

2014 Annual
Meeting

October 1,
2014



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Gregory S. Marcus



**President and CEO
The Marcus Corporation**

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Thomas F. Kissinger

**Senior Executive Vice
President, General
Counsel and Secretary,
The Marcus Corporation
Interim President,
Marcus Hotels & Resorts**



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Rolando B. Rodriguez



**Executive Vice
President,
The Marcus Corporation
President and CEO,
Marcus Theatres**

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Douglas A. Neis

**Chief Financial Officer
and Treasurer
The Marcus Corporation**



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William H. Reynolds, Jr.



**Senior Managing Director
MCS Capital LLC**

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Kim M. Lueck

**Chief Information Officer
The Marcus Corporation**



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Rachel P. McKinney



**Vice President of
Human Resources
The Marcus Corporation**

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Trusted Leaders



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Business Meeting

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Board of Directors

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**President and CEO
The Marcus Corporation**

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Daniel F. McKeithan, Jr.

**Chairman and CEO
Tamarack Petroleum
Company, Inc.**



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Diane Marcus Gershowitz



**Real Estate Management
and Investments**

Timothy E. Hoeksema

**Retired Chairman,
President & CEO
Midwest Air Group,
Inc.**



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Allan H. (Bud) Selig



**Commissioner of
Major League Baseball**

Bruce J. Olson

**Retired Senior Vice
President,
The Marcus Corporation
Retired President,
Marcus Theatres**



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Philip L. Milstein

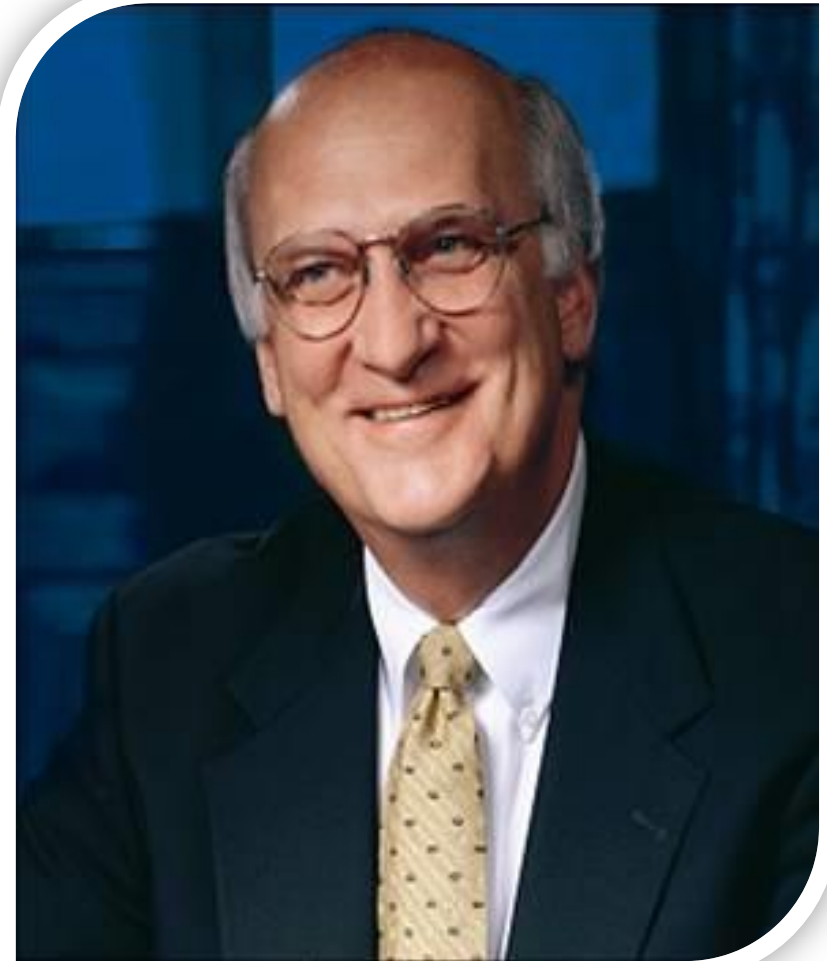


**Principal
Ogden CAP Properties,
LLC**

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Bronson J. Haase

**Retired President
Pabst Farms Equity Ventures,
LLC;
Retired President & CEO
Wisconsin Gas Company;
Retired Vice President
WICOR, Inc.;
Former President & CEO
Ameritech Wisconsin**



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James D. Ericson



**Retired Chairman,
President & CEO
Northwestern Mutual
Life Insurance
Company**

Brian J. Stark

**Founding Principal,
Chief Executive Officer
and Chief Investment
Officer
Stark Investments**



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Experienced Board of Directors



Compensation of Named Executive Officers

Selection of Independent Registered Public Accounting Firm

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launch. innovate.
invest. grow. ultimate.
destination. reward.
perform. inspire.



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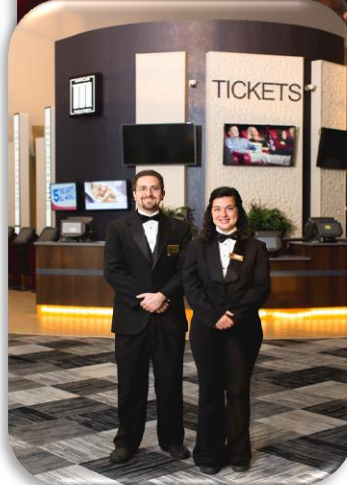
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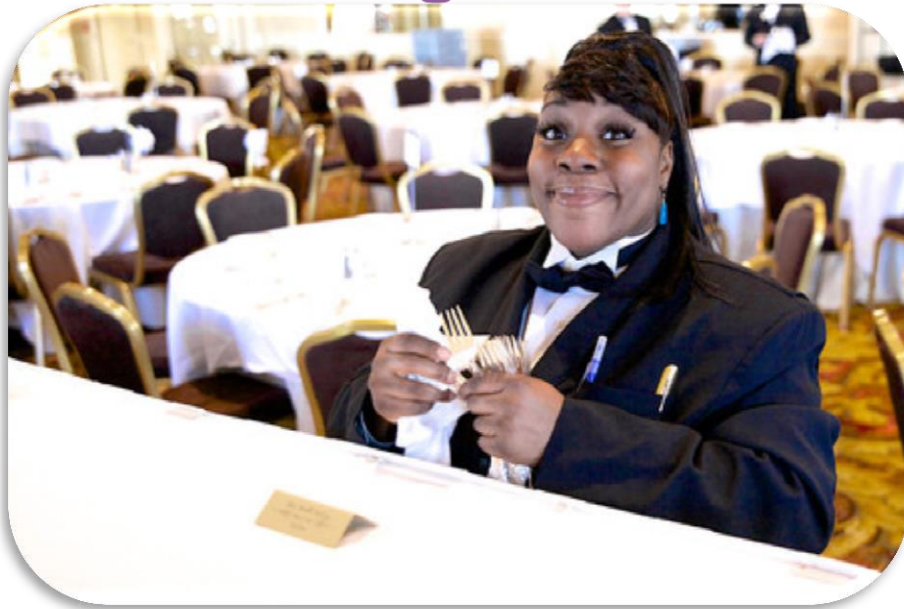
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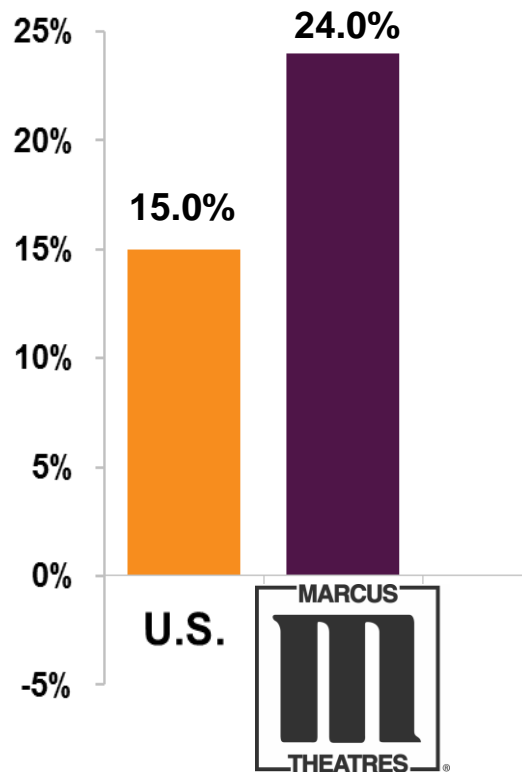
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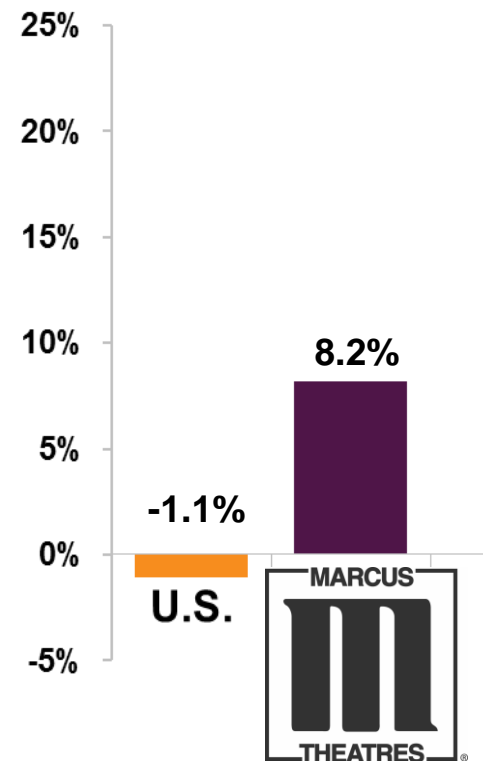
A Blockbuster Year

