

The IMAX logo is rendered in a bold, white, sans-serif font. The letters are thick and blocky, with a registered trademark symbol (®) positioned at the top right of the 'X'. The logo is set against a dark blue background that features a perspective view of a hallway with light rays streaming in from the left, creating a sense of depth and movement.

# IMAX<sup>®</sup>

2019 Guidance

As of April 26<sup>th</sup> 2019

## Forward-Looking Statements

*This presentation contains forward looking statements that are based on IMAX 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, but are not limited to, references to future capital expenditures (including the amount and nature thereof), business and technology strategies and measures to implement strategies, competitive strengths, goals, expansion and growth of business, operations and technology, plans and references to the future success of IMAX Corporation together with its consolidated subsidiaries (the "Company") and expectations regarding the Company's future operating, financial and technological 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, whether actual results and developments will conform with the expectations and predictions of the Company is subject to a number of risks and uncertainties, including, but not limited to, 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; risks related to the Company's growth and operations in China; the performance of IMAX DMR films; the signing of theater system agreements; conditions, changes and developments in the commercial exhibition industry; risks related to currency fluctuations; the potential impact of increased competition in the markets within which the Company operates; competitive actions by other companies; the failure to respond to change and advancements in digital technology; risks relating to recent consolidation among commercial exhibitors and studios; risks related to new business initiatives; conditions in the in-home and out-of-home entertainment industries; the opportunities (or lack thereof) that may be presented to and pursued by the Company; risks related to cyber-security and data privacy; risks related to the Company's inability to protect the Company's intellectual property; general economic, market or business conditions; the failure to convert theater system backlog into revenue; changes in laws or regulations; the failure to fully realize the projected cost savings and benefits from any of the Company's restructuring initiatives; and other factors, many of which are beyond the control of the Company. These factors, other risks and uncertainties and financial details are discussed in IMAX's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. The Company undertakes no obligation to update publicly or otherwise revise any forward looking statements, whether as a result of new information, future events or otherwise.*

# IMAX Guidance as of April 26<sup>th</sup> 2019\*

## Business Guidance

- Expect total operating expenses (R&D plus SG&A, ex stock based compensation) to be approximately flat vs. 2018
- Expect full year SG&A related 2019 stock based compensation of approximately \$22.5M
- Given the discrete tax charges in Q1, we now expect the 2019 effective tax rate to be approximately 23%
- Now expect to generate roughly \$3.0M of revenue from our Consumer Electronics business during 2019
  - Given the licensing nature of this business, we anticipate close to full margin on this revenue

## Installations

- Expect to install approximately 185 to 190 total theatre systems in 2019
  - Expect to install approximately 140 to 145 new systems and anticipate the mix and timing to follow historical patterns
  - In Q2 2019, we expect to install seven sales type installations
- In addition to new installations, the Company anticipates upgrading approximately 45 theatres to IMAX with Laser in 2019
  - Expect five of the upgrades to come with full sales type margin and be installed in the back half of the year
- Between new theatres and upgrades we expect approximately 140 new IMAX with Laser systems to be in service by year-end 2019

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