



Kinepolis Group

Results 2015

Analyst & Press Meeting
February 18, 2016





Business Review 2015

CEO, Mr Eddy Duquenne



Key financials

€ m	2015	2014	Better / -Worse
<i>Visitors ('000)</i>	22.149	19.691	12,5%
Revenue	301,6	262,6	14,8%
EBITDA	88,7	71,3	24,5%
REBITDA	91,0	74,3	22,5%
<i>REBITDA Margin</i>	4,11 € /Vis	3,77 € /Vis	190 bps
EBIT	65,2	50,7	28,8%
REBIT	67,6	53,3	27,0%
<i>REBIT Margin</i>	22,4%	20,3%	210 bps
Profit excl. EPR	41,6	35,2	18,3%
EPR	-9,4		
Profit incl. EPR	32,3	35,2	-8,3%
Current Profit	43,2	35,6	21,4%
<i>EPS excl. EPR (in €)</i>	1,55	1,34	15,7%
<i>EPS incl. EPR (in €)</i>	1,20	1,34	-10,4%
Free Cash Flow	66,0	51,7	27,5%

€ m	31 st Dec 2015	31 st Dec 2014	Better / -Worse
Net Financial Debt (NFD)	162,0	118,6	- 43,4

Highlights (1)

- ❑ Revenue growth and further cost efficiency of existing business (excluding 2014 -2015 expansion)
- ❑ *Strong contribution to revenue and REBITDA of companies acquired in 2014/2015*
- ❑ Revenue +14,8% and REBITDA +22,5% with 12,5% more visitors
- ❑ Higher interest charges due to prefinancing future expansion

Highlights (2)

- ❑ Revenue up by 14,8%
 - ❑ Visitors +12,5%
 - ❑ Increase Box Office revenue (+16,2%)
 - ❑ Increase In-theatre Sales (+18,9%)
 - ❑ Increase Sales and Events (+12,4%)
 - ❑ Increase Screen Advertising revenue (+14,0%)
 - ❑ Increase revenue Brightfish (+7,3%)
 - ❑ Decrease Film Distribution revenue (-27,3%)
 - ❑ Increase Real Estate revenue (+14,6%)

- ❑ Gross profit
 - ❑ Increased operational efficiency cinema activities

Highlights (3)

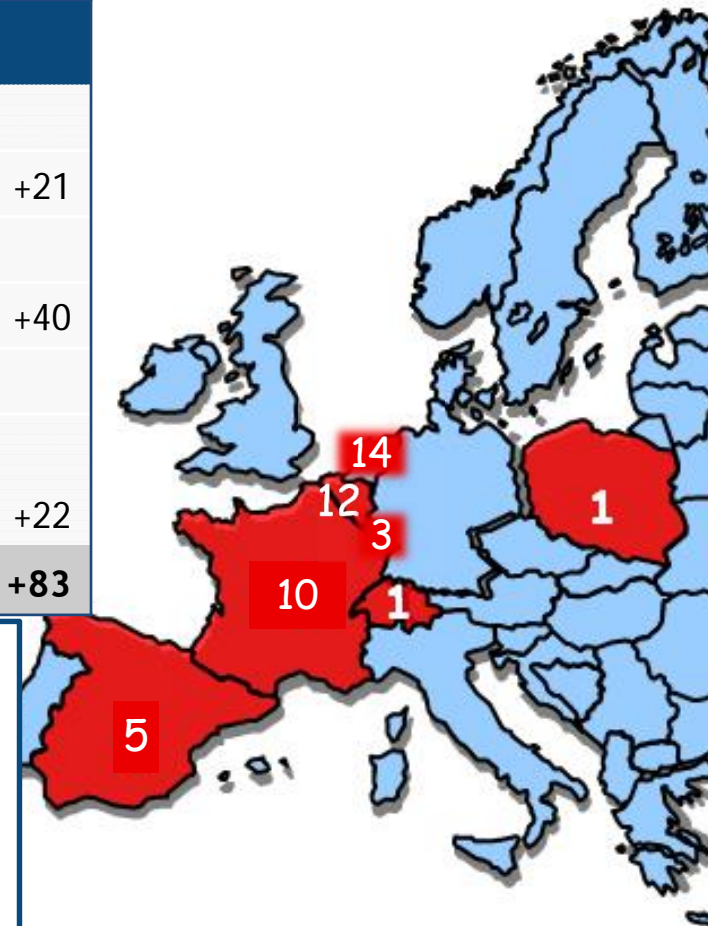
- ❑ REBITDA +22,5%
 - ❑ Impact expansion
 - ❑ Increased visitor numbers
 - ❑ Improved operational efficiency
- ❑ REBITDA margin at 30,2% (28,3% in 2014)
- ❑ Current profit at € 43,2 m (€ 35,6 m in 2014)
- ❑ Free cash flow of € 66,0 m (€ 14,2 m higher)
- ❑ NFD at € 162,0 m (€ 43,4 m higher)
- ❑ EPR provision € 9,4 m

Major events

- ❑ 2015 results reflect Strategic Pillars set out in 2008
 - ❑ Best Marketer
 - ❑ Best Cinema Operator
 - ❑ Best Property Manager
- ❑ Further development and implementation of strategy in 2015
- ❑ Further steps in expansion strategy
 - ❑ April 2015: Acquisition cinema building Enschede (the Netherlands)
 - ❑ July 2015: Acquisition French cinema Mégaroyal
 - ❑ November 2015: Takeover Utopia Group (9 cinemas in 3 countries: 3 in Luxembourg, 5 in the Netherlands and 1 in France)
- ❑ Refinancing of the company
- ❑ Subsequent events
 - ❑ Awaiting the decision of the anti trust authorities re Takeover Utopia Belgium
 - ❑ Impact of the decision of the European Commission on the Belgian tax rulings

Kinepolis complexes today

KINEPOLIS GROUP	Complexes		Screens	
Belgium*	12		148	
France	10	+2	120	+21
Spain	5		91	
The Netherlands	14	+6	84	+40
Poland*	1		18	
Switzerland	1		8	
Luxemburg	3	+3	22	+22
Total	46	+11	491	+83



❑ Market Share: Belgium: to be announced**

France: 3,3%

Spain: 5,1%

The Netherlands: 5,4%

Luxembourg: 92,8%

❑ 463 digital screens (100% digitised***)

❑ Of which 163 screens with 3D***

* Operated by ITIT in Poland and 1 complex by UGC in Belgium (Brussels)

** New platform Cinedata operational, but not all operators are participating yet

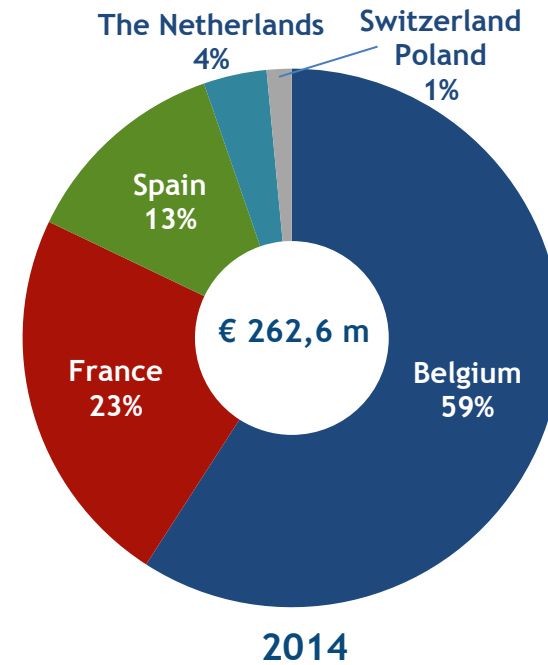
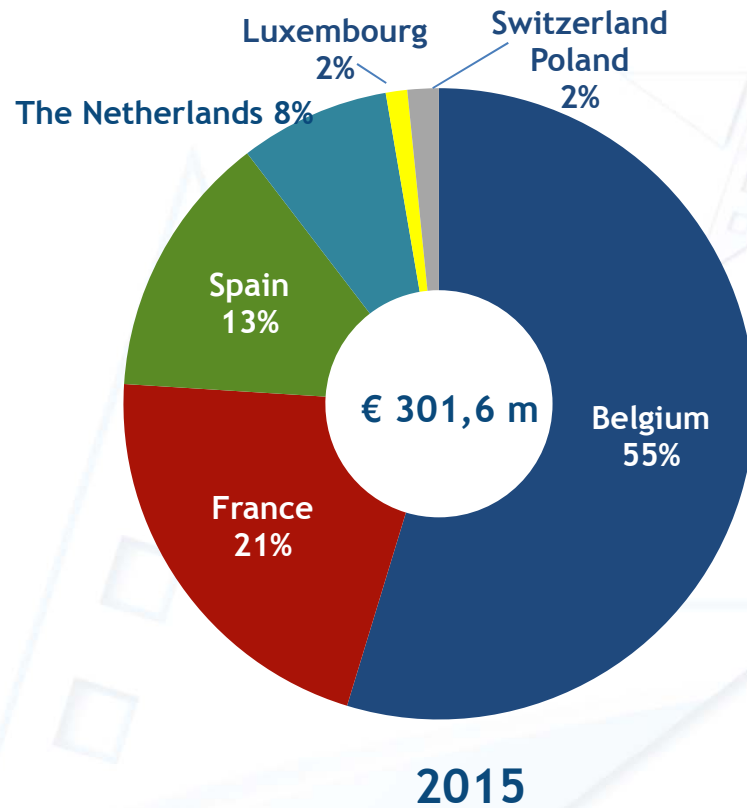
*** Excluding ITIT in Poland and UGC Brussels in Belgium

Planned greenfields

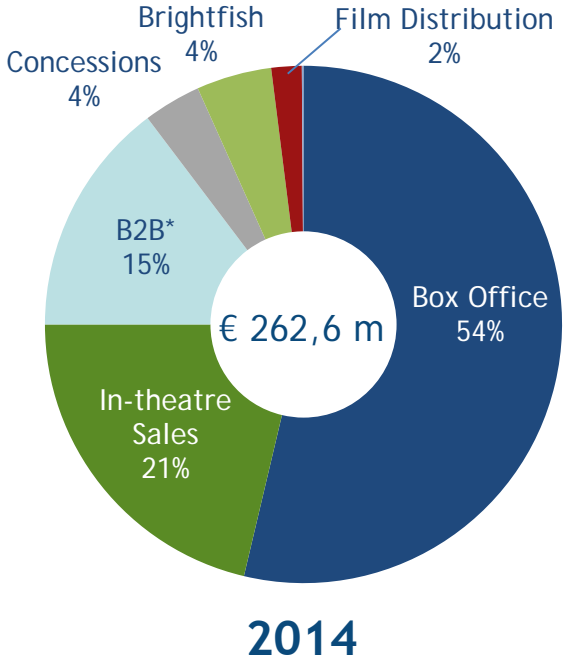
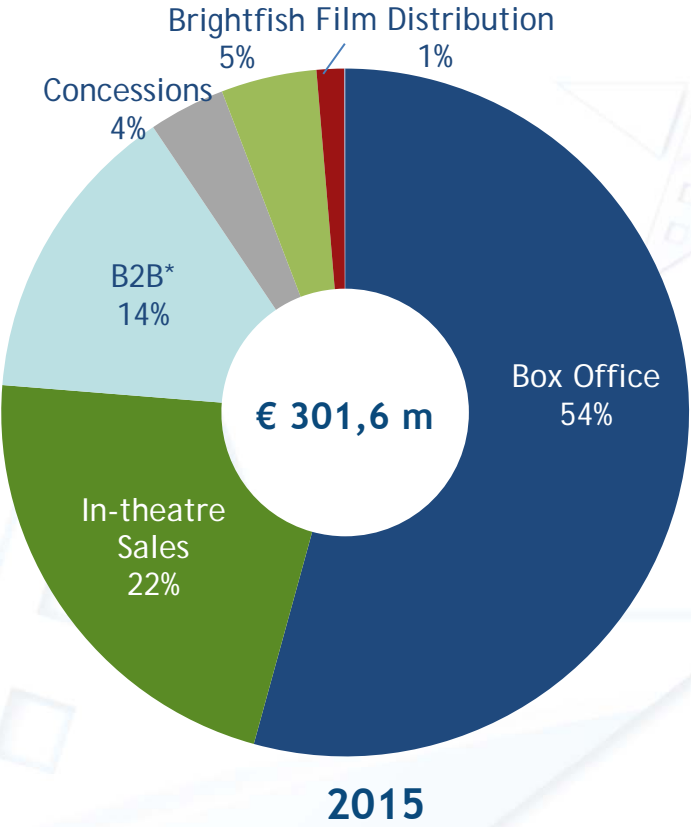
Country	City	# Theaters	Estimated Visitors/Year	Estimated opening
The Netherlands	Utrecht*	14	1,25 m	Q1 2017
	Dordrecht	6	0,3 m	Q1 2016
	Breda	10	0,45 m	Q3 2016
France	Brétigny-sur-Orge	10	0,5 m	Q1 2017

