

<http://www.pocket-lint.com/news/16771/imax-admits-losses-of-122million>

Imax loses \$12.2 million

Credit crunch hitting cinemas

by Katie Scott published on 11 August 2008

Jeff Katzenberg, CEO of Dreamworks, may insist that 3D is the future of cinema, but it seems that the credit crunch means that people are tightening their belts and staying at home.

Giant-screen movie theatre firm Imax has reported a second-quarter loss.

The company lost \$12.2 million, or 29 cents a share, in the period ending 30 June, compared to a loss of \$4.5 million, or 11 cents a share, for the same period last year.

Revenue slipped to \$21.2 million from \$27.1 million, the company added.

However, Imax, a Canadian company, is pointing to investments it has had to make in new digital technology for its losses.

Ontario-based Imax said it delivered and installed its first digital projection systems at three AMC Entertainment theaters in the United States.

However, it was supposed to have fitted two more cinemas with the new system in the last quarter but this didn't happen.

Imax also pointed to the massive success of Spiderman 3 last year, which made its Q2 2007 figures so high, and makes this year's look low in comparison.

However, Imax is confident that the latest Batman film, The Dark Knight, will drive revenue up this quarter.

And the company added that it remains on track to install about 50 digital systems by the end of 2008.

