ANNUAL SHAREHOLDERS' MEETING

MAY 6, 2020









The Marcus Corporation

Corporate Leadership Team



Gregory S. Marcus
President and CEO



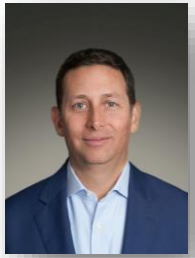
Thomas F. Kissinger
Senior Executive Vice President,
General Counsel and Secretary



Douglas A. Neis
Executive Vice President,
Chief Financial Officer and Treasurer



Rolando B. Rodriguez
Executive Vice President,
The Marcus Corporation
Chairman, President and CEO,
Marcus Theatres



Michael R. Evans
President,
Marcus Hotels & Resorts



Kim M. Lueck
Chief Information Officer



John E. Murray
Vice President of Human Resources

Business Meeting

Forward Looking Statement

Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may generally be identified as such because the context of such statements include words such as we "believe," "anticipate," "expect" or words of similar import. Similarly, statements that describe our future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties which may cause results to differ materially from those expected, including, but not limited to, the following: (1) the adverse effects of the COVID-19 pandemic on our theatre and hotels and resorts businesses, results of operations, liquidity, cash flows, financial condition, access to credit markets and ability to service our existing and future indebtedness; (2) the duration of the COVID-19 pandemic and related shelter at home and social distancing requirements and the level of customer demand following the relaxation of such requirements; (3) the availability, in terms of both quantity and audience appeal, of motion pictures for our theatre division (particularly following the COVID-19 pandemic, during which the production of new movie content has essentially ceased), as well as other industry dynamics such as the maintenance of a suitable window between the date such motion pictures are released in theatres and the date they are released to other distribution channels; (4) the effects of adverse economic conditions in our markets, including but not limited to, those caused by the COVID-19 pandemic; (5) the effects on our occupancy and room rates caused by the COVID-19 pandemic and the effects on our occupancy and room rates of the relative industry supply of available rooms at comparable lodging facilities in our markets once hotels and resorts are able to reopen; (6) the effects of competitive conditions in our markets; (7) our ability to achieve expected benefits and performance from our strategic initiatives and acquisitions; (8) the effects of increasing depreciation expenses, reduced operating profits during major property renovations, impairment losses, and preopening and start-up costs due to the capital intensive nature of our business; (9) the effects of weather conditions, particularly during the winter in the Midwest and in our other markets; (10) our ability to identify properties to acquire, develop and/or manage and the continuing availability of funds for such development; (11) the adverse impact on business and consumer spending on travel, leisure and entertainment resulting from terrorist attacks in the United States, other incidents of violence in public venues such as hotels and movie theatres or epidemics (such as the COVID-19 pandemic); (12) a disruption in our business and reputational and economic risks associated with civil securities claims brought by shareholders; (13) our ability to timely and successfully integrate the Movie Tavern operations into our own circuit; and (14) our ability to achieve the additional revenues and operating income that we anticipate from our additional week of operations in fiscal 2020 and certain extraordinary events that are scheduled to take place in or near Milwaukee during fiscal 2020, such as the Democratic National Convention and The Ryder Cup, which may be significantly impacted by the COVID-19 pandemic. Our forward-looking statements are based upon our assumptions, which are based upon currently available information, including assumptions about our ability to manage difficulties associated with or related to the COVID-19 pandemic; the assumption that our theatre closures, hotel closures, and restaurant closures are not expected to be permanent or to re-occur; the continued availability of our workforce following the temporary layoffs we have implemented as a result of the COVID-19 pandemic; and the temporary and long-term effects of the COVID-19 pandemic on our business. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are made only as of the date of this press release and we undertake no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

Board of Directors

Board of Directors



Stephen H. Marcus
Chairman of the Board,
The Marcus Corporation



Gregory S. Marcus
President and CEO,
The Marcus Corporation



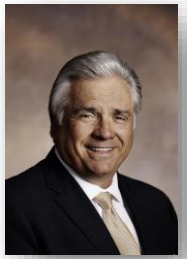
Diane Marcus Gershowitz
Real Estate Management and Investments



Timothy E. Hoeksema
Retired Chairman, President & CEO,
Midwest Air Group, Inc.



