STRICTLY CONFIDENTIAL

Project Rhombus

MOELIS & COMPANY

Discussion Materials

October 15, 2015

For more investment banking materials, visit www.10xEBITDA.com

Disclaimer

This presentation has been prepared by Moelis & Company LLC ("Moelis") for exclusive use by the Board of Directors of RealD Inc. ("Rhombus" or the "Company") in considering the transaction described herein based on information provided by the Company and publicly available information. Moelis has not assumed any responsibility for independently verifying the information herein, and Moelis makes no representation or warranty as to the accuracy, completeness or reasonableness of the information herein. In this presentation, Moelis, at the Company's direction, has used certain projections, forecasts or other forward-looking statements with respect to the Company and/or other parties involved in the transaction which were provided to Moelis by the Company and/or such other parties and which Moelis has assumed, at the Company's direction, were prepared based on the best available estimates and judgments of the management of the Company and/or such other parties as to the future performance of the Company and/or such other parties. This presentation speaks only as of its date and Moelis assumes no obligation to update it or to advise any person that its conclusions or advice has changed.

This presentation is solely for informational purposes. This presentation is not intended to provide the sole basis for any decision on any transaction and is not a recommendation with respect to any transaction. The recipient should make his or her own independent business decision based on all other information, advice and the recipient's own judgment. This presentation is not an offer to sell or a solicitation of an indication of interest to purchase any security, option, commodity, future, loan or currency. It is not a commitment to underwrite any security, to loan any funds or to make any investment. Moelis does not offer tax, accounting or legal advice.

Moelis provides mergers and acquisitions, restructuring and other advisory services to clients and its affiliates manage private investment partnerships. Its personnel may make statements or provide advice that is contrary to information contained in this material. Our proprietary interests may conflict with your interests. Moelis may from time to time have positions in or effect transactions in securities described in this presentation. Moelis may have advised, may currently advise, may seek to advise and may in the future advise or invest in companies mentioned in this presentation.

This presentation is confidential and may not be disclosed to any other person or relied upon without the prior written consent of Moelis.

For more investment banking materials, visit www.10xEBITDA.com

Table of Contents

I.	Process Update	4
II.	Situation Overview	12
III.	Preliminary Valuation Perspectives	17
IV.	Review of Strategic Alternatives	22

Appendices

A.	Additional Valuation Detail	27
B.	Shareholder Basis Analysis	32
C.	Historical Box Office Trends	34
D.	Rizvi Bid Package	36

10X For more investment banking materials, visit www.10xEBITDA.com

Agenda

- Review strategic alternatives process and final round bid received
- Review current situation at Rhombus
- Discuss preliminary valuation perspectives
- Review strategic alternatives available to the Company and discuss next steps

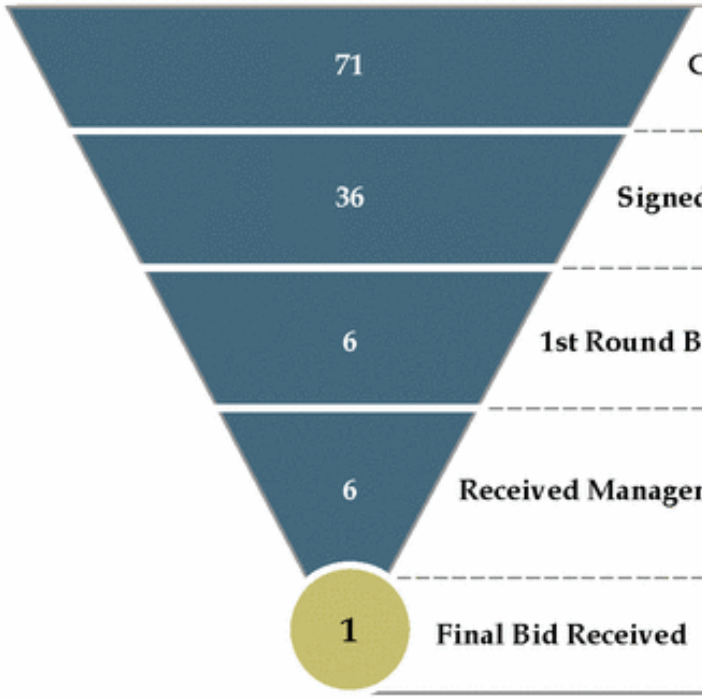
10X For more investment banking materials, visit www.10xEBITDA.com

I. Process Update

10X For more investment banking materials, visit www.10xEBITDA.com

Strategic Alternatives Process Summary

Over 70 potential buyers were contacted during the process, with 36 parties receiving an Overview Presentation, 6 parties submitting an initial bid, and 1 party submitting a final bid



	Strategic	Financial
Contacted	11	60
Signed NDA and Received OP	4	32
1st Round Bid Received	2	4
Received Management Presentation	2	4
Final Bid Received	0	1

Public announcement regarding the strategic alternatives process was made on February 9, 2015

10X For more investment banking materials, visit www.10xEBITDA.com

Summary of Parties that Received Overview Presentations

Listed below are the parties that received an Overview Presentation †

FINANCIAL PARTIES (32)		
Party A	Party N	Party Y
Rizvi Traverse *	Party O	Party Z
Starboard Value *	Party P	Party AA
Party D*	Party Q	Party BB
Party E*	Party R	Party CC
Party H*	Party S	Party DD
Party I	Party T	Party EE
Party J	Party U	Party FF
Party K	Party V	Party GG
Party L	Party W	Party HH
Party M	Party X	

STRATEGIC PARTIES (4)		
Party F *	Party II	Party JJ
Party G *		

* **Denotes party that submitted first round bid and final round bid**
* *Denotes party which submitted first round bid and/or participated in management presentation*
† Names of parties (other than Rizvi Traverse and Starboard Value) have been replaced with generic references.

10X For more investment banking materials, visit www.10xEBITDA.com

Rizvi Traverse Final Bid Summary

VALUATION [1]	▪ **Per Share Price (% Premium):** $10.35 (3.9% premium to 10-Day VWAP) ▪ **Implied Market Cap:** $556 million ▪ **Implied TEV:** $517 million ▪ **LTM 06/30/15 Adjusted EBITDA Multiple:** 9.8x ▪ **CY15 Adjusted EBITDA Multiple:** 9.2x
FINANCING	▪ **Funded Debt:** $280 million ($275 million Bridge Facility and/or Senior Secured Notes, $5 million Revolver Draw) [2] – PF Leverage: 4.9x LTM 06/30/15E PF Adj. Financeable EBITDA ($57.6 million) – Revolver: LIBOR plus [550]bps – Bridge Facility: Three-month LIBOR plus a [TBD] spread ▪ **Cash on Balance Sheet:** $57 million ▪ **Equity:** $283 million
PROPOSED CHANGES TO CONTRACT TERMS	▪ **Rollover:** Michael Lewis to roll his shares of common stock ▪ **Company equity awards:** Treatment is subject to completion of Purchaser's review of equity plans and award agreements ▪ **Reps & Warranties:** Expand reps and warranties to include additional customary provisions, add 3-year look back where customary, addition of other customary reps and warranties (e.g., customer/exhibitor relationships and related party transactions) ▪ Modifications to certain covenants including No Solicitation, Adverse Recommendation Change, Fiduciary Standard, standard for Superior Proposal, Intervening Events, Matching Right / Last Look ▪ **Company Termination Fee:** 4% of equity value ▪ **Purchaser Termination Fee:** 5% of equity value ▪ **Expense Reimbursement:** Up to 1% of equity value if agreement is terminated due to a failure to obtain shareholder approval
TIMING	▪ **Announcement:** Prepared to move towards signing definitive documentation by November 6, 2015 ▪ **Closing:** No later than 30 days following delivery of the Rhombus's Q3 2016 financial statements (assuming delivery by January 15, 2016)