- Fiscal 2014 was a record year
- 11% increase in revenues and 14% increase in operating income
- Outperformed the industry in Q3 and Q4 by 9 percentage points each quarter
- Concession revenues up 15%

Q3 F2014 Box Office



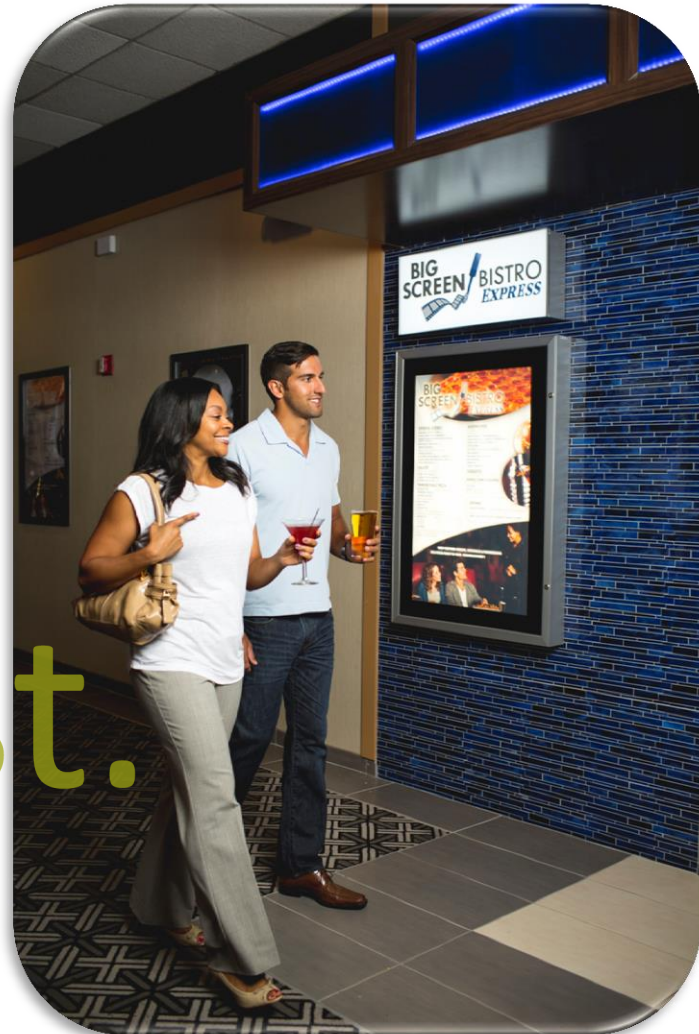
Q4 F2014 Box Office



A Blockbuster Year

- Achieved results through a combination of:
 - Major renovations at many theatres
 - Solid slate of films
 - Successful operational and marketing strategies

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marcus® theatres

Innovate.

- First in the industry with premium large format screens



ULTRASCREEN®

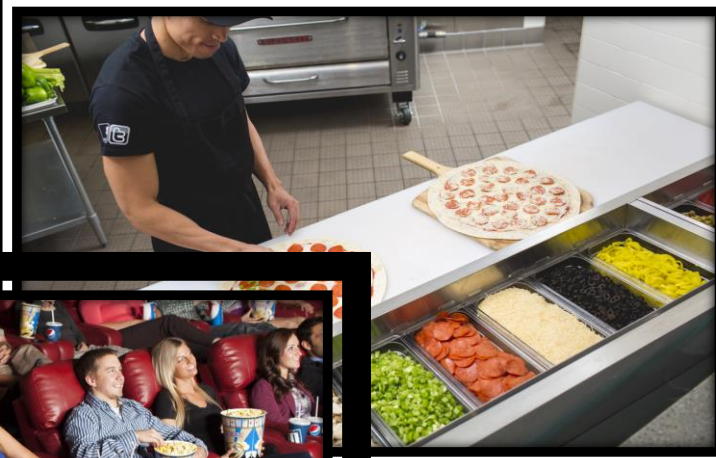
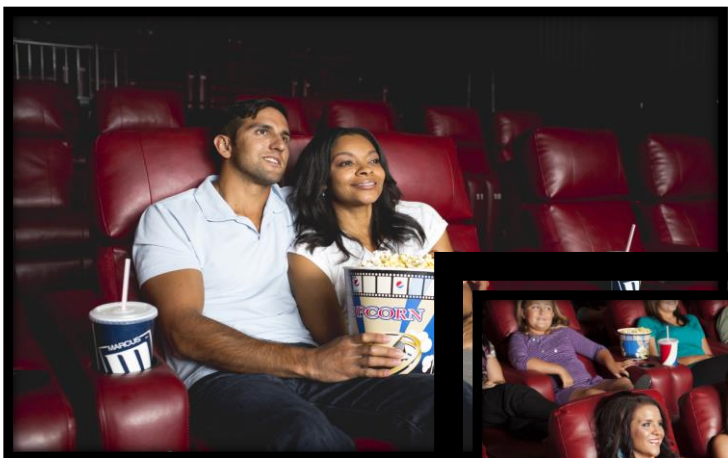
Innovate.

- *UltraScreens* have proven to be very successful



marcus® theatres

Innovate.



Innovate.

- **Very positive customer response**
- **Increased attendance and revenues at locations that offer our new features**
- **Moviegoers will by-pass a theatre closer to them to enjoy the DreamLounger and *UltraScreen* DLX experience**



Dream  Lounger™

Innovate.

- Introduced very successful \$5 Tuesday promotion
- Mid-week promotion targets value-oriented customers
- Outstanding response has created another weekend day without impacting regular weekend attendance
- Other promotions include \$5 Student Thursdays and Midnight Madness

\$5 TUESDAYS ALL MOVIES
ALSO STARRING:

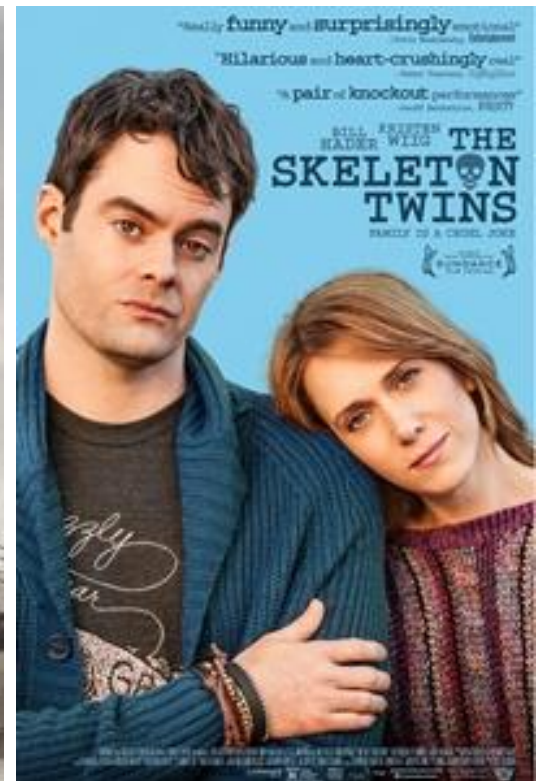
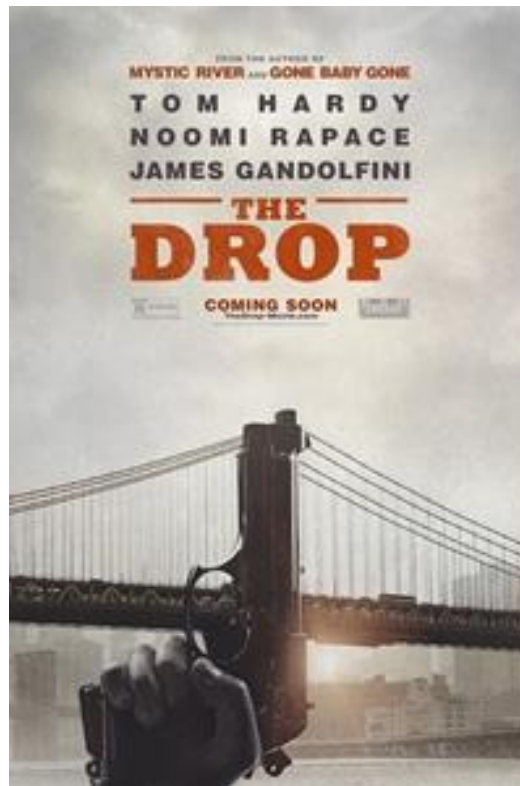
FREE Popcorn
for Magical Movie Rewards members.

