

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 Earliest Event Reported: March 19, 2007

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.)

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))

Item 2.02 Results of Operations and Financial Condition

On March 19, 2007, National CineMedia, Inc. issued a press release announcing its financial results for the quarter and fiscal year ended December 28, 2006. A copy of the press release is furnished as Exhibit 99.1 to this report.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
-----	-----

99.1	Press Release of National CineMedia, Inc. dated
------	---

March 19, 2007.

SIGNATURES

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

NATIONAL CINEMEDIA, INC.

Dated: March 19, 2007

By: /s/ Ralph E. Hardy

-----  
Ralph E. Hardy  
Executive Vice President, General  
Counsel and Secretary

National CineMedia, Inc. Announces Financial Results  
for the Fourth Quarter and Fiscal 2006

CENTENNIAL, Colo.--(BUSINESS WIRE)--March 19, 2007--National CineMedia, Inc. (NASDAQ: NCMI), the managing member and owner of 44.8% of National CineMedia, LLC (NCM LLC), the operator of the largest digital in-theatre network in North America, today announced results for the fourth quarter and fiscal year ended December 28, 2006.

Total revenue of NCM LLC for the fourth quarter increased to \$74.1 million from \$44.6 million, primarily driven by the conversion of founding member legacy contracts to NCM LLC contracts, a 30.8% increase in advertising network theatre screens and a large CineMeetings multi-site event. National advertising inventory utilization was 100.2% and CPMs (cost per thousand) decreased 2.8% from the fourth quarter 2005. Net income increased to \$0.7 million from a loss of \$3.0 million in 2005 due primarily to the higher revenue, partially offset by increased payments to founding member theatre circuits, higher severance costs and option plan costs, and increased administrative costs associated with the digital cinema initiative and preparing the Company for its IPO. The increase in payments to founding members was driven by higher advertising revenue, as 68% of NCM LLC's advertising revenue was paid to its founding members in 2006, and 65% was paid in 2005.

Total revenue of NCM LLC for fiscal 2006 increased to \$219.3 million from \$98.8 million, primarily driven by the fact that the 2005 period only includes nine months due to the timing of the formation of NCM LLC versus twelve months included in fiscal 2006, the conversion of founding member legacy contracts to NCM LLC contracts, a 30.8% increase in advertising network theatre screens and the successful fourth quarter CineMeetings multi-site event. National advertising inventory utilization was 79.3% for fiscal 2006 and CPMs increased 2.6% from fiscal 2005. The net loss for the year was \$10.5 million compared to a net loss of \$6.9 million for the nine month period in 2005. The increase was due to the inclusion of the lower margin first quarter in the 2006 annual results, increased payments to founding member theatre circuits, higher severance and option plan costs, and higher administrative costs associated with the digital cinema initiative and preparing the Company for its IPO.

These historical results do not reflect the agreements and transactions associated with the Company's initial public offering of its stock and debt financing completed on February 13, 2007.

Commenting on the Company's 2006 results, Chairman and CEO Kurt Hall said, "2006 was a transformational year for NCM LLC as we expanded our national reach to over 14,000 screens with the addition of Cinemark and Century, introduced our new FirstLook advertising pre show to very positive theatre audience reviews, began to realize incremental growth from our CineMeetings & Events businesses and prepared for our IPO and debt financing that were completed in 2007. With all this activity, I am very proud of our management team's ability to deliver continued growth in 2006." Mr. Hall concluded, "With our IPO now behind us, we are very focused on continued revenue and EBITDA growth by maximizing opportunities presented by the current favorable trends in the media marketplace."

#### Pro Forma Financial Information

In connection with the completion of the Company's initial public offering of stock and debt financing, National CineMedia acquired a 44.8% interest in NCM LLC. National CineMedia and NCM LLC entered into several new agreements, including amended and restated exhibitor services agreements and an LLC operating agreement with its founding members (AMC, Cinemark and Regal), the Loews integration agreement with AMC and an \$805.0 million senior secured credit facility with a group of lenders. In order to facilitate additional comparative analysis between periods we have provided annual pro forma financial information that reflects these changes as if they had become effective on December 30, 2004. Attached is a summary of the historical and pro forma results for each quarter of fiscal year 2006. All pro forma amounts exclude payments from AMC associated with the Loews integration agreement. Such payments would have been \$9.6 million during 2006 on a pro forma basis.

