide that the affiliation fee revenues we earn are a fixed contractual monthly fee. Changes in our licensing and digital distribution revenues are dependent upon the amount of programming content made available for distribution by the licensee and fluctuate quarterly depending on the dates such programming is made available for distribution to the licensee.

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The following table presents certain subscriber information at March 31, 2012, December 31, 2011 and March 31, 2011:

	Estimated Domestic Subscribers (in thousands)		
	March 31, 2012	December 31, 2011	March 31, 2011
National Programming Networks:			
AMC(1)	96,400	96,300	96,800
WE tv(1)	76,500	76,100	77,000
IFC(1)	66,100	65,300	62,200
Sundance Channel(2)	42,400	42,100	40,100

(1) Estimated U.S. subscribers as measured by Nielsen.
(2) Subscriber counts are based on internal management reports and represent viewing subscribers.

The Company believes the WE tv, IFC and Sundance Channel programming services would benefit from increased distribution, especially on the digital tiers of cable television distributors as digital penetration increases, and increased advertising/sponsorship revenues as cable networks, including advertiser-supported niche programming networks (such as WE tv and IFC), attract a greater advertising market share. These increases could potentially be offset by lower net effective rates per viewing subscriber for our programming services due to the consolidation of distributors. Opportunities are more limited for increases in distribution in the U.S. for our substantially fully penetrated AMC programming service. Changes in the viewership ratings of our AMC, WE tv and IFC programming services may also significantly affect future advertising revenues. Since AMC and WE tv did not have any significant negative tiering changes or lose any significant affiliate relationships during the relevant periods, we believe that the decline in AMC and WE tv subscribers shown as of March 31, 2012 as compared to March 31, 2011 may reflect the impact of changes in the Nielsen sample and the decline in the Nielsen total universe estimate.

In April 2012, DISH Network, LLC (DISH Network) notified us of its intention to terminate carriage of Sundance Channel effective May 20, 2012 and, in May 2012, DISH Network further notified us of its intention to terminate carriage of our other national networks, AMC, WE tv and IFC, effective July 1, 2012. We believe that Dish Network s notification of termination of carriage of our national networks is directly related to the ongoing litigation between DISH Network and VOOM HD (see Note 7, Commitments and Contingencies in the unaudited consolidated financial statements as of March 31, 2012 included elsewhere herein). We expect that any resolution of DISH Networks carriage of any or all of our national networks will be significantly impacted by what occurs in connection with the litigation with DISH Network and therefore it is unclear whether or when we and DISH Network will reach an agreement on new affiliation agreements. The financial impact on us will depend on several factors, including the length of time our networks are not carried on DISH Network s platform, and may be material to our revenues, net, operating income and AOCF.

International and Other

The increase in International and Other revenues, net is attributable to the following:

- Increase of $1,702 primarily related to increased theatrical and home video distribution revenue at IFC Films and increased foreign affiliation fee revenues from our international distribution of Sundance and WE tv channels due to expanded distribution in Asia and Europe, partially offset by decreased transmission revenue at AMC Networks Broadcasting & Technology due to the expiration of certain agreements; and

- Decrease of $737 primarily related to lower foreign affiliation fee revenues at VOOM HD due to ceasing distribution of the Rush HD channel in Europe in April 2011.

Technical and operating expense (excluding depreciation and amortization)

The components of technical and operating expense primarily include the amortization of program rights, such as those for feature films and non-film programming, participation and residual costs, distribution and production related costs and program operating costs, such as origination, transmission, uplinking and encryption.

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Technical and operating expenses (excluding depreciation and amortization) increased $14,519 to $104,930 for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. The net increase by segment was as follows:

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011	$ change	% change
National Networks	$ 90,084	$ 75,894	$ 14,190	19%
International and Other	19,595	18,965	630	3
Inter-segment eliminations	(4,749)	(4,448)	(301)	7
Total	$ 104,930	$ 90,411	$ 14,519	16%
Percentage of revenues, net	32%	33%		

National Networks

The increase in the National Networks segment consists of $15,286 for the increased amortization of program rights primarily at AMC and WE tv, partially offset by a decrease of $1,096 for programming related costs. There may be significant changes in the level of our technical and operating expenses due to content acquisition and/or original programming costs and/or the impact of management s periodic assessment of programming usefulness. As additional competition for programming increases from programming services and alternate distribution technologies continue to develop in the industry, costs for content acquisition and original programming may increase. As we continue to increase our investment in original programming, we expect the amortization of programming rights to increase for the remainder of 2012.

International and Other

The increase in the International and Other segment (excluding VOOM HD) consists of $1,580 related to programming costs of AMC/Sundance Channel Global services. In addition, transmission and programming related expenses increased $1,068 primarily at AMC/Sundance Channel Global due to increased distribution in Asia and Europe, partially offset by a decrease in transmission expenses at AMC Networks Broadcasting & Technology due to a reduction in revenue. Programming costs at VOOM HD decreased $2,018 resulting primarily from ceasing distribution of the Rush HD channel in Europe in April 2011.

Selling, general and administrative expense

The components of selling, general and administrative expense primarily include sales, marketing and advertising expenses, administrative costs and costs of facilities.

Selling, general and administrative expenses increased $12,301 to $99,222 for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. The net increase by segment was as follows:

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011	$ change	% change
National Networks	$ 83,616	$ 72,745	$ 10,871	15%
International and Other	15,692	14,347	1,345	9
Inter-segment eliminations	(86)	(171)	85	(50)
Total	$ 99,222	$ 86,921	$ 12,301	14%
Percentage of revenues, net	30%	32%		

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National Networks

The increase in the National Networks segment consists of an increase of $16,678 for sales and marketing expenses principally due to a higher number of original programming series during the three months ended March 31, 2012 as well as a net increase in other general and administrative costs of $1,531 primarily due to higher employee related expenses and costs incurred in connection with becoming a stand-alone public company net of a reduction of corporate allocations from Cablevision following the Distribution. These increases were partially offset by a reduction of $6,740 in management fees as well as a decrease of $598 in share-based compensation expense and expenses relating to long-term incentive plans.

Prior to the Distribution, pursuant to a consulting agreement with Cablevision, we paid a management fee calculated based on certain subsidiaries gross revenues (as defined under the terms of the consulting agreement) on a monthly basis. We terminated the consulting agreement on the Distribution date and did not replace it.

There may be significant changes in the level of our selling, general and administrative expenses from quarter to quarter and year to year due to the timing of promotion and marketing of original programming.

International and Other

The increase in the International and Other segment consists of an increase of $2,791 for selling, marketing and advertising costs primarily at IFC Films due to increased spending on titles being distributed and a net increase of $646 for general and administrative costs incurred in connection with becoming a stand-alone public company, net of a reduction of corporate allocations from Cablevision following the Distribution. Such increases are partially offset by a decrease of $2,003 related to VOOM HD due primarily to lower legal fees and other related costs and expenses in connection with the DISH Network contract dispute and a decrease in share-based compensation expense and expenses relating to long-term incentive plans of $89.

Depreciation and amortization

Depreciation and amortization increased $125 to $25,051 for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. The change by segment was as follows:

	Three Months Ended March 31,			
	2012	**2011**	**$ change**	**% change**
National Networks	$ 21,305	$ 21,311	$ (6)	(0)%
International and Other	3,746	3,615	131	4
	$ 25,051	$ 24,926	$ 125	1%

AOCF

AOCF increased $26,122 for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. The net increase by segment was as follows:

	Three Months Ended March 31,			
	2012	**2011**	**$ change**	**% change**
National Networks	$ 133,372	$ 106,356	$ 27,016	25%
International and Other	(8,207)	(7,104)	(1,103)	16
Inter-segment eliminations	505	296	209	71

AOCF	$ 125,670	$ 99,548	$ 26,122	26%

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National Networks AOCF increased due to an increase in revenues, net of $52,378 and a decrease in management fees, partially offset by an increase in technical and operating expenses resulting primarily from an increase in amortization of program rights expense and marketing expense due to the increase in the number of original programming premieres.

International and Other AOCF deficit increased due primarily to an increase in programming and transmission related costs and selling costs at AMC/Sundance Channel Global, partially offset by a decrease in legal fees and other costs in connection with the DISH Network contract dispute and an increase in revenues, net.

Interest expense, net

The increase in interest expense, net for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011 is attributable to the following:

Indebtedness incurred in connection with the Distribution	$ 27,272
Repayment of the RNS senior notes in May 2011 and the RNS credit facility and the RNS senior subordinated notes in June 2011	(17,901)
Interest rate swap contracts	2,114
Decrease in interest income	352
Other	(38)
	$ 11,799

Write-off of deferred financing costs

In connection with the $50,000 voluntary prepayment of our Term A Facility (as defined below), deferred financing costs of $312 were written off in the three months ended March 31, 2012.

Income tax expense

For the three months ended March 31, 2012, income tax expense attributable to continuing operations was $23,970, representing an effective tax rate of 36%. The effective tax rate differs from the federal statutory rate of 35% due primarily to state income tax expense of $1,354, tax expense of $764 related to uncertain tax positions, including accrued interest, partially offset by a tax benefit of $2,015 resulting from a decrease in the valuation allowance with regard to certain local income tax credit carry forwards. We expect our effective tax rate to be approximately 39% in future quarters.

For the three months ended March 31, 2011, income tax expense attributable to continuing operations was $23,136, representing an effective tax rate of 44%. The effective tax rate differs from the federal statutory rate of 35% due primarily to state income tax expense of $2,803, tax expense of $1,523 related to uncertain tax positions, including accrued interest and tax expense of $385 resulting from an increase in the valuation allowance with regard to certain local income tax credit carry forwards.

Income from discontinued operations

Income from discontinued operations, net of income taxes, for the three months ended March 31, 2012 and 2011 consists of receipts related to the sale of the Lifeskool and Sportskool video-on-demand services in September and October 2008, respectively, which were recorded under the installment sales method.

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Year Ended December 31, 2011 Compared to Year Ended December 31, 2010

The following table sets forth our consolidated results of operations for the periods indicated.

	For the years ended December 31, 2011 Amount	% of Revenues, net	2010 Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 1,187,741	100%	$ 1,078,300	100%	$ 109,441	10%
Operating expenses:						
Technical and operating (excluding depreciation and amortization)	425,961	36	366,093	34	59,868	16
Selling, general and administrative	335,656	28	328,134	30	7,522	2
Restructuring credit	(240)		(2,218)		1,978	(89)
Depreciation and amortization	99,848	8	106,455	10	(6,607)	(6)
Total operating expenses	861,225	73	798,464	74	62,761	8
Operating income	326,516	27	279,836	26	46,680	17
Other income (expense):						
Interest expense, net	(94,796)	(8)	(73,412)	(7)	(21,384)	29
Write-off of deferred financing costs	(6,247)	(1)			(6,247)	
Loss on extinguishment of debt	(14,726)	(1)			(14,726)	
Miscellaneous, net	(137)		(162)		25	(15)
Total other income (expense)	(115,906)	(10)	(73,574)	(7)	(42,332)	58
Income from continuing operations before income taxes	210,610	18	206,262	19	4,348	2
Income tax expense	(84,248)	(7)	(88,073)	(8)	3,825	(4)
Income from continuing operations	126,362	11	118,189	11	8,173	7
Income (loss) from discontinued operations, net of income taxes	92		(38,090)	(4)	38,182	(100)
Net Income	$ 126,454	11%	$ 80,099	7%	$ 46,355	58%

The following is a reconciliation of our consolidated operating income to AOCF:

	For the years ended December 31, 2011	2010	$ change	% change
Operating income	$ 326,516	$ 279,836	$ 46,680	17%
Share-based compensation expense	15,589	17,206	(1,617)	(9)
Restructuring credit	(240)	(2,218)	1,978	(89)
Depreciation and amortization	99,848	106,455	(6,607)	(6)
AOCF	$ 441,713	$ 401,279	$ 40,434	10%

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National Networks Segment Results

The following table sets forth our National Network segment results for the periods indicated.

	For the years ended December 31, 2011		2010			
	Amount	% of Revenues, net	Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 1,082,358	100%	$ 994,573	100%	$ 87,785	9%
Technical and operating (excluding depreciation and amortization)	366,998	34	317,819	32	49,179	15
Selling, general and administrative	280,387	26	271,494	27	8,893	3
Depreciation and amortization	85,701	8	92,735	9	(7,034)	(8)
Operating income	$ 349,272	32%	$ 312,525	31%	$ 36,747	12%

The following is a reconciliation of our National Networks segment operating income to AOCF:

	For the years ended December 31, 2011	2010	$ change	% change
Operating income	$ 349,272	$ 312,525	$ 36,747	12%
Share-based compensation expense	12,582	13,791	(1,209)	(9)
Depreciation and amortization	85,701	92,735	(7,034)	(8)
AOCF	$ 447,555	$ 419,051	$ 28,504	7%

International and Other Segment Results

The following table sets forth our International and Other segment results for the periods indicated.

	For the years ended December 31, 2011		2010			
	Amount	% of Revenues, net	Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 125,573	100%	$ 104,499	100%	$ 21,074	20%
Technical and operating (excluding depreciation and amortization)	77,485	62	65,635	63	11,850	18
Selling, general and administrative	56,071	45	56,965	55	(894)	(2)
Restructuring credit	(240)		(2,218)	(2)	1,978	(89)
Depreciation and amortization	14,147	11	13,720	13	427	3
Operating loss	$ (21,890)	(17)%	$ (29,603)	(28)%	$ 7,713	(26)%

The following is a reconciliation of our International and Other segment operating loss to AOCF deficit:

	For the years ended December 31, 2011	2010	$ change	% change
Operating loss	$ (21,890)	$ (29,603)	$ 7,713	(26)%
Share-based compensation expense	3,007	3,415	(408)	(12)
Restructuring credit	(240)	(2,218)	1,978	(89)
Depreciation and amortization	14,147	13,720	427	3
AOCF deficit	$ (4,976)	$ (14,686)	$ 9,710	(66)%

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Revenues, net

Revenues, net increased $109,441 to $1,187,741 for the year ended December 31, 2011 as compared to the year ended December 31, 2010. The net increase by segment was as follows:

	For the years ended December 31,					
	2011	% of total	2010	% of total	$ change	% change
National Networks	$ 1,082,358	91%	$ 994,573	92%	$ 87,785	9%
International and other	125,573	11	104,499	10	21,074	20
Inter-segment eliminations	(20,190)	(2)	(20,772)	(2)	582	(3)
Consolidated revenues, net	$ 1,187,741	100%	$ 1,078,300	100%	$ 109,441	10%

National Networks

The increase in National Networks revenues, net is attributable to the following:

Advertising revenues primarily at AMC resulting from higher ratings and higher pricing per unit sold due to an increased demand for our programming by advertisers, and to a lesser extent increases in advertising revenue at IFC and WE tv. Prior to December 2010, IFC principally sold sponsorships, but since then it migrated to a traditional advertising sales model	$ 49,830
Affiliation fee and other revenues increased primarily due to an increase in affiliation fee revenues of $26,247, which includes a contractual adjustment from a distributor, and an increase in other revenues of $11,708 due primarily to increased digital distribution revenues derived from licensing our programming	37,955
	$ 87,785

Affiliation fee revenues are generally based on a per-subscriber fee under multi-year affiliation agreements, which generally provide for annual affiliation rate increases. The specific affiliation fee revenues we earn vary from period to period, distributor to distributor and also vary among our networks, but are generally based upon the number of each distributor s subscribers who receive our programming. The terms of certain other affiliation agreements provide that the affiliation fee revenues we earn are a fixed contractual monthly fee. Changes in our digital distribution revenue are dependent upon the amount of programming content made available for distribution by the licensee and fluctuates quarterly depending on the dates such programming is made available for distribution to the licensee.

Our advertising revenues are more variable than affiliation fee revenues because the majority of our advertising is sold on a short-term basis. Our advertising arrangements with advertisers provide for a set number of advertising units to air over a specific period of time at a negotiated price per unit and in certain advertising arrangements, guarantee specified viewer ratings. If these guaranteed viewer ratings are not met, we are generally required to provide additional advertising units to the advertiser, resulting in revenue being deferred until such time as the guarantee has been met. Most of our advertising revenues vary based on the popularity of our programming as measured by Nielsen.

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The following table presents certain subscriber information at December 31, 2011 and December 31, 2010:

	Estimated Domestic Subscribers	
	December 31, 2011	December 31, 2010
National Programming Networks:		
AMC(1)	96,300	96,400
WE tv(1)	76,100	76,800
IFC(1)	65,300	62,700
Sundance Channel(2)	42,100	39,900

(1) Estimated U.S. subscribers as measured by Nielsen.
(2) Subscriber counts are based on internal management reports and represent viewing subscribers.

The Company believes the WE tv, IFC and Sundance Channel programming services may benefit from increased distribution, especially on the digital tiers of cable television distributors as digital penetration increases, and increased advertising/sponsorship revenues as cable networks, including advertiser-supported niche programming networks (such as WE tv and IFC), attract a greater advertising market share. These increases could potentially be offset by lower net effective rates per viewing subscriber for our programming services due to the consolidation of distributors. Opportunities are more limited for increases in distribution in the U.S. for our substantially fully penetrated AMC programming service. Changes in the viewership ratings of our AMC, WE tv and IFC programming services may also significantly affect future advertising revenues. We believe that the decline in AMC and WE tv subscribers shown as of December 31, 2011 as compared to December 31, 2010 may reflect the impact of changes in the Nielsen sample and the decline in the Nielsen total universe estimate, as AMC and WE tv did not have any significant negative tiering changes or lose any significant affiliate relationships during the relevant periods.

International and Other

The increase in International and Other revenues, net is attributable to the following:

Increased foreign affiliation fee revenues from the AMC Canadian distributors and our other internationally distributed channels due to increased distribution in Europe, increased digital distribution and theatrical revenue at IFC Films, and to a lesser extent, increased origination fee revenue at AMC Networks Broadcasting & Technology	$ 22,007
Lower foreign affiliation fee revenues at VOOM HD due to cessation of distribution of the Rush HD channel in Europe in April 2011	(933)
	$ 21,074

Technical and operating expense (excluding depreciation and amortization)

Technical and operating expenses (excluding depreciation and amortization) increased $59,868 to $425,961 for 2011 as compared to 2010. The net increase by segment was as follows:

	For the years ended December 31,			
	2011	2010	$ change	% change
National Networks	$ 366,998	$ 317,819	$ 49,179	15%
International and Other	77,485	65,635	11,850	18
Inter-segment eliminations	(18,522)	(17,361)	(1,161)	7
Total	$ 425,961	$ 366,093	$ 59,868	16%

Percentage of revenues, net	36%	34%

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National Networks

The increase in the National Networks segment consists of $44,597 for the amortization of program rights and series development/original programming costs and $4,582 for programming related costs. The increase in amortization of program rights and series development/original programming costs for 2011 as compared to 2010 is due primarily to increased amortization of program rights at AMC and WE tv and program rights write-offs of $18,059 primarily at AMC based on management s assessment of programming usefulness, partially offset by a decrease in development costs at AMC and decreased amortization of program rights at Sundance Channel. The increase in programming-related costs resulted principally from increased editing and formatting/commercial insertion related costs.

There may be significant changes in the level of our technical and operating expenses from quarter to quarter and/or changes from year to year due to content acquisition and/or original programming costs and/or the impact of management s periodic assessment of programming usefulness. As additional competition for programming increases from programming services and alternate distribution technologies continue to develop in the industry, costs for content acquisition and/or original programming may increase.

International and Other

The increase in the International and Other segment (excluding VOOM) consists of $10,455 related to programming costs of AMC/Sundance Channel Global services and content acquisition and participation costs at IFC Films. In addition, transmission and programming related expenses increased $2,840 primarily at AMC/Sundance Channel Global due to increased distribution in Europe. Programming costs at VOOM HD decreased $1,445 resulting primarily from ceasing distribution of the Rush HD channel in Europe in April 2011.

Selling, general and administrative expense

Selling, general and administrative expenses increased $7,522 to $335,656 for 2011 as compared to 2010. The net increase by segment was as follows:

	For the years ended December 31,			
	2011	2010	$ change	% change
National Networks	$ 280,387	$ 271,494	$ 8,893	3%
International and Other	56,071	56,965	(894)	(2)
Inter-segment eliminations	(802)	(325)	(477)	147
Total	$ 335,656	$ 328,134	$ 7,522	2%
Percentage of revenues, net	28%	30%		

National Networks

The increase in the National Networks segment consists of $17,080 of sales and marketing expenses related to a higher number of original programming premieres during 2011, increased sales related costs at IFC following the migration to an advertising sales model in December 2010 as well as a net increase in other general and administrative costs of $9,537 primarily due to employee related expenses and costs incurred with becoming a stand-alone public company. These increases were partially offset by a decrease of $5,171 in share-based compensation expense and expenses relating to long-term incentive plans as well as a reduction of corporate allocations from Cablevision, including a reduction of $12,553 in management fees.

Pursuant to a consulting agreement with Cablevision, we paid a management fee calculated based on certain subsidiaries gross revenues (as defined under the terms of the consulting agreement) on a monthly basis. We terminated the consulting agreement on the Distribution Date and did not replace it.

There may be significant changes in the level of our selling, general and administrative expenses from quarter to quarter and year to year due to the timing of promotion and marketing of original programming.

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International and Other

The decrease in the International and Other segment consists of a decrease of $6,441 related to VOOM HD due primarily to lower legal fees and other related costs and expenses in connection with the DISH Network contract dispute and a decrease in share-based compensation expense and expenses relating to long-term incentive compensation of $1,262. Such decreases are partially offset by an increase of $4,506 for selling, marketing and advertising costs primarily at IFC Films due to increased spending on titles being distributed and a net increase of $2,303 for general and administrative costs incurred in connection with becoming a stand-alone public company. The increase in general and administrative costs is net of a reduction of corporate allocations from Cablevision following the Distribution.

Restructuring credit

The restructuring credit of $240 for 2011 and $2,218 for 2010 represents primarily the negotiated reductions of contract termination costs originally recorded in 2008 following the Company s decision to discontinue funding the domestic programming of VOOM.

Depreciation and amortization

Depreciation and amortization decreased $6,607 to $99,848 for 2011 as compared to 2010. The change by segment was as follows:

	For the years ended December 31, 2011	2010	$ change	% change
National Networks	$ 85,701	$ 92,735	$ (7,034)	(8)%
International and Other	14,147	13,720	427	3
	$ 99,848	$ 106,455	$ (6,607)	(6)%

Amortization expense decreased $7,541 in 2011 as compared to 2010, which was partially offset by an increase in depreciation expense of $934. The decrease in amortization expense was due to the decrease at the National Networks segment primarily resulting from certain identifiable intangible assets of Sundance Channel becoming fully amortized in the fourth quarter of 2010.

AOCF

AOCF (deficit) increased $40,434 for 2011 as compared to 2010. The net increase by segment was as follows:

	For the years ended December 31, 2011	2010	$ change	% change
National Networks	$ 447,555	$ 419,051	$ 28,504	7%
International and Other	(4,976)	(14,686)	9,710	(66)
Inter-segment eliminations	(866)	(3,086)	2,220	(72)
AOCF	$ 441,713	$ 401,279	$ 40,434	10%

National Networks AOCF increased due to an increase in revenues, net of $87,785 and a net decrease in selling, general and administrative expenses primarily from a decrease in management fees, partially offset by an increase in technical and operating expenses resulting primarily from an increase in amortization of program rights expense and program rights write-offs, marketing expense due to the increase in the number of original programming premieres and advertising sales related costs at IFC, excluding share-based compensation, and depreciation and amortization expense, as discussed above.

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International and Other AOCF deficit decreased due primarily to an increase in revenues, net of $21,074 and a decrease in legal fees and other costs in connection with the DISH Network contract dispute, partially offset by an increase in operating expenses due primarily to increased content costs at AMC/Sundance Channel Global and IFC Films, the launch of certain services in Europe and increased selling, marketing and advertising costs primarily at IFC Films, excluding share-based compensation, and depreciation and amortization expense, as discussed above.

Interest expense, net

The net increase in interest expense, net from 2010 to 2011 is attributable to the following:

Indebtedness incurred in connection with the Distribution	$ 48,230
Repayment of the Rainbow National Services LLC (RNS) senior notes in May 2011 and the RNS credit facility and the RNS senior subordinated notes in June 2011	(33,578)
Interest rate swap contracts	4,628
Decrease in interest income	1,314
Other	790
	$ 21,384

Write-off of deferred financing costs

The write-off of deferred financing costs of $6,247 for the year ended December 31, 2011 represents $1,186 of deferred financing costs written off in connection with the redemption of the RNS 8 3/4% senior notes in May 2011, $2,062 and $2,455 of deferred financing costs written off in connection with the repayment of the outstanding borrowings under the RNS credit facility and the RNS 10 3/8% senior subordinated notes, respectively, in June 2011 in connection with the Distribution and $544 of deferred financing costs written off associated with the voluntary prepayments of the Term A Facility (as defined below) during 2011.

Loss on extinguishment of debt

The loss on extinguishment of debt of $14,726 for the year ended December 31, 2011 represents $14,535 for the excess of the redemption price, premium paid and related fees along with accretion to principal amount over the carrying value of the $325,000 principal amount of the RNS 10 3/8% senior subordinated notes redeemed June 30, 2011 associated with the tender offer which occurred in connection with the Distribution (see below for more information) and $191 associated with the voluntary prepayments of the Term A Facility (as defined below) during 2011.

Income tax expense

Income tax expense attributable to continuing operations was $84,248 for the year ended December 31, 2011, representing an effective tax rate of 40%. The effective tax rate differs from the federal statutory rate of 35% due primarily to state income tax expense of $8,020, tax expense of $3,300 related to uncertain tax positions, including accrued interest and a tax benefit of $2,326 resulting from a decrease in the valuation allowance with regard to certain local income tax credit carry forwards. We expect our effective tax rate to be approximately 39% in future periods.

Income tax expense attributable to continuing operations was $88,073 for the year ended December 31, 2010, representing an effective tax rate of 43%. The effective tax rate differs from the federal statutory rate of 35% due primarily to a state income tax expense of $10,937, a tax expense of $1,398 resulting from an increase in the valuation allowance with regard to certain local income tax credit carry forwards, a tax expense of $1,236 for the impact of a change in the state rate used to measure deferred taxes and a tax expense of $1,890 related to uncertain tax positions, including accrued interest.

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Income (loss) from discontinued operations

Income (loss) from discontinued operations, net of income taxes, for the years ended December 31, 2011 and 2010 reflects the following items, net of related income taxes:

	For the years ended December 31, 2011	2010
Net operating results of News 12, RASCO and other entities transferred to Cablevision on December 31, 2010, net of income taxes	$	$ (38,555)
Other, net of income taxes	92	465
	$ 92	$ (38,090)

On December 31, 2010, RMH transferred its membership interests in News 12 (regional news programming services), RASCO (a cable television advertising company), and certain other businesses to wholly-owned subsidiaries of Cablevision in contemplation of the Distribution. The operating results of these transferred entities through the date of transfer have been presented in discontinued operations for the years ended December 31, 2010 and 2009 in the accompanying annual consolidated financial statements.

Year Ended December 31, 2010 Compared to Year Ended December 31, 2009

The following table sets forth our consolidated results of operations for the periods indicated.

	For the years ended December 31, 2010		2009			
	Amount	% of Net Revenues	Amount	% of Net Revenues	$ change	% change
Revenues, net	$ 1,078,300	100%	$ 973,644	100%	$ 104,656	11%
Operating expenses:						
Technical and operating (excluding depreciation and amortization)	366,093	34	310,365	32	55,728	18
Selling, general and administrative	328,134	30	313,904	32	14,230	5
Restructuring (credit) expense	(2,218)		5,162	1	(7,380)	(143)
Depreciation and amortization	106,455	10	106,504	11	(49)	
Total operating expenses	798,464	74	735,935	76	62,529	8
Operating income	279,836	26	237,709	24	42,127	18
Other income (expense):						
Interest expense, net	(73,412)	(7)	(78,942)	(8)	5,530	(7)
Miscellaneous, net	(162)		187		(349)	(187)
Total other income (expense)	(73,574)	(7)	(78,755)	(8)	5,181	(7)
Income from continuing operations before income taxes	206,262	19	158,954	16	47,308	30
Income tax expense	(88,073)	(8)	(70,407)	(7)	(17,666)	25
Income from continuing operations	118,189	11	88,547	9	29,642	33

Loss from discontinued operations, net of income taxes	(38,090)	(4)	(34,791)	(4)	(3,299)	9
Net Income	$ 80,099	7%	$ 53,756	6%	$ 26,343	49%

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The following is a reconciliation of our consolidated operating income to AOCF:

	For the years ended December 31, 2010	2009	$ change	% change
Operating income	$ 279,836	$ 237,709	$ 42,127	18%
Share-based compensation expense	17,206	14,723	2,483	17
Restructuring (credit) expense	(2,218)	5,162	(7,380)	(143)
Depreciation and amortization	106,455	106,504	(49)	
AOCF	$ 401,279	$ 364,098	$ 37,181	10%

National Networks segment results

The following table sets forth our National Networks segment results for the periods indicated.

	For the years ended December 31, 2010 Amount	% of Revenues, net	2009 Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 994,573	100%	$ 896,493	100%	$ 98,080	11%
Technical and operating (excluding depreciation and amortization)	317,819	32	272,329	30	45,490	17
Selling, general and administrative	271,494	27	255,745	29	15,749	6
Depreciation and amortization	92,735	9	89,603	10	3,132	3
Operating income	$ 312,525	31%	$ 278,816	31%	$ 33,709	12%

The following is a reconciliation of our National Networks segment operating income to AOCF:

	For the years ended December 31, 2010	2009	$ change	% change
Operating income	$ 312,525	$ 278,816	$ 33,709	12%
Share-based compensation expense	13,791	12,405	1,386	11
Depreciation and amortization	92,735	89,603	3,132	3
AOCF	$ 419,051	$ 380,824	$ 38,227	10%

International and Other segment results

The following table sets forth our International and Other segment results for the periods indicated.

	For the years ended December 31, 2010	2009

	Amount	% of Revenues, net	Amount	% of Revenues, net	$ change	% change
Revenues, net	$ 104,499	100%	$ 95,921	100%	$ 8,578	9%
Technical and operating (excluding depreciation and amortization)	65,635	63	53,725	56	11,910	22
Selling, general and administrative	56,965	55	58,067	61	(1,102)	(2)
Restructuring (credit) expense	(2,218)	(2)	5,162	5	(7,380)	(143)
Depreciation and amortization	13,720	13	16,901	18	(3,181)	(19)
Operating loss	$ (29,603)	(28)%	$ (37,934)	(40)%	$ 8,331	(22)%

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The following is a reconciliation of our International and Other segment operating loss to AOCF deficit:

	For the years ended December 31,			
	2010	2009	$ change	% change
Operating loss	$ (29,603)	$ (37,934)	$ 8,331	(22)%
Share-based compensation expense	3,415	2,318	1,097	47
Restructuring (credit) expense	(2,218)	5,162	(7,380)	(143)
Depreciation and amortization	13,720	16,901	(3,181)	(19)
AOCF deficit	$ (14,686)	$ (13,553)	$ (1,133)	8%

Revenues, net

Revenues, net increased $104,656 to $1,078,300 for the year ended December 31, 2010 as compared to the year ended December 31, 2009. The net increase by segment was as follows:

	For the years ended December 31,					
	2010	% of total	2009	% of total	$ change	% change
National Networks	$ 994,573	92%	$ 896,493	92%	$ 98,080	11%
International and other	104,499	10	95,921	10	8,578	9
Inter-segment eliminations	(20,772)	(2)	(18,770)	(2)	(2,002)	11
Consolidated revenues, net	$ 1,078,300	100%	$ 973,644	100%	$ 104,656	11%

National Networks

The increase in National Networks revenues, net is attributable to the following:

Advertising revenues increased primarily at AMC and WE tv resulting from higher pricing per unit sold due to an increased demand for our programming by advertisers, and to a lesser extent sponsorship increases at IFC and Sundance Channel due to an increased demand for our programming by sponsors	$ 56,333
Affiliation fee and other revenues increased primarily at AMC and WE tv and, to a lesser extent IFC and Sundance Channel, resulting from increases in affiliation rates and subscribers (see below). In addition, other revenues increased from foreign licensing revenues and digital distribution revenues primarily at AMC derived from sales of our programming	41,747
	$ 98,080

Affiliation fee revenues are generally based on a per subscriber fee under multi-year affiliation agreements, which generally provide for annual affiliation rate increases. The specific affiliation fee revenues we earn vary from period to period, distributor to distributor and also vary among our networks, but are generally based upon the number of each distributor s subscribers who receive our programming. The terms of certain affiliation agreements provide that the affiliation fee revenues we earn are a fixed contractual monthly fee. Our advertising revenues are more variable than affiliation fee revenues because virtually all of our advertising is sold on a short-term basis. Our advertising arrangements with advertisers provide for a set number of advertising units to air over a specific period of time at a negotiated price per unit and in certain advertising arrangements, guarantee specified viewer ratings. If these guaranteed viewer ratings are not met, we are generally required to provide additional advertising units to the advertiser, resulting in revenue being deferred until such time as the guarantee has been met. Most of our advertising revenues vary based on the popularity of our programming as measured by Nielsen.

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The following table presents certain subscriber information at December 31, 2010 and 2009:

	Estimated Domestic Subscribers	
	December 31, 2010	December 31, 2009
National Programming Networks:		
AMC(1)	96,400	95,200
WE tv(1)	76,800	74,900
IFC(1)	62,700	60,400
Sundance Channel(2)	39,900	37,900

(1) Estimated U.S. subscribers as measured by Nielsen.
(2) Subscriber counts are based on internal management reports and represent viewing subscribers.

International and Other

The increase in International and Other revenues, net is attributable to the following:

Affiliation fee and other revenues increased $10,917 principally from an increase in foreign affiliation fee revenues from the AMC Canadian distribution channel due to strengthening of the Canadian dollar (affiliation agreements with Canadian distributors are primarily denominated in Canadian dollars) as well as an increase in subscribers and the number of Canadian distributors who carry the service and, to a lesser extent, increased film distribution revenues of IFC Films due to an increased number of titles being distributed and increased affiliation revenues of our other international distribution channels. In addition, other revenues increased $1,209 due to increased foreign licensing revenue and digital distribution revenue of IFC Films, partially offset by a decrease in origination fee revenue at AMC Networks Broadcasting & Technology due to the termination of the Fox Sports Florida transmission agreement in November 2009	$ 12,126
A decrease in revenues, net due to the shutdown of the domestic programming of VOOM in January 2009 and VOOM s lower foreign distribution revenue	(3,548)
	$ 8,578

Technical and operating expense (excluding depreciation and amortization)

Technical and operating expenses (excluding depreciation and amortization) increased $55,728 to $366,093 for 2010 as compared to 2009. The net increase by segment was as follows:

	For the years ended December 31,			
	2010	2009	$ change	% change
National Networks	$ 317,819	$ 272,329	$ 45,490	17%
International and Other	65,635	53,725	11,910	22
Inter-segment eliminations	(17,361)	(15,689)	(1,672)	11
Total	$ 366,093	$ 310,365	$ 55,728	18%
Percentage of revenues, net	34%	32%		

National Networks

Technical and operating expenses increased $45,490. Amortization of program rights and series development/original programming costs increased $40,052 due primarily to increased amortization of program

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rights at AMC and, to a lesser extent, increased amortization of program rights at WE tv and IFC. In addition, programming-related costs increased $5,438 resulting principally from increased presentation and formatting/commercial insertion related costs.

International and Other

The International and Other segment increased $11,910 due to $9,198 of increased programming costs of certain AMC/Sundance Channel Global services as a result of launches in additional territories in Europe and Asia in 2010 and increased content acquisition costs at IFC Films due to an increased number of titles being distributed, partially offset by other decreases at AMC Networks Broadcasting & Technology. In addition, transmission and programming-related expenses increased $7,845 primarily at AMC/Sundance Channel Global as a result of launches in additional territories in Europe and Asia in 2010. These increases were partially offset by a decrease of $5,133 for programming costs at VOOM due to reduced programming offerings in 2010.

Selling, general and administrative expense

Selling, general and administrative expenses increased $14,230 to $328,134 for 2010 as compared to 2009. The net increase by segment was as follows:

	For the years ended December 31,			
	2010	**2009**	**$ change**	**% change**
National Networks	$ 271,494	$ 255,745	$ 15,749	6%
International and Other	56,965	58,067	(1,102)	(2)
Inter-segment eliminations	(325)	92	(417)	(453)
Total	$ 328,134	$ 313,904	$ 14,230	5%
Percentage of revenues, net	30%	32%		

National Networks

The increase in the National Networks segment results primarily from $8,540 of increased marketing expense related to an increase in the number of original programming premieres at AMC, partially offset by a decrease in such costs at IFC. Sales and marketing costs also increased due to an increase in advertising sale- related expenses at AMC and WE tv due to increased advertising sales revenues in 2010 compared to 2009. Share-based compensation expense and expenses relating to Cablevision s long-term incentive plans increased $3,719. In addition, management fees paid to Cablevision pursuant to a consulting agreement increased $2,738 due to the increased revenues at AMC and WE tv in 2010. The consulting agreement was terminated on the Distribution Date.

International and Other

The increase in the International and Other segment is attributable to an increase of $4,363 in selling, marketing and advertising costs at AMC/Sundance Channel Global due to increased distribution of our foreign services as a result of launches in additional territories in Europe and Asia in 2010 and at IFC Films due to an increased number of titles being distributed. Share-based compensation expense and expenses relating to Cablevision s long-term incentive plans increased $2,017. General and administrative costs primarily at AMC/Sundance Channel Global and at IFC Films increased $1,163 due to increased cost allocations among our segments. These increases were more than offset by selling, general and administrative expenses at VOOM, which decreased $9,176 due primarily to lower legal fees, costs and related expenses in connection with the DISH Network contract dispute.