\$5 STUDENT THURSDAYS
INCLUDES FREE POPCORN EVERY THURSDAY LIMITED TIME OFFER

MARCUS THEATRES
MIDNIGHT MADNESS™
SHOWTIMES MIDNIGHT OR LATER
FRIDAY & SATURDAY

Innovate.

- Indie Focus – featuring art and independent films



Innovate.

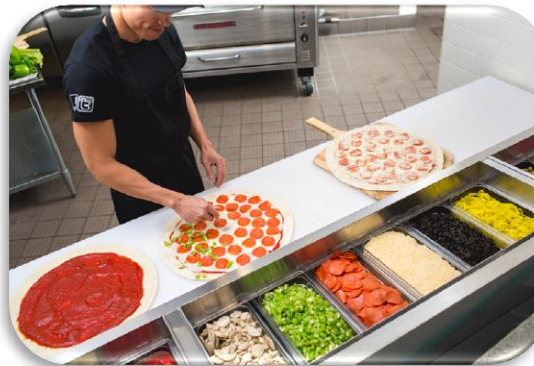
- **Launched Magical Movie Rewards loyalty program in March 2014**
- **Exceeded 640,000 members in first six months**
- **Benefits include:**
 - Earn points for each dollar spent
 - Rewards redeemable at the box office, concession stand or signature food and beverage venues
 - Exclusive screening opportunities
 - Unique concessions offers
- **Win-win-win for our company, customers and studio partners**



marcus® theatres

Invest.

- Invested \$50 million in our existing theatres
- Added DreamLoungerSM premium recliner seating to eight theatres
- Increased number of *UltraScreen* and *UltraScreen DLX* auditoriums to 20
- Increased *Take Five*SM Lounges and *Zaffiro's*[®] Express to 11 theatres
- Offering *Big Screen Bistros*SM in five theatres



marcus® theatres

Invest.

- Currently building a 12-screen theatre in Sun Prairie, Wis. named The Palace at Sun Prairie
- Will offer:
 - Reserved DreamLounger seating in every auditorium
 - Two *UltraScreen* DLX auditoriums
 - Four *Big Screen Bistro* auditoriums
 - *Zaffiro's Express* & *Take Five Lounge*
- Opening in May 2015; replaces older theatre nearby

**ZAFFIRO'S
EXPRESS**

**BIG
SCREEN**  **BISTRO**
FILM • COCKTAILS • FOOD

Take Five
cocktails & lounge



ULTRASCREEN® DLX

Inspire.

- **Focus of innovation and investments is to inspire our customers**
- **Experienced management team in place**
- **Looking at our operations a little differently, expanding successful concepts and executing rapidly and effectively**



Outlook

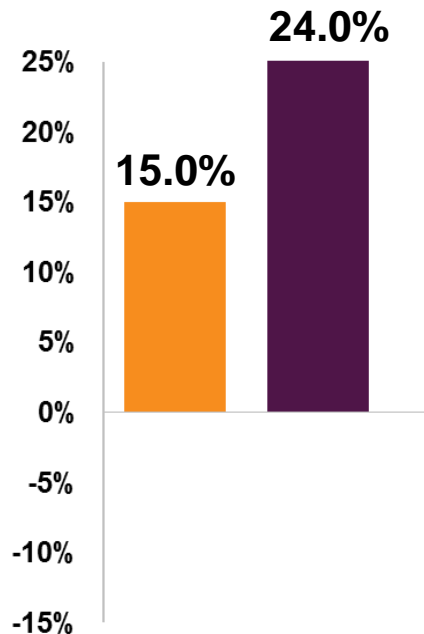
- Outperformed the industry for the third consecutive quarter in Q1
- Top performing theatre circuit among the top 10 U.S. chains
- Film product for remainder of our second quarter includes a number of potential hits
- Busy holiday movie season looks promising and 2015 has a number of highly anticipated films in the line-up



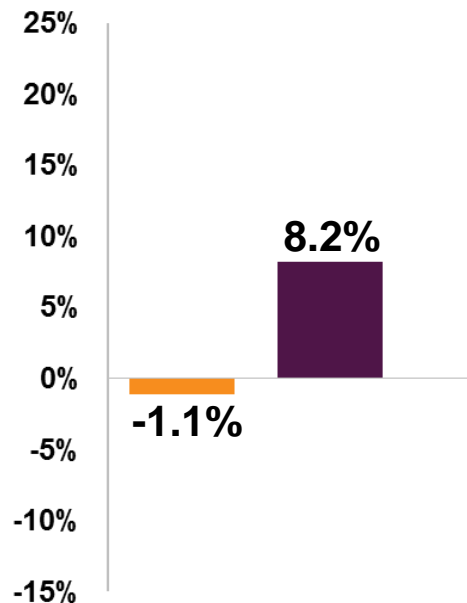
Outlook

- Regardless of the strength of the movies in any given quarter, our goal is to outperform the national numbers

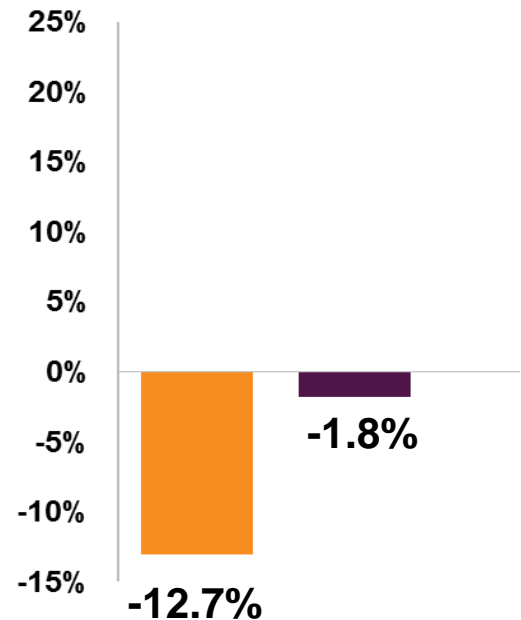
Q3 F2014 Box Office



Q4 F2014 Box Office



Q1 F2015 Box Office



■ U.S. ■ Marcus

Outlook

- Primary focus is on achieving meaningful growth from our existing assets
- Will continue to expand our new concepts to more locations next year
- Loyalty program enables us to connect with our customers and target communications and programming
- Providing a better moviegoing experience can ultimately generate improved operating results



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MARCUS

HOTELS & RESORTS



A Year of Progress

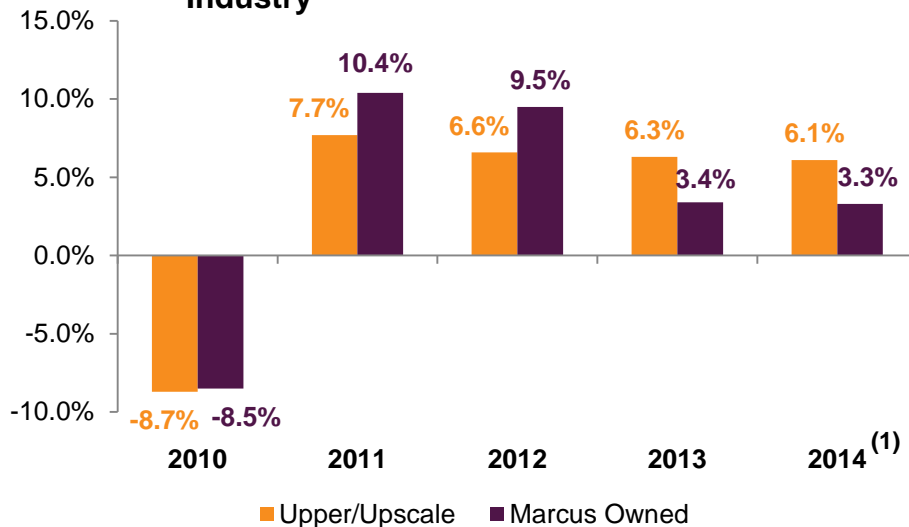
- Revenues increased nearly 6% and operating income was up nearly 49%
- 3.3% increase in RevPAR
- Improved performance due to record occupancy, higher average daily rate and a 6.1% increase in food and beverage revenues
- Fourth straight year of increases in the average daily rate



