



## **Cinedigm Announces Six Independent Exhibitors Sign Onto Phase 2 Deployment Program**

### **Expanded Financing Options Create Opportunity for NATO Cinema Buying Group Members**

MORRISTOWN, NJ and LOS ANGELES, CA, May 12, 2010 (MARKETWIRE via COMTEX News Network) -- Cinedigm Digital Cinema Corp. (NASDAQ: CIDM), the global leader in the digital cinema industry, today announced the signing of six CBG member exhibitors, representing 94 screens, to its 10,000 screen Phase 2 digital cinema deployment program. With these recent screen additions, Cinedigm will have contracted almost 400 CBG-member screens to participate in Phase 2. All of the members of the National Association of Theatre Owners' (NATO) Cinema Buying Group (CBG) are eligible to work with Cinedigm using a master license agreement developed especially for CBG members. The CBG represents more than 600 members that collectively have over 7,000 screens.

Cinedigm has helped create several financing options in its Phase 2 digital cinema deployment program, which provide opportunities for smaller exhibitors to participate. In addition to vendor sponsored options, such as Barco's Deliver Digital program and NEC's NEC-Financial, EFA Partners and Infuse Commercial Capital joined to develop a unique SBA-guaranteed loan program for small exhibitors. All of these programs are designed to support exhibitors that want to pursue the self-financing option under Cinedigm's Exhibitor-Buyer deal structure. Under this plan exhibitors select and purchase Cinedigm Certified(TM) fully-networked digital cinema systems and Cinedigm manages the reporting, billing and collection of VPFs from movie distributors, receiving fees for doing so. Cinedigm and the CBG have system supply and service arrangements with Barco, Christie, NEC, as well as with a growing number of local and regional dealers and service providers.

AJAY Theatres, based in Memphis, Tennessee, already a customer of Cinedigm's screen advertising business, UniqueScreen Media, is the largest of the six with 56 screens in four locations. AJAY will be purchasing Cinedigm Certified digital cinema systems including Barco projectors for all 56 screens. Other independent exhibitors include: West Orange 5 with five screens in Ocoee, Florida; Athena Grand with 11 screens in Athens, Ohio; Great 8 Cinema with eight screens in Union, Missouri; Sullivan 6 Cinema with six screens in Sullivan, Missouri, and Keystone Cinema with eight screens in Bardstown, Kentucky.

Bill Campbell, CBG Managing Director commented: "The CBG team has worked hard with Cinedigm to create the opportunity for independent exhibitors to gain the benefits of digital cinema technology for their theatres. Our members get the same advantages as larger exhibitors while utilizing the unique and flexible financing options available in the Cinedigm Phase 2 deployment program. Knowing that they will be able to participate in the future of bringing digital movies and alternative content to their loyal customers is extremely gratifying."

"Digital cinema is a unique opportunity for all exhibitors, regardless of how many screens they operate, who want to grow their businesses in the coming years. Cinedigm is proud to have been chosen to work with the CBG and its members to bring our Cinedigm Certified networked digital cinema systems to independent theatres across the country. The flexibility created via digital cinema not only enables feature movies to be more easily delivered and shown but also enables exhibitors to expand their programming with alternative content and special events. It definitely can enhance the future of the independent exhibitor who is looking to create an entertainment destination," said Chuck Goldwater, President of Cinedigm's Media Services Group.

Cinedigm provides the industry-leading deployment program for Digital Cinema that facilitates the funding, installation support and administration for the company's studio-supported Digital Cinema rollout plans. In April 2008, the CBG, a buying program of the National Association of Theatre Owners (NATO) for small and independent theatre operators, announced the selection of Cinedigm as the digital cinema integrator of choice for the CBG's 600+ members in the United States and Canada.

To date, Cinedigm has contracted for and completed the rollout of more than 4,500 systems in forty-one states with exhibitors including Atlas Theatres, Allen Theatres, B&B Theatres, Carmike Cinemas, Celebration! Cinema, Cinema West, Cinetopia, Dickinson Theatres, Emagine, Galaxy Cinema, Georgia Theatre Company, Great Escape Theatres, Marquee Cinemas, Krikorian Premiere Theatres, MJR Theatres, Movie Tavern, Neighborhood Cinema Group, Premiere Cinema Corp., Rave Motion Picture Theatres, R/C Theatres, Showplace Cinemas, Starplex Cinemas, Times Square Cinema, UltraStar, and Cinedigm's own Pavilion Digital Showcase Theatre.

About Cinedigm Cinedigm is the leader in providing the services, experience, technology and content critical to transforming movie theaters into digital and networked entertainment centers. The Company is a technology and services integrator that works with Hollywood movie studios, independent movie distributors, and exhibitors to bring movies in digital cinema format to audiences across the country. Cinedigm's digital cinema deployment organization, software, unique combined satellite and hard drive digital movie delivery network; pre-show in-theater advertising services; and distribution platform for alternative

content such as CineLive(R) 3-D and 2-D sports and concerts, thematic programming and independent movies provide a complete suite of services required to enable the digital theater conversion. Cinedigm(TM) and Cinedigm Digital Cinema Corp. (TM) are trademarks of Cinedigm Digital Cinema Corp. [www.cinedigm.com](http://www.cinedigm.com) [CIDM-G]

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