PHILIPS

Backgrounder

December 9, 2015

PROF

Philips LightVibes – event cinema LED lighting system

With the transition to Digital Cinema, together with the integration of live broadcast reception, the cinema industry is primed to create an entertainment paradigm shift for cinema goers and music fans world-wide.



Philips LightVibes creates true immersive cinema by delivering compelling, subtle ambient LED lighting to every viewer's peripheral field of vision, enhancing musical performances and events as well as feature films, pre-show programming and advertising.

<u>Philips LightVibes</u> enables cinema owners to expand their offerings to include event cinema content and attract new audiences. LightVibes adds large LED media panels and LED fixtures throughout the cinema which is synced with media content to create a fully-engaging experience. LightVibes also brings intriguing new capabilities to cinematographers and others in the creative community. The multi-screen technology delivers fully customizable ambient lighting to cinema's allowing for true immersive experience that increases the impact of onscreen content.

Attract new audiences



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December 9, 2015 Page: 2

With cinema operators needing to reach broader audiences while creating engaging entertainment experiences, Philips LightVibes helps them enhance, differentiate and repurpose their cinema spaces. This results in access to new revenue streams and better use of their assets. According to Screendigest, by 2018 global box office takings for alternative content are forecasted to exceed \$1 billion. Philips LightVibes helps cinemas to tap into this market by creating life-like in-hall experiences for viewers of alternative content and event screenings – from live operas to rock concerts and sporting fixtures. As well as boosting cinemas, artists and sports clubs also gain the ability to have their event screened simultaneously in thousands of cinemas across the globe allowing to reach more fans and grow their event revenues.

Philips unveiled the LightVibes concept at the CinemaCon trade show in Las Vegas in March 2014, and shared results of a successful pilot installation in Eindhoven in the Netherlands. Initial consumer response was very welcoming:

- 81% of viewers at a screening said that LightVibes had significantly improved their experience of a concert event in cinema
- On average those polled said they would be six times more likely to attend a concert in a cinema with LightVibes available
- If seeking out a concert screening in cinema, 65% of the viewers would prefer a cinema venue with LightVibes over a cinema without LightVibes
- 58% of viewers would be willing to pay €1 as a premium for attending content enhanced with LightVibes

The industry is backing Philips LightVibes

Philips LightVibes was first exhibited live at CineEurope 2014 in Barcelona. In cooperation with the iEvent Cinema Association (ECA). Founder and Chair of the ECA, Melissa Keeping, said, "Event cinema content is unique and the relationship the audience has with the event on screen is unlike any other. We are delighted to see technology like Philips LightVibes coming to the market that will enhance the experience for the audience and make it altogether more immersive."

Philips partnered with ODEON & UCI Cinemas Group, the largest cinema operator in Europe, and has installed a commercial trial of Philips LightVibes at its UCI KINOWELT Ruhr Park cinema in Bochum, Germany. ODEON & UCI Cinemas is the first cinema chain in the world to test Philips LightVibes with live audiences. It's one of the world's leading cinema operators and largest in Europe with 2,227 screens in 244 cinemas across seven European markets. Jens Heinze, UCI's Managing Director, Germany & Austria said, "The technology has the potential to radically enhance the cinema experience for both audiences and operators alike. We look

forward to listening to what our customers think."
Universal Music Enterprises, a division of UMG, the world's leading music company, is also backing Philips LightVibes.
Universal Music has partnered with





December 9, 2015 Page: 3

Philips to make iconic concert films available in the LightVibes format. As part of the collaboration, cinemas that install LightVibes can receive access to a collection of superstar concert titles from UMG. Titles initially featured include historic concerts from Alice Cooper, The Doors, Dream Cinema, Morrissey, Paul McCartney and Wings, Peter Gabriel, Queen and The Rolling Stones. Bruce Resnikoff, President/CEO, Universal Music Enterprises said, "We are very excited to work with Philips on LightVibes to help unlock the potential of their technology. We believe this will enhance the cinema experience for both audiences and cinema owners alike and add realism to the movie concert experience. We look forward to bringing our iconic music catalogue to the big screen in HD picture quality and high-quality sound – fully enhanced with the life-like imagery and sound provided by LightVibes."

In July 2015, Philips LightVibes and Universal Music presented the premiere of Sweet Summer Sun – Hyde Park Live, an iconic live concert film by The Rolling Stones to a VIP audience of 200 in Bochum, Germany. The premiere took place at UCI Group's KINOWELT Ruhr Park cinema, with tickets offered to Rolling Stones fans via a public competition. Jens Heinze, UCI KINOWELT Managing Director Germany said, "This innovative visual dimension will contribute to create an inspiring entertainment experience for our guests. We look forward to welcoming a diverse audience of industry professionals and Rolling Stones fans alike."



Immersive advertising concept

Philips LightVibes also helps creative agencies and exhibitors to increase the value of cinema advertisements by making them more memorable. Just imagine an advertisement where the whole auditorium around you comes to life with immersive light effects that interact with the story and the emotion of the on-screen images. In addition, the LightVibes system could offer advertisers the complete interactive web-connected advertising footprint. The Philips LightVibes system allows for 'second screen' and completely new 'third screen' immersive advertising concepts, showing real-time interaction with the audience based on feedback they



December 9, 2015 Page: 4

provide via their smartphones. Now cinemas can conduct a live poll and watch the results appear on the LightVibes panels throughout the cinema.

For further information, please contact:

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About Philips Lighting

Philips Lighting, a Royal Philips (NYSE: PHG, AEX: PHIA) company, is the global leader in lighting products, systems and services. Our understanding of how lighting positively affects people coupled with our deep technological know-how enable us to deliver digital lighting innovations that unlock new business value, deliver rich user experiences and help to improve lives. Serving professional and consumer markets, we sell more energy efficient LED lighting than any other company. We lead the industry in connected lighting systems and services, leveraging the Internet of Things to take light beyond illumination and transform homes, buildings and urban spaces. In 2015, we had sales of EUR 7.4 billion and employed 33,000 people worldwide. News from Philips Lighting is located at www.philips.com/newscenter