

January 27, 2014

DRIVE SHACK INC.

Newcastle Declares Record Date & Distribution Date For Spin-Off of New Media Investment Group Inc.

NEW YORK--(BUSINESS WIRE)-- Newcastle Investment Corp. ("Newcastle" or the "Company"; NYSE:NCT) announced today that its Board of Directors has formally declared the distribution of its equity interest in New Media Investment Group Inc. ("New Media"). Newcastle's equity interest represents 25,373,120 shares (the "Distributed Shares"), or approximately 85% of the total number of outstanding shares of New Media common stock. Following the distribution, New Media will be an independent, publicly traded company (NYSE: NEWM) primarily focused on investing in local media assets and on growing its existing online advertising and digital marketing services business.

The distribution will be made on or about February 13, 2014 (the "Distribution Date") to Newcastle common stockholders of record ("NCT Record Holders") as of 5:00 p.m., Eastern Time, on February 6, 2014 (the "Record Date").

A registration statement relating to the Distributed Shares has been filed with the Securities and Exchange Commission (the "SEC") but has not yet become effective. Newcastle expects the registration statement to be declared effective in the coming days. The Distributed Shares may not be distributed prior to the time the registration statement becomes effective. A copy of the prospectus may be obtained from New Media Investment Group Inc., Attention: Investor Relations, 1345 Avenue of the Americas, New York, New York 10105, Tel: 212-479-3160.

Distribution Ratio

The distribution ratio for the spin-off is 0.07219 shares of New Media for each share of Newcastle common stock held as of the Record Date. Fractional shares will not be distributed in the spin-off. Instead, as soon as practicable after the spin-off, American Stock Transfer & Trust Company, LLC, the distribution agent, will aggregate fractional shares and sell these shares in the open market at prevailing market prices and distribute the applicable portion of the aggregate net cash proceeds of these sales to each holder who otherwise would have been entitled to receive a fractional share in the spin-off.

Trading Before and on the Distribution Date

The New York Stock Exchange ("NYSE") has informed Newcastle that, in connection with the spin-off, it will establish three trading markets beginning on February 4, 2014 and continuing through the Distribution Date:

- In the "regular way" market (NYSE: NCT), shares of Newcastle common stock will trade with the right to the Distributed Shares.
- In the "ex-distribution" market (NYSE: NCT WI), shares of Newcastle common stock

will trade without the right to the Distributed Shares.

- In the “when-issued” market (NYSE: NEWM WI), the right to the Distributed Shares will be traded.

Newcastle shares trading in the “regular-way” market will trade with an entitlement to the Distributed Shares. Therefore, a shareholder who sells Newcastle common stock in the “regular-way” market (including on the Distribution Date) will also be selling the right to receive Distributed Shares.

Investors are encouraged to consult with their financial advisors regarding the specific implications of buying or selling shares of Newcastle common stock on or before the Distribution Date.

Trading after the Distribution Date

On the first trading day after the Distribution Date, the Distributed Shares will commence trading on a “regular way” basis under the ticker symbol “NEWM,” and Newcastle’s shares of common stock will commence trading on an “ex-distribution” basis under the ticker symbol “NCT.”

Tax Considerations

Certain tax considerations are summarized below. This summary does not constitute tax advice. It does not purport to be complete or to describe the tax consequences that may apply to particular categories of stockholders. For more information, please refer to New Media’s registration statement on Form S-1, as filed with the SEC. Newcastle stockholders should consult their own tax advisors regarding the tax consequences of the distribution to their particular situation, including, without limitation, the applicability and effect of any U.S. federal, state, local and foreign tax laws, the specific implications of selling Newcastle common stock on or prior to the Distribution Date, and the calculation of tax basis.

Tax Basis of the Distributed Shares

Shortly following the Distribution Date, Newcastle will announce Record Holders’ tax basis in the Distributed Shares, which will be equal to the fair market value of the Distributed Shares.

Taxability of the Distribution

The fair market value of the Distributed Shares, or a portion thereof, may be taxable. However, the taxable portion of the Distributed Shares, if any, cannot be determined until early 2015 because it is based on Newcastle’s total distributions in 2014 and Newcastle’s accumulated and current earnings and profits (“E&P”) at the end of 2014.

For U.S. federal income tax purposes, all of Newcastle’s distributions (whether in the form of cash or stock) in any year are treated as taxable dividends to the extent of its E&P for such year. Assuming that Newcastle has positive E&P at the end of 2014 and that total distributions in 2014 are less than or equal to E&P at the end of 2014, then the entire fair market value of each distribution, including the Distributed Shares, will be taxable. Assuming that Newcastle has positive E&P at the end of 2014 and that total distributions in 2014 are greater than E&P at the end of 2014, then a portion of each distribution, equal to the ratio of

(i) E&P to (ii) the aggregate fair market value of 2013 distributions, will be taxable.

About Newcastle

Newcastle focuses on investing in, and actively managing, real estate related assets and primarily invests in: (1) Senior Housing Assets and (2) Real Estate & Other Debt, in addition to other opportunistic investments. The Company conducts its operations to qualify as a real estate investment trust for federal income tax purposes. The Company is managed by an affiliate of Fortress Investment Group LLC, a global investment management firm.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, Newcastle's expectations regarding the completion of the spin-off, the timing of the distribution of New Media shares, the declaration of effectiveness by the SEC of New Media's registration statement and the establishment of when-issued and ex-distribution trading markets for New Media and Newcastle shares, respectively. These statements are based on management's current expectations and beliefs and are subject to a number of uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. Newcastle can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from the expectations include, but are not limited to, the risk that the SEC does not declare the registration statement effective on the anticipated timeframe or at all, the risk that other conditions to the completion of the spin-off, as described in the registration statement filed by New Media with the SEC, are not satisfied or waived, and the risk that the spin-off cannot be completed for any other reason. Accordingly, you should not place undue reliance on any forward-looking statements contained in this press release. For a discussion of some of the risks and important factors that could affect such forward-looking statements, see each company's filings with the SEC and particularly the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" in New Media's registration statement on Form S-1, which is available on the SEC's website (www.sec.gov) and Newcastle's website (www.newcastleinv.com), and Newcastle's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which is available on Newcastle's website. In addition, new risks and uncertainties emerge from time to time, and it is not possible to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this press release. Newcastle and New Media each expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

Newcastle Investment Corp.
Investor Relations
212-479-3195

Source: Newcastle Investment Corp.