

## NCM Strengthens Its Leadership in Cinema Advertising to Better Compete in the Broader Premium Video Marketplace

Largest Cinema Advertising Network in the U.S. Welcomes Bow Tie Cinemas, Cinergy Entertainment, Main Street
Theatres and Megaplex Theatres Adding 71 New Theaters, 533 Screens and 20 Million Attendees

## Expands Partnership with MJR Digital Cinemas

CENTENNIAL, Colo.--(BUSINESS WIRE)-- National CineMedia (NCM), America's Movie Network, has strengthened its network with the addition of five new affiliate partners, adding 71 new theaters, 533 screens and approximately 20 million attendees to its national theater network, enabling it to better compete in the broader premium video marketplace.

NCM is proud to welcome the following theater circuits that have chosen to be a part of the #1 Millennial weekend network in America:

Bow Tie Cinemas, based in New York, NY with 43 theaters, 271 screens and approximately 7 million attendees, will join the NCM network in March as previously announced, giving NCM significantly enhanced coverage in the Tri-state area with 37 Bow Tie theaters and 212 screens in the New York DMA alone. Bow Tie Cinemas is the oldest theater circuit in North America and is currently one of America's fifteen largest exhibitors, with theaters in CO, CT, MD, NJ, NY & VA.

"We are looking forward to a successful and productive partnership with NCM," stated Ben Moss, CEO of Bow Tie Cinemas. "With our diverse collection of theaters our consumer reach and advertising capabilities will be further enhanced by joining NCM's robust network."

Cinergy Entertainment Group, Inc., based in Dallas, TX with 3 theaters, 29 screens and approximately 2 million attendees, will join the NCM network in October. All Cinergy cinema entertainment centers feature dine-in cinemas serving alcoholic beverages and a tempting array of restaurant quality food and beverages. In addition to upscale cinema amenities, all Cinergy locations feature a unique selection of interactive games and a variety of other amenities, including bowling, billiards, full bars, laser tag, and a Sky Walker ropes course. Cinergy is privately held by the Benson family, the founders of Movie Tavern, the largest nationwide chain of dine-in cinemas.

"We are so excited for a successful and dynamic partnership with NCM, we feel that our unique movie-going experience and advertising capabilities will be further enriched by joining NCM's robust network," stated Traci Hoey, Director of Marketing and Sales with Cinergy Entertainment.

Main Street Theatres, based in Omaha, NE with 8 theaters, 48 screens and 1 million attendees in IA and NE, will join the NCM network in June. Owned and operated by the Barstow family with its flagship Aksarben Cinema in Omaha, Main Street Theatres also provides film buying and consulting for an additional 30 theaters located in Iowa, Nebraska, Kansas, Minnesota and South Dakota.

"National CineMedia is the premium pre-show experience our customers demand and joining forces was a natural fit for our family company," said William J. Barstow, owner of Main Street Theatres.

Megaplex Theatres, based in Salt Lake City, UT with 17 locations, 185 screens and nearly 10 million attendees last year, will join the NCM Network for National Sales in March and increase NCM's screen market share in Salt Lake City to 78%. Founded by the late Larry H. Miller, Megaplex Theatres is Utah's premier movie entertainment company and its theaters are frequently among the top grossing in the nation. With locations throughout Utah and Southern Nevada, Megaplex Theatres offer a wide range of services, from reserved seating to the latest technologies in the industry.

"Megaplex Theatres is excited to join with NCM to better serve our guests with quality national media messaging," said Blake Andersen, president of Megaplex Theatres. "We recognize there are unique national opportunities through NCM that reach beyond our regular business model that will ultimately benefit our loyal Megaplex audience."