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Restructuring (credit) expense

The restructuring credit of $2,218 for 2010 represents primarily the negotiated reductions of contract termination costs originally recorded in 2008 following our decision to discontinue funding the domestic programming of VOOM HD.

The restructuring expense of $5,162 for 2009 represents primarily the write-off of program rights and contract termination costs due to our decision in 2009 to discontinue funding certain international VOOM HD programming.

Depreciation and amortization

Depreciation and amortization by segment was as follows:

	For the years ended December 31,			
	2010	2009	$ change	% change
National Networks	$ 92,735	$ 89,603	$ 3,132	3%
International and Other	13,720	16,901	(3,181)	(19)
	$ 106,455	$ 106,504	$ (49)	%

The National Networks depreciation and amortization increased primarily due to an increase in amortization expense of $2,974 in 2010 as compared to 2009 primarily due to the increase in amortization resulting from a reduction in the estimated useful life of certain identifiable intangible assets acquired in connection with the acquisition of Sundance Channel in June 2008, partially offset by a decrease in amortization due to certain intangible assets of AMC, WE tv and IFC becoming fully amortized in the second quarter of 2009. Depreciation expense increased $158 in 2010 as compared to 2009.

The International and Other depreciation and amortization decreased $3,181 in 2010 as compared to 2009 due to a decrease in depreciation expense primarily related to VOOM HD, AMC Networks Broadcasting & Technology and corporate fixed assets.

AOCF

AOCF (deficit) increased $37,181 in 2010 as compared to 2009. The change by segment was as follows:

	For the years ended December 31,			
	2010	2009	$ change	% change
National Networks	$ 419,051	$ 380,824	$ 38,227	10%
International and Other	(14,686)	(13,553)	(1,133)	8
Inter-segment eliminations	(3,086)	(3,173)	87	(3)
AOCF	$ 401,279	$ 364,098	$ 37,181	10%

National Networks AOCF increased due to an increase in revenues, net of $98,080, partially offset by an increase in operating expenses resulting primarily from an increase in amortization of program rights expense and marketing expense due to the increase in the number of original programming premieres, excluding share-based compensation, and depreciation and amortization expense, as discussed above.

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International and Other AOCF deficit increased due primarily to an increase in operating expenses due primarily to the launch of certain AMC/Sundance Channel Global services and an increased number of titles being distributed by IFC Entertainment, partially offset by an increase in revenues, net, excluding share-based compensation, and depreciation and amortization expense, as discussed above.

Interest expense, net

The net decrease in interest expense, net is attributable to the following:

Loss on interest rate swap contracts, net	$ (3,237)
Lower average RNS debt balances	(1,698)
Increase in interest income	(1,552)
Interest on the promissory note with MSG repaid in March 2010	914
Higher average interest rates on RNS indebtedness	21
Other	22
	$ (5,530)

Loss on interest rate swap contracts, net was $3,237 for the year ended December 31, 2009. The interest rate swap contracts effectively fixed the borrowing rates on a substantial portion of the Company s floating rate debt to limit the exposure against the risk of rising rates. The loss on interest rate swap contracts resulted from a shift in the yield curve over the life of the swap contracts. The interest rate swap contracts matured in November 2009.

Income tax expense

Income tax expense attributable to continuing operations was $88,073 for the year ended December 31, 2010, representing an effective tax rate of 43%. The effective tax rate differs from the federal statutory rate of 35% due primarily to state income tax expense of $10,937, tax expense of $1,398 resulting from an increase in the valuation allowance with regard to certain local income tax credit carry forwards, tax expense of $1,236 for the impact of a change in the state rate used to measure deferred taxes and tax expense of $1,890, related to uncertain tax positions, including accrued interest.

Income tax expense attributable to continuing operations was $70,407 for the year ended December 31, 2009, representing an effective tax rate of 44%. The effective tax rate differs from the federal statutory rate of 35% due primarily to state income tax expense of $9,238, tax expense of $1,309 resulting from an increase in the valuation allowance with regard to certain local income tax credit carry forwards, tax expense of $638 for the impact of a change in the state rate used to measure deferred taxes and tax expense of $3,250, related to uncertain tax positions, including accrued interest.

Income (loss) from discontinued operations

Loss from discontinued operations, net of income taxes, for the years ended December 31, 2010 and 2009 reflects the following items, net of related income taxes:

	For the years ended December 31,	
	2010	**2009**
Net operating results of News 12, RASCO and other transferred entities, net of income taxes	$ (38,555)	$ (36,960)
Other, net of income taxes	465	2,169
	$ (38,090)	$ (34,791)

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Liquidity and Capital Resources

Overview

We generated positive net cash from operating activities for the three months ended March 31, 2012 and for each of the three years ended December 31, 2011, 2010 and 2009. However, each of our programming businesses has substantial programming acquisition and development expenditure requirements.

Sources of cash have included primarily cash flow from the operations of our businesses and borrowings under the revolving credit facilities of RNS, our indirect wholly-owned subsidiary and borrowings under the New AMC Networks Debt. As discussed below, we terminated the RNS revolving credit facilities in connection with the Distribution and replaced these facilities with a new revolving credit facility that we entered into in connection with the Distribution. Although we currently believe that amounts available under our revolving credit facility will be available when and if needed, we can provide no assurance that access to such funds will not be impacted by adverse conditions in the financial markets. The obligations of the financial institutions under our revolving credit facility are several and not joint and, as a result, a funding default by one or more institutions does not need to be made up by the others.

Cablevision is not a guarantor of, and does not otherwise have any obligations relating to, our revolving credit facilities or any of our other indebtedness (see below). During the three years ended December 31, 2011, we have serviced our debt exclusively with cash flows from our own operations or from financing sources independent of Cablevision, except in connection with the repayment of the RMH Promissory Note in March 2010, as discussed below.

Our principal uses of cash include our debt service and the acquisition and development of program rights. We continue to increase our investment in original programming, the funding of which generally occurs six to nine months in advance of a program s airing. We expect this increased investment to continue for the remainder of 2012. Our businesses do not require significant capital expenditures. As a percentage of revenues, net, capital expenditures were less than 1% for the three months ended March 31, 2012 and less than 2% for each of the three years ended December 31, 2011. In anticipation of the Distribution, commencing on January 1, 2011, we no longer funded the operations of those subsidiaries of RMH that were transferred to Cablevision on December 31, 2010.

As a result of our incurrence of the New AMC Networks Debt in connection with the Distribution, our contractual debt obligations (including capital leases) increased to $2,306,957 as of December 31, 2011 from $1,118,875 as of December 31, 2010. We believe that a combination of cash-on-hand, cash generated from operating activities and availability under our revolving credit facility will provide sufficient liquidity to service the increased principal and interest payments on our indebtedness, along with our other funding and investment requirements over the next twelve months and over the longer term. However, we do not expect to generate sufficient cash from operations to repay at maturity the entirety of the then outstanding balances of the New AMC Networks Debt. As a result, we will be dependent upon our ability to access the capital and credit markets in order to repay or refinance the outstanding balances of this indebtedness. Failure to raise sufficient amounts of funding to repay these obligations at maturity would adversely affect our business. In such a circumstance, we would need to take other actions including selling assets, seeking strategic investments from third parties or reducing other discretionary uses of cash.

Our increased amount of debt could have important consequences on our business including, but not limited to, increasing our vulnerability to general adverse economic and industry conditions, limiting the availability of our cash flow to fund future programming investments, capital expenditures, working capital, business activities and other general corporate requirements and limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate.

In addition, economic or market disruptions could lead to lower demand for our services, such as lower levels of advertising. These events would adversely impact our results of operations, cash flows and financial position.

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Cash Flow Discussion

The following table is a summary of cash flows provided by (used in) continuing operations and discontinued operations for the three months ended March 31:

	2012	2011
Continuing operations:		
Cash flow provided by operating activities	$ 76,963	$ 48,436
Cash flow used in investing activities	(2,838)	(1,721)
Cash flow used in financing activities	(65,927)	(42,780)
Net increase in cash from continuing operations	8,198	3,935
Discontinued operations:		
Net increase in cash flow from discontinued operations	$ 148	$ 178

Continuing Operations

Operating Activities

Net cash provided by operating activities amounted to $76,963 for the three months ended March 31, 2012 as compared to $48,436 for the three months ended March 31, 2011. The March 31, 2012 cash provided by operating activities resulted from $162,753 of net income before depreciation and amortization and other non-cash items and a decrease in prepaid expenses and other assets of $29,046, partially offset by a decrease in cash from the payment of program rights obligations of $81,028, a decrease in accounts payable, accrued expenses and other liabilities of $31,065 and an increase of other net assets of $2,743.

The March 31, 2011 cash provided by operating activities resulted from $139,218 of net income before depreciation and amortization and other non-cash items and an increase in cash resulting from a decrease in accounts receivable, trade of $17,856, partially offset by a decrease in cash resulting from the acquisition of and payment of obligations relating to program rights totaling $63,791, deferred carriage fee payments of $2,008, a decrease in accounts payable, accrued expenses and other liabilities of $29,334, a decrease in amounts due from/to related parties, net of $12,613 and an increase in other assets of $892.

Investing Activities

Net cash used in investing activities for the three months ended March 31, 2012 and 2011 was $2,838 and $1,721, respectively, which consisted primarily of capital expenditures of $2,838 and $1,599 for the three months ended March 31, 2012 and 2011, respectively.

Financing Activities

Net cash used in financing activities amounted to $65,927 for the three months ended March 31, 2012 as compared to $42,780 for the three months ended March 31, 2011. For the three months ended March 31, 2012, financing activities consisted of repayments of credit facility debt of $51,488, treasury stock acquired from the acquisition of restricted shares of $15,937, principal payments on capital leases of $290 and payments for financing costs of $40, partially offset by proceeds from stock option exercises of $1,828.

Net cash used in financing activities amounted to $42,780 for the three months ended March 31, 2011. For the three months ended March 31, 2011, financing activities consisted of capital contributions from Cablevision of $20,813, repayment of the RNS credit facility debt of $62,500 and principal payments on capital leases of $1,093.

Discontinued Operations

The net effect of discontinued operations on cash and cash equivalents amounted to a cash inflow of $148 and $178 for the three months ended March 31, 2012 and 2011, respectively.

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The following table is a summary of cash flows provided by (used in) continuing operations and discontinued operations for the periods indicated:

	For the years ended December 31,		
	2011	2010	2009
Continuing operations:			
Cash flow provided by operating activities	$ 255,233	$ 265,995	$ 204,002
Cash flow used in investing activities	(15,691)	(17,157)	(13,169)
Cash flow used in financing activities	(104,057)	(148,816)	(132,474)
Net increase in cash from continuing operations	135,485	100,022	58,359
Discontinued operations:			
Net increase (decrease) in cash flow from discontinued operations	$ 391	$ (49,890)	$ (54,011)

Continuing Operations

Operating Activities

Net cash provided by operating activities amounted to $255,233 for the year ended December 31, 2011 as compared to $265,995 for the year ended December 31, 2010. The December 31, 2011 cash provided by operating activities resulted from $641,055 of net income before depreciation and amortization and other non-cash items, partially offset by a decrease in cash resulting from the acquisition of and payment of obligations relating to program rights totaling $331,438, an increase in accounts receivable, trade totaling $44,750, deferred carriage fee payments of $3,640 and an increase of other net assets of $5,994.

Net cash provided by operating activities amounted to $265,995 for the year ended December 31, 2010 compared to $204,002 for the year ended December 31, 2009. The 2010 cash provided by operating activities resulted from $571,984 of net income before depreciation and amortization and other non-cash items, a decrease in prepaid expenses and other assets of $17,388 and an increase in net other liabilities totaling $17,821 partially offset by a decrease in cash resulting from the acquisition of and payment of obligations relating to program rights totaling $301,745, an increase in accounts receivable, trade totaling $36,422 and deferred carriage fee payments of $3,031.

Net cash provided by operating activities amounted to $204,002 for the year ended December 31, 2009. The 2009 cash provided by operating activities resulted from $486,705 of net income before depreciation and amortization and other non-cash items, partially offset by the acquisition of and payment of obligations relating to program rights totaling $249,951, deferred carriage fee payments of $3,888, an increase in accounts receivable, trade totaling $27,641, and an increase in net other assets totaling $1,223.

Investing Activities

Net cash used in investing activities for the years ended December 31, 2011, 2010 and 2009 was $15,691, $17,157 and $13,169, respectively, which consisted primarily of capital expenditures of $15,371, $17,243, and $13,419 for the years ended December 31, 2011, 2010 and 2009, respectively, primarily for the purchase of technical and transmission related equipment.

Financing Activities

Net cash used in financing activities amounted to $104,057 for the year ended December 31, 2011 as compared to $148,816 for the year ended December 31, 2010. In 2011, financing activities consisted of proceeds from credit facility debt of $1,442,364 and proceeds from stock option exercises of $3,622, which was more than offset by the repayment of credit facility debt of $877,975, payments for the redemption of the RNS senior notes

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and senior subordinated notes, including tender premiums and fees of $638,365, deferred financing costs of $27,414, principal payments on capital leases of $4,612 and treasury stock acquired from the acquisition of restricted shares of $1,677.

Net cash used in financing activities amounted to $148,816 for the year ended December 31, 2010 compared to $132,474 for the year ended December 31, 2009. In 2010, financing activities consisted of capital contributions from Cablevision of $204,018, repayment of a note payable to an affiliate of Cablevision (see the discussion under RMH Promissory Note below) of $190,000, capital distributions to Cablevision of $53,754, repayment of credit facility debt of $105,000 and principal payments on capital leases of $4,080.

Net cash used in financing activities amounted to $132,474 for the year ended December 31, 2009. In 2009, financing activities consisted of net capital distributions to Cablevision of $9,440, repayment of credit facility debt of $120,000 and principal payments on capital leases of $3,034.

Discontinued Operations

The net effect of discontinued operations on cash and cash equivalents amounted to a cash inflow of $391 for the year ended December 31, 2011 and a cash outflow of $49,890 and $54,011 for the years ended December 31, 2010 and 2009, respectively.

Operating Activities

Net cash used in operating activities of discontinued operations amounted to $359 for the year ended December 31, 2011 resulting from an increase in net assets.

Net cash used in operating activities of discontinued operations amounted to $30,870 for the year ended December 31, 2010 compared to $48,967 for the year ended December 31, 2009. The 2010 cash used in operating activities resulted from $52,287 of loss excluding depreciation and amortization and other non-cash items and a decrease in accounts payable and other liabilities of $9,423, partially offset by an increase in cash resulting from a decrease in current and other assets of $30,840.

Net cash used in operating activities of discontinued operations amounted to $48,967 for the year ended December 31, 2009. The 2009 cash used in operating activities resulted primarily from $50,528 of loss excluding depreciation and amortization and other non-cash items, partially offset by a net increase in cash resulting from the net change in assets and liabilities of $1,561.

Investing Activities

Net cash provided by investing activities of discontinued operations for the year ended December 31, 2011 was $750, which consisted of proceeds from the sale of affiliate interests.

Net cash used in investing activities of discontinued operations for the year ended December 31, 2010 was $10,183 compared to $4,753 for the year ended December 31, 2009. The 2010 investing activities consisted of capital expenditures of $10,744, partially offset by proceeds from the sale of affiliate interests of $561.

Net cash used in investing activities of discontinued operations for the year ended December 31, 2009 was $4,753, which consisted of capital expenditures of $7,259, partially offset by proceeds from the sale of affiliate interests and other net cash receipts of $2,506.

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Debt Financing Agreements

Senior Secured Credit Facility

On June 30, 2011 (the Closing Date), AMC Networks, as Borrower, and substantially all of its subsidiaries, as restricted subsidiaries, entered into the Credit Facility. The Credit Facility provides AMC Networks with senior secured credit facilities consisting of a $1,130,000 term loan A facility (the Term A Facility), a $595,000 term loan B facility (the Term B Facility) and a $500,000 revolving credit facility (the Revolving Facility). The Term A Facility and the Term B Facility were discounted $5,650 and $12,986, respectively, upon original issuance. The Term A Facility matures June 30, 2017, the Term B Facility matures December 31, 2018 and the Revolving Facility matures June 30, 2016. On the Closing Date, AMC Networks borrowed $1,130,000 under the Term A Facility and $595,000 under the Term B Facility, of which approximately $577,000 was issued to CSC Holdings as partial consideration for the transfer to AMC Networks of the RMH businesses on June 6, 2011 pursuant to the Contribution Agreement, among AMC Networks, CSC Holdings and Cablevision and was in connection with the Distribution of AMC Networks from Cablevision, which was consummated on June 30, 2011. The issuance of debt to CSC Holdings is reflected as a deemed capital distribution in the accompanying consolidated statement of stockholders (deficiency) equity for the year ended December 31, 2011. CSC Holdings used such New AMC Networks Debt to satisfy and discharge outstanding CSC Holdings debt.

The Revolving Facility was not drawn upon on the Closing Date and remains undrawn at March 31, 2012. Total undrawn revolver commitments are available to be drawn for our general corporate purposes.

In connection with the Credit Facility, AMC Networks incurred deferred financing costs of $26,309, which are being amortized to interest expense, utilizing the effective interest method, over the term of each respective component of the Credit Facility.

Borrowings under the Credit Facility bear interest at a floating rate, which at the option of AMC Networks may be (1) for the Term A Facility and the Revolving Facility, either (a) a base rate plus an additional rate ranging from 0.50% to 1.25% per annum (determined based on a cash flow ratio), or (b) a Eurodollar rate plus an additional rate ranging from 1.50% to 2.25% per annum (determined based on a cash flow ratio) and (2) for the Term B Facility, either (a) 2.00% per annum above the base rate, or (b) 3.00% per annum above a Eurodollar rate (and subject to a LIBOR floor of 1.00% per annum). At March 31, 2012, the interest rate on the Term A Facility and the Term B Facility was 1.99% and 4.00%, respectively, reflecting a Eurodollar rate for each plus the additional rate as described herein.

All obligations under the Credit Facility are guaranteed jointly and severally by substantially all of AMC Networks existing and future domestic restricted subsidiaries as primary obligors in accordance with the Credit Facility. All obligations under the Credit Facility, including the guarantees of those obligations, are secured by substantially all of the assets of AMC Networks and these subsidiaries. Cablevision is not a guarantor of, and does not otherwise have any obligations relating to, the Credit Facility or any of our other indebtedness.

The borrowings under the Term A Facility and Revolving Facility portions of the Credit Facility may be voluntarily prepaid without premiums and penalty at any time (see below for a discussion of voluntary prepayments of the Term A Facility made during 2011 and March of 2012). The Credit Facility also provides for various mandatory prepayments, including with the proceeds from certain dispositions of property and borrowings. The Term A Facility is required to be repaid in quarterly installments of $14,125 beginning September 30, 2012 through June 30, 2013, $28,250 beginning September 30, 2013 through June 30, 2014, $42,375 beginning September 30, 2014 through June 30, 2015, $56,500 beginning September 30, 2015 through March 31, 2017 and $395,500 on June 30, 2017, the Term A Facility maturity date. The Term B Facility is required to be repaid in quarterly installments of approximately $1,488 through September 30, 2018 and approximately $551,863 on December 31, 2018, the Term B Facility maturity date. The Term B Facility is not payable before maturity other than through repayments as noted above or through a refinancing with debt having a maturity date no earlier than December 31, 2018. Any amounts outstanding under the Revolving Facility are due at maturity on June 30, 2016.

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During 2011, we voluntarily prepaid $100,000 of the outstanding balance under the Term A Facility, which was applied to the earliest required quarterly installments due.

In March 2012, we voluntarily prepaid $50,000 of the outstanding balance under the Term A Facility, which was applied to the earliest required quarterly installments due. As a result of the prepayments, as of March 31, 2012, the next required quarterly installment will be due on June 30, 2014 in the amount of $19,500 with quarterly installments due under the Term A Facility subsequent to June 30, 2014 remaining unchanged. As of March 31, 2012, amounts outstanding under the Term A Facility and Term B Facility were $975,426 and $578,671, respectively. The required term loan repayments over the next twelve months will be $5,950.

The Credit Facility contains certain affirmative and negative covenants and also requires AMC Networks to comply with the following financial covenants: (i) a maximum ratio of net debt to annual operating cash flow (each defined in the Credit Facility) of 7.00:1 initially, and decreasing in increments to 5.50:1 for periods on and after January 1, 2015; and (ii) a minimum ratio of annual operating cash flow to annual total interest expense (as defined in the Credit Facility) of 2.50:1 initially, increasing to 2.75:1 for periods on and after January 1, 2014.

AMC Networks was in compliance with all of its covenants under its Credit Facility as of March 31, 2012.

The Credit Facility requires AMC Networks to pay a commitment fee of between 0.25% and 0.50% (determined based on a cash flow ratio) in respect of the average daily unused commitments under the Revolving Facility. AMC Networks is also required to pay customary letter of credit fees, as well as fronting fees, to banks that issue letters of credit pursuant to the Credit Facility.

We may request an increase in the Term A Facility and/or Revolving Facility by an aggregate amount not exceeding the greater of $400,000 and an amount, which after giving effect to such increase, would not cause the ratio of senior secured debt to annual operating cash flow, as defined, to exceed 4.75:1. As of March 31, 2012, the Company does not have any commitments for an incremental facility.

7.75% Senior Notes due 2021

On June 30, 2011, AMC Networks issued $700,000 in aggregate principal amount of its 7.75% senior notes, net of an original issue discount of $14,000, due July 15, 2021 to CSC Holdings, as partial consideration for the transfer to AMC Networks of the RMH businesses on June 6, 2011, which is reflected as a deemed capital distribution in the accompanying consolidated statement of stockholders (deficiency) equity for the year ended December 31, 2011. The transfer was made pursuant to the Contribution Agreement. CSC Holdings used the Company s notes to satisfy and discharge outstanding CSC Holdings debt. The recipients of the notes or their affiliates then offered the notes to investors, through an offering memorandum dated June 22, 2011, which ultimately resulted in the notes being held by third-party investors. The notes currently outstanding are referred to in this prospectus as the old notes and the identical notes being offered in exchange for the old notes pursuant to this prospectus are referred to as the new notes. The old notes and new notes are collectively referred to as the notes.

The notes were issued under the indenture.

In connection with the issuance of the notes, AMC Networks incurred deferred financing costs of $1,145, which are being amortized, using the effective interest method, to interest expense over the term of the notes.

Interest on the notes accrues at the rate of 7.75% per annum and is payable semi-annually in arrears on January 15 and July 15 of each year, commencing on January 15, 2012.

The notes may be redeemed, in whole or in part, at any time on or after July 15, 2016, at a redemption price equal to 103.875% of the principal amount thereof (plus accrued and unpaid interest thereon, if any, to the date of such redemption), declining annually to 100% of the principal amount thereof (plus accrued and unpaid interest thereon, if any, to the date of such redemption) beginning on July 15, 2019.

In addition, if AMC Networks experiences a Change of Control (as defined in the indenture), the holders of the notes may require AMC Networks to repurchase for cash all or a portion of their notes at a price equal to 101% of the principal amount thereof (plus accrued and unpaid interest thereon, if any, to the date of such repurchase).

AMC Networks is a holding company and has no operations of its own. The notes are guaranteed on a senior unsecured basis by certain of AMC Networks existing and future domestic restricted subsidiaries (the Subsidiary Guarantors), in accordance with the indenture. The guarantees under the notes are full and unconditional and joint and several. Cablevision is not a guarantor of, and does not otherwise have any obligations relating to, the notes.

The indenture contains certain affirmative and negative covenants applicable to AMC Networks and its Subsidiary Guarantors including restrictions on their ability to incur additional indebtedness, consummate certain assets sales, make investments in entities that are not Restricted Subsidiaries (as defined in the indenture), create liens on their assets, enter into certain affiliate transactions and make certain restricted payments, including restrictions on AMC Networks ability to pay dividends on, or repurchase, its common stock.

AMC Networks was in compliance with all of its covenants under its indenture as of March 31, 2012.

For more information on the indenture and the notes, see Description of Notes.

AMC Networks entered into a registration rights agreement, dated as of June 30, 2011 (the Registration Rights Agreement), among AMC Networks, the Subsidiary Guarantors and the initial purchasers of the notes, pursuant to which AMC Networks agreed to file a registration statement with the SEC with respect to an offer to exchange the notes for registered notes which will have terms identical in all material respects to the notes except that the registered notes will not contain terms that provide for restrictions on transfer, and use its commercially reasonable best efforts to cause the exchange offer registration statement to be declared effective by the SEC by July 1, 2012. In certain circumstances, AMC Networks may be required to file a shelf registration statement with the SEC registering the resale of the notes by the holders thereof, in lieu of an exchange offer to such holders. AMC Networks will be required to pay specified additional interest on the notes if it fails to comply with its registration obligations under the Registration Rights Agreement. The offer to exchange being made by means of this prospectus is intended to satisfy our obligations under the Registration Rights Agreement.

RNS Senior Notes and Senior Subordinated Notes Redemption

RNS Senior Notes

In April 2011, RNS, a wholly-owned indirect subsidiary of the Company, issued a notice of redemption to holders of its 8.75% senior notes due September 2012. In connection therewith, on May 13, 2011 RNS redeemed 100% of the outstanding senior notes at a redemption price equal to 100% of the principal amount of the notes of $300,000, plus accrued and unpaid interest of $5,250 to the redemption date. In order to fund the May 13, 2011 redemption, the Company borrowed $300,000 under its $300,000 revolving credit facility which existed prior to the closing date. The Company used cash on hand to fund the payment of accrued and unpaid interest of $5,250. In connection with the redemption, the Company recorded a write-off of the related unamortized deferred financing costs and a loss on early extinguishment of debt of $1,186 and $350, respectively, in the consolidated statement of income for the year ended December 31, 2011.

RNS Senior Subordinated Notes (tender prices per note in dollars)

On June 15, 2011, RNS announced that it commenced a cash tender offer (the Tender Offer) for all of its outstanding $325,000 aggregate principal amount 10.375% senior subordinated notes due 2014 (the RNS Senior Subordinated Notes) for total consideration of $1,039.58 per $1,000 principal amount of notes tendered for purchase, consisting of tender offer consideration of $1,029.58 per $1,000 principal amount of notes plus an early

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tender premium of $10 per $1,000 principal amount of notes. The Tender Offer was made in connection with the Distribution of AMC Networks by Cablevision and was subject to certain conditions, including the completion of the Distribution.

In connection with the Tender Offer, on June 30, 2011, RNS redeemed 100% of the outstanding $325,000 aggregate principal amount of the RNS Senior Subordinated Notes. The Company used proceeds from borrowings under the Credit Facility to fund the redemption and payment of fees and accrued and unpaid interest of $11,146. Tender premiums aggregating $12,864, along with accretion to the principal amount and other transaction costs of $1,321 have been recorded in loss on early extinguishment of debt in the consolidated statement of income for the year ended December 31, 2011. The related unamortized deferred financing costs aggregating approximately $2,455 were written off and recorded in write-off of deferred financings costs in the consolidated statement of income for the year ended December 31, 2011.

RNS Credit Facility Repayment

In connection with the Distribution, RNS repaid amounts then outstanding under its RNS credit facility at June 30, 2011 of $412,500 under its term A loan facility and $300,000 under its revolving credit facility which aggregated $713,785, including accrued and unpaid interest and fees to the repayment date of June 30, 2011. The Company used proceeds from borrowings under the Credit Facility to fund the repayment. The related unamortized deferred financing costs aggregating approximately $2,062 were written off and recorded in write-off of deferred financing costs in the consolidated statement of income for the year ended December 31, 2011.

RMH Promissory Note

At December 31, 2009, RMH had a $190,000 intercompany payable to Madison Square Garden, L.P., a subsidiary of MSG, an affiliate of Cablevision, in the form of a non-interest bearing advance. On January 28, 2010, in connection with the spin-off of MSG from Cablevision, the intercompany advance was replaced with a promissory note having a principal amount of $190,000, an interest rate of 3.25% and a maturity date of June 30, 2010. In March 2010, the $190,000 of indebtedness was repaid, including $914 of interest accrued from January 28, 2010 through the date of repayment, which was funded by a capital contribution from Cablevision.

Contractual Obligations and Off Balance Sheet Commitments

Our contractual obligations as of December 31, 2011 are summarized in the following table:

	Year 1	Years 2 - 3	Years 4 - 5	More than 5 years	Total
Off balance sheet arrangements:					
Purchase obligations(1)	$ 147,229	$ 45,841	$ 1,516	$ 613	$ 195,199
Operating lease obligations(2)	14,449	30,980	31,434	21,863	98,726
Guarantees(3)	49,486	153			49,639
	211,164	76,974	32,950	22,476	343,564
Contractual obligations reflected on the balance sheet:					
Debt obligations(4)	105,209	362,196	618,002	2,007,527	3,092,934
Program rights obligations	146,339	267,589	173,990	31,111	619,029
Capital lease obligations(5)	2,796	5,592	5,592	9,008	22,988
Contract obligations(6)	2,657	383	143		3,183
	257,001	635,760	797,727	2,047,646	3,738,134
Total	$ 468,165	$ 712,734	$ 830,677	$ 2,070,122	$ 4,081,698

(1) Purchase obligation amounts not reflected on the balance sheet consist primarily of long-term program rights obligations that have not yet met the criteria to be recorded in the balance sheet.

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(2) Operating lease commitments represent future minimum payment obligations on various long-term, noncancelable leases for office space and office equipment.
(3) Consists primarily of a guarantee of payments to a production service company for certain production-related costs.
(4) Includes future payments of principal and interest due on the Company s credit facility debt and senior notes. Interest on variable rate debt is calculated based on the prevailing interest rate as of December 31, 2011.
(5) Reflects the principal amount of capital lease obligations, including interest.
(6) Represents primarily long-term carriage fees payable to distributors and additional annual required payments relating to the acquisitions of film website businesses in 2008 and 2009.

As of March 31, 2012, our off-balance sheet arrangements not reflected on the consolidated balance sheet decreased approximately $21,800 to approximately $321,800 as compared to approximately $343,600 at December 31, 2011. The decrease relates primarily to future program rights obligations.

The contractual obligations table above does not include any liabilities for uncertain income tax positions due to the fact that we are unable to reasonably predict the ultimate amount or timing of settlement of our liabilities for uncertain income tax positions. At December 31, 2011, the liability for uncertain tax positions was $10,465, excluding the related accrued interest liability of $2,216 and deferred tax assets of $4,484. See Note 12 to the accompanying annual consolidated financial statements for further discussion of the Company s income taxes.

DISH Network was issued a 20% interest in VOOM HD, the Company s subsidiary operating VOOM, and that 20% interest will not be diluted until $500,000 in cash has been invested in VOOM HD by the Company. On the fifth or eighth anniversary of the effective date of the investment agreement, the termination of the affiliation agreement by DISH Network, or other specified events, DISH Network has a put right to require a wholly-owned subsidiary of RMH to purchase all of its equity interests in VOOM HD at fair value. On the seventh or tenth anniversary of the effective date of the investment agreement, or the second anniversary date of the termination of the affiliation agreement by DISH Network, a wholly-owned subsidiary of RMH has a call right to purchase all of DISH Network s ownership in VOOM HD at fair value. The table above does not include any future payments that would be required upon the exercise of this put right, if any. See Business Legal Proceedings DISH Network Contract Dispute.

Critical Accounting Policies and Estimates

In preparing our financial statements, we are required to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. These judgments can be subjective and complex and, consequently, actual results could differ materially from those estimates and assumptions. We base our estimates on historical experience and various other assumptions believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. As with any set of assumptions and estimates, there is a range of reasonably likely amounts that may be reported.

The following critical accounting policies have been identified as those that affect the more significant judgments and estimates used in the preparation of the consolidated financial statements:

Impairment of Long-Lived and Indefinite-Lived Assets

Our long-lived and indefinite-lived assets at March 31, 2012 include property and equipment, net of $62,429, amortizable intangible assets, net of $265,994, identifiable indefinite-lived intangible assets of $19,900 and goodwill of $83,173. These assets accounted for approximately 20% of our consolidated total assets as of March 31, 2012.

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We review long-lived assets (property and equipment and intangible assets subject to amortization that arose from acquisitions) for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the expected cash flows, undiscounted and without interest, is less than the carrying amount of the asset, an impairment loss is recognized as the amount by which the carrying amount of the asset exceeds its fair value.

Goodwill and indefinite-lived intangible assets, which represent Sundance Channel trademarks of $19,900, are tested annually for impairment during the first quarter (annual impairment test date) and upon the occurrence of certain events or substantive changes in circumstances.

In accordance with the accounting guidance adopted on January 1, 2012, the annual goodwill impairment test allows for the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. An entity may choose to perform the qualitative assessment on none, some or all of its reporting units or an entity may bypass the qualitative assessment for any reporting unit and proceed directly to step one of the quantitative impairment test. If it is determined, on the basis of qualitative factors, that the fair value of a reporting unit is, more likely than not, less than its carrying value, the quantitative impairment test is required. The quantitative impairment test is a two-step process. The first step compares the carrying amount of a reporting unit, including goodwill, with its fair value utilizing an enterprise-value based approach. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test is performed to measure the amount of the goodwill impairment loss, if any. The second step compares the implied fair value of the reporting unit s goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit s goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess. The implied fair value of goodwill is determined in the same manner as the amount of goodwill that would be recognized in a business combination.

For the purpose of evaluating goodwill impairment at the annual impairment test date, we have five reporting units, which recognized goodwill. These reporting units are AMC, WE tv, IFC and Sundance Channel, which are included in the National Networks reportable segment and AMC Networks Broadcasting & Technology, which is included in the International and Other reportable segment.

The goodwill balance as of March 31, 2012 by reporting unit is as follows:

Reporting Unit	
AMC	$ 34,251
WE tv	5,214
IFC	13,582
Sundance Channel	28,930
AMC Networks Broadcasting & Technology	1,196
	$ 83,173

In assessing the recoverability of goodwill and other long-lived assets, we must make assumptions regarding estimated future cash flows and other factors to determine the fair value of the respective assets. These estimates and assumptions could have a significant impact on whether an impairment charge is recognized and also the magnitude of any such charge. Fair value estimates are made at a specific point in time, based on relevant information. These estimates are subjective in nature and involve uncertainties and matters of significant judgments and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates. Estimates of fair value are primarily determined using discounted cash flows and comparable market transactions. These valuations are based on estimates and assumptions including projected future cash flows, discount rate and determination of appropriate market comparables and determination of whether a premium or discount should be applied to comparables. These valuations also include assumptions for the projected number of subscribers and the projected average rates per basic and viewing subscribers and growth in

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fixed price contractual arrangements used to determine affiliation fee revenue, access to program rights and the cost of such program rights, amount of programming time that is advertiser supported, number of advertising spots available and the sell through rates for those spots, average fee per advertising spot and operating margins, among other assumptions. If these estimates or material related assumptions change in the future, we may be required to record impairment charges related to our long-lived assets.

The impairment test for identifiable indefinite-lived intangible assets consists of a comparison of the estimated fair value of the intangible asset with its carrying value. If the carrying value exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. Significant judgments inherent in a valuation include the selection of appropriate discount and royalty rates, estimating the amount and timing of estimated future cash flows and identification of appropriate continuing growth rate assumptions. The discount rates used in the analysis are intended to reflect the risk inherent in the projected future cash flows generated by the respective intangible assets.

Based on our annual impairment test for goodwill and identifiable indefinite-lived intangible assets during the first quarter of 2012, no impairment charge was required for any of our reporting units. We performed a qualitative assessment for our AMC, WE tv, IFC and AMC Networks Broadcasting and Technology reporting units, which included, but was not limited to, consideration of the historical significant excesses of the estimated fair value of each reporting unit over its respective carrying value (including allocated goodwill), macroeconomic conditions, industry and market considerations, cost factors and historical and projected cash flows. We performed a quantitative assessment for our Sundance Channel reporting unit. Based on the quantitative assessment, if the fair value of the Sundance Channel reporting unit decreased by 11%, the Company would be required to perform step-two of the quantitative assessment.

Our indefinite-lived trademark intangible assets relate to Sundance Channel trademarks, which were valued using a relief-from-royalty method in which the expected benefits are valued by discounting estimated royalty revenue over projected revenues covered by the trademarks. In order to evaluate the sensitivity of the fair value calculations for our identifiable indefinite-lived intangible assets, we applied a hypothetical 20% decrease to the estimated fair value of the identifiable indefinite-lived intangible assets. This hypothetical decrease in estimated fair value would have no impact on the impairment analysis.

The Sundance Channel related trademarks were recorded in June 2008 when the transactions were completed that resulted in the 100% acquisition of Sundance Channel L.L.C. Significant judgments inherent in a valuation include the selection of appropriate discount and royalty rates, estimating the amount and timing of estimated future cash flows and identification of appropriate continuing growth rate assumptions. The discount rates used in the analysis are intended to reflect the risk inherent in the projected future cash flows generated by the respective intangible assets.

Useful Lives of Finite-Lived Intangible Assets

We have recognized intangible assets for affiliation agreements and affiliate relationships, advertiser relationships and other intangible assets as a result of our accounting for business acquisitions. We have determined that such intangible assets have finite lives. The estimated useful lives and net carrying values of these intangible assets at March 31, 2012 are as follows:

	Net Carrying Value at March 31, 2012	Estimated Useful Lives in Years
Affiliation agreements and affiliate relationships	$ 256,088	4 to 25
Advertiser relationships	9,685	3 to 10
Other intangible assets	221	4 to 10
	$ 265,994	

The useful lives for the affiliation agreements and affiliate relationships were determined based upon an analysis of the weighted average remaining terms of existing agreements we had in place with our major customers at the time that purchase accounting was applied, plus an estimate for renewals of such agreements. We have been successful in renewing our major affiliation agreements and maintaining customer relationships in the past and believe we will be able to renew our major affiliation agreements and maintain those customer relationships in the future. However, it is possible that we will not successfully renew such agreements as they expire or that if we do, the net revenue earned may not equal or exceed the net revenue currently being earned, which could have a significant adverse impact on our business.

