

Press Release

March 31, 2014

We, the shareholders of Kinoton GmbH, have decided to dissolve the company and end its business operations with effect on March 31, 2014.

The decision was not an easy one for us. For more than 65 years, Kinoton GmbH and its employees have stood for excellence in developing innovative cinema equipment and providing first-class, speedy service to our customers and business partners.

The progressive digitization of the film and cinema industry has radically changed the market, however. Kinoton GmbH's existing business model, as an innovative developer of first-class products and vertically highly integrated manufacturer, especially where mechanical production is concerned, isn't appropriate to the new market conditions. The coming challenges of the digital age call for new concepts and ideas that focus on software and services.

With Kinoton Cine Perfect and the Kinoton Remote Service, we have built a good foundation for a new, forward-looking model.

The Kinoton brand will live on in a new form and as a new company. We are very happy to know that highly experienced staff of Kinoton GmbH will continue to work in product sales, consultancy, and maintenance and service under the banner of the new company, "Kinoton Digital Solutions GmbH". They will seamlessly ensure continued professional support for our customers and the good, universally available service for products supplied by Kinoton GmbH that they have come to appreciate. You'll find more information on Kinoton Digital Solutions GmbH at www.kinoton.eu.

Kinoton GmbH will of course fully meet all of its obligations to employees, customers, suppliers, and business partners.