

DESCRIPTION OF TRANSACTION

This application is additional to a number of previously filed applications that seek the Commission's consent to a transaction (the "Transaction") that will combine the television broadcast operations of Media General, Inc. ("Existing Media General") with those of LIN Media LLC ("LIN Media"). Specifically, those applications sought and have been granted authorizing:

- consent to a long-form transfer of control of the license subsidiaries of LIN Media, by making LIN Media's wholly owned subsidiary LIN Television Corporation ("LIN") a wholly owned subsidiary of a new holding company, Mercury New Holdco, Inc. (which will be renamed Media General, Inc. at closing) ("Post-Merger Media General"); and
- consent to a *pro forma* restructuring of Existing Media General to insert Post-Merger Media General and its newly-acquired subsidiary, LIN, above Existing Media General in the corporate structure (see post-merger Structure Chart at Attachment A).

The instant application seeks consent for the *pro forma* transfer of control of an additional earth station license held by a subsidiary of Existing Media General.

At the conclusion of the Transaction, the shares of Post-Merger Media General will be held approximately 67.4% by current shareholders of Existing Media General and 32.6% by current shareholders of LIN Media. As the Existing Media General shareholders will control Post-Merger Media General, the *pro forma* transfer of control applications for the Existing Media General licensee companies are required solely because of the insertion of LIN as the new parent company of Existing Media General, and Post-Merger Media General as the corporate parent of LIN.

In contrast, because current LIN Media shareholders will hold approximately 36% of the voting shares of Post-Merger Media General, the portion of the Transaction in which LIN becomes a wholly owned subsidiary of Post-Merger Media General requires long-form transfer of control applications for the LIN license subsidiaries.