There have been periods when an existing affiliation agreement has expired and the parties have not finalized negotiations of either a renewal of that agreement or a new agreement for certain periods of time. In substantially all these instances, the affiliates continued to carry and pay for the service under oral or written interim agreements until execution of definitive replacement agreements or renewals. If an affiliate were to cease carrying a service on an other than temporary basis, we would record an impairment charge for the then remaining carrying value of that affiliation agreement intangible asset. If we were to renew an affiliation agreement at rates that produced materially less net revenue compared to the net revenue produced under the previous agreement, we would evaluate the impact on our cash flows and, if necessary, would further evaluate such indication of potential impairment by following the policy described above under Impairment of Long-Lived and Indefinite-Lived Assets for the asset group containing that intangible asset. We also would evaluate whether the remaining useful life of the affiliate relationship intangible asset remained appropriate. Based on December 31, 2011 carrying values, if the estimated remaining life of all affiliation agreements and affiliate relationships were shortened by 10%, the effect on amortization for the year ending December 31, 2012 would be to increase our annual amortization expense by approximately $4,726.

Program Rights

Rights to programming, including feature films and episodic series, acquired under license agreements are stated at the lower of amortized cost or net realizable value. Such licensed rights along with the related obligations are recorded at the contract value when a license agreement is executed, unless there is uncertainty with respect to either cost, acceptability or availability. If such uncertainty exists, those rights and obligations are recorded at the earlier of when the uncertainty is resolved or when the license period begins. Costs are amortized to technical and operating expense on a straight-line basis over a period not to exceed the respective license periods.

Our owned original programming is primarily produced by independent production companies, with the remainder produced by us. Owned original programming costs, including estimated participation and residual costs, qualifying for capitalization as program rights are amortized to technical and operating expense over their estimated useful lives, commencing upon the first airing, based on attributable revenue for airings to date as a percentage of total projected attributable revenue, or ultimate revenue (film-forecast-computation method). Projected attributable revenue is based on previously generated revenues for similar content in established markets, primarily consisting of affiliation fee and advertising revenues, and may also include licensing and digital distribution revenues. Projected program usage is based on the historical usage of similar content. Estimated attributable revenue can change based upon programming market acceptance, levels of affiliation fee revenue, advertising revenue, distribution revenue and program usage. These calculations require management to make assumptions and to apply judgment regarding revenue and planned usage. We periodically review revenue estimates and planned usage and revise our assumptions if necessary, which could either accelerate or delay the timing of amortization expense or result in a write-down of the program right to net realizable value. We believe the most sensitive factor affecting our estimate of ultimate revenues is the program s audience ratings. A program s strong performance could result in increased usage and increased revenues resulting in accelerated amortization of production costs. Poor ratings may result in the reduction of planned usage or the abandonment of a program, which could require a partial or total write-off of any unamortized production costs. A failure to adjust for a downward change in estimates of ultimate revenues could result in the understatement of program rights amortization expense for the period. Historically, actual ultimate revenue amounts have not significantly differed from our estimates of ultimate revenue.

We periodically review the programming usefulness of our licensed and owned original program rights based on a series of factors, including expected future revenue generation from airings on our networks and other exploitation opportunities, ratings, type and quality of program material, standards and practices and fitness for exhibition through various forms of distribution. If it is determined that film or other program rights have no future programming usefulness, based on actual demand or market conditions, a write-off of the unamortized cost is recorded in technical and operating expense. Program rights write-offs of $18,332, $1,122 and $7,778 were recorded for the years ended December 31, 2011, 2010 and 2009, respectively, and $274 for the three months ended March 31, 2011. There were no program rights write-offs recorded for the three months ended March 31, 2012.

Income Taxes

Judgment is required in determining the provision for income taxes and related accruals, deferred tax assets and liabilities. Consequently, changes in our estimates with regard to uncertain tax positions and the realization of deferred tax assets will impact our results of operations and financial position. Deferred tax assets are evaluated quarterly for expected future realization and reduced by a valuation allowance to the extent management believes it is more likely than not that a portion will not be realized. At December 31, 2011, we had a valuation allowance of $8,781 for certain local income tax credit carry-forwards.

Quantitative and Qualitative Disclosure about Market Risk.

Fair Value of Debt

Based on the level of interest rates prevailing at March 31, 2012, the fair value of our fixed rate debt of $780,500 was more than its carrying value of $686,671 by $93,829. The fair value of these financial instruments is estimated based on reference to quoted market prices for these or comparable securities. A hypothetical 100 basis point decrease in interest rates prevailing at March 31, 2012 would increase the estimated fair value of our fixed rate debt by approximately $29,000 to approximately $810,000.

Managing Our Interest Rate Risk

To manage interest rate risk, we enter into interest rate swap contracts from time to time to adjust the amount of total debt that is subject to variable interest rates. Such contracts effectively fix the borrowing rates on floating rate debt to limit the exposure against the risk of rising rates. We do not enter into interest rate swap contracts for speculative or trading purposes and we only enter into interest rate swap contracts with financial institutions that we believe are creditworthy counterparties. We monitor the financial institutions that are counterparties to our interest rate swap contracts and to the extent possible diversify our swap contracts among various counterparties to mitigate exposure to any single financial institution.

As of March 31, 2012, we have $2,240,768 of debt outstanding (excluding capital leases), of which $1,554,097 outstanding under our Credit Facility is subject to variable interest rates. A hypothetical 100 basis point increase in interest rates prevailing at March 31, 2012 could increase our annual interest expense approximately $15,500.

As of March 31, 2012, we have interest rate swap contracts outstanding with notional amounts aggregating $935,000, which includes swap contracts with notional amounts aggregating $200,000 that are effective beginning July 2012. The aggregate fair value of interest rate swap contracts at March 31, 2012 was a liability of $19,911 (included in other liabilities). Accumulated other comprehensive loss consists of $12,544 of cumulative

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unrealized losses, net of tax, on the floating-to-fixed interest rate swaps. As a result of these transactions, the interest rate paid on approximately 64% of the Company s debt (excluding capital leases) as of March 31, 2012 is effectively fixed (31% being fixed rate obligations and 33% effectively fixed through utilization of these interest rate swap contracts). At March 31, 2012, our interest rate cash flow hedges were highly effective, in all material respects.

BUSINESS

Our Company

AMC Networks owns and operates several of cable television s most recognized brands delivering high-quality content to audiences and a valuable platform to distributors and advertisers. Since our founding in 1980, we have been a pioneer in the cable television programming industry, having created or developed some of the industry s leading programming networks. We have, since our inception, focused on programming of film and original productions, including through our creation of Bravo and AMC in 1980 and 1984, respectively. Bravo, which we sold to NBC Universal in 2002, was the first network dedicated to film and the performing arts. We have continued this dedication to quality programming and storytelling through our creation of The Independent Film Channel (today known as IFC) in 1994 and WE tv (which we launched as Romance Classics in 1997) and our acquisition of Sundance Channel in June 2008.

We manage our business through two reportable operating segments: (i) National Networks, which includes AMC, WE tv, IFC and Sundance Channel; and (ii) International and Other, which includes AMC/Sundance Channel Global, our international programming business; IFC Films, our independent film distribution business; and AMC Networks Broadcasting & Technology, our network technical services business. Our National Networks are distributed throughout the United States (U.S.) via cable and other multichannel video programming distribution platforms, including direct broadcast satellite (DBS) and platforms operated by telecommunications providers (we refer collectively to these cable and other multichannel video programming distributors as multichannel video programming distributors or distributors). In addition to our extensive U.S. distribution, AMC, IFC and Sundance Channel are available in Canada and Sundance Channel and WE tv are available in other countries throughout Europe and Asia. We earn revenue principally from the affiliation fees paid by distributors to carry our programming networks and from advertising sales. In 2011, affiliation fees and other revenue accounted for 62% of our consolidated revenues, net and advertising sales accounted for 38% of our consolidated revenues, net.

Our Strengths

Our strengths include:

Strong Industry Presence and Portfolio of Brands. We have operated in the cable programming industry for more than 30 years and over this time we have continually enhanced the value of our network portfolio. Our programming network brands are well known and well regarded by our key constituents our viewers, distributors and advertisers and have developed strong followings within their respective targeted demographics, increasing our value to distributors and advertisers. AMC (which targets adults aged 25 to 54), WE tv (which targets women aged 18 to 49 and 25 to 54), IFC (which targets adults aged 18 to 49) and Sundance Channel (which targets adults aged 25 to 54) have established themselves as important within their respective markets. Our deep and established presence in the industry and the recognition we have received for our brands through industry awards and other honors lend us a high degree of credibility with distributors and content producers, and help provide us with stable affiliate and studio relationships, advantageous channel placements and heightened viewer engagement.

Broad Distribution and Penetration of Our National Networks. Our national networks are broadly distributed in the U.S. AMC, WE tv, IFC and Sundance Channel are each carried by all major multichannel video programming distributors. Our national networks are available to a significant percentage of subscribers in these distributors systems. This broad distribution and penetration provides us with a strong national platform on which to maintain, promote and grow our business.

Compelling Programming. We continually refine our mix of programming and, in addition to our popular film content, have increasingly focused on highly visible, critically-acclaimed original programming, including the award-winning *Mad Men*, *Breaking Bad* and *The Walking Dead*, which in 2011 was cable television s highest rated drama ever among adults aged 18-49 and 25-54. Other popular series include *The Killing*, *Hell on Wheels*,

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Braxton Family Values, *Bridezillas*, *Portlandia* and *The Increasingly Poor Decisions of Todd Margaret*. Our focus on quality original programming, targeting specific audiences, has allowed us in recent years to increase our programming networks ratings and their viewership within these respective targeted demographics.

Recurring Revenue from Affiliation Agreements. Our affiliation agreements with multichannel video programming distributors are a recurring source of revenue. We generally seek to structure these agreements so that they are long-term in nature and to stagger their expiration dates, thereby increasing the predictability and stability of our affiliation fee revenues.

Desirable Advertising Platform. Our national networks have a strong connection with each of their respective targeted demographics, which make our programming networks an attractive platform to advertisers. Although all of our programming networks were originally operated without advertising, we have been incrementally migrating our networks to an advertiser-supported model. We have experienced significant growth in our advertising revenues in recent years, which has allowed us to develop high-quality programming.

Our Strategy

Our strategy is to maintain and improve our position as a leading programming and entertainment company by owning and operating several of the most popular and award-winning brands in cable television that create engagement with audiences globally across multiple media and distribution platforms. The key focuses of our strategy are:

Continued Development of High-Quality Original Programming. We intend to continue developing strong original programming across all of our programming networks to enhance our brands, strengthen our relationships with our viewers, distributors and advertisers, and increase distribution and audience ratings. We believe that our continued investment in original programming supports future growth in our two principal revenue streams affiliation fee revenue from our distributors and advertising revenue. We also intend to continue to expand the exploitation of our original programming across multiple media and distribution platforms.

Increased Distribution of our Programming Networks. Of our four national networks, only AMC is substantially fully distributed in the U.S. We intend to continue to seek increased distribution of our other national networks to grow affiliate and advertising revenues. In addition, we are expanding the distribution of our programming networks around the globe. We first expanded beyond the U.S. market with the launch in Canada of IFC (in 2001) and AMC (in 2006), and we have recently launched Sundance Channel in the Canadian market (in 2010). We are building on this base by distributing an international version of Sundance Channel, which is currently distributed in 12 countries in Europe and four countries in Asia, with additional expansion planned in 2012 and future years. We have also launched an international version of WE tv in four countries in Asia, with further expansion planned in other Asian markets.

Continued Growth of Advertising Revenue. We have a proven track record of significantly increasing revenue by introducing advertising on networks that were previously not advertiser supported. We first accomplished this in 2002, when we moved AMC and WE tv to an advertiser-supported model. Most recently, in December 2010, we moved IFC to such a model. We seek to continue to evolve the programming on each of our networks to achieve even stronger viewer engagement within their respective core targeted demographics, thereby increasing the value of our programming to advertisers and allowing us to obtain higher advertising rates. For example, we have begun to refine the programming mix on IFC to include alternative comedy programming, such as *Portlandia* and *The Increasingly Poor Decisions of Todd Margaret*, in order to increase IFC s appeal to its targeted demographic of adults aged 18 to 49. We are also continuing to seek additional advertising revenue at AMC and WE tv through higher Nielsen ratings in desirable demographics.

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Increased Control of Content. We believe that control (including long-term contract arrangements) and ownership of content is becoming increasingly important, and we intend to increase our control position over our programming content. We currently control, own or have long-term license agreements covering significant portions of our content across our programming networks as well as in our independent film distribution business operated by IFC Films. We intend to continue to focus on obtaining the broadest possible control rights (both as to territory and platforms) for our content.

Exploitation of Emerging Media Platforms. The technological landscape surrounding the distribution of entertainment content is continuously evolving as new digital platforms emerge. We intend to distribute our content across as many of these new platforms as possible, when it makes business sense to do so, so that our viewers can access our content where, when and how they want it. To that end, our programming networks are allowing many of our distributors to offer our content to subscribers on computers and other digital devices, and on video-on-demand platforms, all of which permit subscribers to access programs at their convenience. We also have launched our own direct-to-consumer digital platform, SundanceNow, which makes our IFC Films library of independent films available to consumers in the U.S. and around the globe, and have made some of our content available on third-party digital platforms such as Netflix and iTunes. Our national networks each host dedicated websites that promote their brands, provide programming information and provide access to content. In addition, AMC owns the film-focused websites filmsite.org and filmcritic.com, which together with amctv.com deliver over 4 million unique visitors each month.

National Networks

AMC

AMC is a television network dedicated to the highest-quality storytelling, whether commemorating favorite films from every genre and decade or creating acclaimed original programming. In addition to presenting popular feature films from its comprehensive movie library, AMC features original programming that includes critically-acclaimed and award-winning original scripted dramatic series such as *Mad Men*, *Breaking Bad*, *The Killing*, *Hell on Wheels* and *The Walking Dead*, which in 2011 was the highest rated drama in basic cable history among the key demographic of adults 18-49 and 25-54. The network also recently launched its first unscripted series, *Talking Dead*, with two additional unscripted series, *Comic Book Men* (which debuted in February 2012) and *The Pitch*, debuting in Spring 2012.

We launched AMC in 1984, and over the past several years it has garnered many of the industry s highest honors, including 25 Emmy® Awards, four Golden Globe® Awards, two Screen Actors Guild Awards, two Peabody Awards, and four consecutive American Film Institute (AFI) Awards for Top 10 Most Outstanding Television Programs of the Year. AMC is the only cable network in history to win the Emmy® Award for Outstanding Drama Series four years in a row, as well as the Golden Globe® Award for Best Television Series Drama for three consecutive years.

AMC s film library consists of films that are licensed from major studios such as Twentieth Century Fox, Warner Bros., Sony, MGM, NBC Universal, Paramount and Buena Vista under long-term contracts. AMC generally structures its contracts for the exclusive cable television rights to air the films during identified window periods.

AMC Subscribers and Affiliation Agreements. As of December 31, 2011, AMC had affiliation agreements with all major U.S. multichannel video programming distributors and reached approximately 96 million Nielsen subscribers.

Historical Subscribers AMC

	2011	2010 (in millions)	2009
Nielsen Subscribers (at year-end)	96.3	96.4	95.2
Growth from Prior Year-end	%	1%	1%

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WE tv

WE tv is a women s network that showcases a modern view of family life. The network s original programming presents stories from a woman s perspective and features celebrities and personalities as they experience life s defining moments such as getting married, having children and raising a family.

WE tv s original series include *Braxton Family Values*, *Joan and Melissa: Joan Knows Best?*, *Bridezillas* and *My Fair Wedding with David Tutera*. Additionally, WE tv s programming includes series such as *Frasier*, *Golden Girls* and *Charmed* as well as feature films, with exclusive license rights to certain films from studios such as Paramount, Sony and Warner Bros.

WE tv Subscribers and Affiliation Agreements. As of December 31, 2011, WE tv had affiliation agreements with all major U.S. multichannel video distributors and reached approximately 76 million Nielsen subscribers.

Historical Subscribers WE tv

	2011	2010 (in millions)	2009
Nielsen Subscribers (at year-end)	76.1	76.8	74.9
Growth from Prior Year-End	(1)%	3%	4%

IFC

IFC is a network dedicated to presenting independent film and original alternative comedy series with an indie perspective. Since its launch in 1994, IFC has created and championed programming that challenges the conventions of storytelling and provides a unique perspective through its original series, notable independent film collection and cult television shows.

The network s original content includes comedy series *Portlandia* (from the creators of *Saturday Night Live*) and David Cross *The Increasingly Poor Decisions of Todd Margaret*. IFC s programming also includes series such as *Arrested Development*, *Freaks and Geeks* and *Malcolm in the Middle*, along with films from the most significant independent film distributors including Fox Searchlight, Miramax, Sony Classics, IFC Films and Lionsgate.

In addition, IFC provides viewers with access to festivals and events, including the annual South-by-Southwest film, music and digital festival, where the network has an annual presence via its Crossroads House, home to exclusive interviews, live music presentations and sponsor activations. And, for the past decade, IFC has been the exclusive broadcast home of The Independent Spirit Awards, the largest awards show celebrating independent films and filmmakers.

IFC Subscribers and Affiliation Agreements. As of December 31, 2011, IFC had affiliation agreements with all major U.S. multichannel video distributors and reached approximately 65 million Nielsen subscribers.

Historical Subscribers IFC

	2011	2010 (in millions)	2009
Nielsen Subscribers (at year-end)	65.3	62.7	60.4
Growth from Prior Year-End	4%	4%	3%

Sundance Channel

Launched in 1996 and acquired by us in 2008, Sundance Channel is the television destination that showcases creative icons and emerging talent through entertaining, immersive stories of invention, fashion, film, travel and design.

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Sundance Channel features independent films and original programming including the fashion series *All on the Line with Joe Zee*, the celebrity vehicle *The Mortified Sessions*, *Iconoclasts*, and the Peabody Award-winning franchise *Brick City*, in addition to other series that highlight what is just about to hit in the worlds of product design, pop culture, style and food.

In 2010, Sundance Channel embarked on an original scripted programming strategy. Its first scripted mini-series, the acclaimed *Carlos*, won the 2011 Golden Globe® Award for Best Mini-Series or Motion Picture Made for Television. The network s second scripted project, *Appropriate Adult*, aired in fall 2011 to great critical acclaim and was nominated for a 2012 Golden Globe® Award. Sundance Channel recently announced an additional scripted project, *Top of the Lake* (from Oscar®-winning director Jane Campion).

In addition, the network benefits from its relationship with the Sundance Institute and the renowned Sundance Film Festival, where each year the network gives festival attendees and viewers exclusive access to the festival on-site and through dedicated programming on-air and online.

Sundance Channel Subscribers and Affiliation Agreements. As of December 31, 2011, Sundance Channel had affiliation agreements with all major U.S. multichannel video distributors and reached approximately 42 million viewing subscribers. Sundance Channel currently generates advertising revenue from sponsorship arrangements and promotional breaks, rather than traditional advertising spots.

Historical Subscribers Sundance Channel

	2011	**2010**	**2009**
		(in millions)	
Viewing Subscribers* (at year-end)	42.1	39.9	37.9
Growth from Prior Year-End	6%	5%	23%

* Subscriber counts are based on internal management reports and represent viewing subscribers. For a discussion of the differences between Nielsen subscribers and viewing subscribers, see Subscriber and Viewer Measurement below.

International and Other

In addition to our National Networks, we also operate AMC/Sundance Channel Global, which is our international programming business; IFC Films, our independent film distribution business; and AMC Networks Broadcasting & Technology, our network technical services business. Our International and Other segment also includes VOOM HD Holdings LLC (VOOM HD), which we are in the process of winding down, and which continues to sell certain limited amounts of programming internationally through program license agreements.

AMC/Sundance Channel Global

AMC/Sundance Channel Global s business principally consists of seven distinct channels in ten languages spread across eighteen countries, focusing primarily on AMC in Canada and global versions of the Sundance Channel and WE tv brands. Principally generating revenues from affiliation fees, AMC/Sundance Channel Global reached approximately 8.7 million viewing subscribers in Canada, Europe and Asia as of December 31, 2011, and has broad availability to distributors in Europe and in Asia through satellite and fiber delivery that can facilitate future expansion.

Sundance Channel International

An internationally recognized brand, Sundance Channel s global services provide not only the best of the independent film world but also feature certain content from AMC, IFC, Sundance Channel and IFC Films, as well as serve as a unique pipeline of international content, in an effort to provide distinctive programming to an upscale audience.

The ability of Sundance Channel to offer content in standard definition and high definition across multiple platforms provides value to distributors and opportunity for expansion into additional international markets. The international version of Sundance Channel is currently available via six distinct feeds providing service in France, Belgium, the Netherlands, Spain, Portugal, Romania, Poland, Hungary, Slovakia, Czech Republic, Greece, Malta, South Korea, Malaysia, Taiwan and Singapore; and provides programming in English, French, Dutch, Spanish, Portuguese, Polish, Greek, Korean, Malay and Mandarin. The network is distributed via satellite and fiber in Europe and via satellite in Asia with a substantial satellite footprint (which extends from the Philippines to the Middle East and from Russia to Australia).

Canada

We provide programming to the Canadian market through our AMC and Sundance Channel brands, which are distributed through affiliation arrangements with the three major Canadian multichannel video distributors and through trademark license and content distribution arrangements with Canadian programming outlets. In 2006, we launched AMC Canada as a service that provides essentially the same programming as the U.S. version of the network. AMC Canada has today achieved near-full distribution in the Canadian market. In 2010, we launched a Sundance Channel-branded network in Canada.

WE tv Asia

Providing programming in the Korean and Mandarin languages, WE tv Asia provides a selection of the best domestic programming from the WE tv U.S. network with programs like *Bridezillas* and *My Fair Wedding with David Tutera*, and some of the best programming from networks in the U.S., such as *Tabatha s Salon Takeover* and *Tori & Dean*. With the same broad satellite footprint as Sundance Channel International, WE tv Asia is available in South Korea, Taiwan, Singapore and Hong Kong and also presents significant opportunities for expansion into new Asian markets.

IFC Films

IFC Films, which was formerly referred to as IFC Entertainment, encompasses our independent film distribution business, which makes independent films available to a worldwide audience. IFC Films operates three distribution labels: Sundance Selects, IFC Films and IFC Midnight, all of which distribute critically acclaimed independent films across virtually all available media platforms, including in theaters, on cable/satellite video-on-demand (reaching nearly 50 million homes), DVDs and cable network television, and streaming/downloading to computers and other electronic devices.

IFC Films has a film library consisting of more than 500 titles. Recently released films include: the Oscar®-nominated *Pina*, *Buck*, *The Other Woman*, *Love Wedding Marriage*, *The Ledge*, *Super* and *Flypaper*.

As part of its strategy to encourage the growth of the marketplace for independent film, IFC Films also operates the IFC Center, DOC NYC and SundanceNow. The IFC Center is a state-of-the-art independent movie theater located in the heart of New York City s Greenwich Village. DOC NYC is an annual festival also located in New York City celebrating documentary storytelling in film, photography, prose and other media. IFC Films online platform, SundanceNow, is a direct-to-consumer digital platform that makes our IFC Films library of independent films, in addition to independent film content licensed from third parties available to consumers in the U.S. and around the globe.

AMC Networks Broadcasting & Technology

AMC Networks Broadcasting & Technology is a full-service network programming feed origination and distribution company, supplying an array of services to the network programming industry. AMC Networks Broadcasting & Technology s operations are housed in Bethpage, New York, where AMC Networks Broadcasting & Technology consolidates origination and satellite communications functions in a 55,000 square-foot facility designed to keep AMC Networks at the forefront of network origination and distribution technology.

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AMC Networks Broadcasting & Technology has nearly 30 years experience across its network services groups, including affiliate engineering, network operations, traffic and scheduling that provide day-to-day delivery of any programming network, in high definition or standard definition.

Currently, AMC Networks Broadcasting & Technology is responsible for the origination of 33 programming feeds for national and international distribution. AMC Networks Broadcasting & Technology s current clients include AMC Networks own national networks, as well as third-party and affiliated clients including Fuse, MSG network, MSG Plus, MSG Varsity, SNY and Mid Atlantic Sports Network.

Content Rights and Development

The programming on our networks includes original programming that we control, either through outright ownership or through long-term licensing arrangements, and acquired programming that we license from studios and other rights holders.

Original Programming

We contract with some of the industry s leading independent production companies, including Lionsgate, Sony Pictures Television, Fox Television Studios, Entertainment One Television USA, RelativityREAL, Magical Elves, Broadway Video, Reveille Productions and Pilgrim Films & Television, to produce most of the original programming that appears on our programming networks. These contractual arrangements either provide us with outright ownership of the programming, in which case we hold all programming and other rights to the content, or they consist of long-term licensing arrangements, which provide us with exclusive rights to exhibit the content on our programming networks, but may be limited in terms of specific geographic markets or distribution platforms. We currently self-produce one of our original series, AMC s *The Walking Dead*.

The original programming that we either exclusively license or own outright includes, for WE tv: *Braxton Family Values*, *My Fair Wedding with David Tutera*, *Joan and Melissa: Joan Knows Best?*; for IFC: *Portlandia*, *The Increasingly Poor Decisions of Todd Margaret* and *Onion News Network*; for Sundance Channel: *All on the Line with Joe Zee*, *The Mortified Sessions* and *Love/Lust*. We may freely exhibit this programming on our networks or through other distribution platforms, both in the U.S. and in international markets. We may also license this content to other programming networks or distribution platforms.

We hold long-term licenses for original programming that includes *Mad Men*, *Breaking Bad*, *The Killing*, *Hell on Wheels* and *Bridezillas*. These licensing arrangements give us the exclusive right for certain periods of time to exhibit the shows on our programming networks within the U.S. and, in some cases, in international markets. These licenses may also give us the right to exploit the programming on certain digital distribution platforms (such as video-on-demand and mobile devices) within our licensed territory. The license agreements are typically of multi-season duration and provide us with a right of first negotiation or a right of first refusal on the renewal of the license for additional programming seasons.

Acquired Programming

The majority of the content on our programming networks consists of existing films, episodic series and specials that we acquire pursuant to rights agreements with film studios, production companies or other rights holders. This acquired programming includes episodic series such as *CSI: Miami*, *Frasier*, *Charmed*, *Ghost Whisperer*, *Golden Girls*, *Malcolm in the Middle* and *Arrested Development*, as well as an extensive film library. The rights agreements for this content are of varying duration and generally permit our programming networks to carry these series, films and other programming during certain window periods.

Affiliation Agreements

Affiliation Agreements and Significant Customers. Our programming networks are distributed to our viewing audience pursuant to affiliation agreements with multichannel video distributors. These agreements, which typically have durations of several years, require us to deliver programming that meets certain standards set forth in the agreement. We earn affiliation fees under these agreements, generally based upon the number of each distributor s subscribers who receive our programming or, in some cases, based on a fixed contractual monthly fee. Our affiliation agreements also give us the right to sell a specific amount of national advertising time on our programming networks.

Our programming networks existing affiliation agreements expire at various dates through 2018. Failure to renew important affiliation agreements, or renewal on less favorable terms, or the termination of those agreements could have a material adverse effect on our business, and, even if affiliation agreements are renewed, there can be no assurance that renewal rates will equal or exceed the rates that are currently being charged. We have never failed to renew an agreement with any of our top ten distributors, although agreements have sometimes expired before the renewal was fully negotiated and finalized (in such cases, carriage of our programming networks continued unaffected during the periods in which the agreements were being negotiated).

In 2011, Comcast and DirecTV each accounted for at least 10% of our consolidated revenues, net.

We frequently negotiate with distributors in an effort to increase the subscriber base for our networks. We have in some instances made upfront payments to distributors in exchange for these additional subscribers or agreed to waive or accept lower subscriber fees if certain numbers of additional subscribers are provided. We also may help fund the distributors efforts to market our programming networks or we may permit distributors to offer limited promotional periods without payment of subscriber fees. As we continue our efforts to add subscribers, our subscriber revenue may be negatively affected by such deferred carriage fee arrangements, discounted subscriber fees and other payments; however, we believe that these transactions generate a positive return on investment over the contract period.

Advertising Arrangements

Under our affiliation agreements with our distributors, we have the right to sell a specified amount of national advertising time on certain of our programming networks. Our advertising revenues are more variable than affiliation fee revenues because the majority of all of our advertising is sold on a short-term basis, not under long-term contracts. Our advertising arrangements with advertisers provide for a set number of advertising units to air over a specific period of time at a negotiated price per unit. In certain advertising sales arrangements, our programming networks guarantee specified viewer ratings for their programming. If these guaranteed viewer ratings are not met, we are generally required to provide additional advertising units to the advertiser at no charge. For these types of arrangements, a portion of the related revenue is deferred if the guaranteed viewer ratings are not met and is subsequently recognized either when we provide the required additional advertising time, the guarantee obligation contractually expires or performance requirements become remote. Most of our advertising revenues vary based upon the popularity of our programming as measured by Nielsen.

In 2011, our national programming networks had approximately 1,000 advertisers representing companies in a broad range of sectors, including the health, insurance, food, automotive and retail industries. Our AMC, WE tv and IFC programming networks use a traditional advertising sales model, while Sundance Channel principally sells sponsorships. Prior to December 2010, IFC principally sold sponsorships.

Subscriber and Viewer Measurement

The number of subscribers receiving our programming from multichannel video programming distributors generally determines the affiliation fees we receive. We refer to these subscribers as viewing subscribers. These numbers are reported monthly by the distributor and are reported net of certain excluded categories of subscribers set forth in the relevant affiliation agreement. These excluded categories include delinquent and complimentary accounts and subscribers receiving our programming networks during promotional periods. For most day-to-day management purposes, we use a different measurement, Nielsen subscribers, when that measurement is available. Nielsen subscribers represent the number of subscribers receiving our programming

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from multichannel video programming distributors as reported by Nielsen, based on their sampling procedures. Because Nielsen subscribers are reported without deduction for certain classes of subscribers, Nielsen subscriber figures tend to be higher than viewing subscribers for a given programming network. Nielsen subscriber figures are available for our AMC, WE tv and IFC programming networks.

For purposes of the advertising rates we are able to charge advertisers, the relevant measurement is the Nielsen rating, which measures the number of viewers actually watching the commercials within programs we show on our programming networks. This measurement is calculated by The Nielsen Company using their sampling procedures and reported daily, although advertising rates are adjusted less frequently. In addition to the Nielsen rating, our advertising rates are also influenced by the demographic mix of our viewing audiences, since advertisers tend to pay premium rates for more desirable demographic groups of viewers.

Regulation

The Federal Communications Commission (the FCC) regulates our programming networks in certain respects because they are affiliated with a cable television operator like Cablevision. Other FCC regulations, although imposed on cable television operators and satellite operators, affect programming networks indirectly.

Closed Captioning

Certain of our networks must provide closed-captioning of programming for the hearing impaired. The 21st Century Communications and Video Accessibility Act of 2010 also requires us to provide closed captioning on certain video programming that we offer on the Internet.

Obscenity Restrictions

Cable operators and other distributors are prohibited from transmitting obscene programming, and our affiliation agreements generally require us to refrain from including such programming on our networks.

Program Access

The program access provisions of the Federal Cable Act generally require satellite delivered video programming in which a cable operator holds an attributable interest, as that term is defined by the FCC, to be made available to all multichannel video programming distributors, including DBS providers and telephone companies, on nondiscriminatory prices, terms and conditions, subject to certain exceptions specified in the statute and the FCC s rules. For purposes of these rules, the common directors and five percent or greater voting stockholders of Cablevision and AMC Networks are deemed to be cable operators with attributable interests in us. As long as we continue to have common directors and major stockholders with Cablevision, our satellite-delivered video programming services will remain subject to the program access provisions. Until October 2012, unless extended, these rules also prohibit us from entering into exclusive contracts with cable operators for these services.

The FCC has also extended the program access rules to terrestrially delivered programming created by cable operator-affiliated programmers such as us when a showing can be made that the lack of such programming significantly hinders or prevents the distributor from providing satellite cable programming. The new rules authorize the FCC to compel the licensing of such programming in response to a complaint by a multichannel video programming distributor. These rules could require us to make any terrestrial programming services we create available to multichannel video programming distributors on nondiscriminatory prices, terms and conditions.

In 2007, the FCC sought comment on a proposal to allow a cable operator to petition for repeal of the exclusivity ban prior to 2012 with respect to programming it owns, in markets where the cable operator faces competition from other video programming distributors; and is considering revisions to the program access complaint procedures. The FCC has taken no action on this proposal.

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Program Carriage

The FCC has sought comment on proposed changes to the rules governing carriage agreements between cable programming networks and cable operators or other multichannel video programming distributors. Some of these changes could give an advantage to cable programming networks that are not affiliated with any distributor and make it easier for those programming networks to challenge a distributor s decision to terminate a carriage agreement or to decline to carry a network in the first place.

Wholesale À La Carte

In 2007, the FCC sought comment on whether cable programming networks require distributors to purchase and carry undesired programming in return for the right to carry desired programming and, if so, whether such arrangements should be prohibited. The FCC has taken no action on this proposal. We do not currently require distributors to carry more than one of our national programming networks in order to obtain the right to carry a particular national programming network. However, we generally negotiate with a distributor for the carriage of all of our national networks concurrently.

Effect of Must-Carry Requirements

The FCC s implementation of the statutory must-carry obligations requires cable and DBS operators to give broadcasters preferential access to channel space. In contrast, programming networks, such as ours, have no guaranteed right of carriage on cable television or DBS systems. This may reduce the amount of channel space that is available for carriage of our networks by cable television systems and DBS operators.

Satellite Carriage

All satellite carriers must under federal law offer their service to deliver our and our competitor s programming networks on a nondiscriminatory basis (including by means of a lottery). A satellite carrier cannot unreasonably discriminate against any customer in its charges or conditions of carriage.

Media Ownership Restrictions

FCC rules set media ownership limits that restrict, among other things, the number of daily newspapers and radio and television stations in which a single entity may hold an attributable interest as that term is defined by the FCC. Pursuant to a Congressional mandate, the FCC must review these rules every four years. Such a review is currently underway. Cablevision currently owns *Newsday*, a daily newspaper published on Long Island, New York. The fact that the common directors and five percent or greater voting stockholders of Cablevision and AMC Networks hold attributable interests in each of the companies for purposes of these rules means that these cross-ownership rules may have the effect of limiting the activities or strategic business alternatives available to us, at least for as long as we continue to have common directors and major stockholders with Cablevision. Although we have no plans or intentions to become involved in the businesses affected by these restrictions, we would need to be mindful of these rules if we were to consider engaging in any such business in the future.

Website Requirements

We maintain various websites that provide information regarding our businesses and offer content for sale. The operation of these websites may be subject to a range of federal, state and local laws such as privacy and consumer protection regulations.

Other Regulation

In 2007, the FCC recommended that Congress prohibit the availability of violent programming, including on cable programming networks, during the hours when children are likely to be watching. Congress has considered this proposal, but to date has not yet enacted such restrictions. The FCC also imposes rules regarding political broadcasts.

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Competition

Our programming networks operate in two highly competitive markets. First, our programming networks compete with other programming networks to obtain distribution on cable television systems and other multichannel video programming distribution systems, such as DBS, and ultimately for viewing by each system s subscribers. Second, our programming networks compete with other programming networks and other sources of video content, including broadcast networks, to secure desired entertainment programming. The success of our businesses depends on our ability to license and produce content for our programming networks that is adequate in quantity and quality and will generate satisfactory viewer ratings. In each of these cases, some of our competitors are large publicly held companies that have greater financial resources than we do. In addition, we compete with these entities for advertising revenue.

It is difficult to predict the future effect of technology on many of the factors affecting AMC Networks competitive position. For example, data compression technology has made it possible for most video programming distributors to increase their channel capacity, which may reduce the competition among programming networks and broadcasters for channel space. On the other hand, the addition of channel space could also increase competition for desired entertainment programming and ultimately, for viewing by subscribers. As more channel space becomes available, the position of our programming networks in the most favorable tiers of these distributors would be an important goal. Additionally, video content delivered directly to viewers over the Internet competes with our programming networks for viewership.

Distribution of Programming Networks

The business of distributing programming networks to cable television systems and other multichannel video programming distributors is highly competitive. Our programming networks face competition from other programming networks carriage by a particular multichannel video programming distributor, and for the carriage on the service tier that will attract the most subscribers. Once our programming network is selected by a distributor for carriage, that network competes for viewers not only with the other programming networks available on the distributor s system, but also with over-the-air broadcast television, Internet-based video and other online services, mobile services, radio, print media, motion picture theaters, DVDs, and other sources of information and entertainment.

Important to our success in each area of competition we face are the prices we charge for our programming networks, the quantity, quality and variety of the programming offered on our networks, and the effectiveness of our networks marketing efforts. The competition for viewers among advertiser supported networks is directly correlated with the competition for advertising revenues with each of our competitors.

Our ability to successfully compete with other networks may be hampered because the cable television systems or other multichannel video programming distributors through which we seek distribution may be affiliated with other programming networks. In addition, because such distributors may have a substantial number of subscribers, the ability of such programming networks to obtain distribution on the systems of affiliated distributors may lead to increased affiliation and advertising revenue for such programming networks because of their increased penetration compared to our programming networks. Even if such affiliated distributors carry our programming networks, such distributors may place their affiliated programming network on a more desirable tier, thereby giving the affiliated programming network a competitive advantage over our own.

