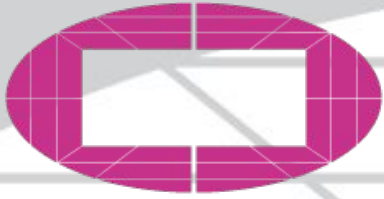


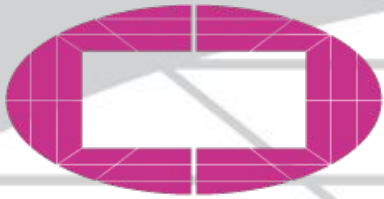
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Dutch Market 2011

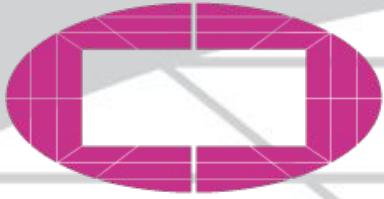
- 30 million visitors
- 240 million box office
- Local film 22%



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High segmentation

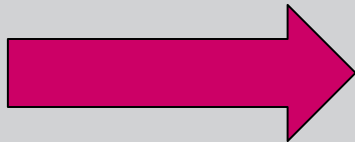
Cinema	# of screens	percentage
Concerns	328	41.9%
Independents	292	37.3%
Arthouses	96	12.3%
Single screen Arthouses	67	8.5%
Total	783	100 %



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Coöperation

- Government / EYE Film Institute
- Exhibitors association
- Distributors association



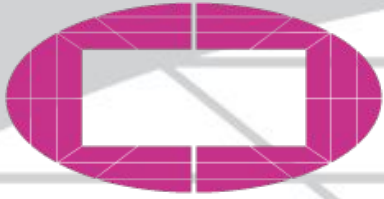
Cinema Digitaal



CINEMA DIGITAAL

Cinema Digitaal

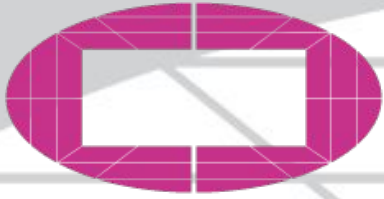
- Aim: to prevent possible closure of approx. 20% of the cinemas in Holland and maintain high segmentation
- Collective approach: one cinema chain / buyers group
- Voluntary participation
- 506 screens / 169 sites
- Non participants: Pathé, Euroscop, Utopolis, few independents



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Cinema Digitaal

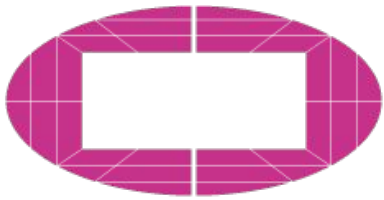
- Deal Arts Alliance Media to speed up deals with majors
- Support from all Independent distributors (20) & all US majors
- Distributors committed for VPF for a maximum of 10 years
- Solidarity: VPF Surplus for cinemas without premieres



