



Japan's Largest Film Exhibitor Buys DIGIMAX(TM) DLP Cinema(TM) Projector From IMAX

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TORONTO, Jul 24, 2001 /PRNewswire/ -- IMAX Corporation (IMAX) (Nasdaq: IMAX; TSE: IMX) today announced that Toho Company Ltd. (Toho), Japan's largest film exhibitor, has purchased a DIGIMAX(TM) projector for the Umeda sukara-za Cinema in Osaka. It is Toho's first digital cinema projector and it became operational on July 20. Toho plans to open additional digital cinemas in Osaka by year end.

IMAX's DIGIMAX(TM) digital cinema projectors display high quality, digital images delivered either by satellite or DVD instead of via traditional 35mm film reels. IMAX believes that its proprietary technology will help make Digital Projection International (DPI) a leader in the digital cinema projector market. DIGIMAX(TM) projectors use DLP Cinema(TM) technology by Texas Instruments.

"We are very pleased that Toho has chosen IMAX as its supplier for its first digital theatre," said Richard L. Gelfond and Bradley J. Wechsler co-CEOs, IMAX Corporation. "IMAX, combined with our subsidiary DPI, has more than 40 years experience in perfecting pristine image projection technologies that are firmly positioning our Company as a worldwide leader in digital cinema."

Digital cinema or d-cinema refers to conventional movie theatres replacing 35mm film prints and film-based projectors with movies encoded as digital data that are projected using digital projectors. This transformation will allow for a higher quality image to be projected in the theatre and improved sound as well as a significant reduction in the cost of producing and distributing film prints.

Toho Corporation, Japan's largest movie production and distribution company, operates 95 movie theatres and two commercial stages throughout Japan. Established in 1932, Toho Corporation's main areas of business include movie, television, and theatre production, as well as distribution, buying, selling, and merchandising of movies. Toho is involved in the production and sales of a variety of promotional material for movies and video productions. Toho also manages and leases commercial properties. Toho Corporation has headquarters and studios in Tokyo, and branch offices in Osaka, Nagoya, Los Angeles, New York, and Hong Kong.

IMAX Corporation and its subsidiaries comprise one of the world's leading entertainment technology companies, with particular emphasis on film and digital imaging technologies, including giant-screen images, 3D presentations, digital post-production and digital projection. As of March 31, 2001, there were more than 225 IMAX theatres operating in 30 countries around the world. IMAX Corporation is a publicly traded company listed on both the Toronto and Nasdaq stock exchanges. More information on the Company can be found at <http://www.imax.com>.

This press release contains forward-looking statements that are based on management 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 effect 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 viability of new businesses and fluctuations in foreign currency and in the 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, 2000 and in the subsequent reports filed by the Company with the Securities and Exchange Commission.

DLP Cinema(TM) is a trademark of Texas Instruments Inc.

SOURCE IMAX Corporation

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