



Beyond the Rollout

Moving Towards Digital Cinema 2.0

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July 2014



Worldwide Growth

All figures in graphs rounded from December 2013

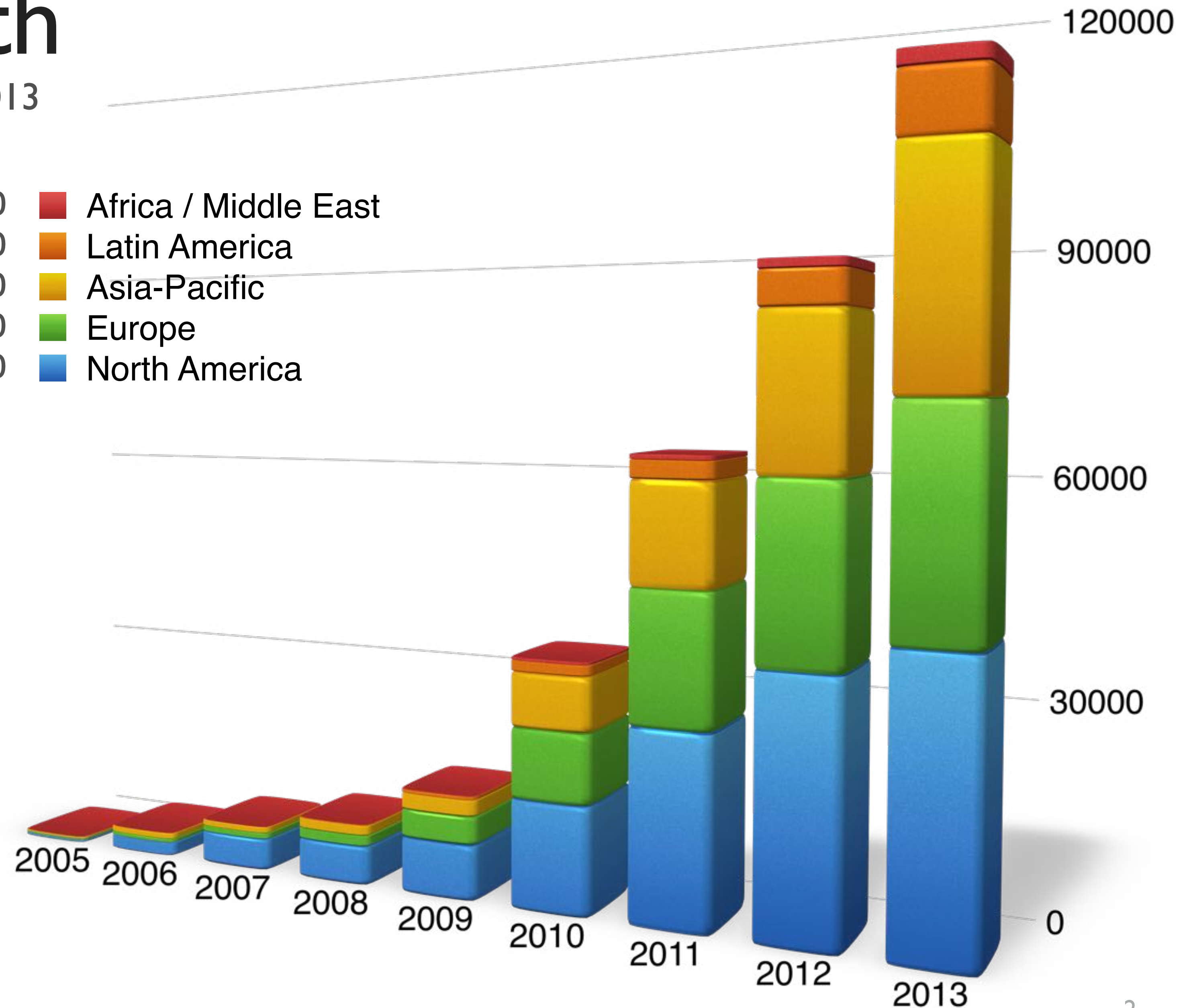
2,200 Africa / Middle East
8,500 Latin America
31,000 Asia-Pacific
31,600 Europe
39,900 North America

