

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On March 10, 2005, IMAX Corporation (the "Company") issued a press release announcing the Company's financial and operating results for the year ended December 31, 2004, a copy of which is attached as Exhibit 99.1.

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, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) EXHIBITS

EXHIBIT NO.	DESCRIPTION
99.1	Press Release dated March 10, 2005

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: March 10, 2005

By: "Richard L. Gelfond"

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

IMAX CORPORATION

Exhibit 99.1

[IMAX LOGO]

IMAX CORPORATION

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IMAX CORPORATION REPORTS FOURTH QUARTER AND FULL-YEAR 2004 FINANCIAL RESULTS

HIGHLIGHTS

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- - Company exceeds expectations for 2004, reporting net earnings of \$0.26 per share, after bond refinancing costs, and raises 2005 earnings outlook to \$0.35-\$0.38 per share.
- - Company signs contracts for 36 theatre systems in 2004, the best year since 1999, and exceeds guidance of 30-35 signings.
- - The Polar Express: An IMAX(R) 3D Experience, sets numerous IMAX DMR(R) box office records, pulling in nearly \$45 million world-wide to date.
- - 2005 film slate is best in Company history with three IMAX DMR releases already committed, beginning with Twentieth Century Fox's Robots: The IMAX Experience, opening tomorrow.

TORONTO - March 10, 2005 - IMAX Corporation (NASDAQ: IMAX; TSX: IMX) today reported net earnings of \$0.26 per diluted share for the year ended December 31, 2004, ahead of the Company's previous guidance for net earnings of \$0.23 per share, both after deducting \$0.02 per share in bond refinancing costs. This compares to net earnings of \$0.01 per diluted share reported in the prior year. Excluding bond refinancing costs of \$0.02 per share, net earnings from continuing operations were \$0.26 per diluted share for the year ended December 31, 2004. This compares to net earnings from continuing operations of \$0.14 per diluted share for the year ended December 31, 2003, which exclude \$0.13 per share of debt repurchase and refinancing costs.

For the three months ended December 31, 2004, the Company reported net earnings of \$0.19 per diluted share, compared to a net loss of \$0.01 per diluted share for the year-ago period. Excluding bond refinancing costs, net earnings from continuing operations were \$0.19 per diluted share for the three months ended December 31, 2004 as compared to \$0.09 per diluted share for the three months ended December 31, 2003.

"The year 2004 was a watershed for IMAX, as we significantly grew the commercial IMAX(R) theatre network and established it as a valuable new distribution platform for Hollywood event films," said IMAX Co-Chief

Executive Officers Richard L. Gelfond and Bradley J. Wechsler. "Last year we achieved all of our key strategic goals, and that has started to translate into positive financial results, with 2004 earnings beating expectations and showing significant improvement over 2003. Given the strong start to the first quarter of 2005, we are increasingly confident that our growth will continue to accelerate, prompting today's upward revision to our 2005 estimates."

From the first installation of IMAX's new projection system, the IMAX(R) MPX(TM), in June 2004, until year-end, the Company signed agreements for 29 IMAX theatre systems, more than for all of 2003. For the full year 2004, the Company signed contracts for 36 theatre systems, up 44% from the 25 signings reported in 2003. The best for a single year since 1999, these signings comprise agreements with some of the top-ten domestic exhibitors, and include contracts for 22 IMAX MPX systems. During the year, the Company signed multi-theatre agreements with Cinemark USA Inc. and National Amusements Inc., the third and sixth largest domestic theatre operators, respectively.

During the fourth quarter, the Company signed contracts for 11 theatre systems, including two multi-theatre agreements to install IMAX systems in The People's Republic of China. A six-theatre deal with Lark International Multimedia, the parent of Studio City Cinema Holdings and UA Cinemas, which operates over 55 multiplexes in China, marks the largest multi-theatre deal IMAX has ever signed in Asia. Also during the quarter, IMAX signed agreements in China with an institutional entity of the Chongqing municipal government for three IMAX theatre systems, one of which is an IMAX MPX system, and with the CAAC Museum in Beijing for an IMAX theatre system. Suvar-Kazan Company Ltd., the leading exhibitor in Kazan, became the third Russian exhibitor to sign an IMAX MPX deal in 2004. Cinepolis, the largest operator in Latin America, also announced plans to accelerate the delivery of its remaining two IMAX systems, from 2006/2007 to 2005.

Continued Messrs. Gelfond and Wechsler, "Our recent multiplex deals reflect accelerating interest in IMAX from commercial exhibitors around the world, confirming that the IMAX MPX economic model is compelling for theatre operators. Hollywood movies in IMAX's format are also posting consistently impressive numbers, providing added incentive for multiplex operators to enter the IMAX business."

