

November 2, 2018



Cinemark Holdings, Inc. Reports Growth in Worldwide Attendance, Revenues, Net Income, EPS and Adjusted EBITDA for the Third Quarter of 2018

PLANO, Texas--(BUSINESS WIRE)-- Cinemark Holdings, Inc. (NYSE: CNK), one of the largest motion picture exhibitors in the world, today reported results for the three and nine months ended September 30, 2018.

Cinemark Holdings, Inc.'s total revenues for the three months ended September 30, 2018 increased 6.1% to \$754.2 million compared to \$710.8 million for the three months ended September 30, 2017. For the three months ended September 30, 2018, admissions revenues increased 0.6% to \$427.6 million and concession revenues increased 6.9% to \$264.1 million. For the three months ended September 30, 2018, attendance increased 3.7% to 69.8 million patrons, average ticket price was \$6.13 and concession revenues per patron increased 3.0% to \$3.78.

Net income attributable to Cinemark Holdings, Inc. for the three months ended September 30, 2018 increased 31.7% to \$50.2 million from \$38.1 million for the three months ended September 30, 2017. Diluted earnings per share for the three months ended September 30, 2018 was \$0.43 compared to \$0.33 for the three months ended September 30, 2017.

Adjusted EBITDA for the three months ended September 30, 2018 increased 9.6% to \$168.4 million compared to \$153.7 million for the three months ended September 30, 2017. Reconciliations of non-GAAP financial measures are provided in the financial schedules accompanying this press release and at investors.cinemark.com.

"Cinemark again delivered remarkable results during the third quarter. We are pleased to report that ongoing execution of our strategic initiatives, coupled with our sustained operating discipline, enabled us to capitalize on strong film content and generate worldwide growth across our key metrics," stated Mark Zoradi, Cinemark's Chief Executive Officer. "Furthermore, continued momentum at the North American box office, which is up 8.7% year-to-date and has been propelled by year-over-year attendance growth, reinforces the strength and stability of the theatrical exhibition industry."

Cinemark Holdings, Inc.'s total revenues for the nine months ended September 30, 2018 increased 8.1% to \$2,423.2 million compared to \$2,241.6 million for the nine months ended September 30, 2017. For the nine months ended September 30, 2018, admissions revenues increased 2.8% to \$1,389.1 million and concession revenues increased 6.9% to \$831.2 million. For the nine months ended September 30, 2018, attendance increased 1.8% to 214.7 million patrons, average ticket price was \$6.47 and concession revenues per patron increased 4.9% to \$3.87.

Net income attributable to Cinemark Holdings, Inc. for the nine months ended September 30, 2018 increased 14.9% to \$194.4 million from \$169.1 million for the nine months ended September 30, 2017. Diluted earnings per share for the nine months ended September 30, 2018 was \$1.66 compared to \$1.45 for the nine months ended September 30, 2017.

Adjusted EBITDA for the nine months ended September 30, 2018 increased 8.8% to \$583.4 million compared to \$536.2 million for the nine months ended September 30, 2017. Reconciliations of non-GAAP financial measures are provided in the financial schedules accompanying this press release and at investors.cinemark.com.

As of September 30, 2018, the Company's aggregate screen count was 6,014 and the Company had commitments to open five new theatres and 35 screens during the remainder of 2018 and 20 new theatres and 191 screens subsequent to 2018.

Conference Call/Webcast – Today at 8:30 AM ET

Telephone: via 800-374-1346 or 706-679-3149 (for international callers).

Live Webcast/Replay: Available live at investors.cinemark.com. A replay will be available following the call and archived for a limited time.

About Cinemark Holdings, Inc.

Cinemark is a leading domestic and international motion picture exhibitor, operating 541 theatres with 6,014 screens in 41 U.S. states, Brazil, Argentina and 13 other Latin American countries as of September 30, 2018. For more information go to investors.cinemark.com.