Total pro forma revenue for the full fiscal year 2006 grew 24.4%

to \$275.7 million. Pro forma advertising revenue increased 20.5% to \$250.0 million. Meetings and events revenue increased 84.1% to \$25.4 million, primarily due to the large fourth quarter CineMeetings event. Pro forma adjusted EBITDA for the year grew 27.1% to \$138.3 million. Pro forma adjusted EBITDA as a percentage of total pro forma revenue was 50.2%, a 110 basis point increase over 2005. Pro forma net income doubled to \$16.6 million from \$8.2 million in 2005.

#### Dividend Policy

As previously disclosed, National CineMedia intends to distribute over time a substantial portion of its free cash flow in the form of quarterly dividends to its stockholders. Initially these quarterly dividends are expected to be in the range of \$0.10 to \$0.12 per share. National CineMedia expects to declare its first quarterly dividend upon the completion of the second quarter of 2007 once approved by its Board of Directors and depending on the Company's current earnings and cash flows, anticipated cash needs, and future prospects.

#### Guidance

For the first quarter of 2007 National CineMedia expects total pro forma revenue to increase approximately 45% over the comparable pro forma revenue of \$41.1 million in 2006. First quarter 2007 total pro forma revenue is expected to be a higher percentage of the total 2007 pro forma revenue than it has been historically.

#### Conference Call

The Company will host a conference call and audio webcast with investors, analysts and other interested parties today at 5:00 P.M. Eastern time. The live call can be accessed by dialing (877) 502-9274 or for international participants (913) 981-5584. Participants should register at least 15 minutes prior to the commencement of the call. Additionally, a live audio webcast will be available to interested parties at [www.ncm.com](http://www.ncm.com) under the Investor Relations section. Participants should allow at least 15 minutes prior to the commencement of the call to register, download and install necessary audio software.

#### EBITDA and Adjusted EBITDA

EBITDA, adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures used by management to measure operating performance. EBITDA represents net income (loss) before net interest expense, income tax benefit (provision), and depreciation and amortization expense. Adjusted EBITDA excludes from EBITDA severance plan costs, share based payment costs and deferred stock compensation. Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenue. We believe EBITDA, adjusted EBITDA and adjusted EBITDA margin are important supplemental measures of operating performance because they eliminate items that have less bearing on our operating performance and so highlight trends in our core business that may not otherwise be apparent when relying solely on generally accepted accounting principles, or GAAP, financial measures. Because not all companies use identical calculations, these presentations may not be comparable to other similarly titled measures of other companies.

#### Pro Forma Non-GAAP Information

The unaudited pro forma financial information for the fourth quarter of 2006 and year-ended December 28, 2006 and the comparable periods of 2005 is included for informational purposes only and does not purport to reflect the results of operations of National CineMedia and NCM LLC that would have occurred had National CineMedia operated as a separate, independent company during the periods presented. The historical results of NCM LLC have been affected by related party transactions as discussed more fully in National CineMedia's public filings with the Securities and Exchange Commission. The pro forma financial information should not be relied upon as being indicative of National CineMedia's and NCM LLC's results of operations had the transactions contemplated in connection with the IPO Transactions been completed on the dates assumed. The pro forma financial information also does not project the results of operations for any future periods. The pro forma information is included because National CineMedia believes it provides the most meaningful basis for comparison between periods.

#### About National CineMedia

NCM LLC operates the largest digital in-theatre network in North

America through long-term agreements with its founding members, AMC Entertainment Inc., Cinemark USA, Inc. and Regal Entertainment Group (NYSE: RGC), the three largest theatre operators in the U.S., and through multi-year agreements with several other theatre operators. NCM LLC produces and distributes its FirstLook pre feature program; cinema and lobby advertising products; comprehensive meeting and event services and other entertainment programming content. NCM LLC's national network includes over 14,000 screens of which approximately 11,500 are part of the Company's Digital Content Network (DCN). NCM LLC's national network is available in 154 Designated Market Areas(R) (49 of the top 50). During 2006, approximately 550 million patrons attended movies shown in theatres owned by the NCM LLC founding members. National CineMedia, Inc. (NASDAQ: NCMI) owns a 44.8% interest in and is the managing member of NCM LLC.

#### 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 for the first quarter of 2007 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 theatre attendance; 5) shifts in population and other demographics that affect theatre 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; and 9) changes in interest rates, and 10) changes in accounting principles. Please refer to the Company's Securities and Exchange Commission filings for further information about these and other risks.

