



IMAX Signs Theatre Deal With Cinema City International

August 31, 2010

Largest IMAX Operator in Central and Eastern Europe Adds Locations in Israel

Exhibitor Also Upgrades Its Existing IMAX Locations With IMAX's Digital Projection Technology

NEW YORK, Aug. 31, 2010 (GLOBE NEWSWIRE) -- IMAX Corporation (Nasdaq:IMAX) (TSX:IMX) today announced an agreement with Cinema City International, the largest exhibitor in Eastern Europe and long-standing operator of IMAX(R) theatres in the region, to install two new digital IMAX theatre systems in Israel, which are currently anticipated to open in 2011. As part of the deal, Cinema City also committed to upgrading all eight of its existing film-based IMAX locations with IMAX's digital projection technology, following the success of its first IMAX digital upgrade in Lodz, Poland earlier this year. Five of these locations are scheduled to be upgraded this year, and the remaining three upgrades are to be completed in 2011. The deal brings the total number of digital IMAX theatre systems operated by Cinema City to 11 and the total number of IMAX theatres expected to be in operation in Europe and Israel by 2012 to more than 80. The Company's announced number of theatre systems signings year-to-date has increased to 128 worldwide, which compares to 35 system signings in all of 2009.

"We have been operating IMAX theatres for many years and have seen first-hand how the IMAX business drives incremental revenue for an entire theatre complex and improves the overall perception of going to the movies for consumers," said Moshe (Mooky) Greidinger, Chief Executive Officer of Cinema City International. "Earlier this year we upgraded our film-based IMAX system in Lodz with IMAX's digital system and have already recorded significantly improved operating results. The elimination of high film print costs and added program flexibility has made our decision to add new locations and upgrade all of our existing IMAX locations an easy one to make. We're very excited about our future with IMAX and look forward to offering more consumers in Eastern Europe and Israel awe-inspiring entertainment experiences."

"Cinema City's significant endorsement of our digital projection system and extensive experience with marketing the IMAX brand in the region makes them an ideal partner to have as we continue to focus on growth in Europe and surrounding markets," said IMAX Chief Executive Officer Richard L. Gelfond. "Theatre system signings are continuing to build momentum this year in the wake of several recent strong box office performances and in anticipation of our continuously growing slate of event Hollywood films."

"Cinema City has done a fantastic job of introducing millions of consumers in Central and Eastern Europe to The IMAX Experience(R) and we look forward to working with them now in Israel to expand the IMAX audience base even further," added Larry T. O'Reilly, IMAX's Executive Vice President, Theatre Development.

IMAX's digital projection system delivers The IMAX Experience and helps drive profitability for studios, exhibitors and IMAX theatres by eliminating the need for film prints, increasing program flexibility and ultimately increasing the number of movies shown on IMAX screens. The system can run both IMAX and IMAX(R) 3D presentations.

About Cinema City

Cinema City International is the largest multiplex cinema operator in Central & Eastern Europe and in Israel. The Company operates 69 multiplexes with 677 screens, in 6 countries (Poland, the Czech Republic, Hungary, Romania, Bulgaria and Israel). There are 41 more multiplexes under development, which will offer 411 new screens, out of which 6 will be opened already this year. In addition, Cinema City is actively involved in cinema related advertising and film distribution. In 2009, Cinema City sold 27.5 million tickets in six countries, 23.8% more compared to 2008. The Cinema City group employs over 3,000 people in 6 countries.

About IMAX Corporation

IMAX Corporation is one of the world's leading entertainment technology companies, specializing in immersive motion picture technologies. The worldwide IMAX network is among the most important and successful theatrical distribution platforms for major event Hollywood films around the globe, with IMAX theatres delivering the world's best cinematic presentations using proprietary IMAX, IMAX 3D, and IMAX DMR(R) technology. IMAX DMR is the Company's groundbreaking digital re-mastering technology that allows it to digitally transform virtually any conventional motion picture 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 for consumers. As of June 30, 2010, there were 447 IMAX theatres (325 commercial, 122 institutional) operating in 47 countries.

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The IMAX Corporation logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=6469>

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 ongoing discussions with the SEC and OSC relating to their ongoing inquiries and the Company's accounting, the performance of films, the signing of theatre system agreements, the viability of new technologies, businesses and products, 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, risks arising from potential material weaknesses in internal control over financial reporting and fluctuations in foreign currency and in the large format, general commercial exhibition and out-of-home entertainment markets. These factors and other risks and uncertainties are discussed in the Company's most recent Annual Report on Form 10-K and most recent Quarterly Reports on Form 10-Q.

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