



Kinepolis Group  
Roadshow  
Private Placement

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June 2019

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# Kinennolis in Europe

visitors  
in 2018  
in europe

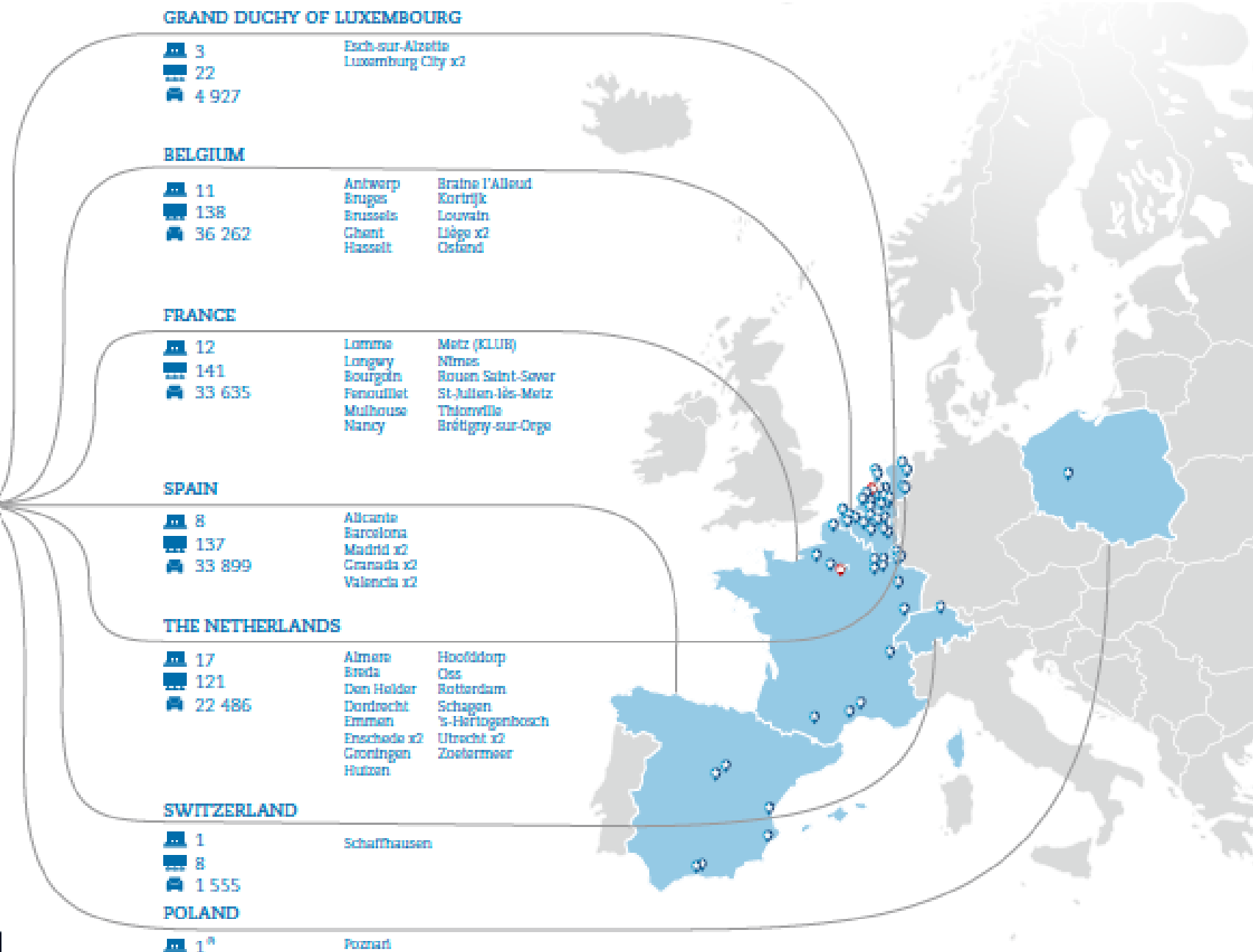
 **24** mio

complexes  **53<sup>®</sup>**

screens  **567**

seats  **132 764**

(\*) The cinema in Poland is operated by  
a third party



# Kinennolis in Canada - Landmark Cinemas

visitors  
in 2018  
in Canada  **11.6** mio

complexes  44

screens  317

seats  45 355

Total Kinennolis Group:

- 97 cinemas
- 884 screens
- > 170,000 seats

## YUKON




 2 Whitehorse (Qwanlin)  
 4 Whitehorse (Yukon)  
 704

## BRITISH COLUMBIA

 14  
 85  
 13 509

Campbell River  
Courtenay  
Cranbrook  
Dawson Creek  
Fort St. John  
Kelowna  
Nanaimo  
New Westminster  
Penticton  
Port Alberni  
Surrey (Guildford)  
Victoria  
West Kelowna (Encore)  
West Kelowna (Xtreme)

## ALBERTA

 11  
 68  
 10 423

Airdrie  
Brooks  
Calgary (Country Hills)  
Calgary (Shawnessy)  
Drayton Valley




Edmonton (City Centre)  
Edmonton (Spruce Grove)  
Edson  
Fort McMurray  
St. Albert  
Sylvan Lake

## SASKATCHEWAN

 2  
 8  
 1 141

Saskatoon  
Yorkton

## MANITOBA

 5  
 31  
 4 786

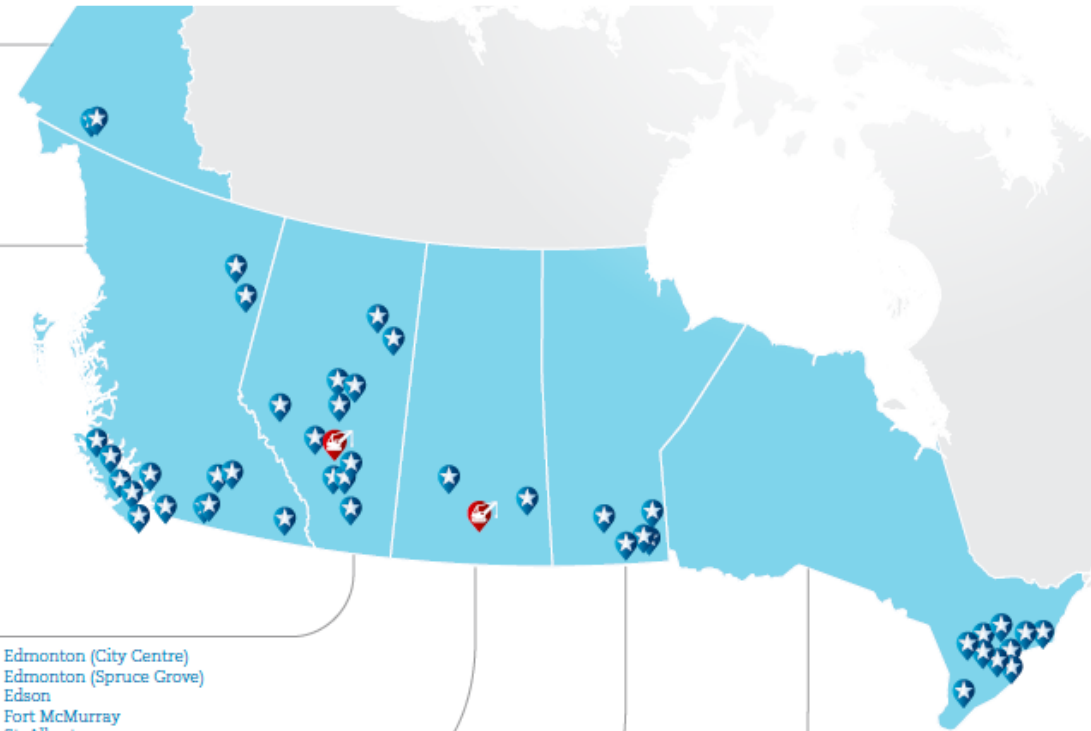
Brandon  
Selkirk  
Winkler  
Winnipeg (Grant Park)  
Winnipeg (Towne)

## ONTARIO

 10  
 121  
 14 792

Bolton  
Hamilton (Jackson Sq.)  
Kanata  
Kingston  
Kitchener

London  
Orleans  
St. Catherines  
Waterloo  
Whitby



# Kinepolis and our strategy





## Three strategic pillars



Best cinema operator



Best marketer



Best real estate manager

# Best cinema operator



- Budget Ownership
- Financial KPI's
- Customer Satisfaction
- People Satisfaction
- “Micro-manage to get macro-results”



# Best marketer

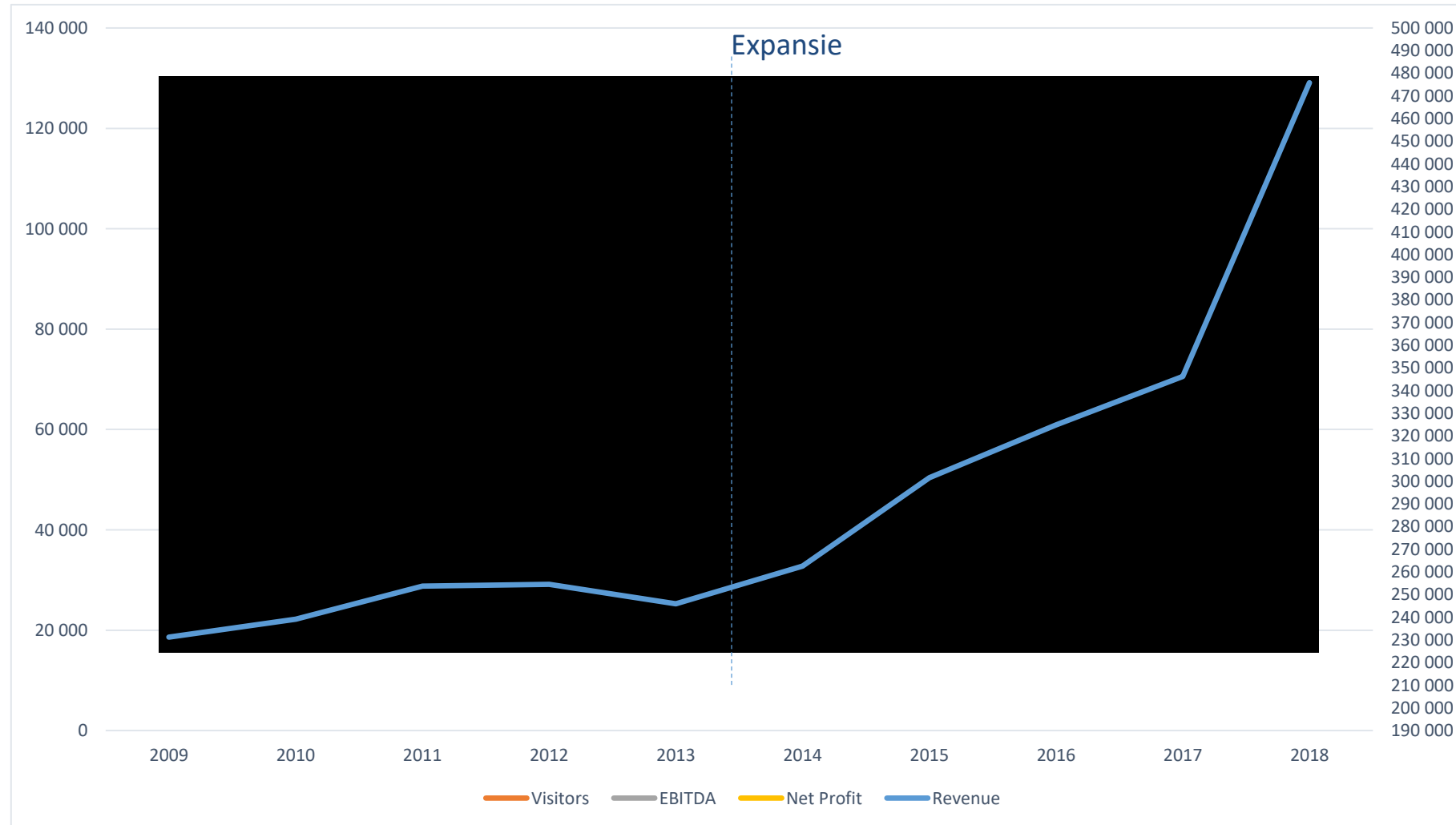


- Customer knowledge and -segmentation
- Preference Center
- Net Promotor Score
- Active Programming
- Digitalisation
- Ultimate movie experience

