Second Quarter 2012
Conference Call Supplement

July 26, 2012

Safe Harbor

This presentation may contain "forward-looking statements" including, but are not limited to, references to future capital expenditures, business and technology strategies and measures to implement strategies, competitive strengths, goals, expansion and growth of business, operations and technology, plans and references to the future success of the Company and expectations regarding the Company's future operating results. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. However, whether actual results and developments will conform with the expectations and predictions of the Company is subject to a number of risks and uncertainties, including, but not limited to, general economic, market or business conditions; including the length and severity of the current economic downturn, the opportunities (or lack thereof) that may be presented to and pursued by the Company; the performance of IMAX DMR films; competitive actions by other companies; conditions in the in-home and out-of-home entertainment industries; the signing of theater system agreements; changes in laws or regulations; conditions, changes and developments in the commercial exhibition industry; the failure to convert theater system backlog into revenue; the failure to respond to change and advancements in digital technology; risks related to the acquisition of AMC Entertainment Holdings, Inc. by Dalian Wanda Group Co., Ltd.; risks related to new business initiatives; risks associated with investments and operations in foreign jurisdictions and any future international expansion, including those related to economic, political and regulatory policies of local governments and laws and policies of the United States and Canada; the potential impact of increased competition in the markets within which the Company operates; risks related to the Company’s inability to protect the Company’s intellectual property; risks related to foreign currency transactions; risks related to the Company's prior restatements and the related litigation; and other factors, many of which are beyond the control of the Company. Consequently, all of the forward-looking statements made in this quarterly report are qualified by these cautionary statements, and actual results or anticipated developments by the Company may not be realized, and even if substantially realized, may not have the expected consequences to, or effects on, the Company. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise. These and other risk factors are discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2011, and in the subsequent reports filed by the Company with the Securities and Exchange Commission.

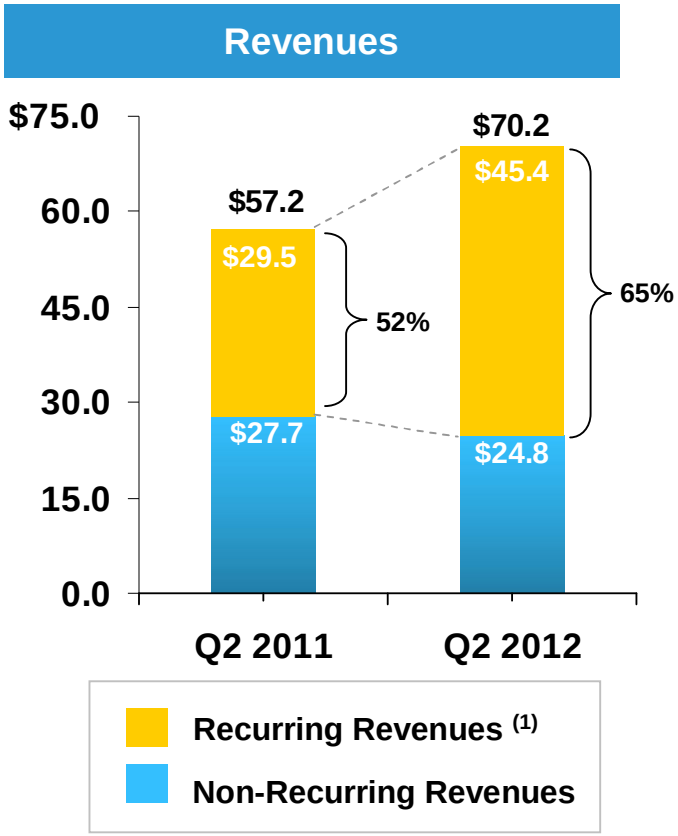
Second Quarter 2012 Financial Highlights

