Kinepolis Group

Results Half 1 2012

Analysts & Press Meeting
August 23, 2012

Business Review Half 1 2012

CEO, Mr Eddy Duquenne

Key Financials

€m	H1 2012		H1 2011		Better / (Worse)
Visitors ('000)		*9.414*		*9.619*	*(2,1)%*
Revenue		117,3		111,5	5,3%
EBITDA		**31,7**		**30,5**	**3,7%**
REBITDA	€ 3,41/Vis	**32,1**	€ 3,13/Vis	**30,1**	**6,6%**
REBITDA Margin		*27,4%*		*27,0%*	
EBIT		**22,1**		**20,2**	**9,2%**
REBIT		**22,2**		**19,8**	**12,1%**
REBIT Margin		*18,9%*		*17,8%*	
Net Earnings		**14,9**		**14,0**	**7,0%**
Current Net Earnings		**15,0**		**13,7**	**9,6%**
EPS (in €)		*2,46*		*2,08*	*18,3%*
Free Cash Flow		**15,6**		**14,2**	**9,8%**

€m	30th Jun 2012	31st Dec 2011	Better / (Worse)
Net Financial Debt (NFD)	**104,8**	**76,5**	**(28,3) €m**

Highlights

- Revenue up by 5,3%
  - Visitors -2,1%
  - Increased In-theatre Sales to record spend per visitor
  - Strong growth in B2B and Events
  - Strong growth of Screen Advertising revenue
  - Concessions revenue up
  - Positive impact acquisition Brightfish
- Further improved efficiency of operations
- REBITDA margin increases to 27,4%
- Current Net Earnings increase of € 1,3 m or 9,6%
- FCF strong at € 15,6 m
- NFD at € 104,8 m

Major events

- H1 2012 results reflect Strategic Pillars set out in 2008
  - Best Marketeer
  - Best Cinema Operator
  - Best Property Manager
- Further development and implementation of Strategy in 2012
- Refinancing
  - Credit facility ING Belgium, KBC Bank and BNP Paribas Fortis for € 90,0 m
  - Bond with maturity of 7 years and fixed annual gross rate of 4,75% for € 75,0 m
- Share Buy-Back
  - Acquisition of 466.099 shares for € 30,7 m in H1 2012
  - In total 861.601 shares bought back since start of program in 2011 for € 52,3 m

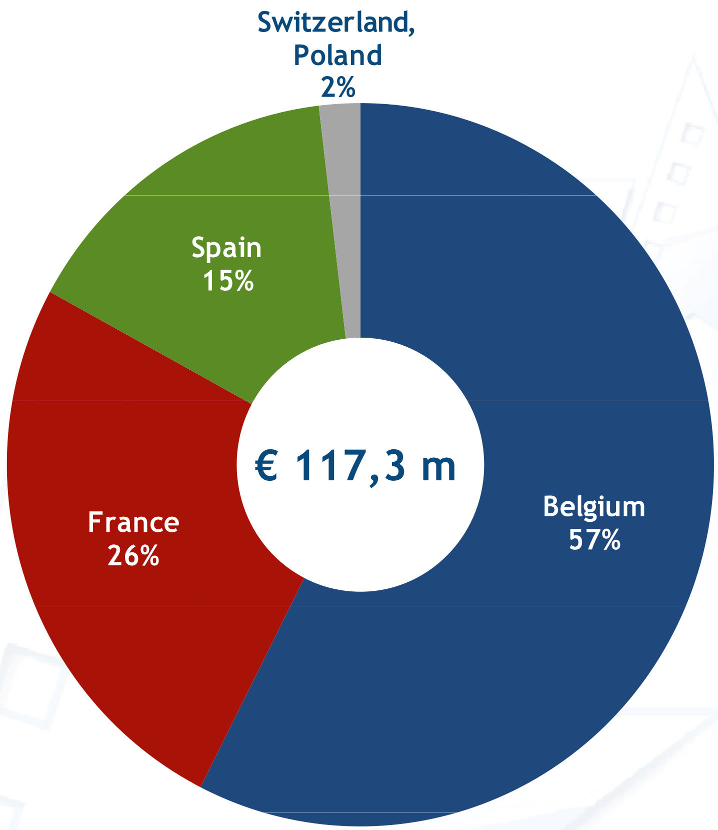
Kinepolis complexes today

KINEPOLIS GROUP	Complexes	Screens
Belgium	11	138
France	7	87
Spain	3	64
Poland *	1	20
Switzerland	1	8
Total	**23**	**317**

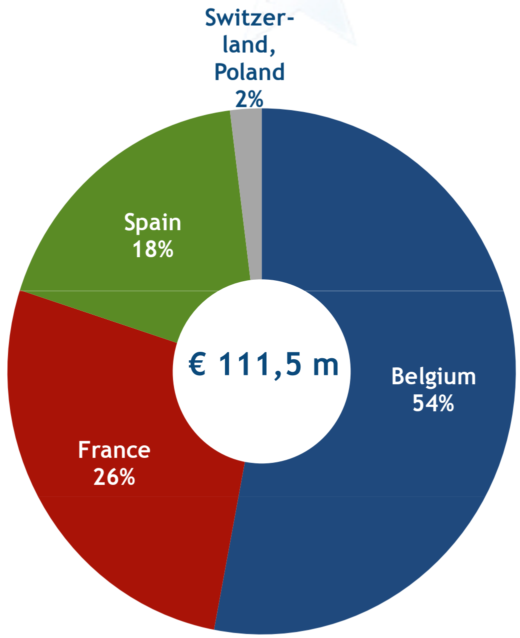
- Market Share: Belgium: 47,7%**
  France: 3,0%
  Spain: 4,8%
- 297 digital screens (100% digitised***)
- Of which 93 screens with 3D

