SEMESTRIAL FINANCIAL REPORT

2015

27 August 2015

Kinepolis achieved 13% higher revenue and 13% more current profit with 11% more visitors

- **The continued implementation of the strategic pillars resulted in improved revenue and operational efficiency per visitor in all complexes.**
- **The integration of the acquired cinemas is going well: they have contributed to revenue and EBITDA growth at Group level.**
- **The issuance of a long-term bond loan to finance the planned expansion projects resulted in significantly higher financial charges.**
- **For the first half of 2015 this resulted in[1] [2]:**
  - An 11% rise in visitor numbers compared with the previous year, to 9.8 million, due to the expansion.
  - A 13.1% increase in total revenue, to € 130.2 million, due to the rise in visitor numbers, increased sales per visitor and more revenue from business-to-business (B2B) and real estate activities.
  - A 16% increase in current[3] EBITDA[4] (REBITDA) to € 35.8 million and a 4.6% rise in REBITDA per visitor, due to further improvements to operational efficiency and higher sales per visitor.
  - A 13.1% rise in current profit to € 15.1 million.
  - A € 1.5 million rise in net finance expenses.

The number of visitors rose by 11% in the first half of the year, essentially due to the acquired cinemas in Spain and the Netherlands. The first six months were characterised by a weak local film offer compared with 2014, but this was offset by a strong international offer, which included ‘Fifty Shades of Grey’, ‘Fast & Furious 7’, ‘Jurassic World’ and ‘Avengers: Age of Ultron’. Visitor numbers in Belgium and France were down somewhat compared with the same period last year, but the decrease remained limited taking into account the particularly strong local content in 2014, including ‘FC De Kampioenen’ in Belgium and ‘Qu’est-ce qu’on a fait au bon dieu’ in France. Spain achieved organic growth in the first half of the year, next to growth through expansion. The Netherlands also experienced a strong first six months.

Total revenue grew by 13.1%, increasing faster than visitor numbers, due, among other things, to increased sales per visitor in all countries. Box Office (BO) revenue per visitor rose, partly due to new premium propositions such as Laser Ultra and Cosy Seating. In-theatre sales (ITS) revenue rose due to

[1] All comparisons are made with the figures of the first six months of 2014.
[2] Press release based on unaudited figures.
[3] After elimination of non-current transactions.
[4] EBITDA is not a recognized IFRS term. Kinepolis Group NV has defined this concept by adding depreciations, amortizations, write-downs and provisions to the operating profit and subtracting any reversals or uses of the same items.

more commercial films and less local content in France and Belgium compared with the same period last year. The changed country mix, with the addition of the Netherlands, where the average consumption per visitor is higher, also had a positive impact on the overall average sales per visitor.

B2B revenue contributed to the growth in revenue due to the increased sale of cinema vouchers to companies and more events, in spite of the decrease of revenue from screen advertising.

Real estate revenue rose by almost a quarter due to the expansion, the addition of rental income from the building in 'Le Toison d'Or' and more income from own concessions.

Revenue from film distribution (Kinepolis Film Distribution, KFD) decreased in the first half of 2015 due to fewer local film releases and the impact of 'The Wolf of Wall Street' last year.

Eddy Duquenne, CEO Kinepolis Group, about the first half year: "We have had a very good first six months: the integration of the acquired cinemas is going well and the commercial and operational efficiency of the existing activities are further improving. The expansion of the Group remains a priority. We are working on several new-build projects and we expect to be able to complete the acquisition of Utopia SA in the second half of the year."

Key figures

In million €	H1 2015	H1 2014	% difference
Visitors ('000)	9,799	8,827	11.0%
Revenue	**130.2**	**115.1**	**13.1%**
EBITDA	**34.8**	**29.9**	**16.1%**
Current EBITDA (REBITDA)	**35.8**	**30.9**	**16.0%**
REBITDA margin	*27.5%*	*26.8%*	
EBIT	**23.6**	**20.2**	**16.8%**
Current EBIT (REBIT)	**24.7**	**20.8**	**18.9%**
REBIT margin	*19.0%*	*18.1%*	
Profit	**14.4**	**13.0**	**10.7%**
Current profit	**15.1**	**13.4**	**13.1%**
Earnings per share (in €)	0.54	0.49	10.2%
Free cash flow[5]	**9.3**	**11.6**	**(19.2)%**

In million €	30 Jun 2015	31 Dec 2014	% difference
Total assets	376.9	347.1	8.6%
Equity	104.7	104.7	(0.1)%
Net financial debt (NFD)	**153.7**	**118.6**	**(29.6)%**

[5] Kinepolis Group defines the free cash flow as the net cash from operating activities less the maintenance investments in intangible assets and property, plant and equipment and investment property, and paid interest expenses.

