
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): March 19, 2015 (March 17, 2015)

National CineMedia, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33296
(Commission
file number)

20-5665602
(IRS employer
identification no.)

National CineMedia, LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

333-176056
(Commission
file number)

20-2632505
(IRS employer
identification no.)

**9110 E. Nichols Ave., Suite 200
Centennial, Colorado 80112-3405**
(Address of principal executive offices, including zip code)

(303) 792-3600
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 210.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 3.02 Unregistered Sales of Equity Securities.

On March 17, 2015, National CineMedia, Inc. (“NCM, Inc.”), as sole manager of National CineMedia, LLC (“NCM LLC”), provided written notice setting forth the determination of common membership units due to/from the members of NCM LLC as shown in the table below, in accordance with the Common Unit Adjustment Agreement dated as of February 13, 2007, by and among NCM, Inc., NCM LLC, Regal CineMedia Holdings, LLC (“Regal”), American Multi-Cinema, Inc. (“AMC”), Cinemark Media, Inc. (“Cinemark”), Regal Cinemas, Inc. (“RCI”) and Cinemark USA, Inc. Regal, AMC and Cinemark are referred to collectively as the “Founding Members.” The “Founding Member Group” means, with respect to each Founding Member, the Founding Member, its ESA Party, and their Affiliates. Any undefined capitalized term has the meaning given it in the Common Unit Adjustment Agreement. The common membership units are expected to be issued on March 31, 2015, the settlement date. Following is a summary of the NCM LLC ownership units that will result from this most recent Common Unit Adjustment:

<u>Founding Member Group</u>	<u>Number of Units Owned Prior to 2014 Adjustment (as of Jan. 1, 2015)</u>	<u>Number of Units Issued per 2014 Adjustment</u>	<u>Total Number of Units Owned Post 2014 Adjustment (as of Jan. 1, 2015)</u>
AMC	19,194,501	469,163	19,663,664
Cinemark	24,556,136	1,074,910	25,631,046
Regal	25,792,942	616,842	26,409,784
NCM, Inc. (1)	58,750,926	0	58,750,926
Total	128,294,505	2,160,915	130,455,420

(1) Excludes the issuance of NCM LLC units with respect to restricted shares which have vested and stock options which have been exercised subsequent to January 1, 2015 as these NCM LLC units are issued at each quarter end.

Following the issuance of these common membership units pursuant to the Common Unit Adjustment Agreement for fiscal 2014, each Founding Member Group’s ownership interest in NCM LLC will change as follows:

<u>Founding Member Group</u>	<u>Ownership Interest Prior to 2014 Adjustment (as of Jan. 1, 2015)</u>	<u>Ownership Interest Post 2014 Adjustment (as of Jan. 1, 2015)</u>	<u>Change</u>
AMC	14.96%	15.07%	+0.11
Cinemark	19.14%	19.65%	+0.51
Regal	20.10%	20.24%	+0.14
NCM, Inc. (1)	45.80%	45.04%	-0.76

(1) Excludes the issuance of NCM LLC units with respect to restricted shares which have vested and stock options which have been exercised subsequent to January 1, 2015 as these NCM LLC units are issued at each quarter end.

Pursuant to NCM, Inc.'s Amended and Restated Certificate of Incorporation and NCM LLC's Third Amended and Restated Limited Liability Company Operating Agreement, as amended, members of NCM LLC, other than NCM, Inc., may choose to have common membership units redeemed, and NCM, Inc. may elect to issue cash or shares of its common stock on a one-for-one basis. Therefore, the NCM LLC units issued to the Founding Members may be redeemable for an equal number of shares of NCM, Inc.'s common stock.

Neither NCM, Inc. nor NCM LLC received any cash consideration in exchange for the issuance of the units. In addition to the issuance of the units, cash will be paid in lieu of partial units in the amounts of \$12.44, \$3.66 and \$6.62 to AMC, Cinemark USA, Inc. and RCI, respectively.

The units will be issued in reliance upon the exemption from the registration requirements of the Securities Act provided for by Section 4(2) thereof for transactions not involving a public offering. Appropriate legends will be affixed to the securities issued in this transaction. The Founding Members had adequate access, through business or other relationships, to information about NCM, Inc.

Discussion of Common Unit Adjustment Calculation

Methodology

The Common Unit Adjustment Agreement provides a mechanism for adjusting membership units held by the Founding Members, based on increases or decreases in attendance associated with new theatre construction or acquisitions and dispositions or closures by each Founding Member as discussed below. The adjustment of membership units pursuant to this agreement are conducted annually, except that an earlier adjustment will occur for a Founding Member if its acquisition or disposition of theatres, in a single transaction or cumulatively since the most recent adjustment, will cause a change of two percent or more in the total annual attendance. There were no such adjustments related to the two percent threshold during 2014.

