



**Imperial Capital Global
Opportunities Conference**

September 18, 2014

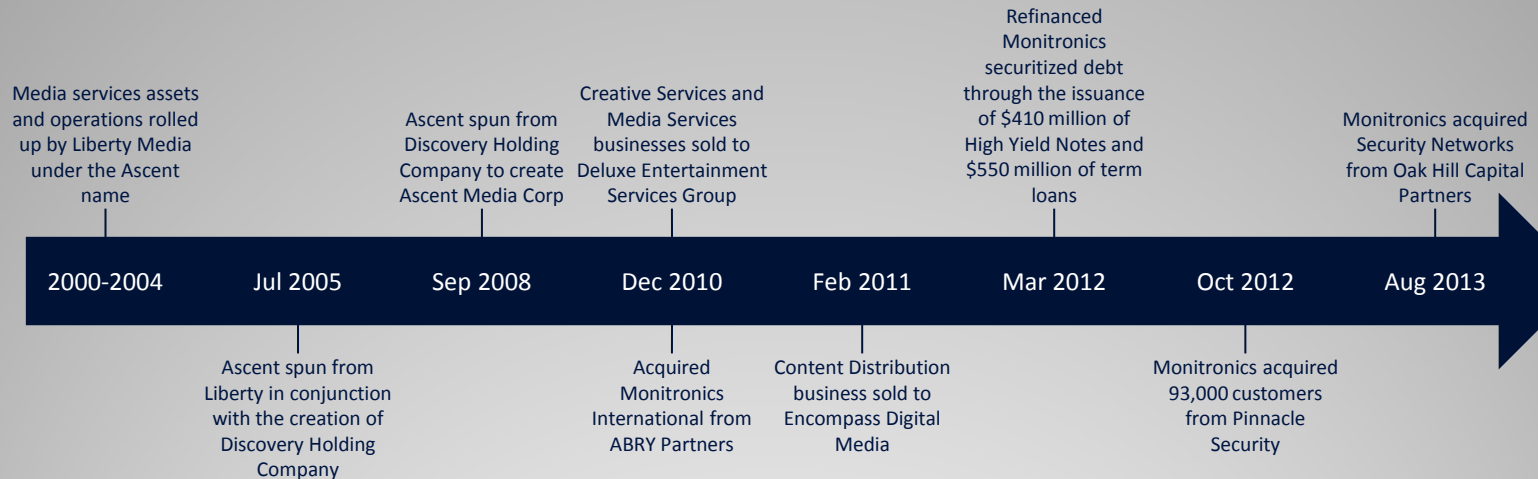
This presentation contains or may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about our consolidated performance after giving effect to the integration of Security Networks, LLC, business strategies, our ability to perform well in a challenging competitive environment, market potential, future financial performance, the growth and development of our core business, our acquisition opportunities and prospects and other matters that are not historical facts. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, the operating performance of Monitronics' network, the continued productivity of Monitronics' dealer network, Monitronics' ability to realize estimated synergies from the acquisition of Security Networks, LLC, competitive issues, continued access to capital on terms acceptable to Ascent and Monitronics, our ability to capitalize on acquisition opportunities, general market conditions and regulatory issues. These forward looking statements speak only as of the date hereof, and Ascent expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Ascent's or Monitronics' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

This presentation will discuss certain non-GAAP financial measures, including Adjusted EBITDA and Steady State Free Cash Flow. As companies often define non-GAAP financial measures differently, Adjusted EBITDA and Steady State Free Cash Flow as calculated by us may not be comparable to similarly titled measures reported by other companies. Please see Ascent's Quarterly Report on Form 10-Q for the three months ended June 30, 2014 filed with the Securities and Exchange Commission ("SEC") on August 8, 2014. For applicable definitions and reconciliations, see the Appendix at the end of this presentation together with Ascent's Current Report on Form 8-K filed with the SEC on October 14, 2011 (as amended on March 6, 2012).

