Kinepolis Group

VFB Dag van de Tips

10 October 2015

GROUP 2014

35 sites

398 screens

2100 employees

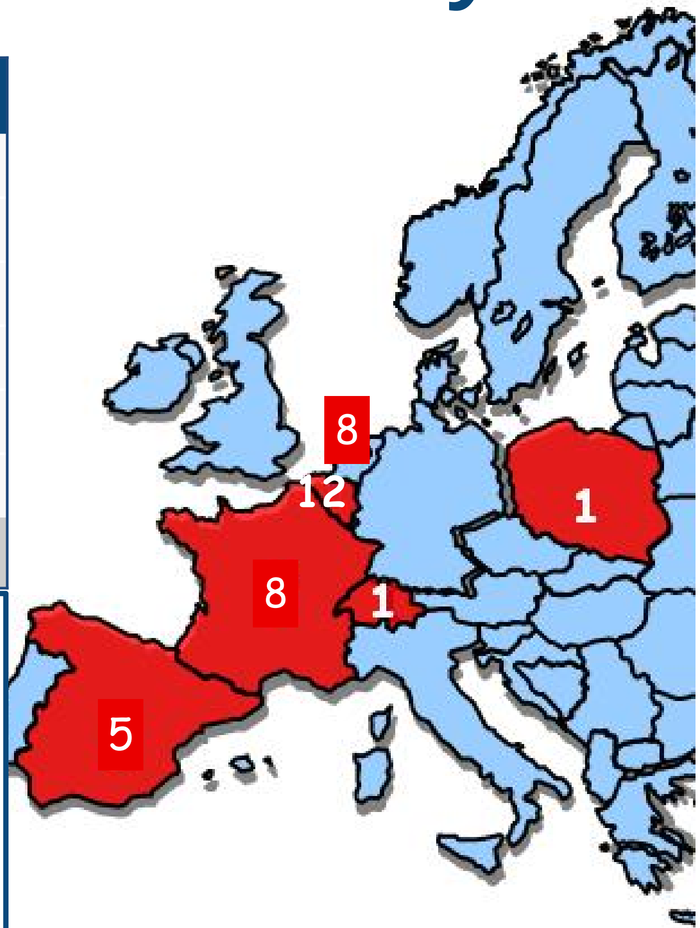
20,7 million tickets

KINEPOLIS

Kinepolis complexes today

KINEPOLIS GROUP	Complexes		Screens	
Belgium *	12		148	
France	8	+1	99	+12
Spain	5		91	
The Netherlands	8	-1	44	-2
Poland *	1		18	
Switzerland	1		8	
Total	**35**	**0**	**408**	**+10**

- Market Share: Belgium: to be announced**
  - France: 3,2%
  - Spain: 4,5%
  - The Netherlands: 5,2%
- 380 digital screens (100% digitised***)
- Of which 125 screens with 3D***



* Operated by ITIT in Poland and 1 complex by UGC in Belgium (Brussels)
** New platform Cinedata operational, but not all operators are participating yet
*** Excluding ITIT in Poland and UGC Brussels in Belgium

Planned greenfields

Country	City	# Theaters	Est. Visitors / Year	Estimated opening
The Netherlands	Dordrecht	6	0,3 mio	Q1 2016
	Breda	10	0,45 mio	Q3 2016
	Utrecht	14	1,25 mio	Q1 2017
France	Brétigny-sur-Orge	10	0,5 mio	Q4 2016

Strategy of the Group

- Best Marketer
- Best Cinema Operator
- Best Real Estate Manager

Best Marketer

- Client base knowledge and segmentation
- Preference Centre
- Net Promotor Score
- Active Programming
- Laser Ultra
- Ultimate movie experience

Best Cinema Operator

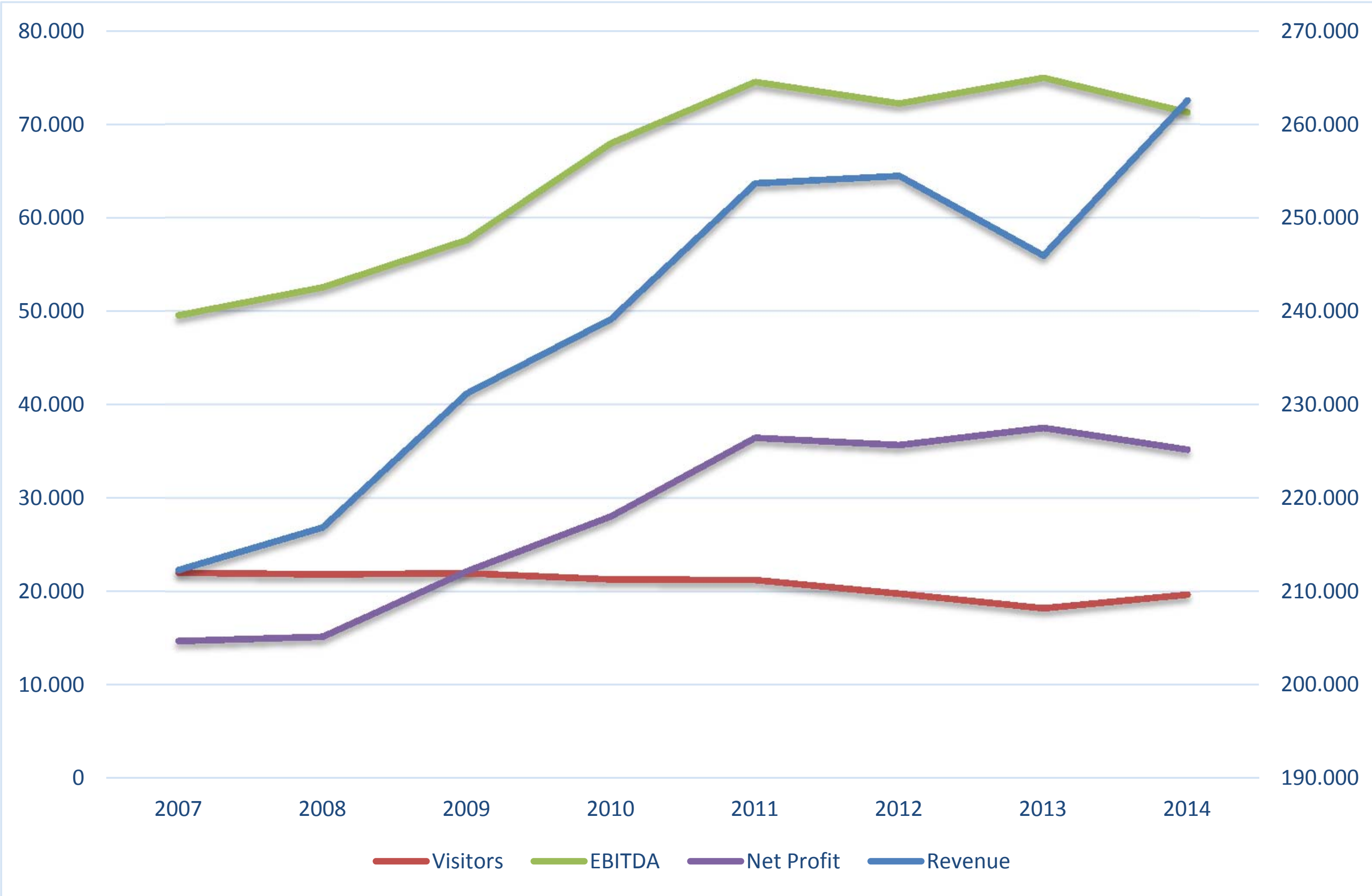
- Budget Ownership
- Financial KPI's
- Customer Satisfaction
- People Satisfaction
- "Micro-manage to get macro-results"