Increases in attendance associated with theatre additions are included in the unit adjustment if arising from acquisition of a theatre or opening of a newly constructed theatre, except that lease renewals and extensions are not included and acquired theatres, subject to an agreement with an alternative cinema advertising provider, will not be included until certain run out payments are made to NCM LLC by the Founding Member acquiring the theatre pursuant to its ESA or until such third party cinema advertising agreement expires.

Decreases in attendance associated with theatre dispositions are included in the unit adjustment if arising from the closure or sale of a theatre, unless the purchaser or sublessee enters into an agreement with NCM LLC similar to the ESA, the theatre is closed at or after the end of its lease term in effect on February 13, 2007 (the Common Unit Adjustment Agreement date), the theatre is closed at the end of an initial term of a lease entered into after February 13, 2007, or a non-digitized theatre is closed within the last three years of the term of a lease in effect on February 13, 2007 (the closing date of NCM, Inc.'s initial public offering).

The increases in attendance for acquired theatres that were open for the full twelve months prior to the acquisition date are calculated based on the attendance for the twelve months prior to

the acquisition date and decreases in attendance for theatres that were disposed are based on the attendance for the twelve months prior to the disposition date; however, if an acquired or new build theatre was not operating during the entire twelve months prior to the acquisition date (in the case of an acquired theatre), the change in annual attendance is calculated based on 75% of the projected, year 1 annual attendance for such theatre, as determined in approving development by the Founding Members' board of directors (or other investment committee designated by the board). Additionally, in the calculations for adjustment upon acquisition, new openings, closures or disposition, only 50% of the attendance is included for theatres that were not digitized.

In the case of acquired or new build theatres in which the 75% of projected, year 1 annual attendance was used in prior Common Unit Adjustments, an additional adjustment or "true-up" was made to the net increases and decreases in attendance. This adjustment was calculated as the variance between the attendees applied in the prior Common Unit Adjustment and the actual, year 1 attendance for such theatres.

Discussion of changes in screens and attendance:

The aggregate net attendance adjustment used in calculating the Common Unit Adjustment was an increase of **7,921,295** attendees as described below.

- The total attendance increase was **7,699,238** attendees, of which
 - 6,697,100 related to newly opened or acquired theatres that were not open for 12 months at time of acquisition.
 - 6,375,819 from digital screens or 8,501,092 weighted at 75%
 - 321,281 from non-digital screens or 856,750 weighted at 75% and an additional weighting of 50%, and
 - 1,002,138 attendees related to acquired theatres that were open for the full 12 months prior to the acquisition date
 - 939,693 from digital screens weighted at 100%
 - 62,445 from non-digital screens or 124,889 weighted at 50%

A total of 246 screens were added resulting in an average attendance per added screen of approximately 31,298.

- The total attendance decrease due to dispositions was **1,125,114** attendees, of which all attendees were from digital screens. A total of 58 screens were disposed of resulting in an average attendance per disposed screen of approximately 19,399.
- The total attendance increase due to an adjustment between the projected, year 1 attendance of 21 new build and acquired theatres or 235 screens included in the prior Common Unit Adjustment and the actual, year 1 attendance for these theatres was **1,347,171** attendees.

Excluded from the calculation was a 3,473,940 decrease in attendance related to theatre closures associated with expired leases in effect at February 13, 2007, of which 3,313,474 attendees were from digital screens and 160,466 attendees were from non-digital screens (attendance of 320,932 weighted at 50%). A total of 149 screens were excluded, of which all were due to end of lease screen closures resulting in an average attendance per excluded screen of approximately 23,315.

Calculation of the Common Unit Adjustment (1): (as of and for the fiscal year ended January 1, 2015, except as noted)

Outstanding NCM LLC Equity Equivalents (2)	128,534,578
Times – NCM, Inc. Share Price (3)	\$ 14.3288
NCM LLC Equity Value	\$ 1,841,746,261
NCM LLC Long-Term Funded Debt	\$ 892,000,000
Less: NCM LLC Cash and Cash Equivalents	(\$ 10,225,682)
NCM LLC Enterprise Value	\$ 2,723,520,579
Divided by – Attendance Total (4)	696,753,285
NCM LLC Enterprise Value per Attendee	\$ 3.9088737
Times – aggregate Net Attendance Adjustment (for the period December 27, 2013 through January 1, 2015)	7,921,295
Common Unit Adjustment Equivalent (Value of aggregate Net Attendance Adjustment)	\$ 30,963,342
Divided by – NCM, Inc. Share Price (3)	\$ 14.3288
Common Unit Adjustment (in whole units)	2,160,915
Cash paid in lieu of partial units issued Founding Members	\$ 22.72

(1) Terms as defined in the Common Unit Adjustment Agreement.

(2) Includes 58,750,926 60-day weighted average shares of NCMI outstanding common stock, 69,543,579 60-day weighted average NCM LLC units held by the Founding Members and 240,073 restricted shares and outstanding options deemed exercised under the treasury stock method.