* Operated by ITIT ** Best estimate *** Excluding ITIT

Revenue by country

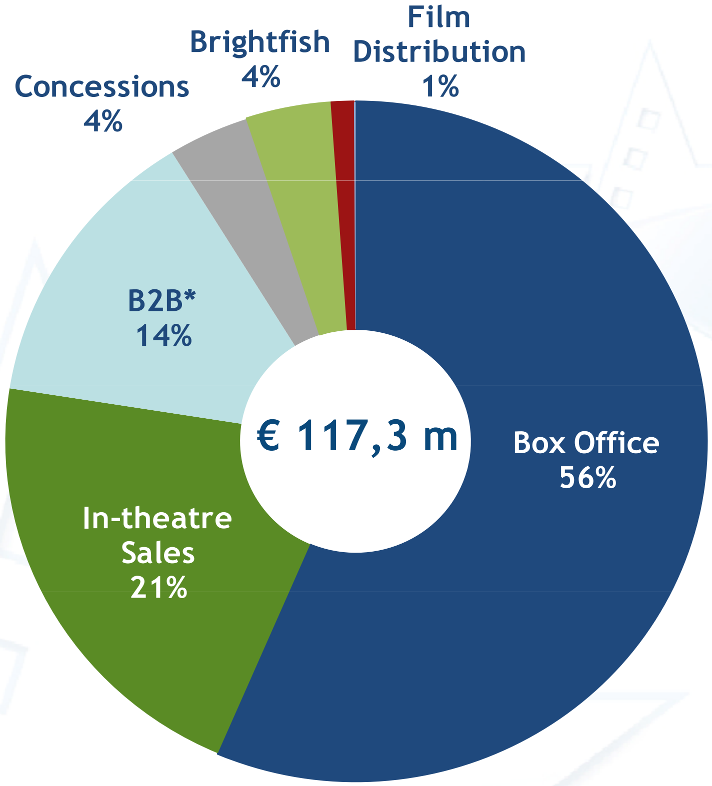


H1 2012

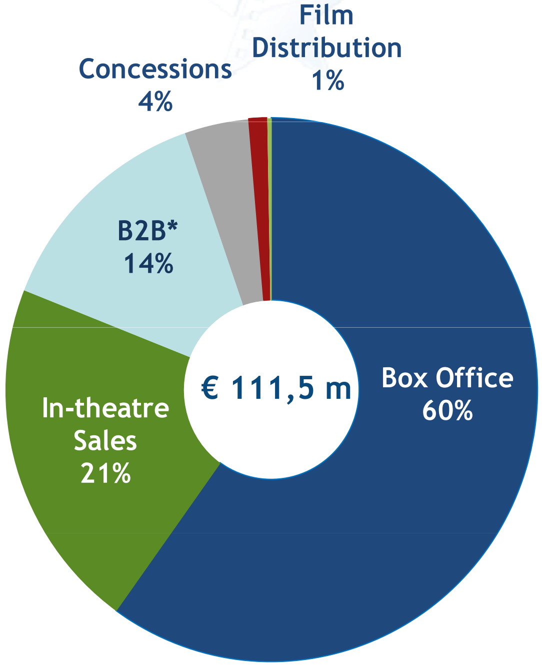


H1 2011

Revenue by activity



H1 2012



H1 2011

* Including Cinema Screen Advertising

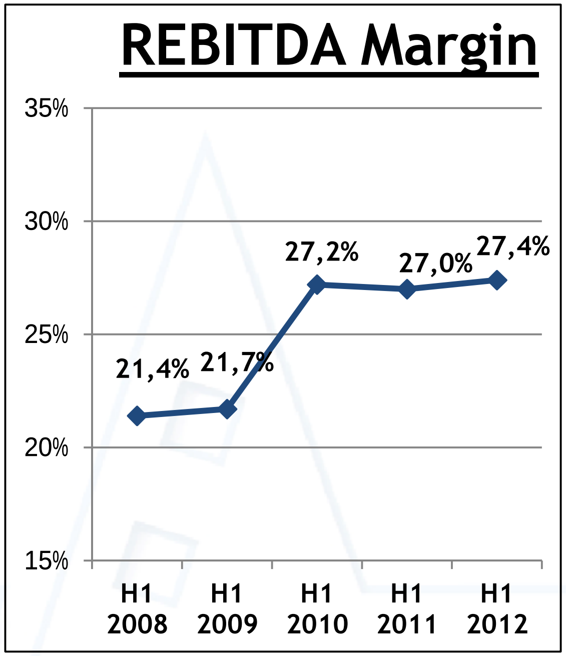
Visitors & Movies

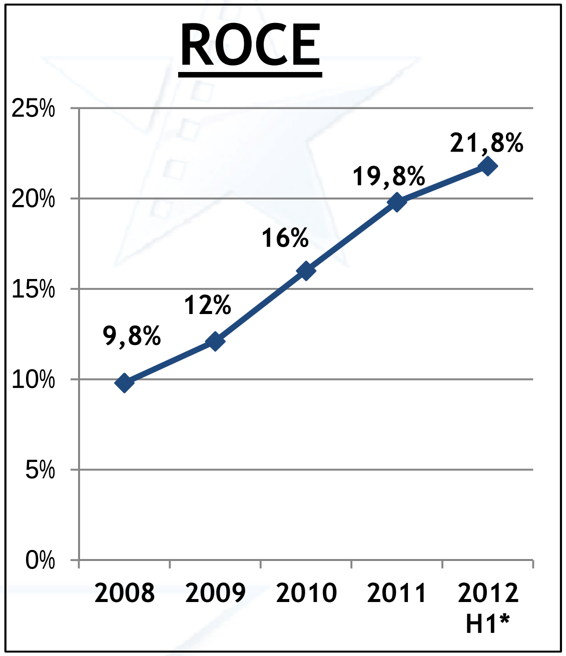
Visitors (000's)	H1 2012	% of Tot	H1 2011	% of Tot	% Δ YoY
Belgium	4.398	46,7%	4.377	45,1%	1,4%
France	3.106	33,0%	3.099	32,2%	0,2%
Spain	1.843	19,6%	2.097	21,8%	(12,1)%
Switzerland	67	0,7%	86	0,9%	(22,1)%
Total	**9.414**	**100%**	**9.619**	**100%**	**(2,1)%**

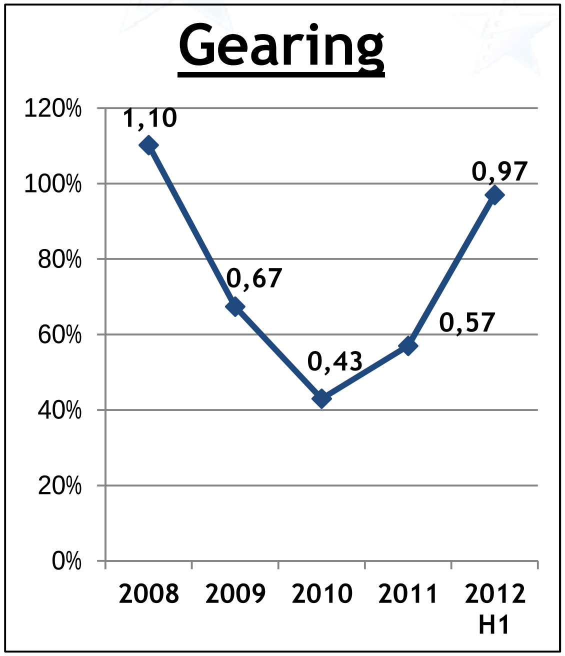
Top 5 Movies H1 2012	3D	Visitors (000's)
1. The Avengers	✓	515
2. The Hunger Games		394
3. Sherlock Holmes: A Game of Shadows		284
4. Intouchables		273
5. Sur la piste du Marsupilami		230
Top 5		**1.697**
Weight Top 5		**18,0%**

Top 5 Movies H1 2011	3D	Visitors (000's)
1. Pirates of the Caribbean	✓	624
2. Rien à Déclarer		563
3. Fast Five		405
4. Rio	✓	271
5. Black Swan		250
Top 5		**2.113**
Weight Top 5		**22,0%**

Ratios



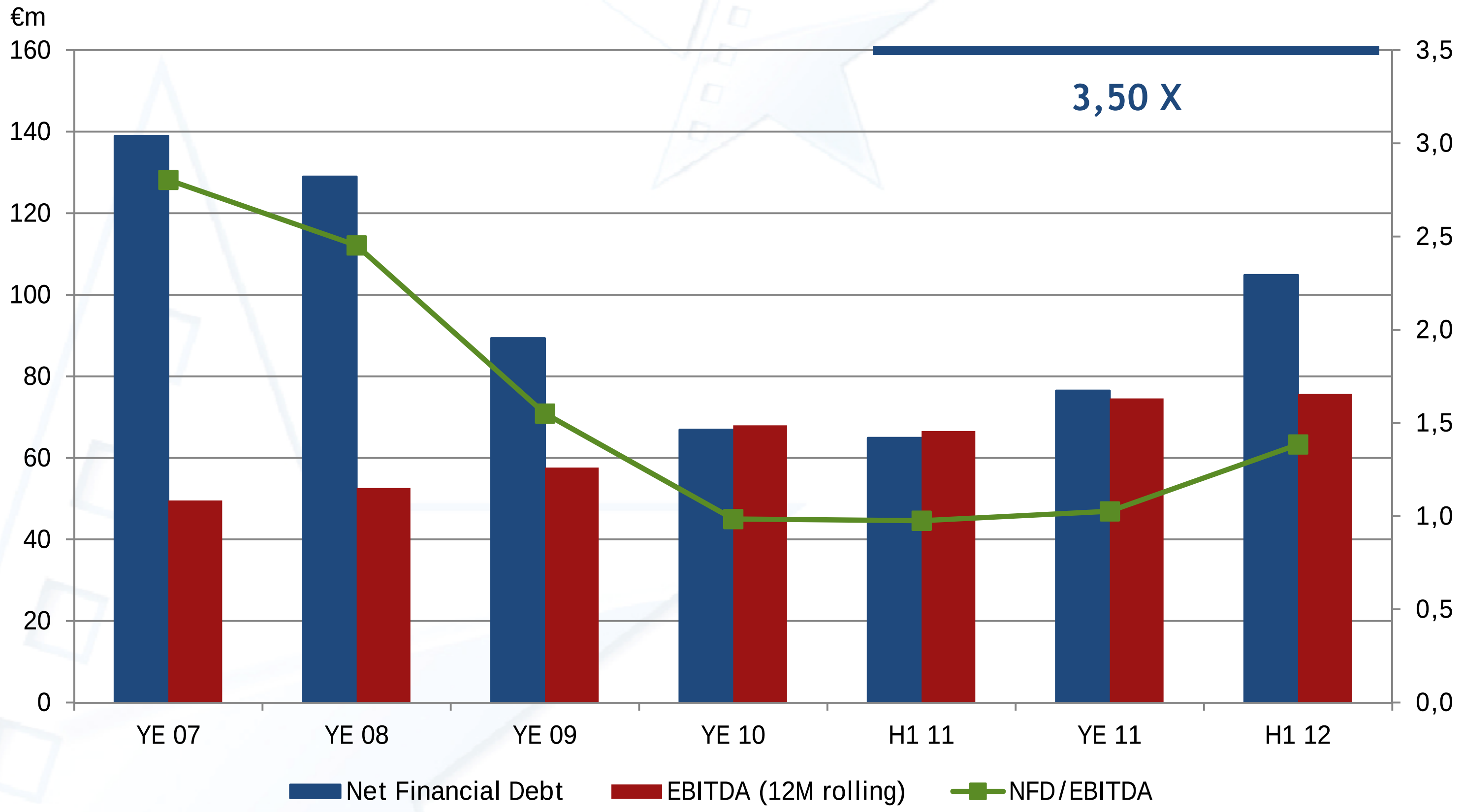




*: 12 months rolling

Net Financial Debt Evolution

€m	30 Jun 2012	31 Dec 2011	Better/(Worse)	% Better/(Worse)
Net Financial Debt (NFD)	**104,8**	**76,5**	**(28,3)**	**(37,0)%**
Leverage ratio*: NFD / EBITDA	1,4	1,0		