Forward-looking Statements

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The "forward-looking statements" include our current expectations, assumptions, estimates and projections about our business and our industry. They include statements relating to future revenues, expenses and profitability, the future development and expected growth of our business, projected capital expenditures, attendance at movies generally or in any of the markets in which we operate, the number or diversity of popular movies released and our ability to successfully license and exhibit popular films, national and international growth in our industry, competition from other exhibitors and alternative forms of entertainment and determinations in lawsuits in which we are defendants. You can identify forward-looking statements by the use of words such as "may," "should," "could," "estimates," "predicts," "potential," "continue," "anticipates," "believes," "plans," "expects," "future" and "intends" and similar expressions which are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. In evaluating forward-looking statements, you should carefully consider the risks and uncertainties described in the "Risk Factors" section or other sections in the Company's Annual Report on Form 10-K filed February 23, 2018. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements and risk factors. Forward-looking statements

contained in this press release reflect our view only as of the date of this press release. We undertake no obligation, other than as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Cinemark Holdings, Inc.
Financial and Operating Summary
(unaudited, in thousands, except per share amounts)

| | <u>Three Months Ended</u> | | <u>Nine Months Ended</u> | |
|--|---------------------------|------------------|--------------------------|-------------------|
| | <u>September 30,</u> | | <u>September 30,</u> | |
| | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> |
| Statement of income data: | | | | |
| Revenues | | | | |
| Admissions | \$ 427,616 | \$ 425,128 | \$ 1,389,110 | \$ 1,351,477 |
| Concession | 264,165 | 247,027 | 831,243 | 777,573 |
| Other | 62,454 | 38,593 | 202,906 | 112,503 |
| Total revenues | <u>754,235</u> | <u>710,748</u> | <u>2,423,259</u> | <u>2,241,553</u> |
| Cost of operations | | | | |
| Film rentals and advertising | 230,121 | 226,229 | 758,242 | 725,603 |
| Concession supplies | 42,720 | 40,178 | 134,577 | 124,117 |
| Salaries and wages | 92,495 | 87,305 | 285,997 | 261,318 |
| Facility lease expense | 80,592 | 81,919 | 243,873 | 248,569 |
| Utilities and other | 112,832 | 92,341 | 337,866 | 271,751 |
| General and administrative expenses | 38,299 | 36,947 | 123,714 | 112,997 |
| Depreciation and amortization | 64,971 | 58,052 | 193,656 | 174,545 |
| Impairment of long-lived assets | 1,641 | 5,026 | 5,020 | 9,600 |
| Loss on disposal of assets and other | 7,826 | 8,576 | 28,666 | 9,464 |
| Total cost of operations | <u>671,497</u> | <u>636,573</u> | <u>2,111,611</u> | <u>1,937,964</u> |
| Operating income | 82,738 | 74,175 | 311,648 | 303,589 |
| Interest expense | (27,144) | (26,317) | (82,725) | (79,208) |
| Loss on debt amendments | — | — | (1,484) | (246) |
| Interest income | 2,761 | 1,682 | 7,861 | 4,395 |
| Foreign currency exchange gain (loss) | (3,126) | 584 | (6,947) | 2,018 |
| Distributions from NCM | 2,386 | 2,144 | 12,168 | 11,704 |
| Interest expense - NCM | (4,983) | — | (14,875) | — |
| Equity in income of affiliates | 14,158 | 10,902 | 29,208 | 26,767 |
| Income before income taxes | <u>66,790</u> | <u>63,170</u> | <u>254,854</u> | <u>269,019</u> |
| Income taxes | 16,169 | 24,630 | 59,592 | 98,475 |
| Net income | <u>\$ 50,621</u> | <u>\$ 38,540</u> | <u>\$ 195,262</u> | <u>\$ 170,544</u> |
| Less: Net income attributable to noncontrolling interests | 393 | 401 | 878 | 1,438 |
| Net income attributable to Cinemark Holdings, Inc. | <u>\$ 50,228</u> | <u>\$ 38,139</u> | <u>\$ 194,384</u> | <u>\$ 169,106</u> |
| Earnings per share attributable to Cinemark Holdings, Inc.'s common stockholders | | | | |
| Basic | <u>\$ 0.43</u> | <u>\$ 0.33</u> | <u>\$ 1.66</u> | <u>\$ 1.45</u> |
| Diluted | <u>\$ 0.43</u> | <u>\$ 0.33</u> | <u>\$ 1.66</u> | <u>\$ 1.45</u> |
| Weighted average shares outstanding - Diluted | <u>116,322</u> | <u>116,104</u> | <u>116,288</u> | <u>116,063</u> |

