

Press release

Paris (France) – 28 October 2019 at 5:35 pm

Ymagis Group Reports Third-Quarter 2019 Revenue

Ymagis Group (FR0011471291, MAGIS, PEA-PME, TECH 40), the European specialist in digital technologies for the film industry, today reported its consolidated financial results for the third quarter and first nine months of 2019.

Confirmation of first half-year trends

Ymagis Group's revenue in the third quarter confirms the first half year trends:

- the dynamism of the CinemaNext BU (+21% at €16.1m) buoyed by the gradual deployment of equipment renewal contracts
- the stability of Eclair's activities through an upturn in Distribution and Preservation activities (+14% at €5.8m) which offsets the scheduled decline in "Post production and Restoration" activities (-20% at €1.2m)
- the ongoing scheduled reduction in VPF revenue (-46% at €6.2m)

In millions of Euros	Q3 2019	Q3 2018	Var. (%)	YTD 2019	YTD 2018	Var. (%)
Virtual Print Fee	6.2	11.5	-46%	25.2	38.2	-34%
Sub-total excluding VPF	27.6	24.4	+13%	84.4	77.0	+10%
Equipment Sales	12.3	9.8	+26%	35.6	28.4	+25%
Online & Support	3.7	3.5	+7%	10.6	10.2	+4%
CinemaNext	16.1	13.3	+21%	46.2	38.7	+19%
Distribution Services & Preservation	5.8	5.1	+14%	17.6	17.5	+1%
Post Production & Restoration	1.2	1.5	-20%	3.8	5.9	-36%
Localisation	4.3	4.5	-5%	16.0	14.7	+9%
Eclair	11.3	11.1	+2%	37.3	38.1	-2%
Other activities	0.3	0.0	-	0.9	0.2	+336%
TOTAL REVENUE	33.9	35.9	-6%	109.6	115.2	-5%
<i>VPF as % of revenue</i>	18%	32%		23%	33%	
<i>CinemaNext as % of revenue</i>	47%	37%		42%	34%	
<i>Eclair as % of revenue</i>	33%	31%		34%	33%	
<i>Other activities as % of revenue</i>	1%	-		1%	-	

As planned, **VPF** revenue fell by 34% (at €25.2m) over the first nine months and by -46% during Q3 at €6.2m.

CinemaNext's sales at the end of September increased by 19%, standing at €46.2m. The third quarter (+21% at €16.1m) included the first revenues from equipment renewal contracts signed this year with cinema

exhibitors such as Austrian chain Cineplexx, France's Megarama and Irish operator Omniplex. Deployment of these contracts is scheduled to last approximately two years.

Revenue for the **Eclair BU** (-2% for the first nine months at €37.3m) reflects the scheduled drop in its creative services (Post production and Restoration) and the dynamism of the Versioning and Accessibility activities. Q3 was marked by the upturn in Distribution and Preservation activities (+11% at €5.6m) plus the €0.2m in revenues generated by Orfeo, integrated since 28 June, for a total of €5.8m for this activity during the quarter.

It should be noted that revenue for Eclair Cinema SAS, the sale of which to *L'Image Retrouvée* was announced in September, remains consolidated in the "Post production & Restoration" activity until the company's continuation plan, to be presented by the purchaser, has been approved by the Commercial Court of Nanterre.

The Group's **new activities** are gradually gaining strength, generating €0.9m in revenue during the first nine months and €0.3 during the quarter, driven by the progressive deployment of VR activities. Three new Illucity centres opened in October, in Marseille (owned and operated) as well as in Athens and Liège (as part of partnerships).

Ongoing negotiations regarding the debt

Ymagis reiterates that the continuity of its operations remains subject to the ongoing renegotiation of the company's debt with its creditors.

Next press release: 24 February 2020: Full-year 2019 revenue

ABOUT YMAGIS GROUP

Ymagis is a European leader in advanced digital technology services for the cinema industry. Founded in 2007, the Group is headquartered in Paris and has offices in 22 countries with 750 employees. Our core business is structured around four main units: CinemaNext (exhibitor services: sales and field services, software solutions, customer service/NOC), Eclair (content services: postproduction, theatrical delivery, digital distribution, versioning and accessibility, restoration and preservation), Virtual Print Fee (VPF) for finance solutions, and Other Activities (Virtual Reality). For more information, please visit www.ymagis.com

YMAGIS is listed on Euronext Paris and is part of the CAC Small, CAC Mid and Small and CAC All-Tradable indices.

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