



Kinopolis Group Business Update Q1 2013 16 May 2013

Regulatory release

Q1 2013¹

- ★ Kinopolis Group welcomed 4.3 million visitors in Q1, a decrease of 8.7% compared to the previous year, influenced by the winter weather, a weak film offer and the economic crisis in Spain. Per visitor, the box office revenue and in-theatre sales increased further. Current² EBITDA³ per visitor rose thanks to the higher revenue per visitor and improved operating efficiency. As a result, total current EBITDA fell less than visitor numbers.
- ★ Increase in total revenue from screen advertising (Brightfish).
- ★ Real Estate revenue in line with expectations.
- ★ Lower B2B revenue in the first quarter.
- ★ Slight increase in net financial debt compared to year-end 2012.

Notes

Between 1 January and 31 March 2013 Kinopolis welcomed 4.3 million visitors, 8.7% less than in the same period in 2012. The high number of snow days in northern Europe kept film-lovers at home. Furthermore, the lack of strong films in the first quarter affected the entire European cinema industry. In Spain the absence of a successful local film offering, the persistent economic crisis and the rise in VAT from 8% to 21% continue to take their toll. In France and French-speaking Belgium there were no French hits like 'Intouchables' (Q1 2012) in the first quarter of 2013.

Box office revenue fell less than visitor numbers. Box office revenue per visitor did increase thanks to the additional targeted programming of events and new offerings such as opera, ballet and concerts.

The top 5 in the first quarter was 'Django Unchained', 'The Hobbit: An Unexpected Journey', 'A Good Day to Die Hard', 'The Impossible' and 'Oz the Great and Powerful'. There were no Flemish, French or Spanish films near the top of the film charts. The highest ranked local film in the international Kinopolis film chart was 'K3 Bengeltjes', which was only positioned in 16th place.

	Belgium	France	Spain	Switzerland	Total
Q1 2013 (millions)	2.1	1.4	0.8	0.04	4.3
Q1 2012 (millions)	2.2	1.5	0.9	0.03	4.7
2013 vs 2012	-7.6%	-6.1%	-16.1%	15.2%	-8.7%

In-theatre sales (ITS) per visitor continued to rise compared to the first quarter of 2012. Intensive range management in the self-service shops generated higher consumption per visitor in the first quarter.

Business-to-business (B2B) revenue fell in the first quarter due to fewer business events and publicity campaigns. Advertising on the Kinopolis screens performed better, however.

Real estate revenue from rental agreements remained in line with expectations.

The revenue of **Kinepolis Film Distribution (KFD)** fell because only one Flemish film was released in the first quarter ('Bingo') compared to four in the same period in 2012 ('Tot Altijd', 'Mixed Kebab', 'Plop wordt Kabouterkoning' and 'Allez, Eddy!'). KFD's biggest releases in the first quarter were 'Broken City' and 'Bingo'.

Brightfish generated higher screen advertising revenue in the first quarter, in part thanks to the increased success and effectiveness of digital cinema advertising and the strong performance of the sales teams.

Current EBITDA was lower than in the same period last year as a consequence of the lower visitor numbers. However, current EBITDA per visitor increased due to the higher revenue per visitor, further cost control and improved operational efficiency. As a result, the decrease in total current EBITDA was lower than the decrease in visitor numbers.

Net financial debt rose slightly compared to 31 December 2012.

Important events since 1 January 2013

Merger between Kinepolis Group NV and Decatron NV

On 7 May 2013 the Board of Directors of Kinepolis Group NV and the extraordinary general meeting of Decatron NV, a wholly owned subsidiary of Kinepolis Group NV, approved the merger of Kinepolis Group NV (acquiring company) and Decatron NV (company being acquired). The merger is part of the simplification of the corporate structures.

Kinepolis Group publishes Green Star brochure

In addition to its annual report and corporate brochure, Kinepolis recently presented its Green Star sustainability project, which functions as a benchmark for all aspects of the corporate sustainability policy. Green Star is the result of the future-oriented sustainability efforts Kinepolis has made over many years. Green Star is incorporated into the daily decision process and operations of Kinepolis.

Line-up

'Oblivion', 'Olympus has Fallen', 'Iron Man 3' and 'The Croods' are currently at the top of the film charts. Future blockbusters in 2013 include 'Fast and Furious 6', 'Hangover 3', 'The Smurfs 2', 'The Hobbit 2', 'Mad Max 4', 'Monsters University', 'The Great Gatsby', 'After Earth', 'Frozen', 'Turbo' and 'Epic'. Various local films enrich the program, including Flemish films 'Het Vonnis', 'Los Flamencos' and 'Marina', French films 'Eyjafjallajökull', 'Les Profs' and 'L'extravagant Voyage du Jeune et Prodigeux Spivet', and Spanish films 'La Gran Familia Española' and 'Las Brujas de Zugarramurdi'. Live opera and ballet will be complemented with concerts by such stars as Christophe Maé.

Financial calendar

Friday 17 May 2013

Monday 27 May 2013

Thursday 29 August 2013

Thursday 14 November 2013

General Shareholders' Meeting

Dividend payment

Half-year results 2013

Business update third quarter 2013

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¹ 1 January to 31 March. The first quarter of 2013 is compared to the first quarter of 2012.

² After eliminating non-current transactions.

³ EBITDA is not a recognized IFRS term. Kinopolis Group NV has defined this concept by adding depreciations, amortizations and provisions to the operating profit and subtracting any reversals or uses of the same items.