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A WANDA GROUP COMPANY

## CinemaCon 2016

Las Vegas, Nevada  
April 11-14, 2016

# Disclaimer

The following information contains, or may be deemed to contain, “forward-looking statements.” By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to vary, which are discussed in our public releases, including our most recent 10-K. We caution you not to put undue reliance on forward-looking statements. The future results of the Company may vary from the results and performance expressed in, or implied by, the following forward-looking statements, possibly to a material degree. For discussion of some of the important factors that could cause the Company’s results and performance to differ from those expressed in, or implied by, the following forward-looking statements, please refer to our most recent 10-K, in particular the “Risk Factors” section thereof. The Company undertakes no obligation to update or revise any forward-looking statements.

# AMC is the guest experience leader

	Market	AMC Share	LTM Box Office Rank
1	New York	44%	#1
2	Los Angeles	27%	#1
3	Chicago	43%	#1
4	Philadelphia	29%	#2
5	Dallas	29%	#2
	Total	34%	#1

Source: National Association of Theatre Owners, Rentrak and Nielsen Claritas - LTM December 31, 2015

Nearly  
**200**  
million  
guests

**40%**  
of U.S.  
population  
within 10 miles

**387**  
Theatres

**5,426**  
Screens

AMC  
operates  
**10 of the top 15**  
grossing theaters in  
the country<sup>1</sup>

**\$2.9** billion in revenue<sup>1</sup>

**\$536** million in adj. EBITDA<sup>1</sup>



# Industry is large and stable

## Positive long term trend

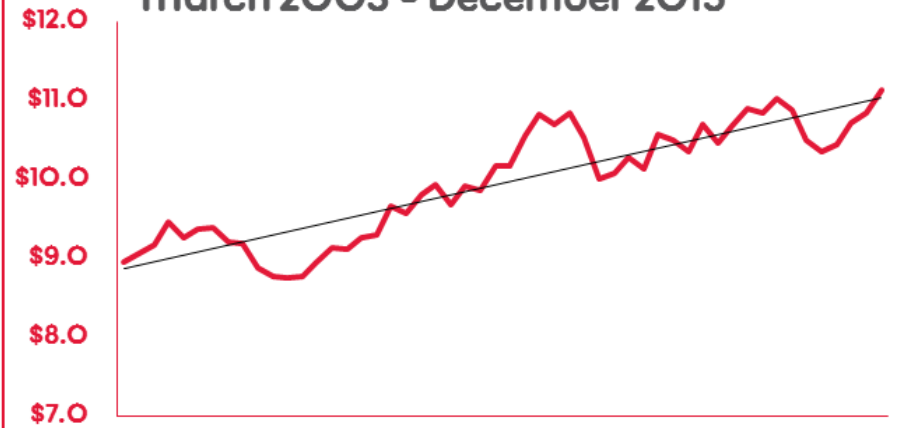
NABO QUARTERLY Y-o-Y % Change

March 2003 - December 2015



NABO - LTM (\$in billions)

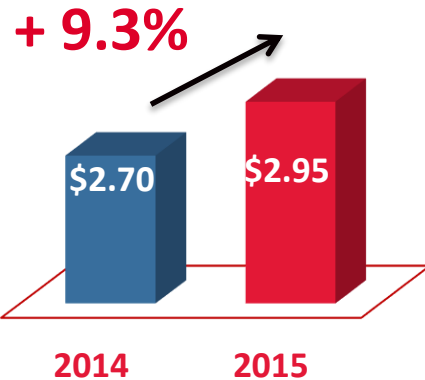
March 2003 - December 2015



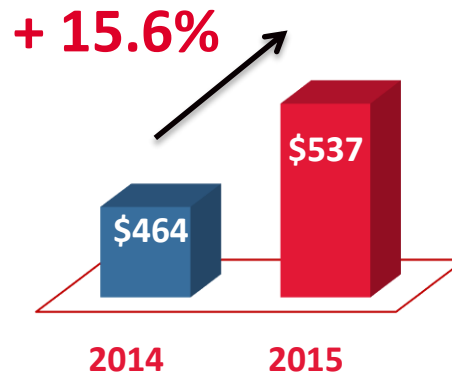
## Value leader vs other out-of-home entertainment options

# 2015 – Record year for AMC and Industry

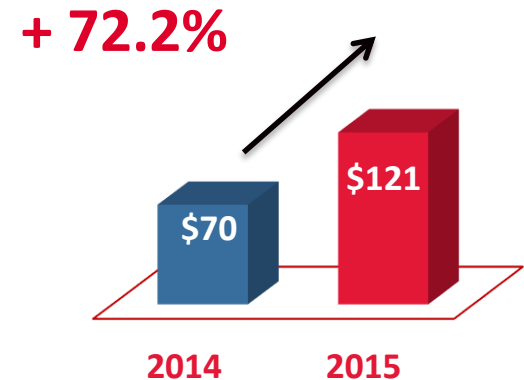
## 2015 Total Revenue<sup>(1)</sup> (in billions)



