

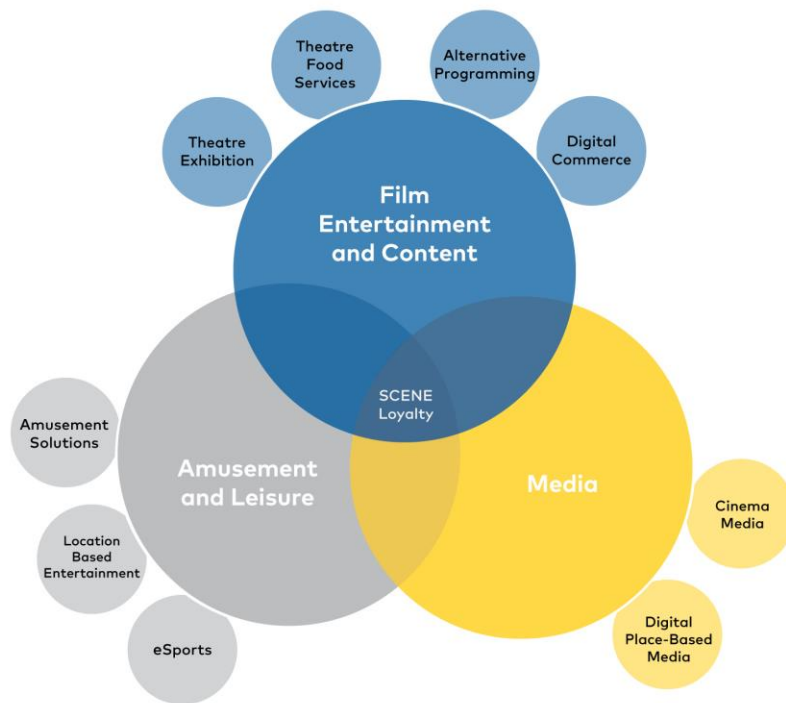
# 2019 First Quarter

**As of March 31, 2019**

Contact/Inquiries:  
Communications & Investor Relations  
E: [InvestorRelations@cinplex.com](mailto:InvestorRelations@cinplex.com)



# Diversified Entertainment and Media Company



# Corporate Strategy

- Continue to enhance and expand Cineplex's presence as an entertainment destination for Canadians in-theatre, at-home and on-the-go;
- Capitalize on our core media strengths and infrastructure to provide continued growth of Cineplex's media business, both inside and outside theatres;
- Develop and scale amusement and leisure concepts by extending existing capabilities and infrastructure;
- Drive value within businesses by leveraging opportunities to optimize value, realize synergies, implement customer-centric technology and leverage big data across the Cineplex ecosystems; and
- Pursue opportunities that are strategic, accretive and capitalize on Cineplex's core strengths.

# Film Entertainment and Content

Theatre Exhibition • Theatre Food Service • Alternative Programming • Digital Commerce

# Box Office Market Share

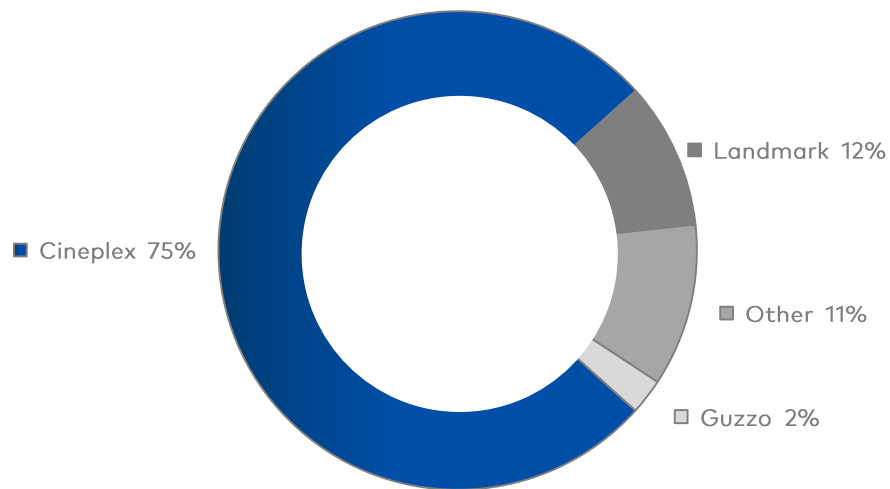
CINEPLEX  
IS THE  
**LARGEST**  
AND  
**MOST SUCCESSFUL**  
MOTION PICTURE  
EXHIBITION COMPANY  
IN CANADA

