

2015 Preliminary Results

10th March 2016

- **Financial review**
 - Israel Greidinger – Deputy CEO & Interim CFO

- **Business update**
 - Mooky Greidinger – CEO

Financial Review

Financial Highlights

	Group 2015	Group 2014¹	Movement
Admissions	93.6m	82.9m	+12.9%
	£m	£m	
Box office	451.6	399.2	+13.1%
Retail	162.7	141.9	+14.7%
Other	91.5	78.3	+16.9%
Total revenue	705.8	619.4	+13.9%
EBITDA ²	155.3	126.6	+22.7%
Adjusted profit before tax	102.8	75.0	+37.1%
Adjusted diluted EPS	31.4	24.4	+28.7%
Dividend per share	17.5	13.5	+29.6%

- Statutory revenue growth of 13.9%
- Statutory EBITDA² growth of 22.7%
- Record number of 18 sites opened
- Net cash generated from operating activities of £165.9m and net debt reduced to £245.2m (2014: £281.9m)
- Adjusted diluted EPS up 28.7% to 31.4p
- Final dividend increased by 29.6% to 17.5p

1. The 2014 statutory results for Cineworld Group plc "the Group" include the results of Cineworld Cinemas and Picturehouse for the 53 week period ended 1 January 2015 and the results of Cinema City for the 44 week period ended 1 January 2015.

2. EBITDA is defined as operating profit before depreciation and amortisation, onerous leases and other non-recurring charges, impairments and reversals of impairments, transaction and reorganisation costs, profit on disposals of assets.

Pro Forma Performance

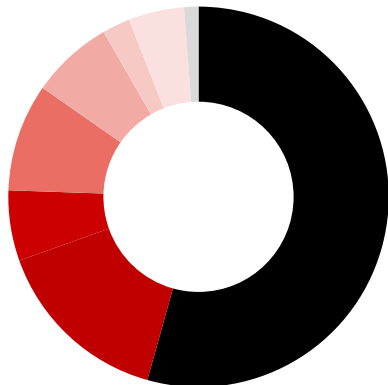
	UK & Ireland		CEE & Israel		Group	
	2015	Movement versus 2014 proforma ¹	2015	Movement versus 2014 proforma ¹	2015	Movement versus 2014 proforma ¹
Admissions	50.9m	+2.7%	42.7m	+11.5%	93.6m	+6.5%
Box office	£311.9m	+11.4%	£139.7m	+12.9%	£451.6m	+11.9%
Retail	£107.2m	+11.3%	£55.5m	+18.1%	£162.7m	+13.6%
Other	£46.8m	+26.8%	£44.7m	+1.3%	£91.5m	+12.9%
Total revenue	£465.9m	+12.7%	£239.9m	+11.7%	£705.8m	+12.4%
EBITDA	£95.7m	+25.1%	£59.6m	+9.4%	£155.3m	+18.5%
EBITDA Margin	20.5%	+ 2.0ppts	24.8%	+0.4ppts	22.0%	+ 1.4ppts

- Group revenue growth of **12.4%**
- Group EBITDA growth of **18.5%**
- Group EBITDA margin of **22.0%**, an improvement of **1.4 percentage points**
- UK & Ireland 2013 (Pre-combination) EBITDA margin of **17.8%**

1. Pro forma results refer to the Group's performance had Cinema City been consolidated for the entirety of the period and has been calculated by reference to the acquired management accounts of Cinema City. For the purposes of percentage movements, the impact of the 53rd week has been eliminated for both UK& Ireland and CEE & Israel (week ending 1 January 2014, the first week of the prior period) and movements in performance have been calculated on a constant currency basis.