* Not Clubdeal definition

Line-up Half 2 2012

	2D	3D
Major sequels	• Twilight 4.2 • James Bond 23: Skyfall • The Dark Knight Rises • Expendables 2 • Bourne Legacy	• Spiderman 4 • Step Up 4
New titles	• Jack Reacher • Django Unchained	• The Brave • The Hobbit • Wreck it Ralph • Rise of the Guardians
Local	• Brasserie Romantiek (BE) • The Broken Circle Breakdown (BE) • Le plan parfait (FR) • Mais qui à re-tué Pamela Rose? (FR) • Les seigneurs (FR) • Lobos de arga (ES) • Fin (ES) • 7 dias en la habana (ES)	• Asterix et Obelix: God Save Brittania (FR) • Kirikou les hommes et les femmes (FR)
Alternative content	• Opera, Ballet, Dance	

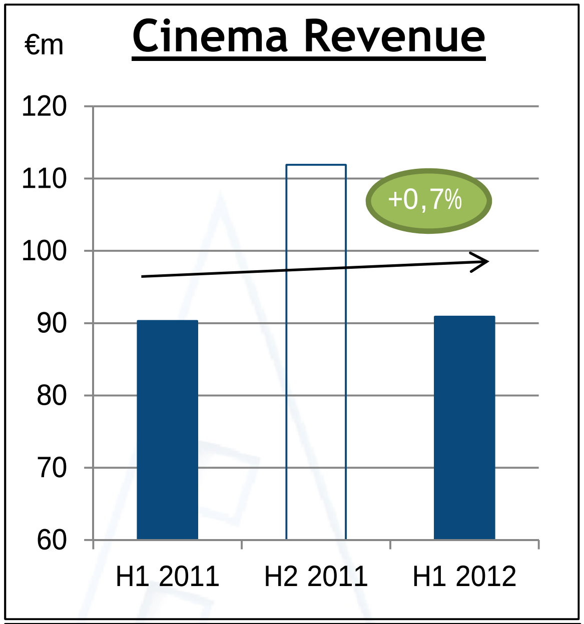
Financial Review Half 1 2012

CFO, Mr Nicolas De Clercq

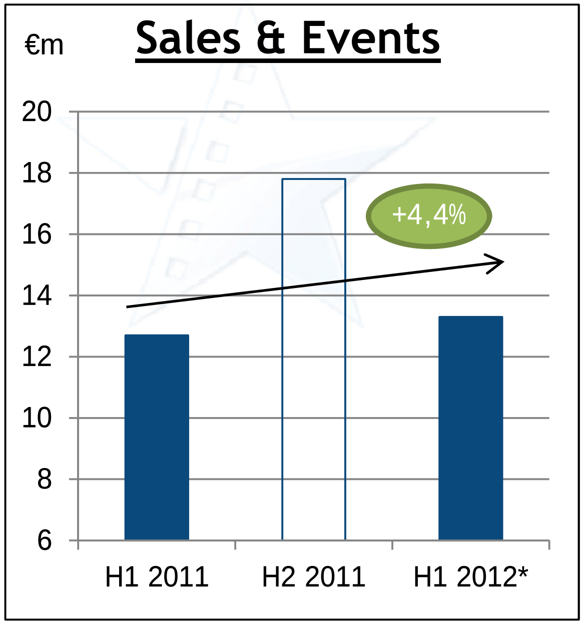
Revenue by country

€m	H1 2012	% of Tot	H1 2011	% of Tot	% Δ YoY
Belgium	67,4	57,4%	60,1	53,9%	12,2%
France	29,9	25,5%	29,0	26,0%	3,2%
Spain	17,8	15,2%	19,9	17,8%	(10,2)%
Switzerland & Poland	2,2	1,9%	2,5	2,3%	(12,9)%
Total	**117,3**	**100%**	**111,5**	**100%**	**5,3%**

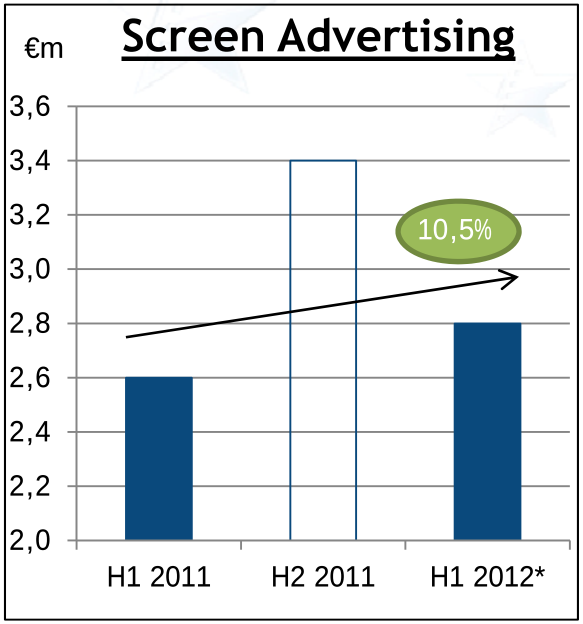
Revenue by Business (1)