**165**  
THEATRES

**1,692**  
SCREENS

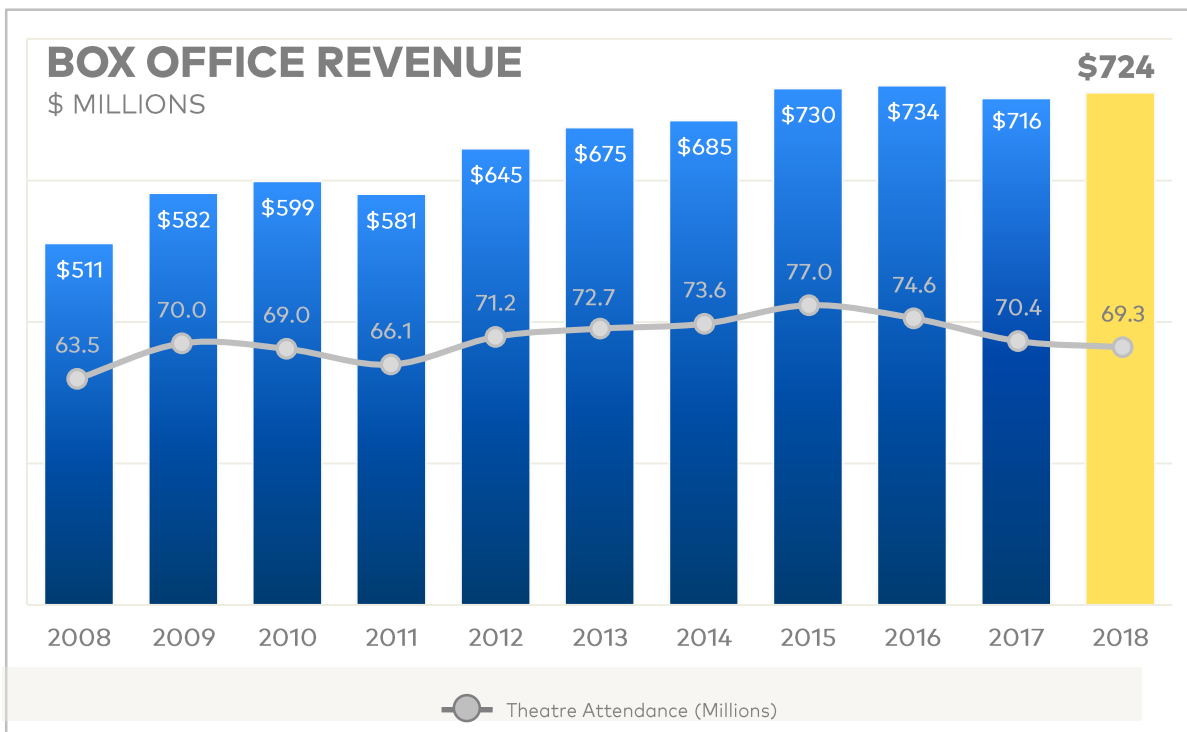
## BOX OFFICE MARKET SHARE

FOR THREE MONTHS ENDED MARCH 31, 2019

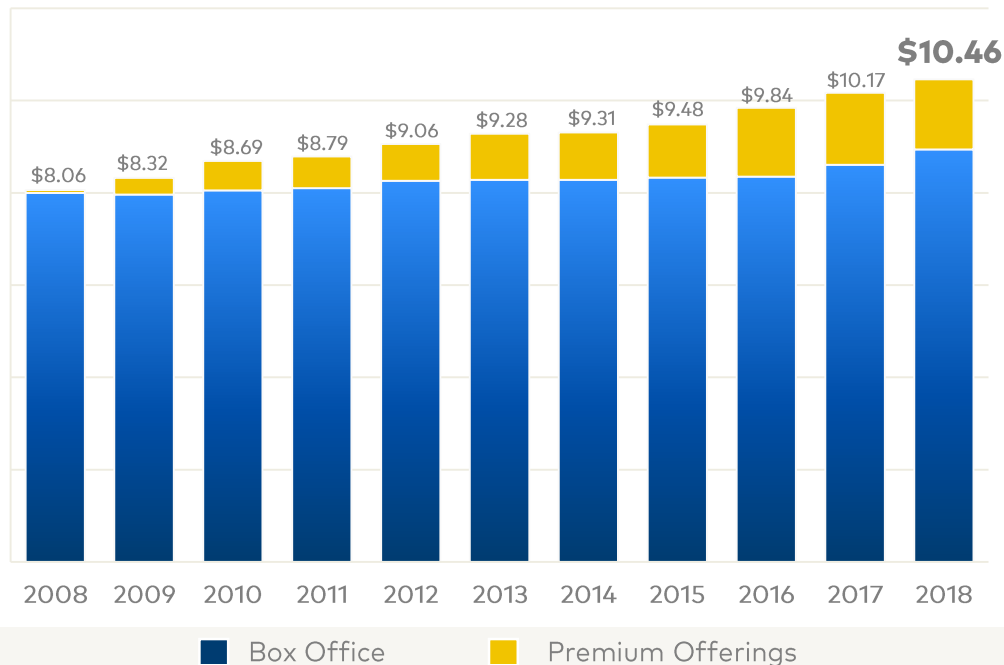


Source: Rentrak

# Box Office Revenue



# Box Office Per Patron (BPP)



## Premium Experiences

CINEPLEX  
**ULTRA**AVX

CINEPLEX  
**CLUBHOUSE**

**IMAX**®

CINEPLEX  
**VIP**  
CINEMAS  
PRESENTED BY  
 **Scotiabank**

**D-BOX**

**4DX**®

**SCREEN**X

**PREMIUM  
EXPERIENCES**  
ACCOUNTED FOR  
**40.9%**  
OF BOX OFFICE  
REVENUE

FOR THREE MONTHS ENDED  
MARCH 31, 2019



# UltraAVX®



- Wall-to-wall screens
- Dolby ATMOS surround sound at most locations
- Extra-wide, high back, rocker seats
- Reserved seating
- Premium pricing

**90**  
SCREENS at 75 LOCATIONS  
as of March 31, 2019

**DOLBY**  
**ATMOS™**

**CINEPLEX**  
**ULTRA AVX**

# IMAX

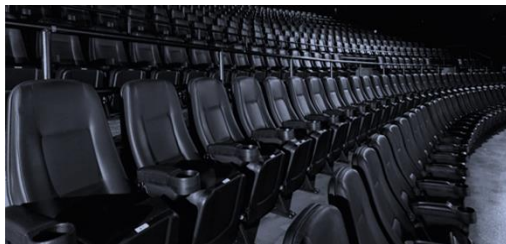


- Immersive movie experience
- Crystal-clear images
- Giant screens
- Powerful digital surround sound
- Reserved seating
- Premium pricing

## 25

SCREENS at 25 LOCATIONS

as of March 31, 2019



# IMAX®

# VIP Cinemas



- Enhanced food and beverage menu
- Adult-only licensed auditoriums
- Reserved luxury seating
- Exceptional service at your seat
- Exclusive licensed lounge
- Premium pricing

## 75

SCREENS at 20 LOCATIONS

as of March 31, 2019



**CINEPLEX**  
**VIP**  
CINEMAS  
PRESENTED BY  
**Scotiabank**

## Other Entertainment Experiences

### D-BOX

- Seats move in synchronization with the action on screen
- Premium pricing
- Reserved seating
- **89 screens at 78 locations as of March 31, 2019**

### 4DX

- Specially designed motion seats set in pods of four and synchronized to on-screen action. Environmental effects like wind, mist, bubbles and more
- Premium pricing
- Reserved seating
- **1 location as of March 31, 2019**

### SCREEN X

- 270-degree, panoramic movie-watching experience
- Premium pricing
- Reserved seating
- **1 location as of March 31, 2019**

### CLUBHOUSE

- Colourful décor, playful seating, a selection of family-friendly films and an indoor play structure where kids can climb, slide and explore
- In-auditorium food service
- Premium pricing
- Reserved seating
- **2 locations as of March 31, 2019**

### RECLINERS

- Luxury recliners with powered foot rests
- Premium pricing
- General and reserved seating
- **173 screens at 19 locations as of March 31, 2019**

# Selective New Theatre Builds and VIP Expansions



## OPENED APRIL 2019

Cineplex Cinemas Park Royal and VIP  
(Vancouver, BC)

## COMING TO A MARKET NEAR YOU

Cineplex Cinemas at The Centre  
(Saskatoon, SK)

Cineplex VIP Cinemas Brentwood  
(Burnaby, BC)

Cineplex VIP Cinemas University District  
(Calgary, AB)



# Theatre Food Service

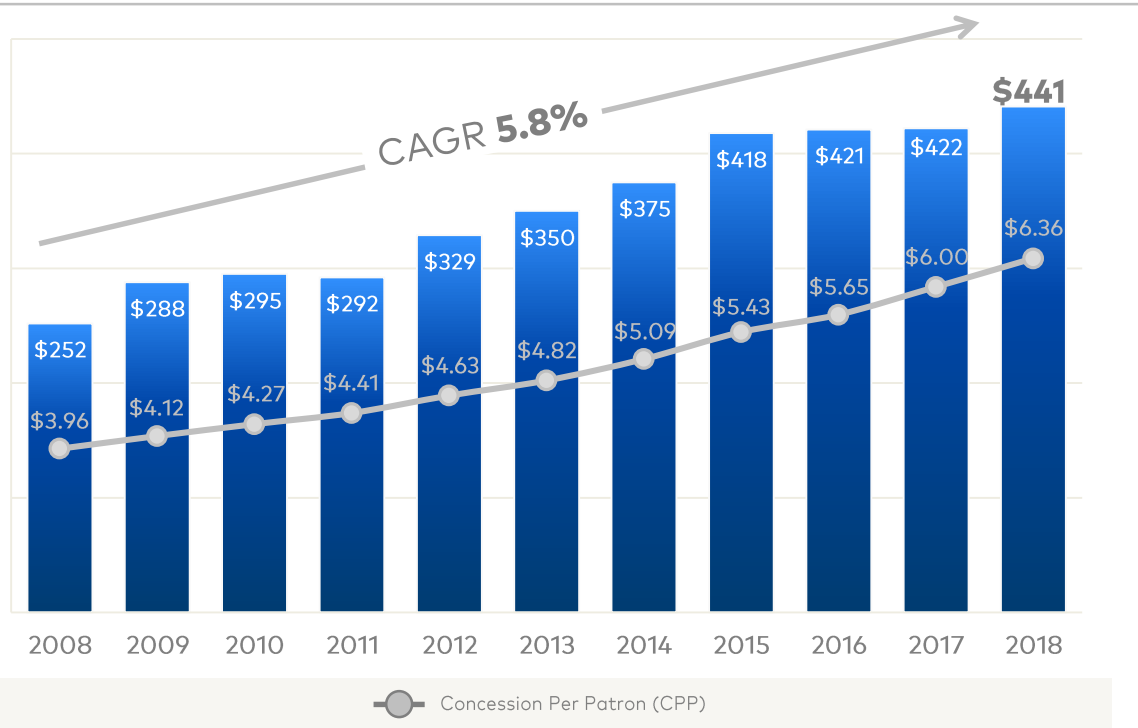


## \$440.7 Million

REVENUE 2018

- Highly diversified product offering
- Digital technology, integrated loyalty and targeted promotions
- Proprietary and third party brands
- Focus on speed of service
- Expanded liquor licensing in Ontario, Alberta and Manitoba
- 54 fully licensed locations as of March 31, 2019

# Theatre Food Service Revenue



## Expanded Food Offerings



Full array of menu items for all meal occasions

**OUTTAKES**

**PIZZA  
PIZZA**

*Tim Hortons*



## Desserts and Coffee



In-theatre and take-home snack occasions

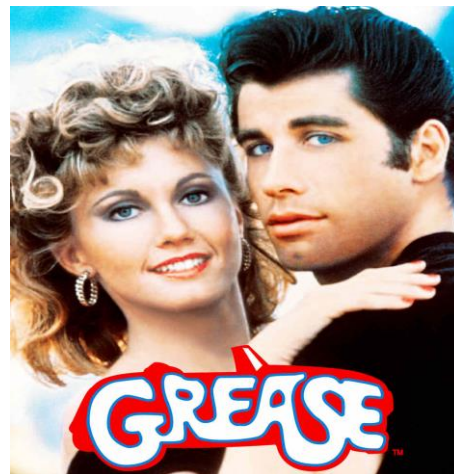


# Alternative Programming

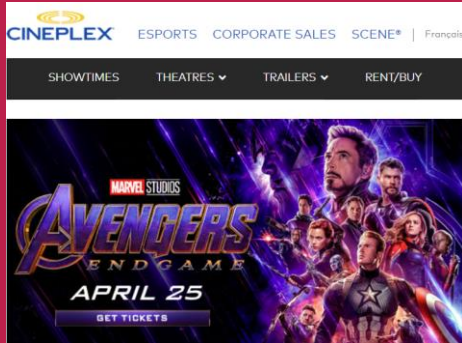
Including, among others:

- Classic Film Series
- Family Favourites
- In the Gallery Series
- International Film Programming
- National Theatre Live
- NFL Sunday Nights at Cineplex
- NFL Super Bowl
- Sensory Friendly Screenings
- Special Events
- The Met: Live in HD

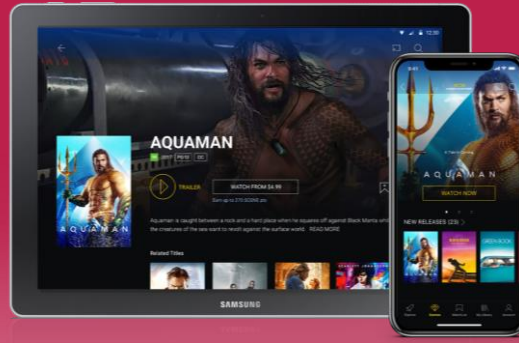
23 Event Screens dedicated 100%  
to alternative programming



# Digital Commerce - Platforms and Products



**Cineplex.com**



**Mobile App**



**Cineplex Store**

# Cineplex.com and Mobile App

## Improving the Guest Experience

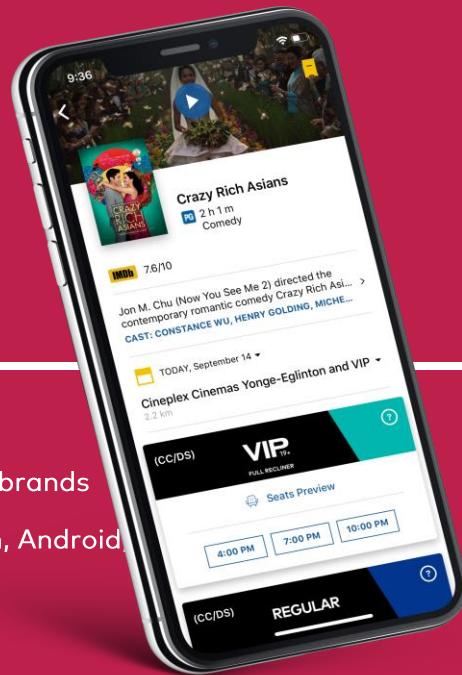
- Provides entertainment content before the show
- Mobile ticketing - no lines
- Mobile food ordering at VIP Cinemas

### CINEPLEX.COM

- Online ticketing and show times, exclusive entertainment content

### CINEPLEX MOBILE

- One of Canada's most popular mobile brands
- Cineplex apps: iPhone, iPad, iPod touch, Android, BlackBerry



# Cineplex Store

- Premier destination for Canadians to buy, rent and download digital movies
- At home and on-the-go viewing
- Over 8,500 titles
- Available on largest number of devices
- SCENE members earn and redeem points



**Roku**

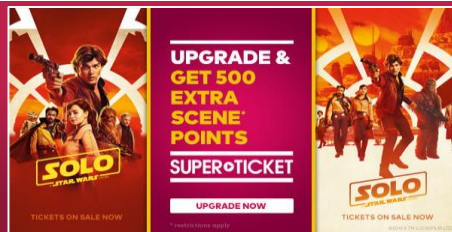
**SAMSUNG**



 **chromecast**

# SuperTicket

- Bundled offering from multiple studios
- Purchase movie ticket and pre-order digital download at the same time
- Movies available for earliest possible home entertainment release date
- Now available for essentially all major titles



CINEPLEX  
**SUPEROTICKET**

# Media

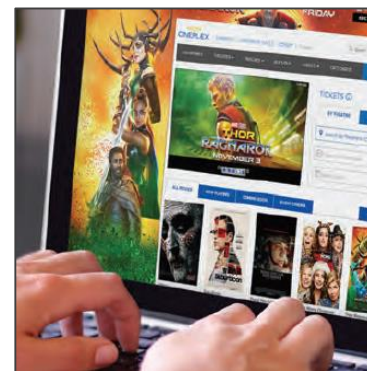
Cinema Media • Digital Place-Based Media



# Cinema Media

## Extensive portfolio of Cinema Media Assets:

- On-screen advertising: Show-Time, Pre-Show and TimePlay
- Digital Lobby: Digital Backlights and Digital Lobby Screens
- Cineplex.com and Cineplex Mobile advertising
- Interactive Media Zones (IMZ): Interactive screens for clients to engage with guests in theatre lobbies
- Cineplex Magazine: #3 most read magazine in Canada; #1 most read magazine in Canada for key sales demographics under 55 years old



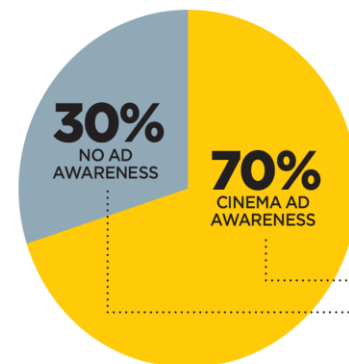


# High Impact Offerings

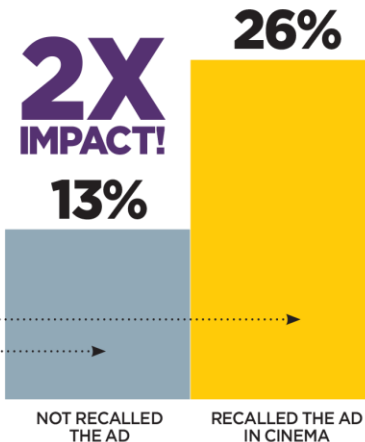
- Average impact of cinema advertising is greater than on TV
- Reaches sought after demographics and unique audiences
- Engaged and attentive audiences focused on the big screen
- Prolonged campaigns with mobile app interactivity
- Higher recall with 3D campaigns and added mobile content



## Cinema Show-Time Ad Awareness



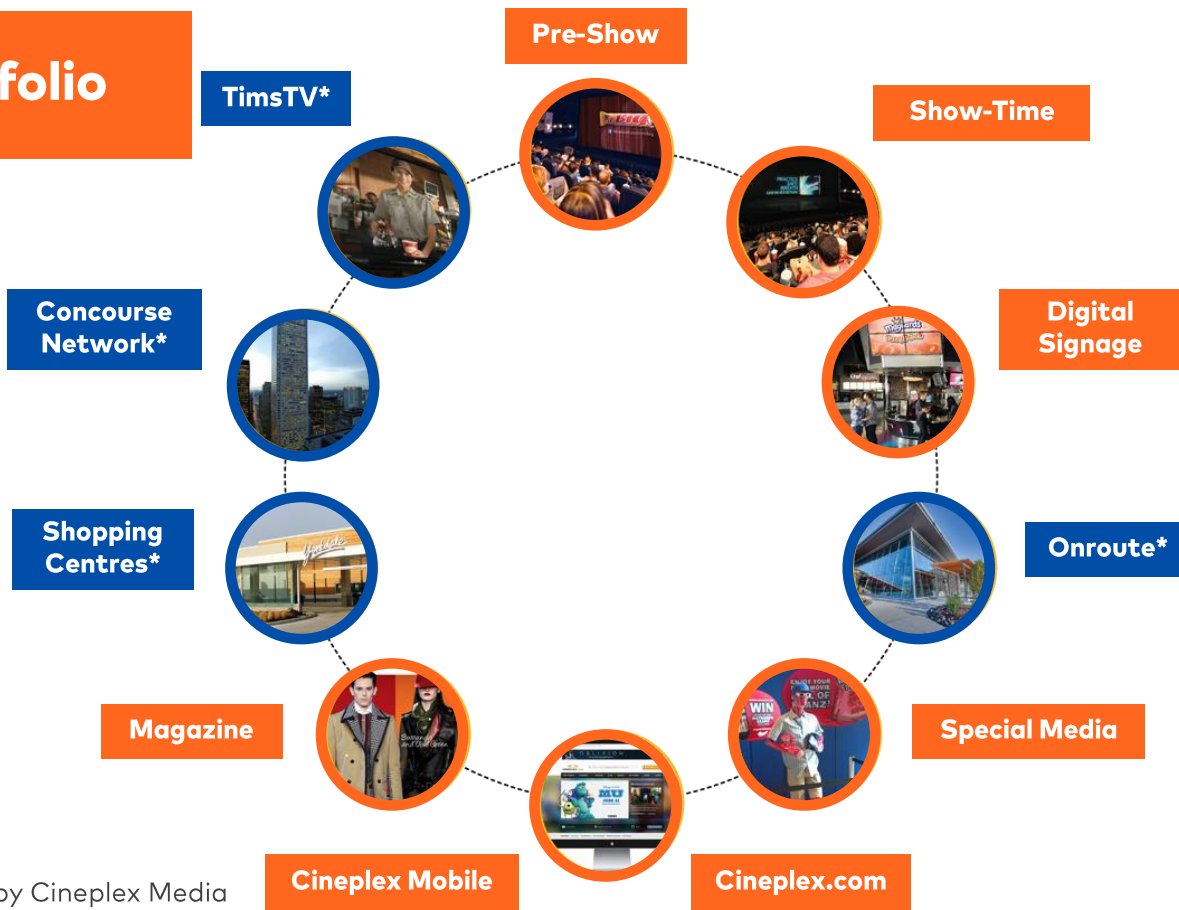
PURCHASE INTENT  
(ACROSS ALL CATEGORIES)