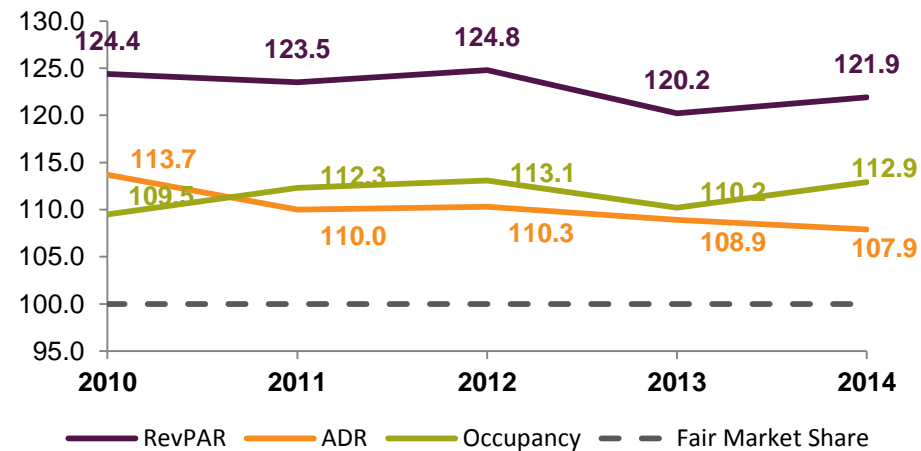
Outperforming the Industry

- Leader in occupancy, ADR and RevPAR
- Exceeded the fair share of the market in terms of RevPAR, ADR and occupancy

YoY RevPAR Change – Marcus vs Industry



Marcus Owned Market Share⁽²⁾



Source: Smith Travel Research

(1) Excluding two hotels with extenuating circumstances, Marcus RevPAR change was 6.2%

(2) Index value of 100.0 indicates fair market share. Value greater than 100.0 suggests greater than fair share of market

marcus® hotels & resorts

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Innovate.

- At the forefront of many industry trends
- Features and amenities resonate with today's travelers
- Exclusive club lounges added to The Pfister Hotel and the Grand Geneva Resort & Spa



Pfister Club Lounge



Geneva Club Lounge

marcus® hotels & resorts

Innovate.



marcus® hotels & resorts

Innovate.

- Expanded Miller Time Pub & Grill
- Pairs great food with great beer
- Developed at the Hilton Milwaukee and opened second location at The Cornhusker, A Marriott Hotel, in Lincoln, Neb.



Innovate.

- First hotel management company to install high-power charging stations
- Guests can charge their cars overnight or for just a few hours

HOTEL BUSINESS® Guest Services

August 21, 2014 • HB 15

Marcus Hotels & Resorts' EV stations lead the charge

By DANIELLE DATTOLO

MILWAUKEE—Summer is the season for road trips, and Marcus Hotels & Resorts is encouraging the tradition with its new solution for electric Tesla Model S cars and their owners. With the electric vehicle (EV) hitting the road in increasing numbers, Marcus is thinking about guests who may need to charge overnight or juice up during dinner.

"We saw the trend happening across the U.S. with the expansion of the Tesla customer base," said Brian Burton, VP, revenue generation, Marcus Hotels & Resorts. "But, moreover, we were really just trying to find a solution for those folks. There's a good continuity between their client base and ours to offer an amenity for them that would allow them to travel with a little bit more convenience."

Since the Tesla Model S debuted in 2012, more than 25,000 units have been delivered to the U.S. Tesla, launched in 2008, has begun to implement its free Supercharger network, which comprises more than 103 stations with charging stalls that can supply half a charge in 20 minutes and a full charge in 75 minutes across the country. The Supercharger network is designed to provide a

has started installing Tesla's High Power Wall Connector (HPWC) at the majority of its properties, the bulk of which has been completed over the past couple of months.

According to Marcus, the HPWC stations offer twice the power of typical EV charging stations, and are able to charge at 58 miles of range per hour. "It will deliver between 40 and 60 miles per hour, so in thinking about an overnight guest, you could completely recharge the vehicle while you stay here, and if you're in for a quiet dinner, you can put in 100 miles," Burton remarked.

It was inevitable that Tesla owners would pull up to a Marcus property looking for a recharge with stations that could allow guests to drive from California to Marcus' The Westin Atlanta Perimeter North in Georgia "just using Tesla's infrastructure of charging stations and supplementing with our hotels," Burton said. And though the program serves as an amenity for guests of Marcus Hotels & Resorts, Burton noted, "We've left it up to the individual properties to decide,



A High Power Wall Connector at The Piester Hotel in downtown Milwaukee. The High Power Wall Connector has been installed at 13 Marcus Hotels & Resorts properties.

feedback so far."

However, "It's probably not a direct outlook to say, 'Let's go out and find Tesla buyers,'" Burton said. "But we're looking for guests who are looking for

installed at 13 properties, with more in the pipeline. However, Marcus is running into infrastructure issues at the Hotel Phillips in downtown Kansas City, MO; The Cornhusker, A Marriott Hotel in Lincoln, NE; and the Hilton Garden Inn in Houston, TX. "They don't have onsite garages, or their local municipalities won't install the stations in the front porte-cochere," Burton explained. "It's been a limitation of structure versus a lack of desire to do it. Our goal was to have the stations installed in the vast majority. Tesla has been able to provide the high-powered charging units as we need them."

With most of the stations recently installed, "It's still too new to tell ROI," Burton said, "but we didn't approach it as an ROI project. It was more of, 'What is a way we can differentiate ourselves and work for our guests and provide a solution for these folks?'"

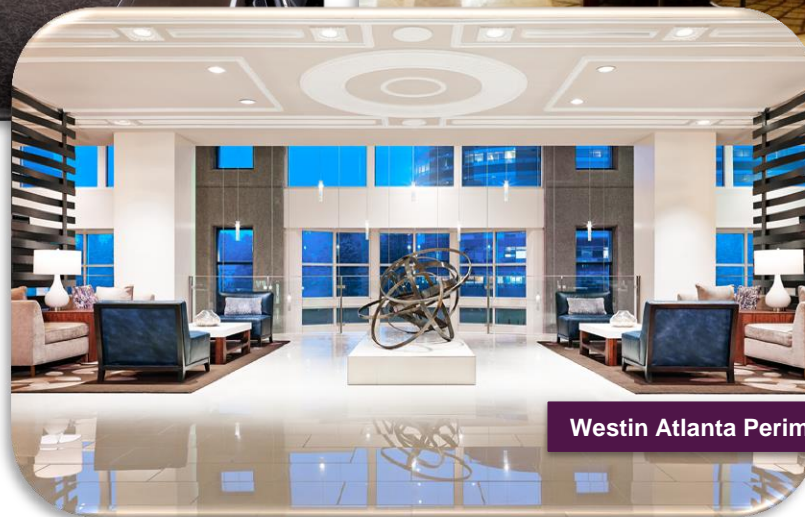
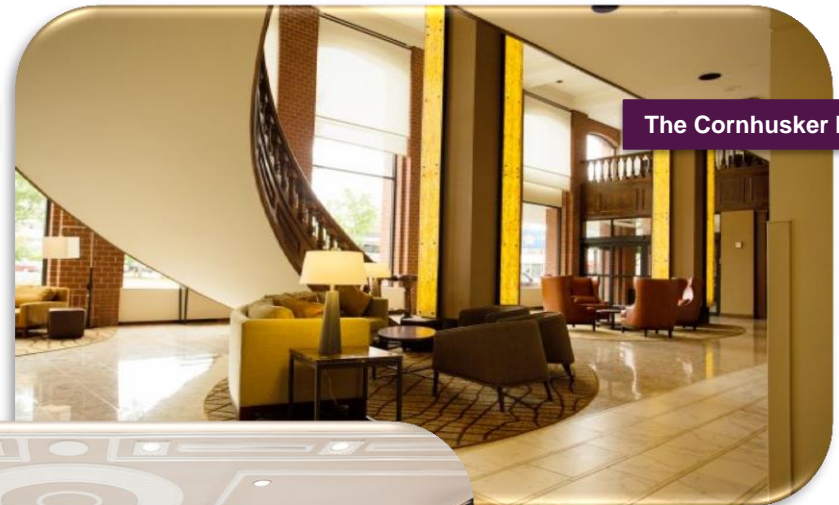
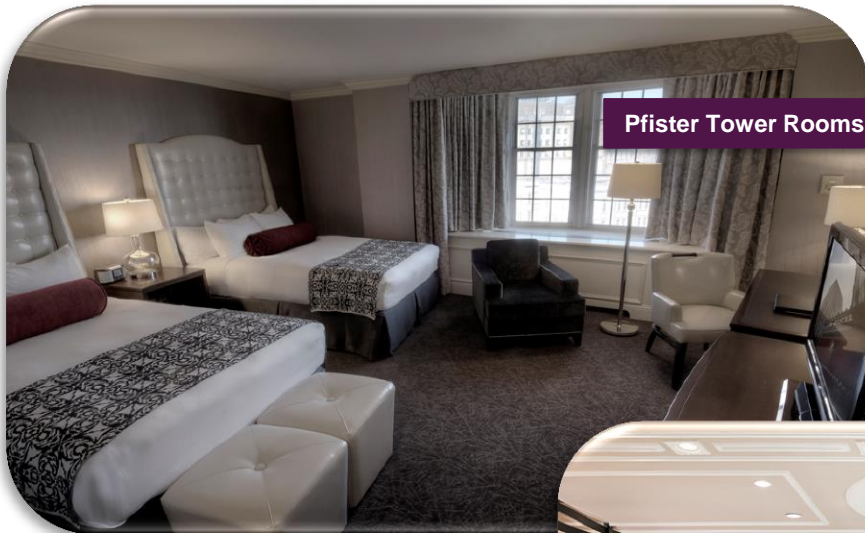
The initiative has proved to be a cost-effective one: Due to Marcus' partnership with Tesla, the charging stations were donated. Since Marcus obtained the wall chargers at no cost, "It's been roughly between \$1,000 and \$2,000 to provide the power and get it installed.