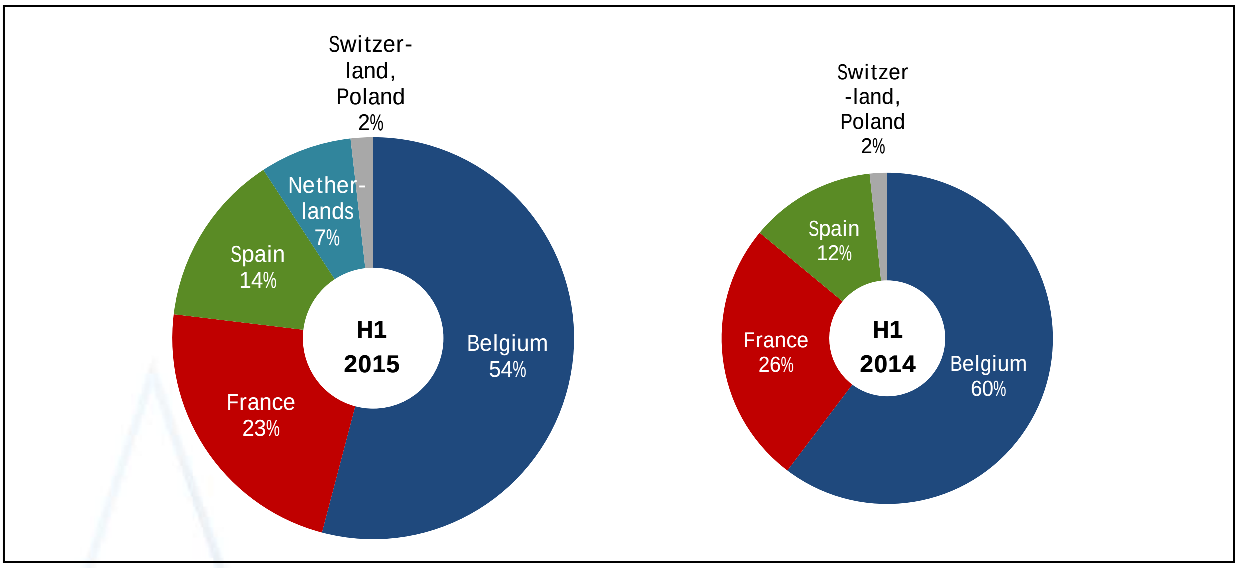
Notes

Revenue

Revenue in the first quarter of 2015 was € 130.2 million, an increase of 13.1% compared to 2014. Revenue rose more strongly than visitor numbers (+11%), as a consequence of the higher revenue per visitor and the rise in B2B revenue (+8.8%) and real estate revenue (+23.8%[6]), partially offset by the disappointing revenue of KFD (-60%). The rise in B2B revenue was negatively impacted by lower revenue from screen advertising.

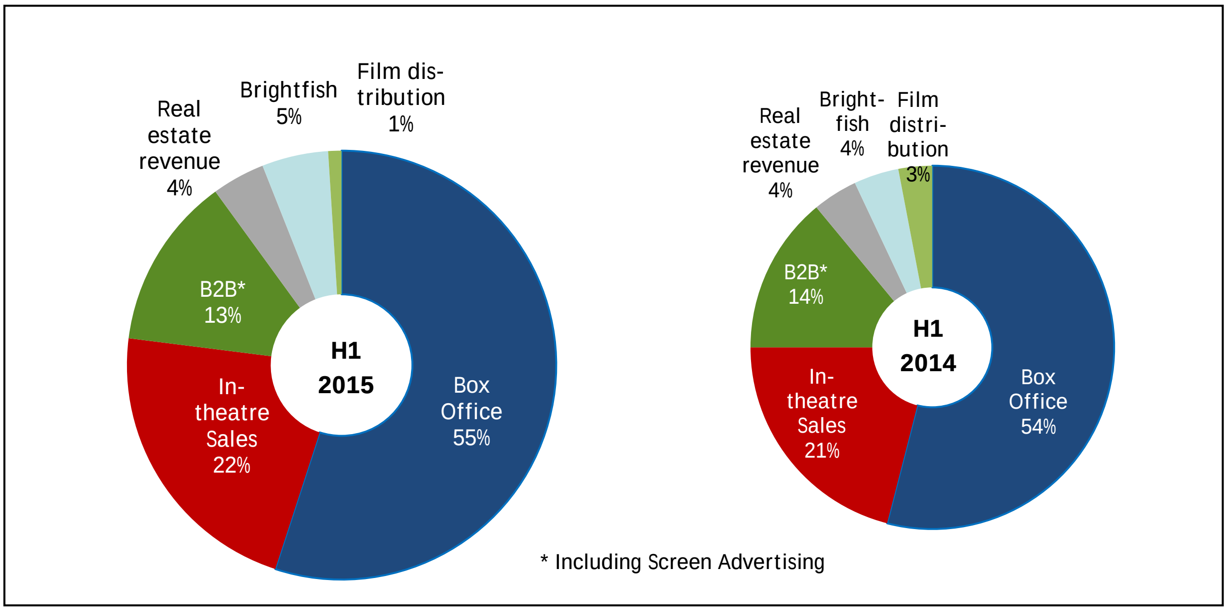
Revenue from ticket sales (Box Office, BO) increased by 14.3%, while revenue from food and beverages (in-theatre sales; ITS) increased with 18.6%. BO revenue per visitor rose by 2.9% and ITS revenue by 6.9%. Sales per visitor rose in all countries.

Revenue by country



[6] At flat exchange rates

Revenue by activity



Box Office revenue increased by 14.3% to € 71.7 million, due to rising visitor numbers, increasing sales per visitor in all countries and the changed country mix. Belgium's lower share in BO revenue was offset by the addition of the Netherlands, a cinema market with higher than average sales per visitor. The success of premium propositions such as Laser Ultra (available in four Kinepolis cinemas) and Cosy Seating (available in three Kinepolis cinemas) also contributed to the rise in revenue per visitor.