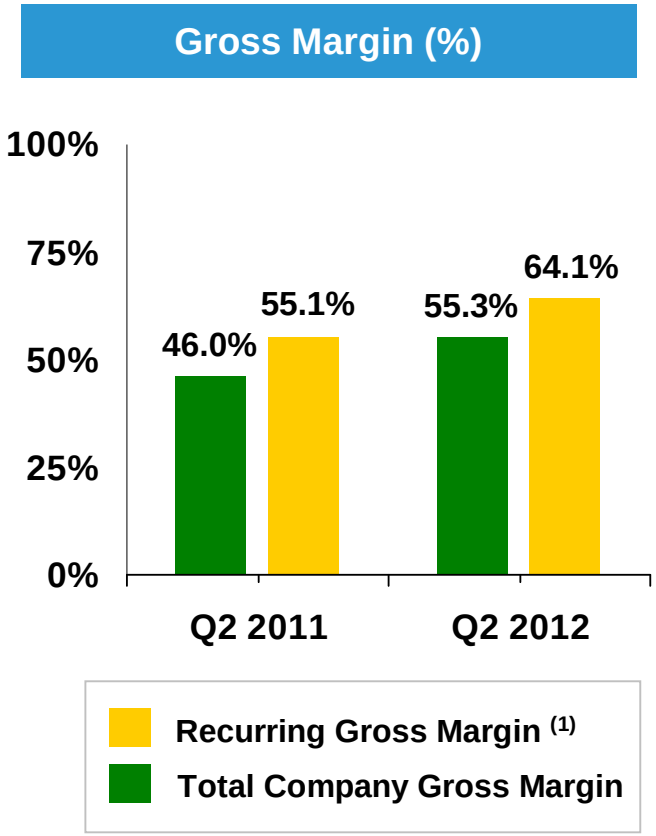
- Adjusted net income[1] of $14.1 million, up from $4.6 million last year.
- Adjusted earnings per diluted share[1] of $0.21, up from $0.07 per share last year.
- Reported net income of $11.1 million, or $0.16 per diluted share, vs. reported net loss of $1.8 million, or $0.03 per share, last year.
- Adjusted EBITDA as calculated in accordance with the Company's Credit Facility of $29.0 million, up from $16.2 million last year.
- Revenues of $70.2 million, up from $57.2 million last year.
- Cash flow from operations increases by $30.3 million year-over-year.

(1) For a reconciliation of adjusted net income to reported net income, please see page 7.

Global Scale Drives Higher Recurring Revenues and Gross Margin in Q2 2012

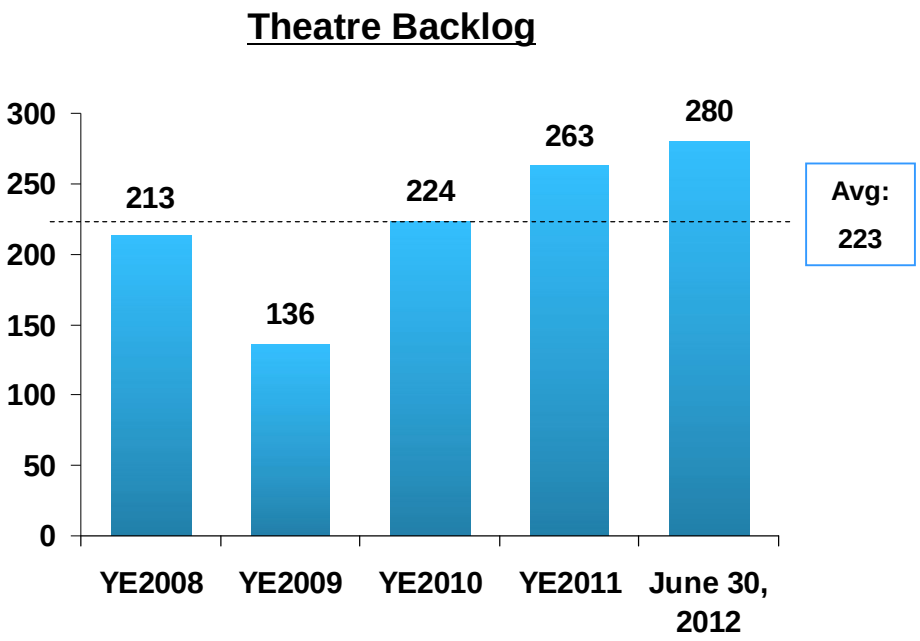
- 23% revenue growth, driven by 54% growth in recurring revenues.
- Q2 2012 recurring gross margin rate of 64.1%, versus total company gross margin rate of 55.3%.