KINEPOLIS

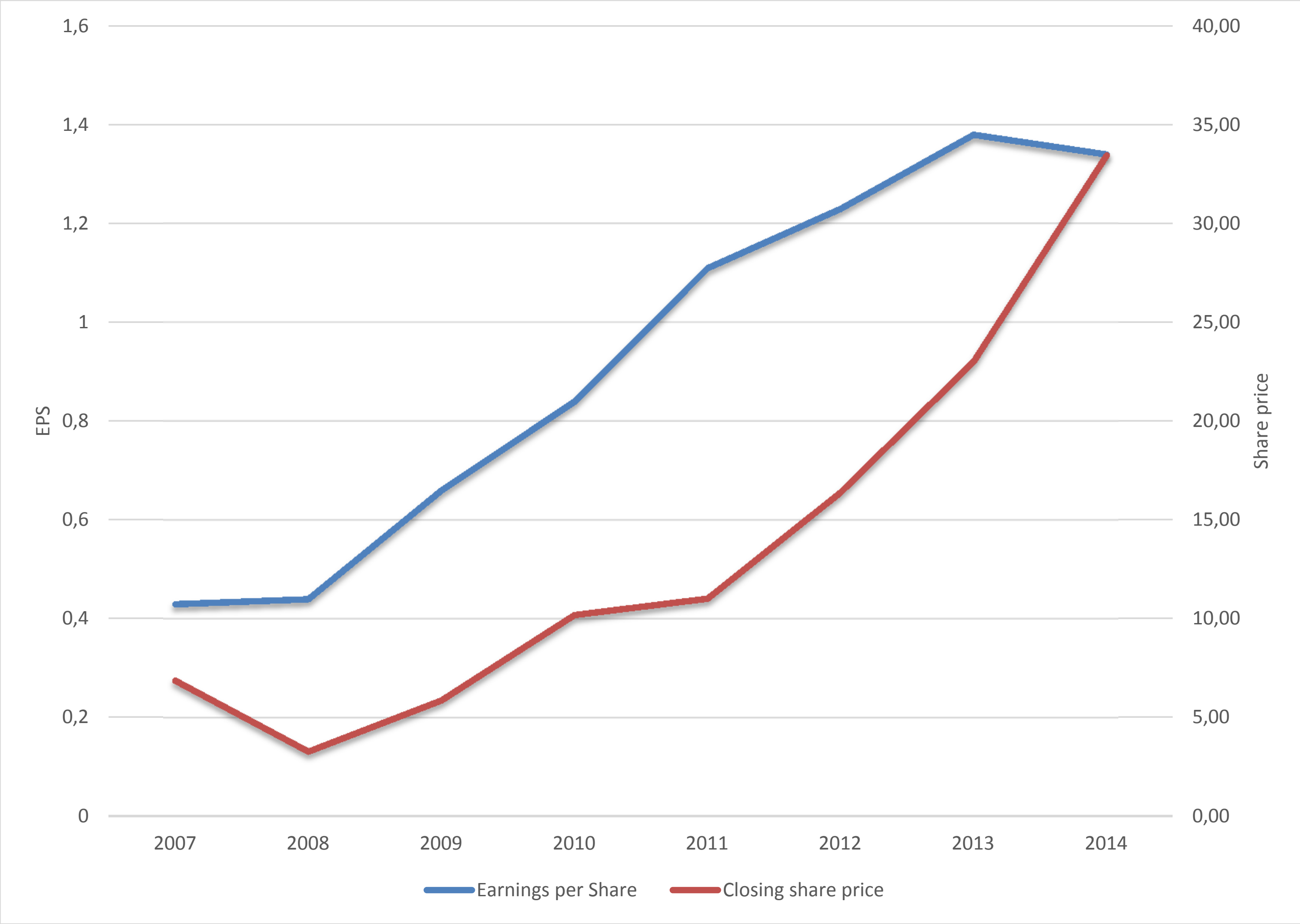
Best Real Estate Manager

- Real Estate
  - Concessions
  - Projects
  - Construction
  - Maintenance
- Kinepolis Film Distribution
  - Dealerships
  - Subdealerships
  - Tax sheltering
  - Development NC
- Digital Cinema Services
  - Sales
  - Repair
  - Maintenance
- Brightfish
  - Screen Advertising
- Shared Services Center

Financial Performance



EPS & Share Price



** In 2014 houden de gegevens per aandeel rekening met de aandelensplitsing in vijf vanaf 1 juli 2014*

International Expansion strategy

Financial information
H1 2015

Key financials

€m	H1 2015		H1 2014*		Better / (Worse)
Visitors ('000)		*9.799*		*8.827*	*11,0%*
Revenue		130,2		115,1	13,1%
EBITDA		**34,8**		**29,9**	**16,1%**
REBITDA	€ 3,66/Vis	**35,8**	€ 3,50/Vis	**30,9**	**16,0%**
REBITDA Margin		*27,5%*		*26,8%*	
EBIT		**23,6**		**20,2**	**16,8%**
REBIT		**24,7**		**20,8**	**18,9%**
REBIT Margin		*19,0%*		*18,1%*	
Profit		**14,4**		**13,0**	**10,7%**
Current Profit		**15,1**		**13,4**	**13,1%**
EPS (in €)		*0,54*		*0,49*	*10,2%*
Free Cash Flow		**9,3**		**11,6**	**(19,2)%**

€m	30 Jun 2015	31 Dec 2014	Better / (Worse)
Net Financial Debt (NFD)	**153,7**	**118,6**	**(35,1) €m**