The increase in the number of visitors (+11%) is mainly due to the expansion in the Netherlands and Spain and a strong international film offer in the first half of the year, in spite of the lack of successful local films in France and Belgium.

The top 5 films in the first half of 2015 were 'Fast & Furious 7', 'Fifty Shades of Grey', 'Jurassic World', 'Avengers: Age of Ultron' and 'American Sniper'. The most successful local films were 'La Famille Bélier' and 'Papa ou Maman' in France, 'Bowling Balls' and 'Maya's Eerste Vlucht' in Belgium and 'Perdiendo el Norte' and 'Ahora o Nunca' in Spain.

Visitors (in millions)	Belgium	France	Spain	Netherlands	Switzerland	Total
Number of cinemas*	11	8	5	8	1	**33**
H1 2015	**4,1**	**3,0**	**1,9**	**0,7**	**0,1**	**9,8**
H1 2014	4,1	3,1	1,5	0,0	0,1	**8,8**
2015 vs. 2011 2014	**-2,8%**	**-1,6%**	**+25,8%**	**-**	**+13,1%**	**+11,0%**

* Operated by Kinepolis. Another two cinemas (in Belgium and Poland) are leased to third parties.

In-theatre sales increased by 18.6% due to the higher visitor numbers and the higher revenue per visitor in all countries, as a consequence of the larger share of commercial movies compared with last year. The addition of the Netherlands, where ITS per visitor is higher than average, also contributed to the higher revenue per visitor.

B2B revenue increased by 8.8% due to more events and higher sales of cinema vouchers to companies, partly offset by a slight decrease in screen advertising.

Real estate revenue rose by 23,8%[7] due to the expansion, the addition of rental income from the building in 'Le Toison d'Or' and more income from own concessions.

The revenue from Kinepolis Film Distribution (KFD) fell by 60% due to the lack of local film releases in the first half of this year and the success of 'The Wolf of Wall Street' last year.

Brightfish generated almost 30% more revenue, primarily due to a strong increase in events. Revenue from screen advertising decreased due to lower revenue from national campaigns.

REBITDA

Current EBITDA (REBITDA) rose by 16% to € 35.8 million and the REBITDA margin increased to 27.5% from 26.8%, due to higher operational efficiency. REBITDA per visitor also rose by 4.5%, due in part to higher sales per visitor but partially offset by the addition of leased complexes in the Netherlands and Spain, and the changed country mix.

Profit for the period

Current profit for the first half year was € 15.1 million, 13.1% higher than in 2014 (€ 13.4 million). This increase was due to the higher REBITDA, partially offset by higher depreciations and amortizations, financial and income tax expenses.

Total profit for the first six months was € 14.4 million, compared to € 13.0 million in 2014, a 10.7% increase.

The primary non-current items in 2015 were transformation costs (€ -0.6 million) and a number of other costs (€ -0.3 million). The income tax expenses on these non-current items were € 0.4 million.

The main non-current items in 2014 were transformation costs (€ -0.8 million) and the use of transformation provisions (€ 0.4 million). The income tax expenses on these non-current items were € 0.1 million.

The net financial expenses were € 1.5 million, or 54%, higher than in 2014, due to the increase in interest charges in 2015. This was due to the pre-financing of future expansion projects in the first half of 2015.

The effective tax rate was 26.5% compared to 26.2% in 2014, due to the higher taxable profit, partially offset by more tax shelters than last year, the reduction in the tax rate in Spain from 30% to 28% and higher profit from foreign operations with a positive impact on the average tax rate.

[7] At flat exchange rates

Earnings per share amounted to € 0.54, which is 10.2% higher than in 2014, due to the increased profit in the first half of the year.

Free cash flow and net financial debt

The free cash flow was € 9.3 million compared to € 11.6 million in 2014.

The lower free cash flow was the consequence of higher income taxes paid (€ -5.3 million), the evolution of the working capital (€ -3.6 million), higher interest paid (€ -0.2 million), partly offset by higher EBITDA (adjusted for a number of non-cash elements) (€ +5.1 million), a number of one-off items in 2014 and 2015 (€ +0.3 million) and lower maintenance capital expenditures (€ +1.4 million).

The free cash flow after expansion investments, dividends and share buyback was € -35.0 million, € 25.3 million lower than last year, due to an additional € 6.2 million in dividend payments and an additional € 25.7 million in investments.

In the first half of 2015 capital expenditure was € 31.8 million, € 24.3 million higher than in the previous year. This is the consequence of the acquisition of the cinema building in Enschede (Netherlands), the ongoing investments with regard to the construction of a new complex in Dordrecht (Netherlands) and the new front-office software, the installation of Cosy Seating at our three biggest cinemas and the renovation of Kinepolis Alcobendas, one of the Spanish cinemas acquired last year.

Net financial debt was € 153.7 million at 30 June 2015, an increase of € 35.1 million compared to the end of 2014 (€ 118.6 million), after the dividend pay-out of € 23.0 million and investments of € 31.6 million. The NFD/EBITDA ratio was 2.0 at 30 June 2015.

Gross financial debt increased by € 47.5 million to € 183.5 million at 30 June 2015 compared to 31 December 2014 (€ 136.0 million).

Balance sheet

Fixed assets represented 71.4% of the balance sheet total as at 30 June 2015 (€ 269.2 million). This includes land and buildings (including investment property) with a carrying amount of € 218 million.

As at 30 June 2014 equity amounted to € 104.7 million. Solvency was 27.8%, compared with 30.2% in 2014.