On the heels of 2004 box office successes NASCAR 3D: The IMAX Experience and Harry Potter and the Prisoner of Azkaban: The IMAX Experience, the Company released the first-ever Hollywood feature film converted into IMAX(R) 3D. Warner Bros. Pictures' The Polar Express: An IMAX 3D Experience opened on November 10 to sell-out shows across the country, garnered rave reviews, and quickly went on to break numerous box office records for an IMAX film. This new holiday classic grossed approximately \$35 million domestically on only about 60 IMAX screens, and approximately \$10 million internationally on just 20 IMAX screens, bringing the per-screen gross from this one film to over \$500,000.

"The Polar Express: An IMAX 3D Experience surpassed all of our expectations and is the best evidence to date that releasing a film in IMAX's format is a 'win' for IMAX, IMAX theatres, the studios, and movie fans who are happy to pay a premium price for The IMAX Experience(R). The \$500,000 per-screen generated by the film, combined with our other 2004 releases, demonstrated to commercial exhibitors that our films can generate more than the \$1 million in revenue per year modelled to achieve a three-year payback on an IMAX MPX retrofit investment," concluded Messrs. Gelfond and Wechsler."

Just two months into the year, the Company already has in place agreements for day-and-date releases of three IMAX DMR films in 2005, as many as were released for all of 2004. These include Twentieth Century Fox's Robots on March 11 and Warner Bros. Studios' Batman Begins (June 17) and Charlie and the Chocolate Factory (July 15). The 2005 film slate for IMAX theatres also includes two original 3D films: Disney's Aliens of the Deep, released on January 28, and an original IMAX and Playtone production, Magnificent Desolation: Walking on the Moon 3D, produced and written by Tom Hanks, to be released in September.

For the twelve months ended December 31, 2004, the Company's consolidated revenues were \$136.0 million, a 14% increase from consolidated revenues of \$119.3 million reported for 2003. IMAX Systems revenue was \$86.6 million versus \$75.8 million for 2003, as the Company recognised revenue on 22 theatre systems versus 21 in 2003, one of which was an operating lease. Film revenue for the year was \$27.9 million versus \$25.8 million last year, helped by the success of The Polar Express: An IMAX 3D Experience in the fourth quarter of the year. Theatre Operations revenue increased to \$17.4 million from \$13.1 million, as the performance of the Company's seven owned and operated theatres improved significantly. Other revenues decreased to \$4.1 million in 2004 from \$4.5 million last year. The Company also increased its cash position to \$29.0 million at December 31, 2004 from an ending cash position of \$23.0 million at December 31, 2003, net of cash used to retire \$29.2 million of principal of the Company's Old Senior Notes in the first two weeks of 2004.

Earnings from operations increased 43% to \$25.8 million from \$18.1 million reported in 2003, and gross margin improved five percentage points to 48% in 2004. Excluding bond refinancing costs of \$0.02 per share, net earnings from continuing operations were \$0.26 per diluted share for the year ended December 31, 2004. This compares to net earnings from continuing operations of \$0.14 per diluted share for the year ended December 31, 2003, which exclude \$0.13 per share of debt repurchase and refinancing costs.

In the fourth quarter, the Company's consolidated revenues were \$47.5 million as compared to \$29.9 million in the prior year period. Systems revenue was \$28.8 million versus \$19.9 million in the prior year period, with the Company recognising revenue on nine theatre systems versus six theatre systems in the year-ago period. Film revenue was \$10.7 million, as compared to \$6.2 million for the three months ended December 31, 2003. Theatre Operations revenue was \$6.2 million for the three months ended December 31, 2004, as compared to \$3.0 million in the same period last year. Other revenues increased to \$1.8 million from \$0.8 million in the same period last year. The Company took an \$0.8 million write-down on its camera rental assets during the quarter, which equated to approximately \$0.02 per diluted share.

Under the applicable requirements of Section 404 of the Sarbanes-Oxley Act, IMAX expects to report when its 10-K is filed, that its internal controls over financial reporting are effective as of December 31, 2004.

The Company will host a conference call to discuss these results at 10:30 AM ET. To access the call interested parties should call (913) 981-4902 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 1277408.

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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 December 31, 2004, there were 248 IMAX theatres operating in more than 35 countries.

IMAX(R), IMAX(R) 3D, IMAX DMR(R), IMAX(R) MPX(TM), and The IMAX Experience(R) are trademarks of IMAX Corporation. More information on the Company can be found at www.imax.com.