Visitors	9,6	11,6	9,4

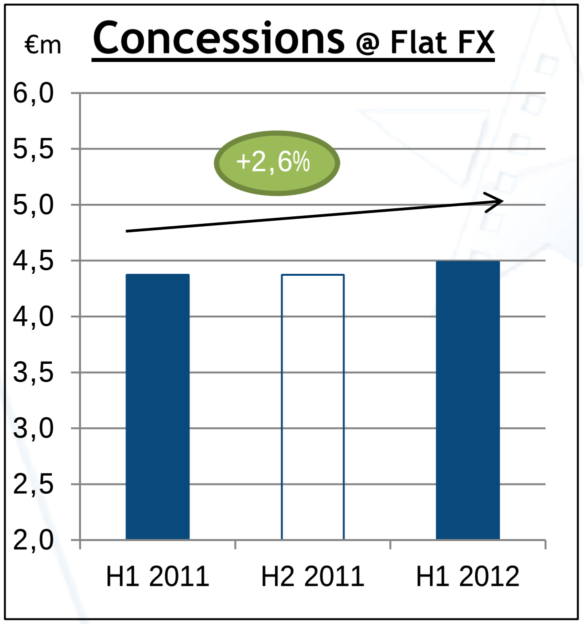


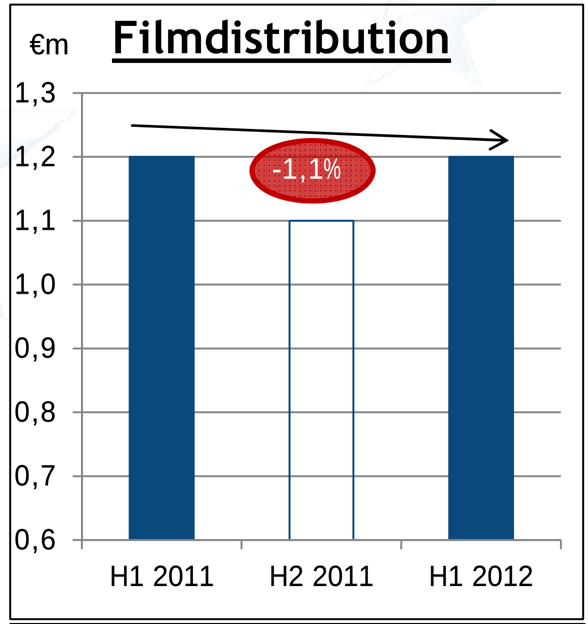
* Excluding Brightfish



* Excluding Brightfish

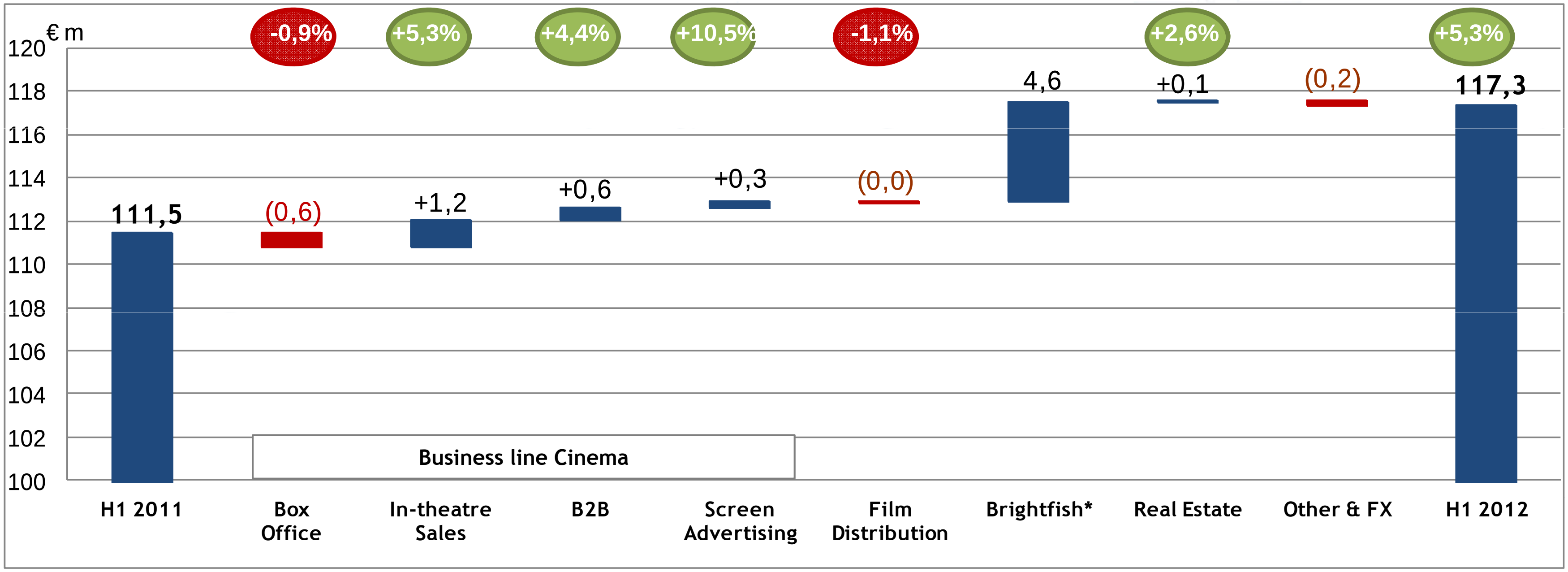
Revenue by Business (2)





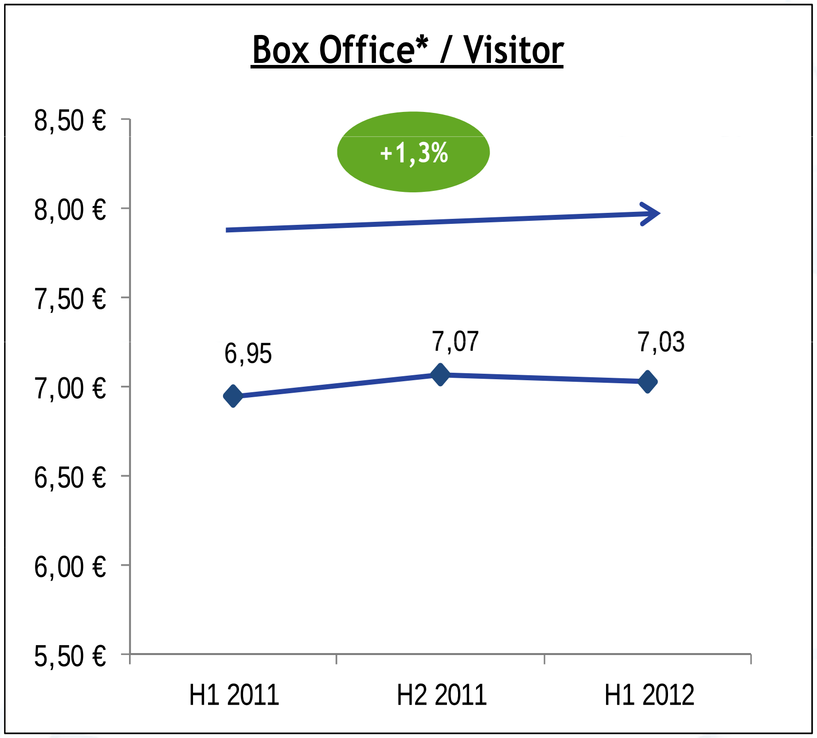
# releases	18	15	15

Revenue by activity waterfall

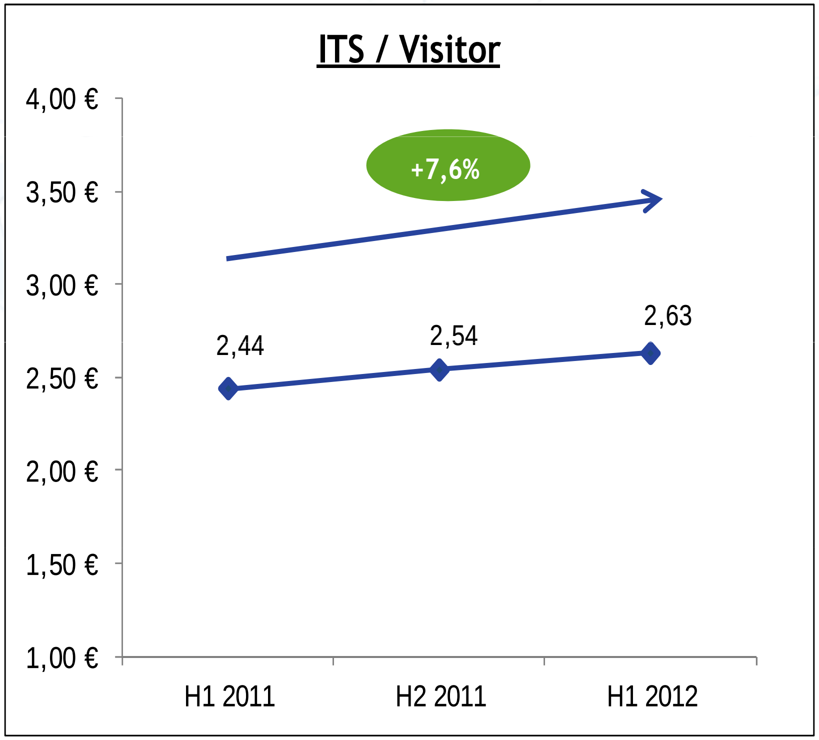


* Not consolidated in H1 2011

Evolution Box Office & ITS



* Box Office Revenue after deduction of indirect taxes



Operating Costs

€m	H1 2012	H1 2011	% Better / (Worse)
Marketing & Selling Expenses	(6,0)	(5,9)	(2,2)%
Administrative Expenses	(7,6)	(7,0)	(8,1)%
Other Operating Income/(Costs)	0,8	0,9	(7,9)%
Total Operating Costs	**(12,8)**	**(12,0)**	**(6,4)%**
Non-Current	0,0	0,4	Gain on sale PPE Gent
Current Operating Costs	**(12,8)**	**(12,4)**	**(3,1)%**