Important events since 1 January 2015

Appointment and reappointment of Kinepolis Group NV directors
During the Ordinary General Meeting of 13 May 2015 of Kinepolis Group NV Ms Annelies Van Zutphen and BVBA JoVB, with Mr Jo Van Biesbroeck as permanent representative, were appointed as independent directors. Ms Van Zutphen was until recently Head of Retail Practice at the Amsterdam office of The Boston Consulting Group. Mr Van Biesbroeck is Head of Strategy at AB Inbev, where he has held various senior functions. The Board of Directors also reappointed Ms Marion Debruyne and Mr Rafaël Decaluwé as independent directors.

Opening 'Leonidas Chocolates Café' at Kinepolis Antwerp
'Leonidas Chocolates Café' was successfully launched at Kinepolis Antwerp on 20 February 2015. Cinema visitors can drop in to experience the famous Leonidas pralines and chocolate. 'Leonidas Chocolates Café' is operated by Kinepolis, just like the 'Ola Happiness Station' in the same building.

Closure Camera cinema in Utrecht
Mid March 2015, the two-screen Camera cinema in Utrecht (the Netherlands) was closed. This closure was planned as part of the development of the construction project at Utrecht Jaarbeurs (14 screens). This possibility was taken into account in the acquisition agreement.

Acquisition of the Enschede cinema building
On 1 April 2015 ownership of the cinema building in Enschede (the Netherlands) passed to Kinepolis. This cinema was part of the Wolff Bioscopen group acquired by Kinepolis and was previously leased. This acquisition is part of the real estate strategy of Kinepolis.

EXPANSION

Kinepolis settles down in Breda and Brétigny-sur-Orge
In January 2015 project developer MaVer inaugurated the 'Evenementenzone Breda'. Kinepolis will soon begin construction of a 10-screen cinema with 1,727 seats. The area will have various mutually reinforcing leisure functions. The site is expected to welcome around 450,000 Kinepolis visitors per year.
Kinepolis and project developer Immochan were granted all necessary permits for the construction of a new cinema in Brétigny-sur-Orge, 35 kilometres south of Paris (France). This cinema, which has floor space of 6,500m² for 10 screens and 1,530 seats, will be part of the new 'Les Promenades de Brétigny' shopping centre. Immochan will lease a wind-tight building to Kinepolis, which in turn will take care of all interiors and finishing. Once it is operating at full speed, around 500,000 visitors per year are expected.

Green light for new megaplex in Utrecht Jaarbeurs
On 1 July 2015 Kinepolis was given the green light to build and operate a new cinema in Utrecht Jaarbeurs. The permit had already been issued by the municipality of Utrecht and was ratified by the Council of State. The megaplex cinema in Utrecht will have 14 screens and 3,300 seats, making it one of the biggest cinemas in the Netherlands. Kinepolis targets more than 1.25 million visitors per year at Utrecht Jaarbeurs.

Acquisition of Mégaroyal cinema in France
Kinepolis acquired the Mégaroyal cinema in France at the beginning of July 2015. Mégaroyal is a 12-screen cinema with around 2,100 seats, located in Bourgoin-Jallieu, 35 km east of Lyon. Mégaroyal

currently welcomes some 600,000 visitors per year. This acquisition enables Kinepolis to strengthen its position on the French market.

Kinepolis reaches agreement in principle on Utopolis acquisition
On 10 July 2015 Kinepolis announced that an agreement in principle had been reached on the acquisition of the Utopolis Group (Utopia SA) subject to certain conditions. Utopia SA has 13 cinemas in four countries: the Grand Duchy of Luxembourg, the Netherlands, Belgium and France. In 2014 the Utopolis Group welcomed 3.4 million visitors, generating € 41 million in turnover and € 7.5 million EBITDA.

Utopia SA has three cinemas in the Grand Duchy of Luxembourg (two in Luxembourg City and one in Esch-sur-Alzette), five in the Netherlands (Oss, Almere, Zoetermeer, Den Helder and Emmen), four in Belgium (Mechelen, Turnhout, Aarschot and Lommel) and one in France (Longwy).

The intended acquisition of the Utopolis Group is in line with the expansion strategy of Kinepolis, thus strengthening its position in France and the Netherlands while adding a new geographic market, Luxembourg, to its portfolio. Utopia SA primarily operates multiplexes and owns the real estate that hosts several of its cinemas. A number of complexes are leased from third parties.

In the coming period the parties will flesh out the conditions of the intended acquisition and conduct the due diligence. Kinepolis is requesting permission for the acquisition of the Belgian cinema complexes from the Belgian Competition Authority.

REFINANCING
Kinepolis Group NV has taken a number of steps over the past six months to better align the term of its loans to promised commitments as part of its expansion strategy, as such taking advantage of the favourable interest rates. With this refinancing all planned greenfields and takeovers have been financed, with the exception of Utopolis.

Private placement of bonds
In January of this year, Kinepolis Group successfully concluded a private placement of bonds with institutional investors amounting to € 96 million. € 61.4 million was placed with a maturity of 7 years, € 34.6 million with a maturity of 10 years.

Unconditional exchange offer retail bond
On 12 May 2015 Kinepolis Group NV launched an unconditional public exchange offer in Belgium on all outstanding fixed-rate bonds maturing on 6 March 2019, for a total amount of € 75 million. At the close of the acceptance period, 15,878 existing bonds (or 21 % of all outstanding bonds concerned) had been tendered into the exchange offer, with a total nominal value of € 15.9 million. Those bonds were exchanged on 9 June 2015 for 15,878 new bonds with a total nominal value of € 15.9 million and maturing on 9 June 2023.

