

 **NCM**
AMERICA'S MOVIE NETWORK

Q3'19 Earnings Supplemental Presentation

Forward-Looking Statements

This presentation contains various forward-looking statements that reflect management's current expectations or beliefs regarding future events, including statements providing guidance and projections for the full year 2019. Investors are cautioned that reliance on these forward-looking statements involves risks and uncertainties. Although the Company believes that the assumptions used in the forward-looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, actual results could differ materially from those expressed or implied in the forward-looking statements. The factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements are, among others, 1) level of theater attendance or viewership of the Noovie pre-show; 2) increased competition for advertising expenditures; 3) changes to relationships with NCM LLC's founding members; 4) inability to implement or achieve new revenue opportunities; 5) failure to realize anticipated benefits of the 2019 Exhibitor Service Agreement amendments; 6) technological changes and innovations; 7) economic conditions, including the level of expenditures on cinema advertising; 8) our ability to renew or replace expiring advertising and content contracts; 9) our need for additional funding, risks and uncertainties relating to our significant indebtedness; 10) reinvestment in our network and product offerings may require significant funding and resulting reallocation of resources; 11) fluctuations in operating costs; and 12) changes in interest rates. In addition, the outlook provided does not include the impact of any future unusual or infrequent transactions; sales and acquisitions of operating assets and investments; any future non-cash impairments of intangible and fixed assets; amounts related to litigation or the related impact of taxes that may occur from time to time due to management decisions and changing business circumstances. The Company is currently unable to forecast precisely the timing and/or magnitude of any such amounts or events. Please refer to the Company's Securities and Exchange Commission filings, including the "Risk Factor" section of the Company's Quarterly Report on Form 10-Q for the quarter ended September 26, 2019, for further information about these and other risks. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to update any forward-looking statement, whether as a result, of new information, future events or otherwise, except as required by law.

In addition, the pro forma information provided in this presentation is included for informational purposes only and does not purport to reflect the results of operations or financial position of the Company or National CineMedia, LLC ("NCM LLC") that would have occurred had the particular transactions become effective on the dates specified. References in this presentation to "PF" or "Pro Forma" mean that the information is presented as if the IPO, the reorganization and the transactions and material changes to contractual arrangements which occurred in connection with the IPO had become effective on the dates specified.

This presentation contains references to Non-GAAP financial measures including Adjusted OIBDA (Operating Income Before Depreciation and Amortization, Amortization of intangibles recorded for network theater screen leases, excluding share based payment costs and CEO transition costs). A reconciliation of these measures is available in this presentation and on the investor page of the Company's website at www.ncm.com.

Q3 2019 Highlights versus Q3 2018

Financial:

- Total revenue increased 0.4% to \$110.5 million.
- Adjusted OIBDA⁽¹⁾ decreased 3.5% to \$51.7 million.
 - Recorded impairment charges of \$2.0 million on certain of its investments.
- National Sales revenue increased 1.9% to \$82.3 million.
 - Attendance decline of 0.8% during the quarter.
- Local revenue decreased 3.4% to \$16.8 million.
- Regional revenue decreased 8.9% to \$4.1 million.
 - Continue to see the reallocation of spending from some of our larger Regional clients (including autos) over to National.
- Beverage revenue decreased 1.4% to \$7.3 million related to 0.3% founding member attendance decline.

