

DESCRIPTION OF TRANSACTION

As demonstrated on the attached flow chart, KZJL License Corp. (the “Licensee”), licensee of KZJL(TV), is wholly-owned by Liberman Television of Houston, Inc. Liberman Television of Houston, Inc. is, in turn, wholly-owned by LBI Holdings II, Inc., which, in turn, is wholly-owned by LBI Intermediate Holdings, Inc. LBI Intermediate Holdings, Inc. is, in turn, wholly-owned by LBI Holdings I, Inc. Jose Liberman and Lenard D. Liberman each own 50% of the stock of LBI Holdings I, Inc. (Licensee, Liberman Television of Houston, Inc., LBI Holdings II, Inc., LBI Intermediate Holdings, Inc. and LBI Holdings I, Inc., collectively, “Liberman”). KZJL License Corp. has also been issued a construction permit for KZJL-DT (BPCDT-19991101AFF).

In conjunction with a financing transaction, Liberman proposes to merge LBI Intermediate Holdings, Inc. with and into LBI Holdings II, Inc., with LBI Holdings II, Inc. being the surviving entity. As part of the transaction, LBI Holdings II, Inc. will be renamed LBI Media, Inc. LBI Media, Inc. will become a wholly-owned subsidiary of LBI Holdings I, Inc. in the Liberman structure. The revised structure is also demonstrated on the attached flow chart.

There will be no change in the ownership of LBI Holdings I, Inc. as a result of the restructuring. As a result, the transfer qualifies as *pro forma*.

CURRENT STRUCTURE

Jose and Lenard Liberman

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LBI Holdings I, Inc.

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LBI Intermediate Holdings, Inc.

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LBI Holdings II, Inc.

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Liberman Television of Houston, Inc.

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KZJL License Corp.

PROPOSED STRUCTURE

Jose and Lenard Liberman

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LBI Holdings I, Inc.

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LBI Media, Inc.
(formerly known as LBI Holdings II, Inc.)

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Liberman Television of Houston, Inc.

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KZJL License Corp.