MJR Digital Cinemas, based in Bloomfield Hills, MI with 11 theaters, 164 screens and 6 million attendees in MI, will join

the NCM network for Regional sales in August after having already been a part of the NCM network for National sales since 2015. With over thirty years in the industry, MJR has grown to become one of the most trusted names in Metro Detroit moviegoing. Clean, comfortable, and modern facilities are a staple, leading the way to provide the ultimate experience for the ultimate escape. MJR refuses to hold back, showcasing stadium seating as well as the most current innovative reserve seating with all-electric recliners, digital projection and sound, and the latest digital 3D technologies in all of its theaters.

"MJR is looking forward to a mutually beneficial and rewarding relationship with NCM. We especially are happy to now be a part of and have full access to the *FirstLook* pre-show," said Mike Mihalich, CEO & Founder of MJR Digital Cinemas.

As announced last week, NCM and American Multi-Cinema, Inc. (AMC) <u>reached an agreement</u> that enables AMC to comply with the Department of Justice's (DOJ) Final Order on its acquisition of Carmike Cinemas, Inc. while reaffirming the companies' commitment to their continued partnership. The DOJ Final Order required AMC to transfer cinema advertising rights to 17 theaters from NCM to another cinema advertising provider. It also required the sale of additional theaters (many of which were previously Carmike theaters), which may be sold to any exhibitor including those that are currently part of the NCM advertising network (thus the impact on NCM of these sales is yet to be determined, but at most represents approximately 1% of NCM's total network). However, as per AMC's long-term Exhibitor Services Agreement (ESA) running through 2037, NCM will continue to automatically welcome any new or acquired theaters of the now larger AMC chain into its network in the future.

"While the recent outcome of the DOJ Final Order regarding AMC's acquisition of Carmike resulted in the transfer of 17 theaters with 9.5 million attendees from NCM to another cinema advertising provider, we have already more than made up for it with new affiliate partnership agreements with top theater circuits including Bow Tie Cinemas, Cinergy Entertainment and Main Street Theatres resulting in the movement of 54 theaters and 10 million attendees to NCM, as well as an additional 17 theaters and 10 million new attendees joining us from Megaplex Theatres, a major exhibitor which had previously sold their own National advertising in-house. That's a total of 20 million new attendees joining the NCM network to date in 2017, which is great news for brands that want to reach these highly engaged and enthusiastic moviegoers," said Cliff Marks, President of NCM. "This expanded national reach and depth of coverage in key markets like New York, Dallas, Detroit, Omaha and Salt Lake City is just another example of why NCM truly is America's Movie Network."

NCM's accelerated network growth was led by its new Affiliate Partnerships team, and Stacie Tursi, SVP, Affiliate Partnerships, noted that, "My team was formed to not only seek out and develop new affiliate partner relationships, but to also strengthen our existing relationships and enhance business collaboration. Our relationships with our exhibitors are a key focus of our business and are fundamental to continuing to grow the number of impressions we have available to sell to advertisers to better compete in the premium video marketplace. It's great to see exhibitor partners like these who had previously worked with another network or who may have been handling advertising sales in-house recognize the value of becoming part of the #1 Millennial network in the U.S., and I'm proud to welcome them aboard."

## About National CineMedia (NCM)

National CineMedia (NCM) is America's Movie Network. As the #1 Millennial weekend network in the U.S., NCM is the connector between brands and movie audiences. More than 700 million moviegoers annually attend theaters that are currently under contract to present NCM's FirstLook pre-show in over 40 leading national and regional theater circuits including AMC Entertainment Inc. (NYSE:AMC), Cinemark Holdings, Inc. (NYSE:CNK) and Regal Entertainment Group (NYSE: RGC). NCM's cinema advertising network offers broad reach and unparalleled audience engagement with over 20,500 screens in over 1,600 theaters in 189 Designated Market Areas® (all of the top 50). NCM Digital goes beyond the big screen, extending in-theater campaigns into online and mobile marketing programs to reach entertainment audiences. National CineMedia, Inc. (NASDAQ:NCMI) owns a 43.7% interest in, and is the managing member of, National CineMedia, LLC. For more information, visit <a href="https://www.ncm.com">www.ncm.com</a>.

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