1. LTM Adjusted EBITDA (as of 6/30/15) and CY15 Adjusted EBITDA of $52.7 and $56.4 million, respectively; adjusted for share-based compensation, impairment of assets and intangibles, as well as certain expenses related to the cost reduction plan and non-recurring expenses
2. Borrower will issue and sell senior secured notes in a Rule 144A or other private placement yielding $275 million in gross cash proceeds consisting of dollar denominated senior secured notes and / or borrow under a senior secured bridge credit facility in the original principal amount of $275 million on or prior to the closing date

10X For more investment banking materials, visit www.10xEBITDA.com

Overview of the Offer

Rizvi Traverse offered $10.35 per share of Rhombus common stock

RIZVI OFFER IMPLIED VALUATION

($ in millions, except per share amounts)

Offer Price	**$10.35**
Fully Diluted Shares Outstanding [1]	53.684
Implied Equity Value	**$555.6**
Plus: Debt (as of 10/05/15)	$38.0
Plus: Minority Interest (as of 06/30/15)	(0.5)
Less: Cash (as of 10/05/15)	(76.6)
Total Enterprise Value	**$516.5**

Per Share Price Premium (Unaffected) [2]	Price	Premium/ (Discount)
1-Day Prior (10/01/14)	$9.27	11.65%
10-Day Prior VWAP	9.63	7.51%
30-Day Prior VWAP	9.83	5.31%

Per Share Price Premium (Current)	Price	Premium/ (Discount)
1-Day Prior (10/13/15)	$10.34	0.10%
10-Day Prior VWAP	9.96	3.92%
30-Day Prior VWAP	9.96	3.92%

IMPLIED TRANSACTION MULTIPLES

Management Estimates	Adj. EBITDA	TEV / Adj. EBITDA
LTM 06/30/15A Adj. EBITDA	$52.7	9.8x
CY15E Adj. EBITDA (Latest Forecast)	56.4	9.2x
CY16E Adj. EBITDA [3]	80.3	6.4x

Consensus Estimates	Adj. EBITDA	TEV / Adj. EBITDA
LTM 06/30/15A Adj. EBITDA	$52.7	9.8x
CY15E Adj. EBITDA	51.7	10.0x
CY16E Adj. EBITDA	78.0	6.6x

Source: Company Information
1. Calculated based on securities outstanding as of July 27, 2015
2. Unaffected dates as of October 1, 2014; date of Starboard offer
3. Nine months ending 12/31/16 estimated based on FY2017 projections and average quarterly EBITDA contributions over the past four years

For more investment banking materials, visit www.10xEBITDA.com

Summary of Remaining Diligence

Rizvi Traverse has indicated that they have the remaining diligence areas that they will commit the necessary resources to complete diligence by November 6th

- **Confirmatory Legal Due Diligence**
  - Review draft Company Disclosure Schedules
  - Review material customer Systems License Agreements
  - Review Company equity plans and equity award agreements
  - Conduct intellectual property review
  - Understand pending litigation matters relating to infringement of Company intellectual property in US and foreign jurisdictions
  - Review information technology organization and management structure
  - Tax structuring in connection with anticipated debt and equity financing

- **Confirmatory Tax Due Diligence**
  - Discuss the Company's historic tax filing profile and significant tax issues with management and the Company's tax advisors
  - Understand the Company's legal entity structure, including current filing status, global presence, and domicile, as well as any changes in recent corporate history
  - Review and analyze US federal and state income tax returns and tax provision work papers for the prior three tax years
  - Consider the historic generation of tax attributes and the utilization thereof, including any limitations on the ability to utilize such attributes
  - Review and analyze internal and external memos with respect to advice regarding any material tax issue or tax planning issue, including ruling requests submitted to tax authorities and Section 382 studies or other similar analysis with respect to the tax historical period
  - Understand the Company's historic and current tax examination profile and the nature of any material issues that have been raised in connection therewith. Review of tax examination documentation as applicable
  - Understand the Company's non-income tax profile and the potential impact of foreign taxes on the Company's operations

10X For more investment banking materials, visit www.10xEBITDA.com

Summary of Recent Buyer Activity

Other than Rizvi Traverse, there has been limited recent buyer activity

Firm†	Last Date Data Room Accessed	Commentary
Party D	▪ October 5th	▪ Has not engaged in active diligence following recent discussions
Party F	▪ NA	▪ Reached out week of October 12th to inquire about opportunity to re-engage in potential merger discussions
Party H	▪ September 25th	▪ Multiple calls held and in-person meetings conducted ▪ Ultimately, could not get comfortable with growth prospects of core business
Party I	▪ October 5th	▪ Has not engaged in active diligence following recent discussions

† Names of parties (other than Rizvi Traverse and Starboard Value) have been replaced with generic references.

10X For more investment banking materials, visit www.10xEBITDA.com

Discussion of Other Process Participants

The Company has spent a substantial amount of time educating buyers about its business

Firm†	Commentary	Status
Party H	▪ Areas of focus included: core business growth projections, review of projected film slate, key exhibitor review and growth initiatives review (e.g., InteliLight) ▪ Multiple calls held and in-person meetings conducted	▪ Did not proceed, could not get comfortable with growth prospects of core business
STARBOARD VALUE	▪ Met with management in Boulder and in Beverly Hills ▪ Held numerous calls with Moelis and the Company ▪ Engaged strategic advisors – Dale Fuller, tech executive, and Matthew Kearny, media executive	▪ Chose to partner with strategic (Party G)
Party F	▪ Proposed Merger of Equals (MOE) ▪ Engaged Centerview Partners to help in their review of the business ▪ Held meetings in Boulder and Beverly Hills to learn more about the business ▪ Numerous calls to understand financials; in particular, revenue model	▪ Did not participate in final round
Party E	▪ Met with management in Boulder for management presentation ▪ Had numerous follow-up calls to discuss the business	▪ Did not proceed; was highly focused on financeable EBITDA, as well as renewals
Party G	▪ Management presentation and technical meeting held on separate days in Boulder ▪ Focused on IP protection of the business ▪ Sought greater understanding of the core business and marketplace dynamics	▪ Did not proceed; expressed greater interest in the consumer opportunities available to RealD

† Names of parties (other than Starboard Value) have been replaced with generic references.