116,000 digital screens December 2013

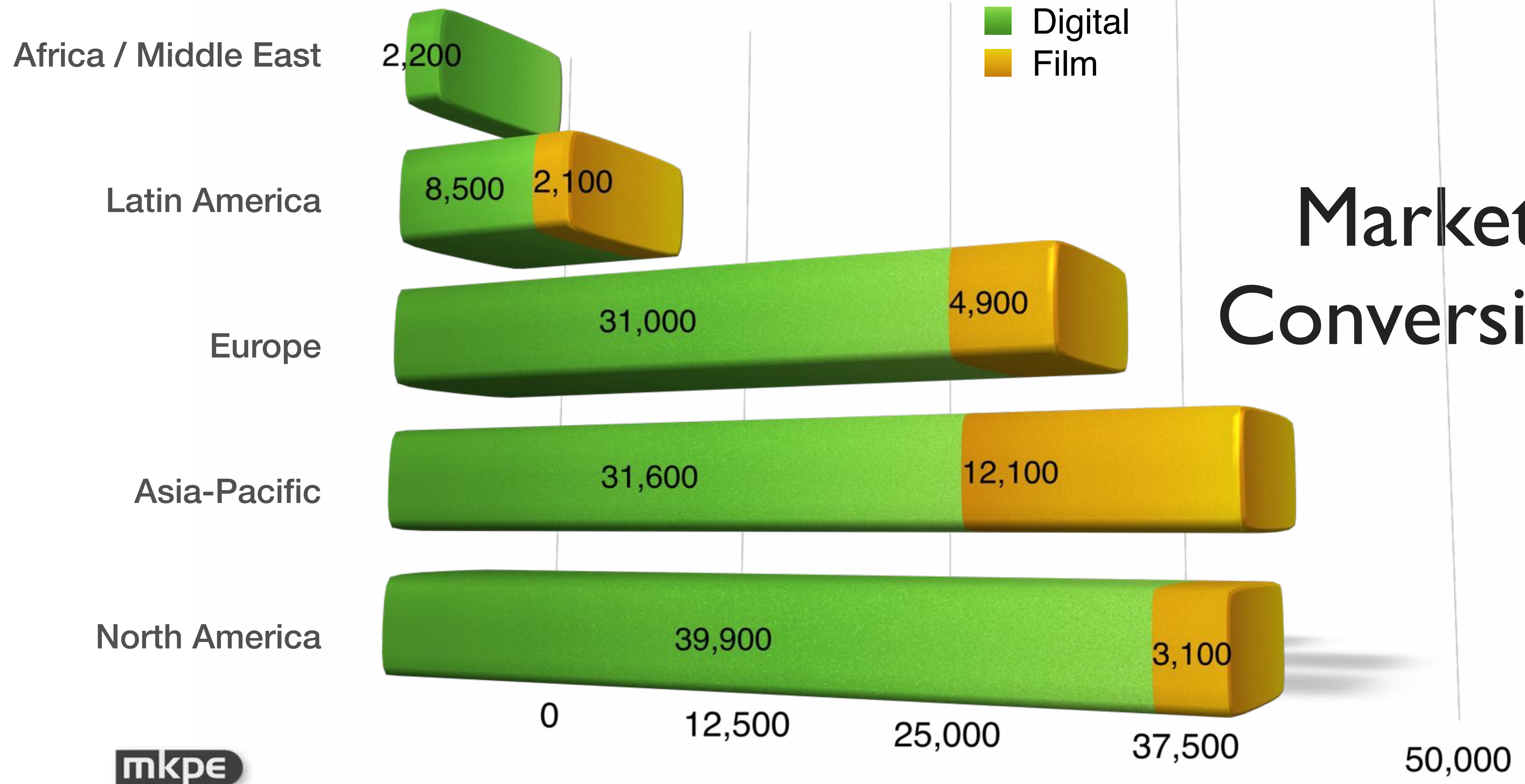
~125,000 digital screens June 2014

~ €5.5B Investment

Driven by 3D and VPF subsidies



Market Conversion



Digital Cinema Rollout

Done!

What's
Next?

EQUIPMENT SALES



Consolidation

Dolby Signs Agreement to Acquire Doremi Labs

Feb 24, 2014

SAN FRANCISCO—(BUSINESS WIRE)— Dolby Laboratories, Inc. (NYSE: DLB) today announced it has signed a definitive agreement to acquire Doremi Labs, the leading provider of digital cinema video playback solutions. Together with Dolby's award winning Dolby Atmos object-based sound platform, Dolby and Doremi will enable exhibitors and content creators to redefine the movie experience for audiences around the world. Dolby is acquiring Doremi for \$92.5 million in cash plus an additional \$20 million in contingent consideration that may be earned over a four-year period.

