

**WARNER BROS. WILL BE LONG-TERM AND SOLE TENANT OF NEW
ICONIC FRANK GEHRY BUILDINGS DEVELOPED BY WORTHE REAL ESTATE GROUP
TO BE BUILT IN BURBANK'S MEDIA DISTRICT**

**New Campus and Buildings Will Facilitate Increased Interaction and Collaboration
Positioning Warner Bros. For Continued Creative Excellence**

(April 15, 2019 – Burbank, CA) – As the media and entertainment industries continue to evolve at a rapid pace, Warner Bros. will expand into two Frank Gehry-designed office buildings adjacent to its main lot in the Burbank Media District. Warner Bros. will purchase a portion of The Burbank Studios and be the sole and long-term tenant of the two buildings Worthe Real Estate Group and its partner Stockbridge Real Estate Fund will develop, which will combine state-of-the-art technology with a dynamic work environment in order to accelerate the Studio's competitive advantages. In recognition of Warner Bros.' 100th anniversary in 2023, the design and construction phases will be called the Second Century Project.

The announcement was made today by Kim Williams, Executive Vice President and CFO, Warner Bros., Jeff Worthe, President, Worthe Real Estate Group and Frank Gehry, Partner, Gehry Partners, LLP.

"This is an opportunity to reimagine not only our workspace but our future," said Williams. "Along with our historic lot, the newly expanded campus will fuel increased creativity, facilitate collaboration, and help us attract and retain the world's best and most diverse talent. It will also better position our company for the future and provide for more production capacity. This is an investment in our employees, our creative and business partners, and the Burbank community that will continue to be our home for decades to come."

"We are proud to continue our longstanding partnership with Warner Bros. which dates back over 30 years. We are thrilled to deliver these iconic buildings to Burbank and can't think of a better way to honor Warner's past 100 years and celebrate their exciting future. We will add these buildings to our existing portfolio of outstanding office properties that covers over 4,000,000 square feet in the City of Burbank alone," said Worthe.

"Once upon a time, Hollywood Studios had an important architectural presence in the city – they were like monuments to the movie-making process. With this project, I was trying to recapture that feeling of old Hollywood splendor," said Gehry. "We wanted to create a 21st century version that would have a strong and unique identity for Jeff Worthe and for Warner Bros. in the center of Burbank. We created large open floorplates with the single goal of creating the highest quality office space. From the freeway, the buildings are composed as one long sculptural glass façade that creates a single identity like icebergs floating along the freeway. On the studio side, the metal punched façade is terraced to relate to the scale and character of the existing studio buildings.

"Collaborating with Jeff Worthe on this project has been special for me. He is curious and open to ideas. He takes the time to explore ideas with a thoughtfulness toward the community and those who will inhabit the building. He understands and promotes the idea that architecture has value. I hope that we have created something that works well for Warner Bros. and that is respectful of the community around it," Gehry continued.

"We are thrilled that Warner Bros.' long-term plan includes an exciting new vision for their campus in Burbank," said Emily Gabel-Luddy, Mayor of Burbank. "This commitment further reinforces our City's standing as the Media Capital of the World."

The 800,000-square-foot office building complex will consist of a seven-story building of approximately 355,000 square feet and a nine-story building of approximately 445,000 square feet. Groundbreaking is expected to take place in the Fall of 2019, with construction of both Phases expected to be completed by 2023. Occupancy of Phase I is expected in 2022, and Phase II occupancy will coincide with the Studio's centennial celebration in 2023. Reflecting Warner Bros.' commitment to sustainability and environmental responsibility, the buildings will be built to LEED Certification standards.

As part of this transaction, Warner Bros. will purchase The Burbank Studios property, exclusive of the land on which the two Gehry buildings are to be built (which will be owned by Worthe Real Estate Group and Stockbridge). The Burbank Studios purchase provides Warner Bros. with additional production office space and eight soundstages (with room for expansion), as well as a mill building and a commissary.

Also as part of this deal, Worthe Real Estate Group and Stockbridge will purchase three office buildings currently owned by Warner Bros.—the Triangle Building (4001 West Olive Avenue), Glass Building (3903 West Olive Avenue) and Wood Building (111 N. Hollywood Way)—as well as the 30-acre Warner Bros. Ranch located on Hollywood Way. The sale of the three buildings is targeted to take place in late 2019, with Warner Bros. leasing the space back from Worthe/Stockbridge until those employees are moved to the new office space. The sale of the Ranch property and Warner Bros.' purchase of The Burbank Studios are expected to take place in 2023, following Warner Bros.' occupancy of the new space. Warner Bros. will also move employees from other leased space surrounding the lot to the new campus.

Worthe Real Estate Group/Stockbridge, Gehry Partners, LLP and Warner Bros. will work closely with various agencies across the City of Burbank throughout the building process to ensure a compliant, community-conscious build.

ABOUT WARNER BROS.

Warner Bros. is a global leader in all forms of entertainment and their related businesses across all current and emerging media and platforms. A WarnerMedia Company, the fully integrated, broad-based Studio is home to one of the most successful collections of brands in the world and stands at the forefront of every aspect of the entertainment industry from feature film,

television and home entertainment production and worldwide distribution to DVD and Blu-ray, digital distribution, animation, comic books, video games, product and brand licensing, and broadcasting.

ABOUT GEHRY PARTNERS

Gehry Partners, LLP is a full service architectural firm with extensive international experience in the design and construction of academic, museum, theater, performance, and commercial projects. Founded in 1962 and located in Los Angeles, California, Gehry Partners currently has a staff of approximately 160 people. Every project undertaken by Gehry Partners is designed personally and directly by Frank Gehry. All of the broad resources of the firm and the extensive experience of the firm's senior partners and staff are available to assist in the design effort and to carry this effort forward through technical development and construction administration.

ABOUT WORTHE REAL ESTATE GROUP

Worthe Real Estate Group and its related companies have been operating since 1967 and are responsible for some of the most creative and noteworthy developments in the Los Angeles region. Examples include The Reserve in Playa Vista, The Pointe in Burbank and The Post Office in Beverly Hills. The firm's portfolio is currently in excess of 5,000,000 square feet.

ABOUT STOCKBRIDGE

Stockbridge (www.stockbridge.com) is a real estate investment management firm headquartered in San Francisco, California, with offices in Atlanta, Chicago and New York. The firm's portfolio is comprised of assets across the risk spectrum, spanning all major property types throughout the United States. As of December 31, 2018, the firm's total assets under management were \$13.3 billion.

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