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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

**November 8, 2006**

Date of report *(Date of earliest event reported)*

**IMAX Corporation**

*(Exact Name of Registrant as Specified in Its Charter)*

**Canada**

*(State or Other Jurisdiction of Incorporation)*

**0-24216**

*(Commission File Number)*

**98-0140269**

*(I.R.S. Employer Identification Number)*

**2525 Speakman Drive, Mississauga, Ontario, Canada, L5K 1B1**  
*(Address of Principal Executive Offices) (Postal Code)*

**(905) 403-6500**

*(Registrant's Telephone Number, Including Area Code)*

**N/A**

*(Former Name or Former Address, if Changed Since Last Report)*

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **Special Note Regarding Forward-Looking Information**

This current report including the exhibits attached hereto may contain “forward-looking statements” including, but not limited to, references to future capital expenditures, business and technology strategies and measures to implement strategies, competitive strengths, goals, expansion and growth of business and operations, plans and references to the future success of the Company and expectations regarding the Company’s future operating results. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. However, actual results and developments are subject to a number of risks and uncertainties, including, but not limited to, general economic, market or business conditions; the opportunities (or lack thereof) that may be presented to and pursued by the Company; competitive actions by other companies; conditions in the in-home and out-of-home entertainment industries; changes in laws or regulations; conditions and developments in the commercial exhibition industry; the acceptance of the Company’s new technologies; risks associated with investments and operations in foreign jurisdictions and any future international expansion, including those related to economic, political and regulatory policies of local governments and laws and policies of the United States and Canada; the potential impact of increased competition in the markets the Company operates within; and other factors, many of which are beyond the control of the Company. All of the forward-looking statements made in this current report are qualified by these cautionary statements, and actual results or anticipated developments by the Company may not be realized, and even if substantially realized, may not have the expected consequences to, or effects on, the Company. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise. These and other risk factors are discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2005, and in the subsequent reports filed by the Company with the Securities and Exchange Commission.

## **Item 2.02 Results of Operations and Financial Condition**

On November 8, 2006, IMAX Corporation (the “Company”) issued a press release announcing the Company’s financial and operating results for the quarter ended September 30, 2006, a copy of which is attached as Exhibit 99.1.

## **Item 7.01 Regulation FD Disclosure**

Pursuant to Regulation FD, information is being attached as exhibits to this Current Report with respect to a presentation to be made by Richard L. Gelfond and Bradley J. Wechsler, the Company’s Co-Chief Executive Officers on the Q3 2006 IMAX Corporation Earnings Conference Call and Live Webcast, on November 9, 2006. This presentation will include an overview of the Company’s transition to a digital IMAX system and the acceleration of the Company’s joint venture investment strategy. The slides that will be presented during the Webcast are attached as Exhibit 99.2. The slides can also be viewed, until December 9, 2006, on [www.imax.com](http://www.imax.com) by clicking on ‘Company Info’ and then ‘Investor Relations’.

The information in this current report on Form 8-K, including the Exhibit attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

**Item 9.01 Financial Statements and Exhibits**

**(c) Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, dated November 8, 2006
99.2	Investor Presentation regarding Transition to Digital/Joint Ventures, dated November 9, 2006

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**IMAX Corporation**  
(Registrant)

Date: November 9, 2006

By: "Richard L. Gelfond"  
Name: Richard L. Gelfond  
Title: Co-Chairman and  
Co-Chief Executive Officer



**IMAX CORPORATION**

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**IMAX CORPORATION REPORTS THIRD QUARTER FINANCIAL RESULTS**

**— Pursuing Key Initiatives  
Designed to Grow Business and Shareholder Value over Long Term —**

TORONTO — November 8, 2006 — IMAX Corporation (NASDAQ: IMAX; TSX: IMX) today reported that primarily because it did not install any theatre systems in the third quarter ended September 30, 2006, it incurred a net loss of \$0.30 per diluted share for the three month period. The Company emphasized, however, that it has during the recently completed quarter signed five theatre deals, bringing the year-to-date total to 25, including four of which remain subject to conditions. For the 2005 third quarter, the Company had net earnings of \$0.05 per diluted share.

IMAX Co-Chief Executive Officers Richard L. Gelfond and Bradley J. Wechsler emphasized, “While the third quarter results are disappointing, we are making progress with what we are confident are the appropriate strategic initiatives to grow the business profitably and build shareholder value over the long term. Specifically, we have begun the important transition to a digital IMAX system and are accelerating our joint venture investment strategy, the objectives both being to help substantially expand the worldwide IMAX network and achieve attractive economics for the Company.”