* H1 2014 restated due to the application of IFRIC 21 as from 1 January 2015

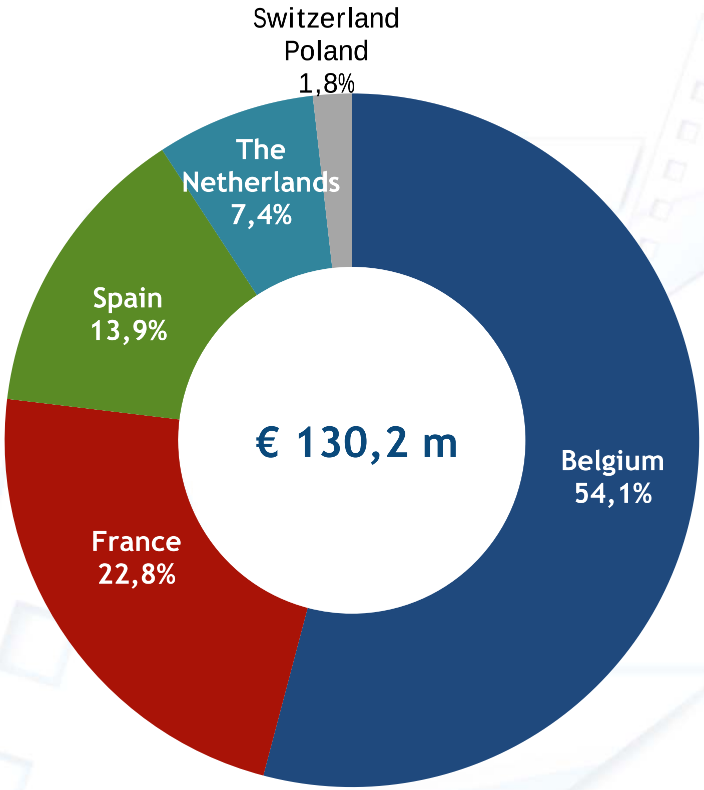
Visitors & Movies

Visitors (000's)	H1 2015	% of Tot	H1 2014	% of Tot	% Δ YoY
Belgium	4.048	41,3%	4.166	47,2%	(2,8)%
France	3.015	30,8%	3.064	34,7%	(1,6)%
Spain	1.933	19,7%	1.536	17,4%	25,8%
The Netherlands	734	7,5%	0,0	0,0%	-
Switzerland	69	0,7%	61	0,7%	13,1%
Total	**9.799**	**100%**	**8.827**	**100%**	**11,0%**

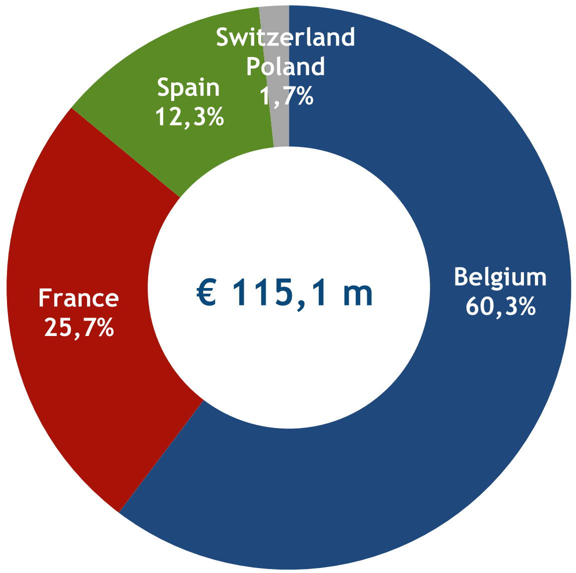
Top 5 Movies H1 2015	3D	Visitors (000's)
1. Fast and Furious 7		700
2. Fifty Shades of Grey		635
3. Jurassic World	✓	586
4. Avengers: Age of Ultron	✓	494
5. American Sniper		331
Top 5		**2.747**
Weight Top 5		**28,0%**

Top 5 Movies H1 2014	3D	Visitors (000's)
1. Qu'est-ce qu'on a fait au Bon Dieu?		356
2. The Wolf of Wall Street		327
3. Supercondriaque		299
4. Ocho Apellidos Vascos		298
5. Rio 2	✓	296
Top 5		**1.576**
Weight Top 5		**17,9%**