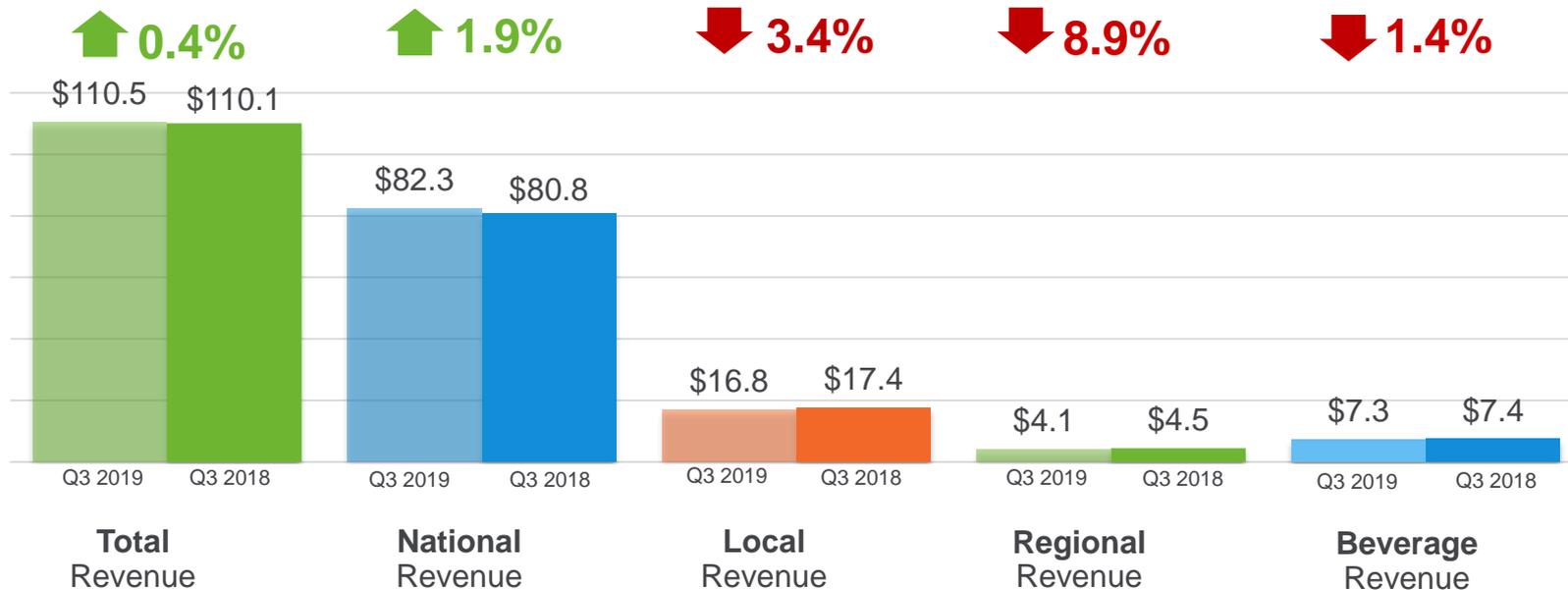
Other:

- On October 8, 2019, the Company completed the refinancing of its \$400.0 million notes due 2022. The new \$400 million notes bear interest at 5.875% and are due in 2028.
- Total first and second party data sets are 75 million, up from 20 million a year ago.

(1) Adjusted OIBDA represents a non-GAAP measure (operating income before depreciation and amortization and excluding non-cash share based costs and CEO transition costs). See reconciliation to the comparable GAAP measure on slide 17 of this presentation.

Revenue (Q3)

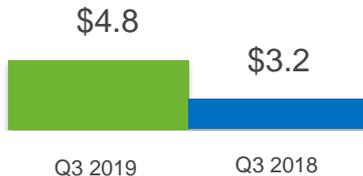
(\$ in millions)



Network Stats (Q3'19 vs. Q3'18)

↓ 9.0%

CPMs
(NATIONAL)



MAKE-GOOD
In Millions

↑ 0.4%



Q3 2019 Q3 2018

IMPRESSIONS SOLD
(NATIONAL)
In Millions

↑ 1.2%



Q3 2019 Q3 2018

UTILIZATION⁽¹⁾
(NATIONAL)

↓ 0.8%

NETWORK ATTENDANCE

(FOUNDING MEMBERS + AFFILIATES)