Consolidation

DOLremi



Integration



Barco Alchemy module

Integrated Cinema Media Processor (ICMP)



Christie IMB Solution

Alternative content applications
Content management and storage
Digital cinema projection
High Frame Rate projection
Post production



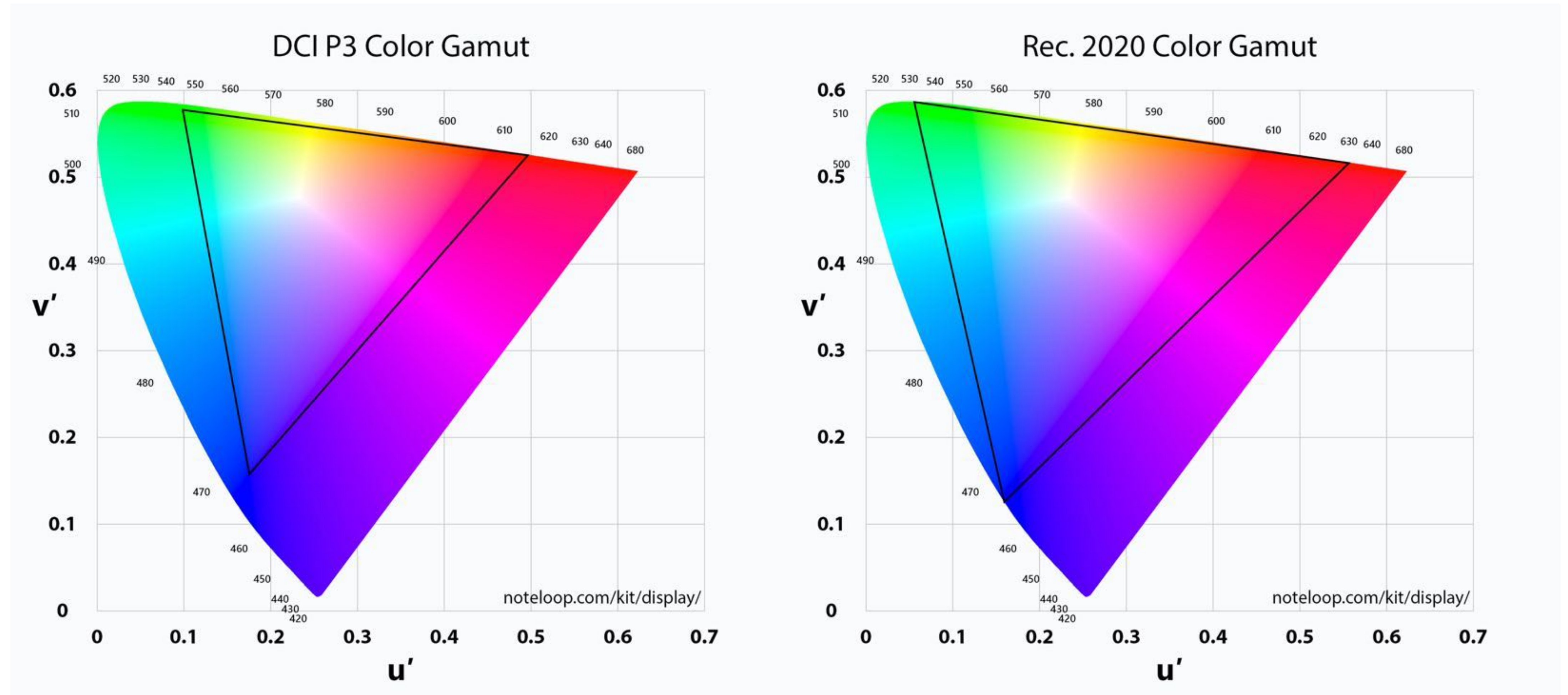
Innovation



Contrast