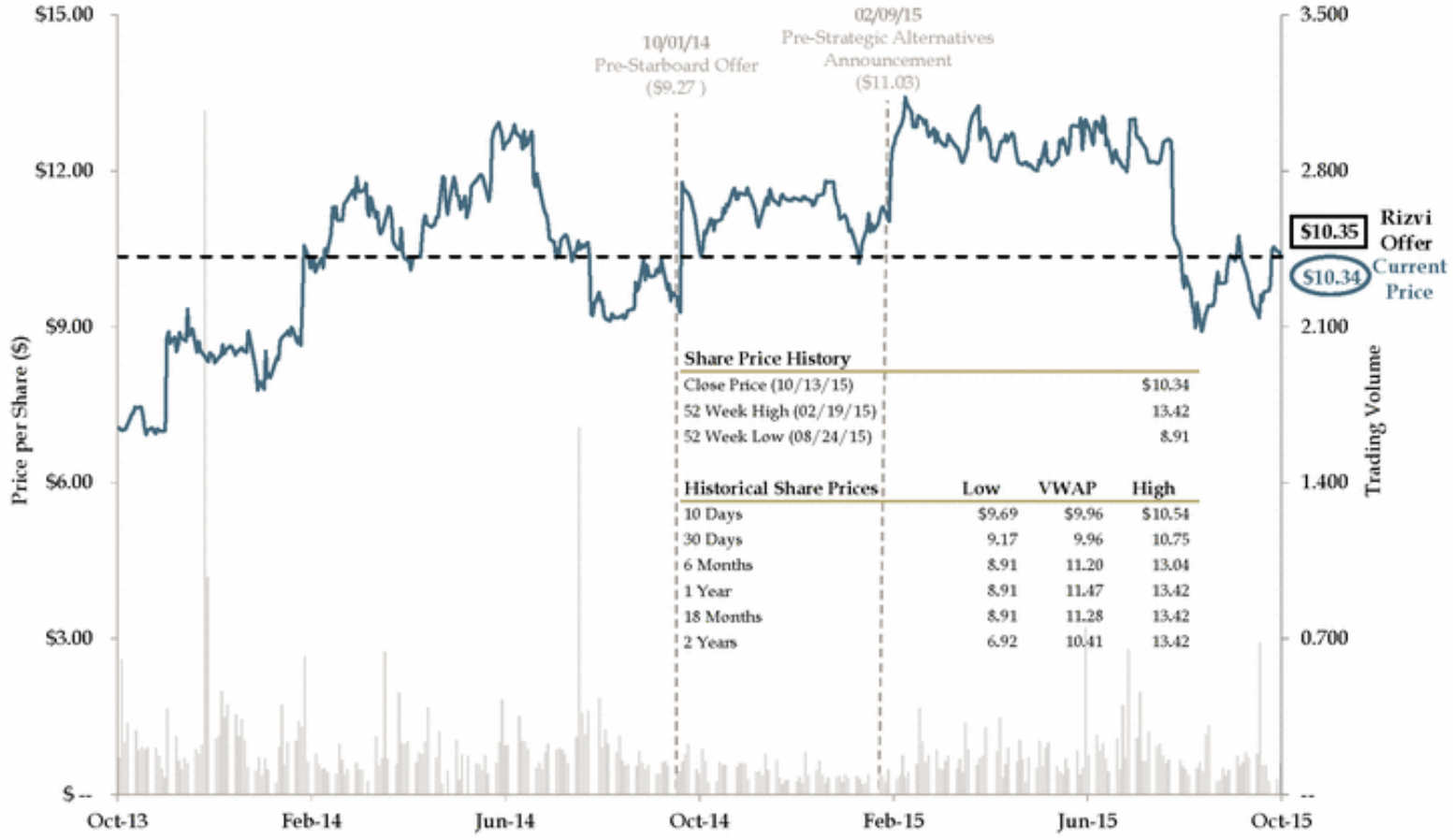
10X For more investment banking materials, visit www.10xEBITDA.com

II. Situation Overview

10X For more investment banking materials, visit www.10xEBITDA.com

Stock Price Performance

RHOMBUS TWO-YEAR STOCK PRICE PERFORMANCE



Share Price History	
Close Price (10/13/15)	$10.34
52 Week High (02/19/15)	13.42
52 Week Low (08/24/15)	8.91

Historical Share Prices	Low	VWAP	High
10 Days	$9.69	$9.96	$10.54
30 Days	9.17	9.96	10.75
6 Months	8.91	11.20	13.04
1 Year	8.91	11.47	13.42
18 Months	8.91	11.28	13.42
2 Years	6.92	10.41	13.42

Source: Capital IQ
Note: Market data as of 10/13/15

For more investment banking materials, visit www.10xEBITDA.com

Rhombus Management Financial Projections

($ in millions)	FY13A	FY14A	FY15A	FY16E	FY17E	FY18E
Revenues						
License	$137.8	$132.5	$109.3	$122.8	$130.7	$138.9
Product & Other	77.8	66.7	54.1	69.1	70.2	70.4
Total Revenues	**$215.6**	**$199.2**	**$163.5**	**$192.0**	**$200.8**	**$209.3**
% Growth	*(12.6%)*	*(7.6%)*	*(18.0%)*	*17.4%*	*4.6%*	*4.2%*
Total COGS	**$125.4**	**$104.0**	**$82.7**	**$88.3**	**$78.8**	**$77.0**
Gross Profit	**$90.2**	**$95.3**	**$80.8**	**$103.7**	**$122.1**	**$132.3**
Gross Margin	*41.8%*	*47.8%*	*49.4%*	*54.0%*	*60.8%*	*63.2%*
Operating Expenses						
Sales & Marketing	$19.5	$19.7	$19.5	$20.0	$20.8	$21.1
Research & Development	25.3	27.1	21.7	14.4	21.6	22.1
General & Administrative	47.8	50.6	49.4	52.2	45.6	46.0
Total Operating Expenses	**$92.6**	**$97.4**	**$90.6**	**$86.6**	**$88.0**	**$89.2**
Operating Income	**($2.4)**	**($2.2)**	**($9.8)**	**$17.1**	**$34.0**	**$43.1**
Adjusted EBITDA [1]	**$57.9**	**$65.1**	**$52.0**	**$73.1**	**$83.3**	**$90.9**
EBITDA Margin	*26.9%*	*32.7%*	*31.8%*	*38.1%*	*41.5%*	*43.4%*

OVERVIEW

- The Company has provided periodic updates to projected FY16 to potential buyers throughout the course of the process
- The current projections were provided to buyers at the end of September
- In addition to the updated FY16 financials, the Company provided revised estimates for FY17 and FY18
  - Revenue model was updated and based on projected film slate for all years of the projection period (previously FY17 and FY18 were projected using growth rates)
  - Film slate includes unidentified titles (three in 2017 and four in 2018)
  - Assumes Company would remain in Boulder and Beverly Hills facilities
  - Includes InteliLight revenues from Lenovo contract, as well as the associated R&D overhead to support InteliLight
  - Includes revenues from indigenous content for China

