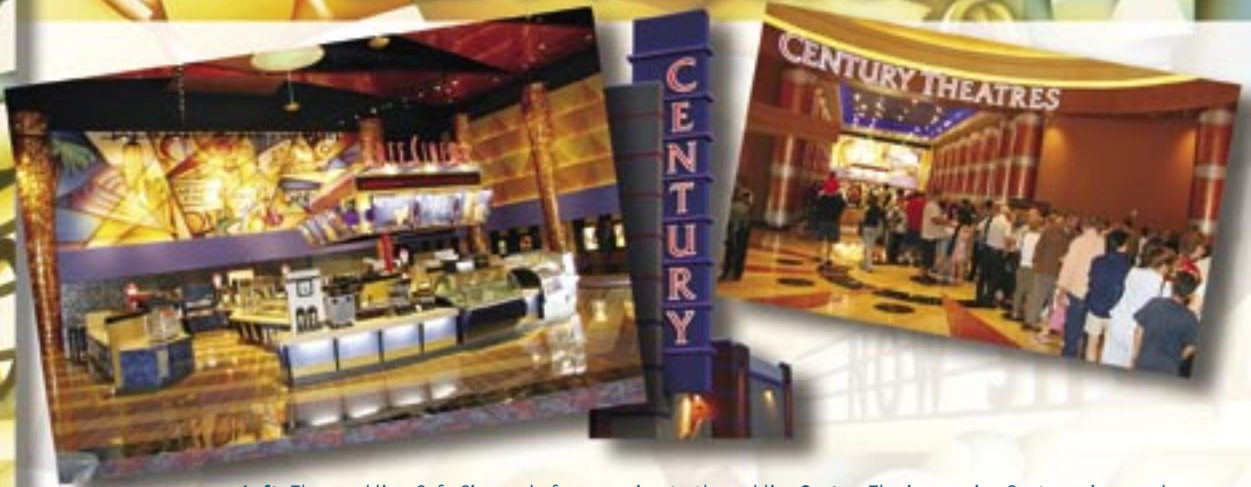


NEWS OF THE CENTURY



Left: The sparkling Cafe Cinema before opening to the public. **Center:** The impressive Century sign can be seen along the highway. **Right:** Guests form a line from the casino into the theater's entryway.

Las Vegas, NV

Sixteen Screens for Santa Fe Station

by Nancy Klasky, VP Marketing, Century and CinéArts

On Friday, May 13th, Century opened our sixth location in the Las Vegas market—the Century 16 at Santa Fe Station Casino.

Consistent with our policy of only operating state-of-the-art movie theaters, this location replaces the Century 16 Rancho Santa Fe, located right across the road.

While the Rancho Santa Fe was a mere ten years old, our industry has made tremendous strides since it opened. Our new theater has all stadium seating, rocking love seats, an express-thru snack bar, a satellite snack bar, LucasFilm THX Certification and one screen has digital cinema capabilities.

Located in the newly renovated and expanded Santa Fe Station Casino, the theater is an anchor to their new entertainment wing with a food court, bowling alley, KidsKlub and a happening music venue.

On Thursday, May 12th, we hosted a sell-out event to benefit the Nathan Adelson Hospice, pro-

viding in-home care and counseling for Las Vegas families dealing with the challenges facing oncology patients. They are extremely well respected in the community.

Stations restaurants served fine food, and guests feasted on our popcorn, drinks and Nathan's Hot Dogs. As the event was held in 'Vegas, guests could take a spin at one of two prize wheels where everyone took home a gift.

This new theater has come out of the gate a true winner. Variously sharing the number one spot in the market with our Century 18 Orleans, it certainly didn't hurt to open 6 days in advance of "Star Wars—Episode III: Revenge of the Sith."

Congratulations to Brooke Rivard and her entire team, not to mention the hundreds of staff and management at the home office and other locations who helped open another successful theater. 📌



Left: Scott Neff serves the gracious guests. **Center:** Ladies enjoying the VIP Event's wide array of food. **Right:** VIP Guests take a spin of the Prize Wheel for tickets and Santa Fe Bucks.

CENTURY
THEATRES.
SUMMER 2005

NEWS OF THE CENTURY

Published semi-annually by
Century Theatres
for its employees and friends.

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CENTURY
THEATRES.