#### NATIONAL CINEMEDIA, LLC Statement of Operations (\$ in millions)

	Year Ended December 28, 2006	Period March 29, 2005 Through December 29, 2005	Quarter Ended December 28, 2006	Quarter Ended December 29, 2005
<b>REVENUE:</b>				
Advertising	\$ 188.2	\$ 56.0	\$ 60.0	\$ 31.4
Administrative fees-- Members	5.4	30.8	1.1	7.5
Meetings and events	25.4	11.7	12.9	5.6
Other	0.3	0.3	0.1	0.1
<b>Total revenue</b>	<b>219.3</b>	<b>98.8</b>	<b>74.1</b>	<b>44.6</b>
<b>EXPENSES:</b>				
Advertising operating costs	9.2	6.3	3.2	2.4
Meetings and events operating costs	11.1	5.4	6.6	2.9
Circuit share costs-- Members	130.1	38.6	41.5	21.9
Network costs	14.7	9.2	4.2	3.5
Selling and marketing costs	38.2	24.9	10.3	9.7
Administrative costs	16.4	9.8	5.0	3.7
Severance plan costs	4.2	8.5	0.8	2.4
Depreciation and amortization	4.8	3.0	1.4	1.1
Other costs	0.6	-	0.2	-

Total expenses	229.3	105.7	73.2	47.6
OPERATING INCOME / (LOSS)	(10.0)	(6.9)	0.9	(3.0)
INTEREST EXPENSE--Net	0.5	-	0.2	-
NET INCOME / (LOSS)	\$ (10.5)	\$ (6.9)	\$ 0.7	\$ (3.0)

SELECTED BALANCE SHEET DATA  
(audited)  
(\$ in millions)

	December 28, 2006	December 29, 2005
Cash and Cash Equivalents	\$6.7	\$-
Receivables, net	\$63.9	\$36.6
Property and Equipment, net	12.6	10.0
Total Assets	90.0	48.8
Borrowings	10.0	1.3
Members' Equity	3.5	9.8

NATIONAL CINEMEDIA, INC.  
Pro Forma Statement of Operations  
(\$ in millions, except per share data)

	December 28, 2006	December 29, 2005*
Revenue:		
Advertising	\$ 250.0	\$ 207.4
Administrative Fees--Members	-	-
Meetings and Events	25.4	13.8
Other	0.3	0.4
TOTAL REVENUE	275.7	221.6
Expenses:		
Advertising Operating Costs	9.2	10.5
Meetings / Events Operating Costs	11.1	6.2
Network Costs	14.7	12.6
Circuit Share / Theatre		
Access Fee--Members	49.1	36.5
Selling and Marketing	38.2	32.2
Administrative	17.0	14.8
Deferred Stock Compensation	-	0.3
Severance Plan Costs	4.2	8.5
Depreciation and Amortization	4.8	4.3
Other	0.6	-
TOTAL EXPENSES	148.9	125.9
Operating Income	126.8	95.7
Interest Expense	\$ 65.0	\$ 65.0
Income Before Income Taxes	61.8	30.7
Income Taxes	24.7	12.3
Minority Interest, Net of Income Taxes	20.5	10.2
NET INCOME	\$ 16.6	\$ 8.2

## EARNINGS PER SHARE:

Basic	\$	0.39	\$	0.20
Diluted	\$	0.40	\$	0.20

## WEIGHTED AVERAGE SHARES OUTSTANDING:

Basic	42,000,000	42,000,000
Diluted	93,876,553	93,850,951

\* Includes pro forma results for NCM LLC for the nine months ended December 29, 2005, and Regal CineMedia Corporation and National Cinema Network for the three months ended March 31, 2005

Pro Forma Selected Balance Sheet Data  
(in millions)

	December 28, 2006
	-----
Cash and Cash Equivalents	\$6.7
Receivables, net	\$ 63.9
Property and Equipment, net	12.6
Total Assets	333.5
Borrowings	735.0
Members' Equity	(601.7)

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Operating Data

	Nine Months Ended Dec. 29, 2005	Year Ended Dec. 29, 2005	Year Ended Dec. 28, 2006	Year Ended Dec. 28, 2006	Quarter Ended Dec. 28, 2006	Quarter Ended Dec. 28, 2006
	Historical	Pro Forma	Historical	Pro Forma	Historical	Pro Forma
	-----	-----	-----	-----	-----	-----
Founding Member Screens at Period End(1)	9,696	9,696	13,127	13,127	13,127	13,127
Total Screens at Period End(2)	10,766	10,766	14,081	14,081	14,081	14,081
Digital Screens at Period End(3)	8,713	8,713	11,463	11,463	11,463	11,463
Founding Member Attendance for Period(4) (in millions)	299.3	395.2	514.1	514.1	129.7	129.7
Total Advertising Contract Value (in millions) (5)	\$144.0	\$203.7	\$205.1	\$245.1	\$63.4	\$73.6
Total Advertising Contract Value per Founding Member Attendee(5)	\$0.48	\$0.52	\$0.40	\$0.48	\$0.49	\$0.57



