



***CINEDIGM DIGITAL CINEMA CORPORATION CROSSES 11,000 SCREEN
DEPLOYMENTS WITH ANNOUNCEMENT OF DIGITAL DEPLOYMENT PACT
WITH CELEBRITY THEATRES***

Deal Will Enable The Rollout Of Up To 30 New Digital Cinema Screens at 3 sites

Los Angeles, CA, August 14, 2012 – Cinedigm Digital Cinema Corp. (NASDAQ: CIDM), the global leader in digital cinema, today announced a long-term VPF deployment agreement with Celebrity Theatres. The agreement will enable the conversion of theatres to digital cinema under the terms of Cinedigm's long-term agreements with all the major studios, as well as ongoing interim agreements with over one hundred independent distributors.

Celebrity will be providing its own financing in the Cinedigm exhibitor-buyer deal structure and will deploy up to 30 Cinedigm-Certified™ screens, with installation expected to be completed in the Fall. The theaters have chosen to utilize powerful digital projector systems from NEC Display Solutions.

Celebrity Theatres currently has three locations in the Baton Rouge, Louisiana, area totaling 26 screens but is expanding up to 30 screens. Celebrity Theatres is a member of the Cinema Buying Group, a buying program formed by the independent theatre operators of the National Association of Theatre Owners (NATO) to find cost-effective solutions for converting theatres from film to digital projection. Cinedigm is the digital cinema integrator partner for the CBG.

The transition from 35mm film projection, which has been used for 110 years, to digital projection systems is a worldwide motion picture industry effort and the costs to deploy this new technology are covered primarily through the payment of virtual print fees (VPF) from studios to implementation companies. Cinedigm's Digital Cinema division facilitates funding, installation and operations support, along with ongoing VPF administration, for the company's digital cinema rollout plans. Cinedigm has signed long-term VPF agreements with all the major studios and interim agreements with over one hundred independent distributors.

“Celebrity has been very diligent in evaluating its digital cinema options,” said Gary Loffredo, Cinedigm's President of Digital Cinema Services. “We look forward to sharing the benefits of digital cinema with all their constituents, from employees to customers.”

“We applaud Cinedigm’s achievement in eclipsing the 11,000th screen deployment and our ongoing joint initiative toward digital cinema conversion,” said Jim Reisteter, General Manager of Digital Cinema Projectors at NEC Display Solutions. “More and more theater patrons are experiencing the benefits of digital cinema as a result of this initiative.”

Cinedigm offers a new business model to exhibitors by enabling theaters to present engaging alternative programming including sporting events and concerts, short films, cartoons, Q&A’s, as well as branded entertainment. Recent releases by Cinedigm include the first ever live 3D broadcast of a UFC bout on February 4, 2012, the ground-breaking, worldwide LIVE 3D broadcast of the FIFA World Cup Championship, the BCS Championship in LIVE 3D, the Dave Matthews Band 3D concerts, and the sold out 3D PHISH concerts. Cinedigm has also released the KIDTOONS series for the past eight years, a weekly family friendly matinee series that runs in over 130 theaters across the country.

In its combined Phase One and Phase Two digital cinema deployment program, Cinedigm has:

- Signed 11,065 screens overall
- Installed 10,296 digital screens
- Signed digital screens deals with 240 exhibitors

Cinedigm digital theaters are fully networked, turnkey systems – simple and cost-efficient to operate.

Cinedigm Digital Cinema Corp. is a leader in providing the services, experience, technology and content critical to transforming movie theaters into digital and networked entertainment centers. The Company partners with Hollywood movie studios, independent movie distributors, and exhibitors to bring movies in digital cinema format to audiences across the country. Cinedigm's digital cinema deployment organization, state of the art distributor and exhibition software, and marketing and distribution platform for alternative content and independent films are a cornerstone of the industry's digital cinema transformation. With the April acquisition of New Video, the world's largest aggregator of independent digital content and leading distributor of quality entertainment, CIDM has created a new full service end-to-end digital studio, enabling the Company to acquire and distribute independent films and specialty content both theatrically and via digital, mobile and home media platforms. Cinedigm™ and Cinedigm Digital Cinema Corp™ are trademarks of Cinedigm Digital Cinema Corp

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