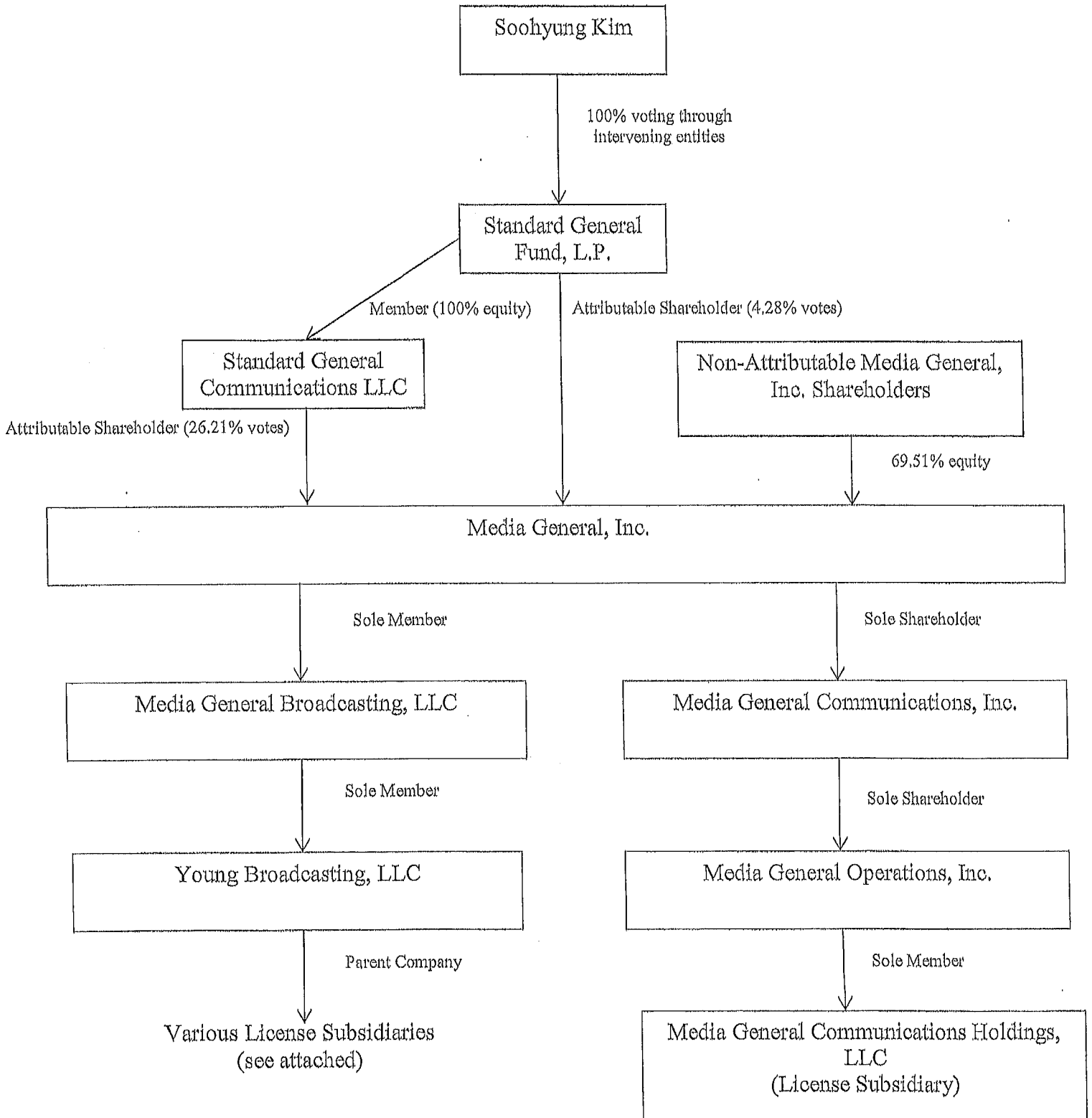
The applicants will effectuate the Transaction through a series of mergers involving newly-created subsidiaries that will be completed contemporaneously at a single closing. In the first merger, Existing Media General will merge into Mercury Merger Sub 1, Inc., a newly created, wholly-owned subsidiary of Post-Merger Media General, with Existing Media General being the surviving entity. In the second merger, LIN Media LLC will merge into Mercury Merger Sub 2, LLC, also a newly created, wholly-owned subsidiary of Post-Merger Media General, with LIN Media LLC being the surviving entity. Next, Existing Media General will move from being a wholly-owned subsidiary of Post-Merger Media General to being a wholly-owned subsidiary of LIN. LIN Media LLC will then be absorbed into Post-Merger Media General, making LIN Media LLC's wholly-owned subsidiary, LIN, a wholly-owned subsidiary

of Post-Merger Media General. The before and after corporate structures are illustrated in Attachment A. Note that the consummation of the Transaction will not alter the current ownership structure of the subsidiaries of LIN or of Existing Media General, including the license subsidiaries.

