

Canadian Heritage selects Nordicity to analyse economic impact of Canadian production tax credit

OTTAWA — January 24, 2007 — The Department of Canadian Heritage has selected Nordicity Group Ltd. to conduct an economic analysis of the Canadian Production tax credit for eligible film and video projects.

Through the tax credit, the federal government distributed over \$200 million in financial assistance to the production of Canadian television programs and feature films during the 2005-2006 fiscal year.

Nordicity's economic analysis will assess the degree to which the tax credit stimulated the production of Canadian television programs and theatrical films, and contributed to corporate development and stable financing in the production sector.

For this assignment, Nordicity is teaming up with Dr. Michael Smart, University of Toronto, and Dr. David Gray of the University of Ottawa. Dr. Smart is an economist, and one of Canada's leading tax-policy experts. Dr. Gray is also an economist and outstanding econometrician.

"We're very pleased that [Canadian] Heritage has chosen us for this project. Over the better part of the last three decades, Nordicity has built up considerable experience in the economic analysis of the film and TV industry, and the government measures that support it," says Dustin Chodorowicz, Nordicity's chief economist. "Nordicity's involvement in this project is a further indication of its leadership in the field of economic and policy analysis."

"Professors Smart and Gray add tremendous expertise to our team; we're delighted to be working with them," he says.

The economic-analysis of the Canadian Film or Video Tax Credit is scheduled to begin immediately, and will conclude during summer 2007.

Nordicity Group Ltd. (www.nordicity.com) is one Canada's leading strategy-consulting firms for clients in the media/entertainment, culture/content, and telecommunications sectors. Our consultants work with clients in both the private and public sectors to make business and policy decisions, and to understand the impacts of policy and regulatory developments.

#####

For more information:

Peter Lyman, +1 416 569 0891, plyman@nordicity.com

For more information on Nordicity Group Ltd.:

<http://www.nordicity.com>