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## **National CineMedia (NCM) to Upgrade Its National Advertising and Fathom Events Networks with New Digital Cinema Equipment**

CENTENNIAL, Colo., Oct 06, 2010 (BUSINESS WIRE) -- National CineMedia, Inc.'s (NASDAQ: NCMI) operating subsidiary National CineMedia, LLC (NCM), and its founding member theater circuits AMC Entertainment Inc., Cinemark Holdings, Inc. (NYSE: CNK) and Regal Entertainment Group (NYSE: RGC), have agreed to an amendment of its existing long-term Exhibitor Services Agreements (ESAs) to allow for the connection of NCM's national advertising and Fathom Events networks to the founding members' new, higher quality digital cinema projection systems.

These new systems will not only provide higher quality 2-D images, they will also expand NCM's capability to provide 3-D advertising and 3-D live and pre-recorded events. It is expected that over the next 36 months the vast majority of NCM's 15,230 founding member screens will be equipped with the new digital cinema equipment. These founding member installations, combined with the digital cinema installations of NCM's network affiliates, are expected to provide an enhanced digital cinema presentation for approximately 90% of NCM's approximately 700 million annual theater attendance.

"This new digital cinema agreement with our three founding member theater circuits is the next evolution of our cinema network, once again raising the industry standard for pre-feature advertising and entertainment programming in cinemas," said Kurt Hall, NCM's chairman and CEO. "This new technology will provide a better experience for theater patrons, a unique and more impactful marketing platform for our advertising clients and a more effective distribution network for NCM Fathom content owners."

Mr. Hall concluded, "While the theater access fees that are paid to NCM's founding member circuits will increase over time as our cinema network is connected to their new digital cinema equipment, this increased cost is expected to be more than offset by the benefits associated with the improved presentation, including the ability to more broadly distribute 3-D advertising and alternative content."

### **About National CineMedia (NCM)**

[NCM](#) operates NCM Media Networks, a leading integrated media company reaching U.S. consumers in movie theaters, online and through mobile technology. The [NCM Cinema Network](#) and [NCM Fathom](#) present cinema advertising and events across [the nation's largest digital in-theater network](#), comprised of theaters owned by AMC Entertainment Inc., Cinemark Holdings, Inc. (NYSE: CNK), Regal Entertainment Group (NYSE: RGC) and other leading regional theater circuits. NCM's theater network covers 172 Designated Market Areas(R) (49 of the top 50) and includes approximately 17,100 screens (15,600 digital). During 2009, over 680 million patrons attended movies shown in theaters currently included in NCM's network (excluding Consolidated Theatres). The [NCM Fathom Events](#) broadcast network is comprised of approximately 550 locations in 154 Designated Market Areas(R) (49 of the top 50). The [NCM Interactive Network](#) offers 360-degree integrated marketing opportunities in combination with cinema, encompassing over 40 entertainment-related web sites, online widgets and mobile applications. National CineMedia, Inc. (NASDAQ: NCMI) owns a 48.2% interest in and is the managing member of National CineMedia LLC. For more information, visit [www.ncm.com](http://www.ncm.com).

### **Forward-Looking Statements**

*This press release contains various forward-looking statements that reflect management's current expectations or beliefs regarding future events, including statements regarding guidance and the dividend policy. 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) the level of expenditures on cinema advertising; 2) increased competition for advertising expenditures; 3) technological changes and innovations; 4) popularity of major motion picture releases and level of theater attendance; 5) shifts in population and other demographics that affect theater attendance; 6) our ability to renew or replace expiring advertising and content contracts; 7) our need for additional funding, risks and uncertainties relating to our significant indebtedness; 8) fluctuations in operating costs; 9) changes in interest rates, and 10) changes in accounting principles. In addition, the outlook provided does not include the impact of any future unusual or infrequent transactions; unidentified restructuring charges; sales and acquisitions of operating assets and investments; any future noncash impairments of goodwill, intangible and fixed assets; amounts related to securities 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 for further information about these and*

*other risks.*

SOURCE: National CineMedia, Inc.

**National CineMedia**

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