



EXHIBITION OUTLOOK

August 2024

**THE CINEMA
FOUNDATION**



National Association
of Theatre Owners



As part of its continual process of assessing the exhibition landscape, the National Association of Theatre Owners has identified key drivers of a favorable outlook for the industry:

1 Positive trends at the box office indicate that the industry will build on the momentum of the second half of 2024.

2 Distributors are displaying a clear commitment to releasing movies in theatres.

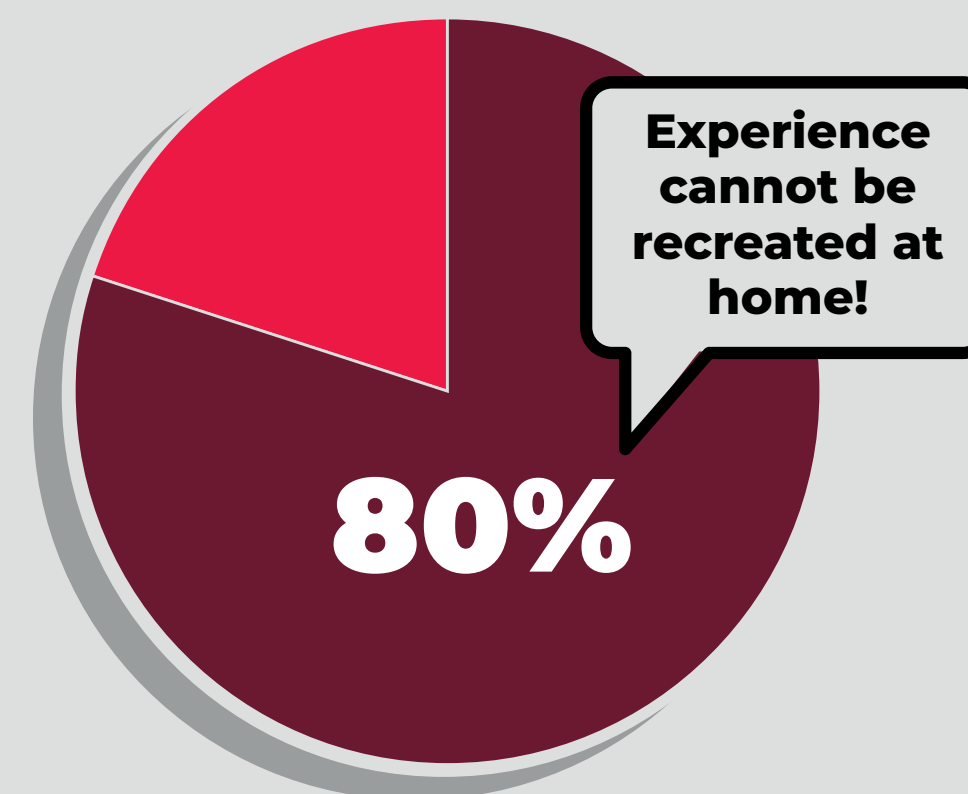
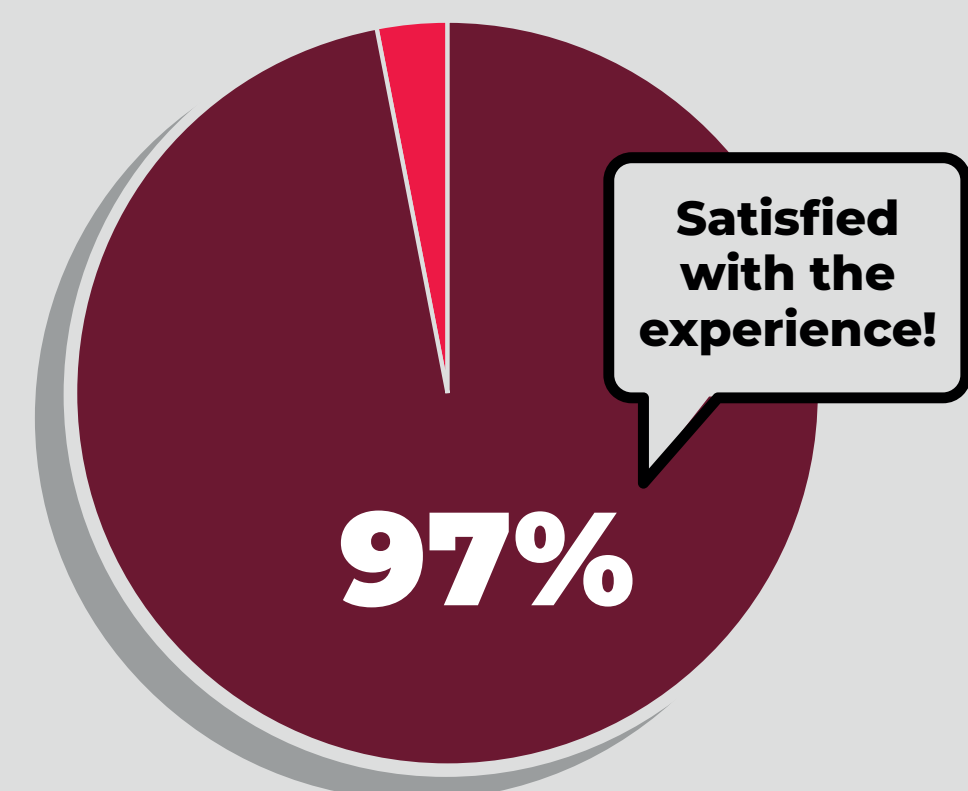
3 Movie theatres are an irreplaceable economic driver in their communities.