Capital Expenditures	\$5.9	\$7.3	\$6.6	\$6.6	\$2.3	\$2.3
----------------------	-------	-------	-------	-------	-------	-------

(1) Represents the total number of screens within our advertising network operated by our founding members. Excludes Cinemark operated screens for the period ended December 29, 2005. Excludes Loews screens for all periods presented. Excludes Century screens for all periods presented through October 2006.

(2) Represents the sum of founding member screens and network affiliate screens.

(3) Represents the total number of screens which are connected to our digital content network.

(4) Represents the total attendance within our advertising network in theatres operated by our founding members. Excludes Cinemark attendance for the period ended December 29, 2005. Excludes Loews attendance for all periods presented. The Loews total attendance for the three months and year ended December 28, 2006 was approximately 14.7 million and 63.2 million, respectively. Excludes Century attendance through October 2006 for all periods presented. The Century total attendance for the three months and year ended December 28, 2006 was approximately 11.2 million and 48.2 million, respectively.

(5) Includes advertising revenue plus legacy contract value for all historical periods. Excludes \$3.7 million of revenue related to the beverage concessionaire agreements for Cinemark in the pro forma period ended December 29, 2005 as attendees for Cinemark were not included during this period. Excludes \$1.2 million and \$4.9 million of revenue related to the beverage concessionaire agreements for Loews in the pro forma three months and year ended December 28, 2006. Attendees for Loews were not included during these periods.

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)

#### Quarterly Results of Operations

(in millions, except total advertising contract value revenue per founding member attendee)

Historical	Quarter Ended			
	March 28, 2006	June 28, 2006	September 28, 2006	December 28, 2006
Advertising Revenue	\$23.1	\$50.2	\$54.9	\$60.0
Total Revenue	27.4	57.1	60.7	74.1
Operating Income (Loss)	(9.4)	(1.1)	(0.4)	0.9
Net Income (Loss)	(9.4)	(1.2)	(0.6)	0.7
Founding Member Attendance	118.6	134.0	131.8	129.7
Advertising Contract Value	\$27.8	\$56.5	\$57.4	\$63.4
Advertising Contract Value/Attendee	\$0.23	\$0.42	\$0.44	\$0.49
EBITDA	(\$8.2)	-	\$0.7	\$2.3
Adjusted EBITDA	(6.3)	1.1	2.2	3.9
Adjusted EBITDA Margin	NM	1.9%	3.6%	5.3%

Pro Forma	Quarter Ended			
	March 28, 2006	June 28, 2006	September 28, 2006	December 28, 2006
Advertising Revenue	\$38.3	\$68.1	\$68.9	\$74.7
Total Revenue	41.1	73.0	73.9	87.7
Operating Income	9.4	36.6	39.0	41.8
Net Income (Loss)	(1.8)	5.5	6.0	6.9
Founding Member Attendance	118.6	134.0	131.8	129.7
Advertising Contract				

Value	\$37.1	\$66.8	\$67.6	\$73.6
Advertising Contract Value/Attendee	\$0.31	\$0.50	\$0.51	\$0.57
EBITDA	\$10.6	\$37.7	\$40.1	\$43.2
Adjusted EBITDA	12.5	39.0	41.8	45.0
Adjusted EBITDA Margin	30.5%	53.4%	56.5%	51.4%

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Reconciliation of Net Income to EBITDA to Adjusted EBITDA  
(\$ in millions)

The following tables reconcile net income (loss) to EBITDA, adjusted EBITDA and adjusted EBITDA margin on a historical and pro forma basis for the periods presented:

	Nine Months Ended Dec. 29, 2005	Year Ended Dec. 29, 2005	Year Ended Dec. 28, 2006	Year Ended Dec. 28, 2006	Three Months Ended Dec. 28, 2006	Three Months Ended Dec. 28, 2006
	Historical	Pro Forma	Historical	Pro Forma	Historical	Pro Forma
Net Income (Loss)	\$(6.9)	\$8.2	\$(10.5)	\$16.6	\$0.7	\$6.9
Income Taxes	--	12.3	--	24.7	--	10.2
Minority Interest	--	10.2	--	20.5	--	8.4
Interest Expense	--	65.0	0.5	65.0	0.2	16.3
Depreciation and Amortization	3.0	4.3	4.8	4.8	1.4	1.4
EBITDA	(3.9)	100.0	(5.2)	131.6	2.3	43.2
Severance Plan Costs	8.5	8.5	4.2	4.2	0.8	0.8
Share-based Payment Costs	--	--	1.9	2.5	0.8	1.0
Deferred Stock Compensation	--	0.3	--	--	--	--
Adjusted EBITDA	\$4.6	\$108.8	\$0.9	\$138.3	\$3.9	\$45.0
Adjusted EBITDA Margin*	4.7%	49.1%	0.4%	50.2%	5.3%	51.4%

	Quarter Ended March 30, 2006	Quarter Ended March 30, 2006	Quarter Ended June 29, 2006	Quarter Ended June 29, 2006	Quarter Ended Sept. 28, 2006	Quarter Ended Sept. 28, 2006
	Historical	Pro Forma	Historical	Pro Forma	Historical	Pro Forma
Net Income (Loss)	\$(9.4)	\$(1.8)	\$(1.2)	\$5.5	\$(0.6)	\$6.0

Income Taxes	--	(2.3)	--	8.1	--	9.1
Minority Interest	--	(2.7)	--	6.8	--	7.6
Interest Expense	--	16.2	0.1	16.2	0.2	16.3
Depreciation and Amortization	1.2	1.2	1.1	1.1	1.1	1.1
EBITDA	(8.2)	10.6	-	37.7	0.7	40.1
Severance Plan Costs	1.9	1.9	0.8	0.8	0.7	0.7
Share-based Payment Costs	--	--	0.3	0.5	0.8	1.0
Deferred Stock Compensation	--	--	--	--	--	--
Adjusted EBITDA	\$(6.3)	\$12.5	\$1.1	\$39.0	\$2.2	\$41.8
Adjusted EBITDA Margin*	NM	30.5%	1.9%	53.4%	3.6%	56.5%

\* Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenue.

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Proforma Statement of Operations  
(\$ in millions, except per share data)

	Quarter Ended March 30, 2006 Historical	Contractual Adjustments	Transaction Adjustments	Quarter Ended March 30, 2006 Pro Forma, As Adjusted
Revenue:				
Advertising	\$ 23.1	\$ 15.2	\$ -	\$ 38.3
Administrative Fee				
- Members	1.5	(1.5)	-	0.0
Meetings and Events	2.8	-	-	2.8
Other	0.0	-	-	0.0
TOTAL REVENUE	27.4	13.7	-	41.1
Expenses:				
Advertising				
Operating Costs	1.4	-	-	1.4
Meetings/Events				
Operating Costs	0.9	-	-	0.9
Network Costs	3.1	-	-	3.1
Circuit				
Share/Theatre				
Access Fee - Members	16.3	(5.2)	-	11.1
Selling and				
Marketing	8.6	-	-	8.6
Administrative	3.5	-	-	3.5
Deferred Stock				
Compensation	0.0	-	-	0.0
Severance Plan				
Costs	1.9	-	-	1.9
Depreciation and				
Amortization	1.2	-	-	1.2
Other	0.0	-	-	0.0

TOTAL EXPENSES	36.9	(5.2)	-	31.7
Operating Income/(Loss)	(9.5)	18.9	-	9.4
Interest Expense			16.2	16.2
Income (Loss) Before Income Taxes	(9.5)	18.9	(16.2)	(6.8)
Income Taxes	-	-	(2.7)	(2.7)
Minority Interest, Net of Income Taxes	-	-	(2.3)	(2.3)
NET INCOME/(LOSS)\$	(9.5)	18.9	(11.2)	(1.8)

EARNINGS PER

SHARE:

Basic			\$	(0.04)
Diluted			\$	(0.04)

WEIGHTED  
AVERAGE  
SHARES

OUTSTANDING:

Basic	42,000,000
Diluted	93,850,951

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Proforma Statement of Operations  
(\$ in millions, except per share data)