In addition to the slipping of installations, the Company's 2006 third quarter performance was affected by the disappointing box office performance of *Ant Bully*, and higher than anticipated SG&A due to increased legal expenses and costs related to the Company's previously reported process of exploring strategic alternatives.

Messrs. Gelfond and Wechsler stated, "We strongly view the introduction of a digital IMAX system in 2008 as being potentially very beneficial to the Company. Although we face challenges in managing the transition to digital, we expect it to enable us to virtually eliminate IMAX print costs and allow operators and studios enhanced flexibility in their programming options. Moreover, by accelerating the Company's involvement in box office sharing arrangements with exhibitors in which we contribute the projection systems ("joint ventures"), IMAX should be in a position to generate greater recurring revenues. Through a greater emphasis on joint ventures, the Company should realize benefits from deployment of capital, the expansion of its network, and in the incremental revenues and profitability that IMAX drives both for studios and the exhibitors."

For the three months ended September 30, 2006, the Company's total revenues were \$20.7 million. Systems revenue was \$7.3 million, as the Company recognized revenue on the sale of one theatre system in the third quarter of 2006. For the same 2005 period, IMAX had total revenues of \$33.4 million and systems revenue of \$20.2 million, as the Company recognized revenue on six theatre systems which qualified as either sales or sales-type leases in the prior year period. There were no revenues associated with consensual buyouts, terminations by default and MPX conversion agreements in the third quarter of 2006. This compares to \$2.4 million in such settlement revenues in the third quarter of fiscal 2005.

For the third quarter of 2006, film revenues were \$7.7 million, including IMAX DMR revenues of \$3.4 million, theatre operations revenue was \$4.7 million and other revenue was \$1.0 million. For the 2005 third quarter, film revenues were \$8.0 million, including IMAX DMR revenues of \$3.0 million, theatre operations revenue was \$4.3 million and other revenue was \$0.8 million.

The Company ended the third quarter of fiscal 2006 with \$26.2 million in cash, cash equivalents and short term investments.

The Company stated that it expects to install between five and eight theatre systems during the fourth quarter of fiscal 2006. This expectation reflects the impact of an unusually high number of installation slippages. Six systems currently in backlog were originally expected to be installed in the fourth quarter of fiscal 2006 but are now likely to be installed in fiscal 2007 instead. At the present time the Company has 24 systems in backlog scheduled for installation in 2007 and an additional eight systems that could be installed as early as December of that year. The Company went on to caution that slippages remain a recurring and unpredictable part of its business.

"Our clients are currently being impacted by slower than expected theatre construction and permit approval process delays. Unfortunately slippages remain a very unpredictable component of our business, but we note that as these installations ultimately occur they should benefit our 2007 results," stated Messrs. Gelfond and Wechsler.

Separately, the Company provided an update regarding its exploration of strategic alternatives, including the possible sale or merger of the company. While the Company did not find a buyer willing to acquire IMAX at terms initially sought by the Board of Directors, the Special Committee of the Board has since authorized the investment banks Allen & Company and UBS to explore interest existing at a lower valuation than originally sought. As part of this ongoing process, the Company remains committed to exploring additional interest as appropriate.

On the film side, *Superman Returns: An IMAX 3D Experience* has grossed approximately \$30.8 million to date. *The Ant Bully: An IMAX 3D Experience*, which opened in late July, grossed \$7.1 million. The Company released *Open Season: An IMAX 3D Experience* on September 29, which so far has grossed \$7.8 million.

The remainder of IMAX's 2006 film slate includes *Happy Feet: The IMAX Experience*, a CGI animated musical-comedy to be released on November 17th, and Twentieth Century Fox's *Night at the Museum: The IMAX Experience*, an adventure comedy starring Ben Stiller and Robin Williams, which premieres December 22nd. The Company's 2007 film slate includes *Spider-Man 3: The IMAX Experience* scheduled for release in May, and *Harry Potter and the Order of the Phoenix: The IMAX Experience*, which will be released in July.