Cinema Advertising Show-Time Impact Study 2018  
Cineplex Insight via Vision Critical and Strategic Marketing Counsel

# Cinema Media Portfolio

- Integrated campaigns
- Tremendous reach
- À la carte menu of media options



# Digital Place-Based Media

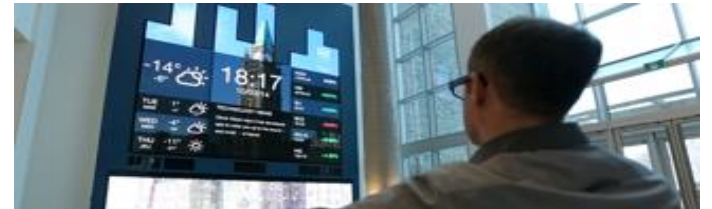
- Full-service, digital place-based ecosystems
- Experiential technologies
- Global footprint

## Revenue Streams

- Technology Licensing
- Network Management
- Creative Services
- Advertising Sales
- Design and Installation

## Verticals

- Quick Service Restaurants
- Financial
- Retail
- Digital Out of Home (Malls)



# Quick Service Restaurants

Working with top-tier brands around the globe



**SUBWAY**



# Financial

## Canada



**RBC**  
**Royal Bank**



**Scotiabank**

## United States



**Citizens Bank®**





# Retail

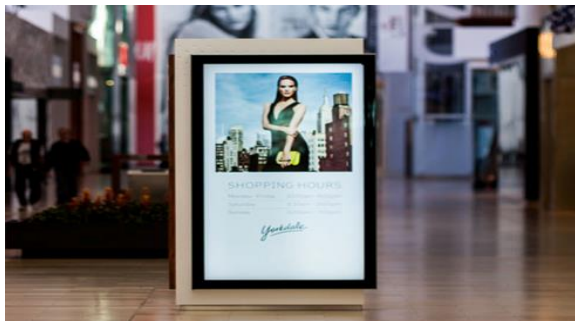


**BEER  
STORE**



**Walmart** 

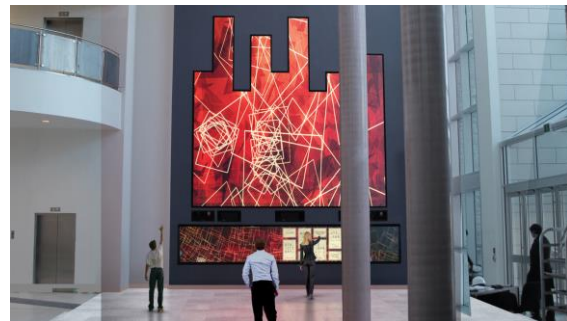
# Digital Out of Home



**Oxford Properties**



**Ivanhoe Cambridge**



**Morguard Investments**

- Award-winning digital signage company
- Designs, installs, manages, supports and consults on digital merchandising networks across North America
- Cineplex reaches approximately 50% of all mall traffic in Canada