Source: Company Management estimates
1. Calculated as operating income plus depreciation & amortization, stock-based compensation, restructuring & impairment and gains/losses on foreign exchange (in FY13A-FY15A only)

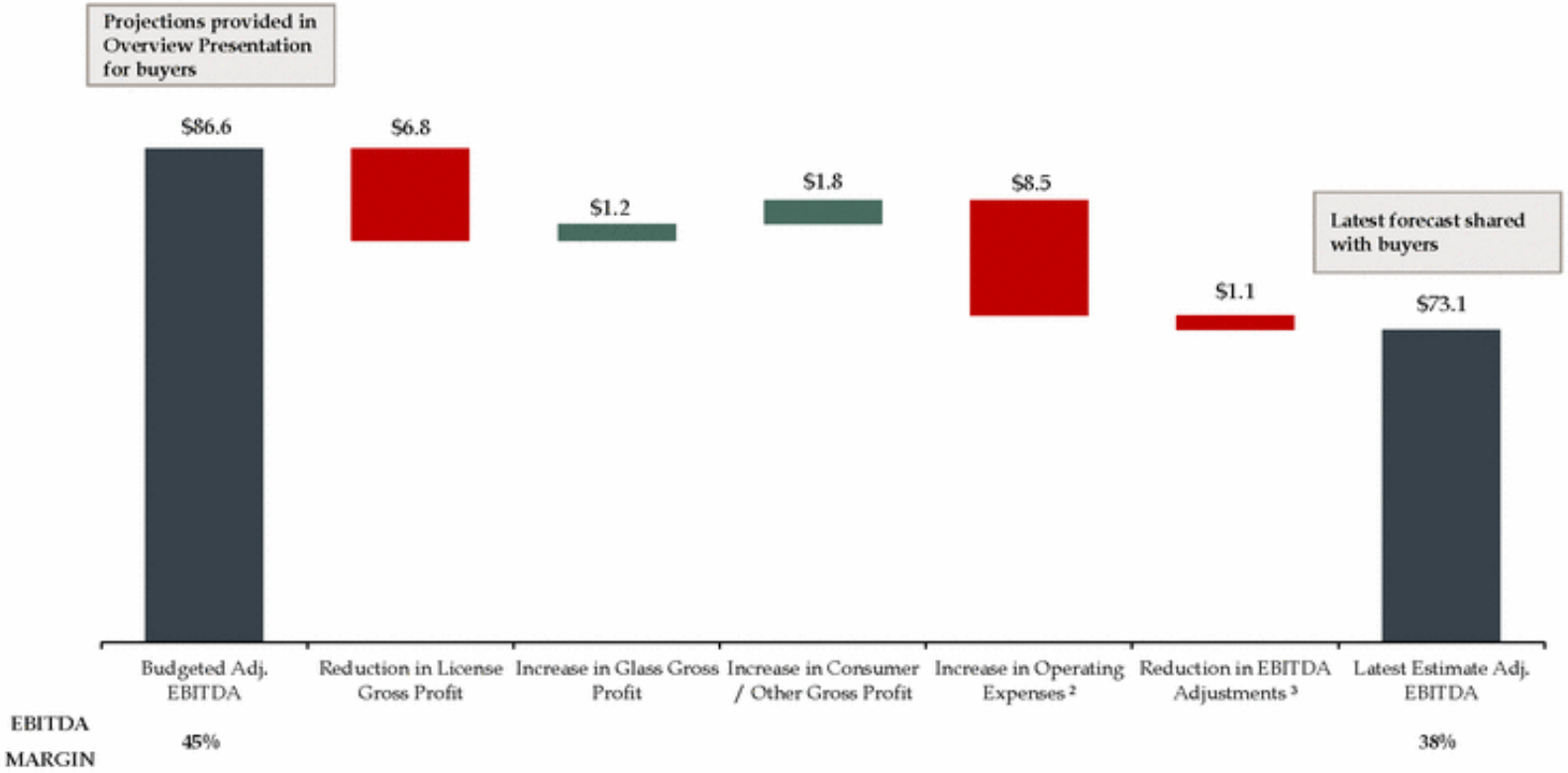
10X For more investment banking materials, visit www.10xEBITDA.com

Fiscal Year 2016 EBITDA Bridge

The initial budget shared with buyers contemplated $86.6 million of FY16 Adjusted EBITDA; latest forecast shared with projects $73.1 million of FY16 Adjusted EBITDA [1]

FY16 EBITDA FORECAST

($ in millions)



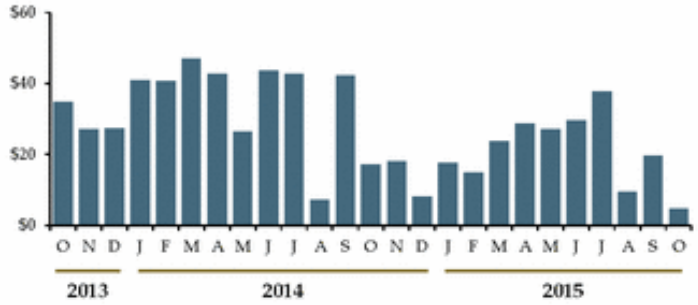
Source: Management Estimates
1. Adjusted EBITDA projections before public company cost savings
2. Increase in operating expenses comprised of increase of S&M and G&A expense of $4.4 and $4.3 million, respectively, and a reduction of R&D expense of $0.2 million
3. Reduction in EBITDA adjustments comprised of increase in D&A expense of $0.9 million and reduction in restructuring and impairment expenses of $2.0 million

For more investment banking materials, visit www.10xEBITDA.com

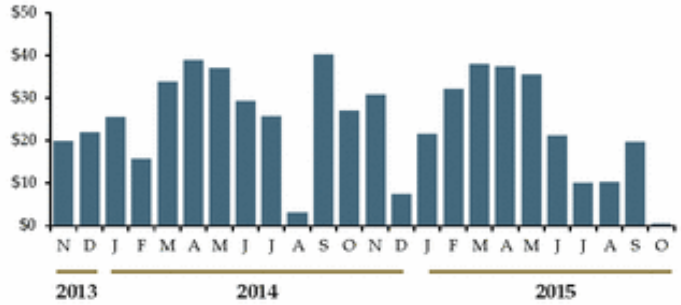
Debt Capital Market Conditions

Leveraged loan and high yield new issue volume continues to be limited as issuers seek to wait out current market volatility

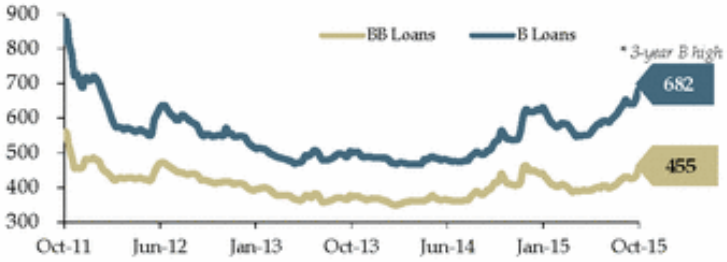
INSTITUTIONAL LEVERAGED LOAN NEW ISSUE VOLUME ($BN)