- NASDAQ traded holding company
 - Significant evolution since spin from Discovery Holding Co. in Sept. 2008
 - Exited challenging media services sector
 - Entered recurring revenue, leverageable cash flow business with strong growth prospects
 - Transformed operations + improved capitalization = strong equity returns
- Current assets include:
 - Monitronics/Security Networks operating businesses
 - 2nd largest U.S. residential security alarm monitoring provider
 - 1,000,000+ customers
 - Largest independent dealer network in U.S.
 - High margin, predictable, stable, leverageable cash flows
 - Acquired Security Networks with over 200K accounts and approximately \$8.8M of RMR⁽¹⁾
 - \$155 million cash, cash equivalents and marketable securities⁽²⁾
 - Real estate assets

(1) As of August 16, 2013. Includes approximately \$0.1 million of wholesale RMR

(2) Ascent Capital cash and marketable securities as of June 30, 2014



Ascent Media Group December 2008		Monitronics December 2010 LQA		Monitronics June 2014 LQA PF		
Revenue	\$601M	Revenue	\$284M	Revenue	\$539M	+90%
Adj. OIBDA	\$70M	Adj. EBITDA	\$196M	Adj. EBITDA	\$361M	+84%
		Subscribers	670K	Subscribers	1,056K	+58%
		RMR	\$24.3M	RMR	\$43.6M	+79%
Trading as of 12/31/2008		Trading as of 12/31/2010		Trading as of 6/30/2014		
Mkt Cap ⁽¹⁾	\$307M	Mkt Cap ⁽¹⁾	\$554M	Mkt Cap ⁽¹⁾	\$910M	+64%
TEV ⁽¹⁾	\$(24)M	TEV ⁽¹⁾	\$1,389M	TEV ⁽¹⁾⁽²⁾	\$2,390M	+72%

Timeline: 2000-2004 → Jul 2005 → Sep 2008 → Dec 2010 → Feb 2011 → Mar 2012 → Oct 2012 → Aug 2013

2 years (from Dec 2008 to Dec 2010)

3½ years (from Dec 2010 to June 2014)

(1) Market capitalizations and total enterprise values based on stock price, basic shares outstanding and net debt as of 12/31/2008, 12/31/2010 and 6/30/2014, respectively
 (2) Calculation includes as debt \$28 million of unamortized discount related to Ascent's convertible bonds as reflected in Ascent's long term debt per U.S. GAAP

ASCENT
CAPITAL GROUP INC

Strong Leveraged Equity Returns

25% stock price CAGR
(9/30/10 – 9/11/14)

Strong Organic and Acquired Growth

*Operating Metrics Growth
(12/31/10 – 6/30/14)*

Revenue	90%
Adj. EBITDA	84%
Subscribers	58%
RMR	79%

Dynamic Operating Platform

- Experienced management
- Track record of success
- Efficient operating model with attractive cash flow characteristics
- Highly leverageable operating platform



Favorable Industry Dynamics

- Underpenetrated
- Fragmented
- Rising awareness
- Increasing market growth potential



Attractive Capitalization

- Appropriate use of leverage
- Significant cash reserves
- Lower cost of capital than most incumbents

Operations Snapshot

- ◆ Second largest U.S. residential security alarm monitoring provider
- ◆ Monitors signals arising from burglaries, fire, medical emergencies and other events
- ◆ More than 1 million customers in all 50 states, Puerto Rico and Canada
- ◆ High credit quality subscriber portfolio averaging 720 credit score
- ◆ Largest exclusive nationwide network of independent dealers in U.S.
- ◆ High margin, predictable, stable cash flow
- ◆ Loyal customer base with low attrition levels and an 8-year average life
- ◆ Acquired approximately 93K high quality accounts from Pinnacle Security in October 2012
- ◆ Acquired Security Networks, with over 200K accounts and approx. \$8.8M of RMR⁽¹⁾, in August 2013

(1) As of August 16, 2013. Includes approximately \$0.1 million of wholesale RMR

How the Business Model Works



- ◆ Monitronics recruits and screens dealers nationwide to become Authorized Dealers. Typical terms:
 - 3-year contract establishes purchase terms
 - Dealer guarantees account for one year
 - 5-10% holdback on purchase price
 - 15-year non-solicit on these accounts
- ◆ Dealer creates the account and handles most field work
 - Sales, installation and service
 - 3-5 year monitoring contract
 - Strong limit of liability
- ◆ Monitronics acquires the account and handles all centralized functions
 - Highly developed due diligence process
 - Monitoring, customer service and billing
- ◆ Monitronics works with Dealers to optimize business model
 - Sales and operating training
 - Incentives for quality