Revenue by country

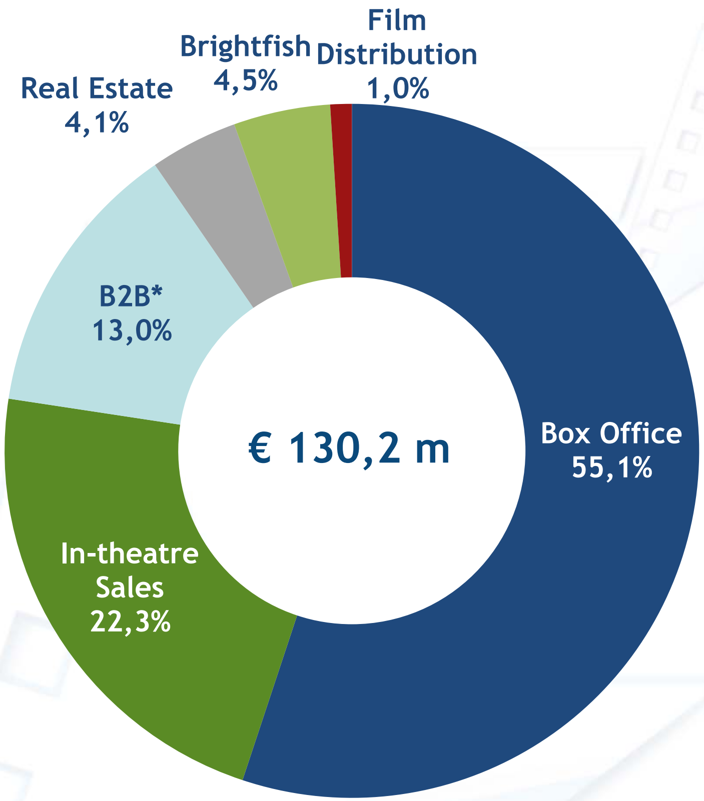


H1 2015

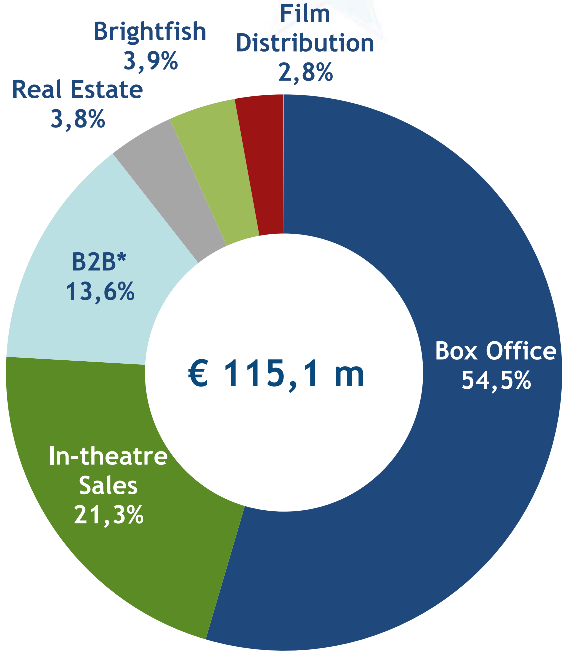


H1 2014

Revenue by activity



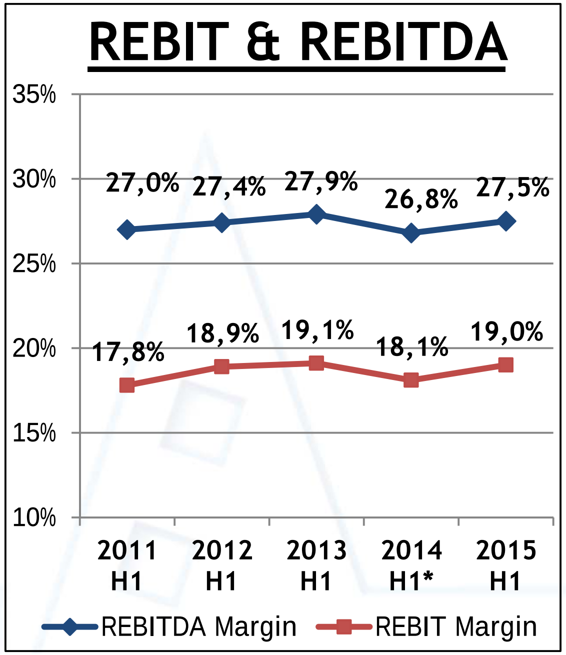
H1 2015



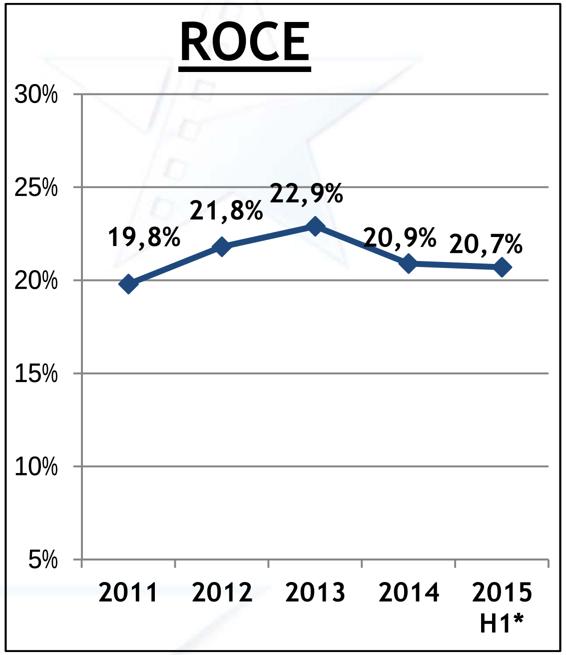
H1 2014

* Including Cinema Screen Advertising

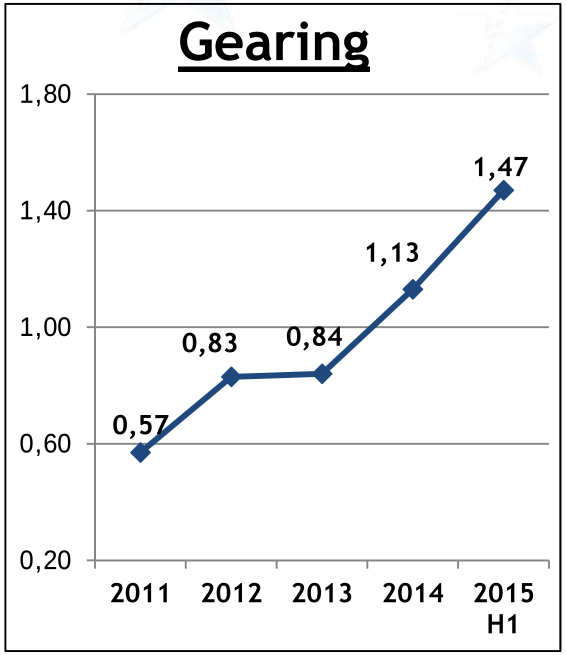
Ratios



* H1 2014 restated due to the application of IFRIC 21 as from 1 January 2015



*: 12 months rolling

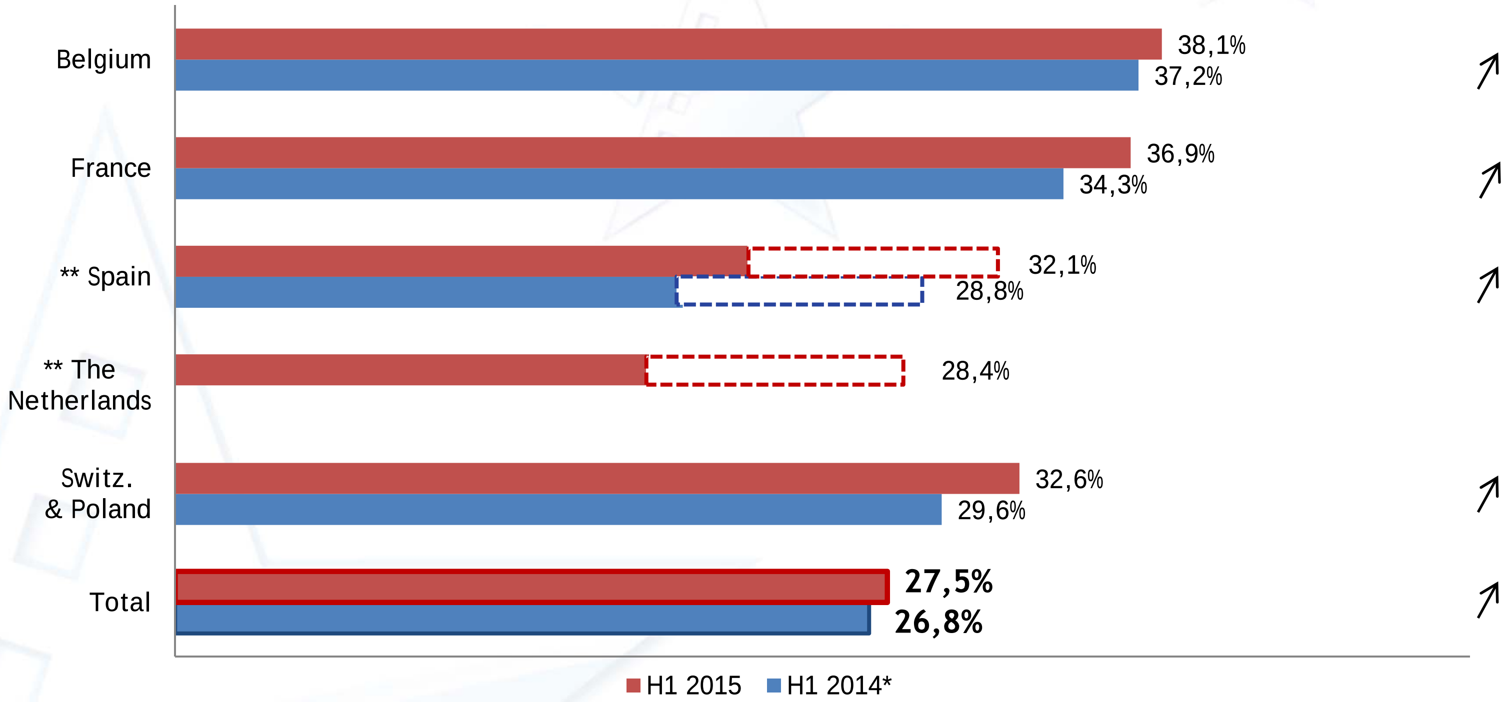


REBITDA by Country

€m	H1 2015	% of Total	H1 2014*	% of Total	% Better/(Worse)
Belgium	18,1	50,5%	17,2	55,8%	5,0%