# Best real estate manager

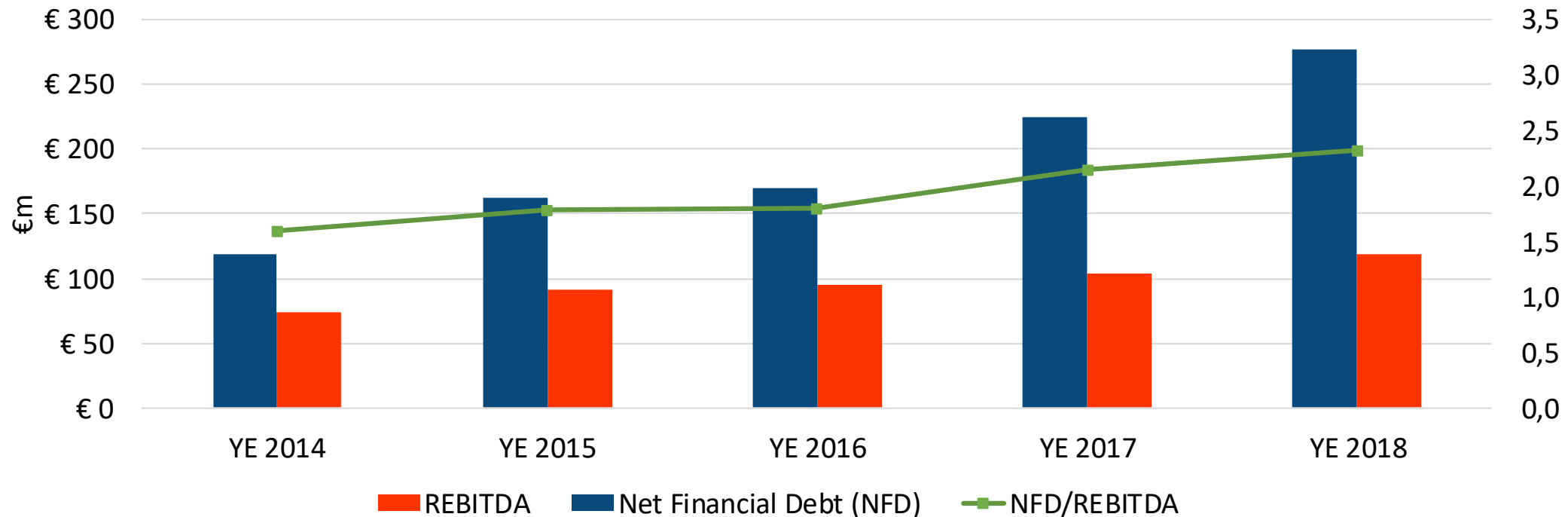


# Financial Performance



# Financial Leverage

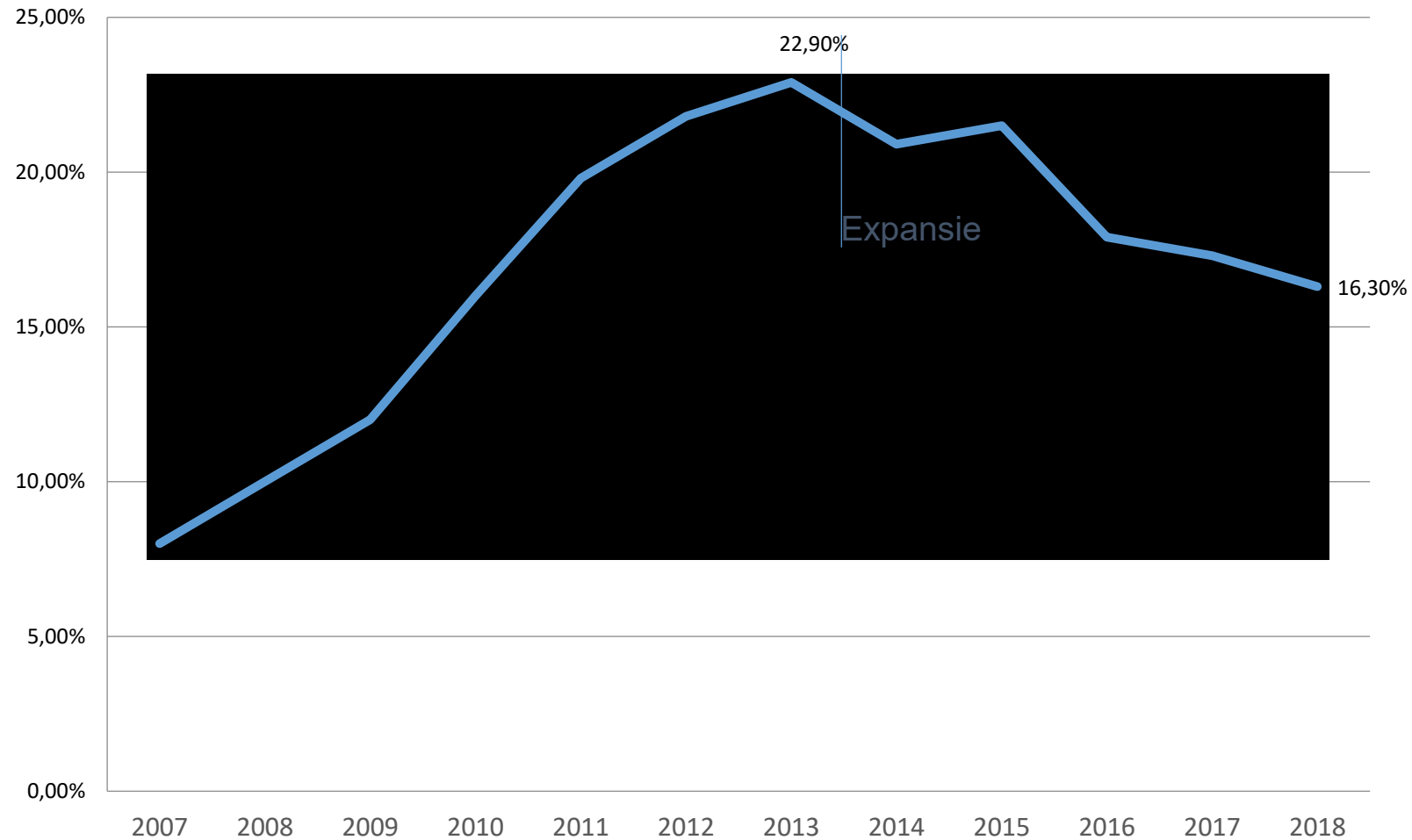
€m	YE 2018	YE 2017	Better/-Worse	% Better/ -Worse
Net Financial Debt (NFD)	276,8	224,3	-52,5	-23,4%
Leverage ratio*: NFD/REBITDA**	2,33	2,15		



\* Not bank definition

\*\* Corrected REBITDA 12 months Canada

# Return on Capital Employed



*From a “self-learning” to a  
“self-innovating” organisation*

*From “the ultimate cinema experience”  
to “the ultimate movie experience”*







# Expansion





## REALIZED ACQUISITIONS AND GREENFIELDS (2014 – 2018)

Country	City	# Complexes	# Screens	Est. Visitors / Year	Realized
Spain	Alicante	1	16	1,0 mio	Q2 2014
	Alcobendas - Madrid	1	12		
	Nevada – Granada	1	8	0,4 mio	Q4 2016
The Netherlands	Wolff Bioscopen	9	46	1,6 mio	Q3 2014
	Acq. Building Enschede (Wolff)				Q2 2015
	Dordrecht (greenfield)	1	6	0,3 mio	Q1 2016
	Breda (greenfield)	1	10	0,5 mio	Q3 2016
	Utrecht (greenfield)	1	14	1,2 mio	Q1 2017
	NH Bioscopen	2	13	0,6 mio	Q1 2018
	's Hertogenbosch (greenfield)	1	7	0,4 mio	Q2 2018
	Acq. Building Utrecht (City)				Q3 2018
	Utopolis Group	9	63	2,4 mio	Q4 2015
France	Bourgoin	1	12	0,6 mio	Q3 2015
	Rouen	1	14	0,4 mio	Q1 2016
	Fenouillet (greenfield)	1	8	0,4 mio	Q4 2016
	Metz (Palace) (greenfield)	1	7	0,2 mio	Q3 2018
	Brétigny-sur-Orge (greenfield)	1	10	0,5 mio	Q3 2018
Canada	Landmark	44	303	10,2 mio	Q4 2017
	St. Albert (greenfield)	1	8	0,3 mio	Q1 2018
	Saskatoon (greenfield)	1	7	0,3 mio	Q2 2018
	Fort McMurray *	1	8	-	Q4 2018
<b>Total</b>		<b>79</b>	<b>572</b>	<b>21,3 mio</b>	

\* Replacement of existing 6 screen theatre in ownership by rented one



# Planned greenfields\*

Country	City	# Screens	Est. Visitors / Year	Estimated opening
France	Servon	9	0,4 mio	2019
The Netherlands	Schalkwijk Haarlem	6	0,3 mio	2020
Canada	Calgary (Alberta)	5	0,3 mio	2019
	Regina (Saskatchewan)	8	0,4 mio	2019
	SE Edmonton (Alberta)	8	0,4 mio	2020
<b>Total</b>		<b>36</b>	<b>1,8 mio</b>	

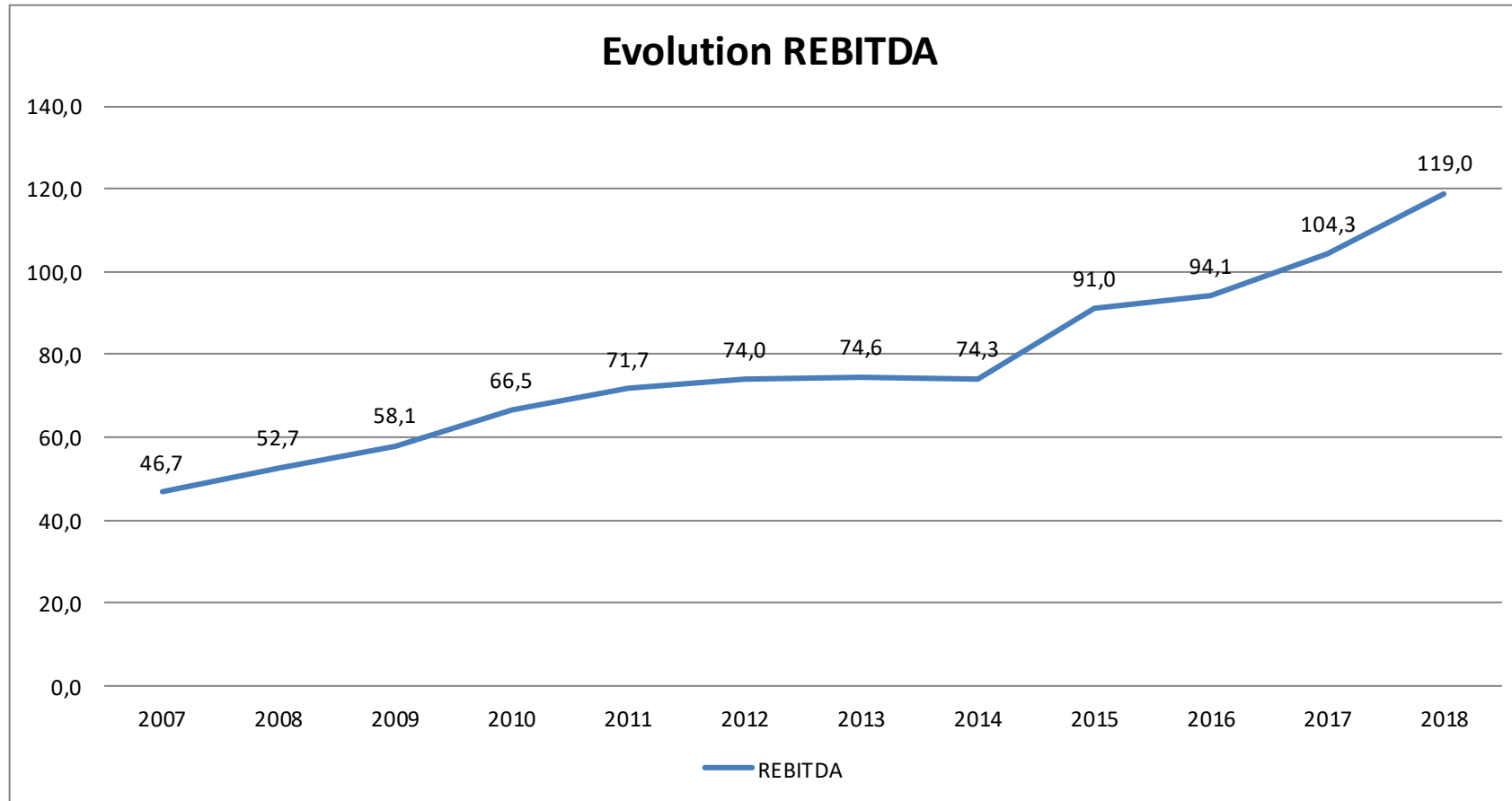
\* The listed planned greenfields are greenfields for which an irrevocable license was obtained, except Haarlem

Key in our expansion strategy

# IMPROVEMENT POTENTIAL

... trade-off versus size ...