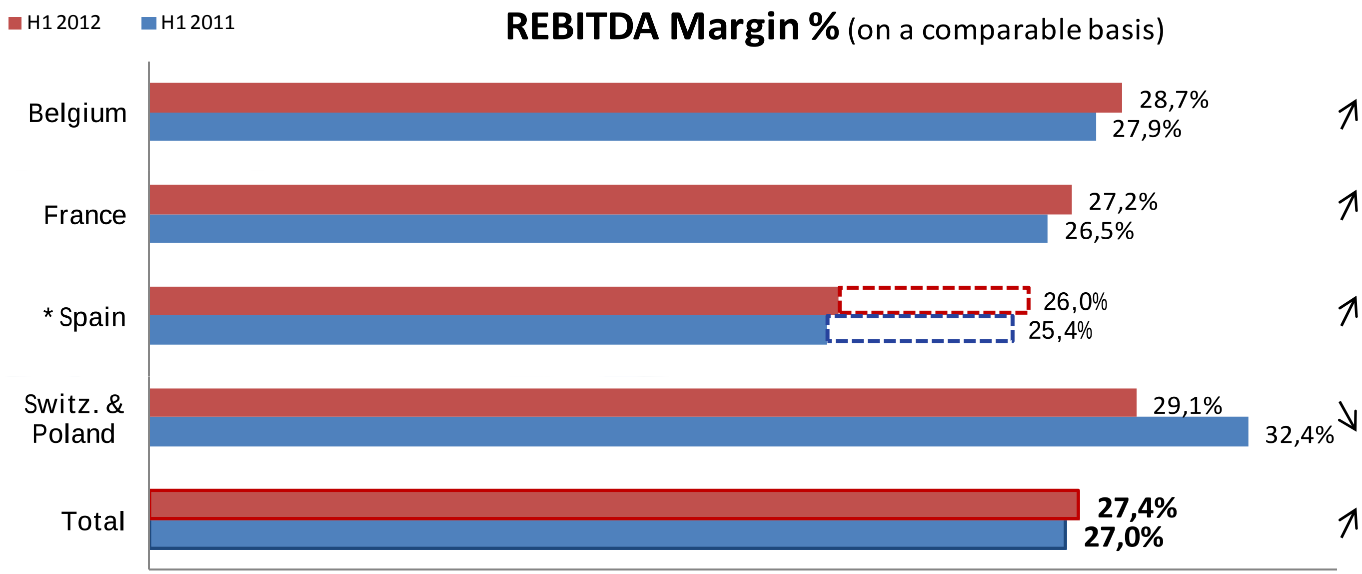
Non-Current items

€m	H1 2012	H1 2011	Impacts
Sale real estate (Gent)		0,4	EBITDA
Transformation expenses	(0,4)		
EBITDA	**(0,4)**	**0,4**	
Transformation provisions	0,3		Provisions
Provisions	**0,3**		
Tax on above items	0,0	(0,1)	Taxes
Taxes	**0,0**	**(0,1)**	
Net impact of non-current items	**(0,1)**	**0,3**	**Net Earnings**

REBITDA by Country

REBITDA €m	H1 2012	% of Total	H1 2011	% of Total	% Better/(Worse)
Belgium (incl. HQ)	20,3	63,3%	18,2	60,3%	11,9%
France	7,8	24,3%	7,4	24,5%	5,8%
Spain	3,4	10,5%	3,8	12,6%	(11,1)%
Switzerland & Poland	0,6	1,9%	0,8	2,6%	(23,5)%
TOTAL	**32,1**	**100%**	**30,1**	**100%**	**6,6%**

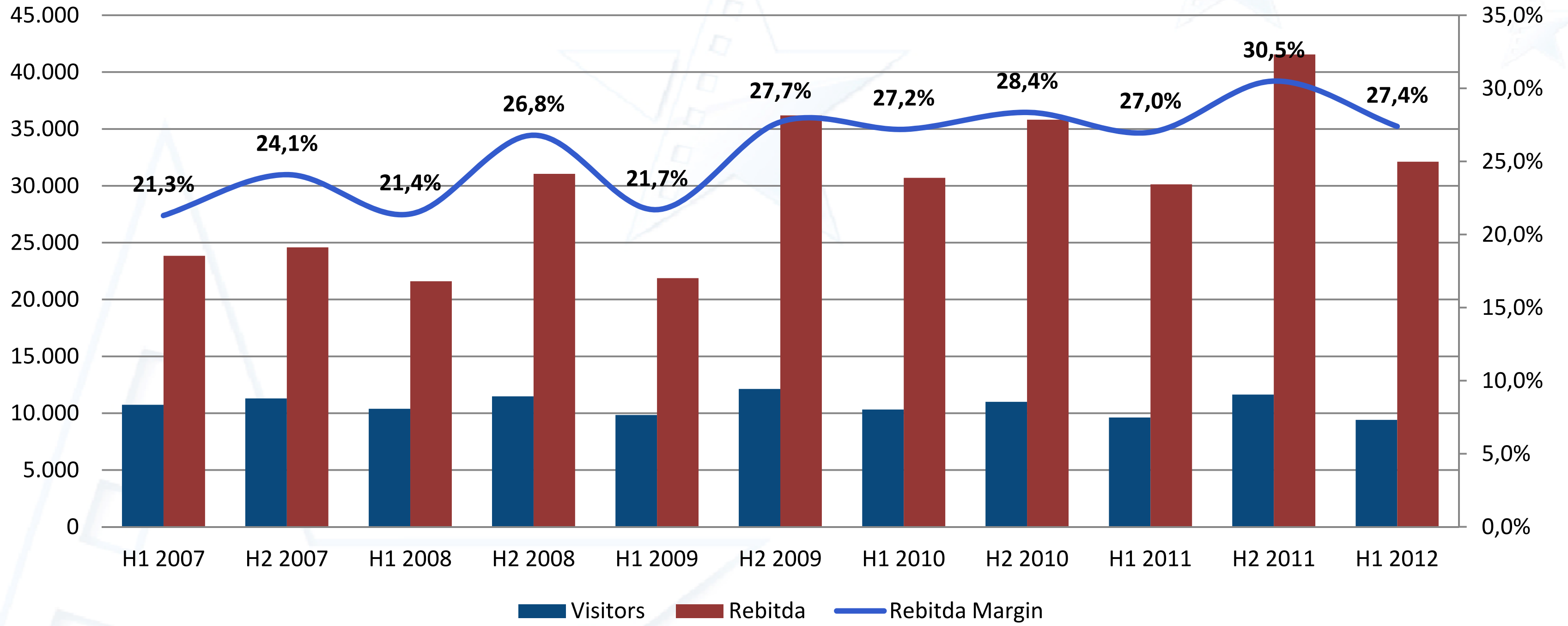
REBITDA Margin % (on a comparable basis)



* For Spain = REBITDAR (i.e. REBITDA excluding rent for Valencia complex)

REBITDA Margin Trend

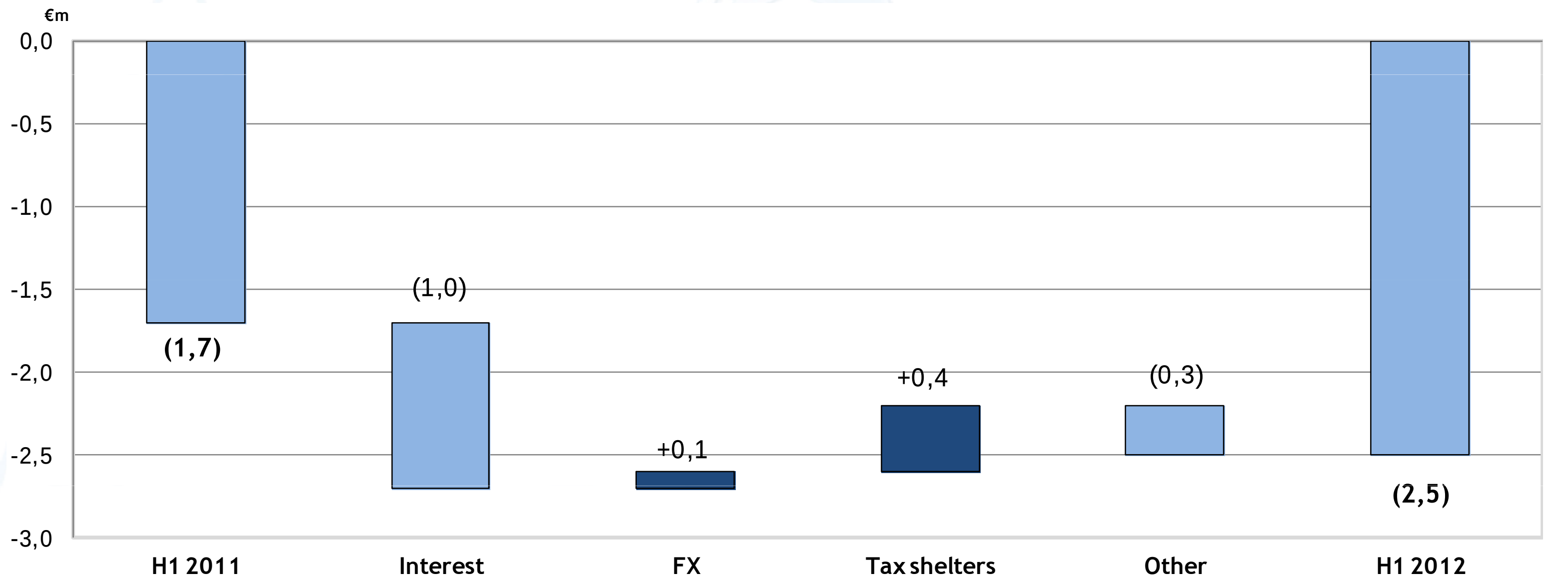
REBITDA /Visitor	**€ 2,22**	**€ 2,16**	**€ 2,08**	**€ 2,71**	**€ 2,22**	**€ 2,98**	**€ 2,97**	**€ 3,26**	**€ 3,13**	**€ 3,57**	**€ 3,41**