Other Operating Data
(unaudited, in thousands)

| | <u>As of</u> | <u>As of</u> |
|--|----------------------|---------------------|
| | <u>September 30,</u> | <u>December 31,</u> |
| | <u>2018</u> | <u>2017</u> |
| Balance sheet data: | | |
| Cash and cash equivalents | \$ 366,796 | \$ 522,547 |
| Theatre properties and equipment, net | \$ 1,820,487 | \$ 1,828,054 |
| Total assets | \$ 4,397,573 | \$ 4,470,893 |
| Long-term debt, including current portion, net of unamortized debt issue costs | \$ 1,782,440 | \$ 1,787,480 |

Equity

\$ 1,469,527 \$ 1,405,688

Segment Information

(unaudited, in millions, except per patron data)

| | U.S. Operating Segment | | | International Operating Segment | | | | | Consolidated | | |
|--------------------------------|---|-------------|-----------------|---|-------------|-----------------|--|-----------------|---|-------------|-----------------|
| | Three Months Ended September 30, | | % Change | Three Months Ended September 30, | | % Change | Constant Currency⁽¹⁾ | | Three Months Ended September 30, | | % Change |
| | 2018 | 2017 | | 2018 | 2017 | | 2018 | % Change | 2018 | 2017 | |
| <i>Revenues</i> | | | | | | | | | | | |
| Admissions revenues | \$ 333.3 | \$ 312.3 | 6.7% | \$ 94.3 | \$ 112.8 | (16.4)% | \$ 116.3 | 3.1% | \$ 427.6 | \$ 425.1 | 0.6% |
| Concession revenues | \$ 207.9 | \$ 181.5 | 14.5% | \$ 56.2 | \$ 65.6 | (14.3)% | \$ 67.1 | 2.3% | \$ 264.1 | \$ 247.1 | 6.9% |
| Other revenues | \$ 41.1 | \$ 16.9 | 143.2% | \$ 21.4 | \$ 21.7 | (1.4)% | \$ 27.6 | 27.2% | \$ 62.5 | \$ 38.6 | 61.9% |
| Total revenues | \$ 582.3 | \$ 510.7 | 14.0% | \$ 171.9 | \$ 200.1 | (14.1)% | \$ 211.0 | 5.4% | \$ 754.2 | \$ 710.8 | 6.1% |
| Attendance | 43.7 | 40.6 | 7.6% | 26.1 | 26.7 | (2.2)% | | | 69.8 | 67.3 | 3.7% |
| Average ticket price | \$ 7.63 | \$ 7.69 | (0.8)% | \$ 3.61 | \$ 4.22 | (14.5)% | \$ 4.46 | 5.7% | \$ 6.13 | \$ 6.32 | (3.0)% |
| Concession revenues per patron | \$ 4.76 | \$ 4.47 | 6.5% | \$ 2.15 | \$ 2.46 | (12.6)% | \$ 2.57 | 4.5% | \$ 3.78 | \$ 3.67 | 3.0% |

| | U.S. Operating Segment | | | International Operating Segment | | | | | Consolidated | | |
|------------------------------|---|-------------|-----------------|---|-------------|-----------------|--|-----------------|---|-------------|-----------------|
| | Three Months Ended September 30, | | % Change | Three Months Ended September 30, | | % Change | Constant Currency⁽¹⁾ | | Three Months Ended September 30, | | % Change |
| | 2018 | 2017 | | 2018 | 2017 | | 2018 | % Change | 2018 | 2017 | |
| <i>Cost of Operations</i> | | | | | | | | | | | |
| Film rentals and advertising | \$ 185.1 | \$ 171.5 | | \$ 45.0 | \$ 54.7 | | \$ 55.5 | \$ 230.1 | \$ 226.2 | | |
| Concession supplies | \$ 31.2 | \$ 26.2 | | \$ 11.5 | \$ 14.0 | | \$ 13.7 | \$ 42.7 | \$ 40.2 | | |
| Salaries and wages | \$ 73.2 | \$ 64.6 | | \$ 19.3 | \$ 22.7 | | \$ 24.0 | \$ 92.5 | \$ 87.3 | | |
| Facility lease expense | \$ 61.1 | \$ 59.8 | | \$ 19.5 | \$ 22.2 | | \$ 23.1 | \$ 80.6 | \$ 82.0 | | |
| Utilities and other | \$ 83.0 | \$ 64.0 | | \$ 29.9 | \$ 28.4 | | \$ 36.8 | \$ 112.9 | \$ 92.4 | | |