# RESULTS EXECUTION LONG TERM STRATEGY



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
leverage	2,97	2,45	1,54	1,01	1,07	1,22	1,18	1,60	1,78	1,80	2,15	2,33



# Business Review 2018

KINEPOLIS GROUP



- ❑ Integration of Landmark Cinemas Canada on track
- ❑ Solid contribution of Landmark to overall Group results
- ❑ Further implementation of Group strategy and in particular premiumisation led to further increase in sales per visitor
- ❑ Weaker visitor numbers in European countries due to warm weather, the World Cup and a less successful film offering
- ❑ Further steps in expansion strategy



## KEY FINANCIALS

€m	YE 2018	YE 2017	% Better / -Worse
<b>Revenue</b>	<b>475,9</b>	<b>355,4</b>	<b>33,9%</b>
<i>Visitors ('000)</i>	<i>35.591</i>	<i>25.290</i>	<i>40,7%</i>
<b>EBITDAR</b>	<b>145,1</b>	<b>113,8</b>	<b>27,5%</b>
<b>REBITDAR</b>	<b>146,9</b>	<b>114,9</b>	<b>27,9%</b>
<i>REBITDAR Margin</i>	€ 4,12/Vis 30,8%	€ 4,54/Vis 32,3%	-154 bps
<b>EBITDA</b>	<b>117,2</b>	<b>103,2</b>	<b>13,6%</b>
<b>REBITDA</b>	<b>119,0</b>	<b>104,3</b>	<b>14,1%</b>
<i>REBITDA Margin</i>	€ 3,34/Vis 25,0%	€ 4,12/Vis 29,3%	-434 bps
<b>EBIT</b>	<b>79,1</b>	<b>72,9</b>	<b>8,5%</b>
<b>REBIT</b>	<b>80,9</b>	<b>74,0</b>	<b>9,3%</b>
<i>REBIT Margin</i>	<i>17,0%</i>	<i>20,8%</i>	<i>-382 bps</i>
<b>Profit</b>	<b>47,4</b>	<b>49,1</b>	<b>-3,4%</b>
<b>Recurring Profit</b>	<b>47,5</b>	<b>44,7</b>	<b>6,2%</b>
<i>EPS (in €)</i>	<i>1,76</i>	<i>1,80</i>	<i>-2,2%</i>
<b>Free Cash Flow</b>	<b>64,7</b>	<b>59,4</b>	<b>8,9%</b>

€m	YE 2018	YE 2017	Better / -Worse
<b>Net Financial Debt (NFD)</b>	<b>276,8</b>	<b>224,3</b>	<b>-52,5</b>



## VISITORS

Visitors (000's)	YE 2018	% of Tot	YE 2017	% of Tot	% Δ YoY
Belgium	7.987	22,4%	8.428	33,3%	-5,2%
France	6.571	18,5%	7.053	27,9%	-6,8%
Canada	11.630	32,7%	1.070	4,2%	986,9%
Spain	4.306	12,1%	4.397	17,4%	-2,1%
The Netherlands	4.073	11,4%	3.177	12,6%	28,2%
Luxembourg	920	2,6%	1.044	4,1%	-11,9%
Switzerland	104	0,3%	121	0,5%	-14,0%
<b>Total</b>	<b>35.591</b>	<b>100,0%</b>	<b>25.290</b>	<b>100,0%</b>	<b>40,7%</b>



# MOVIES

Top 5 Movies 2018*	3D	Visitors (000's)
1. Avengers: Infinity War	✓	1.401
2. The Incredibles 2	✓	1.256
3. Jurassic World II	✓	1.161
4. Black Panther	✓	1.021
5. Bohemian Rhapsody		901
<b>Top 5</b>		<b>5.741</b>
<b>Weight Top 5</b>		<b>16,1%</b>

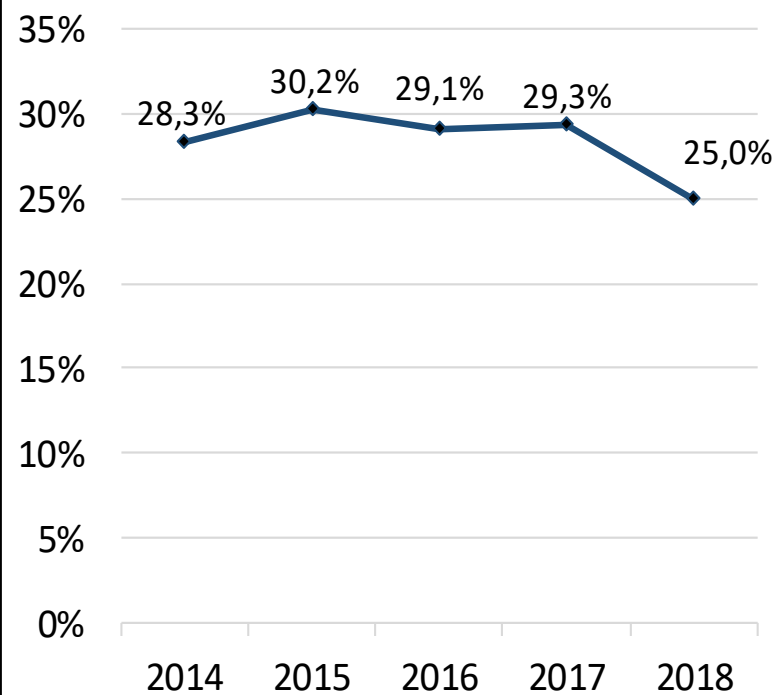
\* Growth top 5 thanks to expansion

Top 5 Movies 2017	3D	Visitors (000's)
1. Star Wars: Episode VIII - The Last Jedi	✓	816
2. Despicable Me 3	✓	785
3. Beauty and the Beast	✓	762
4. Fast & Furious 8		701
5. Pirates of the Caribbean: Salazar's Revenge	✓	668
<b>Top 5</b>		<b>3.731</b>
<b>Weight Top 5</b>		<b>15,4%</b>

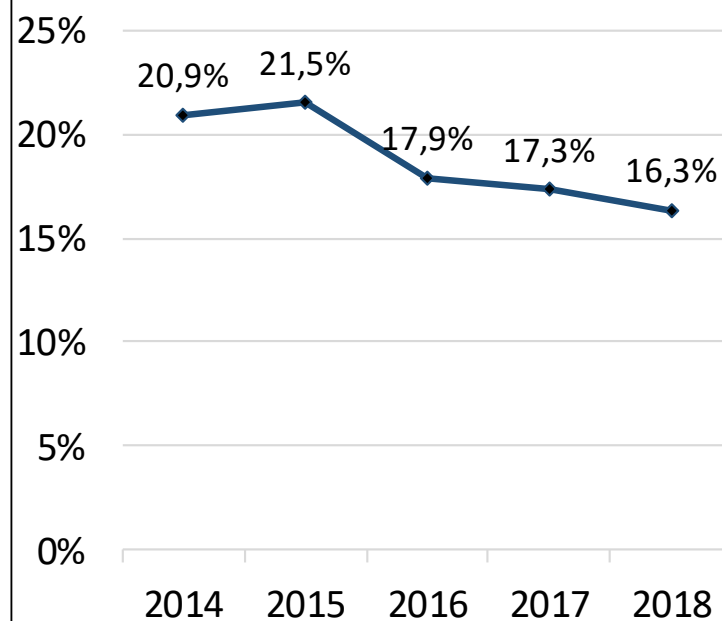


## RATIOS

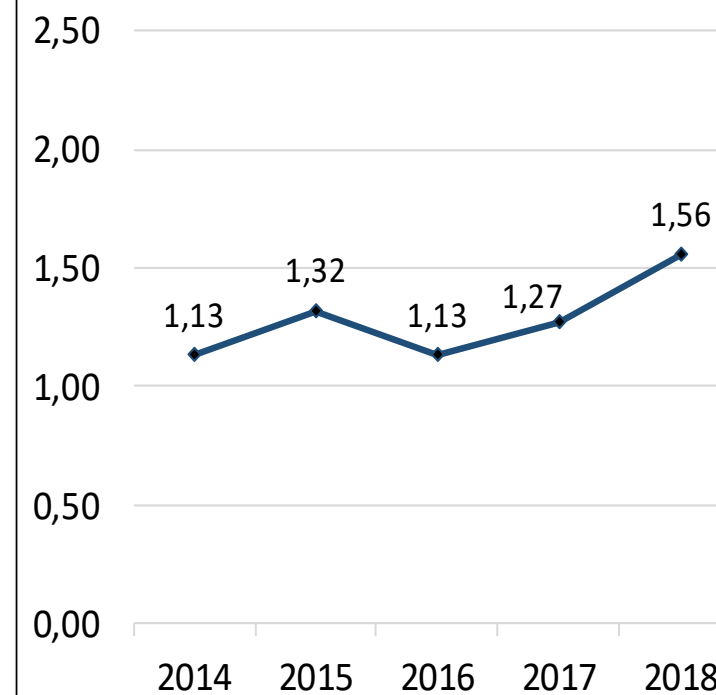
**REBITDA Margin**



**ROCE**



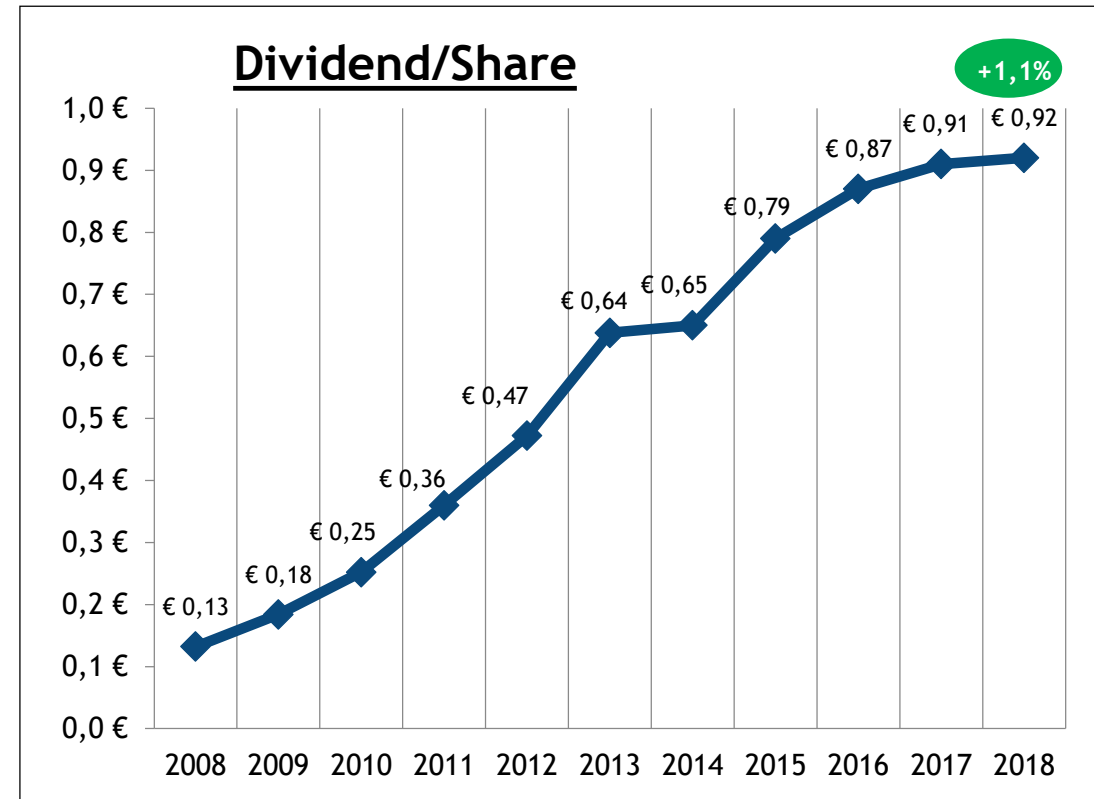
**Gearing**



## DIVIDEND PAYMENT

- ➔ Based on Net Income: € 47,4 m
- ➔ # Dividend eligible shares: 26.872.851\*
- ➔ € 0,92\* per share
- ➔ 15th year increase consecutively

\* Calculation based on number of treasury shares as at 19/02/2019.





# Business Update Q1 2019

KINEPOLIS GROUP



## FINANCIAL HIGHLIGHTS

- ❑ Revenue down with -6% less visitors
  - ❑ Decrease visitors
  - ❑ Decrease Box office
  - ❑ Decrease In-theatre sales
  - ❑ Increase B2B
    - ❑ Increase Sales and events
    - ❑ Increase Screen Advertising
  - ❑ Increase Brightfish
  - ❑ Less releases Film Distribution
  - ❑ Decrease Real Estate
- ❑ At moment of Q1 Press Release (8th May 2019) back to positive visitors growth YTD
- ❑ REBITDA up, excluding IFRS16 impact down

Belgian Competition Authority takes new decision regarding the behavioural conditions imposed on Kinepolis Group:

After the annulment, for procedural reasons, by the Court of Appeal in Brussels on 21 November 2018 of the decision by the Belgian Competition Authority (BCA) of 26 April 2018, which eased the behavioral conditions imposed on Kinepolis Group as of 26 April 2020, the aforementioned Authority has issued a new decision on 25 March 2019. The BCA has decided to tighten its decision previously taken, as only the opening of new cinema complexes with seven or fewer screens and with a maximum of 1,125 seats will be no longer subject to its prior approval. An additional condition stipulates that new cinema complexes may not be located within a 10 km radius of another Kinepolis complex, whether existing or to be build. The revised conditions will take effect from 25 March 2019.

As Kinepolis did not agree with the outcome of this new decision of the BCA, Kinepolis lodged an appeal to this decision by the Court of Appeal in Brussels.

### ❑ Expansion highlights

- ❑ February 2019: Announcement introduction Laser ULTRA in Canada (Shawnessy)
- ❑ February 2019: Announcement new-build project Servon, France (opening Q3 2019)
- ❑ February 2019: Announcement Landmark new-build project in Regina (opening Q3 2019)
- ❑ March 2019: Acquisition of Spanish cinema group El Punt completed
- ❑ March 2019: Closure Nîmes Forvm, France
- ❑ April 2019: Sale Kamloops, Canada
- ❑ April 2019: Announcement Landmark new-build project in SE Edmonton
- ❑ April 2019: Start construction work Calgary Market Mall

## VISITORS

Visitors (000's)	Q1 2019	% of Tot	Q1 2018	% of Tot	% Δ YoY
Belgium	1 843	20,9%	2 408	25,7%	-23,5%
France	1 987	22,5%	1 932	20,6%	2,8%
Canada	2 555	29,0%	2 662	28,4%	-4,0%
Spain	1 088	12,3%	1 059	11,3%	2,7%
The Netherlands	1 084	12,3%	1 035	11,0%	4,7%
Luxembourg	238	2,7%	254	2,7%	-6,3%
Switzerland	25	0,3%	31	0,3%	-19,4%
<b>Total</b>	<b>8 820</b>	<b>100%</b>	<b>9 381</b>	<b>100%</b>	<b>-6,0%</b>