"To date, 16 Hollywood titles have been digitally re-mastered with DMR technology and released to IMAX® theatres, and we are optimistic about the strong prospects of the films scheduled for the remainder of the year as well as our 2007 film slate. In 2006 we have partnered with three major studios, and we look forward to continuing to expand our studio relationships in 2007 and beyond. IMAX's significance to the Hollywood release platform continues to increase, and we think that our ability to deliver a unique out-of-home entertainment experience via the expanding network of IMAX theatres remains a key component of our future growth," concluded Messrs. Gelfond and Wechsler.

The Company stated that it is still responding to informal inquiries from the U.S. Securities and Exchange Commission and the Ontario Securities Commission regarding the Company's timing of revenue recognition, including its application of multiple element arrangement accounting in its revenue recognition for theatre systems. The Company continues to cooperate in this inquiry. The Company believes its application of this accounting policy is, and has historically been, in accordance with GAAP, and the Company's position continues to be supported by its auditors, PricewaterhouseCoopers LLP.

The Company will host a conference call on Thursday, November 9, 2006 at 8:00 AM ET. To access the call interested parties should call (719) 457-2692 approximately 10 minutes before it begins. A recording of the call will be available by dialing (719) 457-0820. The code for both calls is 2262074. The Company will also host a webcast of the conference call with an accompanying PowerPoint presentation. These can both be accessed on [www.imax.com](http://www.imax.com) by clicking on 'Company Info' and then 'Investor Relations.'

#### **About IMAX Corporation**

Founded in 1967, IMAX Corporation is one of the world's leading entertainment technology companies and the newest distribution window for Hollywood films. IMAX delivers the world's best cinematic presentations using proprietary IMAX, IMAX® 3D, and IMAX DMR technology. IMAX DMR (Digital Re-mastering) makes it possible for virtually any 35mm film to be transformed into the unparalleled image and sound quality of The IMAX Experience. The IMAX brand is recognized throughout the world for extraordinary and immersive entertainment experiences. As of September 30, 2006, there were 280 IMAX theatres operating in 40 countries.

IMAX®, IMAX® 3D, IMAX DMR®, IMAX® MPX®, and The IMAX Experience® are trademarks of IMAX Corporation. More information on the Company can be found at [www.imax.com](http://www.imax.com).

*This press release contains forward looking statements that are based on management's assumptions and existing information and involve certain risks and uncertainties which could cause actual results to differ materially from future results expressed or implied by such forward looking statements. Important factors that could affect these statements include the timing of theatre system installations, the mix of theatre systems shipped, the timing of the recognition of revenues and expenses on film production and distribution agreements, the performance of films, the viability of new businesses and products, including the transition to digital systems, and fluctuations in foreign currency and in the large format and general commercial exhibition market. These factors and other risks and uncertainties are discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2005 and in the subsequent reports filed by the Company with the Securities and Exchange Commission including the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2006, scheduled to be filed on November 9, 2006.*



For additional information please contact:

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**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**In accordance with United States Generally Accepted Accounting Principles**  
*(in thousands of U.S. dollars, except per share amounts)*  
**(unaudited)**

