

Media Contacts:

Encompass Digital Media:
Angela J. Pierce
apierce@encompass-m.com
(323) 344-4565

Sard Verbinnen & Co:
Jim Barron/Cassandra Bujarski
(212) 687 8080

**ENCOMPASS DIGITAL MEDIA TO ACQUIRE CONTENT DISTRIBUTION BUSINESS
FROM ASCENT MEDIA CORPORATION**

Creates Global Provider in Outsourced Mission-Critical Media Services
to Broadcasters, Cable Channels and Other Major Media Companies

Combined Company Will Have Significantly Enhanced Scale and Broader Range of Services

LOS ANGELES – December 3, 2010 – Encompass Digital Media, Inc., a U.S. based digital media services provider, today announced a definitive agreement to acquire the global content distribution business of Ascent Media Corporation (NASDAQ: ASCMA) for total consideration of approximately \$120 million, including approximately \$113 million in cash and the assumption of certain indebtedness and obligations totaling approximately \$7 million. The acquisition will create a leading global provider of mission-critical outsourced media services to broadcasters, cable channels, media companies, major corporations and institutions.

The transaction will greatly expand Encompass' scale and geographic footprint by combining Encompass' core operations in Los Angeles and Atlanta with Ascent's broadcast facilities in the U.S. (including the New York metro area, Minnesota and Burbank), Singapore and London. In addition to providing international and U.S. clients with best-in-class network origination and transmission services, the transaction enables Encompass to provide unparalleled disaster recovery, occasional-use transmission and backhaul for news, sports and government services. Encompass will also expand its Los Angeles digital media manipulation, archive and distribution services to support existing and emerging applications and platforms worldwide.

"Acquiring Ascent's content distribution business positions Encompass as a leading provider in outsourced media solutions by significantly enhancing our ability to meet the needs of broadcasters and media companies looking to benefit from the latest technology and rationalize costs with a highly credible global partner," said Simon Bax, Chief Executive Officer of Encompass.

"Encompass continues to execute its strategic plan superbly and has created a world class provider of outsourced broadcasting services," said Ellis Jones, Chief Executive Officer of Wasserstein & Co. and Chairman of Encompass.

"Encompass will be unique in our ability to provide such a broad range and scope of mission-critical services with the high level of performance and technical expertise on which our clients rely," said Bill Tillson, President and Chief Operating Officer of Encompass. "We greatly respect the talented team at Ascent's content distribution business and expect them to play an important role as we seek to capture the significant opportunities that exist in today's market, while remaining consistently focused on performance."

Following the completion of the transaction, Encompass will have approximately 950 employees and will operate a network of broadcast facilities worldwide with integrated media solutions that include: network origination, centralcasting for TV stations, disaster recovery, satellite and fiber transmissions, satellite uplink trucks and digital media services.

The combined company will benefit from a high quality and diversified client base consisting of major media companies, cable and sports networks as well as government entities, including A&E Networks/Lifetime, Sony, NBCU, CBS, Disney/ABC, BBC Worldwide, U.S. Department of Defense, MTV, ESPN, NHL, Discovery Networks, DIRECTV Sports Networks, NFL Network, YES Network, Scripps, Hallmark, Channel Five and TV Guide. Ascent's video switch business will also allow Encompass to expand its relationships with key customers such as CNN, CNBC, Bloomberg, Thomson Reuters, and the United Nations.

Financing for the transaction is being provided by Macquarie Capital and Tennenbaum Capital Partners, LLC. Macquarie Capital is serving as the exclusive financial advisor to the Company. Tennenbaum Capital is a current lender to and shareholder of Encompass and will continue to participate in both capacities. Munger, Tolles & Olson LLP served as primary legal advisor. The transaction is subject to customary closing conditions, including approval by Ascent shareholders, regulatory clearances, and the transfer of certain FCC licenses. Subject to fulfillment of these conditions, the transaction is expected to close in the first quarter of 2011.