	Quarter Ended June 29, 2006 Historical	Contractual Adjustments	Transaction Adjustments	Quarter Ended June 29, 2006 Pro Forma, As Adjusted
Revenue:				
Advertising	\$ 50.2	\$ 17.9	\$ -	\$ 68.1
Administrative Fee				
- Members	2.0	(2.0)	-	0.0
Meetings and Events	4.9	-	-	4.9
Other	0.0	-	-	0.0
TOTAL REVENUE	57.1	15.9	-	73.0
Expenses:				
Advertising				
Operating Costs	2.4	-	-	2.4
Meetings/Events				
Operating Costs	2.1	-	-	2.1
Network Costs	3.9	-	-	3.9
Circuit				
Share/Theatre				
Access Fee -				
Members	34.4	(22.0)	-	12.4
Selling and				
Marketing	9.7	-	-	9.7
Administrative	3.8	-	0.2	4.0
Deferred Stock				
Compensation	0.0	-	-	0.0
Severance Plan				
Costs	0.8	-	-	0.8
Depreciation and				
Amortization	1.1	-	-	1.1
Other	0.0	-	-	0.0
TOTAL EXPENSES	58.2	(22.0)	0.2	36.4
Operating Income/(Loss)	(1.1)	37.9	(0.2)	36.6
Interest Expense	0.1	-	16.1	16.2

Income (Loss) Before				
Income Taxes	(1.2)	37.9	(16.3)	20.4
Income Taxes	-	-	8.1	8.1
Minority Interest, Net of Income Taxes	-	-	6.8	6.8
NET INCOME/(LOSS)\$	(1.2)	\$ 37.9	\$ (31.2)	\$ 5.5

EARNINGS PER  
SHARE:

Basic			\$	0.13
Diluted			\$	0.13

WEIGHTED  
AVERAGE  
SHARES  
OUTSTANDING:

Basic		42,000,000
Diluted		93,882,497

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Proforma Statement of Operations  
(\$ in millions, except per share data)

	Quarter Ended September 28, 2006 Historical	Contractual Adjustments	Transaction Adjustments	Quarter Ended September 28, 2006 Pro Forma, As Adjusted
Revenue:				
Advertising	\$ 54.9	\$ 14.0	\$ -	\$ 68.9
Administrative Fee				
- Members	0.8	(0.8)	-	0.0
Meetings and Events	4.8	-	-	4.8
Other	0.2	-	-	0.2
TOTAL REVENUE	60.7	13.2	-	73.9

Expenses:

Advertising				
Operating Costs	2.2	-	-	2.2
Meetings/Events				
Operating Costs	1.5	-	-	1.5
Network Costs	3.5	-	-	3.5
Circuit				
Share/Theatre				
Access Fee -				
Members	38.0	(26.4)	-	11.6
Selling and				
Marketing	9.6	-	-	9.6
Administrative	4.1	-	0.2	4.3
Deferred Stock				
Compensation	0.0	-	-	0.0
Severance Plan				
Costs	0.7	-	-	0.7
Depreciation and				
Amortization	1.1	-	-	1.1
Other	0.4	-	-	0.4
TOTAL EXPENSES	61.1	(26.4)	0.2	34.9

Operating				
Income/(Loss)	(0.4)	39.6	(0.2)	39.0
Interest Expense	0.2		16.1	16.3
Income (Loss) Before				
Income Taxes	(0.6)	39.6	(16.3)	22.7
Income Taxes			9.1	9.1
Minority Interest, Net of Income Taxes			7.6	7.6

NET					
INCOME/(LOSS)\$	(0.6)	\$	39.6	\$	(33.0)
					\$
					6.0

EARNINGS PER

SHARE:

Basic		\$		0.14
Diluted		\$		0.15

WEIGHTED  
AVERAGE

SHARES

OUTSTANDING:

Basic		42,000,000
Diluted		93,884,127

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Proforma Statement of Operations  
(\$ in millions, except per share data)