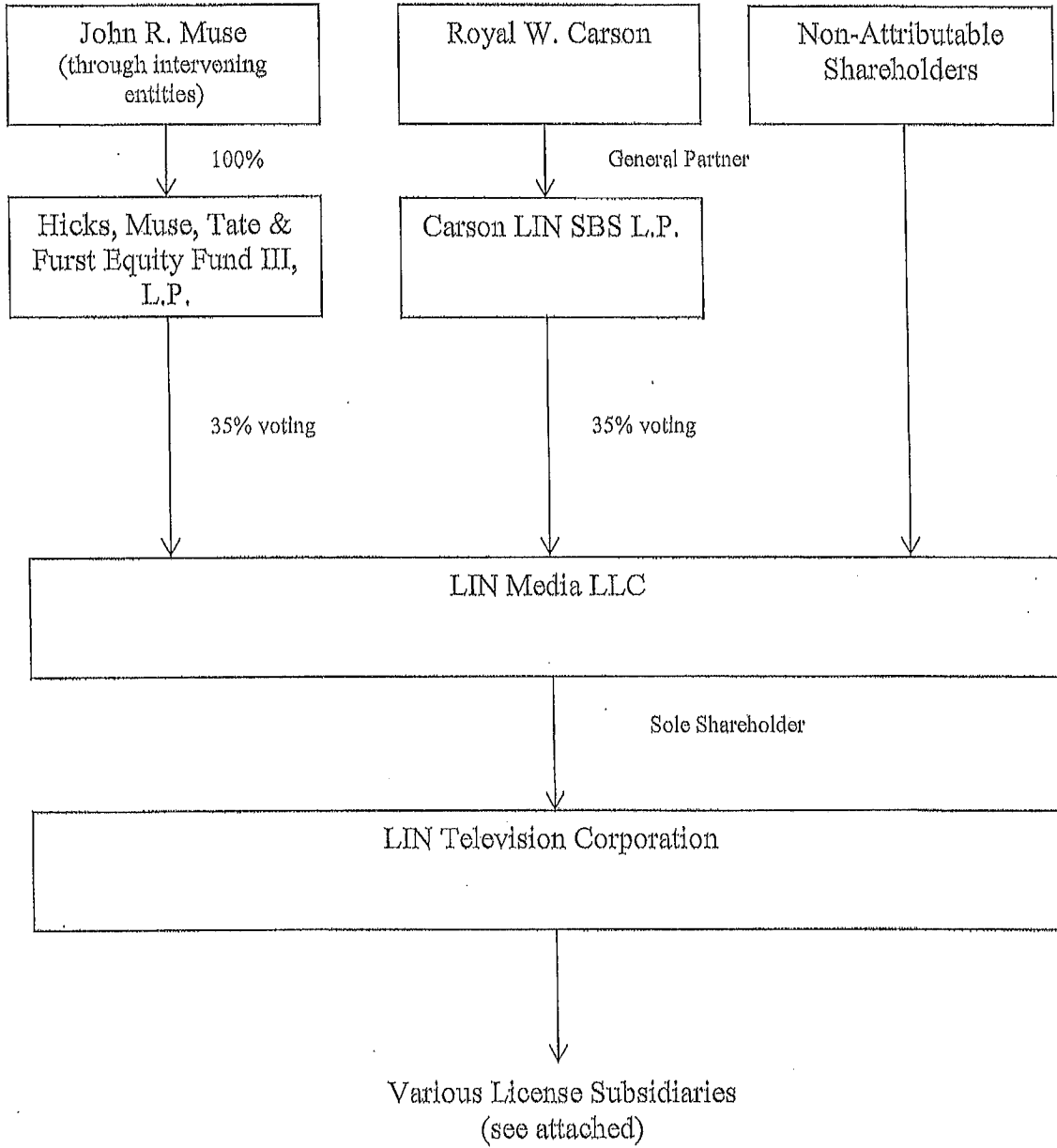
As part of the merger process, the present shareholders of Existing Media General and of LIN Media LLC will surrender their shares in those companies in exchange for stock of Post-Merger Media General, with the LIN Media LLC shareholders having the opportunity to elect cash consideration up to a stated level. As noted above, at the conclusion of the Transaction, approximately 67.4% of the shares of Post-Merger Media General will be held by the former shareholders of Existing Media General, and approximately 32.6% will be held by former shareholders of LIN Media LLC.

The proposed Transaction will increase the merged company's operational efficiencies and capabilities in serving the public, ensure continuance of existing service to the public, and maintain current levels of competition and diversity in local markets while creating potential opportunities for new entrants in seven television markets. For those reasons, the Transaction also strongly serves the public interest, and therefore the applicants urge the Commission to promptly process and grant its associated applications.