Allan H. (Bud) Selig
Commissioner Emeritus,
Major League Baseball



Bruce J. Olson
Retired Senior Vice President,
The Marcus Corporation
Retired President,
Marcus Theatres



Philip L. Milstein
Principal,
Ogden CAP Properties, LLC



Brian J. Stark
Founding Principal, Chief Executive Officer and Chief Investment Officer,
Stark Investments



Katherine M. Gehl
Former Chairman, President and CEO, Gehl Foods, Inc.



David M. Baum
President, Baum Media Group, LLC
Former Partner,
Goldman Sachs & Co.

Compensation of Named Executive Officers

Selection of Independent Registered Public Accounting Firm

Business Meeting

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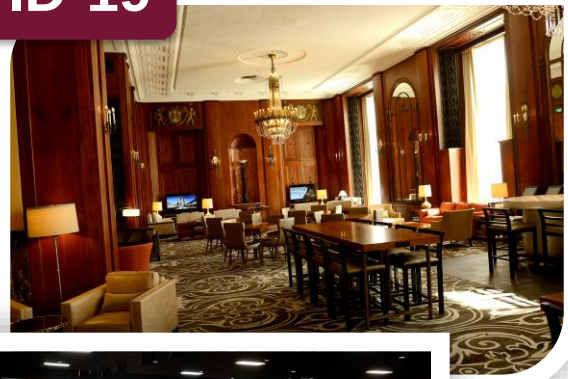
The Marcus Corporation

Impact of COVID-19

- **Priority is the safety and well-being of our associates, customers and communities**
- **Temporarily closed all theatres**
- **Temporarily closed all restaurants, bars, and hotels**



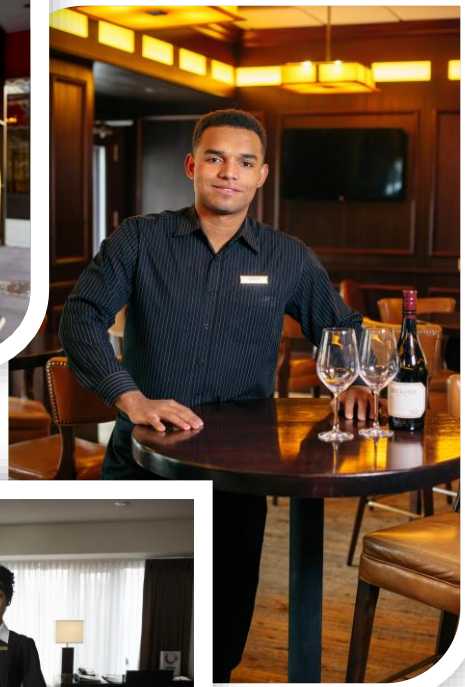












MARCUS cares





Response to the COVID-19 Pandemic

- **Entered crisis from a position of strength due to philosophy of maintaining a strong balance sheet**
- **New financing agreement further strengthens financial position but has requirements including temporarily suspending quarterly dividend payments**
- **Other actions include:**
  - **Discontinuing all non-essential operating and capital expenditures**
  - **Temporary layoffs and staff reductions**
  - **Salary reductions and temporary elimination of all Board of Directors cash compensation**
- **Evaluating CARES Act and applying for relief as appropriate**



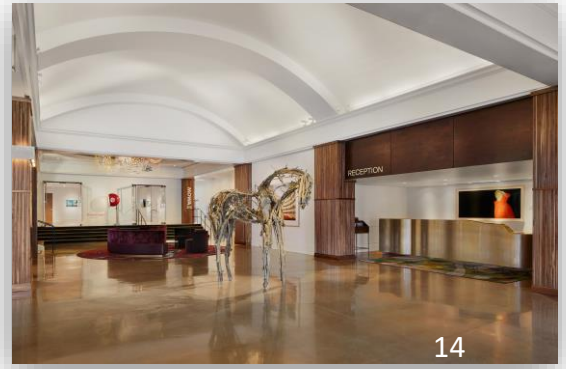
2019 Record Revenues

Division Highlights:

- **Marcus Theatres outperformed the industry for 6 straight years**
- **Marcus Hotels & Resorts opened Saint Kate – The Arts Hotel**