	<u>Three months ended</u>		<u>Nine months ended</u>	
	<u>September 30,</u>		<u>September 30,</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b>Revenue</b>				
IMAX systems	\$ 7,319	\$ 20,236	\$ 40,669	\$ 62,657
Films	7,671	8,047	26,363	18,295
Theater operations	4,726	4,311	12,434	12,325
Other	1,010	780	3,076	2,343
	<u>20,726</u>	<u>33,374</u>	<u>82,542</u>	<u>95,620</u>
<b>Costs of goods and services</b>	<u>14,537</u>	<u>17,600</u>	<u>52,468</u>	<u>47,832</u>
<b>Gross margin</b>	6,189	15,774	30,074	47,788
Selling, general and administrative expenses	9,998	8,966	29,954	29,021
Research and development	878	890	2,457	2,429
Amortization of intangibles	132	164	456	481
Receivable provisions, net of (recoveries)	359	(310)	250	(468)
<b>Earnings (loss) from operations</b>	<u>(5,178)</u>	<u>6,064</u>	<u>(3,043)</u>	<u>16,325</u>
Interest income	227	243	760	741
Interest expense	(4,379)	(4,185)	(12,784)	(12,584)
<b>Net earnings (loss) from continuing operations before income taxes</b>	<u>(9,330)</u>	<u>2,122</u>	<u>(15,067)</u>	<u>4,482</u>
Provision for income taxes	(1,784)	(202)	(634)	(681)
<b>Net earnings (loss) from continuing operations</b>	<u>(11,114)</u>	<u>1,920</u>	<u>(15,701)</u>	<u>3,801</u>
Net earnings (loss) from discontinued operations	(875)	360	1,425	786
<b>Net earnings (loss)</b>	<u>\$ (11,989)</u>	<u>\$ 2,280</u>	<u>\$ (14,276)</u>	<u>\$ 4,587</u>
<b>Earnings (loss) per share:</b>				
Earnings (loss) per share — basic:				
Net earnings (loss) from continuing operations	\$ (0.28)	\$ 0.05	\$ (0.39)	\$ 0.10
Net earnings (loss) from discontinued operations	\$ (0.02)	\$ 0.01	\$ 0.04	\$ 0.02
Net earnings (loss)	<u>\$ (0.30)</u>	<u>\$ 0.06</u>	<u>\$ (0.35)</u>	<u>\$ 0.12</u>
Earnings (loss) per share — diluted:				
Net earnings (loss) from continuing operations	\$ (0.28)	\$ 0.04	\$ (0.39)	\$ 0.09
Net earnings (loss) from discontinued operations	\$ (0.02)	\$ 0.01	\$ 0.04	\$ 0.02
Net earnings (loss)	<u>\$ (0.30)</u>	<u>\$ 0.05</u>	<u>\$ (0.35)</u>	<u>\$ 0.11</u>
Weighted average number of shares outstanding (000's):				
Basic	40,286	40,025	40,265	39,800
Diluted	40,286	42,218	40,265	42,026
<b>Additional disclosure:</b>				
Depreciation and amortization <sup>1</sup>	5,127	4,241	13,888	11,490

(1) Includes \$0.3 million and \$0.9 million in amortization of deferred financing costs charged to interest expense for the three and nine months ended September 30, 2006 (2005 — \$0.3 million, \$0.9 million)

**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**In accordance with United States Generally Accepted Accounting Principles**  
*(in thousands of U.S. dollars)*

	<u>September 30,</u> <u>2006</u> <u>(unaudited)</u>	<u>December 31,</u> <u>2005</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 22,001	\$ 24,324
Short-term investments	4,219	8,171
Accounts receivable, net of allowance for doubtful accounts of \$7,201 (2005 — \$5,892)	32,092	26,165
Financing receivables	62,529	63,006
Inventories	33,110	28,294
Prepaid expenses	4,389	3,825
Film assets	2,946	3,329
Fixed assets	25,619	26,780
Other assets	8,023	11,618
Deferred income taxes	6,171	6,171
Goodwill	39,027	39,027
Other intangible assets	2,619	2,701
Total assets	<u>\$ 242,745</u>	<u>\$ 243,411</u>
<b>Liabilities</b>		
Accounts payable	\$ 9,469	\$ 6,935
Accrued liabilities	54,808	55,122
Deferred revenue	51,258	44,397
Senior Notes due 2010	160,000	160,000
Total liabilities	<u>275,535</u>	<u>266,454</u>
<b>Shareholders' equity (deficit)</b>		
Capital stock Common shares — no par value. Authorized — unlimited number. Issued and outstanding — 40,285,574 (2005 — 40,213,542)	121,960	121,674
Other equity	3,249	1,758
Deficit	(158,623)	(144,347)
Accumulated other comprehensive income (loss)	624	(2,128)
Total shareholders' deficit	<u>(32,790)</u>	<u>(23,043)</u>
Total liabilities and shareholders' equity (deficit)	<u>\$ 242,745</u>	<u>\$ 243,411</u>

The logo features the word "IMAX" in a large, bold, blue, sans-serif font with a slight 3D effect. Below it, the phrase "think big" is written in a smaller, white, lowercase, sans-serif font. A registered trademark symbol (®) is positioned to the upper right of the word "big". The entire logo is centered on a dark blue background with a subtle, pixelated or mosaic-like texture.