# LINE-UP 2019

	2D	3D
Major sequels	<ul style="list-style-type: none"> <li>Fast and Furious presents: Hobbs &amp; Shaw (Q3)</li> <li>It: Chapter Two (Q3)</li> <li>Kingsman 3 (Q4)</li> </ul>	<ul style="list-style-type: none"> <li>Avengers: Endgame (Q2)</li> <li>Toy Story 4 (Q2)</li> <li>Men In Black: International (Q2)</li> <li>Spider-man: Far From Home (Q3)</li> <li>Terminator: Dark Fate (Q3)</li> <li>The Secret Life Of Pets 2 (Q3)</li> <li>Maleficent: Mistress of Evil (Q4)</li> <li>Frozen 2 (Q4)</li> <li>Star wars: Episode IX (Q4)</li> <li>Jumanji 2 (Q4)</li> </ul>
New titles	<ul style="list-style-type: none"> <li>Aladdin (Q2)</li> <li>Dumbo (Q2)</li> <li>Pokémon Detective Pikachu (Q2)</li> <li>Rocketman (Q2)</li> <li>Yesterday (Q2)</li> <li>Once Upon a Time In Hollywood (Q3)</li> <li>The Good Liar (Q4)</li> <li>Joker (Q4)</li> <li>Sonic the Hedgehog (Q4)</li> <li>Cats (Q4)</li> <li>Knives Out (Q4)</li> </ul>	<ul style="list-style-type: none"> <li>The Lion King (Q3)</li> <li>Gemini Man (Q4)</li> </ul>
Local	<ul style="list-style-type: none"> <li>Nous finirons ensemble (Q2) - FR-BE-LU</li> <li>F.C. De Kampioenen 4: Viva Boma (Q4) – BE</li> <li>Torpedo (Q4) – BE</li> <li>De Buurtpolitie 3 (Q4) – BE</li> <li>Hors norme (Q4) – FR</li> </ul>	
Alternative content	<ul style="list-style-type: none"> <li>Opera, Ballet, Theatre</li> <li>Art: Exhibition on Screen (BE, FR, ES)</li> </ul>	



# Financial Review 2018

KINEPOLIS GROUP



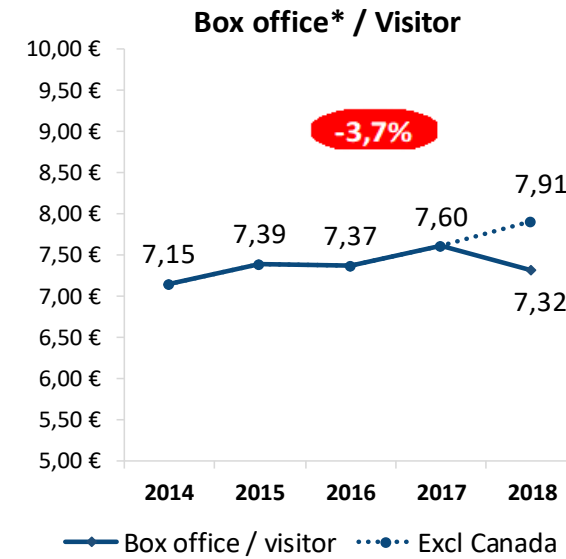
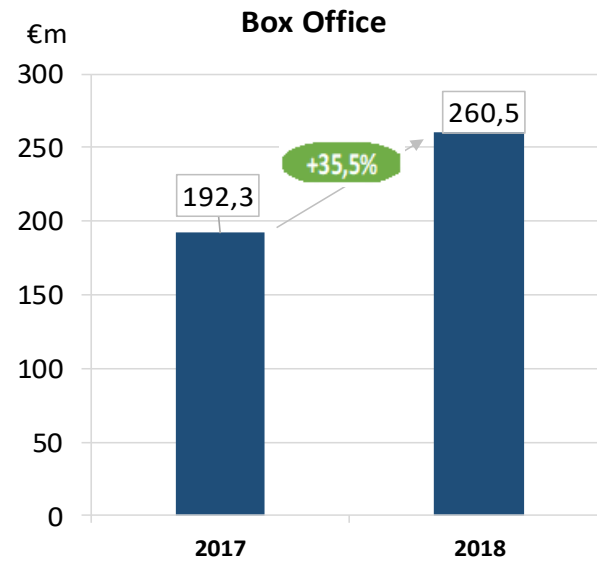
## FINANCIAL HIGHLIGHTS

- ❑ Revenue up by 33,9% with 40,7% more visitors
  - ❑ Increase Visitors (+40,7%)
  - ❑ Increase Box Office (+35,5%)
  - ❑ Increase In-theatre Sales (+53,6%)
  - ❑ Increase B2B (+14,3%)
    - ❑ Increase Sales and Events (+13%)
    - ❑ Increase Screen Advertising (+20,2%)
  - ❑ Less revenue Brightfish (-11,8%)
  - ❑ Increase Film Distribution (+20,7%)
  - ❑ Increase Real Estate (+2,9%)
- ❑ REBITDA up by 14,1% and margin of 25% (29,3% YE 2017)
  - ❑ Stable cinema related revenue per visitor
  - ❑ Increased operational efficiency
  - ❑ Impact of Canada on ratios

## REBITDA BY COUNTRY

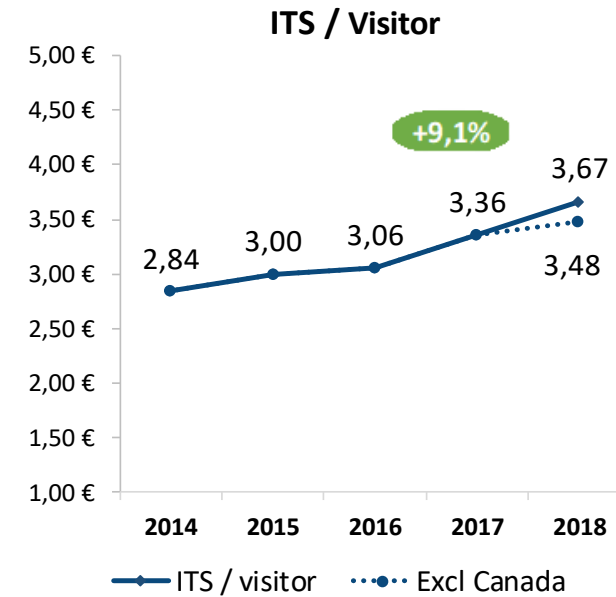
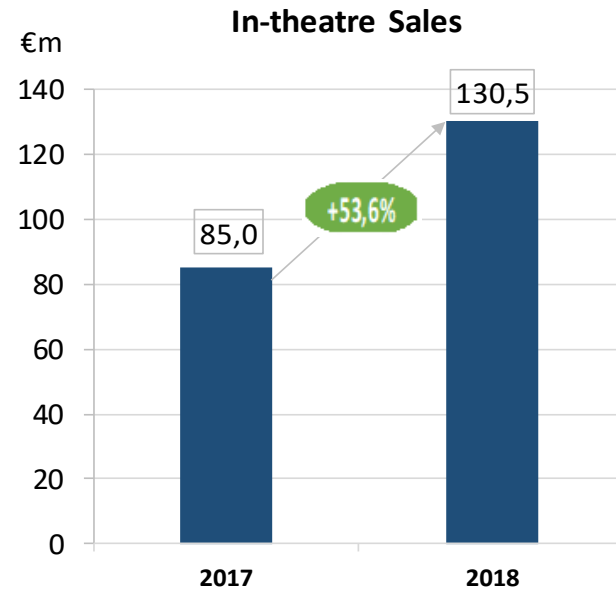
€m	YE 2018	% of Total	YE 2017	% of Total	% Better / -Worse	% Δ Y Vis
Belgium	40,3	33,9%	44,0	42,1%	-8,2%	-5,2%
France	23,3	19,6%	25,9	24,8%	-10,1%	-6,8%
Canada	18,4	15,4%	3,1	3,0%	485,7%	986,9%
Spain	11,9	10,0%	11,5	11,0%	3,4%	-2,1%
The Netherlands	18,2	15,3%	12,5	12,0%	45,2%	28,2%
Luxembourg	5,1	4,3%	5,3	5,0%	-2,2%	-11,9%
Switzerland & Poland	1,8	1,5%	2,0	1,9%	-11,9%	-14,0%
<b>TOTAL</b>	<b>119,0</b>	<b>100,0%</b>	<b>104,3</b>	<b>100,0%</b>	<b>14,1%</b>	<b>40,7%</b>