* Following the opening of the new multiplex in Utrecht, the former complexes will be closed

Revenue by country



Revenue by activity



* Including Cinema Screen Advertising

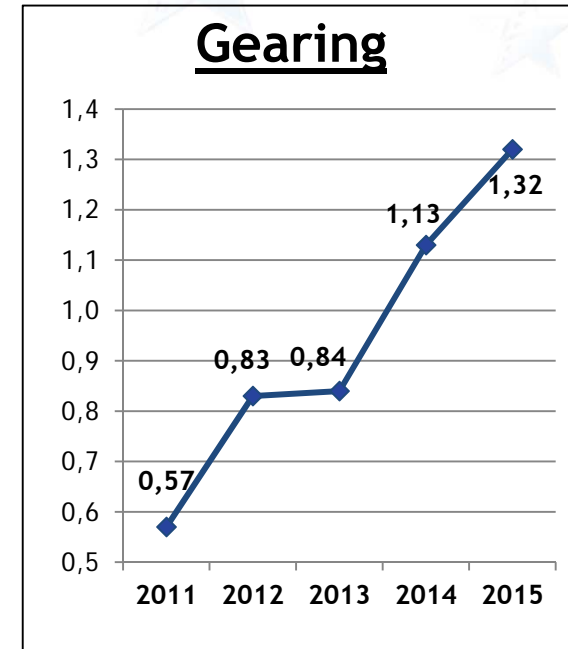
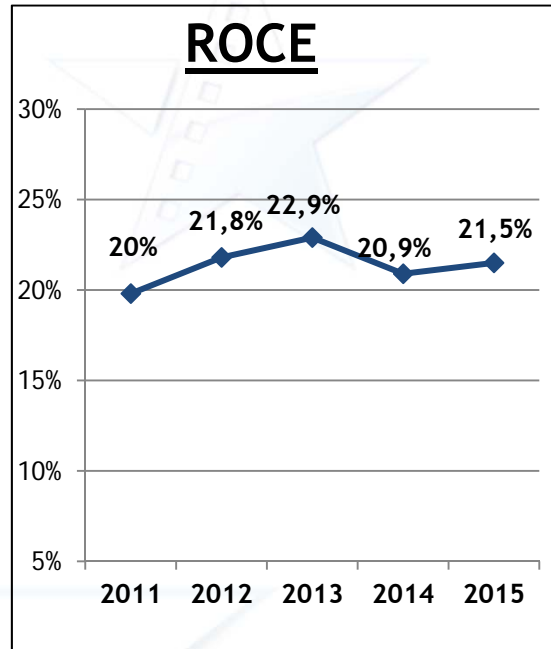
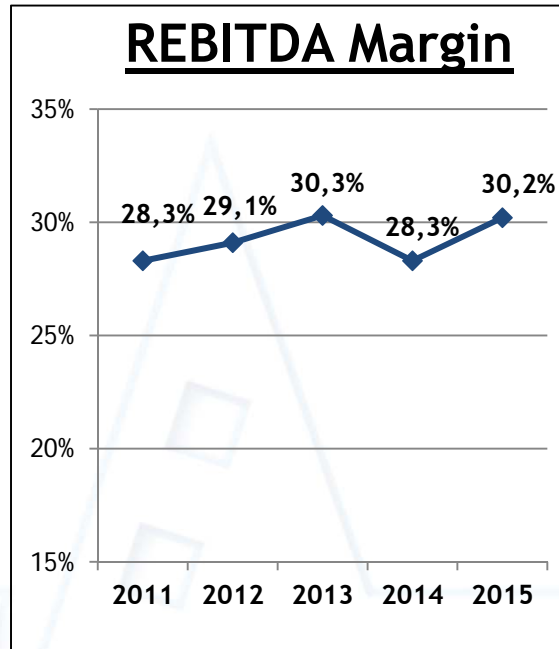


Visitors & Movies

Visitors (000's)	2015	% of Tot	2014	% of Tot	% Δ YoY
Belgium	9.184	41,4%	8.967	45,6%	2,4%
France	6.438	29,1%	6.190	31,4%	4,0%
Spain	4.376	19,8%	3.631	18,4%	20,5%
The Netherlands	1.754	7,9%	778	4,0%	125,4%
Luxembourg	257	1,2%	0	0,0%	
Switzerland	140	0,6%	125	0,6%	12,0%
Total	22.149	100%	19.691	100%	12,5%

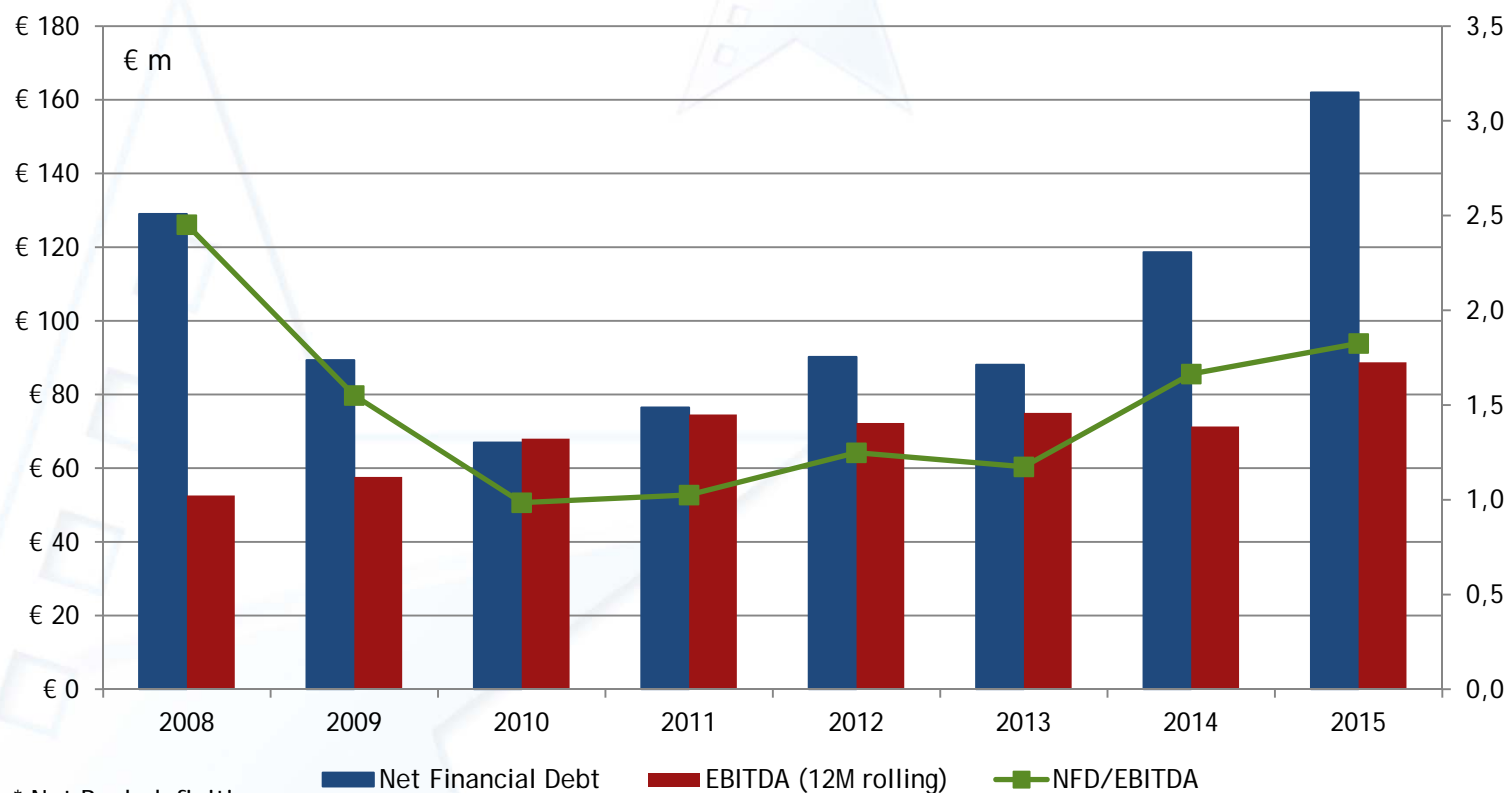
Top 5 Movies 2015	3D	Visitors(000's)	Top 5 Movies 2014	3D	Visitors (000's)
1. Star Wars: Episode VII - The Force Awakens	✓	1.071	1. The Hobbit: The Battle of the Five Armies	✓	598
2. Minions	✓	925	2. The Hunger Games: Mockingjay - Part I		528
3. Jurassic World	✓	907	3. Qu'est-ce qu'on a fait au Bon Dieu?		498
4. Spectre		825	4. Lucy		495
5. Fast & Furious 7		702	5. Dawn of the Planet of the Apes	✓	457
Top 5		4.431	Top 5		2.576
Weight Top 5		20,0%	Weight Top 5		13,1%

Ratios



Net Financial Debt Evolution

€ m	31 Dec 2015	31 Dec 2014	Better/(Worse)	% Better/(Worse)
Net Financial Debt (NFD)	162,0	118,6	-43,4	-36,6%
Leverage ratio*: NFD / EBITDA	1,8	1,7		