AN EXPERIENCE PEOPLE LOVE

Blockbusters released in 2024 have set new all-time box office records, and consumers express a strong desire to continue seeing movies in theatres. There are clear indicators that the experience of going to a movie remains a unique and desirable activity.

According to Fandango's 2024 Moviegoing Trends & Insights Study, **97%** of moviegoers surveyed said they were satisfied with their experience at the theatre over the past year.

Over **80%** of all respondents feel strongly that the moviegoing experience cannot be recreated at home.

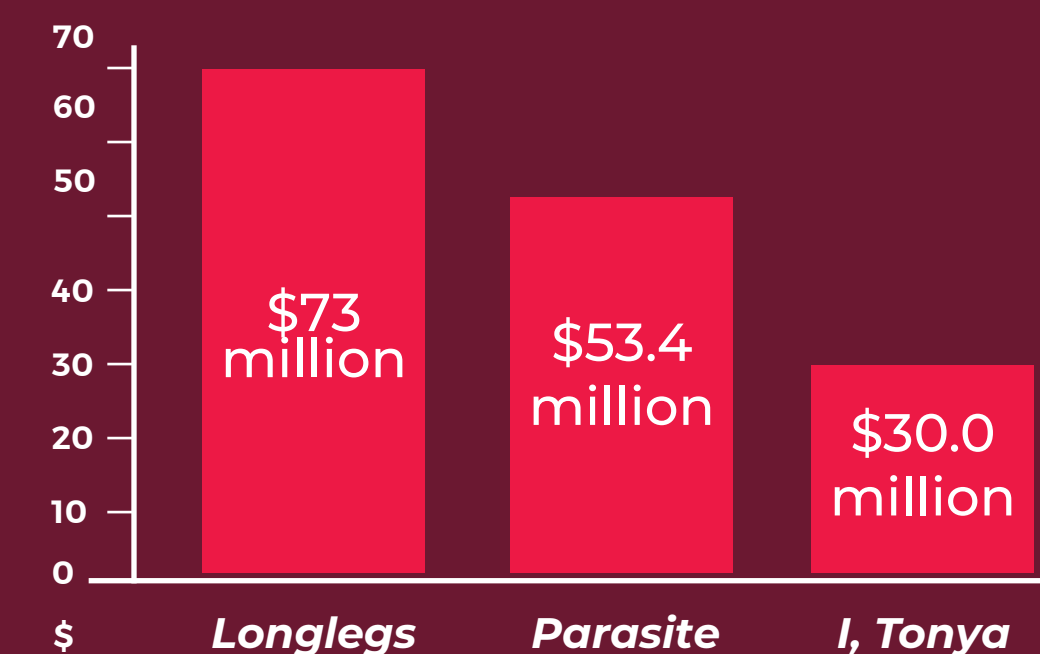


MOVIES IN THE MIDDLE ARE ESSENTIAL

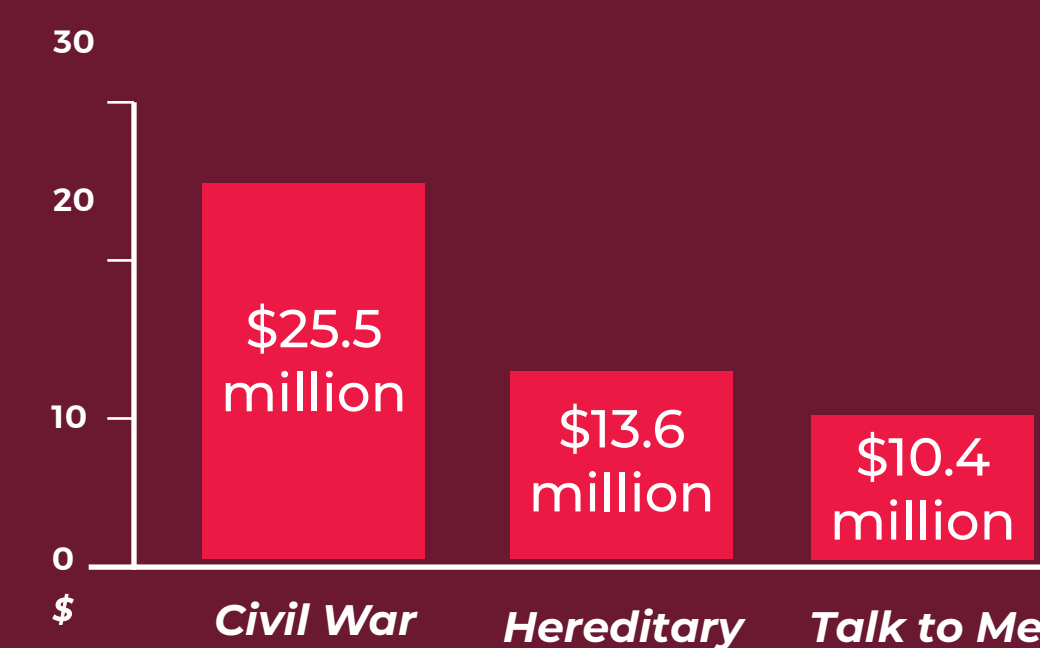
While a blockbuster like *Deadpool & Wolverine* having a record-setting opening of over **\$210 million** may grab the headlines, the movies that are in the middle that set records are just as important.

In 2024, A24 and NEON both set new records: A24 delivered their best opening weekend with *Civil War's* **\$25.5 million** debut, while NEON achieved their biggest domestic hit ever with *Longlegs* at **\$73 million** and counting at the North American box office.

Top 3 Domestic Movies for NEON



Top 3 Domestic Opening Weekends for A24





RECENTLY OVERLOOKED GENRES PERFORMED WELL IN 2023 AND CONTINUE TO DO SO IN 2024.

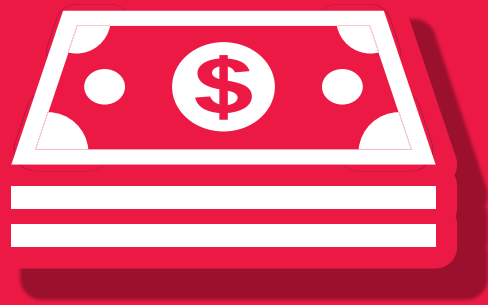
A diverse slate means that more moviegoers feel excited about what their theatres have to offer.