France	11,1	31,0%	10,3	33,2%	8,3%
Spain	4,1	11,4%	2,8	9,1%	44,3%
The Netherlands	1,8	4,9%	0,0	0,0%	-
Switzerland & Poland	0,7	2,2%	0,6	1,9%	34,9%
TOTAL	**35,8**	**100,0%**	**30,9**	**100,0%**	**16,0%**

* H1 2014 restated due to the application of IFRIC 21 as from 1 January 2015

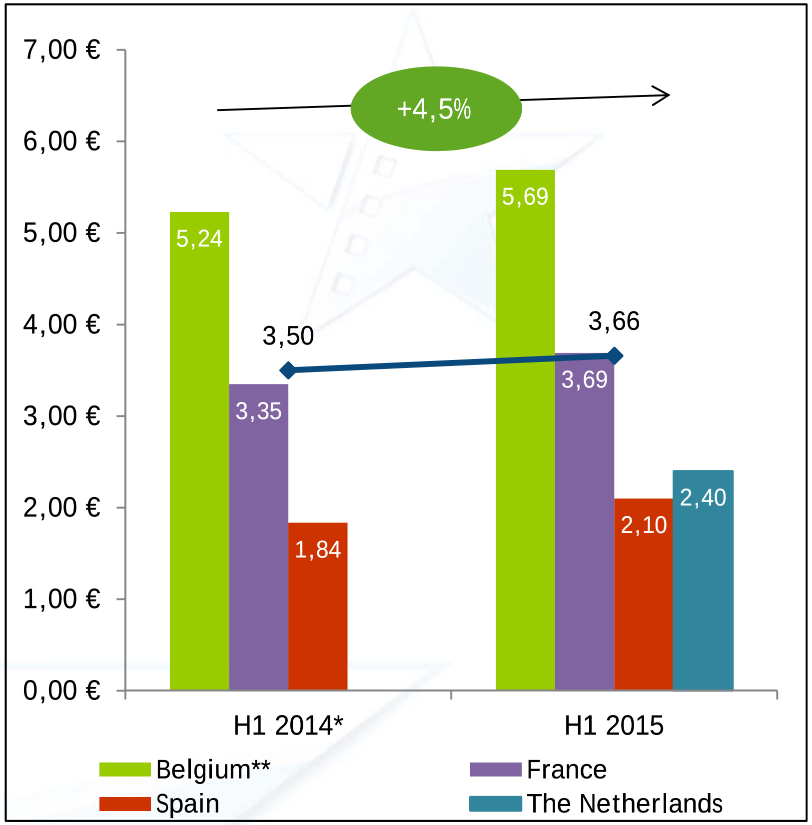
REBITDA margin
excl. Corporate entities, KFD, Brightfish



* H1 2014 restated due to the application of IFRIC 21 as from 1 January 2015

** REBITDAR (i.e. REBITDA excluding rent for Valencia, Plaza Mar 2 and Alcobendas in Spain and for Dutch complexes) Impact rent added back indicated with dotted lines

