



IMAX CORPORATION

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IMAX SIGNS MULTIPLEX THEATRE DEAL WITH LEADING EXHIBITOR

North America's 6th Largest Exhibitor Enters IMAX[®] Theatre Business in Indianapolis

Toronto, Canada – January 10, 2007 – IMAX Corporation (NASDAQ: IMAX; TSX: IMX) and Kerasotes ShowPlace Theatres, North America's sixth largest exhibitor, today announced an agreement to install an IMAX[®] theatre in the exhibitor's flagship location, the ShowPlace 16 in Indianapolis, Indiana. Expected to open in 2007, the new IMAX theatre will utilize IMAX MPX[®] technology and take advantage of Hollywood movies that have been digitally re-mastered into the unparalleled image and sound quality of The IMAX Experience[®]. Kerasotes ShowPlace Theatres currently operates 81 theatres with 685 screens in the USA. With this agreement, IMAX now has partnerships with seven of the top ten exhibitors in North America.

“IMAX theatres offer a unique and immersive cinematic experience that cannot be replicated at home or in any other type of theatre,” said Tony Kerasotes, Chairman and CEO of Kerasotes ShowPlace Theatres. “The attractive economics of IMAX's MPX theatre system will enable us to cost-effectively enter the IMAX theatre business and offer our customers Hollywood's biggest titles in an exciting, premium format. We look forward to opening our first IMAX theatre in 2007 and hope to expand with more locations in the future.”

“We are delighted to enter into a new partnership with one of North America's leading, well-respected and innovative exhibitors,” said IMAX co-Chairmen and co-CEOs Richard L. Gelfond and Bradley J. Wechsler. “Kerasotes ShowPlace Theatres is a welcome addition to the family of IMAX exhibitors, and we are excited to build on this relationship as we continue to implement our domestic growth strategy.”

The new IMAX theatre will feature IMAX MPX technology. The IMAX MPX theatre system was designed specifically to enable multiplex operators to more cost effectively enter into the IMAX theatre business, either by retrofitting an existing stadium-seating auditorium or via an economical new build. The new IMAX theatre will be capable of playing Hollywood event films that have been digitally re-mastered into the unparalleled image and sound quality of The IMAX Experience, as well as original IMAX productions in 2D and IMAX[®] 3D.

About Kerasotes Theatres. LLC

Kerasotes ShowPlace Theatres, LLC is the sixth largest motion picture exhibitor in the U.S. Founded in 1909, the company grew from a single storefront nickelodeon to one of the industry's premier companies. Based in Chicago, Kerasotes ShowPlace Theatres is managed by third generation family, Tony and Dean Kerasotes, who have directed the company's aggressive growth since 1985. Currently, the company operates 81 theatres with 685 screens.

About IMAX Corporation

Founded in 1967, IMAX Corporation is one of the world's leading entertainment technology companies and the newest distribution window for Hollywood films. IMAX delivers the world's best cinematic presentations using proprietary IMAX, IMAX 3D, and IMAX DMR[®] technology. IMAX DMR (Digital Re-mastering) makes it possible for virtually any 35mm film to be transformed into the unparalleled image and sound quality of The IMAX Experience. The IMAX brand is recognized throughout the world for extraordinary and immersive entertainment experiences. As of September 30, 2006, there were 280 IMAX theatres operating in 40 countries.

IMAX[®], IMAX[®] 3D, IMAX DMR[®], and The IMAX Experience[®] are trademarks of IMAX Corporation. More information on the Company can be found at www.imax.com.

This press release contains forward looking statements that are based on management assumptions and existing information and involve certain risks and uncertainties which could cause actual results to differ materially from future results expressed or implied by such forward looking statements. Important factors that could affect these statements include the timing of theatre system deliveries, the mix of theatre systems shipped, the timing of the recognition of revenues and expenses on film production and distribution agreements, the performance of films, the viability of new businesses and products, and fluctuations in foreign currency and in the large format and general commercial exhibition market. These factors and other risks and uncertainties are discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2005.

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