**IMAX**  
**think big**<sup>®</sup>

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This presentation may contain "forward-looking statements" including, but are not limited to, references to future capital expenditures, business and technology strategies and measures to implement strategies, competitive strengths, goals, expansion and growth of business and operations, plans and references to the future success of the Company and expectations regarding the Company's future operating results. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. However, actual results and developments are subject to a number of risks and uncertainties, including, but not limited to, general economic, market or business conditions; the opportunities (or lack thereof) that may be presented to and pursued by the Company; competitive actions by other companies; conditions in the in-home and out-of-home entertainment industries; changes in laws or regulations; conditions and developments in the commercial exhibition industry; the acceptance of the Company's new technologies; risks associated with investments and operations in foreign jurisdictions and any future international expansion, including those related to economic, political and regulatory policies of local governments and laws and policies of the United States and Canada; the potential impact of increased competition in the markets the Company operates within; and other factors, many of which are beyond the control of the Company. All of the forward-looking statements made in this presentation are qualified by these cautionary statements, and actual results or anticipated developments by the Company may not be realized, and even if substantially realized, may not have the expected consequences to, or effects on, the Company. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise. These and other risk factors are discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2005, and in the subsequent reports filed by the Company with the Securities and Exchange Commission.

**think big.**



**IMAX**

Transition to Digital

**think big.**

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- Why now
- Why digital should be a good thing for IMAX
- What technology we intend to use
- Timeline
- How much it should cost and how it gets paid for
- Summary





*Why Now*

We believe it will soon be possible for IMAX Corporation to put a digital image on an IMAX screen that is consistent with our corporate mission of delivering the best out-of-home entertainment experiences in movie theatres.

We believe we will be able to do this by using a combination of existing technologies such as the existing Sony 4K light engine in combination with IMAX IP that has been developed over the past several years.

We are targeting the launch of the Digital IMAX product in the second half of '08.

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*Why is Going to Digital a Good Thing for IMAX?*

- In the IMAX Business Model the single largest expense in releasing an IMAX film is not the conversion cost (DMR) or the marketing expense, but the print cost which ranges from \$22.5K per 2D film to \$45K per 3D film
- Lower Print Costs —————> More profitability for the studios
  - > More film supplied to theatres
  - > Higher aggregate revenue and profitability to our theatre customers
  - > Should benefit IMAX through more system sales, greater participation in theatre success through JV's and greater participation in studio revenues (DMR fees).

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*Why is Going to Digital a Good Thing for IMAX?*

**INDICATIVE EXAMPLE**

Studio Economics (2D Film @ 100 Theatres)      Studio Economics (Digital @ 100 theatres)

Box Office	\$16.0MM	\$16.0MM
Retention	8.8MM	\$ 8.8MM
Marketing Expense	(0.5MM)	(0.5MM)
<b>Print Expense</b>	<b>(2.2MM)</b>	<b>(0.1MM)</b>
IMAX Participation	(2.0MM)	(2.0MM)
	=====	=====
Profit	\$ 4.1MM	\$ 6.2MM

**Reducing print costs increases studio gross margins by almost 50%**

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- Two 4K Sony Projectors
- High bandwidth (~ 3X) – virtually lossless
- Custom large field of view lens design
- IMAX Image Enhancement Engine (IP)
  - Contrast
  - Brightness/ Color saturation
- Screen management system
  - Interfaces with central theatre management systems

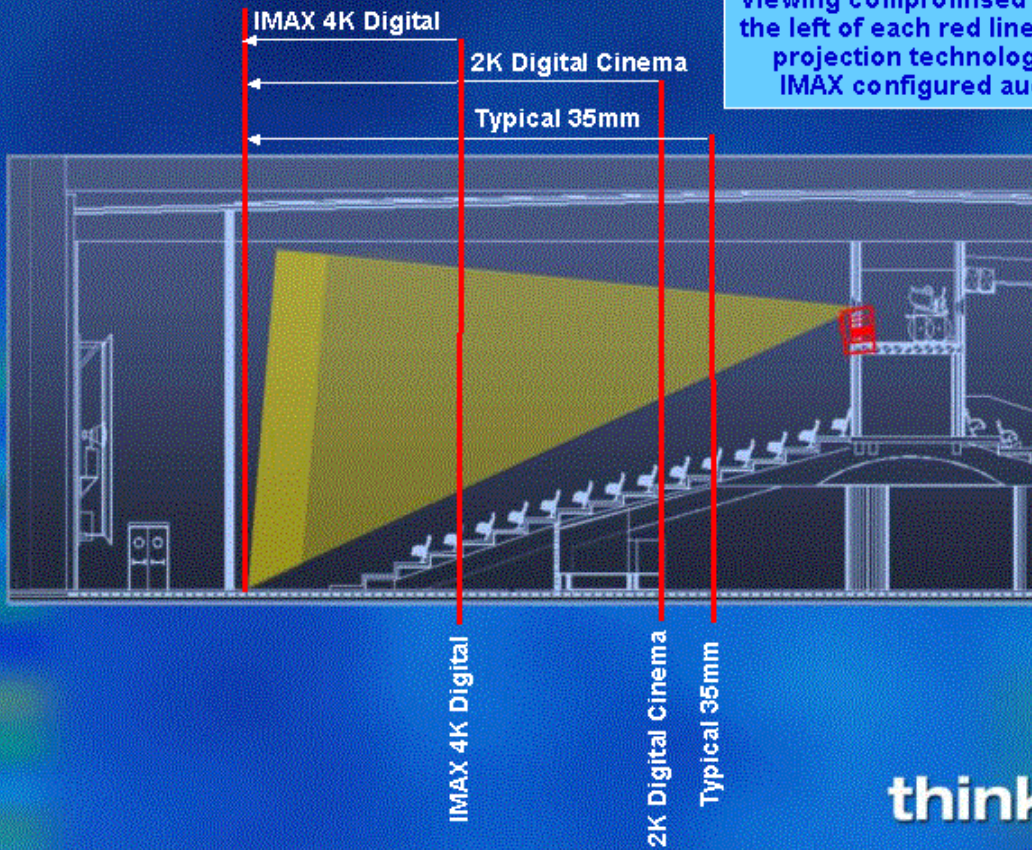
**Ability to light-up an IMAX-sized screen  
with IMAX's unique geometry without  
image breakdown (to visible pixels).**