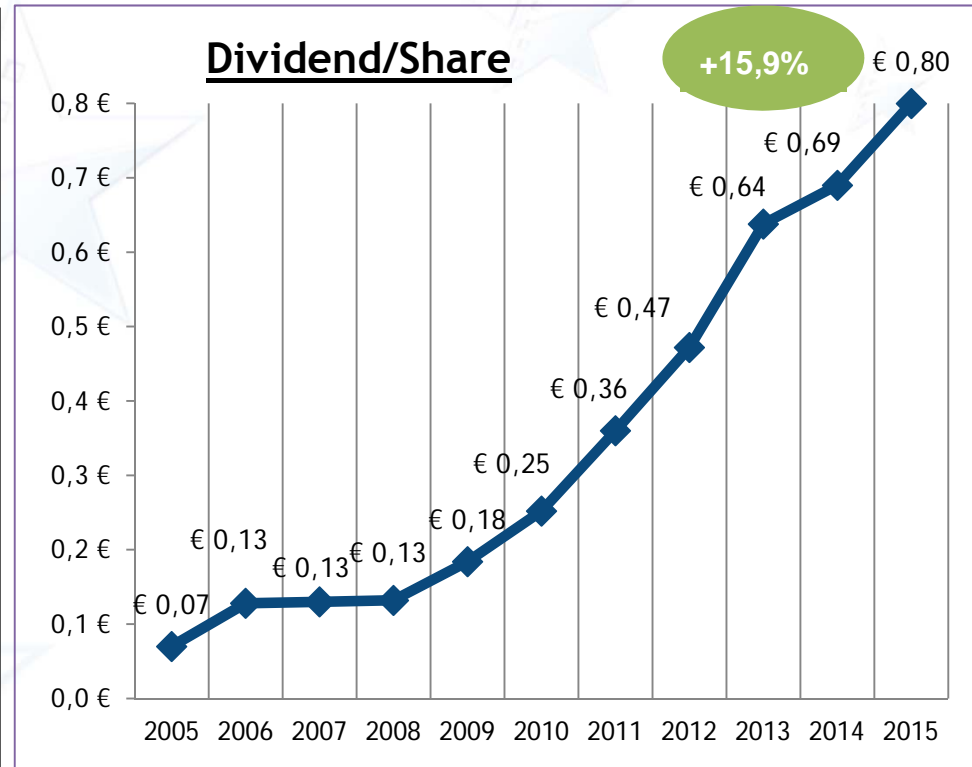
* Not Bank definition

■ Net Financial Debt ■ EBITDA (12M rolling) —■ NFD/EBITDA



Dividend payment

- Based on Net Current Income: € 43,2 m
- Payout ratio: 50%
- # Dividend eligible shares: 27.120.976*
- € 0,80* per share
- 12th year increase consecutively



* Calculation based on number of treasury shares as at 18/02/2016. Number of dividend eligible shares still subject to change due to exercise of options before Annual Shareholders' Meeting of 11/05/2016.

Line-up 2016

	2D	3D
Major sequels	<ul style="list-style-type: none"> • The Divergent series: Allegiant(Q1) • Alvin & the Chipmunks: The Road Chip(Q1) • Independence Day: Resurgence (Q2) • The Huntsman Winter's War (Q2) • Now you see me 2 (Q2) • Bridget Jones's baby (Q3) • Inferno (Q3) 	<ul style="list-style-type: none"> • Kung Fu Panda 3 (Q1) • Ice Age: Collision Course(Q2) • X-Men Apocalypse (Q2) • Captain America: civil war (Q2) • Finding Dory (Q2) • Alice through the looking glass (Q2)
New titles	<ul style="list-style-type: none"> • The revenant (Q1) • The hateful 8 (Q1) • Point break (Q1) • Warcraft (Q2) • Suicide squad (Q3) • Fantastic beasts and where to find them (Q4) • Rogue One - a Star wars Story (Q4) • The girl on a train (Q4) 	<ul style="list-style-type: none"> • Zootopia (Q1) • Batman vs Superman: Dawn of Justice(Q1) • The jungle book(Q2) • The secret life of pets(Q3) • Moana(Q4)
Local	<ul style="list-style-type: none"> • Pattaya / La tour 2 contrôle infernale (Fr - Q1) • Cien años de Perdón /Tenemos que Hablar (Es - Q1) • Embarazados (Es-Q1) • Belgica (Be - Q1) • Les visiteurs: La révolution / Camping 3 (Fr- Q2) • El hombre de las mil casas / Julieta (Es - Q3) • Embarquement immédiat (Fr - Q3) • Zipi y Zape y la Isla del Capitan (Es-Q3) • Pippa / De Premiere (Be - Q4) • Papa ou Maman 2/ Brice de Nice 3 (Fr - Q4) • Villaviciosa (Es-Q4) 	
Alternative content	<ul style="list-style-type: none"> • Opera, Ballet • Art: Exhibition on Screen (Be, Fr, ES) • Concerts 	



Financial Review 2015

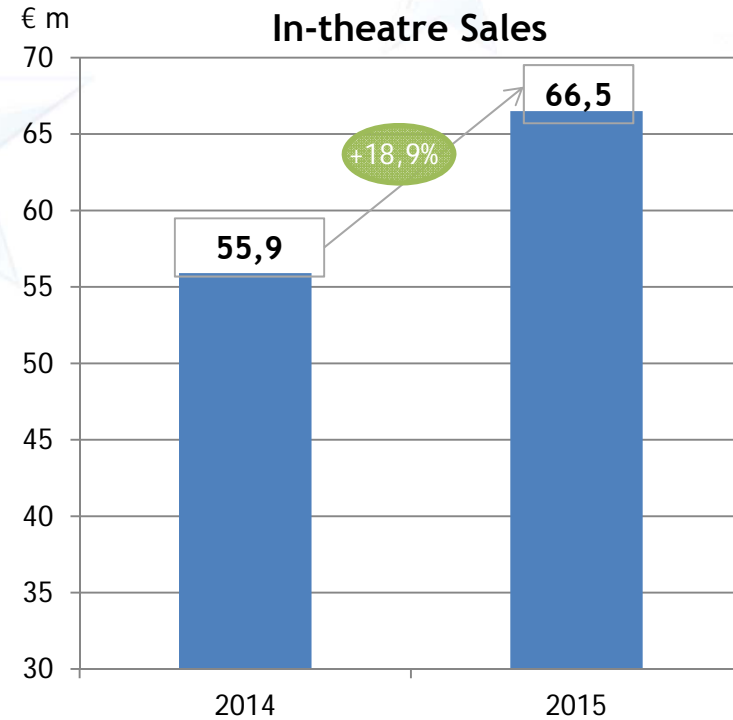
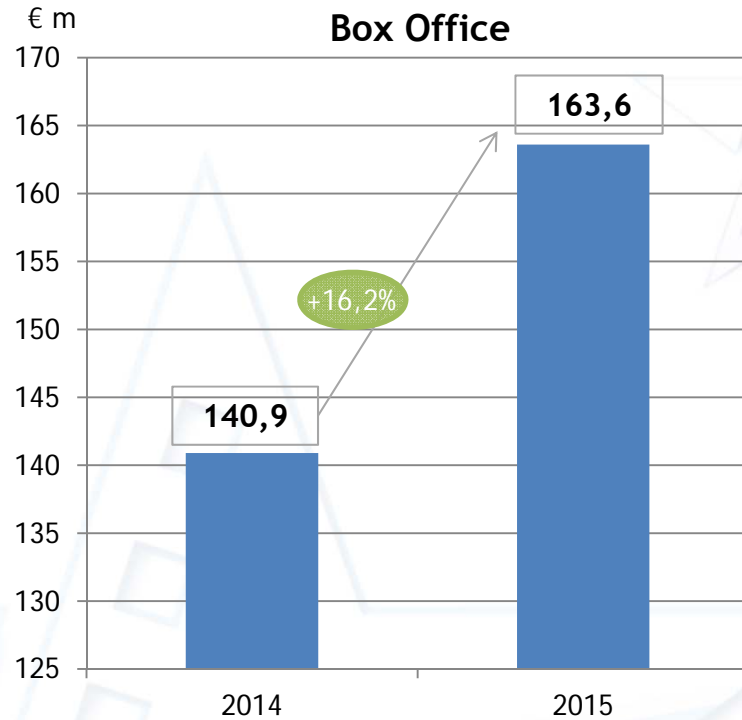
CFO, Mr Nicolas De Clercq



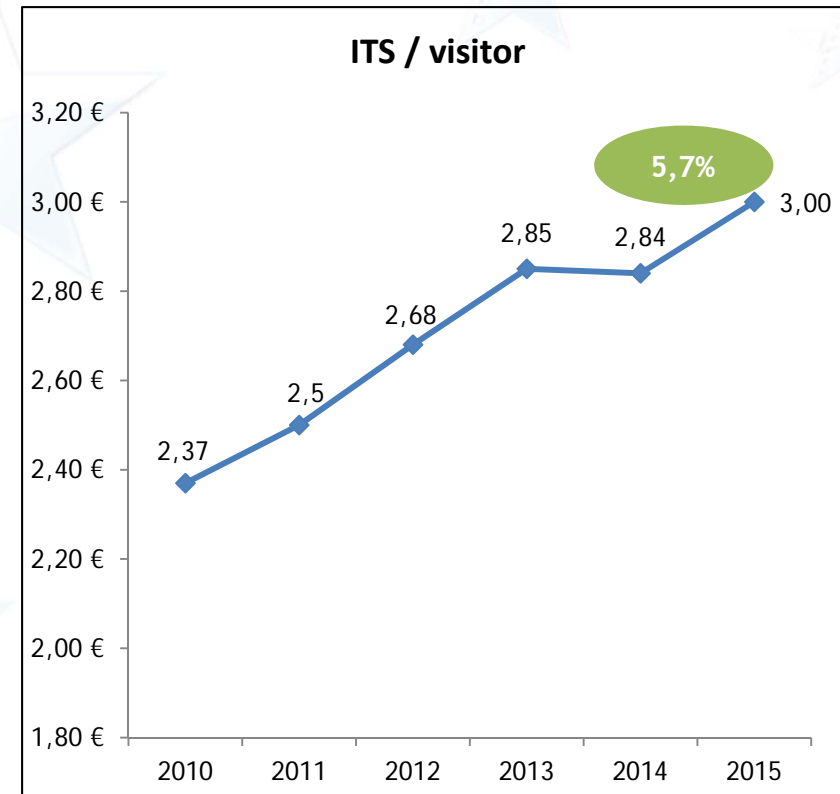
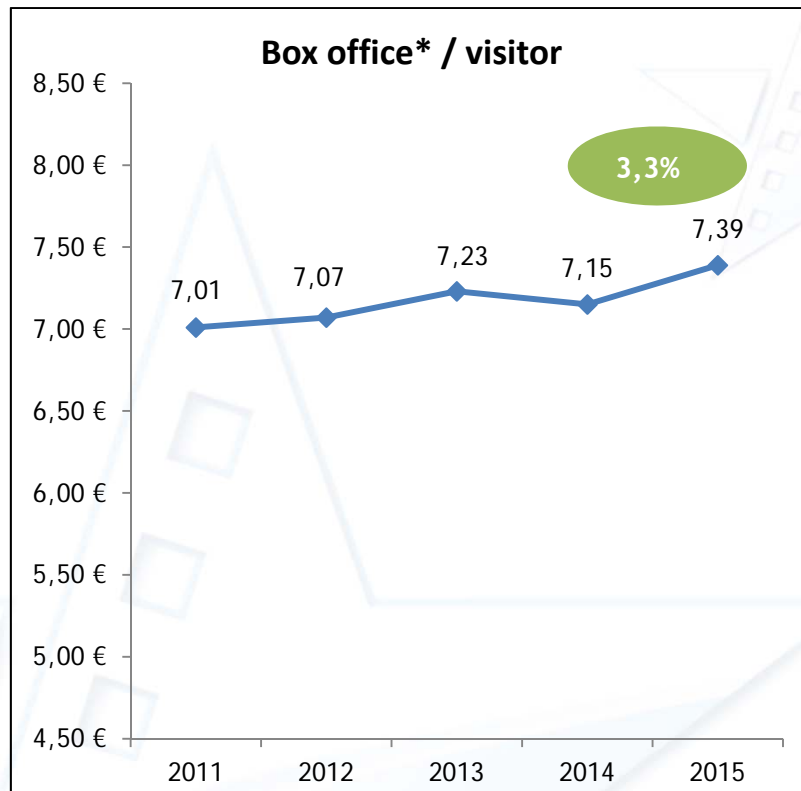
Revenue by country

