

Press Release Kinepolis Group

For immediate circulation

Ghent, 15 May 2009

Contact : Myriam Dassonville, Corporate Communication Manager

(Tel: +32 9 241 00 16 - E-mail: mdassonville@kinepolis.com)

Business Update Kinepolis Group

1/01/09 – 15/05/09

Kinepolis Group publishes an interim report in May and November. This report provides information on the operating activities and main events in the last quarter.

Operating activities

Visitor numbers till 13/05/09

From 1 January to 13 May inclusive, the Kinepolis Group welcomed 7.6 million visitors.

In line with expectations, the visitor numbers of Kinepolis in all countries lagged behind those of 2008 (-8%).

While comparing the two periods, one must take into account the exceptional success in 2008 of '*Bienvenue chez les Ch'tis*' in France and French-speaking Belgium, as well as the timing of the holidays.

Visitors Kinepolis Group - January until 13 05 09 incl.

	Belgium 11 complexes	France 7 complexes	Spain 3 complexes	Switzerland 1 complex	Total	2009/2008
First quarter	2,202,703	1,807,761	1,155,924	43,617	5,210,005	-16.9%
April until 13/05/09 incl.	1,003,481	822,773	586,091	16,658	2,429,003	18.7%
1 January - 13 May 2009	3,206,184	2,630,534	1,742,015	60,275	7,639,008	-8.1%
1 January - 13 May 2008	3,559,939	2,951,386	1,740,009	64,389	8,315,723	
2009 / 2008	-9.9%	-10.9%	0.1%	-6.4%	-8.1%	

Ticket sales

The Ticket Sales activity includes the revenues from the sale of entrance tickets for all types of shows, both the traditional full-length films and the new alternative content.

The revenues and results of this activity are mainly dependent on visitor numbers and ticket prices.

Food, beverage and retail

The Food, Beverage and Retail activity includes all revenues from the sale of beverages, snacks and other goods in the cinema complexes. The food and beverage offered for sale cater to the demand for comfort of a

Press Release Kinopolis Group

large number of cinemagoers. New, tried-and-tested concepts such as the large self-service shops are increasingly a part of the Kinopolis decor.

Media and events

The revenues of the Media and Events activity come from the B-to-B and B-to-C events, which are being constantly diversified and professionalised by Kinopolis. The trend in the resulting revenues develops completely independently of the trend in ticket sales.

In the last quarter, the event-based activities of Kinopolis once again met with great applause.

Dedicated local and national B-to-B teams laid a new emphasis on B-to-B activities.

Via digital projectors with 3D facilities, appropriate conference infrastructure and service, more enthusiastic prospecting, more intensive media campaigns and successful partnerships, the promotion of the Kinopolis cinemas as B-to-B locations is stronger than ever.

Film distribution

As specialist in the distribution of Flemish films, Kinopolis Film Distribution (KFD) carved a permanent niche for itself in the Belgian film landscape. Via KFD, Kinopolis demonstrates its intention as media company to support and encourage Flemish films.

During the past months, KFD distributed *'Dirty Mind'*, *'SM-Rechter'* and the new Stijn Coninx film *'Soeur Sourire'*. The coming period also has a large number of Flemish premieres on the programme, such as *'De Helaasheid der Dingen'* (selected for 'La Quinzaine des Réalisateurs' at the Cannes Film Festival), *Het Geheim van Mega Mindy*, *Suske & Wiske* and the *Texas Rakkers*, *Oud België*, *Meisjes*, *Dossier K.* and *Plop en de Kabouterbaby*.

Non-Flemish films are also gaining in importance. For this, KFD works in association with independent distributors such as RCV and A-FILM.

Upcoming toppers will undoubtedly be *17 Again*, *Fame*, *Imaginarium of Doctor Parnassus*, *Limits of Control* and *the Edge of Darkness*.

In September 2008 KFD launched a project for supporting Flemish documentaries to be shown on the big screen from 2010, in cooperation with Bridge Entertainment Group and the Flemish Audiovisual Fund "Docudoc",

Real Estate

Kinopolis' sites and buildings constitute a definite asset for the company. Kinopolis stands out from most other cinema groups in that it owns as much as 90% of its real estate, giving it the independence, freedom and flexibility to introduce a host of innovative projects and concepts. The Real Estate department manages the real estate portfolio of the Group. Kinopolis currently has more than 23 complexes with 317 screens and 94,226 seats. In 2008, the occupation rate of the commercial spaces increased to 90% and the business lease incomes rose by 7% in comparison with the previous year.

Press Release Kinopolis Group

Main events from January to 15 May 2009

January 2009: Launch of large-scale Cinema Survey by Kinopolis Belgium

Kinopolis launched a large-scale survey in January in order to come to a better understanding of the Belgian film fans. The survey looked into aspects such as individual visitor information, frequency of visits and timing, preferred actor or actress, favourite film genre, consumption pattern, etc.

This study is – at least at this scale – a first for Kinopolis and was met with a huge response: almost 75,000 Kinopolis visitors filled out the online survey. The acquired information provides input for the Group on which it will work on extensively in the future. The same type of survey will also soon be carried out in Spain and France.