	Quarter Ended December 28, 2006 Historical	Contractual Adjustments	Transaction Adjustments	Quarter Ended December 28, 2006 Pro Forma, As Adjusted
Revenue:				
Advertising	\$ 60.0	\$ 14.7	\$ -	\$ 74.7
Administrative Fee				
- Members	1.1	(1.1)	-	0.0
Meetings and Events	12.9	-	-	12.9
Other	0.1	-	-	0.1
<b>TOTAL REVENUE</b>	<b>74.1</b>	<b>13.6</b>	<b>-</b>	<b>87.7</b>
Expenses:				
Advertising				
Operating Costs	3.2	-	-	3.2
Meetings/Events				
Operating Costs	6.6	-	-	6.6
Network Costs	4.2	-	-	4.2
Circuit				
Share/Theatre				
Access Fee -				
Members	41.5	(27.5)	-	14.0
Selling and				
Marketing	10.3	-	-	10.3
Administrative	5.0	-	0.2	5.2
Deferred Stock				
Compensation	0.0	-	-	0.0
Severance Plan				
Costs	0.8	-	-	0.8
Depreciation and				
Amortization	1.4	-	-	1.4
Other	0.2	-	-	0.2
<b>TOTAL EXPENSES</b>	<b>73.2</b>	<b>(27.5)</b>	<b>0.2</b>	<b>45.9</b>
Operating				
Income/(Loss)	0.9	41.1	(0.2)	41.8
Interest Expense	0.2		16.1	16.3
Income (Loss) Before				
Income Taxes	0.7	41.1	(16.3)	25.5
Income Taxes	-	-	10.2	10.2
Minority Interest, Net of Income Taxes	-	-	8.4	8.4
<b>NET</b>				
<b>INCOME/(LOSS)\$</b>	<b>0.7</b>	<b>\$ 41.1</b>	<b>\$ (34.9)</b>	<b>\$ 6.9</b>

EARNINGS PER

SHARE:				
Basic			\$	0.16
Diluted			\$	0.16

WEIGHTED  
AVERAGE  
SHARES

OUTSTANDING:

Basic				42,000,000
Diluted				93,885,689

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Proforma Statement of Operations  
(\$ in millions, except per share data)

	Year Ended December 28, 2006 Historical	Contractual Adjustments	Transaction Adjustments	Year Ended December 28, 2006 Pro Forma, As Adjusted
<b>Revenue:</b>				
Advertising	\$ 188.2	\$ 61.8	\$ -	\$ 250.0
Administrative Fee				
- Members	5.4	(5.4)	-	0.0
Meetings and Events	25.4	-	-	25.4
Other	0.3	-	-	0.3
<b>TOTAL REVENUE</b>	<b>219.3</b>	<b>56.4</b>	<b>-</b>	<b>275.7</b>
<b>Expenses:</b>				
Advertising				
Operating Costs	9.2	-	-	9.2
Meetings/Events				
Operating Costs	11.1	-	-	11.1
Network Costs	14.7	-	-	14.7
Circuit				
Share/Theatre				
Access Fee -				
Members	130.2	(81.1)	-	49.1
Selling and				
Marketing	38.2	-	-	38.2
Administrative	16.4	-	0.6	17.0
Deferred Stock				
Compensation	0.0	-	-	0.0
Severance Plan				
Costs	4.2	-	-	4.2
Depreciation and				
Amortization	4.8	-	-	4.8
Other	0.6	-	-	0.6
<b>TOTAL EXPENSES</b>	<b>229.4</b>	<b>(81.1)</b>	<b>0.6</b>	<b>148.9</b>
<b>Operating</b>				
Income/(Loss)	(10.1)	137.5	(0.6)	126.8
Interest Expense	0.5	-	64.5	65.0
<b>Income (Loss) Before</b>				
Income Taxes	(10.6)	137.5	(65.1)	61.8
Income Taxes	-	-	24.7	24.7
Minority Interest, Net of Income Taxes	-	-	20.5	20.5
<b>NET</b>				
INCOME/(LOSS)\$	(10.6)	\$ 137.5	\$ (110.3)	\$ 16.6
<b>EARNINGS PER SHARE:</b>				
Basic			\$	0.39
Diluted			\$	0.40
<b>WEIGHTED AVERAGE SHARES</b>				

## OUTSTANDING:

Basic	42,000,000
Diluted	93,876,553

NATIONAL CINEMEDIA, LLC (Historical) and  
NATIONAL CINEMEDIA, INC. (Pro Forma)  
Proforma Statement of Operations  
(\$ in millions, except per share data)

