



UltraStar Cinemas and American Cinema Advertising Network to deploy 20 new DLP Cinema™ auditoriums ...leads U.S. exhibition into film to digital cinema conversion era. (March 2004)

UltraStar becomes first circuit to employ DLP Cinema™ for exhibition of all media

Las Vegas, NV – March 24, 2004: UltraStar Cinemas of San Diego, California, and American Cinema Advertising Network of San Jose today announced they have reached an agreement by which all UltraStar theaters, beginning with 20 selected sites, will be converted from film to DLP Cinema™ between now and the end of 2005. UltraStar currently owns 81 screens at 11 sites throughout San Diego, Riverside and San Bernardino counties. In a groundbreaking announcement at ShoWest, Alan Grossberg, President & CEO of UltraStar, and Alex Gorovitz, President & CEO of ACAN addressed a room of gathered press... “This agreement puts UltraStar Cinemas on track to become the first exhibitor in the world to be 100% equipped with DLP Cinema™ grade technology. The theatrical presentation will be state of the art’s finest, employing the most current digital technology for picture and sound.” stated Grossberg.

“UltraStar Cinemas will be the first exhibitor in North America to be equipped with the necessary equipment (Texas Instruments DLP Cinema™) to show all digital programming, from pre-show through features, using one projector. The quality of the theatrical presentation will be the absolute best, including the pre-show.” said Alex Gorovitz.

Texas Instruments is the developer of DLP Cinema™ (Digital Light Process™) which provides electronic picture and sound in place of traditional film projection. DLP Cinema™ rivals film presentation in providing a superior, permanent, discreet digital image without the scratches, pops or wear inherent in 35mm film. Distribution and anti-piracy issues also impact. Digital Cinema is achieving gradual penetration into the exhibition industry.

“We’ve been a leader in the adoption of digital cinema and are hopeful that other exhibitors will follow our lead by making the jump to DLP Cinema™ for all applications. ACAN obviously shares our vision and commitment to superior digital presentation as evidenced by their willingness to provide this technology without any financial or technological risk...” said Grossberg. In 2002, together with Boeing Digital Cinema, UltraStar installed 6 DLP Cinema™ auditoriums in 4 sites for the release of Star Wars: Episode 2, Attack Of The Clones ...at the time the highest concentration of digital cinema auditoriums in the world. Since then the exhibitor has not looked back. Today’s move by UltraStar will bring them the largest inventory of digital cinema grade auditoriums in the U.S.. UltraStar is also slated to be the first exhibitor to install the new technology in it’s entire circuit.

Larry Cervantes of Performance D-Cinema packaged the agreement between the parties.

Traditionally film, rolling stock advertising and other content is exhibited from a 35mm projector, with static transparencies run from a separate slide projector. As of late, exhibitors such as AMC and Regal have opted for LCD or other “e-cinema” grade projectors for their advertising and pre-show, required in addition to a 35mm film projector to exhibit feature films. The arrangement between ACAN and UltraStar enables all media, movies, trailers, slide and rolling stock, special events and alternative content to be played through one state of the art cinema grade digital system. The new system will spawn greater creativity for pre-show (advertising and promotion), and allows UltraStar to also run live and taped concerts, Broadway shows, sporting events and to hold business conferences in addition to exhibiting digital movies and trailers.

UltraStar’s partner in this venture, American Cinema Advertising Network, specializes in cinema advertising and for this project has assembled a team of leaders in the field of Digital Cinema including Texas Instruments, Digital Projection International, Inc. (projection systems), WiTel Communications’ Vyvx division (content delivery & systems), and EVS, Inc. (storage & playback systems).

“With the announcement of 20 DLP Cinema screens UltraStar is moving forward with a significant deployment that demonstrates their commitment to the best presentation quality for theatrical applications.” said Doug Darrow, Busi-

ness Manager, Texas Instruments DLP Cinema™.

Contact : b.collard@evs-cinema.com