| | U.S. Operating Segment | | | International Operating Segment | | | | | Consolidated | | |
|--------------------------------|--|-------------|-----------------|--|-------------|-----------------|--|-----------------|--|-------------|-----------------|
| | Nine Months Ended September 30, | | % Change | Nine Months Ended September 30, | | % Change | Constant Currency⁽¹⁾ | | Nine Months Ended September 30, | | % Change |
| | 2018 | 2017 | | 2018 | 2017 | | 2018 | % Change | 2018 | 2017 | |
| <i>Revenues</i> | | | | | | | | | | | |
| Admissions revenues | \$ 1,091.5 | \$ 1,003.5 | 8.8% | \$ 297.6 | \$ 348.0 | (14.5)% | \$ 335.7 | (3.5)% | \$ 1,389.1 | \$ 1,351.5 | 2.8% |
| Concession revenues | \$ 661.3 | \$ 582.2 | 13.6% | \$ 169.9 | \$ 195.4 | (13.1)% | \$ 188.7 | (3.4)% | \$ 831.2 | \$ 777.6 | 6.9% |
| Other revenues | \$ 134.9 | \$ 53.8 | 150.7% | \$ 68.0 | \$ 58.7 | 15.8% | \$ 79.1 | 34.8% | \$ 202.9 | \$ 112.5 | 80.4% |
| Total revenues | \$ 1,887.7 | \$ 1,639.5 | 15.1% | \$ 535.5 | \$ 602.1 | (11.1)% | \$ 603.5 | 0.2% | \$ 2,423.2 | \$ 2,241.6 | 8.1% |
| Attendance | 138.9 | 130.1 | 6.8% | 75.8 | 80.9 | (6.3)% | | | 214.7 | 211.0 | 1.8% |
| Average ticket price | \$ 7.86 | \$ 7.71 | 1.9% | \$ 3.93 | \$ 4.30 | (8.6)% | \$ 4.43 | 3.0% | \$ 6.47 | \$ 6.41 | 0.9% |
| Concession revenues per patron | \$ 4.76 | \$ 4.48 | 6.2% | \$ 2.24 | \$ 2.42 | (7.4)% | \$ 2.49 | 2.9% | \$ 3.87 | \$ 3.69 | 4.9% |

| U.S. Operating Segment | International Operating Segment | Consolidated |
|--|--|--|
| Nine Months Ended September 30, | Nine Months Ended September 30, | Nine Months Ended September 30, |

| <i>Cost of Operations</i> | | | | | Constant Currency⁽¹⁾ 2018 | | | |
|------------------------------|-------------|-------------|-------------|-------------|---|-------------|-------------|-------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Film rentals and advertising | \$ 616.7 | \$ 558.3 | \$ 141.5 | \$ 167.3 | \$ 160.0 | \$ 758.2 | \$ 725.6 | |
| Concession supplies | \$ 98.1 | \$ 82.1 | \$ 36.5 | \$ 42.0 | \$ 40.5 | \$ 134.6 | \$ 124.1 | |
| Salaries and wages | \$ 224.3 | \$ 194.5 | \$ 61.7 | \$ 66.8 | \$ 70.7 | \$ 286.0 | \$ 261.3 | |
| Facility lease expense | \$ 183.1 | \$ 181.1 | \$ 60.8 | \$ 67.5 | \$ 66.9 | \$ 243.9 | \$ 248.6 | |
| Utilities and other | \$ 245.7 | \$ 185.1 | \$ 92.2 | \$ 86.7 | \$ 104.9 | \$ 337.9 | \$ 271.8 | |

(1) Constant currency amounts, which are non-GAAP measurements, were calculated using the average exchange rate for the corresponding month for 2017. We translate the results of our international operating segment from local currencies into U.S. dollars using currency rates in effect at different points in time in accordance with U.S. GAAP. Significant changes in foreign exchange rates from one period to the next can result in meaningful variations in reported results. We are providing constant currency amounts for our international operating segment to present a period-to-period comparison of business performance that excludes the impact of foreign currency fluctuations.