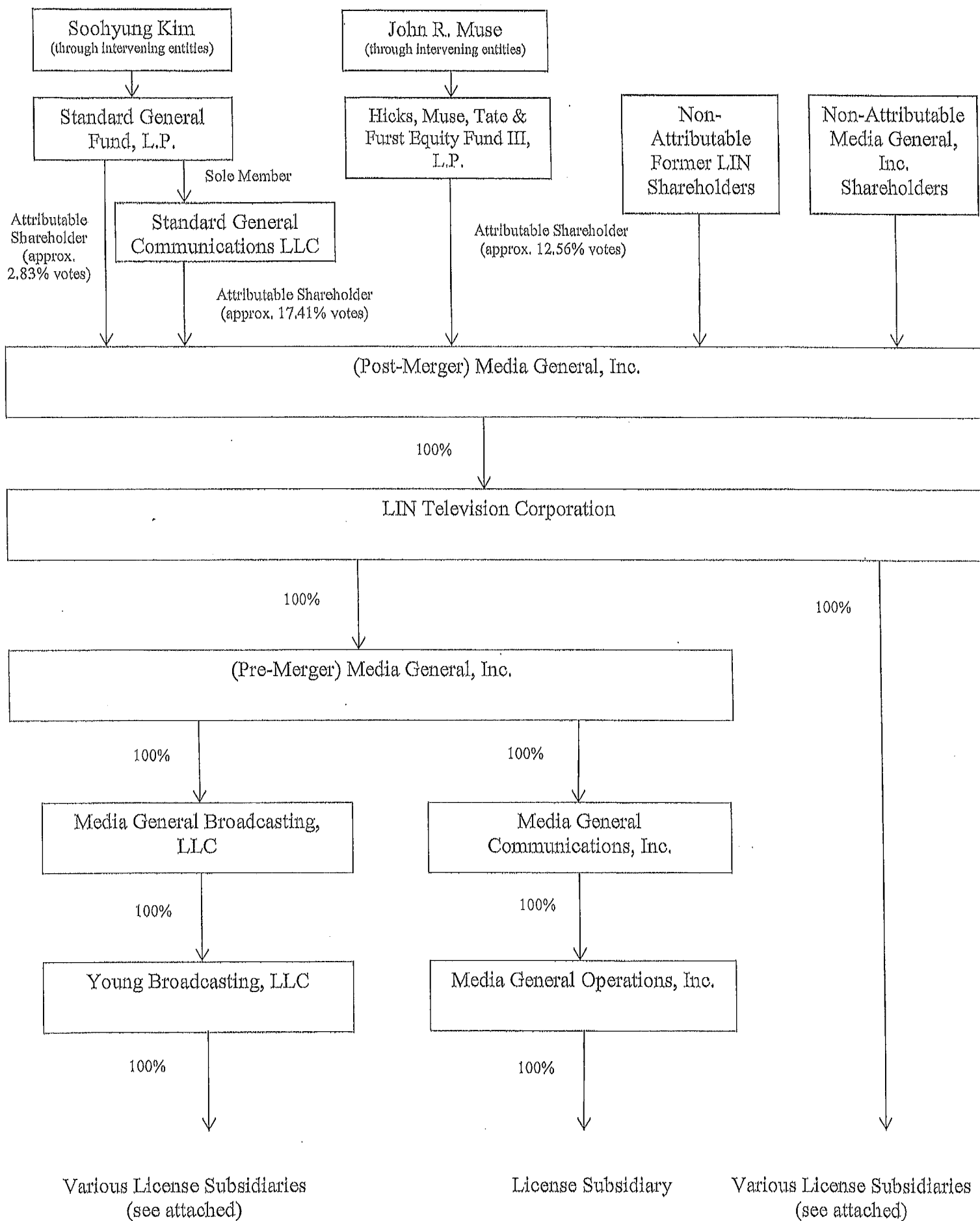
(Pre-Merger) Media General, Inc. Ownership Structure