HIGH YIELD NEW ISSUE VOLUME ($BN)



LEVERAGED LOAN AVERAGE SECONDARY SPREAD



HIGH YIELD – YTW [1]

Source: Prospect News and S&P LCD, as of October 8, 2015
1. Source: Advantage Data North American High Yield Corporate Bond Index

For more investment banking materials, visit www.10xEBITDA.com

III. Preliminary Valuation Perspectives

10X For more investment banking materials, visit www.10xEBITDA.com

Valuation Summary

		Current 10/13/15	Rizvi Offer
		$10.34	$10.35
Per Share Price Premiums (Unaffected) [1]	***Statistic***		
1-Day Prior to Starboard offer (10/01/14)	*$9.27*	*11.5%*	*11.7%*
10-Day Prior to Starboard offer VWAP	*9.63*	*7.4%*	*7.5%*
30-Day Prior to Starboard offer VWAP	*9.83*	*5.2%*	*5.3%*
Per Share Price Premiums (Current)	***Statistic***		
Current (10/13/15)	*$10.34*	--	*0.1%*
10-Day Prior VWAP	*9.96*	*3.8%*	*3.9%*
30-Day Prior VWAP	*9.96*	*3.8%*	*3.9%*
FD Shares Outstanding		**53.683**	**53.684**
Market Capitalization		**$555.1**	**$555.6**
Plus: Net Debt [2]		**($39.1)**	**($39.1)**
Implied Enterprise Value		**$516.0**	**$516.5**
Valuation Multiples (Management)	***Statistic***		
TEV / LTM (6/30/15) EBITDA	*$52.7*	*9.8x*	*9.8x*
TEV / CY2015E EBITDA	*56.4*	*9.1x*	*9.2x*
TEV / CY2016E EBITDA	*80.3*	*6.4x*	*6.4x*
Valuation Multiples (Consensus)	***Statistic***		
TEV / LTM (6/30/15) EBITDA	*$52.7*	*9.8x*	*9.8x*
TEV / CY2015E EBITDA	*51.7*	*10.0x*	*10.0x*
TEV / CY2016E EBITDA	*78.0*	*6.6x*	*6.6x*

Source: Capital IQ, Wall Street Research, Company Filings
1. Unaffected dates based from October 1, 2014, date of Starboard offer
2. Includes debt and cash balances as of October 5, 2015 and minority interest as of June 30, 2015

10X For more investment banking materials, visit www.10xEBITDA.com

Public Company Benchmarking

VALUATION BENCHMARKING

As of 10/13/15	Share	% of 52	Market	Enterprise	EV / Revenue		EV / EBITDA	
($ in millions, except per share amounts)	Price	Week High	Value	Value	CY'15E	CY'16E	CY'15E	CY'16E
Media / Technology Licensing								
Dolby Laboratories [1]	$33.79	73%	$3,469	$2,850	2.9x	2.8x	9.1x	8.6x
IMAX	36.26	83%	2,545	2,506	7.0x	6.5x	16.6x	14.7x
TiVo	9.23	69%	1,005	648	1.6x	1.5x	5.3x	4.4x
Rovi	10.88	41%	946	1,799	3.5x	3.1x	9.1x	7.8x
DTS [2]	28.98	76%	500	572	3.2x	2.8x	10.0x	8.4x
Media / Technology Licensing Average		**68%**			**3.6x**	**3.3x**	**10.0x**	**8.8x**
Media / Technology Licensing Median		**73%**			**3.2x**	**2.8x**	**9.1x**	**8.4x**
Theater Exhibitors								
Cinemark	$34.93	76%	$4,049	$5,525	1.9x	1.9x	8.2x	7.9x
Regal Entertainment	19.57	80%	3,047	5,141	1.6x	1.6x	8.5x	8.1x
AMC Entertainment	27.17	75%	2,642	4,327	1.5x	1.4x	8.0x	7.6x
Theater Exhibitors Average		**77%**			**1.7x**	**1.6x**	**8.2x**	**7.9x**
Theater Exhibitors Median		**76%**			**1.6x**	**1.6x**	**8.2x**	**7.9x**
Other IP Licensing								
Iconix Brand Group	$15.29	37%	$738	$2,259	5.4x	5.2x	10.4x	10.2x
Sequential Brands Group [3]	13.74	74%	560	904	11.0x	8.5x	17.8x	13.6x
Other IP Licensing Average		**56%**			**8.2x**	**6.9x**	**14.1x**	**11.9x**
Other IP Licensing Median		**56%**			**8.2x**	**6.9x**	**14.1x**	**11.9x**
Overall Average		**70%**			**3.6x**	**3.2x**	**10.0x**	**8.9x**
Overall Median		**75%**			**2.4x**	**2.3x**	**8.8x**	**8.0x**
Rhombus - Consensus [1]	**$10.34**	**76%**	**$555**	**$516**	**3.1x**	**2.8x**	**10.0x**	**6.6x**
Rhombus - Management Projections [1]	**$10.34**	**76%**	**555**	**516**	**3.0x**	**2.5x**	**9.1x**	**6.4x**

Source: Capital IQ, Wall Street Research, Company Filings
Note: Rhombus financials are based on consensus estimates
1. Financials calendarized for year end 12/31
2. Pro forma for iBiquity acquisition
3. Pro forma for Galaxy Brand Holdings acquisition

