

Press release

Paris (France) – 29 July 2019 at 5:35 pm

Ymagis Group Reports Half-year 2019 Revenue

- **Half-year Revenue down 4% (75.8m) due to the scheduled reduction in VPF**
 - **Activities other than VPF up 8% (56.8m) mainly driven by CinemaNext**
- **Impact of the new equipment renewal contracts (CinemaNext) expected during the second half-year**

Ymagis Group (FR0011471291, MAGIS, PEA-PME, TECH 40), the European specialist in digital technologies for the cinema industry, today reported its consolidated financial revenue for the first six months of 2019, ending 30 June 2019.

Strong commercial traction during the first half of 2019

Revenue for Ymagis Group was down by 4% for the first half of 2019 under the effect of the scheduled reduction in VPF (-29% at €19m) and the narrowed “post-production and restoration” related activities on the French market. This decline is however largely offset by not only the solid growth of the CinemaNext business unit (+19% at €30.2m) but also Eclair’s Versioning & Accessibility activities (+15% at €11.7m).

In millions of Euros	S1 2019	S1 2018	Var. (%)
Virtual Print Fee	19.0	26.7	-29%
Sub-total excluding VPF	56.8	52.6	+8%
Equipment Sales	23.2	18.6	+25%
Online & Support	6.9	6.7	+3%
CinemaNext	30.2	25.4	+19%
Distribution & Preservation	11.8	12.4	-5%
Post Production & Restoration	2.6	4.4	-41%
Versioning & Accessibility	11.7	10.2	+15%
Eclair	26.1	27.0	-3%
Other activities	0.6	0.2	ns
TOTAL REVENUE	75.8	79.3	-4%
<i>VPF as % of revenue</i>	25%	34%	
<i>CinemaNext as % of revenue</i>	40%	32%	
<i>Eclair as % of revenue</i>	34%	34%	
<i>Other act. as % of revenue</i>	1%	-	

As anticipated, business for the **VPF BU** was in steep decline (-29%) at €19.0m during the first half-year. The number of screens under VPF contract on 30 June 2019 stood at 4,305 compared to 5,407 a year earlier.

CinemaNext sales increased by 19% during the first half-year to €30.2m. After a strong increase in Q1, mainly linked to the construction of new cinemas, the second quarter indicates a certain stability, considering it does not include the expected revenue from the first equipment renewal contracts (representing 300 screens) signed during the period with cinema exhibitors such as the Austrian Cineplexx, the French Megarama and the Irish Omniplex. The impact of these new contracts on revenue will be visible from the second half-year onwards and will continue over the coming two years.

The activities of the **Eclair BU** continued the trend begun in first quarter, with a sharp drop in “creative services” activities (Post-Production and Restoration) linked to the placement of the French subsidiary Eclair Cinema SAS in receivership. This was largely offset by the dynamism of the Versioning & Accessibility activities (+15% at €11.7m).

The **new activities** recorded revenue of €0.6m during the first half-year, after €0.4m during Q1 (figure adjusted by - €0.2m following the reclassification of a VR equipment sale by CinemaNext during Q1). The growth of VR activities should pick up speed with the opening of new centres such as Marseille and Athens in the coming months. Considering the ongoing negotiation phase with the Group’s creditors, this trend should be lower than expected due to the temporary slowdown on investments related to Illucity.

Ongoing negotiations regarding the debt

Business perspectives, strengthened with the confirmation of a new growth phase for CinemaNext linked to the start of the equipment renewal cycle, remain subject to the ongoing debt renegotiation with Ymagis Group’s creditors.

Next press release: 13 September 2019 – Half-year 2019 financial results

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 26 countries with 770 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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