Encompass (formerly named Broadcast Facilities, Inc.) was formed in 2008 by Simon Bax, Bill Tillson and Wasserstein & Co., a leading independent private equity and investment firm, to acquire and operate broadcast media facilities in the U.S., Asia and Europe. Since that time, the Company has significantly expanded its original business model and geographic footprint through its acquisition of Andrita Media Center in April 2008, and the Satellite Services Division of Crawford Communications, Inc. in January of 2010. Wasserstein & Co., which is focused primarily on leveraged buyout investments and related investment activities, will remain the majority owner of Encompass.

About Encompass Digital Media, Inc.

Encompass, a leader in digital media services, owns and operates two of the largest, independent broadcast facilities in the U.S. in Los Angeles and Atlanta. Total media solutions include network origination; cable neighborhood platforms (G-13, G-17, G-23, AMC-10, AMC-11 and AMC-18); centralcasting; disaster recovery; satellite and fiber transmissions (full time and occasional use); a fleet of satellite uplink trucks; digital media encoding services; digital file transfers via satellite, fiber and IP; emergency communications; governmental SATCOM; production studios; and video production services.

Encompass' clients are major networks and broadcasters, sports leagues and general entertainment cable channels including ABC, CBS, FOX and NBC Universal; DIRECTV Sports Networks, ESPN, Go!TV, MLB, NASCAR Media Group, NBA, NFL Network, Tennis Channel and Universal Sports Network; Hallmark, Game Show Network, MAVTV, MGM HD, Sony HD/3D and TV Guide. Encompass also performs international services for Alterna'TV, Fox Latin American Channels, Latin American Pay Television (LAPTV), MGM Networks Latin America and SkyVision as well as disaster recovery for BET, Discovery Communications, Scripps Networks and The Weather Channel. The CDC, NASA and the U.S. military's Defense Video and Imagery Distribution System (DVIDS) are among the company's government clients. For more information, visit www.encompass-m.com.

About Ascent Media Corporation and Ascent Media Group

Ascent Media Corporation is a holding company and owns 100 percent of its operating subsidiary, AMG, which is primarily engaged in the business of providing content and creative services to the media and

entertainment industries in the United States, the United Kingdom and Singapore. AMG provides solutions for the creation, management and distribution of content to motion picture studios, independent producers, broadcast networks, programming networks, advertising agencies and other companies that produce, own and/or distribute entertainment, news, sports, corporate, educational, industrial and advertising content.

About Wasserstein & Co.

Wasserstein & Co., LP is a leading independent private equity and investment firm, focused primarily on leveraged buyout investments and related investment activities. The firm manages capital on behalf of its institutional and individual investors, including public and corporate pension funds, foreign governmental entities, endowments and foundations, and high net worth individuals. The firm historically has made investments in media, consumer products and other industry sectors. Wasserstein & Co. conducts its activities through offices in New York and Los Angeles. For more information, visit www.wasserco.com.

About Macquarie Group

Macquarie Group is a global provider of banking, financial, advisory, investment and funds management services. Macquarie Capital provides capital markets, advisory and capital solutions and has deep industry expertise in focus sectors including Telecommunications, Media, Entertainment and Technology. For more information, visit www.macquarie.com

About Tennenbaum Capital Partners, LLC

Tennenbaum Capital Partners™ (“TCP”) is a Los Angeles based, multi-strategy alternative investment management firm focused primarily on distressed credit. Since the firm’s founding in 1996, TCP has invested more than \$8.6 billion in 170+ portfolio companies through its Opportunity Funds™, in addition to investments by specialty funds focused on debtor-in-possession and public market strategies. TCP finds opportunity primarily in middle-market credits where the firm can play a meaningful role in each situation. The firm’s investment professionals have extensive expertise in legal, operational and financial disciplines to successfully execute TCP’s investment strategies. For more, please visit: www.tennenbaumcapital.com.

#