For more investment banking materials, visit www.10xEBITDA.com

Precedent Transactions Analysis

Date Announced	Target	Acquiror	Implied TEV	LTM Revenue	LTM EBITDA	EBITDA Margin	TEV / LTM EBITDA
($ in millions)							
Media / Technology Licensing							
Sep-15	**iBiquity Digital**	DTS	$172	$45	~$15	33%	~11x
Nov-14	**ChyronHego Corporation**	Vector Capital	115	58	5	8%	NM
Feb-14	**Grass Valley USA**	Belden	220	290	27	9%	8.1x
Jun-12	**Miranda Technologies**	Belden	332	177	35	20%	9.4x
May-12	**Bona Film**	Twenty-First Century Fox	342	151	16	11%	NM
Apr-12	**SRS Labs**	DTS	110	34	3	7%	NM
Dec-10	**Sonic Solutions**	Rovi Corporation	661	106	7	6%	NM
Jun-10	**DivX**	Sonic Solutions	192	75	9	12%	20.9x
Media / Technology Licensing Average			**$268**	**$117**	**$15**	**13.5%**	**12.5x**
Media / Technology Licensing Median			**206**	**90**	**12**	**10.1%**	**10.4x**
Theater Exhibitors							
Jul-13	**Vue Entertainment**	AIMCo; OMERS	$1,396	NA	$164	NA	8.5x
Feb-13	**Hollywood Theaters** [1]	Regal Entertainment	367	NA	61	NA	6.0x
Nov-12	**Rave Cinemas**	Cinemark	240	229	41	18%	5.8x
Jul-12	**CinemaxX**	Vue Beteiligungs	269	258	42	16%	6.5x
May-12	**AMC Entertainment**	Dalian Wanda	2,631	2,601	332	13%	7.9x
Nov-10	**Vue Entertainment**	Doughty Hanson & Co.	1,183	NA	135	NA	8.8x
Theater Exhibitors Average			**$1,015**	**$1,029**	**$129**	**15.7%**	**7.2x**
Theater Exhibitors Median			**775**	**258**	**98**	**16.1%**	**7.2x**
Other IP Licensing							
Mar-13	**Brand Matter**	Sequential Brands	$108	$11	$6	58%	16.9x
Jul-12	**Classic Media**	DreamWorks Animation	155	82	18	22%	8.6x
Oct-11	**HIT Entertainment**	Mattel	680	179	72	40%	9.5x
Mar-11	**RC2 Corporation**	Tomy Corporation	625	427	56	13%	11.1x
Jul-10	**Playboy**	Rizvi Traverse; Hugh Hefner	324	215	11	5%	7.0x
Apr-10	**Peanuts Worldwide**	Iconix	175	76	17	22%	10.4x
Other IP Licensing Average			**$345**	**$165**	**$30**	**26.7%**	**10.6x**
Other IP Licensing Median			**250**	**131**	**17**	**22.0%**	**10.0x**
Overall Average			**$515**	**$295**	**$54**	**18.5%**	**9.8x**
Overall Median			**297**	**151**	**23**	**13.2%**	**8.7x**
Oct-15	**Rhombus**	**Rizvi Traverse**	**$516**	**$162**	**$53**	**32.6%**	**9.8x**

Source: Capital IQ, Wall Street Research, Company Filings, Press Releases
Note: Excludes transactions less than $100 million
1. Based on research estimates

10X For more investment banking materials, visit www.10xEBITDA.com

Discounted Cash Flow Analysis

UNLEVERED FREE CASH FLOWS

($ in millions)	3 Mo Ending 03/31/16E	Fiscal Year Ending March 31, 2017E	2018E	Terminal FCF [1]
EBITDA	**$19.2**	**$83.3**	**$90.9**	**$90.9**
Less: Depreciation & Amortization	(9.7)	(33.4)	(32.0)	(15.0)
Less: Share-Based Compensation	(2.9)	(13.4)	(13.4)	(13.4)
Less: Impairment	(0.7)	(2.4)	(2.4)	--
EBIT	**$5.8**	**$34.0**	**$43.1**	**$62.5**
Less: Taxes at 40.0%	($2.3)	($13.6)	($17.2)	($25.0)
Plus: Depreciation & Amortization	9.7	33.4	32.0	15.0
Plus: Share-Based Compensation	2.9	13.4	13.4	13.4
Plus: Impairment	0.7	2.4	2.4	--
Less: Increases in Working Capital	(2.4)	(0.2)	(0.2)	(0.2)
Less: Capital Expenditures	(3.5)	(15.0)	(15.0)	(15.0)
Unlevered Free Cash Flow	**$10.9**	**$54.4**	**$58.5**	**$50.7**

PRICE PER SHARE [2]

Discount Rate	Perpetuity Growth Rate 2.0%	2.5%	3.0%	3.5%	4.0%
11.0%	$11.72	$12.26	$12.87	$13.56	$14.35
12.0%	10.67	11.10	11.58	12.12	12.72
13.0%	9.81	10.16	10.54	10.97	11.44
14.0%	9.08	9.37	9.69	10.04	10.42

IMPLIED EXIT MULTIPLE

Discount Rate	Perpetuity Growth Rate 2.0%	2.5%	3.0%	3.5%	4.0%
11.00%	6.3x	6.7x	7.2x	7.7x	8.3x
12.00%	5.7x	6.0x	6.4x	6.8x	7.2x
13.00%	5.2x	5.4x	5.7x	6.1x	6.4x
14.00%	4.7x	5.0x	5.2x	5.5x	5.8x

Source: Company Management
1. Assumes terminal year D&A equal to terminal year capital expenditures
2. Includes present value of expected future tax savings from the $133.7mm federal net operating loss carryforward balance as of 03/31/15

10X For more investment banking materials, visit www.10xEBITDA.com

IV. Review of Strategic Alternatives

10X For more investment banking materials, visit www.10xEBITDA.com

Review of Strategic Alternatives for Rhombus

	Status Quo	Share Repurchase	Acquisitions	Sale of Company
PROS	▲ No change / disruption to current operations ▲ No transaction execution risk ▲ Preserves flexibility for future strategic decisions	▲ Opportunity to return capital to shareholders ▲ Signaling impact to shareholders that stock is undervalued	▲ Acquisitions could bolster growth prospects or accelerate productization of key initiatives ▲ Potential to enhance Rhombus's size and scale as a public company	▲ Allow Company to operate privately, outside of the scrutiny of public investors ▲ All-cash acquisition provides immediate liquidity for Rhombus shareholders
CONS	▼ Current stock price includes anticipated M&A premium; may decrease upon announcement of no transaction ▼ Rhombus will continue to be subject to earnings scrutiny ▼ Maintain public company core structure ▼ Risk of proxy fight with Starboard remains ▼ Public investors may not be supportive of Company's R&D initiatives (e.g., InteliLight, Ultimate Screen, LUXE)	▼ If utilizing debt, will increase financial leverage / limit flexibility ▼ Cash used for share repurchase could be utilized for strategic purposes (investments in support of core business / growth) ▼ Sizeable share repurchase would reduce stock liquidity	▼ List of logical acquisition targets limited ▼ Transaction execution risk ▼ Ability to win in competitive processes for attractive assets ▼ Investments outside of core licensing business may upset activist investors	▼ No ability for shareholders to participate in potential upside (R&D initiatives, etc.) ▼ Transaction execution risk

For more investment banking materials, visit www.10xEBITDA.com

Considerations Regarding Remaining a Public Company

INDUSTRY LEVEL CONSIDERATIONS

- Strength of film slate
- Trends in 3D take rates
- Uncertainty in emerging markets
- Competition from lower-cost and lower-quality providers
- Overall movie theater attendance trends

COMPANY LEVEL CONSIDERATIONS

- Dependency on film slate
- Outlook for exhibitor renewals
- Activist presence in stock
- InteliLight – upside / execution risk
- Capital expenditure investment needs (e.g., renewals, R&D, growth initiatives)
- Investment in corporate level staff (e.g., finance, marketing, etc.)