Monitronics focuses on low fixed cost, high-margin monitoring operations

Attractive Product and Service Offering



BURGLARY & INTRUSION

24/7 protection for subscribers' families and possessions

FIRE, SMOKE & ENVIRONMENTAL

Works even when the alarm is not armed. Fire, carbon monoxide and water leak detection

TWO-WAY VOICE

A hands-free speaker system which enables a subscriber to communicate directly with the monitoring center

HomeTouch® (HOME AUTOMATION)

Customers can remotely control and receive notices from their security systems on their smart phones/tablets and can control lights, thermostats, door locks and cameras remotely

PERS (PERSONAL EMERGENCY RESPONSE SYSTEM)

Medical panic buttons

- ◆ Approximately 63% of new customers signed up for HomeTouch® home automation services in the 2nd quarter of 2014
- ◆ Expect continued growth in demand for HomeTouch® services
- ◆ Approximately 35% of our customers currently have interactive service or home automation
- ◆ Approximately 11% of our customers currently have medical pendants



Monitronics Steady State FCF Generation

(\$ in Millions)	For The Quarter Ended	
	June 30, 2014	
	Actual	
LQA Adjusted EBITDA ⁽¹⁾		\$361.0
<u>Steady State RMR Purchases</u>		
Total Portfolio Average RMR for Period ⁽²⁾		\$43.3
Lifecycle RMR Attrition Rate ⁽³⁾	x	11.5%
Dealer Creation Cost Multiple	x	34.5
Steady State RMR Purchases		\$171.8
Annualized Maintenance Capital Expenditures ⁽⁴⁾		\$1.5
Steady State Free Cash Flow ⁽⁵⁾		\$187.7

- ◆ In a steady state scenario, Monitronics would generate higher margins due to its ability to reduce variable costs and experience a reduced dealer creation cost multiple given lower volumes, neither of which have been included in the above analysis

(1) Adjusted EBITDA for the quarter ended June 30, 2014 annualized; see Appendix for a definition and discussion of Adjusted EBITDA

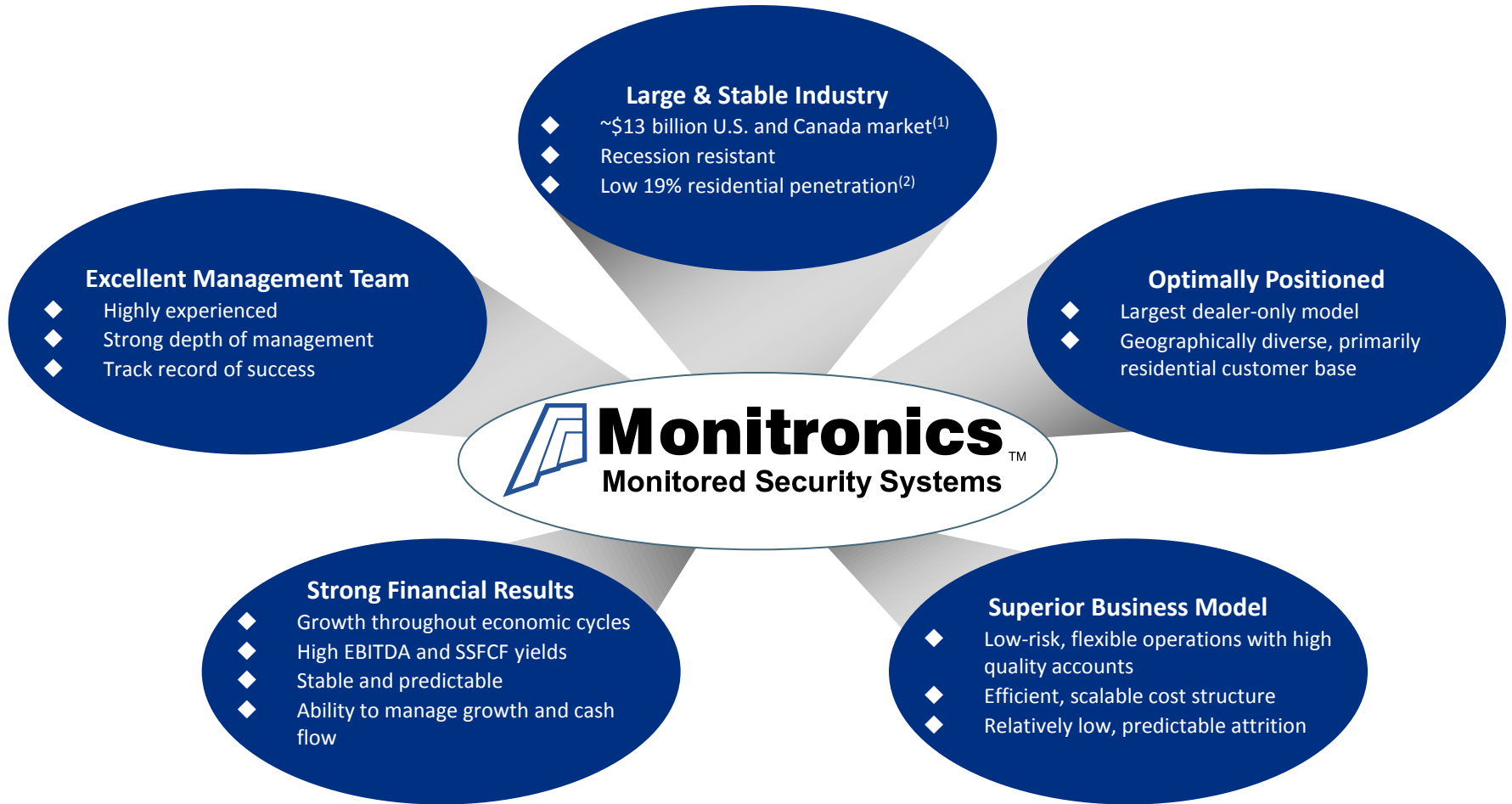
(2) Weighted average RMR for the quarter in millions