marcus® hotels & resorts

Invest.

- Continue to invest in our existing assets



marcus® hotels & resorts

Invest.

- Renovated 176 tower guest rooms at The Pfister Hotel



marcus® hotels & resorts

Invest.

- Completed \$11 million renovation of The Cornhusker, A Marriot Hotel



MARRIOTT
THE CORNHUSKER



marcus® hotels & resorts

Invest.

- Completed multi-million dollar renovation of the Westin Atlanta Perimeter North

THE WESTIN
ATLANTA
PERIMETER NORTH



Invest.

- **Converting Four Points by Sheraton Chicago Downtown/Magnificent Mile into one of the first AC Hotels by Marriott in the U.S.**
- **Inspired by the fashion houses of Spain; European urban lifestyle brand; contemporary look and feel**
- **Latest amenities and technology for the savvy traveler**
- **Renovation to begin November 2014; anticipated spring 2015 opening**



Inspire.

- Our associates inspire our guests to return and recommend our properties
- Our associates are truly our greatest asset
- Further strengthened our hotel management team in 2014 with experienced leaders in operations, development, engineering and sustainability



Outlook

- **Actively pursuing additional management contracts**
- **Generate good fee income, without the capital commitment of company-owned properties**
- **Will also consider joint ventures and partnerships where we may contribute equity**



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Outlook

- Assumed management of the Heidel House Resort & Spa in Green Lake, Wis. in May



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Outlook

- Recently assumed management of The Hotel Zamora in St. Pete Beach, Fla.



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Outlook

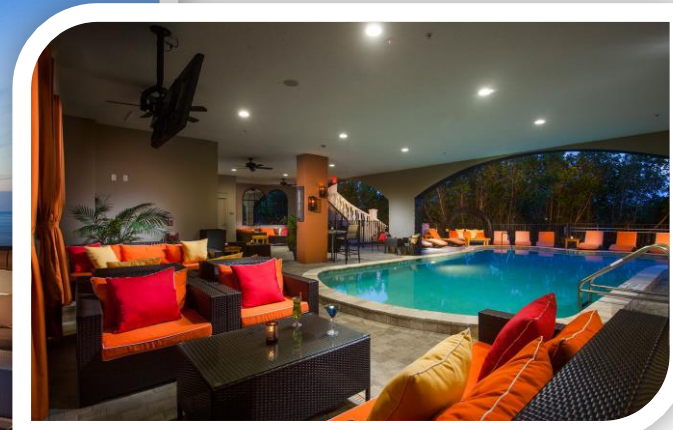
- **Hotel Zamora first new hotel to open in St. Pete Beach in over 20 years**
- **Overlooks the Intracoastal waterway and Gulf of Mexico**
- **72 luxurious guest rooms and 9,000 square-feet of meeting space**
- **Castile Restaurant receiving rave reviews**



marcus® hotels & resorts

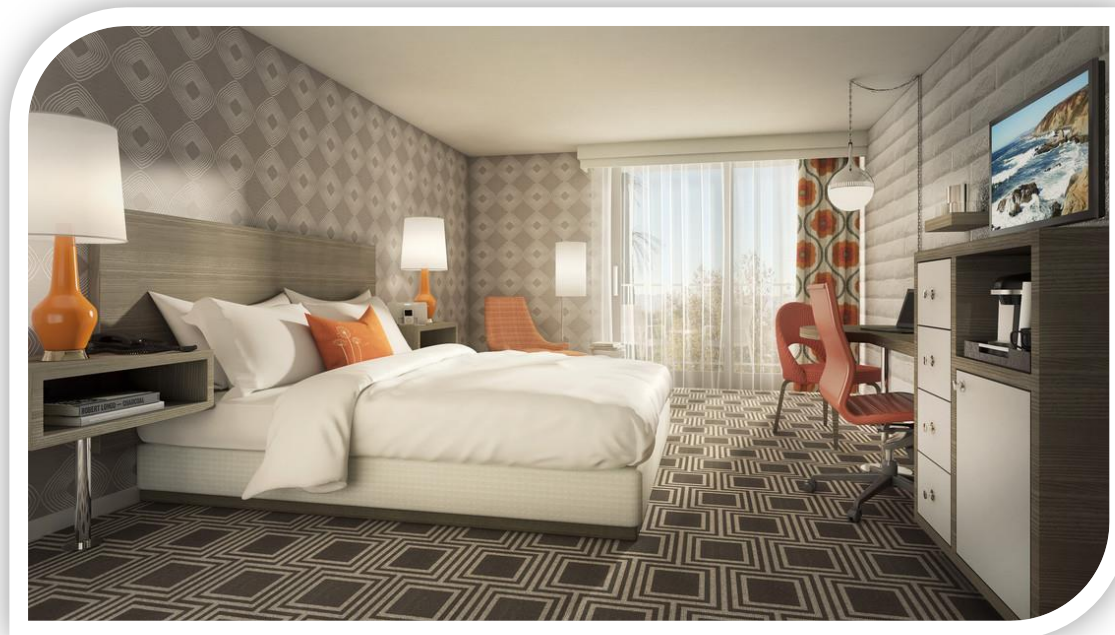
Outlook

- **Hotel Zamora recently named one of nine great new U.S. beach hotels by CNN**



Outlook

- May also consider divesting selected properties to realize the value created over a number of years
- Our goal is to retain the management of the property
- Proceeds from any potential sale could be used to fund growth opportunities in both divisions



Outlook

- Leveraging strong food and beverage expertise
- Evaluating opportunities to expand creative concepts, such as Miller Time Pub & Grill
- Cater major public and private events



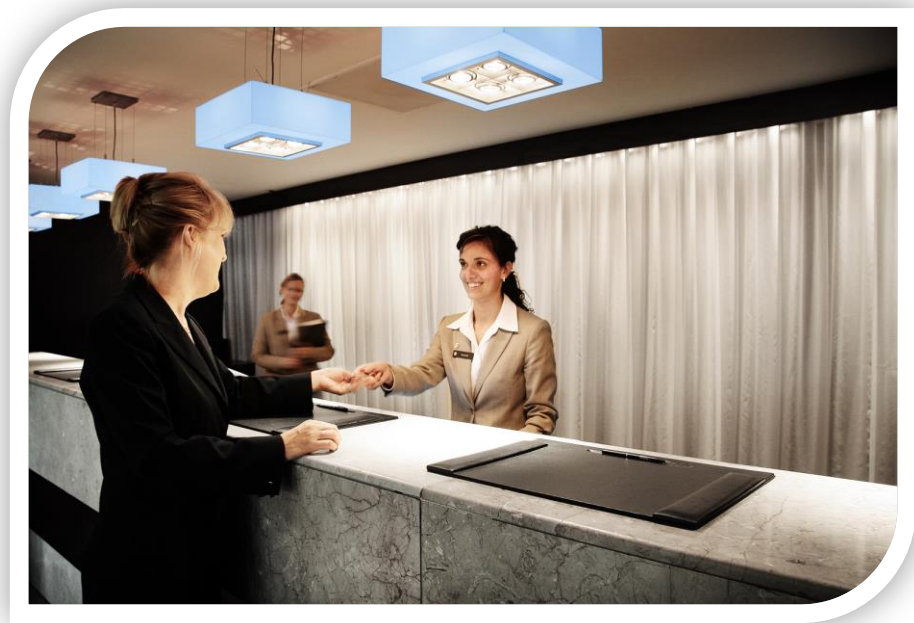
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The Corners of Brookfield