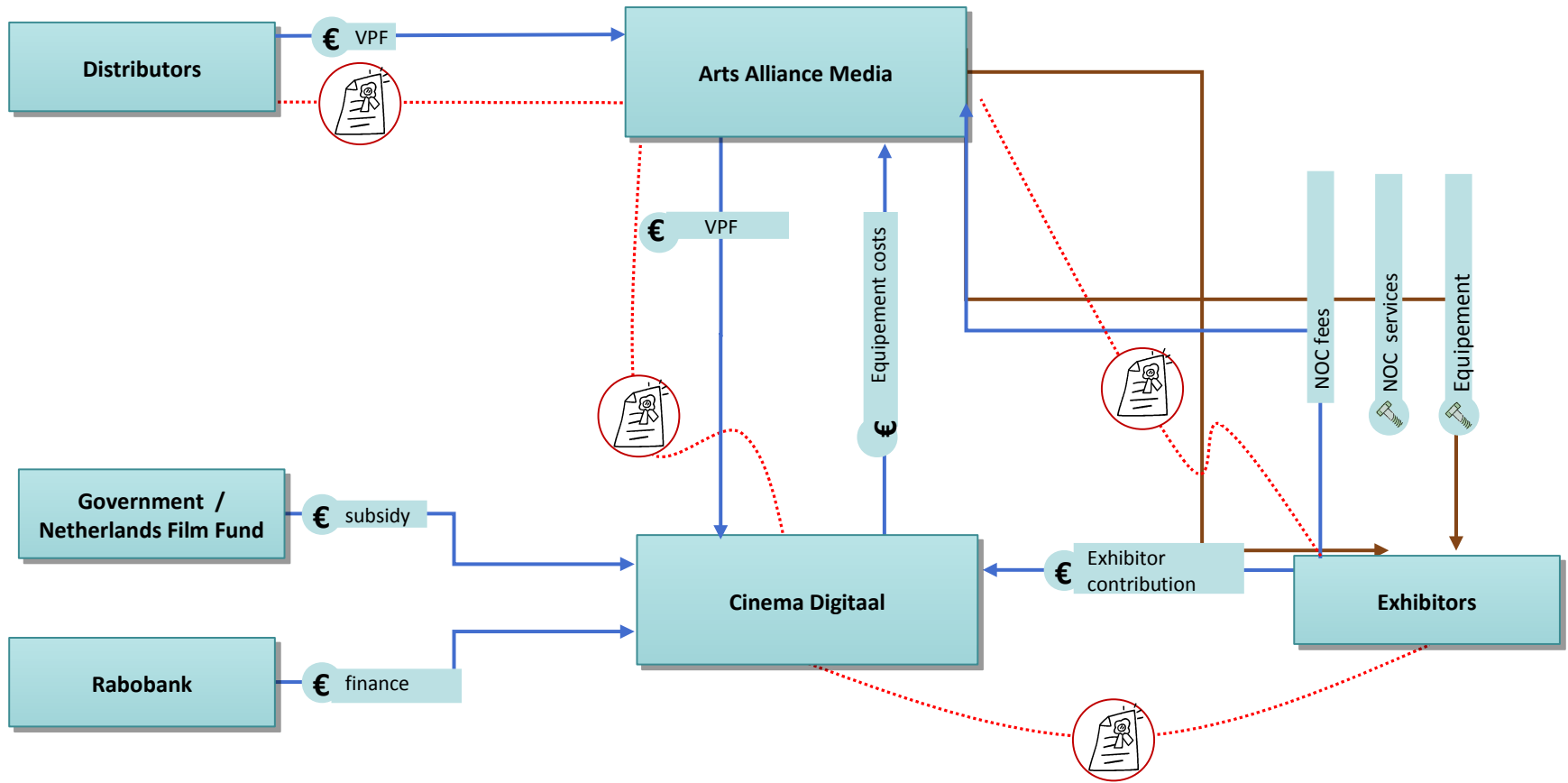
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Cinema Digitaal

- Exhibitors pay CD a exhibitors contribution
- Government subsidy - cultural aspect and innovation used for installation/ surveys / organisation.
- Purchase power: lower equipment costs



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Total Costs

- Cinema Digitaal (506 screens): **€ 36 million**

Equipment € 27.5 mill.

(projector, server, LMS, TMS, rack, ancillaries)

Installation & site survey € 1.5 mill.

Financing € 3 mill.

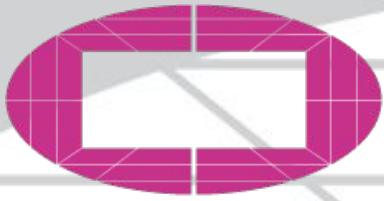
Organisation costs € 4 mill.



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Receivings

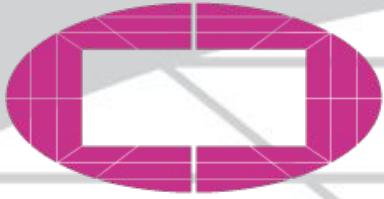
Exhibitors	€ 7 mill.
Distributors (VPF)	€ 23 mill.
Government	€ 5 mill.
Alternative Content	€ <u>1 mill.</u>
	€ 36 million



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Exhibitor Contribution

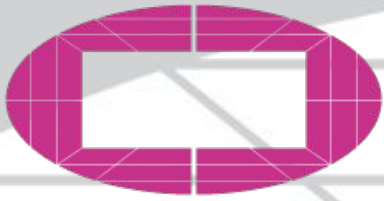
- Down payment € 5.000 per screen
- € 1200 per year
- 8 years
- Or: € 13.050 upfront



