

Press Release

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PricewaterhouseCoopers Entrusted with Hollywood's Best Kept Secrets for 74 Years Running

Continuing its distinguished 74-year association with the Academy Awards®, PricewaterhouseCoopers LLP today announced that Brad Oltmanns and Rick Rosas will again lead the balloting process for the 80th Annual Academy Awards. Oltmanns and Rosas are the only two people in the world who will know the identity of the Oscar winners before the live telecast on ABC at 5 p.m. PST (8 p.m. EST) on Sunday, February 24, 2008.

Sid Ganis, president, Academy of Motion Picture Arts and Sciences said:

“PricewaterhouseCoopers ensures complete confidentiality and security in our voting process by counting every single ballot by hand. Trust, integrity and tradition are at the core of our relationship with PricewaterhouseCoopers.”

PricewaterhouseCoopers' engagement with the Academy represents a tremendous honour for the firm. In 74 years, only 12 partners have counted the ballots. In order to achieve complete confidentiality, Oltmanns and Rosas, PricewaterhouseCoopers partners in Los Angeles, lead a closed-mouth group of accountants who work on the project from a secret location for several days.

Brad Oltmanns said:

“PricewaterhouseCoopers has created an intentionally low-tech process of hand tabulations that reflects the pride we take in having maintained the highest level of security and secrecy for seven decades and counting. Our approach has been nothing short of 100 percent effective in preserving these cherished secrets while delivering the accurate and reliable results for the Academy. This assignment is one that truly represents an honour, privilege and thrill of a lifetime.”

Now in his fourth year in a lead balloting role, Mr. Oltmanns has served PricewaterhouseCoopers for 28 years.

Rick Rosas said:

“We are committed to our enduring relationship with the Academy and safeguarding Hollywood's most prized and sought after secret. We are very proud of being the Academy's ballot tabulator and in the fact there has never been a security breach during our 74-year relationship.”

Mr. Rosas has served the firm for 12 years and this is his seventh year leading the Academy's balloting process.

In the UK, Phil Stokes, partner, PricewaterhouseCoopers, London, is coordinating the European balloting process as he has done for the past six years.

Nomination ballots were mailed to approximately 6,000 voting members on December 26, 2007; nominations ballots are due by January 12. Within 10 days, on January 22, the PricewaterhouseCoopers ballot team will deliver nominations results to the Academy. Final ballots will be mailed on January 30, 2008; final ballots are due by February 19.

How it Works

The Academy uses a preferential voting system in the nomination phase of balloting. The Academy's Board of Governors adopted this system in 1936 to ensure that every voter has an opportunity to influence the results. The system was designed for elections in which there will be more than one winner – e.g., five Oscar nominees in a category.

Each voter receives a ballot to indicate their top five choices in the relevant category(ies). When the PricewaterhouseCoopers team makes their initial count, they sort the ballots by first-place choices. An initial numerical standard, or “magic” number, needed for nomination is then determined. This number is calculated by dividing the total number of ballots by the number six – i.e., the number of possible nominees (five) plus one. A particular achievement must receive at least one first-place vote to stay in the counting. In the second pass, the PricewaterhouseCoopers' ballot counters ignore all ballots on which the first-place choice has already secured a nomination, thus reducing the magic number. The reasoning is that once a voter's voice has been heard, he/she retires from the process. The tabulators then go to the remaining ballots and count second choices, then third, and so on. Again, each time a ballot is used to vote for a candidate who has made the grade, that ballot is removed from further consideration.

In this way, every vote can be influential. The objective of the preferential voting system is to integrate the choices of individual members so as to produce nominees that express

as closely as possible the collective judgment of the members. In summary, the preferential voting system is optimal for elections having more than one winner, such as the selection of multiple nominees, and provides the fairest opportunity for an individual voter to have an influence in the outcome.

After the nominations have been announced, the final voting process is simple: the nominee receiving the most votes wins. As a precautionary measure, two complete sets of envelopes bearing the recipients' names are prepared and brought by the two PricewaterhouseCoopers partners to the ceremony via separate, secret routes. As a secondary precautionary measure, the PricewaterhouseCoopers partners also memorize the names of the respective award winners. Identities of Oscar recipients are kept strictly confidential until they are announced during the live telecast, during which Oltmanns and Rosas remain backstage and hand the envelopes to award presenters immediately before they walk onstage.

For additional information including photos and video, visit: www.pwc.com/balloting.

Fun Facts from 74 Years of Oscars® Balloting

- **430,000+:** The approximate number of ballots counted by PricewaterhouseCoopers in 73 years on the job.
- **2,497:** The number of winners' envelopes stuffed since the envelope system was introduced in 1941.
- **1,700:** The approximate number of “person-hours” it takes the PricewaterhouseCoopers team every year to count and verify the ballots by hand.
- **74:** The number of years PricewaterhouseCoopers has conducted the Oscar balloting.
- **55:** The number of broadcasts PricewaterhouseCoopers' partners have appeared on since 1953 – the year the Oscars were first televised. The partners used to come on stage to hand-deliver the envelopes – hence, “and the envelope please” – but this is now done just offstage.
- **24:** The number of awards categories to be tabulated for the 80th Academy Awards at a secret location known only to the members of the small PricewaterhouseCoopers ballot team.
- **7:** The number of days it takes to count the ballots for nominations.
- **3:** The number of days it takes to count the final ballots.

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Notes to Editor:

1. For additional information including photos and video, visit:
www.pwc.com/balloting.

2. **About PricewaterhouseCoopers**

PricewaterhouseCoopers provides industry-focused assurance, tax and advisory services to build public trust and enhance value for its clients and their stakeholders. More than 146,000 people in 150 countries across our network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

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