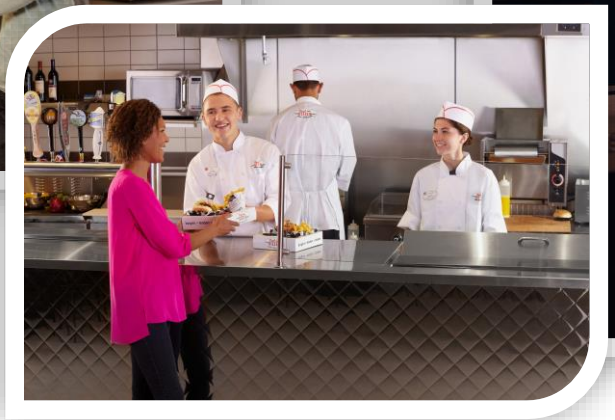


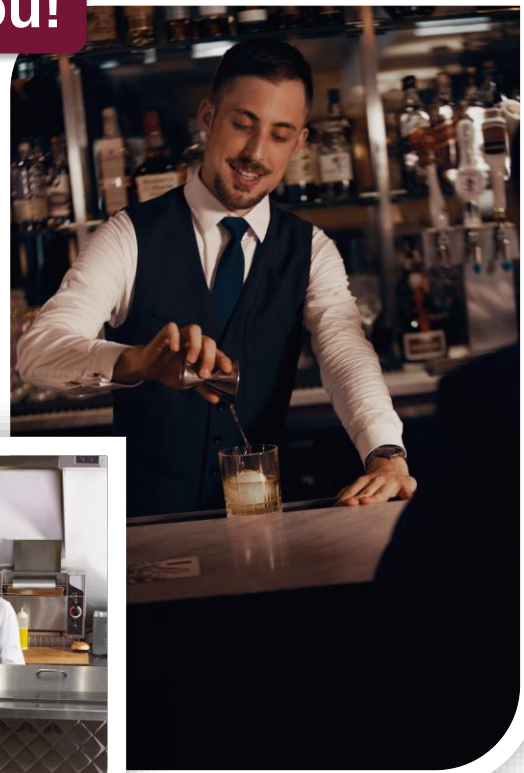


To Our Associates: Thank you!









Challenges and Opportunities







Grow Our Business

- **Movie Tavern added 208 screens at 22 locations in nine states**
- **In-theatre dining in 32 locations and 37% of theatres**

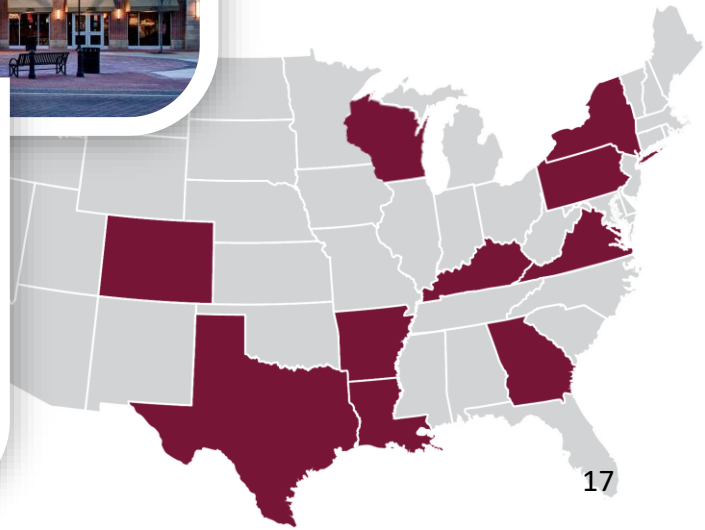
BIG SCREEN BISTRO
FILM • COCKTAILS • FOOD

