IMAX®

Fourth Quarter and Full Year 2017 Results

February 27, 2018

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; 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 the Company's restructuring initiative; 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.

Use of Non-GAAP Financial Information

In this presentation, the Company presents adjusted net income, adjusted net income per diluted share, adjusted net income attributable to common shareholders and adjusted net income attributable to common shareholders per diluted share as supplemental measures of performance of the Company, which are not recognized under U.S. GAAP. The Company presents adjusted net income and adjusted net income per diluted share because it believes that they are important supplemental measures of its comparable controllable operating performance and it wants to ensure that its investors fully understand the impact of its stock-based compensation and non-recurring exit costs, restructuring charges and associated impairments and the related tax impact of these adjustments and tax charge from the provisional re-measurement of U.S. deferred tax assets and liabilities given changes enacted by the Tax Act on net income. In addition, the Company presents adjusted net income attributable to common shareholders and adjusted net income attributable to common shareholders per diluted share because it believes that they are important supplemental measures of its comparable financial results and our non-controlling interests could potentially distort the analysis of trends in business performance and it wants to ensure that its investors fully understand the impact of net income attributable to non-controlling interests and its stock-based compensation and non-recurring exit costs, restructuring charges and associated impairments and the related tax impact of these adjustments and tax charge from the provisional re-measurement of U.S. deferred tax assets and liabilities given changes enacted by the Tax Act in determining net income attributable to common shareholders. The Company also presents EBITDA, as defined in its credit facility (and which is referred to herein as "Adjusted EBITDA per Credit Facility" or "Adjusted EBITDA per Credit Facility excluding "Marvel's Inhumans," as the credit agreement includes additional adjustments beyond interest, taxes, depreciation and amortization). Management uses these measures to review operating performance on a comparable basis from period to period. However, these non-GAAP measures may not be comparable to similarly titled amounts reported by other companies. Adjusted net income, adjusted net income per diluted share, adjusted net income attributable to common shareholders, adjusted net income attributable to common shareholders per diluted share, Adjusted EBITDA per Credit Facility and Adjusted EBITDA per Credit Facility excluding "Marvel's Inhumans" should be considered in addition to, and not as a substitute for, net income and net income attributable to common shareholders and other measures of financial performance reported in accordance with U.S. GAAP. Definitions of these non-GAAP financial measures and reconciliations to the most directly comparable GAAP financial measures are included elsewhere in this presentation.

Network Business Highlights – Q4 and Full Year 2017

Box Office (M's)

	Q4 2017	Q4 2016	FY 2017	FY 2016
Global	**$ 278**	**$ 247**	**$ 977**	**$ 966**
Domestic	117	101	358	369
Greater China	63	60	291	296
Other Intl.	98	86	328	301

Per Screen Average (000's)

	Q4 2017	Q4 2016	FY 2017	FY 2016
Global	**$ 227**	**$ 233**	**$ 838**	**$ 964**
Domestic	286	255	883	935
Greater China	131	168	666	935
Other Intl.	294	281	1,014	1,037

- Global take rate was 19.3% and 18.8% in Q4 and FY 2017, respectively, vs. 19.3% and 19.1% in Q4 and FY 2016
- 20 and 60 new DMR films released in Q4 and FY 2017, respectively, vs. 17 and 51 films released in Q4 and FY 2016

Theatre Business Highlights – Q4 and Full Year 2017

	Signings		Installations		Backlog	
	Q4 2017	Q4 2016	Q4 2017	Q4 2016	Q4 2017	Q4 2016
STL	18	9	24	23	161	140
JRSA	4	15	35	34	212	263
Hybrid JRSA	1	-	10	12	121	92
Total New	**23**	**24**	**69**	**69**	**494**	**495**
Upgrades	3	2	1	3	5	3
Total Theatres	**26**	**26**	**70**	**72**[1]	**499**	**498**

	Signings		Installations		Backlog	
	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016
STL	85	61	60	56	161	140
JRSA	35	246	86	76	212	263
Hybrid JRSA	50	7	19	33	121	92
Total New	**170**	**314**	**165**	**165**	**494**	**495**
Upgrades	7	5	5	16	5	3
Total Theatres	**177**	**319**	**170**	**181**[1]	**499**	**498**