## 2015 Adj EBITDA <sup>(1)</sup> (in millions)



## 2015 Free Cash Flow<sup>(1)</sup> (in millions)



### All Time Records for AMC in 2015

- Admissions Revenue
- Food and Beverage Revenue
- Other Revenue
- Total Revenue
- Adjusted EBITDA
- Adjusted EBITDA Margin
- Average Ticket Price
- Food & Beverage/Patron
- Food & Beverage Gross Profit per patron
- Total Gross Profit per screen
- Free Cash Flow



# 2016 expected to be a good year

## 2016 is about more films



**Captain America:  
Civil War**

**IMAX**



**Alice Through the  
Looking Glass**

**IMAX**



**Suicide Squad**

**IMAX**



**Star Trek Beyond**

**IMAX**



**Rogue One**

**IMAX**



### Additional titles include:

**Finding Dory**

**X-Men: Apocalypse**

**Secret Life of Pets**

**Jason Bourne**

**Ghost Busters**

**Fantastic Beasts...**

**IMAX**

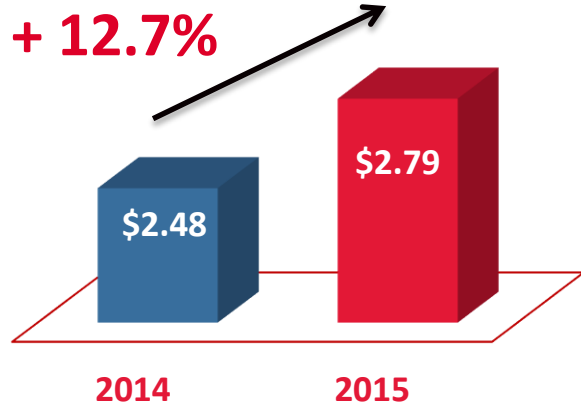
**IMAX**



April 2016

# 2016 – Out of the gates with a good first quarter

1Q 2016 Industry Box Office<sup>(1)</sup>  
(in billions)



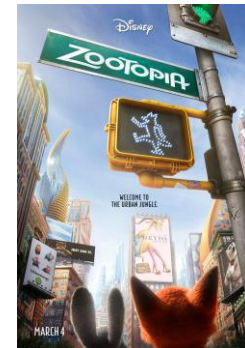
Most  
**\$300M**  
films opening in  
March,  
**EVER**