bistro plex





MOVIE TAVERN by MARCUS

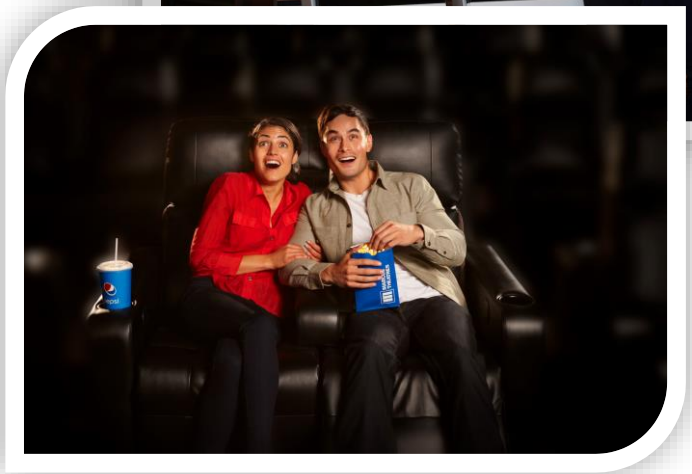


Invest in Our Circuit

- **Movie Tavern by Marcus at Brookfield Square opened fall 2019**
- **DreamLoungers in 77% of first-run screens**
- **At least one premium large format screen at 72% of first-run theatres**
- **One or more in-lobby dining concepts in 62% of first-run theatres**

Highest percentages among the top chains.





Innovative Marketing and Promotion





4 million Magical Movie Rewards members!