CENTRAL PARK VIEW

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www.marcuscorp.com



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The Corners
OF BROOKFIELD

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MICS

LISTED

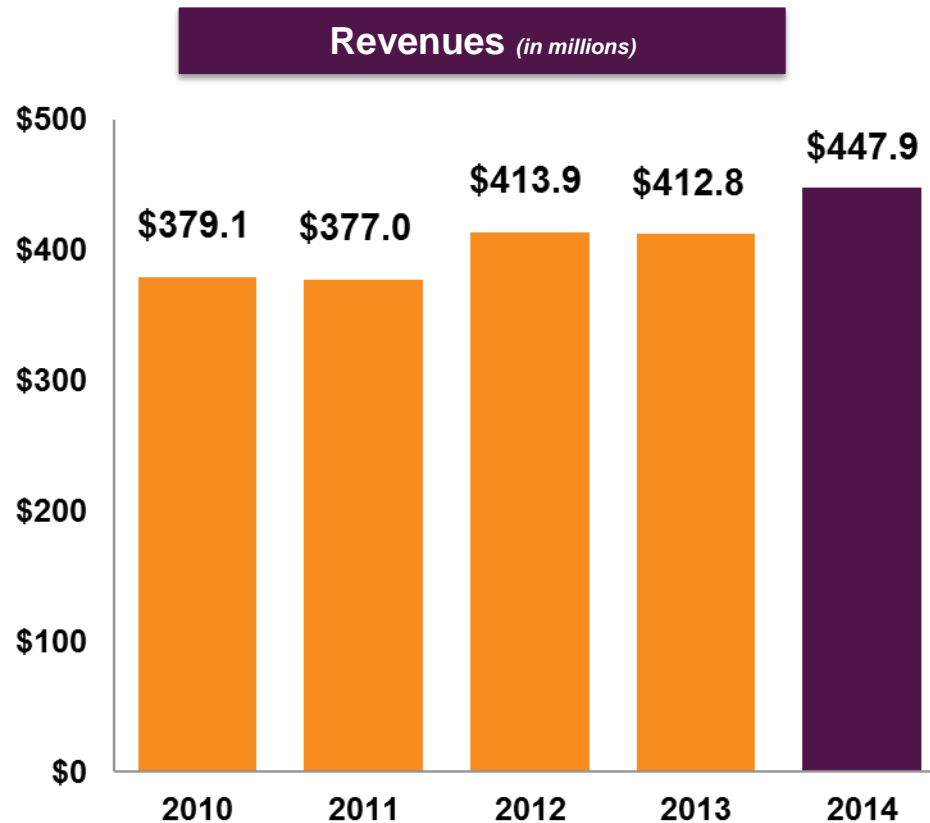
perform.

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NYSE®

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Fiscal 2014 Results

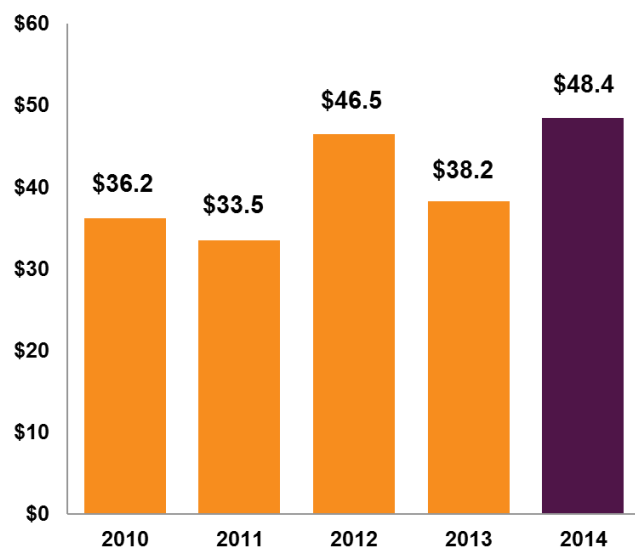
- Total revenues of \$448 million set a new record



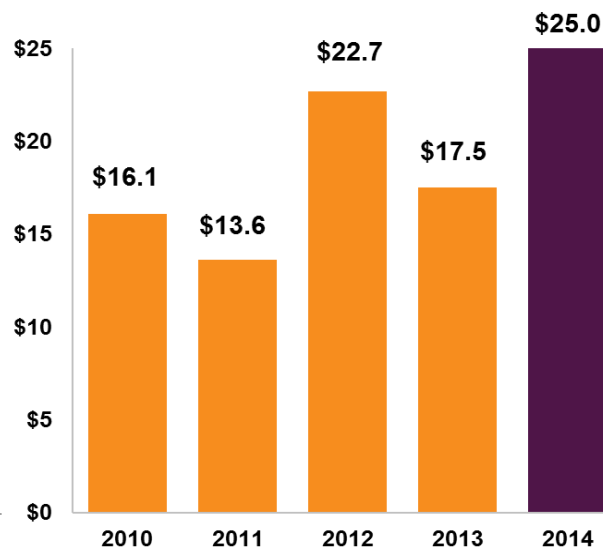
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Fiscal 2014 Results

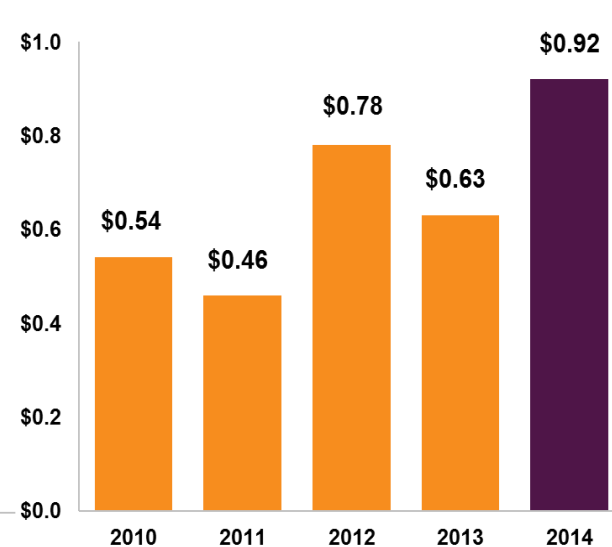
Operating Income *(in millions)*



Net Earnings *(in millions)*



EPS

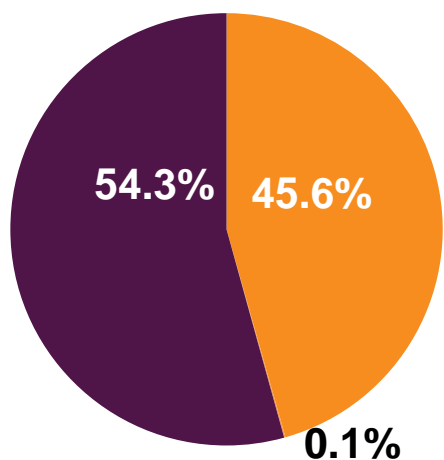


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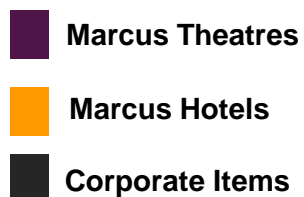
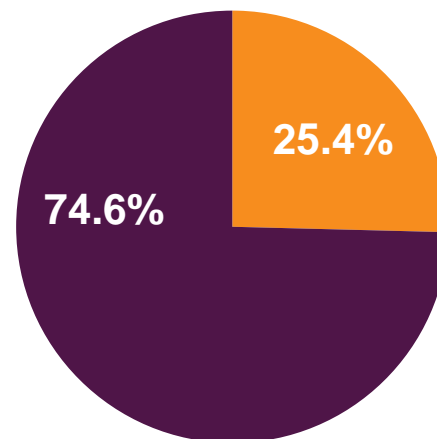
Fiscal 2014 Results