Visitors (‘000)	10.742	11.296	10.393	11.477	9.843	12.137	10.319	11.002	9.619	11.642	9.414
REBITDA (€m)	23,8	24,6	21,6	31,1	21,9	36,2	30,7	35,8	30,1	41,6	32,1

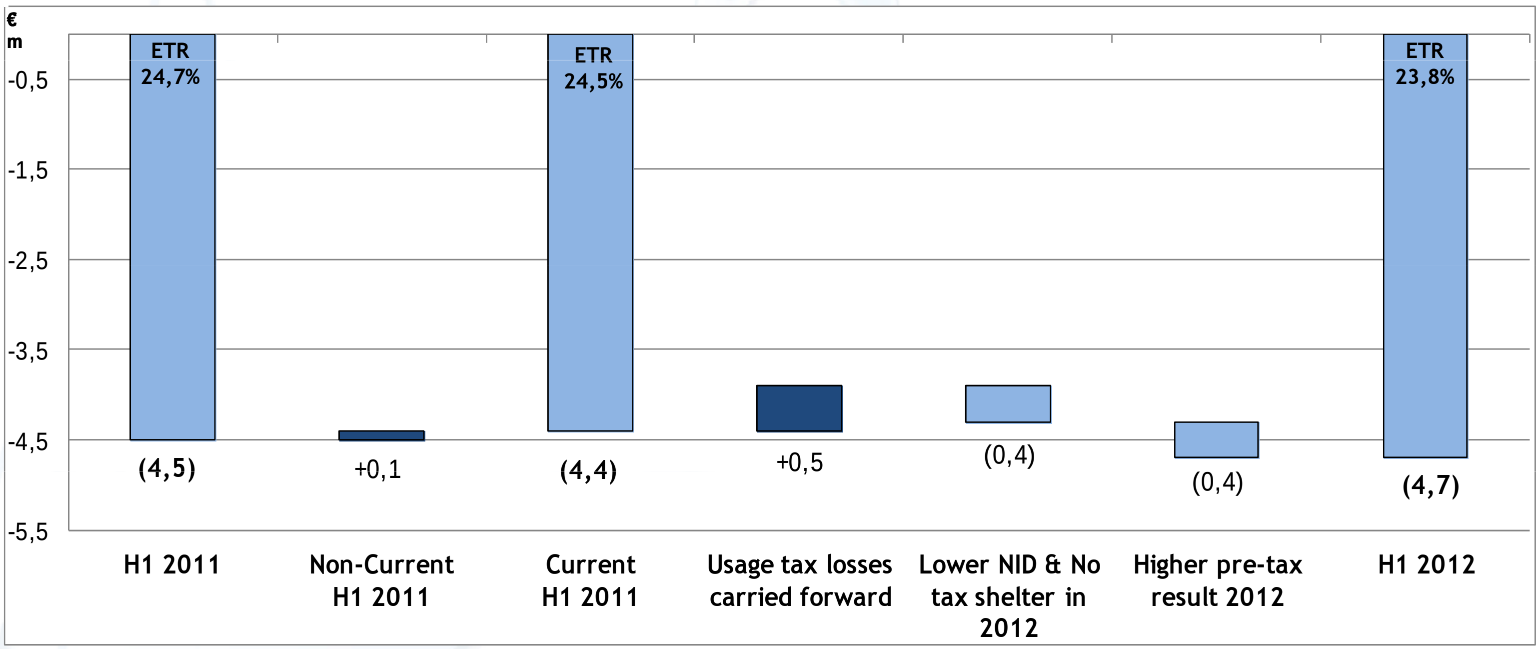
Financial Result

€m	H1 2012	H1 2011	% Better/(Worse)
Interest Expense	(2,2)	(1,2)	(83,6)%
Other (CNC, Tax Shelters, Derivatives, FX)	(0,3)	(0,5)	(35,8)%
Financial (Cost) / Income	**(2,5)**	**(1,7)**	**(47,3)%**