**Deadpool**  
**\$350+ million**

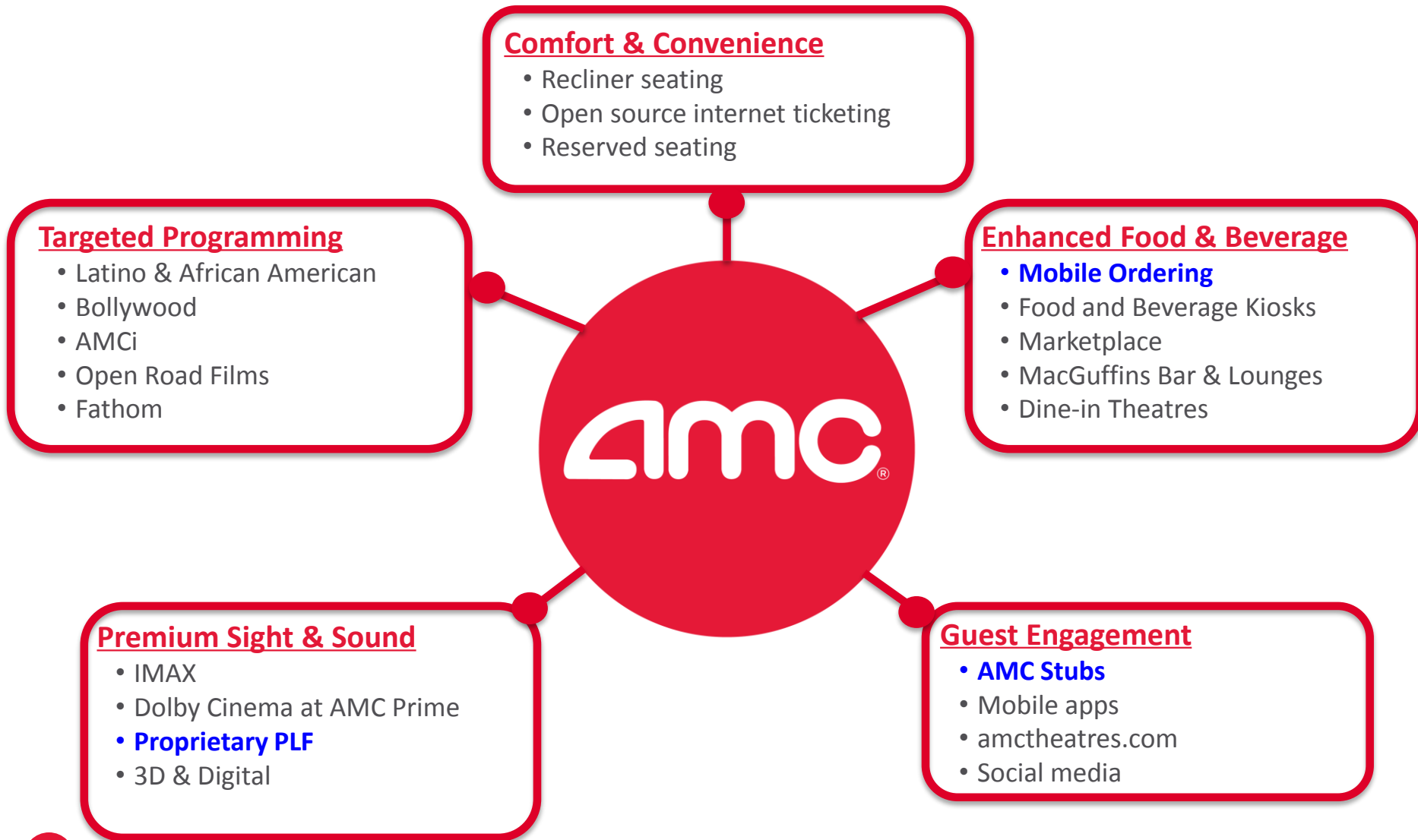


**Batman vs. Superman:  
Dawn of Justice**  
**\$300+ million (est.)**



**Zootopia**  
**\$300+ million (est.)**

# Guest Experience Leader Strategy



# Comfort & Convenience – enhancing existing assets



reclining now

Now you can see the latest movies  
with ultimate coziness.

1,119  
Screens

+60%  
Attendance<sup>1</sup>

+77% Total Revenue<sup>1</sup>

*“Best movie seats in the world! Most comfortable movie seats in the world - once you've experienced these seats - it's hard to go back to normal movie theatre seats. We're spoiled ...and I like it.” – Trip Advisor*

+7%  
Avg. Ticket  
Price<sup>1</sup>



April 2016

(1) First 43 locations converted prior to January 1, 2015, excludes screens acquired.

# Enhanced F&B drives the productivity of each guest visit

## F&B Kiosks

**Avg. F&B / head +\$0.04**

- Expanded SKU range
- Impulse-buy focused



- 158 deployed
- 20 to 25 during 2016

## Marketplace

**Avg. F&B / head +\$0.18**

- Next-gen post-pay format
- Made-to-order drinks and made-to-order foods
- Includes Coke Freestyle



- 23 deployed
- 4 to 5 during 2016

## MacGuffins

**Avg. F&B / head +\$0.39**

- Full alcohol menu
- Low investment, high cash-on cash returns



- 124 deployed
- 30 to 40 during 2016

# AMC Dine-In Theatres redefine “Dinner and a Movie”

**AMC**  
Dine-InTheatres  
now open



Fork & Screen: no restrictions. Cinema Suites: 18 and up only

**+73%** Total Revenue vs pre-DIT<sup>1</sup>

*“Love Love Love! ... I get to lounge in leather recliners, be waited on (quickly) hand and foot, 21+ age limit which means no crazy kids, and ALCOHOL! Movies+Vodka? I think I'll be going to the movies much more often now!” - Yelp*

