



PARAMOUNT PICTURES, AMC THEATRES AND CINEPLEX ENTERTAINMENT PARTNER TO IMPLEMENT UNPRECEDENTED FLEXIBLE DISTRIBUTION PLAN FOR TWO UPCOMING FILMS

***Home Digital Window Will Be Determined By The End Of The Theatrical Run;
Exhibitors Offered To Share In Any Early Digital Revenue of Releases Under This Plan***

HOLLYWOOD, CA (July 8, 2015) –Paramount Pictures, AMC Theatres and Cineplex Entertainment announced today a first of its kind in-theater and digital revenue-sharing initiative that could potentially redefine home digital distribution windowing to benefit consumers, studios, creative partners, filmmakers and exhibitors.

Paramount said the move is an effort to work with exhibitors both to grow revenue in a rapidly evolving entertainment environment and to maintain the value of exhibition and acknowledge the role of exhibitors in the larger distribution cycle. The innovative approach responds to consumer desires for earlier digital access once pictures are cycling off screens and offers timely and legitimate alternatives to combat piracy.

Under the agreement, Paramount titles, “PARANORMAL ACTIVITY: THE GHOST DIMENSION” and “SCOUTS GUIDE TO THE ZOMBIE APOCALYPSE” will be given a wide release this fall with a comprehensive marketing plan, with digital home entertainment purchase available 17 days after the film dips below 300 domestic theatres. AMC and Cineplex and other exhibitors will receive a percentage of any of the studio’s digital revenue for the period of digital availability through 90 days from the initial U.S. theatrical release, with each exhibitor’s share proportional to its theatrical gross market share. Paramount said it is in discussions with other exhibitors and would offer them a similar arrangement for these two films.

Brad Grey, Chairman and CEO of Paramount Pictures, commented: “Movie-lovers want us to respond and meet their desires. Exhibitors want to keep their businesses strong. Filmmakers want us to put a premium on the theatrical experience and optimize consumer access to their creations. Our hope and intent is that this initiative offers a degree of innovation that benefits all parties.”

Rob Moore, Paramount’s Vice Chairman, said, “Theater owners have been great partners to us and will continue to be as we evolve and create a flexible business strategy that is based on the actual theatrical run of a film, rather than a rigid window based on a commencement of exhibition. This opportunity offers a viable way for our theatrical partners to retain their window and benefit financially from participating in a more efficient distribution process, while ensuring that audiences are given the chance to see films when and where they want.”

“Consumers know theatrical movies from their ‘gotta see it now’ exclusive releases in theatres, but every movie is different and a one-size-fits-all business model has never made sense,” says Gerry Lopez, President and CEO of AMC Theatres, “This model aligns the interests of consumers, filmmakers and exhibitors to maximize the theatrical experience first and then enable legitimate digital access.”

“At Cineplex, innovation is one of the most important tenets of our success,” said Ellis Jacob, President and CEO, Cineplex Entertainment. “We are pleased to be part of this effort to test an innovative film distribution model – one that recognizes and entrenches the value of theatrical exhibition for all, while providing distributors the flexibility to tailor digital release plans to individual films.”

Megan Colligan, President, Worldwide Distribution and Marketing of Paramount, said, “Some films generate 99 percent of their gross in the first four-to-six weeks of release, followed by a two month window where they are completely unavailable in the legitimate marketplace. This new distribution strategy is modular and allows us to engage with consumers throughout the lifecycle of our films to meet their needs while reducing the piracy window.”

Paramount designed the plan after analyzing the performance of its recent film slate against metrics related to length of time in wide release, piracy activity and sales across windowing periods. “After a long and careful look at various financial scenarios and industry trends, we believe this new strategy is pro-consumer, while providing the opportunity for studios and exhibitors to generate incremental revenue,” said Colligan.

“PARANORMAL ACTIVITY: THE GHOST DIMENSION” will be released on October 23rd and “SCOUTS GUIDE TO THE ZOMBIE APOCALYPSE” will be released on October 30th.

About Paramount Pictures Corporation

Paramount Pictures Corporation (PPC), a global producer and distributor of filmed entertainment, is a unit of Viacom (NASDAQ: VIAB, VIA), a leading content company with prominent and respected film, television and digital entertainment brands. Paramount controls a collection of some of the most powerful brands in filmed entertainment, including Paramount Pictures, Paramount Animation, Paramount Vantage, Paramount Classics, Insurge Pictures, MTV Films, and Nickelodeon Movies. PPC operations also include Paramount Home Media Distribution, Paramount Pictures International, Paramount Licensing Inc., and Paramount Studio Group.

About AMC Theatres

AMC Theatres (NYSE: AMC) is the guest experience leader with 347 locations and 4,972 screens in the United States. AMC has propelled theatrical industry innovation and continues today by delivering more comfort and convenience, enhanced food & beverage, greater engagement and loyalty, premium sight & sound, and targeted programming. AMC operates the most productive theatres in the country’s top markets, including No. 1 market share in the top three markets (NY, LA, Chicago). www.amctheatres.com

About Cineplex

Cineplex Inc. (“Cineplex”) is one of Canada’s leading entertainment companies and operates one of the most modern and fully digitized motion picture theatre circuits in the world. A top-tier Canadian brand, Cineplex operates numerous businesses including theatrical exhibition, food services, gaming, alternative programming (Front Row Centre Events), Cineplex Media, Cineplex Digital Solutions, Cineplex Digital Networks, and the online sale of home entertainment content through CineplexStore.com and on apps embedded in various electronic devices. Cineplex is also a joint venture partner in SCENE –

Canada's largest entertainment loyalty program. Cineplex is headquartered in Toronto, Canada, and operates 162 theatres with 1,652 screens from coast to coast, serving approximately 74 million guests annually.

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