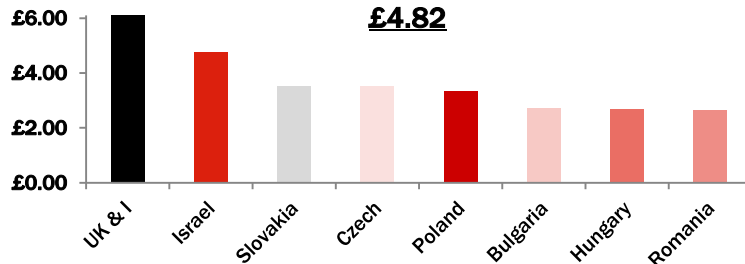
Box Office and Retail Performance

Group Admissions – 93.6m

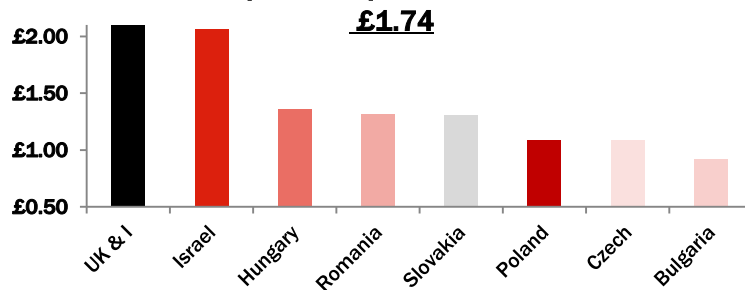


■ UK & I - 50.9m	■ Poland - 14.3m
■ Israel - 5.6m	■ Hungary - 8.6m
■ Romania - 6.5m	■ Bulgaria - 2.2m
■ Czech - 4.4m	■ Slovakia - 1.1m

Group Average Ticket Price -



Group Retail Spend Per Person -



Record Year in CEE Box Office

Record year
in Poland



Total market
Box Office
£ 142.7m

Record year in
Hungary



Total market
Box Office
£ 41.2m

Record year
in Romania



Total market
Box Office
£ 35.3m

Strong year in
Czech Republic



Total market
Box Office
£ 43.3m

**CINEMA
CITY**

+12.8% vs. 2014

**CINEMA
CITY**

+16.7% vs. 2014

**CINEMA
CITY**

+20.2% vs. 2014

**CINEMA
CITY**

+15.5% vs. 2014

Record year for Cineworld overall CEE box office: +13.5% vs. 2014

- Other income includes advertising, distribution, booking fees and other. Overall it has increased by 12.9% on a pro forma basis¹
- UK & Ireland performance;
 - Growth in customers booking online
 - Strong advertising spend in the year
- CEE & I performance;
 - Distribution revenue benefited from blockbuster releases
 - Strong Advertising revenue continue



¹. Pro forma results refer to the Group's performance had Cinema City been consolidated for the entirety of the period and has been calculated by reference to the acquired management accounts of Cinema City. For the purposes of percentage movements, the impact of the 53rd week has been eliminated for both UK& Ireland and CEE & Israel (week ending 1 January 2014, the first week of the prior period) and movements in performance have been calculated on a constant currency basis.

Group Income Statement

£m	Adjusted basis ¹		Statutory basis	
	2015	2014	2015	2014
Revenue	705.8	619.4	705.8	619.4
EBITDA	155.3	126.6	155.3	126.6
Depreciation and amortisation	(45.2)	(41.2)	(49.4)	(46.6)
Exceptional cost	-	-	(2.8)	(4.0)
Foreign exchange movement ²	3.8	1.7	-	-
Operating profit	113.9	87.1	103.1	76.0
Finance expense ³	(11.1)	(12.0)	(3.4)	(8.6)
Share of JV losses	-	(0.1)	-	(0.1)
Profit before tax	102.8	75.0	99.7	67.3
Tax	(19.0)	(13.8)	(18.4)	(12.8)
Profit after tax	83.8	61.2	81.3	54.5
Diluted EPS			30.4	21.9
Adjusted diluted EPS	31.4p	24.4p		

- Includes depreciation of £38.4m, of which £24.0m relates to the UK and £14.4m relates to CEE & Israel
- Of the £11.0m amortisation, £4.2m is acquisition accounting related and £6.8m is the amortisation of acquired movie rights

- The £2.8m net exceptional income includes the following items:

- (£1.9m) of reorganisation costs
- (£9.0m) impairment charges
- £6.4m profit on disposal of Cambridge
- £1.7m property provision releases

- Net finance income of £3.4m includes £9.0m of underlying net cash interest paid on bank loans, £8.0m foreign exchange gains, and £2.4m other non-cash finance charges

1. Adjusted information presented to demonstrate the basis of the adjusted diluted EPS calculation.

2. Foreign exchange losses relates to translation losses recognised in EBITDA.

3. Adjusted finance expense presented after eliminating the £7.7m forex gain on the translation of the Euro term loan (2014: £6.0m) and in the case of 2014, other non-recurring finance costs in respect of restructuring the debt facility totalling £2.6m.