↓ 0.5%

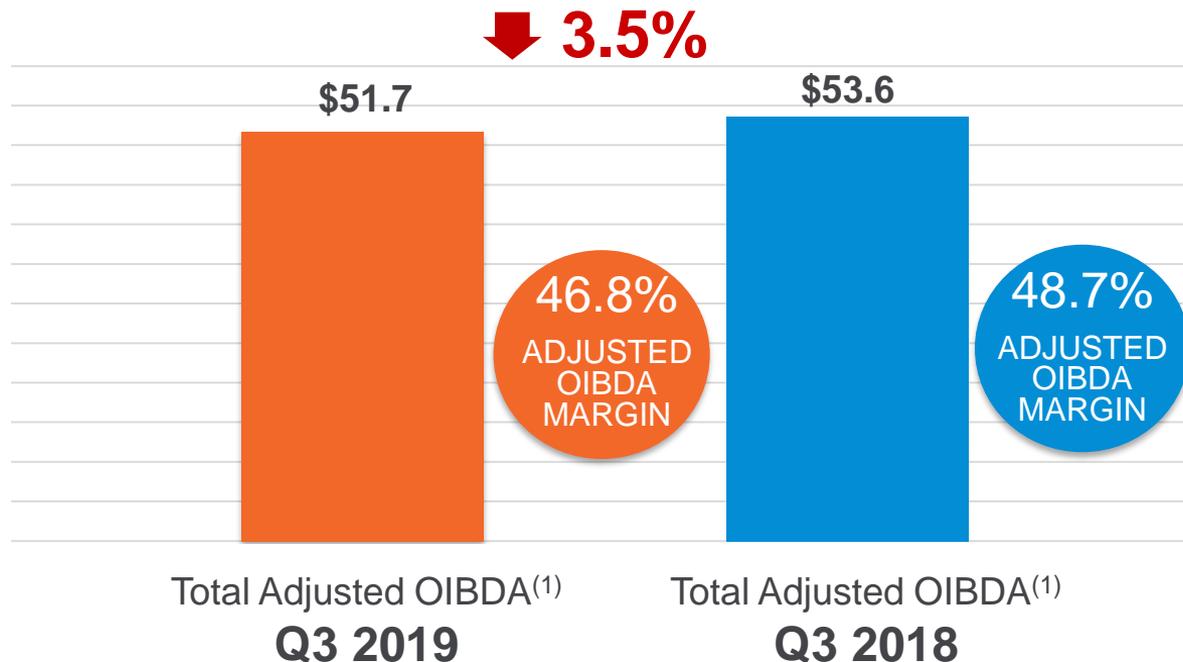
TOTAL SCREENS

(FOUNDING MEMBERS + AFFILIATES)

(1) Utilization is calculated as utilized impressions divided by total advertising impressions, which is based on eleven 30-second salable national advertising units in our Noovie pre-show, which can be expanded, should market demand dictate.

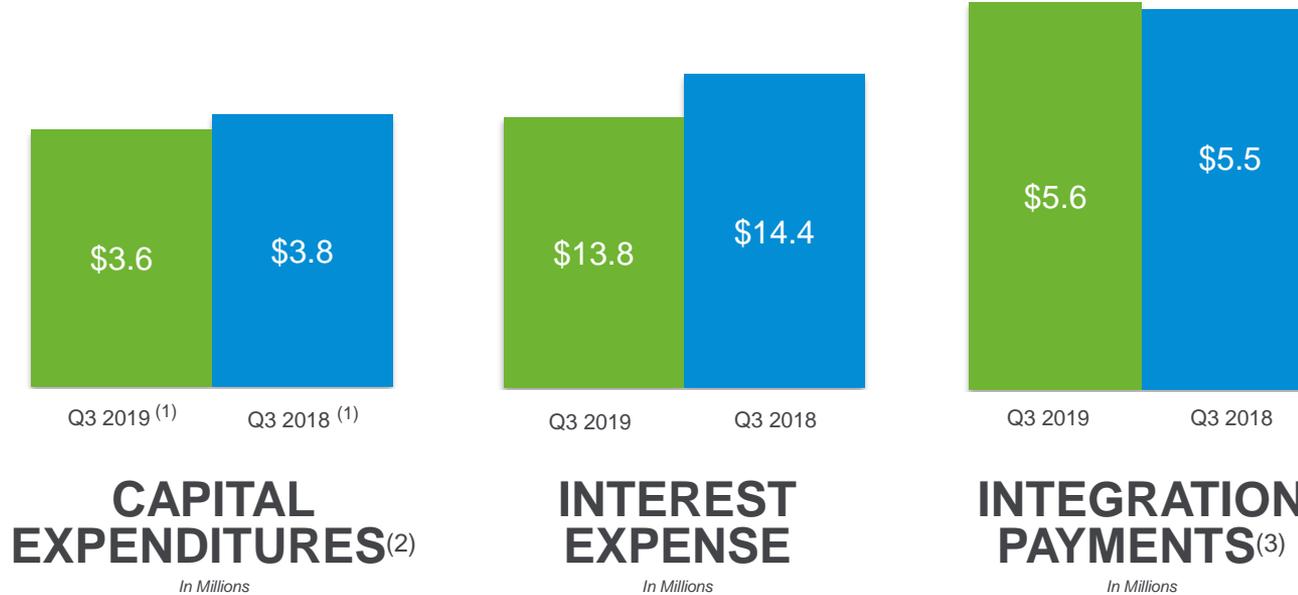
Adjusted OIBDA⁽¹⁾ (Q3'19 vs. Q3'18)