A letter from Joseph Syufy, Vice Chairman and CEO

Working...and Moviegoing



Joseph Syufy
Vice Chairman and CEO
Century Theatres

Summer is full upon us, and in addition to the anticipation I feel about the new movies coming out, it's a great time of nostalgia for me. I too had to spend my summers working at a movie theater. And no, I wasn't magically made a General Manager; I started out by tearing tickets at the door. I know many of our staff were relieved when we changed from the vests to our current uniform, but when I was a doorman, rain or shine, I had to wear a polyester sport coat which was about 7 sizes too large for me. I'm not complaining, because as soon as I mastered my doorperson's post, I was promoted to the snack bar. My manager at the time noticed the popcorn bins fell lower than usual on my watch, so I was kicked upstairs, literally, to the projection booth. I have to admit, I liked the booth, but I really loved it when I became the Manager of the Empire in San Francisco. I loved to talk to the patrons, make sure the shows ran on time and ensure that everything was perfect when I got a visit from my District Manager (Chris Duffie), or worse, the Home Office. Of course, that was only a single screen theater, and I admire everyone for working at and running the finest multiplexes in the industry.

☆☆☆

There's been so much written in the press lately about the deterioration of the movie-going experience, that I wanted to address the subject head on.

Mostly, the press has been concentrating on the behavior of the patrons, i.e., cell phones, pagers, text messaging and talking during the movie.

It's amazing, isn't it? At Century Theatres we go above and beyond any standards in the industry to make sure that we are playing the best movies, our presentation is perfect, the popcorn is fresh and hot and customer service is stellar. I am extremely proud in the 'product' we serve. So why is it that people interrupt our 'show'?

We've begun to examine these issues both at the Main Office and via a special committee made up of VPOTs, General Managers and staff. If you have any ideas to help combat these problems, please make sure to email them to your supervisor. The lead VPOT on this project is Eric Martin.

We want to make sure that our patrons are return customers and that they do not fall into the habit of staying at home and missing out on the best entertainment experience—going out to the movies!

Have a fantastic summer, both in and out of the movies! 🍿



Sergeant Marc Demotta proposed to his girlfriend at the Century EL Con theater in Tucson, AZ, on Sunday, May 29th. We were proud to be a part of it, and assist with an average of two known proposals a year.

The Success of CinéArts

Robert Macias
Director of Marketing
CinéArts

The time for independent cinema is now, as popularity of films and attendance is on the rise substantially when compared to the same period in 2004. With certain arthouse film getting Academy Award recognition, and with promotions geared to pique the patron's interest, CinéArts is clearly on the rise.

A great example is last year's indie hit film, **Supersize Me**, which surprised many people in its success. Though it was a documentary film, the provocative subject matter lured many folks into the theater, and introduced many mainstream patrons to an alternative filmgoing option. Additionally, crossover films such as **Lost In Translation**, which featured mainstream actors, drew new patrons into films and theaters they may have otherwise missed.

This year, breakout films that have drawn a great number of patrons included the Oscar-nominated **Sideways**, the powerful **Hotel Rwanda**, and the crossover foreign film **The Motorcycle Diaries**.

Often times, breakout independent films will lure a specific patron into the theater for its subject matter, thus introducing them to our CinéArts division of Century Theatres. Once inside, they find that the actual presentation of art film is as strong as mainstream film, and we have a new regular customer.

For example, our theater in Evanston draws both mainstream and arthouse patrons. Housed in a theater with 18 screens, the theater is split with six screens designated strictly for CinéArts titles. The film titles share the same marquee, which has a dual purpose of cross-promoting to the two audiences. One person attending a Hollywood film might be reminded of an alternative film, and buy a ticket for that, thus creating a new breed of moviegoer.

Our new audience has responded, as CinéArts theaters are doing better when averaged with the totals from the prior year. The Evanston location is up from last year, and is a substantial portion of the 18-screen theaters total gross.

Another way to boost attendance, as well as increase awareness to our CinéArts division is through special film promotions. These are typically



films that we believe have great potential, but might need that special boost to attract patrons.


In November of 2004, the first CinéArts sweepstakes was launched for the film **A Very Long Engagement** which was set in Rennes, located on the North coast of France. The sweepstakes offered a grand prize of a trip for two to visit the beachfront town of Rennes. The trip included round trip airfare, hotel accommodations, a rental car, a pass to over 70 Paris museums and a "Last Night in Paris" dinner cruise on the Seine River. Needless to say the patron was ecstatic when receiving the phone call that he had won the trip.

The first CinéArts promotion launched this summer was for the amazing documentary **March of the Penguins** which screened at the 2005 Sundance Film Festival. Distributed by Warner Independent Pictures, the film documents the extraordinary conditions and struggles the Emperor Penguins of Antarctica endure each mating season. This popular documentary is steadily waddling its way to the number two position of top-grossing documentaries of all time.

While we are unable to send someone to the extremely frigid Antarctic, we do plan to send one lucky winner to a much warmer destination to explore and learn more about penguins. Look for the "Sunbathe with the Penguins" sweepstakes on the CinéArts website through August.

A campaign was also launched with Focus Features to promote the release of **The Constant Gardener**. It will detail an online contest where you can enter to win soundtracks,

movie passes, and digital cameras. The mailing will also promote the release of and online contest for **Broken Flowers**.