(3) Estimated annual RMR attrition over the life of our accounts. The Company's RMR attrition rate has generally been lower than unit attrition due to net rate changes being positive

(4) Annualized maintenance capital expenditures represents estimated capital expenditures required to maintain steady-state customer base

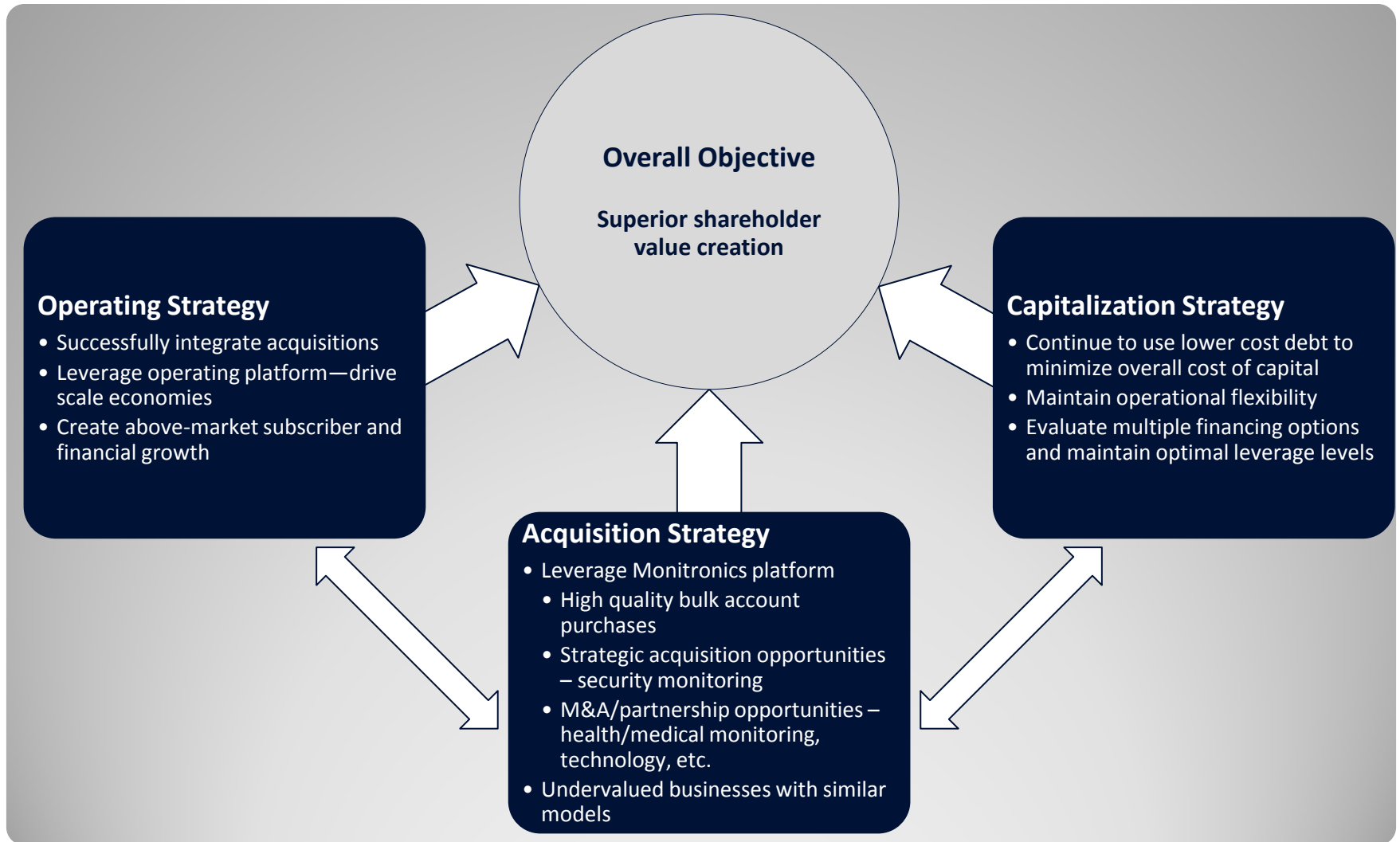
(5) See Appendix for a definition and discussion of Adjusted EBITDA and Steady State Free Cash Flow

