



Press release

Neuilly-sur-Seine, March 1, 2017

PLANNED ACQUISITION BY *PATHE* OF GAUMONT'S STAKE IN *LES CINEMAS GAUMONT PATHE*

Pathé has granted *Gaumont* with an option to sell its 34% stake in *Les Cinémas Gaumont Pathé* for a consideration of 380 million euros¹, after receiving the approval of its Executive Board.

Gaumont's Board of Directors welcomes this offer.

The planned disposal has been presented to *Gaumont's* Works Council and its completion remains subject to usual conditions for this type of transaction, such as the opinion of *Gaumont's* Works Council and the finalization of the financing of this acquisition by *Pathé*.

Created in 2001 by the merger of the theatrical exhibition businesses of *Gaumont* and *Pathé*, *Les Cinémas Gaumont Pathé* is present in France, the Netherlands, Switzerland and Belgium. The circuit comprises 108 movie theaters, 1076 screens with a total of 67 million spectators in 2016.

Over the course of the last 16 years, the group has modernized its theatres to the benefit of its customers, and established itself as a leading European movie theater operator, leveraging its two historical brands.

Sidonie Dumas, CEO of *Gaumont* stated: *"We are pleased by the successful co-operation with Pathé over the last sixteen years which established Les Cinémas Gaumont Pathé as a leading European movie theater operator. The completion of this disposal will provide us with the resources to accelerate the promising development of our television production activities in the USA and in Europe, reinforce our cinema production and consider expanding Gaumont's activities in Europe."*

Jérôme Seydoux, Chairman of *Pathé* stated: *"This acquisition clearly states Pathé's intention to develop and modernize movie theaters. The movie theater is essential to the motion picture and the motion picture is essential to the movie theater."*

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¹ If the sale goes ahead, the payment of €380 million will be staggered: half of the price will be paid on conclusion of the sale, and the balance in three instalments of equal amounts on June 30, 2018, June 30, 2019 and June 30, 2020.