MOVIEGOERS RESPOND TO DIVERSE OPTIONS

Romantic comedies such as *Anyone But You*, adult-skewing dramas like *Sound of Freedom*, *The Iron Claw*, and *The Boys in the Boat*, and original animated films like *Migration* all showed amazing strength by combining for nearly **\$485 million** at the domestic box office during their long theatrical runs. Adult-skewing films such as *Bob Marley: One Love*, *Civil War*, *Challengers*, *Longlegs*, and *It Ends With Us* have exceeded expectations in 2024. Those four films alone have posted more than **\$400 million** combined at the domestic box office.

The Value of a Theatrical Release

Streaming companies continue to embrace the value that movie theatres provide. Apple will release *F1* from star Brad Pitt and director Joseph Kosinski (*Top Gun: Maverick*) in June 2025. Amazon has several releases planned, including *Red One* starring Dwayne Johnson and Chris Evans in November 2024. *Red One* was originally planned as a streaming-first release.



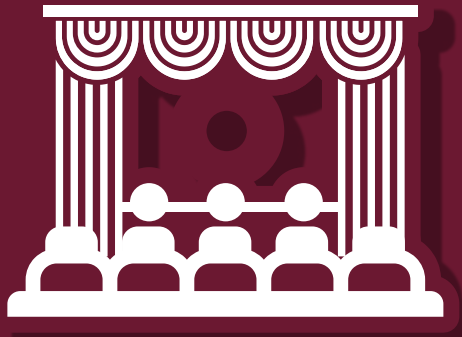
From Streaming to Theatrical

Since 2023, nearly **\$350 million** in domestic box office has been generated by movies such as *Mean Girls*, *Air*, and *Alien: Romulus* that switched from a streaming launch to a theatrical launch. When it comes to maximizing ROI, a theatrical release boosts the value and perception of a movie when it becomes available in the home. *Moana 2* is a major upcoming release that was switched from streaming to theatrical.



Strength of Animation

After opening to a massive **\$154.2 million** domestically, *Inside Out 2* maintained momentum on its way to becoming the biggest animated film of all time with a domestic haul of **\$642 million** and counting. The sequel's success demonstrates the ability of animated films to draw audiences of all ages to theatres.





A LOOK AT 2025

Movie theatres will enjoy a consistent slate of theatrically released films year-round in 2025. Boxoffice Pro, the world's leading publication covering the movie theatres business, currently forecasts that the annual domestic box office could hit \$10 billion by 2025 and \$11 billion by 2026.

Boxoffice Pro is the reference publication covering the business of theatrical exhibition. In publication since 1920, Boxoffice Pro specializes in the latest trends, topics, and innovations in the global movie theatre business. Boxoffice Pro's Forecasting Panel is a group of established industry executives representing the exhibition, distribution, and cinema technology sectors of the motion picture industry, who provide weekly tracking on all wide releases scheduled to hit theatres in North America. **Boxoffice Pro shares their analysis of the 2025 slate below.**

CURRENT FORECAST FOR 2025 DOMESTIC BOX OFFICE:

\$9.4 - \$10 billion (Source: Boxoffice Pro)

\$9.0 - \$9.5 billion (Source: The Numbers.com)

\$8.9 - \$9.5 billion (Source: The Quorum)



Reasons for Optimism in 2025:

A Robust Theatrical Release Schedule

No more quiet periods at the box office: the 2025 release schedule offers a year-round selection of titles for every audience segment. After sitting out the first half of 2024, Disney roars back into theatres in Q1 2025 with **Captain America: Brave New World** (February) and **Snow White** (March). Q2 will see a major lift, with 10 titles expected to earn over \$100 million at the box office, twice the number of films that hit the benchmark in 2024. Q3 will offer audiences a reinvigorated selection of new blockbusters from storied franchises with the relaunch of **Jurassic World**, reboots of **Naked Gun** and **I Know What You Did Last Summer**, and a new musical from *South Park* creators Matt Stone & Trey Parker.