**19**

**Dine-In  
Theatres**

**+174%**

**F&B per  
patron<sup>1</sup>**

**+4.0%**

**Attendance<sup>1</sup>**

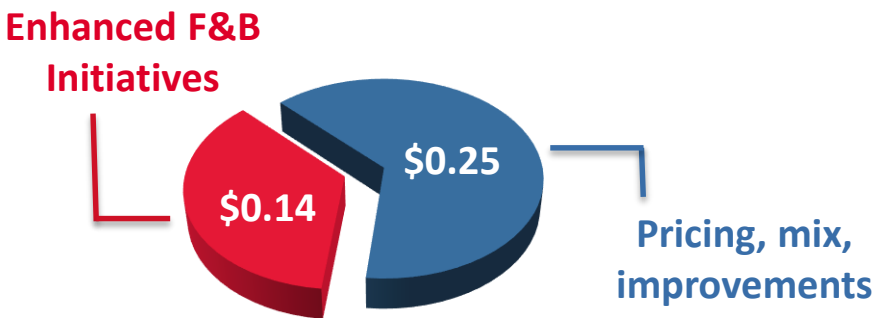


April 2016

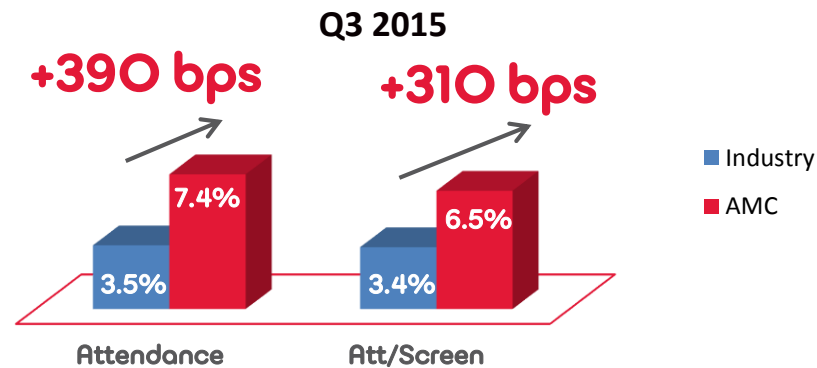
(1) First 11 locations open prior to January 1, 2014, Second year post –DIT compared to LTM pre-DIT.

# Enhanced F&B drive record YTD 2015 performance

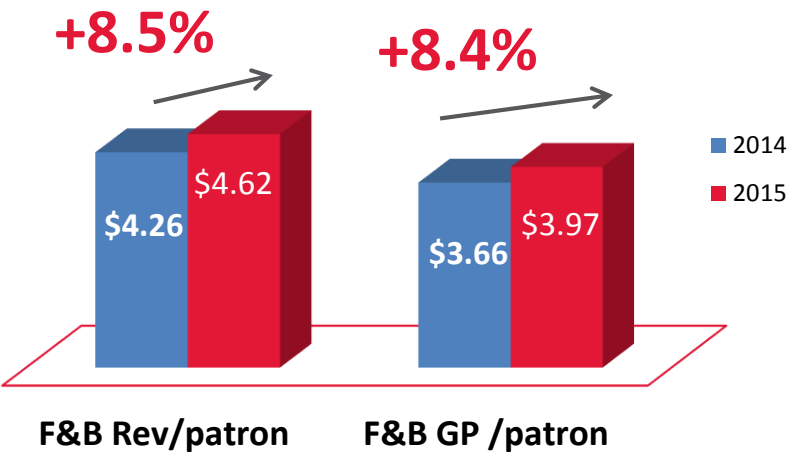
## Pricing and Initiatives<sup>(1)</sup>



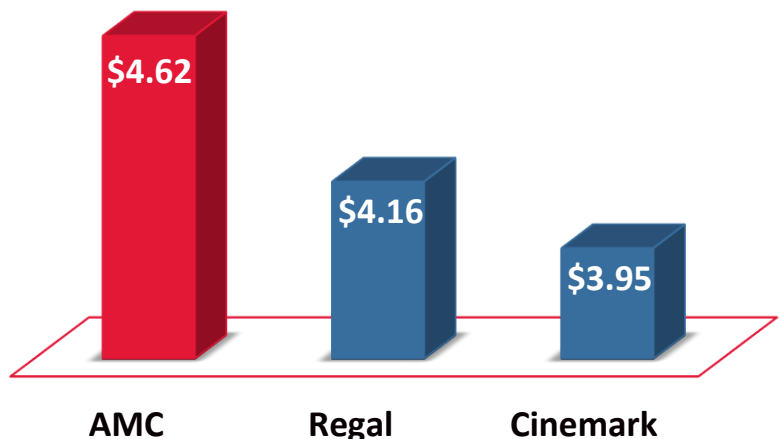
## Attendance Outperformance Offers F&B Conversion Opportunity



## F&B Revenue and GP Per Patron YTD 2015



## F&B Per Patron YTD 2015



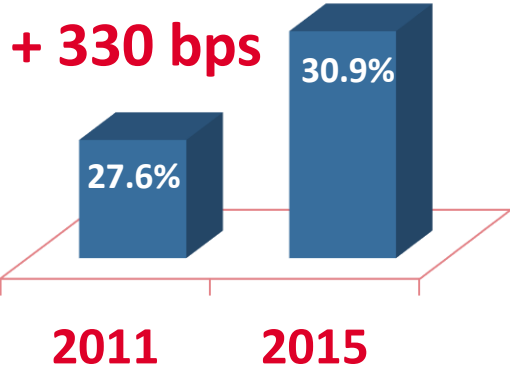
Source: Public filings. Cinemark US only