Promotions, like the ones this summer, are great ways to not only offer fantastic prizes to our patrons but to create a buzz around new art and independent films. With further interest from patrons, the attendance and interest for CinéArts locations and films will rise, and hold its own with Hollywood's best. 

The Driving Force Behind Per Caps

Deanna Janelle
Concessions Department

With the addition of premium brand names like Starbucks and Nathan's Famous Hotdogs, and new products from Crystal Geyser and ICEE, our per caps are destined to go where no theater chain has gone before! In addition, we've also produced our very own "In The Drivers Seat" promotion with Coca Cola in which OUR employees are behind the wheel!

The circuit-wide rollout of Starbucks to café and non-café locations alike is nearly complete, and we've already seen increased traffic and customer interest in our café fare. Starbucks is the number one coffee brand across the nation and is a great addition to our company portfolio.

Another recent addition is Nathan's Famous Hotdogs, the replacement for Oscar Mayer hotdogs (they were lost to the Dark Side along with Ortega Nachos). With all the fun promotions going on with Nathan's, like their annual hotdog eating contest and free samplings at Century Daly City, customers are really taking notice of the superior quality of this new brand. Some locations have already seen an increase in their summer hotdog per cap as much as seven cents over last year.

We've also seen additional products with brands we are already familiar with, like the recent addition of the Blue Raspberry flavor from ICEE.

So far, this flavor has been a big hit with customers and employees. We've added a new 32 oz. cup that is doing extremely well along with the smaller, original 24 oz. cup. Early numbers are showing that the new 32 oz. cup is averaging more than 30% of ICEE sales, and sales are up from last year!

Another new product we are confident will be a big hit is sparkling flavored water from Crystal Geyser. Test locations have shown early numbers with per caps as high as one to two cents for the lemon flavored variety of this product.

But the creativity and ingenuity of the Concessions Committee is not strictly limited to implementing new food products—we also recently launched an exclusive summer promotion with Coca Cola.

The "In The Drivers Seat" program has been a HUGE success. Each location is visited twice a month by a secret shopper. If the concessions employee successfully up-sells a popcorn or soda to a bigger size, or suggestive sells an additional item to the secret shopper, they win a \$50 Ameri-

can Express Gift card! In the first two weeks that this program has been in place, over 35 Century employees have won!

Despite all that is going on this summer, the Concessions Department still has more to come. New promotions and ideas are always being tested - just ask any of our locations near the home office - even if the ideas or products seem a little "outside of the box." A few examples of items being tested are Starbucks Mints, Mandarin Oranges, and the Popcorn Swirl. New items nearing completion are the new Pretzel Nugget Tray, which holds the product better and keeps it fresher longer, and a new twist to our annual Summer Combo Promotion.

So as summer business continues, remember that although products and brand names play a significant role in determining per caps; it is not the Light Saber that makes the Jedi, but rather the Force from within a location and the employees. May the Force be with you as you continue to drive those per caps! 🚗



Above: A Four-Legged Dog attends the Nathan's Hot Dog Eating Contest at the Daly City 20. **Right top:** Nathan's emcee presents trophy to Joey Chestnut, who edged out Hungry Charles and Jed Donahue to win the contest, after eating 20 1/2 hotdogs and buns in 12 minutes. Chestnut will advance to the finals in Coney Island, NY. **Right bottom:** Daly City staff serve up the hotdogs for the voracious competitors.