(\$ in millions)



(1) Adjusted OIBDA represents a non-GAAP measure (operating income before depreciation and amortization and excluding non-cash share based costs and CEO transition costs). See reconciliation to the comparable GAAP measure on slide 17 of this presentation.

Other Financial Metrics (Q3)



- (1) Includes capital expenditures of \$1.3 million in 2019 related to our digital product investment versus \$2.5 million in 2018.
- (2) Includes certain other implementation costs associated with Cloud Computing Arrangements.
- (3) Integration and other encumbered theatre payments. These payments were recorded as a reduction of an intangible asset.

YTD 2019 Highlights versus YTD 2018

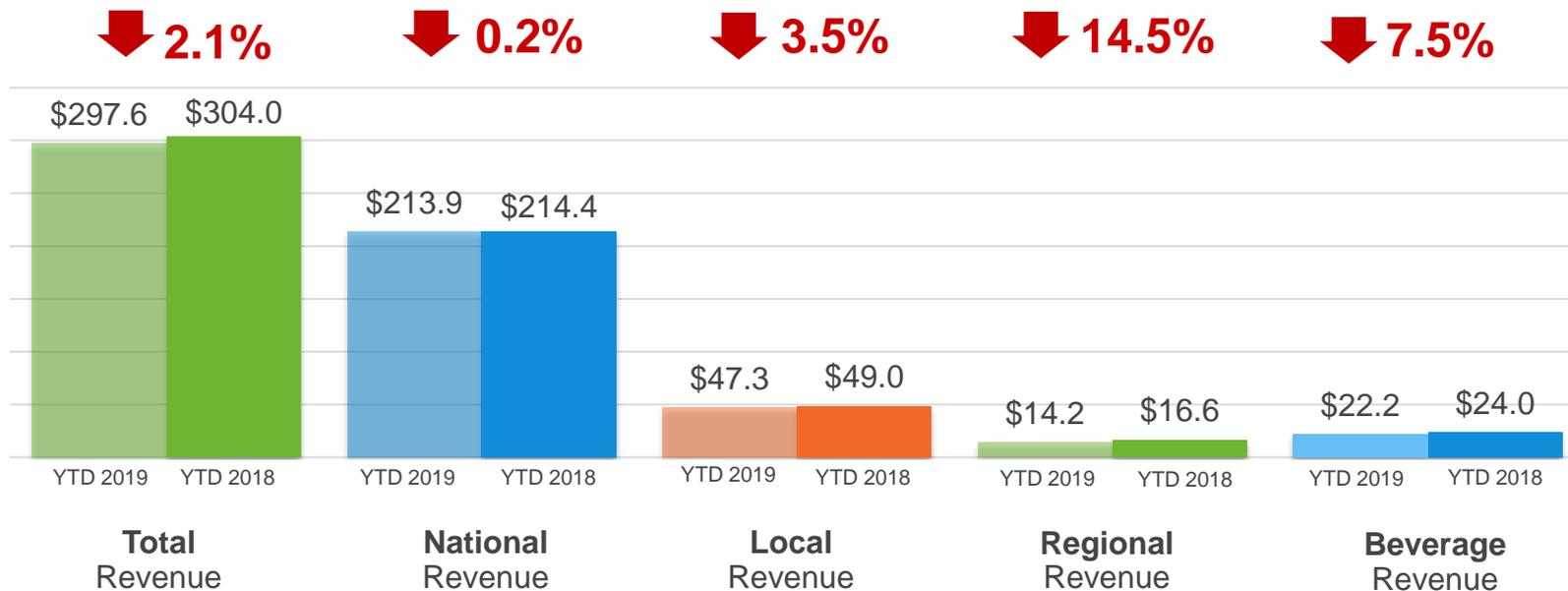
Financial:

- Total revenue decreased 2.1% to \$297.6 million.
- Adjusted OIBDA⁽¹⁾ decreased 4.0% to \$124.0 million.
- National Sales revenue decreased 0.2% to \$213.9 million.
- Local revenue decreased 3.5% to \$47.3 million.
- Regional revenue decreased 14.5% to \$14.2 million.
- Beverage revenue decreased 7.5% to \$22.2 million related to 6.7% founding member attendance decline.
- Retired \$5.0 million of 5.75% Unsecured Notes due 2026 at a discount of 7.75% (interest savings to maturity of \$2.1 million).
- On October 8, 2019, the Company completed the refinancing of its \$400.0 million notes due 2022. The new \$400 million notes bear interest at 5.875% and are due in 2028.

(1) Adjusted OIBDA represents a non-GAAP measure (operating income before depreciation and amortization and excluding non-cash share based costs and CEO transition costs). See reconciliation to the comparable GAAP measure on slide 17 of this presentation.

Revenue (YTD)

(\$ in millions)



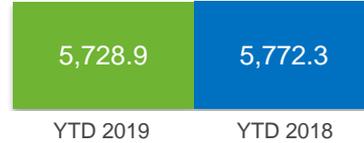
Network Stats (YTD '19 vs. YTD '18)

↓ 4.8%

CPMs
(NATIONAL)



↓ 0.8%



↑ 6.9%



↓ 7.2%

NETWORK ATTENDANCE
(FOUNDING MEMBERS + AFFILIATES)

