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## IMAX Corporation Q4 2007 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) And our first question will come from Eric Wold of Merriman Curhan Ford. Please go ahead.

#### Eric Wold - Merriman Curhan Ford

Good morning!

#### Bradley J. Wechsler

Hi Eric

#### Eric Wold - Merriman Curhan Ford

A couple of questions. I know you probably won't get too granular on guidance or projections, but in the number of installs for this year, what should we think about? It turns out obviously it's not going to give you a lot in the first half of the year until digital comes out. What should we think about in terms of mixing first half and second half results?

#### Bradley J. Wechsler

I don't think we are going to break that out by quarter, but we try to be reasonably clear about our expectations. In the speech, I don't know if you heard the whole thing. What we said was in '08, we expect 25 to 30 joint ventures and 12 to 14 sales or sales type leases out of our current backlog. We also expect to install 3 MPX film systems in the early part of the year; however, we won't recognize revenue on those until they are upgraded to digital probably in 2009, and then our third category which is sign-and-installs, and I think many of you know, those are systems that we'll sign in '08 but also install in '08, we expect between 15 and 20 sign-and-installs roughly split 50:50 between joint ventures and sales-type leases, so hopefully that gives you a framework to work with.

#### Richard L. Gelfond

Eric, obviously the digital won't really be installed until the second half of the year, so that gives you a framework to understand the waiting.

#### Eric Wold - Merriman Curhan Ford

Right, I understand that. I got all the numbers from the beginning. So is it a safe assumption that really no one wants to install anything until digital is there, so people push the majority of everything into the back half of the year?

**Richard L. Gelfond**

No, I don't think it's an assumption that no one wants to sign anything, Eric. There will be installs in the first and second quarter. Some of them, as Brad said, we won't be able to recognize because they'll be subject to upgrades, but others that we'll be installing will be recognized, so that's not a reasonable assumption, Eric.

**Eric Wold - Merriman Curhan Ford**

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