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The City of West Palm Beach, Florida State University College of Motion Picture Arts and Digital Domain Holdings announce proposal for the expansion of the FSU Film School and the creation of the Digital Domain Institute

West Palm Beach, FL – August 30, 2010 – The City of West Palm Beach, Florida State University College of Motion Picture Arts (“FSU Film School”) and Digital Domain Holdings Corporation (“DDH”) announced today a proposal to expand the graduate program of the Film School to the City of West Palm Beach and their joint creation of the Digital Domain Institute (“Institute”). These two new facilities would be located on the “Tent Site”, at the intersection of Okeechobee Boulevard and Quadrille Boulevard.

The proposal includes FSU’s launching of a new graduate program in Emerging Motion Picture Media to be taught in a new facility in West Palm Beach and the relocation of the Torchlight program, which provides internships and instruction on the business practices of the motion picture industry.

“I believe that our work together has the potential to produce intellectual, economic and social dividends for Florida State, the City of West Palm Beach and our great State of Florida” stated Frank Patterson, Dean of the College of Motion Picture Arts. “Presently, our college trains the top talent in America and most usually move to California after graduation. This collaborative effort with West Palm Beach and Digital Domain will provide the opportunity for our students to remain in Florida and still work at the very highest levels of their industry.”

The Digital Domain Institute will be an institute of higher education offering bachelors and masters degrees in animation, visual effects, video game development, and military simulation. The Institute is a collaborative effort between FSU and DDH that will provide undergraduate and graduate students the opportunity to work directly on Hollywood feature films, commercials, and video games in a dynamic and vibrant environment that combines education, workforce development and industry in a revolutionary way. The joint facility will work in partnership with the DDH Studio headquartered in Port St. Lucie.

DDH has contracted with the FSU Film School to build the curriculum and consult on its licensing and accreditation, as well as the hiring of faculty and management of the Institute.

“Through a partnership between Digital Domain Holdings and the multiple Oscar-winning film school of FSU, the proposed West Palm Beach facility will be the most integrated model of professional and educational cooperation our industry has ever seen” said John Textor, Chairman of Digital Domain Holdings. “With our animation studio headquarters in Port St. Lucie exceeding even our own expectations of hiring Floridians we are thrilled to have an opportunity to add West Palm Beach as another strong South Florida partner to the effort. The close proximity between a world-class animation studio, and a highly respected film school and digital

media institute, will create a vibrant and synergistic driver of education and employment in South Florida's quickly growing digital economy."

West Palm Beach Mayor Lois Frankel said, "We have searched for many years for a project that is iconic and impressive for the gateway to the City and we feel that we have now found it!"

At a recent event in Palm Beach County, FSU President Dr. Eric Barron stated that "the combination of FSU's Student Oscars and Digital Domain's Oscars is a winning partnership."

The proposal includes the City providing the Tent Site, committing to issue \$15 million in bonds to fund the construction of FSU's facilities, and \$10 million in grant funds to DDH to support its development and its financial support of FSU's expenses. DDH has agreed to repay the bond proceeds in full. Additionally, DDH has committed to build not less than 150,000 square feet of digital media facilities including the FSU Film School, the Institute and a small production studio, which could attract hundreds of high paying jobs for an entirely new industry in West Palm Beach. Construction of the permanent facilities would begin within 18 months. The FSU Film School and the Institute would operate out of temporary facilities located elsewhere in downtown West Palm Beach until completion of the permanent facilities.

Last week, representatives of the Institute and the City presented the ideas and concepts to cultural, educational and business leaders of West Palm Beach. The initial feedback from the community leaders was overwhelmingly positive.

"The Institute is a once in a generation economic opportunity for West Palm Beach and one that could attract hundreds of clean, high paying new world economy jobs to our community at a time in which new, modern industry is desperately needed in the City" said Dennis Grady, President and CEO of the Chamber of Commerce of the Palm Beaches.

According to Rena Blades, President and CEO of the Palm Beach County Cultural Council, "the proximity of the FSU Film School and the Institute to many of the County's leading cultural institutions will present unique collaborative artistic opportunities that will further enhance Palm Beach County's position as one of the leading cultural centers in the southeastern United States and one of the nation's most vital examples of the power of attracting the Creative Class and growing an economy based on innovation."

Added Jorge Pesquera, President and CEO of the Palm Beach County Convention and Visitors Bureau: "The convergence of film, media and technology associated with this exciting project will undoubtedly enhance Palm Beach County's image and improve our ability to market our destination. This really provides added justification for the development of a convention center headquarter hotel and other accommodations in West Palm Beach."