# EVOLUTION BOX OFFICE

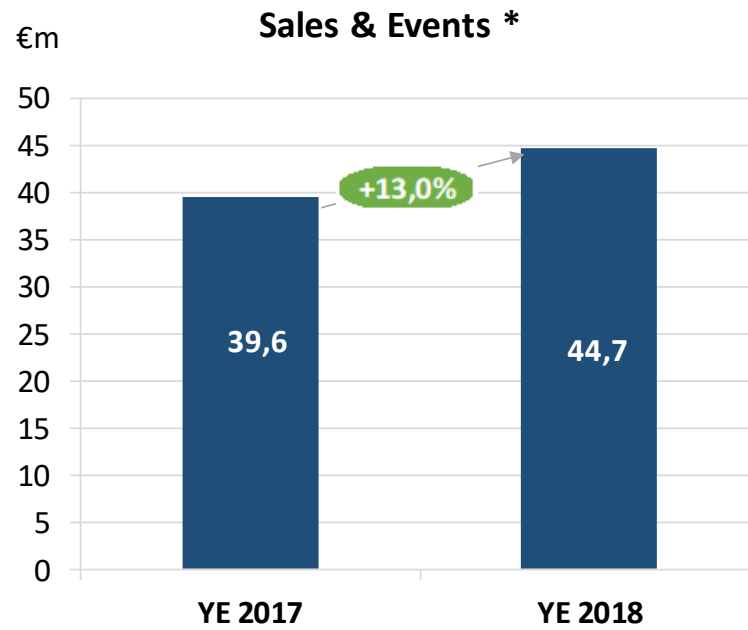


\* Box Office revenue after deduction of indirect taxes, including VPF revenue

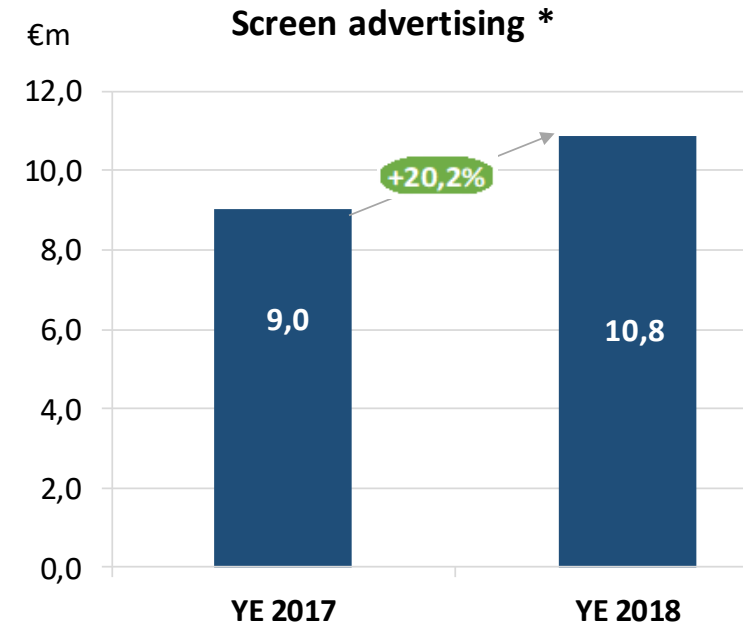
# EVOLUTION ITS



## B2B REVENUE

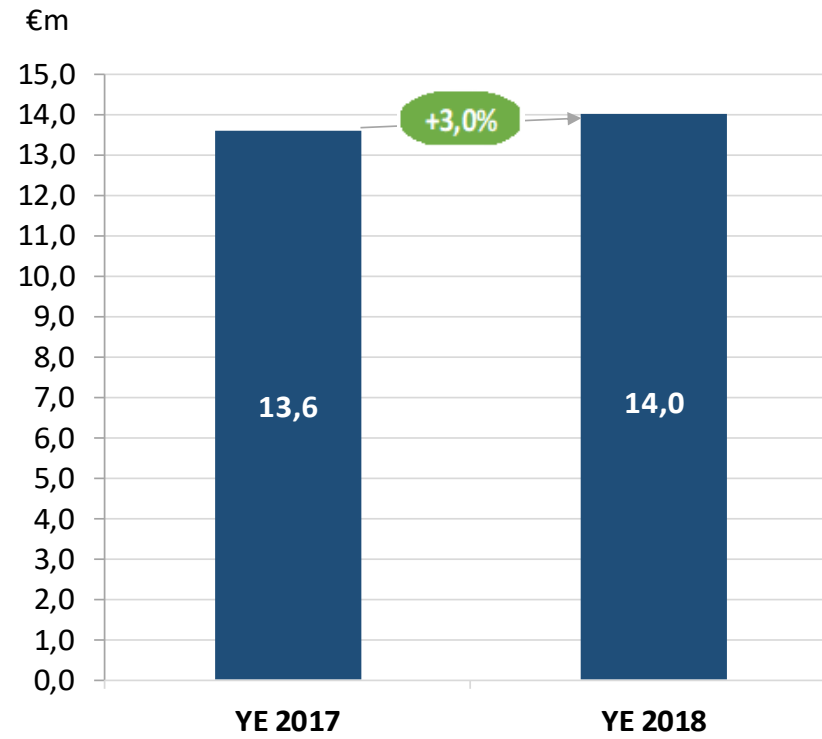


\* Excluding Brightfish

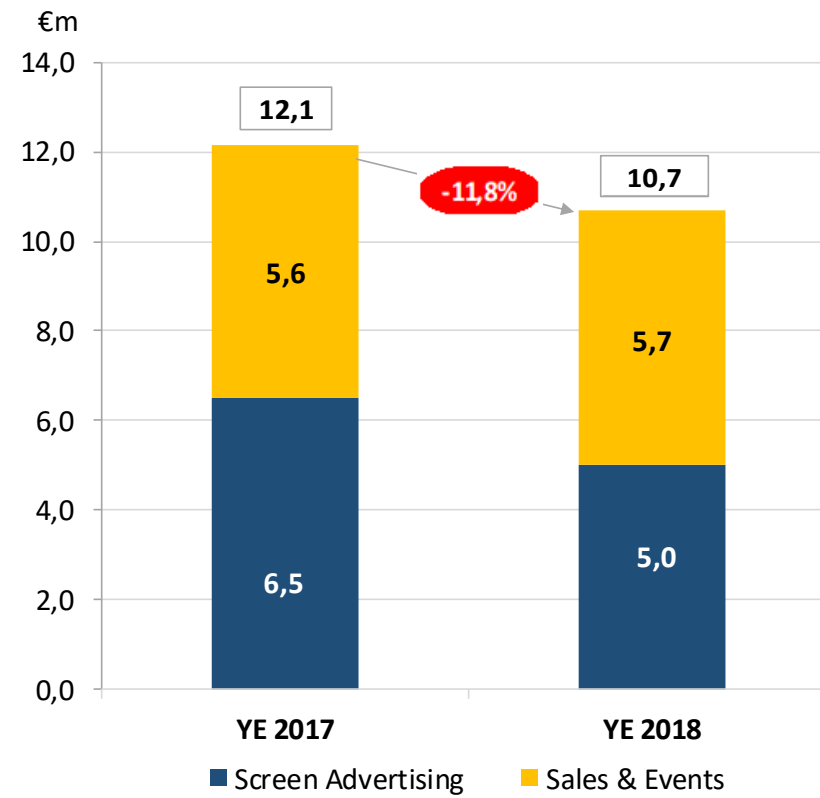


\* Excluding Brightfish

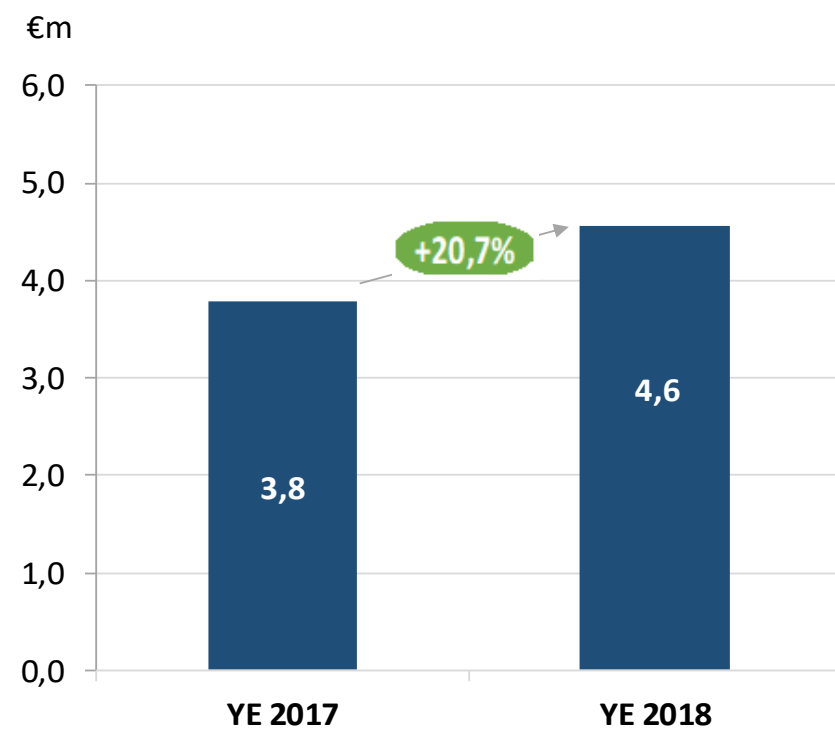
## REAL ESTATE AT FLAT FX





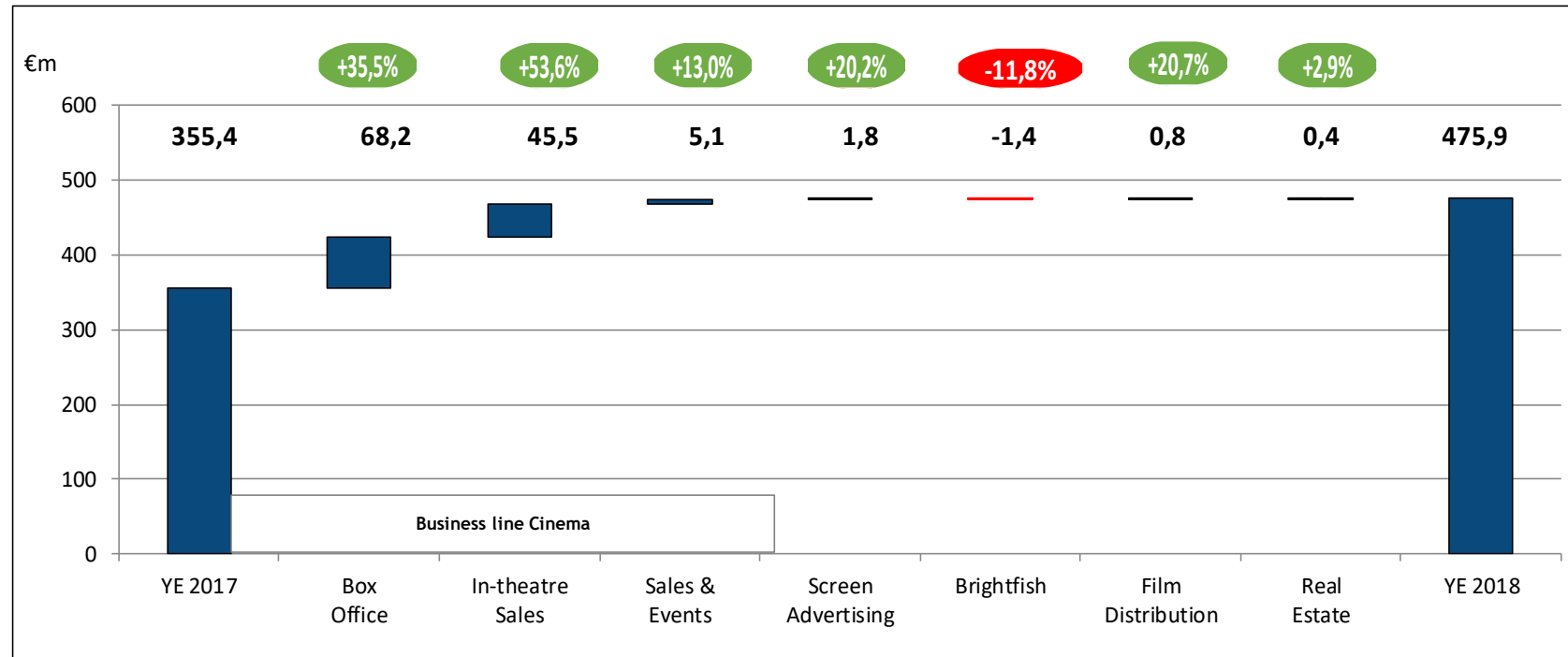


## FILM DISTRIBUTION



# releases	31	34
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# REVENUE BY ACTIVITY



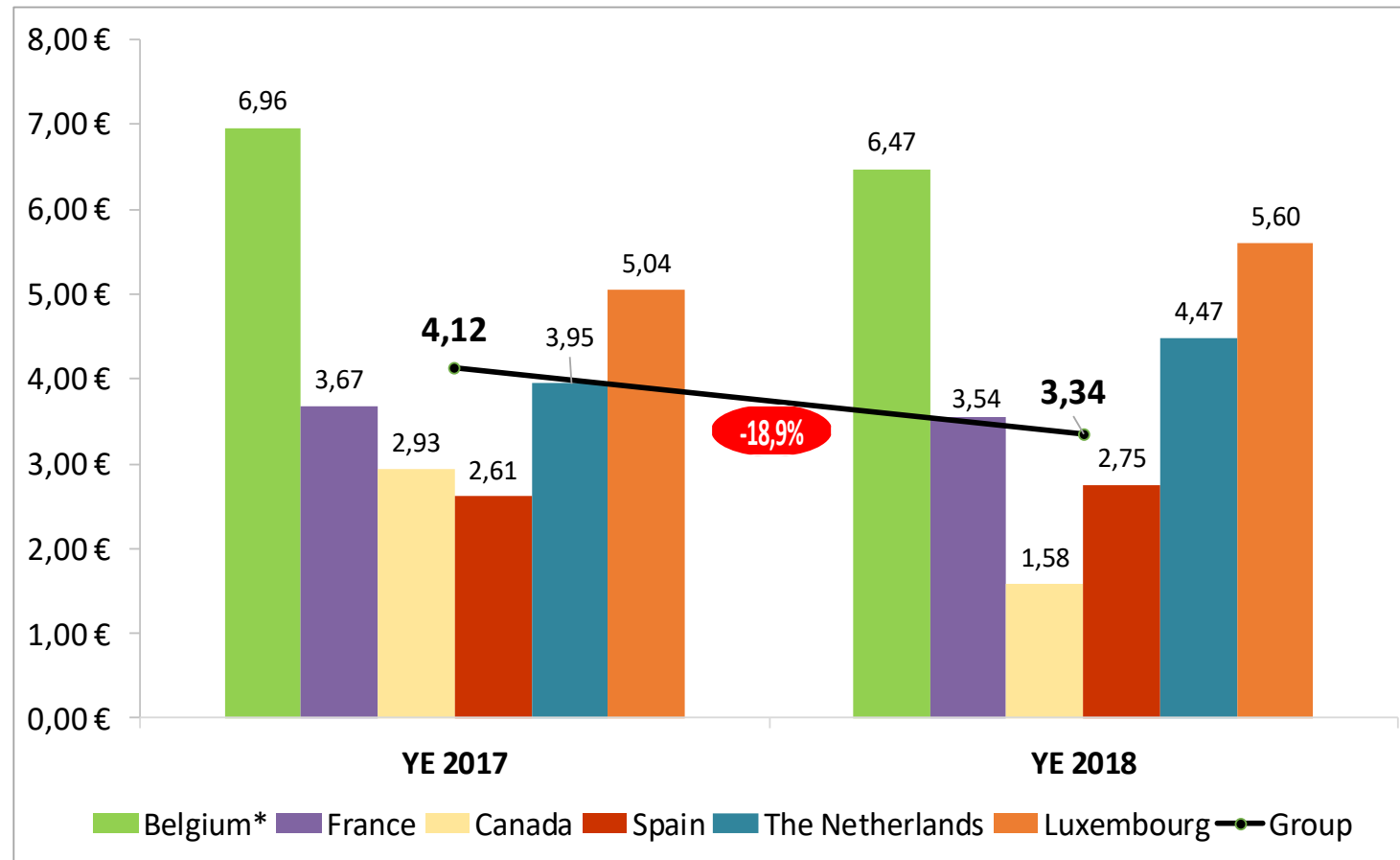
## RECURRING OPERATING COSTS

€m	YE 2018	YE 2017	% Better / -Worse
Recurring Marketing & Selling expenses	-24,9	-20,1	-23,9%
Recurring Administrative Expenses	-26,2	-21,2	-23,6%
Recurring Other Operating Income / Cost	1,8	1,0	85,9%
<b>Recurring Operating Costs</b>	<b>-49,3</b>	<b>-40,4</b>	<b>-22,2%</b>
Non-Recurring Operating Costs	-1,8	-0,1	-1366,7%
<b>Total Operating Costs</b>	<b>-51,1</b>	<b>-40,5</b>	<b>-26,2%</b>

## NON-RECURRING ITEMS

€m	YE 2018	YE 2017
Dismissal fees	-0,5	-0,8
Legal fees	-0,3	-1,6
Expansion costs	-0,8	-0,5
Gain / Loss on disposal PPE	-0,3	1,7
Other	0,3	-0,1
<b>EBITDA</b>	<b>-1,8</b>	<b>-1,2</b>
<b>Depreciation &amp; Impairment losses</b>	<b>-0,5</b>	<b>-</b>
<b>Provisions</b>	<b>0,5</b>	<b>0,1</b>
<b>Financial result</b>	<b>0,4</b>	<b>0,6</b>
<b>Income tax expense</b>	<b>1,2</b>	<b>4,8</b>
<b>Net impact of non-recurring items</b>	<b>-0,1</b>	<b>4,3</b>

## EVOLUTION REBITDA\* PER VISITOR

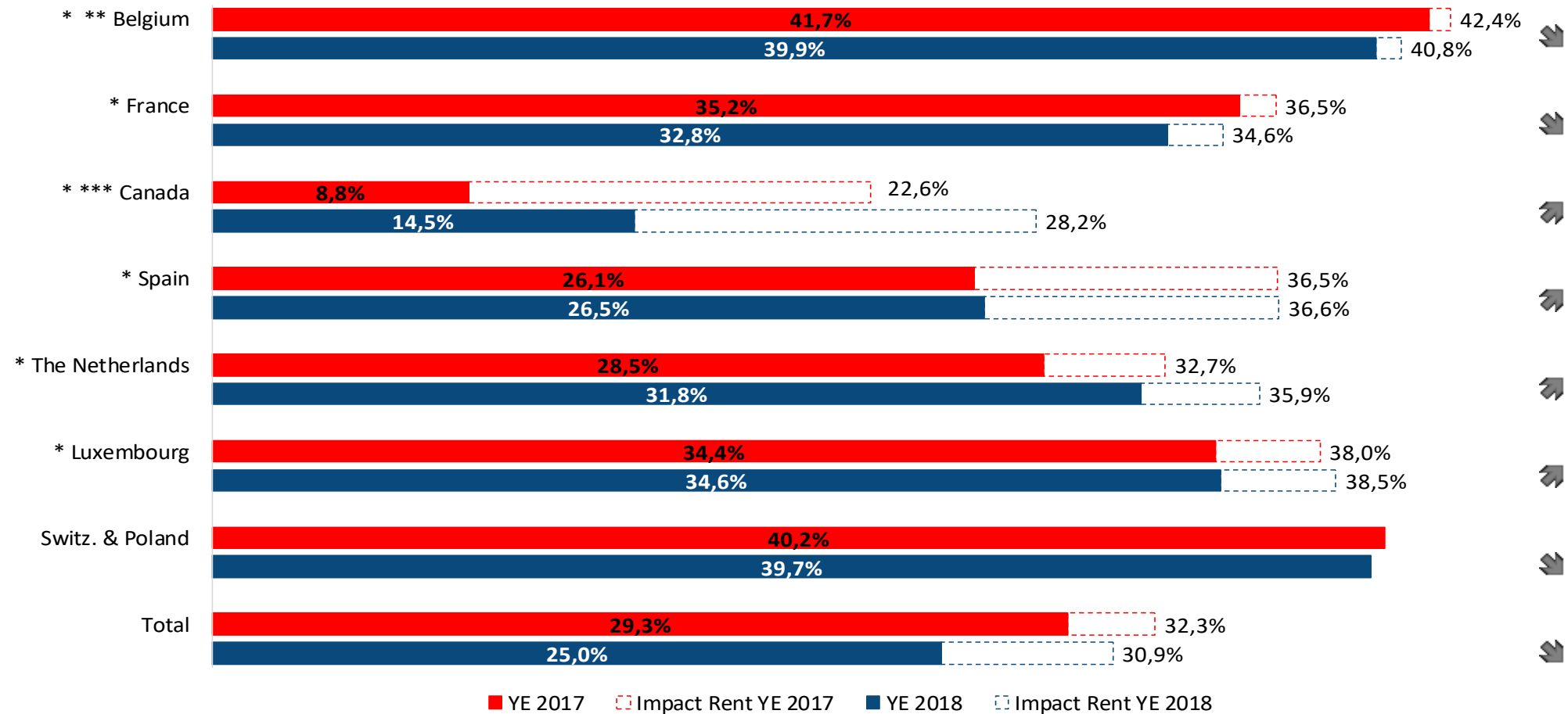


\* Per country excluding corporate entities, KFD & Brightfish revenue ; total all including.