€ m	2015	% of Tot	2014	% of Tot	% Δ YoY	% Δ Y Vis
Belgium	164,8	54,7%	155,2	59,1%	6,2%	2,4%
France	64,4	21,3%	60,5	23,0%	6,3%	4,0%
Spain	41,0	13,6%	33,0	12,6%	24,4%	20,5%
The Netherlands	23,1	7,7%	9,9	3,8%	133,8%	125,4%
Luxembourg	3,4	1,1%				
Switzerland & Poland	4,9	1,6%	4,0	1,5%	22,1%	12,0%
Total	301,6	100%	262,6	100%	14,8%	12,5%

Cinema Revenue

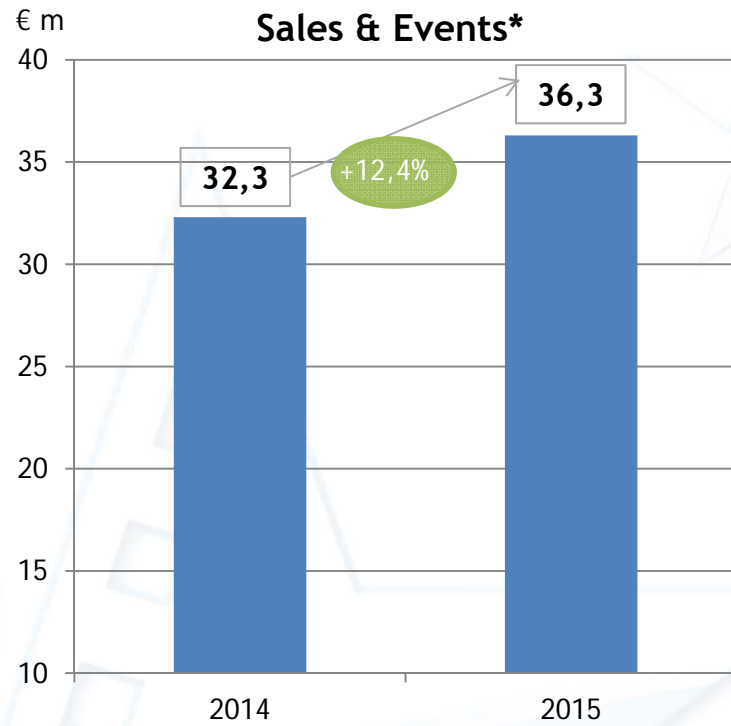


Evolution Box Office & ITS/visitor

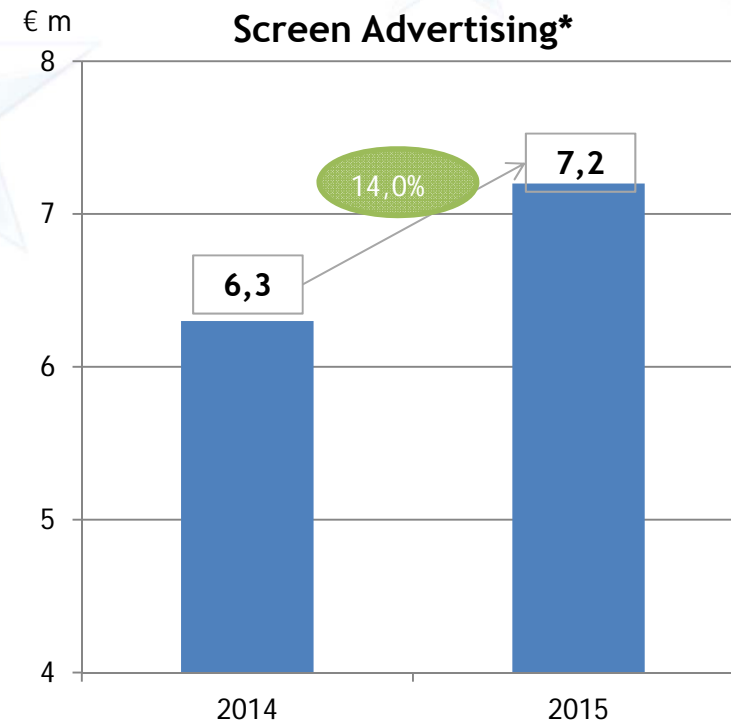


* Box Office revenue after deduction of indirect taxes, including VPF revenue

B2B Revenue

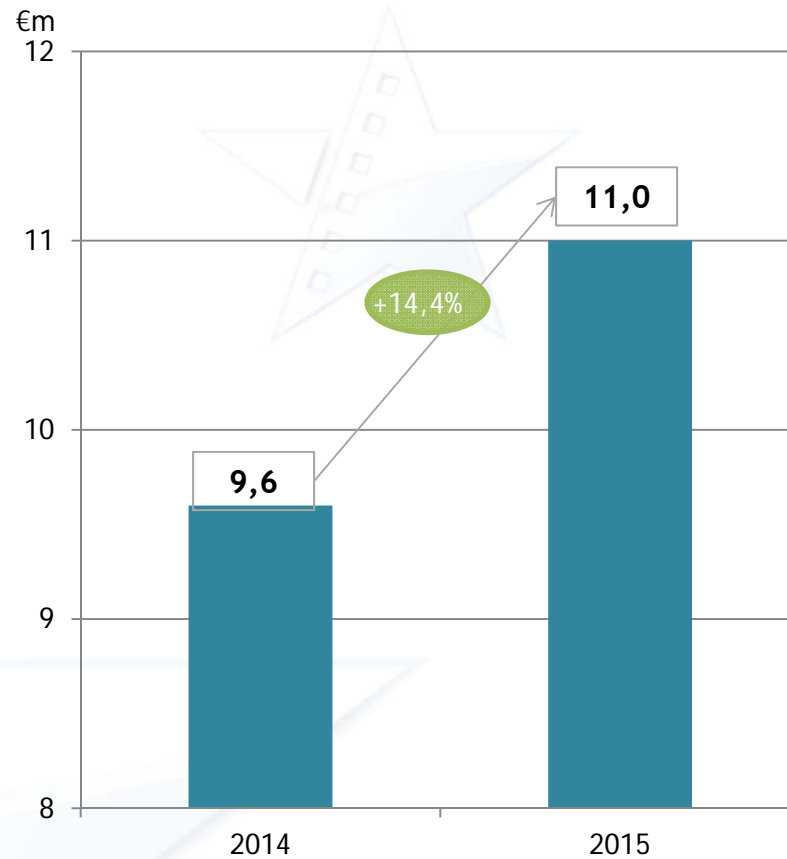


* Excluding Brightfish

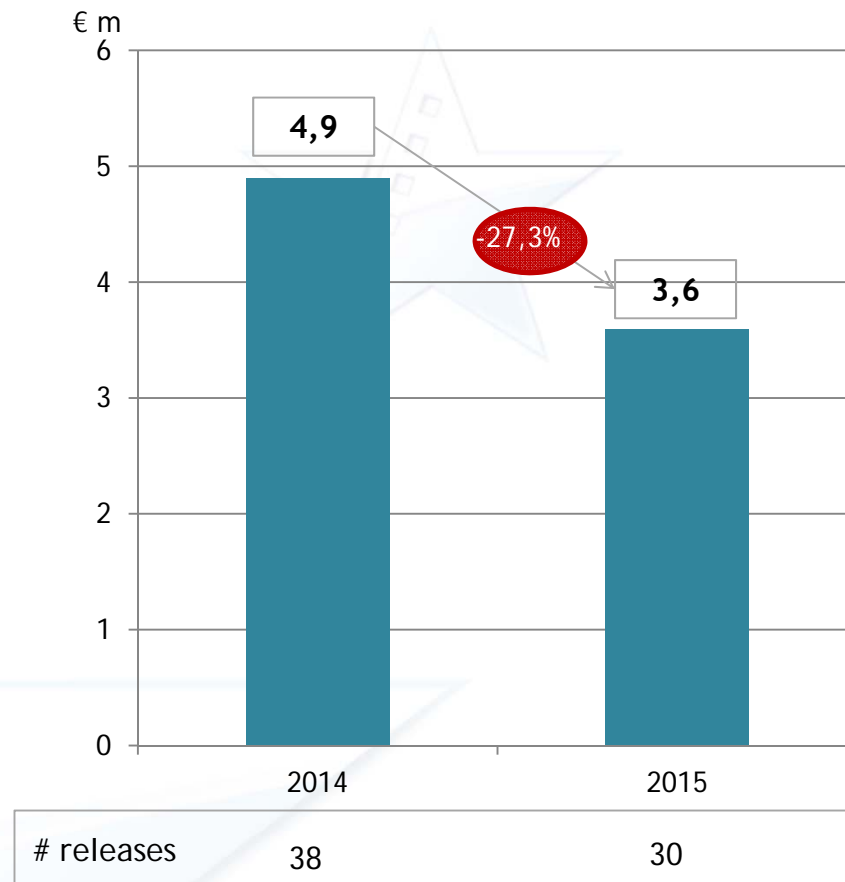


* Excluding Brightfish

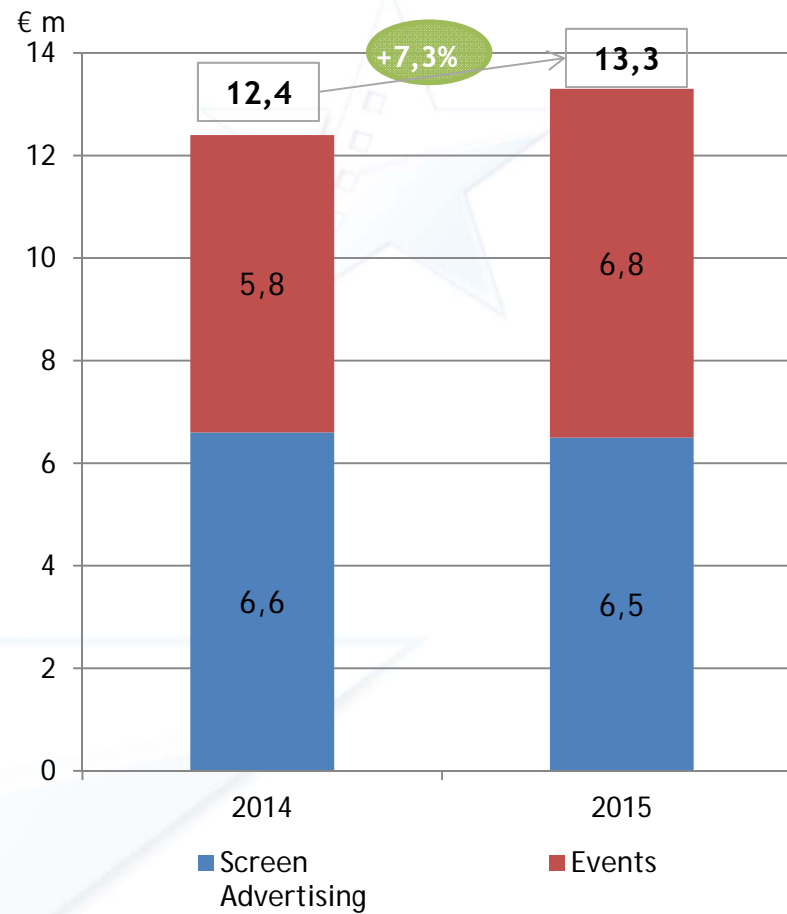
Real Estate at flat FX



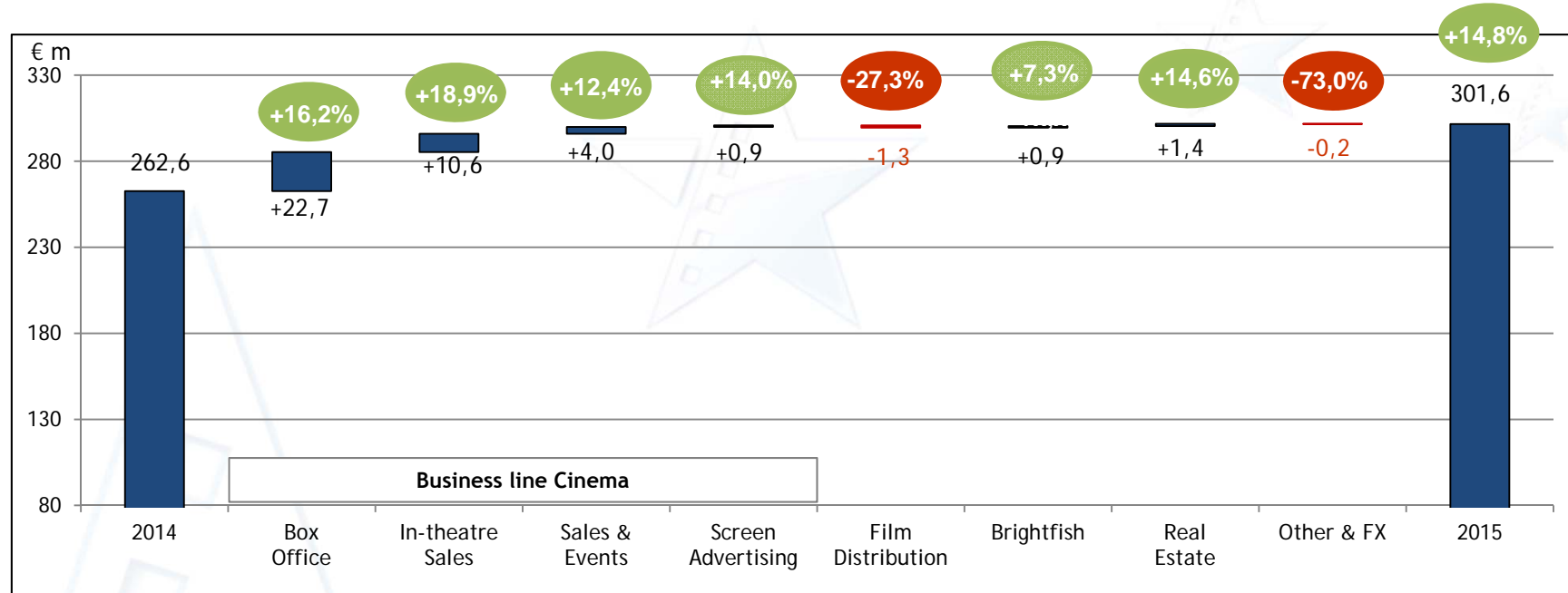
Film Distribution



Brightfish



Revenue by activity



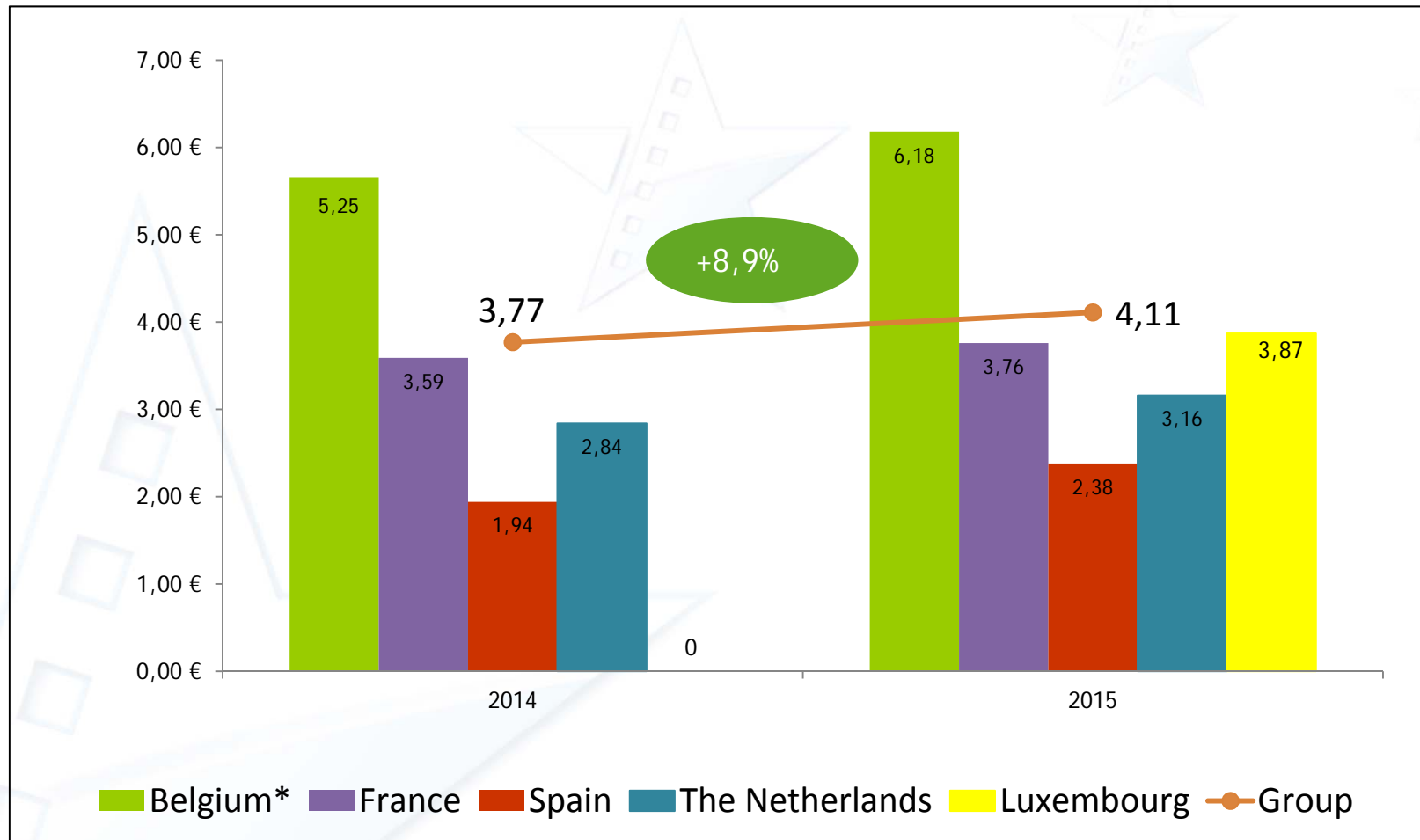
Operating Costs

€ m	2015	2014	% Better / -Worse