New or existing programming networks that are affiliated with broadcasting networks like NBC, ABC, CBS or Fox may also have a competitive advantage over our programming networks in obtaining distribution through the bundling of agreements to carry those programming networks with agreements giving the distributor the right to carry a broadcast station affiliated with the broadcasting network.

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An important part of our strategy involves exploiting identified markets of the cable television viewing audience that are generally well defined and limited in size. Our networks have faced and will continue to face increasing competition as other programming networks and online or other services seek to serve the same or similar niches.

Sources of Programming

We also compete with other programming networks to secure desired programming. Most of our original programming and all of our acquired programming is obtained through agreements with other parties that have produced or own the rights to such programming. Competition for this programming will increase as the number of programming networks increases. Other programming networks that are affiliated with programming sources such as movie or television studios or film libraries may have a competitive advantage over us in this area.

With respect to the acquisition of entertainment programming, such as syndicated programs and movies that are not produced by or specifically for networks, our competitors include national broadcast television networks, local broadcast television stations, video-on-demand programs and other cable programming networks. Internet-based video content distributors have also emerged as competitors for the acquisition of content or the rights to distribute content. Some of these competitors have exclusive contracts with motion picture studios or independent motion picture distributors or own film libraries.

Competition for Advertising Revenue

Our programming networks must compete with other sellers of advertising time and space, including other cable programming networks, radio, newspapers, outdoor media and, increasingly, Internet sites. We compete for advertisers on the basis of rates we charge and also on the number and demographic nature of viewers who watch our programming. Advertisers will often seek to target their advertising content to those demographic categories they consider most likely to purchase the product or service they advertise. Accordingly, the demographic make-up of our viewership can be equally or more important than the number of viewers watching our programming.

Legal Proceedings

DISH Network Contract Dispute

In 2005, subsidiaries of the Company entered into agreements with EchoStar Communications Corporation and its affiliates by which EchoStar Media Holdings Corporation acquired a 20% interest in VOOM HD and EchoStar Satellite LLC (the predecessor to DISH Network) agreed to distribute VOOM on DISH Network for a 15-year term. The affiliation agreement with DISH Network for such distribution provides that if VOOM HD fails to spend $100 million per year (subject to reduction to the extent that the number of offered channels is reduced to fewer than 21), up to a maximum of $500 million in the aggregate, on VOOM, DISH Network may seek to terminate the agreement under certain circumstances. On January 30, 2008, DISH Network purported to terminate the affiliation agreement, effective February 1, 2008, based on its assertion that VOOM HD had failed to comply with this spending provision in 2006. On January 31, 2008, VOOM HD sought and obtained a temporary restraining order from the New York Supreme Court for New York County prohibiting DISH Network from terminating the affiliation agreement. In conjunction with its request for a temporary restraining order, VOOM HD also requested a preliminary injunction and filed a lawsuit against DISH Network asserting that DISH Network did not have the right to terminate the affiliation agreement. In a decision filed on May 5, 2008, the court denied VOOM HD s motion for a preliminary injunction. On or about May 13, 2008, DISH Network ceased distribution of VOOM on its DISH Network. On May 27, 2008, VOOM HD amended its complaint to seek damages for DISH Network s improper termination of the affiliation agreement. On June 24, 2008, DISH Network answered VOOM HD s amended complaint and asserted counterclaims alleging breach of contract and breach of the duty of good faith and fair dealing with respect to the affiliation agreement. On July 14, 2008, VOOM HD replied to DISH Network s counterclaims. The Company believes that the counterclaims asserted by

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DISH Network are without merit. VOOM HD and DISH Network each filed cross-motions for summary judgment. In November 2010, the court denied both parties cross-motions for summary judgment but granted VOOM HD s motion for sanctions based on DISH Network s spoliation of evidence as well as its motion to exclude DISH Network s principal damages expert. DISH Network appealed these latter two rulings. On January 31, 2012, the Appellate Division of the New York Supreme Court issued a decision affirming (i) the trial court s finding of spoliation and imposition of the sanction of an adverse inference at trial; and (ii) the trial court s decision to exclude DISH Network s damages expert. On February 6, 2012, DISH Network filed a motion seeking leave from the Appellate Division to appeal the order. On April 26, 2012, the Appellate Division denied DISH Network s motion, thereby precluding any further appeal of the trial court rulings. The stay of the pending trial court proceedings was lifted on May 1, 2012 and a trial date has been set for September 2012.

In connection with the Distribution, CSC Holdings and AMC Networks and Rainbow Programming Holdings, LLC, an indirect wholly-owned subsidiary of AMC Networks (collectively, the AMC Parties) entered into an agreement which provides that from and after the Distribution Date, CSC Holdings retains full control over the pending litigation with DISH Network. Any decision with respect to settlement will be made jointly by CSC Holdings and the AMC Parties. CSC Holdings and the AMC Parties will share equally in the proceeds (including in the value of any non-cash consideration) of any settlement or final judgment in the pending litigation with DISH Network that are received by subsidiaries of the Company from VOOM HD. The AMC Parties are responsible for the legal fees and costs until such costs reach an agreed-upon threshold, at which point CSC Holdings and the AMC Parties will bear such fees and expenses equally.

Broadcast Music, Inc. Matter

Broadcast Music, Inc. (BMI), an organization that licenses the performance of musical compositions of its members, had alleged that certain of the Company s subsidiaries require a license to exhibit musical compositions in its catalog. BMI agreed to interim fees based on revenues covering certain periods (generally, the period commencing from the launch or acquisition of each of the Company s programming networks). In May 2011, the parties reached an agreement with respect to the license fees for an amount that approximated the amount previously accrued, which was approximately $7 million at December 31, 2010.

Other Legal Matters

On April 15, 2011, Thomas C. Dolan, a director of the Company and Executive Vice President, Strategy and Development, in the Office of the Chairman and a director of Cablevision, filed a lawsuit against Cablevision and RMH in New York Supreme Court. The lawsuit raises compensation-related claims (seeking approximately $11 million) related to events in 2005. The matter is being handled under the direction of an independent committee of the board of directors of Cablevision. In connection with the Distribution Agreement, Cablevision indemnified the Company and RMH against any liabilities and expenses related to this lawsuit. Based on the indemnification and Cablevision s and the Company s assessment of this possible loss contingency, no provision has been made for this matter in the consolidated financial statements.

In addition to the matters discussed above, the Company is party to various lawsuits and claims in the ordinary course of business. Although the outcome of these other matters cannot be predicted with certainty and the impact of the final resolution of these other matters on the Company s results of operations in a particular subsequent reporting period is not known, management does not believe that the resolution of these matters will have a material adverse effect on the financial position of the Company or the ability of the Company to meet its financial obligations as they become due.

Employees

As of March 31, 2012, we had 937 full-time employees and 26 part-time employees. None of our employees are represented by unions.

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Properties

We currently use approximately 239,000 square feet of office space that we lease at 11 Penn Plaza, New York, NY 10001, under lease arrangements with remaining terms of six and nine years. We use this space as our corporate headquarters and as the principal business location of our Company. We also lease approximately 15,000 square feet of office space in Santa Monica, California under lease arrangements with a remaining term of seven years. We also lease the 55,000 square-foot Broadcasting and Technology Center in Bethpage, New York under lease arrangements with remaining terms of two and seven years, from which AMC Networks Broadcasting & Technology conducts its operations. In addition, we maintain leased sales offices in Chicago, Atlanta and Michigan.

We believe our properties are adequate for our use.

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MANAGEMENT

General

Our Class A Common Stock is listed on NASDAQ under the symbol AMCX. As a result, we are generally subject to NASDAQ corporate governance listing standards.

Our Board has elected for the Company to be treated as a controlled company under NASDAQ s corporate governance rules, and, as a result, the Company is not required to comply with the corporate governance rules of NASDAQ requiring: (i) a majority of independent directors on our Board of Directors, (ii) an independent compensation committee and (iii) an independent corporate governance and nominating committee. Our Board of Directors has elected not to comply with the NASDAQ requirement for a majority of independent board of directors and an independent corporate governance and nominating committee because of our status as a controlled company. We do comply with the requirement for an independent compensation committee. Our Board elected not to comply with the requirement for a majority of independent directors on our Board because of our shareholder voting structure. Under the terms of our Amended and Restated Certificate of Incorporation, the holders of the Company s Class B Common Stock have the right to elect up to 75% of the members of our Board and there is no requirement that any of those directors be independent or be chosen independently.

Our Board has determined that each of the following non-employee directors is independent within the meaning of the rules of NASDAQ and the SEC: Messrs. Neil M. Ashe and Robert C. Wright and Dr. Leonard Tow.

Director Selection

Our directors have not set specific, minimum qualifications that nominees must meet in order for them to be nominated for election to the Board, but rather believe that each nominee should be evaluated based on his or her individual merits, taking into account, among other matters, the factors set forth in our Corporate Governance Guidelines under Board Composition and Selection of Directors. Those factors include:

- The desire to have a Board that encompasses a broad range of skills, expertise, industry knowledge, diversity of viewpoints, opinions, background and experience and contacts relevant to our business;
- Personal qualities and characteristics, accomplishments and reputation in the business community;
- Ability and willingness to commit adequate time to Board and committee matters; and
- The fit of the individual s skill and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of our Company.

The Class A Directors will evaluate possible candidates to recommend to the Board for nomination as Class A Directors and suggest individuals for the Board to explore in more depth. The Board also considers nominees for Class A Directors recommended by holders of our Class A Common Stock. Nominees recommended by stockholders are given appropriate consideration in the same manner as other nominees.

The Class B Directors will consult from time to time with one or more of the holders of Class B Common Stock to assure that all Class B Director nominees recommended to the Board are individuals who will make a meaningful contribution as Board members and will be individuals likely to receive the approving vote of the holders of a majority of the outstanding Class B Common Stock. The Class B Directors do not intend to consider unsolicited suggestions of nominees by holders of our Class A common stock. We believe that this is appropriate in light of the voting provisions of our Amended and Restated Certificate of Incorporation, which vest exclusively in the holders of our Class B Common Stock the right to elect our Class B Directors.

Our Directors

Under the terms of our amended and restated certificate of incorporation, the holders of our Class B Common Stock have the right to elect 75% of the members of our Board (Class B Directors) and the holders of our Class A Common Stock have the right to elect 25% of the members of our Board (Class A Directors).

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Under our Corporate Governance Guidelines, nominees for election as Class A Directors shall be recommended to the Board by the Class A Directors then in office who were elected by the holders of our Class A Common Stock. Nominees for election as Class B Directors shall be recommended to our Board by the Class B Directors then in office who were elected by the holders of the Class B Common Stock.

The following individuals are currently our current Directors:

Directors Elected by Class A Common Stockholders

NEIL M. ASHE Age 44

Director since June 30, 2011

Mr. Ashe is President and Chief Executive Officer, Walmart Global eCommerce since January 2012. President of CBS Interactive from July 2008 to March 2011 and from March 2011 to July 2011 Special Advisor to the Chief Executive Officer of CBS Corporation. Chief Executive Officer of CNET Networks, Inc. from October 2006 to July 2008. Mr. Ashe is also a director of Hungry Machine Inc. d.b.a. Living Social and a member of the Board of Regents of Georgetown University. During the past five years, Mr. Ashe was a director of CNET Networks.

ALAN D. SCHWARTZ Age 62

Director since June 30, 2011

Mr. Schwartz is Executive Chairman of Guggenheim Partners, LLC since 2009. Consultant for Rothschild Inc. from 2008 to 2009. President of The Bear Stearns Companies, Inc. from 2007 to 2008; Chief Executive Officer of The Bear Stearns Companies, Inc. from January 2008 to March 2008; Co-President of The Bear Stearns Companies, Inc. from 2001 to 2007; and President and Co-Chief Operating Officer of The Bear Stearns Companies, Inc. from 2001 to 2008. Mr. Schwartz is also a director of The Madison Square Garden Company and Marvin & Palmer Associates, Inc. He is a trustee of Duke University and a member of the boards of the Robin Hood Foundation, MENTOR: the National Mentoring Partnership, St. Vincent s Services for Children and NYU Medical Center.

LEONARD TOW Age 83

Director since June 30, 2011

Dr. Tow is Chief Executive Officer of New Century Holdings LLC, an outdoor advertising company, since January 2005. Chairman and Chief Executive Officer of Citizens Communications Company from 1990 to September 2004. Dr. Tow is also a director of Cablevision and was a director of Citizens Communications Company from 1989 to 2004. Dr. Tow also serves as Chairman of the Tow Foundation, a trustee of the Brooklyn College Foundation and a member of the board of the Lincoln Center Theater.

ROBERT WRIGHT Age 69

Director since June 30, 2011

Mr. Wright is Senior Adviser of THL Investment Capital since 2008. He served as Vice Chairman of General Electric Company and President, Chief Executive Officer and Chairman of NBC and NBC Universal from 1986 to 2007. Mr. Wright is also a director of Polo Ralph Lauren Corporation, Mission Product LLC and EMI Group Global Ltd. Mr. Wright has served on the boards of General Electric Company and NBC Universal. He is a trustee of the New York Presbyterian Hospital and co-founder of Autism Speaks.

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Directors Elected by Class B Common Stockholders

WILLIAM BELL Age 72

Director since June 30, 2011

Mr. Bell is Consultant to Cablevision since 2005 and has held various positions at Cablevision and its predecessor since 1979, including as its Vice Chairman and Chief Financial Officer until 2004.

CHARLES F. DOLAN Age 85

Director since March 9, 2011

Mr. Charles F. Dolan is Executive Chairman of the Company since June 6, 2011. Chairman of Cablevision since 1985. Chief Executive Officer of Cablevision from 1985 to October 1995. Founded and acted as the General Partner of Cablevision s predecessor from 1973 to 1985. Established Manhattan Cable Television in 1961 and Home Box Office in 1971. He serves as a director of Cablevision and The Madison Square Garden Company. Charles F. Dolan is the father of James L. Dolan, Patrick F. Dolan, Thomas C. Dolan, Marianne Dolan Weber, and the father-in-law of Kristin A. Dolan and Brian G. Sweeney.

JAMES L. DOLAN Age 56

Director since March 9, 2011

Mr. James L. Dolan is President of Cablevision since June 1998. Chief Executive Officer of Cablevision since October 1995. Executive Chairman of The Madison Square Garden Company since July 2009. Chairman of The Madison Square Garden Company since October 1999. Chief Executive Officer of Rainbow Media Holdings, Inc. from September 1992 to October 1995. Vice President of Cablevision from 1987 to September 1992. He serves as a director of Cablevision, The Madison Square Garden Company and Live Nation Entertainment, Inc.
Mr. James L. Dolan is the son of Charles F. Dolan, the spouse of Kristin A. Dolan, the brother of Patrick F. Dolan, Thomas C. Dolan and Marianne Dolan Weber and the brother-in-law of Brian G. Sweeney.

KRISTIN A. DOLAN Age 46

Director since June 30, 2011

Ms. Kristin A. Dolan is Senior Executive Vice President of Product Management and Marketing of Cablevision since November 2011. Senior Vice President of Cablevision from 2003 to 2011. She serves as a director of Cablevision and The Madison Square Garden Company.
Ms. Kristin A. Dolan is the daughter-in-law of Charles F. Dolan, the spouse of James L. Dolan and the sister-in-law of Patrick F. Dolan, Thomas C. Dolan, Brian G. Sweeney and Marianne Dolan Weber.

PATRICK F. DOLAN 60

Director since June 30, 2011

Mr. Patrick F. Dolan is President of News 12 Networks, a subsidiary of Cablevision, since February 2002. Vice President of News 12 Networks from September 1995 to February 2002. News Director of News 12 Long Island, a subsidiary of Cablevision, from December 1991 to September 1995. He serves as a director of Cablevision. Mr. Patrick F. Dolan is the son of Charles F. Dolan, the brother of James L. Dolan, Thomas C. Dolan and Marianne Dolan Weber and the brother-in-law of Kristin A. Dolan and Brian G. Sweeney.

THOMAS C. DOLAN Age 59

Director since June 30, 2011

Mr. Thomas C. Dolan is Executive Vice President-Strategy and Development, Office of the Chairman of Cablevision since September 2008. Executive Vice President and Chief Information Officer of Cablevision from

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October 2001 until April 2005. Mr. Dolan was on unpaid leave of absence from Cablevision from April 2005 until September 2008. Senior Vice President and Chief Information Officer of Cablevision from February 1996 to October 2001. Vice President and Chief Information Officer of Cablevision from July 1994 to February 1996. General Manager of the Cablevision s East End Long Island cable system from November 1991 to July 1994. System Manager of the Cablevision s East End Long Island cable system from August 1987 to October 1991. He serves as a director of Cablevision and The Madison Square Garden Company. Mr. Thomas C. Dolan is the son of Charles F. Dolan, the brother of James L. Dolan, Patrick F. Dolan and Marianne Dolan Weber and the brother-in-law of Kristin A. Dolan and Brian G. Sweeney.

BRIAN G. SWEENEY Age 47

Director since June 30, 2011

Mr. Brian G. Sweeney is Senior Vice President eMedia of Cablevision since January 2000. He serves as a director of Cablevision and The Madison Square Garden Company. Mr. Sweeney is the son-in-law of Charles F. Dolan and the brother-in-law of James L. Dolan, Kristin A. Dolan, Patrick F. Dolan, Thomas C. Dolan and Marianne Dolan Weber.

MARIANNE DOLAN WEBER Age 54

Director since June 30, 2011

Ms. Marianne Dolan Weber was Chairman of The Dolan Family Foundation from September 1999 through December 2011 and Chairman of The Dolan Children s Foundation from September 1999 through December 2011. President of The Dolan Family Foundation from 1986 to September 1999. President of The Dolan Children s Foundation from 1997 to September 1999. Manager of Dolan Family Office, LLC from 1997 through December 2011. She serves as a director of Cablevision and The Madison Square Garden Company. Marianne Dolan Weber is the daughter of Charles F. Dolan, the sister of James L. Dolan, Patrick F. Dolan and Thomas C. Dolan and the sister-in-law of Kristin A. Dolan and Brian G. Sweeney.

Board Leadership Structure

Our Board has chosen to separate the roles of Executive Chairman of the Board and Chief Executive Officer. The Board believes that this is the optimal leadership structure as it recognizes both Mr. Charles F. Dolan s senior executive role with the Company as well as his leadership position on the Company s Board while the Company is also able to benefit from the experience of its President and Chief Executive Officer, Mr. Joshua W. Sapan, with responsibility for day-to-day management of the Company.

Risk Oversight

The oversight of risk management is an important Board responsibility. The Audit Committee takes the lead on behalf of the Board in monitoring risk management. The Audit Committee discusses the process by which senior management of the Company and the relevant departments of the Company assess and manage the Company s exposure to risk and discusses the Company s major financial risk exposures and the steps management has taken to monitor and control such exposures. AMC Networks believes that its executive compensation program, with its emphasis on long-term performance, its close connection to Company-wide and divisional performance and its significant equity components, is designed to align the executives compensation with the Company s long-term strategy and growth and, as a result, does not encourage excessive risk taking. Our Compensation Committee has considered the issue of the Company s exposure to risk in establishing and implementing our executive compensation programs.

Director Compensation

Each non-employee director receives a base fee of $50,000 per year; $2,000 per Board, committee or non-management director meeting attended in person; and $500 per Board, committee or non-management director meeting attended by telephone. Non-employee directors also receive $10,000 annually per committee chairmanship or $5,000 annually per committee membership. A director who is a Company employee receives no additional compensation for serving as a director.

We also pay our non-employee directors compensation in restricted stock units. Each non-employee director receives an annual grant of restricted stock units for the number of shares of common stock equal to $110,000 based on the closing price on the date of grant. The 2011 award of restricted stock units was granted to our non-employee directors on August 9, 2011 under our 2011 Stock Plan for Non-Employee Directors. It is anticipated that in the future, such awards will be granted on the date of the annual stockholder meeting using the twenty trading day average closing price concluding on the day prior to the annual stockholder meeting. The restricted stock units the non-employee directors receive are fully vested on the date of grant and settled in stock, or at the Compensation Committee s election, in cash, upon the first business day following 90 days after service on the Board ceases. Such compensation is made pursuant to our 2011 Stock Plan for Non-Employee Directors.

Director Compensation Table

The table below summarizes the total compensation paid to or earned by each of our non-employee directors from June 30, 2011 through December 31, 2011. Directors who are employees of the Company receive no additional compensation for service as directors.

Name	Fees Earned or Paid in Cash ($)(1)	Stock Awards ($)(2)(3)	Option Awards ($)(4)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation (5)	Total ($)
Neil M. Ashe	47,500	110,000				*	157,500
Alan D. Schwartz	29,000	110,000					139,000
Leonard Tow	49,000	110,000				*	159,000
Robert C. Wright	31,000	110,000					141,000
William J. Bell	29,000	110,000					139,000
James L. Dolan	27,000	110,000					137,000
Kristin A. Dolan	29,000	110,000					139,000
Patrick F. Dolan	29,000	110,000					139,000
Thomas C. Dolan	27,500	110,000					137,500
Brian G. Sweeney	27,500	110,000					137,500
Marianne Dolan Weber	25,000	110,000					135,000

* Represents less than $10,000.

(1) These amounts represent base fees, meeting fees and committee fees earned. The amounts reported do not include the Company s reimbursements of reasonable out-of-pocket expenses incurred by each non-employee director in attending Board and Committee meetings.

(2) This column reflects the fair market value of 3,541 restricted stock units granted on August 9, 2011 to each non-employee director as calculated in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718.

(3) For each non-employee director, the aggregate number of restricted stock units held as of December 31, 2011 is as follows: Mr. Neil M. Ashe, 3,541 units; Mr. Alan D. Schwartz, 3,541 units; Dr. Leonard Tow, 3,541 units; Mr. Robert Wright, 3,541 units; Mr. William J. Bell, 3,541 units; Mr. James L. Dolan, 3,541 units; Ms. Kristin A. Dolan, 3,541 units; Mr. Patrick F. Dolan, 3,541 units; Mr. Thomas C. Dolan, 3,541 units; Mr. Brian G. Sweeney, 3,541 units and Ms. Marianne Dolan Weber, 3,541 units.

(4) No stock options were awarded between June 30, 2011 and December 31, 2011 in connection with the directors service to the Company.

(5) The Company encouraged its directors to attend certain events relating to its business at the Company s expense to gain a better understanding of the Company s products. The value of these benefits is not included in the table as permitted by SEC rules because the aggregate amount of perquisites did not exceed $10,000 for any director.

Board Committees

Our Board has three standing committees: the Audit Committee, the Compensation Committee and the Independent Committee.

Audit Committee

Our Audit Committee met two times between June 30, 2011 and December 31, 2011. The Audit Committee consists of Dr. Tow (Chair) and Messrs. Ashe and Wright. The primary purposes and responsibilities of our Audit Committee are to: (a) assist the Board (i) in its oversight of the integrity of our financial statements, (ii) in its oversight of our compliance with legal and regulatory requirements, (iii) in assessing our independent registered public accounting firm s qualifications and independence, and (iv) in assessing the performance of our internal audit function and independent registered public accounting firm; (b) appoint, retain or terminate the Company s independent registered public accounting firm and to pre-approve, or to adopt appropriate procedures to pre-approve, all audit and non-audit services, if any, to be provided by the independent registered public accounting firm; (c) review the appointment and replacement of the head of our internal audit department; (d) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by Company employees or any provider of accounting-related services of concerns regarding questionable accounting and auditing matters and review of submissions and treatment of any such complaints; (e) review and approve related party transactions that are required to be disclosed under SEC rules, other than those submitted for approval by a committee of independent directors under the Company s Related Party Transaction Approval Policy; (f) conduct and review with the Board an annual performance evaluation of the Audit Committee; (g) prepare any report of the Audit Committee required by the rules and regulations of the SEC for inclusion in our annual proxy statement; (h) review and reassess the Audit Committee charter at least annually; and (i) report to the Board on a regular basis. The text of our Audit Committee charter is available on our website at http://investors.amcnetworks.com/governance.cfm. A copy may be obtained by writing to AMC Networks Inc., 11 Penn Plaza, New York, NY 10001, Attention: Corporate Secretary.

As discussed above, our Board has determined that each member of our Audit Committee is independent within the meaning of the rules of both NASDAQ and the SEC, and that each has not participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years and is able to read and understand fundamental financial statements, including balance sheets, income statements and cash flow statements. Our Board has also determined that each of Dr. Tow, Messrs. Ashe and Wright is an audit committee financial expert within the meaning of the rules of the SEC.

Compensation Committee

Our Compensation Committee met three times between June 30, 2011 and December 31, 2011. The Compensation Committee consists of Mr. Ashe (Chair) and Dr. Tow. The primary purposes of our Compensation Committee are to: (a) establish our general compensation philosophy and, in consultation with management, oversee the development and implementation of compensation programs; (b) review and approve corporate goals and objectives relevant to the compensation of our Executive Chairman and President and Chief Executive Officer (the CEO), evaluate their performance in light of these goals and objectives and determine and approve their compensation based upon that evaluation; (c) make recommendations to the Board with respect to the compensation of our executive officers (other than the Executive Chairman and the CEO) who are required to file reports with the SEC under Section 16 of the Securities Exchange Act of 1934 (together with the Executive Chairman and the CEO, the Senior Employees); (d) approve any new equity compensation plan or material changes to an existing plan; (e) oversee the activities of the committee or committees administering our retirement and benefit plans; (f) in consultation with management, oversee regulatory compliance with respect to compensation matters; (g) determine and approve any severance or similar termination payments to be made to Senior Employees (current or former); (h) determine the components and amount of Board compensation and review such determinations from time to time in relation to other similarly situated companies; (i) prepare any reports of the Compensation Committee to be included in the Company s annual proxy statement; (j) conduct and review with the Board an annual performance evaluation of the Compensation Committee; and (k) report to the Board on a regular basis, but not less than annually. The Compensation Committee may, in its discretion, delegate a portion of its duties and responsibilities to one or more subcommittees of the Compensation Committee. For example, the Compensation Committee may delegate the approval of certain transactions to a subcommittee consisting solely of members of the Compensation Committee who are (i) non-employee directors for the purposes of Rule 16b-3 of the Exchange Act, and (ii) outside directors for the purposes of Section 162(m) of the Internal Revenue Code, as in effect from time to time. The text of our Compensation Committee charter is available on our website at http://investors.amcnetworks.com/governance.cfm. A copy may be obtained by writing to AMC Networks Inc., 11 Penn Plaza, New York, NY 10001; Attention: Corporate Secretary.

The Compensation Committee reviews the performance of the Executive Chairman and CEO, evaluates their performance in light of those goals and objectives and determines and approves the compensation levels for the Executive Chairman and CEO based on this evaluation. In determining the long-term incentive component compensation for the Executive Chairman and CEO, the Compensation Committee considers, among other factors, the Company s performance and relative stockholder return, the value of similar incentive awards to executives in similar positions at comparable companies and the awards given to the Executive Chairman and to the CEO in past years.

As discussed above, our Board has determined that each member of our Compensation Committee is independent under the rules of NASDAQ.

Compensation Committee Interlocks and Insider Participation

Mr. Ashe and Dr. Tow served as members of the Compensation Committee during the 2011 fiscal year. Neither of them is a current or former officer or employee of the Company.

Independent Committee

Pursuant to the Company s Related Party Transaction Approval Policy, the Board established an independent committee (the Independent Committee). The Independent Committee consists of Mr. Ashe and Dr. Tow. The Independent Committee is responsible for reviewing and approving or taking such other action as it may deem appropriate with respect to transactions involving the Company and its subsidiaries, on the one hand, and in which any director, officer, greater than 5% stockholder of the Company or any other related person , as defined in Item 404 of Regulation S-K of the Securities and Exchange Commission (Item 404), on the other hand, has or will have a direct or indirect material interest. Similarly, the Independent Committee oversees approval of all transactions and arrangements between the Company and its subsidiaries, on the one hand, and Cablevision and its subsidiaries or The Madison Square Garden Company and its subsidiaries, on the other hand, to the extent involving amounts in excess of the dollar threshold set forth in Item 404. See Certain Relationships and Related Party Transactions, and Director Independence Related Party Transaction Approval Policy below.

Our Amended By-laws permit us to form an Executive Committee of the Board which would have the power to exercise all of the powers and authority of the Board in the management of the business and affairs of the Company, except as limited by the Delaware General Corporation Law. Our Board has not formed an Executive Committee, although it could do so in the future.

Absence of Nominating Committee

As permitted under NASDAQ rules, we do not have a nominating committee. We believe that it is appropriate not to have a nominating committee because of our stockholder voting structure. Under the terms of our Amended and Restated Certificate of Incorporation, the holders of our Class B Common Stock currently have the right to elect up to 75% of the members of our Board. We believe that creating a committee consisting solely of independent directors charged with responsibility for recommending nominees for election as directors would be inconsistent with the vested rights of the holders of Class B Common Stock under our Amended and Restated Certificate of Incorporation. Instead, our Corporate Governance Guidelines provide a mechanism for the selection of nominees for election as directors by the holders of our Class A Common Stock (Class A Directors) and by the holders of our Class B Common Stock (Class B Directors). The holders of our Class A Common Stock are currently entitled to elect 25% of the members of our Board. Under our Corporate Governance Guidelines, nominees for election as Class A Directors shall be recommended to the Board by the Class A Directors then in office who were elected by the holders of our Class A Common Stock. Nominees for election as Class B Directors shall be recommended to our Board by the Class B Directors then in office who were elected by the holders of the Class B Common Stock.

Other Committees

Our Amended By-laws permit us to form an Executive Committee of the Board which would have the power to exercise all of the powers and authority of the Board in the management of the business and affairs of the Company, except as limited by the Delaware General Corporation Law. Our Board has not formed an Executive Committee, although it could do so in the future.

Audit Committee Matters

The following table provides information about fees for services rendered by KPMG LLP, our independent registered public accounting firm, in 2011 and 2010:

	2011 Amounts	**2010 Amounts**
Audit fees(1)	$ 1,680,846	$ 2,050,157
Audit-related fees(2)	$ 198,000	
Tax fees(3)	$ 40,074	$ 8,507
All other fees(4)		$ 33,500

(1) Audit fees billed to the Company, which include intercompany charges received by the Company from Cablevision of $716,500 and $1,939,400 for the allocable portion of KPMG LLP s audit and audit-related fees in 2011 and 2010, respectively, consist of (i) services for work arising from the Company s 2011 financial statement audit and the consolidated Cablevision audit in 2010 including statutory and separate company audits of the financial statements of certain company subsidiaries, and (ii) reviews of the Company s unaudited consolidated interim financial statements as of June 30, 2011 and September 30, 2011.

(2) Audit-related fees billed to the Company consisted principally of services relating to agreed upon procedures including filings with the SEC.

(3) Tax fees billed to the Company consisted of fees for tax compliance and related services.

(4) All other fees billed to the Company consisted principally of fees in connection with the VOOM HD Holdings LLC (VOOM HD) litigation.

The Audit Committee s pre-approval policy requires that the Audit Committee pre-approve audit and non-audit services performed by the independent registered public accounting firm. The Audit Committee may delegate its pre-approval authority to the Chairman provided that any such services are subsequently ratified by the entire Audit Committee. All of the services for which fees were disclosed under Audit-related fees and Tax fees in the table above were pre-approved under the Audit Committee s pre-approval policy.

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Executive Officers

The following individuals are our executive officers:

Mr. Charles F. Dolan[1]	Executive Chairman
Mr. Joshua W. Sapan	President and Chief Executive Officer
Mr. Edward A. Carroll	Chief Operating Officer
Mr. Sean S. Sullivan	Executive Vice President and Chief Financial Officer
Mr. James G. Gallagher	Executive Vice President and General Counsel
Mr. John P. Giraldo	Chief Accounting Officer

(1) The biography for Charles F. Dolan appears above under Our Directors Directors Elected by Class B Stockholders.

JOSHUA W. SAPAN, *62*, President and Chief Executive Officer of the Company since March 9, 2011. Chief Executive Officer of Rainbow Media Holdings LLC since 1995. Chief Operating Officer of Rainbow Media Holdings from 1991 to 1995. President of AMC and Bravo from 1987 to 1991. Serves on the boards of The Cable Center, the Cable & Telecommunications Association for Marketing (CTAM) Educational Foundation, the International Radio and Television Society (IRTS) Foundation, the Museum of the Moving Image, the National Association for Multi-Ethnicity in Communications (NAMIC) Foundation, WNYC Radio and The New School University.

EDWARD A. CARROLL, *48*, Chief Operating Officer of the Company since June 6, 2011. Various positions at Rainbow Media Holdings LLC since 1987, including as Chief Operating Officer of Rainbow Entertainment Services since January 2009; President of Rainbow Entertainment Services from 2004 to 2009; and General Manager of IFC and/or Bravo from 1997 to 2004.

SEAN S. SULLIVAN, *45*, Executive Vice President and Chief Financial Officer of the Company since June 6, 2011. Chief Corporate Officer of Rainbow Media Holdings LLC since September 2010. Chief Financial Officer of HiT Entertainment from 2009 to 2010. Chief Financial Officer and President of Commercial Print and Packaging division of Cenveo, Inc. from 2005 to 2008. Executive Vice President and Chief Financial Officer of Spencer Press, Inc. from 2004 to 2005. Executive Vice President of Burton Capital Management from 2003 to 2004. Senior Vice President, Finance and Corporate Development for Moore Corporation Limited from 2001 to 2002.

JAMES G. GALLAGHER, *53*, Executive Vice President and General Counsel of the Company since June 6, 2011. Executive Vice President and General Counsel of Rainbow Media Holdings LLC since February 2008. Executive Vice President and General Counsel of Tommy Hilfiger Corporation from 2005 to 2006. Executive Vice President and General Counsel of HSN (Home Shopping Network) from 1996 to 2002.

JOHN P. GIRALDO, *44*, Chief Accounting Officer of the Company since June 6, 2011. Senior Vice President and Chief Accounting Officer of Scholastic Corporation from 2009 to 2011. Vice President, Controller of MTV Games from 2008 to 2009. Senior Vice President, Corporate Accounting at New Line Cinema from 2002 through 2008. Vice President of Finance at Major League Soccer from 1998 to 2001.

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EXECUTIVE COMPENSATION

Executive Compensation Discussion and Analysis

The Company compensates its named executive officers through salary, bonus, long-term incentive awards, and fringe benefit programs. Our annual and long-term incentive programs provide performance-based incentives for our management that are tied to key financial measures that we believe drive stockholder value and reward sustained achievement of our key financial goals.

This Executive Compensation Discussion and Analysis presents historical and current information and analysis related to the compensation programs for our named executive officers. For purposes of this Executive Compensation Discussion and Analysis, Messrs. Charles F. Dolan, Joshua W. Sapan, Edward A. Carroll, Sean S. Sullivan, and James G. Gallagher are referred to collectively as our named executive officers (NEOs). This Executive Compensation Discussion and Analysis provides a description of the specific arrangements that the Company has in place for its NEOs as well as a discussion of our compensation philosophy for the NEOs in 2011. Going forward, the Compensation Committee of our Board (the Compensation Committee) will review regularly all aspects of compensation and make appropriate adjustments.

The historical compensation information presented in our Summary Compensation Table for fiscal year 2010 and the first six months of 2011, prior to the Distribution, for Messrs. Sapan, Carroll, Sullivan and Gallagher is based upon services rendered by these executives, each of whom was an executive of Rainbow Media Holdings LLC while it was a subsidiary of Cablevision. The services rendered by these executives in 2010 and the first six months of 2011 were, in some instances, in capacities not equivalent to the positions in which they are currently serving the Company or our subsidiaries. The historical compensation information for 2010 and the first six months of 2011 is therefore not necessarily indicative of the compensation amounts, philosophy or benefits these individuals, or other executive officers of our Company, receive as executive officers of the Company as a separate public company. Mr. Dolan was a named executive officer of Cablevision in 2010 and 2011. The historical compensation information presented in our Summary Compensation Table for Mr. Dolan for fiscal year 2010 is based upon his services to, and compensation received from, Cablevision, and for fiscal year 2011 is based upon his services to, and compensation received solely from, the Company after the Distribution. The historical compensation Mr. Dolan received from Cablevision is not comparable to the compensation he received from the Company. All of the information set forth in this proxy statement relating to Cablevision compensation amounts and benefits has been provided by Cablevision or has otherwise been obtained from Cablevision s public filings with the SEC. With respect to current compensation, we have presented information below under Elements of In-Service Compensation and Executive Compensation Tables Employment Agreements concerning the compensation that Messrs. Dolan, Sapan, Carroll and Sullivan received from the Company under employment agreements which each officer has entered into with the Company.

Overview of Executive Compensation Program

Our executive compensation program is administered by our Compensation Committee. The responsibilities of the Compensation Committee are set forth in its charter. Among other responsibilities, the Compensation Committee: (1) establishes our general compensation philosophy and, in consultation with management, oversees the development and implementation of compensation programs; (2) reviews and approves corporate goals and objectives relevant to the compensation of our Executive Chairman and the CEO, evaluates their performance in light of those goals and objectives and determines and approves their respective compensation level based on this evaluation; (3) makes recommendations to our Board with respect to the compensation of our other executive officers who are required to file reports with the SEC under Section 16(a) of the Exchange Act, subject to further approvals or determinations of the Compensation Committee to achieve compliance with Rule 16b-3 under the Exchange Act and Code Section 162(m); (4) oversees the activities of the committee or committees administering our retirement and benefit plans; and (5) administers our stockholder-approved compensation plans. For more information about the Compensation Committee, please see Management Our Directors Board Committees Compensation Committee.