## REBITDA BY COUNTRY

€m	YE 2018	% of Total	YE 2017	% of Total	% Better / -Worse	% Δ Y Vis
Belgium	40,3	33,9%	44,0	42,1%	-8,2%	-5,2%
France	23,3	19,6%	25,9	24,8%	-10,1%	-6,8%
Canada	18,4	15,4%	3,1	3,0%	485,7%	986,9%
Spain	11,9	10,0%	11,5	11,0%	3,4%	-2,1%
The Netherlands	18,2	15,3%	12,5	12,0%	45,2%	28,2%
Luxembourg	5,1	4,3%	5,3	5,0%	-2,2%	-11,9%
Switzerland & Poland	1,8	1,5%	2,0	1,9%	-11,9%	-14,0%
<b>TOTAL</b>	<b>119,0</b>	<b>100,0%</b>	<b>104,3</b>	<b>100,0%</b>	<b>14,1%</b>	<b>40,7%</b>

## REBITDA & REBITDAR



\* REBITDAR (i.e. REBITDA excluding rent for Valencia, Plaza Mar 2 (Alicante) and Alcobendas in Spain, Rouen, Brétigny & Metz in France, complexes in Belgium, The Netherlands, Luxembourg and Canada). Impact rent added back indicated with dotted lines.

\*\* Excluding corporate entities, KFD & Brightfish

\*\*\* 2017 figures based on management accounts, not consolidated accounts





## Executive summary

- IFRS 16 (the new leasing standard) is effective since January 1<sup>st</sup> 2019.
- This new standard does not have an impact on Kinopolis' business or total cash flow but does have a major impact on the accounting treatment of leases (in the balance sheet and in the income statement).
- IFRS 16 leads to following impacts:
  - front-loading of expenses (meaning that over the total lease term, total expenses are equal according to the new standard compared to the old standard but that the weight of the expenses is higher in the beginning of the lease term compared to the end of the lease term);
  - depreciation charge and interest expense instead of operational expense (shift from above EBITDA to below EBITDA);
  - reclassification in the cash flow of the payment of rent from the operating cash flow to the financing cash flow but no impact on change in cash;
  - increase of both assets and liabilities (due to the recognition of right-of-use assets and lease liabilities).

## Expected impact of IFRS 16 in 2019 (based on current portfolio of lease agreements)

### Income statement

Revenue	-
Cost of sales	3,2
<b>Gross profit</b>	<b>3,2</b>
Marketing & selling expenses	0,1
Administrative expenses	0,2
Other operating income and expenses	-
<b>EBIT</b>	<b>3,5</b>
Financial result	-8,1
<b>Profit before tax</b>	<b>-4,6</b>
Income tax expense	1,1
<b>Profit</b>	<b>-3,5</b>
<b>EBITDA</b>	<b>25,0</b>

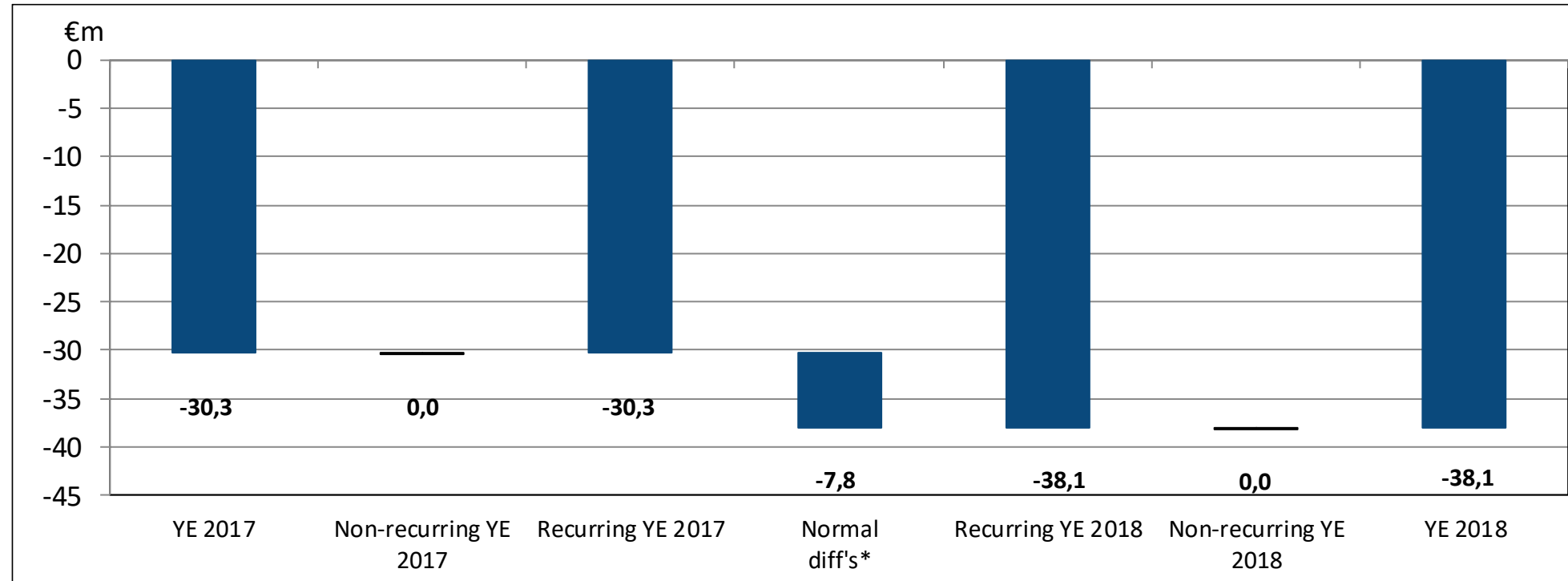
### Opening balance per 1/01/2019

Right-of-use assets gross	315,2
Adjustments	-15,9
<i>Prepaid lease payments</i>	2,0
<i>Provisions for onerous contracts</i>	-14,2
<i>Deferred leasehold inducements</i>	-3,7
Right-of-use assets net	299,3
Lease liabilities	315,2

### Cash flow

<b>Profit before tax</b>	<b>-4,6</b>
<u>Adjustments for:</u>	
Depreciation, amortisation & provisions	23,7
Government grants	-
Gains/losses on sale of PPE & financial assets	-
Financial result & share-based payments	8,1
<b>Cash generated from operations</b>	<b>27,2</b>
Working capital movements	0,5
Income taxes (paid)/received	-
<b>Net cash from operating activities</b>	<b>27,6</b>
Acquisition of (in)tangible assets	-
Acquisition of subsidiary, net of cash acquired	-
Proceeds from sales of PPE	-
<b>Net cash used in investing activities</b>	<b>-</b>
Payment of lease liabilities	-27,6
Sale of non-controlling interests	-
Interests (paid)/received	-
Treasury shares	-
Dividends paid	-
New loans / repayment of loans	-
<b>Net cash used in financing activities</b>	<b>-27,6</b>
<b>Net cash flow</b>	<b>-</b>

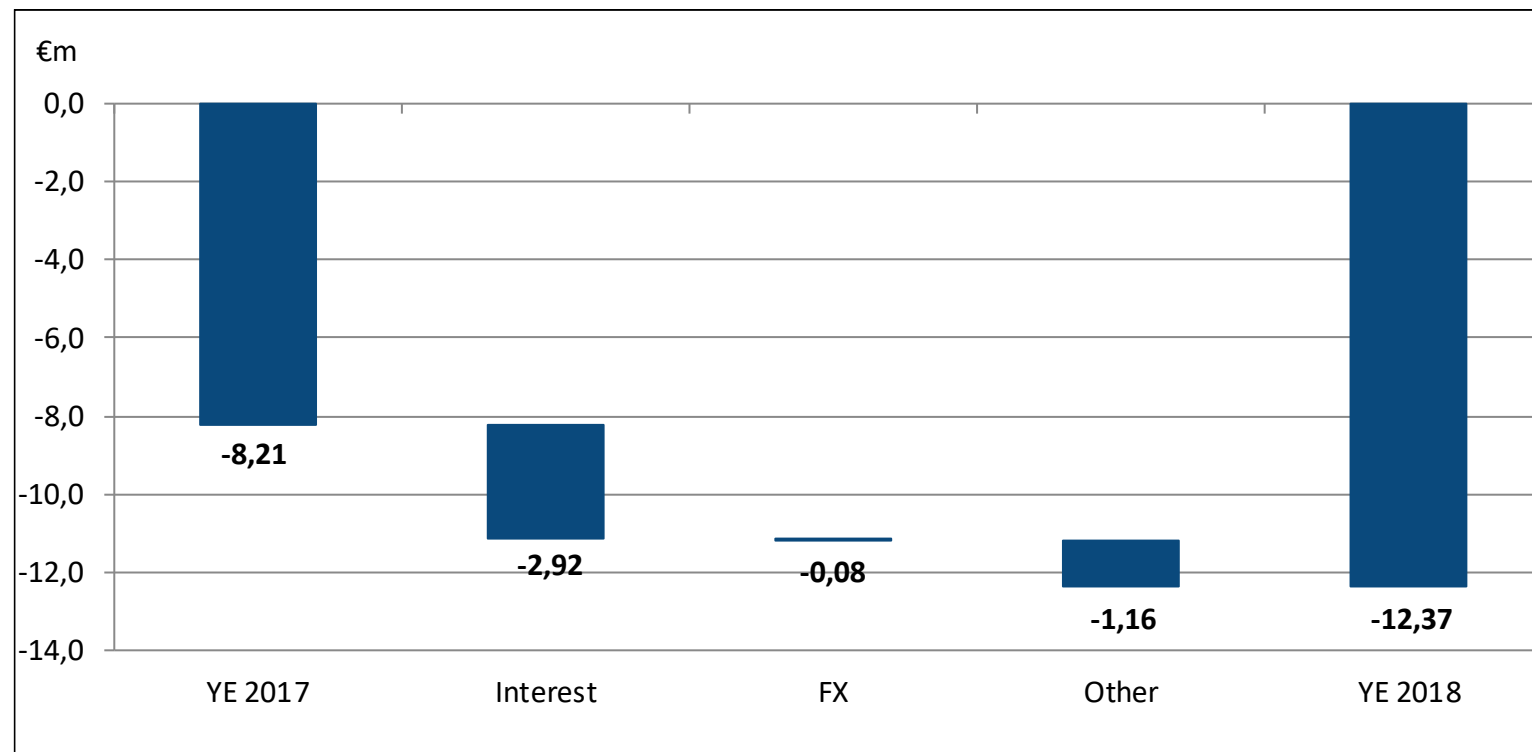
# DEPRECIATION. AMORTIZATION. PROVISIONS



\* € -7,8 M of which € -6,7 M is related to Canada.