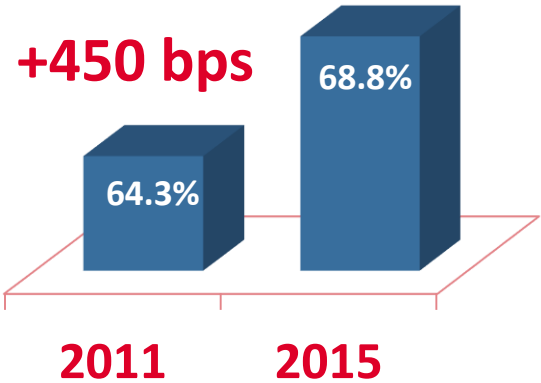
# Enhanced F&B monetizes attendance

2015 F&B Revenues <sup>1</sup>	2015 F&B Gross Profit Margin <sup>1</sup>
\$910.1 million	85.9%

F&B Revenues as %  
of Total Revenues<sup>2</sup>



F&B Take Rate as %  
of Total Attendance<sup>2</sup>



Incremental  
**8.9**  
million F&B  
consumers

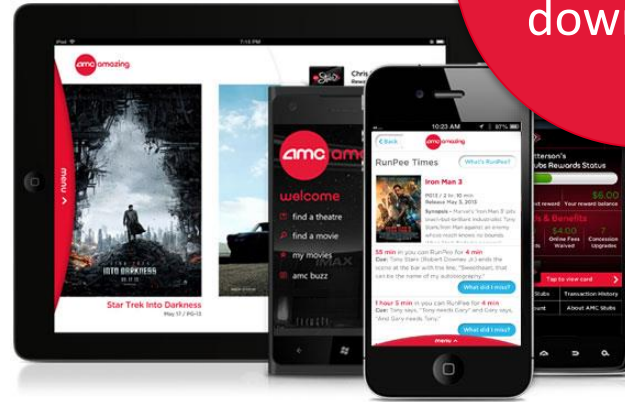
**= \$41 million**

(1) LTM ended December 31, 2015  
(2) 52 weeks ended December 29, 2011, and twelve months ended December 31, 2015