Marketing & Selling Expenses	-17,5	-16,1	-9,1%
Administrative Expenses	-17,7	-15,6	-13,7%
Other Operating Income/(Costs)	0,9	0,5	-94,3%
Total Operating Costs	-34,3	-31,2	-10,1%
Non-Current	-1,5	-1,3	-17,0%
Current Operating Costs	-32,8	-29,9	-9,8%

Non-Current items

€ m	2015	2014	Impacts
Expansion costs	-0,9	-0,7	EBITDA
Transformation expenses	-0,9	-2,0	
Loss on disposal property, plant and equipment	-0,2	0,0	
Other costs	-0,2	-0,2	
EBITDA	-2,2	-2,9	
Write-down disposed of fixed assets	-0,1	-0,4	Depreciation
Depreciation	-0,1	-0,4	
Transformation provisions	0,0	0,7	Provisions
Other provisions	-0,1	0,1	
Provisions	-0,1	0,8	
Fair value adjustment future payments	0,0	1,4	Financial result
Financial income	0,0	1,4	
Income tax expense	0,8	0,8	Tax
EPR	-9,4	0,0	
Net impact of non-current items	-11,0	-0,4	

Evolution REBITDA per Visitor



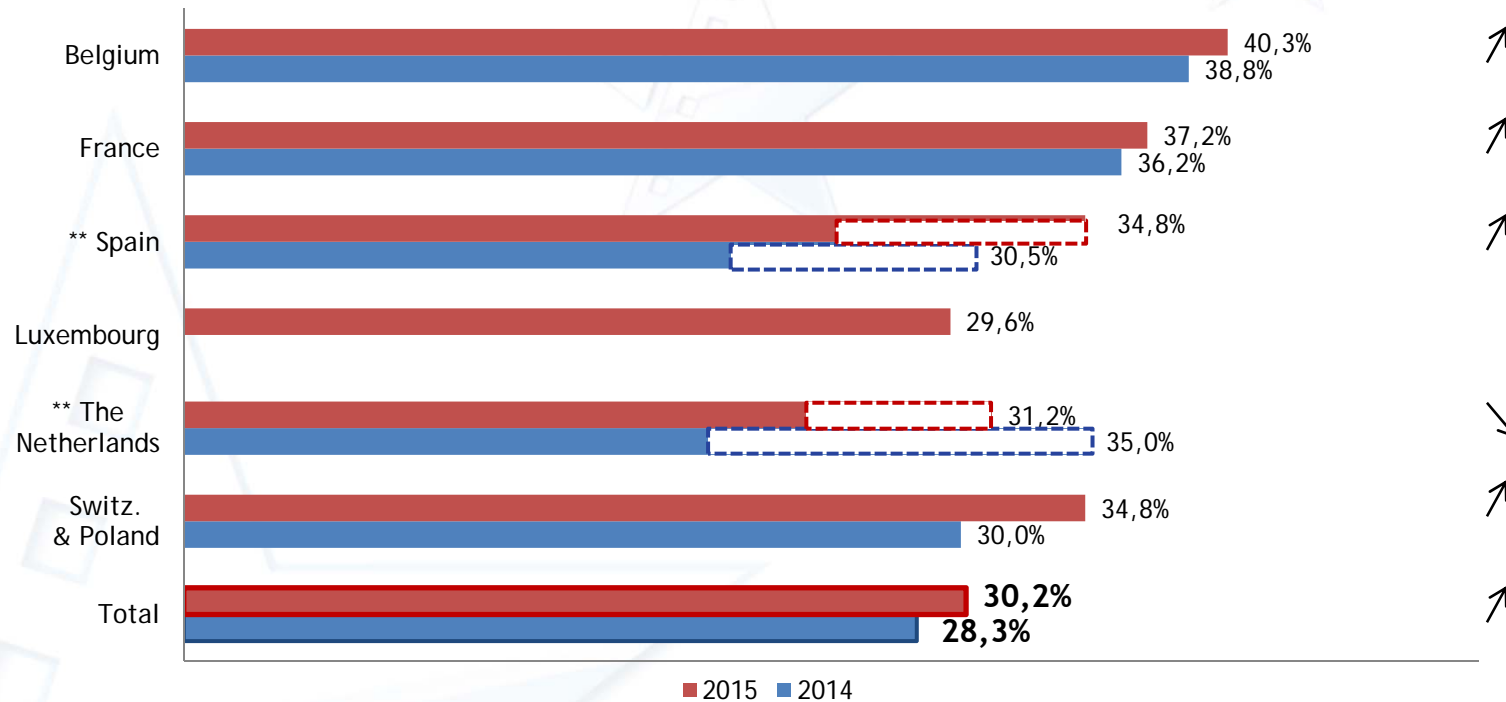
* Excluding corporate entities, KFD, Brightfish revenue