Revised line of credit at bank consortium
At the end of June 2015 Kinepolis renewed its existing revolving credit agreement with the bank consortium KBC, ING and BNP Paribas Fortis, for € 90 million over the whole term until the end of June 2020.

Purchase and sale of treasury shares
As part of the share buyback programme launched on 8 September 2014 (under the authorisation to buy back up to 5,856,505 treasury shares for cancellation), 29,339 shares were bought back for € 1.0 million in 2015. That completed this phase of the share buy-back programme. In 2015 another 1,289,370 shares were sold as a consequence of the exercise of options by employees and directors. At the time of publication, the Group held 269,221 treasury shares.

Line-up for the second half of 2015

Current hits are 'Mission Impossible – Rogue Nation', 'Minions', 'Inside Out', 'Jurassic World', 'Ant-Man', 'Ted 2' and 'Les profs 2'. Hits in the making include: 'The Maze Runner: The Scorch Trials', 'Star Wars: Episode VII – The Force Awakens', 'The Hunger Games: Mockingjay – Part 2', the new James Bond film 'Spectre', 'The Martian', 'In the Heart of the Sea' and 'The Good Dinosaur'. The local film offer also looks promising with 'FC De Kampioenen 2', 'Wat Mannen Willen' and 'Safety First' in Flanders, 'Babysitting 2', 'Belle et Sébastien: l'Aventure Continue' and 'Les nouvelles aventures d'Aladin' in France, 'Asesinos Inocentes', 'Regresión' and 'Altrapa la bandera' in Spain and 'Ja, ik wil' and 'Mannenharten 2' in the Netherlands. In terms of alternative content, live opera and ballet will be complemented with art exhibitions ('Exhibition on screen') and 'E-Sports at the Cinema'.

Kinepolis meets the admission requirements for the PEA-PME 2015/2016

Towards French investors, Kinepolis Group confirms its eligibility for the PEA-PME (Plan d'Epargne en Actions) in accordance with decree n°2014-283 of 4 March 2014, in pursuance of article 70 of the 2014 Finance Act n°2013-1278 of 29 December 2013. A company's eligibility for the PEA-PME depends on a number of INSEE conditions: employment of less than 5,000 employees and an annual turnover of less than € 1.5 billion or a balance sheet total of less than € 2.0 billion. Kinepolis Group meets these requirements. This new form of investment allows French private investors to invest up to € 75,000 in eligible companies and, under certain conditions, to take advantage of the beneficial tax conditions of the classic PEA.

Financial calendar

Tuesday 17 November 2015	Business update third quarter 2015
Thursday 18 February 2016	Annual results 2015
Wednesday 11 May 2016	Business update first quarter 2016
Wednesday 11 May 2016	Shareholders' meeting

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Kinepolis

Kinepolis Group was formed in 1997 as a result of the merger of two family-run cinema groups and was first listed on the stock exchange in 1998. Kinepolis offers an innovative cinema concept which serves as a pioneering model within the industry. Kinepolis Group has 35 multiplexes throughout Belgium, the Netherlands, France, Spain, Switzerland and Poland. In addition to its cinema business, the Group is also active in film distribution, event organization, screen advertising and property management. 2,100 employees work hard every day to give millions of cinema visitors an unforgettable movie experience.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 2015

- Consolidated income statement
- Consolidated statement of comprehensive income
- Consolidated statement of financial position
- Consolidated statement of cash flows
- Consolidated statement of changes in equity
- Notes

CONSOLIDATED INCOME STATEMENT IN '000 €	30/06/2015	30/06/2014 (restated)*
Revenue	130.171	115.101
Cost of sales	-91.341	-81.088
Gross profit	**38.830**	**34.013**
Gross profit / Revenue	*29,8%*	*29,6%*
Marketing and selling expenses	-6.596	-6.269
Administrative expenses	-8.979	-7.671
Other operating income	440	378
Other operating expenses	-97	-247
Operating profit	**23.598**	**20.204**
Operating profit / Revenue	*18,1%*	*17,6%*
Finance income	639	484
Finance expenses	-4.717	-3.132
Profit before tax	**19.520**	**17.556**
Income tax expense	-5.168	-4.595
Profit for the period	**14.352**	**12.961**
Profit for the period / Revenue	*11,0%*	*11,3%*
Attributable to:		
Owners of the Company	14.352	12.961
Non-controlling interests	0	0
Profit for the period	**14.352**	**12.961**
Basic earnings per share (€)	0,54	0,49
Diluted earnings per share (€)	0,54	0,47

* See notes to the condensed consolidated interim financial statements 2015.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME in '000 €	30/06/2015	30/06/2014 (restated)*
Profit for the period	**14.352**	**12.961**
Items that are or may be reclassified to profit or loss:		
Translation differences	1.406	46
Cash flow hedges - effective portion of changes in fair value	50	2
Cash flow hedges - net change in the fair value reclassified to profit or loss	-11	57
Taxes on other comprehensive income	-13	-20
Other comprehensive income for the period, net of tax	**1.432**	**85**
Total comprehensive income for the period	**15.784**	**13.046**
Attributable to:		
Owners of the Company	15.784	13.046
Non-controlling interests	0	0
Total comprehensive income for the period	**15.784**	**13.046**