(3) Represents the 60-day weighted average share price of NCM, Inc. up to, but not including, January 1, 2015.

(4) Includes attendees from (i) Founding Members, (ii) network affiliates and (iii) certain Rave theatres previously acquired by AMC and Cinemark under contract with another cinema advertising provider for which AMC and Cinemark pay integration payments to NCM LLC.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit</u>	<u>Description</u>
3.1	Amended and Restated Certificate of Incorporation. (Incorporated by reference to Exhibit 3.1 from the Registrant's Quarterly Report on Form 10-Q (File No. 001-33296) filed on May 6, 2011.)
10.1	National CineMedia, LLC Third Amended and Restated Limited Liability Company Operating Agreement dated as of February 13, 2007, by and among American Multi-Cinema, Inc., Cinemark Media, Inc., Regal CineMedia Holdings, LLC and National CineMedia, Inc. (Incorporated by reference to Exhibit 10.1 to NCM, Inc.'s Current Report on Form 8-K (File No. 001-33296) filed on February 16, 2007.)
10.1.1	First Amendment to Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC dated as of March 16, 2009, by and among American Multi-Cinema, Inc., Cinemark Media, Inc., Regal CineMedia Holdings, LLC and National CineMedia, Inc. (Incorporated by reference to Exhibit 10.1.1 from the Registrant's Quarterly Report on Form 10-Q (File No. 001-33296) filed on August 7, 2009.)
10.1.2	Second Amendment to Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC dated as of August 6, 2010, by and among American Multi-Cinema, Inc., Cinemark Media, Inc., Regal CineMedia Holdings, LLC and National CineMedia, Inc. (Incorporated by reference to Exhibit 10.1 from the Registrant's Current Report on Form 8-K (File No. 001-33296) filed on August 10, 2010.)
10.1.3	Third Amendment to the Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC dated September 3, 2013, by and among American Multi-Cinema, Inc., AMC ShowPlace Theatres, Inc., Cinemark Media, Inc., Regal CineMedia Holdings, LLC, Regal Cinemas, Inc. and National CineMedia, Inc. (Incorporated by reference to Exhibit 10.1.3 to NCM, Inc.'s Current Report on Form 8-K (File No. 001-33296) filed on September 9, 2013.)
10.2	Common Unit Adjustment Agreement dated as of February 13, 2007, by and among National CineMedia, Inc., National CineMedia, LLC, Regal CineMedia Holdings, LLC, American Multi-Cinema, Inc., Cinemark Media, Inc, Regal Cinemas, Inc. and Cinemark USA, Inc. (Confidential treatment granted as to certain portions, which portions were omitted and filed separately with the Commission.) (Incorporated by reference to Exhibit 10.6 to NCM, Inc.'s Current Report on Form 8-K (File No. 001-33296) filed on February 16, 2007.)
10.3	Registration Rights Agreement dated as of February 13, 2007, by and among National CineMedia, Inc., American Multi-Cinema, Inc., Regal CineMedia Holdings, LLC and Cinemark Media, Inc. (Incorporated by reference to Exhibit 10.11 to NCM, Inc.'s Current Report on Form 8-K (File No. 001-33296) filed on February 16, 2007.)
10.4	Amended and Restated Exhibitor Services Agreement dated as of December 26, 2013, by and between National CineMedia, LLC and American Multi-Cinema, Inc. (Confidential treatment requested as to certain portions, which portions were omitted and filed separately with the Commission.) (Incorporated by reference to Exhibit 10.2.4 to NCM, Inc.'s Annual Report on Form 10-K (File No. 001-33296) filed on February 21, 2014).

Exhibit**Description**

- 10.5 Amended and Restated Exhibitor Services Agreement dated as of December 26, 2013, by and between National CineMedia, LLC and Cinemark USA, Inc. (Confidential treatment requested as to certain portions, which portions were omitted and filed separately with the Commission.) (Incorporated by reference to Exhibit 10.3.4 to NCM, Inc.'s Annual Report on Form 10-K (File No. 001-33296) filed on February 21, 2014).
- 10.6 Amended and Restated Exhibitor Services Agreement dated as of December 26, 2013, by and between National CineMedia, LLC and Regal Cinemas, Inc. (Confidential treatment requested as to certain portions, which portions were omitted and filed separately with the Commission.) (Incorporated by reference to Exhibit 10.4.4 to NCM, Inc.'s Annual Report on Form 10-K (File No. 001-33296) filed on February 21, 2014).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of NCM, Inc. and NCM LLC has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 19, 2015

NATIONAL CINEMEDIA, INC.

By: /s/ Ralph E. Hardy

Ralph E. Hardy

Executive Vice President, General Counsel and Secretary

NATIONAL CINEMEDIA, LLC

By: National CineMedia, Inc., its manager

Dated: March 19, 2015

By: /s/ Ralph E. Hardy

Ralph E. Hardy

Executive Vice President, General Counsel and Secretary