# Guest Engagement & Loyalty sustains relevance



2.6 million  
members



5.7 million  
downloads



Most  
Socially  
Engaged  
Exhibitor

# Premium Sight & Sound still mission critical

# IMAX<sup>®</sup>

amc is the WORLD's  
largest IMAX exhibitor  
with 152 screens

44%

U.S. market  
share

49%  
of amc  
screens

realD 3D

3D, PLF & IMAX

60%

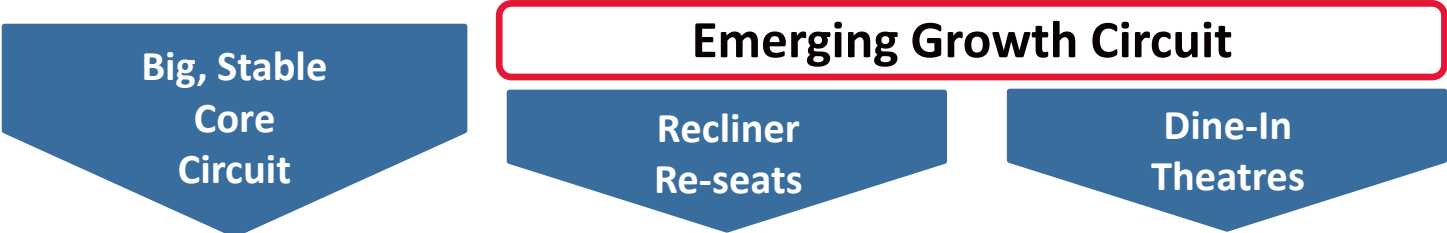
average price  
premium<sup>1</sup>

50

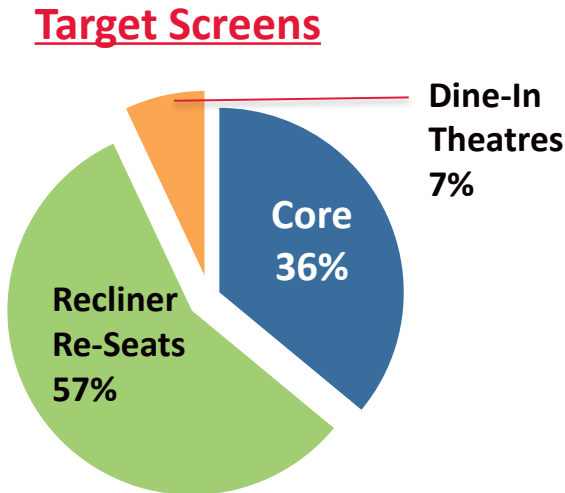
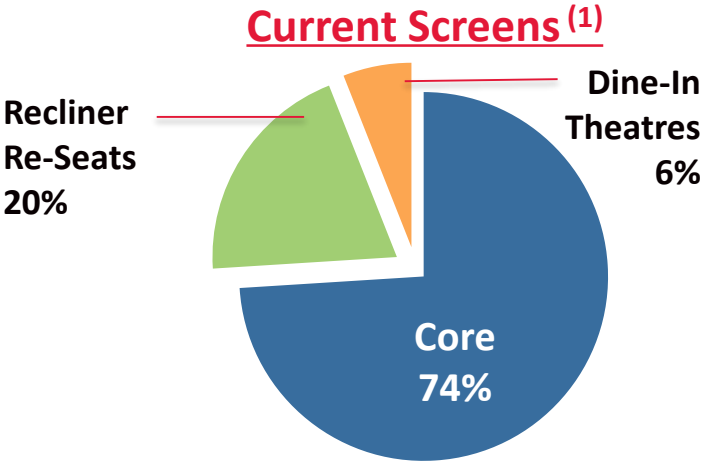
by year-  
end 2016



# Focus on the guest experience transforms AMC



Current Screens <sup>(1)</sup>	3,995	1,119	312
% of Circuit	74%	20%	6%
5-Yr. Target Screens <sup>(2)</sup>	2,185	3,523	450
% of Circuit	36%	57%	7%
Contribution to Targeted Annual Revenue Growth	~1%-2%	~9%-10%	~6%-7%



(1) As of December 31, 2015  
 (2) Includes new builds, spot acquisitions, conversions and closures

# AMC to acquire Carmike

**Creates the Leading  
U.S.  
Exhibitor**

**Expands Platform  
For Growth  
Initiatives**

**Significant Cost  
Savings**

**Complementary  
Footprints**

- ✓ **Combination of AMC and Carmike results in over 600 theatres in 45 states and the District of Columbia**
- ✓ **Increases platform for AMC's strategic growth initiatives**
  - Expect over 400 incremental Recliner Re-seat screens over the next 5 years
- ✓ **Expected significant cost savings of approximately \$35 million annually**
- ✓ **Circuits with limited geographic overlap and complementary genre box office performance**
- ✓ **Receive founder shares in National CineMedia, LLC to become largest founding shareholder**



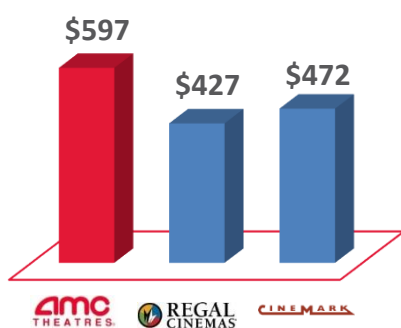
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# AMC strategy is compelling...

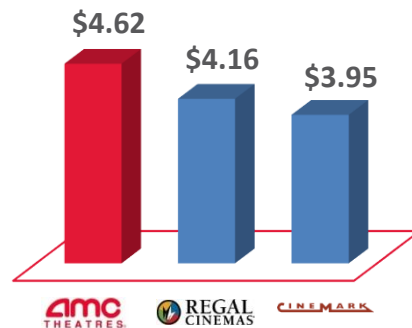
- Guest Experience Leader
- “A-Site” real estate locations provide competitive advantage
- Productivity important to strategic partners

**AMC's assets outperform the industry!**

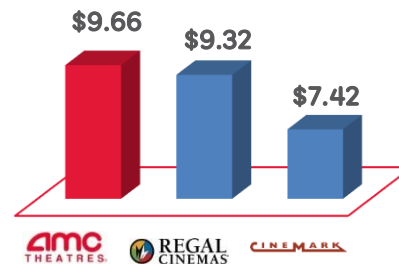
**Total Revenue / Screen<sup>(1) (3)</sup>**



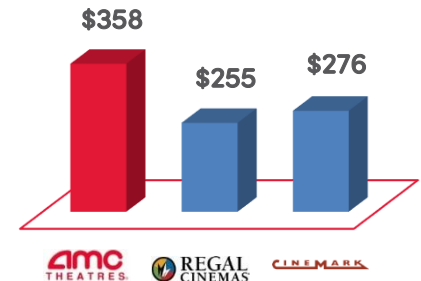
**F&B / Patron<sup>(1)</sup>**



**ATP<sup>(1)</sup>**



**GP / Screen<sup>(1), (2)</sup>**



April 2016

Source: Public filings Cinemark US only.