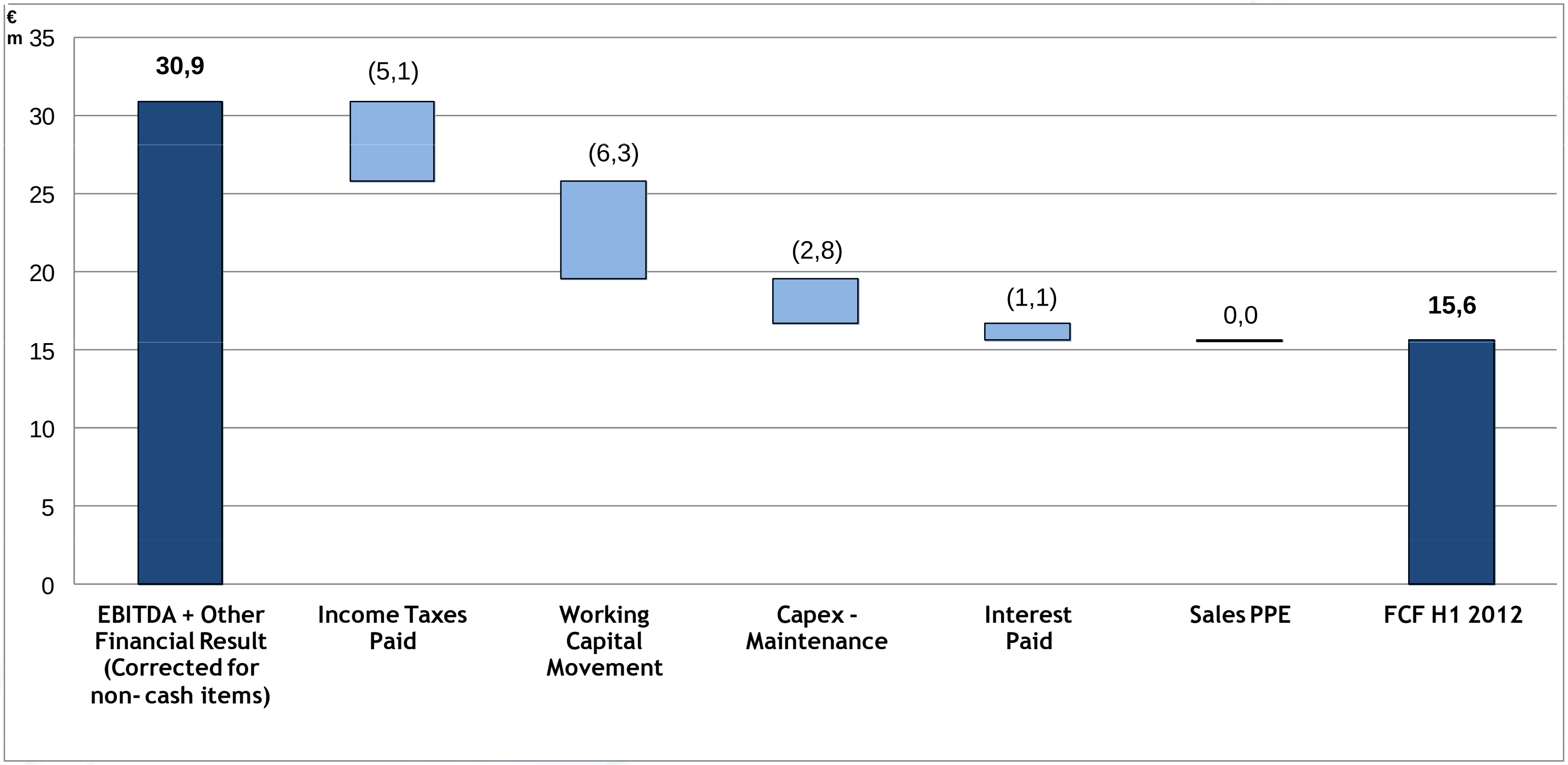


Taxes

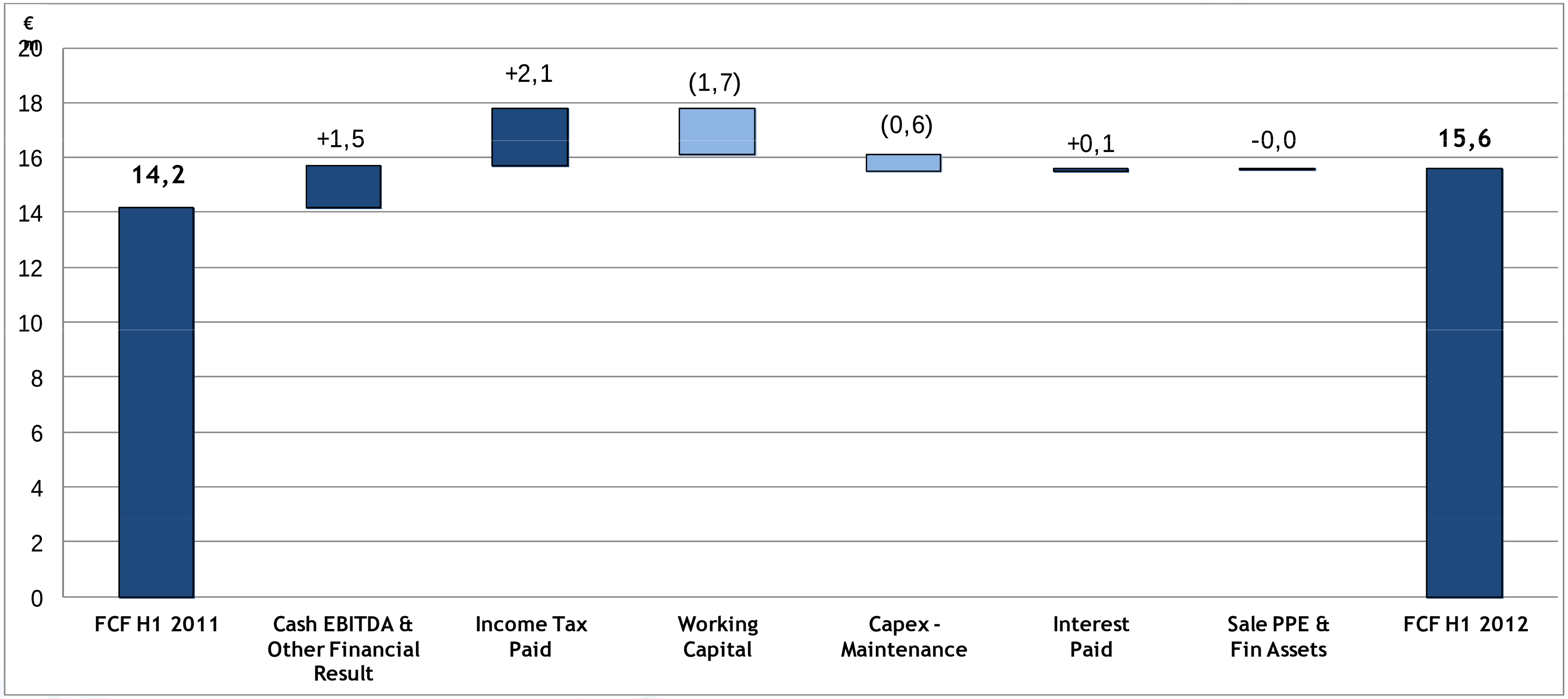
€m	H1 2012	H1 2011	% Better /(Worse)
Profit before Taxes	19,6	18,5	5,8%
Taxes	**(4,7)**	**(4,5)**	**(2,0)%**
Net Profit	14,9	14,0	7,0%
Effective Tax Rate ('ETR')	*23,8%*	*24,7%*	



Free Cash Flow H1 2012

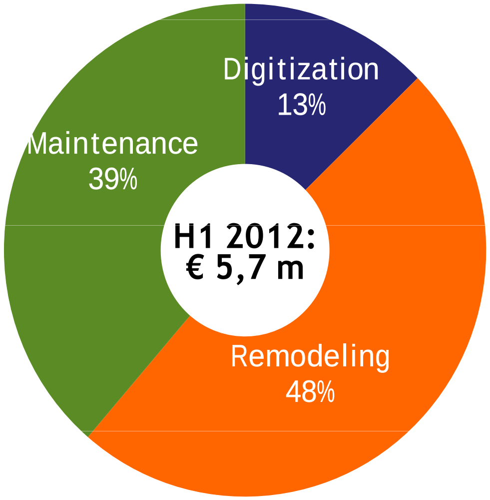


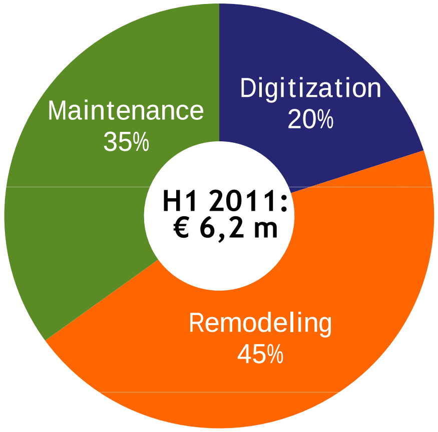
Free Cash Flow H1 2012 vs H1 2011

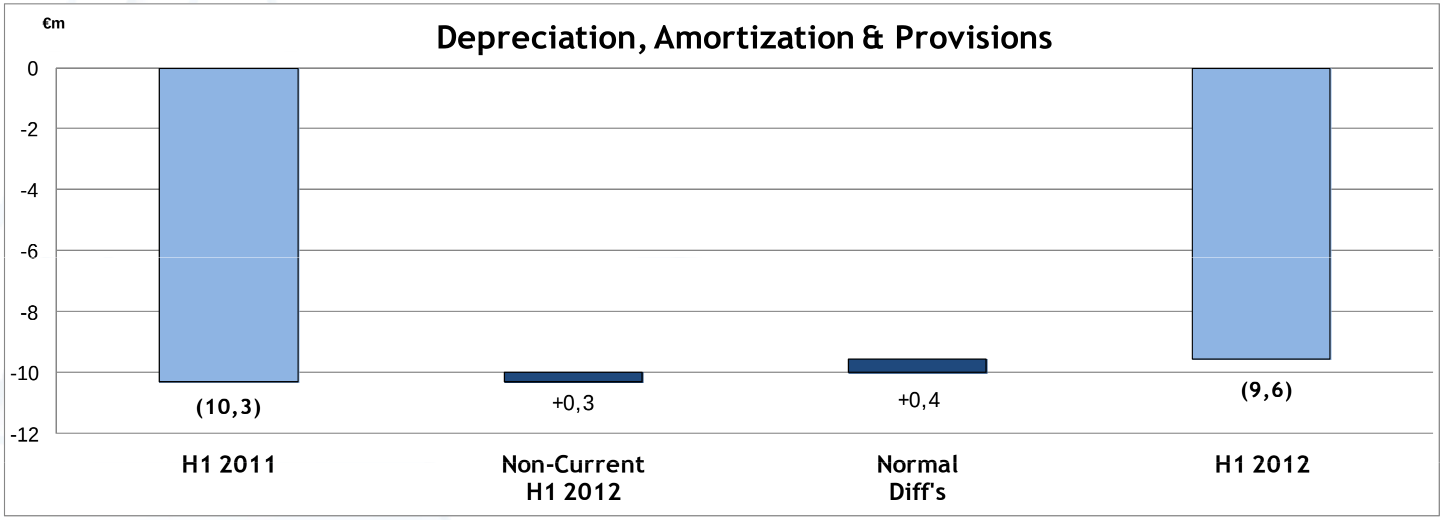


Capex – Depreciation

Capex €m	H1 2012	H1 2011
Belgium	3,4	3,7
France	0,7	1,1
Spain	1,5	1,4
Other	0,1	0,0
TOTAL	**5,7**	**6,2**