**O|X|F|O|R|D**

 **Ivanhoe  
Cambridge**

**Morguard**

**Brookfield**

**ONroute**

# Amusement and Leisure

Amusement Solutions • Location Based Entertainment • Esports



# Amusement Solutions

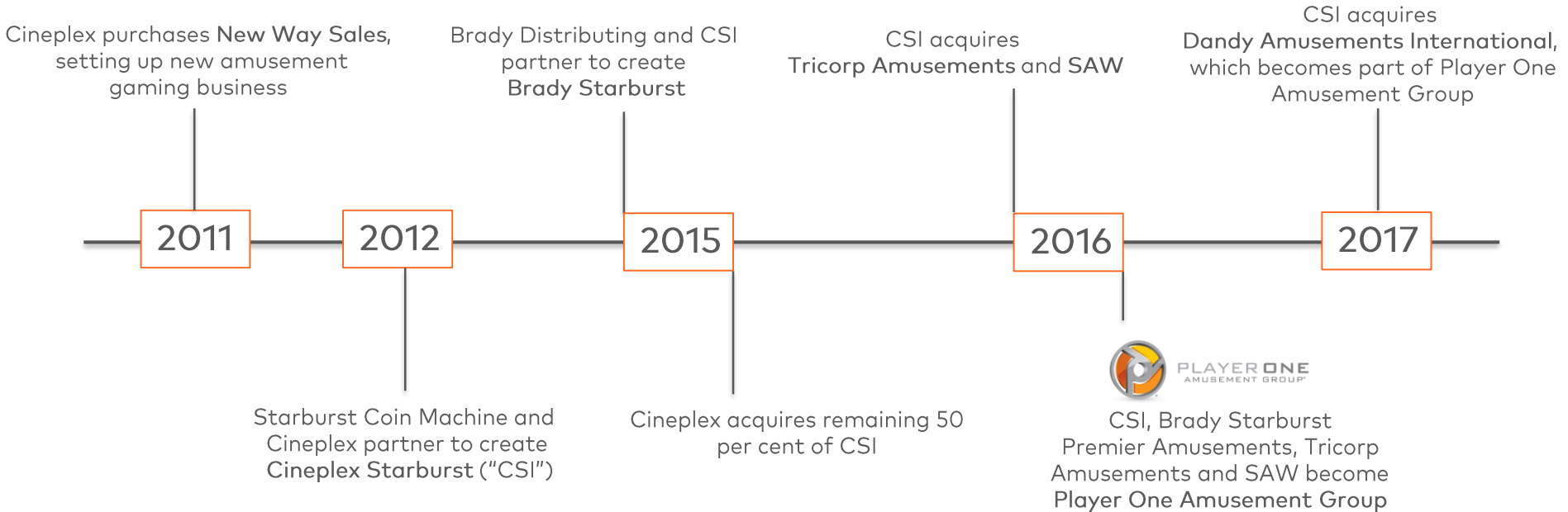


PLAYER ONE  
AMUSEMENT GROUP

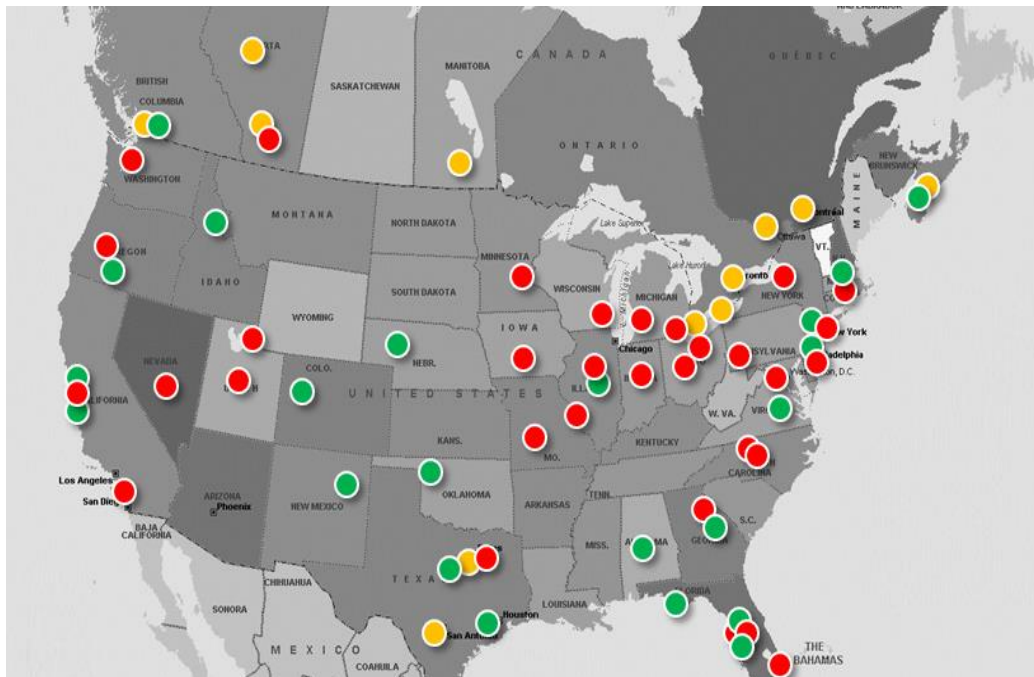
- One of the top amusement gaming companies in North America
- Supplies arcade equipment to Cineplex theatres, The Rec Room, other circuits and numerous entertainment venues
- LTM revenue as of March 31, 2019: \$172.9M
- B2B Amusement Solutions:
  - Route Operations
  - Distribution and Sales
  - Family Entertainment Centres (FECs)



# Player One Amusement Group



# Player One Amusement Group



 P1AG Offices

## Route Business

Cineplex provides the equipment and shares the revenue with third party operators such as theme parks and FECs

Customers: Cineplex, Cinemark, Regal, Walmart, AMF, Punch Bowl Social, etc.

## Distribution Business

Customers purchase games through Cineplex sales and service representation of more than 70 leading game manufacturers

Customers: Norwegian Cruise Lines, Disney Cruise Lines, etc.

# XSCAPE and FECs

- Well positioned for future growth in this area
- Own and operate Playdium Mississauga

## XSCAPE Entertainment Centres

- Entertainment concepts in Cineplex theatres featuring the latest video and interactive games with redemption pricing

## FECs

- Owned and revenue-share FECs across North America



# Esports



Leading video gaming tournaments platform and community for competitive gamers

**Building:**

- Impressions and Engagement
- Programming
- Content
- Partnerships



The #1 player focused on the collegiate esports segment with over 1,000 college campuses in North America

- Expanded leagues portfolio
- College teams compete and earn prize pools of scholarship funds



Canadian Championship Series (Tier 1 campaigns)

Developing secondary events channel via The Rec Room and other third party venues

Custom tournaments programming for partners and brands





# Location Based Entertainment



Canada's newest destination for 'Eats & Entertainment'

Amusement gaming, live entertainment and unforgettable dining experiences, all under one roof

Large attractions area, bar, auditorium-style space for live entertainment and casual and upscale dining

Target: Millennials and baby boomers with kids, and groups

Reimagined entertainment complexes in mid-sized communities across Canada

Indoor play, fun and fresh food and modern, technology-enhanced amenities

Affordable entertainment for everyday play, casual dining or special occasions

Target: Teens, their friends and family

Joint venture partnership to bring sports entertainment experience to Canada

Dynamic entertainment experience catering to all demographics

Target: People of all ages and skill levels, including non-golfers

# The Rec Room

## TARGET

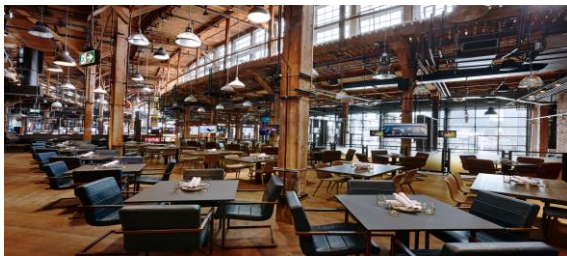
- 10-15 locations across Canada

## NOW OPEN

- South Edmonton Common: September 2016
- Toronto's Historic Roundhouse: June 2017
- West Edmonton Mall: August 2017
- Deerfoot City, Calgary: October 2017
- CF Masonville Place, London: April 2018
- Square One, Mississauga: March 2019
- Avalon Mall, St. John's: April 2019

## ANNOUNCED

- Seasons of Tuxedo, Winnipeg
- Brentwood, Burnaby
- Park Place, Barrie
- Granville, Vancouver



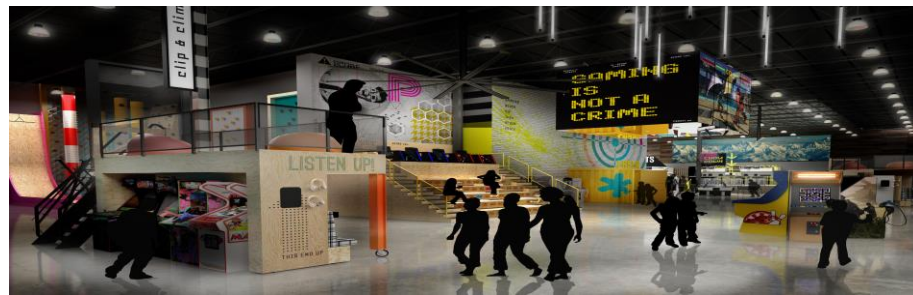
# Playdium

## TARGET

- 10-15 locations across Canada

## ANNOUNCED

- Brampton, Ontario
- Whitby, Ontario
- Dartmouth, Nova Scotia





# Topgolf Canada

## TARGET

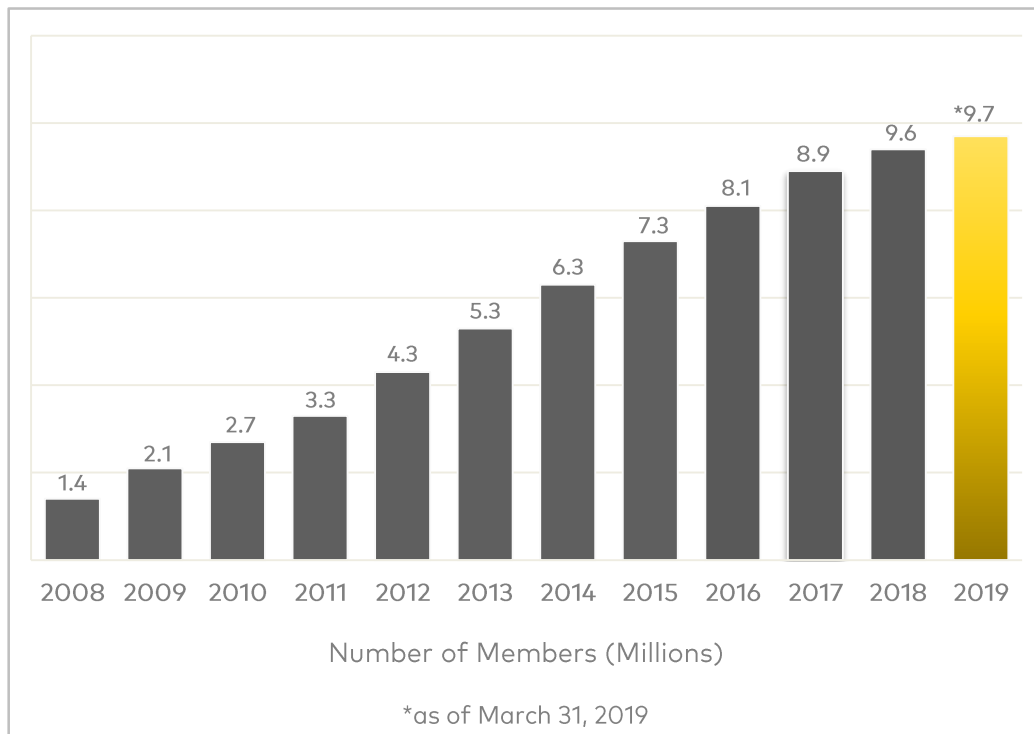
- 6-8 locations across Canada

## COMING SOON

- Locations TBA - 2020



# SCENE<sup>™</sup> Loyalty Program



- Canada's top loyalty program for movie lovers
- Leader in loyalty program member satisfaction in Canada
- Members are represented in 45% of Canadian households
- One in five Canadians are SCENE members

