

INTERNATIONAL EXCHANGES

by Francesca Dinglasan

NORTHERN EXPOSURE

ONEX RECORDS LOSSES IN 2003, CONSIDERS LOEWS SALE

TORONTO—Onex Corp. has unveiled its financials for 2003, indicating that revenues dropped to C\$17 billion (US\$23 billion), compared with the previous year's C\$21 billion (US\$28.3 billion). During the 12 months, the company also saw operating income of C\$376 million (US\$507.6 million), down from 2002's C\$1.1 billion (US\$1.5 billion), with red ink widening to C\$332 million (US\$448 million) from the previous net loss of C\$145 million (US\$196 million). "Challenging industry conditions affected a number of our companies over the past year, and this is reflected in our results," said Onex chairman and CEO Gerald Schwartz. Prominent among the few gains were earnings on shares from an IPO launched late last year for the Cineplex Galaxy Income Fund, an exhibition partnership with Galaxy Entertainment. The float raised C\$118 million (US\$159.3 million) of the total C\$129 million (US\$174 million) in share gains garnered by Onex.

Soon after the release of Onex's fiscal results, local press in New York City broke the news that the corporation is looking to place theatrical chain Loews Cineplex Entertainment on the auction block. Onex, which controls a 51 percent stake in the 2,835-screen circuit, is believed to be hiring a major investment firm to assist in determining strategic options for the nation's fourth largest exhibitor. Headquartered in New York, Loews Cineplex is the United States' oldest cinema circuit, with in-theatre promotions scheduled throughout the year in celebration of the company's 100th anniversary.

EUROVIEWS

NEW CINEMA CIRCUIT LAUNCHES IN RUSSIA

MOSCOW—Upstart exhibition chain Cinema Park recently opened its flagship site in the Russian capital. Located in the sprawling city's southwest corner, the theatre features nine screens and anchors Moscow's Kaluzhsky shopping mall. The cinema also has been outfitted with sensors that enable film distributors to keep track of attendance via the Internet. With a price tag of nearly \$5 million, the moviehouse marks the launch of Cinema Park's initial stage of development. The company is investing nearly \$107 million to build 12 state-of-the-art theatres, comprising 100 screens, in 10 markets throughout the territory. Following completion of the first phase of construction in 2006,

Cinema Park intends to open an additional 15 cineplexes by the first quarter of 2008, bringing the circuit's total screen count to nearly 200. A joint venture between Russian firm Prof-Media and local director Nikita Mikhalkov's Trite Studio, Cinema Park eventually hopes to garner a 20 to 30 percent share of the domestic exhibition market.

FINANCIER LOOKS TO GET HANDS ON CIRCUIT UCI

LONDON—An English investor has unveiled his interest in acquiring international exhibition chain UCI. Guy Hands is reported to have submitted an offer of £400 million (US\$755 million) via his company Terra Firma Capital Partners for the 120-site circuit, which operates multiplexes in 11 territories throughout Europe, Asia and South America. Other outfits believed to be pursuing UCI include U.K. exhibitor Vue Entertainment and private equity group HgCapital. UCI is a joint venture between Hollywood majors Universal and Paramount.

YORK RESIDENTS RALLY TO SAVE HISTORIC THEATRE

YORK, U.K.—A newspaper in York has collected more than 7,000 signatures via a petition to keep a local landmark cinema open to the public. The campaign to save the city's Odeon moviehouse was launched in response to the revelation that the theatre's owners were in the process of determining the site's economic viability. Concerned about the possible closure of the his-





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