(1) LTM ended December 31, 2015.

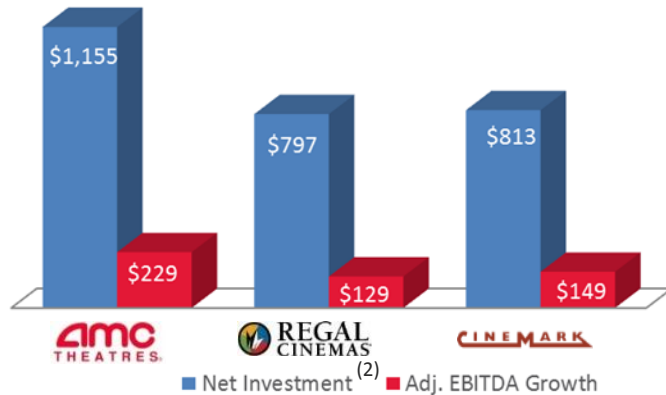
(2) Defined as revenues less film exhibition costs and food & beverage costs divided by attendance. In 000's

(3) In 000's

# ....and AMC's results set us apart

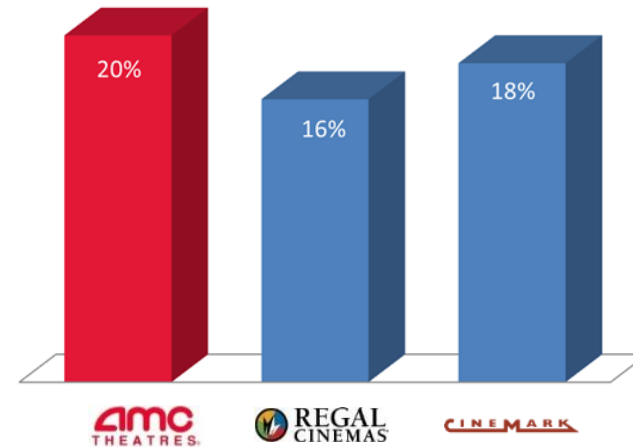
## AMC Investing More...

Investment & Adj. EBITDA<sup>(1)</sup> Growth  
C'2011- December, 2015  
(in millions)



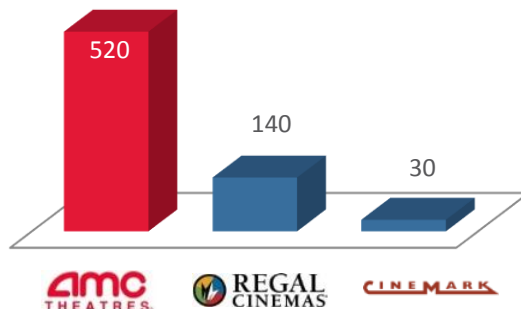
## ...at Higher Return Rates...

Adj. EBITDA<sup>(1)</sup> Growth % of Investment



## ...and Superior Flow Through

Adj. EBITDA Margin YOY Change<sup>(3)</sup>  
(in basis points)



**72%**  
increase in FCF<sup>(3)</sup>



April 2016

Source: Public filings, US theatre level only, excludes international for Cinemark

(1) Adjusted EBITDA excludes G&A

(2) Net Investment = capex + acquisition costs (net of NCM stock) - asset sales proceeds

(3) LTM ended December 31, 2015 compared to 2014

# Thank you!



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# Appendix

## **Reconciliation of Adjusted EBITDA:**

(dollars in thousands)

(unaudited)

	2015	2014
Earnings from continuing operations	\$ 103,856	\$ 63,767
Plus:		
Income tax provision	59,675	33,470
Interest expense	106,088	120,939
Depreciation and amortization	232,961	216,321
Impairment of long-lived assets	1,702	3,149
Certain operating expenses (2)	16,773	21,686
Equity in earnings of non-consolidated entities	(37,131)	(26,615)
Cash distributions from non-consolidated entities	34,083	35,243
Investment expense (income)	(6,115)	(8,145)
Other expense (3)	10,684	(8,344)
General and administrative expense-unallocated:		
Merger, acquisition and transaction costs	3,398	1,161
Stock-based compensation expense (credit) (4)	\$ 10,480	\$ 11,293
Adjusted EBITDA (1)	<u>\$ 536,454</u>	<u>\$ 463,925</u>
Adjusted EBITDA Margin (5)	<u>18.2%</u>	<u>17.2%</u>