PROJECTED TOP 10 FILMS IN 2025 according to Boxoffice Pro

- | | |
|---|--|
| 1. Avatar: Fire and Ash (Disney) | 6. Zootopia 2 (Disney) |
| 2. Jurassic World 4 (Universal) | 7. The Fantastic Four: First Steps (Disney) |
| 3. Captain America: Brave New World (Disney) | 8. Thunderbolts* (Disney) |
| 4. Snow White (Disney) | 9. Mission: Impossible 8 (Paramount) |
| 5. Superman (Warner Bros.) | 10. Minecraft (Warner Bros.) |

SUPERHEROES RETURN

Audiences will continue flocking to theatres throughout the summer to catch the latest entry of their favorite superhero franchise. Warner Bros.' new DC Universe launches in July with **Superman**, and Disney's blockbuster Marvel Cinematic Universe will finally bring its own iteration of **The Fantastic Four: First Steps** to the big screen. The domestic box office has earned over \$1 billion in every July since 2022, a trend expected to continue in 2025.



HOLIDAY HITS

The Q4 box office has the strength to carry the domestic box office back to the \$10 billion benchmark. The Thanksgiving-to-Christmas corridor boasts five titles with blockbuster earning potential: **Wicked Part 2**, **David**, **Zootopia 2**, **Five Nights at Freddy's 2**, **Avatar 3**, and **The SpongeBob Movie: Search for SquarePants**. We expect the back half of the schedule to fill out with additional family films and adult-skewing Oscar hopefuls to deliver the strongest Q4 in years.



2026 PREVIEW: A STRONG SLATE

By Bruce Nash, Bruce Nash, Founder and Publisher, The Numbers

Bruce Nash founded Nash Information Services, LLC in 1997, and has grown it to serve approximately 1,000 clients, from the major studios and multi-billion dollar production companies to first-time independent filmmakers. He is also the founder of the movie financial information site, The Numbers. He provides regular commentary on the movie industry for media outlets such as the Los Angeles Times, The New York Times, Variety, The Wall Street Journal, The Economist, 60 Minutes, CBS News, and Scripps News.