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Compensation Consultant

In accordance with its charter, the Compensation Committee has the authority to engage outside consultants to assist in the performance of its duties and responsibilities. Our Compensation Committee utilizes the services of a compensation consultant to assist in determining whether the elements of our executive compensation program are reasonable and consistent with our objectives. The compensation consultant advises the Compensation Committee on designing our executive compensation program and the reasonableness of individual compensation awards for our NEOs. The compensation consultant reports directly to our Compensation Committee, and, at the request of the Compensation Committee, the compensation consultant meets with members of our management from time to time for purposes of gathering information on management proposals and recommendations to be presented to our Compensation Committee.

In August 2011, our Compensation Committee engaged Pay Governance LLC (the compensation consultant) to serve as its independent compensation consultant. In such capacity, following its selection as the independent compensation consultant, the compensation consultant attended all meetings of the Compensation Committee, and provided advice and recommendations in connection with the structure of the Company s compensation program, including on the design of the executive compensation program and the reasonableness of individual compensation targets and awards. Such advice and recommendations incorporated both market data and Company-specific factors. The compensation consultant did not provide any other services for the Company.

Role of Executives in Determining Compensation

The Compensation Committee reviews the performance and compensation of the Executive Chairman and the President and Chief Executive Officer and, following discussions with the compensation consultant, establishes each of their compensation. The management of the Company assists the Compensation Committee and the compensation consultant as described in this Executive Compensation Discussion and Analysis, and provides to the Compensation Committee, either directly or through the compensation consultant, management s recommendations on the compensation for executive officers other than the Executive Chairman and the President and Chief Executive Officer. Other members of management provide support to the Compensation Committee as needed. Based upon a review of performance and historical compensation, recommendations and information from members of management, and discussions with the compensation consultant, the Compensation Committee determines and approves compensation for the executive officers.

Executive Compensation Program Objectives and Philosophy

The Company is a media business comprised of dynamic and powerful brands. In support of its business objectives, the Company places great importance on its ability to attract, retain, motivate and reward experienced executive officers who can continue to achieve strong financial, operational and stock performance. The Company strives to do so by developing executive compensation policies and programs that are consistent with, explicitly linked to, and supportive of, the strategic objectives of growing the Company s businesses and maximizing stockholder value.

The following principles describe the key objectives of our executive compensation program:

- the majority of compensation for the Company s executive officers should be at risk and based on the performance of the Company, so that actual compensation levels depend upon the Company s actual performance as determined by the Compensation Committee;

- incentive compensation of the Company s executive officers should focus more heavily on long-term rather than short-term accomplishments and results;

- equity-based compensation should be used to align the interests of our executive officers with our stockholders interests; and the overall executive compensation program should be competitive, equitable and structured so as to ensure the Company s ability to attract, retain, motivate and reward the talented executives who are essential to the Company s continuing success. Total direct compensation, rather than individual compensation elements, is the Compensation Committee s focus in providing competitive compensation opportunities.

In designing the executive compensation program, the Compensation Committee seeks to fulfill these objectives by maintaining appropriate balances among: (1) short-term and long-term compensation; (2) cash and equity compensation; and (3) performance-based and non-performance-based compensation.

As a result, the primary elements of compensation provided to our executive officers are base salary, an annual cash performance bonus and long-term incentive awards in the form of restricted stock units and cash performance awards that typically cliff vest in three years. We target the elements of our compensation so that at least 60% of total compensation for our NEOs consists of an annual performance-based cash bonus and long-term incentive awards. In this way, a significant portion of the value ultimately realized by the executive depends upon the Company s performance and can be considered at-risk compensation.

Compensation Practices and Policies

General

The following discussion describes the practices and policies implemented by the Compensation Committee in 2011 following the Distribution. As discussed in greater detail below under Executive Compensation Tables Employment Agreements, much of the NEOs compensation is covered by employment agreements, which, in the case of Messrs. Dolan and Sapan, were entered into in connection with the Distribution and approved by Cablevision s compensation committee. Employment agreements with Messrs. Carroll and Sullivan were entered into prior to the Distribution and were not revised or replaced in connection with the Distribution.

Prior to the Distribution, the compensation of the NEOs was determined by Cablevision pursuant to their compensation program. As an executive officer of Cablevision, Cablevision s compensation committee determined Mr. Dolan s compensation. Messrs. Sapan, Carroll, Sullivan and Gallagher were not executive officers of Cablevision, and, as a result, Cablevision s executive management, working within guidelines established by Cablevision s compensation committee, reviewed their compensation. Prior to the Distribution, annual cash incentive awards and long-term incentive awards, including equity-based awards, granted to the NEOs, were granted under Cablevision s respective incentive plans, and administered by the Cablevision compensation committee. In addition, employees of Cablevision, including the NEOs prior to the Distribution, participated in retirement, health and welfare and fringe benefit programs provided by Cablevision.

Performance Objectives

As described below under Elements of In-Service Compensation, the Company grants performance-based incentive compensation as an important element of executive compensation.

Generally, the performance metrics for the Company s incentive compensation have been based on the Company s net revenues, AOCF and free cash flow. The Company defines AOCF, which is a non-GAAP financial measure, as operating income (loss) before depreciation and amortization, share-based compensation expense or benefit, and restructuring expense or credit. Because it is based on operating income (loss), AOCF also excludes interest expense (including cash interest expense) and other non-operating income and expense items. AOCF is based upon the AOCF of the Company excluding the cost of the Company s long-term incentive program that is included as an expense of the segments. Free cash flow (as defined in the performance metrics) is a non-GAAP financial measure and means the combined AOCF of the Company, less the difference between cash payments for contractual rights and the amortization of such rights accounted for in AOCF.

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The Company considers these performance measures to be key measures of the Company s operating performance. At the time of grant of an award, the performance measures used may contemplate certain potential future adjustments and exclusions.

Tally Sheets

The Compensation Committee has reviewed tally sheets setting forth all components of compensation payable, and the benefits accruing, to the NEOs for 2011, including all cash compensation, perquisites and the current value of outstanding equity-based awards. The tally sheets also set forth potential payouts to the NEOs upon various termination scenarios. The Compensation Committee considers the information presented in the tally sheets in determining future compensation.

Benchmarking

Following the Distribution, as part of the Compensation Committee s review of 2011 compensation, the compensation consultant assisted the Compensation Committee in: (1) determining a peer group to be used for competitive comparisons; (2) assessing executive compensation in comparison with the peer group and in light of the Company s performance; and (3) reviewing the Company s equity and cash-based executive incentive programs, taking into account evolving market trends.

To ensure we provide compensation comparable to that offered by other leading companies in our industry, we compare the Company s executive compensation levels against a relevant peer group of companies. Following the Distribution, the Compensation Committee, with the assistance of the compensation consultant, selected the following companies to comprise its peer group for 2011: Discovery Communications, Inc., Scripps Networks Interactive, Inc., Lions Gate Entertainment Corp., DreamWorks Animation SKG Inc., Crown Media Holdings Inc., Electronic Arts Inc., SIRIUS XM Radio Inc., and Take-Two Interactive Software Inc. This peer group differs from that used in the stock performance graph contained in the Annual Report on Form 10-K. Due to the fact that only a few of the companies in our peer group had an executive serving as a chief operating officer, the Compensation Committee also considered a supplemental reference group for the Company s Chief Operating Officer role, which included business unit executives at Black Entertainment Television LLC, Cable News Network, the Walt Disney Company, Home Box Office, Inc., NBC Universal Media LLC and Time Warner Inc. In addition, the Compensation Committee considered internal and external sources of information to determine the appropriate level and mix of compensation. In order to obtain a general understanding of current compensation practices, the Compensation Committee considered multiple broad-based compensation surveys prepared by a variety of different compensation firms and industry groups.

Following the Distribution, in connection with the review of 2011 compensation, the compensation consultant presented to the Compensation Committee a comparison of total direct compensation and each of its components with the median in its peer group. In its review, the compensation consultant noted that there was limited market information regarding the role and compensation of the Executive Chairman in its peer group. The Compensation Committee further considered that the Company s founder and Executive Chairman, Mr. Charles F. Dolan, plays a unique and important role in setting the strategic direction of the Company in addition to his role on the Board. The Compensation Committee did not change any of the applicable compensation amounts in Mr. Dolan s employment agreement which was entered into prior to the Distribution and approved by the Cablevision compensation committee prior to the Distribution. The compensation consultant compared Mr. Dolan s total target compensation to that received by other executive chairmen of other similar sized companies who were significant shareholders of their companies and found that Mr. Dolan s total target compensation was between the 50^{th} to 75^{th} percentile of this group.

In connection with its review of 2011 compensation following the Distribution, the Compensation Committee set a general guideline for target total direct compensation, over time, at a range from the median to the 75^{th} percentile of the peer group, reserving for the Compensation Committee the flexibility to recognize

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differences by individual. The Compensation Committee believes that this range was appropriate in light of the competitive nature of the Company s businesses as well as the Company s performance. The Compensation Committee believes that these guidelines for target total direct compensation provide a useful point of reference, along with the other factors described above, in administering the Company s executive compensation program. Messrs. Carroll, Sullivan and Gallagher s total direct compensation in 2011 were below the median of the peer group. Mr. Sapan s total direct compensation was at approximately the 60th percentile of the peer group. As a result, for 2012, the Compensation Committee increased the base salaries for Messrs. Sullivan and Gallagher by approximately 8% and 11%, respectively. The Compensation Committee also increased Mr. Sullivan s and Mr. Gallagher s target annual incentive awards, which are equal to a percentage of their annual base salary. Mr. Sullivan s target annual incentive award was increased from 60% to 75% and Mr. Gallagher s target annual incentive award was increased from 45% to 60%. In addition, the Compensation Committee increased the long-term incentive grants of Messrs. Carroll, Sullivan and Gallagher. As a result of these changes, the Compensation Committee believes that, for 2012, the total compensation of Messrs. Carroll, Sullivan and Gallagher will be at or slightly below the median of each executive s respective peer group.

Overview of 2011 Fiscal Performance and Executive Compensation

In determining compensation for fiscal year 2011 following the Distribution, the Compensation Committee considered the strong growth the Company achieved as a newly formed public company. The Company achieved AOCF growth of 10.1% and net revenue growth of 10.1%.

The Company continued its strategy of increasing its investment in its original programming and other content that fits our core business and brand portfolios to continue to drive ratings growth at our networks. As a result, we successfully developed outstanding original programming and significantly increased our ratings at our key networks. This allowed us to grow our advertising revenues, deliver audiences for our advertising partners and position ourselves well for future growth in advertising revenues, which represent approximately 38% of our total net revenues.

The Company also expanded its distribution of content through new and existing platforms and expanded our relationships with our affiliates and other partners, leading to growth in our affiliation fee revenues.

In connection with the Distribution, in 2011 the Company transitioned from a wholly owned subsidiary of Cablevision to a stand-alone public company. As part of this transition, the Company has implemented its own equity and cash compensation programs, and employee benefits arrangements, as discussed throughout this Executive Compensation Discussion and Analysis. We have tailored these programs and arrangements for our employees, including our NEOs, to meet the Company s compensation philosophy and objectives. In addition, during the course of 2011 we successfully separated our corporate departments from Cablevision s and created our own separate public company administrative, legal, human resources, information technology and accounting departments.

Elements of In-Service Compensation

Our executive compensation philosophy is reflected in the principal elements of our executive compensation program, each of which is important to the Company s desire to attract, retain, motivate and reward highly-qualified executive officers. The compensation program included the following key elements for 2011: base salary; annual cash incentives; long-term incentives; retirement, health and welfare and other benefits, which are generally provided to all other eligible employees; and additional executive benefits, including post-termination compensation under certain circumstances as described below.

A significant percentage of total direct compensation is allocated to incentive compensation in accordance with the Compensation Committee s philosophy as described above. The Compensation Committee reviews historical Company compensation, other information provided by the compensation consultant and other factors, such as experience, performance and length of service to determine the level and mix of compensation for executive officers, by position and grade level, that the Compensation Committee has deemed appropriate. The allocation between cash and equity compensation and short-term and long-term compensation is designed to provide a variety of fixed and at-risk compensation that is related to the achievement of the Company s short-term and long-term objectives.

As noted in greater detail below under Executive Compensation Tables Employment Agreements, Mr. Dolan is also employed by Cablevision, as its Chairman. Mr. Dolan is separately compensated by Cablevision with respect to such employment.

Base Salaries

Our Compensation Committee is responsible for setting the base salaries of the executive officers, which are intended to compensate the NEOs for the day-to-day services performed for the Company. Base salaries for these executives have been set at levels that are intended to reflect the competitive marketplace in attracting and retaining quality executives. Each of the employment agreements of Messrs. Dolan, Sapan, Carroll and Sullivan contains a minimum base salary level. For information regarding these minimum base salary levels, please see Executive Compensation Tables Employment Agreements below. The Compensation Committee currently reviews the salaries of the executive officers no less frequently than on an annual basis. The Compensation Committee evaluates each executive s performance and experience and based on their performance and in accordance with the terms of the employment agreements, the Compensation Committee, in its discretion, may increase base salaries for the executive officers over time. During 2011, Messrs. Sapan, Sullivan and Gallagher were granted base salary increases of 3.2%, 1.75% (which represents the prorated increase for 2011) and 3%, respectively, effective as of January 1, 2011, which were within the typical range of increases granted to the Company s employees in 2011. Mr. Carroll was granted a base salary increase of 9% due to his outstanding performance. As Mr. Dolan joined the Company in connection with the Distribution in June 2011, he did not receive any additional salary increase in 2011. The annual base salaries paid to the NEOs in 2011 were as follows: Mr. Dolan $400,000; Mr. Sapan $1,280,000; Mr. Carroll $1,035,500; Mr. Sullivan $585,000; and Mr. Gallagher $450,000. See footnote 1 to Executive Compensation Tables Summary Compensation Table for a more detailed discussion of the 2011 base salaries. The Cablevision 2012 Proxy Statement also indicates that Mr. Dolan received $1,664,000 annual base salary from Cablevision in respect of his service to Cablevision in 2011.

Effective January 1, 2012, annual base salaries to be earned by Messrs. Dolan, Sapan, Carroll, Sullivan and Gallagher were $400,000, $1,280,000, $1,035,500, $630,000 and $500,000, respectively. For 2012, Messrs. Dolan, Sapan and Carroll did not receive any base salary increase. With respect to Messrs. Sullivan and Gallagher, each received a base salary increase effective as of January 1, 2012 that is above the typical range granted to the Company s employees, reflective of the increased responsibilities that each of them has as a result of the Company becoming a public company following the Distribution and to more closely align their total direct compensation with similar executives in our peer group. The increase for Mr. Sullivan reflects approximately an 8% increase and the increase for Mr. Gallagher reflects approximately an 11% increase.

Annual Cash Incentives

Under our executive compensation program, annual incentive awards are made to executive officers and certain other members of management. Annual incentive awards are designed to link executive compensation directly to the Company s performance and provide incentives and rewards for excellent business performance during the year. For the NEOs and other individuals that the Compensation Committee determines may be covered by Section 162(m) of the Code, 2011 bonuses were granted under the Company s 2011 Cash Incentive Plan (the CIP), a plan approved by the Company s sole stockholder prior to the Distribution and administered by the Compensation Committee. See Tax Deductibility of Compensation, below. For all other members of management, 2011 bonuses were granted under the Company s management performance incentive program (MPIP) administered by the Compensation Committee.

Each annual incentive award-eligible employee is assigned a target annual incentive award equal to a percentage of that employee s annual base salary. For 2011, target bonuses were set as a percentage of the base salary earned during 2011.

The target annual incentive awards are determined based upon the applicable employee s position, grade level, responsibilities, and historical and expected future contributions to the Company. In addition, each of the employment agreements of Messrs. Dolan, Sapan, Carroll and Sullivan contains a target annual incentive award level. For information regarding these target annual incentive award levels, see Executive Compensation Tables Employment Agreements, below. The Compensation Committee currently reviews the target bonus levels of the executive officers, and going forward will do so no less frequently than on an annual basis. The Compensation Committee evaluates each such executive s performance and experience, and based on their performance and in accordance with the terms of the employment agreements, the Compensation Committee, in its sole discretion, may set target annual incentive award levels for the executive officers. Target bonuses for 2011 (expressed as a percentage of annual base salary) were as follows: Mr. Dolan 175% (prorated for 2011 based upon the 6-month post-Distribution period); Mr. Sapan 200%; Mr. Carroll 100%; Mr. Sullivan 60%; and Mr. Gallagher 45%.

The payment of the 2011 incentive awards under the CIP is conditioned upon the satisfaction of one or more performance objectives established by the Compensation Committee. Any such performance objective is subject to various adjustments such as acquisitions and dispositions and investments in new business ventures. The performance metrics were designed to achieve tax deductibility under Code Section 162(m). Upon achievement of the performance objective(s), each NEO would be eligible to receive payment of an incentive bonus equal to the lesser of $10 million and two times the executive s target annual incentive award, subject to the Compensation Committee s discretion to reduce the award. In general, under the CIP, regardless of whether the Company achieves, exceeds or fails to achieve its target performance objective(s), the Compensation Committee has the discretion only to decrease annual incentive awards if the Company wishes to preserve the Code Section 162(m) deduction. In order for the NEOs to be eligible to receive the 2011 annual cash incentive award, the 2011 AOCF of the business units needed to exceed $368 million. On March 12, 2012, the Compensation Committee certified the awards as achieved by virtue of the 2011 AOCF (as defined in the performance metrics) of the business units equaling approximately $451 million. The Compensation Committee applied negative discretion under the CIP to bring payouts generally in line with calculated payouts under the MPIP for individuals who hold corporate positions (as described below), with adjustments based on individual performance for Messrs. Sullivan and Gallagher. When applying negative discretion under the Company s CIP, the Compensation Committee reduced the annual cash bonuses payable to Messrs. Sullivan and Gallagher to amounts that were higher than they would otherwise have been if they had been reduced on the same basis as the annual bonuses of the other NEOs. This treatment of the awards to Messrs. Sullivan and Gallagher was based upon the CEO s recommendation that the personal performance of these executives warranted a smaller discretionary reduction because of the extraordinary efforts and achievements of those individuals during 2011 in causing the Company s finance and legal functions, respectively, to undertake the changes necessitated as a result of the Company becoming a public reporting company. On March 15, 2012, the 2011 annual incentive awards were paid by the Company to the NEOs as follows: Mr. Dolan $426,250; Mr. Sapan $3,214,758; Mr. Carroll $1,299,060; Mr. Sullivan $500,000; and Mr. Gallagher $300,000. The Cablevision 2012 Proxy Statement also indicates that Mr. Dolan received $2,967,328 in 2011 annual incentive awards from Cablevision in respect of his service to Cablevision.

The payment of annual incentive awards under the MPIP is conditioned upon the satisfaction of one or more performance objectives established by the Compensation Committee depending upon the applicable eligible employee s specific business unit. For 2011, under the MPIP, these performance objectives related to an assessment of business unit performance against goals, strategies, operating performance, five-year plan and growth initiatives. For individuals who hold corporate positions at the Company, the MPIP performance objectives were predominantly based on company-wide achievement of the performance metrics. Bonuses

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awarded under the MPIP may also be adjusted based on recipients individual performances. To the extent the Company exceeds or falls short of the MPIP performance objectives, eligible employees may receive payments greater than or less than their target annual incentive award.

Under the terms of Mr. Sullivan s employment offer letter from Cablevision entered into prior to the Distribution, he was provided with the opportunity to receive a special bonus of $150,000, payable within 30 days of his start date, which was paid in 2010, and a second special bonus of $150,000, conditioned on his continued employment with the Company through the first anniversary of his start date, which was paid on September 20, 2011.

Long-term Incentives

Our executive compensation program is designed to achieve the objectives described above under Executive Compensation Program Objectives and Philosophy. Our long-term incentive program in 2011 for all executives consisted of two elements: restricted stock and cash performance awards. These long-term incentives are awarded to members of management based upon each individual s grade level. Except for Messrs. Dolan and Sapan, who received long-term incentive awards comprised of 40% of the value in restricted stock and 60% of the value as cash performance awards, these long-term incentive awards granted to the NEOs generally are comprised of approximately 50% of the value in restricted stock and approximately 50% of the value as cash performance awards.

We believe that restricted stock awards provide the NEOs with an incentive to improve the Company s stock price performance and indicate direct alignment with stockholders interests, as well as a continuing stake in the long-term success of the Company. We also believe that our cash performance awards provide strong incentives for the NEOs to help the Company achieve specific long-term financial objectives. In addition, because these awards vest in their entirety on the third anniversary of the grant date (i.e., cliff vesting), we believe these awards provide strong incentives for the executives to remain with the Company.

Restricted Stock

Under our executive compensation program, long-term incentive grants of restricted stock are made to executive officers and certain other members of management pursuant to the Company s 2011 Employee Stock Plan (the Employee Stock Plan). If the recipient remains employed by the Company through the vesting date, the restrictions lapse as of such vesting date. Under the current executive compensation program, restricted stock awards will cliff vest on the third anniversary of the date of grant so long as the recipient is continuously employed until such date.

On March 8, 2011, Cablevision granted Cablevision restricted shares to the NEOs in the following amounts: Mr. Sapan 33,700 shares; Mr. Carroll 17,700 shares; Mr. Sullivan 6,800 shares; and Mr. Gallagher 6,600 shares. In connection with the Distribution, the holders of such Cablevision restricted shares received as a dividend restricted Company stock and also had the Cablevision restricted stock awards converted into Company restricted stock awards, resulting in the following amounts of Company restricted stock awards for our NEOs: Mr. Sapan 31,902 shares; Mr. Carroll 16,755 shares; Mr. Sullivan 6,437 shares; and Mr. Gallagher 6,427 shares. All such 2011 restricted stock awards will vest on March 8, 2014, as long as the recipient is continuously employed until such date and the performance objectives are attained. The performance condition relating to the Company restricted shares requires the Company to achieve a 1% target rate of growth in AOCF (relative to 2010) in any of the three fiscal years 2011, 2012 and 2013. This Company performance requirement was met in 2011. Additional information regarding restricted share awards for the NEOs during 2011 is set forth in the Summary Compensation Table and the Grants of Plan-Based Awards table under Executive Compensation Tables below. More information regarding other equity grants for the NEOs appears in the Outstanding Equity Awards at December 31, 2011 table under Executive Compensation Tables below. The Cablevision 2012 Proxy Statement also indicates that Mr. Dolan received 79,400 shares of Cablevision restricted stock in respect of

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his service to Cablevision. The Cablevision restricted stock granted to Mr. Dolan in 2011 was not converted into Company restricted stock in connection with the Distribution. The performance condition relating to this Cablevision restricted stock held by Mr. Dolan required Cablevision to achieve a 1% target rate of growth in AOCF (relative to 2010) in any of the three fiscal years 2011, 2012 and 2013. The Cablevision performance requirement was met in 2011.

In recognition of his increased responsibilities as a chief executive officer of a public company and pursuant to the terms of his employment agreement with the Company (previously approved by the Cablevision compensation committee), on December 15, 2011, the Compensation Committee granted Mr. Sapan a one-time special award of 133,165 Company restricted shares (the Special Equity Award). This Special Equity Award will vest on December 15, 2015, as long as Mr. Sapan is continuously employed until such date and the performance objectives are attained. The performance condition requires the Company to achieve a 1% target rate of growth in AOCF (relative to 2011) in any of the two fiscal years 2012 and 2013.

For 2012, the Compensation Committee determined to award restricted stock units in lieu of restricted stock as it believes that restricted stock units provide the Company more flexibility. The restricted stock units granted to the NEOs also include a performance vesting condition.

Cash Performance Awards

Our current executive compensation program contemplates annual grants of three-year cash performance awards, under the Company s CIP, to executive officers and other members of management to be earned on the basis of long-term performance relative to pre-established financial goals. The Compensation Committee sets the performance objectives for each award in the first quarter of the fiscal year of grant. Each recipient is eligible to receive a specified dollar amount, depending on the employee s grade level, to the extent that the Company s target performance objectives are achieved and the recipient is continuously employed through the payment date.

On March 8, 2011, Cablevision granted Cablevision cash performance awards to the NEOs in the following target amounts: Mr. Sapan $1,860,000; Mr. Carroll $650,000; Mr. Sullivan $250,000; and Mr. Gallagher $240,000. In connection with the Distribution, the Compensation Committee approved the conversion of the 2011 Cablevision cash performance awards into Company cash performance awards with the same target amounts for these NEOs. All such 2011 cash performance awards will vest on March 8, 2014, as long as the recipient is continuously employed until such date and the performance objectives are attained. The performance condition relating to the Company cash performance awards contain performance measures based solely on the Company s revenue, AOCF and free cash flow results. The Cablevision 2012 Proxy Statement also indicates that Mr. Dolan received a cash performance award in the target amount of $4,380,000 in respect of his service to Cablevision. The Cablevision cash performance awards granted to Mr. Dolan were not converted into Company cash performance awards in connection with the Distribution. The performance condition relating to the Cablevision cash performance awards granted to Mr. Dolan contain performance measures based solely on Cablevision s revenue, business unit AOCF and business unit free cash flow results.

The converted 2011 performance awards will be payable in 2014 if the Company achieves specified targets of incremental net revenues and AOCF and a measure of cumulative free cash flow through December 31, 2013. These targets are intended to measure the Company s ongoing operating performance and are subject to various adjustments including for certain impacts of the Distribution such as the elimination of management fees and corporate allocations to Cablevision and the inclusion of costs to operate our business as a separate, stand-alone public entity, as well as acquisitions and dispositions and investments in new business initiatives and exclude all charges for long-term performance-based compensation. In determining achievement of the converted 2011 performance awards, net revenues, AOCF and cumulative free cash flow are weighted at 30%, 50% and 20%, respectively. These awards provide for a potential payout on a sliding scale such that the actual payment may range from zero (if both incremental net revenues and AOCF fail to reach at least 60% of the targets and cumulative business unit free cash flow fails to reach at least 87% of the target) to 200% (if, for example, incremental net revenues equal or exceed 125% of the target, incremental business unit AOCF equals or exceeds 135% of the target and cumulative business unit free cash flow equals or exceeds 117% of the target). If the Company does not achieve threshold levels of performance, the award does not provide for any payment. If the Company exceeds threshold levels but does not achieve the targeted amounts, or if it achieves one target but not all three, the award provides for partial payments. In addition, if results exceed the desired targets, recipients will receive payments in excess of the target award for the exceptional performance.

Because the targets for the converted 2011 awards (and the amended and restated 2010 cash performance awards described under Significant Compensation Decisions Following Fiscal Year 2011 Adjustment of 2010 Cash Performance Awards, below) have been derived from the Company s confidential strategic plan, which is not disclosed publicly for competitive reasons, we do not believe it is appropriate to disclose specific numerical targets. Disclosure of these targets could provide information that could lead to competitive harm. We believe that our strategic plan, and consequently the targets set for the performance awards, is ambitious and reflects desired above-market performance. In determining the threshold levels of performance, the following factors were considered: the Company s strategic plans and the degree of difficulty in achieving the targets, including a comparison of the strategic plans with analysts published projections of our growth as well as the projected growth of some of our competitors. The converted 2011 performance awards include a sliding scale of payouts based upon the levels of incremental net revenues, AOCF and cumulative free cash flow. The Compensation Committee believes that the lowest levels on the sliding scale of the converted awards should be achieved, although there can be no assurance this will occur. As the payout scale increases, the likelihood of achievement decreases.

The Compensation Committee has the authority to amend or waive the performance targets under the converted 2011 awards and to make interpretations thereof and adjustments thereto. The Cablevision compensation committee has the authority to amend or waive the performance targets under Mr. Dolan s 2011 awards and to make interpretations thereof and adjustments thereto.

In March, 2012, the Cablevision compensation committee determined that the performance objectives for the 2009 performance awards had been met and those awards were paid. The amounts paid to Messrs. Sapan, Carroll and Gallagher in respect of these awards are set forth below in the Summary Compensation Table. The Cablevision 2012 Proxy Statement also indicates that the payout of the 2009 performance award for Mr. Dolan in respect of his service to Cablevision was $1,756,380.

Other Outstanding Awards

In addition to the long-term incentive awards described above, certain of our executives (including the NEOs) have outstanding equity awards that were granted by Cablevision in connection with their service as employees of Cablevision prior to the Distribution. Grants of any such equity awards received by the NEOs (other than Mr. Dolan) are set forth in the Outstanding Equity Awards at December 31, 2011 table under Executive Compensation Tables below and are discussed in greater detail under Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards below. The outstanding Cablevision equity-based awards held by Mr. Dolan are not included in the Outstanding Equity Awards at December 31, 2011 table because these awards remain subject to his continued service to Cablevision.

Additionally, certain of our executives (including the NEOs) have outstanding long-term cash performance awards that were granted by Cablevision in 2009 and 2010 in connection with their service as employees of Cablevision prior to the Distribution. See Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards below.

In addition to the outstanding equity and cash performance awards, Cablevision s former executive compensation program also included special retention incentives called deferred compensation awards. These awards were generally made to its executive officers and other members of Cablevision management. The

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purpose of these deferred compensation awards was to attract and retain senior executives. Messrs. Dolan, Sapan and Carroll received these awards in October 2004, though the deferred compensation award for Mr. Dolan remains a liability of Cablevision. See Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards, for a further discussion.

The Cablevision deferred compensation awards granted to Messrs. Dolan, Sapan and Carroll contemplate an initial award amount for each recipient of $500,000. Each year, on the anniversary date of the award, the award amount grows by an additional amount equal to the lesser of 20% of the individual s annual base salary in effect at that time and $150,000. In addition, the award amount is increased by quarterly interest, at an annual interest rate equal to the average of the one-year LIBOR fixed-rate equivalent for the ten business days immediately preceding October 1st of each year. The deferred compensation award is paid in installments: 50% of the then current award amount was paid on the fifth anniversary of the effective date of the award (October 2009 for Messrs. Dolan, Sapan and Carroll), and the balance of the then current award amount was paid on the seventh anniversary of the effective date (October 2011 for Messrs. Dolan, Sapan and Carroll). Information regarding the Cablevision deferred compensation awards of Messrs. Sapan and Carroll is set forth in the Summary Compensation Table below. See Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards for a discussion of the impact of the Distribution on Cablevision deferred compensation awards. The Cablevision 2012 Proxy Statement also includes information regarding the portion of a Cablevision deferred compensation award which was paid to Mr. Dolan in 2011 in respect of his service to Cablevision which was $1,033,606.

Independent of any action by the Compensation Committee, as a result of the distribution on February 9, 2010 (the MSG Distribution) by Cablevision of all of the equity interests of The Madison Square Garden Company (MSG), Cablevision stock options and stock appreciation rights were adjusted according to the 1:4 distribution ratio (i.e., one share of MSG common stock for every four shares of Cablevision) into two separate awards by each of Cablevision and MSG. Additionally, shares of MSG stock were issued as dividends on outstanding Cablevision restricted stock awards. Such shares of MSG stock are restricted on the same basis as the underlying Cablevision shares. See Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards.

Benefits

Our executive officers are generally eligible to participate in the same retirement plans, health and welfare benefit plans and other voluntary benefit plans made available to other benefits-eligible employees of the Company, including, for example, medical, dental, vision, life insurance and disability coverage. Notwithstanding the foregoing, Mr. Dolan does not participate in certain Company benefit plans, including the Company s defined contribution plan and the Company s medical, dental and vision plans. Mr. Dolan receives pension and health benefits from Cablevision.

Defined Benefit Plans

The Company s employees, including executive officers, participated during 2011 until the Distribution in Cablevision s Cash Balance Pension Plan, a tax qualified defined benefit plan. Cablevision retained all assets and liabilities pursuant to such plan. Certain of the Company s employees, including executive officers, also participated during 2011 until the Distribution in Cablevision s Excess Cash Balance Pension Plan, a non-qualified deferred compensation plan. As of the Distribution, the Company assumed the liabilities of such plan relating to Company employees, including executive officers.

Effective as of the Distribution, the Company s employees, including the executive officers, other than Mr. Dolan, ceased participation in Cablevision s Cash Balance Pension Plan and Cablevision s Excess Cash Balance Pension Plan. The Cablevision 2012 Proxy Statement also indicates that Mr. Dolan continued to receive accruals under Cablevision s Cash Balance Pension Plan and Cablevision s Excess Cash Balance Pension Plan in respect of his service to Cablevision.

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Defined Contribution Plans

For 2011, the Company s employees, including executive officers, participated in the Cablevision 401(k) Savings Plan, a tax qualified retirement savings plan. Under this plan, participating employees, including executive officers, may contribute into their plan accounts a percentage of their eligible pay on a before-tax basis as well as a percentage of their eligible pay on an after-tax basis. The Company matches 100% of the first 3% of eligible pay and 50% of the next 2% of eligible pay contributed by participating employees. In addition, the Company provides a 4% profit sharing contribution based on the employee s salary. The Company matching contributions are subject to vesting limitations for the first three years of employment.

In addition, for 2011, the Company s employees, including executive officers, participated in the Cablevision Excess Savings Plan, a non-qualified deferred compensation plan, to employees, including executive officers, who are restricted by the applicable IRS annual compensation limitation and/or the pre-tax income deferral limitation. More information regarding the Excess Savings Plan is provided in the Nonqualified Deferred Compensation table under Executive Compensation Tables below.

Matching contributions made by the Company under the Cablevision 401(k) Savings Plan and the Cablevision Excess Savings Plan and allocations under the defined contribution portion of the Nonqualified Supplemental Benefit Plan on behalf of the NEOs (other than Mr. Dolan) are set forth in the Summary Compensation Table under Executive Compensation Tables below. The Cablevision 2012 Proxy Statement also indicates the matching contributions made by Cablevision under the Cablevision 401(k) Savings Plan and the Cablevision Excess Savings Plan and allocations under the defined contribution portion of the Nonqualified Supplemental Benefit Plan for Mr. Dolan in respect of his service to Cablevision.

Other

In addition to the standard life insurance available to all Company employees (based on a multiple of base salary, up to a $4,000,000 cap on the total amount of life insurance), Cablevision had purchased whole life insurance policies for certain current and former senior executives of Cablevision, including Mr. Sapan. The policies originally provided coverage (before the application of any dividends to purchase increased insurance) in the amount of the greater of three times the individual s annual base salary as in effect in 1996 or the estimated death benefit provided under previous policies. As of the most recent anniversary date, the policy for Mr. Sapan provided an estimated death benefit of $1,298,751. Information regarding premiums paid with respect to Mr. Sapan is set forth in the Summary Compensation Table below. Upon the Distribution date, the Company assumed responsibility for the payment of premiums with respect to Mr. Sapan, to the extent necessary. The Cablevision 2012 Proxy Statement also indicates that Mr. Dolan has a whole life insurance policy provided by Cablevision in respect of his service to Cablevision.

Prerequisites

Following the Distribution, the Company has adopted a policy that it generally will not provide any perquisites to its executive officers. Prior to such date, certain perquisites were provided to Messrs. Sapan, Carroll, Sullivan and Gallagher by Cablevision and are described below. The aggregate value of perquisites received by each of Messrs. Sapan, Carroll, Sullivan and Gallagher by Cablevision prior to the Distribution is set forth in the Summary Compensation Table under Executive Compensation Tables below. The following description is taken from Cablevision s 2012 Proxy Statement.

Telecommunications Services

Cablevision perquisites included access to telecommunications services (cable television, high-speed data and voice) at no monthly cost to its employees, including the Company s executive officers, living in Cablevision s service area. Certain Cablevision employees living outside the service area are eligible for reimbursement of certain costs in purchasing similar services. The services provided vary depending on the grade level of the Cablevision employee.

Aircraft Arrangements

Cablevision owns and operates passenger helicopters and leases and operates a jet to facilitate business travel of senior executives. Cablevision also has agreements with entities controlled by Charles F. Dolan or other members of the Dolan family pursuant to which the Company has a right to use fixed-wing aircraft owned by such entities. Mr. Sapan was permitted to use the helicopters and jet for personal travel upon the approval of Cablevision s Chief Executive Officer or his designee.

Other

The Cablevision 2012 Proxy Statement indicates that, in 2011, Mr. Dolan received the telecommunications services, executive security, car and driver, aircraft usage and travel department usage in respect of his service to Cablevision and is expected to continue to receive these services going forward.

Post-Termination Compensation

We believe that post-termination benefits are integral to the Company s ability to attract and retain qualified executives.

Under certain circumstances, payments or other benefits may be provided to employees upon the termination of their employment with the Company. These may include payments or other benefits upon a termination by the Company without cause, termination by the employee for good reason, other voluntary termination by the employee, retirement, death, disability, or termination following a change in control of the Company or following a going-private transaction. The amounts and terms of such payments and other benefits (including the definition of cause and good reason) are governed by each NEO s employment agreement and any applicable award agreements. The Company award agreements regarding various long-term incentives also address employment termination events, including the circumstances upon which vesting, payment and/or forfeiture of all or a portion of the long-term incentives may be accelerated. If an executive s employment agreement with the Company refers to the treatment of any award upon a triggering event, the particular award agreement does not supersede the terms of the employment agreement unless otherwise provided in the award agreement. Post-termination compensation is discussed in greater detail in Executive Compensation Tables Employment Agreements and Executive Compensation Tables Termination and Severance below.

Tax Deductibility of Compensation

Code Section 162(m) establishes a $1 million limit on the amount that a publicly held corporation may deduct for compensation paid to the chief executive officer and the next three most highly paid NEOs (other than the chief financial officer) in a taxable year. This limitation does not apply to any compensation that is qualified performance-based compensation under Code Section 162(m), which is defined as compensation paid in connection with certain stock options or that is paid only if the individual s performance meets pre-established objective goals based on performance criteria established under a plan approved by stockholders. Our short-term and long-term incentive compensation plans are generally designed to qualify for this exemption from the deduction limitations of Code Section 162(m) and to be consistent with providing appropriate compensation to executives.