10X For more investment banking materials, visit www.10xEBITDA.com

Next Steps

Discussion Regarding Rizvi Counter Offer

- Price
- Remaining due diligence
- Certainty of financing
- Exclusivity
- Contract terms
- Management

Discussion Regarding Starboard Value

- Proxy nomination window

10X For more investment banking materials, visit www.10xEBITDA.com

Appendix

10X For more investment banking materials, visit www.10xEBITDA.com

A. Additional Valuation Detail

10X For more investment banking materials, visit www.10xEBITDA.com

Public Company Benchmarking

OPERATING METRICS BENCHMARKING

As of 10/13/15	Revenue		Growth	EBITDA		EBITDA Margin	
($ in millions, except per share amounts)	CY'15E	CY'16E	'15E-'16E	CY'15E	CY'16E	CY'15E	CY'16E
Media / Technology Licensing							
Dolby Laboratories [1]	$988	$1,029	4.1%	$314	$332	31.8%	32.3%
IMAX	361	387	7.3%	151	170	41.8%	43.9%
TiVo	395	428	8.3%	122	146	30.8%	34.1%
Rovi	517	574	11.0%	198	231	38.2%	40.2%
DTS [2]	177	204	15.4%	57	68	32.2%	33.2%
Media / Technology Licensing Average			**9.2%**			**35.0%**	**36.7%**
Media / Technology Licensing Median			**8.3%**			**32.2%**	**34.1%**
Theater Exhibitors							
Cinemark	$2,861	$2,972	3.9%	$671	$701	23.5%	23.6%
Regal Entertainment	3,123	3,200	2.5%	605	632	19.4%	19.8%
AMC Entertainment	2,974	3,116	4.8%	543	573	18.3%	18.4%
Theater Exhibitors Average			**3.7%**			**20.4%**	**20.6%**
Theater Exhibitors Median			**3.9%**			**19.4%**	**19.8%**
Other IP Licensing							
Iconix Brand Group	422	437	3.7%	218	222	51.6%	50.8%
Sequential Brands Group [3]	82	106	28.4%	51	66	61.6%	62.7%
Other IP Licensing Average			**16.0%**			**56.6%**	**56.7%**
Other IP Licensing Median			**16.0%**			**56.6%**	**56.7%**
Overall Average			**8.1%**			**32.4%**	**33.3%**
Overall Median			**4.5%**			**31.3%**	**32.7%**
Rhombus - Consensus [1]	**$168**	**$182**	**8.6%**	**$52**	**$78**	**30.8%**	**42.8%**
Rhombus - Management Projections [1]	**174**	**207**	**19.2%**	**56**	**80**	**32.4%**	**38.8%**

Source: Capital IQ, Wall Street Research, Company Filings
Note: Rhombus financials are based on consensus estimates
1. Financials calendarized for year end 12/31
2. Pro forma for iBiquity acquisition
3. Pro forma for Galaxy Brand Holdings acquisition

For more investment banking materials, visit www.10xEBITDA.com

Wall Street Commentary

	TARGET PRICE	FY16 EBITDA	SELECT ANALYST COMMENTARY
Barrington Research 08/14/15 *Buy*	$15.00	$74.9mm	▪ "Fundamental improvement in profitability will result from the improved film slate over the next several quarters combined with cost cuts and somewhat better product gross margins" ▪ "The strategic evaluation should provide an added support to the stock"
B RILEY 09/23/15 *Buy*	$16.00	$70.0mm	▪ "We believe the ongoing strategic review is likely to pressure expenses in Q2 and Q3" ▪ "We expect the focus to remain on the potential outcome of the strategic review and whether a sale is possible or if a buyback/tender is necessary on remaining public" ▪ "We remain optimistic that the ongoing process/delays is an indication of potential outside interest in the company and continued discussions"
STIFEL NICOLAUS 10/13/15 *Hold*	N/A	$68.3mm	▪ "We view the continued strategic review as a negative at this stage, the realistic pool of bidders is relatively limited and will not include exhibitors or studios and as a result we are perplexed as to the duration the review has taken other than to think a sale is unlikely"
PiperJaffray. 10/12/15 *Buy*	$15.00	$67.6mm	▪ "Investors have been frustrated with the slow strategic evaluation process which has resulted in numerous extensions to the bidding deadline" ▪ "We think additional bidders and updated financials are the reason for the most recent delay" ▪ "The delay is not a bad thing for…shareholders in our view, as it brings in fresh bidders, enables [Rhombus] to update financials (better film performance and better clarity on consumer initiatives), provides more time to resolve patent lawsuits, but also keeps Starboard Value at bay"
DOUGHERTY & COMPANY 10/13/15 *Buy*	$14.00	$76.6mm	▪ "Filed an 8K declaring that the deadline for proxy submissions has been extended yet again to the period between October 15th and 30th…we take the extension as a signal that the company's process is still ongoing" ▪ "Our belief is that management is using the extra time to finalize some sort of licensing agreement around its consumer technology" ▪ "Baring that the strategic process concludes with the sale of the company, we anticipate management unveils some cost cuts, but we believe that it will take the influence of a major shareholder, like Starboard, to pressure the company to cut deep enough to maximize the opportunity"
MEAN	**$15.00**	**$71.5mm**	
MANAGEMENT		**$73.1mm**	

Source: Wall Street Research

10X For more investment banking materials, visit www.10xEBITDA.com

Weighted Average Cost of Capital Analysis

PEER GROUP BETA ANALYSIS

As of 10/13/15 ($ in millions)	Levered Beta [1] 2-Year	Levered Beta [1] 5-Year	Total Debt	MV Equity	Debt/ Equity	Effective Tax Rate [2]	Asset Beta 2-Year	Asset Beta 5-Year	Int. Expense/ Total Debt
Media / Technology Licensing									
Dolby Laboratories	0.937	0.968	$--	$3,469	--	23.4%	0.937	0.968	NA
IMAX	0.997	1.391	22	2,545	0.9%	26.0%	0.991	1.382	4.9%
TiVo	0.976	1.315	356	1,005	35.4%	37.2%	0.799	1.076	5.0%
Rovi	1.569	1.332	1,070	946	113.1%	55.2%	1.041	0.884	6.4%
DTS [3]	1.037	1.318	160	500	32.0%	27.9%	0.843	1.071	3.8%
Media / Technology Licensing Averag	**1.103**	**1.265**			**36.3%**	**33.9%**	**0.922**	**1.076**	**5.0%**
Media / Technology Licensing Median	**0.997**	**1.318**			**32.0%**	**27.9%**	**0.937**	**1.071**	**5.0%**
Theater Exhibitors									
Cinemark	0.813	0.882	$2,041	$4,049	50.4%	40.4%	0.625	0.678	5.6%
Regal Entertainment	0.795	1.049	2,362	3,047	77.5%	39.7%	0.542	0.715	5.3%
AMC Entertainment	0.971	1.381	1,864	2,642	70.6%	31.5%	0.655	0.931	6.1%
Theater Exhibitors Average	**0.860**	**1.104**			**66.2%**	**37.2%**	**0.607**	**0.775**	**5.7%**
Theater Exhibitors Median	**0.813**	**1.049**			**70.6%**	**39.7%**	**0.625**	**0.715**	**5.6%**
Other IP Licensing									
Iconix Brand Group	1.024	1.547	$1,479	$738	200.4%	28.1%	0.419	0.634	5.7%
Sequential Brands Group [4]	1.150	3.357	296	560	52.8%	48.8%	0.905	2.643	6.2%
Other IP Licensing Average	**1.087**	**2.452**			**126.6%**	**38.4%**	**0.662**	**1.638**	**5.9%**
Other IP Licensing Median	**1.087**	**2.452**			**126.6%**	**38.4%**	**0.662**	**1.638**	**5.9%**
Overall Mean	1.027	1.454			63.3%	35.8%	0.776	1.098	5.4%
Overall Median	0.987	1.325			51.6%	34.4%	0.821	0.950	5.6%
Rhombus	**0.852**	**1.693**	**$38**	**$555**	**6.8%**	**27.8%**	**0.812**	**1.613**	**4.0%**