* See notes to the condensed consolidated interim financial statements 2015.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION / ASSETS in '000 €	30/06/2015	31/12/2014
Other intangible assets	4.443	3.998
Goodwill	35.916	36.116
Property, plant and equipment	236.714	215.335
Investment property	32.450	32.628
Deferred tax assets	1.240	1.308
Other receivables	12.937	12.656
Other financial assets	27	27
Non-current assets	**323.727**	**302.068**
Inventories	3.552	3.636
Trade and other receivables	19.824	24.293
Current tax assets	275	40
Cash and cash equivalents	29.407	17.000
Derivative financial instruments	66	27
Assets classified as held for sale	0	0
Current assets	**53.124**	**44.996**
TOTAL ASSETS	**376.851**	**347.064**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION / EQUITY AND LIABILITIES in '000 €	30/06/2015	31/12/2014
Share capital	18.952	18.952
Share premium	1.154	1.154
Consolidated reserves	84.835	86.304
Translation reserve	-272	-1.678
Total equity attributable to owners of the Company	**104.669**	**104.732**
Non-controlling interests	**0**	**0**
Equity	**104.669**	**104.732**
Loans and borrowings	179.936	91.471
Provisions	2.592	2.497
Deferred tax liabilities	15.449	15.855
Other payables	7.937	7.357
Non-current liabilities	**205.914**	**117.180**
Bank overdrafts	553	470
Loans and borrowings	3.020	44.095
Trade and other payables	56.838	72.294
Provisions	562	610
Current tax liabilities	5.295	7.683
Current liabilities	**66.268**	**125.152**
TOTAL EQUITY AND LIABILITIES	**376.851**	**347.064**

CONSOLIDATED STATEMENT OF CASH FLOWS IN '000 €	30/06/2015	30/06/2014 (restated)*
Profit before tax	19.520	17.556
Adjustments for:		
Depreciations and amortization	11.108	10.199
Provisions and impairments	64	-465
Government grants	-312	-325
(Gains) Losses on sale of fixed assets	68	1
Change in fair value of derivative financial instruments and unrealised foreign exchange results	237	9
Unwinding of non-current receivables	-302	-348
Share-based payments	154	45
Impairment on tax shelter investments	225	153
Amortization of transaction costs refinancing	139	104
Interest expense and income	3.204	2.060
Change in inventory	78	414
Change in trade and other receivables	4.513	5.036
Change in trade and other payables	-14.043	-11.675
Cash from operating activities	**24.653**	**22.764**
Income taxes paid	-8.141	-2.816
Net cash from operating activities	**16.512**	**19.948**
Acquisition of other intangible assets	-958	-787
Acquisition of property, plant and equipment and investment property	-30.842	-6.762
Acquisition of subsidiaries, net of cash acquired	200	-1.050
Proceeds from sale of intangible assets	5	0
Proceeds from sale of property, plant and equipment	151	37
Net cash used in investing activities	**-31.444**	**-8.562**
Capital reduction	-2	-4
New loans	101.000	45.000
Repayment of borrowings	-52.468	-41.154
Payment of transaction costs refinancing	-1.281	0
Interest paid	-4.109	-3.865
Interest received	47	9
Repurchase and sale of own shares	7.000	-353
Dividends paid	-23.016	-16.838
Net cash used in financing activities	**27.171**	**-17.205**
Net cash flow	**12.239**	**-5.819**
Cash and cash equivalents at beginning of the period	16.530	18.712
Cash and cash equivalents at end of the period	28.854	12.896
Effect of exchange rate fluctuations on cash held	85	3
Net cash flow	**12.239**	**-5.819**

* See notes to the condensed consolidated interim financial statements 2015.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN '000 €	ATTRIBUTABLE TO OWNERS OP THE COMPANY						NON-CONTROLLING INTERESTS	2015 EQUITY
	SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	HEDGING RESERVE	TREASURY SHARES RESERVE	SHARE-BASED PAYMENTS RESERVE	RETAINED EARNINGS		
At 31 December 2014	**20.106**	**-1.678**	**17**	**-10.572**	**2.911**	**93.948**	**0**	**104.732**
Profit for the period	**0**	**0**	**0**	**0**	**0**	**14.352**	**0**	**14.352**
Items that are or may be reclassified to profit or loss:								
Translation differences		1.406						1.406
Cash flow hedges - effective portion of changes in fair value			50					50
Cash flow hedges - net change in the fair value reclassified to profit or loss			-11					-11
Taxes on other comprehensive income			-13					-13
Other comprehensive income for the period, net of tax	**0**	**1.406**	**26**	**0**	**0**	**0**	**0**	**1.432**
Total comprehensive income for the period	**0**	**1.406**	**26**	**0**	**0**	**14.352**	**0**	**15.784**
Dividends						-23.102		-23.102
Own shares acquired / sold				5.749		1.352		7.101
Share-based payment transactions					-2.620	2.774		154
Total transactions with owners, recorded directly in equity	**0**	**0**	**0**	**5.749**	**-2.620**	**-18.976**	**0**	**-15.847**
Acquisition of non-controlling interests, without changes in control						**0**	**0**	**0**
At 30 June 2015	**20.106**	**-272**	**43**	**-4.823**	**291**	**89.324**	**0**	**104.669**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN '000 €	ATTRIBUTABLE TO OWNERS OP THE COMPANY						NON-CONTROLLING INTERESTS	2014 EQUITY (restated)*
	SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	HEDGING RESERVE	TREASURY SHARES RESERVE	SHARE-BASED PAYMENTS RESERVE	RETAINED EARNINGS (restated)*		
At 31 December 2013	**20.106**	**-1.581**	**-39**	**-8.816**	**2.597**	**92.390**	**0**	**104.657**
Profit for the period	**0**	**0**	**0**	**0**	**0**	**12.961**	**0**	**12.961**
Items that are or may be reclassified to profit or loss:								
Translation differences		46						46
Cash flow hedges - effective portion of changes in fair value			2					2
Cash flow hedges - net change in the fair value reclassified to profit or loss			57					57
Taxes on other comprehensive income			-20					-20
Other comprehensive income for the period, net of tax	**0**	**46**	**39**	**0**	**0**	**0**	**0**	**85**
Total comprehensive income for the period	**0**	**46**	**39**	**0**	**0**	**12.961**	**0**	**13.046**
Dividends						-16.847		-16.847
Own shares acquired / sold				-353				-353
Share-based payment transactions					45			45
Total transactions with owners, recorded directly in equity	**0**	**0**	**0**	**-353**	**45**	**-16.847**	**0**	**-17.155**
Acquisition of non-controlling interests, without change in control						**0**	**0**	**0**
At 30 June 2014	**20.106**	**-1.535**	**0**	**-9.169**	**2.642**	**88.504**	**0**	**100.548**