(1) Excludes the installation of one operating lease arrangement

Q4 2017 Core Business and New Initiative Reconciliation

Q4 2017	Core Business[1]	New Business[2]	Non-Controlling Interest	IMAX Condolidated[3]
Revenue	$112.6	$13.0	-	$125.6
Gross Margin	62.8	-2.7	-	60.1
SG&A (excl. SBC)	19.3	1.8	-	21.1
Stock-Based Comp	4.2	-	-	4.2
R&D	3.7	2.5	-	6.2
Operating Expenses[4]	23.1	4.3	-	27.4
Exit costs, restructuring costs & associated impairments	2.5	-	-	2.5
Income from Operations	31.7	-7.0	-	24.7
Adj. Net Income	30.7	-5.0[6]	-3.9	21.8
Adj. EBITDA per Credit Facility	$56.0	$6.9	-$7.1	$55.8
Adj. EBITDA per Credit Facility, excluding impact from "Marvel's Inhumans"[5]	$56.0	-$6.5	-$7.1	$42.4

(1) Core Business includes the Network Business, Theatre Business, distribution and theatre operations.
(2) New Business includes Episodic activity for "*Marvel's Inhumans*", Home/TCL and the VR initiative.
(3) Totals may not foot due to rounding
(4) Includes SG&A plus R&D, excluding stock-based compensation.
(5) Please see appendix for details regarding non-GAAP adjustments and for the definition and reconciliation of Adjusted EBITDA as calculated in accordance with the Company's credit facility. Pursuant to the terms of the Company's Credit Agreement, impairment and amortization expenses associated with "Marvel's Inhumans", are treated as add-backs in determining Adjusted EBITDA. However, the Company believes that excluding the impact of its investment in "Marvel's Inhumans" provides a more meaningful evaluation of the Company's Adjusted EBITDA, and thus is presenting both metrics to facilitate comparisons against future and prior periods.
(6) Assumes effective tax rate of 28%.

Q4 2016 Core Business and New Initiative Reconciliation

Q4 2016	Core Business[1]	New Business[2]	Non-Controlling Interest	IMAX Condolidated[3]
Revenue	$106.8	$0.1	-	$106.9
Gross Margin	56.7	-1.3	-	55.3
SG&A (excl. SBC)	23.4	0.6	-	24.0
Stock-Based Comp	8.0	-	-	8.0
R&D	3.6	1.1	-	4.7
Operating Expenses [4]	27.0	1.7	-	28.7
Exit costs, restructuring costs & associated impairments	-	-	-	-
Income from Operations	21.5	-3.0	-	18.5
Adj. Net Income	19.8	-2.2 [6]	-3.1	14.5
Adj. EBITDA per Credit Facility[5]	$45.5	-$2.8	-$5.8	$36.9

(1) Core Business includes the Network Business, Theatre Business, distribution and theatre operations.
(2) New Business includes Episodic activity for "*Marvel's Inhumans*", Home/TCL, IMAX Shift and the VR initiative.
(3) Totals may not foot due to rounding
(4) Includes SG&A plus R&D, excluding stock-based compensation.
(5) Please see appendix for details regarding non-GAAP adjustments and for the definition and reconciliation of Adjusted EBITDA as calculated in accordance with the Company's credit facility.
(6) Assumes effective tax rate of 28%.

FY 2017 Core Business and New Initiative Reconciliation

FY 2017	Core Business[1]	New Business[2]	Non-Controlling Interest	IMAX Condolidated[3]
Revenue	$356.3	$24.5	-	$380.8
Gross Margin	201.4	-16.2	-	185.2
SG&A (excl. SBC)	86.3	3.7	-	90.0
Stock-Based Comp	20.4	-	-	20.4
R&D	13.4	7.5	-	20.9
Operating Expenses[4]	99.7	11.2	-	110.9
Exit costs, restructuring costs & associated impairments	12.8	3.4	-	16.2
Income from Operations	62.4	-31.5	-	30.9
Adj. Net Income	74.2	-22.7[6]	-11.0	40.5
Adj. EBITDA per Credit Facility	$160.8	$0.3	-$22.9	$138.2
Adj. EBITDA per Credit Facility, excluding impact from "Marvel's Inhumans" [5]	$160.8	-$11.7	-$22.9	$126.2

(1) Core Business includes the Network Business, Theatre Business, distribution and theatre operations.
(2) New Business includes Episodic activity for *"Marvel's Inhumans"*, Home/TCL, IMAX Shift and the VR initiative.
(3) Totals may not foot due to rounding
(4) Includes SG&A plus R&D, excluding stock-based compensation.
(5) Please see appendix for details regarding non-GAAP adjustments and for the definition and reconciliation of Adjusted EBITDA as calculated in accordance with the Company's credit facility. Pursuant to the terms of the Company's Credit Agreement, impairment and amortization expenses associated with "Marvel's Inhumans", are treated as add-backs in determining Adjusted EBITDA. However, the Company believes that excluding the impact of its investment in "Marvel's Inhumans" provides a more meaningful evaluation of the Company's Adjusted EBITDA, and thus is presenting both metrics to facilitate comparisons against future and prior periods.
(6) Assumes effective tax rate of 28%.