PROGRESS REPORT

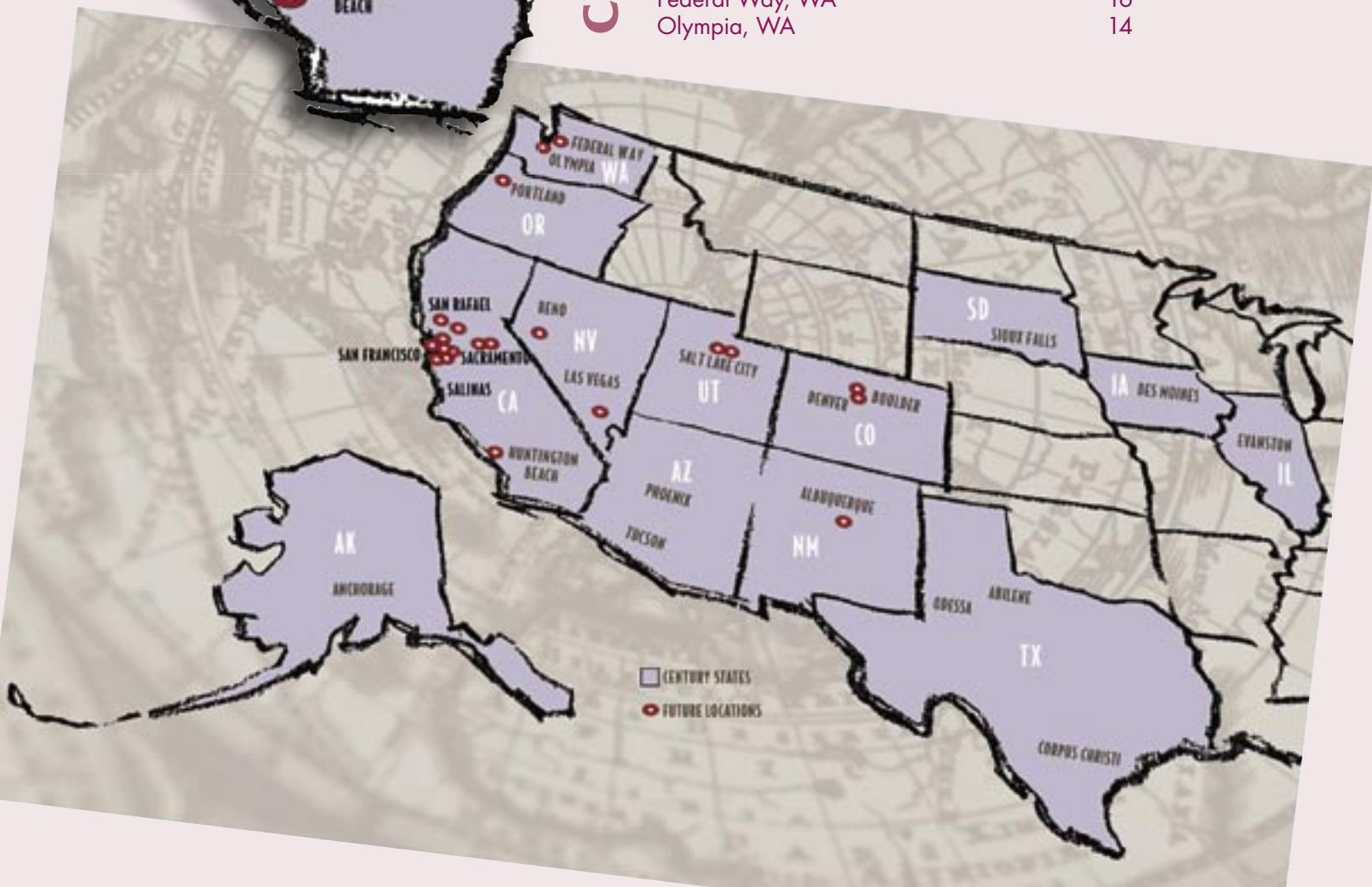
OPEN 2005

Theater	Screens
Downtown Redwood City, CA	20
Huntington Beach, CA	20
South Coast, Las Vegas, NV	16
Union Heights, UT	16



COMING SOON

Theater	Screens
Bradshaw Landing, Sacramento, CA	20
Downtown Sacramento, CA	16
Hayward, CA	12
Napa, CA	14
Newpark Mall, Newark, CA	20
San Francisco Centre, San Francisco, CA	9
San Rafael, CA	12
Sunnyvale, CA	16
Tanforan, San Bruno, CA	20
Boulder, CO	16
Northglenn, Denver, CO	16
Summit Sierra, Reno, NV	16
Coronado Center, Albuquerque, NM	18
Clackamas, Portland, OR	20
University Mall, Orem, UT	16
Federal Way, WA	16
Olympia, WA	14



Will Rogers Motion Picture Pioneer Foundation

Special Honors for Century Theatres

Dale Davison
VP of Special Projects

At ShoWest 2005, the Will Rogers Motion Picture Pioneer Foundation awarded Century Theatres with its highest recognition.

Ray and Joe Syufy each were presented the Willie Award for their longtime support of the Will Rogers collection campaign. They each received the nearly two-foot tall bronze statue of Will Rogers, weighing in at almost twenty pounds! Century was also given high praise by Will Rogers' leadership for setting the record for any company with collection reaching \$538K.

Additionally, two Century General Managers and one Regional VPOT were presented with the Will Rogers Achievement Award. Tony Bauer, GM of Century 20 Park Place in Tucson, produced the highest theater collection in the country with \$60K, while Lazaro Rios, Albuquerque's Rio 24 GM, was Century's second highest producer with \$45K. Art Murtha, Regional VPOT of the Southwest Region, was recognized as well for encouraging the region's pacesetter collection of \$215K.

Century finished with an astounding 31 GM's collecting \$5K or more! Congratulations to all Century Theatres employees for their continued record-breaking support of the Will Rogers fund drive. The foundation's Assistance Fund provides comprehensive assistance programs designed to meet the needs of entertainment veterans during difficult moments in their lives. 📧



Century GM Tony Bauer (second from right) is joined by Century President David Shesgreen, and CEO's Joe Syufy and Ray Syufy at ShoWest in Las Vegas, March 2005.