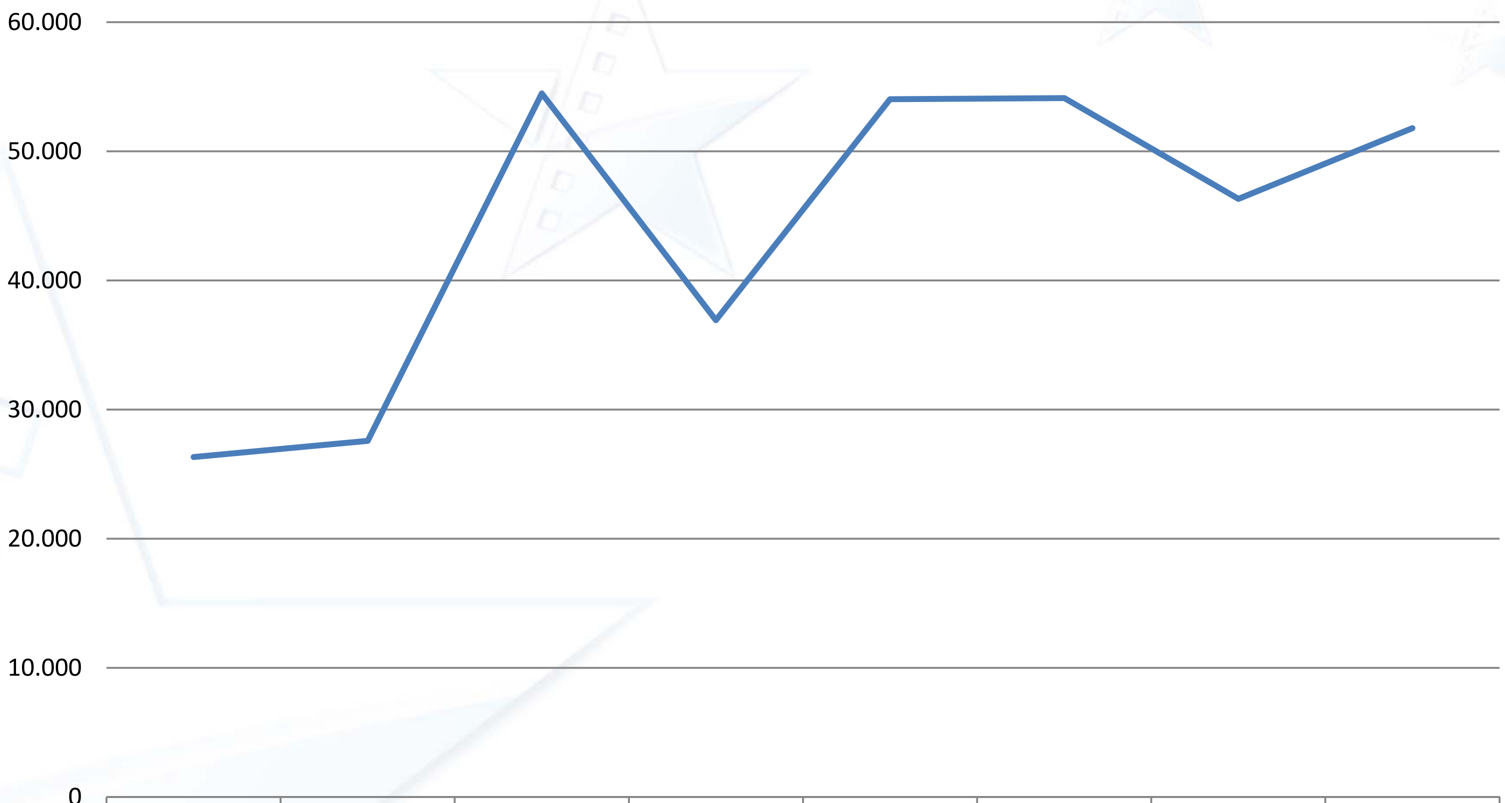
Evolution REBITDA per Visitor



* H1 and H2 2014 restated due to the application of IFRIC 21 as from 1 January 2015

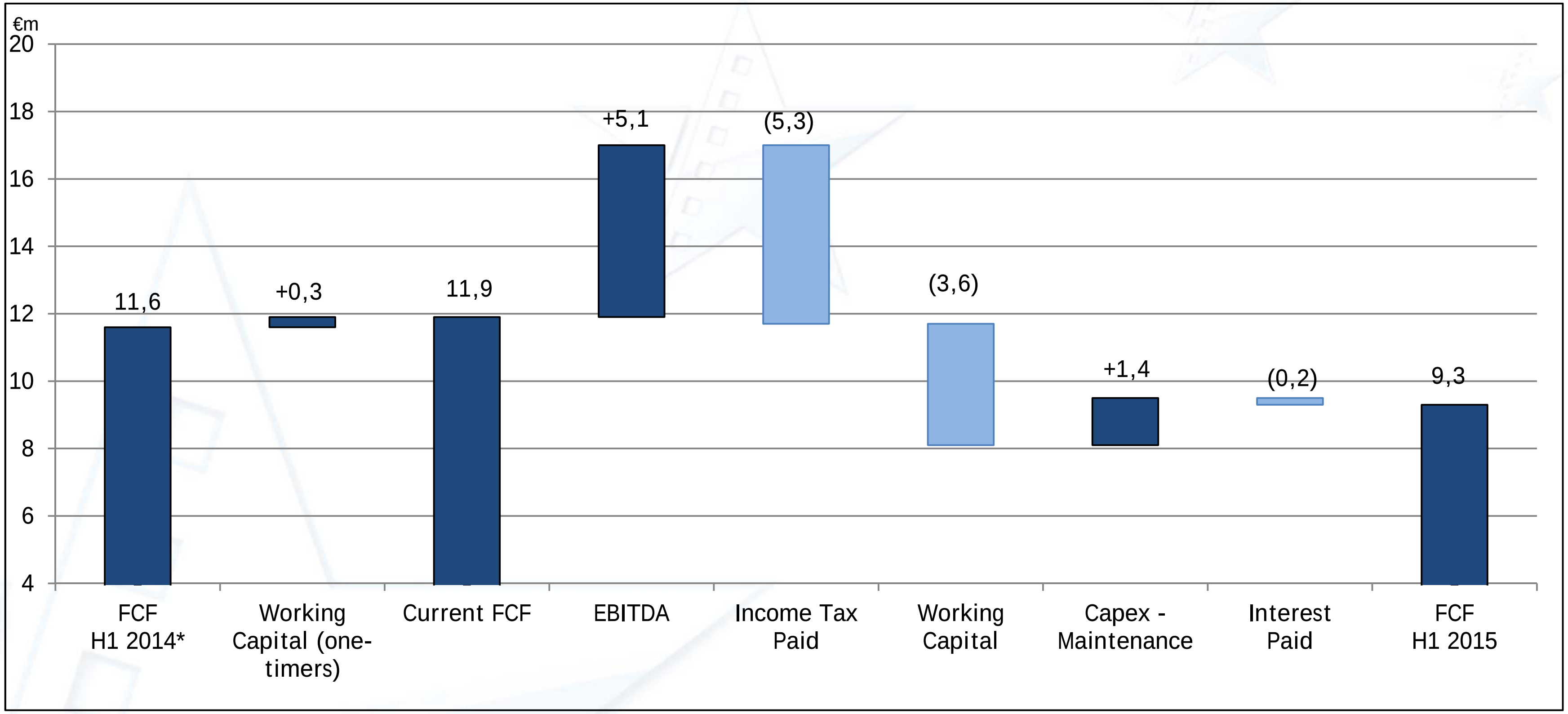
** Excluding corporate entities, KFD, Brightfish revenue

FCF Evolution 2007 - 2014



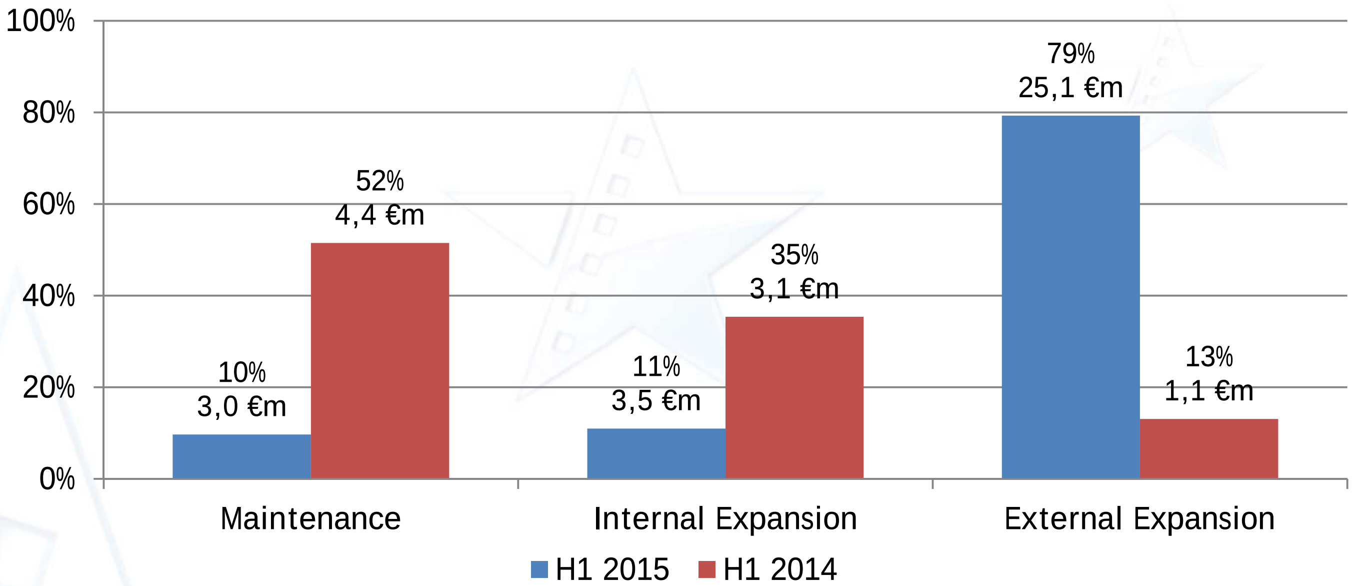
	2007	2008	2009	2010	2011	2012	2013	2014
Free cash flow	26.323	27.576	54.487	36.926	54.043	54.121	46.321	51.800