SCENE<sup>™</sup>

# SCENE<sup>™</sup> Loyalty Program

## COMPETITIVE ADVANTAGE

- Drives theatre attendance frequency
- Encourages concession spend
- Better target offers to guests
- The Rec Room – Encourages spend on food and beverage, gaming and live entertainment
- Cineplex Store – Builds awareness and promotes trial
- Great opportunity for film studios and promotional partners
- Marketing automation platforms
- Valuable data and insight
- SCENE Gold pilot program

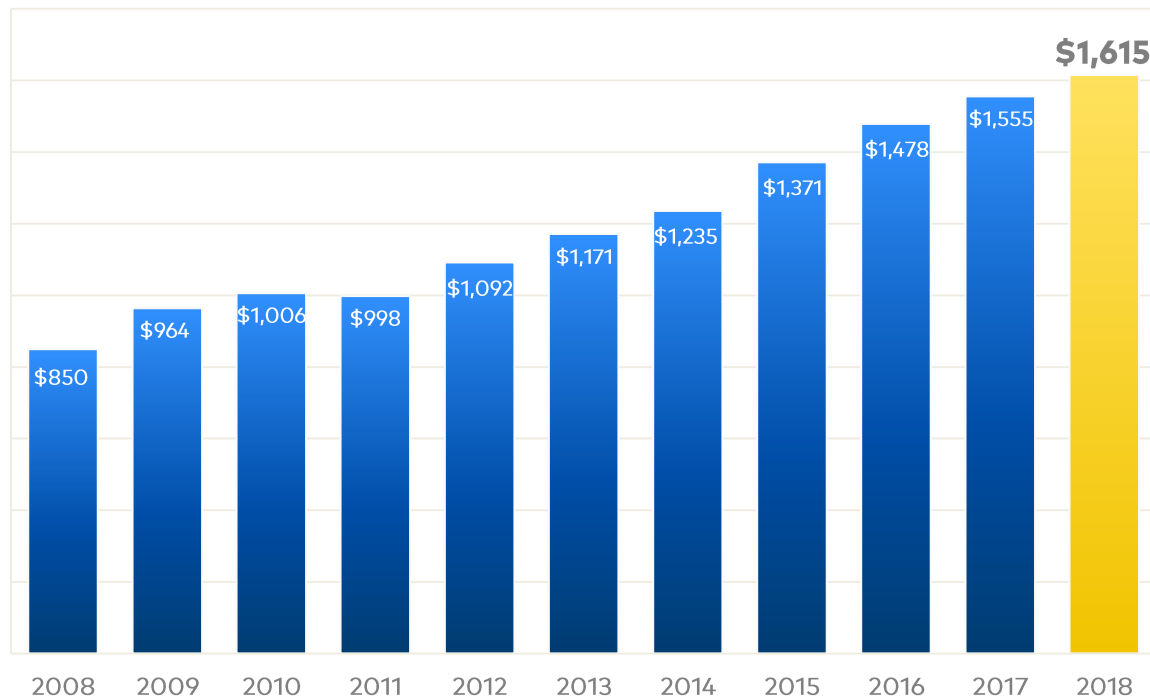


# Financial Highlights



## TOTAL REVENUE

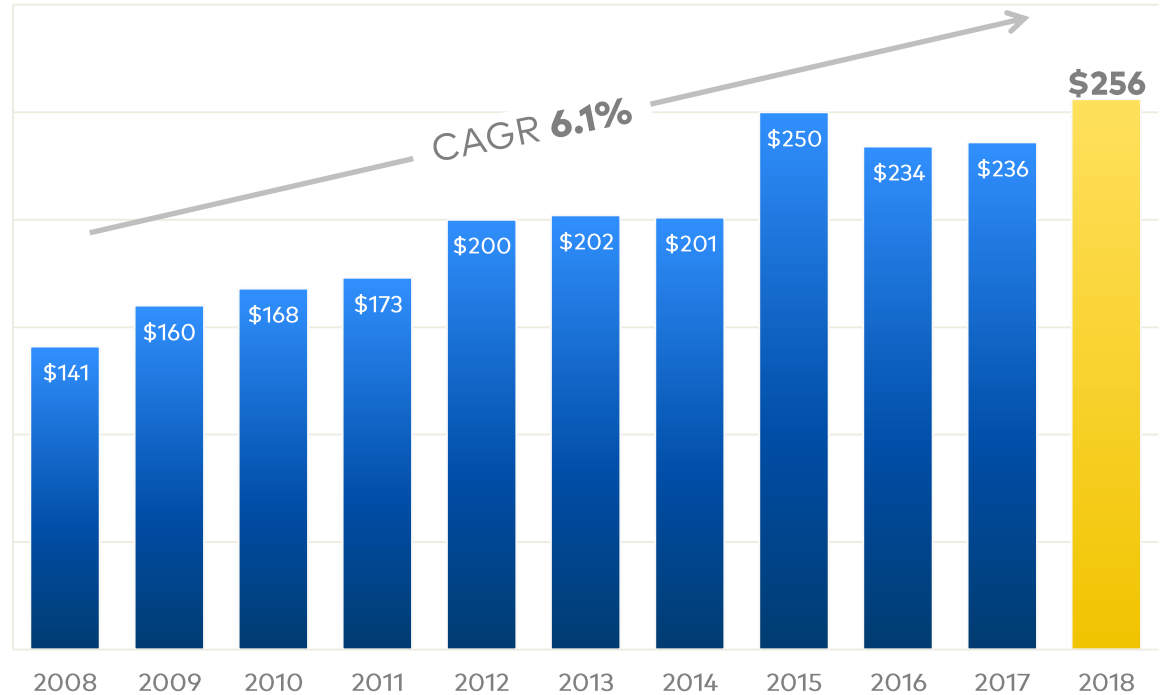
\$ MILLIONS





## ADJUSTED EBITDA\*

\$ MILLIONS



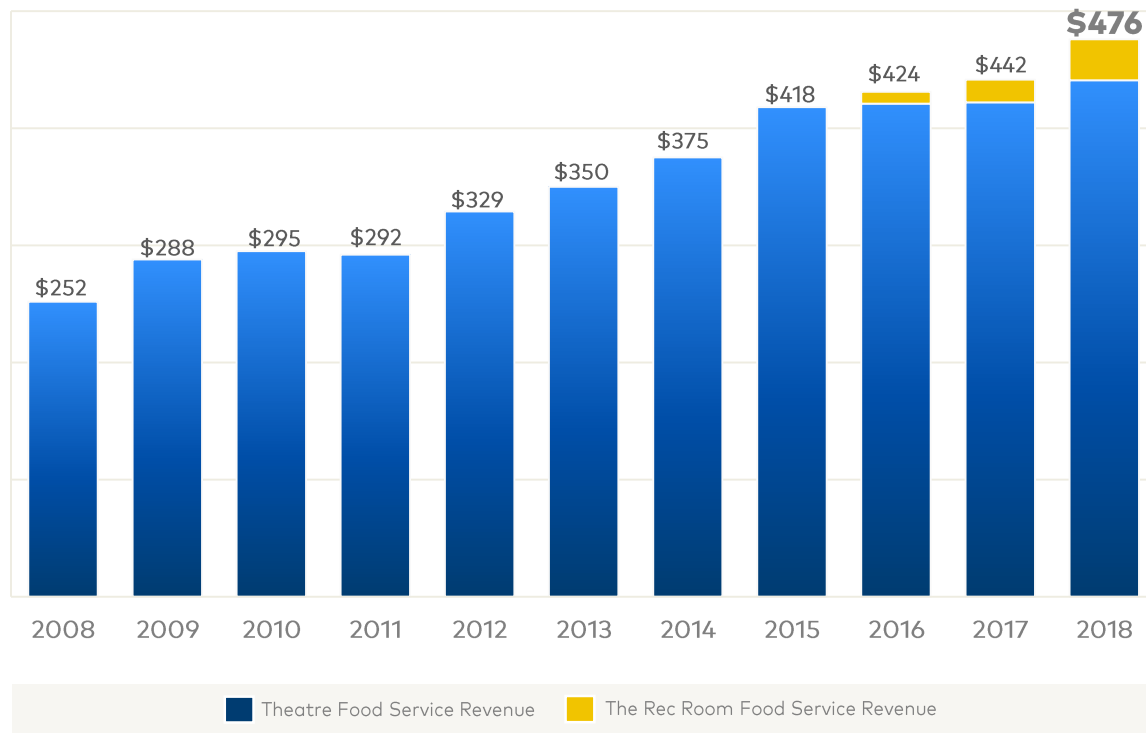
\*as reported prior to adoption of IFRS 16 – Leases