First Quarter 2020

- **Good start through February**
- **Focusing on new ways to bring in revenue**







Strong Film Slate in Second Half 2020



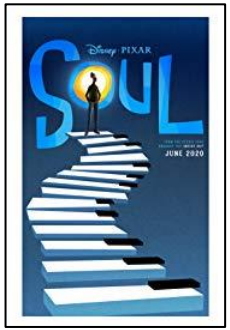


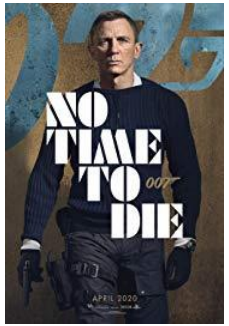


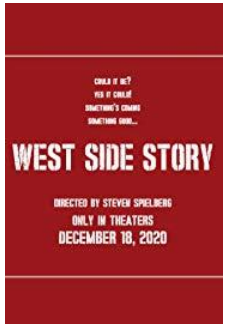
















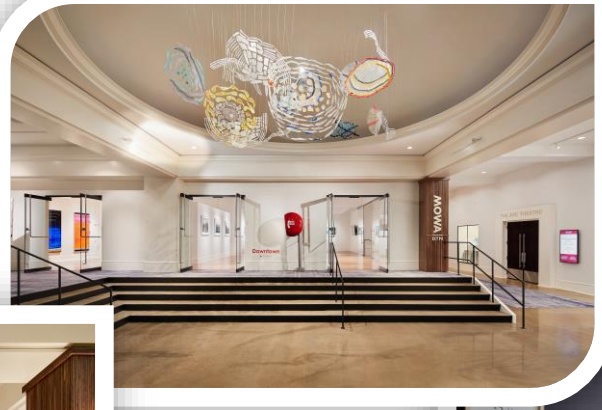


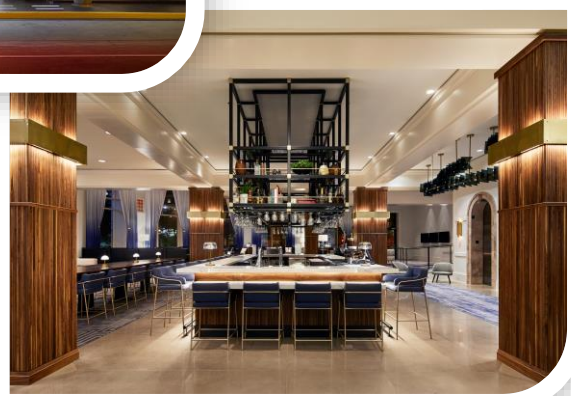


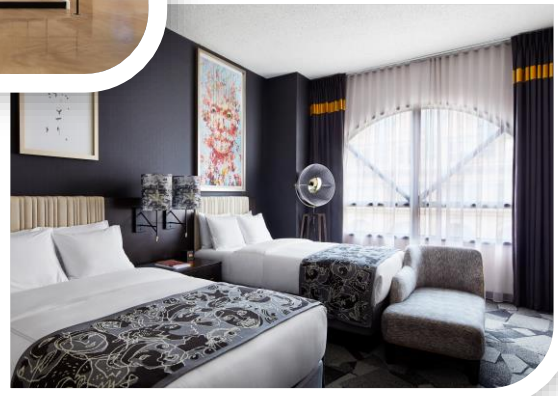
MARCUS
HOTELS & RESORTS

Saint Kate – The Arts Hotel