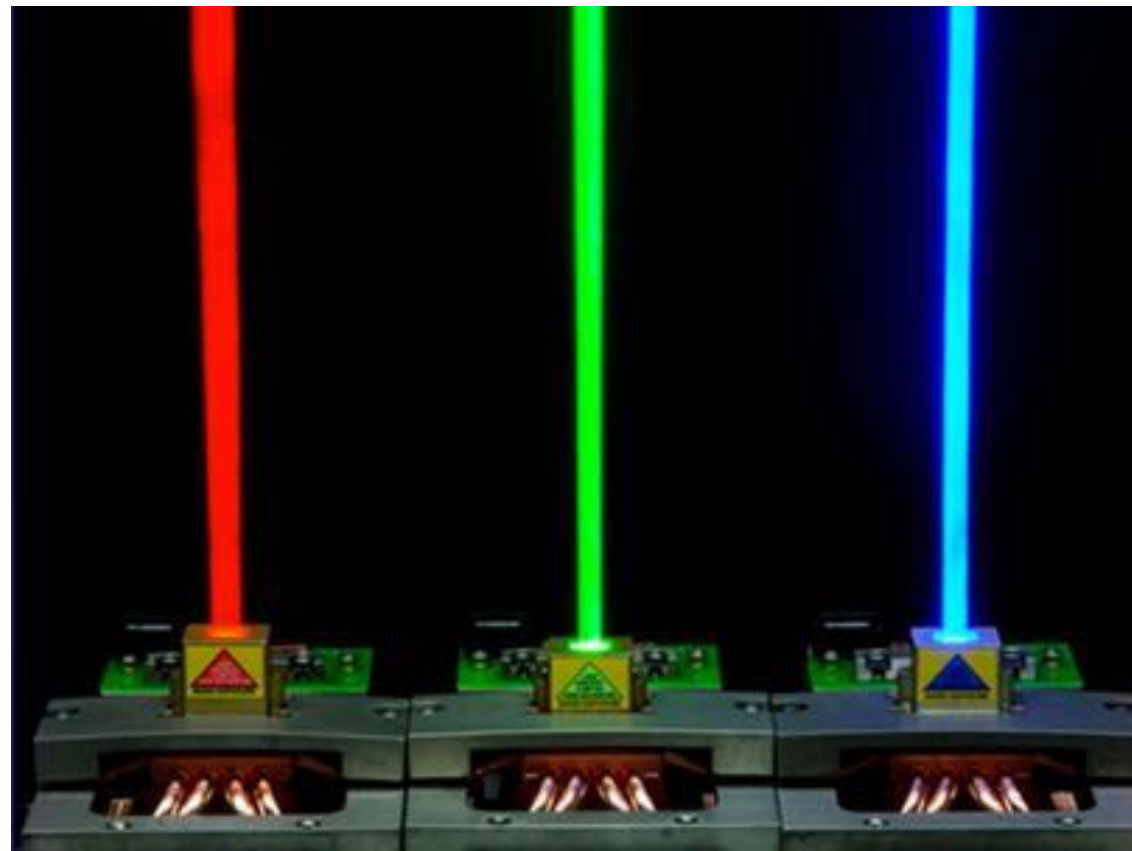


Extended Color Gamut



Laser Illumination

6 Primary 3D Laser Projection **CHRISTIE**



6 Primary Barco Laser3D Single projector 6P 3D system



High Dynamic Range (HDR)





Brighter 3D



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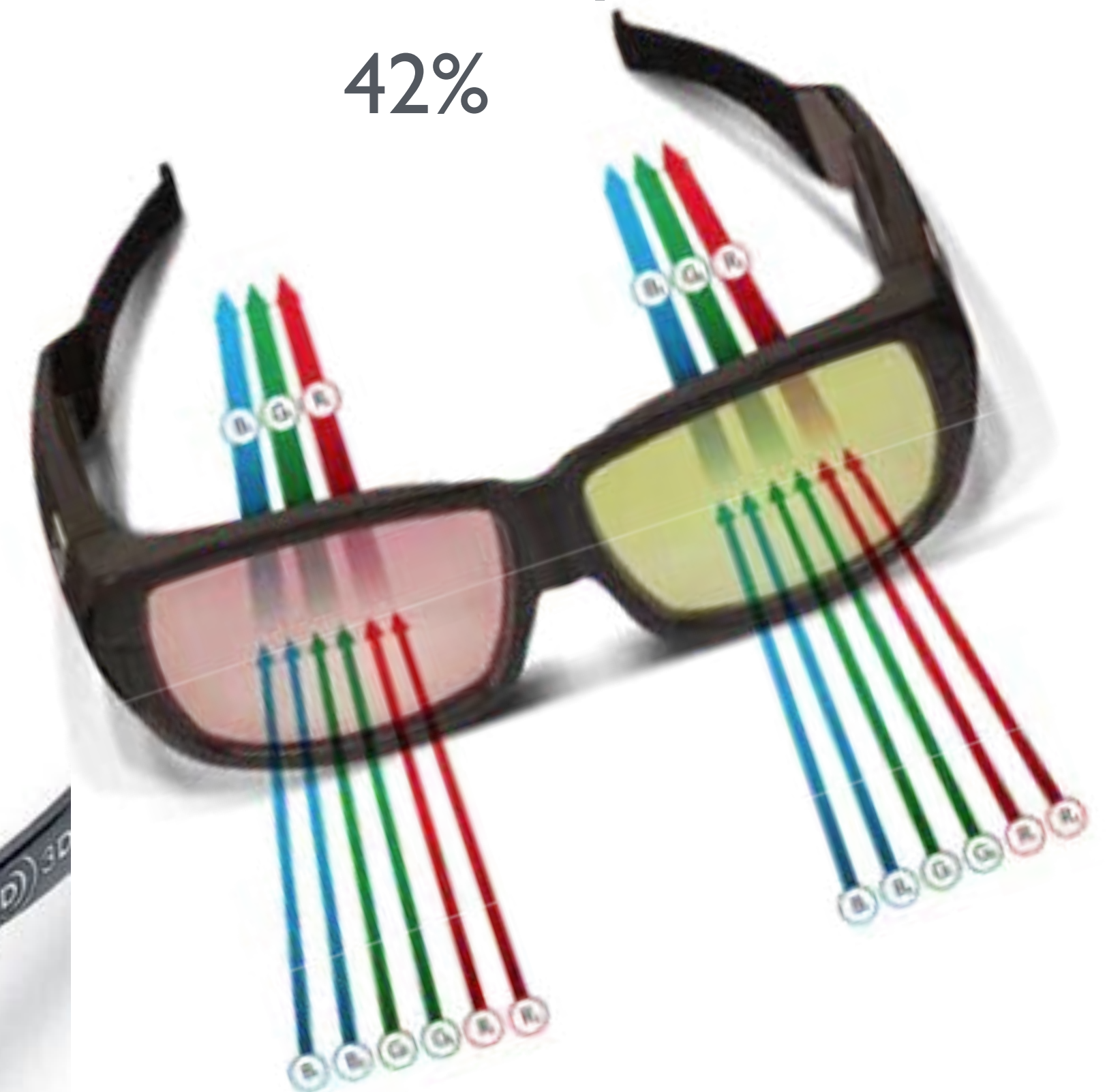