From time to time, to the extent it deems appropriate, the Compensation Committee may make awards (or modifications to awards) that would not qualify for an exemption from Code Section 162(m). For example, we expect that the amount of annual base salary in excess of $1 million for the President and Chief Executive Officer and the next three most highly paid NEOs, plus any other annual compensation paid or imputed to the President and Chief Executive Officer and the next three most highly paid NEOs covered by Code Section 162(m) that causes their non-performance-based compensation to exceed the $1 million limit, will not be deductible by the Company for federal income tax purposes. In addition, due to certain actions taken by

Cablevision in calculating the payout in connection with its 2009 cash performance awards, none of the 2009 performance award payouts made in March 2012 to Messrs. Sapan, Carroll and Gallagher will be qualified performance-based compensation.

Although it is the Company s intent generally to qualify compensation for the exemption from the deduction limitations, we believe that it is in the best interests of the Company s stockholders to allow the Compensation Committee the flexibility and discretion to design an appropriate executive compensation program so that the Company can attract, retain and motivate our executives, notwithstanding Section 162(m).

Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards

On June 30, 2011, Cablevision completed the Distribution of AMC Networks. As a result, the Company became a separately traded public company. In connection with the Distribution, each Cablevision stock option and stock appreciation right (right or SAR) became two options/rights. Cablevision options were converted into options to acquire Cablevision NY Group Class A Common Stock and options to acquire the Company s Class A Common Stock. Cablevision rights were converted into rights with respect to the cash value of Cablevision NY Group Class A Common Stock and rights with respect to the cash value of the Company s Class A Common Stock. The number of shares of the Company s Class A Common Stock that became subject to each option/right was based on the 1:4 distribution ratio (i.e., one share of the Company s common stock for every four shares of Cablevision). The options and the rights with respect to the Company s Class A Common Stock were issued under the AMC Networks Inc. 2011 Employee Stock Plan or the AMC Networks Inc. 2011 Stock Plan for Non-Employee Directors, as applicable. The existing exercise price was allocated between the existing Cablevision options/rights and the Company s new options/rights based upon ten-day weighted-average prices of the Cablevision NY Group Class A Common Stock and the Company s Class A Common Stock, taking into account the 1:4 distribution ratio. As a result of this adjustment, approximately 73.59% of the pre-Distribution exercise price of options and rights was allocated to the Cablevision options and rights and approximately 26.41% was allocated to the AMC Networks options and rights. Other than the split of the Cablevision options and rights and the allocation of the existing exercise price, upon issuance of our new options and rights there was no additional adjustment to the existing Cablevision options and rights in connection with the Distribution, and the terms of each employee s applicable Cablevision award agreement continue to govern the Cablevision options and rights. The options and rights that were issued in respect of outstanding Cablevision stock options and rights will be affected by a change in control or going private transaction of the Company or Cablevision, respectively, as set forth in the terms of the applicable award agreement.

Further, in the Distribution, one share of the Company s Class A Common Stock was issued in respect of every four shares of Cablevision restricted stock. These shares of Company stock are restricted on the same basis as the underlying Cablevision shares, and are referred to in this Executive Compensation Discussion and Analysis and the Executive Compensation Tables as Distribution-related shares. These shares were not issued under any of the Company s new equity plans as they were issued as a dividend in respect of Cablevision NY Group Class A Common Stock in connection with the Distribution. If a holder of Cablevision restricted stock forfeits such restricted stock and therefore forfeits our accompanying shares, the Company shares will be returned to our treasury.

Cablevision has issued restricted stock units to its non-employee directors which represent unfunded, unsecured rights to receive shares of Cablevision NY Group Class A Common Stock (or cash or other property) at a future date upon the satisfaction of the conditions specified by the Compensation Committee in the award agreement. Such restricted stock units were fully vested on the date of grant. Upon Distribution, each holder of a restricted stock unit received one share of our Class A Common Stock in respect of every four Cablevision restricted stock units owned on the record date and continued to be entitled to a share of Cablevision NY Group Class A Common Stock (or cash or other property) in accordance with the award agreement. Such shares of Class A Common Stock were issued under our 2011 Stock Plan for Non-Employee Directors. Cablevision has issued to its non-employee directors options to purchase its Cablevision NY Group Class A Common Stock, and such options are now fully vested. In connection with the Distribution, each Cablevision option became two options: one an option to acquire Cablevision NY Group Class A Common Stock and one an option to acquire our Class A Common Stock. The allocation of exercise price between the existing non-employee director Cablevision options and our new non-employee director options and the number of shares subject to those new options was determined in the same manner as described above for our options/rights issued under our 2011 Employee Stock Plan at the time of the Distribution.

On February 9, 2010, Cablevision completed the MSG Distribution. As a result, MSG became a separately traded public company. In connection with the MSG Distribution: (1) holders of outstanding awards of Cablevision stock options and stock appreciation rights (including certain of our officers, employees and directors) received MSG stock options and stock appreciation rights; (2) holders of outstanding awards of Cablevision restricted stock (including certain of our officers, employees and directors) received shares of MSG Class A Common Stock restricted on the same basis as the underlying Cablevision restricted shares; and (3) Cablevision non-employee directors (including certain of our directors) who hold outstanding awards of Cablevision restricted stock units received shares of MSG Class A Common Stock. Such issuance of MSG equity and equity-based awards were based on a 1:4 distribution ratio (i.e., one share of MSG Class A Common Stock for every four shares of Cablevision), and the exercise price of the stock options and stock appreciation rights were allocated based upon the ten-day volume weighted average prices of the Cablevision NY Group Class A Common Stock and the MSG Class A Common Stock.

As a result of the issuance of MSG equity and equity-based awards in connection with the MSG Distribution, those of our employees (including certain executive officers) who held outstanding Cablevision awards at such time received MSG awards. To the extent that any such individual forfeits the Cablevision award, then the related MSG awards shall be forfeited as well.

Other Awards

Deferred compensation awards granted by Cablevision pursuant to Cablevision s Long-Term Incentive Plan (which was superseded by Cablevision s Cash Incentive Plan in 2006) were unaffected by the Distribution.

With respect to outstanding long-term cash and equity awards, the Company, Cablevision and MSG are not regarded as competitive entities of each other for purposes of any non-competition provisions contained in the applicable award agreements. With respect to all outstanding Cablevision and MSG awards (and our options and stock appreciation rights issued in connection with such awards), holders of such awards will continue to vest in them so long as they remain employed by the Company, Cablevision, MSG, or affiliates of those entities, provided that an employee who moves from the Company or one of its subsidiaries, on the one hand, to Cablevision or one of its subsidiaries, or MSG or one of its subsidiaries, on the other hand, at a time when the applicable entity is no longer affiliated with the Company, will not continue to vest in our awards and such change will constitute a termination of employment for purposes of the award agreement. Notwithstanding the foregoing, Mr. Dolan will continue to vest in his outstanding Cablevision awards (as well as in Company stock options and stock appreciation rights issued upon the Distribution with respect to such outstanding Cablevision awards) based solely on his continued service with Cablevision and not in respect of his continued service with the Company and its subsidiaries.

We are not responsible for any payments associated with any annual, long-term cash or deferred compensation awards granted by Cablevision to Mr. Dolan that were outstanding as of the Distribution. Payment of such awards is the sole responsibility of Cablevision. Payments of any awards granted to Messrs. Sapan, Carroll, Sullivan and Gallagher will continue to be the responsibility of the Company. The performance awards and deferred compensation awards applicable to our other employees were assigned by Cablevision to us and have been assumed by us.

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Significant Compensation Decisions Following Fiscal Year 2011

Adjustment of 2010 Cash Performance Awards

Immediately prior to the Distribution, approximately 40 employees of the Company (including the NEOs) held Cablevision three-year cash performance awards that had been granted in 2010 and were based on Cablevision performance objectives. Under the Employee Matters Agreement, the Company is responsible for the costs of these awards (other than for awards held by Mr. Dolan).

On February 28, 2012, the Company was advised that there was unlikely to be a payout under the 2010 cash performance awards. The Compensation Committee, after consultation with the compensation consultant, concluded that it was undesirable to have a significant element of the compensation of its senior executives (other than Mr. Dolan) and other employees be based on performance objectives that were predominantly unrelated to the performance of the Company. The Compensation Committee also believed it was inequitable to have its senior executives and other employees receive no payout under these performance awards if the Company (and its predecessor, the Rainbow segment of Cablevision) would have met or exceeded performance objectives under the model used to establish the original Cablevision performance objectives. Accordingly, the Compensation Committee requested that the Cablevision compensation committee replace the 2010 Cablevision performance objectives with the original 2010 performance objectives of the Company, which had been provided to Cablevision in 2010 and had been integrated into the original 2010 Cablevision performance objectives. On March 13, 2012, the Cablevision compensation committee amended the 2010 cash performance awards held by employees of the Company, including Messrs. Sapan, Carroll, Sullivan and Gallagher (but not Mr. Dolan), as requested by the Compensation Committee. As amended, these cash performance awards will be payable in 2013 if the Company achieves specified targets of net revenues and AOCF. These targets are intended to measure ongoing operating performance of the Company and are subject to various adjustments such as for acquisitions and dispositions and investments in new business initiatives and exclude all charges for long-term performance-based compensation. In determining achievement of the amended 2010 cash performance awards objectives, each performance measure is weighted equally. The amended awards provide for a potential payout on a sliding scale such that the actual payment may range from zero (if both incremental net revenues and incremental AOCF fail to reach at least 60% of the targets) to 200% (if, for example, both net revenues and AOCF equal or exceed 158% of the targets). If the Company does not achieve threshold levels of performance, the amended awards provide for no payment. If the Company exceeds threshold levels but does not achieve the targeted rates, or if the Company achieves one target but not both, the amended awards provide for partial payments. In addition, if results exceed the desired targets, recipients will be rewarded for the exceptional performance. The amended 2010 cash performance awards require the Compensation Committee to certify the Company s performance against the performance objectives, and the Cablevision compensation committee to ratify such amounts.

The targets for the amended and restated 2010 cash performance awards have not been disclosed here for the reasons described under Elements of In-Service Compensation Long-term Incentives Cash Performance Awards, above.

The Cablevision compensation committee continues to have the authority to amend or waive the performance targets under the 2010 awards and to make interpretations and adjustments thereto.

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Executive Compensation Tables

The tables below reflect the compensation of the Company s Executive Chairman, President and Chief Executive Officer, Chief Financial Officer and the two other most highly paid executive officers. See Executive Compensation Discussion and Analysis for an explanation of our compensation philosophy and program.

Historical Compensation Information

The information set forth below with respect to fiscal year 2010 and the first six months of 2011, prior to the Distribution, is historical Cablevision information. The information has been provided by, or derived from information provided by, Cablevision. All such information for Messrs. Sapan, Carroll, Sullivan and Gallagher is based upon services rendered by these executives, each of whom was an executive of Rainbow Media Holdings LLC while it was a subsidiary of Cablevision. The services rendered by these executives in 2010 and the first six months of 2011 were, in some instances, in capacities not equivalent to the positions in which they are currently serving the Company or our subsidiaries. The historical compensation information presented for Mr. Dolan for fiscal year 2010 is based upon his services to, and compensation received from, Cablevision, and for fiscal year 2011 is based upon his services to, and compensation received solely from, the Company after the Distribution. The historical compensation Mr. Dolan received from Cablevision is not comparable to the compensation he received from the Company.

Summary Compensation Table

The table below summarizes: (1) the total compensation paid to or earned by each of our NEOs for the year ended December 31, 2010, which was paid by Cablevision; (2) the total compensation paid to or earned by each of Messrs. Sapan, Carroll, Sullivan and Gallagher for the year ended December 31, 2011, which was paid by Cablevision through the Distribution date and by us following the Distribution date; and (3) the total compensation paid to or earned by Mr. Dolan for the last six months of 2011 following the Distribution date, which was paid solely by us.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)(2)	Stock Awards ($)(3)	Option and Rights Awards ($)(4)	Non-Equity Incentive Plan Compensation ($)(5)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(6)	All Other Compensation ($)(7)	Total ($)
Mr. Charles F. Dolan	2011(8)(9)	194,000				426,250		7,138	627,388
Executive Chairman	2010(8)	1,664,000		3,000,000		8,366,016	274,004	469,547	13,773,567
Mr. Joshua W. Sapan	2011(8)	1,280,000		6,134,227		3,960,618		139,269	11,514,114
President and Chief Executive Officer	2010(8)	1,240,000		1,274,000		3,321,320	170,007	207,471	6,213,198
Mr. Edward A. Carroll	2011(8)	1,035,500		727,001		1,820,360		153,369	3,736,230
Chief Operating Officer	2010(8)	950,000		669,600		1,685,800	40,662	208,269	3,554,331
Mr. Sean S. Sullivan	2011(8)	585,000	150,000	279,302		500,000		20,231	1,534,533
Executive Vice President and Chief Financial Officer	2010(8)	154,808	150,000	63,000		104,000		10,839	482,647
Mr. James G. Gallagher	2011(8)	450,000		271,058		492,480		15,552	1,229,090
Executive Vice President and General Counsel	2010(8)	436,800		247,200		438,880	26,002	13,077	1,161,959

(1) For 2011, salaries paid to the NEOs accounted for the following percentage of their total compensation: Mr. Dolan 31%; Mr. Sapan 11%; Mr. Carroll 27%; Mr. Sullivan 38% and Mr. Gallagher 36%.

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(2) Mr. Sullivan joined the Company on September 20, 2010 and the amounts in this column reflect the payment of a special bonus in each of 2010 and 2011 in accordance with the terms of his employment agreement. See Executive Compensation Discussion and Analysis Elements of In-Service Compensation Annual Cash Incentives.

(3) This column reflects the aggregate grant date fair value of Company restricted stock awards granted to the executives, without any reduction for risk of forfeiture, as calculated in accordance with FASB ASC Topic 718 on the date of grant. In addition, Company common stock was issued in 2011 as dividends in respect of outstanding Cablevision restricted stock awards held as of the Distribution. Such Company common stock is restricted on the same basis as underlying Cablevision restricted stock awards. Such Distribution-related shares are not reflected in the 2011 figures in this table, but for certain of the NEOs (other than Mr. Dolan) are included in the Outstanding Equity Awards at December 31, 2011 table and the Options Exercised and Stock Vested table. For a further discussion of Distribution-related equity awards, see Executive Compensation Discussion and Analysis Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards.

(4) No stock options and/or rights were granted in 2011. In 2011, upon the Distribution, the Company issued stock options in connection with then-outstanding Cablevision stock options. Such Distribution-related options are not reflected in this table, but for certain of the NEOs (other than Mr. Dolan) are included in the Outstanding Equity Awards at December 31, 2011 table and the Options Exercised and Stock Vested table. For a further discussion of Distribution-related equity awards, see Executive Compensation Discussion and Analysis Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards.

(5) For 2011, this column reflects the annual incentive award earned by each individual in 2011 and paid in March 2012 and the value of performance awards granted in 2009, earned at the end of 2011 and paid in March 2012. For 2010 figures, this column reflects the annual incentive award earned by each individual in 2010 and paid in March 2011 and the value of performance awards granted in 2008, earned at the end of 2010 and paid in March 2011. The 2011 figures in this column for Messrs. Sapan, Carroll, Sullivan and Gallagher include the annual incentive awards for performance in 2011 and the value of performance awards granted in 2009, earned at the end of 2011 as follows: Mr. Sapan, $3,214,758 and $745,860, respectively; Mr. Carroll: $1,299,060 and $521,300, respectively; Mr. Sullivan: $500,000; and Mr. Gallagher: $300,000 and $192,480, respectively. The amount included for Mr. Dolan represents the annual incentive award of $462,250 earned in 2011 and paid in March 2012. The performance award granted to Mr. Dolan in 2009 by Cablevision was not assumed by the Company and remains a liability of Cablevision. For a further discussion of the treatment of the Cablevision long-term performance awards, see Executive Compensation Discussion and Analysis Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards.

(6) This column represents the sum of the increase in the present value of each individual s accumulated cash balance plan account and accumulated excess cash balance account. There were no above-market earnings on nonqualified deferred compensation. For more information regarding the NEOs pension benefits, please see the Pension Benefits table below.

(7) The table below shows the components of this column:

Name	Year	401(k) Plan Match $(a)	Excess Savings Plan Match ($)(a)	Life Insurance Premiums ($)(b)	Deferred Compensation Awards ($)(c)	Perquisites ($)(d)	Total ($)
Mr. Dolan	2011		7,138				7,138
Mr. Sapan	2011			10,786	117,674	10,809	139,269
Mr. Carroll	2011	7,071	28,624		117,674		153,369
Mr. Sullivan	2011	7,734	12,497				20,231
Mr. Gallagher	2011	7,529	8,023				15,552

(a) These columns represent, for each individual, a matching contribution by Cablevision on behalf of such individual under Cablevision s 401(k) Plan or Excess Savings Plan, as applicable.

(b) This column represents amounts paid for premiums on whole life insurance policies purchased by Cablevision for Mr. Sapan. Upon the Distribution, the Company assumed responsibility for the payment of premiums with respect to Mr. Sapan. Mr. Dolan also has a whole life insurance policy provided by Cablevision for which the Company has not assumed any obligations and the premium payments are not included in this table.

(c) This column represents for each of Messrs. Sapan and Carroll a notional contribution of $112,500 and notional interest of $5,174 allocated under their deferred compensation awards in 2011. For more information regarding deferred compensation awards, see Executive Compensation Discussion and Analysis Elements of In-Service Compensation Long-term Incentives Other Outstanding Awards. Mr. Dolan s deferred compensation award remains a liability of Cablevision and is not included in this table.

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(d) This column includes the following perquisites provided by Cablevision to Mr. Sapan during the first six months of 2011: (A) free Cablevision cable television service, high-speed data and voice service and (B) use of Cablevision s aircraft for personal travel. Perquisites provided to Messrs. Carroll, Sullivan or Gallagher by Cablevision did not exceed an aggregate value of $10,000. Following the Distribution, the Company generally has not provided perquisites to the NEOs. Perquisites received by Mr. Dolan during 2011 were in respect of his service to Cablevision and are not included in this table. For more information regarding the calculation of these perquisites, see Executive Compensation Discussion and Analysis Elements of In-Service Compensation Perquisites.

(8) The information in these rows with respect to fiscal year 2010 and, for Messrs. Sapan, Carroll, Sullivan and Gallagher, the first six months of 2011, prior to the Distribution, is historical Cablevision information. The information has been provided by, or derived from information provided by, Cablevision. We understand from Cablevision that the information as to stock awards and option awards reflects the grant date fair value of the awards, computed in accordance with FASB ASC Topic 718.

(9) For 2011, in connection with his service to Cablevision, the Cablevision 2012 Proxy Statement also indicates that Mr. Dolan received the following compensation amounts solely from Cablevision: Salary $1,664,000; Bonus $1,033,606; Stock Awards $2,866,340; Non-Equity Incentive Plan Compensation $4,723,708; Change in Pension Value and Nonqualified Deferred Compensation Earnings $286,663 and Other Compensation $392,072, for a Total Compensation amount of $10,966,389. This information has been provided by, or derived from information provided by, Cablevision.

Grants of Plan-Based Awards

The table below presents information regarding awards granted in 2011 to each NEO under the Company s plans, including estimated possible and future payouts under non-equity incentive plan awards and other restricted stock and stock option awards. See Executive Compensation Discussion and Analysis Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards for a discussion of the impact of the Distribution on certain of the awards discussed in the following table.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards				
Name	**Year**	**Grant Date**	**Threshold($)**	**Target($)**	**Maximum($)**	**All Other Stock Awards: Number of Shares of Stock or Units(#)**	**Grant Date Fair Value of Stock and Option Awards ($)(1)**
Mr. Dolan	2011	7/1/2011(2)		350,000	700,000		
Mr. Sapan	2011	1/1/2011(3)		2,560,000	5,120,000		
	2011	3/8/2011(4)				31,902	1,384,231
	2011	12/15/2011(5)				133,165	4,749,996
	2011	7/18/2011(6)	985,800	1,860,000	3,720,000		
Mr. Carroll	2011	1/1/2011(3)		1,035,500	2,071,000		
	2011	3/8/2011(4)				16,755	727,001
	2011	7/18/2011(6)	344,500	650,000	1,300,000		
Mr. Sullivan	2011	1/1/2011(3)		351,000	702,000		
	2011	3/8/2011(4)				6,437	279,302
	2011	7/18/2011(6)	132,500	250,000	500,000		
Mr. Gallagher	2011	1/1/2011(3)		202,500	405,000		
	2011	3/8/2011(4)				6,247	271,058
	2011	7/18/2011(6)	127,200	240,000	480,000		

(1) This column reflects the aggregate grant date fair value of the restricted stock awards granted to each NEO in 2011 without any reduction for risk of forfeiture, as calculated in accordance with FASB ASC Topic 718 on the grant date.

(2) This row reflects the possible payouts with respect to the grant of Mr. Dolan s annual incentive award under the Company s MPIP for performance in 2011 following the Distribution. Mr. Dolan was assigned a target

bonus percentage and amount; there is no threshold amount for annual incentive awards. The amounts of the annual incentive award actually paid to Mr. Dolan for performance in 2011 is disclosed in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table above.

(3) This row reflects the possible payouts with respect to grants of annual incentive awards under the Company s Cash Incentive Plan for performance in 2011. Each of the executives is assigned a target bonus percentage and amount; there is no threshold amount for annual incentive awards. Under the terms of the awards, each executive is eligible to receive payment of an annual incentive award equal to the lesser of $10 million or two times his bonus target, subject to the Compensation Committee s discretion to reduce the award. The amounts of annual incentive awards actually paid for performance in 2011 are disclosed in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table above. For more information regarding the terms of these annual incentive awards, please see Executive Compensation Discussion and Analysis Elements of In-Service Compensation Annual Cash Incentives.

(4) This row reflects the Company restricted stock that was originally awarded in 2011. These grants were originally made by Cablevision on March 8, 2011 and, in connection with the Distribution, holders of these Cablevision restricted shares received restricted Company stock as a dividend and also had the original Cablevision restricted shares converted into Company restricted stock, under the Company s 2011 Employee Stock Plan. The awards are expected to cliff vest on the third anniversary of the grant date and were subject to performance criteria which have been satisfied. See Executive Compensation Discussion and Analysis Elements of In-Service Compensation Long-term Incentives Restricted Stock. The Company restricted stock that was received as a dividend in connection with the Distribution in respect of Cablevision restricted stock granted in 2010 and 2009 is not reflected as an award granted in 2011.

(5) This row reflects the number of shares of a one-time special restricted stock award granted to Mr. Sapan in 2011 under the terms of his employment agreement. See Executive Compensation Discussion and Analysis Elements of In-Service Compensation Long-term Incentives Restricted Stock.

(6) This row reflects the future payout with respect to performance awards that were granted under the Company s Long-Term Incentive Plan in 2011. Each performance award was granted with a target amount, subject to actual payment based on a sliding scale ranging from zero to two times the target amount. These performance awards will be payable in the first quarter of 2014 if the Company achieves specified performance targets in the three-year period ending December 31, 2013. For more information regarding the terms of these performance awards, see Executive Compensation Discussion and Analysis Elements of In-Service Compensation Long-term Incentives Cash Performance Awards.

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Outstanding Equity Awards at 2011 Fiscal Year-End

The table below shows (i) each grant of stock options that are unexercised and outstanding and (ii) the aggregate number of shares of unvested restricted stock (including Distribution-related shares) outstanding for each NEO, in each case as of December 31, 2011.

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options(#) Exercisable	Number of Securities Underlying Unexercised Options(#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)(1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Mr. Dolan(7)	28,883			8.11	6/25/13	19,850(2)	745,963		
	41,666			9.42	6/25/13	31,250(3)	1,174,375		
	221,225			8.95	9/5/14	41,425(4)	1,556,751		
	55,800			13.55	10/1/14				
	45,000			13.55	11/8/15				
	66,000			17.91	6/5/16				
Mr. Sapan(7)	62,632(2)	31,318(5)		8.95	9/5/2014				
						133,165(6)	5,004,340		
						31,902(2)	1,198,877		
						13,275(3)	498,874		
						17,600(4)	661,408		
Mr. Carroll(7)	2,170			13.55	10/1/2014				
	5,000			13.55	11/08/2015				
	8,250			17.91	6/5/2016				
						16,755(2)	629,652		
						6,975(3)	262,120		
						12,300(4)	462,234		
Mr. Sullivan(7)						6,437(2)	241,902		
						597(3)	22,435		
Mr. Gallagher(7)						6,247(2)	234,762		
						2,575(3)	96,768		
						4,550(4)	170,989		

(1) Calculated using the closing price of Class A Common Stock on NASDAQ on December 31, 2011 of $37.58 per share.
(2) These restricted shares are scheduled to vest on March 8, 2014.
(3) These restricted shares are scheduled to vest on March 10, 2013.
(4) These restricted shares vested on March 5, 2012.
(5) 93,950 Company stock options were granted to Mr. Sapan in connection with the Distribution with respect to a March 5, 2009 award of Cablevision stock options. Such Company stock options vest in three equal installments on each of March 5, 2010, March 5, 2011 and

March 5, 2012. For a further discussion on Distribution-related equity awards, see Executive Compensation Discussion and Analysis Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards.

(6) These restricted shares are scheduled to vest on December 15, 2014.

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(7) As discussed in greater detail under Executive Compensation Discussion and Analysis Treatment of Legacy Cablevision Options, Rights, Restricted Stock, Restricted Stock Units and Other Awards, Messrs. Sapan, Carroll, Sullivan and Gallagher hold certain Cablevision and MSG equity-based awards which, following the Distribution, are subject to continued employment by the Company. As of December 31, 2011, (i) Mr. Sapan held 375,800 Cablevision stock options and 93,500 MSG stock options (all of which were vested) and 123,500 shares of Cablevision restricted stock and 17,600 shares of MSG restricted stock; (ii) Mr. Carroll held 61,680 Cablevision stock options and 15,420 MSG stock options (all of which were vested) and 77,100 shares of Cablevision restricted stock and 12,300 shares of MSG restricted stock; (iii) Mr. Sullivan held 2,390 shares of Cablevision restricted stock; and (iv) Mr. Gallagher held 28,500 shares of Cablevision restricted stock and 4,550 shares of MSG restricted stock. Outstanding Cablevision and MSG equity-based awards held by Mr. Dolan are subject to his continued employment by Cablevision.

Option Exercises and Stock Vested

During 2011, none of the NEOs exercised Company stock options or had Company restricted stock awards vest. However, the following Cablevision restricted stock amounts vested on March 3, 2011: Mr. Sapan 58,875 shares with a value of $2,099,129; Mr. Carroll 30,875 shares with a value of $1,100,817; and Mr. Gallagher 11,500 shares with a value of $410,021. On March 3, 2011, Mr. Dolan also vested in 113,200 Cablevision restricted shares with a value of $4,204,248. In connection with this vesting, all accrued dividends were also paid out on the shares that vested.

Pension Benefits

The Company does not sponsor any defined benefit or excess benefit pension plans. As of the Distribution, Messrs. Sapan, Carroll, Sullivan and Gallagher ceased participating in the Cablevision Cash Balance Pension Plan and the Cablevision Excess Cash Balance Pan. Amounts accrued by these executives prior to the Distribution under the Cablevision Cash Balance Pension Plan remain in such plan. According to information provided by Cablevision, as of December 31, 2011, the present value of accumulated benefits for these executives were as follows: Mr. Sapan $237,171; Mr. Carroll $170,203; Mr. Sullivan $12,249 and Mr. Gallagher $46,666. Amounts accrued by these executives prior to the Distribution under the Cablevision Excess Cash Balance Pan were rolled over into their accounts under the Cablevision Excess Savings Plan, and are reflected in the Nonqualified Deferred Compensation table below. Mr. Dolan continues to participate in the Cablevision Cash Balance Pension Plan and the Cablevision Excess Cash Balance Plan in connection with his Cablevision employment.

Nonqualified Deferred Compensation

The table below shows: (1) the contributions made by the NEOs and by Cablevision in 2011; (2) aggregate earnings on each NEO account balance in 2011; and (3) the account balance of such executive officer under the Cablevision Excess Savings Plan as of December 31, 2011.

Name	Plan Name	Executive Contributions in 2011 FY(1)($)	Registrant Contributions in 2011 FY(2) (4)($)	Aggregate Earnings in 2011 FY(3) ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at 2011 FYE ($)
Mr. Dolan	Cablevision Excess Savings Plan	10,707	7,138	52	0	17,898
Mr. Sapan	Cablevision Excess Savings Plan	0	0	0	0	0
Mr. Carroll	Cablevision Excess Savings Plan	47,691	306,807	8,858	0	798,699
Mr. Sullivan	Cablevision Excess Savings Plan	19,595	12,497	113	0	32,206
Mr. Gallagher	Cablevision Excess Savings Plan	8,023	841	840	0	86,148

(1) These amounts represent a portion of the NEOs salaries, which are included in the numbers reported in the Salary column of the Summary Compensation Table that the executives contributed to the respective plans.

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(2) Does not include deferred compensation awards earned in 2011 and included in the Summary Compensation Table under All Other Compensation and described in Note 5 to that table.
(3) These amounts are not reported in the All Other Compensation column of the Summary Compensation Table.
(4) These amounts include amounts that were rolled into the Cablevision Excess Savings Plan from each NEO s Cablevision Excess Cash Balance Plan in connection with the Distribution. The Cablevision Excess Cash Balance Plan is a non-qualified deferred compensation plan that provided eligible participants with a portion of their benefit that could not be paid to them under the Cablevision Cash Balance Pension Plan due to Code limits on the amount of compensation that can be taken into account when determining benefits under tax-qualified plans. As of the Distribution Date, the NEOs ceased participation in the Cablevision Excess Cash Balance Plan and amounts in such plan were rolled into the NEO s Cablevision Excess Savings Plan account.

Cablevision 401(k) Plan

During 2011, the Company s employees, including its executive officers, participated in the Cablevision 401(k) Savings Plan (the Cablevision 401(k) Plan), a tax-qualified retirement savings plan. Under this plan, participating employees are eligible to contribute into their plan accounts a percentage of their eligible pay on a before-tax basis as well as a percentage of their eligible pay on an after-tax basis. The Company matches up to 100% of the first 3% of eligible pay contributed by participating employees and then matches 50% of the next 2% of eligible pay contributed by participating employees. In addition, the Company provides a 4% profit sharing contribution based on the employee s salary. The Company s matching contributions are subject to vesting limitations for the first three years of employment.

During 2012, the Company will offer a 401(k) plan to its employees, including Messrs. Sapan, Carroll, Sullivan and Gallagher, and participant accounts in the Cablevision 401(k) Plan relating to Company employees will be transferred to the Company sponsored plan.

Cablevision Excess Savings Plan

During 2011, the Company s employees, including its executive officers, participated in the Cablevision Excess Savings Plan. The Cablevision Excess Savings Plan is a non-qualified deferred compensation plan that operates in conjunction with the Cablevision 401(k) Plan. An employee is eligible to participate in the Cablevision Excess Savings Plan for a calendar year if his compensation (as defined in the Cablevision Cash Balance Pension Plan described above) in the preceding year exceeded (or would have exceeded, if the employee had been employed for the entire year) the IRS limit on the amount of compensation that can be taken into account in determining contributions under tax-qualified retirement plans ($245,000 in 2011) and he makes an election to participate prior to the beginning of the year. An eligible employee whose contributions to the Cablevision 401(k) Plan are limited as a result of this compensation limit or as a result of reaching the maximum 401(k) deferral limit ($16,500 or $22,000 if 50 or over, for 2011) can continue to make pre-tax contributions under the Cablevision Excess Savings Plan of up to 6% of his eligible pay. In addition, the Company will make matching contributions of 100% of the first 3% of eligible pay contributed by participating employees and then will match 50% of the next 2% of eligible pay contributed by participating employees. A participant is always fully vested in his own contributions and vests in the Company s matching contributions over three years (subject to full vesting upon death, disability or retirement after attaining age 65). Account balances under the Cablevision Excess Savings Plan are credited monthly with the rate of return earned by the Stable Value Fund offered as an investment alternative under the Cablevision 401(k) Plan. Distributions are made in a lump sum as soon as practicable after the participant s termination of employment with the Company.

During 2012, the Company expects to offer an excess savings plan to its employees, including Messrs. Sapan, Carroll, Sullivan and Gallagher, and participant accounts in the Cablevision Excess Savings Plan relating to Company employees are expected to be transferred to the Company. Liabilities for benefits under the Cablevision Excess Savings Plan are expected to be transferred and assumed by the Company.

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Employment Agreements

Messrs. Dolan and Sapan entered into employment agreements with the Company that became effective on the Distribution date. As noted above, Mr. Dolan also continues to serve as an officer and employee of Cablevision. Such Cablevision employment is pursuant to a written employment agreement between Cablevision and Mr. Dolan (which is not described herein). In addition, the Company s existing employment arrangements with Messrs. Carroll and Sullivan are each described below. The employment agreements of Messrs. Carroll and Sullivan were not revised or replaced prior to or following the Distribution.

Charles F. Dolan

Mr. Dolan s employment agreement with the Company provides for his employment as our Executive Chairman. The employment agreement with the Company has an initial term of one year and automatically renews for successive one-year terms unless terminated by either party at least three months prior to the end of the then existing term. The agreement provides for an annual base salary of not less than $400,000 per year, subject to increase by the Company s Compensation Committee. Mr. Dolan is also eligible for an annual bonus with a target of 175% of his annual base salary, as the Company s Compensation Committee shall determine in its discretion, which will be prorated for 2011. Under the agreement, Mr. Dolan continues to be eligible to participate in the Company s long-term cash or equity programs or arrangements, at the level determined by the Company s Compensation Committee, in its discretion consistent with his role and responsibilities as Executive Chairman. For example, in 2012 he will be entitled to receive one or more long-term cash and/or equity awards with an aggregate target value of $900,000, and as determined by the Company s Compensation Committee in its discretion. Although there is no guarantee, it is currently expected that long-term cash or equity awards or similar target values will be made to Mr. Dolan annually.

Mr. Dolan will be eligible to participate in the Company s Excess Savings Plan, when established, and the Company will provide Mr. Dolan with life and accidental death and dismemberment insurance. Any such life and accidental death and dismemberment insurance provided by the Company will be based on Mr. Dolan s base salary from the Company (provided that, to the extent the Company and Cablevision continue to use the same insurance carriers, any payout under the Company s plans will be aggregated with similar payouts under the Cablevision plan with respect to any applicable maximum coverage). Mr. Dolan will not participate in any other employee welfare benefit or pension plan of the Company. The employment agreement authorizes Mr. Dolan, in carrying out his responsibilities and duties under the agreement, to make expenditures from time to time on behalf of the Company for the performance, furtherance and maintenance of the Company s business, including travel relating to the business of the Company, entertainment and similar items, and the Company agrees to promptly reimburse Mr. Dolan for such expenditures or in some cases to advance the amount thereof to Mr. Dolan.

Mr. Dolan s employment agreement does not provide for any post-employment benefits in the event of the termination of his employment by him or the Company other than in the case of his death or disability. In the event of Mr. Dolan s death, his agreement provides for payment to his estate of an amount equal to the greater of one year s base salary or one-half of the compensation that would have been payable to Mr. Dolan during the remaining term of his agreement. The Company has the right under the employment agreement to terminate the agreement if Mr. Dolan is incapacitated for more than six consecutive months. In that event, Mr. Dolan will be entitled to receive all his compensation and benefits until the end of the remaining term of his agreement. Mr. Dolan s employment agreement does not address (or provide for any benefits in the event of) termination by the Company without cause, by Mr. Dolan for good reason or termination in connection with retirement, a change in control or a going private transaction.

Mr. Dolan acknowledges in the employment agreement that any continuing service requirements with respect to any options to purchase Company stock or restricted shares of Company stock issued in connection with the Distribution will be based solely on his service to Cablevision and its affiliates (other than the Company and our subsidiaries). The Company will have no liability to Mr. Dolan with respect to any cash payable pursuant to the outstanding long-term cash and equity awards that were granted to him under the plans of Cablevision prior to the Distribution date, and Mr. Dolan has agreed that he will not assert any such liability against the Company.

In the employment agreement, the Company acknowledges that, in addition to Mr. Dolan s services pursuant to the agreement, he will simultaneously serve, and is expected to devote most of his business time and attention to serving, as Chairman of Cablevision. The Company recognizes and agrees that his responsibilities to Cablevision will preclude him from devoting a substantial portion of his time and attention to the Company s affairs. The agreement states the Company s recognition that there may be certain potential conflicts of interest and fiduciary duty issues associated with Mr. Dolan s dual roles at the Company and Cablevision and that none of (i) his dual responsibilities at the Company and Cablevision; (ii) his inability to devote a substantial portion of his time and attention to the Company s affairs; (iii) the actual or potential conflicts of interest and fiduciary duty issues that are waived in the Company s certificate of incorporation; or (iv) any actions taken, or omitted to be taken, by him in good faith to comply with his duties and responsibilities to the Company or Cablevision in light of his dual responsibilities to the Company and Cablevision, will be deemed to be a breach by him of his obligations under the employment agreement.

Joshua W. Sapan

Mr. Sapan s employment agreement with the Company provides for Mr. Sapan s employment as President and Chief Executive Officer of the Company until the fifth anniversary of the Distribution (the Scheduled Expiration Date) at a minimum annual base salary of $1,280,000 (subject to annual review and potential increase in the discretion of the Company s Compensation Committee) and an annual target bonus equal to 200% of his annual base salary (and a possible range of 0% to 400%) in the discretion of our Compensation Committee. Under the agreement, Mr. Sapan continues to be eligible to participate in all the Company s employee benefits and retirement plans at the level available to other members of senior management of the Company subject to meeting the relevant eligibility requirements and the terms of the plans.