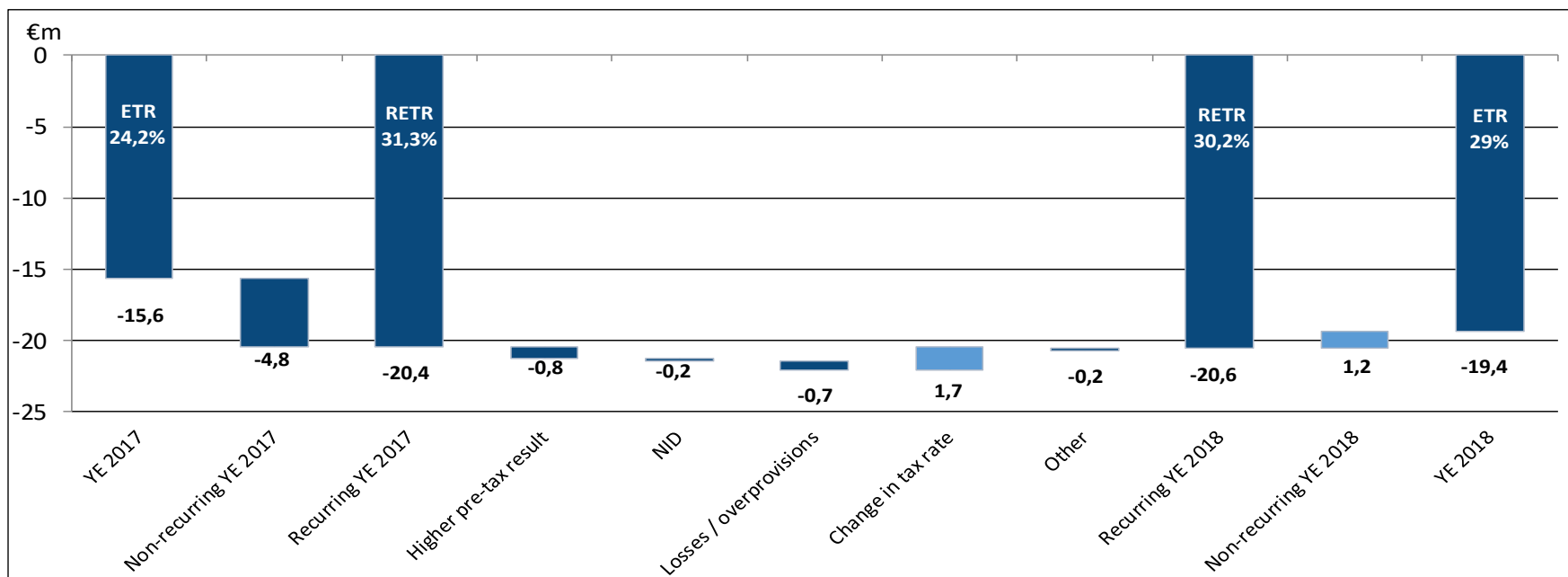
## FINANCIAL RESULT

€m	YE 2018	YE 2017	% Better / -Worse
Interest Expense	-10,30	-7,39	-39,5%
Other (CNC, Derivates, FX)	-2,07	-0,83	-149,9%
<b>Financial (Cost) / Income</b>	<b>-12,37</b>	<b>-8,21</b>	<b>-50,6%</b>

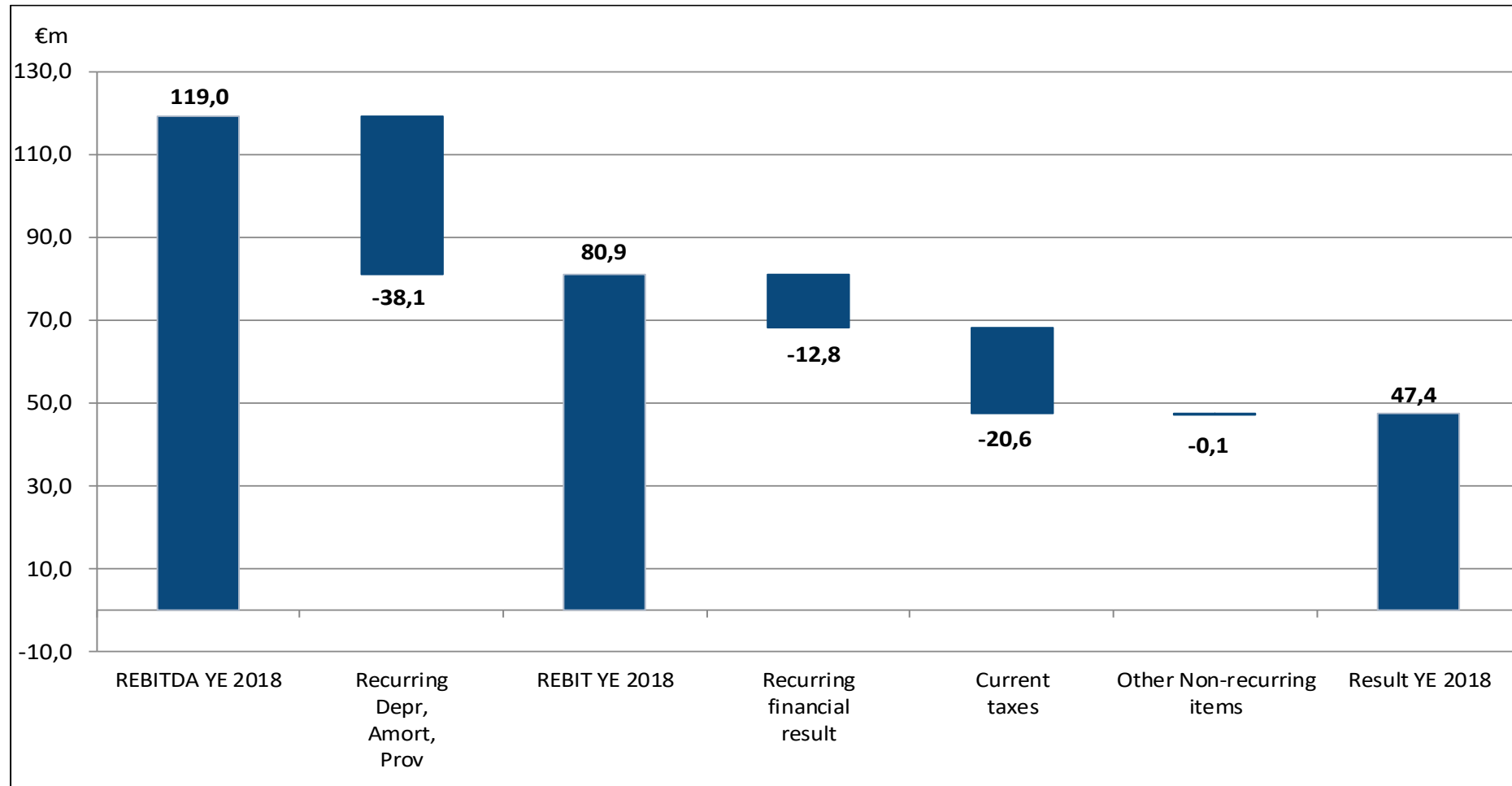


# TAXES

€m	YE 2018	YE 2017	% Better / -Worse
Profit before taxes	66,8	64,7	3,2%
<b>Taxes</b>	<b>-19,4</b>	<b>-15,6</b>	<b>-23,8%</b>
Profit	47,4	49,1	-3,4%
<b>Effective Tax Rate ('ETR')</b>	<b>29,0%</b>	<b>24,2%</b>	<b>482 bps</b>
Tax effect on non-recurring items	1,2	4,8	-74,4%
<b>Recurring Effective Tax Rate ('RETR')</b>	<b>30,2%</b>	<b>31,3%</b>	<b>-112 bps</b>

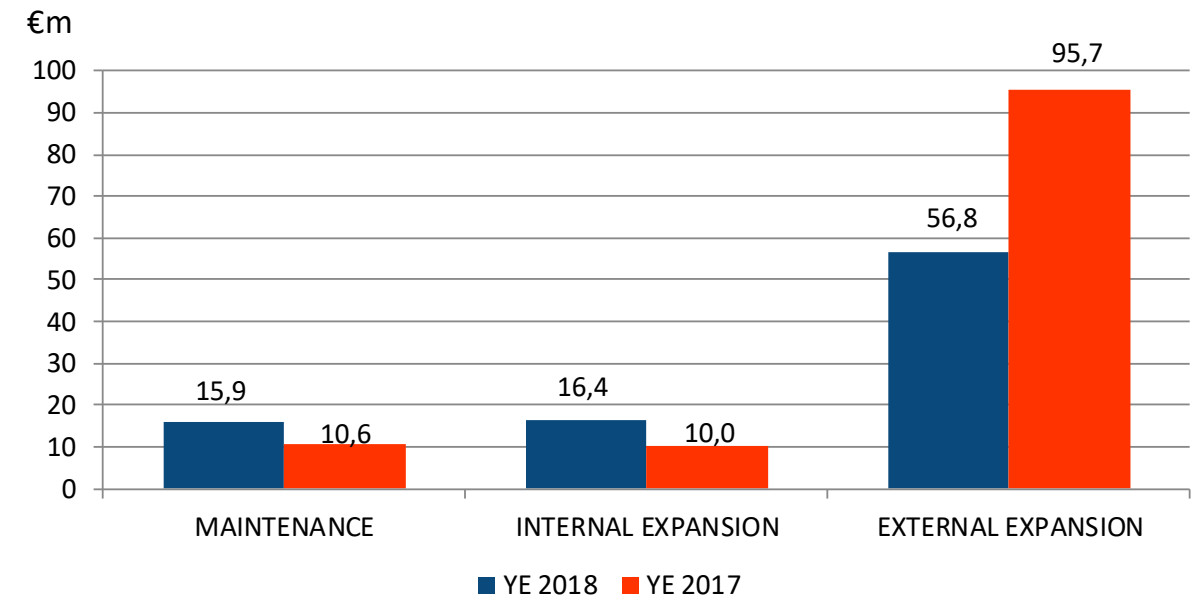


## REBITDA TO NET RESULT

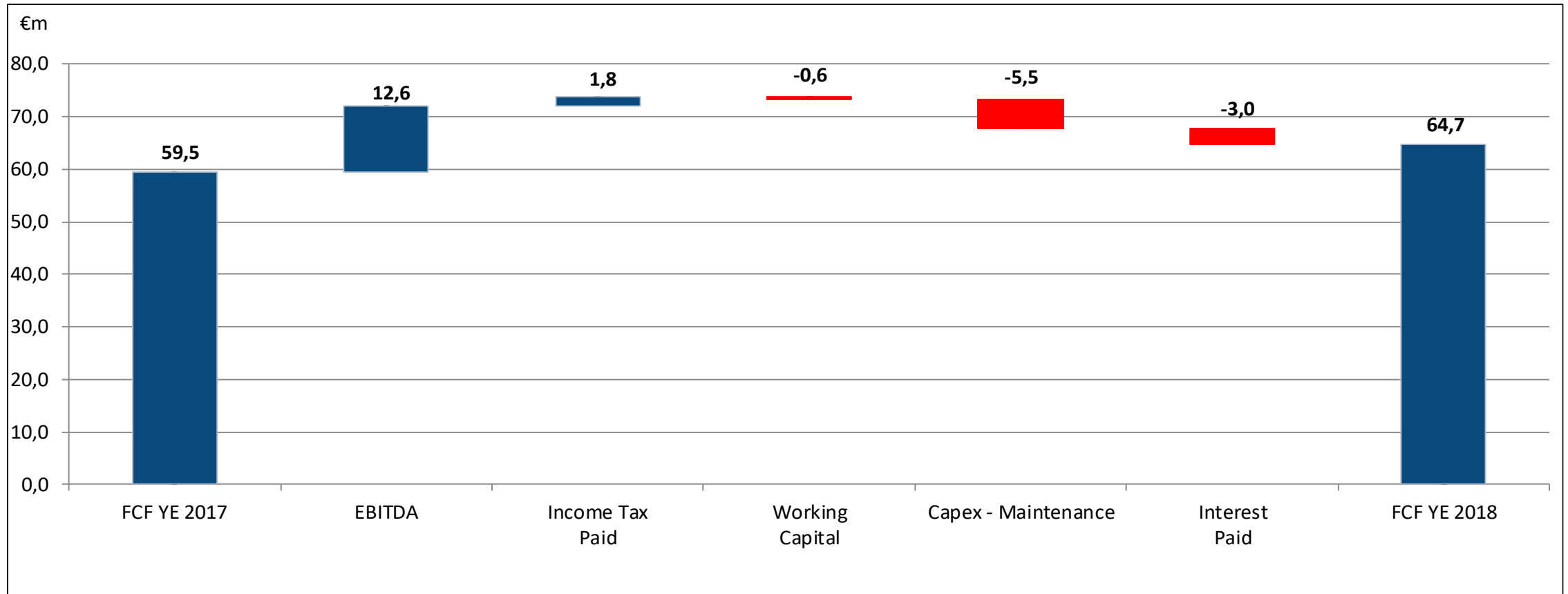


# INVESTMENTS

€m	YE 2018	YE 2017
Belgium	12,3	11,0
France	4,3	3,0
Canada	7,6	
Spain	3,5	3,1
The Netherlands	3,7	1,1
Luxembourg	0,9	0,3
Other	0,1	0,2
<b>Maintenance &amp; Internal Expansion</b>	<b>32,4</b>	<b>20,6</b>
<b>External Expansion</b>	<b>56,8</b>	<b>95,7</b>
<b>TOTAL</b>	<b>89,1</b>	<b>116,3</b>



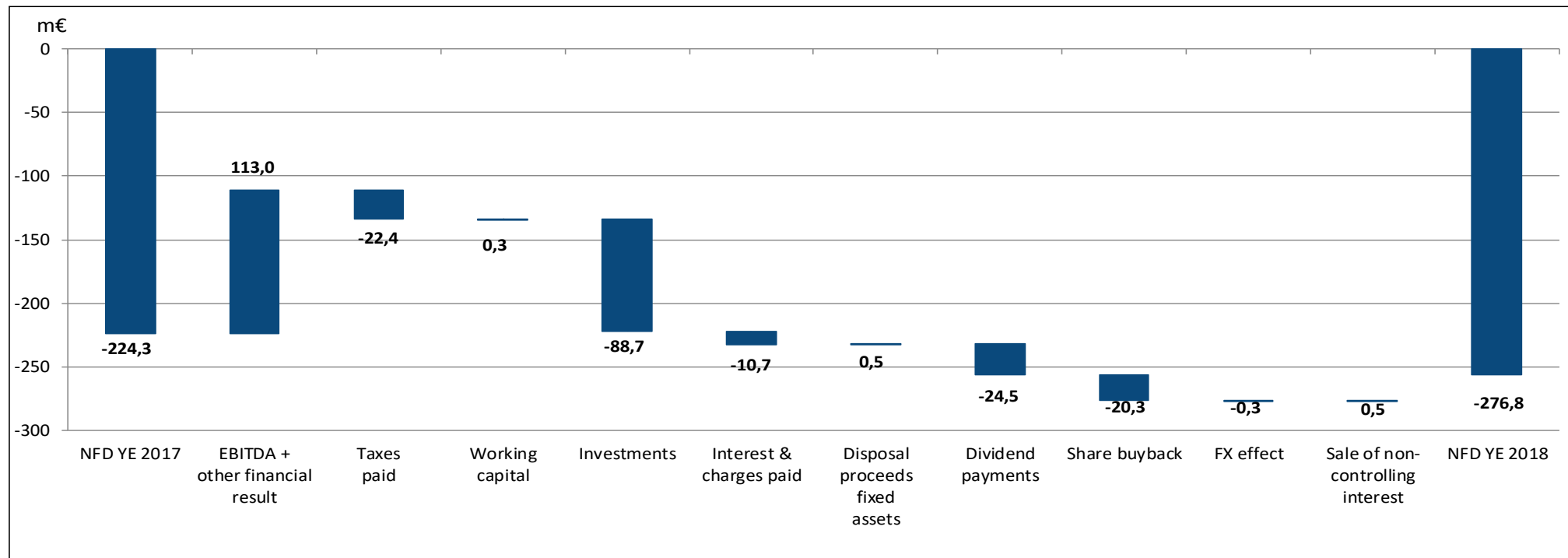
## FREE CASH FLOW: YE 2018 VS YE 2017





# NET FINANCIAL DEBT EVOLUTION

€m	YE 2018	YE 2017	Better/-Worse	% Better/ -Worse
Net Financial Debt (NFD)	276,8	224,3	-52,5	-23,4%
Leverage ratio*: NFD/REBITDA**	2,33	2,15		