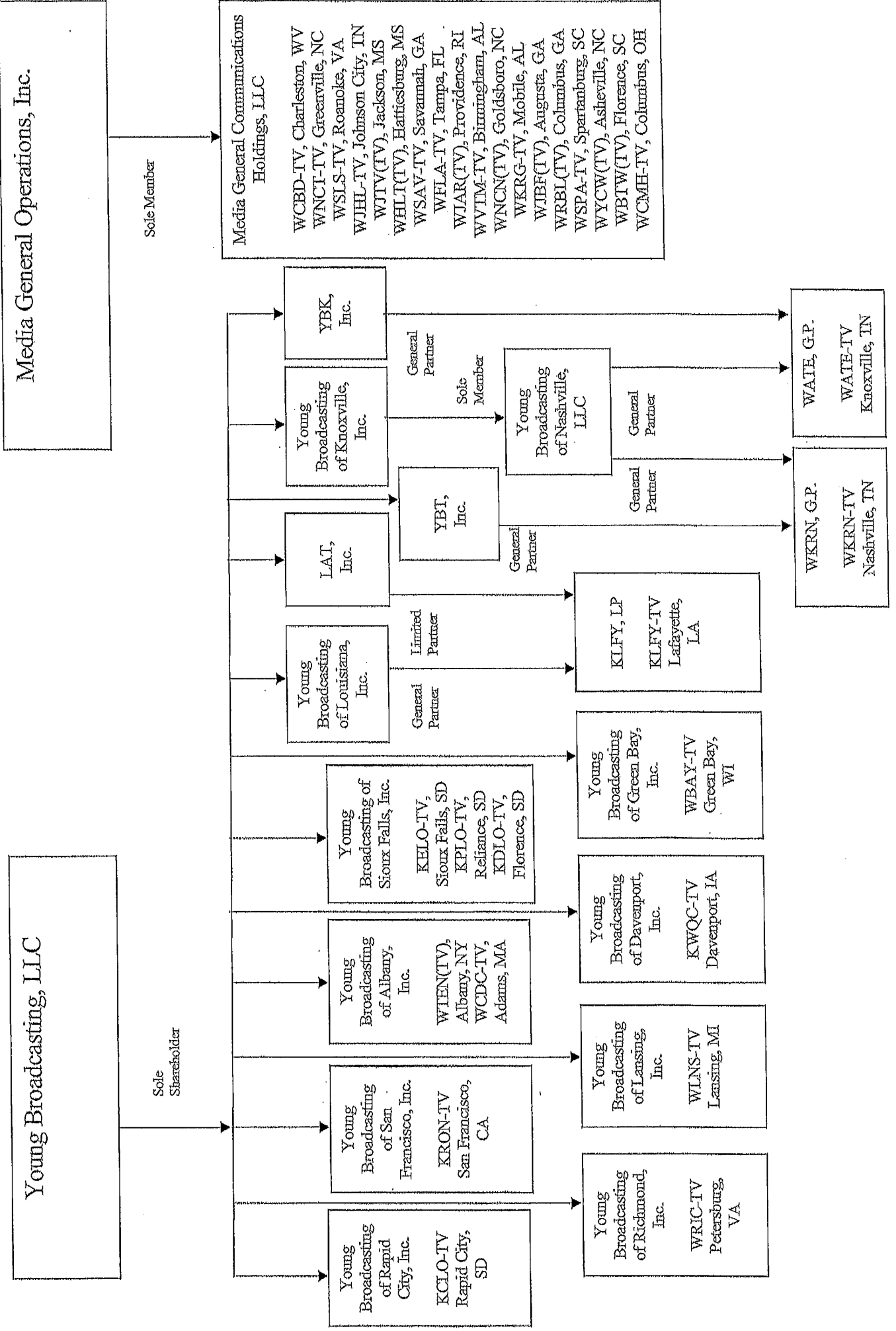
(Pre-Merger) LIN Media LLC Ownership Structure



(Post-Merger) Media General, Inc. Ownership Structure



Media General License Subsidiaries Structure Chart



LIN Media License Subsidiaries Structure Chart

