



YMAGIS

Press Release

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YMAGIS SUCCESSFULLY COMPLETES ACQUISITION OF SPANISH CINEMA INTEGRATOR PROYECSON

YMAGIS (ISIN: FR0011471291, TICKER: MAGIS), the European specialist in digital technologies for the motion picture industry, today announces the completion of its acquisition of Proyecson SA, a leading Spanish cinema integrator specializing in the installation and maintenance of cinema equipment. Both organizations disclosed the signing of a letter of intent at last June's CineEurope convention.

Under the terms of the agreement, YMAGIS owns a 51% stake in Proyecson. Standing shareholder Francisco Lafuente Serra has been appointed General Manager of Exhibitor Services in Spain and Portugal and retains the remaining shares (49%). He reports to Till Cusmann, Vice President Exhibitor Services of YMAGIS Group.

"We are thrilled to conclude this transaction, which is at the core of our business development strategy for cinema exhibitors in Spain," said Jean Mizrahi, President and Chief Executive Officer of YMAGIS Group.

For Francisco Lafuente Serra, "This partnership with a group like YMAGIS is a new milestone in Proyecson's growth strategy and will allow us to offer cinema owners in the Iberian market a comprehensive portfolio of products and services."

Bolstered by this new alliance, YMAGIS Group offers cinema owners an extended range of services based on the experience and expertise of both companies. With this integration, YMAGIS Group now offers the same services in Spain as in the rest of Europe, benefiting from both large group synergies and local proximity to its customers.

For close to sixty years, Proyecson has manufactured cinema projectors and equipment for movie exhibitors. The company has consistently adapted to the latest industry technologies to become a leading integrator in Spain, and has completed hundreds of digital cinema installations across Spain and Portugal, as well as provided auxiliary equipment. It has also developed innovative solutions implemented by third parties internationally. Among its latest contributions to the cinema industry are a silencer box for 'boothless' cinemas and automation systems.

In 2014, Proyecson recorded revenues of EUR 8.3 million. Based in Valencia, the company maintains offices and sales agents across Spain (Madrid, Barcelona, Bilbao and Seville). Proyecson's 35 employees today join the YMAGIS Group team.

NEXT RELEASE: November 12, Q3 2015 sales

ABOUT YMAGIS

Founded in 2007 and managed by professionals from cinema and high-tech industries, YMAGIS (www.ymagis.com) is specialized in services for digital cinema. YMAGIS provides services to producers, distributors of movies and alternative content, advertising sales agencies and cinema exhibitors, to ensure a smooth transition of their operations from 35-mm to digital, while keeping costs under control and producing the best possible mix in terms of creativity, marketing and financing. YMAGIS' offer covers three main business areas: the management of VPF⁽²⁾, services to exhibitors ("Exhibitor Services") and services to producers / distributors ("Content Services"). The services to exhibitors cover sale and installation of equipment for cinemas, maintenance and online support services for digital projection equipment, sale and leasing of 3D glasses, while the services to producers and distributors cover post-production of content as well as preparation and distribution of DCPs⁽³⁾ and KDMs⁽⁴⁾. YMAGIS' digital laboratories deliver thousands of DCPs and KDMs to cinemas each week on behalf of its distributor and advertising sales agency clients. During the 2014 fiscal year, the Group generated



consolidated revenues of €84.6 million, an increase of 78.9% compared with 2013, including dcinex sales beginning October 1, 2014. The consolidated pro-forma ⁽¹⁾ full year 2014 revenues stand at €150.4 million compared to €139 million in 2013 (+8.2%).

- (1) Pro-forma revenues are based as if dcinex acquisition was carried out as of January 1, 2013.
- (2) VPF or Virtual Print Fee: Fee paid to YMAGIS Group by the supplier of digital content, mainly the distributors of feature-length films, in order to allow the projection of this content in a theater under VPF contract with YMAGIS Group, regardless of the equipment financing model chosen by both parties (Third Party Investors – financing carried out by YMAGIS Group - or Third-party Collector – financing carried out by the exhibitor). The VPF collection makes it possible to cover a significant part of the financing of digital projection equipment, the balance being supported by the exhibitor under contract with YMAGIS Group.
- (3) DCP: Digital Cinema Package - group of digital files comprising feature-length films, trailers and commercials, or any other content shown via a digital projector.

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