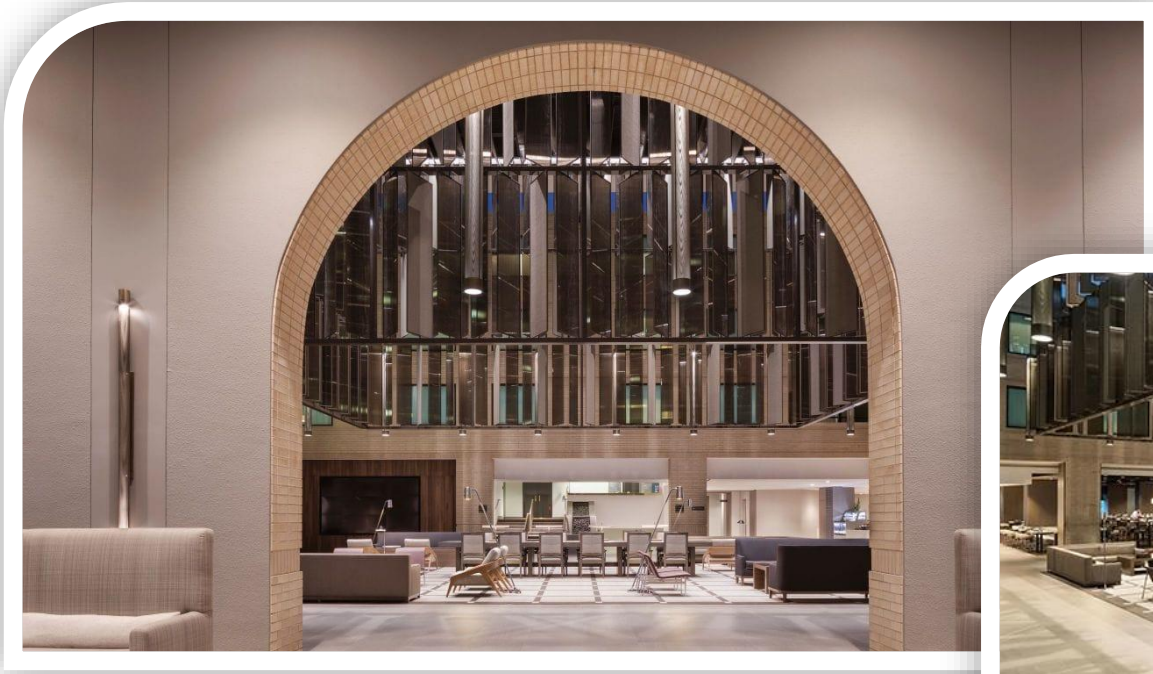


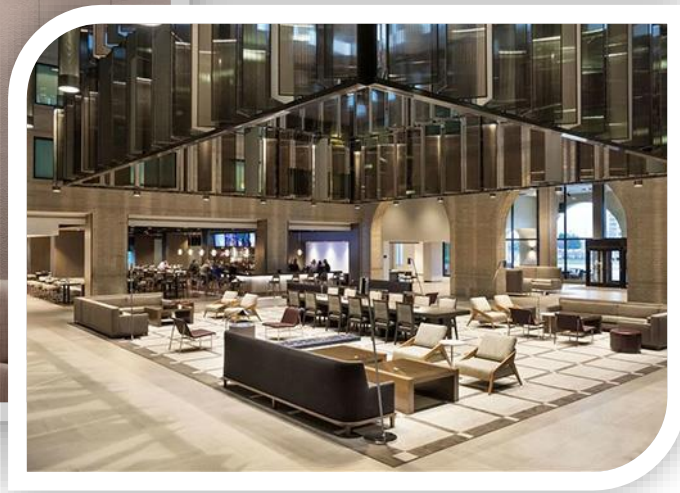




USA TODAY 10BEST

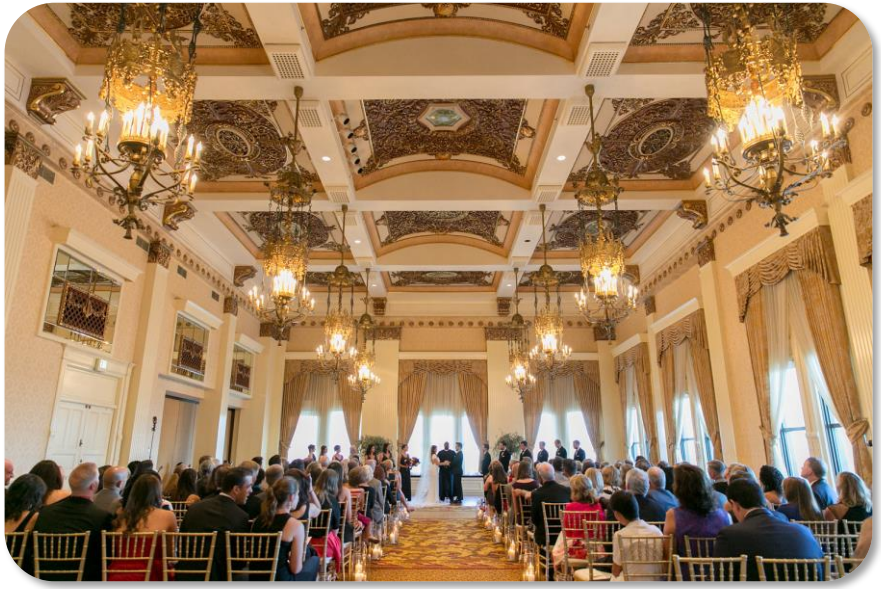
Hyatt Regency Schaumburg





Well Positioned for Success

- **Pursuing additional management contracts and development opportunities**







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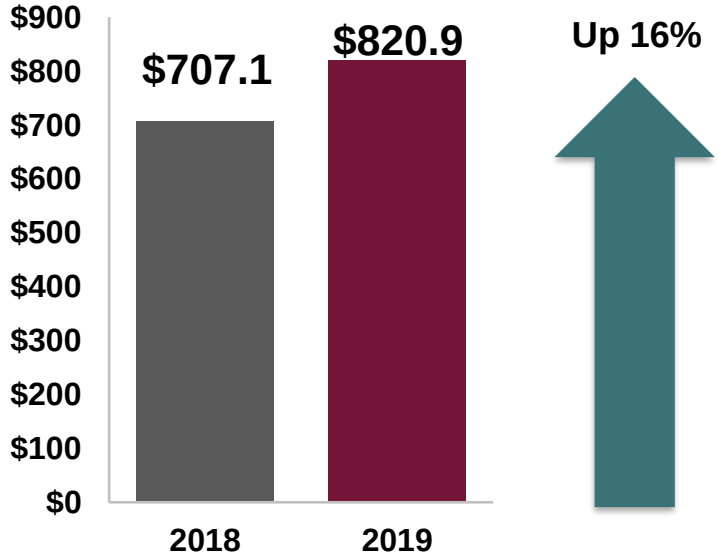
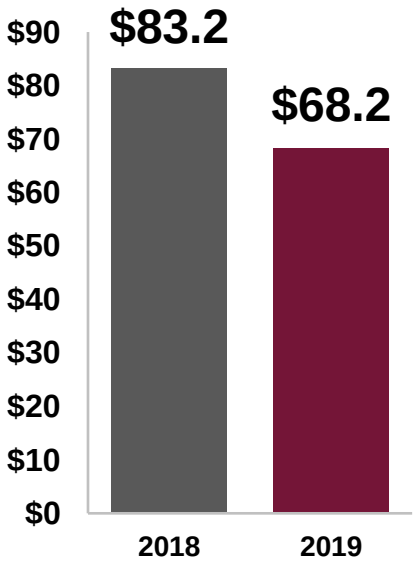
The Marcus Corporation

