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MPAA CEO and Chairman Senator Chris Dodd Celebrates Growth of Global Film Marketplace at CinemaCon

Newly released report finds enormous growth in international market to historic high

LAS VEGAS – MPAA Chairman and CEO Senator Chris Dodd delivered remarks today at CinemaCon, the annual National Association of Theater Owners (NATO) convention in Las Vegas. During his state of the industry address, Senator Dodd announced new figures that found global box office receipts for all films released in 2013 reached \$35.9 billion, up 4% from the previous year. These global statistics were released today in the MPAA's annual Theatrical Market Statistics Report for 2013.

The staggering growth of the international market played a vital role in the record-breaking year. International box office, for movies produced in the U.S. and throughout the world, was up 5% to \$25 billion, but has increased by 33% over the past 5 years. Senator Dodd, speaking at The Colosseum inside Caesar's Palace, commented on last year's remarkable achievements:

"Our formula for success is simple. Hollywood creates and produces extraordinary stories, and you create truly extraordinary theater experiences. Together in 2013 we made that formula work perfectly."

Senator Dodd also spoke of innovative ways film and television creators and consumers are embracing new technology:

"We need to keep exploring fresh ways of leveraging our new technology to drive traffic to your theaters. We can embrace technology, and use it to complement our offerings....A smartphone can make more content available, but it will never be able to surpass the shared experience that you deliver to every person who sits in your theaters."

"After all, the most frequent moviegoers tend to own more technological devices than the general population. Nearly three-quarters of all frequent moviegoers own at least four different pieces of new technology." (Infographic <u>HERE</u>)

In addition to the new statistics that demonstrates movie fans' propensity for technology use, this year's report for the first time explored the demographic breakdown of the top grossing films of 2013. The results, represented <u>here</u>, reflect a moviegoing audience that is an ethnically diverse snapshot of the country's population.

Other highlights from the report include:

Global:

- Global box office for all films released in each country around the world reached \$35.9 billion in 2013, up 4% over 2012's total, due to increases in international (\$25.0 billion) and U.S./Canada (\$10.9 billion) box office.
- All international regions experienced growth in 2013. Chinese box office (\$3.6 billion) grew by 27% in 2013, becoming the first international market to exceed \$3 billion in box office.
- In 2013 the Asia Pacific region (\$10.9 billion) surpassed EMEA and for the first time become the top region in international box office.
- Over 80% of the world's nearly 135,000 cinema screens are now digital..

U.S./Canada

- 2013 U.S./Canada box office was \$10.9 billion, up 1% compared to \$10.8 billion in 2012, and up 3% from five years ago.
- More than two-thirds of the U.S./Canada population (68%) or 227.8 million people went to the movies at least once in 2013, consistent with prior years.
- Ticket sales continue to be driven by frequent moviegoers who, by definition, attend movies once a month or more. In 2013, frequent moviegoers represented 11% of the population and 50% of all movie tickets.
- Frequent moviegoers tend to own more technology products than the general population. Nearly three-quarters of all frequent moviegoers (74%) own at least four different types of technology products, compared to 50% of the total population
- In 2013 the share of tickets sold to 2-11 year olds was at its highest point since 2009 and the share of tickets sold to 50-59 year olds was at an all-time high.
- Broader moviegoer demographic shares remain relatively stable from 2012 to 2013, with 12-24 year olds and Hispanics continuing to oversample in moviegoing versus their proportion of the population. Hispanics, 2-11 year olds, and older 50-59 year olds all experienced growth in the number of frequent moviegoers in their demographics.

• Among the top five grossing films in 2013, *Iron Man 3* and *Man of Steel* both attracted overwhelmingly male audiences, while the family films *Despicable Me 2* and *Monsters University* earned a majority share of box office from the female audience. *Man of Steel* drew the most ethnically diverse audience, earning only 50% of its box office from Caucasians and 19% from Asian/Other ethnicity audiences.

For a copy of Senator Dodd's remarks as prepared for delivery, click here

For the complete copy for the 2013 Theatrical Market Statistics Report, click here

About the MPAA

The Motion Picture Association of America, Inc. (MPAA) serves as the voice and advocate of the American motion picture, home video and television industries from its offices in Los Angeles and Washington, D.C. Its members include: Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; and Warner Bros. Entertainment Inc.

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