Cash Flow & Net Debt

£m	Cash	Debt	Other	Net debt
Opening position at 2 January 2015	37.4	(309.2)	(10.1)	(281.9)
Operating profit	103.1	-	-	103.1
Non-cash movements	73.2	-	-	73.2
Cash generated from operations	176.3	-	-	176.3
Tax paid	(10.4)	-	-	(10.4)
Net interest paid	(9.1)	-	-	(9.1)
Capital related items	(88.6)	-	-	(88.6)
Proceeds from disposal of assets	8.0	-	-	8.0
Proceeds from share issue	0.9	-	-	0.9
Proceeds from bank loans	89.3	(89.3)	-	-
Repayment of bank loans	(89.8)	89.8	-	-
Dividends paid	(39.0)	-	-	(39.0)
Forex and other non-cash movements	(4.8)	9.4	1.7	6.3
Closing position at 31 December 2015	62.5	(299.3)	(8.4)	(245.2)

- Of the £13.0m net non-cash movement, £49.4m relates to the add back of depreciation and amortisation

- Movement in working capital resulted in a £22.3m inflow

- Total cash spent on capex of £88.6m is net of reverse premiums totalling £3.7m

- Spend on new sites, revenue generating capex and maintenance

- Amend and extend completed July 2015 re-balanced term/revolving loan facilities

- Achieved reduction in margin by 50bps

- Non-cash movements includes foreign exchange gains of £9.3m

- Other non-cash movements relate to accrued interest and movements on finance leases

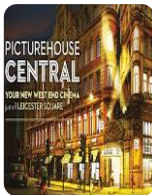
- **Business in line with management expectations for 2016, promising film release schedule for the year**
- **Full year contribution from 18 new cinemas opened in 2015**
- **Strong UK Unlimited base following growth year**
- **Capital expenditure for 2016: £75.0m – £80.0m**
- **Net debt to remain at similar level**
- **Tax rate expected to remain consistent**

Business Update

2015 Overview



Opened
record 18
sites, now
over 2000
screens



Continued
to invest in
the existing
estate



First 4DX
screens
launched in
the UK



First VIP
halls in
UK



Record year
in CEE
territories



Integration
successfully
completed



Unlimited
launched in
Poland


- **Record number of sites this year, 18 across the group (10 UK, 8 CEE & I) including 156 screens - Group now passed 2,000 screens, second largest chain in Europe**
- **5 new Romanian sites opened – meeting the development in the cinema going culture, maximising growth opportunity**
- **New sites match the industry state of the art standards**
- **45 new cinemas (465 screens) in the pipeline (signed) to come on-stream over the next four years**

2015 New Openings includes 156 New Screens

Opening	Country	New Sites	Screens
Feb-15		Swindon (CW)	6
Apr-15		East Dulwich (PH)	3
May-15		Chester (CW)	11
Jun-15		Silverburn (CW)	14
Oct-15		Solihull NEC (CW)	11
Nov-15		Crouch End (PH)	5
Nov-15		Whiteley (CW)	9
Nov-15		Newport (CW)	8
Dec-15		Hinkley (CW)	5
Dec-15		Stoke on Trent (CW)	9

Total 10 sites,
81 Screens

Opening	Country	New Sites	Screens
Jul-15		Lublin Felicity	9
Jul-15		Starogard	6

Opening	Country	New Sites	Screens
May-15		Mega Mall	14
Jul-15		Constanta	10
Sep-15		Deva	6
Oct-15		Severin	6
Oct-15		Suceava	8

Total 8 sites,
75 Screens

Opening	Country	New Sites	Screens
Aug-15		Jerusalem	16

2015 Openings			156
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UK– 2015 New Openings



CCE & Israel – 2015 New Openings



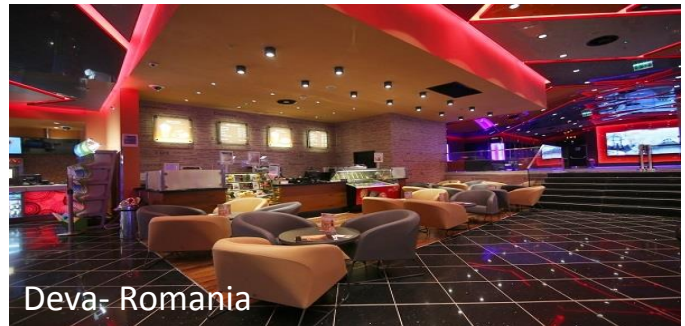
Mega Mall - Romania



Jerusalem - Israel



Lublin - Poland



Deva- Romania

Planned site openings

	2016		2017		2018 +	
	Sites	Screens	Sites	Screens	Sites	Screens
UK (including Picturehouse)	6	39	7	65	7	72
Poland	1	11	1	20	3	40
Romania	5	53	5	45	6	60
Bulgaria					1	12
Czech Rep			1	18		
Israel	1	18	1	12		
Total	13	121	15	160	17	184