REBITDA by Country

REBITDA € m	2015	% of Total	2014	% of Total	% Better/-Worse
Belgium	48,0	52,8%	41,6	56,0%	15,5%
France	24,2	26,6%	22,2	29,9%	9,1%
Spain	10,4	11,5%	7,0	9,5%	48,3%
The Netherlands	5,6	6,1%	2,2	3,0%	151,4%
Luxembourg	1,0	1,1%	0,0	0,0%	
Switzerland & Poland	1,7	1,9%	1,2	1,6%	40,4%
TOTAL	91,0	100%	74,3	100%	22,5%

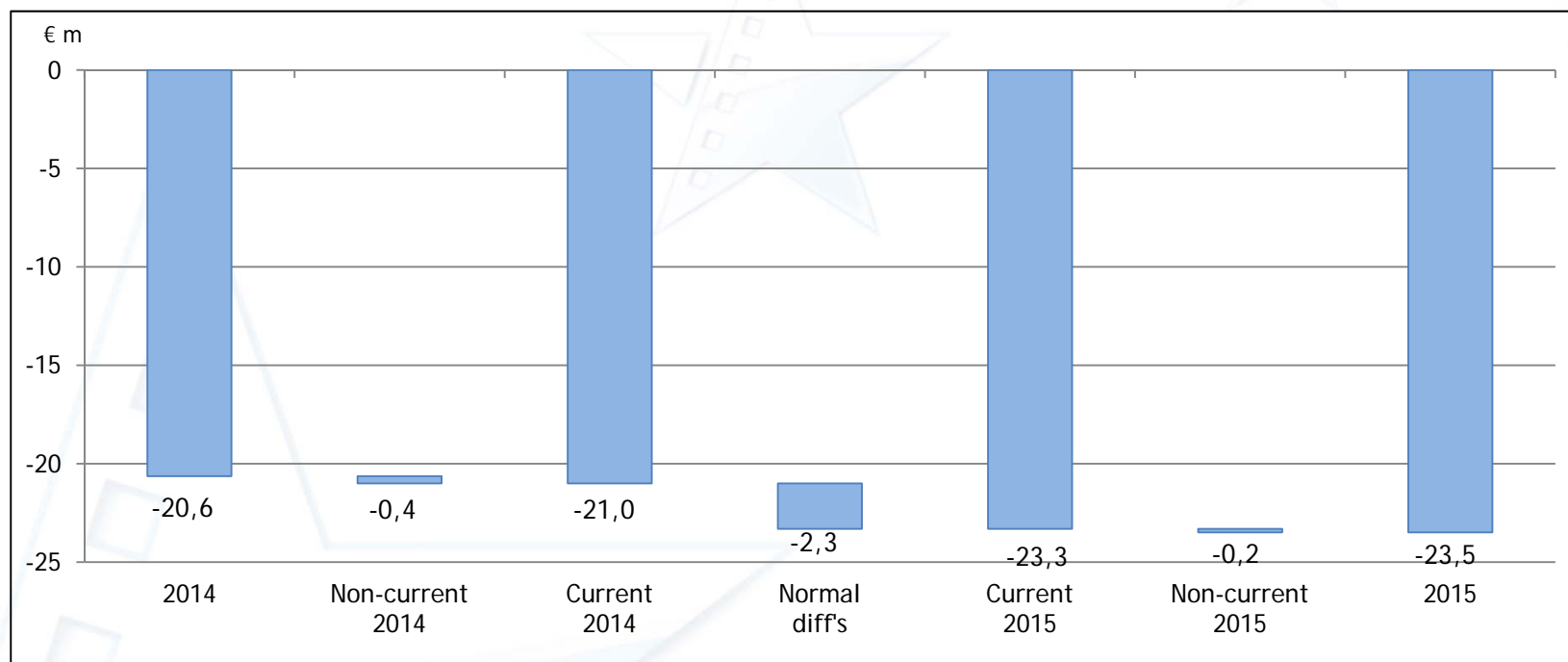
REBITDA margin

excl. Corporate entities, KFD, Brightfish



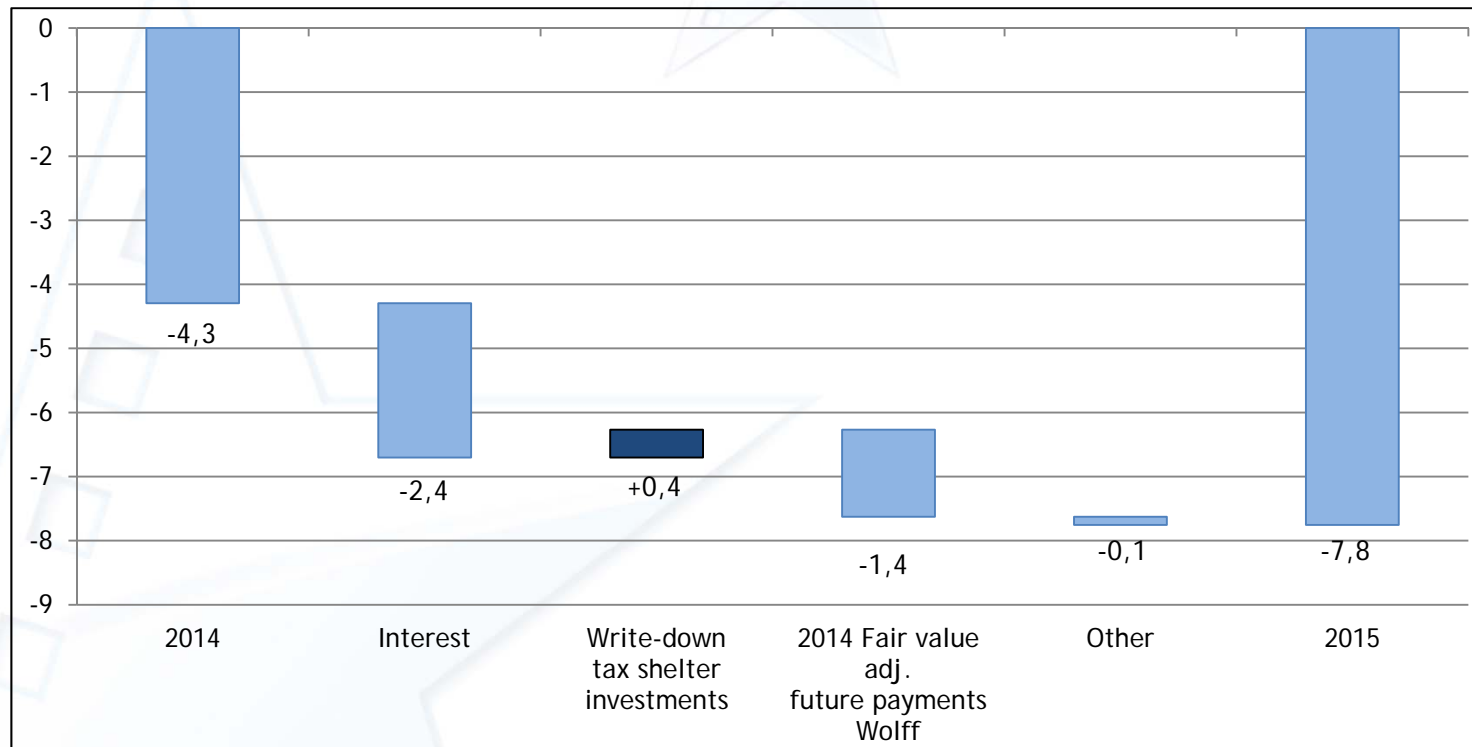
** REBITDAR (i.e. REBITDA excluding rent for Valencia, Plaza Mar 2 and Alcobendas in Spain and for Dutch complexes)
Impact rent added back indicated with dotted lines

Depreciation, Amortization, Provisions



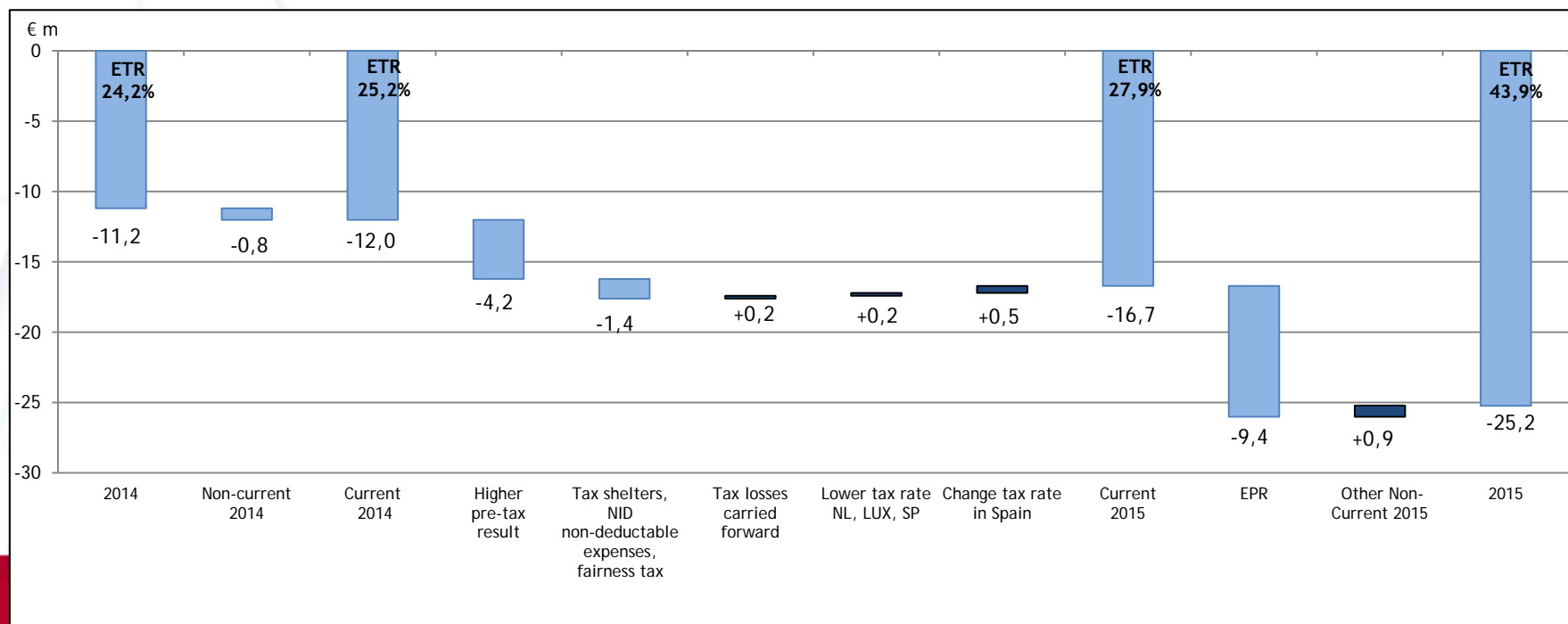
Financial Result

€ m	2015	2014	% Better/Worse
Interest Expense	-6,7	-4,3	-55,8%
Other (CNC, Tax Shelters, Derivatives, FX)	-1,1	0,0	
Financial (Cost) / Income	-7,8	-4,3	-80,5%