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Recoupment period

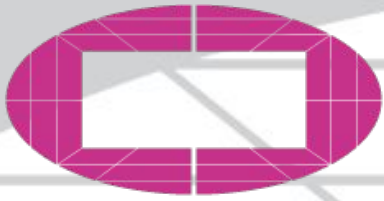
6 - 8 years depending on VPF



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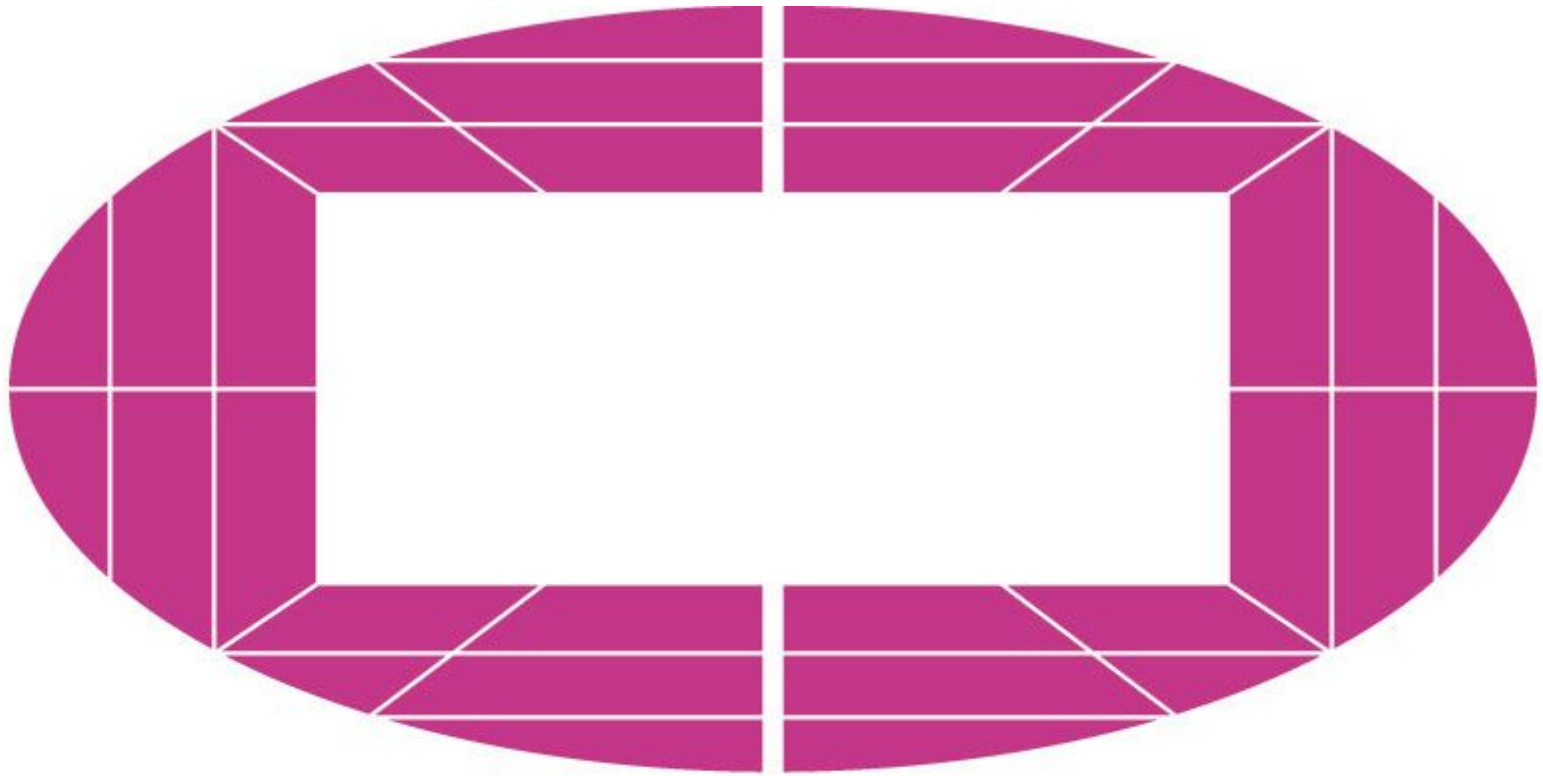
Lessons learned

- Educating stakeholders - knowledge gap
- Necessary alterations could be expensive
- Money is never free
- Getting funding is complicated
- All distributors have to believe in support
- It's all about faith



CINEMA DIGITAAL

100% digital cinema september
2012



C I N E M A D I G I T A A L