IMAX CORPORATION
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)

	THREE MONTHS ENDED DECEMBER 31,		YEARS ENDED DECEMBER 31,	
	2004	2003	2004	2003
REVENUE				
IMAX systems	\$ 28,759	\$ 19,934	\$ 86,570	\$ 75,848
Films	10,721	6,233	27,887	25,803
Theater operations	6,212	2,967	17,415	13,109
Other	1,832	799	4,108	4,500
	47,524	29,933	135,980	119,260
COSTS OF GOODS AND SERVICES	23,048	17,931	70,062	67,283
GROSS MARGIN	24,476	12,002	65,918	51,977
Selling, general and administrative expenses	11,525	8,448	36,066	33,312
Research and development	961	961	3,995	3,794
Amortization of intangibles	174	101	719	573
Income from equity-accounted investees	--	(1,995)	--	(2,496)
Receivable provisions net of (recoveries)	(522)	(2,489)	(1,487)	(2,225)
Restructuring costs and asset impairments	848	969	848	969
EARNINGS FROM OPERATIONS	11,490	6,007	25,777	18,050
Interest income	92	140	756	656
Interest expense	(4,287)	(3,907)	(16,853)	(15,856)
Loss on retirement of notes	--	(4,577)	(784)	(4,910)
Recovery of long-term investments	293	1,538	293	1,892
EARNINGS (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	7,588	(799)	9,189	(168)
Recovery of (provision for) income taxes	--	(14)	255	386
NET EARNINGS (LOSS) FROM CONTINUING OPERATIONS	7,588	(813)	9,444	218
Net earnings from discontinued operations	200	488	800	195
Net earnings (loss) before cumulative effect of changes in accounting principles	7,788	(325)	10,244	413
Cumulative effect of changes in accounting principles	--	(182)	--	(182)
NET EARNINGS (LOSS)	\$ 7,788	\$ (507)	\$ 10,244	\$ 231
EARNINGS (LOSS) PER SHARE:				
Earnings (loss) per share - basic:				
Net earnings (loss) from continuing operations	\$ 0.19	\$ (0.02)	\$ 0.24	\$ 0.01
Net earnings from discontinued operations	\$ 0.01	\$ 0.01	\$ 0.02	\$ --
Net earnings (loss) before cumulative effect of changes in accounting principles	0.20	(0.01)	0.26	0.01
Cumulative effect of changes in accounting principles	--	--	--	--
Net earnings (loss)	\$ 0.20	\$ (0.01)	\$ 0.26	\$ 0.01
Earnings (loss) per share - diluted:				
Net earnings (loss) from continuing operations	\$ 0.19	\$ (0.02)	\$ 0.24	\$ 0.01
Net earnings (loss) from discontinued operations	\$ --	\$ 0.01	\$ 0.02	\$ --
Net earnings (loss) before cumulative effect of changes in accounting principles	0.19	(0.01)	0.26	0.01
Cumulative effect of changes in accounting principles	--	--	--	--
Net earnings (loss)	\$ 0.19	\$ (0.01)	\$ 0.26	\$ 0.01
Weighted average number of shares outstanding (000's):				
Basic	39,339	38,843	39,317	35,663
Diluted	40,786	40,317	39,980	36,431
Additional disclosure:				
Depreciation and amortization (1)	\$ 4,410	\$ 4,111	\$ 14,947	\$ 12,355

(1) Includes \$0.4 million and \$1.2 million in amortization of deferred

financing costs charged to interest expense for the three and twelve months ended December 31, 2004 (2003 - \$0.2 million, \$0.7 million)

IMAX CORPORATION
CONSOLIDATED BALANCE SHEETS
IN ACCORDANCE WITH UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES
(In thousands of U.S. dollars)
(UNAUDITED)

	AS AT DECEMBER 31,	
	2004	2003
ASSETS		
Cash and cash equivalents	\$ 28,964	\$ 47,282
Restricted cash	--	4,961
Accounts receivable, net of allowance for doubtful accounts of \$8,390 (2003 - \$7,278)	19,899	13,887
Financing receivables	59,492	56,742
Inventories	29,001	28,218
Prepaid expenses	2,279	1,902
Film assets	871	1,568
Fixed assets	28,712	35,818
Other assets	13,377	13,827
Deferred income taxes	6,171	5,028
Goodwill	39,027	39,027
Other intangible assets	3,060	3,388
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Total assets	\$ 230,853	\$ 251,648
	=====	=====
LIABILITIES		
Accounts payable	\$ 5,827	\$ 5,780
Accrued liabilities	56,897	45,066
Deferred revenue	50,505	63,344
Senior Notes due 2010	160,000	160,000
Old Senior Notes due 2005	--	29,234
	-----	-----
Total liabilities	273,229	303,424
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SHAREHOLDERS' EQUITY (DEFICIT)		
Capital stock Common shares - no par value.		
Authorized - unlimited number.		
Issued and outstanding - 39,446,964 (2003 - 39,301,758)	116,281	115,609
Other equity	3,227	3,159
Deficit	(160,945)	(171,189)
Accumulated other comprehensive income (loss)	(939)	645
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Total shareholders' deficit	(42,376)	(51,776)
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Total liabilities and shareholders' equity (deficit)	\$ 230,853	\$ 251,648
	=====	=====

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 deliveries, 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, 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, 2003 and in the subsequent reports filed by the Company with the Securities and Exchange Commission.

For additional information please contact:

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