## TOTAL FOOD SERVICE REVENUE

\$ MILLIONS

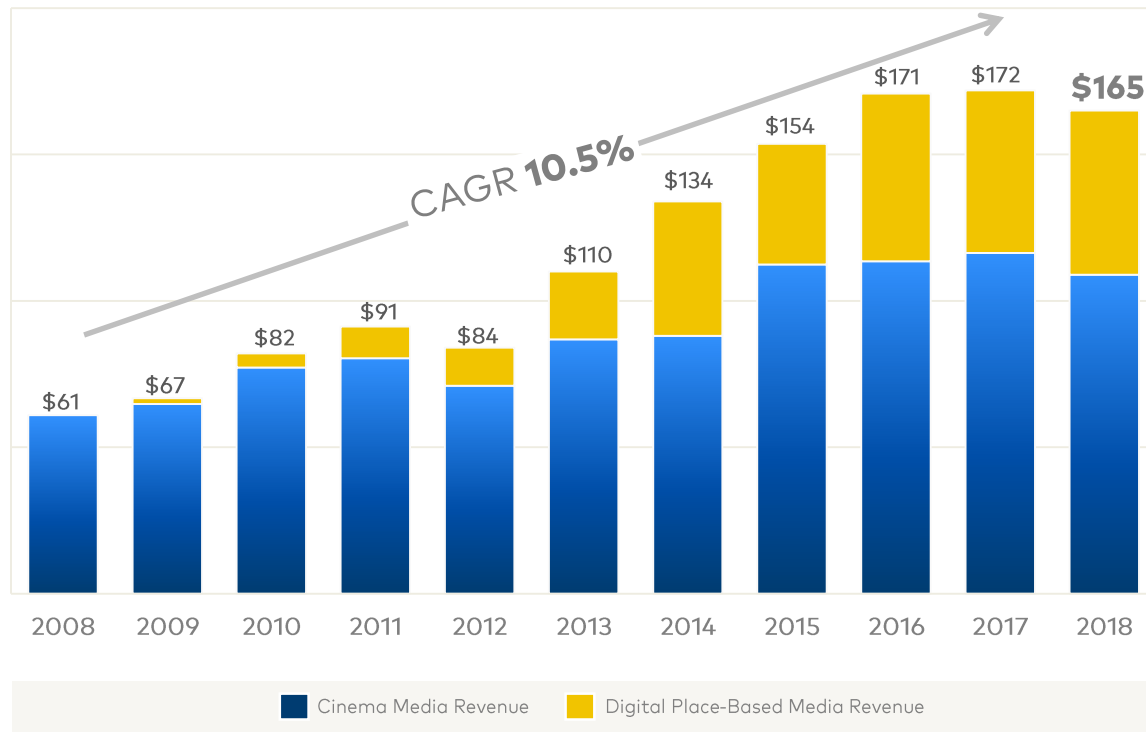






## MEDIA REVENUE

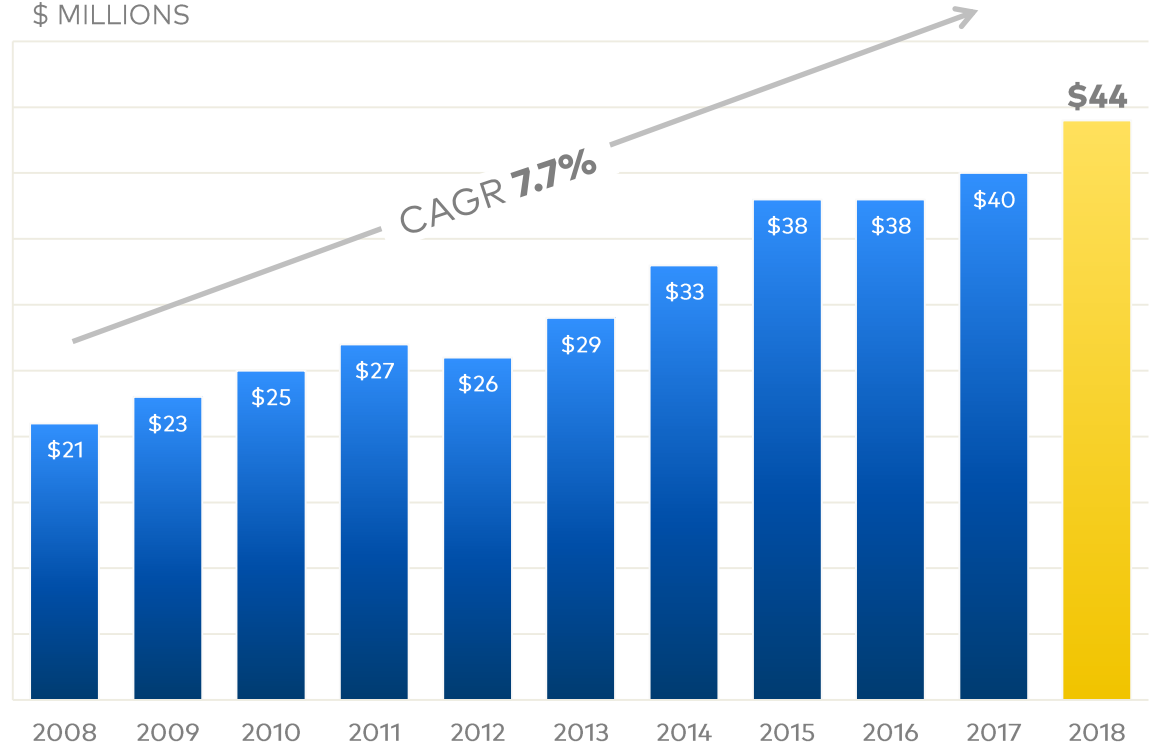
\$ MILLIONS





## OTHER REVENUE

\$ MILLIONS



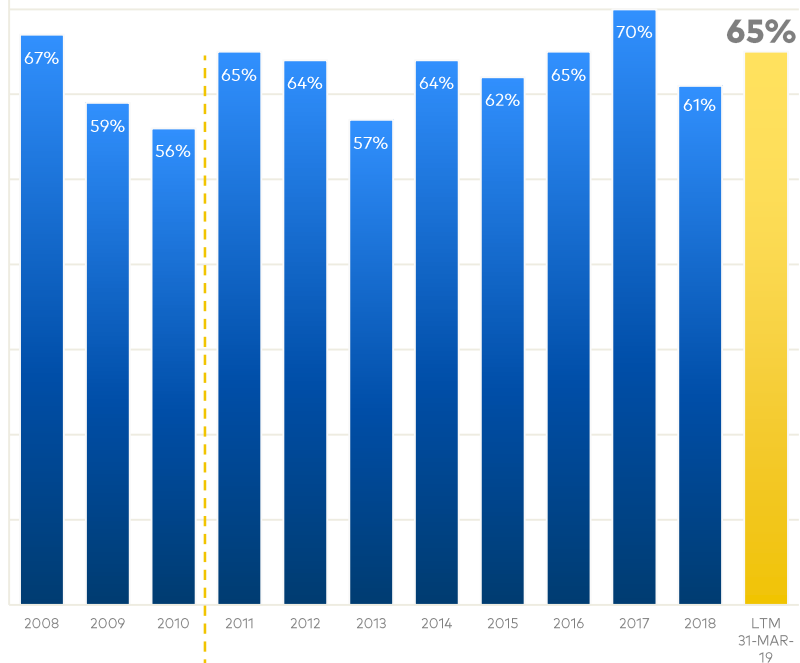
## Q1 YEAR TO DATE 2019 RESULTS

MILLIONS, EXCEPT ADJUSTED EBITDAaL MARGIN AND PER PATRON AMOUNTS

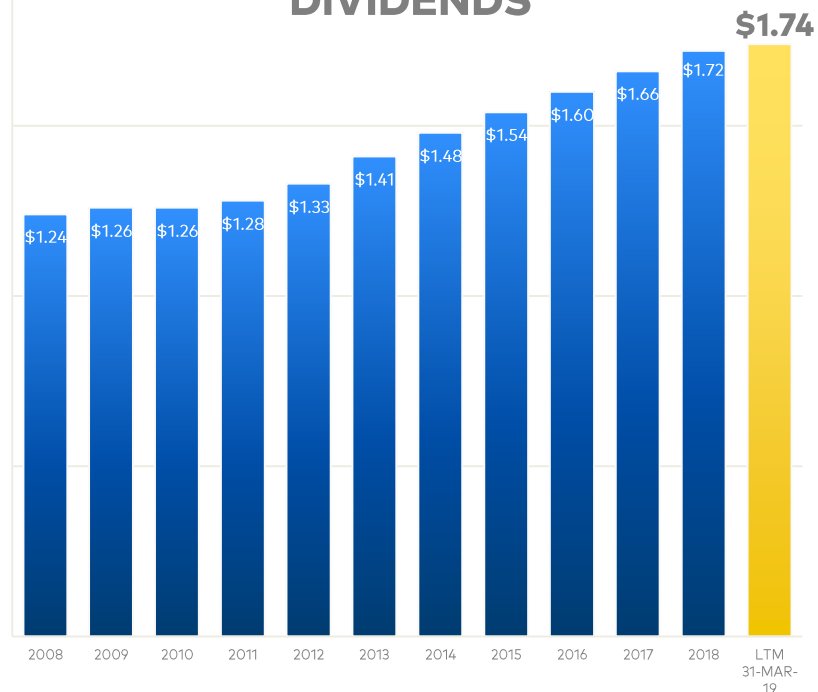
	Q1 YTD 2019	Q1 YTD 2018	%
<b>Box Office</b>	\$156.5	\$181.4	-13.7%
<b>Food Service</b>	\$103.1	\$116.9	-11.9%
<b>Media</b>	\$35.0	\$32.5	7.7%
<b>Amusement</b>	\$58.5	\$49.9	17.2%
<b>Other</b>	\$11.9	\$10.1	17.2%
<b>Total Revenue</b>	\$364.9	\$390.9	-6.6%
<b>Adjusted EBITDA</b>	\$77.4	\$53.5	44.7%
<b>Adjusted EBITDAaL</b>	\$34.3	\$49.5	-30.6%
<b>Adjusted EBITDAaL Margin</b>	9.4%	12.7%	-3.3%
<b>Theatre Attendance</b>	15.0	17.8	-15.6%
<b>BPP</b>	\$10.44	\$10.21	2.3%
<b>CPP</b>	\$6.35	\$6.09	4.3%

\*For non-GAAP measures, refer to slides 53-54

## PAYOUT RATIO



## DIVIDENDS



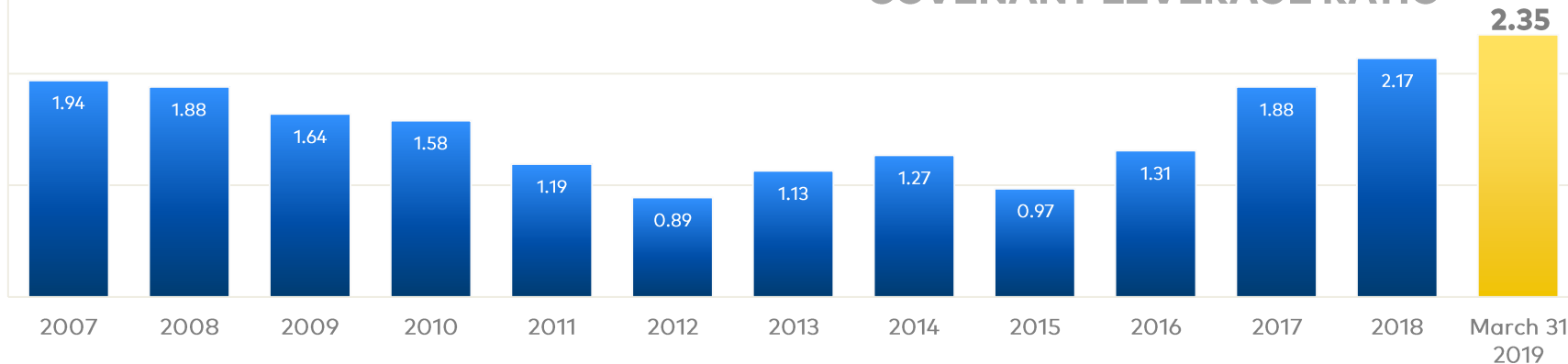
Corporate Conversion Jan. 1, 2011

## CREDIT FACILITIES

(MILLIONS)

	Maturity	Capacity	Drawn (as of March 31/19)	Reserved (as of March 31/19)	Remaining
Term Facility	Nov 2025	\$150.0	\$150.0	—	—
Revolving Facility	Nov 2023	\$650.0	\$456.0	\$8.7	\$185.3
Total		\$800.0	\$606.0	\$8.7	\$185.3

## COVENANT LEVERAGE RATIO



As of March 31, 2019

# Non-GAAP Financial Measures

Management of Cineplex uses certain non-GAAP financial measures to evaluate performance. These measures are either comparable to similar measures presented by other issuers or are widely used in the theatre exhibition industry. For a detailed discussion of these non-GAAP financial measures, please refer to Cineplex's management's discussion and analysis filed on [www.sedar.com](http://www.sedar.com). Non-GAAP financial measures used in investor presentations included the following:

<b>EBITDA</b>	EBITDA is calculated by adding back to net income, income tax expense, depreciation, amortization and interest expense net of interest income
<b>Adjusted EBITDA</b>	Adjusted EBITDA excludes change in fair value of financial instrument, loss on disposal of assets, foreign exchange loss (gain), the equity income of CDCP, the non-controlling interests' share of adjusted EBITDA of WGN and TGLP, and depreciation, amortization, interest and taxes of Cineplex's other joint ventures and associates.
<b>Adjusted EBITDAaL</b>	Adjusted EBITDAaL modifies adjusted EBITDA to deduct current period cash rent related to lease obligations.
<b>Adjusted Free Cash Flow</b>	Adjusted free cash flow is calculated by adjusting cash provided by operating activities by total capital expenditures excluding growth capital expenditures net of proceeds on sale of assets, changes in operating assets and liabilities, changes in operating assets and liabilities of joint ventures, tenant inducements, change in fair value of financial instruments, principal component of finance lease obligations, share of income of joint ventures net of non-cash depreciation, non-controlling interests share of adjusted EBITDA of WGN and TGLP, and net cash received from CDCP.