Mr. Sapan will also be eligible to participate in the Company s long-term cash or equity programs and arrangements at the level determined by our Compensation Committee in its discretion consistent with the role and responsibilities of President and Chief Executive Officer. For example, in calendar year 2012, Mr. Sapan will be entitled to receive one or more long-term cash and/or equity awards with an aggregate target value of $5,210,000, as determined by our Compensation Committee in its discretion. Although not guaranteed, it is currently expected that long-term cash or equity awards of similar target values will be made to him annually.

Pursuant to his employment agreement, Mr. Sapan also was eligible to receive on or about the six-month anniversary of the Distribution date, subject to the approval of our Compensation Committee, a one–time special award of restricted stock and/or restricted stock units, in such form or forms as determined by our Compensation Committee, with an aggregate target value of $4,750,000. On December 15, 2011, the Compensation Committee granted Mr. Sapan 133,165 restricted shares of Class A Common Stock of the Company (the Special Equity Award). The number of shares granted was determined by dividing the total target value of $4,750,000 by the average closing price of the Class A Common Stock of the Company for the twenty trading days prior to December 31, 2011. The Special Equity Award is subject to terms substantially similar to the terms contained in the agreements historically used by Cablevision for restricted stock or restricted stock unit awards for its senior executives, except that the forfeiture restrictions for the Special Equity Award shall expire on the third anniversary of the grant, and the grant is subject to performance objectives, which were determined by our Compensation Committee at the time of grant and are substantially similar to those performance objectives contained in Mr. Sapan s July 2011 AMC Networks replacement restricted stock grant agreement.

If, prior to the Scheduled Expiration Date, Mr. Sapan s employment with the Company is terminated (i) by the Company or (ii) by him for Good Reason, and at the time of any such termination Cause does not exist, then, subject to his execution of the Company s then standard separation agreement (modified to reflect terms of the

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employment agreement) which separation agreement will include, without limitation, general releases by him as well as non-competition, non-solicitation, non-disparagement, confidentiality and other provisions substantially similar to (and not more restrictive than) those set forth in the agreement (a Separation Agreement), we will provide him with the following benefits and rights:

(a) A cash severance payment equal to two times the sum of his annual base salary and annual target bonus will be made on the 90th day after the termination of his employment;

(b) Each of the Company s outstanding long-term cash performance award granted under the plans of the Company or Cablevision, as the case may be, will immediately vest in full and will be paid to the same extent that other members of senior management receive payment for such awards as determined by our Compensation Committee (subject to the satisfaction of any applicable performance objectives);

(c) Each of his outstanding long-term cash awards (including any deferred compensation awards under the long-term cash award program) that are not subject to performance criteria granted under the plans of the Company or Cablevision, as the case may be, will immediately vest in full and will be payable on the 90th day after the termination of his employment;

(d) (i) All of the time-based restrictions on his outstanding restricted stock and restricted stock units granted under the plans of the Company (including the Special Equity Award) and an outstanding restricted stock of Cablevision and MSG will immediately be eliminated; (ii) deliveries with respect to all such restricted stock that are not subject to performance criteria will be made to him immediately after the effective date of the Separation Agreement; (iii) payment and deliveries with respect to all such restricted stock units that are not subject to performance criteria will be made to him on the 90th day after the termination of his employment; and (iv) payments or deliveries with respect to his restricted stock and restricted stock units that are subject to performance criteria will be made with respect to the Special Equity Award, only to the extent our Compensation Committee determines that such performance criteria have been satisfied, as soon as practicable after such determination, and with respect to other awards only if, when and to the same extent that other executive officers receive payment or deliveries for such awards as determined by our Compensation Committee (subject to satisfaction of any applicable performance objectives);

(e) Each of his outstanding stock options and stock appreciation awards under the plans of the Company and any outstanding stock options or stock appreciation awards of Cablevision or MSG held by him as of the effective date of the Separation Agreement will immediately vest and become exercisable and he will have the right to exercise each of those options and stock appreciation awards for the remainder of the term of the option or award; and

(f) A prorated annual bonus for the year in which such termination occurred to the same extent that other executive officers receive payment of bonuses for such year as determined by our Compensation Committee in its sole discretion (and subject to the satisfaction of any applicable performance objectives), payable at the same time annual bonuses for such year are payable to other executive officers, and, if not previously paid, his annual bonus for the preceding year, to the same extent that other members of senior management receive payment of annual bonuses for such preceding year as determined by our Compensation Committee in its sole discretion (and subject to the satisfaction of any applicable performance objectives), which annual bonus shall be payable at the same time annual bonuses for such preceding year are payable to other members of senior management.

If Mr. Sapan ceases to be an employee of the Company or any of its affiliates prior to the Scheduled Expiration Date as a result of his death or physical or mental disability, Mr. Sapan (or his estate or beneficiary) will be provided with the benefits and rights set forth in (b) through (f) of the preceding paragraph, and, in the event of his death, such longer period to exercise his then outstanding stock options and stock appreciation awards as may otherwise be permitted under the applicable plan and award letter.

If, after the Scheduled Expiration Date, Mr. Sapan s employment with the Company is terminated (i) by the Company; (ii) by him for Good Reason; or (iii) by him without Good Reason but only if he had provided the Company with at least six months advance written notice of his intent to terminate his employment and such written notice specifies an effective date of termination no sooner than the first day after the Scheduled Expiration Date; or (iv) as a result of his death or disability, and at the time of any such termination, Cause does not exist, then, subject to (except in the case of his death) his execution of a Separation Agreement, he or his estate or beneficiary, as the case may be, will be provided with the benefits and rights set forth above in (b) through (f) of the next preceding paragraph.

If, prior to, on, or after the Scheduled Expiration Date, Mr. Sapan ceases to be employed by the Company for any reason other than his being terminated for Cause, he will have three years to exercise outstanding stock options and stock appreciation awards, unless he is afforded a longer period for exercise pursuant to his employment agreement or any applicable award letter. In no event, however, will stock options or stock appreciation rights remain exercisable beyond their regularly scheduled term (except as may otherwise be permitted under the applicable award in the case of death).

Upon the termination of Mr. Sapan s employment with the Company, except as otherwise specifically provided in the employment agreement, his rights to benefits and payments under the Company s pension and welfare plans (other than severance benefits) and any outstanding long-term cash or equity awards will be determined in accordance with the then current terms and provisions of such plans, agreements and awards under which such benefits and payments (including such long-term cash or equity awards) were granted.

The employment agreement contains certain covenants by Mr. Sapan, including a noncompetition agreement that restricts Mr. Sapan s ability to engage in competitive activities until the first anniversary of the termination of his employment with the Company.

For purposes of Mr. Sapan s employment agreement, the following definitions apply:

Cause is defined as (1) commission of an act of fraud, embezzlement, misappropriation, willful misconduct, gross negligence or breach of fiduciary duty against the Company or an affiliate thereof, or (2) commission of any act or omission that results in, or may reasonably be expected to result in, a conviction, plea of no contest, plea of *nolo contendere* or imposition of unadjudicated probation for any crime involving moral turpitude or any felony.

Change in Control of the Company means the acquisition, in a transaction or a series of related transactions, by any person or group, other than Charles F. Dolan or members of the immediate family of Charles F. Dolan or trusts for the benefit of Charles F. Dolan or his immediate family (or an entity or entities controlled by any of them) or any employee benefit plan sponsored or maintained by the Company, of the power to direct the management of the Company or substantially all its assets (as constituted immediately prior to such transaction or transactions).

Termination for Good Reason means that (1) without Mr. Sapan s consent, (A) Mr. Sapan s base salary or annual bonus target is reduced, (B) the Company requires that Mr. Sapan s principal office be located more than fifty miles from Manhattan, (C) the Company materially breaches its obligations to Mr. Sapan under his employment agreement, (D) Mr. Sapan is no longer the President and Chief Executive Officer of the Company, (E) Mr. Sapan no longer reports directly to the Chairman (or an Executive Chairman) of the Board of Directors of the Company, or (F) Mr. Sapan s responsibilities are materially diminished; (2) Mr. Sapan has given the Company written notice, referring specifically to this definition, that he does not consent to such action; (3) the Company has not corrected such action within 15 days of receiving such notice; and (4) Mr. Sapan voluntarily terminates his employment within 90 days following the happening of the action described in subsection (1) of this definition.

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Edward A. Carroll

On April 16, 2010, Rainbow Media Enterprises, a subsidiary of RMH, entered into an employment agreement with Edward A. Carroll. The agreement provides for Mr. Carroll s employment as President, National Programming Services through April 15, 2013. Mr. Carroll s current title is Chief Operating Officer of the Company. The employment agreement provides for a minimum annual base salary of $950,000 (subject to review and potential increase by the Company in its discretion) and an annual target bonus opportunity equal to 100% of his annual base salary in the discretion of the Company. He will be eligible for our standard benefits programs and to participate in our long-term equity and other incentive programs, in each case on the same basis as similarly situated executives at the Company.

Mr. Carroll s employment agreement provides severance benefits if Mr. Carroll s employment is terminated prior to April 15, 2013 (1) involuntarily by the Company or (2) by Mr. Carroll for Good Reason, and at the time of such termination under clauses (1) or (2) Cause does not exist. These benefits consist of the payment of an amount in cash equal to not less than two times the sum of Mr. Carroll s annual base salary and his annual target bonus as in effect at that time. In addition, to the extent termination occurs prior to the payment of an annual bonus for the preceding year, Mr. Carroll shall remain eligible to receive an annual bonus for the preceding year if, when and to the same extent that other similarly situated employees receive payment of bonuses for such year as determined by Cablevision s compensation committee in its sole discretion (and subject to the satisfaction of any applicable performance objectives). All benefits would be conditioned on Mr. Carroll executing a Separation Agreement.

In connection with any termination of Mr. Carroll s employment, other than as specifically provided above, (i) all equity or cash incentive grants or awards he may then have outstanding will be treated in accordance with their terms and (ii) he shall not be eligible for any annual bonus with respect to his or the Company s performance during the calendar year in which termination occurs.

For purposes of Mr. Carroll s employment agreement the following definitions apply:

Cause means, as determined by the Board of Directors (or an appropriate committee thereof) of the Company, (i) commission of an act of fraud, embezzlement, misappropriation, willful misconduct, gross negligence or breach of fiduciary duty against the Company or an affiliate thereof, or (ii) commission of any act or omission that results in a conviction, plea of no contest, plea of *nolo contendere*, or imposition of unadjudicated probation for any crime involving moral turpitude or any felony.

Termination for Good Reason means that (1) without Mr. Carroll s consent, (A) his base salary or annual bonus target is reduced, (B) his title is reduced, (C) he reports directly to someone other than the Chairman or the President and Chief Executive Officer of the Company or a Chairman, President, Chief Executive Officer, Vice Chairman or Chief Operating Officer of Cablevision, or (D) the Company requires that his principal office be located more than 50 miles from Manhattan; (2) he has given the Company written notice, referring specifically to this letter and definition, that he does not consent to such action; (3) the Company has not corrected such action within 30 days of receiving such notice; and (4) he voluntarily terminates his employment within 90 days following the happening of the action described in subsection (l) above.

Sean S. Sullivan

On August 17, 2010, Sean S. Sullivan agreed to the terms set forth in an employment offer letter from Cablevision, which provides for Mr. Sullivan s employment as Chief Corporate Officer of RMH. Mr. Sullivan s current title is Executive Vice President and Chief Financial Officer of the Company. The agreement expires on the 24-month anniversary of his start date (for purposes of Mr. Sullivan s agreement, the Reference Date), which was September 20, 2010, and provides for a base salary of $575,000 and an annual target bonus opportunity equal to 60% of his annual base salary in the discretion of the Company. He is eligible for our standard benefits programs and to participate in our long-term incentive programs, in each case on the same basis

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as similarly situated executives at the Company. The agreement provides that the then-existing long-term incentive program contemplated that a similarly situated employee would be recommended to Cablevision s compensation committee annually for a cash and equity award with a target value of $500,000 (as determined by Cablevision s compensation committee), subject to three-year cliff vesting. In addition, the agreement provides for a special bonus of $150,000, payable within 30 days of Mr. Sullivan s start date and a second special bonus of $150,000, payable on the first anniversary of his start date (both of which have been paid).

The agreement provides severance benefits if Mr. Sullivan s employment is terminated prior to the Reference Date by the Company for any reason other than Cause. These benefits consist of an amount equal to the greater of (a) his prorated base salary from the effective date of the termination of his employment through the Reference Date and (b) six months of his base salary. All payments would be conditioned on Mr. Sullivan executing a Separation Agreement. In addition, in the event his employment is involuntarily terminated by the Company for any reason other than Cause, the Company will pay Mr. Sullivan the amount owed to him on account of the special bonus, if any, to the extent not previously paid. In connection with any termination of employment, all of Mr. Sullivan s equity and cash incentive awards will be treated in accordance with their terms.

For purposes of the agreement relating to Mr. Sullivan s employment, Cause means (i) commission of an act of fraud, embezzlement, misappropriation, willful misconduct, gross negligence or breach of fiduciary duty against the Company or an affiliate thereof, or (ii) commission of any act or omission that results in a conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any crime involving moral turpitude or any felony.

Termination and Severance

This section describes the payments that would be received by executive officers upon various terminations of employment scenarios. The information under Separation from the Company assumes that the NEO was employed by the Company under his applicable agreement, and his employment terminated as of December 31, 2011. This information is presented to illustrate the payments such executives would have received from the Company under the various termination scenarios.

Separation from the Company

Payments may be made to employees upon the termination of their employment with the Company depending upon the circumstances of their termination, which include termination by the Company with cause or without cause, termination by the employee for good reason, other voluntary termination by the employee, retirement, death, disability, or termination following a change in control of the Company or following a going-private transaction. Certain of these circumstances are addressed in employment agreements between the Company and the executives. For a description of termination provisions in the employment agreements, see Employment Agreements above. In addition, award agreements for any long-term incentives will also address some of these circumstances.

Quantification of Termination and Severance

The following tables set forth a quantification of estimated severance and other benefits payable to our NEOs under various circumstances regarding the termination of their employment. In calculating these severance and other payments, we have taken into consideration or otherwise assumed the following:

Termination of employment occurred after the close of business on December 31, 2011.

We have valued equity awards using the closing market price of Class A Common Stock on the NASDAQ on December 30, 2011, the last trading day of the year, of $37.58.

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In the event of termination of employment, the payment of certain long-term incentive awards and other amounts may be delayed, depending upon the terms of each specific award agreement, the provisions of the applicable NEO s employment agreement and the applicability of Section 409A. In quantifying aggregate termination payments, we have not taken into account the timing of the payments and we have not discounted the value of payments that would be made over time, except where otherwise disclosed.

We have assumed that all performance metrics for performance-based awards are achieved (but not exceeded).

Benefits Payable As a Result of Voluntary Termination of Employment by Employee, Retirement or Termination of Employment by the Company for Cause

In the event of voluntary termination of employment by the executive, retirement or termination by the Company for cause, none of our NEOs would have been entitled to any payments at December 31, 2011.

*Benefits Payable As a Result of Termination of Employment by the Company Without Cause or by Employee For Good Reason**

Elements	Mr. Dolan	Mr. Sapan	Mr. Carroll	Mr. Sullivan	Mr. Gallagher
Severance		$ 7,680,000(1)	$ 4,142,000(1)	$ 438,750(2)	
Pro rata bonus		$ 3,214,758(3)			
Unvested restricted stock		$ 7,497,500(4)			
Unvested stock options		$ 896,596(5)			
Cash performance awards		$ 4,650,000(6)			

* The amounts in this table do not include any payments or awards that were vested at December 31, 2011 or any pension or other vested retirement benefits.

(1) Represents severance equal to two times the sum of the executive s salary and target bonus in accordance with the executive s employment agreement.

(2) Represents severance for the period January 1, 2012 to September 20, 2012 in accordance with the executive s employment agreement.

(3) Represents a pro rata annual bonus for the year in which the termination occurred, payable to the same extent as annual bonuses are paid to the other executives, without regard to individual performance in accordance with the executive s employment agreement.

(4) Represents full vesting of the executive s restricted stock awards in accordance with the executive s employment agreement.

(5) Represents full vesting of the executive s stock options in accordance with the executive s employment agreement.

(6) Represents full vesting of the executive s cash performance awards in accordance with the executive s employment agreement.

*Benefits Payable As a Result of Termination of Employment Due to Death**

Elements	Mr. Dolan	Mr. Sapan	Mr. Carroll	Mr. Sullivan	Mr. Gallagher
Severance					
Salary	$ 400,000(1)				
Pro rata bonus		$ 3,214,758(2)			
Unvested restricted stock		$ 7,497,500(3)	$ 1,440,287(3)	$ 265,652(3)	$ 534,420(3)
Unvested stock options		$ 896,596(4)			
Cash performance awards		$ 4,650,000(5)	$ 1,300,000(6)	$ 125,000(6)	$ 480,000(6)

* The amounts in this table do not include any payments or awards that were vested at December 31, 2011 or any pension or other vested retirement benefits.

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(1) Represents one year of base salary.
(2) Represents a pro rata annual bonus for the year in which the termination occurred, payable to the same extent as annual bonuses are paid to the other executives, without regard to individual performance in accordance with the executive s employment agreement.
(3) Represents full vesting of the executive s restricted stock awards.
(4) Represents full vesting of the executive s stock options.
(5) Represents full vesting of the executive s cash performance awards in accordance with the executive s employment agreement.
(6) Represents pro rata vesting of the executive s 2009, 2010 and 2011 cash performance awards; the remaining amounts of the executive s performance awards would be forfeited.

*Benefits Payable as a Result of Termination of Employment Due to Disability**

Elements	Mr. Dolan	Mr. Sapan	Mr. Carroll	Mr. Sullivan	Mr. Gallagher
Severance					
Salary	$ 200,000(1)				
Pro rata bonus	$ 426,250	$ 3,214,758(2)			
Unvested restricted stock		$ 7,497,500(3)			
Unvested stock options		$ 896,596(4)			
Cash performance awards		$ 4,650,000(5)			

* The amounts in this table do not include any payments or awards that were vested at December 31, 2011 or any pension or other vested retirement benefits.
(1) Represents six months of base salary payable in accordance with the executive s employment agreement.
(2) Represents a pro rata annual bonus for the year in which the termination occurred, payable to the same extent as annual bonuses are paid to the other executives, without regard to individual performance in accordance with the executive s employment agreement.
(3) Represents full vesting of the executive s restricted stock awards in accordance with the executive s employment agreement.
(4) Represents full vesting of the executive s stock options in accordance with the executive s employment agreement.
(5) Represents full vesting of the executive s cash performance awards in accordance with the executive s employment agreement.

*Benefits Payable As a Result of Termination of Employment In Connection with a Change in Control or Going Private Transaction(1)**

Elements	Mr. Dolan	Mr. Sapan	Mr. Carroll	Mr. Sullivan	Mr. Gallagher
Severance		$ 7,680,000(2)	$ 4,142,000(2)	$ 438,750(3)	
Pro rata bonus		$ 3,214,758(4)			
Unvested restricted stock		$ 7,497,500(5)	$ 629,652(6)	$ 241,902(6)	$ 234,762(6)
Unvested stock options		$ 896,596(7)			
Cash performance awards		$ 4,650,000(8)	$ 650,000(9)	$ 250,000(9)	$ 240,000(9)

* The amounts in this table do not include any payments or awards that were vested at December 31, 2011 or any pension or other vested retirement benefits.
(1) The numbers presented in this table reflect amounts payable as a result of termination of employment by the executive for Good Reason or by the Company without Cause following a change in control. The amounts payable as a result of such termination following a going private transaction are generally equal to or less than the amounts payable as a result of termination of employment by the executive or the Company following a change in control.
(2) Represents severance equal to two times the sum of the executive s salary and target bonus.

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(3) Represents severance for the period January 1, 2012 to September 20, 2012 in accordance with the executive s employment agreement.

(4) Represents a pro rata annual bonus for the year in which the termination occurred, payable to the same extent as annual bonuses are paid to the other executives, without regard to individual performance in accordance with the executive s employment agreement.

(5) Represents full vesting of the executive s restricted stock awards in accordance with the executive s employment agreement.

(6) Represents full vesting of the executive s 2011 restricted stock awards. Upon a change in control or going private transaction, Messrs. Carroll, Sullivan and Gallagher will be entitled to either (in the Compensation Committee s discretion) (a) cash equal to the unvested shares multiplied by the per share price paid in the change in control or going private transaction, or (b) if the successor entity is a publicly traded company, a replacement restricted share award from the successor entity with the same terms. Any such cash award would be payable upon the earliest of (x) the date the units were originally scheduled to vest so long as the executive remains continuously employed, (y) a termination without cause or a resignation with good reason within 3 years of the change in control, or (z) only if the Compensation Committee elects clause (a) above and the successor entity is not a publicly traded company, upon a resignation for any reason that occurs at least six months, but no more than nine months following the change in control or going private transaction.

(7) Represents full vesting of the executive s stock options in accordance with the executive s employment agreement.

(8) Represents full vesting of the executive s cash performance awards in accordance with the executive s employment agreement.

(9) Represents full vesting of the executive s 2011 cash performance awards pursuant to the terms of these award agreements.

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS,

AND DIRECTOR INDEPENDENCE

Relationship Between Us and Cablevision and MSG

As a result of the Distribution, Cablevision no longer holds a common stock ownership interest in us. However, Cablevision, MSG and we continue to be under the control of Charles F. Dolan, members of his family and certain related family entities.

For purposes of governing the ongoing relationships between Cablevision and us and to provide for our orderly transition from a wholly owned subsidiary of Cablevision to a separate, public listed company, Cablevision and we have entered into the agreements described in this section.

Certain of the agreements summarized in this section have been included as exhibits to our Annual Report on Form 10-K, and the following summaries of those agreements are qualified in their entirety by reference to the agreements as so filed.

Distribution Agreement

On June 6, 2011, we entered into the Distribution Agreement with Cablevision and CSC Holdings as part of a series of transactions pursuant to which we received all of the limited liability company interests in RMH, the wholly owned indirect subsidiary of Cablevision through which Cablevision historically conducted the AMC Networks business.

Under the Distribution Agreement, Cablevision provides us with indemnities with respect to liabilities, damages, costs and expenses arising out of any of (i) Cablevision s businesses (other than businesses of ours); (ii) certain identified claims or proceedings; (iii) any breach by Cablevision of its obligations under the Distribution Agreement; and (iv) any untrue statement or omission in our Registration Statement on Form 10 filed with the SEC (the Form 10 Registration Statement) or in the related Information Statement relating to Cablevision and its subsidiaries (the Information Statement). We provide Cablevision with indemnities with respect to liabilities, damages, costs and expenses arising out of any of (i) our businesses; (ii) any breach by the Company of its obligations under the Distribution Agreement; and (iii) any untrue statement or omission in the Form 10 Registration Statement or Information Statement other than any such statement or omission relating to Cablevision and its subsidiaries.

In the Distribution Agreement we release Cablevision from any claims we might have arising out of:

- the management of the businesses and affairs of AMC Networks on or prior to the Distribution;
- the terms of the Distribution, our amended and restated certificate of incorporation, our by-laws and the other agreements entered into in connection with the Distribution;
- the Financing Transactions; and
- any decisions that have been made, or actions taken, relating to AMC Networks, the Distribution or the Financing Transactions.

The Distribution Agreement also provides for access to records and information, cooperation in defending litigation, as well as methods of resolution for certain disputes.

Financing Arrangements

In connection with the Financing Transactions, we entered into various agreements with CSC Holdings relating to the issuance of our debt and the subsequent exchange of that debt in satisfaction of outstanding debt of Cablevision or CSC Holdings. See Description of Financing Transactions and Certain Indebtedness Financing Transactions in Connection with the Distribution Cablevision Debt Exchange in the Form 10 Registration Statement.

Transition Services Agreement

On June 6, 2011, we entered into a Transition Services Agreement with Cablevision under which, in exchange for the fees specified in such agreement, Cablevision has agreed to provide transition services with regard to such areas as information systems, risk management and employee services, compensation and benefits. Under the Transition Services Agreement, we also provide certain services to MSG on behalf of Cablevision in connection with the MSG Distribution.

We provide transition services to Cablevision and MSG with regard to our information technology systems that we and Cablevision may share. The Company and Cablevision, as parties receiving services under the agreement, agreed to indemnify the party providing services for losses incurred by such party that arise out of or are otherwise in connection with the provision by such party of services under the agreement, except to the extent that such losses result from the providing party s gross negligence, willful misconduct or breach of its obligations under the agreement. Similarly, each party providing services under the agreement agreed to indemnify the party receiving services for losses incurred by such party that arise out of or are otherwise in connection with the indemnifying party s provision of services under the agreement if such losses result from the providing party s gross negligence, willful misconduct or breach of its obligations under the agreement. We believe that the terms and conditions of the Transition Services Agreement are as favorable to us as those available from unrelated parties for a comparable arrangement.

Tax Disaffiliation Agreement

On June 6, 2011, we entered into a Tax Disaffiliation Agreement with Cablevision that governs Cablevision s and our respective rights, responsibilities and obligations with respect to taxes and tax benefits, the filing of tax returns, the control of audits and other tax matters following the Distribution.

We and our eligible subsidiaries previously joined with Cablevision in the filing of a consolidated return for U.S. federal income tax purposes and in the filing of certain consolidated, combined, and unitary returns for state, local, and other applicable tax purposes. However, for periods (or portions thereof) beginning after the Distribution, we generally will not join with Cablevision in the filing of any federal, state, local or other applicable consolidated, combined or unitary tax returns.

Under the Tax Disaffiliation Agreement, with certain exceptions, Cablevision is generally responsible for all of our U.S. federal, state, local and other applicable income taxes for any taxable period or portion of such period that ended on or before the Distribution date. With certain exceptions, we are generally responsible for all other taxes (including certain New York City income taxes) for all taxable periods that ended on or before the Distribution date, and all taxes that are attributable to us or one of our subsidiaries after the Distribution date.

Notwithstanding the Tax Disaffiliation Agreement, under U.S. Treasury Regulations, each member of a consolidated group is severally liable for the U.S. federal income tax liability of each other member of the consolidated group. Accordingly, with respect to periods in which we have been included in Cablevision s consolidated group, we could be liable to the U.S. government for any U.S. federal income tax liability incurred, but not discharged, by any other member of such consolidated group. However, if any such liability were imposed, we would generally be entitled to be indemnified by Cablevision for tax liabilities allocated to Cablevision under the Tax Disaffiliation Agreement.

We are responsible for filing all tax returns for all periods ending after the Distribution date that include us or one of our subsidiaries other than any consolidated, combined or unitary income tax return for periods after such date (if any) that includes us or one of our subsidiaries, on the one hand, and Cablevision or one of its subsidiaries (other than us or any of our subsidiaries), on the other hand. Where possible, we have waived the right to carry back any losses, credits, or similar items to periods ending prior to or on the Distribution date, however, if we cannot waive the right, we would be entitled to receive the resulting refund or credit, net of any taxes incurred by Cablevision with respect to the refund or credit.

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Generally, we have the authority to conduct all tax proceedings, including tax audits, relating to taxes or any adjustment to taxes for which we are responsible for filing a return under the Tax Disaffiliation Agreement, and Cablevision has the authority to conduct all tax proceedings, including tax audits, relating to taxes or any adjustment to taxes for which Cablevision is responsible for filing a return under the Tax Disaffiliation Agreement. However, if one party acknowledges a liability to indemnify the other party for a tax to which such proceeding relates, and provides evidence to the other party of its ability to make such payment, the first-mentioned party will have the authority to conduct such proceeding. The Tax Disaffiliation Agreement further provides for cooperation between Cablevision and the Company with respect to tax matters, the exchange of information and the retention of records that may affect the tax liabilities of the parties to the agreement.

Finally, the Tax Disaffiliation Agreement requires that none of Cablevision, the Company or any of our respective subsidiaries will take, or fail to take, any action where such action, or failure to act, would be inconsistent with or preclude the Distribution from qualifying as a tax-free transaction to Cablevision and its stockholders under Section 355 of the Code, or would otherwise cause holders of Cablevision stock receiving our stock in the Distribution to be taxed as a result of the Distribution and certain transactions undertaken in connection with the Distribution. Additionally, for the two-year period following the Distribution, we may not engage in certain activities that may jeopardize the tax-free treatment of the Distribution to Cablevision and its stockholders, unless we receive Cablevision s consent or otherwise obtain a ruling from the IRS or a legal opinion, in either case reasonably satisfactory to Cablevision, that the activity will not alter the tax-free status of the Distribution to Cablevision and its stockholders. Such restricted activities include:

- entering into any transaction pursuant to which 50% or more of our equity securities or assets would be acquired, whether by merger or otherwise, unless certain tests are met;
- issuing equity securities, if any such issuances would, in the aggregate, constitute 50% or more of the voting power or value of our capital stock;
- certain repurchases of our common shares;
- ceasing to actively conduct our business;
- amendments to our organizational documents (i) affecting the relative voting rights of our stock or (ii) converting one class of our stock to another;
- liquidating or partially liquidating; and
- taking any other action that prevents the Distribution and related transactions from being tax-free.

Furthermore, the Tax Disaffiliation Agreement limits our ability to pre-pay, pay down, redeem, retire, or otherwise acquire the senior unsecured notes or the Term B Facility portion of the Company s outstanding debt. Moreover, we must indemnify Cablevision and its subsidiaries, officers and directors for any taxes, resulting from our action or failure to act, if such action or failure to act precludes the violation of the restrictions set forth above). Cablevision must indemnify us and our subsidiaries, officers and directors for any taxes resulting from action or failure to act, if such action or failure to act precludes the Distribution from qualifying as a tax-free transaction (including taxes imposed as a result of a violation of the restrictions set forth above).

Employee Matters Agreement

On June 6, 2011, we entered into an Employee Matters Agreement with Cablevision that allocates assets, liabilities and responsibilities with respect to certain employee compensation and benefit plans and programs and certain other related matters.

In general, for a transition period following the Distribution, our employees participate in various Cablevision retirement, health and welfare, and other employee benefit plans. After this transition period, it is anticipated that our employees will generally participate in similar plans and arrangements established and maintained by the Company. Effective as of the Distribution date, we and Cablevision are each responsible for our respective employees and compensation plans.

Consulting Agreement

We historically paid a management fee pursuant to a consulting agreement between CSC Holdings and certain of our subsidiaries. Cablevision and its subsidiaries are no longer obligated under the agreement to provide any management services to our subsidiaries. We terminated the consulting agreement on the Distribution date and did not replace such agreement.

AMC Networks Broadcasting & Technology Services Agreement

AMC Networks Broadcasting & Technology, a wholly owned indirect subsidiary of AMC Networks, entered into services agreements with subsidiaries of MSG, for the provision by AMC Networks Broadcasting & Technology of certain transponder services and technical support services in connection therewith.

VOOM Litigation Agreement

In connection with the Distribution, CSC Holdings and AMC Networks and Rainbow Programming Holdings, LLC, an indirect wholly owned subsidiary of AMC Networks (collectively, the AMC Parties) entered into an agreement (the VOOM Litigation Agreement) which provides that from and after the Distribution date, CSC Holdings retains full control over the pending litigation with DISH Network. Any decision with respect to settlement will be made jointly by CSC Holdings and the AMC Parties. CSC Holdings and the AMC Parties will share equally in the proceeds (including in the value of any non-cash consideration) of any settlement or final judgment in the pending litigation with DISH Network that are received by subsidiaries of the Company from VOOM HD. The AMC Parties are responsible for the legal fees and costs until such costs reach an agreed upon threshold, at which point CSC Holdings and the AMC Parties will bear such fees and expenses equally. See Legal Proceedings DISH Network Contract Dispute above for a description of the VOOM litigation.

Other Arrangements and Agreements with Cablevision

The Company has also entered into a number of commercial and technical arrangements and agreements with Cablevision and its subsidiaries, none of which are material to the Company. These include arrangements for the Company s use of equipment, offices and other premises, provision of technical and transport services and vendor services, and access to technology. Cablevision is a party to affiliation agreements with each of AMC, WE tv, IFC and Sundance Channel relating to the carriage of those programming networks on Cablevision s cable systems.

Equity Administration Agreement with MSG

On June 30, 2011, we entered into an Equity Administration Agreement with MSG that sets forth responsibilities and liabilities of the parties regarding vesting, exercise and forfeiture of stock options, stock appreciation rights and restricted shares: (i) of the Company that are held by employees or former employees of MSG; and (ii) of MSG that are held by employees or former employees of the Company.

Aircraft Arrangements with Cablevision and Certain Dolan Family Members

RMH has entered into a Time Sharing Agreement with CSC Transport, Inc. (CSC Transport), a subsidiary of Cablevision, pursuant to which CSC Transport leases to RMH on a time-sharing basis a Gulfstream Aerospace G-V aircraft and three helicopters. RMH pays CSC Transport an amount equal to the actual non-fuel expenses of each flight it elects to utilize and 200% of the actual fuel usage for such flights, but not exceeding the maximum amount payable under Federal Aviation Administration (FAA) rules. In calculating the amounts payable under the agreement, RMH and CSC Transport will allocate in good faith the treatment of any flight that is for the benefit of both RMH and Cablevision. The agreement became effective as of the Distribution date. During 2011, RMH paid CSC Transport $20,727 under this agreement.

RMH has entered into a Time Sharing Agreement with The Dolan Family Office, LLC (DFO LLC), a company controlled by Charles F. Dolan, the Executive Chairman and a director of the Company. Under this agreement, DFO LLC has agreed to sublease to RMH on a time sharing basis, a Gulfstream Aerospace GIV-SP aircraft. The Company pays DFO LLC an amount equal to the actual non-fuel expenses of each flight it elects to utilize and 200% of the actual fuel usage for such flights, but not exceeding the maximum amount payable under FAA rules. The agreement became effective as of the Distribution date. During 2011, RMH did not make any payments to DFO LLC under this agreement.

RMH entered into an Aircraft Dry Lease Agreement, which became effective as of the Distribution date, with New York Aircam Corp., an entity owned by Patrick F. Dolan, a director of the Company, pursuant to which RMH may lease a Cessna aircraft owned by that entity at a cost of $650 per hour plus the actual costs of operating the aircraft during the lease periods. RMH is also responsible for obtaining and paying the cost of the flight crew to operate the aircraft. During 2011, RMH paid New York Aircam Corp. $0 under this agreement. RMH and CSC Transport have also entered into an Aircraft Management Agreement, pursuant to which CSC Transport has agreed to provide pilots and certain other services in connection with the use by RMH of the Cessna aircraft leased by it under the dry lease with New York Aircam Corp. The agreement provides for a fee of $100 per month in addition to reimbursement of certain expenses incurred by CSC Transport in connection with the provision of services thereunder. During 2011, RMH did not make any payments to CSC Transport under this agreement.

See Principal Stockholders below for a description of registration rights agreements among Dolan family interests and the Company.

Certain Relationships and Potential Conflicts of Interest

Charles F. Dolan serves as the Executive Chairman of the Company and as the Chairman of Cablevision. In addition, ten of the members of our Board of Directors also serve as directors of Cablevision and/or MSG concurrently with their service on our Board of Directors. Therefore, these directors may have actual or apparent conflicts of interest with respect to matters involving or affecting each company. For example, there is the potential for a conflict of interest when we, Cablevision or MSG consider certain acquisitions and other corporate opportunities that may be suitable for us and either or both of them. Also, conflicts may arise if there are issues or disputes under the commercial arrangements that exist between Cablevision or MSG and us. In addition, certain of our officers and directors own Cablevision and MSG stock and options to purchase Cablevision or MSG stock, as well as cash performance awards with any payout based on the performance of Cablevision or MSG. These ownership interests could create actual, apparent or potential conflicts of interest when these individuals are faced with decisions that could have different implications for the Company and Cablevision or MSG. See Related Party Transaction Approval Process below for a discussion of certain procedures we instituted to help ameliorate any such potential conflicts that may arise.

The Company s amended and restated certificate of incorporation acknowledges that the Company may have overlapping directors and officers with Cablevision and its subsidiaries and successors or MSG and its subsidiaries and successors and that the Company may engage in material business transactions with such entities. The Company has renounced its rights to certain business opportunities and the Company s amended and restated certificate of incorporation provides that in certain circumstances our directors and officers will not have liability to the Company or its stockholders for breach of any fiduciary duty by reason of the fact that any such individual directs a corporate opportunity to Cablevision or any of its subsidiaries or MSG or any of its subsidiaries instead of the Company, or does not refer or communicate information regarding such corporate opportunity to the Company. These provisions in our amended and restated certificate of incorporation also expressly validate certain contracts, agreements, arrangements and transactions (and amendments, modifications or terminations thereof) between the Company and Cablevision, MSG and/or any of their respective subsidiaries and provide that, to the fullest extent permitted by law, the actions of the overlapping directors and officers in connection therewith are not breaches of fiduciary duties owed to the Company or its stockholders.

Members of the Dolan family group have entered into an agreement with the Company in which they agreed that during the 12-month period beginning on the Distribution date, the Dolan family group must obtain the prior approval of a majority of the Company s Independent Directors prior to acquiring common stock of the Company through a tender offer that results in members of the Dolan family group owning more than 50% of the total number of outstanding shares of common stock of the Company. For purposes of this agreement, the term Independent Directors means the directors of the Company who have been determined by our Board of Directors to be independent directors for purposes of NASDAQ corporate governance standards.

