



# YMAGIS

## Press release

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### YMAGIS SIGNS NEW VPF DEALS IN TURKEY AND ANNOUNCES DEPLOYMENT OF ITS MELODY TMS SOLUTION

**YMAGIS Group (ISIN: FR0011471291, TICKER: MAGIS), the European specialist in digital technologies for the motion picture industry,** today announced that it has signed new VPF<sup>(1)</sup> agreements under the third-party collector financing model with six major Turkish cinema exhibitor chains. The deals represent 409 screens in 50 cinema sites operated by Turkey's Avsar Sinema, Cinemarine, Cinens Sinemalari, Prestige Cinema, Aksin Sinemari and Torunlar/Cinetech.

A vast majority of the exhibitors has also opted to purchase the Melody TMS (Theatre Management System) software solution developed by YMAGIS Group. The Melody TMS, which allows exhibitors to oversee the programming of their auditoriums and fully automate their projection booths, will equip 280 screens, and more, across Turkey this year.

*"Following the establishment in January 2014 of our subsidiary dcinex TR Sinema Ekipmanlari Ticaret Ltd. Sirketi headed by Cengiz Cilek, we have now taken a giant step forward in Turkey," explained YMAGIS' Chief Executive Officer and co-Founder Jean Mizrahi. "With these new contracts, our Group has a very solid base upon which to build and grow our activities in a territory known for its tremendous potential. I particularly wish to acknowledge the assistance of SISAY, the Turkish association of movie exhibitors, which counts each of these new clients as members. It is thanks to the efforts of its president, Cenk Sezgin, that we have seen such outcome from our discussions while maintaining the industry's common interests."*

*"With 2,250 screens, 400 sites, 150 exhibitors and 20 film distribution companies, the Turkish motion picture industry is one of the most dynamic and important in Eastern Europe," added Cenk Sezgin, president of SISAY. "The conclusion of these VPF agreements with YMAGIS Group is without question our greatest achievement this year. Thanks to all the hard work by Jean's and Cengiz's respective teams, a large number of cinemas in Turkey will now benefit from the VPF financing model."*

The VPF agreements in Turkey will be effective through December 31, 2018. They are expected to contribute to YMAGIS Group's financial results as of this year, and confirm the Group's position as a European leader in finance solutions for movie exhibitors with a total of 6,401 screens.

According to the European Audiovisual Observatory, the Turkish marketplace is currently seeing significant growth in attendance, up 21.8% in 2014 to 61.4 million from 50.4 million the prior year.

**NEXT PUBLICATION:** August 4<sup>th</sup> - revenue for the first half of 2015

#### **ABOUT YMAGIS**

*Founded in 2007 and managed by professionals from cinema and high-tech industries, YMAGIS ([www.ymagis.com](http://www.ymagis.com)) is specialized in services for digital cinema. YMAGIS provides services to producers, distributors of movies and alternative content, advertising sales agencies and cinema exhibitors, to ensure a smooth transition of their operations from 35-mm to digital, while keeping costs under control and producing*



the best possible mix in terms of creativity, marketing and financing. YMAGIS' offer covers three main business areas: the management of VPF<sup>(1)</sup>, services to exhibitors ("Exhibitor Services") and services to producers / distributors ("Content Services"). The services to exhibitors cover sale and installation of equipment for cinemas, maintenance and online support services for digital projection equipment, sale and leasing of 3D glasses, while the services to producers and distributors cover post-production of content as well as preparation and distribution of digital content. YMAGIS' digital laboratories deliver thousands of DCPs<sup>(2)</sup> and other digital contents to cinemas each week on behalf of its distributor and advertising sales agency clients. During the 2014 fiscal year, the Group generated consolidated revenue of €84.6 million, an increase of 78.8% compared with 2013, including dcinex's results beginning October 1, 2014. The consolidated pro forma <sup>(3)</sup> full year 2014 revenue stand at €150.4 million compared to €139.0 million in 2013 (+8.2%).

- (1) VPF or Virtual Print Fee: Fee paid to YMAGIS Group by the supplier of digital content, mainly the distributors of feature-length films, in order to allow the projection of its content in a theater under VPF contract with YMAGIS Group, regardless of the equipment financing model chosen by both parties (Third Party Investors – financing carried out by YMAGIS Group - or Third-party Collector – financing carried out by the exhibitor). The VPF collection makes it possible to cover a significant part of the financing of digital projection equipment, the balance being supported by the exhibitors under contract with YMAGIS Group.
- (2) DCP: Digital Cinema Package - group of digital files comprising feature-length films, trailers and commercials, or any other content shown via a digital projector.
- (3) Pro-forma revenues are based as if dcinex acquisition was carried out as of January 1, 2013.

## CONTACT

### YMAGIS

Pierre FLAMANT  
Chief Financial Officer  
Phone: +32 4 364 12 00  
Email: investors@ymagis.com

### ACTIFIN

Investor Relations: Alexandre COMMEROT  
Press contact: Olivia Longcoté  
Phone: +33 1 56 88 11 21  
Email: ymagis@actifin.fr