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## **XDC - PRESS RELEASE**

**DIGITAL CINEMA – 1<sup>st</sup> roll out phase completed, XDC increases major stake in European Digital Cinema. XDC financed digital cinema installations chalk up box office successes.**

XDC S.A., Europe's leading digital cinema integration and service company, which has financed and rolled out over 200 digital cinema screens over 9 countries (Belgium, The Netherlands, Luxembourg, Germany, Switzerland, Austria, Spain, France and Sweden), in less than 6 months, announced today that the first roll out phase is approaching completion as originally planned. Laurent Minguet, CEO of XDC said, *"Together with all our partners, we made it happen and I'm happy to see the cinema community's faith in the XDC concept and I'm confident that 2006 will be a very exciting time for digital cinema in Europe"*.

XDC's progress, since launching its initiative last year has been outstanding. Over 200 cinemas have been equipped and their personnel trained to show digital movies. Over 60 movies have been processed and distributed on behalf of most of the major production companies around the world. These include *Star Wars Episode III – Revenge of the Sith*, LucasFilm/20<sup>th</sup> Century Fox; *Madagascar*, DreamWorks SKG/United International Pictures; *Oliver Twist*, Pathé; *Frank Miller's Sin City*, Miramax/Buena Vista International; *The Island*, DreamWorks/Warner Bros.; *Flight Plan*, Touchstone/Buena Vista International; *Harry Potter and the Goblet of Fire*, Warner Bros; *Polly Blue Eyes*, Magnolia, MDR, Equinox/NFP; *Merry Christmas/Joyeux Noël* (several producers); *The Chronicles of Narnia – The Lion, The Witch and The Wardrobe*, Buena Vista International and *Chicken Little*, Buena Vista International. *"Whilst Sweden represents the highest number of digital screens financed by XDC, in less than six months we have achieved remarkable market presence in the German speaking areas (Germany, Austria, Switzerland) with more than 50 screens, and growing daily. Many German exhibitors have reported significant increases in box-office since installing their XDC financed equipment and this against a considerable decline in box office in the country. One southern German operator reported over 5,500 seats sold for the first week and over 2,900 seats sold for the second week for the digital movie presentation of Frank Miller's Sin City,"* said John Birchell Hughes, Business Development Manager at XDC in charge of distributor relations for the region and with the major Hollywood studios.

XDC has also been working hand in hand with equipment manufacturers and industry organisations to achieve the highest levels of image quality and security for digital cinema content. Recently, its server equipment was tested rigorously in The Walt Disney Company's™ laboratories and added to Disney's list of MXF Inter-op compliant servers. XDC supports industry interoperability initiatives, and all its clients' endeavours to fully embrace the recommendations in the industry guidelines to digital cinema – the Digital Cinema Initiatives (DCI) Digital Cinema Specification. Alone amongst European systems integrators of this magnitude, XDC offers its partners a cost neutral technology upgrade plan which insulates them from technological obsolescence. For instance, *"From the beginning of 2006 all XDC sites will be upgraded to directly accept MXF packaged content"*, said Bernard Collard, General Manager of XDC. Regarding the mastering capabilities, today XDC can process MXF packages, such as it successfully carried out for movies like *Flight Plan*, *Chicken Little* and *The Chronicles of Narnia – The Lion, The Witch and The Wardrobe*.



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You can find more information about EVS Group at [www.evs-global.com](http://www.evs-global.com).



XDC offers exhibitors and distributors alike an independent means to quickly and financially efficiently migrate to, and enjoy the benefits of digital cinema while preserving the exclusivity and independence in exhibitor distributor relations. It permits the distributors significant savings of time and money in getting their movies to screen, but without any additional capital outlay on their behalf. It gives exhibitors the means to give existing cinema audiences a higher quality cinema going experience than hitherto, and allows them to use the equipment for additional entertainment and education use – e.g. concerts, broadcast business conferences, events, etc., and most importantly, increase box office.

*“2006 will be very challenging for XDC: The launch of XDC France, the first installations in Italy and the continuing roll-out in the existing markets with 300 additional screens,”* Laurent Minguet pointed out. He concluded *“We have the confidence of the exhibitors and the distributors ... XDC is definitely the Trusted Partner in digital cinema”*.

**For more information, please contact :**

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**About XDC**

*With almost 40 people based in Liege (Belgian HQ), XDC is a new member company of EVS Group ([www.evs-global.com](http://www.evs-global.com)). The Group has more than 150 staff worldwide with major offices in Hong Kong and New-York. Along with assuming and expanding the international sales of CineStore™ digital cinema servers and all related activities, XDC is deploying the largest pan-European digital cinema network for distribution and projection. XDC offers full logistical services for distributors, including content preparation, delivery, quality control and archiving. A complete package solution, which does not require capital investment, is also available for European exhibitors: projector, server, installation and maintenance. It offers all the advantages of digital cinema technology. More info at [www.xdcinema.com](http://www.xdcinema.com).*



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