# IMAX

## Resolution Parameters

Viewing compromised for seats to the left of each red line for varying projection technologies in an IMAX configured auditorium



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## IMAX Anticipated Digital Timeline

Activity	2006	2007				2008			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IMAX Lens Development ( 3 models)	→				→				
Projector	→				→				
IMAX Server (high bandwidth)	→				→				
IMAX Screen Management System (SMS)	→				→				
IMAX DCI Security Enclosure	→				→				
IMAX Image Enhancement Engine	→				→				
IMAX Digital Sound System	→				→				
Regulatory/Safety Approvals					→				
Field Pilot Testing (5 sites)						→	→		
DCI Certification							→	→	
Product Launch								→	→

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- Upgrade path / Swap-outs
- Virtual Print Fees
  - Why they should appeal to the studios
- Accounting implications



- Two 4K light engines combined with IMAX IP
- Mid-2008 launch
- Expected R&D costs of \$12MM
- Studios should have lower costs
- Theatres should benefit from more films and more programming flexibility
- IMAX should sell more systems and benefit from higher DMR fees



**IMAX**

## Joint Ventures

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*We expect:*

- Faster growth of network
- Lower capital cost to exhibitors
- Greater recurring revenues
- Higher DMR revenues
- Very good return on capital

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- IMAX contributes the system
- Exhibitor funds retrofit costs
- Recoupment corridor to breakeven
- 50/50 profit split
- Cannibalization issues





*Existing Exhibitor Model*

<u>Investment</u>	<u>IMAX</u>	<u>Exhibitor</u>	<u>Venture</u>
System Costs	\$700K		
Retrofit Costs		\$275K	
Total			\$975K
 <u>Revenues</u>			
Revenue Recoupment %	75%	25%	
Recoupment % Post Breakeven	50%	50%	
Incremental Revenues			\$380K
Incremental Costs			\$75K
Cash-on-Cash Returns to venture			32%

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*Pro Forma MPX JV Based on  
Historical Actual Film Results*

Assumptions

Investment of \$950K;

- \$700K IMAX
- \$250K Exhibitor

Deal Structure

- 75/25 to recoupment
- 50/50 thereafter

Cannibalization @ 15%

Number of Films

- 3 2D @ \$92K per Run
- 3 2D @ \$132K per Run
- 3 3D @ \$150K per Run
- 3 3D @ \$270K per Run

MPX Theatre IRR's (to Venture)

33%

All Theatre IRR's (to Venture)

58%

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## *DMR Revenue per Theatre*

- Three 2D and three 3D films per year
- Based on actual DMR performance
- Assumed \$90K per theatre per year in film revenue to IMAX based on historical averages

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*Rollout Plan*

TBD

	<u>07</u>	<u>08</u>	<u>09</u>	<u>2010</u>
JV Signings	20	30	40	50
JV Installations	10	18	42	48
Cumulative JV's	15	33	75	123

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- IMAX \$25M cash plus assumed continued \$26M undrawn Senior Line
- Special purpose facility
- After established track record, many financing alternatives

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