Taxes

€ m	2015	2014	% Better/-Worse
Profit before taxes	57,5	46,4	24,0%
Taxes	-15,9	-11,2	-41,8%
Profit before EPR	41,6	35,2	18,3%
<i>Effective Tax Rate ('ETR')</i>	<i>27,6%</i>	<i>24,2%</i>	
EPR	-9,4		
Total taxes	-25,2	-11,2	125,3%
Profit after EPR	32,3	35,2	-8,3%
<i>Effective Tax Rate ('ETR')</i>	<i>43,9%</i>	<i>24,2%</i>	



EPR disclosure

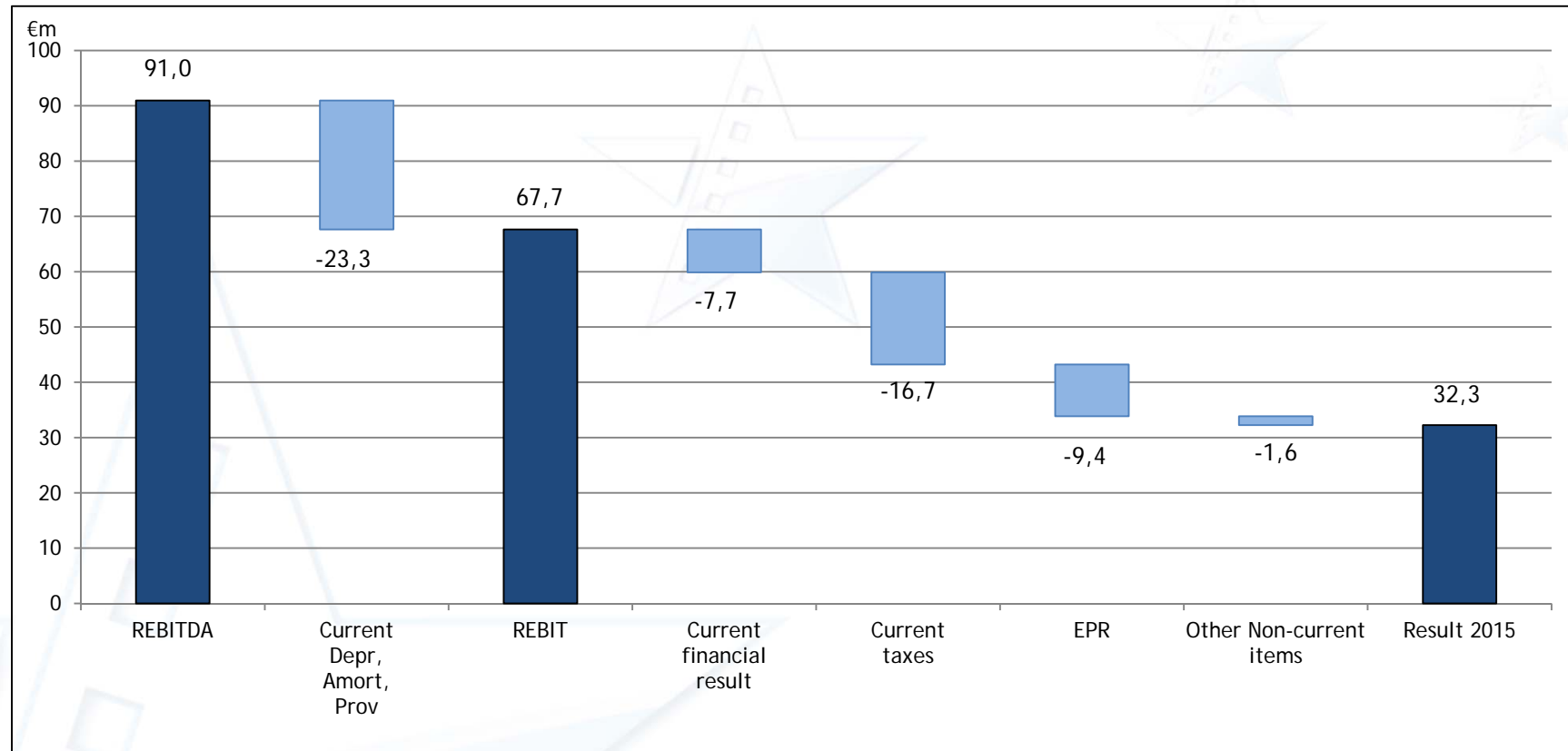
On January 11th 2016, The European Commission published its decision that Belgian tax rulings granted to multinationals with regard to "Excess Profit" should be considered as illegal state aid. The European commission's decision obliges the Belgian government to recover all unpaid taxes of the past from the related companies.

The Belgian tax authority has granted such tax ruling to Kinopolis Group in 2012. As a result of the European Commission's decision, Kinopolis has recorded a provision of € 9,4 million to cover the maximum potential liability, including interests.

Kinopolis Group has not yet received any claim. Neither the European Commission nor the Belgian government have issued any communication on the methodology that should be used to determine the amount of the unpaid taxes. Information on how to establish the amount to be reimbursed is likely to be announced in the near future. The actual payment will probably take place in 2016.

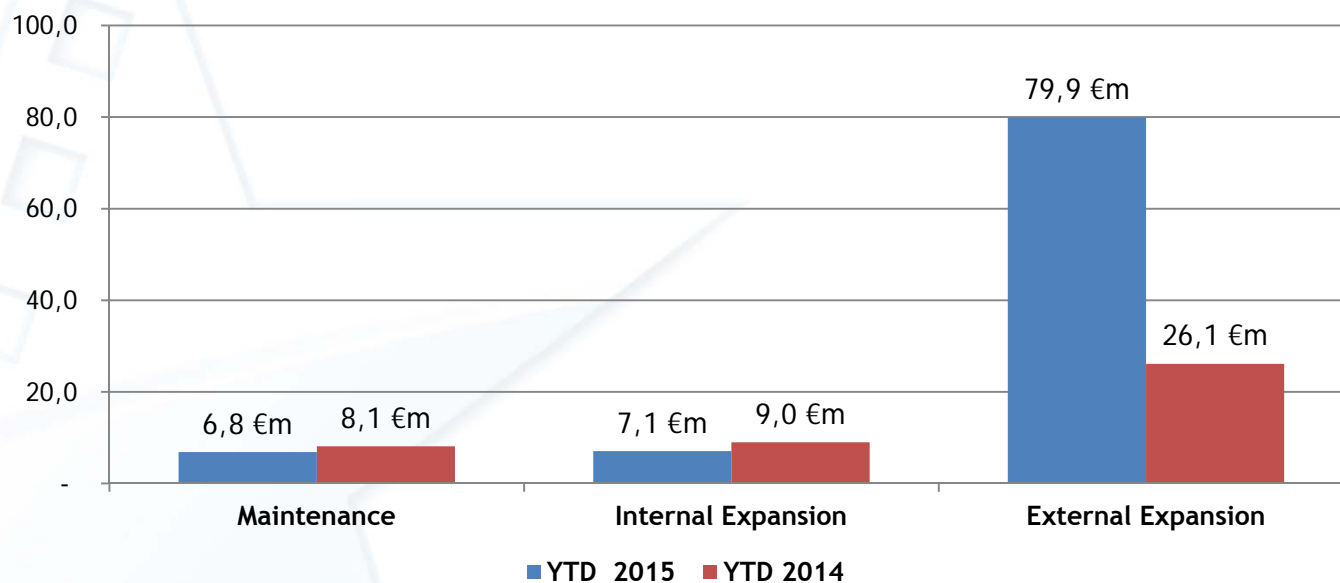
On February 5th 2016, the Belgian government decided to appeal against the European Commission's decision before the European Court of Justice. An appeal by Kinopolis is also still possible.

REBITDA to Net Result

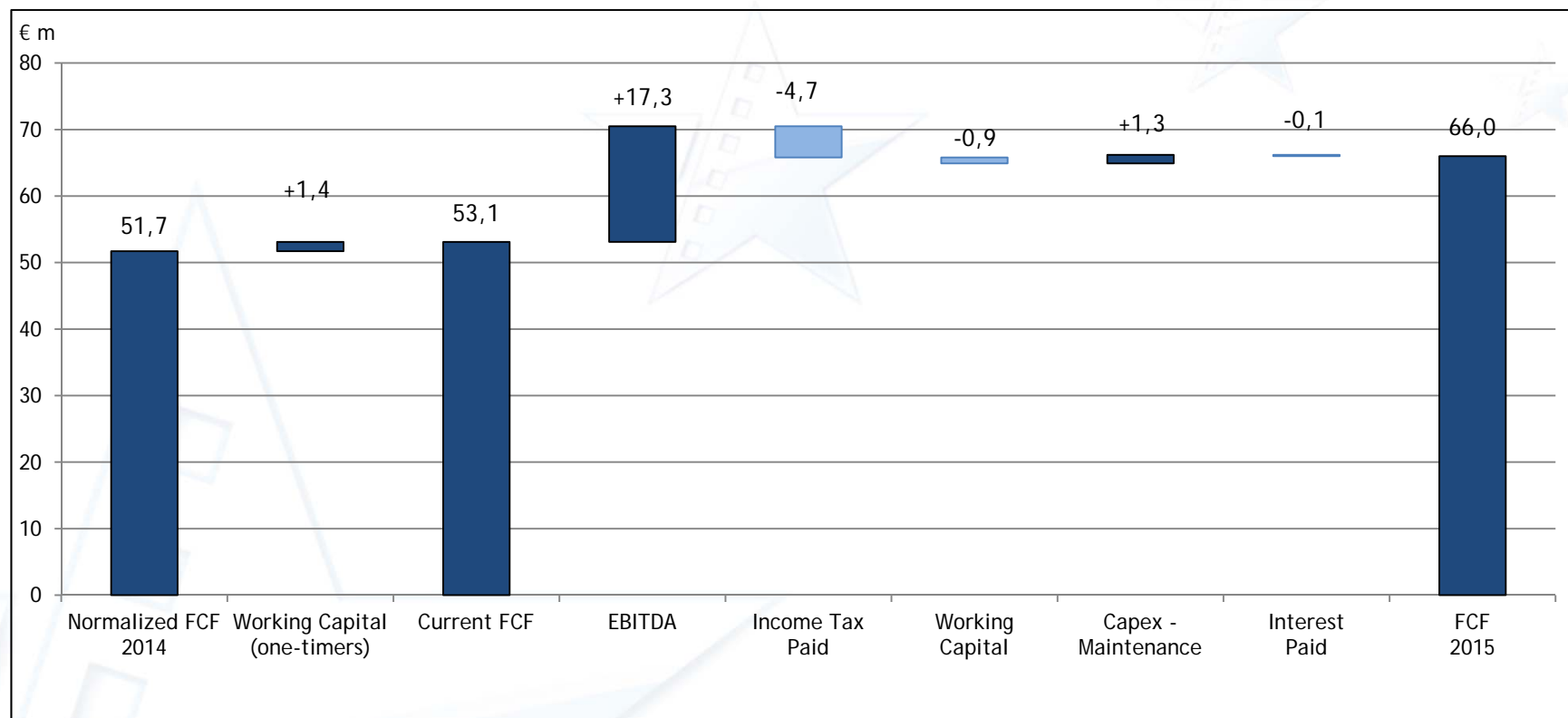


Investments

€ m	YTD 2015	YTD 2014
Belgium	7,2	10,4
France	1,9	2,7
Spain	2,9	3,2
The Netherlands	1,9	0,7
Other	0,0	0,1
Maintenance & Internal Expansion	13,9	17,1
External Expansion	79,9	26,1
TOTAL	93,8	43,2