January 2009: Sale of minority participation in CinemaxX

Op 26 January 2009, Kinopolis Group sold the minority participation of 12.61% (3 million shares) in the German cinema group CinemaxX AG to the H+Z Beteiligungs GmbH group, at a price of € 1 per share. The transfer of shares will take place in three equal parts, on payment of the purchase price. The first two payments were made on 30 January and 30 April, the third payment follows on 31 July 2009.

For Kinopolis Group nv, the transaction generates a surplus value in the financial year 2009 equal to the selling price (€ 3 million), provided that the participation had been written off in 2001.

March 2009: Henk Rogiers appointed CFO

From 4 May 2009, Mr. Rogiers succeeds Jan Staelens as CFO, who retained his position at Kinopolis till 15 March. Till April 2009, Henk Rogiers was Director at KPMG CFO Advisory, where he headed the Corporate Performance Management (CPM) and Controlling department. In that capacity, he advised various listed, multinational companies on their improvement programmes in the area of controlling-financial management and CPM. Prior to that, he was the European Financial Director of the American, listed company Graphic Packaging International and the Canadian software group, Numetrix Group.

April 2009: Kinopolis waives 50% option in Imagimons (Bergen, Belgium)

In order to bring to an end time-consuming and expensive legal procedures, Kinopolis has decided to unilaterally waive its rights under the option to acquire 50% of Imagimons, and to direct its attention to other expansion opportunities outside Belgium.

In 2008, Kinopolis had initiated an arbitration procedure to obtain the execution of the option agreement, the legal validity of which was disputed by the Carpentier family on the basis of the conflict with the restrictions imposed on Kinopolis by the Competition Council.

The Competition Council initially approved the 50% acquisition in October 2008 but Imagimons NV filed an appeal against this.

Imagimons SA/NV owns the Imagix Mons cinema complex in Bergen, which has 14 auditoriums accommodating 3,822 viewers.

Press Release Kinopolis Group

May 2009: Competition Council (Belgium)

The Court of Appeal (Belgium) notified Kinopolis on 4/05/09 of a judgement whereby the Court of Appeal dismisses UGC's request for the suspension of the recent decision of the Competition Council (Belgium) dd. 1/10/08. The last-mentioned decision stipulated that the prior permission of the Council would no longer be required for the expansion or replacement of cinemas, and that the construction of a new cinema or the takeover of an existing cinema still had to be formally announced till 2011. UGC, however, filed an appeal for the suspension and reversal of this decision.

In concrete terms, the judgement of 5 May means that the Council decision of 1 October 2008 remains in force till judgment is given on this case.

May 2009: General Meeting

The General Meeting of the Kinopolis Group takes place in Brussels today, 15/05/09.

The General Meeting decides today regarding the pay out of a gross dividend of 0.66 euro per share to the shareholders.

Also on the agenda are the appointments of directors Professor Marion Debruyne (Marion Debruyne BVBA), Associate Professor and Partner of the Competency Centre Marketing of the Vlerick Leuven Ghent Management School, and of Mr. Rafaël Decaluwé (Gobes Comm.V.), ex-CEO of Bekaert.

After Opera in the Cinema, now also Theatre in the Cinema

The success of Opera in the Cinema, which opera-loving Belgium and France hugely enjoyed (42 339 visitors), is certainly worth repeating. On Thursday 25 June, the kick-off for an exceptional series of live theatre performances will take place at Kinopolis. In the Belgian cinema halls, fans can immerse themselves in the atmosphere of a number of plays with world-renowned actors broadcast live from the London National Theatre, one of the most impressive theatres in Great Britain. The ball will be set rolling with *Phèdre* from Jean Racine in an adaptation by Ted Hughes, with Helen Mirren in the lead role.

Outlook

Box-office successes of the second quarter were 'Fast and Furious 4', 'Knowing', 'Monsters vs. Aliens 3D', 'SM Rechter' and 'X-men Origins: Wolverine'.

Some of best sequels ever made will be shown in the second quarter: 'Transformers 2', 'Dossier K', 'Angels and Demons', 'Night at the Museum 2' and 'Terminator Salvation: The Future Begins'.

Upcoming top releases of 2009: 'Harry Potter and the Half-Blood Prince' and the 3D productions 'Ice Age 3', 'Avatar' and 'Up'.

In 2009, Kinopolis continues its ambitious programme with the purpose of enhancing the customer experience and rationalising the operational apparatus. The total experience will be realised via target group approach, film labels such as Cinémanie, new direct marketing techniques, conceptual testing, benefits of scale and synergies.

This year, six establishments (Antwerp, Brussels, Braine-l'Alleud, Mulhouse, Metz and Thionville) will be remodelled.

Press Release Kinepolis Group

Kinepolis continues further with the international digitalisation process. The expansion of the digital installations is geared to the evolution of the digital offer. The digitalisation of the cinema medium provides a better audio and visual quality, and offers a broader programme with many new entertainment possibilities and business-to-business applications.