School District officials are equally enthused. "The triad of America's leading film school, one of the world's most successful digital media companies, and the premiere six-time A-rated Urban School District of Palm Beach County will open a whole new world of opportunities for the 33,000 plus students enrolled in the District's Choice programs" said School District Chief Learning Officer, Ann Killets. "Moreover, the additional kinds of work associated with the digital media industry, such as physics, robotics, health and wellness, animation and architecture, will add to the training and employment opportunities of our county's students."

“This project dovetails brilliantly with the decades of groundwork Palm Beach County has laid to attract and retain the very best talent in the film and television industry” says Chuck Elder, Film Commissioner of the Palm Beach County Film & Television Commission.

“This project will be a game-changer for West Palm Beach. A new industry, new tenants, and a major research university located on a site that has remained undeveloped for many years and, given the current state of the economy, without a project like this would remain undeveloped for many more years. This project will bring much needed tax revenue to the City and will help save the downtown condo and retail markets.” Mike Slade, principal with Callaway & Price, a respected real estate appraisal firm.

About FSU Film School

The Florida State University College of Motion Picture Arts—The Film School—is one of the top film schools in the nation. It has been recognized by the Directors Guild of America for its distinguished contribution to American culture through the world of film and television. Florida State films have earned more than 800 awards and recognitions at festivals and competitions in 36 countries around the world, including eight Student Oscars and 25 Collegiate Television Academy Awards. In 2003, Florida State became the first film school in the nation to win First, Second, and Third place awards in the Comedy competition for the Student Emmys. The college set another record in 2004 by winning five Collegiate Television Academy Awards and two Student Oscars in the same year. This year, international critics at the prestigious Cannes Film Festival selected the first American feature film to screen at Critics Week since 2005 - “The Myth of the American Sleepover” – a film written, directed, produced, shot, edited and acted by graduates of The Florida State Film School.

Notable faculty members include independent filmmaker Victor Nunez (*Ulee’s Gold*), Academy Award winner and sound mixer Richard Portman (*The Godfather*), television director Chip Chalmers (*Star Trek: Next Generation*), story executive Valerie Scoon (*Malcolm X*), and marketing and distribution executive Paul Cohen (Academy Award winning *Mephisto*).

<http://film.fsu.edu>

About Digital Domain Holdings Corporation

(Parent Company of Digital Domain)

Digital Domain Holdings Corporation, formerly known as Wyndcrest DD Florida Inc., is the parent company of California-based Digital Domain, an Academy Award®-winning digital production studio focused on visual effects for feature film and advertising production. In 2009, Digital Domain Holdings established the parent company headquarters in temporary space in Port St. Lucie, Florida, pending completion of its nearby 130,000 square foot animation feature film studio, expected to be complete in December 2011.

As part of its decision to expand in Florida, Digital Domain Holdings established a relationship with Florida State University’s College of Motion Picture Arts, as the company’s liaison to the educational community of Florida, to support the advancement of high-quality educational programs focused on varied fields in digital filmmaking and digital media. Through these efforts, Digital Domain Holdings reached agreement to locate temporary animation production facilities at Indian River State College in Ft. Pierce and expects to begin actual production of a feature film on-campus in September 2010.

At the secondary education level, Digital Domain helped to establish, and is providing direct classroom support to, the digital animation and storytelling program at the Pine School in Hobe Sound, Florida.

In 2010, Digital Domain Holdings and Florida State University expanded this relationship by entering into an agreement to develop two new educational initiatives, the Digital Domain Institute, a new four-year animation and digital media program, and FSU's emerging digital media major in the graduate program of the College of Motion Picture Arts. Digital Domain Holdings and Florida State University are currently evaluating sites in Florida that are suitable for both the broader goals of the university and the need for collaboration between the new programs and Digital Domain's studio headquarters in Port St. Lucie.

About Digital Domain

Founded in 1993 by film industry icons, Digital Domain is an Academy Award®-winning digital production studio focused on visual effects for feature film and advertising production. Among its 80+ film credits are three features that were awarded the Oscar for visual effects, including *Titanic*, *What Dreams May Come* and *The Curious Case of Benjamin Button*. A creative giant in advertising, Digital Domain has earned scores of Clio, AICP and Cannes Lion awards for some of the world's most memorable spots. The studio works with top directors and has become renowned for its technical innovation, claiming four Scientific & Technical Achievement Awards from the Academy of Motion Picture Arts and Sciences. Digital Domain is charging forward with its pioneering work in photo-real digital characters as well as projects that cross traditional media boundaries. The company is based in Venice, Calif. and opened a studio in Vancouver, British Columbia.

<http://www.digitaldomain.com>

CONTACT:

Brian E. Crowley

ImMEDIaCy Public Relations, Inc.

Office: 561.776.7659

Cell: 561.568.5709