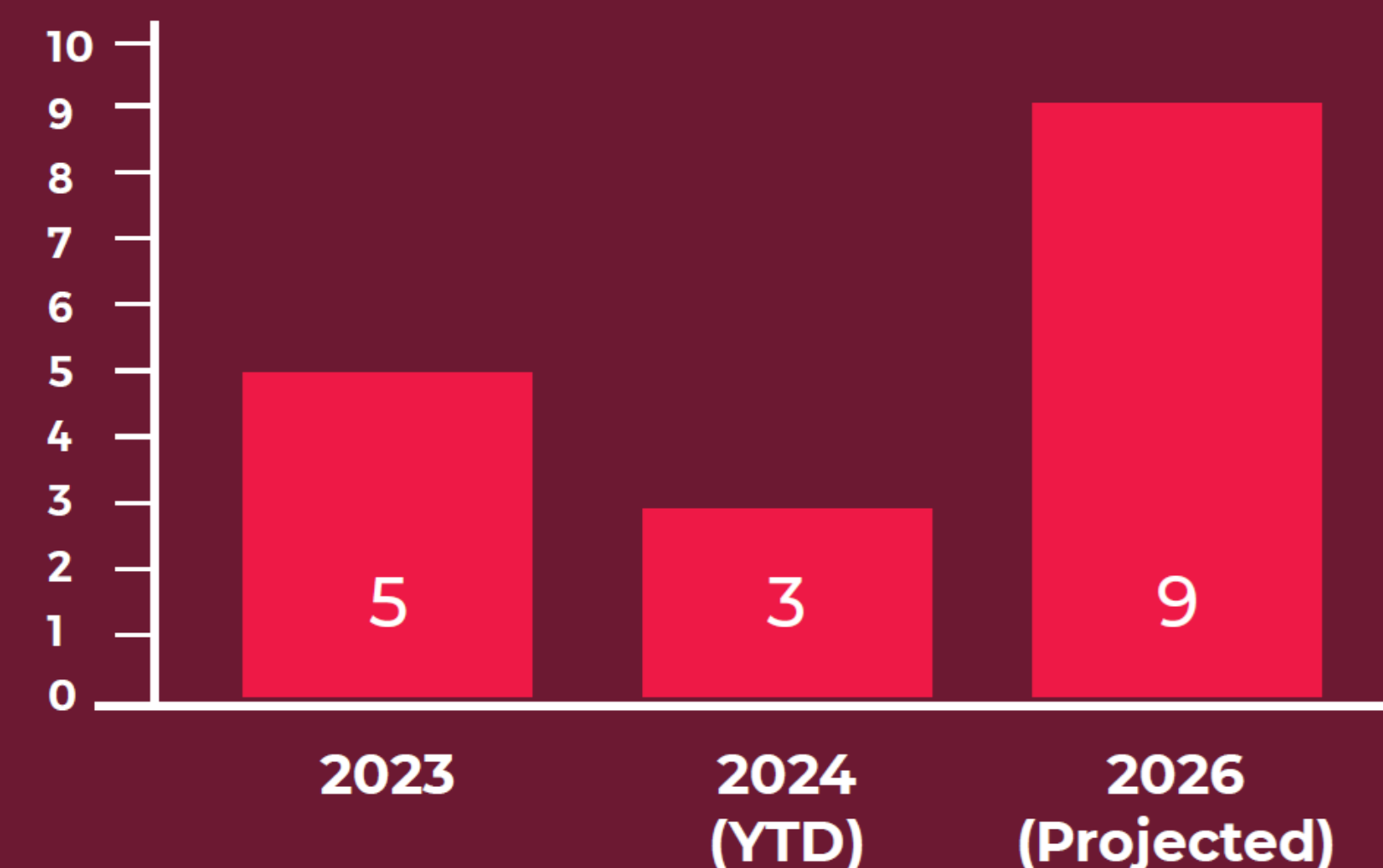
2026 has a promising line-up of tentpole films. We have currently identified **nine releases** scheduled for 2026 with a high probability of earning **over \$300 million** at the domestic box office.

They are *The Super Mario Bros. 2*, *Avengers: Doomsday*, *The Mandalorian & Grogu*, *Toy Story 5*, *Shrek 5*, *Moana* (live-action version), *The Batman: Part II*, *Fast X: Part 2*, *Lord of the Rings: The Hunt for Gollum*.

In addition, two other films already scheduled for release in 2026 could also hit \$300 million domestically: *The Cat in the Hat*, and *The Hunger Games: Sunrise on the Reaping*.

The eleven blockbusters listed above should generate approximately \$4 billion combined at the domestic box office.

Films Earning \$300 Million at the Domestic Boxoffice





THE ECONOMIC IMPACT OF MOVIE THEATRES

The positive trends at the box office and in the production pipeline are not just good for exhibition, they are good for the overall economy.

When people go to the movies and spend money on tickets and concessions, their trip -- often referred to as "movie night" -- also serves as a catalyst for other spending.



MOVIEGOERS SUPPORT LOCAL BARS AND RESTAURANTS



MOVIEGOERS SHOP AT NEARBY RETAIL STORES BEFORE OR AFTER A MOVIE



MOVIEGOERS HAVE TRAVEL EXPENSES (PAYING FOR GAS, TAKING AN UBER) RELATED TO THEIR TRIP

All of this creates enormous value to the overall economy and is an important part of the impact of movie theatres.

BEACON ECONOMICS CONDUCTED AN **ECONOMIC IMPACT STUDY** ON THE **UNITED STATES MOVIE THEATRE INDUSTRY** FOR 2023.