<b>Theatre Attendance</b>	Theatre attendance is calculated as the total number of paying guests that frequent Cineplex's theatres during the period.
<b>BPP</b>	Calculated as total box office revenues divided by total paid theatre attendance for the period.
<b>BPP excluding premium priced product</b>	Calculated as total box office revenues for the period, less box office revenues from 3D, UltraAVX, VIP, 4DX and IMAX product divided by total paid theatre attendance for the period less paid theatre attendance for 3D, UltraAVX, VIP, 4DX and IMAX product.
<b>CPP</b>	Calculated as total theatre food service revenues divided by total paid theatre attendance for the period.
<b>Premium Priced Product</b>	Defined as 3D, UltraAVX, VIP, 4DX and IMAX product.

# Non-GAAP Financial Measures

<b>Theatre concession margin per patron</b>	Calculated as total theatre food service revenues less total theatre food service cost, divided by theatre attendance for the period.
<b>Same theatre metrics</b>	Same theatre metrics are calculated by removing the results for all theatres that have been opened, acquired, closed or otherwise disposed of during the periods.
<b>Film cost percentage</b>	Calculated as total film cost expense divided by total box office revenues for the period.
<b>Theatre concession cost percentage</b>	Calculated as total cost of theatre food service divided by total theatre food service revenues for the period.
<b>The Rec Room food cost percentage</b>	Calculated as total The Rec Room food costs divided by total The Rec Room food service revenues for the period.
<b>P1AG Adjusted EBITDAaL</b>	Calculated as amusement revenues of P1AG less the total operating expenses, cash rent related to lease obligations and non-cash rent of P1AG, which excludes foreign exchange.
<b>P1AG Adjusted EBITDAaL Margin</b>	Calculated as P1AG Adjusted EBITDAaL divided by total amusement revenues for P1AG for the period.
<b>Adjusted Store Level EBITDAaL Metrics</b>	Calculated as total The Rec Room revenues from all locations less the total of operating expenses, cash rent related to lease obligations and non-cash rent of The Rec Room, which excludes pre-opening costs and overhead relating to the management of The Rec Room.
<b>Adjusted Store Level EBITDAaL Margin</b>	Calculated as adjusted store level EBITDAaL divided by total revenues for The Rec Room for the period.
<b>Non-cash rent</b>	Calculated as the total amortization of tenant inducements, rent averaging liabilities, density rights and fair-value lease contract liabilities. This accounting treatment was applicable under IAS 17 in 2018 but not applicable under IFRS 16 in 2019 and onwards.



**Thank You!**