2019 Results

Revenues *(in millions)*

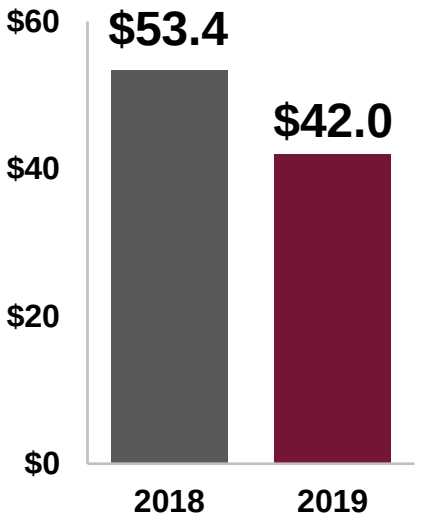


Operating Income *(in millions)*

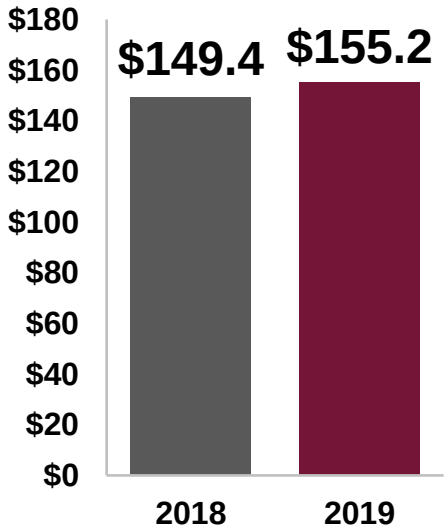


2019 Results

Net Earnings *(in millions)*



Adjusted EBITDA *(in millions)*



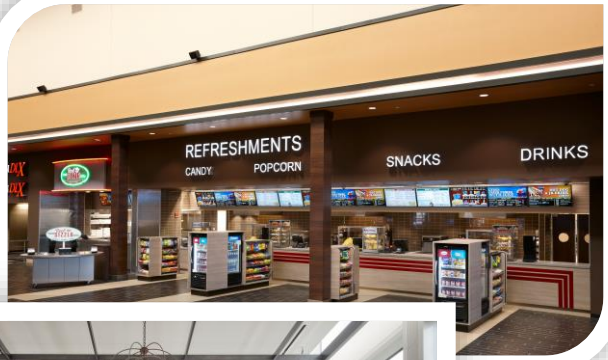
First Quarter
Fiscal 2020 Results

First Quarter Highlights

- **Total revenues, operating income and net income lower than in the prior year quarter due to the impact of COVID-19, including property closures and nonrecurring items. Adjusted EBITDA remained positive at $12.1 million.**
- **Marcus Theatres continued to outperform the industry; achieved a 7% increase in average ticket price and a nearly 11% increase in concession revenues per person**
- **Marcus Hotels & Resorts outperformed both the industry and its competitive set**

Financially Strong

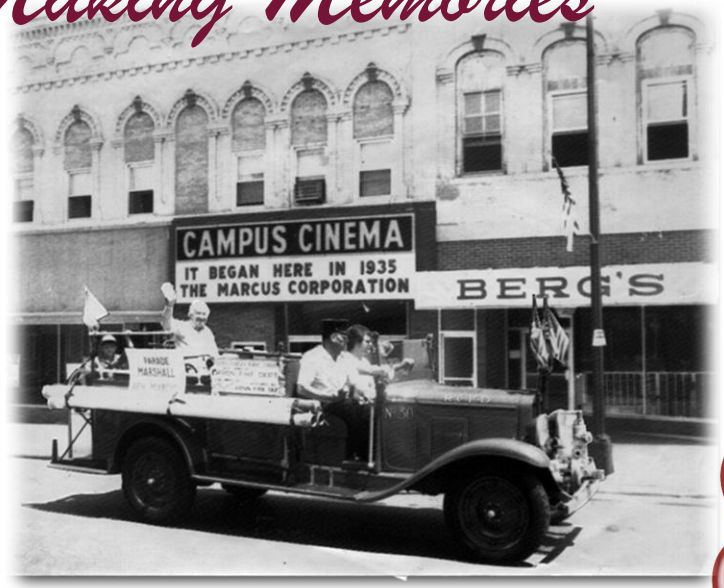
- Amendment to credit agreement included a new $90.8 million term loan
- Debt-to-capitalization ratio of 37% at end of Q1 2020 is lower than many of our peers
- Significant real estate ownership reduces monthly fixed lease payments
- $126 million cash balance at end of quarter
- Positioned to weather the current storm well into 2021 if needed





Thank You for Your Confidence and Support

85 Years of Making Memories



85 YEARS

Shareholder Comments & Questions

Thank You Gift



Request via email at
InvestorRelations@MarcusCorp.com

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