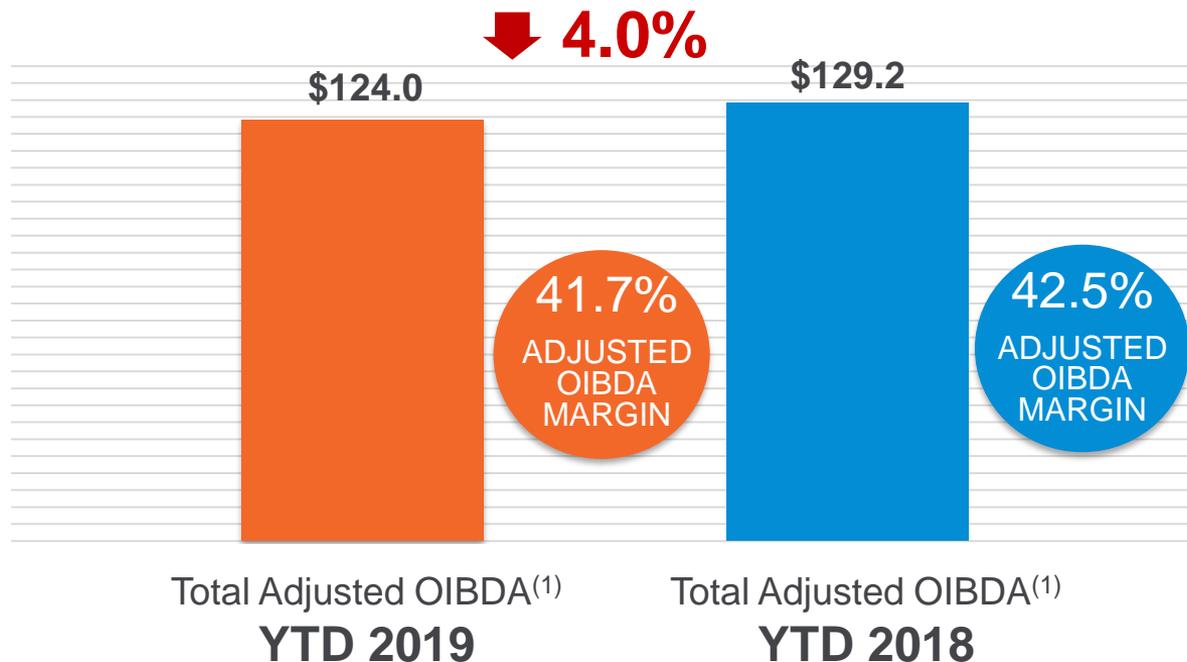
↓ 0.5%

TOTAL SCREENS
(FOUNDING MEMBERS + AFFILIATES)

(1) Utilization is calculated as utilized impressions divided by total advertising impressions, which is based on eleven 30-second salable national advertising units in our Noovie pre-show, which can be expanded, should market demand dictate.

Adjusted OIBDA⁽¹⁾ (YTD '19 vs. YTD '18)

(\$ in millions)



(1) Adjusted OIBDA represents a non-GAAP measure (operating income before depreciation and amortization and excluding non-cash share based costs and CEO transition costs). See reconciliation to the comparable GAAP measure on slide 17 of this presentation.

Other Financial Metrics (YTD)



- (1) Includes capital expenditures of \$5.2 million in 2019 related to our digital product investment versus \$5.3 million in 2018.
- (2) Includes certain other implementation costs associated with Cloud Computing Arrangements.
- (3) Integration and other encumbered theatre payments. These payments were recorded as a reduction of an intangible asset.

Diversified Debt Structure

Q3 2019	 \$903.3M	 \$6.0M	 \$62.9M	Flat 5.7%	 4.2X
Q3 2018	\$925.7M	\$14.0M	\$66.7M	5.7%	4.0X
	Total Debt Outstanding	Outstanding Revolver Balance	Consolidated Cash and Investment Balances⁽¹⁾	Average Interest Rate on All Debt	Gross Leverage Ratio (Total Debt / Adjusted OIBDA + Integration Payments)

(1) \$60.8 million of this balance is at NCM at September 26, 2019 and \$62.3 million at September 27, 2018.

