



PRESS RELEASE

Palace Cinemas Announces Three New Multiplexes to Open at Multi Development Czech Republic Projects

7 May 2009 - Palace Cinemas announced three new multiplex cinemas to open at projects developed by Multi Development Czech Republic in Ústí nad Labem, at Forum in Liberec and at Forum Nová Karolina in Ostrava, all scheduled to open in 2010. The multiplexes at the projects in Ústí nad Labem and Liberec will have five screens each while the one in Ostrava will have eight. With these new openings, Palace Cinemas will grow to nine sites and seventy-three screens overall in the Czech Republic. The cinemas will feature the latest digital projection technology with 3D capability.

“We are thrilled by the opportunity to work with Multi Development on these exciting new projects. Their Phase I development in Liberec is already a huge success and we will be part of Phase II, “ say David Horacek, Palace Cinemas Country Manager for the Czech Republic. “We plan to give our customers a really great time at the movies, “ he adds. David Jelinek, CFO of Palace Cinemas and based in Prague says, “This is part of our overall strategy to seek partnerships with strong developers like Multi Development Czech Republic. They have a clear vision to have the best retail offer for their customers.”

Palace Cinemas Central Europe is the leading cinema company in the Czech Republic, Slovakia and Hungary with 20 sites and 170 screens. Palace Cinemas includes Palace Media for cinema ad sales and Palace Pictures for film distribution. The company consistently leads the market in new technologies including digital projectors, 3D, e-tickets, full web services and its own management software End 2 End (E2E). Palace Cinemas is dedicated to giving its customers a great night at the movies with its commitment to People, Entertainment and Fun.

Palace Cinemas was founded in 1999 by Arthur Goldblatt and V.J Maury. It is majority owned by funds managed by ARGUS Capital Group Limited (“ARGUS”), a private equity fund manager focusing on Central and Eastern Europe. ARGUS was established in 1998



and is supported by leading institutional investors from Europe, North America, the Middle East, and Japan. With total commitments of approx. €400 million in its two funds, ARGUS has invested in thirteen companies in the CEE region over the past ten years.

For additional information on Palace Cinemas, see www.palacecinemas.net

Palace Cinemas Czech Republic : David Horacek davidhoracek@palacecinemas.cz

Palace Cinemas Czech Republic Summary

No.	Country	Name	City	Screens	Seats	PC Open/Acq	Open
1	Cz	Park Hostivar	Prague	8	1,730	Jun 02	Oct 00
2	Cz	Slovansky Dum*	Prague	10	1,852	Jun 02	Dec 00
3	Cz	Novy Smichov	Prague	12	2,726	Jun 02	Nov 01
4	Cz	Letnany	Prague	8	2,239	Oct 02	Oct 02
5	Cz	Olympia	Brno	10	2,248	Jun 02	Oct 99
6	Cz	Velky Spalicek	Brno	7	1,413	Jun 02	Aug 01
		Total Czech		55	12,208		
7	Cz	Forum	Usti nad Labem	5	685	2010	
8	Cz	Forum	Liberec	5	880	2010	
9	Cz	Forum Nova Karolina	Ostrava	8	1,253	2010	
				18	2,818		
			Grand Total	73	15,026		