1. The new openings schedule is based on signed contracts. Management believe that the expected opening dates of the cinemas are accurate as at the time of this presentation. The Group continues to work together with third parties to develop sites and there is therefore also the risk that a site may be subject to delays which are out the control of the Group.

Refurbishment Projects

- 2015 saw the following sites redeveloped:
 - Milton Keynes (UK)
 - Sheffield (UK)
 - Picturehouse Central (UK)
 - Letnany (Czech)
 - Slovansky Dum (Czech)
 - Campona (Hungary)
- Refurbishment brings screens and public areas to new, industry leading standard



Products and Services

- Continued partnership with **IMAX** by opening three new IMAX screens bringing the total for the Group to 28 as at the end of 2015

IMAX

- During the year we opened seven **4DX** screens bringing the total for the Group to 14 as at the end of 2015

4DX

- We now have 17 **Starbucks** franchises across the UK
 - Popular at current sites, provides expanded concession offering meeting needs of more customers
 - Also serves non cinema-going customers



Picturehouse Central

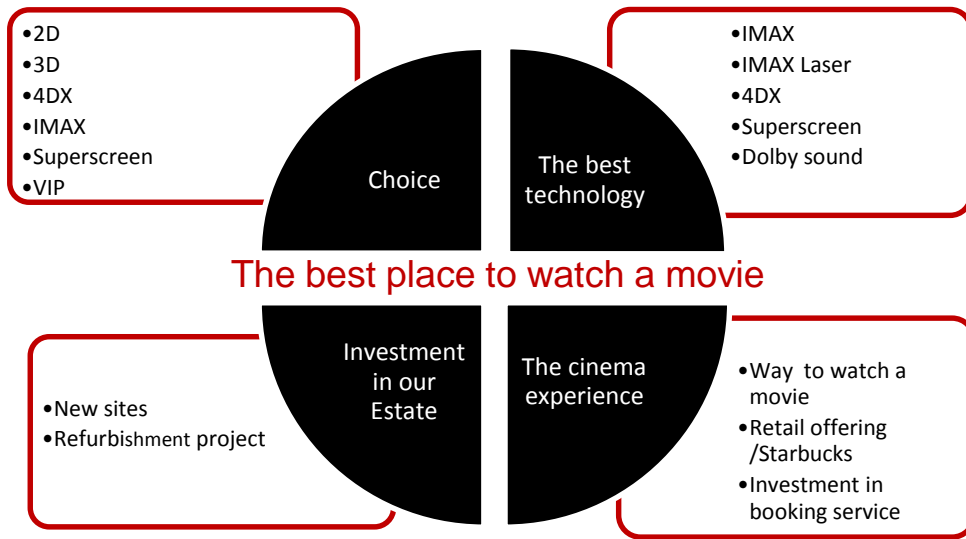
Cineworld
Group plc

- Ex Cineworld site, located in Piccadilly Leicester square
- Full refurbishment completed in June 2015
- Includes 7 screens with 1,000 seats, 2 restaurants, large foyer area and a members club bar
- Enjoying mix of content, from Hollywood blockbuster to independent & art movies
- Unique location for corporate and conference events



PICTUREHOUSE
CENTRAL





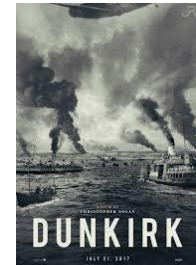
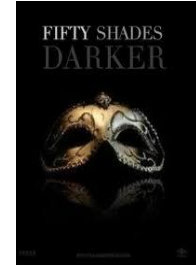
- **Additional choice for customers**
- **Service offers**
 - Superior seating
 - Premium food and drink offering
 - Separate auditorium
 - Private foyer
- **Price premium includes food and concession**
- **Opened in Sheffield, Glasgow to open soon, further sites in next two years**
- **Product established in Israel, Romania, Poland and Hungary**



2016 – Key Titles



2017 – Key Titles



Q & A

Cineworld
Group plc