Cash Dividends Paid Q3'19 and Annualized FY 2019

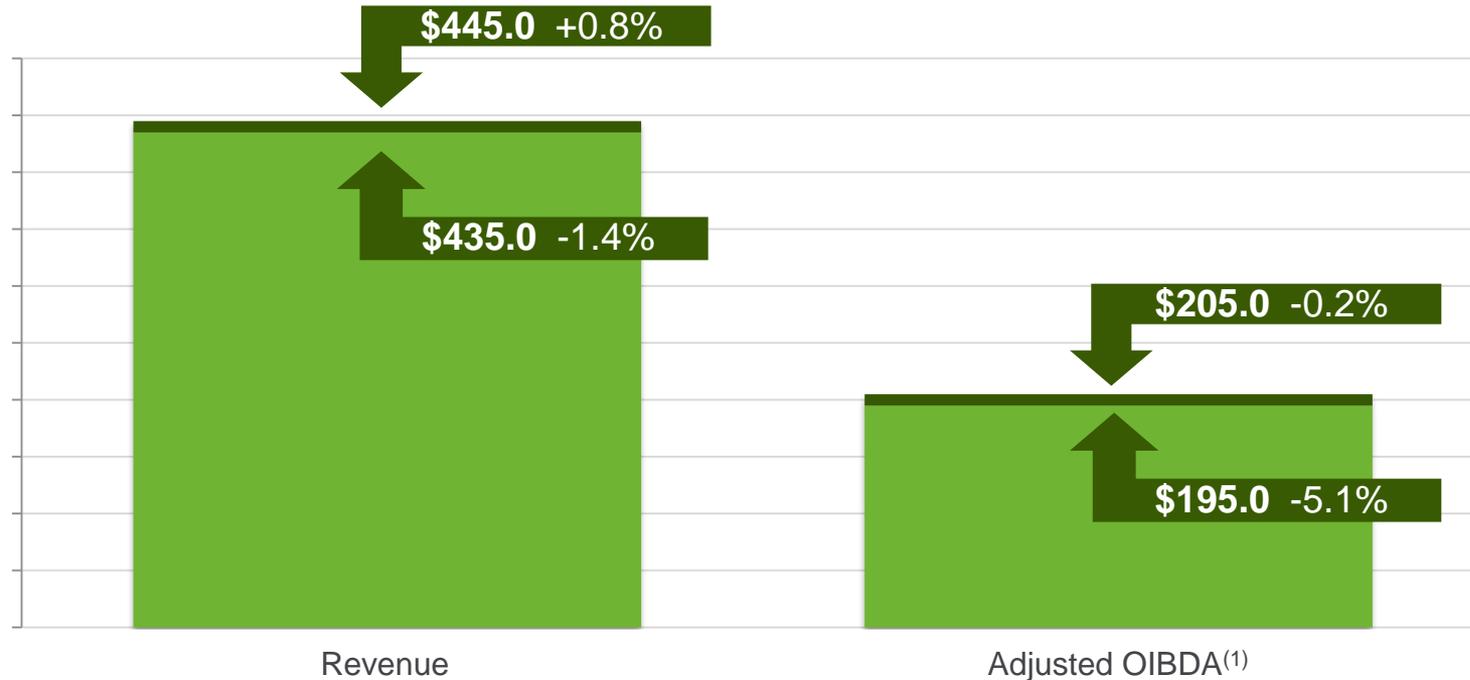


(1) Dividend yield based on NCMI closing stock price on November 4, 2019 of \$8.48.

(2) Annual estimate based on NCMI paying \$0.17 per share in Q1, Q2 and Q3 2019.

Updated 2019 Annual Guidance

(\$ in millions)



(1) Adjusted OIBDA represents a non-GAAP measure (operating income before depreciation and amortization and excluding non-cash share based costs and CEO transition costs. See reconciliation to the comparable GAAP measure on slide 17 of this presentation.

2019 Annual Guidance

Operating Income to Adjusted OIBDA

Annual Guidance (\$ in millions)

	Year Ending December 26, 2019	
	NCM, Inc.	
	Low	High
Operating income	\$ 150.1	\$ 159.1
Depreciation expense	13.5	13.5
Amortization of intangibles recorded for network theater screen leases	27.0	27.0
Share-based compensation costs (1)	4.0	5.0
CEO transition costs	0.4	0.4
Adjusted OIBDA	\$ 195.0	\$ 205.0
Total revenue	\$ 435.0	\$ 445.0

- (1) Share-based compensation costs are included in network operations, selling and marketing and administrative expense.

Operating Income to Adjusted OIBDA and Adjusted OIBDA Margin

\$ in millions

	Three Months Ended		Nine Months Ended	
	September 26, 2019	September 27, 2018	September 26, 2019	September 27, 2018
Operating income	\$ 40.0	\$ 42.3	\$ 88.6	\$ 93.5
Depreciation expense	3.4	3.1	10.0	9.0
Amortization expense (1)	—	6.9	—	20.5
Amortization of intangibles recorded for network theater screen leases (1)	6.8	—	20.7	—
Share-based compensation costs (2)	1.4	1.3	4.3	6.2
CEO transition costs	0.1	—	0.4	—
Adjusted OIBDA	\$ 51.7	\$ 53.6	\$ 124.0	\$ 129.2
Total revenue	\$ 110.5	\$ 110.1	\$ 297.6	\$ 304.0
Adjusted OIBDA margin	46.8 %	48.7 %	41.7 %	42.5 %

- (1) Following the adoption of ASC 842 - *Leases*, amortization of intangible assets related to the common unit adjustments and upfront payments from affiliates for network screens are considered a form of lease expense and have been reclassified to this account as of the adoption date, December 28, 2018. The Company adopted ASC 842 prospectively and thus, prior period balances remain within amortization expense.
- (2) Share-based compensation costs are included in network operations, selling and marketing and administrative expense.

Thank You!

National CineMedia, Inc.

Investor Contact:

Ted Watson

800-844-0935

investors@ncm.com