From: "[redacted]"
To: [redacted]>
Subject: Fw: Livermore/Entertainment One update
Date: Sat, 20 Jan 2018 02:17:36 +0000
Inline-Images: bottom.letterhead; bottom(1).letterhead; bottom(2).letterhead; bottom(3).letterhead; bottom(4).letterhead; bottom(5).letterhead; bottom(6).letterhead; bottom(7).letterhead; bottom(8).letterhead; bottom(9).letterhead; bottom(10).letterhead

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Can you please pass to Jeffrey...

DLN

Sent from my BlackBerry 10 smartphone on the Verizon Wireless 4G LTE network.

From: [redacted]
Sent: Friday, January 19, 2018 9:52 AM
To: edith
Subject: Livermore/Entertainment One update

To Partners:

Our annual letter will be out in the coming weeks. In the meantime, wanted to mention we have exited our stake in **Entertainment One(ETO)**. From both fund and managed accounts. We still like the story(and love Peppa), but the equity is now "fairly valued" at 320pence.

This is double the value from our initial investment(160pence) back in January of 2016. When Livermore took an activist stake and called out the company in a letter to its Board.

This is also a reflection of the specific path we take as investors. And though we will not always get things timed just right, or witness big returns year over year, in the end, we will find value. And over time prove value investing still works.

Below is an old clip our team found. Just after Brexit.

We still see opportunity in Europe. More than in the US. Though the recent strength of the pound is beginning to show a more balanced viewpoint towards the UK.

Wish you all well in 2018,

David

Market Report: Entertainment One surges as activist investor Livermore says Peppa Pig owner 'seems to be listening' to its ideas.

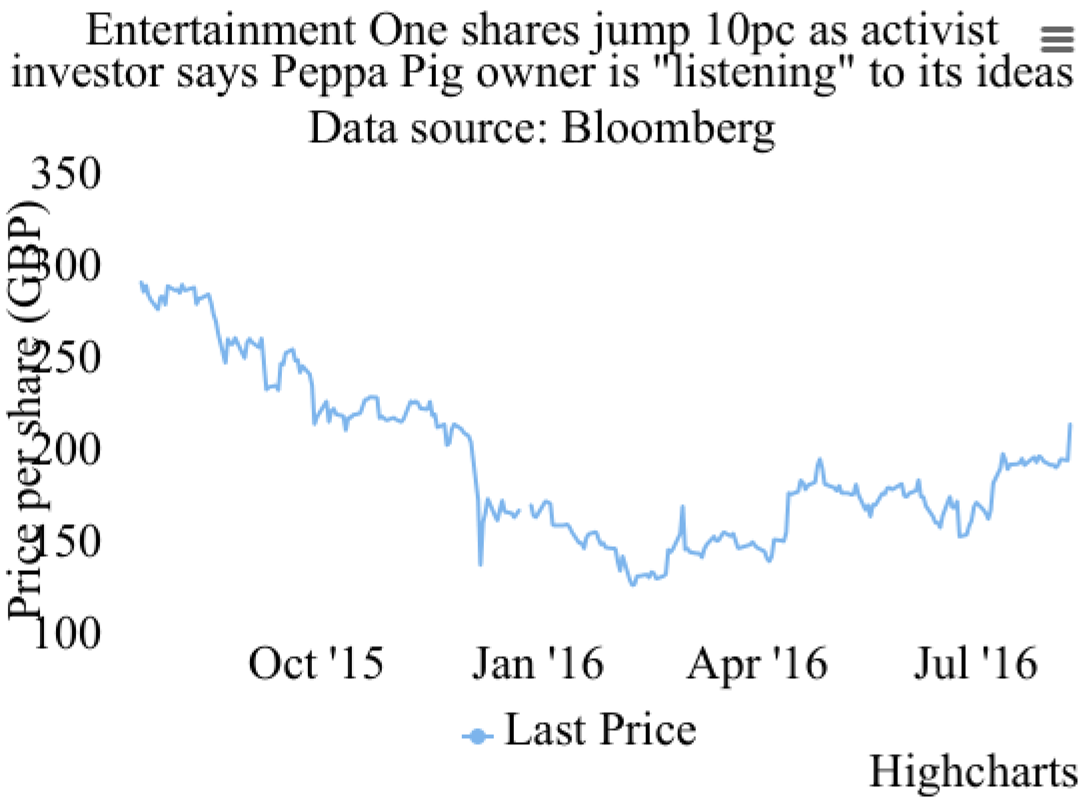
Peppa Pig owner **Entertainment One** enjoyed its best day in almost four months after US activist investor Livermore said the London-listed company "seems to be listening" to its ideas, which include board changes and a sale of its entire business.

In an investor letter, the US hedge fund said it was "searching through the rubble" in the London market for value opportunities following the Brexit vote, similar to its media investment in Entertainment One. It added: "The company seems to be listening to our ideas and so we will continue to monitor the situation."

However, Neil Campling, of Northern Trust Capital Markets cautioned that the investor letter refers to "information from May of this year rather than incremental information". He added: "As such we would caution on attributing too much emphasis to the remarks."
Use regions/landmarks to skip ahead to chart.

Entertainment One shares jump 10pc as activist investor says Peppa Pig owner is "listening" to its ideas. Data source: Bloomberg

Chart graphic



Last Price: 217.5

Livermore revealed a stake in the TV and film content and distribution company in January and since then the fund has said it could push for a share buyback if Entertainment One does not act on its demands to improve its cash flow and slow down its pace of deal-making and has also called for directors with more industry and financial expertise to be added to the board. In an interview with Reuters at the start of the year, **Livermore** managing director David Neuhauser also said it could push Entertainment One into a sale of the entire business if it doesn't see a reversal in strategy in the next 12 months.

In recent months, takeover chatter in the City suggested broadcaster ITV was circling the Toronto-based company. Traders in the City said the share price surge could also be indicative of a of market dynamics at play at the moment, which is "typical for a quiet August". Nevertheless, the investor letter caused the FTSE 250 stock to jump 19.6p, or 9.9pc, to 217.5p - its biggest daily rise since April 14.

peppa pig

peppa pig

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David L. Neuhauser
Managing Director
Livermore Partners
5 Revere Drive

[redacted]