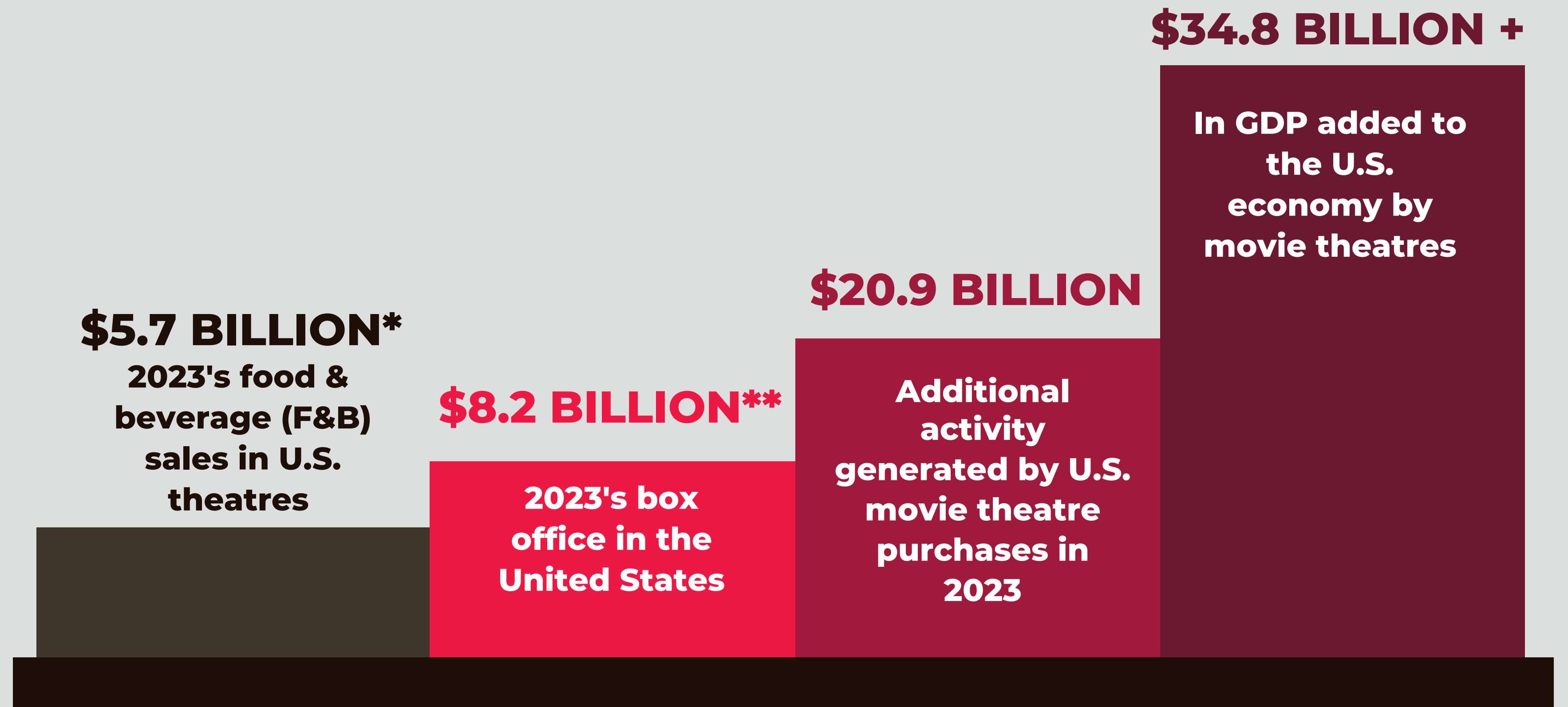
THE STUDY FOUND THE FOLLOWING:



Every dollar spent on movie nights contributes approximately **\$1.50** in additional economic activity across the economy.



More than **408,000 jobs** are supported by total movie night economic activity.



*NATO estimate

**Comscore data and NATO estimate

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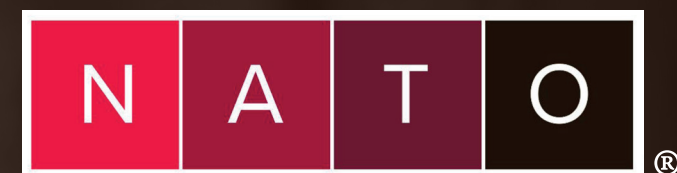
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