	Year Ended December 29, 2005 Historical	Contractual Adjustments	Transaction Adjustments	Year Ended December 29, 2005 Pro Forma, As Adjusted
<b>Revenue:</b>				
Advertising	\$ 84.9	\$ 122.5	\$ -	\$ 207.4
Administrative Fee				
- Members	30.8	(30.8)	-	0.0
Meetings and Events	13.8	-	-	13.8
Other	0.4	-	-	0.4
	-----	-----	-----	-----
<b>TOTAL REVENUE</b>	<b>129.9</b>	<b>91.7</b>	<b>-</b>	<b>221.6</b>
	-----	-----	-----	-----
<b>Expenses:</b>				
Advertising				
Operating Costs	10.5	-	-	10.5
Meetings/Events				
Operating Costs	6.2	-	-	6.2
Network Costs	12.6	-	-	12.6
Circuit				
Share/Theatre				
Access Fee -				
Members	45.6	(9.1)	-	36.5
Selling and				
Marketing	32.2	-	-	32.2
Administrative	14.8	-	-	14.8
Deferred Stock				
Compensation	0.3	-	-	0.3
Severance Plan				
Costs	8.5	-	-	8.5
Depreciation and				
Amortization	4.3	-	-	4.3
Other	0.8	(0.8)	-	0.0
	-----	-----	-----	-----
<b>TOTAL EXPENSES</b>	<b>135.8</b>	<b>(9.9)</b>	<b>-</b>	<b>125.9</b>
	-----	-----	-----	-----
Operating				
Income/(Loss)	(5.9)	101.6	-	95.7
Interest Expense	-	-	65.0	65.0
	-----	-----	-----	-----
Income (Loss) Before				
Income Taxes	(5.9)	101.6	(65.0)	30.7
Income Taxes	0.3	(0.3)	12.3	12.3
Minority Interest,				
Net of Income Taxes	-	-	10.2	10.2
	-----	-----	-----	-----
<b>NET</b>				
<b>INCOME/(LOSS)</b>	<b>\$ (6.2)</b>	<b>\$ 101.9</b>	<b>\$ (87.5)</b>	<b>\$ 8.2</b>
	=====	=====	=====	=====
<b>EARNINGS PER</b>				
<b>SHARE:</b>				
Basic			\$	0.20
Diluted			\$	0.20
<b>WEIGHTED</b>				
<b>AVERAGE</b>				
<b>SHARES</b>				
<b>OUTSTANDING:</b>				
Basic				42,000,000
Diluted				93,850,951

Notes to the Pro Forma Condensed Consolidated Statements of  
Operations:



1. Year ended December 29, 2005 historical results include the historical operating results for NCM LLC for the nine months ended December 29, 2005, and the historical operating results of our predecessors RCM and NCN for the three months ended March 31, 2005.

2. Contractual adjustments represent the increase to advertising revenue to reflect the pro forma assignment from the founding members to NCM LLC of all legacy advertising contracts in accordance with the exhibitor services agreements to be entered into in connection with the completion of the offering, based on the actual revenue generated from those legacy contracts, the reversal of the related legacy contract administrative fees historically recorded by NCM LLC and the increase in circuit share expense resulting from the increased advertising revenue, computed at 65% for 2005 and 68% for 2006 as a percentage of legacy contract revenue. Legacy advertising contracts are those contracts signed by RCM and NCN prior to the formation of NCM LLC. In addition, adjustments include the pro forma effect of the revenue from the sale of additional theatre advertising inventory to the founding members, in accordance with the exhibitor services agreements entered into in connection with the completion of the offering, in order for the founding members to fulfill their beverage concessionaire agreement on-screen advertising commitments. Contractual adjustments also include the change in circuit share payments pursuant to the exhibitor services agreements to be entered into in connection with the completion of the offering. Under the terms of our prior contracts with our founding members, the circuit share payments were based on varying percentages of advertising revenue. Under the modified exhibitor services agreements, the theatre access fee payments will initially be based on a per attendee and per digital screen calculation.

3. Transaction adjustments represent interest expense, including amortization of deferred financing fees, over the term of the new senior secured credit facility. Interest expense also includes the impact of an interest rate hedge agreement covering 75% of the outstanding balance on the term loan. In addition, adjustment includes amount to reflect minority interest expense, net of income tax expense/(benefit), resulting from the founding members' ownership of approximately 55.2% of the NCM LLC common membership units outstanding immediately after the offering. Transaction adjustments also include adjustments necessary to reflect federal and state income taxes on the income allocated from NCM LLC to NCM Inc.

4. Basic earnings per share is calculated on the assumption that the 42,000,000 shares sold in the offering are outstanding over the entire period. Diluted earnings per share is calculated assuming that (a) the unit option shares, as converted and unvested shares of restricted stock are outstanding during periods corresponding to their original issuance date (after application of the treasury stock method), and (b) our founding members redeem all of their current NCM LLC common membership units in exchange for an aggregate of 51,850,951 shares of common stock.

CONTACT: National CineMedia, Inc.  
Investors:  
Nikki Sacks, 800-844-0935  
investors@ncm.com  
or  
Media:  
Lauren Leff, 212-931-8107  
lauren.leff@ncm.com