LOS ANGELES, CA November 2, 2006 -- United Artists, the studio founded by movie greats Douglas Fairbanks, Charlie Chaplin, Mary Pickford and D.W. Griffith some 85 years ago and responsible for delivering such iconic film franchises as “Rocky,” “Pink Panther” and “James Bond,” will be reborn under a partnership formed between Tom Cruise, Paula Wagner and Metro-Goldwyn-Mayer Inc. (MGM). The announcement was made today by Harry E. Sloan, Chairman and Chief Executive Officer, MGM.

Cruise and Wagner, one of the most successful film production teams ever, will drive the rebirth of United Artists as MGM's operating partner. Along with their substantial ownership, Cruise and Wagner will have control of setting the company's production slate, from development to production greenlighting ability, subject to certain parameters. Wagner will serve as Chief Executive Officer of United Artists, overseeing the day to day operations of the studio alongside her longstanding producing partner Cruise, who will star in as well as produce films for United Artists and also be available to appear in film projects for other studios.

Cruise last teamed up with the original UA on “Rain Man” in 1988, which won four Academy Awards including Best Picture.

In establishing United Artists as a new entity, MGM and Cruise/Wagner will return the studio to its former roots by recognizing what made UA great in the first place - studio management by creative talent who can best encourage and support other creative talent. The talent friendly studio will be reborn as a place where producers, writers, directors and actors can thrive in a creative environment, developing and producing entertaining film projects. The plan would allow artists throughout the community to pursue their creative visions outside of the traditional studio system.

The studio plans to have a production slate of approximately four (4) films each year, which may increase in the future. Worldwide marketing and distribution will be handled by partner MGM. UA will be a major supplier of feature films to MGM, with production and development of UA movies being fully financed by MGM and its partners. MGM is the only major studio controlled by private equity firms which include Providence Equity Partners and Texas Pacific Group along with industry partners Comcast Corp. and Sony Corp. of America.

"Partnering with Tom Cruise and Paula Wagner, we have the ideal creative foundation from which to reintroduce the United Artists brand," said Sloan in making the announcement. "Tom and Paula are the..."
modern versions of the iconic founders of United Artists - Douglas Fairbanks, Mary Pickford, Charlie Chaplin and D. W. Griffith - and our partnership with them reaffirms our commitment to providing creative talent with a comfortable home at United Artists and a dedicated distribution partner in MGM. United Artists is once again the haven for independent filmmakers and a vital resource in developing quality filmed entertainment consistent with MGM's modern studio model.

Commented Cruise: "Paula and I are very respectful of the rich history and tradition of United Artists, and we welcome the opportunity to contribute to that legacy by providing a wide range of releases that appeal to all audiences. It’s our desire to create an environment where filmmakers can thrive and see their visions realized."

"This is a great opportunity for Tom and me to re-establish the United Artists brand and to work closely with the creative community," stated Wagner. "As studio partner-operators, we will provide a supportive environment and infrastructure for filmmakers that will allow them to do their best work."

"Providing Tom and Paula with the ability to greenlight films under the UA banner validates MGM's commitment to and recognition of independent producers as the true creative nucleus of Hollywood filmmaking," said Rick Sands, COO of MGM. "The relationship between UA, which will provide the creative environment for independent producers to nurture content of their own vision and MGM, which will apply its expertise to distribution and marketing to those projects, is an ideal collaboration of art and business. The resurgence of United Artists will take us another step closer to realizing the full revitalization of MGM. Harry and I are personally thrilled to be working with Tom and Paula."

Paula Wagner and Tom Cruise launched Cruise/Wagner Productions as an independent production company in September 1993. Since its inception, the company has enjoyed unparalleled success, producing a wide range of films that have earned multiple awards, widespread critical praise and global box office grosses in excess of US$2.9 billion. Films produced by the company include the Mission Impossible franchise as well as critical and commercial successes such as “War of the Worlds,” “The Last Samurai,” “The Others” and “Vanilla Sky,” among others.

Tom Cruise is one of the most successful, critically acclaimed and sought after movie stars in the world. In a career spanning 26 years, Cruise has received three Academy Award nominations and has won three Golden Globe awards for his performance in such hit films as “Born on the Fourth of July,” “Jerry Maguire” and “Magnolia” and numerous accolades for his performances in “The Last Samurai,” “Minority Report” and “Collateral.” Cruise's films have resulted in worldwide box office totals of approximately US$6 billion and his last two films, “War of the Worlds” and “Mission: Impossible III” have grossed nearly US$1 billion worldwide. Overall, Cruise has made 14 films that have grossed US$100 million in domestic receipts alone, with his last seven consecutive films reaching that benchmark.

The agreement between Cruise Wagner Productions and MGM/UA, which takes effect immediately, was brokered by Cruise Wagner's representative CAA and attorney Bert Fields.

About Metro-Goldwyn-Mayer Studios Inc.
Metro-Goldwyn-Mayer Studios Inc. is actively engaged in the worldwide production and distribution of motion pictures, television programming, home video, interactive media, music, and licensed merchandise. The company owns the world's largest library of modern films, comprising around 4,000 titles. Operating units include Metro-Goldwyn-Mayer Studios Inc., Metro-Goldwyn-Mayer Pictures Inc., United Artists Films Inc., MGM Television Entertainment Inc., MGM Networks Inc., MGM Distribution Co., MGM International Television Distribution Inc., Metro-Goldwyn-Mayer Home Entertainment LLC, MGM ON STAGE, MGM Music, MGM Consumer Products and MGM Interactive. In addition, MGM has ownership interests in international TV channels reaching nearly 110 countries. MGM ownership is currently as follows: Providence Equity Partners (29%), Texas Pacific Group (21%), Sony Corporation of America (20%), Comcast (20%), DLJ Merchant Banking Partners (7%) and Quadrangle Group (3%). For more information, visit www.mgm.com.
CONTACT:
Jeff Pryor
Metro-Goldwyn-Mayer Studios Inc.
e. jpryor@mgm.com; o. 310-449-3446

Julie Polkes
Rogers & Cowan
e. jpolkes@rogersandcowan.com; o. 310-854-8119