Revenues by Division



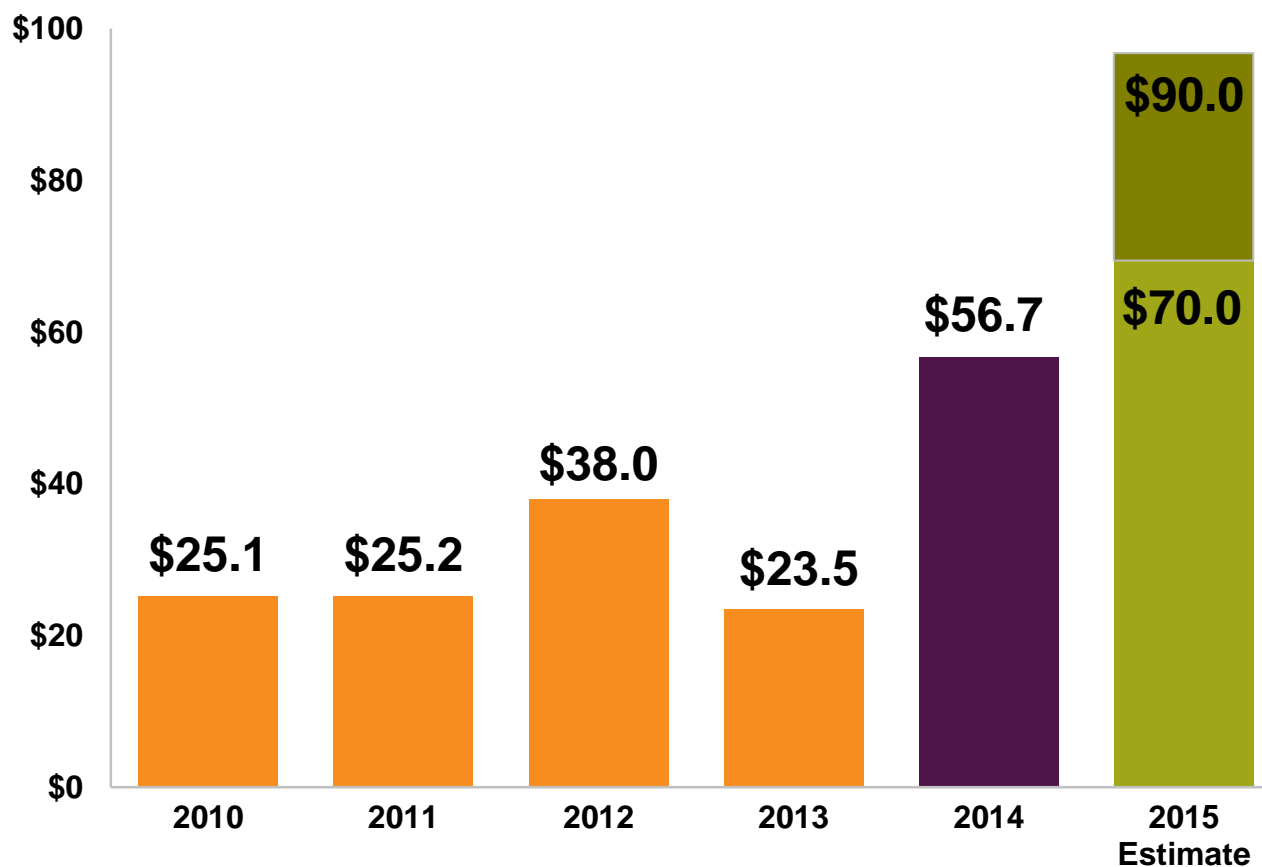
Operating Income by Division



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Fiscal 2014 Results

Capital Expenditures *(in millions)*

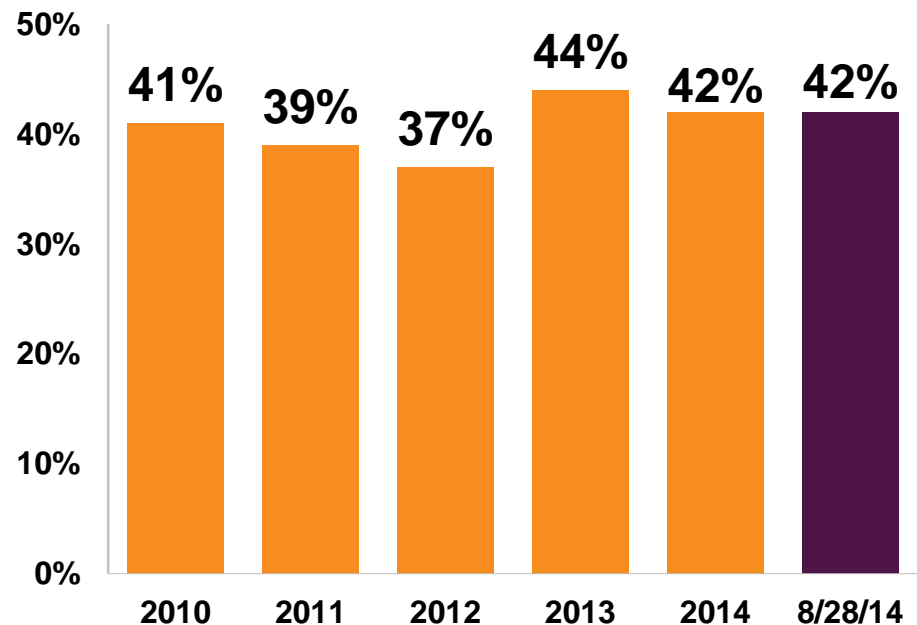


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Fiscal 2014 Results

- Credit facilities well positioned for growth
- \$141 million of unused credit lines as of 8/28/14
- Well positioned to return capital to shareholders through our dividend policy and share repurchases
- Can also invest in both businesses and pursue growth opportunities

Debt/Capitalization Ratio



First Quarter Fiscal 2015 Results

Q1 Fiscal 2015 Results

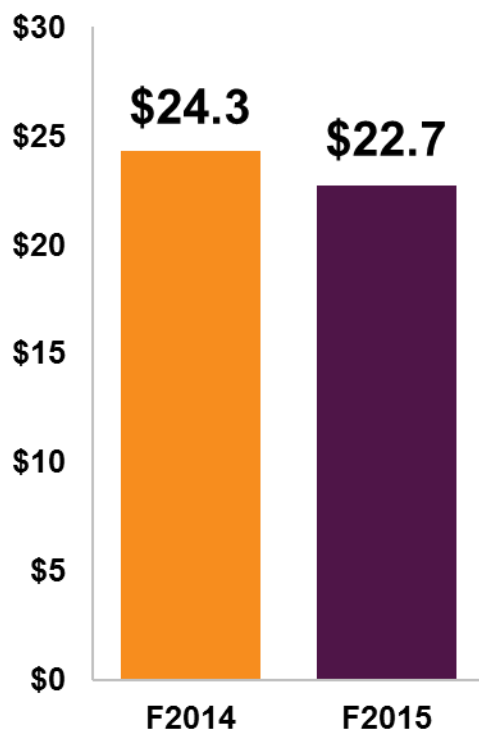
Revenues *(in millions)*



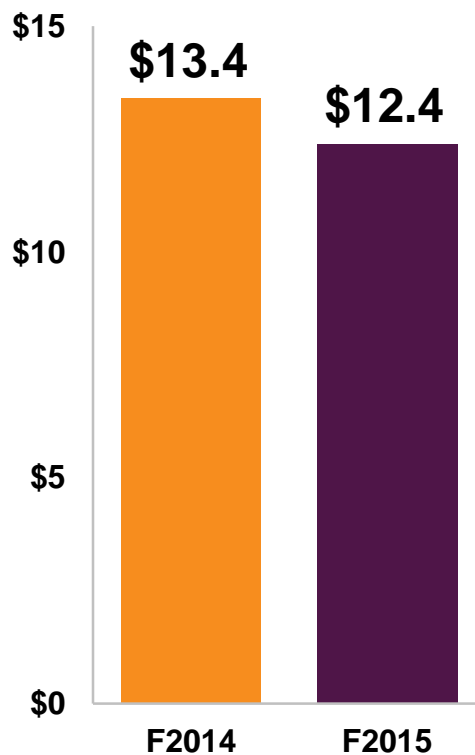
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Q1 Fiscal 2015 Results

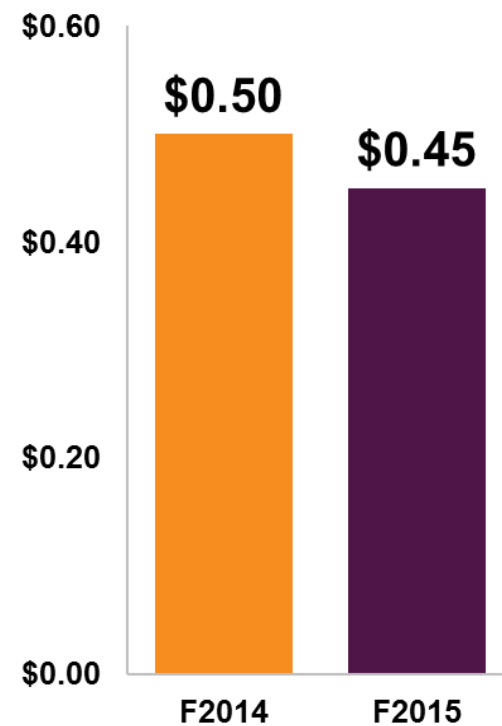
Operating Income *(in millions)*



Net Earnings *(in millions)*



EPS



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Q1 Fiscal 2015 Results

Marcus Theatres

- Admissions revenues outperformed the industry for third consecutive quarter
- New amenities, food and beverage concepts and \$5 Tuesday promotion contributed to box office outperformance
- Revenues up slightly and concession revenues up 5.2%
- Operating income down 12.2% due to weaker summer film slate and launch of new initiatives