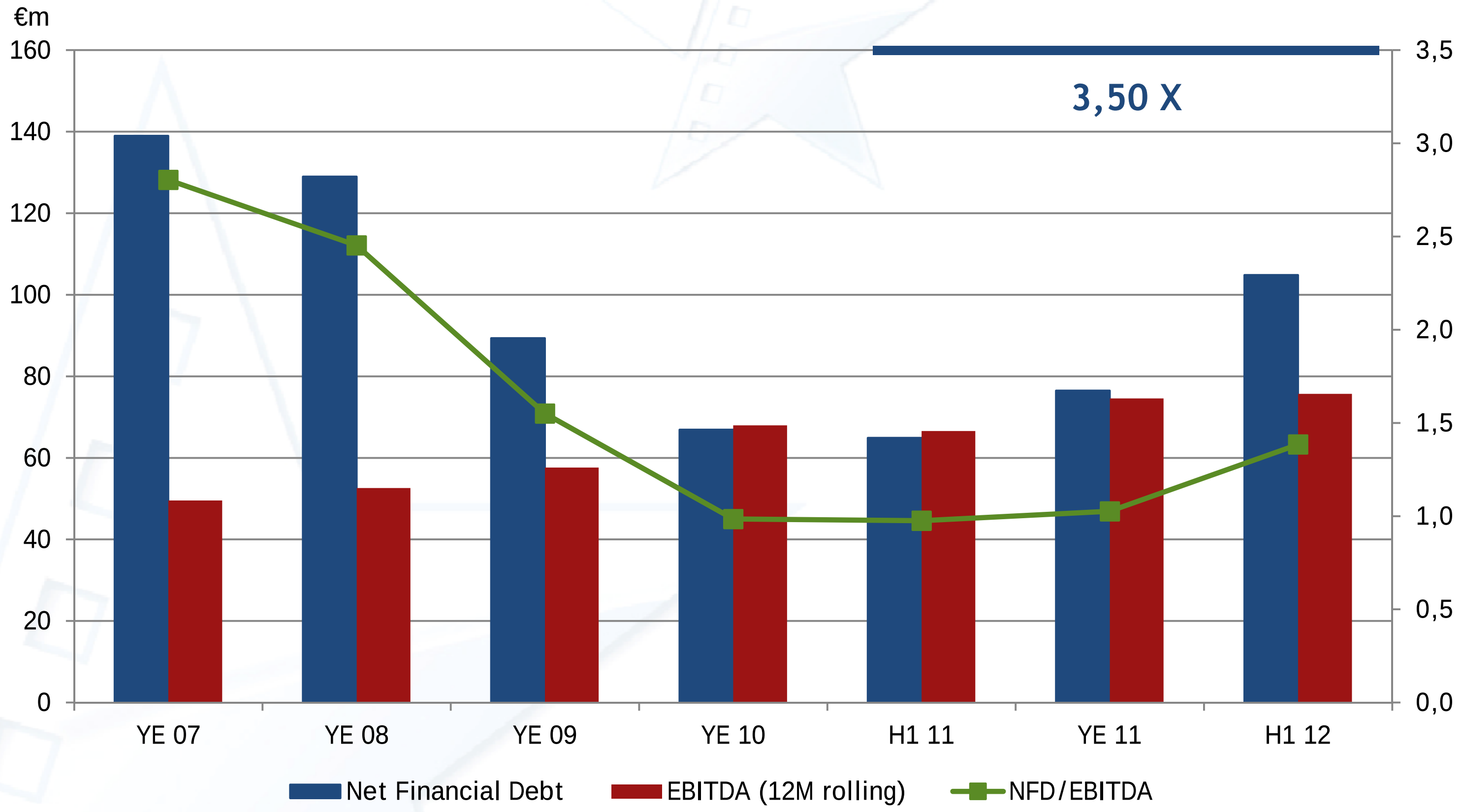






Net Financial Debt Evolution

€m	30 Jun 2012	31 Dec 2011	Better/(Worse)	% Better/(Worse)
Net Financial Debt (NFD)	**104,8**	**76,5**	**(28,3)**	**(37,0)%**
Leverage ratio*: NFD / EBITDA	1,4	1,0		



* Not Clubdeal definition

Balance sheet

€m	30 Jun 2012	% of Total	31 Dec 2011	% of Total
Intangible assets	3,4	1%	3,4	1%
Goodwill	18,8	6%	18,8	6%
Land & buildings	188,9	60%	192,1	59%
Other fixed assets	41,4	13%	41,9	13%
Deferred taxes	0,0	0,0%	1,5	1%
Other receivables	14,5	5%	14,4	4%
Non-current assets	**267,0**	**86%**	**272,1**	**83%**
Assets held for sale	6,7	2%	6,7	2%
Working capital	22,4	7%	30,0	9%
Current taxes	0,3	0%	0,0	0%
Financial assets	0,3	0%	0,4	0%
Cash & cash equivalents	15,1	5%	17,7	5%
Current assets	**44,8**	**14%**	**54,8**	**17%**
Assets	**311,8**	**100%**	**326,9**	**100%**

€m	30 Jun 2012	% of Total	31 Dec 2011	% of Total
Equity	**108,6**	**35%**	**133,9**	**41%**
LT financial debt	87,9	28%	38,5	12%
Provisions	3,1	1%	3,5	1%
Deferred taxes	14,8	5%	14,3	4%
Other payables	8,9	3%	9,3	3%
Derivatives	0,9	0%	0,9	0%
Non-current liabilities	**115,6**	**37%**	**66,5**	**20%**
ST financial debt	32,3	10%	56,0	17%
Provisions	0,3	0%	0,3	0%
Working capital	50,7	16%	63,3	19%
Current taxes	4,1	1%	6,4	2%
Derivatives	0,2	0%	0,5	1%
Current liabilities	**87,6**	**28%**	**126,5**	**39%**
Equity & Liabilities	**311,8**	**100%**	**326,9**	**100%**

	30 Jun 2012	31 Dec 2011
Gearing ratio*	0,97	0,57
Current ratio**	0,51	0,43
Solvency ratio***	34,8%	41,0%
ROCE*****	21,8%	19,8%

*: Gearing ratio: Net Financial Debt / Equity
**: Current ratio: Current Assets / Current Liabilties
***: Solvency ratio: Total Equity / Total Equity & Liabilities
****: ROCE: Current operating profit / Capital employed

Shareholders

	21/08/2012		02/02/2012	
	# Shares	%	# Shares	%
Total Shares outstanding	6.581.355	100 %	6.581.355	100 %
Refence Shareholders & Free Float	**# Shares**	**%**	**# Shares**	**%**
Kinohold Bis and Mr. Joost Bert	2.581.610	39,23 %	2.581.610	39,23 %
Treasury Shares (Own Shares)	1.036.732	15,75 %	405.916	6,17 %
Free Float	2.963.013	45,02 %	3.593.829	54,61%
Other*	**# Shares**	**%**	**# Shares**	**%**
Axa SA	505.416	7,68 %	505.416	7,68 %
Ameriprise Financial Inc – Threadneedle AMH Ltd	266.256	4,04 %	266.256	4,04 %
BNP Paribas Investment Partners SA	203.853	3,10 %		< 3,00 %
Quaeroq CVBA		< 3,00 %		< 3,00 %
Bestinver Gestion		< 3,00 %		< 3,00 %
Axa Investment Managers SA		< 3,00 %		< 3,00 %
Petercam + Petercam Mgt. Services SA		< 3,00 %		< 3,00 %

** Resulting from transparency notices received*

Share Buy-back Program

	# shares	€m
Total shares outstanding as at 21/08/2012	**6.581.355**	
Treasury shares (own shares) as at 31/12/2011	**323.310**	**9,5**
Share buy-back YTD 21/08/2012	713.422	47,9
Treasury shares (own shares) as at 21/08/2012	**1.036.732**	**57,4**
Ready for cancellation as at 21/08/2012	724.847	48,5
Remaining shares to buy-back under SBB mandate as at 21/08/2012	0	
Shares after cancellation*	**5.856.508**	
Dividend eligible shares as at 21/08/2012**	**5.544.623**	

*: Taking into account number of shares ready for cancellation as at 21/08/2012
**: Excluding all treasury shares

Financial Calendar 2012

Wednesday	14/11/2012	Business update Q3 2012
Thursday	21/02/2013	Analysts and Press Meeting FY 2012
Thursday	16/05/2013	Business update Q1 2013
Friday	17/05/2013	Annual Shareholders' Meeting

Q & A

Thank You.