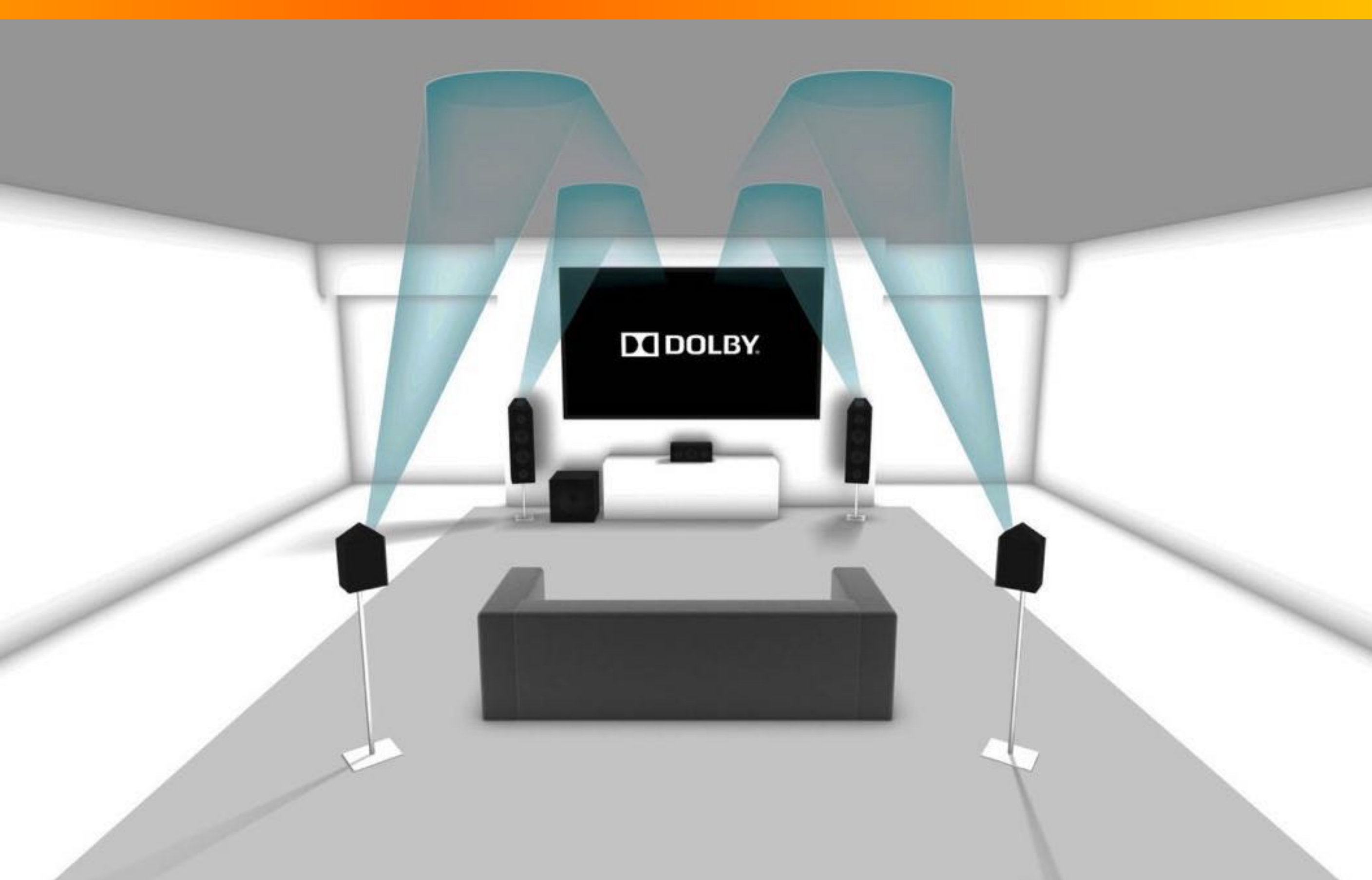
28%

realD
The New 3D

Laser Color Separation

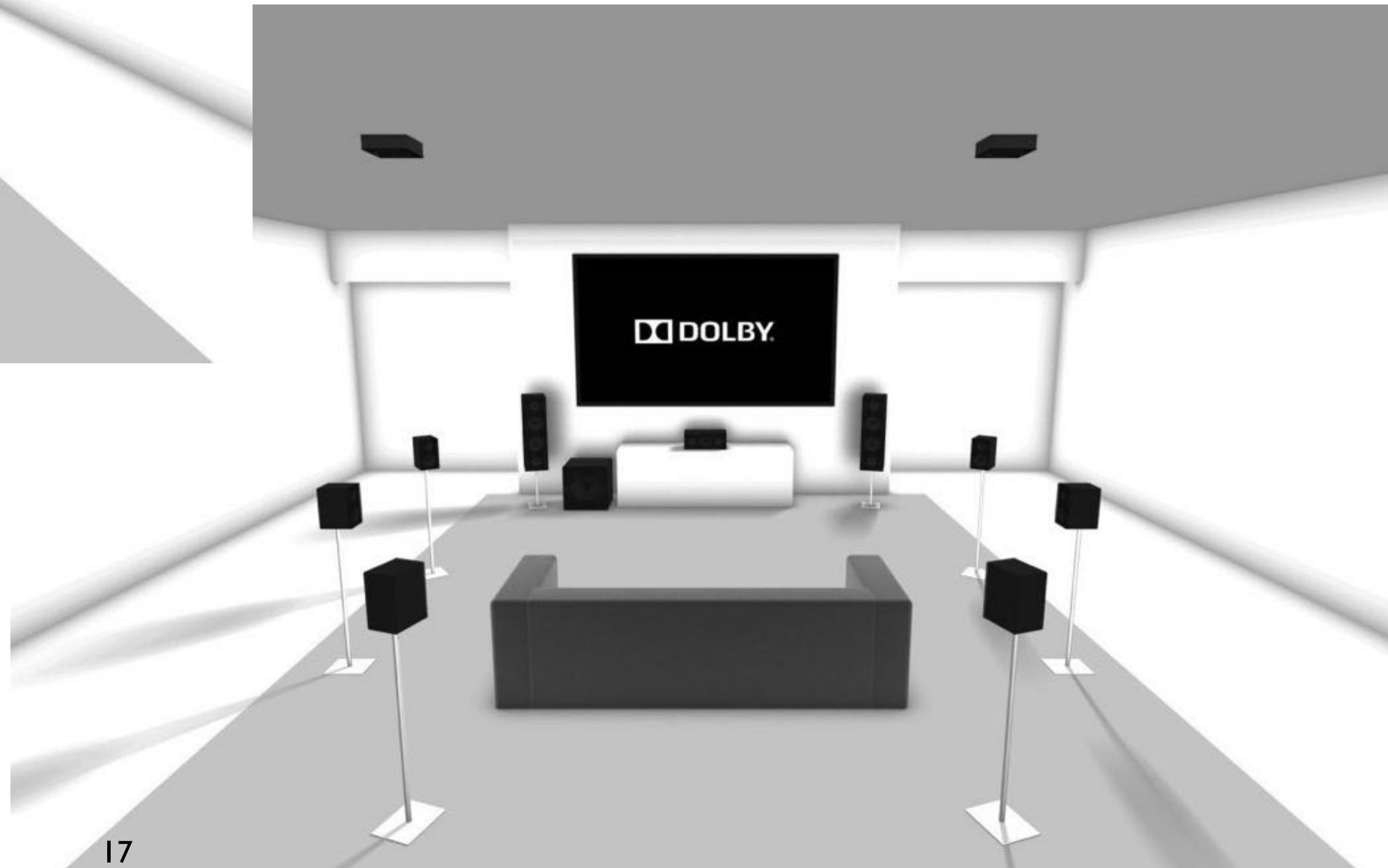
42%





Immersive Audio in the Home

mkpe

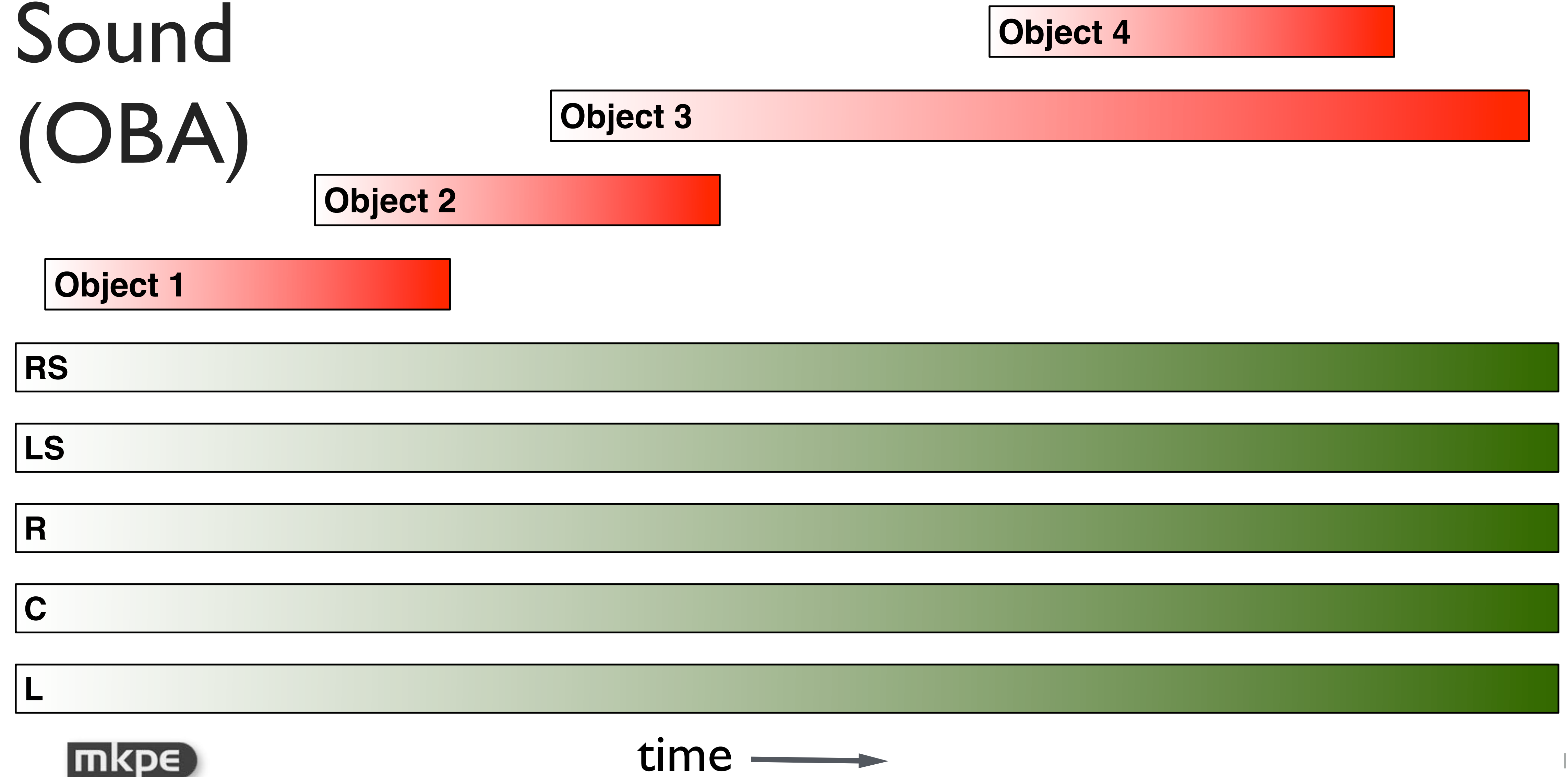


 **DOLBY[®] ATMOS**

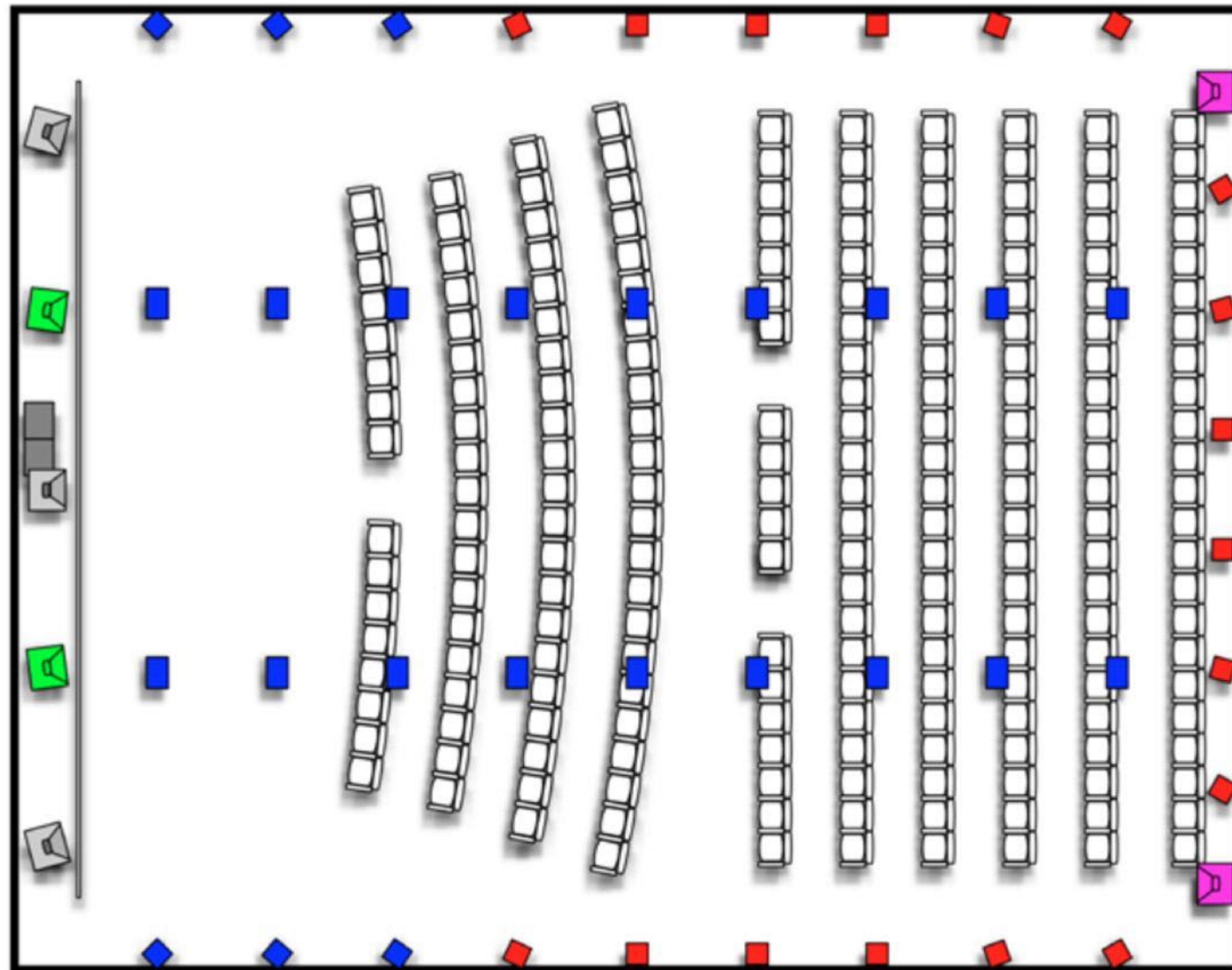
 **BARCO**
auro **11.1**



Object-Based Sound (OBA)



Object-Based Sound (OBA)



Digital Cinema Object-Based Audio Addendum

Approved September 9, 2013

Object-based audio formats that utilize new methods for delivering audio essence to the theater have come to market. This document is a specification for packaging, distribution and theatrical playback of object-based motion picture D-Cinema audio content that exceeds the delivery capability of the Digital Cinema Package (DCP) audio track file as defined in DCI's Digital Cinema System Specification (DCSS).

SMPTE Creates New Technology Committee Dedicated to Cinema Sound



Digital Cinema 2.0

Summary

- Digital Cinema will evolve
- Expect more consolidation among manufacturers
- Manufacturers are integrating and expanding their product lines
- Innovation ahead - Digital Cinema 2.0:
HFR | HDR | Higher Color Gamut | Brighter 3D | Immersive Sound



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