FY 2016 Core Business and New Initiative Reconciliation

FY 2016	Core Business[1]	New Business[2]	Non-Controlling Interest	IMAX Condolidated[3]
Revenue	$376.7	$0.6	-	$377.3
Gross Margin	204.9	-2.2	-	202.7
SG&A (excl. SBC)	91.9	2.3	-	94.2
Stock-Based Comp	30.5	-	-	30.5
R&D	12.3	4.0	-	16.3
Operating Expenses[4]	104.2	6.3	-	110.5
Exit costs, restructuring costs & associated impairments	-	-	-	-
Income from Operations	68.8	-10.9	-	57.9
Adj. Net Income	68.9	-7.8[6]	-11.1	50.0
Adj. EBITDA per Credit Facility[5]	$149.6	-$8.0	-$19.7	$121.9

(1) Core Business includes the Network Business, Theatre Business, distribution and theatre operations.
(2) New Business includes Episodic activity for "*Marvel's Inhumans*", Home/TCL, IMAX Shift and the VR initiative.
(3) Totals may not foot due to rounding
(4) Includes SG&A plus R&D, excluding stock-based compensation.
(5) Please see appendix for details regarding non-GAAP adjustments and for the definition and reconciliation of Adjusted EBITDA as calculated in accordance with the Company's credit facility.
(6) Assumes effective tax rate of 28%.

Other Financial Highlights – Full Year 2017

Operating Expenses[1]	▪ Total operating expenses were flat year-over-year, of which core operating expenses declined 4%
Effective Tax Rate	▪ 2017 tax rate was 27%[4]
Capital Expenditure[2]	▪ Capital expenditures of \$106.6M in 2017, compared to \$85.3M in the year ago period
Cash Balance	▪ Ended the year with cash balance of \$159M
Net Cash Flow[3]	▪ Net cash flow for 2017 was \$11.8M

(1) Includes SG&A and R&D, and excludes stock-based compensation.
(2) Includes the Company's investment in joint revenue sharing equipment, purchase of property, plant and equipment, other intangible assets and investments in film assets.
(3) Please see appendix for details regarding the definition and calculation of free cash flow.
(4) Excluding the one-time charge resulting from the provisional re-measurement and write-down of the Company's U.S. deferred tax assets and liabilities.

APPENDIX

Q4 2017 Non-GAAP Financial Reconciliation- Adjusted Earnings Per Share

	Quarter Ended December 31,			
	2017		2016	
	Net Income	Diluted EPS	Net Income	Diluted EPS
Reported net income	$ 8,698	$ 0.13	$ 12,076	$ 0.18
Adjustments:				
Stock-based compensation	4,857	0.08	8,038	0.13
Exit costs, restructuring charges and associated impairments	2,479	0.04	-	-
Tax impact on items listed above	360	0.01	(2,389)	(0.04)
Impact of enactment of U.S. Tax Act	9,323	0.14	-	-
Adjusted net income	25,717	0.40	17,725	0.27
Net income attributable to non-controlling interests	(3,867)	(0.06)	(3,131)	(0.05)
Stock-based compensation (net of tax of less than $0.1 million and less than $0.1 million, respectively)	(76)	-	(112)	-
Exit costs, restructuring charges and associated impairments (net of tax of $nil)	(2)	-	-	-
Adjusted net income attributable to common shareholders	$ 21,772	$ 0.34	$ 14,482	$ 0.22
Weighted average diluted shares outstanding		64,790		66,950