Free Cash Flow H1: 2015 vs 2014



* H1 2014 restated due to the application of IFRIC 21 as from 1 January 2015

Investments

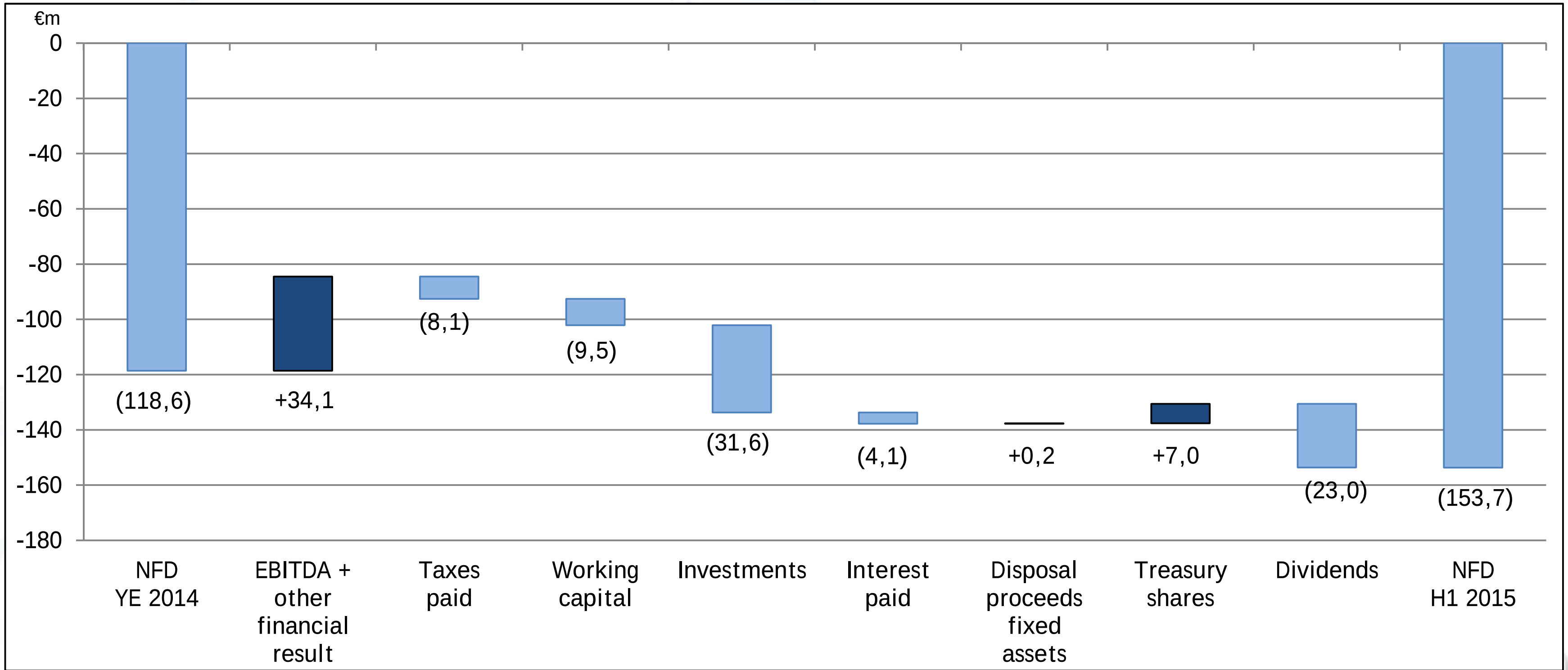


€m	H1 2015	H1 2014
Belgium	3,6	4,2
France	1,2	1,4
Spain	1,5	1,8
The Netherlands	0,2	0,0
Other	0,0	0,1
Maintenance & Internal Expansion	**6,5**	**7,5**
External Expansion	**25,1**	**1,1**
TOTAL	**31,6**	**8,6**