Related Party Transaction Approval Process

We have adopted a written policy whereby an Independent Committee of our Board of Directors reviews and approves or takes such other action as it may deem appropriate with respect to transactions involving the Company and its subsidiaries, on the one hand, and in which any director, officer, greater than 5% stockholder of the Company or any other related person as defined in Item 404 has or will have a direct or indirect material interest. This approval requirement covers any transaction that meets the related party disclosure requirements of the SEC as set forth in Item 404, which currently apply to transactions (or any series of similar transactions) in which the amount involved exceeds $120,000. To simplify the administration of the approval process under this policy, the Independent Committee may, where appropriate, establish guidelines for certain of those transactions. The policy does not cover decisions on compensation or benefits or the hiring or retention of any person. The hiring or retention of executive officers is determined by our full Board of Directors. Compensation of executive officers is subject to the approval of our Compensation Committee. This policy also does not cover any pro rata distributions to all Company stockholders, including a pro rata distribution of our Class A Common Stock to holders of our Class A Common Stock and our Class B Common Stock to holders of our Class B Common Stock. No director on an Independent Committee will participate in the consideration of a related party transaction with that director or any related person of that director.

Our Board of Directors has also adopted a special approval policy for transactions with Cablevision and its subsidiaries or with MSG and its subsidiaries (collectively, the Other Company) whether or not such transactions qualify as related party transactions described above. Under this policy, the Independent Committee oversees approval of all transactions and arrangements between the Company and its subsidiaries, on the one hand, and the Other Company, on the other hand, in which the amount exceeds the dollar threshold set forth in Item 404 (currently $120,000). To simplify the administration of the approval process under this policy, the Independent Committee may, where appropriate, establish guidelines for certain of these transactions. The approval requirement does not apply to the implementation and administration of these intercompany arrangements under the related party transaction approval policy but does cover any amendments, modifications, terminations or extensions, other than ministerial, nonsubstantive amendments or modifications, as well as the handling and resolution of any disputes. Our executive officers and directors who are also senior executives or directors of the Other Company may participate in the negotiation, execution, implementation, amendment, modification, or termination of these intercompany arrangements, as well as in any resolution of disputes thereunder, on behalf of either or both of the Company and the Other Company, in each case under the direction of an Independent Committee or the comparable committee of the board of directors of the Other Company.

Our related party transaction approval policy cannot be amended or terminated without the prior approval of a majority of the independent directors and by a majority of the directors elected by our Class B Common Stockholders. For purposes of this policy, independent directors means those directors who have been determined by our Board to be independent directors for purposes of NASDAQ corporate governance standards.

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PRINCIPAL STOCKHOLDERS

The table sets forth certain information as of March 31, 2012, except as noted below, with respect to the beneficial ownership of the Company s Class A Common Stock and Class B Common Stock by (i) each person the Company believes beneficially holds more than 5% of any class of the outstanding shares of the Company s based solely on the Company s review of SEC filings; (ii) each director or director nominee of the Company and (iii) each named executive officer of the Company.

Name and Address	Title of Stock Class(1)	Beneficial Ownership(1)(2)	Percent of Class	Combined Voting Power of All Classes of Stock Beneficially Owned(1)(2)
Dolan Family Group(3) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	1,718,427	2.89%	70.38%
	Class B common stock	13,534,408	100%	
Charles F. Dolan(3)(4)(5)(6)(7)(13)(27)(28)(35) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	826,455	1.39%	40.48%
	Class B common stock	7,800,874	57.64%	
Helen A. Dolan(3)(4)(5)(6)(7)(13)(27)(28)(35) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	826,455	1.39%	40.48%
	Class B common stock	7,800,874	57.64%	
Charles F. Dolan 2011 Grantor Retained Annuity Trust #1A(3)(5) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock		*	5.13%
	Class B common stock	999,761	7.39%	
Helen A. Dolan 2011 Grantor Retained Annuity Trust #1A(3)(7) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock		*	3.17%
	Class B common stock	617,589	4.56%	
Joshua W. Sapan(13)(35)(37)	Class A common stock	295,533	*	*
	Class B common stock		*	
Edward A. Carroll(13)(35)(36)(37)	Class A common stock	48,363	*	*
	Class B common stock		*	
Sean S. Sullivan(35)(37)	Class A common stock	7,034	*	*
	Class B common stock		*	
James G. Gallagher(35)(37)	Class A common stock	13,372	*	*
	Class B common stock		*	

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Name and Address	Title of Stock Class(1)	Beneficial Ownership(1)(2)	Percent of Class	Combined Voting Power of All Classes of Stock Beneficially Owned(1)(2)
William J. Bell(15)	Class A common stock	5,000	*	*
	Class B common stock		*	
James L. Dolan(3)(13)(15)(16)(18)(34)(35) P.O. Box 420 Oyster Bay, NY 11771	Class A common stock	572,747	*	5.89%
	Class B common stock	1,089,487	8.05%	
Kristin A. Dolan(13)(15)(16)(18)(34)(35) P.O. Box 420 Oyster Bay, NY 11771	Class A common stock	572,747	*	5.89%
	Class B common stock	1,089,487	8.05%	
Patrick F. Dolan(3)(13)(15)(19)(32)(35) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	65,832	*	4.71%
	Class B common stock	910,459	6.73%	
Thomas C. Dolan(3)(13)(20)(33)(35) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	60,357	*	4.94%
	Class B common stock	956,029	7.06%	
Brian G. Sweeney(3)(13)(15)(21)(22)(30)(35) 1111 Stewart Avenue Bethpage, NY 11714	Class A common stock	88,113	*	4.79%
	Class B common stock	924,624	6.83%	
Marianne Dolan Weber(3)(14)(15)(23)(31) P.O. Box 420	Class A common stock	51,914	*	4.64%
Oyster Bay, NY 11771	Class B common stock	899,161	6.64%	
Neil Ashe(15)	Class A common stock			
	Class B common stock			
Alan D. Schwartz(15)	Class A common stock			
	Class B common stock			
Leonard Tow(14)(15)	Class A common stock	8,139	*	*
	Class B common stock			
Robert C. Wright(15)	Class A common stock			
	Class B common stock			
All executive officers and directors as a group(4)(5)(6)(7)(13)(14)(15)(16)(18)(19)(20)(21)(22)(23)(30)(31)(32)(33)(34)(35)(36)(37)	Class A common stock	2,045,431	3.44%	65.65%
	Class B common stock	12,580,634	92.95%	

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Name and Address	Title of Stock Class(1)	Beneficial Ownership(1)(2)	Percent of Class	Combined Voting Power of All Classes of Stock Beneficially Owned(1)(2)
Kathleen M. Dolan(3)(17)(29)(30)(31)(32)(33)(34) 94B Bowman Road Barnard, VT 05031	Class A common stock	276,373	*	28.40%
	Class B common stock	5,503,488	40.66%	
Deborah A. Dolan-Sweeney(3)(13)(15)(21)(22)(30) c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	88,113	*	4.79%
	Class B common stock	924,624	6.83%	
Paul J. Dolan(3)(24)(29)(34) Progressive Field, 2401 Ontario St. Cleveland, OH 44115	Class A common stock	190,207	*	9.58%
	Class B common stock	1,845,939	13.64%	
Mary S. Dolan(3)(25)(30)(32) 300 So. Riverside Plaza, Suite 1480 Chicago, IL 60606	Class A common stock	110,797	*	9.33%
	Class B common stock	1,804,996	13.34%	
Matthew J. Dolan(3)(26)(31)(33) Corporate Place, 100 7th Avenue, Suite 150 Chardon, OH 44024	Class A common stock	90,887	*	9.38%
	Class B common stock	1,817,760	13.43%	
Lawrence J. Dolan(3)(27) Progressive Field, 2401 Ontario St. Cleveland, OH 44115	Class A common stock	2,300	*	19.57%
	Class B common stock	3,811,519	28.16%	
David M. Dolan(3)(28) 7 Glenmaro Lane St. Louis, MO 63131	Class A common stock	310,488	*	19.73%
	Class B common stock	3,811,519	28.16%	
Charles F. Dolan Children Trust(3)(29) FBO Kathleen M. Dolan P.O. Box 420 Oyster Bay, NY 11771	Class A common stock	47,864	*	4.74%
	Class B common stock	918,981	6.79%	
Charles F. Dolan Children Trust(3)(30) FBO Deborah A. Dolan-Sweeney c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	47,864	*	4.74%
	Class B common stock	918,981	6.79%	

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Name and Address	Title of Stock Class(1)	Beneficial Ownership(1)(2)	Percent of Class	Combined Voting Power of All Classes of Stock Beneficially Owned(1)(2)
Charles F. Dolan Children Trust(3)(31) FBO Marianne Dolan Weber P.O. Box 420 Oyster Bay, NY 11771	Class A common stock	47,864	*	4.60%
	Class B common stock	890,802	6.58%	
Charles F. Dolan Children Trust(3)(32) FBO Patrick F. Dolan c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	47,864	*	4.57%
	Class B common stock	886,015	6.55%	
Charles F. Dolan Children Trust(3)(33) FBO Thomas C. Dolan c/o Dolan Family Office 340 Crossways Park Drive Woodbury, NY 11797	Class A common stock	39,886	*	4.78%
	Class B common stock	926,958	6.85%	
Charles F. Dolan Children Trust(3)(34) FBO James L. Dolan P.O. Box 420 Oyster Bay, NY 11771	Class A common stock	39,886	*	4.78%
	Class B common stock	926,958	6.85%	
Luxor Capital Group, LP(8) 1251 Avenue of the Americas New York, NY 10020	Class A common stock	6,645,406	11.14%	3.41%
	Class B common stock			
Paulson & Co. Inc.(9) 1251 Avenue of the Americas New York, NY 10020	Class A common stock	5,750,000	9.68%	2.95%
	Class B common stock			
ClearBridge Advisors, LLC(10) 620 8th Avenue New York, NY 10018	Class A common stock	4,516,749	7.60%	2.32%
	Class B common stock			
Manning & Napier Advisors, LLC(11) 290 Woodcliff Drive Fairport, NY 14450	Class A common stock	5,172,976	8.71%	2.66%
	Class B common stock			
Wellington Management Company, LLP(12) 280 Congress Street Boston, MA 02210	Class A common stock	3,749,249	6.31%	1.93%
	Class B common stock			

* Less than 1%.

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(1) Beneficial ownership of a security consists of sole or shared voting power (including the power to vote or direct the vote) and/or sole or shared investment power (including the power to dispose or direct the disposition) with respect to the security through any contract, arrangement, understanding and relationship or otherwise. Unless indicated, beneficial ownership disclosed consists of sole voting and investment power. Beneficial ownership of Class A common stock is exclusive of the shares of Class A common stock that are issuable upon conversion of shares of Class B common stock.

(2) Shares of Class B common stock are convertible into shares of Class A common stock at the option of the holder on a share for share basis. The holder of one share of Class A common stock has one vote per share at a meeting of our stockholders and the holder of one share of Class B common stock has 10 votes per share at a meeting of our stockholders, except in the separate elections of directors. Holders of Class A common stock have the right to elect 25% of the Board of Directors rounded up to the nearest whole director and the holders of Class B common stock have the right to elect the remaining members of the Board of Directors.

(3) Members of the Dolan family have formed a group for purposes of Section 13(d) of the Securities Exchange Act of 1934. The members of this group (the Group Members) are: Charles F. Dolan, individually and as Trustee of the Charles F. Dolan 2011 Grantor Retained Annuity Trust #1A (CFD 2011 GRAT) and the Charles F. Dolan 2009 Revocable Trust (CFD 2009 Trust); Helen A. Dolan, individually and as Trustee of the Helen A. Dolan 2011 Grantor Retained Annuity Trust #IA (HAD 2011 GRAT) and the Helen A. Dolan 2009 Revocable Trust (HAD 2009 Trust); James L. Dolan; Thomas C. Dolan; Patrick F. Dolan; Kathleen M. Dolan, individually and as a Trustee of the Charles F. Dolan Children Trust FBO Kathleen M. Dolan, the Charles F. Dolan Children Trust FBO Deborah Dolan-Sweeney, the Charles F. Dolan Children Trust FBO Marianne Dolan Weber, the Charles F. Dolan Children Trust FBO Patrick F. Dolan, the Charles F. Dolan Children Trust FBO Thomas C. Dolan and the Charles F. Dolan Children Trust FBO James L. Dolan (hereinafter collectively referred to as the Dolan Children Trusts, and individually, a Dolan Children Trust) and as sole Trustee of the Ryan Dolan 1989 Trust and the Tara Dolan 1989 Trust; Marianne Dolan Weber; Deborah A. Dolan–Sweeney; Lawrence J. Dolan, as a Trustee of the Charles F. Dolan 2009 Family Trust FBO Patrick F. Dolan, the Charles F. Dolan 2009 Family Trust FBO Thomas C. Dolan, the Charles F. Dolan 2009 Family Trust FBO James L. Dolan, the Charles F. Dolan 2009 Family Trust FBO Marianne Dolan Weber, the Charles F. Dolan 2009 Family Trust FBO Kathleen M. Dolan and the Charles F. Dolan 2009 Family Trust FBO Deborah A. Dolan-Sweeney (collectively, the 2009 Family Trusts and individually, a 2009 Family Trust) and as Trustee of the Charles F. Dolan 2010 Grandchildren Trust FBO Descendants of Deborah A. Dolan-Sweeney, Charles F. Dolan 2010 Grandchildren Trust FBO Descendants of Kathleen M. Dolan, Charles F. Dolan 2010 Grandchildren Trust FBO Descendants of Marianne E. Dolan Weber, Charles F. Dolan 2010 Grandchildren Trust FBO Descendants of Patrick F. Dolan and Charles F. Dolan 2010 Grandchildren Trust FBO Descendants of James L. Dolan (hereinafter collectively referred to as the CFD 2010 Grandchildren Trusts, and individually, a CFD 2010 Grandchildren Trust); David M. Dolan, as a Trustee of each of the 2009 Family Trusts and each of the CFD 2010 Grandchildren Trusts; Paul J. Dolan, as a Trustee of the Dolan Children Trusts FBO Kathleen M. Dolan and James L. Dolan; Matthew J. Dolan, as a Trustee of the Dolan Children Trusts FBO Marianne Dolan Weber and Thomas C. Dolan; Mary S. Dolan, as a Trustee of the Dolan Children Trusts FBO Deborah Dolan-Sweeney and Patrick F. Dolan; Dolan Children Trust FBO Kathleen M. Dolan; Dolan Children Trust FBO Marianne Dolan Weber; Dolan Children Trust FBO Deborah Dolan-Sweeney; Dolan Children Trust FBO James L. Dolan; Dolan Children Trust FBO Thomas C. Dolan; Dolan Children Trust FBO Patrick F. Dolan; 2009 Family Trust FBO James L. Dolan; 2009 Family Trust FBO Thomas C. Dolan; 2009 Family Trust FBO Patrick F. Dolan; 2009 Family Trust FBO Kathleen M. Dolan; 2009 Family Trust FBO Marianne Dolan Weber; 2009 Family Trust FBO Deborah A. Dolan-Sweeney; Ryan Dolan 1989 Trust; Tara Dolan 1989 Trust; CFD 2010 Grandchildren Trust FBO Descendants of Deborah A. Dolan-Sweeney; CFD 2010 Grandchildren Trust FBO Descendants of Kathleen M. Dolan; CFD 2010 Grandchildren Trust FBO Descendants of Marianne E. Dolan Weber; CFD 2010 Grandchildren Trust FBO Descendants of Patrick F. Dolan; CFD 20 I 0 Grandchildren Trust FBO Descendants of James L. Dolan; CFD 2011 GRAT; and HAD 2011 GRAT. The Group Members may be deemed to beneficially own an aggregate of 15,252,835 shares of Class A common stock as a result of their beneficial ownership of

(i) 1,718,427 shares of Class A common stock (including 120,330 shares of restricted stock and 886,315 shares of Class A common stock issuable upon the exercise of options granted pursuant to the Company s Employee Stock Plan or Director Stock Plan, which on March 15, 2012, were unexercised but would be exercisable within a period of 60 days) and (ii) 13,534,408 shares of shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof. Individuals who are Group Members solely in their capacity as trustees of trusts that are Group Members beneficially own an additional 433,451 shares of Class A common stock. See footnotes (4) through (7), (13), (14) and (16) through (34).

(4) Charles F. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 529,118 shares of Class A common stock (including 25,768 shares of Class A common stock, 51,100 unvested shares of restricted stock, 450,524 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days owned personally and 1,726 shares of Class A common stock owned by the CFD 2009 Trust); 1,732,877 shares of shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2009 Trust and 999,761 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2011 GRAT; and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 297,337 shares of Class A common stock owned by the Dolan Family Foundation; 639,128 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the HAD 2009 Trust; 617,589 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the HAD 2011 GRAT; 2,540,063 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts; and 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts. Includes 2,540,063 shares of Class B common stock owned by the 2009 Family Trusts; and 1,271,456 shares of Class B common stock owned by the CFD 2010 Grandchildren Trusts which Charles F. Dolan may be deemed to have the right to acquire because he has the right to substitute assets with the trust, subject to the trustees reasonable satisfaction that the substitute assets received by the trust are of equal value to the trust property exchanged therefore. He disclaims beneficial ownership of 297,337 shares of Class A common stock owned by the Dolan Family Foundation; 639,128 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the HAD 2009 Trust; 617,589 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the HAD 2011 GRAT; 2,540,063 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts; and 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts. See footnotes (5)(6)(7)(13)(27)(28).

(5) Charles F. Dolan, as trustee of the CFD 2011 GRAT, has the sole power to vote and dispose of 999,761 shares of shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2011 GRAT.

(6) Helen A. Dolan may be deemed to have (i) the sole power to vote or direct the vote of 1,256,717 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof (including 639,128 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the HAD 2009 Trust and 617,589 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the HAD 2011 GRAT) and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 297,337 shares of Class A common stock owned by the Dolan Family Foundation; an aggregate of 529,118 shares of Class A common stock (including 25,768 shares of Class A common stock 51,100 unvested shares of restricted stock, 450,524 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days owned personally by her spouse, Charles F. Dolan, and 1,726 shares of Class A common stock owned by the CFD 2009 Trust); 1,732,877 shares of Class B common stock and the equal number of shares of

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Class A common stock issuable upon conversion thereof owned by the CFD 2009 Trust; 999,761 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2011 GRAT; 2,540,063 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts; and 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts. Includes 2,540,063 shares of Class B common stock owned by the 2009 Family Trusts; and 1,271,456 shares of Class B common stock owned by the CFD 2010 Grandchildren Trusts which Helen A. Dolan s spouse, Charles F. Dolan, may be deemed to have the right to acquire because he has the right to substitute assets with the trust, subject to the trustees reasonable satisfaction that the substitute assets received by the trust are of equal value to the trust property exchanged therefor. She disclaims beneficial ownership of 297,337 shares of Class A common stock owned of the Dolan Family Foundation, an aggregate of 529,118 shares of Class A common stock (including 25,768 shares of Class A common stock, 51,100 unvested shares of restricted stock, 450,524 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days owned personally by her spouse and 1,726 shares of Class A common stock owned by the CFD 2009 Trust); 1,732,877 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2009 Trust; 999,761 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2011 GRAT; 2,540,063 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts; and 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts. See footnotes (4)(5)(7)(13)(27)(28).

(7) Helen A. Dolan, as trustee of the HAD 2011 GRAT, has the sole power to vote and dispose of 617,589 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the HAD 2011 GRAT.

(8) Based upon the most recent Schedule 13G filed with the SEC on April 14, 2012, Luxor Capital Group, LP, an investment adviser, has shared voting power over 6,645,406 shares of Class A common stock and shared dispositive power over 6,645,406 shares of Class A common stock.

(9) Based upon the most recent Schedule 13G filed with the SEC on February 14, 2012, Paulson & Co. Inc., an investment adviser, has sole voting power over 5,750,000 shares of Class A common stock and sole dispositive power over 5,750,000 shares of Class A common stock.

(10) Based upon the most recent Schedule 13G filed with the SEC on February 14, 2012, ClearBridge Advisors, LLC, an investment adviser, has sole voting power over 3,927,296 shares of Class A common stock and sole dispositive power over 4,516,749 shares of Class A common stock.

(11) Based upon the most recent Schedule 13G filed with the SEC on January 27, 2012, Manning & Napier Advisors, LLC, an investment adviser, has sole voting power over 4,215,676 shares of Class A common stock and sole dispositive power over 5,172,976 shares of Class A common stock.

(12) Based upon the most recent Schedule 13G filed with the SEC on February 14, 2012, Wellington Management Company, LLP, an investment adviser, has shared voting power over 2,623,824 shares of Class A common stock and shared dispositive power over 3,743,999 shares of Class A common stock.

(13) Includes shares of Class A common stock issuable upon the exercise of options granted pursuant to the Company s 2011 Employee Stock Plan, which on March 15, 2012, were unexercised but were exercisable within a period of 60 days. These amounts include the following number of shares of Class A common stock for the following individuals: Charles F. Dolan 450,524; James L. Dolan 427,041; Kristin A. Dolan 0; Patrick F. Dolan 3,000; Thomas C. Dolan 0; Brian G. Sweeney 3,750; Joshua W. Sapan 93,950, Edward A. Carroll 15,420, and 997,685 for all executive officers and directors as a group.

(14) Includes shares of Class A common stock issuable upon the exercise of options granted pursuant to the Company s 2011 Stock Plan for Non-Employee Directors, which on March 15, 2012, were unexercised but were exercisable within a period of 60 days. These amounts include the following number of shares of Class A common stock for the following individuals: Leonard Tow 2,000 and Marianne Dolan Weber 2,000.

(15) Does not include restricted stock units granted under the Company s 2011 Stock Plan for Non-Employee Directors, which represent a right to receive one share of Class A common stock or the cash equivalent thereof. These amounts include the following number of restricted stock units for the following individuals: James L. Dolan, 3,541; Kristin A. Dolan, 3,541; Brian G. Sweeney, 3,541; Patrick F. Dolan, 3,541; Marianne Dolan Weber, 3,541; William J. Bell 3,541; Neil Ashe 3,541; Alan D. Schwartz 3,541; Leonard Tow 3,541; and Robert C. Wright 3,541.

(16) James L. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 518,341 shares of Class A common stock (including, 42,275 shares of Class A common stock, 49,025 unvested shares of restricted stock and 427,041 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days) owned personally; 162,529 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned personally; and an aggregate of 4,225 shares of Class A common stock held as custodian for one or more of his children and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 7,895 shares of Class A common stock (including 4,510 shares of Class A common stock, 2,980 unvested shares of restricted stock and 405 shares of Class A common stock held in the Cablevision 401(k) Savings Plan s Cablevision Stock Fund) owned personally by his spouse, Kristin A. Dolan; 1,250 shares of Class A common stock owned jointly with his spouse; 1,150 shares of Class A common stock owned by a member of his household; 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for his benefit. He disclaims beneficial ownership of an aggregate of 4,225 shares of Class A common stock held as custodian for one or more of his children; 1,150 shares of Class A common stock owned by a member of his household; 7,895 shares of Class A common stock (including 4,510 shares of Class A common stock, 2,980 unvested shares of restricted stock and 405 shares of Class A common stock held in the Cablevision 401(k) Savings Plan s Cablevision Stock Fund) owned personally by his spouse; and 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion-thereof owned by the Dolan Children Trust for his benefit.

(17) Kathleen M. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 1,595 shares of Class A common stock owned personally; 4,481 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned personally; an aggregate of 2,300 shares of Class A common stock held as custodian for one or more minor children; and an aggregate of 30,312 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Ryan Dolan 1989 Trust and the Tara Dolan 1989 Trust for which she serves as trustee and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 1,250 shares of Class A common stock owned jointly with her former spouse; an aggregate of 271,228 shares of Class A common stock owned by the Dolan Children Trusts (of which 47,864 shares are held for her benefit) and an aggregate of 5,468,695 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts (of which 918,981 shares are held for her benefit) and for which she serves as co-trustee. She disclaims beneficial ownership of an aggregate of 2,300 shares of Class A common stock held as custodian for one or more minor children, an aggregate of 30,312 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Ryan Dolan 1989 Trust and the Tara Dolan 1989 Trust for which she serves as trustee; an aggregate 271,228 shares of Class A common stock owned by the Dolan Children Trusts (of which 47,864 shares are held for her benefit) and an aggregate of 5,468,695 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts of which 918,981 shares are held for her benefit and for which she serves as co-trustee.

(18) Kristin A. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 7,895 shares of Class A common stock (including 4,510 shares of Class A common stock, 2,980 unvested shares of restricted stock and 405 shares of Class A common stock held in the Cablevision 401(k) Savings Plan s Cablevision Stock Fund) owned personally and (ii) the shared power

to vote or direct the vote of and to dispose of or direct the disposition of an aggregate of 518,341 shares of Class A common stock (including 42,275 shares of Class A common stock, 49,025 unvested shares of restricted stock and 427,041 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days) owned personally by her spouse, James L. Dolan; 162,529 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by her spouse; 1,250 shares of Class A common stock owned jointly with her spouse; an aggregate of 4,225 shares of Class A common stock held by her spouse as custodian for one or more of his children; 1,150 shares of Class A common stock owned by a member of her household; 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for the benefit of her spouse. She disclaims beneficial ownership of an aggregate 4,225 shares of Class A common stock held by her spouse as custodian for one or more of his children; 1,150 shares of Class A common stock owned by a member of her household; 518,341 shares of Class A common stock (including 42,275 shares of Class A common stock, 49,025 unvested shares of restricted stock and 427,041 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days) owned personally by her spouse; 162,529 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by her spouse; and 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for the benefit of her spouse.

(19) Patrick F. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 13,118 shares of Class A common stock (including 5,893 shares of Class A common stock, 4,225 unvested shares of restricted stock and 3,000 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days) owned personally; 24,444 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned personally; and (ii) the shared power to vote or direct the vote of and to dispose of or to direct the disposition of 1,250 shares of Class A common stock owned jointly with his spouse; 525 shares of Class A common stock owned personally by his spouse; 2,300 shares of Class A common stock owned by members of his household; 775 shares owned by the Daniel P. Mucci Trust (the Mucci Trust) for which he serves as co-trustee; and 47,864 shares of Class A common stock owned by the Dolan Children Trust for his benefit and 886,015 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for his benefit. He disclaims beneficial ownership of 525 shares of Class A common stock owned personally by his spouse; 2,300 shares of Class A common stock owned by members of his household; 775 shares of Class A common stock held by the Mucci Trust; and 47,864 shares of Class A common stock and 886,015 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for his benefit.

(20) Thomas C. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 20,471 shares of Class A common stock (including 11,696 shares of Class A common stock, 8,775 unvested shares of restricted stock) owned personally; 29,071 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned personally and (ii) the shared power to vote or direct the vote of and to dispose of or to direct the disposition of 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for his benefit. He disclaims beneficial ownership of 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for his benefit.

(21) Brian G. Sweeney may be deemed to have (i) the sole power to vote or direct the vote of and dispose or direct the disposition of 32,574 shares of Class A common stock (including 24,599 shares of Class A common stock, 4,225 unvested shares of restricted stock and 3,750 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days) owned personally and (ii) the shared power to vote or direct the vote of and to dispose of

or direct the disposition of 5,643 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by his spouse, Deborah A. Dolan-Sweeney; an aggregate of 7,675 shares Class A common stock held in trusts for his children for which he serves as co-trustee; and 47,864 shares of Class A common stock and 918,981 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for the benefit of his spouse. He disclaims beneficial ownership of the 5,643 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by his spouse; an aggregate of 7,675 shares of Class A common stock held in trusts for his children for which he serves as co-trustee; and 47,864 shares of Class A common stock and 918,981 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for the benefit of his spouse.

(22) Deborah A. Dolan-Sweeney may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 5,643 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned personally and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 32,574 shares of Class A common stock (including 24,599 shares of Class A common stock, 4,225 unvested shares of restricted stock and 3,750 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days) owned personally by her spouse, Brian G. Sweeney; an aggregate of 7,675 shares of Class A common stock held in trusts for her children for which her spouse serves as co-trustee; and 47,864 shares of Class A common stock and 918,981 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for her benefit. She disclaims beneficial ownership of 32,574 shares of Class A common stock (including 24,599 shares of Class A common stock, 4,225 unvested shares of restricted stock and 3,750 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days) owned personally by her spouse; an aggregate of 7,675 shares of Class A common stock held in trusts for her children for which her spouse serves as co-trustee; and 47,864 shares of Class A common stock and 918,981 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for her benefit.

(23) Marianne Dolan Weber may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 2,000 shares of Class A common stock issuable upon exercise of options which on March 15, 2012 were unexercised but were exercisable within a period of 60 days owned personally; 8,359 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned personally and 1,150 shares of Class A common stock held as custodian for her child and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 900 shares of Class A common stock owned personally by her spouse, and 47,864 shares of Class A common stock and 890,802 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for her benefit. She disclaims beneficial ownership of 900 shares of Class A common stock owned personally by her spouse 1,150 shares of Class A common stock held as custodian for her child; and 47,864 shares of Class A common stock and 890,802 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trust for her benefit.

(24) Paul J. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 96,550 shares of Class A common stock (including 5,108 shares of Class A common stock held as custodian for one or more minor children and 91,442 shares of Class A common stock owned by the CFD Trust No. 10) and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 5,907 shares of Class A common stock owned jointly with his spouse; and an aggregate of 87,750 shares of Class A common stock and 1,845,939 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts for the benefit of Kathleen M. Dolan and James L. Dolan. He disclaims beneficial ownership of an aggregate of 5,108 shares of Class A common stock held as custodian for one or more minor children; 91,442 shares of Class A common stock owned by the CFD Trust No. 10; and an aggregate

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of 87,750 shares of Class A common stock and 1,845,939 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts for the benefit of Kathleen M. Dolan and James L. Dolan.

(25) Mary S. Dolan may be deemed to have (i) the sole power to vote or direct the vote and to dispose of or direct the disposition of 6,810 shares of Class A common stock held as custodian for one or more minor children and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 8,259 shares of Class A common stock owned jointly with her spouse; an aggregate of 95,728 shares of Class A common stock and 1,804,996 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts for the benefit of Deborah Dolan-Sweeney and Patrick F. Dolan. She disclaims beneficial ownership of 6,810 shares of Class A common stock held as custodian for one or more minor children; an aggregate of 95,728 shares of Class A common stock and 1,804,996 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts for the benefit of Deborah Dolan-Sweeney and Patrick F. Dolan.

(26) Matthew J. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 1,750 shares of Class A common stock owned personally and 1,387 shares of Class A common stock held as custodian for his child and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of an aggregate of 87,750 shares of Class A common stock and 1,817,760 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts for the benefit of Marianne Dolan Weber and Thomas C. Dolan. He disclaims beneficial ownership of 1,387 shares of Class A common stock held as custodian for his child and an aggregate of 87,750 shares of Class A common stock and 1,817,760 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Dolan Children Trusts for the benefit of Marianne Dolan Weber and Thomas C. Dolan.

(27) Lawrence J. Dolan may be deemed to have the shared power to vote or direct the vote of and to dispose of or direct the disposition of 2,300 shares of Class A common stock owned jointly with his spouse; an aggregate of 2,540,063 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts and an aggregate of 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts. He disclaims beneficial ownership of an aggregate of shares of Class B common stock and the equal number of shares of 2,540,063 Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts and an aggregate of 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts.

(28) David M. Dolan may be deemed to have (i) the sole power to vote or direct the vote of and to dispose of or to direct the disposition of 302,176 shares of Class A common stock (including 2,971 shares of Class A common stock owned by the David M. Dolan Revocable Trust and 299,205 shares of Class A common stock owned by the Charles F. Dolan Charitable Remainder Trust) and (ii) the shared power to vote or direct the vote of and to dispose of or direct the disposition of 8,312 shares of Class A common stock (including 2,300 shares of Class A common stock owned jointly with his spouse; 5,250 shares of Class A common stock owned by the Ann H. Dolan Revocable Trust, 762 shares of Class A common stock held by his spouse as custodian for a minor child); and an aggregate of 2,540,063 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts and an aggregate of 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts. He disclaims beneficial ownership of 299,205 shares of Class A common stock owned by the Charles F. Dolan Charitable Remainder Trust; 5,250 shares of Class A common stock owned by the Ann H. Dolan Revocable Trust; 762 shares of Class A common stock held by his spouse as custodian for a minor child; an aggregate of 2,540,063 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the 2009 Family Trusts and an aggregate of 1,271,456 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the CFD 2010 Grandchildren Trusts.

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(29) Kathleen M. Dolan and Paul J. Dolan serve as co-trustees and have the shared power to vote and dispose of the 47,864 shares of Class A common stock and 918,981 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Charles F. Dolan Children Trust FBO Kathleen M. Dolan.

(30) Kathleen M. Dolan and Mary S. Dolan serve as co-trustees and have the shared power to vote and dispose of the 47,864 shares of Class A common stock and 918,981 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Charles F. Dolan Children Trust FBO Deborah A. Dolan-Sweeney.

(31) Kathleen M. Dolan and Matthew J. Dolan serve as co-trustees and have the shared power to vote and dispose of the 47,864 shares of Class A common stock and 890,802 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Charles F. Dolan Children Trust FBO Marianne Dolan-Weber.

(32) Kathleen M. Dolan and Mary S. Dolan serve as co-trustees and have the shared power to vote and dispose of the 47,864 shares of Class A common stock and 886,015 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Charles F. Dolan Children Trust FBO Patrick F. Dolan.

(33) Kathleen M. Dolan and Matthew J. Dolan serve as co-trustees and have the shared power to vote and dispose of the 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Charles F. Dolan Children Trust FBO Thomas C. Dolan.

(34) Kathleen M. Dolan and Paul J. Dolan serve as co-trustees and have the shared power to vote and dispose of the 39,886 shares of Class A common stock and 926,958 shares of Class B common stock and the equal number of shares of Class A common stock issuable upon conversion thereof owned by the Charles F. Dolan Children Trust FBO James L. Dolan.

(35) Includes shares of unvested restricted stock. These amounts include the following number of shares of Class A common stock for the following individuals: Joshua W. Sapan 178,342; Edward A. Carroll 23,730; Sean S. Sullivan 7,034; James G. Gallagher 8,822; Charles F. Dolan 51,100; James L. Dolan 49,025; Kristin A. Dolan 2,980; Thomas C. Dolan 8,775; Patrick F. Dolan 4,225; and Brian G. Sweeney 4,225.

(36) Includes 1,349 shares held indirectly through a 401(k).

(37) Does not include restricted stock units granted under the Company s 2011 Employee Stock Plan, which represent a right to receive one share of Class A common stock or the cash equivalent thereof. The excluded number of restricted stock units for the following individuals are: Joshua W. Sapan 46,229; Edward A. Carroll 22,183; Sean S. Sullivan 11,091; Charles F. Dolan 7,896; and James G. Gallagher 6,655.

Charles F. Dolan, members of his family and related family entities, by virtue of their ownership of Class B common stock, are able collectively to control stockholder decisions on matters in which holders of Class A common stock and Class B common stock vote together as a class, and to elect up to 75% of the Company s Board. In addition, Charles F. Dolan, members of the Dolan family and related family entities have entered into a Class B Stockholders Agreement which has the effect of causing the voting power of these Class B stockholders to be cast as a block on all matters to be voted on by holders of Class B common stock.

Charles F. Dolan, all other holders of Class B Common Stock (other than the Charles F. Dolan Children Trusts), the Dolan Children s Foundation, the Dolan Family Foundation and the Company have entered into a registration rights agreement (the Dolan Registration Rights Agreement). Under this agreement, the Company will provide to the parties to the Dolan Registration Rights Agreement (the Dolan Parties) (and, in certain cases, transferees and pledgees of shares of Class B Common Stock owned by these parties) with certain demand and piggy-back registration rights with respect to their shares of Class A Common Stock (including those issued upon conversion of shares of Class B Common Stock). As of March 15, 2012, the Dolan Parties owned approximately 8.1 million shares of Class B Common Stock (the Dolan Shares), which represented approximately 60% of our Class B Common Stock, as well as approximately 1.4 million shares of Class A Common Stock, which represented approximately 2.5% of our Class A Common Stock. Such shares of Class B Common Stock and Class A Common Stock, collectively, represented approximately 13% of our Common Stock and approximately 42% of the aggregate voting power of our Common Stock.

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The Charles F. Dolan Children Trusts (the Children Trusts) and the Company have entered into a registration rights agreement (the Children Trusts Registration Rights Agreement). Under this agreement, the Company will provide the Children Trusts (and, in certain cases, transferees and pledgees of shares of Class B Common Stock owned by these parties) with certain demand and piggy-back registration rights with respect to their shares of Class A Common Stock (including those issued upon conversion of shares of Class B Common Stock). As of March 15, 2012, the Children Trusts owned approximately 5.5 million shares of Class B Common Stock (the Children Trust Shares), which represented approximately 40% of our Class B Common Stock, as well as approximately 0.3 million shares of Class A Common Stock, which represented less than 1% of our Class A Common Stock. Such shares of Class B Common Stock and Class A Common Stock, collectively, represented approximately 8% of our Common Stock and approximately 28% of the aggregate voting power of our Common Stock.

In the Children Trusts Registration Rights Agreement, each Children Trust has agreed that in the case of any sale or disposition of its shares of Class B Common Stock (other than to Charles F. Dolan or other Dolan family interests) by such Children Trust, or of any of the Children Trust Shares by any other Dolan family interest to which such shares of Class B Common Stock are transferred, such stock will be converted to Class A Common Stock. The Dolan Registration Rights Agreement does not include a comparable conversion obligation, and the conversion obligation in the Children Trusts Registration Rights Agreement does not apply to the Dolan Shares.

The Dolan Registration Rights Agreement and the Children Trusts Registration Rights Agreement have been included as exhibits to our Annual Report on Form 10-K, and the foregoing discussion of those agreements is qualified in its entirety by reference to those agreements so filed.

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DESCRIPTION OF OUR SENIOR SECURED CREDIT FACILITY

We have entered into a Credit Facility, which provides us with a $1,725 million term loan facility and a $500 million revolving credit facility. The Credit Facility has the following principal terms. For more information regarding our Credit Facility, see Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Debt Financing Agreements Senior Secured Credit Facility.

Summary **Tranche**