Operations Highlights



(1) Source: IMS/ADT, estimated for 2012 residential and small business sales, installation, monitoring and service

(2) Barnes Associates



- Stable and reliable operating business with attractive core growth opportunities
- 2nd largest U.S. residential provider with largest network of dealer affiliates
- Asset-light model drives highly productive, tax efficient, cash flow characteristics
- Large, fragmented industry with significant consolidation opportunity
- Strong, stable balance sheet with sufficient liquidity and access to capital markets to fund strategic growth opportunities
- Capitalization structure to drive highly attractive equity returns

Appendix

Non-GAAP Measures and Reconciliations

(\$ in Thousands)	For the Quarter Ended June 30,	
	2014	2013
	Actual	Actual
Net Income (Loss)	(\$8,525)	\$592
Amortization of subscriber accounts, dealer network and other intangible assets	63,261	45,998
Depreciation	2,198	1,721
Restructuring charges	371	-
Stock-based compensation expense	482	402
Security Networks acquisition related costs	-	1,438
Security Networks integration related costs	1,123	-
Interest expense	29,638	19,466
Income tax expense	1,713	791
Adjusted EBITDA	\$90,261	\$70,408

Monitronics generally defines Adjusted EBITDA as net income (loss) before interest, taxes, depreciation and amortization (including the amortization of subscriber accounts, dealer network and other intangible assets) and other non-cash or non-recurring charges such as acquisition related professional fees, restructuring charges and stock-based compensation. Adjusted EBITDA does not represent cash flow from operations as defined by generally accepted accounting principles, should not be construed as an alternative to net income or loss and is indicative neither of Monitronics' results of operations nor of cash flows available to fund all of its cash needs. It is, however, a measurement Monitronics believes is useful to investors to evaluate its operating performance. Adjusted EBITDA is also a measure that Monitronics believes is customarily used by financial analysts to evaluate the financial performance of companies in the security alarm monitoring industry and is one of the financial measures, subject to adjustments, by which Monitronics' covenants are calculated under the agreements governing its debt obligations.

Monitronics also believes the measurement, Steady State Free Cash Flow, is useful to investors to understand its financial performance before the impact of expenditures for new subscribers to grow its business. Monitronics defines Steady State Free Cash Flow as Adjusted EBITDA less (i) capital expenditures necessary to maintain its existing infrastructure and (ii) the cost to replace attrited accounts.

Source: Company filings