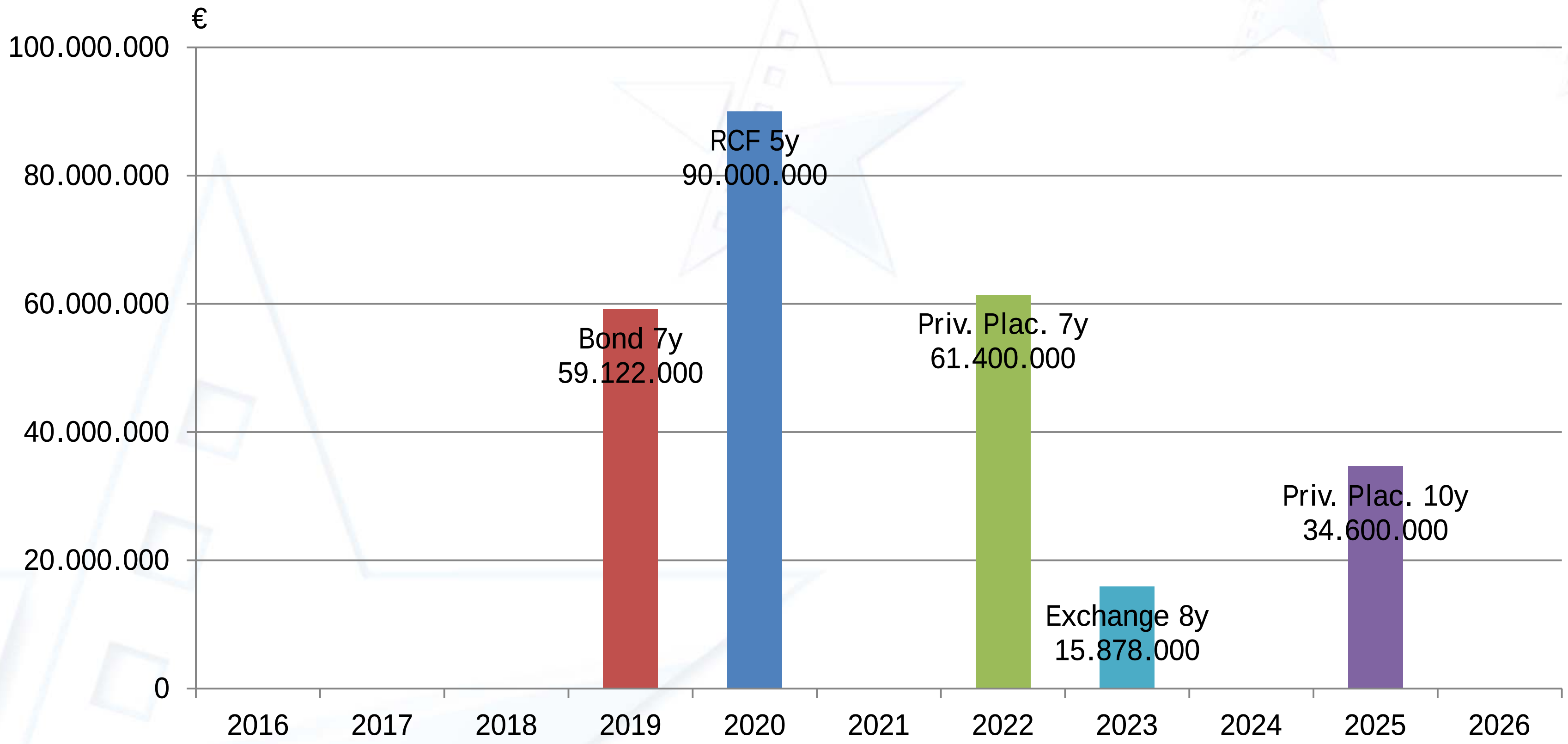
Net Financial Debt Evolution

€m	30 Jun 2015	31 Dec 2014	Better/(Worse)	% Better/(Worse)
Net Financial Debt (NFD)	**153,7**	**118,6**	**(35,1)**	**(29,6)%**
Leverage ratio*: NFD / EBITDA	2,0	1,7		

* Not clubdeal definition



Maturity profile financial debt



Consolidated Income Statement

€m	H1 2015	H1 2014*	% Better / (Worse)
Revenue	130,2	115,1	13,1%
Cost of sales	(91,4)	(81,1)	(12,6)%
Gross profit	**38,8**	**34,0**	**14,2%**
Gross profit %	*29,8%*	*29,6%*	
Marketing & selling expenses	(6,6)	(6,3)	(5,2)%
Administrative expenses	(9,0)	(7,7)	(17,1)%
Other operating income and expenses	0,4	0,1	161,8%
EBIT	**23,6**	**20,2**	**16,8%**
EBIT %	*18,1%*	*17,6%*	
Financial result	(4,1)	(2,6)	(54,0)%
Profit before tax	**19,5**	**17,6**	**11,2%**
Income tax expense	(5,1)	(4,6)	(12,5)%
Profit	**14,4**	**13,0**	**10,7%**
Profit %	*11,0%*	*11,3%*	
EBITDA	**34,8**	**30,0**	**16,1%**
EBITDA %	*26,7%*	*26,0%*	

* H1 2014 restated due to the application of IFRIC 21 as from 1 January 2015

Balance sheet

€m	30 Jun 2015	% of Total	31 Dec 2014	% of Total
Intangible assets	4,5	1%	4,0	1%
Goodwill	35,9	10%	36,1	10%
Land & buildings	218,0	58%	197,1	57%
Other fixed assets	51,2	14%	50,9	15%
Deferred taxes	1,2	0%	1,3	0%
Other receivables	12,9	3%	12,7	4%
Non-current assets	**323,7**	**86%**	**302,1**	**87%**
Assets held for sale	0,0	0%	0,0	0%
Working capital	23,0	6%	27,5	8%
Current taxes	0,3	0%	0,1	0%
Financial assets	0,5	0%	0,4	0%
Cash & cash equivalents	29,4	8%	17,0	5%
Current assets	**53,2**	**14%**	**45,0**	**13%**
Assets	**376,9**	**100%**	**347,1**	**100%**

	30 Jun 2015	31 Dec 2014
Gearing ratio*	1,47	1,13
Current ratio**	0,80	0,36
Solvency ratio***	27,8%	30,2%
ROCE*****	20,7%	20,9%

€m	30 Jun 2015	% of Total	31 Dec 2014	% of Total
Equity	**104,7**	**28%**	**104,7**	**30%**
LT financial debt	179,9	48%	91,5	26%
Provisions(1)	2,6	1%	2,5	1%
Deferred taxes	15,4	4%	15,9	5%
Other payables	8,0	2%	7,3	2%
Derivatives	0,0	0%	0,0	0%
Non-current liabilities	**205,9**	**55%**	**117,2**	**34%**
ST financial debt	3,6	1%	44,6	13%
Provisions	0,6	0%	0,6	0%
Working capital	56,8	15%	72,3	21%
Current taxes	5,3	1%	7,7	2%
Derivatives	0,0	0%	0,0	0%
Current liabilities	**66,3**	**17%**	**125,2**	**36%**
Equity & Liabilities	**376,9**	**100%**	**347,1**	**100%**

(1): Including employee benefits liabilities

*: Gearing ratio: Net Financial Debt / Equity
**: Current ratio: Current Assets / Current Liabilities
***: Solvency ratio: Total Equity / Total Equity & Liabilities
****: ROCE: Current operating profit / Capital employed

Shareholder information

Shareholders

	30/09/2015		23/02/2015	
	# Shares	%	# Shares	%
Total shares outstanding	27.365.197	100 %	27.365.197	100 %

Refence Shareholders & Free Float	# Shares	%	# Shares	%
Kinohold Bis and Mr. Joost Bert	13.254.590	48,44%	12.908.050	47,17%
Treasury shares (Own shares)	264.221	0,97%	1.553.591	5,68%
Free Float	13.846.386	50,59%	12.903.556	47,15%

Other*	# Shares	%	# Shares	%
Axa SA	1.523.555	5,57%	1.523.555	5,57%
BNP Paribas Investment Partners SA	1.406.080	5,14%	1.406.080	5,14%

** Resulting from transparency notices received*

Financial Calendar

Tuesday	17/11/2015	Business update Q3 2015
Thursday	18/02/2016	Annual results 2015
		Analyst and Press Meeting FY 2015
Wednesday	11/05/2016	Business update Q1 2016
Wednesday	11/05/2016	Annual Shareholders' Meeting
Thursday	25/08/2016	Half Year Results 2016
		Analyst and Press Meeting HY 2016
Thursday	17/11/2016	Business update Q3 2016

Thank You

Q&A