* See notes to the condensed consolidated interim financial statements 2015.

SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	SPAIN	NETHERLANDS	OTHERS** (PL + SWI)	NOT ALLOCATED	30/06/2015 TOTAL
Segment revenue	80.094	30.094	18.384	9.622	2.410	0	140.604
Inter-segment revenue	-9.711	-405	-276	0	-41	0	-10.433
Revenue	**70.383**	**29.689**	**18.108**	**9.622**	**2.369**	**0**	**130.171**
Segment profit	**10.606**	**8.732**	**2.642**	**1.098**	**520**	**0**	**23.598**
Finance income						639	639
Finance expenses						-4.717	-4.717
Profit before tax							**19.520**
Income tax expense						-5.168	-5.168
Profit for the period							**14.352**
Capital expenditure	**3.666**	**1.205**	**1.490**	**25.408**	**31**	**0**	**31.800**

SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	SPAIN	NETHERLANDS	OTHERS** (PL + SWI)	NOT ALLOCATED	30/06/2015 TOTAL
Total assets	**124.326**	**80.374**	**59.415**	**55.897**	**25.824**	**31.015**	**376.851**
Total equity and liabilities	**39.922**	**20.204**	**4.426**	**2.558**	**819**	**308.922**	**376.851**

SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	SPAIN	NETHERLANDS	OTHERS** (PL + SWI)	NOT ALLOCATED	30/06/2014 TOTAL (restated)*
Segment revenue	76.678	29.955	14.412	0	1.964	0	123.009
Inter-segment revenue	-7.203	-405	-262	0	-38	0	-7.908
Revenue	**69.475**	**29.550**	**14.150**	**0**	**1.926**	**0**	**115.101**
Segment profit	**10.907**	**7.368**	**1.561**	**0**	**368**	**0**	**20.204**
Finance income						484	484
Finance expenses						-3.132	-3.132
Profit before tax							**17.556**
Income tax expense						-4.595	-4.595
Profit for the period							**12.961**
Capital expenditure	**4.631**	**1.382**	**1.455**	**0**	**81**	**0**	**7.549**

SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	SPAIN	NETHERLANDS	OTHERS** (PL + SWI)	NOT ALLOCATED	31/12/2014 TOTAL
Total assets	**130.353**	**82.273**	**59.819**	**31.464**	**24.753**	**18.402**	**347.064**
Total equity and liabilities	**49.219**	**22.830**	**6.099**	**3.830**	**780**	**264.306**	**347.064**

* As a consequence of the application of IFRIC 21, the Group has changed its accounting principles. Accordingly, the Group has restated the operating segment information for the six months ended 30 June 2014 (see notes to the condensed consolidated interim financial statements 2015).

** The other operating segment includes Poland and Switzerland. None of these segments met the quantitative thresholds for reportable segments in 2014 and 2015.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 2015

1. Information about the Company

Kinepolis Group NV (the 'Company') is a company registered in Belgium. The unaudited condensed consolidated interim financial statements of Kinepolis Group NV for the half year ending 30 June 2015 include the Company and its subsidiaries (jointly referred to as the 'Group') and the Group's interests in equity accounted investees.
The unaudited condensed consolidated interim financial statements were approved for publication by the Board of Directors on 25 August 2015.

2. Statement of compliance

The condensed consolidated interim financial statements for the six months ended 30 June 2015 have been prepared in accordance with the International Financial Reporting Standard (IFRS) IAS 34 "Interim financial reporting", as published by the International Accounting Standards Board (IASB) and approved by the European Union. The statements do not include all the information required for the full annual financial statements and need to be read in conjunction with the consolidated annual financial statements of the Group for the financial year ending on 31 December 2014.
The consolidated annual financial statements of the Group for the financial year 2014 can be consulted on the website investors.kinepolis.com and can be requested from Investor Relations free of charge.