FY 2017 Non-GAAP Financial Reconciliation- Adjusted Earnings Per Share

	Year Ended December 31,			
	2017		2016	
	Net Income	Diluted EPS	Net Income	Diluted EPS
Reported net income	$ 12,518	$ 0.19	$ 39,320	$ 0.58
Adjustments:				
Stock-based compensation	22,653	0.35	30,523	0.45
Exit costs, restructuring charges and associated impairments	16,174	0.25	-	-
Tax impact on items listed above	(9,218)	(0.14)	(8,783)	(0.13)
Impact of enactment of U.S. Tax Act	9,323	0.14	-	-
Adjusted net income	51,450	0.79	61,060	0.90
Net income attributable to non-controlling interests	(10,174)	(0.16)	(10,532)	(0.16)
Stock-based compensation (net of tax of $0.2 million, and $0.2 million, respectively)	(620)	(0.01)	(533)	(0.01)
Exit costs, restructuring charges and associated impairments (net of tax of $0.1 million)	(181)	-	-	-
Adjusted net income attributable to common shareholders	$ 40,475	$ 0.62	$ 49,995	$ 0.73
Weighted average diluted shares outstanding		65,540		68,263

Q4 & FY 2017 Non-GAAP Financial Reconciliation- Adjusted EBITDA

(In thousands of U.S. Dollars)	Quarter Ended December 31, 2017	Year Ended December 31, 2017 (1)	Year Ended December 31, 2016
Net income	$ 8,698	$ 12,518	$ 39,320
Add (subtract):			
Provision for income taxes	15,905	16,790	16,212
Interest expense, net of interest income	258	915	315
Depreciation and amortization, including film asset amortization	26,900	66,245	45,953
EBITDA	51,761	96,468	101,800
Exit costs, restructuring charges and associated impairments	2,479	16,174	
Stock and other non-cash compensation	4,802	23,718	31,586
Write-downs, net of recoveries including asset impairments and receivable provisions	3,948	24,015	5,940
(Gain) loss from equity accounted investments	(134)	703	2,321
Adjusted EBITDA before non-controlling interests	62,856	161,078	141,647
Adjusted EBITDA attributable to non-controlling interests(2)	(7,055)	(22,927)	(19,743)
Adjusted EBITDA per Credit Facility	$ 55,801	$ 138,151*	$ 121,904
Adjusted EBITDA per Credit Facility, excluding impact from "*Marvel's Inhumans*"	$ 42,361	$ 126,158*	$ 121,904
Adjusted revenues attributable to common shareholders (3)	$ 113,285	$ 340,460	$ 339,868
Adjusted EBITDA margin, excluding impact from "*Marvel's Inhumans*"	37.4 %	37.1 %	35.9 %

* Adjusted EBITDA per Credit Facility of $138.2 million includes the impact of the Company's investment in "*Marvel's Inhumans*", which resulted in a $13.0 million loss. However, as permitted by the Credit Facility, this loss was offset by addbacks of $13.3 million and $11.7 million for amortization and impairment charges, respectively, relating to the investment, the net effect of which was to increase Adjusted EBITDA per Credit Facility by $12.0 million. This investment represents the Company's first foray into a commercial television property, and therefore the Adjusted EBITDA per Credit Facility metric presented above may not be reflective of the Company's typical operational activity. Further, the Company does not yet know whether it will make similar investments in the future. As a result, the Company is also presenting Adjusted EBITDA per Credit Facility excluding the impact of "*Marvel's Inhumans*" to better facilitate comparisons to prior and future periods.

(1) Ratio of funded debt calculated using twelve months ended EBITDA.

(2) The Adjusted EBITDA calculation specified for purpose of the minimum Adjusted EBITDA covenant excludes the reduction in Adjusted EBITDA from the Company's non-controlling interests.

(3)

	Quarter Ended December 31, 2017		Year Ended December 31, 2017		Year Ended December 31, 2016	
Total revenues		$ 125,552		$ 380,767		$ 377,334
Greater China revenues	$ 38,339		$ 126,474		$ 118,532	
Non-controlling interest ownership percentage (4)	32.00%		31.87%		31.61%	
Deduction for non-controlling interest share of revenues		(12,268)		(40,307)		(37,466)
Adjusted revenues attributable to common shareholders		$ 113,285		$ 340,460		$ 339,868

(4) Weighted average ownership percentage for change in non-controlling interest share

FY 2017 Free Cash Flow Reconciliation

	For the Three months ended December 31, 2017	For the Twelve months ended December 31, 2017
Net cash provided by operating activities	$ 21,947	$ 85,366
Net cash used in investing activities	(16,264)	(73,597)
Net cash flow	$ 5,683	$ 11,769