

6 March 2008

Cineworld Group plc

Announcement of formation of advertising joint venture

Cineworld Group plc ("Cineworld") announces today that, in association with Odeon Cinemas Limited ("Odeon"), it has formed a 50:50 joint venture, Digital Cinema Media ("DCM") to address cinema advertising. DCM has reached agreement in principle to acquire certain assets from Carlton Screen Advertising Limited ("CSA"), a wholly owned subsidiary of ITV plc. The agreement in principle will be the subject of a definitive asset purchase agreement (the "Agreement") and will be subject to a competition approval process.

This follows the announcement of 11 December 2007 when Cineworld announced that it had been approached by CSA with a proposal materially to amend the terms of the existing screen advertising contract (the "Contract"). As part of the Agreement the Contract will be terminated. Cineworld has received full payment from CSA in respect of January and February screen advertising and payments through to execution of the Agreement will be made on an agreed revenue share basis.

The consideration payable by DCM for the assets in connection with the Agreement is £500,000 in cash.

Steve Wiener, Cineworld CEO, commented:

"I am delighted we have reached a mutually acceptable conclusion to negotiations with CSA and ITV.

"DCM plans to develop a more flexible, targeted and timely service for advertisers and local businesses, who hitherto have not been able to make full use of advertising across the cinema sector. I believe this will not only be attractive to us but also for other cinema exhibitors that wish to take advantage of DCM's advanced service offering.

"With the growth potential of digital advertising we believe the prospects for DCM are highly attractive."

-Ends-

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