3. Summary of significant accounting policies

The financial reporting principles which the Group has applied in these condensed consolidated interim financial statements are the same as the ones applied in the Group's consolidated annual accounts for financial year 2014. The standards that are applicable as from 1 January 2015 do not have a material impact on the condensed consolidated interim financial statements for the six months ending on 30 June 2015, except for the following.

Levies
The Group has adopted IFRIC 21 *Levies* with a date of initial application of 1 January 2015. This interpretation requires the full recognition of a liability as from the moment the activity that triggers the payment of the levy, in accordance with the legislation, occurs.

As a consequence of the application of IFRIC 21, the Group has modified the timing of when to accrue for property taxes when necessary. In accordance with the interpretation property taxes can no longer be spread over the year, but must be fully recognized in cost on the date of the event that triggers the liability. In accordance with IFRIC 21, the Group has consequently determined that the related liability and cost are fully recognized on 1 January. Simultaneously a receivable is posted in case the property taxes are cross charged to third parties or if the property taxes are not unconditionally due. Then the recognition of the expense is evenly spread over the year.

The Group has retrospectively applied this change in accounting policies and restated the comparative period.

The following table provides a summary of the impact of this change on the total comprehensive income of the Group for the period ended 30 June 2014.

IN '000 €	AS PREVIOUSLY REPORTED	ADJUSTMENTS	AS RESTATED
Cost of Sales	-80,550	-538	-81,088
Taxes	-4,778	183	-4,595
Other	98,644	-	98,644
Result of the period	**13,316**	**-355**	**12,961**
Total comprehensive income for the period	**13,401**	**-355**	**13,046**

The (diluted) earnings per share for the period ended 30 June 2014 were impacted as follows:

IN €	AS PREVIOUSLY REPORTED	ADJUSTMENTS	AS RESTATED
Basic earnings per share	0.50	-0.01	0.49
Diluted earnings per share	0.49	-0.01	0.47

The following table provides a summary of the impact of the change in accounting policies on the consolidated cash flows of the Group for the period ended 30 June 2014.

IN '000 €	AS PREVIOUSLY REPORTED	ADJUSTMENTS	AS RESTATED
Profit before tax	18,094	-538	17,556
Change in trade and other receivables	5,729	-693	5,036
Change in trade and other payables	-12,906	1,231	-11,675
Other	9,031		9,031
Net cash from operating activities	**19,948**		**19,948**
Net cash used in investing acctivities	**-8,562**		**-8,562**
Net cash used in financing activities	**-17,205**		**-17,205**
Net cash flow	**-5,819**		**-5,819**

On 30 June 2015 the property tax liabilities amounted to € 2.6 million. If the Group had applied its previous accounting policy, these liabilities, which are part of the other payables in the consolidated statement of financial position, would have been € 1.0 million lower. The other receivables, including the deferred property tax charges, would have been € 0.4 million lower. The cost of sales for the first six months ended 30 June 2015 would have been € 0.6 million lower. The taxes for this period would have been € 0.2 higher.

The basic earnings per share and the diluted earnings per share for the period ended 30 June 2015 would have been resp. € 0.02 and € 0.01 higher.

The operating, investing and financing cash flows for the first six months ended 30 June 2015 would not be impacted should the previous accounting policy still be applicable. There would only be a classification difference between the profit before taxes (€ 0.6 million higher), the change in other receivables (€ 0.4 million higher) and the change in other payables (€ 1.0 million lower).

The application of IFRIC 21 has no consequences for the statement of financial position of the Group at 1 January 2014 and 31 December 2014, nor will the financial statements for the full year 2015 be impacted.

4. Segment information

Refer to separate table

5. Risks and uncertainties

There are no fundamental changes in the risks and uncertainties for the Group as set out in the 2014 Management Report included in the 2014 Annual Report (Section 03 – Management Report).

6. Related party transactions

There are no additional related party transactions apart from those transactions disclosed in the 2014 Annual Report (Section 05 – Financial Report – Note 28).

7. Financial liabilities – future cash flows

The following table provides an overview of the contractual maturities for the financial liabilities, including the estimated interest payments:

IN '000 €	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL
Non-derivative financial liabilities				
Bond	6,187	81,062	122,528	209,777
Finance lease liabilities	3,446	5,118	7,908	16,472
Bank overdrafts	553			553
Trade payables	37,645			37,645
Tax shelter payables	225			225
Third party current account payables	43			43
Financial derivatives				
Foreign exchange forward contracts				
- Outflow	559			559
- Inflow	-626			-626
TOTAL	**48,032**	**86,180**	**130,436**	**264,647**

8. Important events after 30 June 2015

Acquisition of Mégaroyal cinema in France
The consequences of the acquisition of the French cinema Mégaroyal as from 8 July 2015, the date on which control was obtained, could not be determined yet, as the purchase price allocation was not yet completed on the date of the establishment of these semi-annual financial statements.

9. Other notes

Additional information concerning the Group's financing, treasury shares, options granted to certain members of personnel and directors, dividends and important events after 30 June 2015 is included in the first part of the press release.

DECLARATION WITH REGARD TO MANAGEMENT RESPONSIBILITY

Joost Bert and Eddy Duquenne, CEOs of Kinepolis Group, and Nicolas De Clercq, CFO of Kinepolis Group, declare that, to the best of their knowledge, the condensed consolidated interim financial statements, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), provide a true and fair view of the net assets, the financial position and the results of Kinepolis Group. The interim financial report gives a true and fair view of the development and the results of the Company and the position of the Group.