# Appendix

## Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow:

(dollars in thousands)

(unaudited)

	<b>12 Months Ended</b>	
	<b>December 31,</b>	
	<b>2015</b>	<b>2014</b>
Net cash provided by operating activities	\$ 467,557	\$ 297,302
Plus:		
Equity in earnings from equity method investees	(27,528)	(26,513)
Deferred rent (excluding digital equipment rent)	24,227	19,340
Net periodic benefit credit	18,208	3,418
Change in working capital, accruals and other	(4,667)	75,317
General and administrative expense: merger, acquisition and transaction costs	3,398	1,161
Investment Income	(6,115)	(8,145)
Gain from discontinued operations	-	(313)
Capital expenditures (excluding change in construction payables)	(338,813)	(275,090)
Principal payments under Term Loan	(5,813)	(7,750)
Principal payments under capital and financing lease obligations	(7,840)	(6,941)
Principal payments under Promissory Note	(1,389)	(1,389)
Free Cash Flow (6)	<u>\$ 121,225</u>	<u>\$ 70,397</u>



# Appendix

## Reconciliation of Adjusted EBITDA to Free Cash Flow:

(dollars in thousands)

(unaudited)

	<b>12 Months Ended</b>	
	<b>December 31,</b>	
	<b>2015</b>	<b>2014</b>
Adjusted EBITDA (1)	\$ 536,454	\$ 463,925
Minus:		
Cash distributions from non-consolidated entities	34,083	35,243
Income taxes, net	5,351	1,084
Cash interest expense	105,286	125,549
Capital expenditures (excluding change in construction payables)	338,813	275,090
Landlord contributions	(83,346)	(59,518)
Principal payments under Term Loan	5,813	7,750
Principal payments under capital and financing lease obligations	7,840	6,941
Principal payments under Promissory Note	1,389	1,389
Free Cash Flow (6)	<u>\$ 121,225</u>	<u>\$ 70,397</u>



# Appendix

(1) We present Adjusted EBITDA as a supplemental measure of our performance that is commonly used in our industry. We define Adjusted EBITDA as earnings (loss) from continuing operations plus (i) income tax provision, (ii) interest expense and (iii) depreciation and amortization, as further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance and to include any cash distributions of earnings from our equity method investees. These further adjustments are itemized above. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Adjusted EBITDA is a non-GAAP financial measure commonly used in our industry and should not be construed as an alternative to net earnings as an indicator of operating performance or as an alternative to cash flow provided by operating activities as a measure of liquidity (as determined in accordance with U.S. GAAP). Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies. We have included Adjusted EBITDA because we believe it provides management and investors with additional information to measure our performance and liquidity, estimate our value and evaluate our ability to service debt.

Adjusted EBITDA has important limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. For example,

Adjusted EBITDA:

- does not reflect our capital expenditures, future requirements for capital expenditures or contractual commitments;
- does not reflect changes in, or cash requirements for, our working capital needs;
- does not reflect the significant interest expenses, or the cash requirements necessary to service interest or principal payments, on our debt;
- excludes income tax payments that represent a reduction in cash available to us; and
- does not reflect any cash requirements for the assets being depreciated and amortized that may have to be replaced in the future.

(2) Amounts represent preopening expense, theatre and other closure expense, deferred digital equipment rent expense, and disposition of assets and other gains included in operating expenses.

(3) Other expense for the three months ended December 31, 2015 was due to modification of our Sr Secured Credit Agreement. Other expense for the twelve months ended December 31, 2015 was due to a net loss on extinguishment of indebtedness related to the cash tender offer and redemption of the Notes due 2020 and modification of our Sr Secured Credit Agreement. Other income for the twelve months ended December 31, 2014 was due to net gains on extinguishment of indebtedness related to the cash tender offer and redemption of the Notes due 2019.

(4) Non-cash expense included in General and Administrative: Other

(5) We define Adjusted EBITDA Margin as Adjusted EBITDA divided by Total Revenues.

(6) Free Cash Flow is a non-GAAP financial measure commonly used in our industry and should not be construed as an alternative to cash flows from operating activities as a measure of liquidity (as determined in accordance with U.S. GAAP). We define free cash flow as adjusted EBITDA minus the sum of cash distributions from non-consolidated entities, cash taxes, cash interest, capital expenditures (excluding change in construction payables) net of landlord contributions, mandatory payments of principal under any credit facility and payments under capital lease obligations and financing lease obligations. This non-GAAP financial measure may not be comparable to similarly titled measures reported by other companies. We have included Free Cash Flow as we believe it provides a useful measure of cash flows generated by our operations, and because it is used by management to assess the liquidity of our Company.