Other Segment Information

(unaudited, in thousands)

| | Three Months Ended | | Nine Months Ended | |
|----------------------------|---------------------------|-------------------|--------------------------|-------------------|
| | September 30, | | September 30, | |
| | 2018 | 2017 | 2018 | 2017 |
| Adjusted EBITDA (1) | | | | |
| U.S. | \$ 132,652 | \$ 108,854 | \$ 476,907 | \$ 402,902 |
| International | 35,740 | 44,818 | 106,518 | 133,329 |
| Total Adjusted EBITDA (1) | <u>\$ 168,392</u> | <u>\$ 153,672</u> | <u>\$ 583,425</u> | <u>\$ 536,231</u> |
| Capital expenditures | | | | |
| U.S. | \$ 65,458 | \$ 65,612 | \$ 195,104 | \$ 221,604 |
| International | 17,915 | 14,318 | 50,858 | 41,126 |
| Total capital expenditures | <u>\$ 83,373</u> | <u>\$ 79,930</u> | <u>\$ 245,962</u> | <u>\$ 262,730</u> |

(1) Adjusted EBITDA represents net income before income taxes, interest expense, interest income, foreign currency exchange gain (loss), interest expense – NCM, equity in income of affiliates, loss on debt amendments and refinancing, other cash distributions from equity investees, depreciation and amortization, impairment of long-lived assets, loss on disposal of assets and other, changes in deferred lease expense, amortization of long-term prepaid rents and share based awards compensation expense, as calculated below. Adjusted EBITDA is a non-GAAP financial measure commonly used in our industry and should not be construed as an alternative to net income 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 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. In addition, we use Adjusted EBITDA for incentive compensation purposes.

Reconciliation of Adjusted EBITDA

(unaudited, in thousands)

| | Three Months Ended | | Nine Months Ended | |
|--|---------------------------|-------------|--------------------------|-------------|
| | September 30, | | September 30, | |
| | 2018 | 2017 | 2018 | 2017 |
| Net income | \$ 50,621 | \$ 38,540 | \$ 195,262 | \$ 170,544 |
| Add (deduct): | | | | |
| Income taxes | 16,169 | 24,630 | 59,592 | 98,475 |
| Interest expense | 27,144 | 26,317 | 82,725 | 79,208 |
| Other income | (8,810) | (13,168) | (15,247) | (33,180) |
| Loss on debt amendments and refinancing | — | — | 1,484 | 246 |
| Other cash distributions from equity investees (2) | 4,786 | 2,402 | 21,041 | 17,321 |
| Depreciation and amortization | 64,971 | 58,052 | 193,656 | 174,545 |
| Impairment of long-lived assets | 1,641 | 5,026 | 5,020 | 9,600 |
| Loss on disposal of assets and other | 7,826 | 8,576 | 28,666 | 9,464 |

| | | | | |
|---|-------------------|-------------------|------------------|-------------------|
| Deferred lease expenses - theatres (3) | 216 | (44) | (252) | (278) |
| Deferred lease expenses - projectors (4) | (236) | (253) | (700) | (741) |
| Amortization of long-term prepaid rents (3) | 578 | 551 | 1,814 | 1,540 |
| Share based awards compensation expense (5) | 3,486 | 3,043 | 10,364 | 9,487 |
| Adjusted EBITDA | <u>\$ 168,392</u> | <u>\$ 153,672</u> | <u>\$583,425</u> | <u>\$ 536,231</u> |

(2) Represents cash distributions received from equity investees that were recorded as a reduction of the respective investment balances.

(3) Non-cash expense included in facility lease expense.

(4) Non-cash expense included in utilities and other.

(5) Non-cash expense included in general and administrative expenses.

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