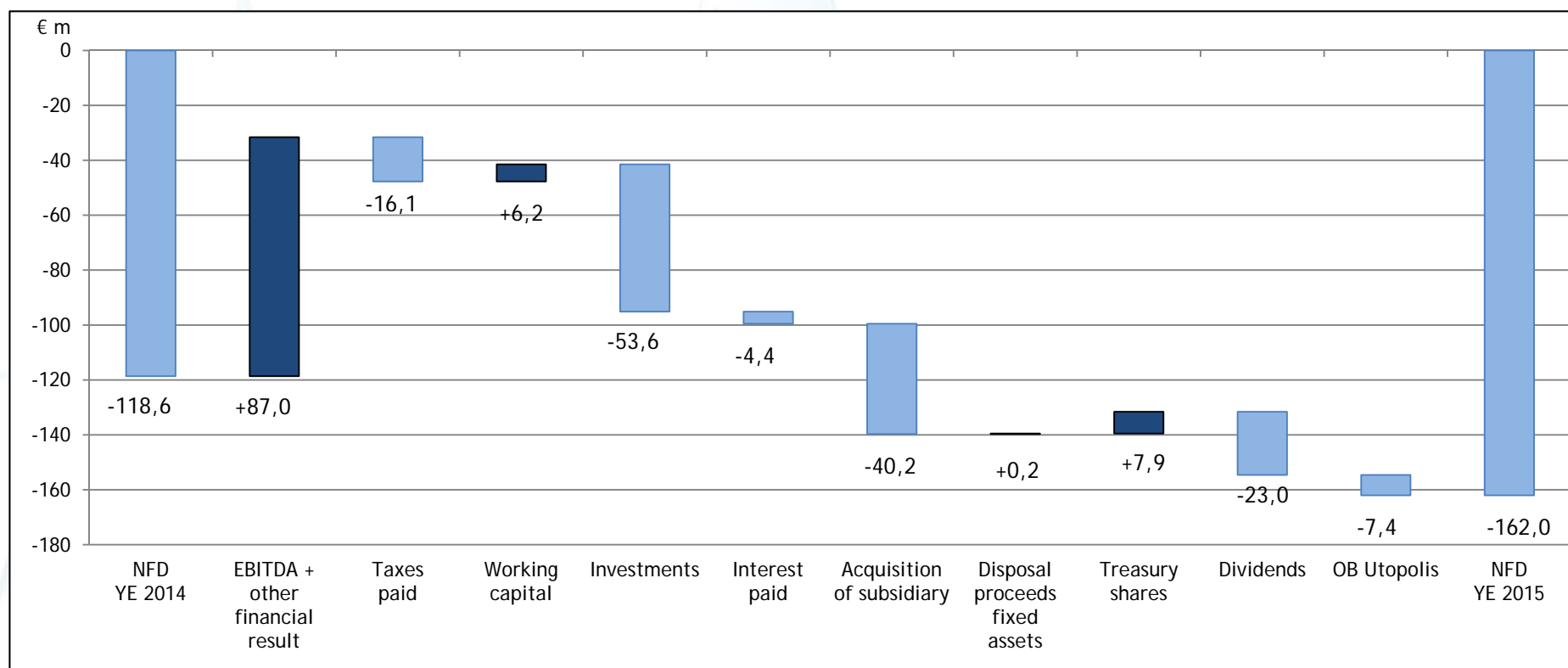
Free Cash Flow 2015 vs 2014



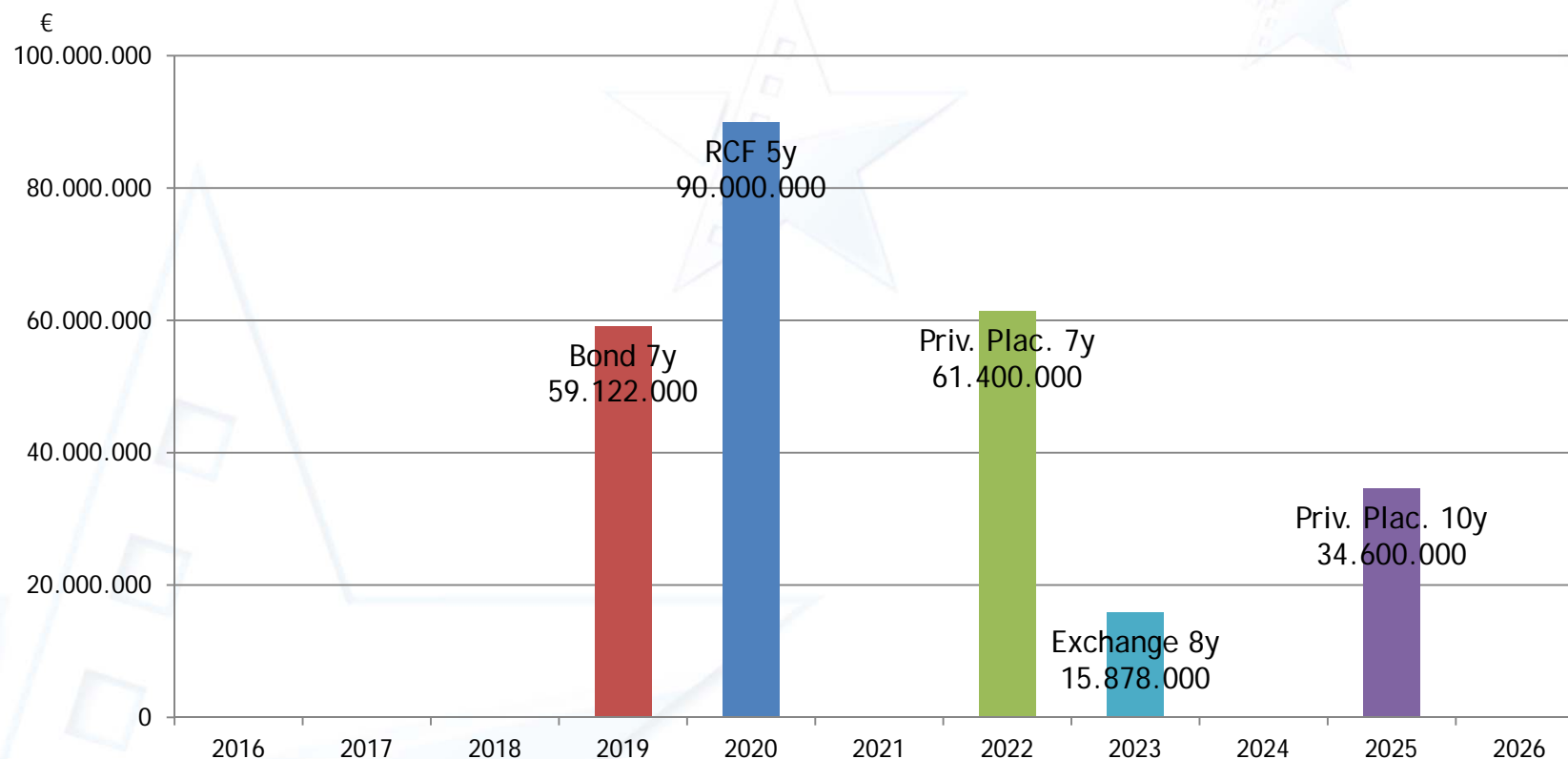
Net Financial Debt Evolution

€ m	31/dec/15	31/dec/14	Better/(Worse)	% Better/(Worse)
Net Financial Debt (NFD)	162,0	118,6	-43,4	-36,6%
Leverage ratio*: NFD / EBITDA	1,8	1,7		

* Not clubdeal definition



Maturity profile financial debt*



* Excluding 7 year term loan relating to the Utopolis acquisition

Balance sheet

€ m	31 Dec 2015	% of Total	31 Dec 2014	% of Total	€ m	31 Dec 2015	% of Total	31 Dec 2014	% of Total
Intangible assets	5,1	1,0%	4,0	1,0%	Equity	123,0	25,1%	104,7	30,0%
Goodwill	53,3	10,9%	36,1	10,0%	LT financial debt	214,0	43,6%	91,5	26,0%
Land & buildings	259,5	52,9%	197,1	57,0%	Provisions ⁽¹⁾	7,2	1,5%	2,5	1,0%
Other fixed assets	61,7	12,6%	50,9	15,0%	Deferred taxes	19,9	4,0%	15,9	5,0%
Deferred taxes	0,7	0,1%	1,3	0,0%	Other payables	10,1	2,1%	7,3	2,0%
Other receivables	11,8	2,4%	12,7	4,0%	Derivatives	0,0	0,0%	0,0	0,0%
Non-current assets	392,1	79,9%	302,1	87,0%	Non-current liabilities	251,2	51,2%	117,2	34,0%
Assets held for sale	0,0	0,0%	0,0	0,0%	ST financial debt	8,8	1,8%	44,6	13,0%
Working capital	37,7	7,7%	27,5	8,0%	Provisions	0,8	0,2%	0,6	0,0%
Current taxes	0,4	0,1%	0,1	0,0%	Working capital	87,0	17,7%	72,3	21,0%
Financial assets	0,1	0,0%	0,4	0,0%	Current taxes	20,0	4,1%	7,7	2,0%
Cash & cash equivalents	60,4	12,3%	17,0	5,0%	Derivatives	0,0	0,0%	0,0	0,0%
Current assets	98,6	20,1%	45,0	13,0%	Current liabilities	116,5	23,7%	125,2	36,0%
Assets	490,7	100,0%	347,1	100,0%	Equity & Liabilities	490,7	100,0%	347,1	100,0%

	31 Dec 2015	31 Dec 2014
Gearing ratio*	1,32	1,13
Current ratio**	0,85	0,36
Solvency ratio***	25,1%	30,2%
ROCE****	21,5%	20,9%

(1): Including employee benefits liabilities

*: 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

Shareholders

	18/02/2016		15/11/2015	
	# Shares	%	# Shares	%
Total shares outstanding	27.365.197	100 %	27.365.197	100 %
Refence Shareholders & Free Float	# Shares	%	# Shares	%
Kinohold Bis and Mr. Joost Bert	13.254.590	48,44%	13.254.590	48,44%
Treasury shares (Own shares)	244.221	0,89%	244.221	0,89%
Free Float	13.866.386	50,67%	13.866.386	50,67%
Other*	# Shares	%	# Shares	%
Axa SA	1.523.555	5,57%	1.523.555	5,57%
BNP Paribas Investment Partners SA	1.406.080	5,14%	1.406.080	5,14%

* Resulting from transparency notices received

Financial Calendar

Wednesday	11/05/2016	Business update Q1 2016
Wednesday	11/05/2016	Annual Shareholders' Meeting
Tuesday	17/05/2016	Dividend payment
Thursday	25/08/2016	Analyst and press meeting H1 2016
Thursday	17/11/2016	Business update Q3 2016



Q & A

Thank You