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Q1 Fiscal 2015 Results

Marcus Hotels & Resorts

- **Achieved record revenues and near-record operating income**
- **RevPAR for comparable company-owned hotels up 6.5%**
- **Occupancy at historic highs**
- **Average daily rate continues to increase**



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Financial Summary

- Financially strong
- Diversity of our two divisions provides stability
- Well positioned to invest in both our businesses and return capital to shareholders



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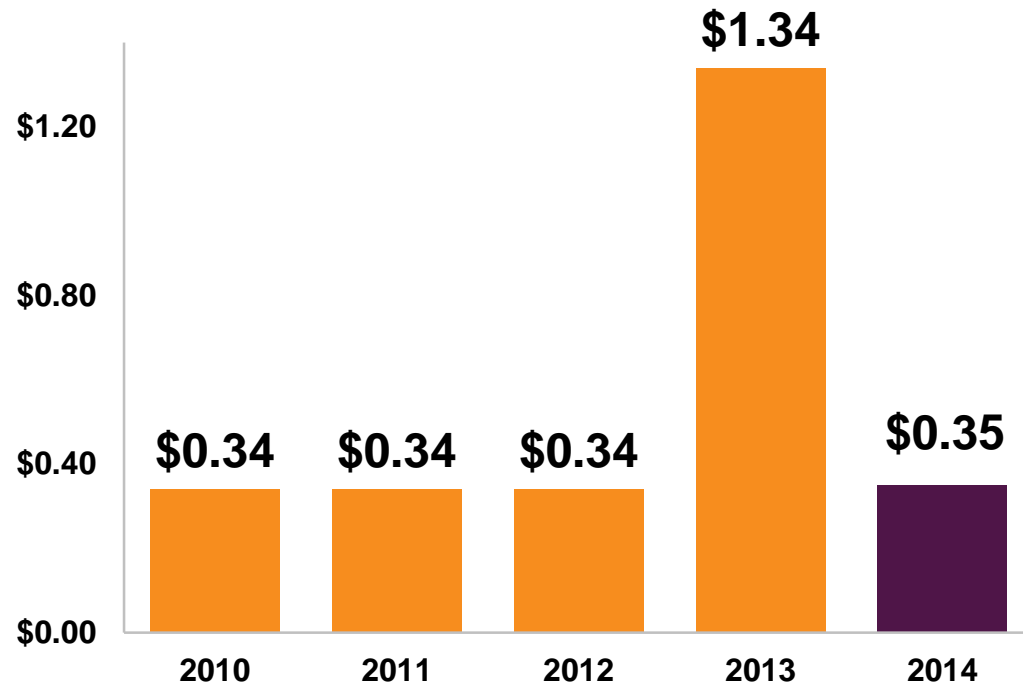
inspire.

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Return of Capital to Shareholders

- Increased cash dividend by 11.8% to \$0.38 per common share in May
- Repurchased 314,000 shares of common stock in fiscal 2014
- Repurchased more than 3.9 million shares of common stock over the past four years
- Total return to shareholders for fiscal 2014 was 28%
- Over the past three years, total return has averaged 27%

Dividends Per Share



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Innovate. Invest. Inspire.

dear shareholders

Innovate. Invest. Inspire. We had a lot of words to pick from for the cover of this year's annual report. Why these three?

The answer is simple. Innovative new concepts, investments in

grow primarily through management contracts that provide good fee income without the capital commitment of company-owned properties. Options include pure management contracts, such as we have for our newest property, the Heidel House Resort & Spa in Green Lake, Wisconsin, as

beer-centric restaurant concept, Miller Time® Pub & Grill, is now at two locations, and we were one of the first hotel companies in the U.S. to install high-power charging stations for Tesla Model S vehicles at the majority of our properties. In 2015, when we expect to complete the transformation of

Our total return to shareholders was 28 percent in fiscal 2014 and has averaged 27 percent over the past three years – very rewarding for our long-term holders.

“Our ability to innovate, invest and inspire got us to where we are today – and will be instrumental in getting us to where we want to go in the years ahead...”

Stephen H. Marcus | Chairman

\$447.3 million were up and percentages are: prior year and operating income increased 26.6 percent to \$48.4 million. Net earnings attributable to The Marcus Corporation increased 42.8 percent to \$26.0 million, and net earnings per common share attributable to The Marcus Corporation were \$0.92 for the year, a 46.0 percent increase.

Marcus Theatres® had a blockbuster year, and in fact, outperformed the industry. Revenues increased 10.8 percent and operating income increased 13.6 percent. Major investments in our theatres, along with a solid slate of films and successful marketing and operational strategies, generated an 8.6 percent increase in box office revenues and a 14.9 percent increase in concession revenues for fiscal 2014 – significantly higher than the industry as a whole.

Results for Marcus® Hotels & Resorts also improved, with a 5.9 percent increase in revenues, a 48.6 percent increase in operating income and a 3.3 percent increase in revenue per available room (RevPAR) for comparable company-owned hotels. Record occupancy, a higher average daily rate and a 6.1 percent increase in food and beverage revenues drove the fiscal 2014 results. This was our fourth straight year of increases in the average daily rate, as the economy continues to recover from the Great Recession.

and revenues was 20 percent in fiscal 2014 and has averaged 27 percent over the past three years – very rewarding for our long-term holders.

grow.

The word for the coming fiscal year is “grow.” Our debt to total capitalization ratio was a very strong 42 percent at the end of fiscal 2014 and we had \$141 million available under our existing credit lines. We believe this puts us in a solid position to return capital to shareholders through our dividend policy and share repurchases, while at the same time continuing to invest in our two businesses and pursue potential growth opportunities.

Like all theatre chains, Marcus Theatres is dependent on the film product supplied by Hollywood. Regardless of the strength of the movies in any given quarter, our goal is to outperform the national numbers by driving attendance and box-office revenues through strategic investments in our theatres and successful operating and marketing strategies. We will also selectively add new screens, new theatres, like the one currently under construction in Sun Prairie (Madison), Wisconsin, and consider potential acquisitions that we believe are a good fit.

We define our growth strategy for Marcus Hotels & Resorts as “asset light,” meaning we want to

UltraScreen DX® (DreamLounge experience) auditoriums. We rolled these concepts out to more locations in fiscal 2014 as part of a \$50 million reinvestment in our existing assets, with further expansion planned for fiscal 2015. We're thrilled with the response from our customers.

Both of our divisions are focused on yield management – often described as “the right person at the right time at the right price.” Our theatres launched a new \$5 Tuesday promotion aimed at mid-week value customers who may have reduced their movie-going frequency, or stopped going altogether, due to price. The results have been outstanding. We believe this program has created another weekend day for us, without impacting our regular weekend attendance. We saw the early results of \$5 Tuesdays and the new amenities in our third and fourth quarters, where we outperformed the industry by over nine percentage points each quarter. This is a true win-win-win for our customers, our studio partners and us.

Also targeting unique audiences, Marcus Hotels & Resorts continued to add innovative amenities that resonate with today's travelers. Exclusive club lounges were added at The Pfister® Hotel in Milwaukee and the Grand Geneva® Resort & Spa in Lake Geneva, Wisconsin. Our new casual,

marketing, communications, construction, purchasing and operations. Marcus Hotels & Resorts further strengthened its management team with new leaders in operations, development, engineering and sustainability. Our strong leaders and dedicated associates truly are our greatest asset.

inspire.

Webster's Dictionary defines the word “inspire” as, “to animate the mind or emotions.” That's another way of saying we want to engage our associates so they can inspire our guests. If we can effectively motivate our associates, they will deliver a special experience and inspire our guests to return again and again. That's our goal, and we're very proud of our associates who achieve it each and every day.



Stephen H. Marcus
Chairman



Gregory S. Marcus
President and Chief Executive Officer

August 21, 2014



Gregory S. Marcus | President and CEO

Total revenues set new records for both divisions and for the company as a whole.

Marcus Theatres had a blockbuster year and results for Marcus Hotels & Resorts also improved.



2014 Annual
Meeting

October 1,
2014



The
Marcus
Corporation

innovate.

invest.

inspire.

Shareholder Comments & Questions

Thank You
Shareholders!



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