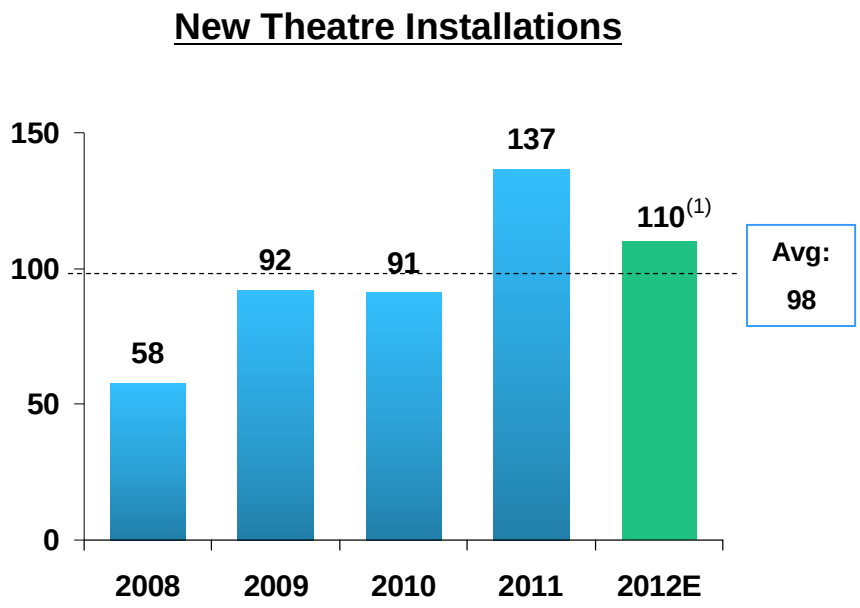




(1) Recurring business segments include production and IMAX DMR, joint revenue sharing arrangements, theatre system maintenance, and ongoing rent, fees and finance income.

Network Growth: Visibility and Consistency





(1) Theatre installation schedule is based on current backlog. However, in any given year, the Company will sign agreements for new theatres that will install within that same year. The Company cautions that installations can slip from period to period, usually for reasons beyond its control. The installation schedule above excludes the installation of digital system upgrades.

New Theatre Signings Lead to Increase in 2012 Installation Schedule

	Q1 2012 Actual	Q2 2012 Actual	Q3 2012 Schedule [1]	FY 2012 Schedule [1]
Joint Revenue Sharing	8	9	16	60
Sales-Type Lease	8	11	10 to 12	50
Total New Theatres	**16**	**20**	**26 to 28**	**110**
Upgrades	10	-	NA	NA
Total Installations	**26**	**20**	**NA**	**NA**

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Q2 2011 & 2012 Reconciliation from Reported to Adjusted Net Income

	Q2 2012		Q2 2011	
	$ in 000s	per diluted share	$ in 000s	per diluted share
Reported Net Income (Loss)	**$ 11,080**	**$ 0.16**	**$ 1,825**	**$ 0.03**
Adjustments:				
Variable Stock Compensation	(28)	-	1,357	0.02
Deferred Tax Provision	3,014	0.05	1,419	0.02
Adjusted Net Income	**$ 14,066**	**$ 0.21**	**$ 4,601**	**$ 0.07**
Weighted Avg. Diluted Shares (000s)		68,374		68,699

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