

ATTENTION: Business/Finance, Investment & Banking & Editors

FOR IMMEDIATE RELEASE

**Horn Capital Realty Assists Carmike Cinemas
With \$23.5 Million Sale-Leaseback Deal**

Georgia firm frees up capital for operations, additional expansion.

DALLAS (April 18, 2000) – Carmike Cinemas, Inc. (NYSE-CKE) of Columbus, GA, has completed the sale and leaseback of \$23.5 million in three properties – 41 screens in three states – to an undisclosed investor, Jonathan S. Horn, President of **Horn Capital Realty, Inc.** of Dallas announced today.

The three Carmike complexes include a 10-screen operation in Missoula, MT; a 15-screen facility in Raleigh, NC, and a 16-screen unit in Johnston, IA, said Horn, who arranged the transaction.

“The ability to turn high-performing assets into cash when so much investment capital is flowing into other industries offers us fresh resources to maintain our steady pattern of growth and to improve existing properties,” said Martin A. Durant, SVP and Chief Financial Officer of Carmike Cinemas (www.carmike.com). The 18-year-old firm had 458 theaters (2,848 screens) in 36 states at Dec. 31, 1999.

Carmike Cinemas is dedicated to maintaining its position as one of the strongest theatre circuits in the industry. Its growth strategy has moved from the selective acquisition of theatres and circuits located in small to mid-sized communities to constructing new theatres and expanding its existing complexes. That includes retrofitting some of its older properties with stadium seating and digital stereo surround sound. By mid-year, Carmike expects to have opened five more theatres, 88 screens, in Alabama, Florida, Minnesota, North Carolina and Tennessee.

Horn Capital Realty (www.horncapital.com) also has completed transactions involving large national tenants -- Blockbuster Entertainment, Eckerd Drug, Kmart, Home Depot, Wild Oats Markets, Taco Bell, Wal-Mart and Walgreen Drug Stores. Horn, who has personally handled more than \$400 million in sale-leaseback transactions and Triple-Net (NNN)

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investments in U.S. markets, commented: “*National Real Estate Investor* has reported, ‘The sale-leaseback industry has restructured the ownership of trillions of dollars worth of the nation’s corporate real estate assets.’ The theater industry, with its specialized, single-tenant facilities is ideal for NNN deals and one of the last frontiers to be discovered by investors seeking conservative types of passive investments.

Seller and Investor Benefits

In a sale-leaseback arrangement, a company sells one or more of its single tenant properties to an investor, generally for fair market value, in order to convert its illiquid real estate assets into working capital, Horn explained. The investor provides the seller with a triple-net lease for a negotiated period of 10 to 25 years. The seller/tenant then pays the investor a negotiated annual rent equal to 8% to 13% of the contracted sale price. Most often that rate is credit-driven.

A triple-net lease property frees the investor/landlord from any property responsibility. The tenant agrees to pay all costs associated with the property use and occupancy, including real estate taxes, insurance, improvements, on-site property management, maintenance and improvements.

Sale-leaseback transactions generally require a long-term investment of \$1 million to \$100 million. Such investments are available for all types of existing or build-to-suit real estate, including service centers, fast food establishments, industrial and health care facilities, office and educational buildings, distribution warehouses and retail stores.

Horn Capital Realty, known as one of the most experienced, efficient and cost-effective facilitators, specifically focuses on sale-leaseback and NNN transactions. The company is currently working with several very large U.S. firms seeking financing for their properties.

For a Fact Sheet, answers to Frequently Asked Questions, Horn photo and profile, visit the Web site www.horncapital.com

FOR MORE INFORMATION OR INTERVIEWS:

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