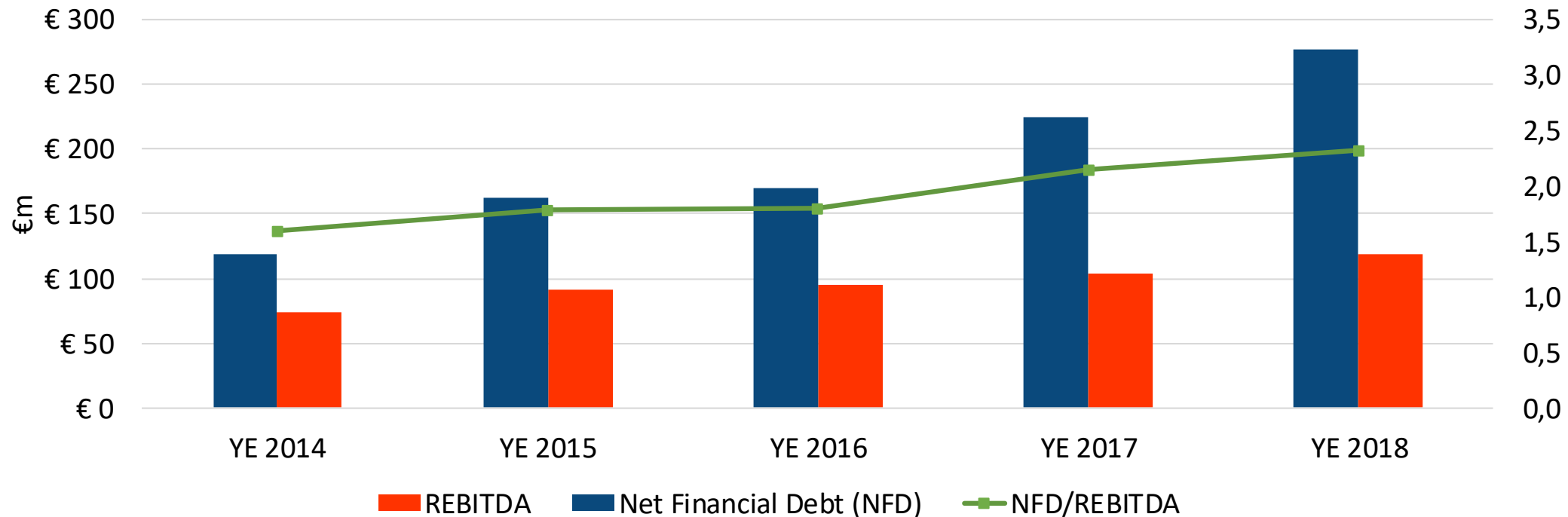


\* Not clubdeal definition

\*\* Corrected REBITDA 12 months Canada

## NET FINANCIAL DEBT EVOLUTION

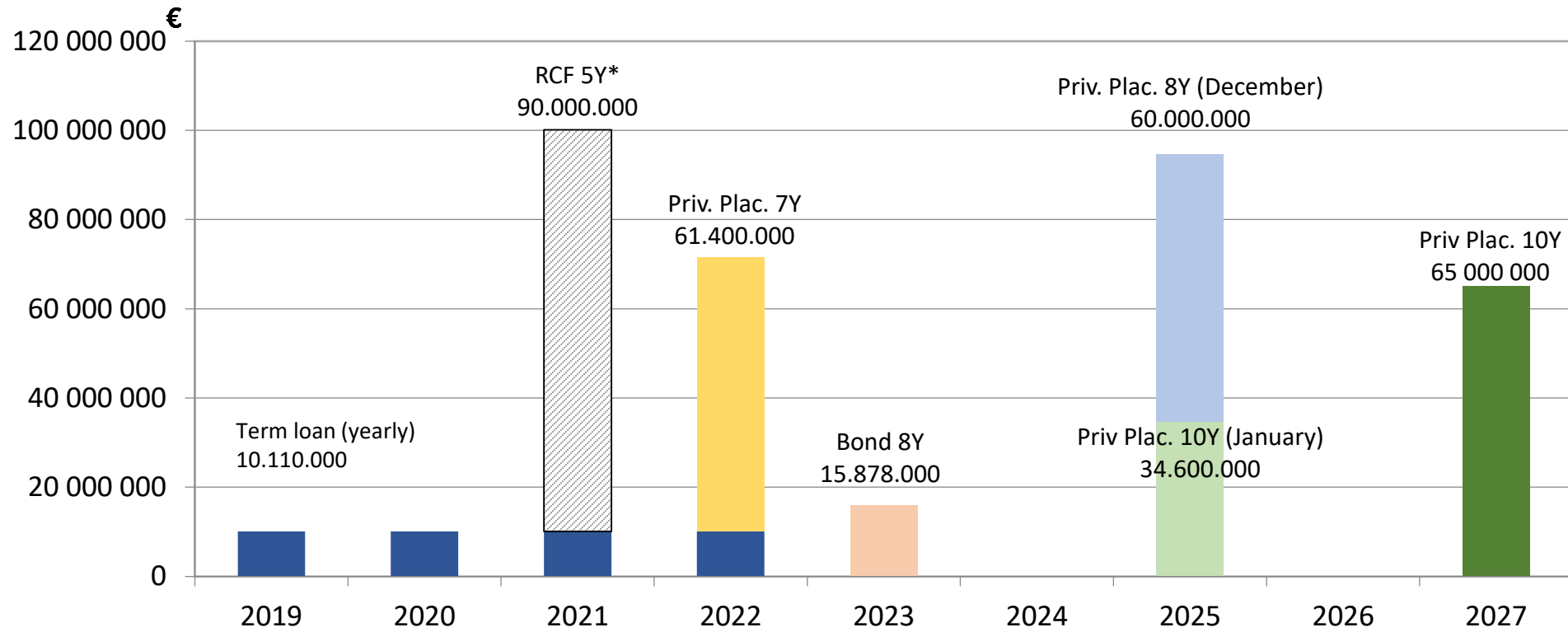
€m	YE 2018	YE 2017	Better/-Worse	% Better/ -Worse
Net Financial Debt (NFD)	276,8	224,3	-52,5	-23,4%
Leverage ratio*: NFD/REBITDA**	2,33	2,15		



\* Not bank definition

\*\* Corrected REBITDA 12 months Canada

## MATURITY PROFILE FINANCIAL DEBT



\* Revolving credit facility drawn for 20 million EUR at 31/05/2019.

# BALANCE SHEET

€m	31/12/2018	% of Total	31/12/2017	% of Total
Intangible assets	9,7	1,4%	9,0	1,3%
Goodwill	94,9	13,9%	86,4	12,0%
Property, plant & equipment	424,3	62,3%	390,0	54,1%
Investment property	17,0	2,5%	17,7	2,5%
Deferred taxes	1,4	0,2%	1,2	0,2%
Other receivables	10,8	1,6%	10,1	1,4%
<b>Non-current assets</b>	<b>558,2</b>	<b>82,0%</b>	<b>514,5</b>	<b>71,4%</b>
Inventories	4,9	0,7%	4,8	0,7%
Trade & other receivables	43,0	6,3%	40,8	5,7%
Current taxes	2,4	0,4%	0,8	0,1%
Cash & cash equivalents	65,4	9,6%	157,4	21,8%
Assets Held for Sale	7,0	1,0%	2,7	0,4%
<b>Current assets</b>	<b>122,7</b>	<b>18,0%</b>	<b>206,4</b>	<b>28,6%</b>
<b>Assets</b>	<b>680,9</b>	<b>100,0%</b>	<b>721,0</b>	<b>100,0%</b>

	31/12/2018	31/12/2017
Gearing ratio*	1,56	1,27
Current ratio**	0,67	1,30
Solvency ratio***	26,1%	24,5%
ROCE****	16,3%	17,3%

\*: Gearing ratio: Net Financial Debt / Equity

\*\* : Current ratio: Current Assets / Current Liabilities

\*\*\*: Solvency ratio: Total Equity / Total Equity & Liabilities

\*\*\*\*: ROCE: Current operating profit / Capital employed

€m	31/12/2018	% of Total	31/12/2017	% of Total
<b>Capital &amp; share premium</b>	<b>20,1</b>	<b>3,0%</b>	<b>20,1</b>	<b>2,8%</b>
Consolidated reserves	161,5	23,7%	157,6	21,9%
Translation differences	-4,2	-0,6%	-1,3	-0,2%
Equity attributable to equity holders of the parents	177,4	26,1%	176,4	24,5%
Non-controlling interests	0,2	0,0%		
<b>Equity</b>	<b>177,6</b>	<b>26,1%</b>	<b>176,4</b>	<b>24,5%</b>
Loans and borrowings	272,7	40,0%	342,1	47,5%
Provisions & employee benefits	15,1	2,2%	17,7	2,5%
Deferred tax liabilities	20,5	3,0%	18,2	2,5%
Other payables	11,2	1,6%	8,2	1,1%
<b>Non-current liabilities</b>	<b>319,5</b>	<b>46,9%</b>	<b>386,1</b>	<b>53,6%</b>
ST financial debt	69,8	10,3%	39,9	5,5%
Provisions	2,2	0,3%	2,5	0,3%
Working capital	106,3	15,6%	108,3	15,0%
Current taxes	5,3	0,8%	7,7	1,1%
<b>Current liabilities</b>	<b>183,7</b>	<b>27,0%</b>	<b>158,4</b>	<b>22,0%</b>
<b>Equity &amp; liabilities</b>	<b>680,9</b>	<b>100,0%</b>	<b>721,0</b>	<b>100,0%</b>

# SHAREHOLDERS

	3/05/2019		19/02/2019	
	# Shares	%	# Shares	%
Total shares outstanding	27.365.197	100%	27.365.197	100%

Reference Shareholders & Free Float	# Shares	%	# Shares	%
Kinehold Bis, Pentascoop and Mr. Joost Bert	13.192.268	48,21%	13.192.268	48,21%
Treasury shares (own shares)	492.346	1,80%	492.346	1,80%
Free Float	13.680.583	49,99%	13.680.583	49,99%

Other*	# Shares	%	# Shares	%
Axa SA	1.376.397	5,03%	1.367.032	5,00%
BNP Paribas Investment Partners SA	1.368.974	5,00%	1.368.974	5,00%
Blackrock Investment Mgt Ltd	1.115.517	4,08%	1.115.517	4,08%

\* Resulting from transparency notices received



# Private Placement

KINEPOLIS GROUP



## TIMELINE PRIVATE PLACEMENT

- JUNE 11  
ANNOUNCEMENT POTENTIAL TRANSACTION
- JUNE 18 - 20  
ROADSHOW FRANCE, THE NETHERLANDS, BELGIUM  
COLLECTING INITIAL ORDERS OF INTEREST
- JUNE 24 - 25  
BOOKS OPEN - BOOK BUILDING
- JUNE 25 - 26  
ALLOCATION AND PRICING
- JUNE 28 - JULY 5  
SETTLEMENT T+3 (TBD)

# INDICATIVE TERMS AND CONDITIONS

Issuer	Kinepolis Group NV
Rating	Non-Rated
Issue Size	2 tranches depending on investor appetite
Use of Proceeds	Acquisitions, construction of new theatres, re-modelling, investments in new experience concepts, other capital expenditure and general corporate purposes
Ranking	Senior, unsecured, unsubordinated, pari passu with all senior, unsecured debt of the Issuer
Issue date	[•] 2019
Tenors	Long 7 years and/or 10 years
Coupon	Fixed rate coupon, annually, unadjusted following, ACT/ACT
Undertakings	Negative Pledge, Cross Acceleration, Change of Control
Early Redemption Events	Change of Control
Events of Default	Non-payment, breach of other obligations, security enforced, insolvency or judicial re-organisation, change of business, illegality
Financial covenant	Financial Condition Step-Up (and Financial Condition Step-Down) of 50bps if the Consolidated Leverage Ratio at the end of the Relevant Period (31 December) exceeds 4x
Denominations	EUR 100,000 + multiples thereof
Clearing	X/N system of NBB
Listing	Euronext Growth Brussels (MTF)
Governing law	Belgian law
Bookrunners	Belfius, BNP Paribas Fortis, ING, KBC



## FINANCIAL CALENDAR

Thursday	22/08/2019	<b>Half Year results 2019</b> Press & analyst meeting
Thursday	14/11/2019	Business Update Q3 2019
Thursday	20/02/2020	<b>Full year results 2019</b> Press & analyst meeting



