



CINEWORLD INVESTS IN THE DIGITAL FUTURE OF CINEMA ENTERTAINMENT

Cineworld signs deal with Arts Alliance Media for full digital rollout

London, 14 June 2010 – Cineworld, the UK's only quoted cinema chain, has announced that all of its 77 cinema sites will be converted to digital within three years. Partnering with Arts Alliance Media, a leading European provider of digital cinema technology and distribution services, the estimated cost of conversion for Cineworld is approximately £30m, in addition to the £10m already spent in 2009 and the first half of 2010.

The full digital rollout means that Cineworld, which is already the UK's leading digital cinema chain with a third of its 790 screens digitised, will be able to show all films in high digital quality. In addition, the full digital roll out will allow Cineworld to continue to show the latest 3D films on more 3D screens; offer customers an increased range of alternative entertainment, including live sport, live opera, theatre, comedy and gaming; as well as capitalise on other venue uses, such as training and conferences.

Under the agreement, Cineworld will buy, install and operate digital projectors across the remainder of its entire cinema chain. The majority of the total cost to Cineworld will be recouped through a 'VPF' (Virtual Print Fee) deal, which Arts Alliance Media will collect from film distributors on behalf of Cineworld. Cineworld expects that over a seven-10 year period this VPF arrangement will refund a substantial proportion of the £40m total conversion cost.

Steve Wiener, CEO of Cineworld, comments, "Digital is a core part of our strategy and we are delighted to be partnering with Arts Alliance Media to continue to lead the investment in digital cinema. Going to the cinema will no longer be just about going to see movies. Alternative content in 3D such as live rugby, plays, opera, concerts and other sporting events will now become more readily available at all Cineworld cinemas across the UK. We are delighted to be at the forefront of the UK cinema industry, offering our customers the very best in entertainment at every Cineworld location."

Arts Alliance Media's CEO, Howard Kiedaisch comments, "Cineworld is a great example of a business that has truly embraced digital technology and we're thrilled to be working with the brand in rolling out digital projection facilities at all 77 cinemas. Bringing digital technology to cinemas across the UK and Ireland means cinemas, film distributors and consumers can all benefit from the advantages digital cinema has to offer."

Julian Levin, EVP Digital Exhibition and Non-Theatrical Sales and Distribution of Twentieth Century Fox commented, "Fox has a long standing relationship with Arts Alliance and we been working with our colleagues at Arts Alliance to transition the industry from 35mm to a digital platform. The security, digital image quality and 3D revenue opportunities offer a tremendous boost to the cinema industry and most importantly provide an enhanced experience for the movie goer. AAM's deal with Cineworld represents a major step forward in the digital transition in Europe."

-END-

For press enquiries please contact:

Beth Robins at Hill & Knowlton
Beth.robins@hillandknowlton.com
0207 413 3064

Notes to Editors:

About Cineworld Group

Cineworld is one of the leading cinema groups in the UK and Ireland. It was founded in 1995 by Steve Wiener, the current Chief Executive, and today operates 77 cinemas with 790 screens of which 33% are digital with 3D capability. It is a market leader in showing a wide variety of content such as Bollywood and Live events; including Opera, Ballet and Rugby in 3D. Cineworld participates in the Tesco Clubcard programme and operates the only cinema subscription service in the UK, the Unlimited Card. Cineworld has been listed on the London Stock Exchange since May 2007. More information can be found at www.cineworldplc.com

About Arts Alliance Media

Arts Alliance Media, based in London, Paris and Amsterdam, provides digital technology and distribution services and is committed to building the largest digital cinema delivery network in Europe. AAM supplies digital content – film and alternative, and remains at the forefront in the provision of end-to-end digital cinema solutions. To date AAM has deployed over 700 digital screens and has successfully negotiated agreements with five of the major distributors for the UK region as well as other territories across Europe. AAM was founded in 2003 by Thomas Høegh who serves as Chairman of the board. More information can be found at www.artsalliancemedias.com