Source: Bloomberg, Company filings, U.S. Department of the Treasury, 2015 Duff & Phelps
Notes: Market data as of 10/13/15
1. 2-year weekly and 5-year monthly adjusted beta per Bloomberg
2. Average of the past 8 quarters per Capital IQ
3. Pro forma for iBiquity acquisition; debt/equity prior to acquisition was 5.0%
4. Pro forma for Galaxy Brand Holdings acquisition

For more investment banking materials, visit www.10xEBITDA.com

Weighted Average Cost of Capital Analysis (cont'd)

ILLUSTRATIVE COST OF CAPITAL CALCULATION

Long-Term Risk Free Rate [1]	2.49%
Market Risk Premium [2]	6.21%
Size Premium [3]	2.42%
Tax Rate [4]	36.7%
Cost of Debt [5]	5.0%

WACC SENSITIVITY

Debt /	Unlevered Beta				
Equity	1.000	1.100	1.200	1.300	1.400
–	11.1%	11.7%	12.4%	13.0%	13.6%
5.0%	10.9%	11.5%	12.1%	12.8%	13.4%
10.0%	10.8%	11.4%	12.0%	12.6%	13.2%
15.0%	10.6%	11.2%	11.8%	12.4%	13.0%

Source: Bloomberg, Company filings, U.S. Department of the Treasury, 2015 Duff & Phelps Valuation Handbook
Notes: Market data as of 10/13/15
1. U.S. Department of the Treasury, 20-Year Treasury
2. Supply-side long-horizon expected equity risk premium per 2015 Duff & Phelps Valuation Handbook
3. Average of CRSP deciles 8 and 9 per 2015 Duff & Phelps Valuation Handbook
4. Rhombus federal statutory rate plus state tax rate, net of federal benefits per latest 10-K
5. Average of Media / Technology Licensing peer group

10X For more investment banking materials, visit www.10xEBITDA.com

B. Shareholder Basis Analysis

For more investment banking materials, visit www.10xEBITDA.com

Estimated Shareholder Cost Basis Analysis

Top 10 Insitutional Shareholders	Shares Owned	% Shares Oustanding	Estimated Cost Basis [1]
Bares Capital Management, Inc.	7,102,434	13.9%	$11.00
Starboard Value LP	4,950,000	9.7%	$11.22
T. Rowe Price Associates, Inc.	3,785,614	7.4%	$16.42
The Vanguard Group, Inc.	2,912,090	5.7%	$14.26
BlackRock Fund Advisors	2,212,379	4.3%	$14.74
Nokomis Capital LLC	1,585,876	3.1%	$10.82
Rivulet Capital LLC	1,504,938	3.0%	$11.73
Fidelity Management & Research Co.	1,181,924	2.3%	$11.28
Gabelli Funds LLC	1,129,176	2.2%	$10.70
SSgA Funds Management, Inc.	665,029	1.3%	$18.27
Total	27,029,460	53.1%	$12.64

Source: FactSet
1. Assumes shares purchased at average quarterly VWAP; assumes FIFO method on sales

10X For more investment banking materials, visit www.10xEBITDA.com

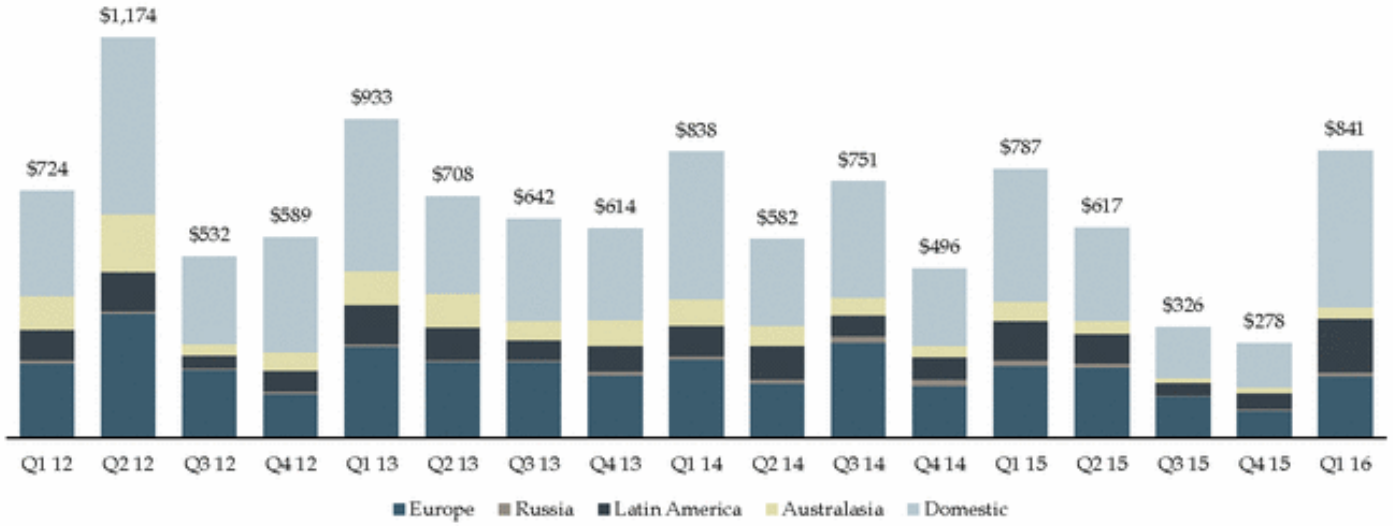
C. Historical Box Office Trends

10X For more investment banking materials, visit www.10xEBITDA.com

Rhombus Box Office Over Time

RHOMBUS BOX OFFICE PERFORMANCE OVER TIME

($ in millions)



% of 3D Box Office	NA	NA	83%	61%	61%	60%	61%	58%	62%	59%	59%	56%	58%	56%	59%	54%	60%

Source: Rentrak
Note: For Rentrak reporting countries only; does not include China

For more investment banking materials, visit www.10xEBITDA.com

Contact Information

Moelis & Company LLC is a U.S.-registered broker dealer and a member of FINRA & SIPC.

Moelis & Company LLC
1999 Avenue of the Stars, Suite 1900
Los Angeles, CA 90067
Tel: 310-443-2300

399 Park Avenue, 5th Floor
New York, NY 10022
Tel: 212-883-3800

10X For more investment banking materials, visit www.10xEBITDA.com